Department of **MINING AND ENERGY**

Annual Report
2025-26



NORTHERN TERRITORY GOVERNMENT



The Northern Territory Government respectfully acknowledges Aboriginal and Torres Strait Islander peoples as the First Nations people of this country. We acknowledge the continuing connection to lands, waters and communities, and the evolving cultures of all our First Nations peoples. We pay our deepest respects to all Aboriginal and Torres Strait Islander cultures, and to their leaders - past, present and emerging.

Contents

1. Letter to the Minister 6
2. Our report 7
2.1. About the annual report 7
2.2. Legislative requirements 7
2.3. Report structure 7
2.4. Message from the CEO 8
3. Our department 10
3.1. About us 10
3.2. Our minister 10
3.3. Our vision 10
3.4. Our key principles 10
3.5. Our strategic priorities 10
3.6. Our structure 11
4. Our achievements 12
4.1. Department of Mining and Energy 12
4.1.1. Key performance indicators 13
4.1.2. Future priorities 17
4.2. Corporate and shared services 19
4.2.1. Key achievements 19
4.2.2. Future priorities 19
5. Our corporate governance 20
5.1. Governance structure 20
5.2. Governance committees 21
5.2.1. Board of Management 21
5.2.2. Shared Risk Management and Audit Committee 21
5.2.3. Work Health and Safety Management Committee 22
5.3. Internal audits 23
5.4. External audits 23
5.5. Freedom of information applications under the Information Act 24
5.6. Work health and safety 24
6. Our people 25
6.1. Our staff profile 25
6.2. Professional development 26
6.3. People Matter survey 27
6.4. Early Careers Program 27
6.5. Employment Instructions 28
7. Our financial overview 30
7.1. Certification of the financial statements 30

7.2. Financial Statement Overview 31
7.2.1. Financial performance 31
7.2.2. Income 31
7.2.3. Expenditure 33
7.2.4. Financial position 34
7.2.5. Cash flow statement 35
7.3. Comprehensive operating statement 36
7.4. Balance sheet 37
7.5. Statement of changes in equity 38
7.6. Cash flow statement 39
7.7. Index of notes to financial statements 40
7.7.1 Objectives and funding 41
7.7.2. Statement of material accounting policy information 41
7.7.3. Comprehensive operating statement by output group 44
7.7.4. Appropriation 46
7.7.5. Sales of goods and services 48
7.7.6. Goods and services received free of charge 49
7.7.7. Other income 49
7.7.8. Employee benefits expense 50
7.7.9. Purchases of goods and services 50
7.7.10. Grant and subsidies expenses 51
7.7.11. Interest expense 52
7.7.12. Write-offs, postponements, waivers, gifts and ex-gratia payments 52
7.7.13. Cash and deposits 53
7.7.14. Cash flow reconciliation 53
7.7.15. Receivables 54
7.7.16. Property, plant and equipment 57
7.7.17. Deposits held 62
7.7.18. Payables 62
7.7.19. Borrowings and advances 63
7.7.20. Provisions 65
7.7.21. Other liabilities 65
7.7.22. Capital commitments 66
7.7.23. Fair value measurement 67
7.7.24. Financial instruments 70
7.7.25. Related parties 74
7.7.26. Contingent liabilities and contingent assets 75
7.7.27. Events subsequent to balance sheet date 75
7.7.28. Schedule of administered Territory items 76
7.7.29. Budgetary information 77

7.7.30. Budgetary information administered Territory items 83
8. Appendices 84
8.1. Appendix A – Statutory responsibilities and legislation administered 84
8.2. Appendix B – Statutory and non-statutory authorities and boards 86
8.3. Appendix C – Grants 86
8.4. Appendix D – Contact us 86
8.5. Appendix E – Acronyms 87
8.6. Appendix F – Statement of information 88

1. Letter to the Minister

Dear Minister

I am pleased to present you with the 2025–26 annual report on the performance and achievements of the Department of Mining and Energy for the year ending 30 June 2026 in accordance with the provisions of section 28 of the *Public Sector Employment and Management Act 1993*, section 12 of the *Financial Management Act 1995* and Part 9 of the *Information Act 2002*.

To the best of my knowledge and belief as accountable officer of the agency from 11 September 2026, the systems of internal control and audit provide reasonable assurance that:

a. proper records of all transactions affecting the agency are kept, and all employees under my control observe the provisions of the Financial Management Act, the Financial Management Regulations and the applicable Treasurer's Directions

b. procedures within the agency afford proper internal control, and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the Financial Management Act

c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists

d. in accordance with the requirements of section 15 of the Financial Management Act, the internal audit capacity available to the agency is adequate, and the results of audits have been reported to me

e. the financial statements in this annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions

f. in accordance with the requirements of section 18 of the Public Sector Employment and Management Act, all Employment Instructions issued by the Commissioner for Public Employment have been satisfied and reported

g. in respect to my responsibilities pursuant to section 131 of the Information Act, I advise that to the best of my acknowledge and belief, processes have been implemented to achieve compliance with the archives and records management provisions prescribed in Part 9 of the Information Act.

In addition, the Chief Executive of the Department of Corporate and Digital Development (DCDD) has advised that, to the best of her knowledge and belief:

h. proper records are kept of transactions undertaken by DCDD on behalf of the department

   employees under her control observe the provisions of the Financial Management Act, the Financial Management Regulations, Treasurer's Directions and Part 9 of the Information Act.

Yours sincerely

James Pratt

Acting Chief Executive Officer

30 September 2026

2. Our report

2.1. About the annual report

The Department of Mining and Energy Annual Report summarises our activities in the 2025–26 financial year and achievements against Budget Paper No. 3 and the department's strategic priorities.

2.2. Legislative requirements

This report has been prepared to meet the requirements of section 28 of the Public Sector Employment and Management Act (PSEMA), section 12 of the Financial Management Act, section 10 of the Legacy Mines Remediation Act 2023, and part 9 of the Information Act and contains information about the department's:

- primary functions and objectives
- legislation administered
- activities undertaken during the year against budget outputs
- significant initiatives, achievements and outcomes
- employee numbers, designations, training and staff development programs
- financial management and performance
- performance against public sector principles and Employment Instructions
- work health and safety programs.

2.3. Report structure

The report contains a message from the Chief Executive Officer (CEO) and comprises 5 key sections.

1. **Our department**

   The department's vision, objectives, priorities and structure.

2. **Our achievements**

   A summary of the department's progress and achievements against the planned outcomes outlined in Budget Paper No. 3 and the strategic priorities.

3. **Our corporate governance**

   An overview of the department's governance structure and functions to ensure effective decision making to meet our service delivery, corporate and legislative obligations.

4. **Our people**

   An overview of the department's people, human resource management and compliance with legislative requirements.

5. **Our financial overview**

   The department's financial statements and related disclosures.

The report is published online at https://dme.nt.gov.au/

Alternative document formats are available upon request from the department.

2.4. Message from the CEO

The Department of Mining and Energy continues to play a vital role in supporting a strong and resilient Northern Territory economy.

During the year, we continued to drive investment and growth across the Territory's energy, resources and extractive industries by improving the investment environment and enabling opportunities that deliver long-term economic benefits for Territorians.

We continued to advance development of the gas and electricity industries, support existing mining operations and new exploration projects, facilitate delivery of the current pipeline of mineral and electricity sector projects, and strengthen regulatory certainty through legislative reform to attract investment to the Northern Territory.

There had been an enormous focus by the department to support the development of the Beetaloo Sub-basin and at the end of the 2025-26 year, first gas sales were imminent. In September 2026, the first commercial gas sales in the Beetaloo occurred marking a major milestone in unlocking a new era of economic growth, investment and energy security.

This achievement reflects the significant work undertaken by the department throughout the year to strengthen the Territory's resources sector and position it as a world-class destination for exploration, mining and energy investment.

Highlights from this financial year include:

- delivering the most substantial modernisation of the Northern Territory's mineral titles framework in 15 years with the passage of the Mineral Titles Legislation Amendment Bill 2026, amending the *Mineral Titles Act 2010* and Mineral Titles Regulations 2011
- delivering round 18 of the Geophysics and Drilling Collaborations grants program, with 27 projects successfully completed, expending $2.13 million in grants
- acquiring and releasing data from the West Arnhem gravity geophysical survey, involving the helicopter-supported collection of gravity stations covering an area of 65,000 km^2
- introducing landmark reforms to the Northern Territory electricity market through delivery of the *NT Electricity System and Market Operator (NTESMO) Act 2025* and the *Electricity Legislation Amendment (Market Reform) Act 2025* which set the foundations for a stable, modern and future-ready electricity system focussed on security and reliability at lowest cost.
- advancing electricity system policies, regulation and rules, including to enable establishment of an independent standalone electricity system controller and market operator and introduce centralised planning and procurement processes aligned to the inherent characteristics of the NT electricity market.
- progressing development of the inaugural plans for the Territory's regulated electricity system, the NT's first integrated electricity infrastructure planning activity for the Darwin–Katherine, Alice Springs and Tennant Creek electricity systems.
- accelerating investment and industry confidence in the Beetaloo Sub-basin through the Beetaloo Project Management Office, including cross-government collaboration with industry and overseeing the Territory's response to the national Gas Market Review
- implementing the new mandatory Code of Practice: Well Integrity to ensure the highest standards of well integrity are achieved and maintained as the Northern Territory accelerates development of its petroleum reserves
- facilitating the approval of 2 applications to recover appraisal petroleum in the Beetaloo Sub-basin that, once operational, will provide first Beetaloo sales gas to market whilst also enabling the extended well testing required to prove sustainable production rates
- commencing a petroleum acreage release application process for land in the Beetaloo
- progressing amendments through the Legislative Assembly to enable the transmission of carbon dioxide through licensed pipelines, and to redesign retention licences to provide greater flexibility and encourage new

investment via the *Energy Pipelines Act* 1981, the *Petroleum (Submerged Lands) Act 1981and the Petroleum Act 1984*

- supporting CSIRO, which finalised the Low Emissions Hub Study for carbon capture and storage, and now developing a strategic plan for shared infrastructure development at Middle Arm
- progressing the legacy mines program, including awarding significant contracts to advance remediation at Sandy Flat and advancing works at Rum Jungle.

The Territory is uniquely positioned to capitalise on emerging opportunities in resources, energy and critical minerals, and the department will continue to support growth that strengthens the economy and creates opportunities for future generations.

James Pratt

Acting Chief Executive Officer

30 September 2026

3. Our department

3.1. About us

The Department of Mining and Energy drives development of the Territory's energy supply, mineral and extractives industries by supporting, regulating, promoting and de-risking investment; and to ensure affordable, secure and sustainable electricity.

3.2. Our minister

The department reports to:

The Hon Gerard Maley MLA
Minister for Mining and Energy
Minister for Renewables

3.3. Our vision

The NT's energy and resources sector drives a strong and thriving economy.

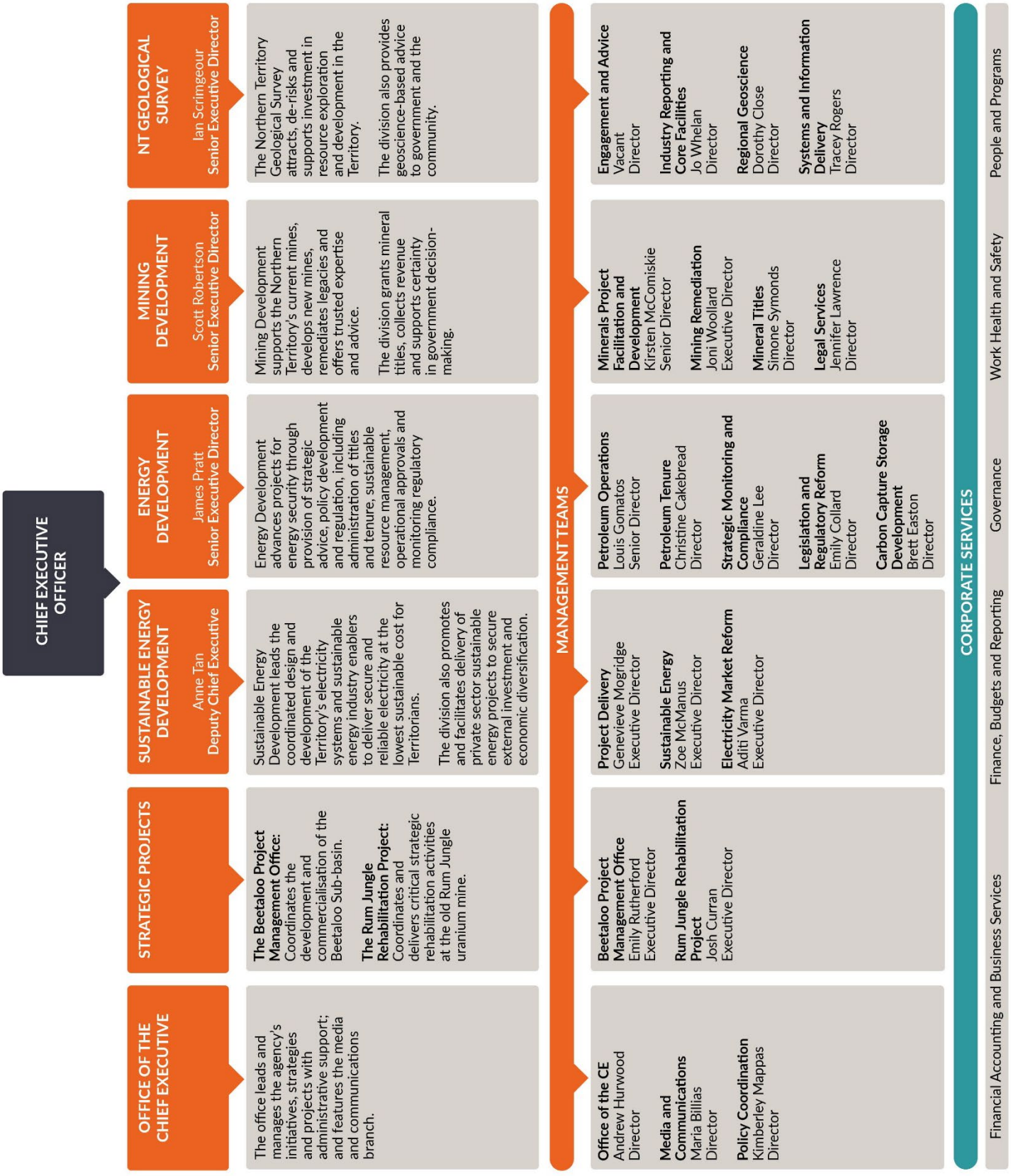
3.4. Our key principles

- A strong and resilient economy
- A focus on industry development
- A skilled, agile and respected organisation

3.5. Our strategic priorities

- Lead the development of the gas industry and associated infrastructure
- Support our current mines, develop new mines and remediate legacies
- Drive energy and minerals exploration and de-risk investment
- Support the extractive industry
- Facilitate secure, affordable and reliable power to Territorians through a sustainable mix of energy types, including renewables
- Advocate for industry needs and address challenges
- Ensure our legislation and policy settings and their delivery facilitate and encourage strategic and sustained investment
- Identify and capitalise on emerging and strategic opportunities while anticipating and managing risks for our industry sectors
- Deliver effective and timely administrative and legislative responsibilities
- Support forward-leaning leadership that drives a culture of innovation and personal responsibility
- Develop and invest in workforce capability
- Nurture an environment that embraces challenge and risk, enabling continuous improvement
- Provide a safe workplace that values diversity and the contributions of our people

3.6. Our structure



4. Our achievements

4.1. Department of Mining and Energy

Objective: To enable development of the Territory's energy supply and mineral and extractive industries by supporting, regulating, promoting and de-risking investment, and to ensure affordable, secure and sustainable electricity.

Northern Territory Geological Survey

Support resource exploration through acquisition, management, delivery and promotion of geoscience information and data.

Manage statutory reporting of exploration and production, and provide access to industry reports, data and drill cores.

Deliver industry grant programs and promote the Territory as an exploration investment destination through the Resourcing the Territory program.

Mining Development

Deliver strategies, policy and regulation under the Mineral Titles Act and *Legacy Mines Remediation Act 2023* to support the responsible operation and expansion of the Territory's mining and extractive industries, and the effective rehabilitation of legacy mine sites.

Increase the Territory's competitiveness as a mining project investment destination by actively engaging with proponents and their projects to expedite timely approvals on the pathway to a final investment decision.

Energy Development

Advance projects for energy security through provision of strategic advice, policy development and regulation, including administration of titles and tenure, sustainable resource management, operational approvals, and monitoring and compliance under the *Petroleum Act 1984*, the *Energy Pipelines Act 1981* and the *Geothermal Energy Act 2009*.

Sustainable Energy Development

Lead the coordinated design and development of the Territory's electricity systems and sustainable energy industry enablers to deliver secure and reliable electricity at lowest sustainable cost for Territorians.

Promote and facilitate delivery of private sector sustainable energy projects to secure external investment and economic diversification.

Beetaloo Project Management Office

Coordinate the development and commercialisation of the Beetaloo Sub-basin across government to maximise benefits for Territorians.

Advance and accelerate industry and investment confidence in onshore gas development in the Beetaloo by facilitating the short to mid-term delivery of coordinated, whole-of-government policy, infrastructure and industry growth-related outcomes.

