

# Statement of Reasons

## *Petroleum Act 1984*

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

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Applicant                      *Imperial Oil & Gas Pty A Pty Limited*  
ACN 649 305 411  
Head Office: Level 17, 123 Pitt Street  
Sydney NSW 2000  
Email: [info@empiregp.net](mailto:info@empiregp.net)

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Associated entity            *Imperial Oil & Gas Pty Limited*  
ACN 002 699 578  
Head Office: Level 17, 123 Pitt Street  
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*Empire Energy Group Limited*  
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Permit or licence being    *Exploration Permits 169 and 198*  
applied for

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Date of determination      *3 January 2024*

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#### 1. Background

- (a) The Applicant has applied for the renewal grant of a permit under the *Petroleum Act 1984* (the Act).
  - (b) Section 15A of the Act requires me to be satisfied that the Applicant, and any associated entity of the Applicant, is an appropriate person to hold a permit under the Act. In making that determination, I must have regard to the matters set out in section 15A(1) and, where necessary, section 15A(2).
  - (c) Section 15A(5) provides that I must publish, on the Agency's website, the reasons why I have determined that an Applicant, and any associated entity of the Applicant, is or is not an appropriate person to hold a permit under the Act.
  - (d) This document contains my determination and my reasons.
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## 2. Determination

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

## 3. Reasons for determination

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

Section in Act	Matter	Material factors
15A(1)(a)	<p>The Applicant or associated entity's record of compliance with the prescribed legislation, including:</p> <ul style="list-style-type: none"> <li>(i) whether the Applicant or entity has contravened any of the prescribed legislation; and</li> <li>(ii) the seriousness of any contraventions; and</li> <li>(iii) the length of time since the contraventions (if any) occurred; and</li> <li>(iv) any other matter the Minister considers relevant.</li> </ul>	<p><i>The Applicant's (or associated entities) record of compliance with the prescribed legislation is as follows:</i></p> <ul style="list-style-type: none"> <li>• In March 2023, two penalty infringement notices were issued for moderate environmental impact of contraventions with the approved Plan.</li> <li>• In March 2023, an Inspector instruction was issued to prevent the commission of an offence, on the grounds that an offence against the Act had been committed.</li> </ul> <p><i>The Department of Environment, Parks and Water Security, and Department of Industry, Tourism and Trade are currently investigating other alleged contraventions.</i></p>
15A(1)(b)	Whether the Applicant or associated entity has held a licence or other authority under the prescribed legislation where that licence or authority has been suspended or revoked.	<p><i>The Applicant and associated entity hold tenure under the prescribed legislation in the Northern Territory (NT).</i></p> <p><i>These licences or authorities have not been suspended or revoked.</i></p> <p><b>Imperial Oil &amp; Gas Pty Limited</b></p> <ul style="list-style-type: none"> <li>• granted EPs 184 and 187</li> <li>• EP applications 180, 181, 182, 183, 188 and 319-342 (inclusive)</li> </ul> <p><b>Imperial Oil &amp; Gas A Pty Limited</b></p> <ul style="list-style-type: none"> <li>• granted EPs 167, 168, 169 and 198.</li> </ul>
15A(1)(c)	Whether in the opinion of the Minister, the action or thing to be authorised by the permit or licence is or will be under the control of a technically competent person.	<p><i>The Applicant has provided:</i></p> <ul style="list-style-type: none"> <li>• a statement of technical capability for its personnel and contractors</li> <li>• CVs of its personnel</li> </ul>

