

DATED

16th February

2007

**PETROLEUM CONJUNCTIVE
INDIGENOUS LAND USE AGREEMENT**

BETWEEN

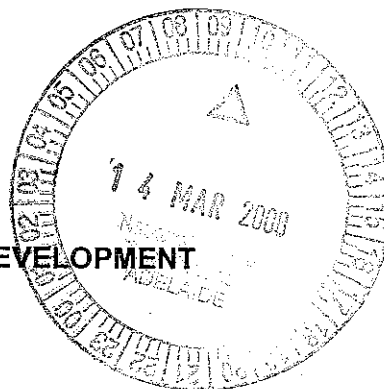
THE HONOURABLE MICHAEL ATKINSON THE ATTORNEY-GENERAL

("The Attorney-General")

-AND-

THE MINISTER FOR MINERAL RESOURCES DEVELOPMENT

("The Minister")



-AND-

**CHARLIE MOORE, LESLIE HARRIS, FAY NICOLLS, THERESA BOTTRELL, AARON
PATERSON, ANITA PATERSON AND FREDRICK BROWN FOR AND ON BEHALF OF
THE YANDRUWANDHA/YAWARRAWARRKA NATIVE TITLE CLAIM ("Native Title
Party")**

-AND-

**THE YANDRUWANDHA YAWARRAWARRKA TRADITIONAL LAND OWNERS
(ABORIGINAL CORPORATION)**

("The Association")

-AND-

THE ABORIGINAL LEGAL RIGHTS MOVEMENT INC

("ALRM")

-AND-

THE SOUTH AUSTRALIAN CHAMBER OF MINES AND ENERGY INC

("SACOME")

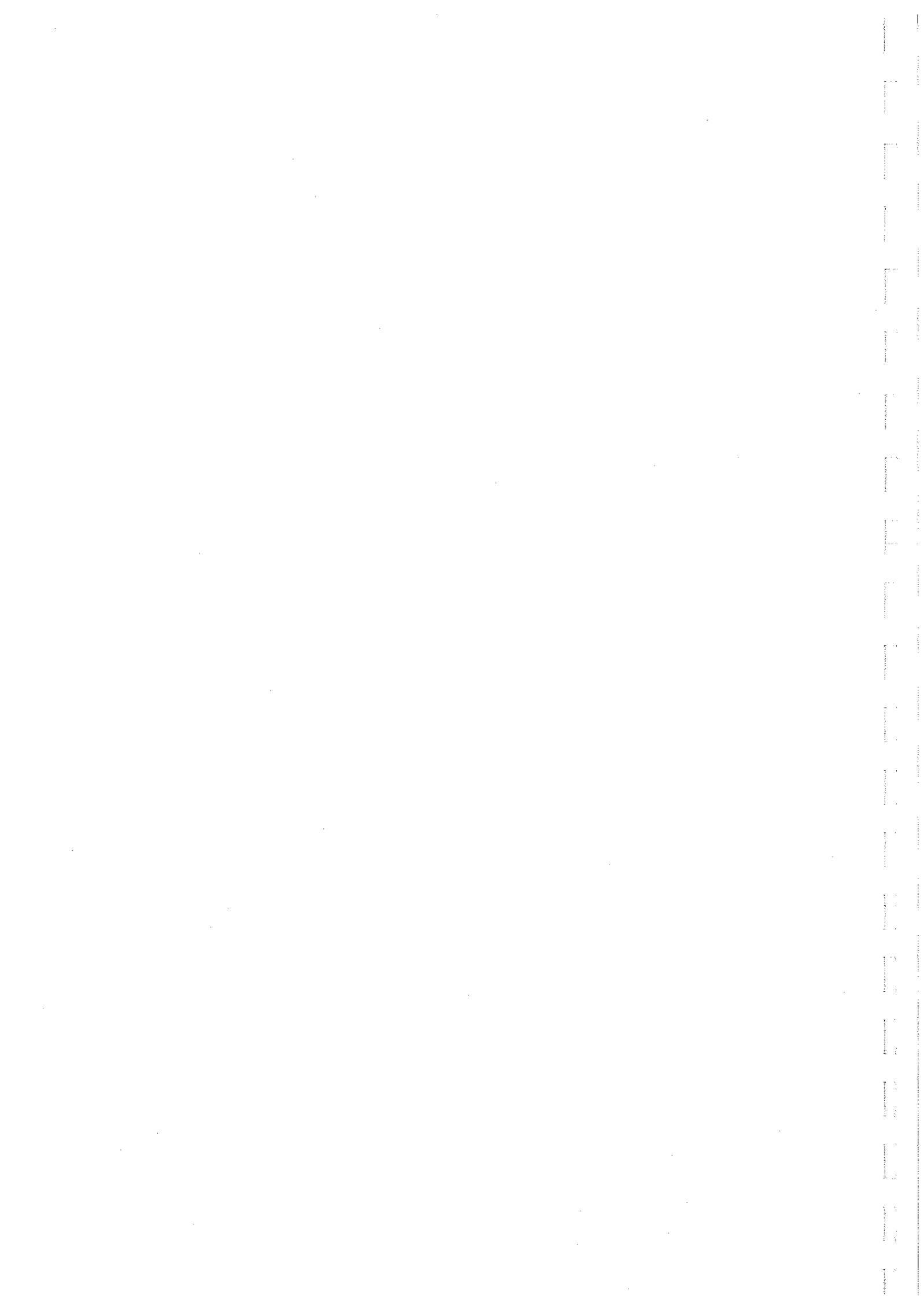


TABLE OF CONTENTS

1.	DEFINITIONS.....	3
2.	INTERPRETATION	10
3.	COMMENCEMENT AND TERM	12
4.	REVIEW AND AMENDMENT	13
5.	AUTHORITY TO ENTER INTO ILUA.....	13
6.	THE NATIVE TITLE ACT AND CONSENT TO FUTURE ACTS	14
7.	REGISTRATION OF ILUA	14
8.	PETROLEUM ACT.....	15
9.	PROVISION TO PARLIAMENT	16
10.	THE LICENCE	16
11.	INSURANCE	16
12.	BREACH OF ESSENTIAL TERM	17
13.	ACCEPTANCE CONTRACT	17
14.	ENVIRONMENTAL PROTECTION AND REHABILITATION	18
15.	NO ACKNOWLEDGEMENT OF NATIVE TITLE	18
16.	CONFIDENTIALITY	18
17.	ASSIGNMENT	19
18.	NOTICES	19
19.	GOVERNING LAW	21
20.	COUNTERPARTS.....	21
21.	GENERAL.....	21
	SCHEDULE 1	1
	SCHEDULE 2	2

AGREEMENT dated

PARTIES:

THE HONOURABLE MICHAEL JOHN ATKINSON, ATTORNEY-GENERAL of Level 11, 45 Pirie Street Adelaide SA 5000 for and on behalf of the Crown in the right of the State of South Australia ("**The State**")

AND

THE MINISTER FOR MINERAL RESOURCES DEVELOPMENT a corporation sole constituted by section 11 of the Mining Act No. 109 of 1971 and whose office is situate at Level 9, Terrace Towers, 178 North Terrace Adelaide South Australia 5000 ("**The Minister**")

AND

CHARLIE MOORE, LESLIE HARRIS, FAY NICOLLS, THERESA BOTTRELL, AARON PATERSON, ANITA PATERSON AND FREDRICK BROWN FOR AND ON BEHALF OF THE YANDRUWANDHA/YAWARRAWARRKA NATIVE TITLE CLAIM care of Hunt and Hunt Twelfth Floor 26, Flinders Street Adelaide, South Australia A 5000 ("**Native Title Party**")

AND

THE YANDRUWANDHA/YAWARRAWARRKA TRADITIONAL LAND OWNERS (ABORIGINAL CORPORATION) of PO Box 963, Kent Town, South Australia 5067 ("**The Association**")

AND

THE ABORIGINAL LEGAL RIGHTS MOVEMENT INCORPORATED ABN 32 942 723 464 an incorporated association incorporated under the Associations Incorporation Act 1985 (SA) of Level 4, 345 King William Street Adelaide South Australia 5000 ("**ALRM**")

AND

THE SOUTH AUSTRALIAN CHAMBER OF MINES AND ENERGY INCORPORATED ABN 62 620 804 910 an incorporated association incorporated under the Associations Incorporation Act 1985 (SA) of 4 Greenhill Road Wayville SA 5034 ("**SACOME**").

BACKGROUND:

- A The Registered Native Title Claimants have filed a Native Title Application under section 13(1) of the Native Title Act in respect of the land and waters in the Claimed Area and make the Native Title Claim on behalf of the Native Title Claim Group.
- B The Native Title Claim Group has established the Association and has authorised the Association to manage the Native Title Claim and all matters relating to it on behalf of the Native Title Party.
- C The Association (in conjunction with the Registered Native Title Claimants) has consulted with the Native Title Claim Group and the latter has consented to and authorised the Registered Native Title Claimants to enter into this Framework ILUA on behalf of the Native Title Party.
- D ALRM is the Representative Aboriginal Body for the Claimed Area pursuant to the Native Title Act.
- E Before signing this Framework ILUA, ALRM has, as far as is practicable, consulted with and had regard to the interests of the Native Title Claim Group and other persons (if any) who hold or may hold Native Title in relation to land or waters in the Claimed Area.
- F The State is the Crown in the right of the State of South Australia.
- G SACOME represents the minerals, petroleum and energy industries in South Australia.

- H. The Native Title Party, the Association and ALRM have negotiated with the State and with SACOME for this Framework ILUA, which promotes the exercise of rights under this Framework ILUA in a way that advances economic development through exploration and production being carried out in a sustainable manner for the benefit of current and future generations.
- I. By this Framework ILUA the Parties consent to the grant of PELs, Subsequent Licences and Additional Licences under the Petroleum Act and the carrying out of activities under them.
- J. The grant of a PEL, Subsequent Licence or Additional Licence is subject to the non-extinguishment principle, as defined in section 238 of the Native Title Act.
- K. The provisions of this Framework ILUA apply instead of the Right to Negotiate Procedure which is not intended to apply to the grant of a PEL, Subsequent Licence or Additional Licence or any activities carried out under it.
- L. This Framework ILUA is an Area Agreement pursuant to sections 24CA to CL of the Native Title Act and regulation 7 of the Native Title (Indigenous Land Use Agreements) Regulations 1999 (Cth) and is intended to be registered on the Register.

IT IS AGREED:

1. **DEFINITIONS**

1.1 In this ILUA and in the Recitals and Schedules unless the context otherwise requires:

**'Acceptance Contract
Conditions'**

means the terms forming part of this Framework ILUA at Schedule 1, as amended from time to time pursuant to the Framework ILUA;

'Acceptance Deed'

means the deed at Annexure B of the Acceptance Contract Conditions which acknowledges the Company's acceptance of the terms of this Framework ILUA;

'Additional Licence'

means any:

- (a) Preliminary Survey Licence;
- (b) Pipeline Licence;
- (c) Speculative Survey Licence;
- (d) Associated Facilities Licence;
- (e) Easement for pipeline purposes;
or
- (f) other authority able to be lawfully granted to a Company within the ILUA Area pursuant to the Petroleum Act,

applied for, or granted to a Company in the ILUA Area where that Company is not the holder of a PEL or PPL authorised by this Framework ILUA;

'Applicable Law'

means every law and regulation (whether of the Commonwealth or of the State of South Australia) from time to time in operation in South Australia which is applicable to a Party including any such laws relating to native title, mining, the environment, or Aboriginal heritage;

'Associated Facilities Licence'

means a licence authorising anything that is reasonably necessary for, or incidental to, carrying on Regulated Activities in the area of the PEL, PRL PPL or in the vicinity of the area of the PEL, PRL or PPL;

- 'Association'** means the body corporate representing the Native Title Party and is a party to this ILUA;
- 'Authorised Licence'** means:
- (a) in the case of a Company applying for a PEL or PPL in the ILUA Area, the PEL(s) or PPL(s) specified in the Acceptance Deed executed by that Company in order to enter into the Executed Acceptance Contract, and any Subsequent Licence granted to that Company; and
 - (b) in the case of a Company not holding a PEL or PPL authorised by this Framework ILUA, the Additional Licence(s) specified in the Acceptance Deed executed by that Company in order to enter into the Executed Acceptance Contract;
- 'Business Day'** means a day other than a Saturday, Sunday or public holiday in South Australia;
- 'Claimed Area'** means the area of land and any waters the subject of the Native Title Application;
- 'Clearance'** means the agreed procedure for the inspection and clearance of land as described in clauses 14, 15 and 17 and Annexure E of the Acceptance Contract Conditions;

'Commencement Date'	means the date of this Framework ILUA, or another date agreed in writing by the Parties;
'Company'	means the applicant for or holder of a Licence which has executed an Acceptance Contract in relation to that Licence;
'Essential Term'	means those terms in clause 10.3 and clause 14 of this Framework ILUA and clauses 7.1, 7.2, 7.3.1, 7.3.2, 8.1, 8.2, 8.4, 12, 13.7, 13.8, 14.6, 19.1 and 21.1, 21.3 and 21.4 of the Acceptance Contract Conditions;
'Executed Acceptance Contract'	means each contract on the terms of the Acceptance Contract Conditions and the relevant Acceptance Deed;
'Framework ILUA'	means this deed as amended from time to time, including the Acceptance Contract Conditions (and the annexures to it), the Acceptance Deed and all other schedules, annexures and appendices;
'ILUA Area'	means the geographical area in relation to which this Framework ILUA applies, as specified in Schedule 2;
'Licence'	means any licence able to be issued under the Petroleum Act as amended from time to time;

'Licence Application'	means the application for a Licence under the Petroleum Act;
'Licence Area'	means the total geographical area (of which the ILUA Area may form the whole or a portion) over which the Authorised Licences are operative;
'Minister'	means the Minister responsible for the grant of a Licence pursuant to the Petroleum Act;
'Native Title'	has the same meaning as in section 223 of the Native Title Act;
'Native Title Act'	means the <i>Native Title Act 1993</i> (Commonwealth);
'Native Title Application'	means the Application for Determination of Native Title filed in the Federal Court of Australia by the Native Title Party described in Annexure A of the Acceptance Contract Conditions;
'Native Title Claim Group'	means those persons described in Part 1 Schedule A of the Native Title Application (Annexure A of the Acceptance Contract Conditions) and has the same meaning as in the Native Title Act;
'Native Title Party'	means the Native Title Claim Group and includes the Registered Native Title Applicant as described in Annexure A of the Acceptance Contract Conditions;

'Parties'	means the Parties to this Framework ILUA, and "Party" means any one of them;
'PEL'	means the petroleum exploration licence(s) proposed to be granted to the Company in the ILUA Area pursuant to the Petroleum Act, as renewed, extended, substituted or varied from time to time;
'Petroleum'	has the same meaning as in the Petroleum Act;
'Petroleum Act'	means the Petroleum Act 2000 of South Australia as amended or any enactment substituted therefore together with any regulations and subordinate legislation made thereunder;
'Pipeline Licence'	means a licence issued under the Petroleum Act authorising the licensee to operate the transmission pipeline to which the licence relates;
'PPL'	means a petroleum production licence granted pursuant to the Petroleum Act;
'Preliminary Survey Licence'	means a licence issued under the Petroleum Act authorising the licensee to carry out a survey, environmental evaluation, or other form of assessment preparatory to the carrying out of Regulated Activities in the Licence Area;

'PRL'	means a Petroleum Retention Licence granted pursuant to the Petroleum Act;
'Register'	means the Register of Indigenous Land Use Agreements established and maintained under Part 8A of the Native Title Act;
'Registrar'	means the Native Title Registrar;
'Registration Date'	means the date on which details of this Framework ILUA are entered on the register pursuant to section 199B of the Native Title Act;
'Regulated Activity'	has the same meaning as in the Petroleum Act;
'Regulated Substance'	has the same meaning as in the Petroleum Act;
'Right to Negotiate'	means the right to negotiate set out in subdivision P of the Native Title Act;
'SACOME'	means the South Australian Chamber of Mines and Energy Inc;
'Scouting Team'	means the members of a team undertaking a Clearance in accordance with the Acceptance Contract Conditions;
'Speculative Survey Licence'	means a licence granted under the Petroleum Act authorising the licensee to carry out exploratory operations of the kind specified in the licence in the Licence Area;

- 'State'** means the State of South Australia;
- 'Subsequent Licence'** means any:
- (a) PPL (that is not already authorised under this ILUA);
 - (b) Associated Facilities Licence;
 - (c) PRL;
 - (d) Easement for pipeline purposes;
 - (e) Preliminary Survey Licence;
 - (f) Speculative Survey Licence; or
 - (g) other authority able to be lawfully granted to a Company within the ILUA Area pursuant to the Petroleum Act,
- applied for or granted to a Company where that Company is the holder of a PEL or PPL authorised by this Framework ILUA at the time of the Licence application;
- 'Term'** means the Term of the Framework ILUA, commencing on the Commencement Date and ending on the date determined pursuant to clause 3.2;
- 'Transfer'** means to sell, assign, transfer, convey or otherwise dispose of and "Transferee", and "Transferred" and "Transferring" have corresponding meanings.

2. INTERPRETATION

- 2.1 In this Framework ILUA, and in the Recitals, unless the contrary intention appears:

- 2.1.1 a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- 2.1.2 the singular includes the plural and vice versa;
- 2.1.3 reference to a gender includes each other gender;
- 2.1.4 a reference to an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- 2.1.5 a reference to a recital, clause, schedule or annexure is to a recital, clause, schedule or annexure of or to this Framework ILUA unless otherwise stated;
- 2.1.6 a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
- 2.1.7 a reference to any Party to this Framework ILUA includes that Party's executors, administrators, substitutes, successors and assigns;
- 2.1.8 where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- 2.1.9 a reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible form but specifically excludes communications by electronic mail;
- 2.1.10 a reference to dollars and \$ is to Australian currency;
- 2.1.11 an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
- 2.1.12 a reference to anything is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them; and
- 2.1.13 a reference to any right, permit, authority, licence, or interest granted pursuant to the Petroleum Act includes any further or other right, permit, authority, licence or other interest derived from any of them or otherwise granted or issued under the Petroleum Act and any variation, renewal, extension and substitution of any of them or any part of any of them.

- 2.2 The meaning of general words will not be limited by reference to accompanying specific words.
- 2.3 If any Court or other competent authority declares, or if any statute or regulation renders, any part of this Framework ILUA ineffective, void, voidable, illegal or unenforceable or if by reason of a declaration by any Court or other competent authority or any statute or regulation this Framework ILUA would, if that part were not omitted, be ineffective, void, voidable, illegal or unenforceable then:
- 2.3.1 that part shall be severable, without in any way affecting the effectiveness, validity, legality or enforceability of the remainder of this Framework ILUA, and this Framework ILUA shall be read and construed and take effect for all purposes as if that part were not contained herein; and
- 2.3.2 the Parties shall attempt to renegotiate, in good faith, that part and seek to achieve a result as near as reasonably practicable as is consistent with the severed component.
- 2.4 Any term or expression used in this Framework ILUA, which is defined in either the Petroleum Act or the Native Title Act, has the same meaning as in that legislation, except where otherwise defined.
- 2.5 In this Framework ILUA, headings are for convenience of reference and do not affect the interpretation of this Framework ILUA.
- 2.6 Any schedules, annexures and appendices form part of this Framework ILUA.

3. COMMENCEMENT AND TERM

- 3.1 This Framework ILUA commences on the Commencement Date.
- 3.2 Subject to any provision of this Framework ILUA to the contrary, this Framework ILUA continues until the date upon which details of this Framework ILUA are removed from the Register pursuant to s 199C of the Native Title Act.
- 3.3 This Framework ILUA shall not terminate in the event of a breach, but the Parties may avail themselves of all other remedies at law.

4. **REVIEW AND AMENDMENT**

- 4.1 Any Party to the Framework ILUA may request a review of the Framework ILUA by giving notice to the other Parties not more than twelve (12) months or not less than six (6) months before the expiration of each five (5) year period calculated from the Registration Date
- 4.2 If any Party gives notice to the other Parties for a review, the Parties must:
- 4.2.1 meet as soon as possible, but no later than twenty (20) Business Days after the date of the notice; and
- 4.2.2 negotiate in good faith with a view to reaching agreement between the Parties in relation to any amendments proposed to the Framework ILUA by any Party, including but not limited to the quantum of the production payment.
- 4.3 If the Native Title Party becomes aware of a production payment rate being agreed with another native title claim group under a registered conjunctive petroleum Framework ILUA over native title land in South Australia (excluding Aboriginal freehold lands) in excess of the rate agreed in this Framework ILUA, then notwithstanding the provisions of clause 4.1, the Native Title Party may by notice in writing to the other Parties seek a review of the production payment. The Parties must meet within three (3) months of the date of the such notice and negotiate in good faith in relation to the quantum of the production payment pursuant to annexure C.
- 4.4 Any proposed amendments to the Framework ILUA can only be made by agreement in writing between all Parties.

