



# Ngadju Native Title Aboriginal Corporation RNTBC

Under special administration

ICN 8297 | ABN 40 829 460 147

Level 8, 225 St Georges Terrace, Perth WA 6000 | GPO Box 2710, Cloisters Square PO, Perth WA 6850  
Phone: (08) 9462 3500 | Fax: (08) 9462 3555 | Web: nntac.org.au | Email: reception@nntac.org.au

## NEWSLETTER

Issue 2, January 2020

### Dear members and other interested people,

Our names are Jack James and Paula Smith and we are from Palisade Business Consulting in Perth. On 11 November 2019, the Registrar of Indigenous Corporations appointed us special administrators of Ngadju Native Title Aboriginal Corporation RNTBC (Ngadju).

This is our second newsletter. All newsletters and meeting notices will be available on the public Register of Indigenous Corporations at [oric.gov.au](http://oric.gov.au)—use the 'Find a corporation' tool, search using Ngadju Native Title. Then follow the link to 'documents'.

### PROGRESS OF SPECIAL ADMINISTRATION

We are now well advanced in stage 2 of the special administration, which is aiming to restore good operational order.

ACTION	STATUS
1 Take control of the assets, including bank accounts; build a complete picture of issues and challenges; and establish a clear plan of action.	Complete
2 Restore good operational order.	In progress
3 Prepare the corporation for return to members' control.	Pending

### INFORMATION MEETINGS AND 2019 ANNUAL GENERAL MEETING

We will be holding our second round of information meetings and the 2019 AGM in the last week of February 2020. Because the membership is large and spread over a large geographical area, we will hold the meetings in three locations as follows:

MEETING	DATE	TIME	VENUE
Information meeting	Monday 24 February	5pm	Holiday Inn 778/788 Hay St, <b>Perth</b>
Information meeting	Tuesday 25 February	12 noon	Quality Inn Railway Motel 51 Forrest St, <b>Kalgoorlie</b>
AGM	Wednesday 26 February	12 noon	Norseman Town Hall 88/92 Prinsep St, <b>Norseman</b>

Kevin Vu, a manager from the Office of the Registrar of Indigenous Corporations will attend the meetings and answer any questions you may have. See the attached notices for the meetings and their agendas.

### WHO CAN ATTEND

#### Information meetings

Information meetings are open to all members and other interested parties—except for media. Come along to hear from the special administrators about their current work and to ask questions.

#### 2019 AGM

The AGM is open to all corporation members to attend. As the meeting is for members, observers can only attend if members agree. Media are not allowed to attend.

## MEETING ATTENDANCE FEES & TRAVEL ALLOWANCES

The corporation AGM and the trust GM are being held on consecutive days—  
Corporation 2019 AGM on Wednesday, 26 January and the Trust GM on Thursday, 27 January.

Attendance fees will **not** be paid for the meetings.

Abbott Trustee Services (Abbotts), the trustee of the Ngadju Peoples Charitable Trust No 2 (the trust) have agreed to pay the following:

- accommodation allowance at the ATO rate of \$114 per night. If members attend both meetings they will receive a payment of \$228 to cover two nights of accommodation. If members attend only one of the meetings they will receive \$114.
- meal allowance is at the ATO rate for dinners of \$49.60 per night. If members attend both meetings they will receive a payment of \$99.20 for two dinners. If members attend only one of the meetings they will receive \$49.60.
- payments will be processed on Friday 28 February.

Other meals being provided to attendees:

- Lunch will be provided to attendees at the corporation's AGM at 11am before the meeting starts at 12 noon
- Breakfast and lunch will be provided to attendees at the Trust GM.

## OPERATIONAL MATTERS

### APPOINTMENT OF INTERIM CEO

Quenten Jackson has been appointed as interim CEO following the departure of Sarina Jan.



Quenten is a Gunditjmara man from Western Victoria and has held various senior executive, academic and board appointments during a distinguished career spanning over 30 years.

Most recently, Quenten acted as interim CEO for Yinhawangka Aboriginal Corporation RNTBC based in Paraburdoo WA and Biripi Aboriginal Medical Service based in Taree NSW. Both of these appointments were during the special administration of the corporations.

Quenten is an Associate Fellow Australasian College of Health Services Management and holds a Masters Degree in Tropical Health from the University of Queensland. He is a founding director of the Geelong and District Aboriginal Cooperative now known as the very successful Wathaurong Aboriginal Corporation Health Service. Quenten also holds formal qualifications in workplace training and alternative dispute resolution.

Key achievements include writing the first Qld Health Department Aboriginal and Torres Strait Islander Health Policy; conducting the world's first study into the obstetric care of HIV positive women; and writing a substantial part of a Queensland Government Cabinet report into family violence in Queensland Aboriginal communities, known as the 'Robertson Report'.

## STAFFING

At this stage, we have not made any changes to the current staffing at the corporation. As part of the special administration, the staffing structure (and other operational matters) will be reviewed.

### ABBOTT TRUSTEE SERVICES

As you would know, Abbotts are the trustee of the trust. The trust operates independently of NNTAC and has its own advisory committee.