4.1.1. Key performance indicators

	2024-25 Actual	2025–26 Target	2025–26 Estimate	2025–26 Actual
Northern Territory Geological Survey				
Increase in uptake of data, products and information provided by Northern Territory Geological Survey[1]	0%	≥ 10%	N/A	12%
Fraser Institute Annual Survey geological database [1, 2]	13th	≥ 5th	N/A	21st
External investment into geoscience programs[1, 3]	$7.85M	≥ $8M	N/A	$5.26M
Mineral exploration expenditure[1]	$130.7M	≥ $180M	N/A	$128M
Proportion of Australian private exploration expenditure spent in the Territory[1]	3.42%	≥ 5%	N/A	3%
Fraser Institute Annual Survey investment attractiveness index[1, 2]	38th	≥ 10th	10th	38th
Mining Development				
Mineral exploration licences on native title-affected land granted within 9 months[4]	83%	≥ 85%	85%	74%
Remediation projects progressed by the Mining Development Division	8	8	8	8
Energy Development				
Energy titles applications and report assessments completed within 60 days	78%	≥ 85%	85%	89%
Regulatory site inspections for petroleum and pipeline operations[5]	36	32	32	30
Beetaloo Project Management Office				
Beetaloo titleholders delivering gas to market[6]		2	2	0

[1] *No estimate provided in in 2026-27 BP3 as KPIs have changed for 2026-2027*
[2] *Fraser Institute survey rankings fell along with those of all other Australian jurisdictions, the Territory's component was based on between 5 and 9 responses in the survey.*
[3] *The variation was due to lower than expected levels of industry co-investment in grants program.*
[4] *The grant of mineral exploration licences was below 85% due to the increase in objections to the use of the expedited procedure under the Native Title Act 1993.*
[5] *The late wet season and associated impacts meant that locations were inaccessible and, in some cases, operations were delayed; therefore, inspections could not be carried out as planned.*
[6] *New measure commencing 1 July 2025, Beetaloo titleholders' project plans delayed for various business reasons. Gas due to market from 2 titleholders in H2 2026.*

Key achievements

Northern Territory Geological Survey

- Acquired and released data from the West Arnhem gravity geophysical survey, involving the helicopter-supported collection of gravity stations covering an area of 65,000 km^2
- Released a standardised compilation of open-file industry geophysical data across the Pine Creek region and its surrounds
- Published three 1:100,000 geological maps covering north-eastern Arnhem Land
- Released the Mount Drummond 1:250,000 geological map and explanatory notes in the north-eastern Barkly
- Released the Lake Amadeus 1:250,000 geological map and explanatory notes in central Australia
- Delivered round 18 of the Geophysics and Drilling Collaborations grants program, with 27 projects successfully completed, expending $2.13 million in grants
- Released an updated Critical Minerals and Gold in the Northern Territory 2026 publication in English, Japanese, Korean and Indonesian, and promoted critical minerals opportunities in Japan, South Korea, India and North America
- Delivered the Annual Geoscience Exploration Seminar (AGES) in April 2026, with more than 320 attendees
- Upgraded online accessibility to data, including making all open-file minerals industry datasets, including very large geophysical surveys, available for immediate download for the first time

Mining Development

- Delivered the Northern Territory Government's *Mineral Titles Legislation Amendment Bill 2026*, including amendments to the *Mineral Titles Act* and *Mineral Titles Regulations*
- Facilitated a cross-government approach to support developing projects through approval pathways, and project delivery for Tennant Mines, Core Lithium Ltd, Arafura Rare Earths Limited and Primary Gold Pty Ltd, each of which has recently achieved a significant milestone in project development
- Continued construction works on water treatment and haul road infrastructure to support ongoing mine remediation activities at the Rum Jungle Rehabilitation Project. The project awarded a major water remediation contract on 4 September 2025 to McMahon Services Australia (NT) Pty Ltd at a value of $85,265.
- Advanced Sandy Flat legacy remediation project through award of the water management and temporary camp accommodation contracts, while continued engagement with Native Title Holders supported preparation for the upcoming water remediation phase
- Completed site assessments, risk evaluations and project planning at legacy mine sites across the Northern Territory in the Small Mines Safety Program, supporting future risk reduction and remediation activities, with over 2,500 legacy mine features identified to date.
- Expended $2.79 million from the Mining Remediation Fund for 2025–26. This included:
  - $1.83 million for works associated with Sandy Flat
  - $0.96 million on other projects across the Territory

Energy Development

- Amended the *Energy Pipelines Act 1981* and the *Petroleum (Submerged Lands) Act 1981* to allow for the transport of regulated substances, such as carbon dioxide, primarily for offshore carbon capture and storage projects
- Amended the *Petroleum Act 1984* to enhance retention licence arrangements to better support industry development strategies and enable petroleum to be transferred between petroleum interest areas to encourage cooperation and reduce duplication

- Released 4,000 km^2 (50 full and part blocks) of onshore acreage in the Beetaloo Sub-basin for petroleum exploration permit applications for the area known as EPNT26-1
- Granted a pipeline permit under the Energy Pipelines Act for the purpose of determining the route of the proposed North to East Australia Pipeline, which will transport gas from the Beetaloo Sub-basin to the east coast market
- Granted the Sturt Plateau Pipeline licence (Pipeline Licence 38) under the Energy Pipelines Act, which will transport gas from the Sturt Plateau Compression Facility in the Beetaloo Sub-basin to the Amadeus Gas Pipeline
- Granted 2 applications for appraisal gas use under the Petroleum Act that allows for Beetaloo Sub-basin gas to be sold by 2 permit holders rather than flared or vented, enabling the first future gas sales from the region
- Supported a ministerial delegation at the Australian Energy Producers Conference in Adelaide in May 2026 and hosted a 'Breakfast with the Beetaloo' event with 160 guests
- Undertook a comprehensive national and international jurisdictional assessment of onshore and offshore carbon capture and storage regulatory frameworks
- Facilitated a 'not to deal' agreement between Vopak Terminals Australia and the NT Land Development Corporation to develop a carbon dioxide import terminal on a 10-hectare parcel of land at Middle Arm
- Assessed/approved activities as required under legislation for petroleum exploration, retention, production and pipeline operations, including:
  - 8 applications for a change in control of the corporation holding a permit or licence/lease
  - 14 exploration permit dealings
  - 1 pipeline licence, 2 pipeline permits and 1 access authority granted
  - 3 exploration permits and 1 pipeline licence renewals
  - 46 annual reports for permit and licence holders' activities on their tenure
  - 1 land access agreement and 3 variations to agreements between pastoral lessees and petroleum interest holders for access to land to conduct regulated operations
  - 8 well operations management plans
  - 6 pipeline management plans
  - 3 consents to operate a pipeline
  - 1 consent to construct a pipeline
  - 1 consent to test a pipeline
  - 1 consent to cease operation of a pipeline.
- Conducted key monitoring and compliance activities for:
  - Tamboran B2 Pty Ltd – Shenandoah S2-1H, 3H and 5H wells (Exploration Permit (EP) 98):
    - Batch drilling campaign, completed in October 2025
  - Tamboran B2 Pty Ltd – Shenandoah S2-1H well (EP98):
    - Fracturing operations, completed in December 2025
    - Well-testing operations (IP20), commenced in March 2026 and completed in April 2026
  - Tamboran B2 Pty Ltd – Shenandoah S2-3H, 4H and 5H wells (EP98):
    - Fracturing operations, completed in June 2026

- Beetaloo Energy Australia Ltd – Carpentaria 5H well (EP187):
    - First well-testing operation commenced in August 2025, completed in December 2025
    - Second well-testing operation (IP30) commenced in June 2025
- Central Petroleum Ltd:
    - Inspection of wells and plant metering against field management plans:
        - Mereenie field (Operating Licences (OL) 4 and 5), inspected on 14 April 2026
        - Palm Valley field (OL3), inspected on 15 April 2026
        - Dingo field (Licence 7), inspected on 16 April 2026
- APA Group – Sturt Plateau Pipeline
    - Construction, inspected on 14 October 2025
    - Hydrotesting, inspected on 21 January 2026
- Tamboran B2 Pty Ltd – Sturt Plateau Compression Facility
    - Construction, inspected on 14 October 2025

Sustainable Energy Development

- Secured the authorising legislation to design and deliver transformational electricity market reforms in the regulated power systems of Darwin–Katherine, Alice Springs and Tennant Creek
- Continued to progress the development of inaugural system plans for regulated electricity systems, the NT's first integrated electricity infrastructure planning activity for the Darwin–Katherine, Alice Springs and Tennant Creek electricity systems, which will identify the infrastructure required to deliver affordable, reliable and secure electricity to Territorians
- Supported the Minister in Energy and Climate Change Ministerial Council (ECMC) forums, advancing a program of priority national energy policy matters and key reforms in the energy sector
- Represented and advocated for NT interests in national energy policy working groups
- Jointly secured a $250 million concession financing facility for the NT with the Clean Energy Finance Corporation through the Australian Government's Rewiring the Nation program, to support investment in priority grid and transmission projects
- Continued to deliver the Solar for Multi Dwellings Grants Scheme, which to date has benefited more than 200 Territory households, with average annual electricity bills savings of around $1,500 per year. Due to demand, the federally funded scheme has been extended by a further 18 months to 31 December 2027
- Actively facilitated significant sustainable energy private sector projects to secure external investment and support economic diversification
- Completed the delivery and closure of the Home and Business Battery Scheme, including finalisation of all outstanding applications
- Progressed master planning activities for the Darwin Energy Hub, including environmental studies, NT Environment Protection Authority referral submission, concept designs, public consultation and business case
- Continued consultation with land councils and the development of a detailed business case to support Commonwealth funding discussions for the delivery of the Remote Power for Indigenous Communities program, which aims to deliver renewable energy generation to communities where electricity is provided by Indigenous Essential Services

Beetaloo Project Management Office

- Aligned infrastructure, land, workforce, regulatory and economic development priorities across agencies, ensuring the NT Government is positioned to respond effectively to accelerating industry activity
- Established integrated planning, governance, and delivery frameworks, infrastructure prioritisation processes and cross-industry data collection mechanisms to support decision-making relating to development across the Basin
- Continued to coordinate government responses to industry enquiries in relation to land availability and Beetaloo-related investment opportunities

4.1.2. Future priorities

Northern Territory Geological Survey

- Continue delivery of the expanded Resourcing the Territory program, including implementing precompetitive geoscience data acquisition, data modernisation programs and exploration grants to stimulate resources exploration
- Acquire the Southern Georgina Basin gravity survey, which will complete coverage of the entire mainland NT with ground gravity data at 4 km station spacing or better. The NT will be the first Australian jurisdiction to achieve this milestone
- Upgrade coverage of magnetic and radiometric geophysical data over targeted areas, commencing with 2 large high-resolution surveys across 48,000 km^2 of the Top End
- Complete data capture of all legacy industry drilling and geochemistry through the Darwin to Katherine region, then move to the Tanami and VRD region
- Deliver a fully updated Territory-wide SEEBASE^{TM} product, imaging the depth and structure of the Northern Territory's prospective sedimentary basins
- Release an interpretation-ready package of all open-file seismic data from the greater McArthur Basin, including the Beetaloo Sub-basin
- Deliver round 19 of the Geophysics and Drilling Collaborations program, to 34 projects from 26 companies

Mining Development

- Operationalise the Mineral Titles Act and Mineral Titles Regulations amendments
- Continue to facilitate and optimise support for mineral projects, enabling proponents to navigate development requirements and progress projects towards final investment decision.
- Progress the small mines safety program, including undertaking remediation works around Alice Springs
- Progress remediation planning at Sandy Flat, including commencing water treatment
- Award the Ground Water Treatment Plant (GWTP) operate-and-maintain contract and commence backfill of the Main Pit at the Rum Jungle Rehabilitation Project

Energy Development

- Develop amending regulations to support and enable commencement of the *Pipelines and Petroleum Legislation Amendment (Industry Development) Act 2026*
- Publish instruments, approved forms, guidelines and procedures for the *Pipelines and Petroleum Legislation Amendment (Industry Development) Act 2026*
- Consider acreage release applications for petroleum exploration permits in the Beetaloo Sub-basin and determine the applicant with the greatest merit to progress through the application process

- Assess pipeline permit and licence applications to enable the transport of gas from the Beetaloo Sub-basin to gas markets
- Continue to monitor the petroleum and pipeline industry's upstream and midstream activities for compliance with legislation as the industry expands development
- Continue progression of policy development for a potential regulatory framework for carbon capture and storage

Sustainable Energy Development

- Progress approval and commencement of the implementation of the Territory Electricity Market reform program, which will establish new governance, commercial and operational frameworks for the NT's electricity market to improve its transparency and efficiency and attract new investment
- Coordinate industry consultation, finalisation and publication of Powering the Territory
- Continue to streamline the Territory's electricity regulatory frameworks to deliver secure and reliable electricity at the lowest sustainable cost through a program of legislative reform and policy development initiatives
- Continue to provide active facilitation support to significant electricity sector and sustainable energy projects through a coordinated across-government approach
- Work closely with the Australian Government to leverage federal funding opportunities to support energy investment in the NT, including through the Rewiring the Nation facility and Community Solar Banks programs
- Work closely with the Utilities Commission to assess and address recommendations made to improve electricity outcomes for NT consumers
- Finalise the business case and governance structure and progress the detailed design of the connection infrastructure for the Darwin Energy Hub
- Develop a detailed proposal and continue engagement and consultation with key stakeholders to secure external funding for the delivery of the Remote Power for Indigenous Communities program

Beetaloo Project Management Office

- Focus on positioning the Beetaloo as a nationally significant investment opportunity through engagement with investors, industry leaders, service providers and peak bodies across Australia and internationally
- Continue to represent NT interests in discussions across industries, the Australian Government and other state and territory governments
- Enhance the positioning of Beetaloo gas as a critical contributor to future NT and east coast energy security, while advocating for policy settings that support investment certainty and the long-term commercial viability of the Sub-basin

4.2. Corporate and shared services

Objective: Improved organisational performance through strategic leadership and provision of corporate support functions.

Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

Shared services received

Receive corporate services from the Department of Corporate and Digital Development and the Department of Trade, Business and Asian Relations (DTBAR). Receive infrastructure services from the Department of Logistics and Infrastructure.

4.2.1. Key achievements

- Strengthened conflict-of-interest management by implementing the updated policy suite, Shareholdings Position Statement, mandatory employee declarations and agency-wide training
- Supported departmental governance through policy development and review, compliance reporting, training and awareness initiatives
- Supported the Board of Management's risk management functions and internal audit plan implementation
- Delivered key work health and safety (WHS) resources addressing heat stress, fatigue, psychosocial hazards, remote work and workplace wellbeing
- Established a department-wide standard operating procedure library, Safety Moments and Toolbox Talks to improve access to safety information and consistent practices
- Continued the Safety Matters newsletter, sharing safety updates, wellbeing resources, lessons learned, training opportunities and emerging risk information
- Successfully recruited 2 graduates for the 2027 program
- Enabled 8 employees to complete leadership development programs across the agency
- Reported no significant issues in external audits
- Established key financial policies to improve asset measurement and revaluation processes
- Maximised budget outcomes through strategic financial and budget management
- Rolled out corporate and finance training across the agency to build staff capability

4.2.2. Future priorities

Corporate services will continue to improve organisational performance through strategic leadership, providing comprehensive corporate services and strong governance.

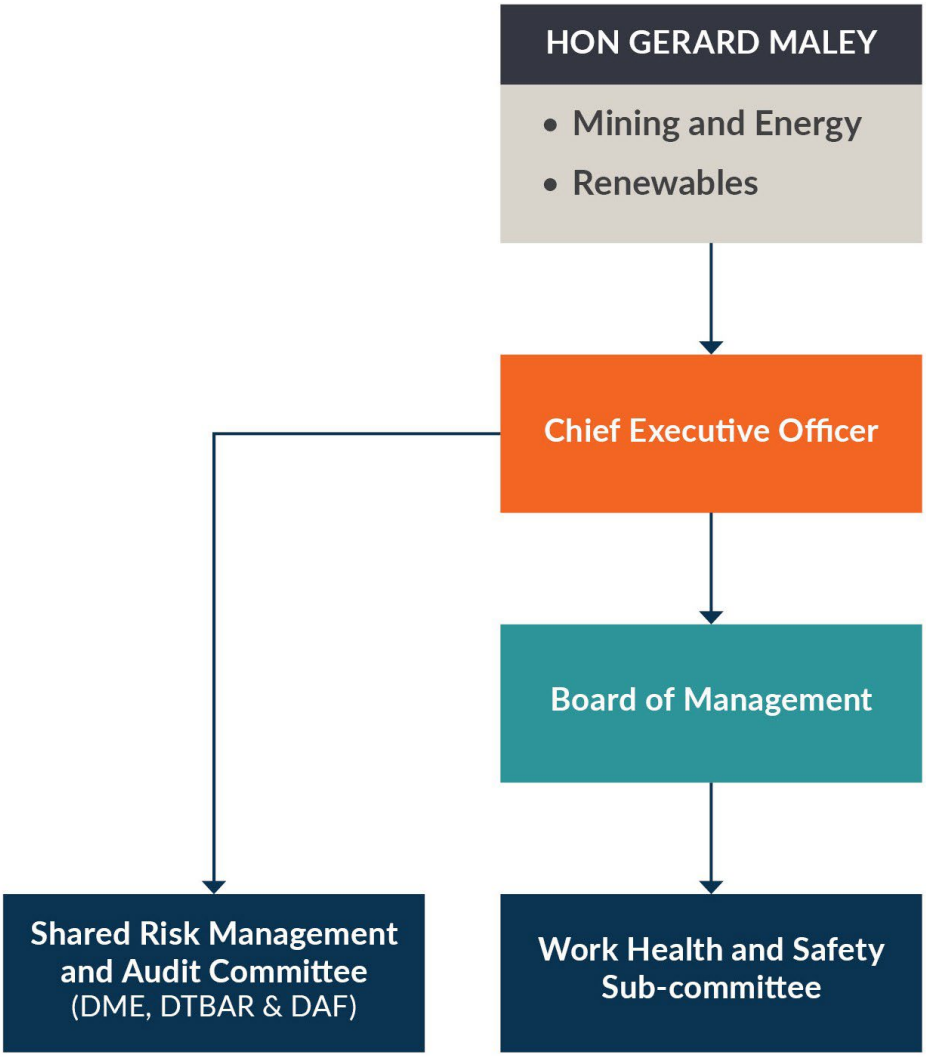
5. Our corporate governance

The department's governance framework guides the agency to deliver the expected public standards of accountability, probity and transparency in our day-to-day operations. It outlines the mechanisms and processes necessary to achieve robust and sound public sector departmental corporate governance and, in turn, ensure effective decision making to meet our service delivery, corporate and legislative obligations.

Governance works to partner with individuals, business units and divisions to provide advice and support on ethical and legislative requirements while supporting the overall department strategy.

