

APPLICATION FOR A GEOTHERMAL EXPLORATION PERMIT

Geothermal Energy Act

For further information, please contact:

In person	Petroleum Registrar Minerals & Energy Titles Division NT Department of Resources 5th Floor, Centrepoint Building, The Mall, Darwin NT 0800
By post	Attention - Petroleum Registrar Minerals & Energy Titles Division NT Department of Resources GPO Box 3000 Darwin NT 0801
By fax	+61 8 8981 7106 – Attention: Petroleum Registrar
By phone	+61 8 8999 5263 – Petroleum Registrar
By e-mail	titles.info@nt.gov.au – Petroleum Registrar

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Introduction

The purpose of these guidelines is to assist with statutory obligations that applicants will need to observe when preparing an application for a geothermal exploration permit. It also describes post application and post grant requirements and processes with respect to this title type.

Whilst these guidelines have been provided to assist applicants in their compliance with the *Geothermal Energy Act*, it is incumbent on the applicant to acquaint themselves with the provisions of the *Geothermal Energy Act* and all other laws of the Northern Territory as are applicable. Although these guidelines are here to assist you, in all cases the legislation prevails.

Purpose of Title

A geothermal exploration permit gives the holder the right to occupy the permit area and the exclusive right to conduct an approved exploration program for geothermal energy resources. For further information please refer to Sections 11 and 35 of the *Geothermal Energy Act*.

Pre-requisites

The common essential pre-requisites are:

- the land is available (see "Land Availability" section of these guidelines);
- a realistic exploration program is proposed;
- the applicants have the financial and technical resources to undertake their proposed program; and
- the applicants have complied with the *Geothermal Energy Act* in respect of making a valid application.

Assistance to fill in an Application Form

Part 1 - Particulars of Applicant

In this part of the form, all applicants are required to identify themselves. If there are more than four parties to the application, please use an attachment to identify further applicants.

- Full name of applicant
In case of individuals, please state the full name of each person. In the case of corporations, state the name of each corporation as shown on their latest Certificate of Incorporation.
- Principal or residential address of applicant
Please state each applicant's principal or residential address. This is the physical address at which documents will be served on each applicant.
- Postal Address
Please state postal address of each applicant.
- Australian Company Number (ACN)
This is the number described on the Certificate of Incorporation and issued by the Australian Securities and Investment Commission.
- Interest
All applicants are required to state their proposed interest in the permit in percent (not shares).

Part 2 - Particulars of Agent

An agent can be any one person or corporation, who has been nominated by the applicant/s to administer the subject application on behalf of the applicant/s. The Petroleum Registrar, with respect to the subject application, will address ALL correspondence to that Agent.

- Full name of Agent
State the full name of the Agent.
- Postal Address
This is the postal address of the Agent. This will be the 'care-of' address for the applicant/s that the Petroleum Registrar will use in communication with respect to the subject application.

Example: 'Reminder Letters', 'Offers of Grants' or 'Grant Documents' will be sent to this address, with respect to the subject application.
- Authorisation to Act as Agent
If the Agent is not the applicant, please provide a copy of authorisation to act as agent from each applicant. Such authorisations should be, in case of corporations, on company letterhead or, in case of individuals, signed by the applicant.

Part 3 - Particulars of Area

If you are unfamiliar with the 1' graticular block system, please read the "Graticular Blocks" section of these guidelines. Furthermore, please refer to the "Land Availability" and "Land Status" sections to determine what land can be applied for.

- Number of blocks
The maximum number of blocks that a geothermal exploration permit may be granted for is 2000.
- Written description of area
The written description must be on the GDA94 datum and can identify the application area by:
 - latitudes and longitudes; or
 - list of all affected blocks with the 'Block Identification Method'.

Please refer to the 'Written Description Methods' section of these guidelines. In addition, digital spatial information can be e-mailed to titles.info@nt.gov.au stating the geographical datum of the data.

- Map of application area
Each application must be accompanied by a map that indicates the area of land to which the application relates, including the boundaries of existing land holdings or geographical features. This map must be on the GDA94 datum and at a scale that clearly depicts the blocks that make up the application.

Such a map may be printed from the Titles Information System, which is the Division's online query system. For further information please contact us or log into www.minerals.nt.gov.au.