		<ul style="list-style-type: none"> <li>• CVs of its contractors</li> <li>• the contractor's: <ul style="list-style-type: none"> <li>○ Well Integrity Management System</li> <li>○ Well Control Manual</li> <li>○ Management of Change procedure</li> <li>○ Certificate of Registration.</li> </ul> </li> </ul> <p>The Applicant, associated entities and contractors are known to the department and the documents provided are acceptable for the management of well integrity and control.</p> <p>All key personnel have extensive experience in the oil and gas industry.</p> <p>For these reasons, I am of the opinion that the action or thing will be under the control of a technically competent person.</p>
15A(1)(d)	Whether in the opinion of the Minister, the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.	<p>The Applicant and associated entities provided a statement that they consider themselves to be of good repute, having regard to character, honesty and integrity.</p> <p>Evidence of this is provided by the associated entity's activities under the prescribed legislation to date.</p> <p>For these reasons, I am of the opinion that the Applicant or associated entity is of good repute.</p>
15A(1)(e)	Whether the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty	<p>The Applicant or associated entities have not, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.</p>
15A(1)(f)	<p>Whether the Applicant or associated entity, within the previous 3 years:</p> <ul style="list-style-type: none"> <li>(i) was an undischarged bankrupt; or</li> <li>(ii) applied to take the benefit of any law for the relief of bankrupt or insolvent debtors; or</li> <li>(iii) entered into an arrangement with the Applicant or entity's creditors or made an assignment of the Applicant or entity's remuneration for their benefit.</li> </ul>	<p>None of these events has occurred within the previous 3 years.</p>

15A(1)(g) 15A(3)	Whether the Applicant or associated entity is or was a director of a body corporate that is the subject of a winding-up order or for which a controller or administrator has been appointed within the previous 3 years	<i>None of these events has occurred within the previous 3 years.</i>
15A(1)(h)	Whether the Applicant has demonstrated to the Minister the financial capacity to comply with the Applicant's obligations under the permit or licence.	<p><i>When considering the Applicant's financial capacity, consideration was given to:</i></p> <ul style="list-style-type: none"> <li>• <i>the associated entity's:</i> <ul style="list-style-type: none"> <li>○ <i>declaration from the Vice President, Business Development, being a qualified chartered accountant, addressing the Applicant's capacity to undertake its obligations and commitments</i></li> <li>○ <i>Annual Report for the period ending 31 December 2022</i></li> <li>○ <i>Quarterly cash flow report for the period ended 31 March 2023</i></li> <li>○ <i>Half Year Financial Report for the period ended 30 Jun 2023</i></li> <li>○ <i>ASX announcements</i></li> </ul> </li> </ul> <p><i>The Applicant will have the benefit of the associated entity's financial capacity to enable it to comply with its obligations under the permits.</i></p> <p><i>Independent probity reports were obtained for the Applicant, the associated entity and their directors, and no adverse details were reported.</i></p> <p><i>For these reasons, the Applicant has demonstrated the financial capacity to comply with its obligations under the permit or licence.</i></p>
15A(1)(i)	Whether the Applicant or associated entity is in partnership, in connection with the action that is the subject of the permit or licence, with a person whom the Minister does not consider to be an appropriate person having regard to the matters listed in section 15A(1) (being the matters above) and section 15A(2) (being the matters below).	<p><i>The Applicant or associated entity is not in partnership with any other person.</i></p> <p><i>The term 'partnership' does not include Joint Ventures.</i></p>
15A(1)(j)	Any other matters the Minister considers relevant in determining whether a person is an appropriate	<i>I do not consider that any other matters are relevant.</i>

	person to hold a permit or licence.	
<i>If the Applicant or entity is not a body corporate, the matters below do not need to be considered.</i>		
15A(2)(a) 15A(3)	<p>Whether a director of the Applicant or associated entity:</p> <p>(i) has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked</p>	<p><i>The Applicant is Imperial Oil &amp; Gas A Pty Limited and its directors are:</i></p> <ul style="list-style-type: none"> <li>• Alexander Underwood, Managing Director</li> <li>• Andrew Phillips, Company Secretary</li> </ul> <p><i>The directors have not contravened the prescribed legislation.</i></p> <p><i>The directors have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The directors are not and have not been a director of another body corporate that has contravened the prescribed legislation.</i></p> <p><i>The directors are not and have not been a director of another body corporate that has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The Applicant is a subsidiary of the associated entity. Refer to 15A(2)(b) for details about the directors and persons concerned in the management of the associated entity.</i></p>
15A(2)(b) 15A(3)	<p>In the case of a body corporate that is the subsidiary of another body or company (the <b>parent company</b>) – whether:</p> <p>(i) the parent company or a director of the parent company has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) a director of the parent company is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</p>	<p><i>The parent company is Empire Energy Group Limited, and the directors and any persons concerned in the management of the parent company are:</i></p> <ul style="list-style-type: none"> <li>• Alexander Underwood, Managing Director</li> <li>• Peter Cleary, Chair and Non-Executive Director</li> <li>• Louis Rozman, Non-Executive Director</li> <li>• John Warburton, Non-Executive Director</li> <li>• Karen Green, Non-Executive Director</li> </ul> <p><i>The parent company has contravened the prescribed legislation as described at 15A(1)(a).</i></p>

