



Australian Government
Indigenous Land Corporation

Head Office
Adelaide
ABN: 59 912 679 254
Freecall: 1800 818 490
Website: www.ilc.gov.au

17 July 2012

Yirra Badoo Aboriginal Corporation Land Trust
1/46 Koolinda Cres
KARAMA NT 0812

Attention: Mr Kelvin Costello

Dear Sir,

FREEDOM OF INFORMATION REQUEST

I refer to your letter and e-mail dated 25 June 2012 in which you sought access to copies of various documentation relating to YBACL and the property situated at 91A Kinnerley Rd Virginia NT, under the *Freedom of Information Act 1982 (Cth)* ("FOI Act").

I have identified the documents in the ILC's possession which fall within the scope of your request. These are described in the enclosed Schedule of Documents. Please note that I have granted access in full. The documents are enclosed.

Yours sincerely,

SAILESH RAI
FOI Officer

Enclosures

1. Schedule of Documents
2. Documents described in the Schedule of Documents

Adelaide Office
GPO Box 652
Adelaide SA 5001
Ph: (08) 8100 7100
Fax: (08) 8100 7171

Canberra Office
PO Box 586
Curtin ACT 2605
Ph: (02) 6269 2500
Fax: (02) 6285 4300

Brisbane Office
GPO Box 5212
Brisbane QLD 4001
Ph: (07) 3854 4600
Fax: (07) 3854 4666

Perth Office
PO Box 7502
Cloisters Square
Perth WA 6850
Ph: (08) 9420 6300
Fax: (08) 9324 2225

SCHEDULE OF DOCUMENTS

Date	Document	From	To
30/6/98	Board Land Acquisition Decision		
9/2/99	Letter	ILC	YBACLT
13/10/99	Deed of Grant of Land		
13/10/99	Letter	YBACLT	ILC
14/10/99	Letter	YBACLT	ILC
18/10/99	Letter	ILC	YBACLT
15/11/99	Email	Australian Government Solicitor	ILC
23/11/99	Fax	ILC	YBACLT
18/8/00	Letter	Australian Government Solicitor	ILC
4/7/01	Letter	YBACLT	ILC
7/8/01	Letter	ILC	YBACLT
3/5/02	Fax	YBACLT	ILC
3/5/02	Fax	YBACLT	ILC
21/8/02	Letter	YBACLT	To whom it may concern
22/8/02	Fax	YBACLT	ILC
16/8/02	Fax	YBACLT	ILC
21/8/02	Fax	YBACLT	ILC
9/9/02	Letter	ILC	YBACLT
2/10/02	Letter	ILC	YBACLT
31/1/03	Letter	YBACLT	ILC
5/2/03	Letter	ILC	YBACLT
12/2/03	Fax	YBACLT	ILC
4/2/04	Letter	ILC	YBACLT
15/6/04	Letter	ILC	YBACLT
22/9/09	Letter	ILC	YBACLT

COPY



INDIGENOUS LAND CORPORATION

Commercial in Confidence
BOARD LAND ACQUISITION DECISION

Decision No 133

BOARD MEETING No 27
PROPOSAL No 98/341
BY Yirra Badoo Aboriginal Corporation
FOR Virginia Prawns

THE BOARD OF DIRECTORS OF THE INDIGENOUS LAND CORPORATION:

1. Notes Land Acquisition Proposal No 341 in relation to the proposed purchase of Virginia Prawns ("the property");
2. Recognises the attachment of the proposed owners of the property and the cultural significance of the property as described in Proposal No 341, having due regard to the National Indigenous Land Strategy and the Regional Indigenous Land Strategy for the Northern Territory;
3. Directs the General Manager of the ILC to negotiate the acquisition of Virginia Prawns including plant and equipment with the Standard Conditions relating to land acquisition under Section 191D(1)(b) of the *Aboriginal and Torres Strait Islander Commission Act 1989* ("the Act") for the purpose of granting the land to an Aboriginal Corporation ("the title holding body") under Section 191D(1)(a) of the Act, to a maximum of valuation plus 10%.
4. Agrees that the ILC shall, pursuant to Section 191 E (1) of the Act, meet the cost of immediate land management requirements in relation to urgent repairs and maintenance to secure fencing, gates and structures to a maximum of \$25,000.
5. Agrees that the ILC shall, pursuant to Section 191E(1) of the Act, meet the cost of Crown rents, rates, taxes and other statutory outgoings relating to the

29/11
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properties for a period of one year only starting from the date they are purchased by the ILC;

The purchase of the land and the chattels is subject to the following:

- 6. The "Standard Conditions Relating to Land Acquisition" contained in the "ILC Guidelines";
- 7. The following special conditions:
 - (a) the provision by the proponent of a written undertaking not to disclose any information regarding dealings between the proponent and the ILC to any third party prior to the completion of the sale without the prior approval of the General Manager of the ILC.
 - (b) the ILC provide assistance for the proponent group to access ATSIC and OAD business programmes as required.
- 8. The ILC, by consultation between its General Manager and its Chairman, reserves the right to vary or add to the terms and conditions to apply to the purchase of the property as it thinks fit, but such varied or additional conditions shall not be inconsistent with or derogate from the terms and conditions set out above.

The Grant of Land

9. Authorises the General Manager to take all necessary steps to effect the grant of land upon him being satisfied that the grant complies with the conditions, if any, set by the Board.

Deputy Chair
MOVED, Director
Ju

Penny
.....

Date: 30/6/98

SIGNED, David Ross, Chairman:

[Signature]
.....

Date: 30/6/98



INDIGENOUS LAND CORPORATION

A 341

9 February 1999

The Chairperson
Yirra Bandoo Land Trust
GPO Box 4089
DARWIN
NT 0801

Dear Sir / *Madam*

Grant of Land: 'Virginia Prawns' from Indigenous Land Corporation ('ILC') to Yirra Bandoo Land Trust

I am setting out in this letter information concerning the requirements of the ILC in relation to the grant of **Lot 3 (91A) Kinnerley Rd, Virginia, Northern Territory** to an Aboriginal Corporation, formed to represent the traditional owners and the conditions that will apply to the grant.

The ILC asks that the final page of this letter be signed as acknowledgment that the Grantee accepts the conditions as outlined.

This letter should be read in conjunction with the Deed of Grant attached. Any concerns in relation to this letter or the Deed of Grant should be raised with the ILC.

Upon the Grantee determining it accepts the conditions of Grant it should provide the ILC with its resolution to that effect and sign this letter and execute the Deed of Grant under its common seal.

Land the subject of the grant

The parcel of land being Lot 3 in LTO Plan 68/2, Hundred of Strangeways and being the whole of the land comprised in Certificate of Title, Register Book, Volume 489, Folio 185.

Date of Grant by the ILC

The Deed of Grant specifies a transfer date **22 October 1999**. To take advantage of the exemption from stamp duty imposed on the grant of the land, the Grant needs to take place by that date.

ILC Requirements

HEAD OFFICE
GPO Box 652
Adelaide SA 5001
Ph: (08) 8407 5900
Fax: (08) 8212 7264
Email: ileinfo@ilc.gov.au

CENTRAL
(SA, VIC, TAS, NT)
GPO Box 652
Adelaide SA 5001
Ph: (08) 8407 5900
Fax: (08) 8212 7264

EASTERN
(QLD, NSW, ACT)
PO Box 217, Albert St
Brisbane Qld 4002
Ph: (07) 3270 3750
Fax: (07) 3270 3777

WESTERN
(WA)
PO Box 7502, Cloisters Sq.
Perth WA 6850
Ph: (08) 9360 4300
Fax: (08) 9372 3225

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1. The ILC agreed to acquire the Land because it was satisfied that the assessment criteria for Land Acquisition had been met. In particular the ILC was satisfied the Land is of cultural significance to the Yirra Badoo clan of the Larrakia people and that the Land will go some way towards meeting the Land needs of those people.
2. It was a condition of acquisition that a title holding body be set up comprised of persons who qualify as 'traditional owners' under the ILC's criteria. Membership of the title holding body will need to comply with the ILC requirement.
3. The ILC is only able to grant land to an Aboriginal and Torres Strait Islander corporation as defined in the ATSIC Act.
4. The title to the Land will be held in perpetuity by the Grantee organisation but it is not inalienable. That is, s.191S ATSIC Act only renders void a disposal of the Land by a grantee and has no application in respect of valid legal action taken by other persons. For that reason you should seek professional advice about the advantages of having commercial activities taking place on the land undertaken by another body.
5. The ILC is under no obligation to pay for any debts incurred as a result of activities that will be undertaken on the Land. From the date of grant the Grantee will have the same rights and responsibilities as a private owner of land and will be responsible for the payment of all rates, taxes and charges associated with the Land.
6. The insurance coverage of the ILC will be discontinued on 22 October 1999. From that date the land will be at the risk of the Grantee. You should start making insurance arrangements now to ensure you have coverage for the land from the date of grant.
7. The ILC is under no obligation to approve land management funding in relation to the Land but the ILC will consider any proposals for land management assistance within its land management policies and strategies.

Conditions Under the ATSIC Act

8. The ILC must give prior approval to any sale, gift or assignment of all or part of the Land. If the Grantee attempts to dispose of the Land without the prior approval of the ILC, the disposal will be of no effect and the ILC will be entitled to take Court action to cancel the disposal.
9. The ILC must give prior approval for the Grantee to mortgage, use as security or encumber all or part of the Land or place at risk its sole title to the Land. If the Grantee attempts to mortgage, use as security or encumber the Land without the prior approval of the ILC then such a charge over the Land will be of no effect and the ILC will be entitled to take Court action to cancel the charge.
10. The Grantee should seek ILC approval if it wishes to dispose of the Land. It is proposed in the near future to amend the ATSIC Act so that the ILC's consent will be required for the disposal of part of an interest in ILC funded property as well as

the whole of an interest. If that proposed amendment becomes law the Grantee will need to obtain the prior consent of the ILC prior to entering into any new agreement to lease or assign part of the Land.

11. The ATSI Act (s.191SA) allows the ILC to lodge a caveat over the land. This caveat will act as an alarm bell to persons searching the title that the Land cannot be dealt with without the permission of the ILC.
12. If at sometime in the future the Grantee no longer needs or wants the Land, it may be returned to the ILC, or to another party but only with the prior approval of the ILC. If the ILC accepts the returned Land or agrees that it may be transferred to another party it will not pay for that land but it may consider reimbursing the organisation for the cost of any improvements to the Land.
13. The ILC has taken all reasonable steps to ensure that the Land being granted is free of conditions which might effect the long-term use and enjoyment of the Land but the ILC cannot promise that the Land is free from defect or that it will be suitable for the Grantee's intended uses.

Conclusion

When you have considered the conditions and requirements outlined in this letter, you are asked to sign in the space provided and return this letter to the ILC, a copy of a resolution of the Association authorising acceptance and execution of the Deed of Grant and 2 copies of the Deed of Grant. On execution by the ILC a copy of the Grant will be returned for your records.

Your Acknowledgment will inform the ILC that your organisation understands and accepts the conditions and responsibilities associated with being granted the Land.

Please contact Robyn Bishop on 8407 5920 if you have any queries or wish to raise any concerns regarding the Deed of Grant or the conditions in this letter.

Yours sincerely



Len Owen
Divisional Manager – Central Division

Acknowledgement

YIRRA BANDOO LAND TRUST has considered: the conditions and requirements as set out in this letter and the Deed of Grant.

YIRRA BANDOO LAND TRUST hereby confirms it understands and accepts the conditions and requirements as described.

The COMMON SEAL OF)
YIRRA BANDOO LAND TRUST)
was hereby affixed in accordance with its)
Articles of Association in the presence of)
)
)
.....)
signature of Witness)
)
.....)
signature of Witness)

BETWEEN THE
INDIGENOUS LAND CORPORATION
AND
Yirra Bandoo Land Trust

GRANT OF LAND

Table of Contents

1. Interpretation
2. Grant of land
3. Use of the land
4. Surrender of land
5. Encumbrances
6. Costs Associated with Holding the Land
7. Representations as to State of the Land
8. Compliance with Law
9. Governing Law

THIS DEED is made this day of 1999

BETWEEN THE

INDIGENOUS LAND CORPORATION

(in this Agreement referred to as "the ILC") of the first part

AND

YIRRA BANDOO LAND TRUST

(in this Agreement referred to as "the Association") of the second part.

WHEREAS

- A Section 191D(1) of the Aboriginal and Torres Strait Islander Commission Act 1989(as amended) provides that the ILC may acquire by agreement interests in land for the purpose of granting an interest in the land to an Aboriginal corporation.
- B The ILC has acquired the Land as described in this Agreement after being satisfied that a land proposal submitted to the ILC met the ILC criteria for the acquisition of land.
- C The ILC wishes to grant its interest in the Land to the Association, in accordance with and subject to the terms of this Deed.
- D Consistent with the recognition by the ILC of the prior occupation of Australia by indigenous persons and the cultural significance of the land to Yirra Bandoo people only adult aboriginal persons of Larrakia descent who according to traditional law and custom are traditional land owners are entitled to membership of the Association.

IT IS HEREBY AGREED AS FOLLOWS:

1. INTERPRETATION

1.1 In this Deed-

'Aboriginal' means a person who is a member of the Aboriginal race of Australia

'Aboriginal tradition' means the body of traditions, observances, customs and beliefs of Aboriginal people and communities.

'Act' means the *Aboriginal and Torres Strait Islander Commission Act 1989* as amended

'Deed' means this Deed of Grant of Land and any documents to which reference is made herein;

'Association' means the Yirra Bandoo Land Trust

'charge' means a charge created in any way and includes a mortgage and an agreement to give or execute a charge or mortgage, whether upon demand or otherwise.

'contract' means the contract entered into between the ILC and Biomanagement Systems Pty Ltd. in respect of the Land, the conditions of which have been disclosed by the ILC to the Association and so acknowledged as being disclosed by the Association;

'Grant' means the grant of the ILC's interest in the land provided by the ILC to the Association pursuant to clause 2.1 of this Deed;

'Land' means the land situated at Lot 3 in LTO Plan 68/2, Hundred of Strangeways and being the whole of the land comprised in certificate of Title, Register Book, Volume 489, Folio 185.