Our corporate governance framework is based on the department's responsibilities under the Administrative Arrangements Order and our accountability and compliance with the financial management frameworks.

5.1. Governance structure



5.2. Governance committees

5.2.1. Board of Management

The Board of Management (BOM) is established as the primary governance and decision-making board for the department. It provides the highest level of strategic performance and conformance monitoring for the department. In particular, the BOM:

- sets and monitors the strategic directions to ensure achievement of government and department objectives
- monitors and reports against budgets
- monitors and ensures WHS legislation is applied and complied with through the WHS Management Committee
- monitors and ensures ICT governance is maintained
- agrees on performance management indicators and monitors divisional business plans
- reviews department policies, ensuring alignment with strategic directions and values
- anticipates, evaluates, manages and responds to strategic issues
- coordinates and collaborates with other NTG agencies on issues with whole-of-government implications
- recognises the value of a positively engaged workforce and the importance of attracting and retaining highly skilled and motivated staff.

Membership as at 30 June 2026:

Role	Position	Name
Chair	Chief Executive	Alister Trier
Member	Deputy Chief Executive	Anne Tan
Member	Senior Executive Director, Geological Survey	Ian Scrimgeour
Member	Senior Executive Director, Energy Development	James Pratt
Member	Senior Executive Director, Mining Development	Scott Robertson
Member	A/General Manager Corporate Services / Chief Financial Officer	Joanna Frankenfeld
Secretariat	Director, Office of the Chief Executive	Andrew Hurwood

Summary of work performed during 2025–26:

- met bi-monthly
- endorsed the agency's Strategic Risk Register and monitored/managed key agency risks
- approved updated policies and procedures and considered data and information relating to compliance and risk
- oversaw key actions and divisional responsibilities
- monitored workforce metrics
- engaged with other departments, providing presentations and updates of new processes and functions with NTG.

5.2.2. Shared Risk Management and Audit Committee

The Chief Executive Officers (CEOs) of the Department of Mining and Energy (DME), the Department of Trade, Business and Asian Relations (DTBAR) and the Department of Agriculture and Fisheries (DAF) have established a shared Risk Management and Audit Committee (RMAC) in accordance with the Financial Management Act and the Treasurer's Directions. The arrangement has been operating since February 2025 and continues to provide oversight across the 3 agencies.

In accordance with its terms of reference, the RMAC is to provide independent advice and assistance to the CEOs on the effectiveness of their risk management, audit and internal control systems and assist the CEOs to achieve their external accountability and legislative compliance responsibilities.

The RMAC is an advisory body only and is not responsible for the executive management of these functions.

Membership as at 30 June 2026:

Role	Position	Name
Chair	Independent Chair – Governance and Risk Consultant	Ross Springolo
Member	Independent Member – Director, Budgets, Department of Housing, Local Government and Community Development	Jessica Ryan
Member	Deputy Chief Executive Officer, Department of Mining and Energy	Anne Tan
Member	Deputy Chief Executive Officer, Department of Trade, Business and Asian Relations	Kelly Ralston
Member	Senior Executive Director, Industry Development and Corporate Services, Department of Agriculture and Fisheries	Andrew Baylis
Secretariat	Manager, Risk and Audit	Mary Joseph

Summary of work performed during 2025–26:

- met 5 times
- reviewed and endorsed the risk management frameworks
- monitored the agency's enterprise-wide risk registers and progress of risk management activities
- endorsed the internal audit plan for 2025–26, oversaw the delivery of the internal audit program and reviewed the outcomes of completed internal audit reviews
- oversaw implementation of recommendations arising from internal and external audit activities
- reviewed and provided input into the 2024–25 annual report.
- reviewed the outcomes of completed external audits.

5.2.3. Work Health and Safety Management Committee

The Work Health and Safety Management Committee is established to provide the CEO and the BOM with confidence that statutory obligations of the department with regard to work health and safety are being met. The role of the committee is to oversee the development of policies, procedures and strategies to manage WHS risks across the department and provide guidance to workplace committees. The committee's role also includes the monitoring of reported incidents and implemented controls.

Membership as at 30 June 2026:

Role	Position	Name
Chair	Executive Director, Rum Jungle Rehabilitation Project	Josh Curran
Member	Senior Director, Petroleum Operations, Energy Development	Louis Gomatos
Member	Senior Director, Sustainable Energy Development	Anhi Vong
Member	Director, Industry Reporting and Core Facilities, Northern Territory Geological Survey	Jo Whelan
Member	Director, Mineral Titles, Mining Development	Simone Symonds
Secretariat	Manager, Work Health and Safety	Nick O'Brien

Summary of work performed during 2025–26:

- held 4 quarterly committee meetings
- oversaw implementation of key WHS policies, procedures and safety initiatives, including heat stress, fatigue and operational safety controls
- led improvements in risk management and emergency preparedness, including risk assessment resources, exercised debriefs and workplace reviews
- promoted worker wellbeing through mental health, psychosocial risk and WHS training initiatives
- Monitored delivery of the department's WHS Action Plan and reviewed performance against established WHS leading and lagging indicators.

5.3. Internal audits

The internal audit is also delivered as a shared service, from DTBAR, providing objective assurance of each agency's activities through the internal audit function, reporting to the Risk Management and Audit Committee (RMAC) and respective CEOs.

The internal audit program is designed to provide assurance to each CEO that the agency's systems and internal controls (designed to manage the agency's risk and achieve its objectives) are operating in an efficient and effective manner.

A summary of internal audits undertaken during the 2025–26 year are below:

Audit	Scope/objective
Fraud and Corruption Control Framework Review	Review the effectiveness of the agency's fraud and corruption control framework in preventing, detecting and responding to fraud and corruption risks, and to identify opportunities for continuous improvement.
Travel Compliance Audit	Review travel expenditure practices to determine whether they are managed in accordance with NTG travel framework and relevant policies, legislative requirements and established internal controls.
Stakeholder Engagement and Relationship Management	Review existing practices to identify gaps and evaluate stakeholder engagement, satisfaction and communication effectiveness. The report is currently being finalised.

An outsourced internal audit provider, RSM Australia Pty Ltd, was engaged to conduct audits and reviews in accordance with the approved Internal Audit Plan.

5.4. External audits

The Northern Territory Auditor-General may conduct audit/reviews on our compliance, internal controls, procedures and practices in accordance with the *Audit Act 1995*. Audit results are published in NT Auditor-General's reports to the Legislative Assembly and are publicly available.

No agency-specific audits or reviews were undertaken by the NT Auditor-General during the reporting year. However, the agency participated in a review conducted by the NT Auditor-General on the 'Effectiveness of Internal Audit Functions and Audit Committees' across selected Northern Territory Government agencies. The report was tabled in the Legislative Assembly in September 2025.

All recommendations and agreed actions arising out of the internal and external audit functions are monitored by the RMAC and reported to the Chief Executive Officer.

5.5. Freedom of information applications under the Information Act

During 2025–26, DCDD managed 10 freedom of information (FOI) applications related to the department for government or personal information under the Information Act.

The table below provides information about FOI applications.

Type of application	2024–25	2025–26
Total applications received	15	10
Applications carried over from previous year	1	4
Applications finalised	12	9
Applications transferred	0	0
Applications carried forward into the following year	4	5

For further information about FOI requests, please contact DCDD:

Freedom of Information Officer
Department of Corporate and Digital Development
GPO BOX 2391, DARWIN NT 0801
08 8999 1793 or FOI@nt.gov.au

5.6. Work health and safety

The department recognises that health and wellbeing within our workplaces is critical. We understand our responsibility to provide a safe and healthy working environment for all our employees, contractors and visitors.

The department promotes a proactive health and safety management system based on effective communication, assessment and control of hazards, and the active promotion of safety leadership and personal accountability for work health and safety (WHS) at all levels of the workforce.

The highest standards of WHS practices are integrated into all work areas, management systems and operations to prevent injury and illness, and promote wellbeing in the workplace.

The department's WHS subcommittee oversees the development of policies, procedures and strategies to manage WHS risks across the department and provide guidance to workplace committees. The committee's role also includes the monitoring of reported incidents and the implemented controls.

Reported incidents increased in 2025–26, primarily reflecting increased contractor activity and the inclusion of contractor-related incidents in departmental reporting.

The number of reported incidents (including 'near misses') and hazards for 2025–26 are listed below.

[1] *Includes security, property and non-work-related injuries and incidents.*

Reported incidents and hazards	2024–25	NTG STAFF 2025-26	CONTRACTOR 2025-26
Being hit by objects	7	2	2
Body stress	1	3	0
Chemicals and substances	2	0	4
Environmental factors	0	4	3
Hitting objects	0	1	1
Mental factors	1	2	0

Reported incidents and hazards	2024–25	NTG STAFF 2025-26	CONTRACTOR 2025-26
Slips, trips and falls	2	2	3
Vehicle incidents / other[1]	14	16	36
Total incidents reported	**27**	**30**	**49**
Total hazards identified	**7**	**8**	**0**

[1] *Includes security, property and non-work-related injuries and incidents.*

6. Our people

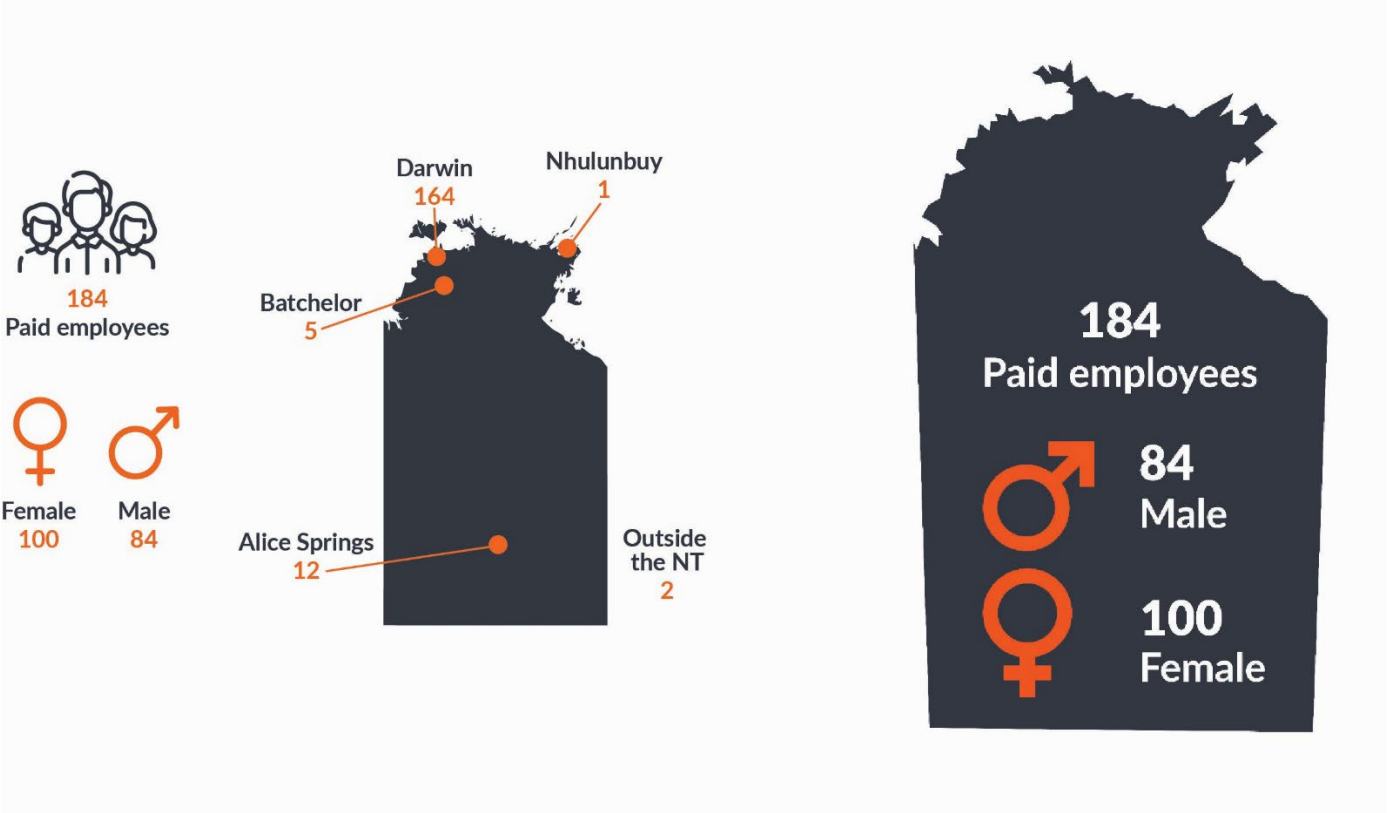
6.1. Our staff profile

The department recognises that its people are its greatest asset. Our employees are critical to achieving the department's objectives and delivering services that support the Northern Territory.

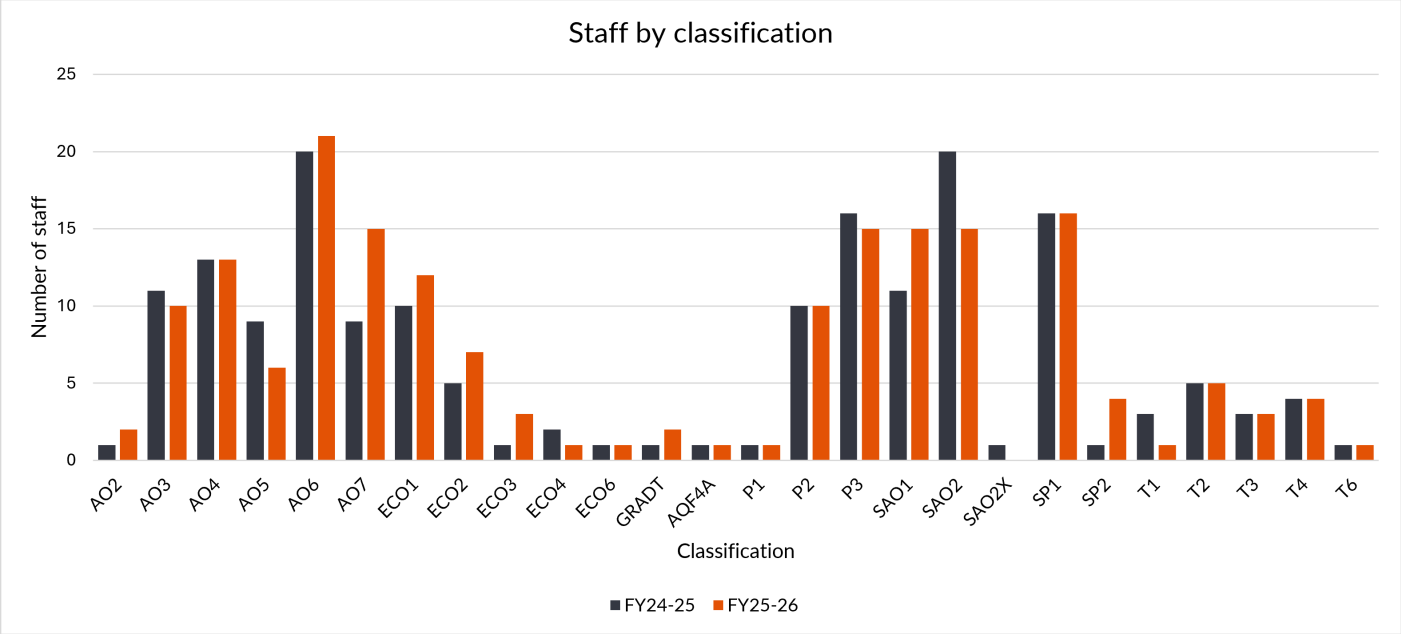
The department is committed to attracting, developing and retaining a skilled, capable and diverse workforce. We strive to foster a workplace culture that values wellbeing, inclusion, continuous learning and professional growth, enabling employees to perform at their best and contribute meaningfully to the department's success.

By supporting our people and creating a positive and flexible work environment, we aim to be an employer of choice where employees feel valued, motivated and connected to our purpose.

Number and location of paid employees



Staff by classification



The senior positions are: SAO1, SAO2, SP1, SP2, ECO1, ECO2, ECO3, EO3, ECO4 and ECO6.

At times, an ECO role may be temporarily vacant for short periods while a person is on leave. Where an ongoing employee, such as an SAO2, is temporarily filling an ECO role, they are paid as an EO designation.

6.2. Professional development

The department recognises that employee development is essential to building a skilled, capable and future-focused workforce. We support learning through a combination of formal training, mentoring, coaching, knowledge sharing and practical on-the-job experience.

The department uses a range of workforce planning and performance management processes to identify capability needs, support career development and strengthen organisational capability. These include performance and development discussions, workforce planning activities, employee feedback and succession planning.

Learning and development opportunities are targeted to meet operational requirements, build leadership and technical capability, and support the attraction, development and retention of talented employees. The department also supports employees to undertake further education and professional development relevant to their roles, enabling them to expand their skills and contribute to the department's ongoing success.

Management training and staff development programs offered:

Management and leadership

- Public Sector Management Program
- Senior Leaders Program
- Leadership for New Managers
- Emerging Leaders Program
- Foundations of Public Sector Governance
- Mini MBA

Cultural competence and wellbeing

- Foundational Cross-Cultural Training
- Creating Respectful Workplaces
- Mental Health First Aid
- Gallagher Bassett regular training sessions (mental health, workplace wellbeing, WHS)

Skills development

- First aid training
- Fire warden training
- Quantum Geographic Information System (QGIS) training
- Test tag training
- Civil Aviation Safety Authority Remote Pilot Licence (CASA REPL) training
- Radiation training
- Writing course
- Lead auditor training
- Communication training
- Projected Landscape Augmentation Model (PALM) training
- White card training
- Energy contract management training
- Excel intermediate training course
- Mental health first aid training
- Illustrator training course
- Remote area first aid course
- Procurement fundamentals
- Project management fundamentals

6.3. People Matter survey

The department achieved a strong response rate of 87% in the 2025 Northern Territory Public Sector People Matter survey, with 149 of 171 employees participating. The department recorded an employee engagement score of 69% and an employee satisfaction score of 79%, both above the NT Public Sector average. Survey results highlighted strong alignment with our purpose and values, with 85% of employees reporting they believe in the department's purpose and objectives, and 89% agreeing that the department provides high-quality services to the Northern Territory community. Employees also reported positive perceptions of workplace wellbeing, with 89% indicating their manager considers employee wellbeing important and 78% agreeing that the department offers a flexible approach to work.

