

Statement of Reasons

Petroleum Act 1984

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

Applicant *Horizon Australia Energy Pty Ltd*
ACN 673 423 295
Level 4, 360 Kent Street, Sydney, New South Wales 2000, Australia

Associated entities *Horizon Oil Limited*
ACN 009 799 455
Level 4, 360 Kent Street, Sydney, New South Wales 2000, Australia

Permit, lease or licence being applied for *Production Lease OL4, Production Lease OL5 and Pipeline Licence PL2*

Date of determination *23* July 2024

1. Background

- (a) In accordance with subsection 72(1) of the *Petroleum (Prospecting & Mining) Act 1954* (PPMA), a lease or an interest in a lease must not be assigned, transferred, sub-let, mortgaged or made the subject of a trust or other dealing whether directly or indirectly without the written consent of the Minister for Mining (Minister).
- (b) In accordance with subsection 46(1) of the *Energy Pipelines Act 1981* (EPA), the transfer of a licence is of no effect until it has been approved by the Minister and is registered under section 46 of the EPA.
- (c) Under subsection 72(3) of the PPMA and section 52 of the EPA, the Minister may require such information he thinks fit with respect to the matter.
- (d) As a departmental policy, the Minister must be satisfied that the transferee and any associated entity, is an appropriate person to hold a lease under the PPMA or pipeline licence under the EPA, using the assessment criteria outlined in section 15A of the *Petroleum Act 1984* (PA).
- (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 OL4, OL5 and PL2.

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 entity provided a statement that it has not contravened the prescribed legislation.</i></p> <p><i>The Applicant and associated entity do not operate any assets within Australia, and as such, the prescribed legislation is not applicable to its assets.</i></p> <p><i>No evidence has been discovered to establish that this is not the case.</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>The Applicant or entity has not held a licence or other authority under the prescribed legislation.</i></p>
15A(1)(c)	<p>Whether in the opinion of the Minister, the action or thing to be authorised by the permit or licence is or will be under the control of a technically competent person.</p>	<p><i>The Applicant and associated entity has provided:</i></p> <ul style="list-style-type: none"> • <i>a statement on technical capacity</i> • <i>CVs of its personnel</i>

		<ul style="list-style-type: none"> the associated entity's Annual Reports. <p>All key personnel have extensive experience in the oil and gas industry.</p> <p>For these reasons, I am of the opinion that the action or thing will be under the control of a technically competent person.</p>
15A(1)(d)	Whether in the opinion of the Minister, the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.	<p>The Applicant and the associated entity have provided statements that they consider themselves to be of good repute, having regard to character, honesty and integrity.</p> <p>Evidence of this is provided by the Applicant and associated entity operating on a commercial and transparent basis; and commitment to maintaining a high standard of corporate governance practices.</p> <p>For these reasons, I am of the opinion that the Applicant and associated entity are of good repute.</p>
15A(1)(e)	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>The Applicant or associated entities have not, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.</p> <p>No evidence has been discovered to establish that this is not the case.</p>
15A(1)(f)	Whether the Applicant or associated entity, within the previous 3 years: <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 Applicant or entity's creditors or made an assignment of the Applicant or entity's remuneration for their 	<p>None of these events has occurred within the previous 3 years.</p> <p>No evidence has been discovered to establish that this is not the case.</p>

	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>When considering the Applicant's and associated entity financial capacity, consideration was given to the associated entity's:</i></p> <ul style="list-style-type: none"> • <i>Annual Report ending 30 June 2023</i> • <i>Quarterly Activities Report ending 31 March 2024</i> • <i>Half-year 2024 results presentation</i> • <i>Statement from Horizon Oil Limited's Chief Executive Officer and Chartered Accountant.</i> <p><i>The Applicant will have the benefit of its parent company's financial capacity to enable it to comply with its obligations.</i></p> <p><i>An Independent probity report was obtained for the associated entity and no adverse details were reported.</i></p> <p><i>For these reasons, the Applicant has demonstrated the financial capacity to comply with its obligations under the production lease.</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	<p><i>The Applicant or associated entity are not in partnership with any other person.</i></p> <p><i>Partnership does not include Joint Ventures.</i></p>

