

Statement of Reasons

Petroleum Act 1984

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

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Permit or licence being applied for *Exploration Permit 136*

Date of determination *26* June 2024

1. Background

- (a) The Applicant applied for the renewal of Exploration Permit (EP) 136.
- (b) Section 15A(1) of the *Petroleum Act 1984* (the Act) requires me to be satisfied that the applicant and any associated entity seeking the grant or renewal of a permit or licence is an appropriate person to hold a permit or licence.
- (c) In making the determination that the Applicant, and any associated entity of the Applicant, is an appropriate person to hold a permit or licence under the Act, 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> <p>(i) whether the Applicant or entity has contravened any of the prescribed legislation; and</p> <p>(ii) the seriousness of any contraventions; and</p> <p>(iii) the length of time since the contraventions (if any) occurred; and</p> <p>(iv) any other matter the Minister considers relevant.</p>	<p><i>The Applicant's record of compliance with the prescribed legislation, as per departmental records and register, is as follows:</i></p> <ul style="list-style-type: none"> <i>In September 2022, the Department of Environment, Parks and Water Security (DEPWS) issued the Applicant a warning letter for low level contraventions with an approved plan.</i> <i>On 28 November 2022, the Applicant submitted a 'notice of reportable incident' under Regulation 33 of the Petroleum (Environment) Regulations 2016 to DEPWS. The 'reportable incident' did not result in any environmental impact or harm (stormwater release from the Maverick 1 well site (south-eastern corner).</i> <i>In November 2022, DEPWS issued the Applicant a penalty infringement notice for contravention with an approved plan.</i> <i>In January 2023, DEPWS issued the Applicant two penalty infringement notices for contravention with an approved plan.</i> <p><i>The infringement notices were paid by the Applicant.</i></p> <ul style="list-style-type: none"> <i>On 22 December 2023, the Applicant was found to have committed an infringement notice offence by contravening subregulation 48(1)(a) of the Petroleum Regulations 2020. The Minister's delegate chose to exercise their discretion under regulation 62 of the Petroleum Regulations 2020 and did not issue an infringement notice as there was no harm to the environment, land or land owner's operations.</i> <p><i>These incidents fall within the category of persuasive non-compliance and the issuing of warning letters</i></p>

		<p><i>and an infringement are considered proportionate compliance and enforcement tools.</i></p> <p><i>None of the incidents resulted in environmental harm to the land or land owner's operations and are not considered to be serious in nature with no culpability.</i></p> <p><i>I consider that the non-compliances are not of a sufficient nature to prevent the Applicant and associated entity from being determined an appropriate person to hold an exploration permit.</i></p>
15A(1)(b)	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><i>The Applicant has not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The associated entity, Tamboran Resources Limited and its subsidiaries, hold the following permits under the prescribed legislation in the Northern Territory:</i></p> <ul style="list-style-type: none"> • <i>100% interest in EP136, EP143 and EP(A)197.</i> • <i>25% interest in EP161 with Santos QNT Pty Ltd holding 75%.</i> • <i>Tamboran Resources Limited is the parent company of Tamboran B2 Pty Ltd, which currently holds a 77.50% interest in EP76, EP98 and EP117, with Falcon Oil & Gas Australia Limited holding 22.50%.</i> • <i>Tamboran Resources Limited previously held a 25% interest in EP162 and EP189, with Santos QNT Pty Ltd holding 75%.</i> • <i>Tamboran Resources Limited is the parent company of Tamboran (Pedirka) Pty Ltd, which held 100% interest in EP163.</i> • <i>Tamboran Resources Limited is the parent company of Tamboran (Ngalia) Pty Ltd, which held 100% interest in EP164, EP165, EP166 and EP309.</i> <p><i>These licences or authorities have not been suspended or revoked.</i></p>
15A(1)(c)	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><i>The Applicant, and associated entity, provided the following documents to support their technical capacity:</i></p> <ul style="list-style-type: none"> • <i>Well Integrity Management Plan</i> • <i>the Well Control Manual, processes, procedures and standards</i> • <i>HSE Bridging Process for Condor Energy</i>