		<p><i>The directors of the parent company have not contravened the prescribed legislation.</i></p> <p><i>The parent company and the directors of the parent company have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> <p><i>The directors of the parent company have not been a director of another body corporate that has contravened the prescribed legislation.</i></p> <p><i>The directors of the parent company have not been a director of another body corporate that has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p>
15A(2)(c) 15A(3)	The record of compliance with the prescribed environmental legislation of any director of the Applicant or associated entity.	<p><i>The directors and any persons concerned in the management have been involved with the following businesses requiring compliance with the prescribed environmental legislation.</i></p> <ul style="list-style-type: none"> <li>• <i>Empire Energy Group Limited</i></li> <li>• <i>Imperial Oil &amp; Gas Pty Ltd</i></li> <li>• <i>Imperial Oil &amp; Gas A Pty Ltd</i></li> <li>• <i>Pangaea (NT) Pty Ltd</i></li> </ul> <p><i>I am not aware of any breach of the prescribed legislation.</i></p> <p><i>No director or any persons concerned in the management has been involved in any business requiring compliance with the prescribed environmental legislation.</i></p>
15A(2)(d) 15A(3)	Whether in the opinion of the Minister, a director of the Applicant or associated entity is of good repute, having regard to character, honesty and integrity.	<p><i>The Applicant has provided a statement that it considers the directors of its parent company to be of good repute, having regard to character, honesty and integrity.</i></p> <p><i>There is no evidence available that suggests otherwise.</i></p> <p><i>For these reasons, I am of the opinion that each director is of good repute.</i></p>
15A(2)(e) 15A(3)	Whether a director of the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an	<p><i>No director nor any person concerned in the management has, within the previous 10 years, been convicted in the</i></p>

	offence involving fraud or dishonesty.	<i>Territory or elsewhere of an offence involving fraud or dishonesty.</i>
15A(2)(f)	Whether the Applicant or associated entity is the subject of a winding up order or has had a controller or administrator appointed within the previous 3 years.	<i>None of these events has occurred within the previous 3 years.</i>

- (d) *In making my determination I have had regard to each of the matters noted above.*
- (e) *In making my determination I have had regard to documents that include the following:*
- (i) *the Applicant's statement of technical capability for its personnel and contractors*
  - (ii) *CVs for the Applicants personnel and contractors*
  - (iii) *the Applicant's application addressing the appropriate person requirements*
  - (iv) *the contractor's Well Integrity Management System*
  - (v) *the contractor's Well Control Manual*
  - (vi) *the contractor's Management of Change procedure*
  - (vii) *the contractor's certificate of registration*
  - (viii) *Annual Report for the period ending 31 December 2022*
  - (ix) *Quarterly cash flow report for the period ended 31 March 2023*
  - (x) *Half Year Financial Report for the period ended 30 Jun 2023*
  - (xi) *a declaration from the Vice President, Business Development, being a qualified chartered accountant, addressing the Applicant's capacity to undertake its obligations and commitments*
  - (xii) *Probity reports generated by illion Direct for the Applicant and associated entities*
  - (xiii) *Department of Industry, Tourism and Trade data and information*
  - (xiv) *Department of Environment, Parks and Water Security information*
  - (xv) *ASX information and data.*
- (f) *In making my decision I have considered the nature and seriousness of the non-compliances with the prescribed legislation, and the length of time since they occurred. I am satisfied that these matters have and will be dealt with appropriately within the statutory compliance and enforcement mechanisms.*