5. **AUTHORITY TO ENTER INTO ILUA**

The Native Title Party represents and warrants that all necessary authorisations have been obtained to enter into this Framework ILUA and this Framework ILUA is valid, binding and enforceable in accordance with its terms against the Native Title Party and all those persons on whose behalf the Native Title Application is made.

6. **THE NATIVE TITLE ACT AND CONSENT TO FUTURE ACTS**

6.1 The Parties acknowledge and agree that this Framework ILUA sets out procedures for:

6.1.1 the grant of PELs and the carrying out of exploratory operations under them;

6.1.2 the grant of any Subsequent Licences and the carrying out of any activities under them; and

6.1.3 the grant of Additional Licences and the carrying out of any activities under them

where a Company has complied with the requirements of clause 13 of this Framework ILUA.

6.2 The Parties agree that the Right to Negotiate procedure prescribed in Part 2, Division 3, Subdivision P of the Native Title Act is not intended to apply to either the grant of any Authorised Licence or the carrying out of any activities under an Authorised Licence.

6.3 It is the intention of the Parties that:

6.3.1 the non-extinguishment principle, as defined in section 238 of the Native Title Act, applies to the grant of an Authorised Licence; and

6.3.2 to the extent that the provisions of subdivision K and subdivision M of Division 3 of the NTA would normally apply to the grant of any of these Authorised Licences the same are excluded.

7. **REGISTRATION OF ILUA**

7.1 The Parties authorise and direct the State to apply to the Registrar for this Framework ILUA to be registered and entered on the Register as an area agreement pursuant to sections 24CA to 24CL of the Native Title Act and regulation 7 of the Native Title Indigenous Land Use Agreement Regulations (Cth).

7.2 For the purposes of registering and entering the Framework ILUA on the Register either:

7.2.1 ALRM will certify the application for registration in accordance with the Native Title Act; or

- 7.2.2 if ARLM does not certify the application in accordance with the Native Title Act the Association and the Native Title Party will prepare a statement which complies with section 24CG(3)(b) of the Native Title Act and provide that statement to the State.
- 7.3 Each of the Parties agrees to use its best endeavours to ensure that the Framework ILUA is registered on the Register as soon as possible after the date of execution and that it is maintained on the Register until the end of the Framework ILUA as determined pursuant to clause 3.2.
- 7.4 If the Framework ILUA is removed from the Register of Indigenous Land Use Agreements held by the National Native Title Tribunal:
- 7.4.1 no new PEL, Subsequent Licence or Additional Licence can be granted pursuant to this Framework ILUA; and
- 7.4.2 any existing PEL, Subsequent Licence or Additional Licence granted prior to that removal will not be affected by that removal.

8. PETROLEUM ACT

- 8.1 The Parties acknowledge and agree that this Framework ILUA is subject to the Petroleum Act and does not:
- 8.1.1 set out an alternative procedure for the granting of a PEL, Subsequent Licence or Additional Licence, or the carrying out of activities under those Licences; or
- 8.1.2 of itself (apart from the provisions of clause 8.1 of the Acceptance Contract Conditions), form a condition of any PEL, Subsequent Licence or Additional Licence.
- 8.2 The Parties acknowledge and agree that each Executed Acceptance Contract constitutes an agreement between the Native Title Party and the Company for the purposes of entry to and use of land pursuant to Part 10 of the Petroleum Act.
- 8.3 The State is authorised to cause the registered Framework ILUA and any Executed Acceptance Contract to appear on the public register established pursuant to section 115 of the Petroleum Act.

9. **PROVISION TO PARLIAMENT**

The Government Party is authorised to provide a copy of this Framework ILUA to the South Australian Parliament.

10. **THE LICENCE**

10.1 The Native Title Party agrees to the grant of any Authorised Licence by the Minister to the Company in respect of any part of the ILUA Area pursuant to the Petroleum Act, and agrees to the Company exercising its rights and entitlements and discharging its obligations under the Authorised Licence in accordance with and subject to any conditions imposed by:

10.1.1 the Petroleum Act;

10.1.2 any Applicable Law; or

10.1.3 this Framework ILUA.

10.2 The Native Title Party covenants not to lodge or make any objection to the grant of any PEL, Subsequent Licence or Additional Licence to the Company pursuant to the Petroleum Act unless the Company is in breach of this Framework ILUA.

10.3 The Company covenants by its consent in the Acceptance Deed that it will carry out activities under an Authorised Licence on the ILUA Area in accordance with:

10.3.1 the Petroleum Act;

10.3.2 all Applicable Law;

10.3.3 the provisions of this Framework ILUA; and

10.3.4 good petroleum industry practice.

11. **INSURANCE**

11.1 The State must ensure that a group personal accident insurance policy is maintained during the Term of the Framework ILUA to cover Aboriginal persons who are members of any Scouting Team in respect of whom such cover is obtainable on such reasonable commercial terms as the State may decide.

11.2 The Association must advise the State of the number of people making up each Scouting Team and the name of each Scouting Team member (where known) prior to any Clearance being undertaken.

12 BREACH OF FURTHER CONSIDERATION

If the Company is in breach of clause 8.1 of the Acceptance Contract Conditions and that breach is not remedied within one month of the receipt of written notice from the Native Title Party, then apart from any other right or remedy it may have at common law (which right or remedy shall not be exercisable until the Minister has considered whether to exercise his discretion as herein described), the Native Title Party may inform the Minister who, upon being satisfied that the Company remains in breach, may refuse to grant any Subsequent or Additional Licence to the Company.

13 ACCEPTANCE CONTRACT

13.1 Subject to this Framework ILUA the Parties agree that:

13.1.1 a Company may enter into an Executed Acceptance Contract in respect of any PEL or Additional Licence by complying with clause 13.2; and

13.1.2 where a Company has entered into an Executed Acceptance Contract in respect of a PEL located within the ILUA Area, the Company is entitled to the grant of any Subsequent Licence

13.2 A Company will agree to be bound by the terms of this Framework ILUA by:

13.2.1 duly completing and signing the Acceptance Deed at Annexure B of the Acceptance Contract Conditions;

13.2.2 providing a copy of the duly signed and completed Acceptance Deed to the State; and

13.2.3 notifying the Native Title Party of the completion and execution of the Acceptance Deed by providing them with a copy thereof.

13.3 The Parties acknowledge and agree that upon a Company complying with the provisions of clause 13.2 an agreement on the terms of the Acceptance Contract Conditions and the relevant Acceptance Deed will come into force and effect as an Executed Acceptance Contract between the State, the Native Title Parties, the Association and the Company in respect of:

13.3.1 the PEL(s) or Additional Licence(s) identified in the Acceptance Deed executed by the Company;

13.3.2 any Subsequent Licences granted to a Company where that Company has entered into an Executed Acceptance Contract in respect of a PEL located in the ILUA Area; and

13.3.3 the carrying out of any activities under those Licences.

14. **ENVIRONMENTAL PROTECTION AND REHABILITATION**

The Company will be required to comply with the environment protection procedures required by all Applicable Law relevant to its activities in connection with an Authorised Licence.

15. **NO ACKNOWLEDGEMENT OF NATIVE TITLE**

By entering into this Framework ILUA neither the State, SACOME or the Company acknowledge any concluded position as to the existence or otherwise of native title to any land or waters the subject of this Framework ILUA.

16. **CONFIDENTIALITY**

16.1 The Parties agree to keep confidential all communications between the Parties relating to their negotiation of this Framework ILUA (excluding this Framework ILUA document) whether oral or in writing ('**confidential communications**') except to:

16.1.1 the officers and employees of the Parties whose duties require such disclosure;

16.1.2 the legal and financial advisers and auditors of a Party;

16.1.3 the extent necessary to comply with all Applicable Law and the rules of any stock exchange;

16.1.4 the South Australian parliament;

16.1.5 potential financiers, investors, joint venturers or Transferees in or of the Parties;

16.1.6 petroleum explorers involved in or seeking to become involved in exploration or production activity in the Claimed Area or Licence Area; and

16.1.7 other Aboriginal people as and where required by Aboriginal custom and tradition,

PROVIDED THAT except for compliance reports contemplated in clause 16.1.3 the relevant Party ensures that any such person undertakes to maintain the confidentiality of the information and material.

- 16.2 The Parties will ensure that each recipient of confidential communications is aware of and observes the above obligations of confidentiality.
- 16.3 The Parties agree that the registered Framework ILUA will be placed on the Primary Industries and Resources South Australia (**PIRSA**) website and maybe downloaded by the public.

17. **ASSIGNMENT**

- 17.1 The Company may Transfer the whole or any part of its interest, rights or obligations under this Framework ILUA to a Transferee of any interest in an Authorised Licence provided:
- 17.1.1 such Transferee is approved by the Minister for the purposes of the Transfer of the interest in the Authorised Licence; and
- 17.1.2 the proposed Transferee executes in favour of the Native Title Party and the Association a deed of assumption undertaking to observe and comply with all of the obligations of the Company under this Framework ILUA which are commensurate with the rights Transferred to it by the Company.
- 17.2 Any assignment pursuant to clause 17.1 releases the Company from its obligations under the Executed Acceptance Contract in relation to the relevant Authorised Licences with effect from the date of that assignment and Transfer but without prejudice to the accrued rights and remedies of the Parties for any antecedent breach of the Executed Acceptance Contract.

18. **NOTICES**

- 18.1 Subject to this Framework ILUA any notice, request, consent, proposal, or other communication must be in writing and signed by the Party giving it and shall be addressed to the Parties as follows:

The Government Party's address:

The Minister for Minerals Resources Development
C/-: The Director, Petroleum
Office of Mineral and Energy Resources, PIRSA
Level 6, 101 Grenfell Street
ADELAIDE SA 5000
Facsimile number: (08) 8463 3229

Native Title Party's address:

Yandruwandha/Yawarrawarrka Native Title Claim Group
C/-: Hunt & Hunt
12th Floor
26 Flinders Street
ADELAIDE SA 5000
Facsimile number: (08) 8211 7362

Yandruwandha/Yawarrawarrka Traditional Land Owners (Aboriginal Corporation) address:

PO Box 963
KENT TOWN SA 5067
Facsimile number:

ALRM's address:

Executive Officer
Level 4, 345 King William Street
ADELAIDE SA 5000
Facsimile number: (08) 8211 7424

SACOME's address:

Chief Executive
4 Greenhill Road
WAYVILLE SA 5034
Facsimile number: (08) 8373 9699

18.2 In the event that any Party changes its address for notices that Party must advise the other parties in writing within seven (7) days of its new address, and from that time all Parties must address any notices to the new address.

18.3 A notice sent by mail will be deemed received by the Party to whom it is addressed on the next business day following its posting. Notices transmitted by facsimile are deemed delivered on the day of transmission subject to confirmation of complete transmission.

19. **GOVERNING LAW**

This Framework ILUA is governed by the laws of, and applying in the State, and each Party hereby submits to the jurisdiction of the appropriate courts of that State and of the Commonwealth of Australia and any Courts competent to hear appeals therefrom. The Parties agree that any appeals from the courts of the Commonwealth of Australia will be filed in the South Australian District Registry of the Federal Court of Australia.

20. **COUNTERPARTS**

This Framework ILUA may be executed in any number of counterparts and all of those counterparts taken together constitute one and the same instrument.

21. **GENERAL**

21.1 Each Party agrees, at its own expense, on the request of another Party, to do everything reasonably necessary to give effect to this Framework ILUA and the matters contemplated by it.

21.2 Each Party will pay its own legal and other costs and expenses in connection with the preparation and completion of this ILUA except for stamp duty, which will be borne and paid by the State

EXECUTED AS AN AGREEMENT

THE COMMON SEAL of THE)
ATTORNEY-GENERAL)
was hereunto affixed by the Attorney-General)
in the presence of:)

[Handwritten signature]

Witness

P. F. Hume

Name of Witness

THE COMMON SEAL of THE MINISTER)
FOR MINERAL RESOURCES DEVELOPMENT)
was hereunto affixed by the Minister)
in the presence of)



[Handwritten signature]

Witness

P. F. Hume

Name of Witness

SIGNED BY CHARLIE MOORE)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)

Charlie Moore (rgd)

Charlie Moore

Michael Steele

Witness

MICHAEL STEELS

Name of witness

SIGNED BY LESLIE HARRIS)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)

Leslie Harris

Leslie Harris

Michael Steele

Witness

Michael Steele

Name of witness

SIGNED BY FAY NICHOLLS)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)

Fay Nicholls

Fay Nicholls

Michael Steele

Witness

Michael Steele

Name of witness

SIGNED BY THERESA BOTTRELL)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)

Theresa Bottrell

Theresa Bottrell

Michael Steele

Witness

Michael Steele

Name of witness

SIGNED BY AARON PATERSON)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)



Aaron Paterson

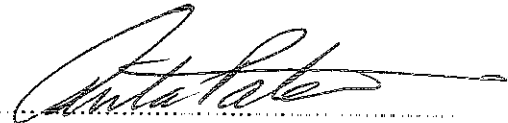
Michael Beale

Witness

MICHAEL STEELE

Name of witness

SIGNED BY ANITA PATERSON)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)



Anita Paterson

Michael Beale

Witness

MICHAEL STEELE

Name of witness

SIGNED BY FREDRICK BROWN)
for and on behalf of the)
Yandruwandha/Yawarrawarrka Native Title Group)
in the presence of:)



Fredrick Brown

Michael Beale

Witness

MICHAEL STEELE

Name of witness

THE COMMON SEAL of THE)
YANDRUWANDHAYAWARRAWARRKA)
TRADITIONAL LAND OWNERS)
(ABORIGINAL CORPORATION))
was hereunto affixed)
in accordance with its constitution)
in the presence of)

Lloyd Roe
Member
Lloyd ROE
Print Name

Patrick Ferguson
Member
P. FERGUSON
Print Name

Thomas Battrell
Member
T. BOTRELL
Print Name

Aasm Peterson
Member
Aasm Peterson
Print Name

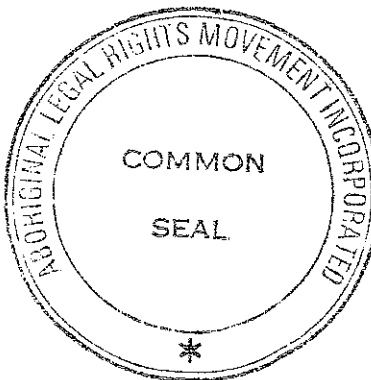
Nicky Johnson
Member
A.J. Riessen Parker
Print Name



Barbara Wingard
Member

Lesley Wanganeer
Print Name

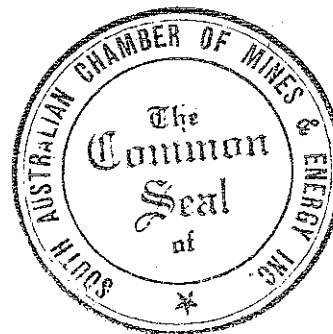
THE COMMON SEAL of THE)
ABORIGINAL LEGAL RIGHTS MOVEMENT INC)
was hereunto affixed)
in the presence of:)



B.E. Wingard
Chairperson

L. Wanganeer
Executive Member

THE COMMON SEAL of THE)
SOUTH AUSTRALIAN CHAMBER OF MINES)
AND ENERGY INC)
was hereunto affixed)
in the presence of:)



J. Blentz
President

[Signature]
Councillor

SCHEDULE 1

Acceptance Contract Conditions

DATED

DAY OF

2007

ACCEPTANCE CONTRACT CONDITIONS

BETWEEN

THE HONOURABLE MICHAEL ATKINSON THE ATTORNEY GENERAL

-AND-

THE MINISTER FOR MINERAL RESOURCES DEVELOPMENT

-AND-

**CHARLIE MOORE, LESLIE HARRIS, FAY NICOLLS, THERESA BOTTRELL, AARON
PATERSON, ANITA PATERSON AND FREDRICK BROWN FOR AND ON BEHALF OF
THE YANDRUWANDHA/YAWARRAWARRKA NATIVE TITLE CLAIM GROUP**

-AND-

**THE YANDRUWANDHA YAWARRAWARRKA TRADITIONAL LAND OWNERS
(ABORIGINAL CORPORATION)**

-AND-

**THE COMPANY SPECIFIED IN THE ACCEPTANCE DEED, EXECUTED BY THAT
COMPANY IN RELATION TO THE AUTHORISED LICENCES.**

CROWN SOLICITOR

Level 9, 45 Pirie Street, Adelaide SA 5000

TABLE OF CONTENTS

1.	DEFINITIONS	3
2.	INTERPRETATION	12
3.	COMMENCEMENT AND TERM	15
4.	NATIVE TITLE ACT AND CONSENT TO FUTURE ACTS	15
5.	OTHER STATEMENTS.....	16
6.	AUTHORITY TO ENTER INTO AGREEMENT	16
7.	CONSIDERATION.....	18
8.	FURTHER CONSIDERATION	24
9.	RECONNAISSANCE SURVEYS OF LICENCE AREA BY COMPANY	26
10.	LAND ACCESS AND OCCUPATION	27
11.	IDENTIFICATION	27
12.	PETROLEUM OPERATIONS	27
13.	NOTIFICATION OF OPERATIONS	28
14.	INSPECTION AND CLEARANCE	31
15.	SCOUTING TEAM.....	33
16.	AERIAL SURVEYS	35
17.	REPORTS	35
18.	BUDGETS AND PAYMENT BY COMPANY FOR CLEARANCE WORK.....	37
19.	REMOVAL OF EMPLOYEES	40
20.	INSTRUCTION IN ABORIGINAL CULTURE.....	41
21.	COMPANY COVENANTS.....	42
22.	THE NATIVE TITLE PARTY COVENANTS.....	43
23.	RIGHTS OF THE NATIVE TITLE PARTY.....	44
24.	REVERSION OF INFRASTRUCTURE	45
25.	FIELD DEVELOPMENT AND PRODUCTION	45
26.	FORCE MAJEURE.....	46
27.	ASSIGNMENT.....	46
28.	CONFIDENTIAL INFORMATION.....	47
29.	DISPUTE RESOLUTION.....	47
30.	CESSATION OF ACTIVITIES	50
31.	EMPLOYMENT OPPORTUNITIES	51
32.	GENERAL	51
	ANNEXURE A.....	1

NATIVE TITLE APPLICATION AND MAP OF CLAIM AREA.....	1
ANNEXURE B.....	1
ACCEPTANCE DEED	1
ANNEXURE C.....	1
1. PRODUCTION PAYMENTS.....	1
2. CALCULATIONS TO FOLLOW PETROLEUM ACT	2
3. RECIPIENT CREATED TAX INVOICE	2
4. INTERPRETATION	3
ANNEXURE D.....	1
ANNEXURE E CLEARANCE PROCEDURES.....	1
ANNEXURE F SCHEDULE OF EVENTS.....	1
ANNEXURE G BUDGET	1
ANNEXURE H GUIDELINES TO MEDIATION	1

AGREEMENT dated

PARTIES:

THE HONOURABLE MICHAEL ATKINSON, ATTORNEY-GENERAL of level 11 ING Building, 45 Pirie Street, Adelaide SA 5000 for and on behalf of the Crown in the right of the State of South Australia ("**The State**")

AND

THE MINISTER FOR MINERAL RESOURCE DEVELOPMENT of Level 9, Terrace Towers, 178 North Terrace Adelaide South Australia 5000 ("**The Minister**")

AND

CHARLIE MOORE, LESLIE HARRIS, FAY NICOLLS, THERESA BOTTRELL, AARON PATERSON, ANITA PATERSON AND FREDRICK BROWN FOR AND ON BEHALF OF YANDRUWANDHA/YAWARRAWARRKA NATIVE TITLE CLAIM GROUP care of Hunt & Hunt Twelfth Floor 26 Flinders Street Adelaide South Australia 5000 ("**Native Title Party**")

AND

YANDRUWANDHA YAWARRAWARRKA TRADITIONAL LAND OWNERS (ABORIGINAL CORPORATION) ABN 2300221859, an incorporated association incorporated under the Associations Incorporation Act No 30 of 1985 (SA), of PO Box 963 Kent Town South Australia 5067 ("**Association**")

AND

The COMPANY specified in the Acceptance Deed executed by that Company in relation to the Authorised Licences ("Company")

BACKGROUND:

WHEREAS:

- A. The Native Title Party claims native title in all of the Claimed Area and has filed a Native Title application under section 13(1) of the *Native Title Act* 1993 (Commonwealth) (as amended) with the Federal Court of Australia in proceeding Number SAD 6022/98 for a determination of Native Title in respect of the Claimed Area.
- B. Prior to signing the Framework ILUA, the Native Title Claim Group established the Association and has authorised the Association to manage the Native Title Claim and all matters relating to it on behalf of the Native Title Claim Group.
- C. Prior to signing the Framework ILUA the Association (in conjunction with the Registered Native Title Claimants) consulted with the Native Title Claim Group and the Native Title Claim Group consented to and authorised the Registered Native Title Claimants to enter into the Executed Acceptance Contract on behalf of the Native Title Party.
- D. The Association:
 - (a) entered into the Framework ILUA in performance of its functions of managing the Native Title Claim; and
 - (b) by signing the Framework ILUA confirmed that the Registered Native Title Claimants were authorised by the Native Title Claim Group to enter into the Executed Acceptance Contract on behalf of the Native Title Party.
- E. The State:
 - (a) is the Crown in the right of South Australia; and
 - (b) is the first respondent to all native title determination applications in South Australia.