		<ul style="list-style-type: none"> • <i>summary of the CVs and experience for the directors and key technical staff</i> • <i>Management of Change Form</i> • <i>Risk Matrix.</i> <p><i>The Applicant and associated entity are known to the department and the documents provided are acceptable.</i></p> <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)	Whether in the opinion of the Minister, the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.	<p><i>The Applicant has provided a statement that it considers it and the associated entities to be of good repute, having regard to character, honesty and integrity.</i></p> <p><i>Evidence of this is provided by the associated entity's activities under the prescribed legislation to date.</i></p> <p><i>For these reasons, I am of the opinion that the Applicant and associated entity are of good repute.</i></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><i>The Applicant and associated entity 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)	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 benefit. 	<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)(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 financial capacity, consideration was given to the associated entity's following reports:</i></p> <ul style="list-style-type: none"> <i>• Tamboran Resources 2023 Annual Report for the period 1 July 2022 to 30 June 2023</i> <i>• Tamboran Resources Quarterly Cash Flow Report, 30 June 2023</i> <i>• Tamboran Resources Half Yearly Report to 31 December 2023.</i> <p><i>The Applicant, as a wholly owned subsidiary, will have the benefit of the associated entity's financial capability to enable it to comply with its obligations under the permits.</i></p> <p><i>A declaration was provided by a Registered Chartered Accountant warranting the financial capacity to carry out all obligations and commitments in the NT and other jurisdictions of the applicant and associated entity.</i></p> <p><i>Independent probity reports were obtained for the applicant and its directors, 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 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	<p><i>The Applicant and associated entity are not in partnership with any other person</i></p> <p><i>The term 'partnership' does not include Joint Ventures.</i></p>

	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 Applicant is Sweetpea Petroleum Pty Ltd. The directors and any persons concerned in the management of the company are:</i></p> <ul style="list-style-type: none"> • <i>Richard Kelty Stoneburner (Chairman)</i> • <i>Joel Riddle (Managing Director and CEO)</i> • <i>Fred Barrett (Director)</i> • <i>Patrick Elliott (Director)</i> • <i>Stephanie Reed (Director, Non-Executive)</i> • <i>The Honorable Andrew Robb AO (Director)</i> • <i>David Neil Siegel (Director, Non-Executive)</i> • <i>Ryan Dalton (Director, Non-Executive)</i> • <i>John Bell (Director)</i> <p><i>The directors and management are the same for the parent company, Tamboran Resources Limited.</i></p> <p><i>Tamboran Resources Limited's Executive Management Team includes:</i></p> <ul style="list-style-type: none"> • <i>Eric Dyer (CFO)</i> • <i>Faron Thibodeaux (COO)</i> • <i>Chris Morbey (Vice President - Investor Relations)</i> • <i>Rohan Vardaro (Company Secretary)</i> <p><i>Tamboran Resources Limited's technical staff includes:</i></p> <ul style="list-style-type: none"> • <i>Faron Thibodeaux (Chief Operating Officer)</i> • <i>Edward Wong (VP Drilling and Completions)</i> • <i>Fellipe Magalhaes (Drilling Engineering Technical Advisor)</i> • <i>Jamie Lopez (US Operations Team Manager/Completions Technical Advisor)</i> • <i>Donny Loughry (Geoscience Technical Advisor)</i> • <i>Dan Behrendt (Operations Technical Advisor).</i> <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>