Part 4 – Technical Work Program and estimated expenditure

In this section you need to provide details of a realistic exploration program for the first 5 year term of the geothermal exploration permit. The majority of the proposed expenditure should be for work conducted in the field, and all other costs attributable to that work. Applicants should consider the following items in determining their program and expenditure:

- | | |
|---|----------------------------|
| - Data research and Interpretation; | - Analytical Testing; |
| - Geochemical Sampling; | - Labour Costs; |
| - Drilling (Auger, Vacuum, RAB, RC, Diamond); | - Camp Maintenance; |
| - Geophysical Survey; | - Fuel and Other Expenses; |
| - Consultancies; | - Administration; |
| | - Other (specify). |

A brief summary of the applicant's exploration philosophy and models to be tested will assist in the assessment of the applicant's proposals.

Note: Not all items need to be included in a proposed program, but expenditure needs to be specified for each component that is included. Departmental fees such as rents are **not considered an allowable expenditure**.

Part 5 - Details of financial resources to fund proposals

Applicants need to substantiate that they have the financial resources to fund the proposed program for the first 5 year term of the geothermal exploration permit. Other exploration interests and commitments will be taken into account for this assessment.

- Companies may lodge excerpts from their Annual or Quarterly Reports containing financial details.
- Individuals may obtain a letter from their bank giving some indication as to their financial position (exact funds held not required – just an indication that there are adequate funds to undertake the proposed program).
- Company or Private Accountant verification on letterhead of available funds.

Part 6 - Details of technical qualifications/expertise or experience and technical advice

Applicants need to substantiate that they have the technical qualifications, or have ready access to technical advice to ensure the proposed program can be undertaken.

Applicants should detail the names and credentials of the individuals or consultants that will be engaged.

Part 7 - Fees

On lodgement of a geothermal exploration permit application, an application fee of **\$5,000.00** applies. This fee is non refundable should the application be withdrawn. Please note that applications received without correct payment cannot be accepted.

Part 8 - Payment methods

Acceptable payment methods

- Personal cheques or Money Orders
are payable to the Receiver of Territory Monies and must accompany the application.
- Visa or Master card
requires written authorisation either on the application form or in a covering letter accompanying the application.
- Direct debit
to the Department's account can be arranged by contacting the Minerals and Energy Titles Division and obtaining the Department's account number.
- EFTPOS
is only available for applications that are lodged in person.
- Cash
payment is only available for applications that are lodged in person.

Part 9 - Signatures of applicants

Applications will not be accepted without the signatures of the applicants' or the Agent (with the appropriate approval of the applicant). Exceptions to this are e-mailed applications.

Land Status

There are 3 main categories of land tenure, which determine the grant process of an application:

- Freehold Land;
- Aboriginal Freehold Land; and
- Native Title Affected Land.

It is a policy of the Department to split applications that are/may be over more than one type of land tenure. However, Freehold land and Native Title affected land can be grouped in one application.

Section 36 of the *Geothermal Energy Act* states:

- (1) *If an application area is within Aboriginal land, the Minister must not decide the geothermal authority application unless satisfied the applicant has obtained the permit, consent or agreement required under the ALRA for the applicant to conduct the geothermal activities to which the application relates.*
- (2) *If a geothermal authority application is for the grant or renewal of a geothermal authority, and the Minister is satisfied the grant or renewal will be a future act in relation to any of the application area, the Minister must not decide the application unless satisfied all procedures under the NTA relevant to the future act have been followed.*

Freehold Land

Freehold land title, sometimes referred to as a Grant in Fee Simple or Estate in Fee Simple, means that the Crown (or Government) has passed all interest in the land, other than resources, onto the owner. An example of freehold land is the average house block in a city or town.

Northern Territory National Parks

Geothermal exploration permits may be granted over Northern Territory National Parks subject to stringent conditions agreed to between the Department of Resources and the Department of Infrastructure, Planning and Environment.

Telecommunication Sites and Defence Facilities

It is the practice of the Department to exclude any Telecommunication Sites or Commonwealth Land from the grant of a geothermal exploration permit.

Note: Applications that cover both Aboriginal Freehold land and land that may be affected by Native Title cannot be accepted. Applicants will be requested to split such applications into single landforms to allow processing under the appropriate Act.

Land Availability

Current Title Maps

The Department maintains an electronic spatial database for the recording and maintenance of Geothermal Energy Title information. The Title Information System (TIS) provides an online public access to this database. The Title Information System depicts areas currently held or sought by explorers and those which are reserved from exploration.