- F. Pursuant to the Framework ILUA the Parties:
- (a) consent to the grant of Authorised Licences;
 - (b) consent to the carrying out of exploratory and production operations and activities under those Authorised Licences; and
 - (c) agree that the Right to Negotiate Procedure does not apply to the grant of Authorised Licences and the carrying out of any activities under them.
- G. The Parties wish to set out in the Executed Acceptance Contract the provisions that apply to the grant of Authorised Licences and the carrying out of any activities under them.

NOW THIS AGREEMENT WITNESSES AS FOLLOWS:

1. **DEFINITIONS**

In these Acceptance Contract Conditions unless the context otherwise requires, the following words and expressions shall have the following meanings:

- | | |
|----------------------------|---|
| ‘Aboriginal Record’ | has the same meaning as prescribed in the <i>Aboriginal Heritage Act 1988 (South Australia)</i> ; |
| ‘Acceptance Deed’ | means the deed forming part of the Framework ILUA at Schedule 1, Annexure B (as amended from time to time pursuant to the Framework ILUA) by which a Company may enter into the Framework ILUA; |

‘Additional Licence’

means any:

- (a) Preliminary Survey Licence;
- (b) Pipeline Licence;
- (c) Speculative Survey Licence;
- (d) Associated Facilities Licence;
- (e) Easement for pipeline purposes;
or
- (f) other authority able to be lawfully granted to a Company within the ILUA Area pursuant to the Petroleum Act,

applied for, or granted to a Company in the ILUA Area where that Company is not the holder of a PEL or PPL authorised by the Framework ILUA;

‘Applicable Law’

means every law and regulation (whether of the Commonwealth or of the State of South Australia) from time to time in operation in South Australia which is applicable to a Party including any such laws relating to native title, mining, the environment, or Aboriginal heritage;

‘Areas of Significance’

means any site on the Licence Area of cultural, social or spiritual significance to the Native Title Party of those areas and includes any **‘Aboriginal site’** as defined by the *Aboriginal Heritage Act 1988 (South Australia)* and any **‘significant Aboriginal areas’** as defined in the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Commonwealth)*;

‘Associated Facilities Licence’	means a licence authorising anything that is reasonably necessary for, or incidental to, carrying on Regulated Activities in the area of a PEL, PRL or PPL or in the vicinity of the area of a PEL, PRL or PPL;
‘Association’	means the body corporate representing the Native Title Party;
‘Authorised Licence’	means: (a) in the case of a Company applying for a PEL or PPL in the ILUA Area, the PEL(s) or PPL(s) specified in the Acceptance Deed executed by that Company in order to enter into the Executed Acceptance Contract, and any Subsequent Licence granted to that Company; and (b) in the case of a Company not holding a PEL or PPL authorised by the Framework ILUA, the Additional Licence(s) specified in the Acceptance Deed executed by that Company in order to enter into the Executed Acceptance Contract;
‘Budget’	means a financial plan agreed for the conduct of a Clearance in accordance with clause 18;
‘Claimed Area’	means the area of land and any waters the subject of the Native Title Application;
‘Clearance’	means the agreed procedure for the inspection

	and clearance of land as described in clauses 14, 15 and 17 and Annexure E;
‘Commencement Date’	means the date on which the Framework ILUA commences;
‘Commencement Day’	means the date upon which all of the following have occurred: (a) the Company has duly completed and signed the Acceptance Deed; and (b) the Company has provided a copy of the Acceptance Deed to the Minister; and (c) the Company has notified the Association and the Native Title Claim Party that they have signed the Acceptance Deed by providing the Association and the Native Title Claim Group with an original or duplicate original of the Acceptance Deed;
‘Company’	means the party specified as the Company in the Executed Acceptance Contract and includes any assignee or Transferee of the Company;
‘Consumer Price Index’	means the Consumer Price Index (All Groups) for the City of Adelaide (CPI) as published by the Australian Bureau of Statistics;
‘Cultural Confidence’	means any cultural information including information held in an Aboriginal Record, disclosure of which is by tradition restricted or forbidden;
‘Environment’	means all aspects of the surroundings, including the physical, biological, economic, cultural and

social aspects; and “**Environmental**” has a corresponding meaning;

‘Essential Term’

means those terms in clauses 10.3 and 14 of the Framework ILUA and clauses 7.1, 7.2, 7.3.1, 7.3.2, 8.1, 8.2, 8.4, 12, 13.7, 13.8, 14.6, 19.1 and 21.1, 21.3, 21.4;

‘Executed Acceptance Contract’

means the contract on the terms of these Acceptance Contract Conditions and the Acceptance Deed signed by the Company and formed between the Parties upon the Company complying with the provisions of clause 13 of the Framework ILUA;

‘Force Majeure’

means acts of God, flood, fire or damage caused by lightening, storm, tempest, unseasonable rains, strikes, lockouts or other industrial disturbance, riots, blowouts, laws, rules, regulations, or directions of a governing body having jurisdiction over the Licence Area, religious or other ceremonial activities of members of the Native Title Claim Group, inability to obtain equipment or material or any other causes which by the exercise of due diligence that party is unable to prevent or overcome;

‘Framework ILUA Parties’

means the State, the Minister, the Native Title Parties, the Association, Aboriginal Legal Rights Movement Inc and South Australian Chamber of Mines and Energy Inc, being the parties to the Framework ILUA;

'ILUA Area'	means the geographical area in relation to which the Framework ILUA applies, as specified in Schedule 2 of the Framework ILUA;
'Licence'	means any licence able to be granted under the Petroleum Act as amended from time to time;
'Licence Area'	means the total geographical area (of which the ILUA Area may form the whole or a portion) over which the Authorised Licences are operative;
'Maximum Administration Fee'	means the maximum administration fee specified in clause 0 and fixed on the Commencement Day for the term of the PEL;
'Minister'	means the Minister responsible for the issue of a licence pursuant to the Petroleum Act;
'Native Title'	has the same meaning as in section 223 of the Native Title Act;
'Native Title Act'	means the Native Title Act 1993 (Commonwealth);
'Native Title Application'	means the Application for Determination of Native Title filed in the Federal Court of Australia by the Native Title Party and described in Annexure A;
'Native Title Claim Group'	means those persons described in Part 1 Schedule A of the Native Title Application (Annexure A) and has the same meaning as in the Native Title Act;

‘Native Title Party’	means the Native Title Claim Group and includes the Registered Native Title Applicant as described in Annexure A;
‘Operational Area’	means any part of the Licence Area upon which from time to time under the terms of these Acceptance Contract Conditions the Company proposes to carry out Petroleum Operations;
‘Parties’	means the parties to these Acceptance Contract Conditions and “Party” means one of them;
‘PEL’	means the petroleum exploration licence proposed to be granted to the Company in the ILUA Area pursuant to the Petroleum Act, as renewed, extended, substituted or varied from time to time;
‘Petroleum’	has the same meaning assigned to that expression in the Petroleum Act and where the term ‘petroleum’ is used herein it shall include each and all constituents thereof;
‘Petroleum Act’	means the Petroleum Act 2000 of South Australia as amended or any enactment substituted therefore together with any regulations and subordinate legislation made thereunder;
‘Petroleum Operations’	means operations carried out pursuant to, or for the purpose of giving effect to, a Licence and includes accessing Operational Areas, seismic surveying, drilling, geological, geophysical and other exploration activities, the storage of gas in

a place separate from its place of origin, and the development, production, gathering, separating, pressure maintenance, dehydrating, heating, treating, processing, handling, transportation, fractionation, storage and distribution and marketing of Petroleum produced or to be produced from the Licence Area, including the design, capacity, installation, operation, maintenance, repair and replacement of all facilities required, and any other activity that could lawfully be carried out pursuant to the Petroleum Act;

‘Pipeline Licence’

means a licence issued under the Petroleum Act authorising the licensee to operate the transmission pipeline to which the licence relates;

“PPL”

means a petroleum production licence granted pursuant to the Petroleum Act;

‘Preliminary Survey Licence’

means a licence issued under the Petroleum Act authorising the licensee to carry out a survey, environmental evaluation, or other form of assessment preparatory to the carrying out of regulated activities in the Licence Area;

‘PRL’

means a petroleum retention licence granted pursuant to the Petroleum Act;

‘Registered Native Title Body Corporate’

has the same meaning as given in the Native Title Act;

‘Report’

means a written report about a Clearance provided by the Native Title Party to the

Company as described in clause 17;

‘Right to Negotiate’

means the right to negotiate set out in subdivision P of the Native Title Act;

‘Scouting Team’

means the persons referred to in clause 15;

‘Seismic Line Access Corridor’

means a corridor of up to 50 metres on each side of a proposed or existing seismic line or access road, or as otherwise agreed between the Company and the Association and which has been inspected and cleared in accordance with clauses 14, 15, and 17 and Annexure E;

‘Specialist’

means an anthropologist or archaeologist or both, as appropriate;

‘Speculative Survey Licence’

means a licence issued under the Petroleum Act authorising the licensee to carry out exploratory operations of the kind specified in the licence in the Licence Area;

‘Subsequent Licence’

means any:

- (a) PPL (where not already authorised under this Framework ILUA);
- (b) Associated Facilities Licence;
- (c) PRL
- (d) easement for pipeline purposes;
- (e) Preliminary Survey Licence;
- (f) Speculative Survey Licence; or
- (g) other authority able to be lawfully granted to a Company within the ILUA Area pursuant to the Petroleum Act,

applied for or granted to a Company where that Company is the holder of a PEL or PPL authorised by the Framework ILUA at the time of the Licence application;

‘Transfer’

means to sell, assign, transfer, convey or otherwise dispose of and **‘Transferee’** and **‘Transferred’** have corresponding meanings;

‘Work Programme’

means a detailed description of proposed work on an Operational Area by the Company;

‘Work Site’

means any camp site or other living area, air strip, water bore site, drill site or other location for Petroleum Operations activity in the Licence Area which the Company proposes pursuant to the terms of these Acceptance Contract Conditions to locate in an Operational Area and includes any other area in the Licence Area in which Company proposes to carry out Petroleum Operations.

2. **INTERPRETATION**

2.1 In these Acceptance Contract Conditions (including the Recitals and the annexures and appendices to it), unless the contrary intention appears:

2.1.1 a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;

2.1.2 the singular includes the plural and vice versa;

2.1.3 a reference to a gender includes each other gender;

- 2.1.4 a reference to an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- 2.1.5 a reference to the Company includes the employees, servants, agents, contractors and sub-contractors of the Company engaged for the purposes of the Petroleum Operations and their permitted invitees and any obligation or duty imposed upon the Company shall, where the Company has engaged an agent, contractor or sub-contractor to undertake any activity which the Company is required or authorised to undertake under these Acceptance Contract Conditions, be construed as an obligation or duty upon the Company to procure by reasonable endeavours that its agent, contractor or sub-contractor performs that obligation or duty;
- 2.1.6 a reference to a recital, clause, schedule or annexure is to a recital, clause, schedule, annexure or appendix of or to these Acceptance Contract Conditions unless otherwise stated;
- 2.1.7 a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
- 2.1.8 a reference to a Party to the Executed Acceptance Contract includes that Party's executors, administrators, substitutes, successors and assigns;
- 2.1.9 where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- 2.1.10 a reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible form but specifically excludes communications by electronic mail;
- 2.1.11 a reference to dollars and \$ is to Australian currency;
- 2.1.12 an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;

- 2.1.13 a reference to anything is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them; and
- 2.1.14 a reference to any right, permit, authority, licence, or interest granted pursuant to the Petroleum Act includes any further or other right, permit, authority, licence or other interest derived from any of them or otherwise granted or issued under the Petroleum Act and any variation, renewal, extension and substitution of any of them or any part of any of them.
- 2.2 The meaning of general words will not be limited by reference to accompanying specific words.
- 2.3 If any Court or other competent authority declares, or if any statute or regulation renders, any part of these Acceptance Contract Conditions ineffective, void, voidable, illegal or unenforceable or if by reason of a declaration by any Court or other competent authority or any statute or regulation these Acceptance Contract Conditions would, if that part were not omitted, be ineffective, void, voidable, illegal or unenforceable then:
- 2.3.1 that part shall be severable, without in any way affecting the effectiveness, validity, legality or enforceability of the remainder of these Acceptance Contract Conditions, and these Acceptance Contract Conditions shall be read and construed and take effect for all purposes as if that part were not contained herein; and
- 2.3.2 the Parties shall attempt to renegotiate, in good faith, that part and seek to achieve a result as near as reasonably practicable as is consistent with the severed component.
- 2.4 Any term or expression used in this Framework ILUA, which is defined in either the Petroleum Act or the Native Title Act, has the same meaning as in that legislation, except where otherwise defined.
- 2.5 In these Acceptance Contract Conditions, headings are for convenience of reference and do not affect the interpretation of these Acceptance Contract Conditions.
- 2.6 Any schedules, annexures and appendices form part of these Acceptance Contract Conditions.

3. **COMMENCEMENT AND TERM**

- 3.1 The Executed Acceptance Contract commences on the Commencement Day.
- 3.2 Subject to any provision of these Acceptance Contract Conditions, to the contrary, the Executed Acceptance Contract continues until the date upon which all Authorised Licences have terminated or expired or been surrendered or cancelled for whatever reason.
- 3.3 Subject to clauses 3.4 and 3.5, no Party is entitled to terminate the Executed Acceptance Contract in the event of a breach, but the Parties may avail themselves of all other remedies available at law.
- 3.4 If the Framework ILUA is removed from the Register (other than where the removal relates to the finalisation of the Native Title Claim by an approved determination of native title) then the Company may terminate the Executed Acceptance Contract.
- 3.5 If the Registrar amends the entry on the Register that relates to the Claimed Area and that amendment results in the exclusion of any area then the Company may terminate the Executed Acceptance Contract to the extent only that it applies to the excluded area.
- 3.6 No Party has any claim of whatever nature against any Party arising from or out of the termination of the Executed Acceptance Contract pursuant to clauses 3.4 or 3.5.

4. **NATIVE TITLE ACT AND CONSENT TO FUTURE ACTS**

- 4.1 The Parties record that under the Framework ILUA, subject to clause 13 of the Framework ILUA, the Framework ILUA Parties consent to the grant of each Authorised Licence and the carrying out of any activities under them.
- 4.2 The Parties acknowledge and agree that the Framework ILUA sets out the procedures for:
- 4.2.1 the grant of PELs and the carrying out of exploratory operations under them;

- 4.2.2 the grant of any Subsequent Licences and the carrying out of any activities under them; and
- 4.2.3 the grant of Additional Licences and the carrying out of any activities under them.
- 4.3 The Parties record that under the Framework ILUA the Parties agreed that the Right to Negotiate and activities under Subdivision K and M respectively of the NTA are not intended to apply to Authorised Licences and the carrying out of any activities under them.
- 4.4 The Parties acknowledge and agree that each Executed Acceptance Contract constitutes an agreement between the Native Title Party and the Company for the purposes of entry to and use of land pursuant to Part 10 of the Petroleum Act.

5. **OTHER STATEMENTS**

- 5.1 The Parties acknowledge and agree that the non-extinguishment principle applies to the grant of PELs, Subsequent Licences and Additional Licences, and the carrying out of any activities under them, where those licences are Authorised Licences.
- 5.2 The Parties acknowledge and agree that pursuant to section 24 EA(1)(b) of the Native Title Act, all persons holding Native Title in relation to any of the land and/or waters in the Claimed Area who are not members of the Native Title Claim Group:
 - 5.2.1 are bound by the Framework ILUA; and
 - 5.2.2 by recognition of being bound by the Framework ILUA, are also bound by the Executed Acceptance Contract in relation to the land and/or waters within the Claimed Area to which the Executed Acceptance Contract applies.

6. **AUTHORITY TO ENTER INTO AGREEMENT**

- 6.1 The Association and the Native Title Claim Group represent and warrant that:

- 6.1.1 the Registered Native Title Claimants were (as at the date of the execution of the Framework ILUA) the Registered Native Title Claimants in relation to land and/or waters in the Claimed Area and made the Native Title Claim on behalf of the Native Title Claim Group;
 - 6.1.2 the Native Title Claim Group established the Association and authorised the Association to manage the Native Title Claim and all matters relating to the Native Title Claim on behalf of the Native Title Party;
 - 6.1.3 prior to signing the Framework ILUA the Association (in conjunction with the Registered Native Title Claimants) consulted with the Native Title Claim Group and the Native Title Claim Group consented to and authorised the Registered Native Title Claimants to enter into the Executed Acceptance Contract on behalf of the Native Title Party; and
 - 6.1.4 the Association by signing the Framework ILUA confirmed that the Registered Native Title Claimants were authorised by the Native Title Claim Group to enter into the Executed Acceptance Contract on behalf of the Native Title Party.
- 6.2 If an approved determination of Native Title is made in respect of the whole or any part of the Claimed Area and a Registered Native Title Body Corporate is determined to hold the rights and interests from time to time comprising the Native Title in trust for the Native Title Holders:
- 6.2.1 the Association and the Native Title Claim Group must use their best endeavours to ensure that the Registered Native Title Body Corporate becomes a Party to the Executed Acceptance Contract in the place of both the Native Title Party and the Association in relation to the whole or relevant part of the Claimed Area and assumes the rights and obligations of the Native Title Party and the Association under the Executed Acceptance Contract in relation to the whole or part of the Claimed Area; and
 - 6.2.2 the Parties (other than the Association and the Native Title Claim Group) to the Executed Acceptance Contract consent to the Registered Native Title Body Corporate becoming a Party to the Executed Acceptance

Contract and assuming the rights and obligations of both the Native Title Party and the Association.

7. **CONSIDERATION**

7.1 **Acceptance Fee**

7.1.1 **Amount Payable**

In consideration of the Native Title Party agreeing to enter into the Executed Acceptance Contract the Company must pay to the Association:

- (a) where the Native Title Party is authorising a PEL, sixty thousand dollars (\$60,000) for each PEL;
- (b) where the Native Title Party is authorising an Additional Licence(s) or PPL(s) in circumstances where the Company has not already entered into an Executed Acceptance Contract in respect of a PEL or PPL authorised by this ILUA, five hundred dollars (\$ 500) for each Additional Licence or PPL (which is not a Subsequent Licence);

within seven (7) days of receipt of a tax invoice from the Association for the Acceptance Fee for such PEL, Additional Licence or PPL granted.

7.1.2 **Rateable Payment where Licence Area not entirely within Claimed Area**

Where a Licence Area is not entirely located within the Claimed Area each amount payable under clause 7.1.1 shall be calculated rateably in like proportion as the Claimed Area within the boundary of the Licence Area bears to the Licence Area.

7.1.3 **Escalation/CPI**

The Acceptance Fee provided for in clause 7.1.1 will increase annually on the anniversary of the Commencement Date in accordance with the Consumer Price Index (CPI).

7.2 **Administration Fee**

7.2.1 **Annual Payment**

For better facilitating the administration of this Executed Acceptance Contract the Company will pay to the Association an annual

administration fee which obligation shall commence upon the grant of a PEL within the Claimed Area.

7.2.2 **Payment Amount**

Subject to clauses 7.2.4 & 7.2.5, the administration payments will be apportioned as follows:

- (a) where a Company holds a PEL that is renewable for one (1) further term only, the annual administration fee payable for each PEL will be:
 - (i) twelve percent (12%) of the Maximum Administration Fee for each year of the first five (5) year term; and
 - (ii) and eight percent (8%) of the Maximum Administration Fee for each year of the second five (5) year term.
- (b) where a Company holds a PEL that is renewable for two (2) further terms the annual administration fee payable for each PEL will be:
 - (i) twelve percent (12%) of the Maximum Administration Fee for each year of the first five (5) year term; and
 - (ii) four percent (4%) of the Maximum Administration Fee for each year of the second and third five (5) year terms.

7.2.3 **Suspension of Licence**

If a licence is suspended pursuant to section 90 of the Petroleum Act :

- (a) the State will give notice of the suspension to the Native Title Party by providing them with a duplicate copy of the notice of suspension at the same time such notice is provided to the Company; and
- (b) the anniversary date on which the annual payment would normally fall due will be extended by the term of the suspension.

7.2.4 Maximum Administration Fee

- (a) On the Commencement Date the maximum administration fee amount per PEL will be one hundred and twenty five thousand dollars (\$125,000).
- (b) On the first anniversary of the ILUA, and each anniversary thereafter, the maximum administration fee will increase annually in line with CPI.

