

Statement of Reasons

Petroleum Act 1984

Determination and reasons for determination as to appropriate person to hold permit or licence

Applicant *McArthur Energy Pty Ltd*
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 Registered Office:
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Associated entities *Top End Energy Limited*
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NT Territory HoldCo Pty Ltd
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Permit or licence being *Exploration Permits (EP) 144, EP153 and EP154*
applied for

Date of determination *24* September 2024

1. Background

- (a) The Applicant applied for the transfer of Exploration Permits (EP) 144, EP153 and EP154 under section 93 of the *Petroleum Act 1984* (the Act).
- (b) Section 93(9A) of the Act requires me to be satisfied that the proposed transferee, and any associated entity, is an appropriate person to hold a permit under the Act. In making that determination I must have regard to the matters set out in section 15A(1) and, where necessary, section 15A(2) of the Act.
- (c) Section 15A of the Act requires me to be satisfied that the Applicant, and any associated entity of the Applicant, is an appropriate person to hold a permit or licence under the Act. In making

that determination, I must have regard to the matters set out in section 15A(1) and, where necessary, section 15A(2).

- (d) Section 15A(5) provides that I must publish, on the Agency's website, the reasons why I have determined that an Applicant, and any associated entity of the Applicant, is or is not an appropriate person to hold a licence or permit under the Act.
- (e) This document contains my determination and my reasons.

2. Determination

- (a) I am satisfied that the Applicant, and any associated entity of the Applicant, is an appropriate person to hold a licence or permit under the Act.

3. Reasons for determination

- (a) I have had regard to the matters set out in section 15A.
- (b) Where there is a reference to a director, I have taken into consideration any person concerned in the management of the body corporate as is required by section 15A(3).
- (c) The table below sets out the matters referred to in section 15A(1). I set out in that table the material factors that are relevant to each such matter.

Section in Act	Matter	Material factors
15A(1)(a)	<p>The Applicant or associated entity's record of compliance with the prescribed legislation, including:</p> <ul style="list-style-type: none"> (i) whether the Applicant or entity has contravened any of the prescribed legislation; and (ii) the seriousness of any contraventions; and (iii) the length of time since the contraventions (if any) occurred; and (iv) any other matter the Minister considers relevant. 	<p><i>The applicant and associated entities have not contravened the prescribed legislation.</i></p> <p><i>Top End Energy Limited holds ATP1069 in Queensland, EP501 in Western Australia and EP258 in the Northern Territory.</i></p> <p><i>An ATP is an authority to prospect for petroleum, oil, coal seam gas and natural gas. An EP permits a titleholder to explore, drill, survey for, but not produce hydrocarbons.</i></p> <p><i>An interrogation of the documents listed in 3(e) below established that there have been no acts of non-compliance with the prescribed legislation by the applicant or associated entities.</i></p>
15A(1)(b)	<p>Whether the Applicant or associated entity has held a licence or other authority under the prescribed legislation where that licence or authority has been suspended or revoked.</p>	<p><i>Top End Energy Limited holds ATP1069 in Queensland, EP501 in Western Australia and EP258 in the Northern Territory.</i></p> <p><i>These titles have not been suspended or revoked.</i></p>
15A(1)(c)	<p>Whether in the opinion of the Minister, the action or thing to</p>	<p><i>Sufficient evidence demonstrating technical capacity of the applicant has</i></p>