In order to determine areas that are available or that are likely to become available, through The Title Information System a web browser (like Internet Explorer) a dynamic map of the Territory can be viewed and current information printed.

Registered users can access queries and textual information on all current titles. Registration is free and application forms can be printed from:

www.minerals.nt.gov.au

For further information or assistance please contact us by either of the methods described on the first page of these guidelines.

Conflicting Tenure

In addition to the above restrictions, geothermal exploration permit applications cannot be made over land that is currently the subject of a Reservation of Blocks under Section 6 of the *Geothermal Energy Act*.

Graticular Blocks – Discrete Areas

Graticular Blocks

For the purposes of the *Geothermal Energy Act*, the Territory is divided:

- (a) by the meridian of longitude 129 degrees east and each meridian of longitude east of it, with a distance of 1 minute between each of the meridians; and
- (b) by the parallel of latitude 26 degrees south, and each parallel of latitude north of it, with a distance of 1 minute between each of the parallels,” – Sec 5(1) *Geothermal Energy Act*.

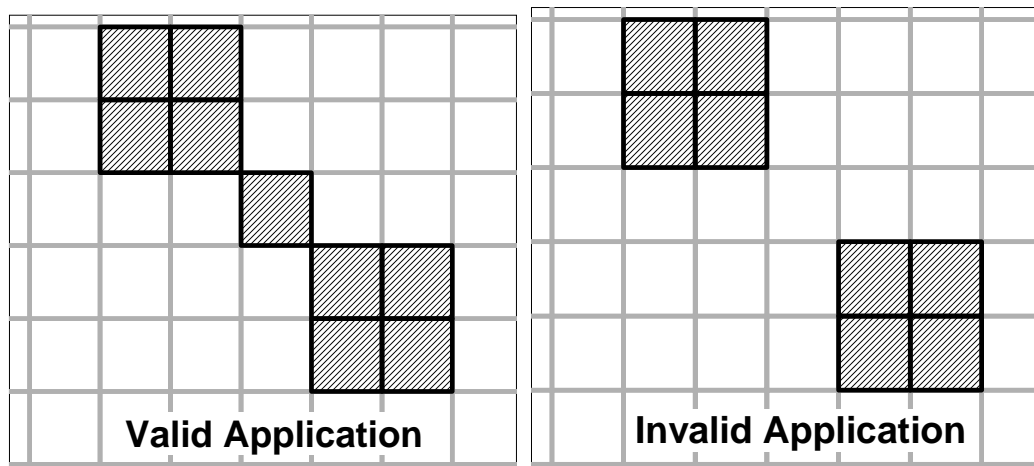
The average size of these graticular blocks is approximately 3.22 square kilometres.

Annual rent for the first year of a Geothermal Exploration permit is calculated at \$20/graticular block or part of a block.

Discrete Areas

An application can only be made over one (1) discrete area.

A discrete area can be a single block, or a number of blocks that are joined by a side or a point. Applications made over two (2) or more discrete areas cannot be accepted.



Written description methods

Shall it be necessary to exclude certain cadastral land parcels from the application area; a note to that effect can be made at the end of the written description. Therefore there is no need to describe the irregular shapes of cadastral parcels.

Latitude and Longitude

The most popular and preferred method to describe geothermal exploration permits is to identify each corner of the application area by a coordinate pair. Coordinates must be on the **GDA94** datum.

Written description by coordinates		
Point 1.	14° 19'	132° 27'
Point 2.	14° 25'	132° 27'
Point 3.	14° 25'	132° 32'
Point 4.	14° 30'	132° 32'
Point 5.	14° 30'	132° 22'
Point 6.	14° 19'	132° 22'

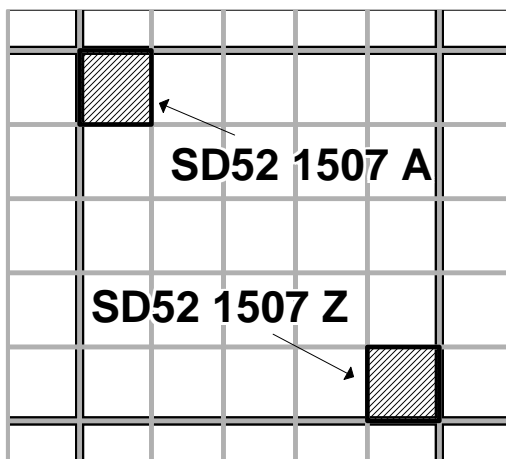
Example of map.