'Rates and Taxes' means rates, taxes, charges, duties, costs, contributions to capital works of any government or of any governmental, municipal, semi-governmental, statutory or other public authority, corporation or department, assessed, charged or imposed on the land or on the lessor in respect of the land.

'Transfer date' means 22 October 1999 or such other date as may be agreed by the parties.

1.2 In this Agreement -

- (a) words in the singular include the plural and vice versa;
- (b) clause headings in this Agreement are for convenient reference only and have no effect on its construction, interpretation or meaning;

2. GRANT OF THE LAND

2.1 The ILC shall Grant its interest in the Land to the Association by transferring its interest in the Land to the Association on the Transfer date. On the Transfer date the ILC shall hand to the Association a transfer in registrable form subject to the Transfer being stamped and executed by the Association.

2.2 The Grant shall continue subject to

- (a) Aboriginal persons continuing to have a controlling interest in the Association; and
- (b) The Association complying with the terms of this Deed.
- (c) No order being made for the Association to be wound up.

2.3 If an event occurs such that the Grant is no longer to continue as provided by Clause 2.2 the Association shall if requested by the ILC transfer its interest in the Land back to the ILC.

3. USE OF THE LAND

3.1 The Association agrees that:

- (a) it shall ensure that the Land is applied solely towards the promotion of the objects of the Association for the benefit of the members of the Association;
- (b) it shall ensure that the Land is not used in any manner which may result in the personal profit or gain of any member or employee of the Association.
- (c) it shall not without the consent of the ILC dispose of its interest in the Land or give a charge with respect to an asset of the Association that consists of, or includes, the interest of the Association in the Land; and
- (d) it shall not enter into any agreements, arrangements or commitments which are inconsistent with the purpose for which the Grant has been made; and
- (e) it shall comply with all relevant provisions of the Act.

4. SURRENDER OF THE LAND

- 4.1 The Association may dispose of an interest in the Land it acquired from the ILC in accordance with s.191T of the Act, by surrendering that interest to the ILC on terms and conditions as agreed between the Association and the ILC.

5. ENCUMBRANCES

- 5.1 In order to provide security for the ILC in respect of the Association's obligations under this Agreement, the Association charges its estate in the Land in favour of the ILC. If the Association fails to comply with its obligations under this Agreement the ILC shall be entitled to exercise its rights as chargee created pursuant to this clause 5.1.
- 5.2 The Association agrees that the ILC may, in order to protect its interest in the Land derived pursuant to clause 5.1, register a caveat over the Land forbidding the registration of any dealing in respect of the Land, and the Association further agrees not to take any action to remove the caveat.

6 COSTS / UNDERTAKINGS ASSOCIATED WITH GRANT OF THE LAND

- 6.1 Subject to 6.2 the Association will be liable for all costs and expenses associated with the Land and the activities on the Land from the date of the Grant including gas, electricity, telephone, heat, water used for domestic and business purposes and other utilities that are provided to the Land.
- 6.2 The ILC will continue to insure the Land and be responsible for rates and taxes (or where relevant shall claim exemption from such rates and taxes) until the Transfer Date. From the Transfer Date the Association should carry its own insurance in respect of the Land and activities thereon.

7 REPRESENTATIONS AS TO THE STATE OF THE LAND

- 7.1 The ILC makes no warranties or representations nor shall any objection or claim for compensation be made by the Association in respect of the suitability of the Land for any purpose whatsoever and the state and condition of repair of the improvements on the Land.

8. COMPLIANCE WITH LAW

8.1 The Association shall in holding the Land comply with the provision of any relevant statute, regulation, by-laws and requirements of any Commonwealth, State, Territory or local authority from time to time.

9 GOVERNING LAW

9.1 This Deed shall be governed by and construed in accordance with the law applicable in the Northern Territory.

IN WITNESS WHEREOF the parties have executed this Agreement on the date first above mentioned.

Signed by Murray Chapman,
General Manager,
INDIGENOUS LAND CORPORATION)
.....)

The COMMON SEAL OF
YIRRA BANDOO LAND TRUST)
was hereby affixed in accordance with its)
Articles of Association in the presence of)
.....)

signature of Witness)

[insert full name and office of witness])
.....)
signature of Witness)

[insert full name and office of witness])

original in safe. 27/6/00

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COPY

BETWEEN THE

INDIGENOUS LAND CORPORATION

AND

Yirra Bandoo Land Trust

Aboriginal Corporation

GRANT OF LAND

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THIS DEED is made this 13th day of October 1999

BETWEEN THE

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(in this Agreement referred to as "the ILC") of the first part

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'Deed' means this Deed of Grant of Land and any documents to which reference is made herein;

'Association' means the Yirra Bandoo Land Trust

'charge' means a charge created in any way and includes a mortgage and an agreement to give or execute a charge or mortgage, whether upon demand or otherwise.

'Grant' means the grant of the ILC's interest in the land provided by the ILC to the Association pursuant to clause 2.1 of this Deed;

'Land' means the land situated at Lot 3 in LTO Plan 68/2, Hundred of Strangeways and being the whole of the land comprised in certificate of Title, Register Book, Volume 489, Folio 185.

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v. and the plant & equipment in schedule B

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- (b) The Association complying with the terms of this Deed.
- (c) No order being made for the Association to be wound up.

2.3 If an event occurs such that the Grant is no longer to continue as provided by Clause 2.2 the Association shall if requested by the ILC transfer its interest in the Land back to the ILC.

3. USE OF THE LAND

3.1 The Association agrees that:

- (a) it shall ensure that the Land is applied solely towards the promotion of the objects of the Association for the benefit of the members of the Association;

- (b) it shall ensure that the Land is not used in any manner which may result in the personal profit or gain of any member or employee of the Association.
- (c) it shall not without the consent of the ILC dispose of its interest in the Land or give a charge with respect to an asset of the Association that consists of, or includes, the interest of the Association in the Land; and
- (d) it shall not enter into any agreements, arrangements or commitments which are inconsistent with the purpose for which the Grant has been made; and
- (e) it shall comply with all relevant provisions of the Act.

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8. COMPLIANCE WITH LAW

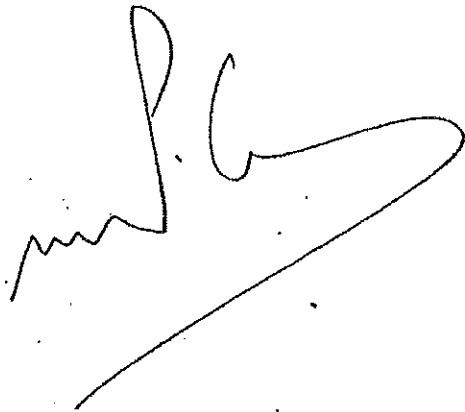
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IN WITNESS WHEREOF the parties have executed this Agreement on the date first above mentioned.

Signed by Murray Chapman,
General Manager,
INDIGENOUS LAND CORPORATION



.....

Aboriginal Corporation

The COMMON SEAL OF
YIRRA BANDOOLAND TRUST
was hereby affixed in accordance with its
Articles of Association in the presence of



W. Domb.....

Roman

signature of Witness

[insert full name and office of witness]

Day.....

signature of Witness

[insert full name and office of witness]

VALERIE JUDITH DAY
COMMISSIONER FOR OATHS.

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~~282~~

Yirra Bandoo Aboriginal Corporation Land Trust

Your Ref: A341

LEN OWEN
DIVISIONAL MANAGER
INDIGENOUS LAND CORPORATION
GPO BOX 652
ADELAIDE SA 5001



Dear Mr Owen

**GRANT OF LAND: VIRGINIA PROPERTY
FROM THE INDIGENOUS LAND CORPORATION
TO THE YIRRA BANDO ABORIGINAL CORPORATION LAND TRUST**

Please find enclosed the *Acknowledgment* to your correspondence dated 2 September 1999; and the two *Deed of Grant* documents which were authorised and signed under Common Seal at a general Yirra Bandoo Land Trust meeting held Wednesday 13 October 1999. Members of the Yirra Bandoo Land Trust have considered the conditions and requirements as set out in the letter and the Deed of Grant and it was resolved that the necessary documents be authorised as accepting the conditions and requirements as described.

No,
not a
land
trust

Documents have been witnessed by Mrs Valerie Day, an independent witness who is authorised to perform the functions as set out for Commissioner for Oaths.

We take this opportunity to thank you and other ILC staff for providing every assistance to us in securing title to traditional lands that would not have been possible to Aboriginal owners of Country in the past.

Yours sincerely

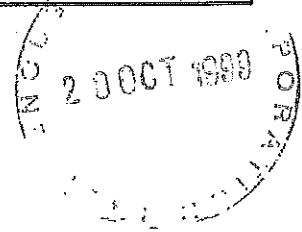
SUSAN ROMAN
on behalf of the YBLT Interim Committee.

13 October 1999

→ Virginia Parsons file
319
325

Yirra Bando Aboriginal Corporation Land Trust

12371



**ADRIENNE NORWOOD
ILC
GPO BOX 652
ADELAIDE SA 5001**

Dear Adrienne

As discussed earlier today, I enclose the 'Acknowledgment' that was not included in the package that was air mailed last night.

Thank you for your support, hope you get every thing finalised on time and we look forward to seeing you perhaps on the day.

Sincerely

Susan Roman


14 October 1999


Acknowledgement

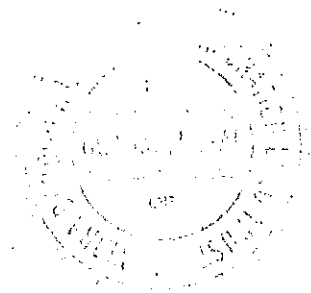
YIRRA BANDOO LAND TRUST has considered: the conditions and requirements as set out in this letter and the Deed of Grant.

YIRRA BANDOO LAND TRUST hereby confirms it understands and accepts the conditions and requirements as described.

The COMMON SEAL OF
YIRRA BANDOO LAND TRUST
was hereby affixed in accordance with its
Articles of Association in the presence of


.....
signature of Witness


.....
signature of Witness





INDIGENOUS LAND CORPORATION

Mr. Owen
I note that Mr. Treloar has perused this.

18/10
Murray Chapman
General Manager

Through

Len Owen – Manager – Central Division
Simon Treloar - In House Solicitor

Approved.
18/10
18/10

DECISION TO GRANT TO YIRRA BANDO O ABORIGINAL CORPORATION LAND TRUST

1 PURPOSE

For you to consider whether to grant 'Virginia Prawns' to Yirra Bando o Aboriginal Corporation Land Trust in accordance with the authorisation provided by land acquisition number A 341.

2 ILC BOARD APPROVAL

The Board approved the acquisition of 'Virginia Prawns' on 30/6/1998.

You have been given the right to approve the grant of land as provided for by Board decision Number 133 [attached].

Settlement of the property took place on 23/10/98.

3 BACKGROUND TO GRANT

3.1 Brief background of acquisition / grant process:

- The proponent group and proposed title-holding body, Yirra Bando o Aboriginal Corporation Land Trust, were supported by the Chairperson of the Larrakia Nations Aboriginal Corporation and recognised as having traditional links to the area where 'Virginia Prawns' is situated.
- The ATSIC Yilli Rreung Regional Council supported the land need registration submitted by Yirra Bando o Aboriginal Corporation. Members of Yirra Bando o Aboriginal Corporation Land Trust are also native title claimants for this area.

3.2 Title holding arrangements:

- The land will be used for cultural activities and aquaculture. Yirra Badoo Aboriginal Corporation Land Trust is currently implementing their business plan for the aquaculture enterprise. A suitable corporate structure has been set up to manage the operations of the aquaculture enterprise.
- The ILC Board agreed to put \$25,000 towards the good order of fences and other structures and works are continuing.

4 ADMINISTRATIVE LAW CONSIDERATIONS

You should not proceed to consider to approve this grant until you have fully evaluated and considered the matters set out in this part of the memo.

4.1 No objections received

4.2 Other significant facts that General Manager should consider in deciding whether to approve the Grant:

- Yirra Badoo Aboriginal Corporation was incorporated 13/1/98, the Yirra Badoo Aboriginal Corporation Land Trust established on 23/9/99 – past financial performance unknown;
- The ILC has no knowledge of past breaches of grant conditions;
- There is no evidence that Yirra Badoo Aboriginal Corporation Land Trust does not have the capacity to afford the operational costs of the land.

5 ENDORSEMENT BY IN-HOUSE SOLICITOR IT IS WITHIN THE AUTHORITY OF THE ILC TO PROCEED WITH THE GRANT

5.1 The documents the ILC requires to transfer title to the land and related assets and interests are ready for execution.

5.2 Those documents reflect the ILC Board decision in respect of the transfer to the grantee.

5.3 The grant is within the function and powers of the ILC.

5.4 It is within the authority of the ILC GM to proceed with the grant by executing the attached documents.

5.5 The Grantee is incorporated.

5.6 The Grantee meets the definition of 'Aboriginal corporation' within the meaning of the ATSIC Act for reason that it:
Is an Aboriginal Association incorporated under the *Aboriginal Councils and Associations Act 1976*;

5.7 If this decision involves administrative considerations (refer to part 4 above), I am satisfied in the circumstances of the case the processes adopted have provided the relevant party with sufficient natural justice.

In-house Solicitor: Confirmed/Not confirmed/ More information required

9/29 15/10

Noted.
mu

6 MEMBERSHIP QUALIFICATIONS OF TITLE HOLDING BODY

6.1 The Land Acquisition Report stated that the land was within the traditional country of the Danggalaba clan of the Larrakia language group and that people who identify as descendants of Yirra Badoo, a Danggalaba woman, will be title holders of the land.

6.2 No special condition was provided for in relation to grantee membership by the ILC Board.

6.3 The Chairperson of Larrakia Nations Aboriginal Corporation has confirmed in writing that the membership of Yirra Badoo Aboriginal Corporation Land Trust is based on people recognised as traditional owners of the land.

7 LAND MANAGEMENT AFTER GRANT

7.1 Yirra Badoo Aboriginal Corporation Land Trust has developed a business plan and has considered further funding, for example through ATSIC and LEA.