7.2.5 Timing and manner of Payment

- (a) The first payment shall be made within seven (7) days of receipt of a tax invoice from the Association upon the grant of the PEL(s) to the Company.
- (b) Subject to clauses 7.2.3 and 7.2.6, thereafter each annual payment shall be made within seven (7) days following the anniversary of the date of grant of the PEL(s).
- (c) Where a Licence Area is not entirely located within the Claimed Area each amount payable under this clause shall be calculated rateably in like proportion as the Claimed Area within the boundary of the Licence Area bears to the Licence Area.
- (d) Should the proportion which the ILUA Area bears to the Licence Area change between the anniversary dates of the PEL, the amount payable according to this clause will be adjusted and paid, refunded or credited (as the case requires) within seven (7) days following the next anniversary of the date of grant of the PEL(s).
- (e) Upon the expiry, surrender or relinquishment of the PEL(s) within the Claimed Area, the Company's obligation in respect of the payment of the Administration Fee pursuant to this clause 7.2 shall cease in relation to that PEL.

7.2.6 Notification of Anniversary Date of Administration Fee

- (a) The Company must notify the Association in writing of the anniversary of the grant of the PEL(s) at least two (2) weeks prior to that date requesting that the Association provide a tax invoice in respect of payment of the Administration Fee.
- (b) The Company is not obliged to make any payment pursuant to clause 7.2.5(b) until it receives a tax invoice from the Association for the Administration Fee.

7.3 GST

7.3.1 Amount Payable

Subject to clause 7.3.2, the Company must pay GST on both the Acceptance Fee and Administration Fee.

7.3.2 Association to provide Company with Tax Invoice

The Company must pay to the Association an amount equal to the GST on the Acceptance Fee and Administration Fee, provided that the Association has first issued to the Company a tax invoice. Payment is to be made by the Company within 7 days of receipt of the tax invoice by the Association.

7.3.3 Request for Tax Invoice

For the purposes of the GST Act, the Company shall be regarded as having requested a tax invoice from the Association in respect of any Acceptance Fee or Administration Fee payable.

7.3.4 Adjustment Event

If an adjustment event has occurred in respect of a supply made pursuant to or in connection with an Executed Acceptance Contract, the Party that becomes aware of the adjustment event agrees to notify the other Party on becoming aware of the adjustment event, and the relevant Parties agree to take whatever

steps are necessary and make whatever adjustments are required to ensure that any GST or additional GST on that supply or any refund on any GST (or part thereof) is paid as soon as is practicable but no later than 21 days after the Association becomes aware that the adjustment event has occurred.

7.3.5 Adjustment Note

The Association will issue to the Company an adjustment note in respect of a supply that is subject to an adjustment event covered by clause 7.3.4. Such adjustment note will be issued no later than twenty-one (21) days after the Association becomes aware that the adjustment event has occurred or refunds any GST (or part thereof) in respect of that supply.

7.3.6 Disputes

Any disputes between the Parties in relation to the operation or interpretation of this clause shall be dealt with in accordance with clause 29 of these Acceptance Contract Conditions.

7.3.7 Required Changes

The Parties agree to make any changes that are required to this clause to reflect any amendments made to the *GST Act* or a related Act or changes in the interpretation of any of those Acts by the courts or the Commissioner of Taxation.

7.3.8 Interpretation

In this clause 7.3:

- (a) **adjustment event** means an adjustment event for the purposes of the GST Act and includes any matter or thing that arises out of any error, any decision of a court in relation to the GST Act or a related Act, any ruling issued by the Commissioner of Taxation, any audit of the tax affairs of the Association or of the Company or the

- settlement of any dispute (including a dispute with the Commissioner of Taxation);
- (b) **adjustment note** has the same meaning as it has from time to time in the GST Act;
 - (c) **GST** has the same meaning as it has from time to time in the GST Act;
 - (d) **GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* and as that Act is varied in its effect on an event, matter, thing, agreement, transaction or the like by the *A New Tax System (Goods and Services Tax Transition) Act 1999*;
 - (e) **price** has the same meaning as it has from time to time in the GST Act;
 - (f) **supply** has the same meaning as it has from time to time in the GST Act;
 - (g) **tax invoice** has the same meaning as it has from time to time in the GST Act;
 - (h) **taxable supply** has the same meaning as it has from time to time in the GST Act.

7.4 Acknowledgement

The Association and the Native Title Claim Group acknowledge and agree that, pursuant to clause 7.5:

7.4.1 any amounts payable and any benefits provided under the Executed Acceptance Contract and the Framework ILUA to the Native Title Party or any agent on its behalf:

- (a) are in full and final satisfaction of any compensation entitlement of the Native Title Party (in relation to the future acts authorised by this Framework ILUA); and
- (b) for the purposes of section 24EB of the Native Title Act, are compensation provided for by the Framework ILUA; and

7.4.2 the Native Title Party do not have any compensation entitlement other than for the amounts payable and benefits provided under the Executed Acceptance Contract and the Framework ILUA.

7.5 Exception

The provisions of clause 7.4 do not apply to any compensation entitlement of the Native Title Party against another Party to the Executed Acceptance Contract or any Framework ILUA Party arising by reason of any breach of the Executed Acceptance Contract by that Party or the Framework ILUA by that Framework ILUA Party respectively.

7.6 Sharing

The Association and the Native Title Claim Group agree that the amounts payable and the benefits provided under the Executed Acceptance Contract and the Framework ILUA to the Native Title Party or to any agent on their behalf are held on behalf of all members of the Native Title Claim Group and all persons (if any) who hold Native Title in relation to the whole or any portion of the Licence Area.

7.7 Application Survival

The provisions of clauses 7.4, 7.5 and 7.6. survive the removal of the details of the Framework ILUA from the Register for whatever reason and remain in those circumstances binding on:

7.7.1 all persons bound by the Framework ILUA and the Executed Acceptance Contract; and

7.7.2 all persons entitled to any of the benefits under the Framework ILUA.

8. FURTHER CONSIDERATION

8.1 The Company agrees by its consent in the Acceptance Deed:

8.1.1 to pay from time to time to the Native Title Party (or, after a determination of native title, the determined native title holders) in further consideration for entering into this Executed Acceptance

Contract an amount calculated from time to time in accordance with the terms set out in Annexure C.

8.1.2 to pay to the State in cleared funds the amounts calculated and becoming payable from time to time in accordance with Annexure C.

8.2 Subject to clause 8.6, the Native Title Party hereby requests and directs the:

8.2.1 Company to pay the State monies payable to the Native Title Party pursuant to clause 8.1 and the Company agrees to do so; and

8.2.2 State to pay to the Native Title Party from time to time the monies received by the State from the Company in accordance with clause 8.2.1 and the State agrees to do so.

8.3 Payments made by the Company to the State pursuant to clause 8.2.1 will be in full and final satisfaction and discharge of the Company's obligation under clause 8.1.

8.4 Within a reasonable time of receipt by the State of cleared funds from the Company in the amount calculated in accordance with the terms set out in Annexure C, the State will, for and on behalf of the Company, distribute the amount payable by the Company to the Native Title Party pursuant to clause 8.1.

8.5 Each amount payable by the Company under this provision will be calculated and paid in accordance with this provision unless and until the State gives notice in accordance with clause 8.6.

8.6 In the event the method of calculation contained in the Petroleum Act at the Commencement Day is later changed so as to occasion a material disadvantage to the State:

8.6.1 the State may give six (6) calendar months notice in writing to the other Parties of its intention to withdraw from its responsibility to collect and distribute monies in accordance with this clause 8; and

8.6.2 the Minister agrees to consult with the other Parties in an endeavour to implement an alternative payment scheme acceptable to all the Parties to this Framework ILUA.

- 8.7 The written authority of the Native Title Party or of any person apparently duly authorised by the Native Title Claimants shall be a full and sufficient discharge to the Minister for any payments made pursuant to this clause 8.
- 8.8 Nothing in this clause 8 is intended to adversely affect the integrity of the Native Title Application.
- 8.9 Nothing in this clause is intended to impose on the State any fiduciary duty or a duty to invest any monies collected by the State for distribution to the Native Title Party. The liability of the State shall rest entirely in contract as evidenced by this Framework ILUA.

9. **RECONNAISSANCE SURVEYS OF LICENCE AREA BY COMPANY**

- 9.1 The Parties acknowledge that prior to the date of execution of the Executed Acceptance Contract the Company will have awaited the grant of a Licence and except as otherwise disclosed in writing by the Company, has not been afforded an opportunity to undertake reconnaissance surveys to ascertain proposed paths for seismic lines, access roads and locations for Petroleum Operations on the Licence Area (**'Reconnaissance Surveys'**).
- 9.2 Notwithstanding the provisions of the Executed Acceptance Contract relating to inspection and clearing of Operational Areas, the Native Title Party acknowledges that in order efficiently to carry out the purposes of these Acceptance Contract Conditions, it may be necessary for the Company to enter onto the Licence Area to undertake Reconnaissance Surveys and the Parties agree that the provisions contained in clauses, 14, 15 and 17 and Annexure E hereof do not apply to Reconnaissance Surveys where:
- 9.2.1 the Company is conducting the Reconnaissance Surveys pursuant to existing legal rights and by making visual observations in the vicinity thereof to facilitate a request under clause 13 hereof; or
- 9.2.2 the Association has consented to activities following a preliminary consultation convened with a representative of the Native Title Party for the purpose of the Company explaining to the Native Title

Party its need to conduct Reconnaissance Surveys (which consent shall not be unreasonably or capriciously withheld).

10. **LAND ACCESS AND OCCUPATION**

10.1 The Parties acknowledge the grant to the Company of a Licence in respect of the Licence Area authorises the Company, its contactors, sub-contractors, employees, agents and visitors to enter upon the Licence Area at all times and to commence and proceed with Petroleum Operations.

10.2 The Association may object in writing upon reasonable grounds to a person having access to the Licence Area and the Company shall ensure that, as far as is possible within its power, such person or persons shall not enter upon the ILUA Area.

11. **IDENTIFICATION**

11.1 The Company shall notify the Association of the name of the representative of the Company responsible for Petroleum Operations from time to time on the ILUA Area, such notice be given fourteen (14) days in advance in writing where practicable.

11.2 The Company shall inform all of its contractors, employees, agents and visitors of the obligation upon them to contain Petroleum Operations within Seismic Line Access Corridors or Work Sites which have been inspected and cleared in accordance with clauses 14, 15 and 17 and Annexure E of the Accepted Exploration Contract and to comply with all conditions consistent with the Accepted Exploration Contract.

12. **PETROLEUM OPERATIONS**

The Company shall at all times upon the Licence Area:

12.1 comply with the provisions of the Petroleum Act and any Licence granted to the Company thereunder;

12.2 comply with the environment protection procedures required by all Applicable Laws relevant to its Petroleum Operations;

12.3 conduct itself in accordance with good and accepted petroleum industry practice standards;

- 12.4 ensure that as far as is reasonably practical its Petroleum Operations cause minimum disturbance to the Licence Area; and
- 12.5 use good and accepted petroleum industry practice to avoid oil spills or blowouts.

13. **NOTIFICATION OF OPERATIONS**

- 13.1 Subject to the provisions of clauses 14,15 and 17 and Annexure E hereof, the Company shall provide the Association at least sixty-eight (68) days in advance of Petroleum Operations being conducted in an Operational Area a written request for a Clearance on that Operational Area accompanied by particulars in writing of the following parts of the Company's proposed work programme, namely:
 - 13.1.1 the proposed location of seismic lines and access roads;
 - 13.1.2 the proposed approximate location of Work Sites;
 - 13.1.3 the proposed method of seismic operations (specifically whether two or three dimensional seismic operations over specific areas) and other consequential operations, including exploration drilling and testing and the proposed construction or use of access roads in such operations;
 - 13.1.4 the major items of equipment proposed to be used;
 - 13.1.5 the location of any proposed earthworks for the disposal of any waste material arising out of Petroleum Operations;
 - 13.1.6 the location of any proposed earthworks for minimising environmental disturbance or pollution, including oil spills and blowouts;
 - 13.1.7 the proposed site and nature of any buildings or structures (including pipelines and associated facilities); and
 - 13.1.8 any other aspect of the Petroleum Operations which is likely to have an adverse impact upon or cause substantial disturbance to native title rights and interests in any part of the Licence Area.

- 13.2 Prior to the expiration of fourteen (14) days (or such other period as the Company and the Association agree) after the Company has requested a Clearance and provided the particulars of its proposed work programme in accordance with clause 13.1, the Company and the Association by their respective representatives and advisors, shall meet. The purpose of such meeting shall be:
- 13.2.1 to discuss the proposed work programme and its practical implementation including matters such as access to existing tracks, topography, the work programme envisaged (including disturbance to the physical environment) and the major items of equipment to be used;
 - 13.2.2 to identify aspects of the proposed work programme and proposed Clearance where efficiencies can be implemented; and
 - 13.2.3 to discuss arrangements for preliminary access by the Company for Reconnaissance Surveys so as to avoid adverse impact on native title rights and interests in the physical environment.
- 13.3 If the Association is not reasonably satisfied with the particulars of the Petroleum Operations given pursuant to clause 13.1 hereof, the Association may, prior to the proposed commencement of Petroleum Operations, request that the Company provide and the Company shall provide, reasonable further particulars of such proposed Petroleum Operations.
- 13.4 The Association may object to the proposed Petroleum Operations referred to in clause 13.1 provided:
- 13.4.1 the objection is made in writing within fourteen (14) days of receipt of the work programme; and
 - 13.4.2 the matter objected to is likely to have a material adverse impact or cause substantial disturbance to native title rights and interests in the Licence Area.
- 13.5 In the event that the Association has a specific objection to any part of the particulars of the proposed Petroleum Operations supplied by the Company under clause 13.1, or to any substantial change therein of which notice has been given under clause 13.8:

- 13.5.1 the Association shall refer such objection for resolution pursuant to clause 29 within fourteen (14) days of being supplied with such particulars or given such notice;
 - 13.5.2 that part of the existing, intensified or changed operational programme to which objection is taken shall not commence until the objection is resolved pursuant to clause 29;
 - 13.5.3 provided always that objection may only be taken where the matter objected to is likely to have a material adverse impact upon or cause substantial disturbance to native title rights in the Licence Area; and
 - 13.5.4 if no such specific objection is raised within the said fourteen (14) day period by the Association, the Company may proceed on the basis that the particulars provided by the Company pursuant to this clause 13 constitute the details of the work programme for its Petroleum Operations.
- 13.6 Where the Association receives a request for Clearance pursuant to clause 13.1 in respect of an Operational Area or part thereof and the Operational Area or part thereof has been the subject of prior inspection and Clearance (where the previous work programme is substantially similar to the current request) in accordance with the terms and conditions of an Executed Acceptance Contract by the Company or any other company or an agreement negotiated by the Native Title Party pursuant to its Right to Negotiate in relation to a Licence, the Association shall by notice in writing within two (2) weeks of the request notify the Company that such Operational Area or part thereof shall be deemed to have been inspected and cleared in accordance with the requirements of these Acceptance Contract Conditions and subject to any conditions applicable to that Clearance.
- 13.7 There can be no material modification or alteration of any part of a work programme without the written consent of the Association. For this purpose, 'material modification or alteration' means a modification or alteration:
- 13.7.1 of any Operational Area other than a reduction in the size of that area; or

- 13.7.2 of any Petroleum Operations to be carried out at an Operational Area which is reasonably likely to result in a substantially greater environmental impact than that arising from the existing work programme.
- 13.8 The Company shall give notice to the Association if the Company at any time proposes to implement a material modification or alteration. Where the Company gives such notice after obtaining a Clearance, the Company, the Association and the Native Title party shall proceed in accordance with clause 17.7.
- 13.9 Subject to the Aboriginal Heritage Act 1988 (South Australia), where the Company has duly complied with the processes required of it:
- 13.9.1 pursuant to clause 13.1, and no Clearance is conducted within sixty eight (68) days (or such later time as the Company, the Association and the Native Title Party in writing agree); or
- 13.9.2 pursuant to clause 13.8 for the circumstances set out in clause 17.7.2, and no Clearance is conducted within fourteen (14) days (or such later time as the Company, the Association and the Native Title Party in writing agree); or
- 13.9.3 pursuant to clause 13.8 for the circumstances set out in clause 17.7.3, and no Clearance is conducted within two (2) days (or such later time as the Company, the Association and the Native Title Party in writing agree)

then it is acknowledged that the Company shall be at liberty to proceed with its Petroleum Operations at its risk.

14. **INSPECTION AND CLEARANCE**

- 14.1 The Parties shall conduct all activities under this clause in accordance with Annexures E and F hereto.

- 14.2 The Company will nominate a representative to assist the Scouting Team for the duration of the Clearance. The Company's representative shall:
- 14.2.1 be responsible for identifying the location of proposed seismic lines, access roads and other areas of proposed activity;
 - 14.2.2 where possible, for relocating these where, upon advice from the Scouting Team, there is likelihood of Areas of Significance being disturbed by Petroleum Operations; and
 - 14.2.3 have authority to agree any conditions with the Scouting Team so as to minimise the impact of Petroleum Operations to Areas of Significance, for the purposes of a Report required to be issued pursuant to clause 17 hereof.
- 14.3 Unless requested by the Scouting Team, the Company representative will not accompany the Scouting Team into the field during the undertaking of the Clearance, but will remain contactable by telephone or by radio and remain at an agreed location and be available for consultation during the conduct of the Clearance.
- 14.4 The Scouting Team may exclude the Company's representative from any discussions or field inspections that is regarded by them to be culturally sensitive.
- 14.5 In the event that a proposed Operational Area is not cleared by the Scouting Team the Specialist shall advise the Company's representative to that effect and the Company's representative may propose alternative Operational Areas during the course of the Clearance provided that:
- 14.5.1 any such alternative Operational Areas do not constitute a material modification or alteration to the work programme referred to in clause 13.8; and
 - 14.5.2 in undertaking any clearance of alternative Operational Areas the Scouting Team is not required to remain in the field for any additional period of time beyond two (2) days, unless agreed otherwise.

14.6 Subject to the Aboriginal Heritage Act 1988 (South Australia) the Company shall be absolutely entitled to rely on Clearances provided by the Native Title Party and facilitated by the Association pursuant to the Executed Acceptance Contract in which case neither the Native Title Party nor the Association shall complain that Petroleum Operations conducted in accordance with clauses 13, 14, 15 and 17 hereof interfered with any Areas of Significance. The Company shall be entitled to plead this provision in defence of any complaint of interference to Areas of Significance made by any person pursuant to any Applicable Law.

14.7 The Company will:

14.7.1 not conduct any Petroleum Operations on the Licence Area except within a Seismic Line Access Corridor or Work Site which has been cleared in accordance with clauses 14, 15 and 17 and Annexure E;

14.7.2 comply with the conditions of the Clearance (as referred to in clause 17 hereof); and

14.7.3 instruct its contractors, its employees, agent and visitors accordingly in relation to its obligations under clauses 14.7.1 and 14.7.2.

15. **SCOUTING TEAM**

15.1 At the cost of the Company in accordance with a Budget, the Native Title Party and the Association will, having regard to the:

15.1.1 working conditions under which the Clearance will be conducted;
and

15.1.2 period of the Clearance

identify, and the Association will organise the members of a Scouting Team for the purposes of this clause 15 and Annexure E and will ensure that the Scouting Team is ready to commence Clearance work within forty (40) days after the provision of particulars of the proposed work programme in accordance with Annexure E.

- 15.2 Subject to cultural and traditional considerations, and any restrictions caused by inclement weather conditions which may prevent movement in the Operational Area and surrounding region, the task of the Scouting Team shall be to:
- 15.2.1 determine whether the seismic lines, access roads or work sites or any other activities described in the work programme are likely to disturb, damage, or interfere with Areas of Significance;
 - 15.2.2 give advance warning to the Company's representative nominated to assist the Scouting Team to enable the Company's representative to relocate parts of seismic lines, access roads or Work sites or any other activities described in the work programme, in order to avoid and protect Areas of Significance;
 - 15.2.3 show reasonable diligence in preparing for and carrying out such work while the Company meets its obligations pursuant to the Executed Acceptance Contract; and
 - 15.2.4 make every reasonable endeavour to proceed with its work at a rate that will avoid any delay to the Company's Petroleum Operations.

15.3 **Scouting Team Composition**

The Scouting Team will comprise:

- 15.3.1 up to two (2) qualified Specialists of appropriate gender to be engaged by the Association with the concurrence of the Company (which concurrence will not be unreasonably withheld); and
- 15.3.2 the number of persons required to ensure the integrity of the Clearance up to a maximum of eight (8) persons consisting of such numbers of men and women as thought by the Native Title Party and the Association to be appropriate in accordance with Aboriginal culture and tradition.