Opportunities for improvement were also identified. In response to the survey, the department established a cross-divisional employee committee to analyse the results and provide recommendations to the Board of Management. The committee will support the development of an action plan focused on celebrating strengths, investigating key themes and identifying opportunities for improvement across the agency.

6.4. Early Careers Program

The department continued to invest in the development of future talent through early careers programs, supporting workforce capability, diversity and succession planning across the department. During 2025–26, the department hosted 10 early career participants, including 3 graduates, one trainee, 4 vacation employees and 2 work experience placements. These programs provided participants with valuable hands-on experience, exposure to the public sector and opportunities to develop professional skills while contributing to the department's work. The department remains committed to creating pathways for emerging talent and building a skilled and diverse workforce for the future.

6.5. Employment Instructions

Under the Public Sector Employment and Management Act (PSEMA), employment instructions provide directions to agencies on human resource matters. The department met all obligations as required under the Employment Instructions and public sector principles.

Employment instruction	Agency actions
1. Filling vacancies	The department adhered to the NTPS Recruitment and Selection Policy, ensured efficient recruitment processes and prioritised Aboriginal applicants in line with its new Special Measures Recruitment Plan. All positions were filled based on merit, following the department's human resource delegations.
2. Probation	Probation procedures are in place as per Employment Instruction 2 and section 32, Probation for Ongoing Employees (PSEMA 1993).
3. Natural justice	Information on the application of natural justice is provided internally to employees and through specific case management. Natural justice is applied to all appropriate processes.
4. Employee performance and development systems	The department has created and implemented an employee performance management and development procedure in accordance with Employment Instruction 4.
5. Medical examinations	Medical examinations may be arranged for a number of reasons under the PSEMA or relevant enterprise agreement. These referrals are managed by DCDD Workforce Relations as they relate to case management matters and are highly confidential. All medical referrals are provided in writing to the employee. In 2025–26, no employees undertook a medical examination for fitness for duty and informing for inability.
6. Performance and inability	The department supports employees through the performance framework, which includes regular performance feedback and development. Information on the performance framework is available on the intranet. Formal performance and inability matters are managed with the support of DCDD and are highly confidential. There were no employee performance and inability process managed by the department for 2025–26.
7.	Employment Instruction 7 has been revoked.
8. Internal department complaints and section 59 grievance reviews	Policy and procedures were in place for handling employee complaints. In 2025–26, 4 complaint matters were lodged with the department for internal review and 1 was closed (finalised).
9. Employment records	Employee personnel files are maintained by DCDD. Employment records held by the department were maintained in accordance with legislative requirements under the Northern Territory Government General Administrative Records Management Schedule.

Employment instruction	Agency actions
10. Equality of employment opportunity programs	Equality of employment opportunity principles are built into relevant policies and procedures, and the department is proud to value diversity, be inclusive and welcome people of different backgrounds and abilities. The department continued to provide priority consideration to Aboriginal and Torres Strait Islander applicants in line with its new Special Measures Recruitment Plan and encouraged participation of staff at events including NAIDOC Week, International Women's Day, and International Day of People with Disability.
11. Occupational health and safety standard programs	The department has a Work Health and Safety Policy and management system that is monitored through the WHS Management Committee, which comprises representatives from a range of workplace locations. WHS committees are established to assist the department to meet its workplace safety obligations and promote WHS awareness in the workplace. Our Work Health and Safety Policy, guidelines, templates and resources are available to staff on the intranet.
12. Code of conduct	The department follows the NTPS Code of Conduct, embedding these principles through staff induction, training, and performance management discussions and in resources. In line with the Code of Conduct, employees are required to disclose real or perceived conflicts of interest to ensure their personal conduct does not adversely affect their performance. Breaches of the code of conduct are addressed in accordance with the relevant policies and legislation.
13. Appropriate workplace behaviour	The department educates employees on appropriate workplace behaviour through providing resources and training. The Creating Respectful Workplaces online course is included as an essential training requirement for all employees within 3 months of commencement and refresher every 3 years.
14. Redeployment and redundancy	The department understands the rights and obligations in redeployment and redundancy situations and ensures these situations are handled as sensitively, efficiently and effectively as possible. In 2025–26, the department did not conduct or process any redeployment or redundancy.
15. Special measures	The department's Aboriginal employees constitute 9.78% of the workforce. The department remains committed to its special measures plan, prioritising Aboriginal applicants in line with its new Special Measures Recruitment Plan and the Northern Territory Government's Aboriginal Employment and Career Development Strategy.

7. Our financial overview

7.1. Certification of the financial statements

We certify that the attached financial statements for the Department of Mining and Energy have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the Financial Management Act 1995 and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements presents fairly the financial performance and cash flows for the year ended 30 June 2026 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



James Pratt
Acting Chief Executive Officer
30 September 2026

Joanna Frankenfeld
A/General Manager Corporate Services /
Chief Financial Officer
30 September 2026

7.2. Financial Statement Overview

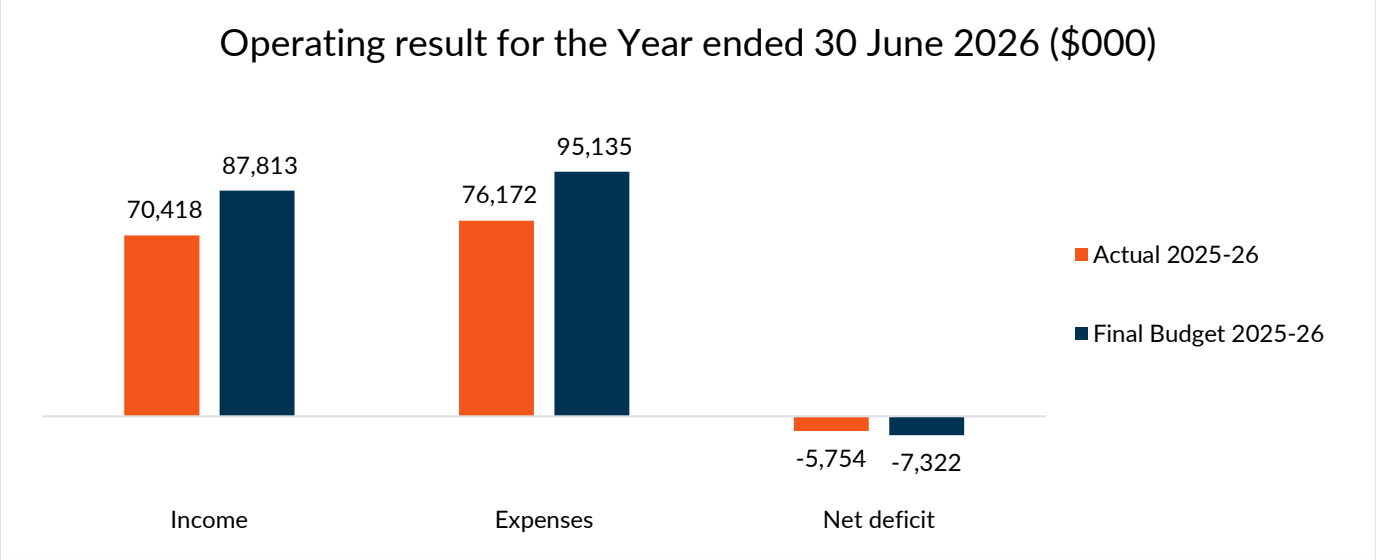
The department's financial performance for the year ended and financial position as at 30 June 2026 are reported in the following financial statements: comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes accompanying these statements.

The department's output groups at 30 June 2026 are:

- Mining and energy
- Corporate and shared services.

7.2.1. Financial performance

DME reported a net deficit of $5.8 million compared to the $7.3 million net deficit final budget. The $1.5 million variance between the actual and final budget largely reflects the revised timing of program delivery for the Commonwealth funded Rum Jungle Rehabilitation project and time-limited Northern Territory funded programs expected to be delivered in 2026-27 and outer years.

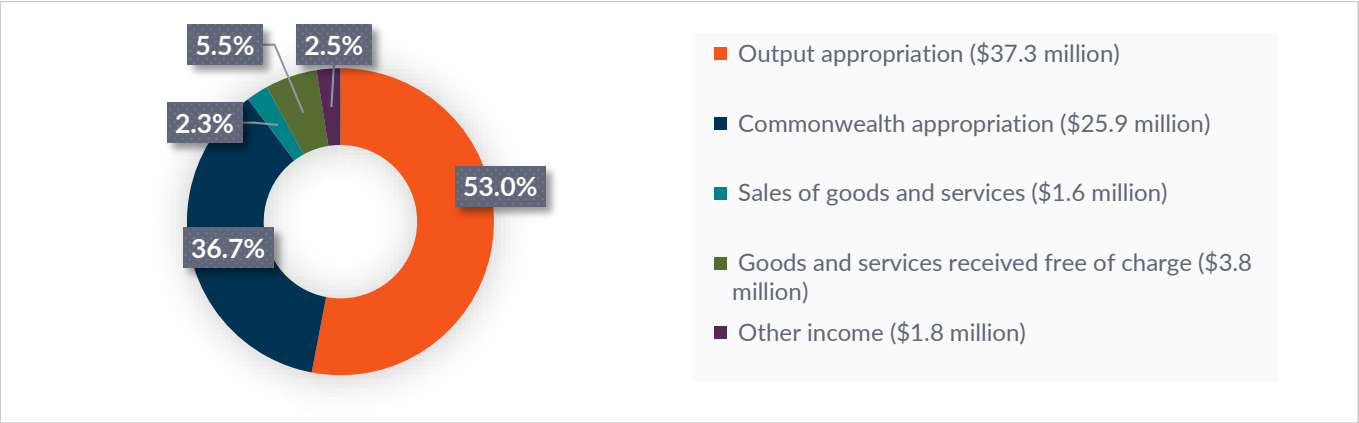


7.2.2. Income

The department reported total income of $70.4 million in 2025-26 which was $17.4 million lower than the final budget. The decrease is predominantly due to timing of revenue recognition for the Commonwealth funded Rum Jungle Rehabilitation project.

The table below shows the trend and breakdown of actual income by category and the final budget for 2025-26.

Income category	Actual 2024-25 $'000	Actual 2025-26 $'000	Final Budget 2025-26 $'000
Output appropriation	38,823	37,321	37,321
Commonwealth appropriation	10,824	25,856	43,447
Sales of goods and services	1,666	1,639	1,338
Goods and services received free of charge	1,741	3,845	4,021
Other income	1,254	1,757	1,686
Total	**54,308**	**70,418**	**87,813**



Output appropriation

The department is primarily funded through Northern Territory Government appropriation. Output appropriation accounted for $37.3 million (53.0%) of the department's total income in 2025-26.

Commonwealth appropriation

Commonwealth appropriation from the Australian Government (AG) totalled $25.9 million (36.7%) of the department's total income in 2025-26. The AG funded the following national partnership agreements delivered by the department:

- $25.8 million - Rum Jungle Rehabilitation project
- $0.1 million - Community Solar Banks

Goods and services free of charge

Goods and services received free of charge income totalled $3.8 million (5.5%) of the department's total income in 2025-26. This included $3.7 million from Department of Corporate and Digital Development (DCDD) for notional goods and services received and $0.1 million from the Department of Logistics and Infrastructure for the repairs and maintenance program.

Other sources of income

Other sources of income totalled $3.4 million (4.8%) of total income and comprised:

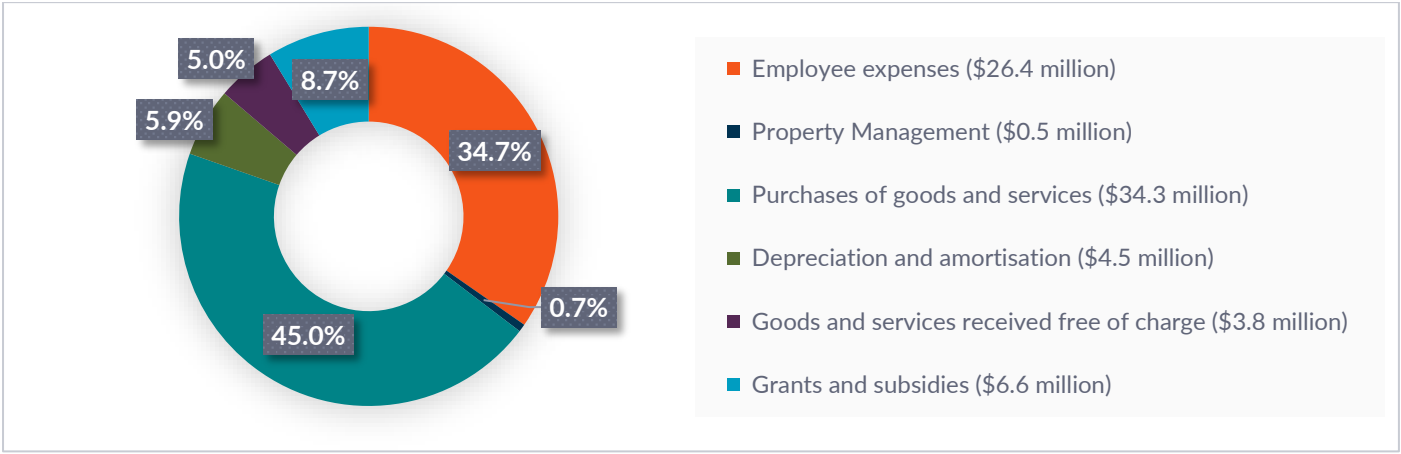
- $1.8 million other income
- $1.6 million sales of goods and services.

7.2.3. Expenditure

The department reported total expenditure of $76.2 million in 2025-26 which was $19 million lower than the final budget. The decrease is predominately due to the timing of expenses for delivery of NT and AG funded projects which will be completed in future years.

The table below shows the trend and breakdown of actual expenditure by category and the final budget for 2025–26.

Expense category	Actual 2024-25 $'000	Actual 2025-26 $'000	Final Budget 2025-26 $'000
Employee expenses	25,093	26,415	27,442
Property management	393	506	12
Purchases of goods and services	19,506	34,276	49,476
Depreciation and amortisation	499	4,472	4,449
Other administrative expenses	1,644	3,863	4,021
Grants and subsidies	11,946	6,636	9,731
Interest expenses	6	4	4
Total	**59,087**	**76,172**	**95,135**



Employee expenses

Employee expenses for 2025-26 were $26.4 million (34.7%) of total expenditure, $1.3 million less than final budget. The underspend related predominately to the Commonwealth funded Rum Jungle Rehabilitation project, in line with the revised timing of program delivery that will be continued into 2026-27 and future years.

Purchase of goods and services

Purchase of goods and services totalled $34.3 million (45%) of total expenditure for 2025-26, an increase of $14.8 million compared to the prior year. This is largely due to increased expenditure on earthworks at the Rum Jungle mine site as the project ramped up. Note 9 of the financial statements provides a detailed breakdown of goods and services expenditure.

Grants and subsidies

Grant and subsidies expenditure accounted for $6.6 million (8.7%) of the department's total expenditure in 2025-26 compared to the total budget of $9.7 million. The underspend was largely due to revised timing of program delivery for the Commonwealth funded Community Solar Banks program.

Significant grant expenditure in 2025-26 related to:

- $2.4 million for Precompetitive Geoscience Collaborative Projects
- $2.1 million for Geophysics and Drilling Collaborations Program
- $2 million in Investment Attraction Subsidies.

Further detailed information relating to the departments grant programs can be found in the Annual Report grant appendix.

Goods and services free of charge

Goods and services received free of charge expense totalled $3.8 million (5%) which corresponds to goods and services free of charge income and results in a nil effect to the operating result. Goods and services received free of charge allows the department to bring to account the full cost of services it requires to operate.

Other types of expenditure

Other sources of expenditure totalled $5 million (6.6%) of total expenditure and comprised:

- $4.5 million depreciation and amortisation
- $0.5 million property management expense.

7.2.4. Financial position

The balance sheet provides a summary of the balances of the assets, liabilities and equity of the department at 30 June 2026.

The department's net asset position as at 30 June 2026 was $34.3 million.

The trend for net assets / equity is as follows:

Balance Sheet Category	Actual 2024-25 $'000	Actual 2025-26 $'000
Assets	204,414	256,790
Liabilities	(195,602)	(222,510)
Net assets / equity	**8,812**	**34,280**

The department's assets balance of $256.8 million consists of:

- $212.6 million cash and deposits, representing cash held in a financial institution, in trust, petty cash and floats
- $41.2 million property, plant and equipment
- $3 million receivables, representing the amount that is owed to the department for goods and services provided and delivered, goods and services tax refunds receivable from the Australian tax office and prepayments made by the department.

The department's liabilities balance of $222.5 million consists of:

- $183.7 million deposits held, largely representing cash held in Accountable Officers' Trust Accounts
- $25.1 million unearned revenue, representing consideration received or due to be received in advance from customers in respect of research and services contracts
- $10.3 million payables, representing the amount owed to creditors for goods and services purchased and received
- $3.4 million provisions, representing employee entitlements to be paid in the future
- $0.05 million borrowings and advances representing lease liabilities.

The department's equity as at 30 June 2026 is $34.3 million. The $25.4 million movement in equity since 30 June 2025 comprises:

- $31.2 million net increase in capital predominantly from National Partnership payments
- $5.8 million operating deficit for the 2025-26 financial year.

7.2.5. Cash flow statement

The cash flow statement provides information on how cash was received and spent during the financial year.

The department's cash balance was $212.6 million as at 30 June 2026 and incorporates $183.7 million in deposits held.