		<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>
15A(2)(b) 15A(3)	In the case of a body corporate that is the subsidiary of another body or company (the parent company) – whether: <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><i>The parent company, Tamboran Resources Limited, and the directors and any persons concerned in the management of the parent company are:</i></p> <ul style="list-style-type: none"> • <i>Richard Kelty Stoneburner (Chairman)</i> • <i>Joel Riddle (Managing Director and CEO)</i> • <i>Fred Barrett (Director)</i> • <i>Patrick Elliott (Director)</i> • <i>Stephanie Reed (Director, Non-Executive)</i> • <i>The Honorable Andrew Robb AO (Director)</i> • <i>David Neil Siegel (Director, Non-Executive)</i> • <i>Ryan Dalton (Director, Non-Executive)</i> • <i>John Bell (Director)</i> <p><i>The Applicant has contravened the prescribed legislation as previously described at 15A(1)(a).</i></p> <p><i>The directors of the parent company have not contravened the prescribed legislation.</i></p> <p><i>The parent company and the directors of the parent company 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 the parent company have not been a director of another body corporate that has contravened the prescribed legislation.</i></p> <p><i>The directors of the parent company 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>
15A(2)(c) 15A(3)	The record of compliance with the prescribed environmental legislation of any director of the Applicant or associated entity.	<p><i>The directors and any persons concerned in the management have been involved with the following businesses requiring compliance with the prescribed environmental legislation:</i></p> <ul style="list-style-type: none"> • <i>Tamboran (Pedirka) Pty Ltd</i> • <i>Tamboran B1 Pty Limited</i> • <i>Tamboran (West) Pty Limited</i> • <i>Sheffield Holdings, LP</i> • <i>Daly Waters Energy, LP</i> <p><i>I am not aware of any breach of the prescribed legislation.</i></p>
15A(2)(d) 15A(3)	Whether in the opinion of the Minister, a director of the Applicant or associated entity is of good repute,	<i>The Applicant has provided a statement that it considers the directors to be of good repute, having regard to character, honesty and integrity.</i>

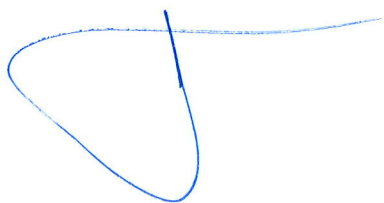
	having regard to character, honesty and integrity.	<i>There is no evidence available that suggests otherwise. For these reasons, I am of the opinion that each director is of good repute.</i>
15A(2)(e) 15A(3)	Whether a director of the Applicant or associated entity has, within the previous 10 years, been 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. 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 have occurred within the previous 3 years. 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) Determination dated 19 May 2021 that Tamboran Resources Limited and its associated entity, Tamboran (McArthur) Pty Ltd, are appropriate persons to hold a permit or licence under the Act
 - (ii) Determination dated 28 October 2022 that Tamboran Resources Limited and its associated entities, Tamboran B1 Pty Limited, Tamboran (West) Pty Limited, Daly Waters Energy, LP and Sheffield Holdings, LP, are appropriate persons to hold a permit or licence under the Act
 - (iii) Determination dated 9 May 2023 that Tamboran Resources Limited and its associated entities, Sweetpea Petroleum Pty Ltd, Tamboran (West) Pty Limited and Tamboran B1 Pty Limited, are appropriate persons to hold a permit or licence under the Act
 - (iv) Annual Report for Tamboran Resources Limited for 1 July 2022 to 30 June 2023 including audited accounts
 - (v) Tamboran Resources Quarterly Cash Flow Report, 30 June 2023
 - (vi) Half Yearly Financial Report for Tamboran Resources Limited for the period to 30 December 2023
 - (vii) A letter from Chartered Accountant, Ms Chelsea McGregor, dated 27 March 2023 warranting that Tamboran Resources Limited and its wholly owned subsidiary, Sweetpea Petroleum Pty Ltd, have the financial capacity to carry out all their obligations and commitments relating to the exploration permits, including rehabilitation in the Northern Territory and other jurisdictions.
 - (viii) Independent Probity reports generated by illion Direct

- (ix) Technical capability, including details of key personnel, management systems and operations management
 - (x) Australian Securities and Investments Commission searches of Sweetpea Petroleum Pty Ltd and Tamboran Resources Limited
 - (xi) Department of Industry, Tourism and Trade information and data
 - (xii) Application for renewal and supporting information
 - (xiii) Search of online information.
- (f) I have reviewed the incident of non-compliance by Sweetpea Petroleum Pty Ltd and its associated entity. I considered the nature and seriousness of the contraventions and consider that the incidents are not of a sufficiently material nature to prevent it from being determined an appropriate person to hold an exploration permit.

Dated this 26 June 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