



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—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, Perth |
| Information meeting | Tuesday 25 February | 12 noon | Quality Inn Railway Motel 51 Forrest St, Kalgoorlie |
| AGM | Wednesday 26 February | 12 noon | Norseman Town Hall 88/92 Prinsep St, Norseman |

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.

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

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.

| INCOME STATEMENT | | | |
|---|--------------------|--------------------|--------------------|
| (STATEMENT OF FINANCIAL PERFORMANCE) | | | |
| Income and expenses | 30 Jun 2018 | 30 Jun 2019 | 31 Dec 2019 |
| | (audited) | (audited) | (unaudited) |
| Income | | | |
| 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 |
| Total income | 2,747,078 | 5,227,807 | 1,626,954 |
| <i>less</i> | | | |
| Expenses | | | |
| 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 |
| Total expenses | 2,997,844 | 4,366,455 | 1,646,930 |
| SURPLUS / (DEFICIT) | (250,766) | 861,352 | (19,976) |

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.

SPECIAL ADMINISTRATORS



Jack James and Paula Smith

Palisade Business Consulting

Phone: (08) 9328 6262

Email: jjames@pbconsult.com.au
psmith@pbconsult.com.au

To find out more about special administrations visit oric.gov.au/special-admins or call 1800 622 431 (not free from mobiles)



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NOTICE OF INFORMATION MEETINGS

Members and other interested people are invited to an information meeting

On 11 November 2019, the Registrar of Indigenous Corporations appointed us as special administrators of Ngadju Native Title Aboriginal Corporation RNTBC.

We are holding our second round of information meetings so members and interested people have a chance to find out about the special administration, how it works and its current status. To respect the privacy of those attending, the media will be unable to attend.

Kevin Vu, acting manager, Regulation, Office of the Registrar of Indigenous Corporations, will be present and available to answer questions.

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 more fully and answer questions.

| MEETING | DATE | TIME | VENUE |
|---------------------|------------------------|---------|---|
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AGENDA

1. Update on the special administration
2. NNTAC's money story
3. Supplementary deed
4. Next steps in the special administration
5. Questions.

This is an opportunity for you to discuss the special administration and your corporation's future. Please come along.

Light refreshments will be served at the end of each meeting.

SPECIAL ADMINISTRATORS



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NOTICE OF ANNUAL GENERAL MEETING

All members are invited to an AGM on:

DATE: Wednesday, 26 February 2020

TIME: 12 noon

PLACE: Norseman Town Hall,
88/92 Princep Street,
NORSEMAN WA

AGENDA

1. Consideration of proxies
2. Report by special administrators
3. Report by chief executive officer
4. Presentation of audited financial statements for the years ended 30 June 2018 and 30 June 2019
5. Appointment and remuneration of auditor
6. Asking questions.

Kevin Vu from ORIC will attend and be available to answer any questions.

Mark Gregory from Castledine Gregory will also be present and available to answer questions about the supplementary deed.

PROXIES

The corporation's rule book allows proxy votes, but only if the corporation receives the proxy's appointment at least 48 hours before the meeting. A member cannot be a proxy for more than one member.

MEETING ATTENDANCE FEES & TRAVEL ALLOWANCES

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.
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- Breakfast and lunch will be provided to attendees at the Trust GM.

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APPOINTMENT OF PROXY FOR ANNUAL GENERAL MEETING

I, _____ *(full name of member)*

of _____ *(address of member)*

am a member of the corporation.

I appoint _____ *(full name of proxy)*

of _____ *(address of proxy)*

who is a member of Ngadju Native Title Aboriginal Corporation RNTBC as my proxy to vote for me on my behalf at the **annual general meeting** of the corporation to be held on **26 February 2020**, and at any adjournment of that meeting.

Signature of member appointing proxy: _____

Date: _____

Notes:

1. A proxy vote may not be given to a person who is not a member of the corporation.
2. No member may hold more than one proxies.
3. This form must be returned to jjames@pbconsult.com.au or psmith@pbconsult.com.au no later than 48 hours before the AGM.