The cash flows are summarised as follows:

Cash flows	Actual 2024–25 $'000	Actual 2025–26 $'000
Cash in		
Operating receipts	72,491	79,879
Deposits received	160,923	22,812
Equity injections	5,587	30,888
	239,001	**133,579**
Cash out		
Operating payments	48,297	73,935
Purchase of asset	5,643	30,703
Lease payments	42	44
Equity withdrawals	1,297	0
	55,279	**104,682**
Net increase in cash held	183,721	28,897
Cash at beginning of financial year	0	183,721
Cash at end of financial year	**183,721**	**212,618**

7.3. Comprehensive operating statement

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
INCOME			
Appropriation	4		
Output		37,321	38,823
Commonwealth		25,856	10,824
Sales of goods and services	5	1,639	1,666
Goods and services received free of charge [1]	6	3,845	1,741
Other income	7	1,757	1,254
TOTAL INCOME	3	**70,418**	**54,308**
EXPENSES			
Employee benefit expense	8	26,415	25,093
Administrative expenses			
Property management		506	393
Purchases of goods and services	9	34,276	19,506
Depreciation and amortisation	16	4,472	499
Other administrative expenses [1]		3,863	1,644
Grants and subsidies expenses			
Current	10a	6,775	5,769
Capital	10b	(139)	6,177
Interest expense	11	4	6
TOTAL EXPENSES	3	**76,172**	**59,087**
NET (DEFICIT)		**(5,754)**	**(4,779)**
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus		0	1,292
TOTAL OTHER COMPREHENSIVE INCOME		**0**	**1,292**
COMPREHENSIVE RESULT		**(5,754)**	**(3,487)**

(1) Includes DCDD service charges and DLI repairs and maintenance service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

7.4. Balance sheet

As at 30 June 2026

	Note	2026 $'000	2025 $'000
ASSETS			
Current assets			
Cash and deposits	13	212,618	183,721
Receivables	15	2,998	6,084
Total current assets		**215,616**	**189,805**
Non-current assets			
Property, plant and equipment	16	41,174	14,609
Total non-current assets		**41,174**	**14,609**
TOTAL ASSETS		**256,790**	**204,414**
LIABILITIES			
Current liabilities			
Deposits held	17	183,735	160,923
Payables	18	10,256	9,755
Borrowings and advances	19	46	44
Provisions	20	3,373	3,169
Other liabilities	21	25,068	21,634
Total current liabilities		**222,478**	**195,525**
Non-current liabilities			
Borrowings and advances	19	32	77
Total non-current liabilities		**32**	**77**
TOTAL LIABILITIES		**222,510**	**195,602**
NET ASSETS		**34,280**	**8,812**
EQUITY			
Capital		40,286	9,064
Reserves		4,527	4,527
Accumulated funds		(10,533)	(4,779)
TOTAL EQUITY		**34,280**	**8,812**

The balance sheet is to be read in conjunction with the notes to the financial statements.

7.5. Statement of changes in equity

For the year ended 30 June 2026

	Equity at 1 July $'000	Comprehensive result $'000	Transactions with owners in their capacity as owners $'000	Equity at 30 June $'000
2025–26				
Accumulated funds				
Accumulated funds	(4,779)	(5,754)	0	(10,533)
Total accumulated funds	**(4,779)**	**(5,754)**	**0**	**(10,533)**
Reserves				
Asset revaluation reserve	1,292	0	0	1,292
Transfers from administrative restructuring	3,235	0	0	3,235
Total reserves	**4,527**	**0**	**0**	**4,527**
Capital - transactions with owners				
Equity injections				
Capital appropriations	0	0	110	110
Equity transfers in	4,774	0	334	5,108
Other equity injections	0	0	125	125
National Partnership payments	5,587	0	30,653	36,240
Total equity injections	**10,361**	**0**	**31,222**	**41,583**
Equity withdrawals				
Capital withdrawal	(1,297)	0	0	(1,297)
Total equity withdrawals	**(1,297)**	**0**	**0**	**(1,297)**
Total capital	**9,064**	**0**	**31,222**	**40,286**
Total equity at end of financial year	**8,812**	**(5,754)**	**31,222**	**34,280**
2024–25				
Accumulated funds				
Accumulated funds	0	(4,779)	0	(4,779)
Total accumulated funds	**0**	**(4,779)**	**0**	**(4,779)**
Reserves				
Asset revaluation reserve	0	1,292	0	1,292
Transfers from administrative restructuring	0	0	3,235	3,235
Total reserves	**0**	**1,292**	**3,235**	**4,527**
Capital - transactions with owners				
Equity injections				
Equity transfers in	0	0	4,774	4,774
National Partnership payments	0	0	5,587	5,587
Total equity injections	**0**	**0**	**10,361**	**10,361**
Equity withdrawals				
Capital withdrawal	0	0	(1,297)	(1,297)
Total equity withdrawals	**0**	**0**	**(1,297)**	**(1,297)**
Total capital	**0**	**0**	**9,064**	**9,064**
Total equity at end of financial year	**0**	**(3,487)**	**12,299**	**8,812**

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

7.6. Cash flow statement

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Appropriation	4		
Output		37,321	38,823
Commonwealth		29,290	32,458
Receipts from sales of goods and services		13,268	1,210
Total operating receipts		**79,879**	**72,491**
Operating payments			
Payments to employees		(26,039)	(21,303)
Payments for goods and services		(39,178)	(17,827)
Grants and subsidies paid			
Current		(6,068)	(5,769)
Capital		(2,646)	(3,392)
Interest paid		(4)	(6)
Total operating payments		**(73,935)**	**(48,297)**
Net cash from operating activities	14	**5,944**	**24,194**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing payments			
Purchases of non-financial assets		(30,703)	(5,643)
Total investing payments		**(30,703)**	(5,643)
Net cash used in investing activities		**(30,703)**	**(5,643)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Deposits received		22,812	160,923
Equity injections			
Capital appropriation		110	0
Commonwealth capital appropriation	4	30,653	5,587
Other equity injections		125	0
Total financing receipts		**53,700**	**166,510**
Financing payments			
Finance lease payments		(44)	(42)
Equity withdrawals		0	(1,297)
Total financing payments		**(44)**	**(1,339)**
Net cash from financing activities	14	**53,656**	**165,171**
Net increase in cash held		28,897	183,721
Cash at beginning of financial year		183,721	0
CASH AT END OF FINANCIAL YEAR	13	**212,618**	**183,721**

The cash flow statement is to be read in conjunction with the notes to the financial statements.

7.7. Index of notes to financial statements

7.7.1. Objectives and funding 41
7.7.2. Statement of material accounting policy information 41
7.7.3. Comprehensive operating statement by output group 44
7.7.4. Appropriation 46
7.7.5. Sales of goods and services 48
7.7.6. Goods and services received free of charge 49
7.7.7. Other income 49
7.7.8. Employee benefits expense 50
7.7.9. Purchases of goods and services 50
7.7.10. Grant and subsidies expenses 51
7.7.11. Interest expense 52
7.7.12. Write-offs, postponements, waivers, gifts and ex-gratia payments 52
7.7.13. Cash and deposits 53
7.7.14. Cash flow reconciliation 53
7.7.15. Receivables 54
7.7.16. Property, plant and equipment 57
7.7.17. Deposits held 62
7.7.18. Payables 62
7.7.19. Borrowings and advances 63
7.7.20. Provisions 65
7.7.21. Other liabilities 65
7.7.22. Capital commitments 66
7.7.23. Fair value measurement 67
7.7.24. Financial instruments 70
7.7.25. Related parties 74
7.7.26. Contingent liabilities and contingent assets 75
7.7.27. Events subsequent to balance sheet date 75
7.7.28. Schedule of administered Territory items 76
7.7.29. Budgetary information 77
7.7.30. Budgetary information administered Territory items 83

7.7.1 Objectives and funding

The Department of Mining and Energy (the department) is responsible for implementing the Territory Government's priorities for mineral and energy resources development, facilitating exploration, supporting the expansion of energy supply for the Territory, Australia and strategic partners, and providing government oversight of energy policy including renewables and energy systems.

Additional information in relation to the department and its principal activities can be found in the body of the annual report.

The department considered primary users of these financial statements and their needs for information and quantitative thresholds to determine which accounting policy information is material and therefore must be disclosed.

The department is predominantly funded and therefore dependent on the receipt of parliamentary appropriations. The financial statements encompass all funds through which the department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the department are summarised into the following output groups:

- Mining and energy
- Corporate and shared services.

Note 3 provides summarised financial information in the form of a comprehensive operating statement by the output group.

7.7.2. Statement of material accounting policy information

a) Statement of compliance

i. Compliance framework

These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the Financial Management Act 1995, related Treasurer's Directions and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. The Financial Management Act 1995 requires the Department of Mining and Energy to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of department financial statements should include:

1) a certification of the financial statements
2) a comprehensive operating statement
3) a balance sheet
4) a statement of changes in equity
5) a cash flow statement
6) applicable explanatory notes to the financial statements.

ii. Standards and interpretations effective from 2025–26

Several amendments and interpretations have been issued that apply to the current reporting period, but are considered to have no or minimal impact on public sector reporting.

iii. Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2025–26 financial year.

The following new Australian Accounting Standard has been issued but are not yet effective are expected to impact future reporting periods:

AASB 18 Presentation and Disclosure of Financial Statements (AASB 18)

AASB 18 Presentation and Disclosure in Financial Statements replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements, and management defined performance measures.

The standard is proposed to apply to not for profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (the 2028–29 financial year for the department).

AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and new disclosures for management defined performance measures. The standard does not affect the recognition or measurement of amounts.

Any changes to presentation of financial statements and disclosures will be incorporated into future Treasurer's Directions on proforma financial statements.

b) Reporting Entity

The financial statements cover the department as an individual reporting entity.

The Department of Mining and Energy is a Northern Territory department established under the Interpretation Act 1978 and Administrative Arrangements Order.

c) Agency and Territory items

The financial statements of the Department of Mining and Energy include income, expenses, assets, liabilities and equity over which the department has control (agency items) and is able to utilise to further its own objectives. Certain items, while managed by the department, are administered and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the department's financial statements. However, as the department is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 36 – Schedule of administered Territory items.

d) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of $500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

e) Contributions by and distributions to government

The department may receive contributions from government where the government is acting as owner of the department. Conversely, the department may make distributions to government. In accordance with the Financial Management Act 1995 and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the department as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to government.

7.7.3. Comprehensive operating statement by output group

The Department of Mining and Energy is predominantly funded by parliamentary appropriations for the provision of outputs. Outputs are the services provided or goods produced by a department for users external to the department. They support the delivery of the department's objectives and/or statutory responsibilities. The below table disaggregates revenue and expenses that enable delivery of services by output group which form part of the balances of the department.

2025–26				
	Note	Mining and energy $'000	Corporate and shared services $'000	Total $'000
Appropriation	4			
Output		34,465	2,856	37,321
Commonwealth		25,856	0	25,856
Sales of goods and services	5	1,639	0	1,639
Goods and services received free of charge[1]	6	0	3,845	3,845
Other income	7	1,755	2	1,757
TOTAL INCOME		**63,715**	**6,703**	**70,418**
Employee expenses	8	24,696	1,719	26,415
Administrative expenses				
Property management		467	39	506
Purchases of goods and services	9	32,649	1,627	34,276
Depreciation and amortisation	16	4,471	1	4,472
Other administrative expenses[1]		18	3,845	3,863
Grants and subsidies expenses				
Current	10a	6,770	5	6,775
Capital	10b	(139)	0	(139)
Interest expense	11	4	0	4
TOTAL EXPENSES		**68,936**	**7,236**	**76,172**
NET DEFICIT		**(5,221)**	**(533)**	**(5,754)**
OTHER COMPREHENSIVE INCOME **Items that will not be reclassified to net surplus/deficit**				
Changes in other investment revaluation		0	0	0
TOTAL OTHER COMPREHENSIVE INCOME		0	0	0
COMPREHENSIVE RESULT		**(5,221)**	**(533)**	**(5,754)**

[1] *Includes DCDD service charges and DLI repairs and maintenance service charges.*

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

2024–25				
	Note	Mining and energy $'000	Corporate and shared services $'000	Total $'000
Appropriation	4			
Output		35,580	3,243	**38,823**
Commonwealth		10,824	0	**10,824**
Sales of goods and services	5	1,666	0	**1,666**
Goods and services received free of charge[1]	6	0	1,741	**1,741**
Other income	7	1,230	24	**1,254**
TOTAL INCOME		**49,300**	**5,008**	**54,308**
Employee expenses	8	23,424	1,669	**25,093**
Administrative expenses				
Property management		339	54	**393**
Purchases of goods and services	9	17,962	1,544	**19,506**
Depreciation and amortisation	16	499	0	**499**
Other administrative expenses[1]		(97)	1,741	**1,644**
Grants and subsidies expenses				
Current	10a	5,769	0	**5,769**
Capital	10b	6,177	0	**6,177**
Interest expense	11	6	0	**6**
TOTAL EXPENSES		**54,079**	**5,008**	**59,087**
NET DEFICIT		**(4,779)**	**0**	**(4,779)**
OTHER COMPREHENSIVE INCOME **Items that will not be reclassified to net surplus/deficit**				
Changes in asset revaluation surplus		1,292	0	**1,292**
TOTAL OTHER COMPREHENSIVE INCOME		**1,292**	**0**	**1,292**
COMPREHENSIVE RESULT		**(3,487)**	**0**	**(3,487)**

[1] *Includes DCDD service charges and DLI repairs and maintenance service charges.*

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

7.7.4. Appropriation

Appropriation recorded in the operating statement includes output appropriation and Commonwealth appropriation received for the delivery of services.

	2026			2025		
	Revenue from contracts with customers $'000	Other $'000	Total $'000	Revenue from contracts with customers $'000	Other $'000	Total $'000
Output	0	37,321	37,321	0	38,823	38,823
Commonwealth	25,856	0	25,856	10,824	0	10,824
Total appropriation in the operating statement	**25,856**	**37,321**	**63,177**	**10,824**	**38,823**	**49,647**

Appropriation recorded in the cashflow statement includes capital appropriation and Commonwealth capital appropriation received for the delivery of assets to be retained by the department.

	2026			2025		
	Revenue from contracts with customers $'000	Other $'000	Total $'000	Revenue from contracts with customers $'000	Other $'000	Total $'000
Capital	30,653	0	30,653	5,587	0	5,587
Commonwealth	0	0	0	0	0	0
Total appropriation in the cashflow statement	**30,653**	**0**	**30,653**	**5,587**	**0**	**5,587**

Output appropriation is the operating payment to each department for the outputs they provide as specified in the Appropriation Act. It does not include any allowance for major non-cash costs such as depreciation. Output appropriations do not have sufficiently specific performance obligations and recognised on receipt of funds.

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments (SPPs) and national partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

Where Commonwealth appropriation received has an enforceable contract with sufficiently specific performance obligations, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is recognised as and when goods and or services are transferred to the customer or third-party beneficiary. Otherwise, revenue is recognised when the department gains control of the funds.

Commonwealth appropriation received by the department is primarily for the delivery of the Rum Jungle Rehabilitation Project. Under the enforceable funding agreement, the department is required to undertake rehabilitation activities at the former Rum Jungle mine site in accordance with sufficiently specific performance obligations. Revenue is recognised progressively as the department satisfies these performance obligations by delivering the agreed rehabilitation services.

Commonwealth appropriations accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2026 $'000	2025 $'000
Type of good and service		
Service delivery	25,856	10,824
Total revenue from contracts with customers	**25,856**	**10,824**
Type of customer		
Commonwealth Government	25,856	10,824
Total revenue from contracts with customers	**25,856**	**10,824**
Timing of transfer of goods and services		
Overtime	25,856	10,824
Total revenue from contracts with customers	**25,856**	**10,824**

(a) Summary of changes to budget appropriations

The following table presents changes to budgeted appropriations authorised during the current financial year together with explanations for significant changes. It compares the amounts originally identified in the Appropriation (2025-2026) Act 2025 with revised appropriations as reported in 2026-27 Budget Paper No. 3 Agency Budget Statements and the final end of year appropriation.

The changes within this table relate only to appropriation and do not include department revenue (for example, goods and services revenue and grants received directly by the department) or expenditure. Refer to Note 37 Budgetary information for detailed information on variations to the department's actual outcome compared to budget for revenue and expenses.

	Original 2025–26 budget appropriation (a)	Revised 2025–26 budget appropriation (b)	Change to budget appropriation (b-a)	Note	Final 2025–26 budget appropriation (c)	Change to budget appropriation (c-b)	Note
Output	40,020	35,450	(4,570)	1	37,321	1,871	3
Capital	0	110	110		110	0	
Commonwealth	2,000	62,713	60,713	2	62,713	0	
Total Appropriation	**42,020**	**98,273**	**56,253**		**100,144**	**1,871**	

Output and capital appropriations reflect funding as a direct result of government-approved decisions, with actual funding received by the Department of Mining and Energy in line with the budgeted amounts.

Commonwealth appropriation reflects funding anticipated to be received from the Commonwealth for both operational and capital purposes. As Commonwealth appropriations are largely recognised as or when performance obligations are satisfied, the actual amounts receipted by the Department of Mining and Energy and reported in these financial statements may vary from the budgeted amounts reported in this table.

The following are explanations of changes over $1 million or where there is a significant offset resulting in net changes under $1 million:

1. The decrease predominantly reflects the revised timing of various renewable energy programs in line with program delivery timeframes.
2. The increase primarily reflects the Rum Jungle Mine Site rehabilitation program in line with Commonwealth funding agreements.
3. The increase reflects approved Treasurer's Advance for one-off unforeseen expenditure during the financial year in line with the Financial Management Act 1995.

7.7.5. Sales of goods and services

	2026			2025		
	Revenue from contracts with customers $'000	Other $'000	Total $'000	Revenue from contracts with customers $'000	Other $'000	Total $'000
Sales of goods and services	1,468	171	1,639	1,343	323	1,666
Total sales of goods and services	**1,468**	**171**	**1639**	**1,343**	**323**	**1,666**

Goods and services revenue is generated from the provision of goods and services and delivery of regulatory services.

Fees from regulatory services

Revenue from regulatory fees include fees for the issue of licences and is generally recognised when the department satisfies its performance obligations. The department's sole performance obligation for the issue of a non-intellectual property licence is the issue of the licence, therefore revenue is recognised upfront on issue of the licence.