8 LEGAL PROCESS TO COMPLETE THE TRANSFER OF THE LAND

8.1 AGS has been instructed, on your confirming the grant is to proceed, to undertake all necessary legal work required to complete the legal transfer and to provide the Grantee with those search documents obtained in the acquisition by the ILC.

8.2 A caveat will be lodged at grant.

8.3 The title documents are held in Head Office and are to be made available to Yirra Badoo Aboriginal Corporation Land Trust.

9 FINANCIAL ADJUSTMENTS AND INSURANCE

9.1 Board Decision 133 authorises the ILC to pay the outgoings on the land for 1 year from and including the date of settlement. The date of grant shall be taken to be the date you as General Manager sign the Grant Document.

9.2 An adjustment will be made by AGS at that date in respect of outgoings.

9.3 The ILC will meet the cost of insurance for the grantee for one year from the date of settlement of the acquisition by the ILC.

9.4 Finance will arrange for the necessary notations to be made to the financial accounts of the ILC, and notify the Corporation's insurer to transfer the insurance policy to the Aboriginal Corporation (if necessary).

10 CEREMONIAL DIVESTMENT DATE

10.1 A date will be set for the divestment ceremony after the legal transfer of the land has been completed. Public Relations should be notified of the date of legal transfer and both Public Relations and the Chairman should be consulted about the proposed date of the ceremony.

11 DECISION SOUGHT

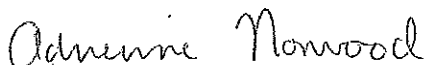
That you authorise the grant of the ILC's interest in land known as 'Virginia Prawns'.



Robyn Bishop
Field Assessor

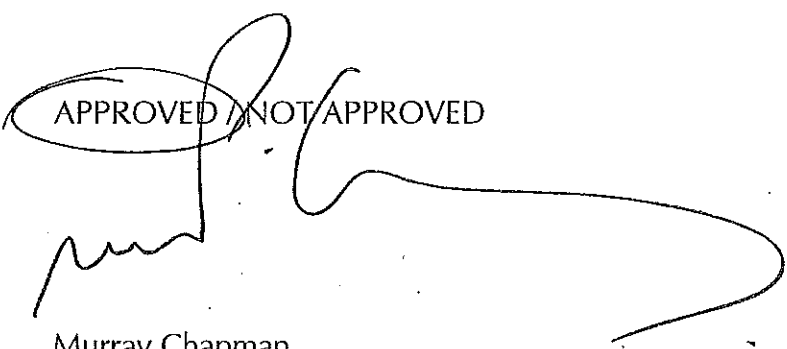
15 October 1999

SUPPORTED / NOT SUPPORTED



Adrienne Norwood
Acting Divisional Manager (Central)
October 1999

APPROVED / NOT APPROVED



Murray Chapman
General Manager
18 October 1999

Attachments

1. Copy of Board Decision
2. Copy of Certificate of Incorporation
3. List of chattels to be granted

Distribution of approval note:

Original: Divisional Manager (for Divisional file)

- Copies to:
- Finance and Administration
 - Public Relations
 - Chairman
 - General Manager

Bishop, Robyn

From: Heath, Ashley [Ashley.Heath@ags.gov.au]
Sent: Monday, 15 November 1999 13:11
To: 'Bishop, Robyn'
Cc: Treloar, Simon (ILC)
Subject: Virginia Prawns

Robyn,

I have recently returned from annual leave and I am now preparing the transfer documents in relation to transfer of the above property to Yirra Badoo Aboriginal Corporation Land Trust. I will forward the transfer in the near future for execution by the ILC - is it best to send it to you or Simon?

A copy of the Deed of Grant was enclosed with the instructions. If possible an original of the Deed should be submitted to the Commissioner of Taxes for stamp duty assessment. Is there an original of the Deed in existence that can be sent to me?

→ original deed of grant

Under clause 2 of the Deed the plant and equipment in the attached schedule transfer with the land. Under s 191R of the ATSI Act a grant of an interest in land by the ILC is exempt from stamp duty if made within 12 months of acquisition. Provided the grant is deemed within 12 months the transfer of the interest in the land will be exempt from duty but the transfer of the plant and equipment will be subject to duty - they will be subject to duty unless they are fixtures or vehicles (I note there is one car in the list). The Commissioner requires valuation information confirming the value of chattels that are assessed for duty where the chattels are not purchased at market value. I was not provided with a copy of the valuation when the property was acquired. No doubt there was a valuation done which included the chattels. Can you please send me a copy.

- copy of val.

The transfer of the land will be exempt from duty if the "grant" occurs within 12 months from acquisition under s 191R. The property was acquired on 23/10/98. Under clause 2 of the Deed the ILC Grants its' interest on 22/10/99 or when the Deed is executed by the General Manager (presumably that was before 22/10/99 as the Deed is dated 13/10/99). The transfer will be executed after the 12 month period but under the terms of the Deed it appears the grant has occurred within 12 months. Hopefully the Commissioner will accept this point of view. There is some possibility he may not, but for now I think it is best if we assume that duty will only be payable on the chattels. Are there funds available for payment of the duty on the chattels (I haven't tried to calculate the duty at this stage but it is likely to be several thousand dollars)?

↔ funds for the chattels?

A value of the property transferred must be included on the transfer although no money is changing hands. I propose to put \$390,000.00 being the ILC acquisition price on the transfer. Let me know if you want some other value to be specified.

→ other value specified

Regards
Ashley

332
~~226~~



INDIGENOUS LAND CORPORATION

FACSIMILE COVER SHEET

ATTENTION: Ms Sue ROMAN
COMPANY: Yirra Badoo ACLT
FACSIMILE NO: 08 8922 0055
FROM: Bob Gormly
TELEPHONE: (08) 8407 5938

TOTAL PAGES (INCLUDING COVER SHEET): 2 DATE: 23/11/99

MESSAGE

Dear Sue,

INVOICE FOR PLUMBING REPAIRS - VIRGINA PRAWNS

We have received an invoice from Mann Plumbing P/L in the amount of \$227.45 for repairs to a leaking water pipe in front of the shed. There was no explanatory letter with the invoice.

We have no record of this work being commissioned or approved by this office, nor any record of a request from your organization for this work to be carried out. Could you please provide any details of the background to this work. If attempts were made to contact this office either by telephone or fax, before or after the works were ordered, could you please advise.

We have not received the scope of work report or quotation from the electrician as yet. You may like to follow this up with him as we would like to commission any works prior to the transfer of title.

If you wish to discuss any aspect of the above please contact me,

Regards

Bob 

PRIVACY AND CONFIDENTIALITY NOTICE
Information in this facsimile may be confidential and is intended for the recipient named above. If you are not the intended recipient of this facsimile disclosure or copying of this document is unauthorised. If you have received this document in error please notify the sender immediately and return to the address below.

James Davies

F11

389



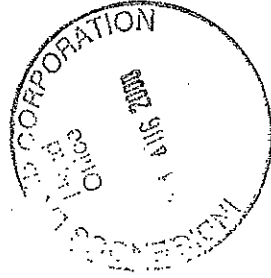
Handwritten notes:
22/8
[scribble]

Handwritten notes:
copy to: LPO
in file
→ Polya for file etc.

Our ref: 99003710:AH:HG

18 August 2000

Mr Simon Treloar
Indigenous Land Corporation
Level 9
44 Waymouth Street
ADELAIDE SA 5000



Dear Simon

**Virginia Prawns Lot 3 Hundred of Strangways to Yirra Badoo
Aboriginal Land Corporation Land Trust**

1. It has come to our attention when closing this file that we have not provided a copy of the Caveat registered upon Grant of this land when the Transfer was lodged earlier this year.
2. Please find enclosed a copy of the Caveat, lodgment slips and Transfer for your information.

Yours sincerely

Ashley Heath

Ashley Heath
Principal Solicitor
Australian Government Solicitor

Tel: (08) 8943 1444
Fax: (08) 8943 1420
E-mail: ashley.heath@ags.gov.au

Darwin Office

NORTHERN TERRITORY OF AUSTRALIA

X No. _____

Commissioner of Taxes use only

LODGED AT THE REGISTRAR-GENERAL'S OFFICE

ON AT
BY CORRECTION TO
FEE RECEIPT

COPY
CAVEAT

The Caveator claims the estate or interest specified in the land described on the grounds set out and forbids the registration of any dealing affecting that estate or interest to the extent of the prohibition as specified.

Register	Volume	Folio	Location	Parcel	Plan	Unit
CUFT	610	562	Hundred of Strangways	Lot 3	LTO 68/002	

CAVEATOR
(Person lodging caveat)

INDIGENOUS LAND CORPORATION

ESTATE OR INTEREST
CLAIMED

Interest as equitable chargee and any interest arising under statute

GROUNDS OF CLAIM

Equitable charge created pursuant to a deed made the 13th day of October 1999 between the Caveator and YIRRA BANDOO ABORIGINAL CORPORATION LAND TRUST and any interest of the Caveator in the land arising under section 191SA of the *Aboriginal and Torres Strait Islander Commission Act* or arising under statute in any other manner.

EXTENT OF PROHIBITION

ABSOLUTELY

ADDRESS FOR
SERVICE OF NOTICES

Level 9, 44 Waymouth Street, ADELAIDE SA 5000

SIGNED by RICHARD ANDREW ANDRUSZKO, Director, Northern Territory Office, office of the Australian Government Solicitor, as solicitor and agent for the INDIGENOUS LAND CORPORATION

[Signature]
Date: _____

In the presence of: *[Signature]*
A Commissioner for Oaths/Justice of the Peace

Full Name: *GINA O'ROURKE*

Address/Telephone Number: *16/12 Mackillop St*
Karara 89431470

Registered on _____ At _____

[Signature]
Correct for the Purposes of the Real Property Act

A Practitioner of the Supreme Court of the Northern Territory of Australia
Garth R J McEvoy
Barrister and Solicitor
Australian Government Solicitor's
Office Darwin
Telephone: (08) 8943 1444

387

Mirra Baudoo
(99003710:AH)

DEALING LODGEMENT FORM

LANDS TITLE OFFICE Nichols Place GPO Box 3021 DARWIN NT 0801		CENTREPOINT BUILDING PO Box 8043 ALICE SPRINGS NT 0871		(A) Name and Address of Lodging Party <p style="text-align: center;">AGS</p>	
No.	(B) Description of Instrument or Document	Registered Number	Fee		
1	Transfer	439807	\$90-		
To lodge documents for registration 1. Complete panel (A) to (D) 2. Present documents in the sequence listed. (C) Titles, crown leases, duplicate instruments and other documents lodged with the above dealings: 1. CT 610/562 2.		Cheque No. SUB-TOTAL Cash CERTIFIED MAIL Other TOTAL \$90-		THIS SECTION TO BE USED FOR CUSTOMER CODE ONLY. <div style="border: 1px solid black; width: 150px; height: 50px; margin: 0 auto;"></div> <p style="text-align: center;">DO NOT COMPLETE IF PAYING CASH.</p>	
(D) PLEASE INDICATE CLEARLY WHERE DOCUMENTS ARE TO BE RETURNED IN THE SPACE PROVIDED BELOW. E: Duplicate titles and instruments will be returned to the lodging party unless otherwise instructed above. CT to : AGS					

386

Yirra Banda
(99003710:AH)

DEALING LODGEMENT FORM

LANDS TITLE OFFICE Nichols Place GPO Box 3021 DARWIN NT 0801		CENTREPOINT BUILDING PO Box 8043 ALICE SPRINGS NT 0871		(A) Name and Address of Lodging Party <p style="text-align: center;">AGS</p>	
No.	(B) Description of Instrument or Document	Registered Number	Fee		
2	Caveat (Lot 3 H/Strangways)	439808	\$165-		
To lodge documents for registration 1. Complete panel (A) to (D) 2. Present documents in the sequence listed. (C) Titles, crown leases, duplicate instruments and other documents lodged with the above dealings: 1. CT 610/562				Cheque No. SUB-TOTAL Cash CERTIFIED MAIL Other TOTAL \$165-	
2. (D) PLEASE INDICATE CLEARLY WHERE DOCUMENTS ARE TO BE RETURNED IN THE SPACE PROVIDED BELOW. NOTE: Duplicate titles and instruments will be returned to the lodging party unless otherwise instructed above.				THIS SECTION TO BE USED FOR CUSTOMER CODE ONLY. <div style="border: 1px solid black; width: 150px; height: 50px; margin: 0 auto;"></div> <p style="text-align: center;">DO NOT COMPLETE IF PAYING CASH.</p>	

NORTHERN TERRITORY OF AUSTRALIA

COPY Commissioner of Taxes use only

T No.

LODGED AT THE REGISTRAR-GENERAL'S OFFICE

ON AT BY CORRECTION TO RECEIPT FEE DUPLICATE TITLE TO

TRANSFER OF LAND

The seller in consideration of an agreement with the buyer transfers to the buyer the estate and interest in the land described and valued below subject to the encumbrances affecting the land including any created by dealings lodged for registration prior to the lodging of this transfer and the buyer accepts this transfer.

