

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 | <i>Central Petroleum Mereenie Pty Ltd ATF the Central Petroleum Mereenie Unit Trust</i> ACN 605 831 025 Level 7, 369 Ann Street, Brisbane, Queensland 4000, Australia |
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| Associated entities | <i>Central Petroleum Limited</i> ACN 083 254 308 Level 7, 369 Ann Street, Brisbane, Queensland 4000, Australia <i>Macquarie Mereenie Pty Limited</i> ACN 616 486 974 Level 1, 50 Martin Place, Sydney NSW 2000 <i>Macquarie Group Limited</i> ACN 122 169 279 Level 1, 50 Martin Place, Sydney NSW 2000 <i>Cue Mereenie Pty Ltd</i> ACN 650 385 336 Level 3, 10 Queen St, Melbourne, Victoria 3000 <i>Cue Energy Resources Limited</i> ACN 066 383 971 Level 3, 10 Queen St, Melbourne, Victoria 3000 <i>NZOG Mereenie Pty Limited</i> ACN 650 386 360 C/- KPMG Tower 3, International Towers Sydney, Level 38, 300 Barangaroo Avenue, Sydney, NSW 2000 <i>New Zealand Oil & Gas Limited</i> ACN 003 064 962 Level 1, 36 Tennyson Street, Te Aro, Wellington, New Zealand |
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| Permit or licence being applied for | <i>Production Leases OL4 and OL5</i> |
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Date of determination 26 October 2023

1. Background

- (a) The Applicant has applied for the renewal of a permit or licence 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 or licence under the Act. In making that determination, I must have regard to the matters set out in section 15A(1) and, where necessary, section 15A(2).
- (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 licence or permit under the Act.
- (d) This document contains my determination and my reasons.

2. Determination

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

3. Reasons for determination

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

| Section in Act | Matter | Material factors |
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| 15A(1)(a) | <p>The Applicant or associated entity's record of compliance with the prescribed legislation, including:</p> <ol style="list-style-type: none"> (i) whether the Applicant or entity has contravened any of the prescribed legislation; and (ii) the seriousness of any contraventions; and (iii) the length of time since the contraventions (if any) occurred; and (iv) any other matter the | <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"> • <i>Infringement notice issued to Central Petroleum (NT) Pty Ltd by the Department of Primary Industry and Resources on 18 January 2019 for not reporting a recordable incident within the required timeframe.</i> |

| | Minister considers relevant. | |
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| 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>Central Petroleum Limited has held a licence or other authority under the prescribed legislation, being: Granted EP82, EP105, EP112, EP115, EP125, OL3, OL4, OL5, L6, L7, RL3, RL4, PL2 and PL30 in the Northern Territory and ATP909, ATP911, ATP912 and ATP2031 in Queensland.</i></p> <p><i>Applications EP92, EP111, EP124, EP129, EP130, EP132, EP133, EP137, EP147, EP149, EP152, EP160, EP296 in the Northern Territory.</i></p> <p><i>Central Petroleum Mereenie Pty Ltd, Cue Mereenie Pty Ltd and NZOG Mereenie Pty Limited have an interest in OL3, OL4, OL5, L7 and PL3.</i></p> <p><i>Macquarie Mereenie Pty Limited has an interest in OL4, OL5 and PL2.</i></p> <p><i>Cue Energy Resources Limited holds WA-359-P, WA-389-P, WA-409-P offshore Western Australia, PMP 38160 in New Zealand, and Sampang PSC and Mahato PSC in Indonesia.</i></p> <p><i>New Zealand Oil & Gas Limited holds L7 and EP437 in Western Australia, PMP 38146 and PMP 38160 in New Zealand, and Sampang PSC and Mahato PSC in Indonesia.</i></p> <p><i>Those licences or authorities have not been suspended or revoked.</i></p> |
| 15A(1)(c) | Whether in the opinion of the Minister, the action or thing to be authorised by the permit or licence is or will be under the control of a technically competent person. | <p><i>The Applicant has provided:</i></p> <ul style="list-style-type: none"> <i>a statement on technical capacity</i> <i>CVs of its personnel</i> <p><i>The Applicant is known to the department and the documents</i></p> |