The trust provides funding to NNTAC to assist with meeting its operational costs. The funding that is provided is based on a budget as prepared by NNTAC and approved by Abbotts and the advisory committee.

Since our appointment, we have had regular contact with Abbotts regarding funding of NNTAC, assistance for members and other operational matters.

We have established a good working relationship with Abbotts and are grateful for their ongoing assistance.

We continue to review the budget for the remainder of this financial year and, in the coming months, will work on the budget for the next financial year. We will discuss both of these with Abbotts.

### HERITAGE SERVICES

We are currently reviewing the heritage services undertaken by Ngadju to improve its operations and procedures. We will issue a separate update to all members once this review has been completed.

## MINCOR RESOURCES LIMITED (MINCOR) – SUPPLEMENTARY AGREEMENT

### BACKGROUND

In June 2011 a deferred production agreement (DPA) was signed between the Ngadju People and Jupiter Mines Limited. The DPA was in respect of four mining leases—M15/1457, M15/1458, M15/1459 and M15/1476.

In 2012, Mincor purchased the above mining tenements (leases) from Jupiter Mines Limited. Mincor propose to mine for nickel/copper/cobalt.

The DPA sets financial compensation but leaves other matters for future negotiation. Part of the financial compensation is royalties as follows:

- Gold production:

Average Gold Price	Rate (%)
Nil to \$1,000	0.675
\$1,001 to \$1,400	0.75
\$1,401 to \$1,600	0.875
\$1,601 and above	1.00

- Other minerals:

50% of the WA Government royalty rate (the current rate for nickel/copper/cobalt is 2.5%)

### CURRENT STATUS

The DPA says that if Mincor intends to start mining operations it shall negotiate in good faith various matters, including:

- environmental and Aboriginal heritage protection
- Aboriginal cultural awareness
- enterprise opportunities
- Aboriginal employment and training
- land access.

Mincor are rapidly advancing the development of a new mine at Cassini (M15/1457). Mincor has met with the corporation's Native Title Negotiation committee a number of times since mid-2019 to negotiate the above matters via a supplementary deed (an extra deed).

The result of these negotiations is that the negotiation committee has resolved to accept the supplementary deed. This means we can now sign it.

The supplementary deed includes the following benefits for Ngadju People (in addition to the agreed royalty):

1. an execution payment of \$50,000
2. a heritage protection regime consistent with Ngadju's preferred heritage protection agreement
3. a scholarship fund of \$15,000 per year
4. a commitment to at least 3% Ngadju employment in the workforce on these operations within 2 years
5. preferential treatment for contract tendering
6. representation on an implementation committee (three representatives of the Ngadju People and three representatives of the company).

Castledine Gregory (NNTAC's native title lawyers) have advised that we do not need to get the approval of common law holders to execute (sign) the supplementary deed because the extra deed does not constitute a 'native title decision'. The native title decision was already made when the DPA was executed. However, we think its important to discuss the supplementary deed with members at the upcoming information meetings and AGM to get their feedback.

Mark Gregory from Castledine Gregory will be attending the information meetings and AGM and will be able to explain the terms of the supplementary deed in more detail and answer questions.

## MONEY STORY

A summary of Ngadju's recent financial information is set out below.

<b>BALANCE SHEET</b> (STATEMENT OF FINANCIAL POSITION)			
<b>Assets and liabilities</b>	<b>30 Jun 2018</b> (audited)	<b>30 Jun 2019</b> (audited)	<b>31 Dec 2019</b> (unaudited)
<b>Assets</b>			
Current assets	835,857	1,912,778	2,093,878
Non-current assets	544,672	395,051	359,207
<b>Total assets</b>	<b>1,380,529</b>	<b>2,307,829</b>	<b>2,453,085</b>
<i>less</i>			
<b>Liabilities</b>			
Current liabilities	466,744	532,692	696,196
Non-current liabilities	-	-	-
<b>Total liabilities</b>	<b>466,744</b>	<b>532,692</b>	<b>696,196</b>
<b>EQUITY</b>	<b>913,785</b>	<b>1,775,137</b>	<b>1,756,889</b>

We make the following comments about the money story.

### HISTORICAL PRESCRIBED BODY CORPORATE FUNDS

These are funds transferred from Goldfields Land & Sea Council Aboriginal Corporation (GLSC). At a meeting on 3 February 2016 at the Norseman Town Hall the Ngadju people agreed that certain funds held by GLSC would be transferred to the corporation. As a result, in March 2019 approximately \$1,299,092 was transferred into a Ngadju corporation bank account.

These funds have not been used. As at 31 December 2019, the amount was \$1,301,030.60 which includes interest earned since the funds were received.

Our investigations into the purposes for which these funds may be used are continuing. It seems likely that we will need to seek the approval of the native title holders as to how the funds can be used. We will provide further information once our investigations are complete.

### FINANCIAL POSITION AND PERFORMANCE

The corporation incurred a deficit of \$19,916 for the six months ending 31 December 2019. We are continuing to review the finances of Ngadju to identify cost reductions.

### 2019 AUDITED FINANCIAL STATEMENTS

Before we were appointed the audit of the 2019 financial statements was mostly completed but the board had not formally approved the financial statements.

