

Statement of Reasons

Petroleum Act 1984

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

Applicant *NZOG Dingo Pty Ltd*
 ACN 650 385 756
 KPMG Tower 3 International Towers
 300 Barangaroo Avenue
 Sydney NSW 2000

Cue Dingo Pty Ltd
ACN 650 386 020
Level 3, 10-16 Queen Street
Melbourne VIC 3000

Associated entities *New Zealand Oil & Gas Limited*
 NZ Company 37842

Cue Energy Resources Limited
ACN 066 383 971

Permit or licence being *Production Licence (L) 7*
applied for

Date of determination *15 July 2022*

1. Background

- (a) The Applicant has applied for interest in 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.
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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 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> <p>(i) whether the Applicant or entity has contravened any of the prescribed legislation; and</p> <p>(ii) the seriousness of any contraventions; and</p> <p>(iii) the length of time since the contraventions (if any) occurred; and</p> <p>(iv) any other matter the Minister considers relevant.</p> | <p><i>The Applicant and associated entities have not contravened the prescribed legislation.</i></p> <p><i>The Applicant has not held tenure in the Northern Territory, however the operator of the title, Central Petroleum Limited (Central) and its subsidiaries hold, or have held tenure as listed at 15A(1)(b) below.</i></p> <p><i>Interrogation of the application established that there had been no acts of non-compliance with the prescribed legislation by the associated entities.</i></p> |
| 15A(1)(b) | <p>Whether the Applicant or associated entity has held a licence or other authority under the prescribed legislation where that licence or authority has been suspended or revoked.</p> | <p><i>The Applicant has not held a licence or other authority under the prescribed legislation.</i></p> <p><i>The associated entity and parent companies hold tenure in Indonesia, New Zealand and offshore WA. Refer NZOG 2021 Annual Report, page 6.</i></p> <p><i>Central holds tenure under the prescribed legislation, being:</i></p> <p><i>Petroleum Act 1984</i></p> <ul style="list-style-type: none"> • L7 <p><i>Petroleum (Prospecting & Mining) Act (NT) – Repealed</i></p> |

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| | | <ul style="list-style-type: none"> • OL3, OL4, OL5 <p>Energy Pipelines Act 1981</p> <ul style="list-style-type: none"> • PL30, PL2 <p>Central also holds tenure in QLD, see Central Petroleum projects.</p> <p>Subsidiaries of Central have interests in tenure in the NT and interstate:</p> <p>Frontier Oil & Gas Pty Ltd EP111, EP112, EP115, EP118, EP(A)120, L6</p> <p>Merlin Energy Pty Ltd EP105, EP106, EP(A)129, EP(A)130, EP(A)131, EP(A)132, EP(A)133, EP(A)137, EP(A)147, EP(A)149, EP(A)152, EP(A)160, EP(A)296 QLD ATP912, ATP911, ATP909</p> <p>Ordiv Petroleum Pty Ltd EP124, EP125</p> <p>These licences or authorities have not been suspended or revoked.</p> |
| 15A(1)(c) | Whether in the opinion of the Minister, the action or thing to be authorised by the permit or licence is or will be under the control of a technically competent person. | <p><i>The Applicant and associated entities, including the operator, have provided evidence of the technical experience. Consideration was given to:</i></p> <ul style="list-style-type: none"> • <i>a statement addressing the prescribed particulars under section 15A of the Petroleum Act 1984</i> • <i>summary of experience of technical personnel</i> • <i>previous and current involvement in petroleum exploration and development</i> <p><i>The operator of L7 has applicable technical capabilities and is well known to the department and has been active since 2007 in the Amadeus Basin.</i></p> <p><i>For these reasons, I am of the opinion that the action or thing will</i></p> |