15.3.3 The Native Title Party and the Association acknowledge that in most areas up to four (4) persons will be sufficient to ensure the integrity of the clearance, however they reserve the right to include up to a maximum of eight (8) people in the event that they believe it is necessary and appropriate to do so. The Association agrees to consult with the Company about the number of persons to be included in a Scouting Team not later than the start of negotiations for setting a budget in accordance with clause 18.

16. **AERIAL SURVEYS**

The Parties acknowledge and agree that the Company may conduct airborne survey activities and that the provisions contained in clauses 13, 14 and 15 and Annexure E do not apply to those airborne survey activities.

17. **REPORTS**

17.1 The Association must promptly notify the Company upon completion of a Clearance and as soon as practicable but no later than fourteen (14) days after the completion of the Clearance, the Native Title Party and the Association must provide a Report (through a Specialist) to the Company.

17.2 The Report must:

17.2.1 identify those parts of the Operational Area which are given Clearance by the Native Title Party or denied Clearance by the Native Title Party;

17.2.2 identify any alternative Operational Areas for which Clearance is given in accordance with the requirements set out in clauses 14.5 and 15.2.2;

17.2.3 describe any conditions on which the Native Title Party has provided the clearance so as to minimise the impact of Petroleum Operations to Areas of Significance; and

17.2.4 be signed by the Specialists.

- 17.3 Provided the circumstances require, the Association and the Native Title Party must, upon request by the Company, provide an interim report to the Company within seven (7) days from completion of the Clearance which interim report shall comply with clause 17.2. Where an interim report is provided pursuant to this clause 17.3, the timeline within which the Association and the Native Title Party must provide a Report pursuant to clause 17.1 shall be extended to no later than fourteen (14) days from the date of the interim report.
- 17.4 Nothing in these Acceptance Contract Conditions compels the Native Title Party nor any member of the Scouting Team or the Association to disclose to the Company or to the Company's representative the location of Areas of Significance, or any Cultural Confidences whatsoever with respect to the Licence Area.
- 17.5 The Native Title Party and the Association shall ensure that any Aboriginal persons accompanying the Scouting Team shall have knowledge of the Operational Area to be cleared and shall have the traditional knowledge and authority to determine whether there are any Areas of Significance within the Operational Area to be cleared.
- 17.6 In the event that the Scouting Team determines it is necessary to deviate any proposed seismic line or access road, such deviation shall be made as small as possible and any deviated line or road will be returned to the original planned line or road as soon as practicable, bearing in mind the proximity of any Areas of Significance and the need to minimise unduly sharp line deflections. In the event that relocation of a proposed drill site for an exploration appraisal or development well is being considered, any movement of the proposed drill site shall be minimised so far as possible.
- 17.7 In the event that the Company has obtained a Clearance pursuant to these Acceptance Contract Conditions and subsequent events cause the Company to require any material modification or alteration (as defined in clause 13.7) to any part of the programme of Petroleum Operations or an existing cleared Seismic Line Access Corridor or Work Site which is likely to have an adverse impact upon native title rights in any part of the Licence Area:

- 17.7.1 the Company shall notify the Association as soon as practicable and request that the Scouting Team inspects and clears each area to be included in such proposed material modification or alteration in accordance with the provisions of these Acceptance Contract Conditions;
- 17.7.2 in such cases (other than circumstances set out in clause 17.7.3) the Native Title Party and the Association shall use their respective best endeavours promptly and as soon as practicable to respond to such request, either by notifying the Company in writing of its consent to such material modification or alteration or ensuring the commencement by a Scouting Team of the inspection for Clearance of those areas as requested by the Company; and
- 17.7.3 in cases where Petroleum Operations are in the course of being conducted and the Scouting Team has inspected the areas requested by the Company in accordance with clause 17.7.1 the Scouting Team will report to the Company the results of its inspection prior to leaving the area and confirm those results in a Report.

18. **BUDGETS AND PAYMENT BY COMPANY FOR CLEARANCE WORK**

18.1 **Budget Estimate**

The Association must, unless otherwise agreed, within fourteen (14) days after receipt of a request for a Clearance pursuant to clause 13.1 submit to the Company a proposed Budget containing an estimate of all of the costs and expenses associated with the requested Clearance to enable the Company and the Association to negotiate and agree a Budget.

18.2 **Form of Budget**

Budgets must be proposed in substantially the form set out in Annexure G and be negotiated, agreed and adopted by the Company and the Association in writing within seven (7) days of the Association providing a proposed Budget to Company.

18.3 Disagreement over Budget

If the Association and the Company are unable to agree on a budget within seven (7) days of the Association providing a budget to the Company then the provisions of clause 29 shall apply.

18.4 Payment of Budget

Subject to clause 18.7, the Company will make payments in accordance with the agreed Budget, to the Association in three separate instalments as follows:

18.4.1 forty five per cent (45%) seven (7) days prior to the mobilisation of the Scouting Team; and

18.4.2 thirty per cent (30%) at the end of field inspection for the Clearance; and

18.4.3 twenty five per cent (25%) or the balance thereof following receipt of the Report and an invoice of all expenditure.

18.5 Company to pay reasonable costs of Work Area Clearance

The Company must pay all reasonable costs, fees, disbursements and expenses incurred by the Association in carrying out a Clearance, in accordance with a Budget and subject to any agreement in writing to the contrary between the Company and the Association. In particular, the Company will pay the Association in accordance with an agreed Budget (and in accordance with clause 18.4) for the Association's reasonable costs for, inter alia:

18.5.1 the services of the members of the Scouting Team (including the costs of preliminary consultation with a Specialist);

18.5.2 provision of suitable camping facilities and food and a camp cook for the Scouting Team;

18.5.3 provision of sufficient and appropriate all-terrain four-wheel drive (4WD) vehicles equipped with appropriate spare parts;

18.5.4 vehicle insurance, fuel and costs of any necessary and unavoidable repair required; and

18.5.5 administration costs associated with the implementation of the Clearance,

in accordance with the Budget.

18.6 Daily Rate for Scouting Team

The daily rate payable by the Company for each Scouting Team member (excluding the Specialist) will be three hundred and fifty dollars (\$350) per day (plus GST), increasing annually on the Commencement Day in accordance with the wage cost index (Ordinary time hourly rates of pay excluding bonuses, for South Australia) published by the Australian Bureau of Statistics or its successors.

18.7 Additional Persons

In the event that there are at any time more persons forming part of the Scouting Team than specified in the Budget then the Company shall not be responsible for the expense of the additional persons, unless otherwise agreed between the Company and the Association.

18.8 Payments

All monies payable by the Company pursuant to a Budget shall be paid to either the Association or the Specialist (appointed pursuant to clause 15.3.1) or to any legal representative from time to time notified by the Association to the Company. A receipt from the Association or Specialist or such legal representative shall be a full and sufficient discharge to the Company for any payments so made.

18.9 No Contractual Relationship

The Parties acknowledge that no contractual relationship of any sort whatsoever as between the Company and any person employed or engaged by the Association to form part of any Scouting Team arises by virtue of the Executed Acceptance Contract, and that nothing contained in the Executed Acceptance Contract will be interpreted or deemed to constitute any employment or contractual relationship as between such persons and the Company.

18.10 Compliance with Laws

The Native Title Party and the Association will ensure compliance with all Applicable Law including the Workers Rehabilitation and Compensation Act 1986, the Occupational Health, Safety and Welfare Act 1986, the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997 (both Commonwealth) as appropriate and any other legislation relevant to the terms or basis upon which the Association engages or retains any person for the purposes of performing its obligations under any Executed Acceptance Contract.

18.11 Indemnity

The Company is responsible for and indemnifies and agrees to keep indemnified the members of the Scouting Team from and against all and any claims of whatever nature and however arising for personal injury or death or damage or destruction of personal property of the Scouting Team or any member of the Scouting Team to the extent caused or contributed to by any negligent act or omission of the Company, its employees, contractors or subcontractors.

18.12 Nomination of existing facilities and equipment

The Company may nominate the use of such of its existing facilities and equipment as is practicable in the circumstances of a proposed Clearance in which case consideration will be given to such use and, where used, due allowance made in the Budget for that Clearance.

19. REMOVAL OF EMPLOYEES

19.1 Unless the Association otherwise agrees, the Company shall take all reasonable steps to ensure prompt removal from the Licence Area of any contractor, employee, agent, or visitor of the Company, who:

19.1.1 has recklessly or wilfully trespassed on or in any way interfered with any Areas of Significance; or

- 19.1.2 has negligently or wilfully conducted Petroleum Operations outside any Seismic Line Access Corridor or Work Site cleared in accordance with clauses 14, 15 and 17 and Annexure E hereof except where there is no damage to the interests of the Native Title Party; or
- 19.1.3 has acted in a disorderly manner on the Licence Area or has supplied liquor or prohibited drugs or substances in an unauthorised fashion to members of the Native Title Claim Group.
- 19.2 In the event of a dispute between the Association and the Company as to whether a person has acted in a manner justifying removal from the Licence Area the matter shall be referred for resolution pursuant to clause 29.

20. **INSTRUCTION IN ABORIGINAL CULTURE**

- 20.1 The Company will use reasonable endeavours to educate all employees, contractors and sub-contractors who may be involved in Petroleum Operations contemplated by these Acceptance Contract Conditions to ensure those persons have an awareness and an understanding of:
 - 20.1.1 Native Title;
 - 20.1.2 their obligations under the Aboriginal Heritage Act 1988 (South Australia), the Aboriginal and Torres Strait Islander Heritage Protection Act (1984) (Commonwealth), the Native Title Act and the Acceptance Contract Conditions in relation to avoiding disturbance, damage and interference to any Area of Significance; and
 - 20.1.3 any other matters of which those persons are required to be cognisant by these Acceptance Contract Conditions.
- 20.2 Appropriate education for the purposes of clause 20.1 shall include, for those persons whose duties will involve them in actual disturbance to or excavation of earth, basic instruction from a qualified archaeologist to enable them to identify human skeletal remains and archaeological sites and objects which may be buried in the earth.
- 20.3 An archaeologist to be engaged for the purpose of carrying out the education functions specified in this clause 20 shall be nominated by the

Company with the concurrence of the Association (which concurrence shall not be unreasonably withheld).

- 20.4 The Company shall promote among non-Aboriginal people employed in petroleum Operations a knowledge, understanding and respect for the tradition and culture of the Native Title Claim Group.
- 20.5 The Company shall ensure that by way of background and orientation all non-Aboriginal employees and personnel are given appropriate instruction on such aspects of the Native Title Claim Group's traditions, history and culture as are known to or reasonably obtainable by the Company.
- 20.6 The Company shall consult with and have regard to the views of the Native Title Party in relation to the formulation and presentation of the instruction referred to in the previous paragraph of this clause.
- 20.7 The Association shall, whenever requested by the Company to do so, give all reasonable assistance to the Company in attaining the objectives for this clause and shall be reimbursed by the Company for all reasonable expenses incurred by it in so doing.

21. **COMPANY COVENANTS**

The Company covenants with the Native Title Party that:

- 21.1 in connection with the conduct of Petroleum Operations by it on the Licence Area the Company shall in accordance with Applicable Law:
- 21.1.1 keep each Work Site to the minimum area considered necessary to conduct efficient Petroleum Operations;
 - 21.1.2 take all precautions to reduce fire risk on the Licence Area; and
 - 21.1.3 ensure all well sites are capped or sufficiently fenced off after drilling so as to prevent injury to persons or stock.
- 21.2 Where the Company reasonably believes appropriate, the Company will provide to persons from the Native Title Claim Group, the Association and persons accompanying them, relevant:

21.2.1 driver training, hard hats, hats, ear plugs, safety glasses, safety vests, sunscreen and such other items of personal safety; and

21.2.2 induction procedures to meet all necessary workplace health and safety requirements

as the Company normally provides to, or usually requires of, persons attending locations under the control of the Company.

21.3 If, at any time in the course of carrying out Petroleum Operations the Company or any person acting on behalf of the Company (despite a Clearance) identifies any burial site or any archaeological or historical site or object, or any site or object which the Company or any person acting on behalf of the Company suspects to be an Area of Significance or Aboriginal object, then in addition to obligations under the *Aboriginal Heritage Act 1988* (South Australia) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth) the Company will promptly report the location of such site or object to the Association.

21.4 Where clause 21.3 applies, the location of the site or object will be treated by the Company as though no Clearance in relation to it had previously been given and any relevant object will be left in situ without being moved or interfered with pending further Clearance in accordance with these Acceptance Contract Conditions.

22. **THE NATIVE TITLE PARTY COVENANTS**

The Native Title Party and the Association covenant with the Company that the Native Title Claim Group and the Association shall:

22.1 not interfere with the conduct of Petroleum Operations upon the Licence Area except in accordance with the Executed Acceptance Contract;

22.2 not lodge or make any objection to any grant to the Company pursuant to the Petroleum Act unless the Company has failed to comply with any Essential Term; and

22.3 actively support the Company's efforts to procure all approvals, consents, and other entitlements and rights (and all regrants, renewals and extensions

thereof) as are or will be necessary to support the interests of the Company in furthering any project under any current, new or amended legislation. In particular, such active support will include provision of all relevant consents and authorisations to allow the grant of the said approvals, consents and other entitlements and rights and assistance to procure the withdrawal of any objections thereto;

22.4 Ensure that where the Company provides the items mentioned in clause 21.2 for the use of the persons mentioned in that clause, then all the persons so provided will utilise those provisions and otherwise conduct themselves in accordance with the Company's reasonable safety requirements.

22.5 Refrain from doing any act which would impede, hinder or prevent the Company from exercising or enjoying directly or indirectly any of the rights granted or consented to under the Framework ILUA and the Executed Acceptance Contract; and

22.6 In the course of performing their obligations pursuant to the Executed Acceptance Contract observe all Applicable Law.

23. **RIGHTS OF THE NATIVE TITLE PARTY**

23.1 The Company acknowledges that members of the Native Title Claim Group have the right, except where their presence may cause danger to health and safety, or where their presence may interfere with the conduct of efficient petroleum Operations:

23.1.1 to move freely throughout Operational Areas including all roads thereon; and

23.1.2 to pursue customary and traditional activities in Operational Areas.

23.2 The Native Title Claim Group, its members and agents shall be permitted the use of all roads constructed for the purpose of Petroleum Operations provided such use does not interfere with the conduct of efficient Petroleum Operations.

23.3 The use of roads in accordance with this clause 23 shall be subject to reasonable control by the Company for the purpose of safety and to priority of use by the Company for the purpose of Petroleum Operations without the Company undertaking any liability for such use.

23.4 The Association shall be entitled to select and engage all such employees, agents and independent contractors as are necessary and desirable for the carrying out of any or all of the Association's obligations under any of the Acceptance Contract Conditions save that any Specialist engaged by the Association for assistance with Clearances must be engaged with the concurrence of the Company in accordance with clause 15.3.1.

24. **REVERSION OF INFRASTRUCTURE**

Within the period of twelve calendar (12) months (or such other time as may be agreed between the Parties) after the Company ceases to have any right to conduct operations in the Licence Area, the Company shall remove from the Licence Area all surface infrastructure or facilities constructed for the purposes of Petroleum Operations which (subject to the Petroleum Act) are reasonably capable of removal other than those which the Company, any lessee of the land containing the Licence Area, all government regulatory agencies and the Association agree may remain thereon.

25. **FIELD DEVELOPMENT AND PRODUCTION**

The Parties acknowledge that at any time during or after completion of the Petroleum Operations carried out pursuant to a PEL, the Company may wish to apply for further or other Licences under the Petroleum Act in respect of the whole or any part of the Licence Area. In the event of Company so applying, and any further or other Licence being granted by the Minister, the provisions of the Executed Acceptance Contract shall apply mutatis mutandis in relation to the conduct of petroleum Operations on the further or other Licence so granted.

26. **FORCE MAJEURE**

26.1 In the event that any Party becomes wholly or partly unable because of Force Majeure to perform any of its obligations under the Executed Acceptance Contract, then the Executed Acceptance Contract shall nevertheless continue and remain in force and effect but that Party shall not be in default hereunder for as long as it continues to be prevented or delayed as aforesaid by such Force Majeure and the time within which such Party is required to perform any work to satisfy any obligations hereunder shall be extended by a period equivalent to that during which such prevention or delay continues provided that:

26.1.1 the cause of the Force Majeure as far as possible shall be remedied with all reasonable dispatch by such Party; and

26.1.2 no Party shall be required to settle any strike, lockout, or other industrial disturbance on terms that it does not regard as satisfactory.

26.2 The Party affected by any event of Force Majeure as aforesaid shall forthwith give notice in writing thereof, to each other party of the occurrence of such event, the likely period of delay and the cessation thereof.

27. **ASSIGNMENT**

27.1 The Company may Transfer the whole or any part of its interest, rights or obligations under the Executed Acceptance Contract to a Transferee of any interest in a Licence provided:

27.1.1 such Transferee is approved by the Minister for the purposes of the Transfer of the interest in the Licence; and

27.1.2 the proposed Transferee executes in favour of the Native Title Party and the Association a deed of assumption undertaking to observe and comply with the obligations of the Company under the Executed Acceptance Contract which are commensurate with the rights Transferred to it by the Company.

27.2 Any assignment pursuant to clause 27.1 releases the Company from its obligations under the Executed Acceptance Contract in relation to the relevant Authorised Licences with effect from the date of that assignment and Transfer but without prejudice to the accrued rights and remedies of the Parties for any antecedent breach of the Executed Acceptance Contract.

28. **CONFIDENTIAL INFORMATION**

28.1 The Company agrees to keep confidential each and every Cultural Confidence of which it becomes aware.

28.2 The Native Title Party and the Association agree to keep confidential all aspects of the Company's activities pertaining to any Licence of which it becomes aware.

28.3 The Parties acknowledge that the registered Framework ILUA will be available for public scrutiny on the Primary Industries and Resources South Australia (**PIRSA**) website and will be available to be downloaded by the public.

29. **DISPUTE RESOLUTION**

29.1 **Guiding Principle**

The Parties agree that every effort should be made to ensure that disputes do not arise and that if a dispute does occur the Parties should make every reasonable effort to resolve the dispute without recourse to this clause.

29.2 **Priority of Procedures**

Unless otherwise provided in the Executed Acceptance Contract, if a dispute arises between the Parties concerning the Executed Acceptance Contract no Party may commence any court proceedings relating to the dispute unless it has complied with the following paragraphs of this clause, except where the Party seeks urgent interlocutory relief.

29.3 **Notice of Dispute**

Any Party claiming that a dispute has arisen under the Executed Acceptance Contract between the Company and either or both of the Native Title Party and the Association (**'Complainant'**) must give written notice (**'Notice of Dispute'**) to the other Parties (**'Respondent'**). The notice must adequately identify and provide details of the dispute and refer to any documentary evidence of the matters claimed in the dispute and designate a senior representative of the Complainant who has the authority to negotiate and settle the dispute.

29.4 **Response to Dispute**

Within fourteen (14) days after the Respondent receives a Notice of Dispute, the Respondent must give written notice to the Complainant. That notice must adequately define the Respondent's response to the dispute and provide details and refer to any documentary evidence in support of its response to the dispute and designate a senior representative for each Respondent who has the authority to negotiate and settle the dispute.

29.5 **Negotiations**

Senior representatives designated pursuant to the preceding paragraphs of this clause must, within ten (10) days (or within such further period as the senior representatives may agree is appropriate) after the receipt of the notice referred to in clause 29.4 investigate, negotiate and endeavour to settle the dispute.

29.6 **Mediation**

29.6.1 If, within one (1) month of the date of the Notice of Dispute, the Parties are either unable to resolve the dispute or no meeting has been held, the Parties must mediate the dispute in accordance with the guidelines set out in Annexure H hereto, or as otherwise agreed by the Parties, and shall seek to agree upon the appointment of an independent mediator with relevant experience of the matter in dispute or, failing agreement within fourteen (14) days, the mediator shall be appointed by the President of the Law Society of South Australia for the time being.

- 29.6.2 The President of the Law Society of South Australia (in determining who to appoint as the mediator) shall have regard to the Parties' intentions in the Executed Acceptance Contract:
- (a) for the preservation and protection of the native title rights and interests of the Native Title Party; and
 - (b) the statutory rights, obligations and commercial imperatives of the Company,
- and shall take account of the fact that the Executed Acceptance Contract constitutes a cross-cultural commercial agreement.
- 29.6.3 The mediator, in conducting the mediation shall have regard to:
- (a) the Parties' intentions in the Executed Acceptance Contract for the preservation and protection of the Aboriginal tradition of the Native Title Party; and
 - (b) the statutory rights, obligations and commercial imperatives of the Company.
- 29.6.4 If within one month after the date of the mediator's appointment, mediation has not taken place, or has failed to resolve the dispute, or in the event no mediator has been appointed within one month of the Notice of Dispute, then any of the Parties may by notice terminate the mediation process and may seek such remedies as they decide.
- 29.6.5 Any date or period of time referred to in this clause may be varied or amended by agreement between the Parties.
- 29.6.6 None of the Parties may commence court proceedings or arbitration concerning the Executed Acceptance Contract unless it has first complied with the dispute resolution provisions contained in this clause. The Parties agree that the Executed Acceptance Contract may be pleaded as a bar to any court action commenced prior to termination of the mediation process other than an application for urgent interlocutory relief.