Dated this 3 day of January 2024

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

  
 JAMES ROBERT PRATT  
 Senior Executive Director Energy Development

**Additional notes for the Delegate (not to be provided to Applicants)**

- A statement of reasons must demonstrate that the decision maker has specifically considered all relevant matters, and weighed them in accordance with the requirements of the Act and other applicable law, in reaching the specific determination under consideration. It must show how the determination was arrived at, and should show a rational connection between the findings or fact / opinion, and the determination. It should address all elements of the statutory criteria, which is why the table format has been used above.
- This template is intended to assist to structure the statement of reasons, however the content will be a matter of professional judgement and must be based on the facts and circumstances surrounding the particular Applicant under consideration. The wording is only provided as examples. It must be considered on a case-by-case basis, and amended as necessary.
- If the proper decision making process is not reflected in the statement of reasons, the determination is at a greater risk of being challenged by an affected person.
- Paragraph 3(e) allows the Minister to list the documents that were considered. Doing so is not mandatory. If the list is not completed, the paragraph should be removed in its entirety.
- It is necessary to identify each associated entity of the Applicant. This has the meaning given in section 50AAA of the Corporations Act 2001 (Cth). The matters in section 15A(1) generally apply to both the Applicant and each associated entity.
- The Minister may require an applicant or associated entity to provide more information in relation to any matter in order for the Minister to determine whether the applicant or entity is an appropriate person to hold a permit or licence.
- The 'prescribed legislation' and 'prescribed environments legislation' is set out below.

**prescribed environmental legislation** means the following:

- the Environmental Assessment Act 1982;
- the Waste Management and Pollution Control Act 1998;
- the Water Act 1992;
- the Environment Protection and Biodiversity Conservation Act 1999 (Cth);
- the Environment Protection Act 1997 (ACT);
- the Protection of the Environment Operations Act 1997 (NSW);
- the Environmental Protection Act 1994 (Qld);
- the Environment Protection Act 1993 (SA);
- the Environmental Management and Pollution Control Act 1994 (Tas);
- the Environment Protection Act 2017 (Vic);
- the Environmental Protection Act 1986 (WA);
- an Act of another jurisdiction that is similar in nature and purpose to an Act listed above.

**prescribed legislation** means the following:

- prescribed environmental legislation;
- the Northern Territory Aboriginal Sacred Sites Act 1989;
- the Taxation Administration Act 2007;
- the Territory Parks and Wildlife Conservation Act 1976;

- (e) the *Work Health and Safety (National Uniform Legislation) Act 2011*;
- (f) the *Work Health and Safety Act 2011 (Cth)*;
- (g) the *Work Health and Safety Act 2011 (ACT)*;
- (h) the *Work Health and Safety Act 2011 (NSW)*;
- (i) the *Work Health and Safety Act 2011 (Qld)*;
- (j) the *Work Health and Safety Act 2012 (SA)*;
- (k) the *Work Health and Safety Act 2012 (Tas)*;
- (l) the *Occupational Health and Safety Act 2004 (Vic)*;
- (m) the *Occupational Safety and Health Act 1984 (WA)*;
- (n) the *Petroleum Act 1984*;
- (o) the *Offshore Petroleum and Greenhouse Storage Amendment Act 2013 (Cth)*;
- (p) the *Petroleum Act 1998 (VIC)*;
- (q) the *Petroleum (Onshore) Act 1991 (NSW)*;
- (r) the *Petroleum and Gas (Production and Safety) Act 2004 (QLD)*;
- (s) the *Petroleum and Geothermal Energy Resources Act 1967 (WA)*;
- (t) the *Petroleum and Geothermal Energy Act 2000 (SA)*;
- (u) the *Mineral Resources Development Act 1995 (TAS)*;
- (v) the *Corporations Act 2001 (Cth)*;
- (w) the *Australian Securities and Commission Act 2001 (Cth)*;
- (x) an Act of another jurisdiction that is similar in nature and purpose to an Act listed above.