Sale of goods and service delivery revenue

Sale of goods and service delivery revenue comprise income from rendering of services, and sales of goods and services. These are recognised at fair value, exclusive of GST.

Rendering of services

Revenue from rendering of services is recognised when the department satisfies the performance obligation by transferring the promised services. The department typically satisfies its performance obligations upon the delivery of the services, at a point in time.

Sales of goods and services accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2026 $'000	2025 $'000
Type of good and service		
Regulatory services	1,308	1,210
Service delivery	160	133
Total revenue from contracts with customers	**1,468**	**1,343**
Type of customer		
State and territory governments	10	
Non-government entities	1,458	1,343
Total revenue from contracts with customers	**1,468**	**1,343**
Timing of transfer of goods and services		
Point in time	1,468	1,343
Total revenue from contracts with customers	**1,468**	**1,343**

7.7.6. Goods and services received free of charge

	2026 $'000	2025 $'000
Corporate and information services	3,705	1,536
Repairs and maintenance	140	205
Total goods and services received free of charge	**3,845**	**1,741**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains, depending on their nature.

Repairs and maintenance expenses incurred on the department's assets and costs associated with administration of these expenses are centralised and provided by the Department of Logistics and Infrastructure on behalf of the department, and form part of goods and services received free of charge by the department.

In addition, the following corporate services staff and functions are centralised and provided by Department of Corporate and Digital Development on behalf of the department and form part of goods and services received free of charge by the department:

- financial services including accounts receivable, accounts payable and payroll
- employment and workforce services
- information management services
- procurement services
- property leasing services.

7.7.7. Other income

	2026			2025		
	Revenue from contracts with customers $'000	Other $'000	Total $'000	Revenue from contracts with customers $'000	Other $'000	Total $'000
Miscellaneous revenue	7	1,750	1,757	32	1,222	1,254
Total other income	**7**	**1,750**	**1,757**	**32**	**1,222**	**1,254**

Miscellaneous revenue

Miscellaneous revenue includes reimbursements and funding from non-government organisations. Where funding is received for agreements that are enforceable and contain sufficiently specific performance obligations for the department to transfer goods or services to the customer or third-party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. Where these criterions are not met, revenue is generally accounted for under AASB 1058, and income is generally recognised upfront on receipt of funding.

7.7.8. Employee benefits expense

	2026 $'000	2025 $'000
Salaries and wages	22,382	21,310
Superannuation expenses	2,471	2,320
Fringe benefits tax	140	129
Payroll tax	1,422	1,334
Total employee benefits expense	**26,415**	**25,093**

The number of full-time equivalent employees for 2025–26 was 178.9 (2024-25: 173).

Salaries and wages are recognised in the reporting period when the employee renders services to the Territory Government. It includes recreation leave, labour hire costs, allowances and other benefits, which are recognised in the reporting period when employees are entitled to the benefit or when incurred.

The recognition and measurement policy for employee benefits is detailed in Note 18 Payables and Note 20 Provisions.

7.7.9. Purchases of goods and services

The net surplus/(deficit) has been arrived at after charging the following expenses:

	2026 $'000	2025 $'000
Goods and services expenses		
Consultants[1]	5,103	6,053
Advertising[2]	256	91
Marketing and promotion[3]	301	276
Document production	83	71
Legal expenses[4]	1,522	1,032
Recruitment[5]	266	196
Training and study	385	352
Official duty fares	377	368
Travelling allowance	175	154
Information technology charges and communications	1,865	1,827
Equipment expenses[6]	361	458
Fees and other regulatory charges	352	376
Agent service arrangements	1,950	2,478
Laboratory fees and expenses	573	582
Motor vehicle expenses	608	532
Survey, drafting and drilling expenses	786	829
Mine site earthworks	17,024	1,959
Other	2,289	1,872
Total purchases of goods and services	**34,276**	**19,506**

[1] Includes marketing, promotion and IT consultants.
[2] Does not include recruitment related advertising or advertising for marketing and promotion.
[3] Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.
[4] Includes legal fees, claim and settlement costs.

[5] Includes recruitment-related advertising costs.
[6] Includes multi-function devices charges and other equipment costs.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

7.7.10. Grant and subsidies expenses

(a) Current grant and subsidy expense

	2026 $'000	2025 $'000
CURRENT GRANTS		
Private and not-for-profit sector	2,209	2,077
Grants to other sectors of government	216	0
Other	2,379	1,924
Total current grants	**4,804**	**4,001**
SUBSIDY		
Private and not-for-profit sector	1,971	1,768
Total subsidies	**1,971**	**1,768**
Total current grant and subsidy expense	**6,775**	**5,769**

Current grants expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Current grant expenses predominantly relate to the Geophysics and Drilling Collaborations Program and Precompetitive Geoscience Collaborative Projects.

Subsidies are payments aimed at reducing all or part of the costs of an activity. Concessional payments are made by the department for Ichthys Project Offshore Supply Operations.

Current grant and subsidy expenses are recognised as an expense in the reporting period in which they are paid or payable, exclusive of the amount of GST.

(b) Capital grant expense

	2026 $'000	2025 $'000
CAPITAL GRANT		
Private and not-for-profit sector	(139)	6,042
Grants to other sectors of government	0	135
Total capital grant expense	**(139)**	**6,177**

Capital grant expenses are transfers made to a recipient for the purpose of acquiring, constructing or upgrading a non financial asset that is to be controlled by a party other than the department. It also includes the transfer of existing department assets to another entity for which no economic benefits of equal value are receivable in return. There is a negative balance in 2026 due to the reversal of an accrual recognised in the previous financial year, where the estimated liability was higher than the final payment amount.

Capital grant expenses are recognised in the reporting period in which they are paid or payable, exclusive of the amount of GST. Where an existing department asset is transferred to a recipient, the transaction is recognised when the department transfers control of asset to the recipient.

The negative capital grant expense in 2025-26 is due to the estimated accrual in prior year being greater than final payments under the Home & Business Battery Scheme.

7.7.11. Interest expense

	2026 $'000	2025 $'000
Interest from lease liabilities	4	6
Total interest expenses	**4**	**6**

Interest expenses incurred are in connection with lease liabilities. Interest expenses are recognised in the reporting period in which they are incurred.

7.7.12. Write-offs, postponements, waivers, gifts and ex-gratia payments

The following table presents all write-offs, waivers, postponements, gifts and ex gratia payments approved under the Financial Management Act 1995 or other legislation that the department administers.

	Agency				Territory items			
	2026 $'000	No. of trans	2025 $'000	No. of trans	2026 $'000	No. of trans	2025 $'000	No. of trans
AUTHORISED UNDER THE FINANCIAL MANAGEMENT ACT 1995								
Write-offs, postponements and waivers approved by delegates								
Irrecoverable amounts payable to the Territory or an agency written off	0	2	0	0	0	0	0	0
Public property written off	0	1	0	10	0	0	0	0
Total Written Off, Postponed and Waived by Delegates	**0**	**3**	**0**	**10**	0	0	**0**	**0**
Total authorised under the Financial Management Act 1995	**0**	**3**	**0**	**10**	0	0	**0**	**0**
AUTHORISED UNDER OTHER LEGISLATION								
Write-offs, postponements and waivers	0	0	0	0	964[1]	2	0	0
Total authorised under other legislation	**0**	**0**	**0**	**0**	**964**	**2**	**0**	**0**

[1] *Waivers approved under the Mineral Titles Regulations and Petroleum Act 1984 for administered Territory items*

Write-off

Write-offs reflect the removal from accounting records the value of public money or public property owing to, or loss sustained by the Territory or agency. It refers to circumstance where the Territory or an agency has made all attempts to pursue the debt, however, is deemed irrecoverable due to reasons beyond the Territory or an agency's control. Write-offs result in no cash outlay and are accounted for under 'Other administrative expenses' in the comprehensive operating statement.

Waiver

Waivers reflect the election to forego a legal right to recover public money or receive public property. Once agreed with and communicated to the debtor, it will have the effect of extinguishing the debt and renouncing the right to any future claim on that public money or public property. Waivers result in no cash outlay, and are accounted for under 'Current grants and subsidies expense' in the comprehensive operating statement.

Postponement

A postponement is a deferral of a right to recover public money or receipt of public property from its due date. This has no effect on revenues or expenses recognised but may affect cash inflows or assets in use.

Gifts

A gift is an asset or property, deemed surplus to government's requirements, transferred to a suitable recipient, without receiving any consideration or compensation, and where there is no constructive or legal obligation for the transfer. Gifted property is accounted under 'Other administrative expenses' in the comprehensive operating statement.

Ex-gratia

Ex gratia payments or act-of-grace payments are gratuitous payments where no legal obligation exists. All ex gratia payments are approved by the Treasurer. Ex gratia payments result in cash outlay and are accounted for under 'Purchases of goods and services' in the comprehensive operating statement.

7.7.13. Cash and deposits

	2026 $'000	2025 $'000
Cash on hand	0	0
Cash at bank	212,618	183,721
Total cash and deposits	**212,618**	**183,721**

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner. Refer also to Note 17.

7.7.14. Cash flow reconciliation

(a) Reconciliation of cash

The total of department 'cash and deposits' of $212.6 million recorded in the balance sheet is consistent with that recorded as 'cash' in the cash flow statement.

Reconciliation of net surplus/deficit to net cash used in operating activities	2026 $'000	2025 $'000
Net deficit	**(5,754)**	**(4,779)**
NON-CASH ITEMS:		
Depreciation and amortisation	4,472	499
CHANGES IN ASSETS AND LIABILITIES:		
Decrease/(increase) in receivables	3,086	(6,084)
Increase in payables	501	9,755
Increase in provision for employee benefits	113	2,620
Increase in other provisions	92	549
Increase in other liabilities	3,434	21,634
Net cash from operating activities	**5,944**	**24,194**

(b) Reconciliation of liabilities arising from financing activities

2025–26	1 July	Cash flows: Transfers from Administrative Restructuring	Cash flows: Deposits received	Cash flows: Lease liabilities repayments	Total cash flows	30 June 2026
	$'000	$'000	$'000	$'000	$'000	$'000
Deposits held	160,923	0	22,812	0	22,812	183,735
Borrowings and advances	121	0	0	(44)	(44)	78
Total	**161,044**	**0**	**22,812**	**(44)**	**22,768**	**183,813**

2024–25	1 July	Cash flows: Transfers from Administrative Restructuring	Cash flows: Deposits received	Cash flows: Lease liabilities repayments	Total cash flows	30 June 2025
	$'000	$'000	$'000	$'000	$'000	$'000
Deposits held	0	144,182	16,741	0	160,923	160,923
Borrowings and advances	0	163[1]	0	(42)	(42)	121
Total	**0**	**144,345**	**16,741**	**(42)**	**160,881**	**161,044**

[1] *$163,000 in loans and advances were transferred from administrative restructuring that did not impact cash flows and therefore this balance does not reconcile to the cash flows from financing activities.*

7.7.15. Receivables

	2026 $'000	2025 $'000
Current		
Accounts receivable	1,612	3,532
Less: loss allowance	(9)	0
Contract receivables	94	17
Less: loss allowance	(9)	0
Accrued contract revenue	0	1,789
Less: loss allowance	0	0
	1,688	**5,338**
GST receivables	915	421
Prepayments	391	322
Other receivables	4	3
Total receivables	**2,998**	**6,084**

Receivables are initially recognised when the department becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and contract receivables are generally settled within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the department estimates are likely to be uncollectible and are considered doubtful.

Accrued contract revenue

Accrued contract revenue arises from contracts with customers where the department's right to consideration in exchange for goods transferred to customers or works completed have arisen but have not been billed at the reporting date. Once the department's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

The department has no accrued contract revenue at 30 June 2026. The prior year balance of $1.8 million related to transfers to the Central Holding Authority for administered Territory items.

Prepayments

Prepayments represent payments made in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables, contracts receivables and accrued contract revenue. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information, including macroeconomic factors and their expected impacts on the default rates of each group and the unemployment rate forecast.

In accordance with the provisions of the Financial Management Act 1995, receivables are written-off when based on demonstrated actions to collect, there is no reasonable expectation of recovery for reasons beyond the department's control.

The loss allowance for receivables at reporting date represents the amount of receivables the department estimates is likely to be uncollectible and is considered doubtful. Ageing analysis and reconciliation of loss allowance for receivables as at the reporting date are disclosed below.

Internal receivables reflect amounts owing from entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External receivables reflect amounts owing from third parties that are external to the Northern Territory Government.

Ageing analysis

	2026				2025			
	Gross receivables $'000	Loss rate %	Expected credit losses $'000	Net receivables $'000	Gross receivables $'000	Loss rate %	Expected credit losses $'000	Net receivables $'000
External receivables								
Not overdue	880	0%	0	880	2,495	0%	0	2,495
Overdue for less than 30 days	440	0%	0	440	0	0%	0	0
Overdue for 30 to 60 days	26	0%	0	26	0	0%	0	0
Overdue for more than 60 days	359	5%	18	341	2,843	0%	0	2,843
Total external receivables	**1,705**		**18**	**1,687**	**5,338**		**0**	**5,338**

Total amounts disclosed exclude statutory amounts and prepayments as these do not meet the definition of a financial instrument and therefore will not reconcile the receivables note. It also excludes accrued contract revenue where no loss allowance has been provided.

Reconciliation of loss allowance for receivables

	2026 $'000	2025 $'000
External receivables		
Opening balances	0	0
Transfers from administrative restructuring	0	98
Written off during the year	0	0
Increase/(decrease) in allowance recognised in profit or loss	18	(98)
Total external receivables	**18**	**0**

7.7.16. Property, plant and equipment

(a) Total property, plant and equipment

	2026 $'000	2025 $'000
Land		
At fair value	3,380	3,380
	3,380	**3,380**
Buildings		
At fair value	14,452	15,100
Less: accumulated depreciation	(9,160)	(9,807)
	5,292	**5,293**
Infrastructure		
At fair value	7,550	10,442
Less: accumulated depreciation	(4,257)	(10,349)
	3,293	**93**
Construction (work in progress)		
At capitalised cost	28,584	5,587
	28,584	**5,587**
Plant and equipment		
At fair value	2,233	1,833
Less: accumulated depreciation	(1,705)	(1,725)
	528	**108**
Right-of-use assets		
At fair value	201	201
Less: accumulated depreciation	(134)	(94)
	67	**107**
Computer hardware		
At fair value	154	154
Less: accumulated depreciation	(124)	(113)
	30	**41**
Total property, plant and equipment	**41,174**	**14,609**

Reconciliation of carrying amount of property, plant and equipment

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

2025–26	Land $'000	Buildings $'000	Infrastructure $'000	Construction (work in progress) $'000	Plant and equipment $'000	Computer hardware $'000	Right-of-use assets $'000	Total $'000
Carrying Amount as at 1 July 2025	**3,380**	**5,293**	**93**	**5,587**	**108**	**41**	**107**	**14,609**
Additions	0	0	0	30,218	485	0	0	**30,703**
Disposals	0	0	0	0	0	0	0	**0**
Additions from asset transfers	0	334	7,221	(7,221)	0	0	0	**334**
Depreciation expense – asset owned	0	(335)	(4,021)	0	(65)	(11)	0	**(4,432)**
Amortisation expense – right-of-use asset	0	0	0	0	0	0	(40)	**(40)**
Carrying Amount as at 30 June 2026	**3,380**	**5,292**	**3,293**	**28,584**	**528**	**30**	**67**	**41,174**

2024–25	Land $'000	Buildings $'000	Infrastructure $'000	Construction (work in progress) $'000	Plant and equipment $'000	Computer hardware $'000	Right-of-use assets $'000	Total $'000
Carrying Amount as at 1 July 2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0
Additions	0	0	0	5,587	12	44	0	5,643
Additions from administrative restructuring	3,540	3,763	468	0	127	5	147	8,050
Additions from asset transfers	0	123	0	0	0	0	0	123
Depreciation expense – asset owned	0	(286)	(134)	0	(31)	(8)	0	(459)
Amortisation expense – right-of-use asset	0	0	0	0	0	0	(40)	(40)
Revaluation increments/decrements	(160)	1,693	(241)	0	0	0	0	1,292
Carrying Amount as at 30 June 2025	**3,380**	**5,293**	**93**	**5,587**	**108**	**41**	**107**	**14,609**

Acquisitions

Property, plant and equipment are initially recognised at cost.

Items of property, plant and equipment with a cost or other value, equal to or greater than $10,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the $10,000 threshold are expensed in the year of acquisition.

Major items of plant and equipment comprising a number of components that have different useful lives are accounted for as separate assets. Individual components may be replaced during the useful life of the complex asset.

Construction (work in progress)

As part of the financial management framework, the Department of Logistics and Infrastructure is responsible for managing general government capital works projects on a whole of government basis. Therefore appropriation for capital works is provided directly to the Department of Logistics and Infrastructure and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to the department.

Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land
- buildings
- infrastructure assets.

The above classes of property, plant and equipment include certain new assets initially recognised at cost. Such new assets will continue to be measured at cost, which is deemed to equate to fair value, until the next revaluation for that asset class occurs.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

The latest revaluations of land, buildings and infrastructure assets were independently conducted as at 30 June 2025 by Colliers International (NT) Pty Ltd (Colliers). Refer to Note 23 Fair Value Measurement for additional disclosures.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Materially significant non-financial assets are assessed for indicators of impairment annually. If any indicator of impairment exists, the department determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a re-valued amount. Where the asset is measured at a re-valued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the prior years. Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent that an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus.

Department property, plant and equipment assets were assessed for impairment as at 30 June 2026. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2026
Buildings	15 – 50 years
Infrastructure assets	15 – 30 years
Plant and equipment	2 – 10 years
Computer hardware	4 – 5 years
Right-of-use assets:	
Buildings	5 years

Right-of-use assets under lease

Recognition and measurement

The department leases employee housing. The department assesses at contract inception whether a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration and hence contains a lease.

The department recognises lease liabilities representing an obligation to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets. Refer to Note 19 Borrowings and advances for additional information.

The department recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use).