Table with 7 columns: Register, Volume, Folio, Location, Parcel, Plan, Unit. Row 1: CUFT, 610, 562, Hundred of Strangways, Lot 3, LTO 68/002

VALUE OF THE INTEREST TRANSFERRED

Three hundred and ninety thousand dollars (\$390,000.00)

SELLER

Name only: Indigenous Land Corporation

BUYER

Name: Yirra Bandoo Aboriginal Corporation Land Trust

Address for the service of notices: PO Box 4089, DARWIN NT 0801

SIGNED for and on behalf of INDIGENOUS LAND CORPORATION by MURRAY CHAPMAN its duly authorised Attorney under and by virtue of Power of Attorney No. 340899 and who states that he has no knowledge of the revocation of the same:

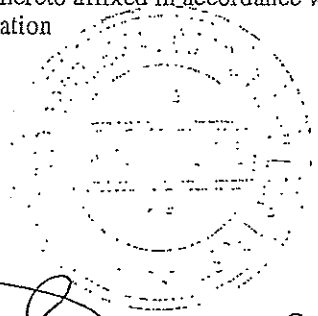
Handwritten signature of Murray Chapman

In the presence of

Simon Kenneth Felton 23.11.99 Date

5199 1/27 north st. Adelaide 5001 08.840 75910

The COMMON SEAL of YIRRA BANDOO ABORIGINAL CORPORATION LAND TRUST is hereto affixed in accordance with the rules of the Corporation



Committee Member Date 12/12/99

Committee Member Date 12/12/99

Correct for the Purposes of the Real Property Act

A practitioner of the Supreme Court of the Northern Territory of Australia

Australian Government Solicitor's Office Darwin

Telephone: (08) 8943 1444

A Commissioner for taking affidavits in the Supreme Court of South Australia Registered on At

370
10/15



INDIGENOUS LAND CORPORATION

16 May, 2000

Mr Jack Crosby
Yirra Badoo Aboriginal Association
GPO Box 4089
Darwin, NT 0801

Dear Jack,

VIRGINIA PRAWNS - INFRASTRUCTURE

I refer to your facsimile message of 2 May 2000. The matters raised therein have been considered by the CEO.

As you are aware, the ILC took the position that the service pole and distribution board would be the limit of good order works.

The CEO has confirmed that the ILC position on the reticulated electrical cable to the aerators, is that the cable forms an integral part of the aerators. The replacement of the cable is therefore considered part of the operational plant and not part of the scope of work the ILC would address as good order. It is understood that the aerators will be serviced from the ATSIC funding as part of the business start-up costs and the ILC position is that the cabling should be addressed similarly.

It was anticipated that ATSIC would provide sufficient funds as part of the 'pilot' funding. It is suggested that YBAC make a further approach to ATSIC for additional funds if the pilot funding is insufficient to cover replacement.

Should you wish to discuss this matter further please call me on (08) 8407 5917

Yours sincerely

Len Owen
Divisional Manager - Central

Yirra Bandoo Land Trust Aboriginal Corporation

PO Box 41498
Casuarina NT 0811
Ph: 89220061
Fax: 89220055
Mob: 04188 51766
E-mail: yirra@bigpond.com

Len Owen
Len Owen
Indigenous Land Corporation
Adelaide

*Robyn / Luke - for discussion
Nat. - looks like it's
up and running. Robyn
has a copy of it also.
Do you want to discuss this.*
Luke

FOR TRANSMISSION BY FAX

Dear Len

We have been speaking with various ILC people over the last few months about our plans for the consolidation of the commercial prawn farming operation currently being conducted on the Virginia block owned by YBLTAC. As you are aware, the operation is conducted by Larrakia Pty. Ltd under a contractual agreement between that Company and YBLTAC.

Since the start of operations and particularly since the completion of the first crop, there has been considerable interest from different groups in our plans for expanding the ponds from their current experimental size (0.83hectare) to a commercially profitable size of 4 ha. We have examined and prepared detailed planning for the expansion, including capital cost of increasing pond size, operational costs and returns, as the next step in what is seen as a careful and realistic wider project to establish indigenous presence in the aquaculture industry, in particular the prawn farming aspect of it.

In discussion with various players (the industry body, ATSIC, training program agencies etc.) including some of your people from ILC, serious interest has been evident in our concept of strategic planing for a stepwise development that can build the indigenous presence in the industry.

Both ILC people and other players have indicated that ILC and perhaps LEA should be involved in the formulation of plans for each step of the proposed longer term project. As an example, a couple of ILC Board members and a number of ATSIC Commissioners have stated that the capacity and willingness for YBAC and Larrakia P/L to contribute to the development and implementation of building indigenous commercial aquacultural operations in a gradual and careful manner should be utilised and supported.

The most recent discussion has been with Nat Last, who suggested that we communicate with you for the purpose of discussing these matters in the first instance with a view to determining how best matters may be progressed. We understand that from the ILC perspective, an initial point is for you to evaluate and determine what may be an appropriate role that suits your charter and plans.

To put some specifics into this, Step two as indicated is to expand the size of the ponds to allow a commercially profitable operation. (The current experimental size of the ponds allows for breakeven at best from each crop.) Step three involves further expansion that

may provide for groups from other parts of the country to enter the industry. The basis of the rationale for this step is the opportunity it seems to offer for achievable training, experience and industry knowhow for use in consideration and evaluation of any proposals from other indigenous groups.

An opportunity for this stage of indigenous aquacultural enterprise currently exists that has some real advantages, both for the longer term project's purpose of developing a genuine and permanent place for indigenous groups in the industry. Adam Body, the prawn aquacultural representative on the Seafoods Industry Council, has closely evaluated the opportunity we are referring to and is one who considers that it has several important advantages for such a project. The opportunity involves acquisition of a failed prawn enterprise in the Darwin area, the advantages including that it is well located, it can be obtained for a competitive price, it has considerable infrastructure and assets of use and value and it is located on an area of high cultural importance. Its location is also considered to be of value in the context of the impending developments that are about to unfold in the Darwin area.

All of the players who have discussed this concept of an expanding planned development of indigenous aquacultural enterprise have stated that it is becoming urgent to develop the concept plan, including to have a formal examination of the particular issue of the failed prawn farm property.

May I stress that, as usual, there is some benefit from acting quickly on this matter. There is a very high level of interest, even anxiety, to not miss what pan out to be a very crucial opportunity within the broader economic development context of a significant and permanent place for indigenous people in the aquacultural industry at a national level.

Can you liaise with Jack Crosby about meeting with us, and perhaps others if you think appropriate?

Hope to hear from you soon

YBLTAC Committee and Larrakia P/L Directors
July 4, 2001-07-04



INDIGENOUS LAND CORPORATION
ABN 55 910 079 215

7/8/2001 240



7th August 2001

Mr Jack Crosby
Yirra Badoo Land Trust Aboriginal Corporation
PO Box 41498
Casuarina NT 0811

Dear Jack,

I refer to the letter of the 4th July 2001 from Yirra Badoo Land Trust Aboriginal Corporation, in particular about pond expansion at the Virginia block and the potential development of an Indigenous presence in the aquaculture industry.

I note that your first prawn crop was successfully grown out and harvested at the Virginia site. Congratulations are extended to all players that have been involved with the development of the current operation.

With regard to the development of more ponds on the site, in conjunction with ATSIC and other agencies, the ILC may be in a position to assist YBLTAC. In order to progress the development of the Virginia site and the broader Indigenous presence in the aquaculture industry, it is suggested that YBLTAC coordinate a meeting of all the potential players.

This meeting should aim to:

- Scope out exactly what YBLTAC wants to achieve (objectives), both at the current site and within the broader aquaculture industry.
- Identify targets / milestones required to achieve YBLTAC objectives.
- Develop a timeline mapping out the completion of targets / milestones.
- Define roles and responsibilities of YBLTAC, aquaculture industry representatives and relevant agencies.

This approach will define potential projects, identify who is responsible for what and facilitate a clear, concise and efficient approach. If required, the ILC can provide financial assistance for the facilitation of this meeting through the NT PMP program.

Prior to attending such a meeting, the ILC would require financial and progress reports on the prawn farms operations to date, commercial analysis of proposed developments (including cost of increasing pond size, operating costs and anticipated returns) and a copy of expansion plans prepared to date.

With regard to acquiring the failed prawn enterprise in the Darwin area, I believe that under the current circumstances it may not be a priority ILC acquisition at this stage but in the future may represent a potential commercial acquisition.

Please liase with Nathaniel Last of my office about progressing the suggested meeting or any other queries you may have.

Yours sincerely,



LEN OWEN
Manager, Central Division.

Yirra Bando Land Trust Aboriginal Corporation

Nathaniel Last
ILC
Adelaide

FOR TRANSMISSION BY FAX

Dear Nat

Following is the information you requested for ILC to establish its lines of credit. As per our discussion, some of the details of contracts may change, depending on circumstances at the time (without affecting the total of the grant). The detail that may increase or decrease marginally includes the number of days for any item, the hourly or daily rate and the creditor, the latter depending on availability.

The teleconference I mentioned that Stephen Roberts is scheduling is now for Friday May 17, 10am. Will you happen to be in Darwin at that time? Phillip Neale and Jenny ?? will be online from Brisbane.

Can you give me a call every day or two for a few minutes between now and then please Nat? Am very keen that there be closure of some kind on the 17th.

I've also included the latest version of pages sent to ATSIC re the project.

Please ring re any probs. (0418 851766 or 89220061)

Jack

Item	Name of creditor	Cost (GST incl.)		Schedule of use during project, by day number
		\$/d x No. of days		Day Nos.
Clearing contract Slasher, treefelling plant, burning, clear & removal Survey Dozer	Larrakia Pty Ltd PO Box 41498 Casuarina NT 0811 Ph/fax: 89889458	150/d x 15d.	2,250	During the preparatory period
	As above		3,000	1 - 10
	S&J Earthmoving ABN 33 092945885 PO Box 7 Darwin River NT 0822 (ph:89889081)	130 x 30	3,900	11 - 40
Roller	S&J - as above	300 x 60	18,000	11 - 60
Watertruck	S&J - as above	200 x 60	12,000	11 - 60
Grader	S&J - as above	900 x 8	7,200	17 - 24
Loader	S&J - as above	300 x 24	6,000	37 - 60
Digger (Excavator)	Peter Johnson Excavator Hire P/L 1 Ambon St Wagaman NT 0810	1,300 x 40	52,000	11 - 60
Fuel	Darwin Petroleum Services ABN 28 009650668 GPO B ox 2623 Darwin NT 0811 Ph: 8982180	\$280/d x 60d	16,800	1 - 60
Electrical Plant and contractor	JLB Contracting (Kawa (NT) Pty Ltd) ACN 070366915 PO Box 37071 Winnellie NT 0821 Ph: 08.89471622	\$50/hr x 40hr	31,900 2,000	70 - 90
Pipes Purchase and freight	Vinnadex ACN 664942 PO Box 379 Sunnybank Qld 4109		42,700	91 - 95
Pipe Welder Barnyard Trading	Barnyard Trading ABN 20 009 624 211 PO Box 31 Palmerston NT 0831 Ph:89323997	\$70/hr x 20hr	1,400	96 - 105
Logistics	SR&A PO Box 41498 Casuarina NT 0811 Ph: 89220066 ABN: 36 065890565	\$50/hr x 45hr	2,250	1 - 100
Total			\$203,100	115 d.

JACK

YIRRA BANDOOS LAND TRUST and LARRAKIA PTY LTD

Consolidation of Prawn Aquaculture Enterprise

REVISED PROPOSAL

Table of contents

Proposed works and purchases	2
Financial proposal - Summary	3
Proposed schedule of works	4
Non-deferrable costs, fixed, GST related	5
Non-deferrable costs, fixed, non-GST related	5
Deferrable costs	5

INTRODUCTION

The original proposal was for the size of the ponds on the prawn farm managed by Larrakia Pty Ltd to be increased from their current experimental size of 0.8 hectare to 4 ha. A grant of \$421,000 approx. from the Indigenous Land Corporation and funding of over \$429,000 from ATSIC was proposed.

The revised proposal derives from four related factors:

- The deferral of a planned start date on the consolidated aquaculture operation from late May to late November
- The increased crop production capacity provided by consistent and high quality broodstock, through the likely establishment of a prawn hatchery in Darwin. The NT Government, ATSIC and the three operational prawn farm proprietors in the Darwin area are the hatchery proponents. The ILC has assisted in the development of the hatchery proposal.
- The amendment proposed by Mr Adam Body to the financials in the original proposal to account for the capacity of the consolidated venture to operate two crops per annum, based on the increased broodstock supply. The financials now provide for a return approaching fifteen percent on the ATSIC funds as proposed.
- The restructure of the funding proposal that reduces the ILC contribution to \$200,000.

Attachments

1. YBAC Business and Development Loan Proposal – Prawn Farm, January 2002
2. Yirra Bandoos Aboriginal Corporation Prawn Farm Proposal: Comments
3. YBLTAC revised cost estimates for initial construction works
4. Non-deferrable fixed, GST related costs
5. Non-deferrable fixed, non-GST related costs
6. Deferrable costs

PROPOSED WORKS and PURCHASES (revised) - description and cost

Tasks associated with each part of Construction	Work personnel	Plant and Equipment (1),(2)	Cost (\$) Estimated (3)
<u>Preparation</u> Clearing – slash, cut, fell, clear, burn, cart	Planning, logistics & survey by casual or contract employment Clearing by Larrakia Pty Ltd (LPL)	Tractor & slasher, chainsaw, trailer	2,250
Survey	By LPL	Laser & droppers	3,500
Logistics	SR&A		2,250
<u>Construction</u> – floors and walls	Dozer with operator Other plant by dry-hire, LPL operators	Dozer Roller Grader Water truck	53,000
Construction – walls, drains	Digger with operator Other plant by dry-hire, LPL operators	Digger (Excavator) Roller Water truck	64,000
Sub-total 1			125,000
Electrical and water infrastructure – to point of water in ponds	Contractors for electrical and mechanical work as required	Truck, crane Specialised tools Equipment, incl. large pipes, poles etc	Total 78,000
Sub-total 2 (cumulative)			203,000 (4)
Purchase of electrical and water infrastructure	Installation by LPL	Equipment as detailed	30,900
Building – office and generator shed	Labour provided by LPL	As planned	25,000
1-off purchase of establishment items	LPL, with advice as appropriate	As planned	182,900
BDP interest cost			27,500
Sub-total 3 (establishment costs)			230,400 (5)

Notes:

1. Smaller items of plant and equipment will usually be able to be supplied by LPL
2. Materials and consumables, particularly fuel, will be required from day 1.
3. The estimated costs include fuel costs. Diesel will be supplied to a fuel tank placed on site.
4. Proposed ILC funding (\$200,000)
5. Proposed BDP funding – part 1 (\$230,400)

LARRAKIA PTY LTD
Consolidated Prawn Aquaculture Enterprise

FINANCIAL PROPOSAL (revised) - SUMMARY

	Per annum/ per 2 crops (\$)	Per crop/ per half year (\$)	Accumulated cost (\$)	Accumulated surplus(deficit) per crop (\$)
Initial funding proposed, from ATSIIC	N/a	201,000	N/a	201,000
Variable Costs (production)	320,000	160,000	160,000	41,000
GST reimbursement	(24,000)	(12,000)	148,000	53,000
Fixed costs, non-deferrable GST incl.(6)	44,000	22,000	170,000	31,000
Fixed costs, non-deferrable non-GST (7)	62,000	31,000	201,000	-
TOTAL non-deferrable costs (8)	402,000	201,000	201,000	N/a
TOTAL harvest income (9)	18.50 x 36,000 666,000	333,000	N/a	333,000
Deferrable costs (10)	166,000	83,000	284,000	49,000
Loan principal cost	36,000	18,000	302,000	31,000
Total trade and capital surplus (11)	62,000	31,000	N/a	31,000

6. See attachment 4.

7. See attachment 5.

8. Proposed BDP funding - part 2 (\$201,000), to cover the non-deferrable costs of the first crop on the consolidated farm.