29.6.7 In any case, each Party shall bear its own costs for the mediation.

29.7 Without Prejudice

The Parties acknowledge that the purpose of any exchange of information or documents or the making of any offer of settlement pursuant to this clause is an attempt to settle the dispute between the Parties. No Party may use any information or documents obtained through the dispute resolution process established by this clause for any other purpose.

30. CESSATION OF ACTIVITIES

30.1 The Company shall notify the Association one month prior to the surrender of any Authorised Licence in respect of the Licence Area pursuant to the Petroleum Act.

30.2 A surrender under the preceding paragraph of this clause is effective on and from the time when the Authorised Licence is effectively surrendered in respect of the Licence Area pursuant to the Petroleum Act.

30.3 The Company shall cease Petroleum Operations immediately if its Authorised Licence expires or is surrendered, withdrawn, revoked or cancelled in respect of the Licence Area.

30.4 Upon the surrender, withdrawal, revocation or cancellation of the Company's Authorised Licence in respect of the Licence Area:

30.4.1 The Company shall pay to the Association any and all monies then payable or accrued which are due to the Association pursuant to the Executed Acceptance Contract; and

30.4.2 each Party shall remain liable to the other Party in respect of any liability it has to the other as a consequence of any prior breach of the Executed Acceptance Contract.

30.5 Nothing in the Executed Acceptance Contract shall be construed as imposing an obligation on the Company to carry out or complete any Petroleum Operations.

30.6 The Parties obligations under clauses 12.2, 12.4, and clauses 21.1.3, 21.4, 24 and 28 shall to the extent referred to therein survive any termination of the Executed Acceptance Contract.

31. **EMPLOYMENT OPPORTUNITIES**

The Company agrees to consider from time to time opportunities for the employment of members of the Native Title Claim Group and for the engagement of enterprises controlled by members of the Native Title Claim Group and to similarly encourage its contractors so to do.

32. **GENERAL**

32.1 **Entire Agreement**

The Executed Acceptance Contract contains the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements and understandings between the Parties in connection with it.

32.2 **Amendment**

No amendment or variation of the Executed Acceptance Contract:

32.2.1 is valid or binding on a Party unless made in writing and executed by all the Parties to it; or

32.2.2 may be made if the amendment or variation is inconsistent with any of the provisions of the Framework ILUA (excluding, for this purpose all schedules, annexures and appendixes to it).

32.3 **Severability**

Each word, phrase, sentence, paragraph and clause (a **provision**) of the Executed Acceptance Contract is severable if a court determines that a provision is unenforceable, illegal or void the court may sever that Provision which becomes inoperative and such severance will not affect the other Provisions of the Executed Acceptance Contract.

32.4 **Minister's Discretion**

Nothing in the Executed Acceptance Contract fetters the discretion of any Minister of the Crown in the right of South Australia.

32.5 Further Assurances

Each Party agrees to do all things and sign all documents necessary or desirable to give full effect to the provisions of the Executed Acceptance Contract and the transactions contemplated by it.

ANNEXURE A

NATIVE TITLE APPLICATION AND MAP OF CLAIM AREA



NATIONAL NATIVE TITLE TRIBUNAL

Application Information and Extract from the Register of Native Title Claims

Application Information

Application numbers: Federal Court number: SAD6024/98
NNIT number: SC98/1

Application name: Yandruwandha/Yawarrawarrka Native Title Claim

Registration history: Registered from 08/01/1998.

Register Extract (pursuant to s.186 of the *Native Title Act 1993*)

Application lodged with: National Native Title Tribunal

Date application lodged: 08/01/1998

Date claim entered on Register: 08/01/1998

Applicants: Mr Charlie Moore, Mr Fredrick Brown, Name Withheld for Cultural Reasons, Mr Leslie Harris, Mr Aaron Paterson, Ms Anita Paterson, Ms Fay Nicholls, Ms Theresa Bottrell

Address for service: Michael Steele
Hunt & Hunt
12th Floor
26 Flinders Street
ADELAIDE SA 5000
Phone: (08) 8414 3333
Fax: (08) 8211 7362

Area covered by the claim:

The external boundaries of the area of land and waters covered by the claim are described in attached documents:

- A) a map showing the external boundaries of the area covered by the claim, marked as Attachment C
- B) a technical description of the external boundary, marked as Attachment C1.

1. The Yandruwandha/Yawarrawarrka native title claim area is in relation to all land and inland waters identified by the mid point of the blue line on the map (attachment C) showing the geographical boundaries of the claim area subject to:

1.1 The co-ordinates of the external boundaries of the Yandruwandha/Yawarrawarrka claim area are shown in attachment C;

1.2 The waters claimed include the bed and banks of all waterways including rivers, tributaries and creeks as far as they have not been alienated;

1.3 To the extent of any inconsistencies between attachment C and the co-ordinates with the following description, attachment C and the co-ordinates shall prevail;

1.4 The Yandruwandha/Yawarrawarrka claim area boundary extends in a northerly direction from the northern most point of Lake Blanche in a straight line to the centre of the township of Moomba. The boundary then extends north in a straight line to the edge of the Innamincka Regional Reserve at a point 5 kms southeast of the Gidgealpa Homestead. The boundary then extends along the Innamincka Regional Reserve boundary initially in a north-westerly direction and then due west to the western side of the Reserve. The boundary then extends in a northerly direction along the western side of the Reserve to its northwest corner. The boundary then continues due west for 50 kms. The boundary then extends in a northeasterly direction for 45.5 kms to Geakes Hill, then extends northeasterly for 30.5 kms to Koormoo Hill, then extends in a northeasterly direction to a point on the Queensland/South Australia border 1 kms due west of Lake Teetarobie. The boundary then follows the Queensland/South Australia border east to the point where it meets the Queensland/South Australia border at Haddon Corner. The claim boundary then extends south along the line of the South Australia/Queensland border to the border of South Australia/Queensland and New South Wales at Cameron Corner. The boundary then extends in a westerly/southwesterly direction in a straight line to Lake Blanche and then along the southerly edge of Lake Blanche until it reaches a point where Lake Blanche narrows at its western side at a point approximately 2.5 kms east of Mound Spring and then in a generally north, northeast direction along the edge of Lake Blanche to its most northerly point.

The coordinates of the external boundary of the area covered by the application are set out in Attachment C1. To the extent of any consistency between the map and the coordinates, and the above description the coordinates shall prevail.

The areas within the external boundaries that are not covered by the application are as follows:

The applicants exclude from the area covered by the application any area over which native title has been extinguished save and except for those areas of land or waters over which prior extinguishment may be disregarded in accordance with the provisions of either section 47, section 47A or section 47B of the Native Title Act 1993.

In particular the following are excluded:

Category A past Acts as defined in section 229 of the NTA, including any previous non exclusion possession acts which are also a category A past Act; and

Grants or vestings which are previous exclusion possession acts or valid Category A intermediate period acts (as defined in section 23B and section 23A of the NTA) attributable to the Commonwealth and such grants or vestings which are attributable to the State where the State has made provision as mentioned in section 23E and section 22F of the Native Title Act.

It is not intended that exclusive rights and interests are claimed in relation to areas subject to valid previous non exclusive possession acts, as defined by s. 23F of the Native Title Act 1993 .

Persons claiming to hold native title:

The Yandruwandha/Yawarrawarrka Native Title claim group comprises those people who hold in common the body of traditional law and culture governing the area that is the subject of the claim being:

- 1 People who are related by means of the principle of descent to the following Yandruwandha/Yawarrawarrka apical ancestors:
 - 1.1 Annie (born at Cordillo Downs) who is the mother of Archie Guttie;
 - 1.2 Maggie, who is the mother of Annie King.
 - 1.3 Tiniwa Clara, mother of Frank Booth and Alice Miller (nee Booth);
 - 1.4 The parents of Punbili Bob Parker (Senior);
 - 1.5 Flash Ted Bikehandle and his wife Topsy;
 - 1.6 Kimi (born at Innamincka) and his wife;
 - 1.7 Maramundu Jack "The Ripper" Parker;
 - 1.8 The woman (born at Cordillo Downs) who is the mother of the sibling set - Mary Stafford (nee Moore), Jack Moore, Charlie Moore (Senior), and female twins whose names are unknown;
 - 1.9 The parents of Albert Moore;
 - 1.10 Brothers Walter Harris(on) and Dick Harrison;
 - 1.11 The parents of Lilly (whose married name is Parker) and her sister Kathlene (whose married name is George);
 - 1.12 Annie and her husband, who are the parents of Coongie Maggie (born at Coongie Lakes in South Australia);
 - 1.13 The parents of the sibling set - Billy Parker, Jessy Parker, Peter "Petekin" Parker, and Paddy Parker;
 - 1.14 Flash Tommy and his wife Sarah, who are the parents of the sibling set - Colin Flash, George Flash (also known as George Murray), Ted "Chippie" Flash and Albert "Bully" Flash. Sarah is also the mother of John Murray (also known as "Chunder" Williams) and Roger Murray;
 - 1.15 The parents of sibling set - Mertv George and Mertv Johnny and Mertv Mick; and
 - 1.16 Larrikin Mick,
- 2 The Yandruwandha/Yawarrawarrka principles of incorporation into the group according to traditional law and custom also include:
 - 2.1 Being of Aboriginal descent;
 - 2.2 Having a connection with the claim area in accordance with the traditional laws and customs of the Yandruwandha/Yawarrawarrka native title claim group following the principle of biological descent from their ancestors.
- 3 Yandruwandha/Yawarrawarrka principles of incorporation into the group also require:
 - 3.1 Being specifically of Yandruwandha or Yawarrawarrka biological descent or specifically of both Yandruwandha and Yawarrawarrka biological descent,
- 4 Where, despite the application of the principles set out in paragraphs 2 and 3 above, there remains any uncertainty as to whether a person can be identified as a Yandruwandha or Yawarrawarrka person:
 - 4.1 The applicants Jack Guttie (deceased) and Aaron Paterson have the authority to determine whether or not a person of Aboriginal descent has a connection to the Yandruwandha lands and waters in accordance with the Yandruwandha traditional laws and customs (see paragraph 2.1 and 2.2 above);
 - 4.2 Hector Harrison and his brothers Willie Harrison and Alfie Harrison have the authority to determine whether or not a person of Aboriginal descent has a connection to the Yawarrawarrka lands and waters in accordance with the Yawarrawarrka traditional laws and customs (see paragraphs 2.1 and 2.2 above);

4.3 The Yandruwandha/Yawarrawarrka native title claim group acknowledges the authority of Jack Guttie (deceased), Aaron Paterson, Hector Harrison, Willie Harrison and Alfie Harrison for the purposes set out in paragraphs 4.1 and 4.2 herein and assert that the principle of authority, based on traditional laws and customs, incorporates the potential transfer of the authority to appropriate persons in future generations.,
5 The Yandruwandha/Yawarrawarrka native title claim group specifically excludes from membership any person who is a member of an overlapping claim, listed in Schedule H herein, whilst that claim continues to overlap the Yandruwandha/Yawarrawarrka native title claim.

Registered native title rights and interests:

The following Native Title Rights & Interests were entered on the Register on 09/07/2000:
The native title rights and interests claimed are subject to the effect of the rights validly granted by the Crown to others pursuant to statute to possess, occupy, use and enjoy all or part of the Yandruwandha/Yawarrawarrka land and waters.

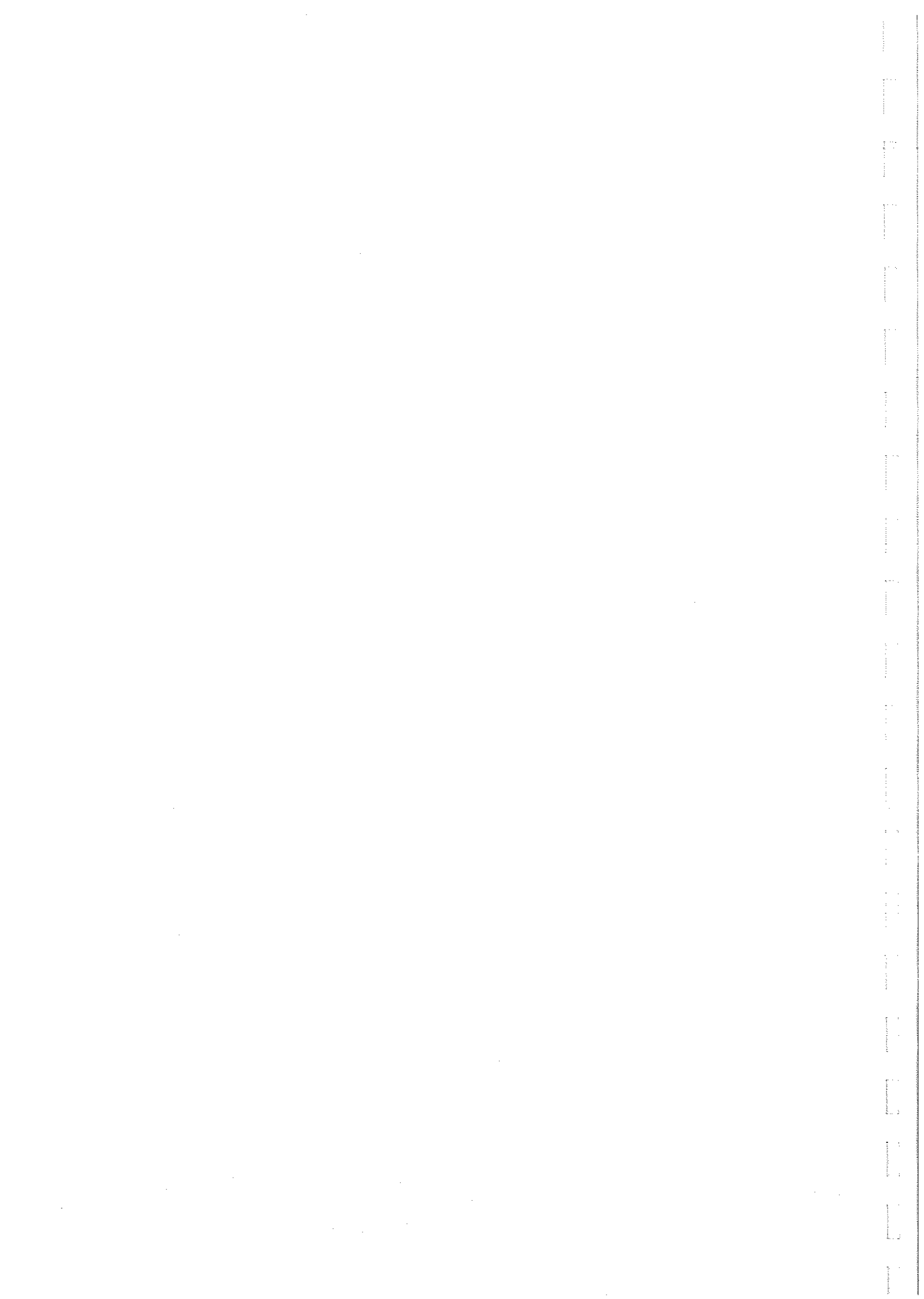
In this Application no claim is being made on any native title rights and interests consisting of or including ownership of minerals, petroleum or gas wholly owned by the Crown.

- 1 The right to have access to, and reside on Yandruwandha/Yawarrawarrka land and waters.
- 2 The right to enjoy the resources of the Yandruwandha/Yawarrawarrka land and waters.
- 3 The right to control the access and conduct of others with respect to Yandruwandha/Yawarrawarrka land and waters.
- 4 The right to control the use and enjoyment of others of the resources arising from Yandruwandha/Yawarrawarrka land and waters.
- 5 The right to maintain and protect Yandruwandha/Yawarrawarrka land and waters, in particular, sites and areas of importance.
- 6 The right to control, maintain, protect and prevent the dissemination and misuse of cultural knowledge of the Yandruwandha/Yawarrawarrka native title claim group.
- 7 The right to transmit knowledge and information concerning Yandruwandha/Yawarrawarrka land and waters and related customs and social practices to younger generations of Yandruwandha/Yawarrawarrka peoples who inherit this right
- 8 The right to conduct and maintain mortuary practices according to Yandruwandha/Yawarrawarrka traditional laws and customs.
- 9 The right to conduct and maintain ceremonial practices according to Yandruwandha/Yawarrawarrka traditional laws and customs.
- 10 The right to trade in the resources of Yandruwandha/Yawarrawarrka land and waters (which include, but are not limited to birds, animals, plants, fish, marine animals, shellfish, timber, ochre, stone, minerals and subsurface minerals).
- 11 The right to inherit and bestow native title rights and interests.

Register attachments:

1. Map showing External Boundaries, Attachment C of the Application, 1 page - A3, Attached 03/06/1999.
2. Technical description of external boundary, Attachment C1 of the Application, 1 page - A4, Attached 03/06/1999.

Note: The Register may, in accordance with s.188 of the Native Title Act 1993, contain confidential information that will not appear on the Extract.



This map product **MUST NOT** be sold, given away, traded, let, hired or otherwise dealt with.
This is a condition of the Data Licensing Agreement for the AUSLIG data.

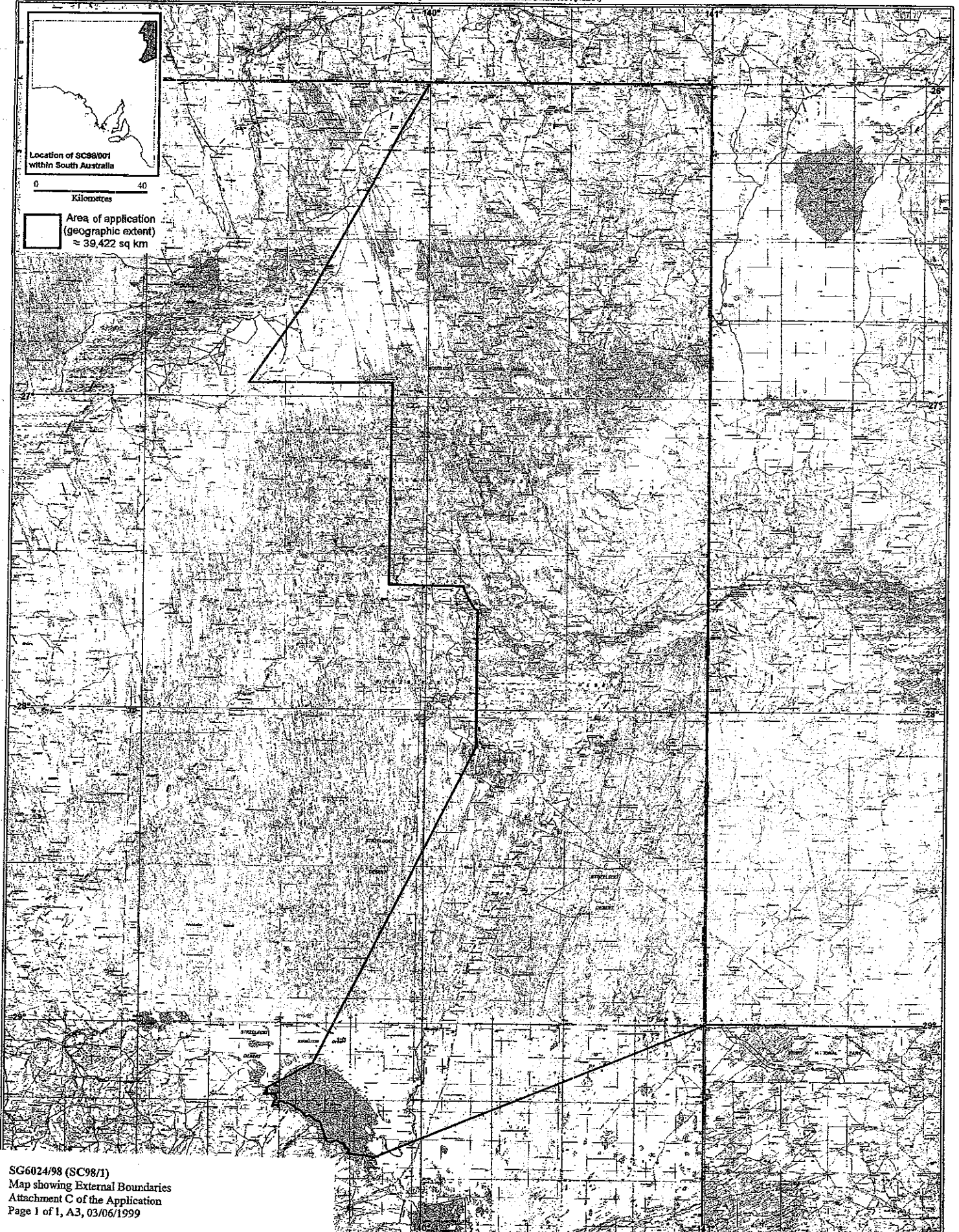
SC98/001 (SG6024/98) Yandruwandha (Amended)

Application Boundary data sourced from Resource Information DEHAA, and modified by NNTF

Topographic image maps (1:250,000) sourced from AUSLIG

Map created by Geospatial Information Unit, National Native Title Tribunal

Latitude and Longitude based on Australian Geodetic Datum 1984 (AGCS-9)



SG6024/98 (SC98/1)
Map showing External Boundaries
Attachment C of the Application
Page 1 of 1, A3, 03/06/1999



ANNEXURE B

ACCEPTANCE DEED

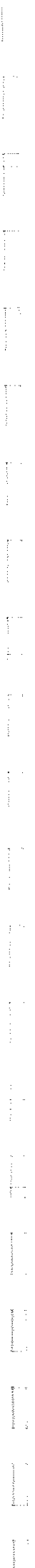


TABLE OF CONTENTS

1.	COVENANT TO BE BOUND	1
2.	WHEN EFFECTIVE	1
3.	BENEFIT	2
4.	TERMS	2

DATED

2007

ACCEPTANCE DEED

**CROWN SOLICITOR
Level 9, 45 Pirie Street, Adelaide SA 5000**

Party

.....
..... (insert name and, if applicable, ABN of Company)

(Company)

of:

.....
.....
.....
(insert address of Company)

1. **Covenant to be Bound**

The Company enters into the Executed Acceptance Contract by duly completing and signing this Acceptance Deed in compliance with clause 13.2 of the Framework ILUA.