Block Identification Method

The Block Identification Method (BIM) is based on the 1:1,000,000 national mapping series (**SD52 Darwin**).

Each map is divided into 5 minute by 5 minute blocks. There are 3456 five-minute blocks (numbered 1 to 3456) on each 1:1,000,000 map sheet.

Since a graticular block is 1 minute by 1 minute, the above mentioned five-minute blocks were further divided into graticular blocks called **sub-blocks**. Each of these sub-blocks is identified by a letter of the alphabet, excluding the letter "i". Therefore the reference "**SD52 1507 A**" identifies sub-block "A" on the 1507th block of the SD52 map.



Sub-blocks are hatched.

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Priority for Consideration of Applications

The following applies:

- (1) If applications are received on different days, the Minister must consider the applications in the order in which they are received;
- (2) If applications are received on the same day, the Minister must decide which application has the greatest merit to be given priority of consideration.

Factors taken into account include:

- valid application;
- the proposed exploration program;
- the technical expertise available, and
- the financial resources available

Post Application Requirements

Unauthorised Activity

Exploration must not take place over an area under application.

Advertising

As soon as practicable after the application is received, the Department will arrange to have a notice of the application published in the appropriate newspaper and Gazette at the expense of the applicant/s. An invoice will be forwarded to the applicant/s following advertising.

Notification of Determination

Successful Applications

The applicants of successful applications will be notified of the Department's intention to grant the geothermal exploration permit by an "Offer of Grant" letter.

Unsuccessful Applications

Shall an application be found unsuccessful; a letter of refusal will be sent to the applicant/s. Please note that the application fees are not refundable.

Post Grant Requirements

Permit Conditions

Before undertaking any activity, the holder of a geothermal exploration permit should read and fully understand the conditions attached to the permit and the statutory provisions under the *Geothermal Energy Act* and *Regulations*.

The conditions applicable to each geothermal exploration permit may vary to those applying to a previous permit. Upon receipt of a notification of the grant of a geothermal exploration permit, the assumption must not be made by the holder of the geothermal exploration permit that the conditions will be identical to those of a previous permit.

Refer to Section 41 of the *Geothermal Energy Act* for information on the powers and exclusive rights of the geothermal exploration permit holder.

Sacred Sites

Holders of geothermal exploration permits should be familiar with the provisions of the *Northern Territory Aboriginal Sacred Sites Act*. Advice on that Act is available from the Aboriginal Areas Protection Authority:

1st Floor T.I.I. Building
74 Cavenagh St, Darwin, NT
Phone: (08) 8981 4700
Fax: (08) 8981 4169

Renewal

A permit holder may apply under Section 18 of the *Geothermal Energy Act* to renew an exploration permit. Exploration permits may be renewed for 2 periods of 5 years, Section 20 of the *Geothermal Energy Act*. A permittee may apply for renewal no earlier than 6 months, and no later than 3 months before the end of the exploration permit.

Where an application for renewal is not determined until after the date of expiry of the previous term of the exploration permit, by virtue of Section 40 of the *Geothermal Energy Act*, the exploration permit is deemed to continue in force until the application for renewal is determined.

Please note that the Minister may vary or add to the exploration permit conditions and has the discretion to grant the renewal over all or part of the exploration permit area.

The following is required to be submitted in support of the renewal application:

- full details of the reasons for seeking the renewal;
- comprehensive report of exploration activities carried out during the term of the exploration permit including details of work completed and results generated;
- comprehensive work program for the renewal period with itemised expenditure; and
- any other reasons that the applicant feels would justify the renewal of the exploration permit.

Fees

The following fees are required at the time of lodgement of the renewal application:

Renewal Application Fee	\$5,000.00
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Please note that renewal application without the correct payment cannot be accepted.

Disclaimer

Whilst these guidelines have been provided to assist applicants in their compliance with the *Geothermal Energy Act*, it is incumbent on the applicant to acquaint themselves with the provisions of the *Geothermal Energy Act* and all other laws of the Northern Territory as are applicable. The Minister may grant a permit in respect of all or part of the land over which an application is made. Fees are subject to change.