9. See attached "Yirra Bandoo Aboriginal Corporation Prawn Farm Proposal: Comments", document prepared by Adam Body and referred to as the Body draft proposal, Attachment 2. Page 1, last line, lists the income as \$666,000 per year.

10. See attachment 6.

11. The estimated return on funds invested, with a principal reduction of \$36,000pa:

BDP funds:	\$
Part 1 (see note 5)	230,400
Part 2 (see note 8)	201,000
Total	431,400
Return of \$62,000pa on 431,400:	14.37%

YIRRA BANDOOLAND TRUST and LARRAKIA PTY LTD**Consolidation of Prawn Aquaculture Enterprise****Proposed Schedule of Works**

Tasks associated with each part of Construction	Plant and Equipment	Time period (days) Per task	Time period (days) Cumulative
<u>Preparation</u>			
Planning		5	5
Logistics		5	10
Clearing – slash, clear, cart, burn	Tractor & slasher, chainsaw, trailer	15	25
Survey	Laser & droppers	10	25
<u>Construction</u>			
– floors and walls	Dozer	20	45
	Roller	20	45
	Grader	10	45
	Water truck	20	45
Construction – walls, drains	Digger (Excavator)	30	70
	Roller	20	70
	Water truck	20	70
Electrical and water infrastructure – to point of water in ponds	Truck	20	85
	Crane	20	85
	Specialised tools Equipment, incl. large pipes, poles etc	20	95
Purchase of electrical and water infrastructure		10	105
Building – office and generator shed		30	110
1-off purchase of establishment items	Equipment as detailed	10	110
Connection/installation of establishment items	Specialised tools if and as required	10	115

Attachment 4**NON-DEFERRABLE COSTS****Fixed costs, GST related (GST included)**

See Attachment 1, YBAC Business and Development Loan Proposal – Prawn Farm, January 2002, prepared for ATSIC by Deloitte's, and referred to as 'the original proposal'.

1. The 'OPERATING EXPENSES' in the Appendices to this proposal are the fixed annual costs, with the exception of the harvest costs, which vary according to the number of crops per year. Hence the Body draft adds the harvest cost to the Operating Expenses in the original proposal to allow for the second harvest.
2. The increase in the harvest of 15% approx. by weight is estimated to increase total harvest costs by 8% approx.
3. The deferrable items from this category are:

harvest costs	\$59,000 x2	118,000
rent	\$10,000 x2	20,000
4. Calculation of this cost category:

Original proposal	91,200
Add 1,400 for marginal increases	1,400
Add 6,000 contingency	6,000
Less harvest cost	(54,600)
Total	44,000

Attachment 5**NON-DEFERRABLE COSTS****Fixed costs – non-GST related**

Attachment 1 provides a figure of \$90,300 approx. for the non-GST related costs. Included in this is an interest payment of \$27,600 approx.

Deferral of interest until after the first three crops has been discussed with ATSIC and was part of the original application. Deferral until after the first harvest provides the total cost in this category (after adjustment of \$700 in wages item) of \$62,000.

Attachment 6**DEFERRABLE COSTS**

The costs per annum are:	\$
Harvest costs	118,000
Rent on land and assets	20,000
Interest payment	28,000
Total deferrable costs	166,000

Yirra Bandoo Land Trust Aboriginal Corporation

Nathaniel Last
ILC
Adelaide

FOR TRANSMISSION BY FAX

Dear Nat

Following is the information you requested for ILC to establish its lines of credit. It replaces the earlier version, which has had minor correction made to it. As per our discussion, some of the details of contracts may change, depending on circumstances at the time (without affecting the total of the grant). The changes may include marginal increases or decreases in the number of days for the hire any item and in the hourly or daily rate or in the creditor, the latter depending on availability.

The teleconference I mentioned that Stephen Roberts is scheduling is now for Friday May 17, 10am. Will you happen to be in Darwin at that time? Stephen seems to think that you may be. Phillip Neale and Jenny ?? will be online from Brisbane.

Can you give me a call every day or two for a few minutes between now and then please Nat, with a view to ensuring that any glitches in the proposed detailed arrangements and agreements are attended to prior to the electronic meeting? Am very keen that there be closure of some kind on the 17th. ATSIC is attempting to do the same.

I've also included the latest version of pages sent to ATSIC re the project. You have received the relevant parts of this information previously. It may be of interest or value, so as to have a complete picture of both the three-stage consolidated venture project which, as you know consists of:

- the development of the ponds infrastructure
- the subsequent establishment phase, for one-off purchase of non-fixed assets required for the aquacultural operation on the developed ponds
- the production stage of the consolidated venture

Please ring re any problems. (0418 851 766 or 89220061)

Jack
3.5.02



YIRRA BANDOOLAND TRUST and LARRAKIA PTY LTD

Consolidation of Prawn Aquaculture Enterprise

REVISED PROPOSAL

Table of contents

Introduction	1
Stage 1 (Construction) cost estimates, schedule and list of creditors	2
Stage 2 (Establishment) cost estimates of plant required	3
Stage 3 (Production) Financial summary	4 - 5
Conclusion	5

INTRODUCTION

The original proposal was for the size of the ponds on the prawn farm managed by Larrakia Pty Ltd to be increased from their current experimental size of 0.8 hectare to 4 ha. A grant of \$421,000 approx. from the Indigenous Land Corporation and funding of over \$429,000 from ATSIC was proposed.

The revised proposal derives from four related factors:

- The deferral of a planned start date on the consolidated aquaculture operation from late May to late November
- The increased crop production capacity provided by consistent and high quality broodstock, through the likely establishment of a prawn hatchery in Darwin. The NT Government, ATSIC and the three operational prawn farm proprietors in the Darwin area are the hatchery proponents. The ILC has assisted in the development of the hatchery proposal.
- The amendment proposed by Mr Adam Body to the financials in the original proposal to account for the capacity of the consolidated venture to operate two crops per annum, based on a reliable supply of increased broodstock quality. The financials now provide for a return approaching 15% on the ATSIC funds.
- The restructure of the funding proposal that reduces the ILC funding to \$200,000.

Attachments

1. YBAC Business and Development Loan Proposal - Prawn Farm, January 2002
2. Yirra Bandoo Aboriginal Corporation Prawn Farm Proposal: Comments (A Body)

Yirra Bando Land Trust AC Consolidation project**Stage 1 – Construction: Costs, schedule and list of Creditors**

Item	Name of creditor	Cost (GST incl.)		Schedule of use during project, by day number
		\$/d x no. days	Cost (\$)	Day Nos.
Clearing contract Slasher, treefelling plant, burn, clear & remove	Larrakia Pty Ltd PO Box 41498 Casuarina NT 0811 Ph/fax: 89889458	150/d x 15d.	2,250	During the preparatory period
Survey and tests	As above (TBA)		5,700	Day 1 to day 10
Earthworks Dozer	S&J Earthmoving ABN 33 092945885 PO Box 7 Darwin River 0822	1050 x 10	10,500	11 – 40
Roller	S&J – as above	205 x 60	12,300	11 – 60
Watertruck	S&J – as above	135 x 60	8,100	11 – 60
Grader	S&J – as above	755 x 8	6,050	17 – 26
Loader	S&J – as above	205 x 24	4,950	37 – 60
Digger (Excavator)	Peter Johnson Excavator Hire P/L 1 Ambon St Wagaman NT 0810	1,250 x 40	50,000	21 – 60
Fuel	Darwin Petroleum Services ABN 28 009650668 GPO Box 2623 Darwin NT 0811 Ph: 8982180	\$280/d x 60d	16,800	1 – 60
Electrical Purchase of plant and installation costs See Attachment 4 Costs include contractor (Labour by LPL)	JLB Contracting (Kawa (NT) Pty Ltd) ACN 070366915 PO Box 37071 Winnellie NT 0821 Ph: 08.89471622		45,800	70 – 90
Water Purchase of pipes and pump, freight See Att4 (LPL Labour)	Vimadex ACN 664942 PO Box 379 Sunnybank Qld 4109		24,800	91 – 95
Pipe Welder	Barnyard Trading ABN 20 009 624 211 PO Box 31 Palmerston NT 0831 Ph: 89323997	\$70/hr x 20hr	1,400	96 – 105
Logistics	SR&A PO Box 41498 Casuarina NT 0811 Ph: 89220066 ABN: 36 063890565	\$50/hr x 45hr	2,250	1 – 115
Contingency			4,350	
Total			\$201,000	115 d.

Yirra Bandoe Land Trust AC Consolidation project**Stage 2 – Establishment: Purchase and installation costs of plant and equipment (1)**

Property Plant and Equipment	
Control boxes	22,800
Signal wire - 800 metres	4,500
Signal control box - 1	2,250
Insulated cable - 600 metres	1,500
Genset 150 kVA (secondhand)	28,000
Genset shed and soundproof	24,000
Power Connection	1,600
Salt water pump	6,000
5 hp Aire 02 - 12	33,600
Paddle wheel Aerators - 6	13,450
Feed container/trays and station assembly - 6	2,700
Utility Vehicle	49,700
Forklift (1.5 t secondhand)	13,450
Quad Bike	9,000
Workshop tools	4,100
Office and laboratory equipment	9,250
Harvest nets - 20	13,450
Cool bins - 2	2,100
Total Property P&E costs	241,250

Notes:

1. Smaller items of plant and equipment will usually be able to be supplied by LPL
2. Materials and consumables, particularly fuel, will be required from day 1.
3. The estimated costs include installation costs of trade skills, labour, fuel, etc.

Yirra Bandoe Land Trust AC Consolidation project
Stage 3 – Production: financial proposal (revised) - SUMMARY

	Per annum/ per 2 crops (\$)	Per crop/ per half year (\$)	Cash surplus(deficit) for first crop (\$)
Initial ATSIIC funding proposed	N/a	201,000	201,000
Non-deferrable costs			
Production costs	320,000	160,000	41,000
GST reimbursement	(24,000)	(12,000)	53,000
Operating costs, GST incl.	44,000	22,000	31,000
Operating costs non-GST	62,000	31,000	0
TOTAL non-deferrable costs	402,000	201,000	-
Harvest income <small>See Attachment 2</small>	18.50 x 36,000 666,000	333,000	333,000
Deferrable costs	156,000	78,000	201,000 + 54,000 255,000
Loan principal cost	36,000	18,000	201,000 + 36,000 237,000
Total trade and capital surplus (11)	201,000 + 72,000	201,000 + 36,000	201,000 + 36,000 237,000

Non-Deferrable costs - see Attachment 1, Appendix 1 – Scenario 1
GST related (GST included)

Calculation of this cost category:	\$
Total non-GST-related expenses	91,200
Add 1,400 for marginal increases in other items	1,400
Add 6,000 contingency	6,000
Less harvest cost (deferrable item)	(54,600)
Total	44,000

Non-GST related	\$
Total non-GST related costs	90,300
Less BDP interest on loan (deferrable)	27,600
Total	62,000

Deferral of interest (perhaps until after the first three crops) has been discussed with ATSIIC and was part of the original application.

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5

Deferrable costs - See Attachment 1, Appendix 1 - Scenario 1.

	\$
Harvest costs \$59,000 x 2	118,000
Deferrable rent on land and assets	10,000
Interest payment on ATSIC BDP loan	28,000
Total deferrable costs	156,000

The cost calculations in Attachment 2 are based on two harvests per year. Hence the harvest cost is doubled in the calculation of the (deferrable) annual GST related costs. Additionally, an increase in each harvest of 15% approx. by weight, due to the improved quality fry, is estimated to increase total harvest costs by 8% approx.

CONCLUSION

The features of the revised proposal are:

- \$200,000 funding from ILC will enable the consolidation project to proceed to the point of water being in the new ponds. The increased value of the land and fixed assets of the Yirra Bandoo Land Trust Aboriginal Corporation block will reflect the financial and labour contributions made in the construction stage of the aquaculture venture consolidation project.
- ATSIC funding of \$442,250 will provide \$241,250 in the second stage of the project for purchase of property plant and equipment. This contribution to the non-fixed assets of the Larrakia Pty Ltd venture will establish the capacity for the third stage of this consolidation project, the commercial production of farmed prawns.
- The remaining \$201,000 of the ATSIC funding is calculated as sufficient to cover the estimates of all non-deferrable costs incurred in the production of the first harvest of prawns, up to the point of delivery to the market. The production costs incurred in the first crop, payment of which can be deferred to the point of the first market returns, are estimated at \$78,000.
- The anticipated trade and capital surplus of \$72,000 per annum represents a satisfactory estimated percentage return of over 16% on an investment of \$442 thousand. The estimated harvest income of \$666 thousand would withstand a prolonged downturn in market returns of over 11%.
- The stocking rate of 20 per sq.m. will be monitored. Parameters of the prawn aquaculture industry such as stocking rates, quality of food, breeding stock, pond management techniques, farmed species continue to evolve. Trial variations in any of these parameters can be monitored for continued improvement in production outcomes.
- The support of the Aboriginal agencies, ILC and ATSIC, is beginning to be matched by government. Support for the industry in the future, in particular for Aboriginal involvement where feasible, is indicated by the NT Government's small but significant recent commitment to the development of a viable prawn hatchery.