If ownership of the leased asset transfers to the department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are subsequently measured at fair value which approximates costs less accumulated amortisation and accumulated impairment losses.

Right-of-use assets are subject to remeasurement principles consistent with the lease liability. This includes applying indexation and market rent review. Right-of-use assets are also revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Inter-governmental leases

The department applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognises these as an expense on a straight-line basis over the lease term. These largely relate to the lease of motor vehicles from NT Fleet. Leases of commercial properties for office accommodation are centralised with the Department of Corporate and Digital Development (DCDD). Consequently, all lease liabilities and right-of-use assets relating to these arrangements are recognised by DCDD and not disclosed within these financial statements.

7.7.17. Deposits held

	2026 $'000	2025 $'000
Accountable officer's trust account (a)	183,554	160,769
Other	181	154
Total deposits held	**183,735**	**160,923**

Deposits held mainly comprise accountable officer's trust account and clearing money.

Clearing money is public money in transit that is payable to another entity. These funds typically do no contribute to the operations of the department.

Accountable officer's trust accounts hold trust monies established under legislations held by the by the department on behalf of others for a specific purpose and not for use in operations of government.

(a) Accountable officer's trust account

Accountable officer's trust account balances comprise:

	2026 $'000	2025 $'000
Aboriginal Land Rents	2,903	2,525
Cash Securities	64,322	56,687
Mining Remediation	113,808	99,803
Orphan Wells Levy	2,521	1,754
Total accountable officer's trust account	**183,554**	**160,769**

7.7.18. Payables

	2026 $'000	2025 $'000
Accounts payable	356	472
Accrued salaries and wages	793	639
Other accrued expenses	8,400	5,859
Other payables	707	2,785
Total payables	**10,256**	**9,755**

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the department. Accounts payable are normally settled within 20 days from receipt of valid invoices under $1 million or 30 days for invoices over $1 million.

Salaries and wages that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the amounts expected to be paid.

7.7.19. Borrowings and advances

	2026 $'000	2025 $'000
CURRENT		
Lease liabilities	46	44
	46	**44**
NON-CURRENT		
Lease liabilities	32	77
	32	**77**
Total borrowings and advances	**78**	**121**

Lease liabilities

At the commencement date of the lease where the department is the lessee, the department recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the entity
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the department's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The department currently has a fixed period building lease contract. The lease agreement has extension and termination options to maximise operational flexibility in terms of managing contracts. The extension and termination options held are exercisable only by the department. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease agreement does not impose any covenants. The department does not provide residual value guarantees in relation to leases.

(i) Reconciliation of lease liabilities

The following table reconciles liabilities under leases.

	2026 $'000	2025 $'000
Balance at 1 July	121	**0**
Additions from administrative restructuring	0	163
Interest expenses	4	6
Payments	(47)	(48)
Balance at 30 June	**78**	**121**

(ii) Total cash outflows associated with leases

The following table presents total cash outflows associated with leases:

	2026 $'000	2025 $'000
Lease liability payments	47	48
Low-value asset lease payments	15	6
Intergovernmental lease payments	448	444
Total cash outflows	**510**	**498**

The department had total cash outflows for leases of $0.5 million in 2025–26 (2024-25: $0.5 million).

The department has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of $10,000 or less when new and not subject to a sublease arrangement and comprise mainly of multi-function devices.

(iii) Amounts recognised in the comprehensive operating statement

The following amounts were recognised in the comprehensive operating statement for the year in respect of leases where the department is the lessee:

	2026 $'000	2025 $'000
Amortisation expense of right-of-use assets	(40)	(40)
Interest expense on lease liabilities	(4)	(6)
Expense relating to leases of low-value assets	(15)	(6)
Intergovernmental leases	(448)	(444)
Total amount recognised in the comprehensive operating statement	**(507)**	**(496)**

(iv) Future minimum lease payments under non-cancellable leases not recorded as liabilities

	2026		2025	
	Internal $'000	External $'000	Internal $'000	External $'000
Within one year	409	0	446	0
Later than one year and not later than five years	521	0	914	0
Later than five years	37	0	123	0
	967	**0**	**1,483**	**0**

7.7.20. Provisions

	2026 $'000	2025 $'000
CURRENT		
Employee benefits		
Recreation leave	2,378	2,293
Leave loading	341	319
Airfares	13	8
Other current provisions		
Fringe benefits tax	47	31
Payroll tax	229	179
Superannuation	365	339
Total provisions	**3,373**	**3,169**

Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period. Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including the department and therefore no long service leave liability is recognised within these financial statements.

7.7.21. Other liabilities

	2026 $'000	2025 $'000
CURRENT		
Unearned contract revenue	25,068	21,634
Total other liabilities	**25,068**	**21,634**

Unearned contract revenue

Unearned contract revenue relates to consideration received or due to be received in advance from customers in respect of services contracts.

Of the amount included in the unearned contract revenue liability balance as at 1 July 2025, $15.7 million has been recognised as revenue in 2025–26 financial year (2024-25: $2.8 million).

Changes in unearned contract revenue during the year is largely due to an increase in unearned contract revenue for the Rum Jungle Rehabilitation Project.

The department anticipates to recognise as revenue, unearned contract revenue liability in accordance with the time bands below:

	2026 $'000	2025 $'000
CURRENT		
Not later than one year	25,068	21,634
Later than one year and not later than 5 years	0	0
Later than 5 years	0	0
Total Other Liabilities	**25,068**	**21,634**

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- non-government, employee nominated schemes for those employees commencing on or after 10 August 1999.

The department makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in the department's financial statements.

7.7.22. Capital commitments

Capital commitments represent future obligations or cash outflows primarily related to the construction of assets that can be reliably measured and arise out of a contractual arrangement and typically binds the department to performance conditions. Commitments are not recognised as liabilities on the balance sheet.

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached. Disclosures in relation to capital and other commitments are detailed below:

	2026 $'000	2025 $'000
(i) CAPITAL EXPENDITURE COMMITMENTS[1]		
Not later than one year	18,856	13,855
Later than one year and not later than five years	0	0
Later than five years	0	0
Total capital expenditure commitments (exclusive of GST)	**18,856**	**13,855**
Plus: GST recoverable	1,886	1,386
Total capital expenditure commitments (inclusive of GST)	**20,742**	**15,241**

1 Excludes amounts recognised as unearned revenue in the department's financial records.

7.7.23. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the department include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal department adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The department has land measured at Level 2 of the fair value hierarchy.

Level 3 – inputs are unobservable. All other non-financial assets held by the department are measured at level 3 of the fair value hierarchy.

(a) Fair value hierarchy

The table below presents non-financial assets and liabilities recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 2		Level 3		Total Fair Value	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
ASSETS						
Land (Note 16)	3,380	3,380	0	0	3,380	3,380
Buildings (Note 16)	0	0	5,292	5,293	5,292	5,293
Infrastructure (Note 16)	0	0	3,293	93	3,293	93
Construction (work in progress)	0	0	28,584	5,587	28,584	5,587
Plant and equipment	0	0	528	108	528	108
Computer hardware	0	0	30	41	30	41
Right-of-use assets	0	0	67	107	67	107
Total non-financial assets	**3,380**	**3,380**	**37,794**	**11,229**	**41,174**	**14,609**
Total assets	**3,380**	**3,380**	**37,794**	**11,229**	**41,174**	**14,609**

There were no transfers between Level 1 and Levels 2 or 3 during 2025-26 financial year.

(b) Valuation techniques and inputs

Valuation techniques and significant unobservable inputs used to measure fair value in 2025-26 are:

Asset Classes	Level	Technique	Significant unobservable inputs
Land	2	Market	N/A
Specialised buildings	3	Current replacement cost	1. Construction costs / cost per square metre 2. Age and condition of asset 3. Remaining useful life
Infrastructure	3	Current replacement cost	1. Labour and material costs to replace 2. Useful life of components
Construction (work in progress)	3	Current replacement cost	1. Construction costs / cost per square metre
Plant and equipment	3	Current replacement cost	1. Cost per unit 2. Useful life
Computer hardware	3	Current replacement cost	1. Cost per unit 2. Useful life
Right-of-use assets	3	Current replacement cost	1. Age and condition of asset 2. Remaining useful life

There were no changes in valuation techniques from 2024–25 to 2025–26.

Colliers provided valuations for the land, buildings and infrastructure assets as at 30 June 2025.

Level 2 fair values of land were based on market evidence of sales price per square metre of comparable land and buildings.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage and records of the current condition of the facilities.

(c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non-financial assets

2025–26	Buildings $'000	Infrastructure $'000	Construction (work in progress) $'000	Plant and Equipment $'000	Right-of-use asset $'000	Computer Hardware $'000	Total $'000
Fair value as at 1 July 2025	5,293	93	5,587	108	107	41	11,229
Additions	0	0	30,218	485	0	0	30,703
Transfers in/out	334	7,221	(7,221)	0	0	0	334
Depreciation/amortisation	(335)	(4,021)	0	(65)	(40)	(11)	(4,472)
Fair value as at 30 June 2026	**5,292**	**3,293**	**28,584**	**528**	**67**	**30**	**37,794**

2024–25	Buildings $'000	Infrastructure $'000	Construction (work in progress) $'000	Plant and Equipment $'000	Right-of-use asset $'000	Computer Hardware $'000	Total $'000
Fair value as at 1 July 2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions	0	0	5,587	12	0	44	5,643
Additions from administrative restructuring	3,763	468	0	127	147	5	4,510
Transfers in/out	123	0	0	0	0	0	123
Depreciation/amortisation	(286)	(134)	0	(31)	(40)	(8)	(499)
Revaluation increments/decrements including remeasurement	1,693	(241)	0	0	0	0	1,452
Fair value as at 30 June 2025	**5,293**	**93**	**5,587**	**108**	**107**	**41**	**11,229**

(ii) Sensitivity analysis

Buildings and infrastructure – unobservable inputs used in computing the fair value of buildings include the historical cost and the consumed economic benefit for each building. Given the large number of agency building and infrastructure assets, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

Plant, equipment and computer hardware – unobservable inputs used in computing the fair value of plant, equipment, and computer hardware include the historical cost and the consumed economic benefit. Given the immaterial amount of department plant, equipment and computer hardware held, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

7.7.24. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The department's financial instruments include cash and deposits, receivables, deposits held, payables and lease liabilities. Statutory receivables arising from taxes including tax receivables, GST input tax credits recoverable, and fines and penalties, do not meet the definition of financial instruments as per AASB 132 Financial instruments: Presentation and are therefore excluded.

The department has limited exposure to financial risks as discussed below.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The department's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

(a) Categories of financial instruments

The carrying amounts of the department's financial assets and liabilities by category are disclosed in the table below:

	2026		2025	
	Category	**$'000**	**Category**	**$'000**
Cash and deposits	Other	212,618	Other	183,721
Receivables[1]	Amortised cost	1,688	Amortised cost	3,549
Total financial assets		**214,306**		**187,270**
Deposits held[1]	Amortised cost	183,735	Amortised cost	160,923
Payables[1]	Amortised cost	356	Amortised cost	472
Lease liabilities	Amortised cost	78	Amortised cost	121
Total financial liabilities		**184,169**		**161,516**

[1] *Amounts disclosed exclude statutory amounts and accruals (such as accrued revenue and provisions), as these do not meet the definition of financial instruments and therefore amounts will not reconcile to the balance sheet.*

Financial assets at amortised cost

Financial assets categorised at amortised cost are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment.

The department's financial assets categorised at amortised cost include receivables.

Financial assets at fair value through other comprehensive income

The department does not have any financial assets under this category.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. The department's financial liabilities categorised at amortised cost include all accounts payable, deposits held, and lease liabilities.

Financial liabilities at fair value through profit or loss

The department does not have any financial liabilities under this category.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The department has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, the department has adopted a policy of only dealing with credit-worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the department's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in note 15.

(c) Liquidity risk

Liquidity risk is the risk that the department will not be able to meet its financial obligations as they fall due. The department's approach to managing liquidity is to ensure that it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring that minimum levels of cash are held in the department's bank account to meet various current employee and supplier liabilities. The department's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event that one-off extraordinary expenditure items arise that deplete cash to levels that compromise the department's ability to meet its financial obligations.

The following tables detail the department's remaining contractual maturity for its financial liabilities calculated on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet which are based on discounted cash flows.

Maturity analysis for financial liabilities

2025-26	Carrying amount $'000	Less than a year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
LIABILITIES					
Deposits held[1]	183,735	183,735	0	0	**183,735**
Payables[1]	356	356	0	0	**356**
Lease liabilities	78	48	32	0	**80**
Total financial liabilities	**184,169**	**184,139**	**32**	**0**	**184,171**

[1] *Amounts disclosed exclude statutory amounts and accruals (such as accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not reconcile the balance sheet.*

2024-25	Carrying amount $'000	Less than a year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
LIABILITIES					
Deposits held[1]	160,923	160,923	0	0	**160,923**
Payables[1]	472	472	0	0	**472**
Lease liabilities	121	48	80	0	**128**
Total financial liabilities	**161,516**	**161,443**	**80**	**0**	**161,523**

[1] *Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not reconcile the balance sheet.*

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The department's exposure to interest rate risk by asset and liability classes is disclosed below.

2025-26	Interest bearing			
	Variable	Fixed	Non-interest bearing	Total
Assets	$'000	$'000	$'000	$'000
Cash and deposits	3,808	110,000	98,810	**212,618**
Receivables	0	0	1,688	**1,688**
Total financial assets	**3,808**	**110,000**	**100,498**	**214,306**
Liabilities				
Deposits held	3,808	110,000	69,927	**183,735**
Payables	0	0	356	**356**
Lease liabilities	0	78	0	**78**
Total financial assets	**3,808**	**110,078**	**70,283**	**184,169**

2024-25	Interest bearing		Non-interest bearing	Total
	Variable $'000	Fixed $'000	$'000	$'000
ASSETS				
Cash and deposits	2,199	97,845	83,677	**183,721**
Receivables[1]	0	0	3,549	**3,549**
Total financial assets	**2,199**	**97,845**	**87,226**	**187,270**
LIABILITIES				
Deposits held[1]	2,199	97,845	60,879	**160,923**
Payables[1]	0	0	472	**472**
Lease liabilities	0	121	0	**121**
Total financial liabilities	**2,199**	**97,966**	**61,351**	**161,516**

Sensitivity analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the department's profit or loss and equity.

	100 basis points increase $'000
30 June 2026	
Financial assets – advances	38
Financial liabilities – borrowings	(38)
Net sensitivity	**0**
30 June 2025	
Financial assets – advances	22
Financial liabilities – borrowings	(22)
Net sensitivity	**0**

(ii) Price risk

The department is not exposed to price risk as it does not hold units in unit trusts.

(iii) Currency risk

Currency risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The department is not exposed to currency risk as the department does not hold borrowings denominated in foreign currencies nor does it have transactional currency exposures arising from purchases in a foreign currency.

7.7.25. Related parties

(i) Related parties

The Department of Mining and Energy is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

- the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the entity directly
- close family members of the portfolio minister or KMP, including spouses, children and dependents
- all public sector entities that are controlled and consolidated into the whole-of-government financial statements
- any entities controlled or jointly controlled by KMPs or the portfolio minister or controlled or jointly controlled by their close family members.

(ii) Key management personnel

Key management personnel of the Department of Mining and Energy are those persons having authority and responsibility for planning, directing and controlling the activities of the department. These include the portfolio ministers, the Chief Executive Officer and the members of the Board of Management.

(iii) Remuneration of key management personnel

The details below excludes the salaries and other benefits of portfolio ministers as the ministers' remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of department is set out below:

	2026 $'000	2025 $'000
Short-term employee benefits	1,264	1,177
Post-employment benefits	152	153
Total	**1,416**	**1,330**

Long service leave benefits are centrally recognised and paid by the Central Holding Authority (CHA) and do not form part of department's accounts or cash outflows. As there is no financial impact on the department's financial statements, long service leave benefits are excluded from the quantitative disclosures of key management personnel compensation.

(iv) Related party transactions

Transactions with Northern Territory Government-controlled entities

The department's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific-purpose payments.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government controlled entities.

2025–26	Revenue from related parties $'000	Payments to related parties $'000	Amounts owed by related parties $'000	Amounts owed to related parties $'000
RELATED PARTY				
All NTG Government departments	3,995	7,887	79	23
Total	**3,995**	**7,887**	**79**	**23**

2024–25	Revenue from related parties $'000	Payments to related parties $'000	Amounts Owed by related parties $'000	Amounts owed to related parties $'000
RELATED PARTY				
All NTG Government departments	1,894	5,600	63	11
Total	**1,894**	**5,600**	**63**	**11**

Significant transactions with other government entities include:

- payments totalling $1.2 million to the Department of Trade, Business and Asian Relations for shared services.
- $3.7 million in free-of-charge services expenditure and corresponding revenue between the department and the Department of Corporate and Digital Development.

Other related party transactions are as follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public, including paying stamp duty and other government fees and charges, and therefore, these transactions have not been disclosed.

7.7.26. Contingent liabilities and contingent assets

(a) Contingent liabilities

The department has entered into contracts and agreements that contain indemnities. The contingent liabilities arising from these indemnities are unquantifiable, and the likelihood of occurrence is considered low. For all the events that would give rise to potential liabilities, the department has comprehensive risk management strategies in place.

(b) Contingent assets

The department had no contingent assets as at 30 June 2026 or 30 June 2025.

7.7.27. Events subsequent to balance sheet date

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in, these financial statements.

7.7.28. Schedule of administered Territory items

In addition to operating revenues controlled and utilised by an department to fund its activities that are included in the financial statements, the department also acts on behalf of the Territory Government in the management of administered items. These include fees, rents and levies on mineral titles. An department is unable to use administered items to further its own objectives without authorisation.

Administered items are transferred to and reported by the Central Holding Authority, as the parent entity of government. Administered income and expenses are not recognised in the department's operating statement but are reported separately in accordance with Australian accounting standards.

The following Territory items are managed by the department on behalf of the government and are recorded in the Central Holding Authority (refer Note 2(d)).