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| | | <p><i>provided are acceptable for the management of the leases.</i></p> <p><i>All key personnel have extensive experience in the oil and gas industry.</i></p> <p><i>For these reasons, I am of the opinion that the action or thing will be under the control of a technically competent person.</i></p> |
| 15A(1)(d) | Whether in the opinion of the Minister, the Applicant or associated entity is of good repute, having regard to character, honesty and integrity. | <p><i>The Applicant and the associated entities have provided statements that they consider themselves to be of good repute, having regard to character, honesty and integrity.</i></p> <p><i>Evidence of this is provided by the applicant and associated entities activities under the prescribed legislation to date.</i></p> <p><i>For these reasons, I am of the opinion that the Applicant and associated entities are of good repute.</i></p> |
| 15A(1)(e) | Whether the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty | <i>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.</i> |
| 15A(1)(f) | <p>Whether the Applicant or associated entity, within the previous 3 years:</p> <ul style="list-style-type: none"> (i) was an undischarged bankrupt; or (ii) applied to take the benefit of any law for the relief of bankrupt or insolvent debtors; or (iii) entered into an arrangement with the Applicant or entity's creditors or made an assignment of the Applicant or entity's remuneration for their benefit. | <i>None of these events has occurred within the previous 3 years.</i> |

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| 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 and associated entities financial capacity, consideration was given to:</i></p> <ul style="list-style-type: none"> <i>Letter from Central Petroleum Limited's Chartered Accountant</i> <i>Central Petroleum Limited audited financial statements for half year ended 31 December 2022</i> <i>Central Petroleum Limited 2023 Annual Report</i> <i>Macquarie Group Limited 2023 Annual Report</i> <i>New Zealand Oil & Gas Limited 2023 Annual Report</i> <i>Cue Energy Resources Limited 2023 Annual Report</i> <i>Economic modelling of the Mereenie Oil and Gas Field.</i> <p><i>The Applicant and associated entities will have the benefit of Central Petroleum Limited's financial capacity as Operator, 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 | <i>The Applicant or associated entities are not in partnership with any other person.</i> |

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| | 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). | <i>Partnership does not include Joint Ventures.</i> |
| 15A(1)(j) | Any other matters the Minister considers relevant in determining whether a person is an appropriate person to hold a permit or licence. | <i>I do not consider that any other matters are relevant.</i> |
| <i>If the Applicant or entity is not a body corporate, the matters below do not need to be considered.</i> | | |
| 15A(2)(a) 15A(3) | <p>Whether a director of the Applicant or associated entity:</p> <p>(i) has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked</p> | <p><i>Central Petroleum Limited is the Operator of the leases. The directors and any persons concerned in the management of the company are:</i></p> <ul style="list-style-type: none"> • <i>Michael Joseph McCormack, Independent Non-Executive Chair</i> • <i>Leon Goss Devaney, Managing Director & Chief Executive Officer</i> • <i>Katherine Anne Hirschfeld, Non-Executive Director</i> • <i>Agu Jan Kantsler, Non-Executive Director</i> • <i>Stephen William Gardiner, Non-Executive Director</i> • <i>Troy John Harry, Non-Executive Director</i> • <i>Leon Goss Devaney, Chief Executive Officer</i> • <i>Ross Stewart Evans, Chief Operating Officer</i> • <i>Damian William Galvin, Chief Financial Officer</i> • <i>Daniel Christopher Matthew White, Group General Counsel and Company Secretary.</i> |