	<p>be authorised by the permit or licence is or will be under the control of a technically competent person.</p>	<p><i>been provided and interrogated. This includes:</i></p> <ul style="list-style-type: none"> • <i>A summary of the skills of the technical team including the Technical Consultant, Exploration Manager and the Non-Executive Director</i> • <i>Profiles of all Directors and Executives</i> • <i>Profiles of third-party service providers and subject matter experts, including inGauge and Discover Geoscience.</i> <p><i>For these reasons, I am of the opinion that the action or thing will be under the control of a technically competent person.</i></p>
15A(1)(d)	<p>Whether in the opinion of the Minister, the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.</p>	<p><i>The applicant and associated entities submitted statements that they are of good repute, having regard to character, honesty and integrity. They also state that they have good standing in their fields and disciplines.</i></p> <p><i>For these reasons, I am of the opinion that the applicant or entity is of good repute.</i></p>
15A(1)(e)	<p>Whether the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty</p>	<p><i>The applicant and associated entities have not within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</i></p>
15A(1)(f)	<p>Whether the Applicant or associated entity, within the previous 3 years:</p> <ul style="list-style-type: none"> (i) was an undischarged bankrupt; or (ii) applied to take the benefit of any law for the relief of bankrupt or insolvent debtors; or (iii) entered into an arrangement with the 	<p><i>None of these events has occurred within the previous 3 years.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</i></p>

	Applicant or entity's creditors or made an assignment of the Applicant or entity's remuneration for their benefit.	
15A(1)(g) 15A(3)	Whether the Applicant or associated entity is or was a director of a body corporate that is the subject of a winding-up order or for which a controller or administrator has been appointed within the previous 3 years	<p><i>None of these events has occurred within the previous 3 years.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</i></p>
15A(1)(h)	Whether the Applicant has demonstrated to the Minister the financial capacity to comply with the Applicant's obligations under the permit or licence.	<p><i>Sufficient evidence demonstrating financial capacity has been submitted and interrogated demonstrating the financial capacity of the applicant. This includes:</i></p> <ul style="list-style-type: none"> • <i>McArthur Energy Pty Ltd is funded through equity cash injections from Top End Energy Limited</i> • <i>The Annual Report 2023 and Half Yearly Report December 2023 demonstrating total assets of over \$3.1M</i> • <i>illion comprehensive reports for the applicant and associated entities; an illion report is a detailed credit report</i> • <i>Statement from a Chartered Accountant confirming the availability of access to funding for McArthur Energy Pty Ltd through its parent company Top End Energy Ltd.</i> • <i>ASX announcements verifying that as a publicly listed company, Top End Energy Limited has the ability to raise funds through public market and private placement capital.</i> <p><i>For these reasons, the applicant has demonstrated the financial capacity to comply with its obligations under the permit or licence.</i></p>

15A(1)(i)	Whether the Applicant or associated entity is in partnership, in connection with the action that is the subject of the permit or licence, with a person whom the Minister does not consider to be an appropriate person having regard to the matters listed in section 15A(1) (being the matters above) and section 15A(2) (being the matters below).	<p><i>The Applicant or associated entities state that they are not in partnership with any other person.</i></p> <p><i>The term 'partnership' does not include Joint Ventures.</i></p>
15A(1)(j)	Any other matters the Minister considers relevant in determining whether a person is an appropriate person to hold a permit or licence.	<p><i>I do not consider that any other matters are relevant.</i></p>
15A(2)(a) 15A(3)	<p>Whether a director of the Applicant or associated entity:</p> <p>(i) has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked</p>	<p><i>The applicant is McArthur Energy Pty Ltd, and the directors and any persons concerned in the management of the company are:</i></p> <ul style="list-style-type: none"> • <i>Michael Fischer, Director</i> • <i>Andrew Somoff, Director</i> • <i>Emmanuel Correia, Director</i> • <i>Michelle Kennedy, Company Secretary.</i> <p><i>An associated entity is Top End Energy Limited, and the directors and any persons concerned in the management of the company are:</i></p> <ul style="list-style-type: none"> • <i>Michael Fischer, Non-executive Director</i> • <i>Trevor Brooks, Exploration Manager</i> • <i>Krystian Czado, Technical Consultant</i> • <i>Andrew Somoff, Managing Director</i> • <i>Emmanuel Correia, Non-executive Chairman</i> • <i>Richard Lamp, Non-executive Director</i>