TERRITORY INCOME AND EXPENSES	2026 $'000	2025 $'000
INCOME		
Fees from regulatory services	5,313	7,360
Royalties and rents	17,084	17,429
Total income	**22,397**	**24,789**
EXPENSES		
Central Holding Authority income transferred	22,638	24,259
Doubtful debts	(1,205)	530
Other administrative expenses	964	0
Total expenses	**22,397**	**24,789**
Territory income less expenses	**0**	**0**
TERRITORY ASSETS AND LIABILITIES		
ASSETS		
Central Holding Authority receivables	1,197	1,744
Total assets	**1,197**	**1,744**
LIABILITIES		
Central Holding Authority income payable	1,197	1,744
Total liabilities	**1,197**	**1,744**
Net assets	**0**	**0**

7.7.29. Budgetary information

The following tables present the variation between the 2025-26 original budgeted financial statements, as reported in 2025-26 Budget Paper No. 3 Agency Budget Statements and the 2025-26 actual amounts reported in the financial statements, together with explanations for significant variations.

The variations within these tables do not include changes to budgeted appropriations from 2025-26 original budget to 2025-26 final budget. Refer to Note 5a for summary changes to budget appropriations.

(a) Comprehensive operating statement

	2025–26 Actual $'000	2025–26 Original budget $'000	Variance $'000	Note
INCOME				
Appropriation				
Output	37,321	40,020	(2,699)	1
Commonwealth	25,856	3,000	22,856	2
Sales of goods and services	1,639	1,185	454	
Goods and services received free of charge	3,845	1,441	2,404	3
Other income	1,757	1,094	663	
TOTAL INCOME	**70,418**	**46,740**	**23,678**	
EXPENSES				
Employee expenses	26,415	23,796	2,619	4
Administrative expenses				
Purchases of goods and services	34,782	16,280	18,502	5
Depreciation and amortisation	4,472	451	4,021	6
Other administrative expenses	3,863	1,441	2,422	7
Grants and subsidies expenses				
Current	6,775	5,634	1,141	
Capital	(139)	1,000	(1,139)	
Interest expenses	4	4	0	
TOTAL EXPENSES	**76,172**	**48,606**	**27,566**	
NET DEFICIT	**(5,754)**	**(1,866)**	**(3,888)**	
OTHER COMPREHENSIVE INCOME				
Changes in revaluation surplus	0	0	0	
TOTAL OTHER COMPREHENSIVE INCOME	**0**	**0**	**0**	
COMPREHENSIVE RESULT	**(5,754)**	**(1,866)**	**(3,888)**	

Notes:

The following note descriptions relate to variances greater than $2 million, or where multiple significant variances have occurred.

1) Output appropriation decreased primarily due to the revised timing of various sustainable energy development projects expected to be completed in 2026-27 and outer years, partially offset by approved Treasurer's Advance for one-off unforeseen expenditure during the financial year in line with the Financial Management Act 1995.

2) Commonwealth appropriation has increased predominantly due to the timing of revenue recognition for the Commonwealth funded Rum Jungle Rehabilitation project.
3) Goods and services received free of charge (FOC) has increased due to a realignment of FOC from the Department of Corporate and Digital Development (DCDD).
4) The increase to payments to employees primarily reflects the timing of the Commonwealth funded Rum Jungle Rehabilitation project.
5) Purchase of goods and services increased mainly due to the timing of the Commonwealth funded Rum Jungle Rehabilitation project, partially offset by various sustainable energy development projects expected to be completed in 2026-27 and outer years.
6) Depreciation and amortisation have increased due to the Commonwealth funded Rum Jungle Water Treatment Plant completed in 2025-26.
7) Other administrative expenses increased primarily due to the realignment of corresponding FOC expenditure from DCDD.

(b) Balance sheet

	2025–26 Actual $'000	2025–26 Original budget $'000	Variance $'000	Note
ASSETS				
Current assets				
Cash and deposits	212,618	145,226	67,392	1
Receivables	2,998	2,895	103	
Total current assets	**215,616**	**148,121**	**67,495**	
Non-current assets				
Property, plant and equipment	41,174	30,504	10,670	2
Total non-current assets	**41,174**	**30,504**	**10,670**	
TOTAL ASSETS	**256,790**	**178,625**	**78,165**	
LIABILITIES				
Current liabilities				
Deposits held	183,735	144,170	39,565	3
Payables	10,256	2,598	7,658	4
Borrowings and advances	46	0	46	
Provisions	3,373	3,273	100	
Other liabilities	25,068	4,000	21,068	5
Total current liabilities	**222,478**	**154,041**	**68,437**	
Non-current liabilities				
Borrowings and advances	32	77	(45)	
Total non-current liabilities	**32**	**77**	**(45)**	
TOTAL LIABILITIES	**222,510**	**154,118**	**68,392**	
NET ASSETS	**34,280**	**24,507**	**9,773**	
EQUITY				
Capital	40,286	26,764	13,522	6
Reserves	4,527	3,197	1,330	
Accumulated funds	(10,533)	(5,454)	(5,079)	7
TOTAL EQUITY	**34,280**	**24,507**	**9,773**	

Notes:

The following note descriptions relate to variances greater than $2 million, or where multiple significant variances have occurred.

1) Variations are detailed more in the Cash Flow Statement. The variation mainly reflects that the actual cash at 1 July 2025 was $36 million higher than the original 2025-26 budget. Additionally, AOTA receipts in the mining remediation fund and cash securities for mining management are not incorporated in the original 2025-26 budget.
2) Property, plant and equipment variance largely reflects the Rum Jungle Rehabilitation project capital works program relating to the Water Treatment Plant completed in 2025-26.
3) Deposits held increased since the original 2025-26 budget predominately due to the increase in AOTA receipts in the mining remediation fund and cash securities for mining management.
4) Increase in payables mainly reflects year end expenses accrued but not yet paid as at 30 June 2026.

5) Other liabilities increased since the original 2025-26 budget predominantly due to unearned revenue recognised in 2025-26 for the Rum Jungle Rehabilitation Project.

6) The increase in capital reflects the capital works expenditure for the Rum Jungle Rehabilitation Project Water Treatment Plant.

7) Variation reflects the net deficit from the comprehensive operating statement.

(c) Cash flow statement

	2025–26 Actual $'000	2025–26 Original budget $'000	Variance $'000	Note
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Appropriation				
Output	37,321	40,020	(2,699)	1
Commonwealth	29,290	2,000	27,290	2
Receipts from sales of goods and services	13,268	2,279	10,989	3
Total operating receipts	**79,879**	**44,299**	**35,580**	
Operating payments				
Payments related to employees	(26,039)	(23,796)	(2,243)	4
Payments for goods and services	(39,178)	(16,280)	(22,898)	5
Grants and subsidies paid				
Current	(6,068)	(5,634)	(434)	
Capital	(2,646)	(1,000)	(1,646)	
Interest paid	(4)	(4)	0	
Total operating payments	**(75,935)**	**(46,714)**	**(27,221)**	
Net cash from/(used in) operating activities	**5,944**	**(2,415)**	**8,359**	
Investing payments				
Purchases of non-financial assets	(30,703)	0	(30,703)	6
Total investing payments	**(30,703)**	**0**	**(30,703)**	
Net cash (used in) investing activities	**(30,703)**	**0**	**(30,703)**	
Financing receipts				
Deposits received	22,812	0	22,812	7
Equity injections				
Capital appropriation	110	0	110	
Commonwealth capital appropriation	30,653	0	30,652	
Other equity injections	125	0	125	
Total financing receipts	**53,700**	**0**	**53,700**	
Financing payments				
Finance lease payments	(44)	(44)	0	
Total financing payments	**(44)**	**(44)**	**0**	
Net cash from/(used in) financing activities	**53,656**	**(44)**	**53,700**	
Net increase/(decrease) in cash held	28,897	(2,459)	31,356	
Cash at beginning of financial year	183,721	147,685	36,036	
CASH AT END OF FINANCIAL YEAR	**212,618**	**145,226**	**67,392**	

Notes:

The following note descriptions relate to variances greater than $2 million, or where multiple significant variances have occurred.

1) Output appropriation decreased primarily due to the revised timing of various sustainable energy development projects expected to be completed in 2026-27 and outer years, partially offset by approved Treasurer's Advance for one-off unforeseen expenditure during the financial year in line with the Financial Management Act 1995.

2) The variance largely reflects Commonwealth funding not incorporated in the original 2025-26 budget relating to the Rum Jungle Rehabilitation project.

3) Receipts from sales of goods and services has increased predominantly due to GST receipts from taxation authorities that are not budgeted for, combined with a reduction in receivables from the prior year.

4) Payments to employees increased mainly due to the externally funded Rum Jungle Rehabilitation project.

5) Payments for goods and services have increased predominantly due to the timing of expenditure for the externally funded Rum Jungle Rehabilitation project, partially offset by various sustainable energy development projects expected to be completed in 2026-27 and outer years.

6) Purchases of non-financial assets increased primarily due to the timing of capital works for the Rum Jungle Rehabilitation project Water Treatment Plant, with a corresponding increase in the recognition of Commonwealth capital appropriation.

7) Deposits received increased largely due to the increase in AOTA receipts in the mining remediation fund and cash securities for mining management.

7.7.30. Budgetary information administered Territory items

The following table presents the variation between the 2025-26 original budget for administered items as reported in 2025-26 Budget Paper No. 3 Agency Budget Statements and the 2025-26 actual amounts disclosed in Note 28 of these financial statements together with explanations for significant variations.

Administered Territory Items	2025–26 Actual $'000	2025–26 Original budget $'000	Variance $'000	Note
TERRITORY INCOME AND EXPENSES				
Income				
Fees from regulatory services	5,313	11,867	(6,554)	1
Royalties and rents	17,084	12,078	5,006	2
Other income		55	(55)	
Total income	**22,397**	**24,000**	**(1,603)**	
Expenses				
Central Holding Authority income transferred	22,638	24,000	(1,362)	3
Doubtful debts	(1,205)	0	(1,205)	4
Other administrative expenses	964	0	964	5
Total expenses	**22,397**	**24,000**	**(1,603)**	
Territory income less expenses	**0**	**0**	**0**	
TERRITORY ASSETS AND LIABILITIES				
Assets				
Central Holding Authority receivables	1,197	267	930	6
Total assets	**1,197**	**267**	**930**	
Liabilities				
Central Holding Authority income payable	1,197	267	930	6
Total liabilities	**1,197**	**267**	**930**	
Net assets	**0**	**0**	**0**	

Notes:

The following note descriptions relate to variances greater than $550,000, or where multiple significant variances have occurred.

1. The decrease relates to lower than anticipated receipts from the Petroleum Act monitoring and compliance levies.
2. The increase relates to an increase in receipts from mining and petroleum annual rents.
3. The decrease in receipts noted in 1 and 2 has resulted in a decrease in transfers to the Central Holding Authority.
4. The increase in other administrative expenses noted in 5, combined with the annual adjustment to the allowance for doubtful debts has resulted in a decrease in doubtful debts expense.
5. The increase in other administrative expenses reflects waivers approved in line with the Mineral Titles Regulations and the Petroleum Act 1984.
6. The increase in receivables relates to outstanding amounts owed by debtors at 30 June 2026. The increased receivables result in a corresponding increase in the CHA income payable.

8. Appendices

8.1. Appendix A – Statutory responsibilities and legislation administered

The Department of Mining and Energy is responsible for the following principal areas of government and for administering the legislation detailed below.

Responsibilities

- Economic regulation (energy)
- Energy industry development
- Energy operations regulation, including regulating the integrity of wells, surface infrastructure and land access
- Energy policy and strategy
- Energy (oil and gas) pipeline operation regulation and pipeline title administration
- Energy (oil, gas and geothermal) titles administration
- Environmental management of geothermal energy operations
- Gas industry development
- Mining industry development
- Mining policy and strategy
- Mining titles administration
- Northern Territory Geological Survey
- Office of Sustainable Energy
- Offshore supply base
- Oil and gas strategy, policy and industry development
- Petroleum titles administration
- Petroleum industry development
- Regulation and management of mining and energy operations
- Renewables Strategic policy
- Utilities market regulation (energy)

Legislation

- Bonaparte Gas Pipeline (Special Provisions) Act 2007
- Electricity System and Market Operator Act 2025
- Electricity Reform Act 2000 (except provisions about price regulation, provisions about the setting of licence fees, and provisions about supply and service provisions under licence)
- Energy Pipelines Act 1981
- Geothermal Energy Act 2009
- Ichthys LNG Project Act 2008
- Legacy Mines Remediation Act 2023
- McArthur River Project Agreement Ratification Act 1992 (except provisions about royalties)
- Merlin Project Agreement Ratification Act 1998 (except provisions about royalties)
- Minerals (Acquisition) Act 1953
- Mineral Titles Act 2010
- Mining (Gove Peninsula Nabalco Agreement) Act 1968 (except provisions about royalties)
- National Electricity (Northern Territory) (National Uniform Legislation) Act 2015
- National Gas (Northern Territory) Act 2008

- North East Gas Interconnector Pipeline (Special Provisions) Act 2015
- Petroleum Act 1984 (except provisions about royalties, provisions relating to environmental regulation of exploration and production of petroleum and Part V, Division 2)
- Petroleum (Submerged Lands) Act 1981
- Solar Project (Australia-Asia Power Link) (Special Provisions) Act 2022
- Tanami Exploration Agreement Ratification Act 2004
- Trans-Territory Pipeline and Blacktip Gas Projects (Special Provisions) Act 2005
- Validation (Mining Tenements) Act 1987

8.2. Appendix B – Statutory and non-statutory authorities and boards

There were no statutory and non-statutory authorities and boards for the 2025-2026 period.

8.3. Appendix C – Grants

The full list of grants, contributions and subsidies for 2025-2026 can be found online at https://dme.nt.gov.au/publications/corporate/annual-reports

8.4. Appendix D – Contact us

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Alice Springs Core Library
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Alice Springs NT 0870
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Other contacts

Freedom of Information requests

Freedom of Information
GPO Box 3200
Darwin NT 0801
Email: FOI@nt.gov.au

8.5. Appendix E - Acronyms

Abbreviation	Full form
AASB	Australian Accounting Standards Board
AGES	Annual Geoscience Exploration Seminar
AOTA	Accountable Officer's Trust Account
ATO	Australian Tax Office
BOM	Board of Management
CE	Chief Executive
DCDD	Department of Corporate and Digital Development
FMA	Financial Management Act 1995
FOI	Freedom of information
FTE	Full-time equivalent
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
GA-NTGS	Geoscience Australia Northern Territory Geoscience
GST	Goods and services tax
GVP	Gross value profit
ICT	Information and communications technology
KMP	Key management personnel
NAIDOC	National Aboriginal and Islanders Day Observance Committee
NT	Northern Territory
NTG	Northern Territory Government
NTPASS	Northern Territory Public Authorities Superannuation Scheme
NTPS	Northern Territory Public Sector
OCPE	Office of the Commissioner for Public Employment
PDPs	Personal development plans
PSEMA	Public Sector Employment and Management Act 1993
RMAC	Risk Management and Audit Committee
WHS	**Work health and safety**

8.6. Appendix F - Statement of information

Output group	Topic of information	Description of information	Includes personal information	How is it stored	Section 11 (1)(b)(i) may be inspected under other Act?	Section 11 (1)(b)(ii) may be purchased?	Section 11 (1)(b)(iii) distributed free of charge?
Mining and Energy	Geology	Records of geoscientific data that attract and render more effective mineral and onshore petroleum exploration, and records that provide geoscientific advice on resource policy formulation.	Yes	Electronic and hard copy	Yes	No	Yes
Mining and Energy	Sustainable energy and electricity systems policy	Records relating to developing, coordinating and implementing Northern Territory Government electricity systems and sustainable energy policy, including policies, strategies, regulations and grant schemes.	Yes	Electronic and hard copy	No	No.	Yes
Mining and Energy	Mineral titles regulations	Records on regulating the exploration and processing of minerals and extractive minerals in the Northern Territory, including the granting and monitoring of mineral titles and maintaining the Mineral Titles Register under the Minerals Titles Act 2010.	Yes	Electronic and hard copy	Yes	Yes	Yes
Mining and Energy	Mining industry development	Records relating to functions and activities associated with developing the mining industry in the Northern Territory.	Yes	Electronic and hard copy	No	No	Yes
Mining and Energy	Petroleum operations	Records relating to activities associated with petroleum, pipeline and geothermal energy activities under the Petroleum Act 1981, Petroleum (Submerged Lands) Act 1981, Geothermal Energy Act 2009 and Energy Pipelines Act 1981.	Yes	Electronic and hard copy	No	No	Yes
Mining and Energy	Petroleum resources	Records on regulating effective exploration for petroleum production so that the optimal value of the resource is returned to the Territory.	Yes	Electronic and hard copy	No	No	Yes

Output group	Topic of information	Description of information	Includes personal information	How is it stored	Section 11 (1)(b)(i) may be inspected under other Act?	Section 11 (1)(b)(ii) may be purchased?	Section 11 (1)(b)(iii) distributed free of charge?
Mining and Energy	Petroleum titles	Records on the management of petroleum exploration and production applications, granted licences and permits, land access agreements and the administration of the offshore joint authority approval process through the minister or their delegate as governed under applicable Commonwealth and NT legislation.	Yes	Electronic and hard copy	Yes	Yes	Yes
Mining and Energy	Legacy	Records relating to responsibilities under the Legacy Mines Remediation Act, including delivering legacy mine remediation across the Territory.	Yes	Electronic and hard copy	No	No	Yes
Mining and Energy	Rum Jungle Rehabilitation Project	Records on rehabilitation of the former Rum Jungle uranium mine located in Batchelor, 105kms south of Darwin.	Yes	Electronic and hard copy	No	No	Yes
Mining and Energy	Facilitated projects	Records related to private sector project facilitation.	Yes	Electronic and hard copies	No	No	No
Corporate Services	Financial management and corporate governance	Records on the development and management of financial records and corporate governance activities.	Yes	Electronic and hard copy	Yes	No	Yes
Corporate Services	Work health and safety	Recordings relating to the management of work health and safety.	Yes	Electronic and hard copy	No	No	No

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