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| | | <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> |
| 15A(2)(b) 15A(3) | <p>In the case of a body corporate that is the subsidiary of another body or company (the parent company) – whether:</p> <p>(i) the parent company or a director of the parent company has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked; or</p> <p>(ii) a director of the parent company is or has been the director of another body corporate that has contravened the prescribed legislation or has held a licence or other authority under the prescribed legislation that has been suspended or revoked.</p> | <p><i>The parent company is the Operator of the leases, Central Petroleum Limited, and the directors and any persons concerned in the management of the parent company are:</i></p> <ul style="list-style-type: none"> • <i>Michael Joseph McCormack, Independent Non-Executive Chair</i> • <i>Leon Goss Devaney, Managing Director & Chief Executive Officer</i> • <i>Katherine Anne Hirschfeld, Non-Executive Director</i> • <i>Agu Jan Kantsler, Non-Executive Director</i> • <i>Stephen William Gardiner, Non-Executive Director</i> • <i>Troy John Harry, Non-Executive Director</i> • <i>Leon Goss Devaney, Chief Executive Officer</i> • <i>Ross Stewart Evans, Chief Operating Officer</i> • <i>Damian William Galvin, Chief Financial Officer</i> |

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| | | <ul style="list-style-type: none"> • Daniel Christopher Matthew White, Group General Counsel and Company Secretary. <p>The parent company and the directors of the parent company have not contravened the prescribed legislation, other than that described at 15A(1)(a).</p> <p>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.</p> <p>The directors of the parent company have not been a director of another body corporate that has contravened the prescribed legislation.</p> <p>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.</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>The directors and any persons concerned in the management have been involved with the following businesses requiring compliance with the prescribed environmental legislation:</p> <ul style="list-style-type: none"> • Central Petroleum Limited • Central Petroleum Mereenie Pty Ltd • Merlin Energy Pty Ltd • Frontier Oil & Gas Pty Ltd • Ordiv Petroleum Pty Ltd • Central Petroleum (NT) Pty Ltd • Helium Australia Pty Ltd • Central Petroleum Eastern Pty Ltd • Macquarie Group Limited • Macquarie Mereenie Pty Limited |

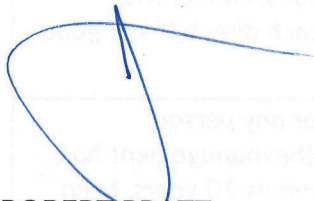
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| | | <ul style="list-style-type: none"> • Cue Energy Resources Limited • Cue Mereenie Pty Ltd • Cue Palm Valley Pty Ltd • Cue Dingo Pty Ltd • New Zealand Oil & Gas Limited • NZOG Mereenie Pty Limited • NZOG (Ironbark) Pty Ltd • NZOG Palm Valley Pty Ltd • NZOG Dingo Pty Ltd <p>Aside from the matters listed for 15A(1)(a), I am not aware of any breach of the prescribed environmental legislation.</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>The Applicant and associated entities have provided a statement that it considers the directors of its parent company to be of good repute, having regard to character, honesty and integrity.</p> <p>There is no evidence available that suggests otherwise.</p> <p>For these reasons, I am of the opinion that each director is of good repute.</p> |
| 15A(2)(e) 15A(3) | Whether a director of the Applicant or associated entity has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty. | No director nor any person concerned in the management has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty. |
| 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. | None of these events has occurred within the previous 3 years. |

- (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) Letter from Central Petroleum Limited's Chartered Accountant

- (ii) Central Petroleum Limited audited financial statements for half year ended 31 December 2022
- (iii) Central Petroleum Limited 2023 Annual Report
- (iv) Macquarie Group Limited 2023 Annual Report
- (v) New Zealand Oil & Gas Limited 2023 Annual Report
- (vi) Cue Energy Resources Limited 2023 Annual Report
- (vii) Economic modelling of the Mereenie Gas and Oil Field.
- (viii) Applicant and associated entities statements addressing the appropriate person requirements
- (ix) Resumes for the directors, key management and technical staff
- (x) Department of Industry, Tourism and Trade information and data
- (xi) Australian Securities and Investments Commission information and data
- (xii) Probity reports generated by illion Direct for the Applicant and associated entities

Dated this 26 day of October 2023

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



JAMES ROBERT PRATT

A/Deputy Chief Executive Mining and Energy