2. **When Effective**

The Executed Acceptance Contract comes into force and effect between the Company the Native Title Parties, the Association, the Minister and the State on the date upon which all of the following have occurred:

- 2.1 the Company has duly completed (by indicating in the relevant spot below which licence requires authorising) and signing this Acceptance Deed;
- 2.2 the Company has provided a copy of the duly completed and signed Acceptance Deed to the Minister; and
- 2.3 the Company has notified the Association and the Native Title Parties that the Company has duly completed and signed this Acceptance Deed by providing the Association and the Native Title Parties with an original or duplicate original of this Acceptance Deed.

3. **Benefit**

This Acceptance Deed is made by the Company in favour, and for the benefit of, the Native Title Parties, the Association, the Minister and the State.

4. **Terms**

Terms defined in the Framework ILUA bear their defined meanings when used in this Acceptance Deed.

5. **TYPE OF LICENCE TO BE AUTHORISED**

The following PEL(s)*, PPL(s) or Additional Licence(s) are authorised by this Deed (Tick relevant box):

PEL(s) or
PPL(s)

or

Additional Licence(s) - (insert description of type of licence and number if known)

.....
.....
.....
.....

* Once a Company has entered into an Executed Acceptance Contract in relation to a PEL or PPL any Subsequent Licence granted thereafter to the Company in the ILUA Area will automatically become an Authorised Licence

EXECUTED AS A DEED

Signed by

[Insert name of individual]

.....

Witness

ANNEXURE C

**PAYMENTS TO THE NATIVE TITLE PARTY PURSUANT TO CLAUSE 8 IN RESPECT OF
REGULATED ACTIVITIES UNDER A PETROLEUM PRODUCTION LICENCE OR PEL**

1. PRODUCTION PAYMENTS

- 1.1 The Company shall pay to the State and the State shall deposit into a trust account maintained by the State for the benefit of the Native Title Party (or after a determination of native title, the determined Native Title Holders) for the ILUA Area in respect of production of all Regulated Substances there from as a component of the consideration:
- 1.1.1 one percent (1%) of the value at the well head of Regulated Substances produced and sold; and
 - 1.1.2 an additional amount calculated by multiplying the amount of the Payment made pursuant to clause 1.1.1 of this Annexure C by the Prevailing GST Rate.
- 1.2 To avoid doubt, payments made under clause 1.1.1 and 1.1.2 must be made at the same time and in the same manner, except where the Company is unable for any reason to issue a recipient created tax invoice in accordance with clause 3. In these circumstances the Company is required to pay monies in accordance with clause 1.1.1, but is not required to pay any monies pursuant to clause 1.1.2 until such time as the Native Title Party has given the Company a tax invoice sufficient to enable the Company to claim a full imput tax credit in respect of the taxable supply.

2. **CALCULATIONS TO FOLLOW PETROLEUM ACT**

Value at the well head of Regulated Substances produced and sold is to be calculated:

- 2.1 in the same way that ‘**value at the well head of a Regulated Substance**’ is calculated pursuant to section 43(6) of the Petroleum Act (as at the date hereof) where the sale price is bona fide and to an arms length purchaser; and
- 2.2 the Production Payment shall not be treated as a deduction or outgoing to any extent in calculating the value of the Regulated Substances.

Provided that the ‘**Guidelines for Payment of Royalty and Provision of Information**’ issued by the Department and Primary Industries and Resources of South Australia, from time to time (a copy of the current version of which is set out in Annexure D) shall be applied *mutandis mutandis* as if the reference to the royalty rate of ten percent (10%) was therein a reference to 1 percent (1%).

3. **RECIPIENT CREATED TAX INVOICE**

For the purposes of section 29-70(3) of A New Tax System (Goods and Services Tax) Act 1999, the Association (the supplier) and the Company (the recipient) agree that:

- 3.1 the recipient can issue tax invoices in respect of supplies made by the supplier to the recipient pursuant to clause 8 of the Acceptance Contract Conditions;
- 3.2 the supplier will not issue a tax invoice in respect of the supplies;
- 3.3 the supplier is registered for GST purposes as at the Commencement Day of the Executed Acceptance Contract and will notify the recipient if it ceases to be registered; and

- 3.4 the recipient is registered for GST purposes at the Commencement Day of the Executed Acceptance Contract and will notify the supplier if it ceases to be registered or if it ceases to comply with the requirements of GSTR 2000/10.

4. **INTERPRETATION**

- 4.1 In this clause, the expression “Prevailing GST rate”, in relation to a particular taxable supply, means the rate (expressed as a percentage of GST exclusive price) at which GST is imposed on that taxable supply; and
- 4.2 a word or expression in this clause which is defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth) has the same meaning in this clause.

ANNEXURE D
GUIDELINES FOR PAYMENT OF ROYALTY
AND PROVISION OF INFORMATION

(1) Payment of Royalty

The Licensee shall pay royalty in respect of all regulated substance (substance) recovered from a PPL or PEL pursuant to section 27 of the Petroleum Act where that regulated substance is produced and sold, other than a substance described in Section 43(3)(a) of the *Petroleum Act 2000* ("The Act").

(2) Calculation of Royalty

The Licensee shall pay royalty at a rate of ten (10) percentum of the value at the wellhead of the substance which shall be an amount calculated by taking the amount that could reasonably be realised on sale of the substance to a genuine purchaser at arms length from the Producer (excluding any Goods and Services Tax (GST) component) ("arms length sales value") (as defined in clause (3)(a)(i)) and subtracting therefrom all reasonable expenses reasonably incurred by the Producer (all excluding any GST component) in treating, processing or refining the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, which expenses shall be the following sums:

- (a) a sum calculated by writing off on a straight line basis together with interest on the written down value at the rate provided in clause (3)(c), over a period of ten (10) years commencing from the month the expense was incurred (or such lesser period as may be determined as being the life of the field) the actual capital expenses incurred by the Producer in respect of all plant used for the purposes of treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser provided however that if any item of such plant is sold prior to being fully depreciated, the amount obtained upon such

sale shall be deducted from the written down value of such item for the purposes of calculating the deduction, but not so as to reduce the written down value below zero;

- (b) a sum being expenses actually incurred by the Producer in respect of persons not employed on site by the Producer but whose employment functions directly relate to relevant treating, processing or refining of the substance prior to delivery (but not upstream of the wellhead) or in transporting the substance to the point of delivery to the purchaser;
- (c) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer or some one or more of them in respect of operating costs related to treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, including but not limited to the amount of any licence fees payable in respect of any production licence, associated facilities licence or pipeline licence, provided however that:
- (i) the amount of such deduction will be reduced by the amount obtained upon the sale of any item of plant which has not been depreciated or which has been fully depreciated, but not so as to reduce the deduction below zero,
- (ii) if any such expenses are incurred pursuant to any agreement which is not *bona fide* or arms length, such expenses (or part thereof) shall not be deducted, and
- (iii) any expenses allowed as a deduction under clause 2(c) shall not include any expenditure provided for in clause (2)(a) or (2)(b) or (2)(d),
- (d) a sum being expenses (other than expenses upstream of the wellhead) actually incurred by the Producer pursuant to a *bona fide* arms length agreement to lease any plant used for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser provided however that any such expenses in any one calendar year which is in excess of:-
- (A) in the calendar year 200.. – the sum of \$.....; or

(B) in all subsequent calendar years, the sum of \$..... increased by the same percentage as the percentage increase in the Consumer Price Index (All Groups) for the City of Adelaide (“CPI”) from the CPI in the calendar year 200.. to the CPI in the relevant year

shall not be deductible,

(e) a sum being the actual expenses (other than expenses upstream of the wellhead) incurred by the Producer in rehabilitating the ground surface and site of plant and the actual expenses incurred in dismantling, removing or abandoning of such plant less any salvage obtained thereon where such plant is used for the purposes of treating processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser and the actual expenses incurred in rehabilitating the ground surface and site of a well of the type described in clause (3)(b) and the actual expenses incurred in abandoning such well but not including any costs incurred as a result of the loss of control of any well.

(3) Further provisions regarding calculation of Royalty

(a) For the purposes of clause (2):-

(i) in each month the arms length sales value of the substance means the value of the actual sales in respect of the substance described in clause (1) in that month provided however that if any substance is not supplied to a *bona fide* arms length purchaser, not sold for full market value, or returned to a natural reservoir for later production, destroyed, dissipated or used by the Producer not in accordance with Section 43(3) of the Act, the gross sales value of such substance shall be the amount which would have been received in respect of such substance from a *bona fide* arms length purchaser for full market value;

(ii) the term “plant” includes but is not limited to:

(A) any machinery, equipment, vehicle, implement, tool, article, vessel, pit, building, structure, improvement or other such property used in, or in connection with, treating processing or

refining of the substance prior to the delivery or in transporting the substance to the point of delivery to the purchaser; or

(B) any pipeline;

and

(iii) “wellhead” means the casing head and includes any casing hanger or spool, or tubing hanger, and any flow control equipment up to and including the wing valves.

(b) Non Producing Wells

The capital expenditure referred to in clause (2)(a) may include the actual capital expenditure incurred by the Producer in respect of wells used solely for the purpose of assisting or enhancing the recovery of the substance from other wells or for the purposes of storing the substance or for the recovery or disposal of water used in connection with treating processing or refining of the substance prior to delivery or for any similar purpose other than the production of the substance and may also include the actual capital expenditure incurred by the Producer in converting a well used for the production of the substance to a well used for such other purposes.

(c) Interest Rate

For the purpose of clause (2)(a) the interest rate shall be one half of the long term Australian Government Bond Rate for bonds of a 10 year term as published at the end of the month in which the capital expenditure was made. If no such rate is in existence or published at the end of such period then the interest rate for the purposes of clause (2)(a) shall be one half of the average of the long term Australian Government Bond Rate for bonds of a 10 year term prevailing during the period of 5 years preceding the date on which such rate ceased to exist or be published.

(d) Apportionment of Expenses

Where an item of plant is used partly for the purposes of treating, processing or refining of the substance prior to delivery or in transporting the substance to the point of delivery to the purchaser, and partly for some other purpose, the

amount of the deduction (whether for capital or operating expenditure) which shall be allowed shall not include the proportion of the actual capital or operating expenditure applicable to that other purpose.

(e) Sale of Plant

Notwithstanding the provisions of clause (2), if an item of plant is sold by a Producer (“the first Producer”) to another Producer, or to a company that becomes a successor or assign of the first Producer (“the second Producer”), the second Producer may only depreciate the plant to the extent to which the first Producer was, immediately before the time of sale, entitled to depreciate the plant.

(f) Take or Pay

For the purposes of this clause and of calculating the gross sales value of the substance, where the Producer enters into an agreement commonly known as a take or pay agreement, any payment received by the Producer in respect of petroleum which has been paid for but not been taken shall be treated as part of the gross sales value of the substance at the time of receipt of payment by such Producer and not at any other time.

(g) Tolling

(i) If the Producer receives any revenue from the use of any plant downstream of the wellhead used for treating processing or refining the substance sourced from anywhere within the area from time to time comprised in Exploration Licence ... or any Production Licence issued from an area which was comprised in Exploration Licence ... immediately prior to the time such Production Licence was issued, or in transporting such substance to the point of delivery to the purchaser such revenue shall be deemed to be part of the *bona fide* sales value of the substance to the intent that royalty shall be payable thereon.

(ii) Any sums, being sums deemed under clause (3)(g)(i) to be part of the *bona fide* value of the substances, paid by the Producer in respect of the use of such plant for treating processing or refining such substance

or in transporting such substance to the point of delivery to the purchaser shall be deemed to be an expense under clause (2)(c).

- (iii) If any such plant is used for treating processing or refining of the substance sourced from outside of the areas referred to in clause (3)(g)(i) or in transporting such substance to the point of delivery to the purchaser any amounts which may be claimed as deductions under this clause (whether such deductions be by way of operating expenditure or capital expenditure) in respect of such plant shall be reduced by the proportion which would be obtained by the method of apportioning costs used by the Producer to ascertain the tolling fee, but any revenue received by the Producer for the use of such plant for the treating, processing or refining of such substance prior to delivery or in transporting the substance to the point of delivery to the purchaser shall not be deemed to part of the gross sales value of the substance.

(4) Royalty Returns

- (a) Not later than thirty (30) days after the conclusion of each calendar month the Licensee will calculate and notify to the Minister the royalty, calculated by taking the *bona fide* sales value of the substance sold in that month, and deducting therefrom the most recent estimated monthly expenditure provided under clause (4)(c), payable by each Licensee. The Licensee shall with each such notification provide the Minister with a statement, in a form approved by the Minister, advising of the quantity of the substance sold and the amount realised upon such sale during the last preceding month, together with such other information as the Minister may require.
- (b) The Licensees shall not later than thirty (30) days after the conclusion of each calendar month pay to the Minister the amount of royalty specified in the notice referred to in clause (4)(a) as payable.
- (c) On or before each 15th March (in respect of the next succeeding twelve (12) month period commencing 1st July), the Licensee shall *bona fide* estimate the sales volume of the substance, the sales value of the substance, the allowable deductions apportioned between capital and operational deductions

and hence calculate the estimated royalty payable for the next succeeding twelve (12) month period and shall provide the Minister with such estimates, together with the apportionment thereof on a monthly basis. A review of such forecast will be required if significant change to the forecast is evident. The Licensee will be required to provide a bona fide forecast as necessary for up to a period of 5 financial years including detail as referred to above but excluding a monthly apportionment for all but the preceding twelve (12) month period.

- (d) Not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June the Licensee shall reconcile the estimated expenditure with the actual expenditure and reconcile all calculations of royalties and shall provide the Minister within the said period of 30 days with copies of such reconciliations, together with a notice advising the Minister of any additional royalty calculated in accordance with the reconciliations as payable by each Licensee. If any such reconciliation shows that the total of the amounts of royalty paid during the last preceding 12 months was in excess of the amount of royalty which should have been paid for that period, the difference may be set off against royalty payable in the next succeeding months provided however that any expenses allowed as a deduction under clause (2)(b) to clause (2)(e) inclusive shall not be carried forward for a period of greater than 12 months from the month of expenditure.
- (e) The Licensee shall not later than thirty (30) days after the completion of each twelve month period concluding on each 30th June pay to the Minister the additional royalty calculated in accordance with the reconciliation referred to in clause 4(d) as payable by the Licensee.
- (f) The Licensee shall at its cost cause the royalty calculation reconciliations submitted by the Licensee to be audited by the auditor appointed by the Licensee to audit its own accounts (provided that such auditor must be a duly registered auditor in Australia) and the Licensee shall forward a copy of the auditor's report in respect of a particular reconciliation within 3 months of the receipt of such reconciliation by the Minister, such report to be accompanied by a certificate by the auditor that the reconciliation is in accordance with these guidelines.

- (g) The Minister shall in accordance with Section 43(8) of the Act assess the value at the wellhead of the substance produced by the Licensees and may require the Licensee to pay within 30 days of the date of notice of such assessment the additional royalty determined by the Minister as payable.

ANNEXURE E

CLEARANCE PROCEDURES

1. The Association in consultation with the Native Title Party will provide a Scouting Team or Teams to undertake inspection and clearing of locations for Petroleum Operations within the Licence Area if and when the requirement arises in accordance with clause 13 of these Acceptance Contract Conditions.
2. The Association in consultation with the Native Title Party will ensure that if required, both a male and a female Specialist are available to join the Scouting Team depending on the part of the Licence Area under consideration at any given time and the Area or Areas of Significance that may be therein.
3. A Specialist (engaged according to paragraph 15.3.1 of these Acceptance Contract Conditions) will co-ordinate the Scouting Team provided for in clause 15 of these Acceptance Contract Conditions and will be responsible for conveying the results of the Scouting Team's inspections and assessments for Clearance of the Company's proposed Petroleum Operations under the terms of the Executed Acceptance Contract.
4. Subject to the terms of the Acceptance Contract, the Native Title Party and the Association will ensure that a Scouting Team is available to undertake additional inspections and Clearances for seismic lines, access roads and Work Sites as and when such sites are required by the Company in the course of carrying out Petroleum Operations. Where such additional inspection and Clearance is required, the Native Title Party and the Association will ensure that the Scouting Team operates on a regular work schedule that as near as practicable coincides with and accommodates the Company's work schedule.
5. The Association will arrange suitable camping facilities for the Scouting Team.

6. The Association in consultation with the Native Title Party will ensure that persons who are members of the Native Title Party (but in any event not exceeding the number of persons agreed with the Company) with traditional knowledge of Areas of Significance in the particular Operational Area, together with appropriate support equipment, are available for all Clearance purposes.
7. The Association will provide sufficient and appropriate all-terrain four-wheel drive vehicles for use by the Scouting Team while it is undertaking the inspection and Clearance process.
8. If the Association uses a private vehicle for the purposes of a Clearance then the Association shall be reimbursed for that use at a rate equivalent to the reasonable hire rate in that region for such a vehicle.
9. The owner or the hirer of any vehicle used for the purposes of a Clearance must ensure that the vehicle is registered and comprehensively insured and equipped with sufficient spare parts for the duration of the Clearance task.
10. The Association will cause a log-book to be kept and will ensure that the following information is recorded in the log book in relation to the use of the four-wheel drive vehicles:
 - (a) date;
 - (b) place of departure;
 - (c) destination;
 - (d) reason for the journey;
 - (e) name of driver; and
 - (f) number of kilometres travelledin respect of each occasion that the four-wheel drive vehicles are used for or incidental to carrying out a Clearance and will make the log-book available to the Company upon request.

11. The Company will reimburse the Association in accordance with an agreed plan and Budget for the Association's reasonable costs for:
 - (a) engaging the services of the persons comprising the Scouting Team
 - (b) providing camping facilities and food to the Scouting Team;
 - (c) providing sufficient and appropriate 4 wheel drive vehicles for use by the Scouting Team; and
 - (d) co-ordinating the Clearancein accordance with a Budget.
12. In the event that there are at any time more persons forming part of a Scouting Team than agreed with the Company and accounted for in a Budget then the Company shall not be responsible for the expense of the additional person in such group, unless otherwise agreed between the Parties.
13. The Company will pay to or reimburse the Association the cost of engaging the services of the Scouting Team, for each Specialist and for each of the agreed number of members of a Scouting Team at the respective rates negotiated and agreed during negotiation of a Budget for each day required for compliance with clauses 14, 15 and 16 and this Annexure E and for travel to and from his or her place of residence within Australia, and reasonable travel costs, all in accordance with a Budget.
14. The Company will allow a food allowance for each member of the Scouting Team at the rate of thirty five dollars (\$35.00) per day, increasing annually in accordance with the Consumer Price Index, for each day spent undertaking the Clearance and each day spent travelling to and from the Licence Area for that purpose.
15. The Company will pay to the Association the reasonable cost of hire or re-imburement of hire of four-wheel drive vehicles and the cost of fuel and vehicle insurance (if applicable), provided that the log book details are properly recorded in accordance with clause 10 of this Annexure E.

16. Where a Scouting Team member uses their own vehicle in accordance with clause 8 of this Annexure E, the Company will reimburse that Scouting Team member for fuel used for, or incidental to conducting a Clearance within seven (7) days of receiving a copy of the tax invoice evidencing purchase.