Proposed ILC funding:	Stage 1 - Construction	\$200,000
Proposed BDP funding:	Stage 2 - Establishment	\$241,250
	Stage 3 - Production	\$201,000

The estimated harvest income of \$666,000, with an initial principal reduction of \$36,000 pa, returns \$72,000 on funds of \$442,000 invested, yielding 16.28%.

ATTACHMENTS

Attachment 1

YBAC Business and Development Loan Proposal – Prawn Farm, January 2002
prepared for ATSIC by Deloitte's, and referred to as 'the original proposal'.

Attachment 2

"Yirra Bandoo Aboriginal Corporation Prawn Farm Proposal: Comments,
document prepared by Adam Body and referred to as the Body proposal'

Yirra Badoo Land Trust Aboriginal Corporation

PO Box 41498
Casuarina NT 0811
Tel: 89220061
Fax: 89220055
Mob: 0418851766
E/m: jack.grosby@anu.edu.au

TO WHOM IT MAY CONCERN

The Yirra Badoo Land Trust Aboriginal Corporation has resolved, at its meeting of August 20, 2002, that:


Yirra Badoo Land Trust Aboriginal Corporation (YBLTAC) authorises the mortgage of the land at Lot 3 Kinnerley Road, Virginia, to which it holds title, in order to secure a loan and/or credit facility deemed suitable and necessary by YBLTAC for the purpose of consolidation of the aquaculture venture on that land, as described in the submission approved by the Development Consent Authority and as modified.

Moved: Audrey Tillmouth

Seconded: Susan Roman

Carried,

Signed:


Susan Roman - Chairperson

21.08.02

PO Box 41488
CASUARINA NT 0811
Phone: 89220061
Fax: 89220055

**Yirra Bandoo Land
Trust Aboriginal
Corporation**

Fax

To: DAVID GALVIN	From: Sue Roman
Fax: 0738544666	Date: August 22, 2002
Phone: 0418851766	Pages: 2
Re: Land Trust	CC:

Urgent
 For Review
 Please Comment
 Please Reply
 Please Recycle

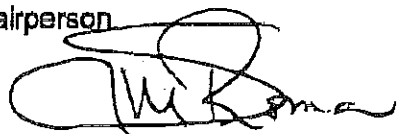
***Comments:**

David

Please find attached to this Fax a letter from YBLTAC for your records.

Jack has asked that you call him on 0418851766 on receipt of this fax. Should further information be required on this matter, I ask that you speak with Jack

Susan Roman
Chairperson





Len Owen
Nat Last
Fy. 1.

B25/8

Yirra Badoo Land Trust Aboriginal Corporation

PO Box 41498
Casuarina NT 0811
Tel: 89220061
Fax: 89220055
Mob: 0418851766
E/m: jack.crosby@anu.edu.au

Position?

ILC #
ATSIC #
Commercial # ?

David Galvin
Chief Executive Officer
Indigenous Land Corporation
Brisbane

FOR TRANSMISSION BY FAX

Dear David

The representatives of the Yirra Badoo group has been working closely with the ILC since last year to progress the consolidation of the Larrakia Pty Ltd aquaculture operation on the block at Kinnerley Road, Virginia. With considerable support and assistance from yourself and Nathaniel Last, we are now at the point where the group needs to take up initiatives proposed for the consolidation of the venture.

The proposal as it stands can be summarised as follows:

- The original proposal has been modified to reduce the costs of capital works, of establishment purchases of plant and equipment and of the production costs for the initial year of operation of the consolidated farm. It now stand at a total of \$637,000, down from over \$800,000
- Work done by ourselves and Nathaniel, with support from ATSIC (Deloittes), has proposed the following:
 - * capital works to be undertaken by YBLTAC, with financial support from ILC to the value of \$249,000
 - * establishment purchases as detailed previously, paid for by a loan of \$209,000 taken out by YBLTAC from Wesfarmers. The ILC's suggestion of approaching Wesfarmers has met with positive response from that body to date.
 - * production costs for the initial operation of the consolidated operation being provided for through a draw down credit facility of \$180,000, again from Wesfarmers,

Wesfarmers require evidence of several items:

- Title to the land – YBLTAC to provide
- The organisation's books and record of the two crops produced on the experimental size existing farm to date
- The business plan and budget – YBLTAC to provide. ILC has a copy, it being based on the final redrafting done by ILC and YBLTAC, and configured by Deloittes

425

- The approval for the consolidation, the expansion of the ponds and associated works in particular, from the NT's Development consent Authority, which was granted in November of 2001 – YBLTAC to provide
- A property valuation – YBLTAC to provide
- Copy of the tender for construction of a dwelling to be owned by YBLTAC, to the value of \$320,000. This is due for completion in December of this year – YBLTAC to provide
- Authorisation by YBLTAC for mortgage over the land and its fixed assets, and over non-fixed assets, if and as required for the purpose of security for a loan and credit facility for the consolidation project
- A copy of a note from the ILC stating that ILC does not exercise a caveat over the mortgage of the land and its fixed assets for the purpose for a loan and credit facility

I will be in Brisbane on Wednesday next and will be able happy to come to your office to clarify any matters if required. (I'll call on Monday/Tuesday re this?)

Obviously people are somewhat more optimistic than in recent weeks. The group got its Accountant (Barry Hansen) to sit in on the meeting with Wesfarmers. Barry is experienced in such matters. His view is that Wesfarmers will not have trouble in recommending a loan and credit facility.

Nathaniel has informed me that, prior to his adding to the global over-population, he sent various documentation relating to all this a few weeks back.

Hope all goes well for you and will see you in Brisbane briefly, if that suits.

Regards

Jack



Yirra Bandoos Land Trust Aboriginal Corporation

PO Box 41498
Casuarina NT 0811
Tel: 89220061
Fax: 89220055
Mob: 0418851766
E/m: jack.crosby@ami.edu.au

Shirley McPherson
Chairperson
Indigenous Land Corporation
GPO Box 652
Adelaide SA 5001

Dear Ms McPherson

The Yirra Bandoos Land Trust Aboriginal Corporation (YBLTAC) seeks the ability to mortgage the block of land at Lot 3, Kinnerley Road, Virginia NT, to which it holds title and over which the ILC has a caveat. The purpose is to obtain a loan and/or credit from a financial institution and/or ATSIC for the purpose of consolidating the commercial aquaculture venture that has been in operation over the last two years.

YBLTAC has resolved, at its meeting of August 20, 2002, that:

Pending removal of the caveat by the ILC,

Yirra Bandoos Land Trust Aboriginal Corporation (YBLTAC) authorises the mortgage of the land at Lot 3 Kinnerley Road, Virginia, to which it holds title, in order to secure a loan and/or credit facility deemed suitable and necessary by YBLTAC for the purpose of consolidation of the aquaculture venture on that land, as described in the submission approved by the Development Consent Authority and as modified.

Accordingly we seek the lifting of the ILC caveat for this purpose, for a period of five years, or the period of a loan and/or of a credit facility, whichever is the shorter.

Moved: Audrey Tilmouth

Seconded: Susan Roman

Carried,

Signed: 
Susan Roman - Chairperson

21.08.2002

cc: David Galvin
Chief Executive Officer



INDIGENOUS LAND CORPORATION
ABN 59 912 679 254

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A341 395 378



LAND ENTERPRISE AUSTRALIA PTY LTD
ABN 32 084 704 423

Pls. see me re. required brief.

Len 11/9

9 September 2002

Ms Susan Roman
Chairperson
Yirra Badoo Land Trust Aboriginal Corporation
PO Box 41498
CASUARINA NT 0811

Dear Ms Roman

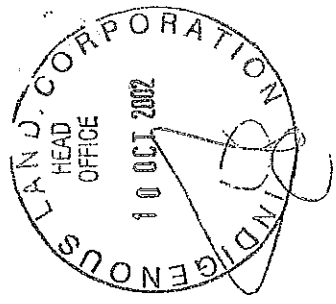
I am acknowledging receipt of your letter of 21 August 2002, in which you request the ILC to lift the caveat over Lot 3, Kinnerley Road, Virginia NT, in order that you may mortgage the land.

The authority to approve the taking of a charge, such as a mortgage, over ILC-divested land is vested with the ILC Board under section 191S(2)(b) of the *ATSIC Act*. I have requested the Manager of the Central Division (Mr Len Owen) to prepare a full brief for the Board's consideration, and hope to have a response to you as soon as possible. Either Mr Owen or one his staff will be in contact with you shortly to obtain any necessary details.

Please contact Mr Owen on 08.82164102 if you have any queries.

Yours sincerely

CLEM RILEY
Acting Chairperson



COPY

INDIGENOUS LAND CORPORATION
ABN 59 912 679 254

→ Net - for file

M/140

2 October 2002

Ms Susan Roman
Chairperson
Yirra Badoo Land Trust Aboriginal Corporation
PO Box 41498
CASUARINA NT 0811

NOTIFICATION
ILC LAND
October
2

By facsimile: (08) 8922 0055

Dear Ms Roman

Land Management Assistance: Yirra Badoo Land Trust Aboriginal Corporation

I am pleased to inform you that the Indigenous Land Corporation has, subject to the conditions set out in this letter, agreed to make a grant of money to Yirra Badoo Land Trust Aboriginal Corporation ('Yirra Badoo') to carry on a prawn farm business on the property known as 'Virginia Prawns'.

The grant of money is offered on the following basis:

1. A grant of money to the sum of \$233,050 for the purpose of paying for the expansion of the current prawn farm ponds from 0.8 hectares to 4.0 hectares.
2. The ILC approval is based on the 3 May 2002 submission received by the ILC and is intended to pay for:
 - Clearing the block (\$2,250)
 - Site survey and associated tests (\$5,700)
 - Earthworks (\$98,000)
 - Fuel associated with the earthworks (\$22,000)
 - Electrical works (\$48,000)
 - Water infrastructure (\$26,200)
 - Electrical and water components (\$30,900);

- 50
- 4/2
3. It is a pre-condition to the ILC grant of money that Yirra Bandoo must first demonstrate that:
 - The proposed Darwin prawn hatchery will be fully operational during the 2002/03 financial year;
 - Either ATSIC or a commercial lender confirm they will approve a loan to Yirra Bandoo for plant and infrastructure and working capital required to operate the prawn farming enterprise; and
 - The loan for the working capital will be secured without any financial contribution in addition to the \$233,050 grant of money from the ILC;
 4. Release of funds is subject to the entry by the ILC and Yirra Bandoo into a formal written grant of money agreement.

Consent to Charge

In addition to the above I am also pleased to inform you that the ILC Board has favourably considered your request that Yirra Bandoo be authorised to give a charge against 'Virginia Prawns'.

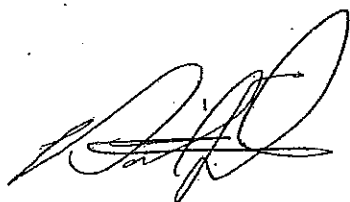
Prior to formally consenting to Yirra Bandoo giving a charge over 'Virginia Prawns', the ILC requires Yirra Bandoo to confirm in writing:

- the amount intended to be secured with the charge;
- which assets are intended to be made the subject of the charge; and
- the purpose of seeking the charge.

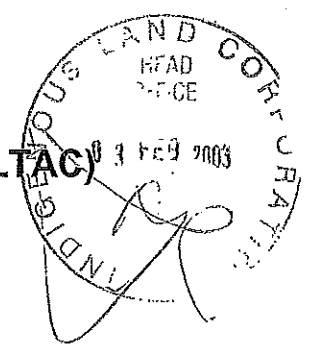
ILC also requires written confirmation from the lending institution offering funds secured by the charge, that those funds are being advanced for the sole purpose of Yirra Bandoo purchasing plant and infrastructure and providing working capital for the prawn farming business being carried out on Virginia Prawns.

If you have any further enquires with regard to the ILC offer, please do not hesitate to contact Nathaniel Last on (08) 8216 4100.

Yours sincerely



DAVID GALVIN
General Manager



Yirra Badoo Aboriginal Corporation Land Trust (YBLTAC)

PO Box 41498
Casuarina NT 0811
08 89220061
0418 851766
fx:08 89220055
yirra@bigpond.com

Attn: N. East

**David Galvin
General Manager
Indigenous Land Corporation
GPO Box 652
Adelaide SA 5001**

Dear Mr Galvin

On October 2, 2002 you wrote to YBLTAC offering a grant of money for the purpose of construction of prawn aquaculture ponds, the grant being subject to specified conditions. Those conditions are now satisfied, as evidenced by:

- An operational prawn hatchery – see the attached note from Mr Adam Body
- Finance from ATSIC and/or a commercial lender for establishment purchase of plant and equipment and for working capital for the production cycle –the attached notes from ATSIC and the ANZ bank indicate the terms and conditions of the loan and credit facility respectively provided

The Business Plan for the proposal provides the framework for the establishment and operation of the consolidated aquaculture operation, including the cash flow and budget, which demonstrate how the three financial components combine to provide for the integrated proposal to be established and to operate profitably.

- No additional funds being required – none are

YBLTAC now formally seeks to secure a charge over the title to the land at Lot 3, Kinnerley Road, Virginia. The amount intended to be secured with the charge is \$408,000. The charge is over the land and fixed assets held by Yirra Badoo. As is demonstrated in detail by the Business Plan attached, the charge will enable the construction phase of the consolidation of the prawn farm at the above location to be conducted.

Please contact me for any further information that may be required.

Yours sincerely

Jack Crosby
Jan 31, 2003.



INDIGENOUS LAND CORPORATION

ABN 59 912 679 254

Central Division (SA, VIC, TAS, NT)

GPO Box 652

Adelaide SA 5001

Ph: (08) 8216 4100

Freecall: 1800 818 490

Fax: (08) 8211 6503

Website: www.ilc.gov.au

5th February 2003

YBLTAC
Jack Crosby
PO Box 41498
Casuarina NT 0811

BY FACSIMILE: (08) 8922 0055

Dear Mr Crosby,

In reference to your letter to the ILC General Manager dated the 31st January 2003, the ILC is unfortunately still unable to take any further action with regard to either ILC Land Management assistance for the purpose of pond expansion or providing consent to take a charge against Lot 3 Kinnerley Road, Virginia¹.