	matters below).	
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.	<i>I do not consider that any other matters are relevant.</i>
<i>If the Applicant or entity is not a body corporate, the matters below do not need to be considered.</i>		
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 directors of the Applicant are:</i></p> <ul style="list-style-type: none"> • <i>Richard Cameron Beament</i> • <i>Kyle Christopher Keen.</i> <p><i>The directors and persons concerned in the management of the associated entity are:</i></p> <ul style="list-style-type: none"> • <i>Richard Beament, Chief Executive Officer</i> • <i>Jennifer Kok, Executive Assistant</i> • <i>Kyle Keen, Chief Financial Officer/Assistant Company Secretary</i> • <i>Vas Margia Nkakos, Group Tax Manager/Company Secretary</i> • <i>Gavin Douglas, Chief Operating Officer</i> • <i>Hany Sadek, General Manager, Projects & Engineering</i> <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</i></p>

		<p>corporate that has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</p>
<p>15A(2)(b) 15A(3)</p>	<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 prescribed legislation that has been suspended or revoked.</p>	<p>The parent company is Horizon Oil Limited.</p> <p>The directors and persons concerned in the management of the parent company are:</p> <ul style="list-style-type: none"> • Richard Beament, Chief Executive Officer • Jennifer Kok, Executive Assistant • Kyle Keen, Chief Financial Officer/Assistant Company Secretary • Vas Margia Nkakos, Group Tax Manager/Company Secretary • Gavin Douglas, Chief Operating Officer • Hany Sadek, General Manager, Projects & Engineering <p>The directors have not contravened the prescribed legislation.</p> <p>The directors have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</p> <p>The directors are not and have not been a director of another body corporate that has contravened the prescribed legislation.</p> <p>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.</p>
<p>15A(2)(c) 15A(3)</p>	<p>The record of compliance with the prescribed environmental legislation of</p>	<p>The directors of the Applicant and associated entity have not contravened any of the prescribed</p>

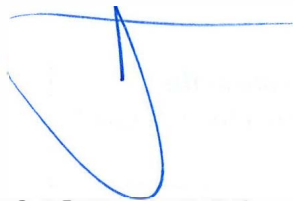
	any director of the Applicant or associated entity.	<i>environmental legislation in any material way.</i> <i>I am not aware of any breach of the prescribed legislation by the directors or any persons concerned in the management.</i>
15A(2)(d) 15A(3)	Whether in the opinion of the Minister, a director of the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.	<i>The Applicant and associated entities have provided a statement that it considers the directors of its parent company to be of good repute, having regard to character, honesty and integrity.</i> <i>There is no evidence available that suggests otherwise.</i> <i>For these reasons, I am of the opinion that each director is of good repute.</i>
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) *A statement of technical and financial statement.*
 - (ii) *Horizon Oil Limited's 2023 Annual Report.*
 - (iii) *Horizon Oil Limited's Quarterly Activities Report 2024.*
 - (iv) *Horizon Oil Limited's Half-year 2024 results presentation.*
 - (v) *Statement from Horizon Oil Limited's Chief Executive Officer and Chartered Accountant.*
 - (vi) *Applicant and associated entities statements addressing the appropriate person requirements*

- (vii) *Resumes for the directors, key management and technical staff*
- (viii) *Department of Industry, Tourism and Trade information and data*
- (ix) *Australian Securities and Investments Commission information and data*
- (x) *Probity reports generated by illion for the associated entity*
- (xi) *Search of online information.*

Dated this 23 day of July 2024

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



JAMES ROBERT PRATT

Senior Executive Director Energy Development

Delegate of the Minister for Mining

Under an Instrument of Delegation dated 3 July 2023