ANNEXURE F
SCHEDULE OF EVENTS

Item	Events	Party Responsible	Maximum period for Events (in days)	Maximum cumulative Elapsed days
1	Company submits request and proposed work programme to Association <i>(Clause 13.1)</i>	Company	Not applicable	0
2	Preliminary meeting <i>(Clause 13.2)</i>	Company and Association	14	14
3	Association arranges for: 1. Anthropologist or other Specialist; 2. Scouting Team, and 3. Proposed Clearance plan and Budget and presents to Company <i>(Clause 15 and Clause 18.1)</i>	Association	7	21
4	Clearance Plan and Budget meeting. Plan and budget agreed <i>(Clause 18.2)</i>	Company and Association	7	28
5	Scouting Team and field logistics organised, and Work Area Clearance Group mobilised to the field. <i>(Clause 15.1)</i>	Native Title Party and Association	12	40
6	Scouting Team completes field work and de-mobilises, notifies Company. <i>(Clause 17.1)</i>	Native Title Party and Association	14	54
7	Report delivered to Company <i>(Clause 17.1)</i>	Association	14	68

ANNEXURE G**BUDGET**

Company:		Date:					
Clearance for PEL number(s):							
Item	Description	Remarks	Units	Quantity	Unit Rate\$	Survey Costs	NOTES
	Personnel						
	Specialist # 1		days				
	Specialist # 2		days				
	Work Area Clearance Group x		days				
	Camp Cook		days	1			
	Coordinator						
1. TOTAL PERSONNEL							

	Travel Costs						
	Vehicle Hire	4WD	days				
	Vehicle Fuel		days				
	Daily Hire Rate		days				
	Petrol Allowance						
2. TOTAL TRAVEL							

	Accommodation & Logistics						
	Food		days				
	Camping allowance		nights				
	GPS hire		days				
	Trailer hire		days				
3. TOTAL ACCOMMODATION & LOGISTICS							

	Administration						
	satellite phone hire		days				
	maps		total				
	photocopying		total				
	phone : fax : mail		total				
	bookings & fees		total				
	meetings & confs		total				
	legal		total				
4.	TOTAL ADMINISTRATION						
5.	SUB-TOTAL						
6.	Contingency						
7.	GST						
8.	GRAND TOTAL						

ANNEXURE H
GUIDELINES TO MEDIATION

The following is a guideline to the mediation process should a dispute arise and be referred to mediation pursuant to clause 29.

1. Role Of Mediator

- 1.1 The mediator will be neutral and impartial. The mediator will assist the Parties to attempt to resolve the dispute by helping them to:
 - (a) systematically isolate the issues in dispute;
 - (b) develop options for the resolution of those issues;
 - (c) explore the usefulness of these options; and
 - (d) meet their interests and needs.
- 1.2 The mediator may meet with the Parties together or separately.
- 1.3 The mediator will not give legal or other professional advice to any Party, impose a resolution on any party or make a decision for any Party.
- 1.4 The mediator will not accept an appointment in relation to any proceedings concerning the dispute.
- 1.5 No Party will take action to cause the mediator to breach paragraph 1.4.

2. Conflict of Interest

The mediator must prior to commencement of mediation disclose to the Parties to the best of the mediator's knowledge any prior dealings with any of the Parties as well as any interests in the dispute. If in the course of the mediation the mediator becomes aware of any circumstances that might reasonably be considered to affect the mediator's capacity to act impartially, the mediator must immediately inform the Parties of those circumstances.

3. **Co-operation**

The Parties must co-operate in good faith with the mediator and each other during the mediation.

4. **Conduct of Preliminary Conference**

As part of the mediation, the mediator will establish a preliminary conference at a time and venue convenient to the Parties to establish a timetable for mediation.

5. **Authority to Settle**

The Parties must attend the mediation with authority to settle within any range that can reasonably be anticipated. At the mediation each Party may have one or more other persons including legally qualified persons to assist and advise them.

6. **Communications between Mediator and Parties**

Any information disclosed to a mediator in private is to be treated as confidential by the mediator unless the Party making the disclosure states otherwise.

7. **Confidentiality of the Mediation**

The Parties and the mediator will not disclose to anyone not involved in the mediation any information or document given to them during mediation unless required by law to make such disclosure.

8. **Privileged Material**

The Parties and the mediator agree that other than in the course of enforcement of the settlement agreement for the dispute by judicial proceedings, the following will be privileged and will not be disclosed in or be the subject of a subpoena to give evidence or to produce document in any proceedings in respect of the Dispute:

- (a) any settlement proposal whether made by a Party or the mediator;
- (b) the willingness of a Party to consider any such proposal;
- (c) any such statement made by a Party or the mediator during the mediation;
and
- (d) any information prepared for the mediation

9. **Termination of the Mediation**

A Party may terminate the mediation at any time after consultation with the mediator.

10. **Settlement of the Dispute**

If settlement is reached at the mediation, the terms of the settlement must be written down and signed by the Parties before they leave the mediation.

11. **Enforcement of the Settlement Agreement**

Any Party may enforce the terms of the settlement agreement by judicial proceedings.

Any Party may call evidence:

- (a) for the purposes of this clause; and
- (b) of the settlement agreement including evidence from the mediator and any other person engaged in the mediation.

12. **Exclusion of Liability**

The Parties acknowledge that any mediator appointed will not be liable to them for any act or omission in the performance of the mediator's obligations under the Executed Acceptance Contract. The Parties undertake to indemnify the mediator against any claim for act or omission in the bona fide performance of the mediator's obligations under the Executed Acceptance Contract.

13. **Costs**

The Parties are separately liable to the mediator in equal proportions for the mediator's fees.

SCHEDULE 2

ILUA Area

Schedule A: Description of the ILUA Area
Yandruwandha/Yawarrawarrka Petroleum Conjunctive Indigenous Land Use Agreement
(SI2006/018)

Description

The Agreement Area covers the same area as native title determination application SAD6024/89 Yandruwandha/Yawarrawarrka Native Title Claim (SC98/1) as accepted for registration on 08 January 2006.

This area is described as commencing at point on the Queensland/South Australia border at Longitude 140.001237° East and extending easterly and southerly along that border to the intersection of the New South Wales/Queensland/South Australia borders (Cameron Corner); then generally south westerly and generally north westerly passing through the following coordinate points:

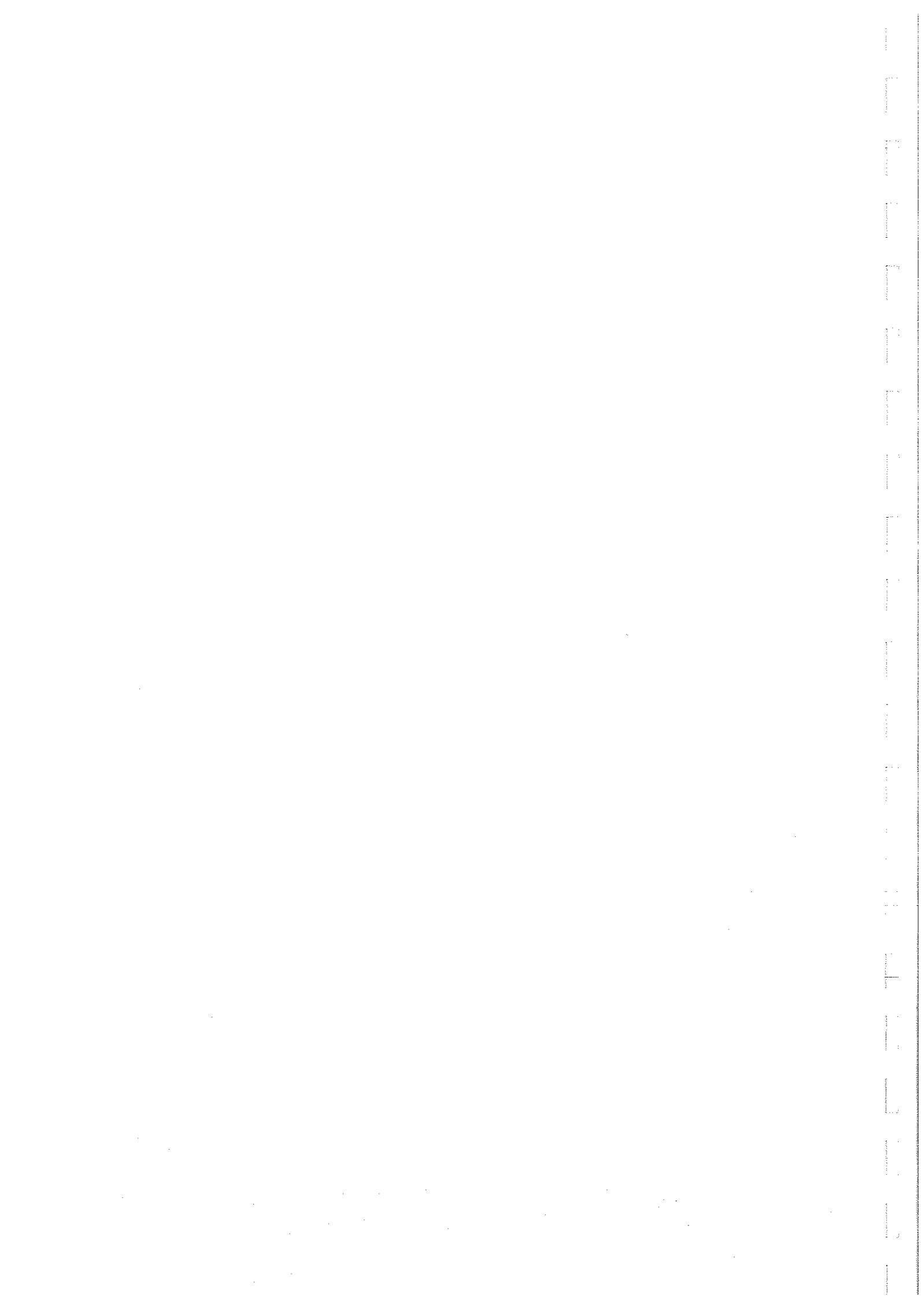
Longitude (East)	Latitude (South)
140.658561	29.123099
140.349077	29.238153
139.863065	29.418173
139.835683	29.428342
139.832009	29.427543
139.805794	29.423187
139.774057	29.419447

Then north westerly to a south western boundary of Parcel A2008 on Plan D33310 (Strzelecki Regional Reserve) at Longitude 139 738579° East; then generally north westerly along the southern boundaries of that parcel to Longitude 139.453985° East, then generally north easterly and generally northerly passing through the following coordinate points:

Longitude (East)	Latitude (South)
139.453985	29.208257
139.618635	29.125470
140.194980	28.108791

Then northerly to a south western boundary of Parcel B757 on Plan H831600 (Innamincka Regional Reserve) at Longitude 140 185112° East, then generally north westerly, generally westerly and generally northerly along boundaries of that parcel to its western most north western corner; then generally westerly and generally north easterly passing through the following coordinate points back to the commencement point:

Longitude (East)	Latitude (South)
139.367244	26.953967
139.569764	26.693364
139.800759	26.315911
139.900728	26.147648
140.001231	25.996533
140.001240	25.996533



Note

Data Reference and source

Agreement boundary data compiled by National Native Title Tribunal based on data sourced from the Dept of Environment and Heritage (SA) and Geoscience Australia.

- Conservation estate data sourced from Dept of Environment and Heritage, SA (2002)
- Localities data is © Commonwealth of Australia (Geoscience Australia) 2001.
- State borders data sourced from Geoscience Australia (1998).
- Native title determination application SAD6024/89 Yandruwandha/Yawarrawarrka Native Title Claim (SC98/1) as accepted for registration on 08 January 1998

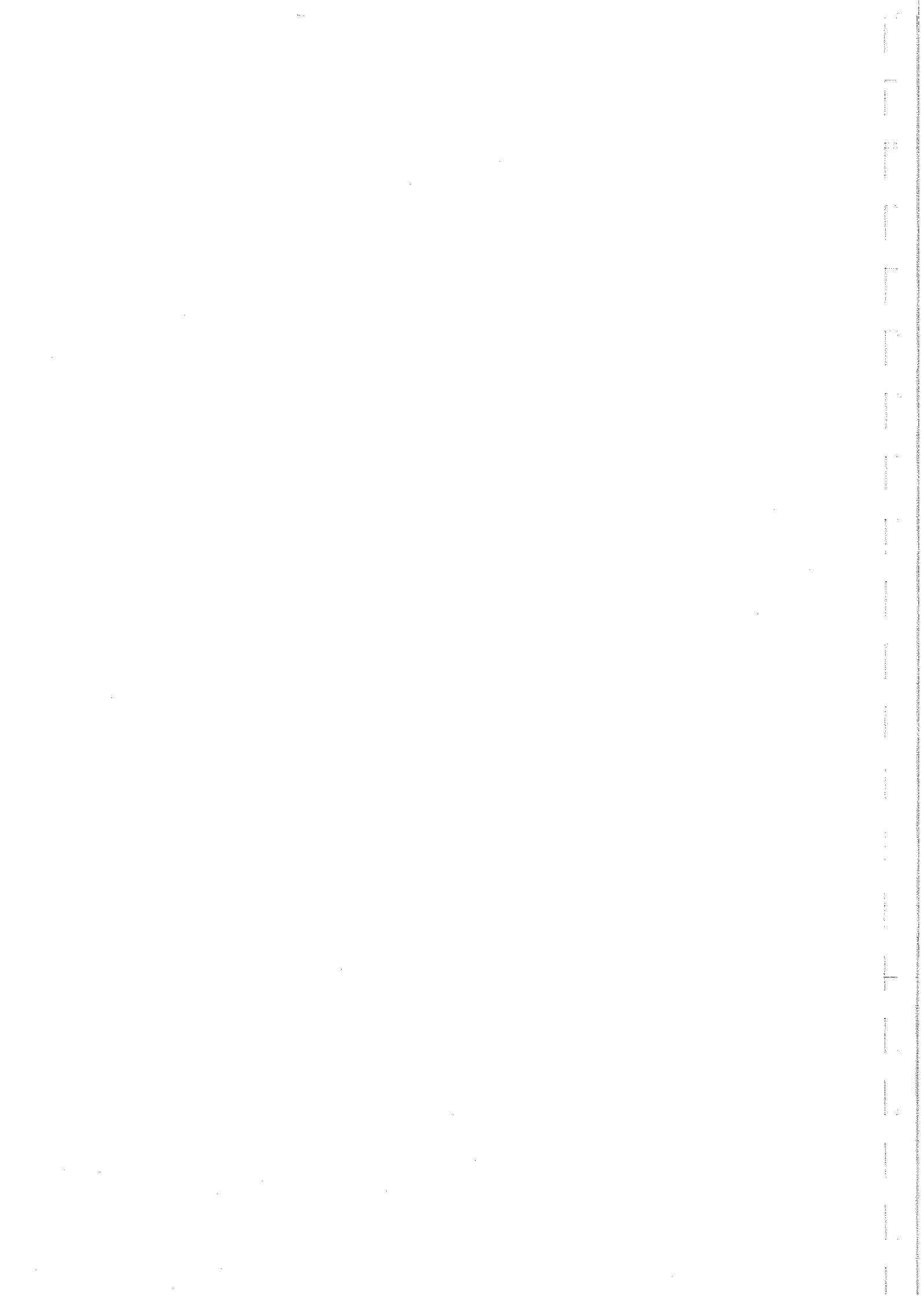
Reference datum

Geographical coordinates have been provided by the NNTT Geospatial Unit and are referenced to the Geocentric Datum of Australia 1994 (GDA94), in decimal degrees and are based on the spatial reference data acquired from the various custodians at the time

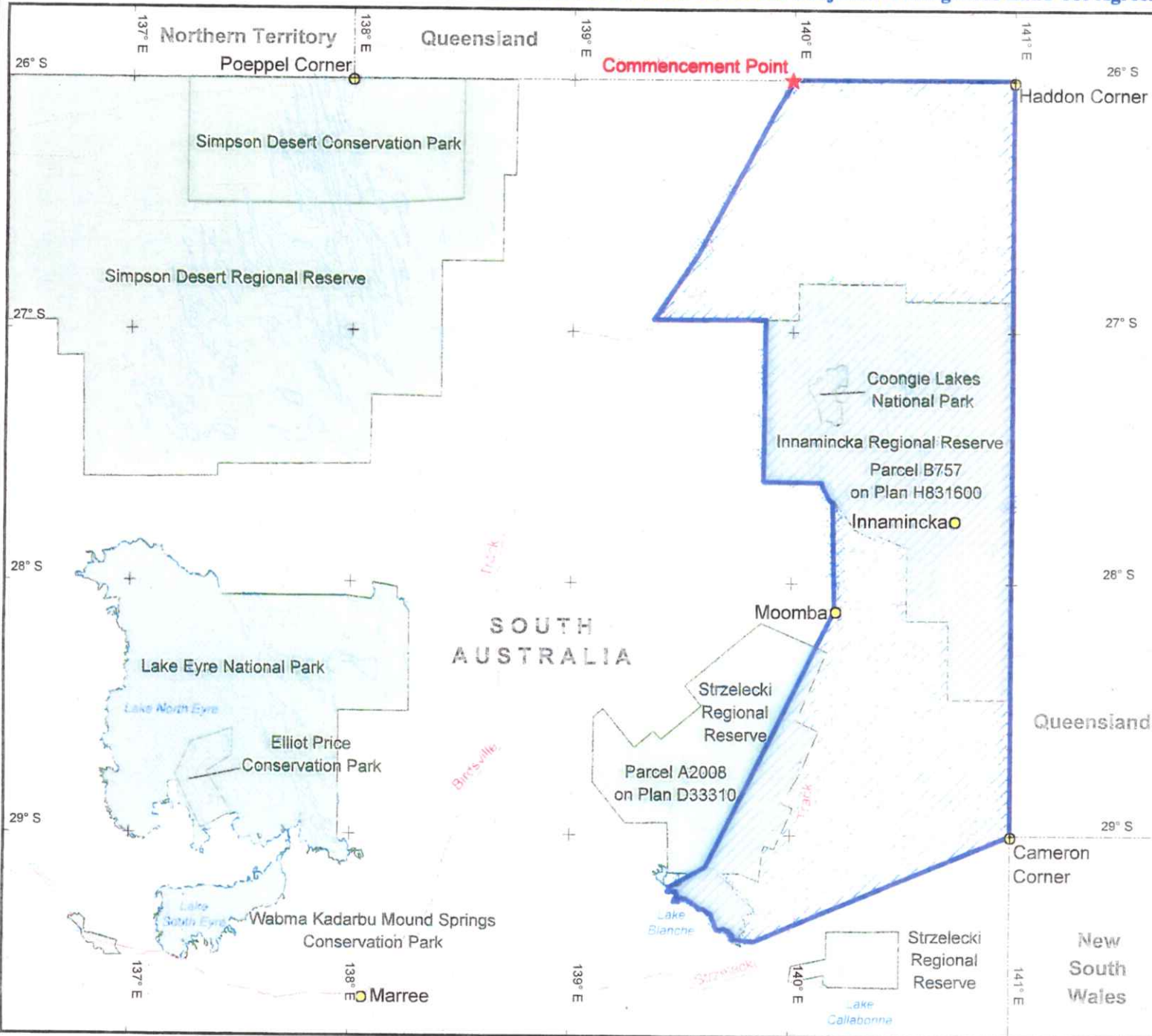
Use of Coordinates

Where coordinates are used within the description to represent cadastral or topographical boundaries or the intersection with such, they are intended as a guide only. As an outcome to the custodians of cadastral and topographic data continuously recalculating the geographic position of their data based on improved survey and data maintenance procedures, it is not possible to accurately define such a position other than by detailed ground survey.

Prepared by Geospatial Services, National Native Title Tribunal (23 January 2007)



INDIGENOUS LAND USE AGREEMENT Yandruwandha/Yawarrawarrka Petroleum Conjunctive Indigenous Land Use Agreement (SI2006/018)



-  ILUA Area
-  Parks/Reserves

NOTE: To determine areas subject to claim within the external boundary, reference to the application description is necessary.

Map created by: Geospatial Services, National Native Title Tribunal (22/01/2007)

ILUA boundary compiled by NNTT. Conservation estate data sourced from Dept of Environment and Heritage, SA (2002). Coastline/state borders data sourced from Geoscience Australia (1998). Topographic vector data is © Commonwealth of Australia (Geoscience Australia) 2001.

Map Ref: 20070123_Map_SI2006_018_A4L.pdf
Geotrack: GT2006/2371

Copyright © Commonwealth of Australia
The Registrar, the National Native Title Tribunal and its staff and officers and the Commonwealth, accept no liability and give no undertakings, guarantees or warranties concerning the accuracy, completeness or fitness for purpose of the information provided.



Latitude and Longitude based on Geocentric Datum of Australia 1994
Non Projection



Location Diagram