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| | | <i>be under the control of a technically competent person.</i> |
| 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 provided a statement that it considers itself and associated entities to be of good repute having regard to character, honesty and integrity.</i></p> <p><i>The parent companies' of the Applicant are listed on the ASX which requires listed companies to prepare a Corporate Governance Statement that sets out a description of the company's main corporate practices and compliance.</i></p> <p><i>For these reasons, I am of the opinion that the Applicant or entity is of good repute.</i></p> <p><i>There is no evidence available that suggests otherwise.</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 entity has 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> <p>(i) was an undischarged bankrupt; or</p> <p>(ii) applied to take the benefit of any law for the relief of bankrupt or insolvent debtors; or</p> <p>(iii) entered into an arrangement with the Applicant or entity's creditors or made an assignment of the Applicant or entity's remuneration for their benefit.</p> | <i>None of these events has occurred within the previous three 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 three years.</i> |
| 15A(1)(h) | Whether the Applicant has demonstrated to the Minister the financial capacity to comply with the Applicants obligations under the permit or licence. | <p><i>When considering the Applicant's financial capacity, consideration was given to the following documents:</i></p> <ul style="list-style-type: none"> • <i>2021 Annual Report financial statements</i> • <i>Statement of Financial Capability signed by the Directors confirming ability to deliver the approved work program</i> • <i>Statement of financial support of the parent company</i> • <i>ASX announcements</i> <p><i>Independent probity reports were obtained for the applicant and associated entities and no adverse actions, notices or defaults were reported.</i></p> <p><i>Central's prior ability to fund and meet its work program obligations were also considered.</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). | <i>The Applicant or associated entity is not in partnership with any other person whom the Minister does not consider to be an appropriate person.</i> |
| 15A(1)(j) | Any other matters the Minister considers relevant in determining whether a person | <i>I do not consider that any other matters are relevant.</i> |

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| | is an appropriate person to hold a permit or licence. | |
| 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 a wholly owned subsidiary of the associated entity.</i></p> <p><i>The Applicant and the associated entity have the same directors.</i></p> <p><i>Refer to 15(A) of the Act for details about the directors and persons concerned in the management of the Applicant/associated entity.</i></p> <p><i>Independent probity reports were obtained for the applicant and associated entities and no adverse actions, notices or defaults were reported.</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 have not been 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</p> | <p><i>The parent companies are New Zealand Oil & Gas Limited and Cue Energy Resources Limited and the directors are:</i></p> <p><i>Matthew Boyall, Director and Chief Executive Officer, Cue</i></p> <p><i>Andrew Jefferies, Managing Director and Chief Executive Officer</i></p> <p><i>Peter Hood, Non-Executive Director</i></p> <p><i>Richard Malcolm, Non-Executive Director</i></p> <p><i>Marco Argentieri, Non-Executive Director</i></p> <p><i>Alastair McGregor, Director</i></p> <p><i>Samuel Kellner, Director</i></p> <p><i>Rosalind Archer, Director</i></p> <p><i>Roderick Ritchie, Non-Executive Director</i></p> |

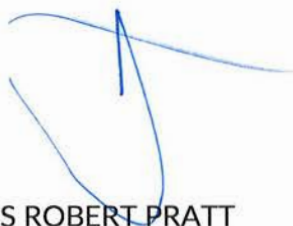
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| | prescribed legislation that has been suspended or revoked. | <p><i>The directors of the parent companies have not contravened the prescribed legislation.</i></p> <p><i>The parent companies and the directors of the parent company have not held a licence or other authority under the prescribed legislation that has been suspended or revoked.</i></p> |
| 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 provided signed statements that they have remained compliant with the prescribed environmental legislation.</i></p> <p><i>I am not aware of any breach of the prescribed legislation.</i></p> |
| 15A(2)(d) 15A(3) | Whether in the opinion of the Minister, a director of the Applicant or associated entity is of good repute, having regard to character, honesty and integrity. | <p><i>The Applicant has provided a statement that it considers its directors 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 offence involving fraud or dishonesty. | <i>No director nor any person concerned in the management has, within the previous 10 years, been convicted in the Territory or elsewhere of an offence involving fraud or dishonesty.</i> |
| 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. | <p><i>The Applicant has provided a statement that it is not, and has not, been subject of a winding-up order within the previous 3 years.</i></p> <p><i>None of these events has occurred within the previous three years.</i></p> |

(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 the documents that include the following:
- (i) Statement addressing the prescribed particulars under section 15A, dated 18 Feb 2022
 - (ii) A declaration signed by each of the directors
 - (iii) Statements of financial capacity for Cue, dated 16 February 2022
 - (iv) Statements of financial capacity for NZOG
 - (v) Summaries of experience of key technical personnel
 - (vi) NZOG Annual Report 2021
 - (vii) Cue Annual Report 2021
 - (viii) ASX announcements for NZOG (ASX:NZO)
 - (ix) ASX announcements for Cue (ASX:CUE)
 - (x) Probity reports generated by illion Direct
 - (xi) Corporate group structure diagrams for NZOG and Cue
 - (xii) Confirmation of no objections by the Foreign Investment Review Board
 - (xiii) Department of Industry, Tourism and Trade information and data

Dated this 15 day of July 2022

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



JAMES ROBERT PRATT

Senior Executive Director Energy Development