		<ul style="list-style-type: none"> • Michelle Kennedy – Chief Financial Officer and Joint Company Secretary • Kelly Moore – Joint Company Secretary. <p><i>The directors have not contravened the prescribed legislation.</i></p> <p><i>The directors have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The directors are not and have not been a director of another body corporate that has contravened the prescribed legislation.</i></p> <p><i>The directors are not and have not been a director of another body corporate that has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</i></p>
15A(2)(b) 15A(3)	<p>In the case of a body corporate that is the subsidiary of another body or company (the parent company) – whether:</p> <p>(i) the parent company or a director of the parent company has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) a director of the parent company is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the</p>	<p><i>Top End Energy Limited acquires 100% interest in EP144, EP153 and EP154 through its wholly owned subsidiary, NT Territory HoldCo Pty Ltd, which holds 100% of the shares in McArthur Energy Pty Ltd.</i></p> <p><i>Top End Energy Limited controls 100% owned subsidiaries as it has the power to direct the relevant activities of these entities.</i></p> <p><i>Top End Energy Limited, and the directors and any persons concerned in the management of the company are:</i></p> <ul style="list-style-type: none"> • Michael Fischer, Non-executive Director • Trevor Brooks, Exploration Manager • Krystian Czado, Technical Consultant • Andrew Somoff, Managing Director

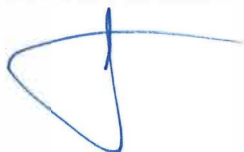
	<p>prescribed legislation that has been suspended or revoked.</p>	<ul style="list-style-type: none"> • Emmanuel Correia, Non-executive Chairman • Richard Lamp, Non-executive Director • Michelle Kennedy – Chief Financial Officer and Joint Company Secretary • Kelly Moore – Joint Company Secretary. <p><i>Top End Energy Limited and its directors have not contravened the prescribed legislation.</i></p> <p><i>Top End Energy Limited and its directors have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The directors of Top End Energy Limited have not been a director of another body corporate that has contravened the prescribed legislation.</i></p> <p><i>The directors of Top End Energy Limited have not been a director of another body corporate that has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</i></p>
15A(2)(c) 15A(3)	<p>The record of compliance with the prescribed environmental legislation of any director of the Applicant or associated entity.</p>	<p><i>I am not aware of any breach of the prescribed legislation.</i></p>
15A(2)(d) 15A(3)	<p>Whether in the opinion of the Minister, a director of the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.</p>	<p><i>The applicant and associated entities have submitted statements that they are considered to be of good repute having regard to character, honesty and integrity. There is no evidence to suggest otherwise.</i></p> <p><i>For these reasons, I am of the opinion that each director is of good repute.</i></p>

15A(2)(e) 15A(3)	Whether a director of the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.	<i>No director nor any person concerned in the management has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.</i> <i>No evidence has been discovered to establish that this is not the case.</i>
15A(2)(f)	Whether the Applicant or associated entity is the subject of a winding up order or has had a controller or administrator appointed within the previous 3 years.	<i>None of these events has occurred within the previous 3 years.</i> <i>No evidence has been discovered to establish that this is not the case.</i>

- (d) *In making my determination I have had regard to each of the matters noted above.*
- (e) *In making my determination I have had regard to documents that include the following:*
- (i) *Appropriate Person statement for the applicant and associated entities*
 - (ii) *Technical & Financial Resources Statement - Top End Energy Limited*
 - (iii) *Statement from Financial Accountant - Top End Energy Limited*
 - (iv) *Comprehensive financial reports for the applicant and associated entities*
 - (v) *Top End Energy Limited Quarterly Activities Report, 30 June 2024*
 - (vi) *Top End Energy Limited Quarterly Activities Report, 31 March 2024*
 - (vii) *Top End Energy Limited Annual Report, 30 June 2023*
 - (viii) *Top End Energy Limited Half Yearly Report, 31 December 2023*
 - (ix) *Department of Mining and Energy technical assessment, information and data*
 - (x) *Search of online information.*

Dated this 24 day of September 2024

Made under the *Petroleum Act 1984* of the Northern Territory of Australia



JAMES ROBERT PRATT

Senior Executive Director Energy Development