Whilst the ILC General Manager agreed to consider alternative hatchery locations in the Darwin Region, the letter provided by Mr Adam Body does not satisfy the pre-condition that requires YBLTAC to demonstrate that a prawn hatchery will be fully operational during the 2002/03 financial year. Mr Body's letter advises that it is his "intention to ensure that a prawn hatchery in Darwin is up and running as soon as possible". This statement still does not provide the required commitment to build a prawn hatchery within the stated timeframe.

It is acknowledged² that YBLTAC have invested significant time and resources into securing support and finance for the proposed prawn farming operation, however ILC's analysis confirms that the proposal is not viable unless the operation can produce two crops per annum. As highlighted in Mr Body's letter, a local prawn hatchery is integral to the future viability of the industry in that it will enable the members of the NT Prawn Farming Industry to successfully produce two crops per annum.

Once YBLTAC provide appropriate documentation demonstrating that a prawn hatchery will be fully operational during the 2002/03 financial year and loan documentation from ATSIC, the ILC will be in a position to take further action with regard to Land

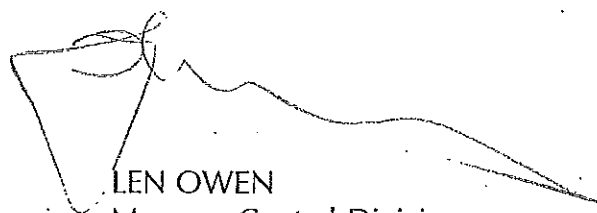
¹ As specified in a letter from the ILC General Manager David Galvin (2nd October 2002) to Ms Susan Roman, Chairperson YBLTAC.

² At ILC Board meeting No 70, the ILC General Manager formally conveyed that he was impressed with the dedication and commitment of YBLTAC.

Management assistance and consenting to a charge against Lot 3 Kinnerley Road, Virginia.

Further enquires on this matter should be directed to Nathaniel Last who can be contacted on (08) 8216 4100.

Regards,

A handwritten signature in black ink, appearing to read 'LEN OWEN', with a long horizontal flourish extending to the right.

LEN OWEN
Manager Central Division.

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2573
CONNECTION TEL 89220055
SUBADDRESS
CONNECTION ID
ST. TIME 05/02 15:57
USAGE T 01'03
PGS. SENT 2
RESULT OK



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It is acknowledged² that YBLTAC have invested significant time and resources into securing support and finance for the proposed prawn farming operation, however ILC's analysis confirms that the proposal is not viable unless the operation can produce two crops per annum. As highlighted in Mr Body's letter, a local prawn hatchery is integral

Yirra Bandoo Aboriginal Corporation Land Trust

PO BOX 41498
CASUARINA NT 0811
Ph: 89889458
Email Yirra@bigpond.com

Len Owen
Manager Central Division
ILC
GPO
Box 652
Adelaide SA 5001

FOR TRANSMISSION BY FAX

Dear Mr Owen

2 crops

Thank you for your letter of February 5. Larrakia P/L, the operational entity of the prawn farm, has been the body that has driven the two crops per annum being one of the parameters for a profit making farm on the Virginia block. The requirement for this parameter to be achieved has always been a supply of consistent quality fry. Consistency of quality, and adequacy of quality, is what Larrakia P/L has always stressed as being necessary for achieving two crops per year. Consistent size and consequent growth rate enables marketable product to be harvested within the time frame detailed in the business plan. Adequate quality of fry enables sufficient size and market return, again in line with the figures detailed in the plan.

Adam Body has also always stressed the same parameter as being the requirement for profitability.

Much effort and time, and some money, went into demonstrating that a local hatchery can both be built and operated successfully while providing the consistent and adequate fry required.

Other mechanisms can achieve the same result, the only difficulty being that the timing or consistently is not always there, or has not always been there, on some occasions.

Supply of consistent fry of even quality can be guaranteed through mechanisms other than a local hatchery. They are not of greater cost, in the short term. The hatchery option is the long term preferred option. I believe that you are familiar with the commitments (by the NT Government and ATSIC) and progress made in regard to the establishment of a hatchery. I consider that some simple measures

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can be taken to further progress the hatchery to the point where its construction and operational requirements will be assured. These are outlined below.

The two crop per annum achieving sufficient market return basis of the business plan is clearly dependent on many factors. The fry supply is just one such. It is not a single option factor. Larrakia P/L and Yirra Bandoo Land Trust Aboriginal Corporation have, in every discussion, meeting etc., have driven this point. Its reduction to a single option, hatchery option is simply not accurately representative of the reality.

LPL and YBLTAC seeks the opportunity to demonstrate that the fry supply factor can be guaranteed for the initial crops, to the point in time where the hatchery becomes an entrenched part of the industry in the NT.

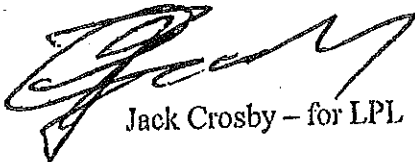
We consider that close communication between ILC, ATSIC and the NT will formally confirm what each of the agencies appear to know informally, that the hatchery option is a question of when and not if. Accordingly I suggest that I follow this correspondence with a call to organise a meeting (teleconference) to seek agreement on and to set down timelines for achieving the two items. That is:

- the opportunity for Larrakia P/L to demonstrate that the fry supply factor can be guaranteed for the initial crops
- a meeting (teleconference) to seek agreement on and to set down working procedures for finalising all outstanding matters required for proceeding with the hatchery

You have indicated in your letter your understanding of the extensive work and commitment that has gone into the consolidation of the aquacultural prawn farming operation to date. That work and commitment is continuing unabated, you can be assured.

It is also no doubt equally clear to you that time is of the essence for both YBLTAC and LPL. The extensive delays we have suffered to date in the consideration and further development of the farm's consolidation has been very costly. LPL's fixed costs have continued unabated.

I am sure that the proposal made in this note can be taken up without any delay. I look forward to hearing from.



Jack Crosby - for LPL

Feb 12, 2003.



Australian Government
Indigenous Land Corporation

Central Division
 Adelaide
 Fax: (08) 8211 6503
 ABN: 59 912 679 254
 Freecall: 1800 818 490
 Website: www.ilc.gov.au

4 February 2004

Steve McLean/Jack Crosby
 Yirra Badoo Aboriginal Corporation Land Trust
 PO Box 41498
 Casuarina NT 0811

Dear Steve/Jack,

Funding proposal – Virginia Prawns

The ILC has completed a comprehensive review of your updated business plan for the expansion and operation of your existing prawn farm. Unfortunately, due to this review the ILC is unable to extend the original offer of support for the project.

Following detailed research and analysis of the prawn farming industry and discussions with industry experts it is our opinion that a number of the key assumptions used in your business plan appear unrealistic or unachievable. Most notably, the projected price for prawns, the size of prawns, feed conversion ratio and the cost of feed.

Projected price for prawns.

The business plan projects a price of \$17.50/kg, which is well in excess of the prices currently being achieved at the Sydney Fish Markets for Black Tiger Prawns. The price is currently between \$13 and \$14/kg, corroborated by both ABARE reports and industry experts. The price for prawns is depressed due to the high level of imported prawns on the market. If the Australian dollar continues to appreciate against the \$US, prices can be expected to fall further. Even if it stays static or declines, the prices currently being achieved are approximately 25% below the level budgeted.

Prawn size.

The business plan projects prawns being grown to 28 grams, a size that industry experts consider an unachievable target. A realistic growth target is 15 to 20 grams, at least 30% below the budget weight. Established prawn farms have experienced significant stock losses attempting to grow Black Tiger Prawns beyond 20 grams. In addition to high stock losses, growing to larger weights necessitates a lower stocking density and longer grow-out period than budgeted.

Advice from industry experts state that it is possible to produce two crops per year if growing prawns to 20 grams, and would also allow a two-week drying period between crops. A dry out period is considered necessary to combat the higher prevalence of disease at higher stocking rates.

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 GPO Box 652
 Adelaide SA 5001
 Ph: (08) 8216 4100
 Fax: (08) 8212 0197

Canberra Office
 PO Box 586
 Curtin ACT 2605
 Ph: (02) 6269 2500
 Fax: (02) 6285 4300

Brisbane Office
 PO Box 217
 Albert Street B.C.
 Brisbane QLD 4002
 Ph: (07) 3854 4600
 Fax: (07) 3854 4666

Perth Office
 PO Box 7502
 Cloisters Square
 Perth WA 6850
 Ph: (08) 9420 6300
 Fax: (08) 9324 2225

Feed conversion ratio (FCR).

The feed conversion ratio used in the business plan is considered optimistic by industry experts. Research shows the industry average to be 2.1:1. However the business plan is calculated on a FCR of 1.8:1. They consider a more realistic FCR for Northern Territory conditions is 2:1.

Price of Prawn feed.

The current price for prawn feed is \$1.60/kg, slightly higher than the \$1.55/kg used for budgeting purposes in your application. If the Australian dollar continues to rise, an easing of the price of prawn feed can be expected. However given the high level of imported prawns on the Australian market, any easing in the price of feed may be accompanied by a corresponding decrease in sale prices as imported prawns become cheaper.

Projected performance based upon revised figures.

Revised assumptions used:

Price received \$13.50/kg
 Weight of prawns 20 grams
 Feed conversion ratio 2:1
 Price of prawn feed \$1.60/kg (Australian dollars)

Table1

Year	Year 1	Year 2	Year 3	Year 4	Year 5
Income	\$356,400	\$356,400	\$356,400	\$356,400	\$356,400
Expenses	\$399,275	\$456,688	\$469,059	\$481,127	\$490,504
Surplus	(\$42,875)	(\$100,288)	(\$112,659)	(\$124,727)	(\$137,104)
Accumulated Surplus	(\$42,875)	(\$143,163)	(\$255,822)	(\$380,549)	(\$517,653)

Table2 – 20% increase in price (\$16.20)

Year	Year 1	Year 2	Year 3	Year 4	Year 5
Income	\$427,680	\$427,680	\$427,680	\$427,680	\$427,680
Expenses	\$450,000	\$456,688	\$469,059	\$481,127	\$490,504
Surplus	(\$22,320)	(\$29,008)	(\$41,379)	(\$53,447)	(\$62,824)
Accumulated Surplus	(\$22,320)	(\$51,328)	(\$92,707)	(\$146,154)	(\$208,978)

Table 1 above show that under the revised assumptions, the project would have accumulated losses in excess of \$500,000 at the end of five years. Clearly under these conditions the proposed venture fails to show commercial viability. An increase in price of 20% to \$16.20 (Table 2) still produces an accumulated surplus in excess of \$200,000.

In addition to the above financial factors, the ILC holds serious concerns over the quality and availability of fry. It was requested by the ILC that in the absence of a reliable local hatchery, a performance guarantee be obtained from an interstate supplier. Such a guarantee has not been attainable. Established prawn farms in the Northern Territory report the quality of fry available from Queensland and Western Australia is currently poor, and there are regular problems accessing air transport for fry.

Unfortunately, given the lack of commercial viability and ILC concerns about fry quality, it would seem too great a risk that if the ILC proceeds with allowing you to mortgage the land and the venture failed, the land could be placed in "mortgagee in possession" and sold.

Consequently, I have made a decision to refer the project back to the ILC Board for its consideration. The Board will be meeting on 19 February 2004 and if you wish to dispute that information please do so in writing. If you have any questions regarding the above, please contact Mr Luke Bowen, Acting Manager (Central Division), on 08 8216 4100 .

Yours sincerely

DAVID GALVIN
General Manager



15 June 2004

Ref: M/140

Mr Jack Crosby
Yirra Bandoo Aboriginal Corporation Land Trust
PO Box 41498
Casuarina NT 0811

Dear Jack

ILC Land Management Application – Virginia Prawns (M/140)

As you are aware, in March 2004 the ILC commissioned a consultant to independently analyse and assess your business plan. The consultant's report has now been received, a copy of which is attached. Unfortunately, based upon the findings of the consultant, the ILC is unable to provide land management assistance for the proposed expansion of prawn farm at Lot 3 Kinnerley Road, Virginia.

The Delegate's decision is based on the findings of the independent consultant, Aussea Holdings Pty Ltd.

Summary of Aussea Holdings findings;

- The design of the farm has not been tested to any extent in Australia, specifically in the growing of P Monodon.
- The growing technique is far more complex than the proven methods adopted on commercial farms and requires a higher level of monitoring and attention to detail on a continuing basis as any adverse change in conditions can have a significant effect on pod environment if not corrected.
- The farm is too small to be commercial. Cash flow analysis demonstrates that the farm cannot show a cash surplus.
- The success of the crop is dependent on obtaining disease free or at least fry with low prevalence of disease.
- Low stocking densities demand high survivals if a commercial crop is to be achieved. Aussea believes that a production of 4 tonnes is the maximum that can be achieved. Even so, this level of production requires a survival rate of 60% which is above the national average.
- Any loss of aeration and thus water movement will result in the settlement of solids that should be kept in suspension. The design does not provide a means of adequately flushing excess waste (organic matter). Aussea is concerned that once solids settle then they are not able to be re-suspended, and thus have the capacity to cause increases in ammonia levels.
- Current pricing structures are significantly less than that adopted in the business plan.

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It is the Delegate's decision that your application fails to demonstrate that the proposed activities are both viable and sustainable, hence the proposal does not comply with the ILC's National Indigenous Land Strategy and does not satisfy the ILC's Guidelines for the Economic stream.

If you have any questions about this decision please contact Luke Bowen on 08 8216 4102

Should you wish to have this decision reviewed please contact the relevant ILC Divisional Manager.

Yours sincerely

DAVID GALVIN
GENERAL MANAGER

00707


AUSSEA HOLDINGS PTY. LTD

ABN NO 99 088 984 909
 HEAD OFFICE
 NICHOLSON ROAD CARDWELL 4849
 PO BOX 301 CARDWELL 4849
 E-Mail aussea@qldnet.com.au

24th May 2004

The Acting Regional Manager
 Indigenous Land Corporation
 GPO Box 652
 Adelaide SA 5001

Dear Sir

Larrakia Pty Ltd

We refer to your instructions and detail below our opinions in relation to the establishment of a 4 hectare farm situated on land known as lot 3 Kinnerley Road Virginia.