We are currently working with the auditor to finalise those statements. We plan to issue them in the next week or two. They will be made available on the Ngadju website.

<b>INCOME STATEMENT</b> (STATEMENT OF FINANCIAL PERFORMANCE)			
<b>Income and expenses</b>	<b>30 Jun 2018</b> (audited)	<b>30 Jun 2019</b> (audited)	<b>31 Dec 2019</b> (unaudited)
<b>Income</b>			
PBC administration funding	733,807	1,550,000	775,000
Heritage services	499,640	632,070	438,318
GLSC funds	-	1,541,218	-
Mining agreement income	1,091,374	1,124,609	285,558
Grants and contributions	-	118,000	36,677
Reimbursement income	222,539	235,741	86,708
Other income	199,718	26,169	4,693
<b>Total income</b>	<b>2,747,078</b>	<b>5,227,807</b>	<b>1,626,954</b>
<i>less</i>			
<b>Expenses</b>			
Accounting	54,910	46,775	42,115
Auditors	7,700	13,738	12,300
IT expenses	36,424	39,367	20,671
Consultants	365,840	456,073	28,956
Depreciation	34,395	74,263	30,829
Directors fees	276,221	487,877	141,935
Employee expenses	626,196	1,091,935	418,445
Heritage costs	510,517	867,135	344,891
Genealogy	-	22,400	-
Insurance	17,296	31,669	17,111
Interest and finance	3,086	1,823	-
Law and culture	8,653	-	-
Legal	498,183	523,045	236,556
Meetings	48,823	28,703	103,746
Member services	82,623	28,418	-
Motor vehicles	4,144	24,402	16,591
Office	65,112	116,849	79,494
Programs	-	21,816	37,275
Recruitment	3,420	42,069	7,852
Travel & accommodation	164,287	193,390	102,085
Other	190,014	249,706	6,078
<b>Total expenses</b>	<b>2,997,844</b>	<b>4,366,455</b>	<b>1,646,930</b>
<b>SURPLUS / (DEFICIT)</b>	<b>(250,766)</b>	<b>861,352</b>	<b>(19,976)</b>

## MAKING DECISIONS AT NGADJU

### SPECIAL ADMINISTRATORS' ADVISORY GROUP

We are pleased that many people expressed an interest in being a member of the advisory group. We reviewed the applications and have selected the following people to be members:

Name	Primary affiliation
Coralie Baumgarten	Flynn
Brian Champion	Belang
Verna Newchurch	Wilson/Nine
Leslie O'Neill	Graham
Stephen Rule	Rule
Valma Saunders	Belang
James Schultz (Snr)	Schultz
Valma Schultz	Wicker
Pearl Scott	Belang
Bronwyn Thompson	Dalgetty / Ray / Munroe
James Taylor	non-member
David Lanagan	non-member

We look forward to working with the advisory group and expect to have our first meeting with the advisory group in the coming weeks.

### NATIVE TITLE NEGOTIATION COMMITTEE

Before our appointment, a Native Title Negotiation Committee was formed. Its members are currently:

John Graham
Rick Dimer
Sheldon Graham
Laurence Thomas

two of the following four people:  
Trevor Donaldson, Bronwyn Thompson,  
David Graham and Eddie McKenzie.

We thank corporation members who expressed interest in being a member of the native title negotiation committee. We reviewed the applications and, on this occasion, have decided not to change the composition of the committee. This is because the current members have a good understanding of the native title matters which are

being negotiated and, in any event, only the traditional owners can make native title decisions at a meeting of the common law holders.

At this stage, we are aiming to convene a consultation meeting of Ngadju common law holders in April 2020 to discuss any proposed agreements and decide whether to accept them or seek further amendments. However, this will depend on the negotiations over the coming months.

## NEXT STEPS IN THE SPECIAL ADMINISTRATION

### OPERATIONS

Our next step is to review operations to see whether any changes need to be made. As part of this, we will (among other things):

- discuss ongoing funding with Abbotts
- review current arrangements for the providing heritage services—managed by Paperbark
- review the staffing structure
- review the budget for the rest of this financial year and prepare a budget for the next financial year
- review the purposes for which GLSC funds can be used and advise members
- start recruitment for a new CEO.

### RULE BOOK

Meet with the advisory group to begin working together to review the rule book.

### NATIVE TITLE MATTERS

The Native Title Negotiation Committee will continue to negotiate with the various mining companies. As already mentioned, we are aiming to hold a meeting of Ngadju common law holders in April 2020. The meeting will be to seek the consent of native title holders to enter into agreements.

### MORE INFORMATION

The Registrar has a fact sheet, Special Administrations: what members and directors need to know. You can find this and other fact sheets on corporate governance on the ORIC website: [oric.gov.au](http://oric.gov.au).

## SPECIAL ADMINISTRATORS



**Jack James and Paula Smith**

Palisade Business Consulting

Phone: (08) 9328 6262

Email: [jjames@pbconsult.com.au](mailto:jjames@pbconsult.com.au)  
[psmith@pbconsult.com.au](mailto:psmith@pbconsult.com.au)

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