We apologise for the delay in providing the report, however as advised we have been waiting for some of the recent results on our own farm and hatchery that has a bearing on the content of the report specifically in relation to fry quality and its impact on production. Those results has confirmed our opinion that the major limiting factor in farming P Monodon is stress related.

The viral infection commonly known as GAV [Gill Associated Virus] is endemic in the wild population from which the Eastern seaboard of Australia draws its broodstock, and at this point of time from which the Northern Territory farms draw their fry until commercial hatcheries are established in the Northern Territory. There are critical points in the hatchery processes that influence stress and farmers must be aware of those factors if they are to ensure the best possible fry available and thus a successful crop. Enquiry should be made of hatchery practices before purchasing fry. Those critical control points are

- Handling of broodstock during catching and spawning of broodstock
- Poor hygiene in the hatchery resulting in introduction of high bacteria levels
- Poor feeding techniques stunting early growth.
- Variable water temperatures in the larval growout tanks
- Improper handling in the transport of fry

Exposure to stress is cumulative and in most instances high mortality can be attributed to poor hatchery results producing weak fry. This factor is the major influence in a farmer decision to increase stocking rates particularly above 35 per square metre so as to attempt to produce sufficient production.

We deal with the points contained in your terms of reference as follows.

2/-

PRAWN FARM
 AQUA UNITED (CARDWELL) PTY LTD
 NICHOLSON RD CARDWELL 4849
 PO BOX 301 CARDWELL 4849
 PH (07) 40668022 FAX (07) 40668033

HATCHERY
 GREAT BARRIER REEF SHRIMP HATCHERY PTY LTD
 FIG TREE BCH RD BINGAL BAY 4852
 PO BOX 209 MISSION BEACH 4852
 PH (07) 40 687900 FAX (07) 687911

REGISTERED OFFICE:
 22 WALKER ST TOWNSVILLE 4810

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[4]

Marketing

Whilst the Sydney Fish Market price history indicates price levels as quoted in the business plan may be appropriate, the emerging importation of prawns [Vanamei] from South East Asia in late 2003 has severely impacted on the pricing of all Australian prawn production. The importation has affected all grades of prawn but is more evident in smaller grades.

Consequently it is more important that the larger prawn, 30gram and above be produced to fill the niche markets that are not in direct competition with imported product.

Because of the small volumes produced and infrequent supply from a small farm opportunities will remain in the domestic market. We note that the business plan suggests an average price of \$17.50/kg. We believe that this is optimistic with recent average prices being closer to \$13.00/kg. Reliance on the Sydney market means that farms become price takers because of the relatively small volumes of product traded.

Management expertise

Mr McLean has sufficient experience with the assistance from Mr Body to manage the technical aspects of the farm. However this type of system with minimum to nil water exchange in low production systems requires significantly higher involvement to manage the pond environment. We would be concerned that unless Mr McLean is on call 24 hours per day during the later third of the growout then any adverse change in the ponds not corrected within a short period of time may cause significant mortality.

It is considered that the majority of the marketing effort will be confined to Darwin given the small volume involved.

The business plan provides for financial overview on a monthly basis. That frequency of overview should be sufficient.

Historical performance can only be gauged by reference to the previous experience of Mr Body and Mr McLean. We believe that they have had the necessary experience to carry production through.

Infrastructure

It is fair to say that the style of construction using a raceway system has not been commercially proven in Australia in the growing of *P. Monodon*. Consequently the system must be considered experimental. The system is best used for species that live within the water column. *P. Monodon* are bottom dwellers and generally live on the bottom. It is necessary to have feed available on the pond bottom and sufficient clean area to provide a suitable habitat.

We are unable to reconcile the level of expenditure in respect to aeration and the level of power costed in the business plan of \$58,700.00 per crop. It would appear that this level would support a greater number of units than what has been budgeted for.

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[2]

Stocking Density

The stocking density included in the projection of 22 per square metre demand a low disease prevalence at the time of stocking. Crop conditions during growth will also need to be maintained at optimum levels with . Projected survival of 75% is higher than the current eastern average of approximately 50%. Projecting this stocking density at survivals of 60% provides a final production tonnage of 3.96tonne. at the level under normal conditions [temperature rang of 29-31C and salinities of 35ppt [ocean salinity] we estimate that a minimum of 16hp per hectare will be required to maintain minimum oxygen levels. That requirement will rise with higher temperatures or salinity. Bio-mass levels can also be influenced by dense algal blooms or other organic matter. Certainly a low level as proposed will require every factor to be at their optimum limiting stress on the environment.

Crop Cycle

Temperature ranges and climatic condition experienced in the area support the concept of 2 crops per year. Factors that may impact on this concept are

1. Water temperatures above 31C and below 28C. It is unlikely that low temperatures will be significant in this area, however high temperatures may occur that will need to be moderated if possible with water exchange.
2. High salinities above oceanic levels that again may need to be moderated with water exchange.
3. Pond environments particularly the maintenance of dissolved oxygen PH and stable blooms.

Frequent changes in the environment can raise the stress levels of prawns which in turn provides the opportunity for GAV to increase.

Death Rates

Death rates are subject to four issues

1. Fry with a low prevalence of disease at introduction.
2. Good and adequate aeration commensurate with the pond bio-mass.
3. Keeping the pond conditions consistent with sufficient dissolved oxygen stable Ph and bloom levels
4. Management - you will appreciate that management plays a pivotal role in controlling the above factors.

We note that your client has adopted a survival rate of 75% which is higher than the Australian industry average of 50%. Poor quality larvae is the principal reason for high stocking density because of early mortality. It cannot be stressed enough that the health of larvae should be determined at the time of introduction.

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[3]

The health of the original larval stock is perhaps the most significant factor in controlling mortality. Low prevalence of GAV at the time of introduction to the ponds provides sufficient time for the prawn to grow to a commercial size whereas if the larval stock has a high level at time of introduction then there will be early mortality and a shortened production cycle because of the need to harvest early.

Growth Rate, Yield & Size

This is of course subject to factors already detailed. An average size of 30 grams with low stocking densities is achievable but production will only be achieved in optimum growing conditions.

Food Conversion

A food conversion rate of 1.8:1 is achievable. We note that your client has adopted a rate of 2:1 in their business plan of November 2003. The industry is mostly dependent on an imported product which has proved satisfactory.

Fixed Costs

- Larvae - The current commercial rate is between \$18.00 and \$20.00 per thousand. There has been little change for some years.
- Feed - This is subject to exchange rates for both imported and local feed [most ingredients are imported]. Currently feed can be purchased for approximately \$1,700.00 per tonne landed. Transport costs can influence this cost.
- Power - This cost will be a significant cost with the type of aeration system used because of the need to create an aerobic condition in the ponds due to the practice of minimal or nil water exchange. Systems using a regime of exchange reduces the accumulating organic load and thus bio-mass. In addition water exchange controls ammonia and high pH levels that are detrimental to prawn health.
- Labour - We note that Mr Steven Malcolm will be the sole permanent employee of the enterprise. We also note that there is an uncalculated subsidy through CDEP. Given the operation is a 7 day a week operation extending over greater than normal daily ordinary hours that subsidy will be necessary to contain costs to economic levels. This farm tries to achieve a level of direct labour of \$30.00 to \$40.00 dollars per day. This is achievable when this farm is in full production with the fixed cost spread over a greater number of ponds.
- Maintenance - Principally related to the maintenance of pumps and aeration systems though our experience would indicate pump costs will be minimal. Soil types are conducive to low costs arising from erosion. We note that the primary aeration system will be based on "paddle wheels". Our experience indicates that these aerators have a number of moving parts that require regular servicing and repair. The frequency of repair is high in areas that experience power spikes or outages that trip protection devices.

[5]

We are concerned that the design does not provide for significant water exchange when there is a need for flushing to

- reduce ammonia levels and control ph levels
- reduce suspended solids in the event of bloom crashes and the resultant increase in organic matter.
- reduce salinities where extended dry periods increase salinities above oceanic levels.

Summary

The following summarises those areas where we have concern.

- The design of the farm has not been tested to any extent in Australia specifically in the growing of P Monodon.
- The growing technique is far more complex than the proven methods adopted on commercial farms and requires a higher level of monitoring and attention to detail on a continuing basis as any adverse change in conditions can have a significant effect on pond environment if not corrected.
- The farm is too small to be commercial. We have attached a suggested cash flow analysis detailing different production cycles that demonstrate that the farm cannot show a cash surplus.
- The success of a crop is dependent on obtaining disease free or at least fry with a low prevalence of disease.
- Low stocking densities demand high survivals if a commercial crop is to be achieved. We believe that a production of 4 tonne is the maximum that can be achieved, Even so this level requires a survival rate of 60% which is above the national average.
- Any loss of aeration and thus water movement will result in the settlement of solids that should be kept in suspension. The design does not provide a means of adequately flushing excess waste (organic matter). We are concerned that once solids settle then they are not able to be re-suspended and thus have the capacity to cause increase in ammonia levels.
- current pricing structures are significantly less than that adopted in the business plan.

Should you require any further assistance please do not hesitate to contact us.

Yours faithfully


S G Sciacca
Managing Director

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Larrakia Pty Ltd
Per crop Cash Flow Analysis

	Per Crop	Per Crop	Per Crop	Per Crop	Per Crop
STATISTICAL DATA					
TOTAL STOCKING	4	4	4	4	
STOCKING RATE	22	30	22	30	
NUMBER OF LARVEA	880000	1200000	880000	1200000	8800
AV WEIGHT AT HARVEST	0.03	0.03	0.03	0.03	0.
POTENTIAL CROP	26400	36000	26400	36000	264
SURVIVAL RATE	60.00%	60.00%	50.00%	50.00%	5.00
TONNAGE AT HARVEST	15.84	21.6	13.2	18	19
CONVERSION RATE	2.00	2.00	2.00	2.00	2.
FOOD USAGE	31.68	43.2	26.4	36	39
TONNAGE HARVESTED					
PRICE PER TONNE	15000	15000	15000	15000	1750
PRAWN FARM					
GROSS INCOME					
Net Receipts	237600	324000	198000	270000	346500
	<u>237600</u>	<u>324000</u>	<u>198000</u>	<u>270000</u>	<u>346500</u>
LESS EXPENDITURE					
Processing	39600	54000	33000	45000	49500
Freight	18058	24624	15048	20520	22500
Larvae	17600	24000	17600	24000	17600
Feed	63360	86400	52800	72000	79200
Wages & Oncosts	40600	40600	40600	40600	40600
Power	58700	58700	58700	58700	58700
Repairs Maintenance & Vehicle	26100	26100	26100	26100	26100
Leasing	7000	7000	7000	7000	7000
Rent	10000	10000	10000	10000	10000
Administration related Costs	12200	12200	12200	12200	12200
Fertilizer & Lime	20000	20000	20000	20000	20000
Consultancy	4000	4000	4000	4000	4000
Insurance	6000	6000	6000	6000	6000
Capital Interest Costs	13614	13614	13614	13614	13614
	<u>336832</u>	<u>387238</u>	<u>316662</u>	<u>359734</u>	<u>367000</u>
NET CONTRIBUTION TO CASH	-99232	-63238	-118662	-89734	20500



Australian Government
Indigenous Land Corporation

2/8/09
485

22 September 2009

Yirra Badoo Aboriginal Corporation Land Trust
PO BOX 41498 *OR 4089*
Casuarina NT 0811

To whom it may concern,

I am writing in regard to the property at Lot 3, Kinnerley Rd, Virginia NT that was purchased on behalf of Yirra Badoo Aboriginal Corporation Land Trust by the Indigenous Land Corporation in 1998 and granted to your organisation in 1999.

We have been notified by the Office of the Registrar of Aboriginal Corporations that Yirra Badoo A.C.L.T. has not been fulfilling its corporate responsibilities and will be de-registered in mid-October 2009 if you do not submit a 2007-08 general report.

Yirra Badoo A.C.L.T. is the organisation that holds title to the Kinnerley Rd property. Deregistration of the organisation is a serious issue. In the event that Yirra Badoo is deregistered it is likely that the Kinnerley Rd will be returned to the ILC.

Can you please advise if you have been in contact with ORIC to address your issues of non-compliance.

Please call me on (08) 8100 7117 or 0419 356 849 to discuss this urgent matter.

Yours sincerely

Jacob Habner
Project Advisor, Central Division
Ph: (08) 8100 7117
Email: jacob.habner@ilc.gov.au

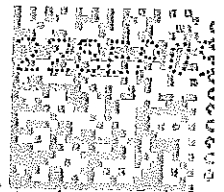
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Australian Government
Indigenous Land Corporation

If undelivered, please return to
GPO Box 652 Adelaide SA 5001

ADELAIDE SA 5040



2200 0001148
POSTAGE PAID AUSTRALIA

1/17



YIRRA BANDO A.C.
PO BOX 4089
CASUARINA NT 0811

RETURN TO SE

DATE 28/9

Insufficient Ad
 Left Address/U
 Refused
 Unclaimed

Removable Label

DO NOT PLACE THIS STICKER OVER CUSTOMER BARCODE OR ADDRESS

YOUR REVIEW RIGHTS

Internal review

Under section 54 of the FOI Act, you may apply in writing to the Indigenous Land Corporation for an internal review of my decision. The internal review application must be made within 30 days of the date of this letter.

Where possible please attach reasons why you believe review of the decision is necessary. The internal review will be carried out by another officer within 30 days.

Information Commissioner review

Under section 54L of the FOI Act, you may apply to the Australian Information Commissioner to review my decision. An application for review by the Information Commissioner must be made in writing within 60 days of the date of this letter, and be lodged in one of the following ways:

Online: <https://forms.australia.gov.au/forms/oaic/foi-review/>

Email: enquiries@oaic.gov.au

Post: GPO Box 2999, Canberra ACT 2601

In person: Level 3, 175 Pitt Street, Sydney NSW

More information about Information Commissioner review is available on the Office of the Australian Information Commissioner website. Go to www.oaic.gov.au/foi-portal/review-complaints.html#foi-merit-reviews.