

Savanna Fire Management Program | ANNUAL REPORT 2024





PEOPLE. COUNTRY. OPPORTUNITY.

Acknowledgment of Country

In all our activities we pay our respect to the Traditional Owners and Custodians of the lands, waters and skies on which we live and work. We honour the resilience and continuing connection to Country, culture, and community of all Aboriginal and Torres Strait Islander people across Australia. We recognise the decisions we make today will impact the lives of generations to come. Traditional fire management practices passed down through generations have played a crucial role in preserving the natural environment in northern Australia for thousands of years.

Aboriginal and Torres Strait Islander readers are advised that this publication may contain the names or images of people who have passed away.

Front cover image: NT Savanna Country - Daly Region Inside cover: Aerial Tiwi Island burning

Foreword from the ILSC GCEO



For the past decade, the Indigenous Land and Sea Corporation (ILSC) has managed the Savanna Fire Management (SFM) Program, partnering with Indigenous groups across the Northern Territory to establish carbon enterprises based on traditional fire management practices.

In a world grappling with climate change and biodiversity impacts, the SFM program currently works with five Ranger groups across 4.6 million hectares in the Northern Territory to implement early dry season burning. This approach reduces the damaging impacts and high emissions of late dry season fires while providing opportunities to earn Australian Carbon Credits Units.

The ILSC is extremely proud to support a program that supports eligible First Nations Ranger groups

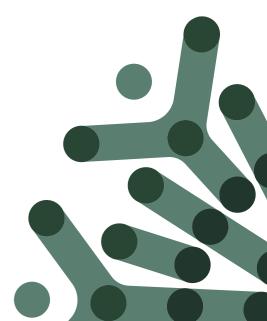
to manage Country with fire, while strengthening connection to Country and fostering enterprise development.

In October 2024, the Tiwi Islands Fire and Carbon Project became the first SFM project to transition into a fully independent, Indigenous-owned and operated carbon enterprise. Income from the ACCUs now supports the enterprise and helps advance broader community goals, including self-determination and local enterprise development.

The ILSC congratulates the participating groups on their achievements and looks forward to continuing its support for them and other emerging eligible groups.

Joe Morrison

Group Chief Executive Officer Indigenous Land and Sea Corporation



SAVANNA FIRE MANAGEMENT PROGRAM ANNUAL REPORT 2024

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Introduction

The Indigenous Land and Sea Corporation (ILSC) 2024 NT Savanna Fire Management (SFM) Annual Report provides an overview of the eighth-year of implementation of the SFM Program. This program provides funding for the establishment and delivery of carbon projects that reduce emissions through active on-ground fire management techniques on Indigenous held land in the Northern Territory (NT).

The SFM Program is funded by INPEX
Operations Australia (INPEX) on behalf of
Ichthys LNG joint venture partners. INPEX's
recognition of environmental and cultural
impacts associated with the Ichthys onshore
LNG facility in Darwin led to a commitment
to assist with the development of carbon
projects on Indigenous lands in the NT.
Program operating funds are provided to the
ILSC via a discretionary trust managed by
Perpetual Trustee Company Ltd (Perpetual).
The collaboration between the ILSC and
Perpetual began with the signing of the SFM
Services Agreement on 12 December 2016, and
operations commenced in April 2017.

The carbon projects, registered with the Clean Energy Regulator (CER) under the Carbon Credits (Carbon Farming Initiative)

Act 2011, operate under the Savanna Burning Methodologies. These methodologies are informed by traditional Indigenous fire management practices across northern Australia. Small, cool and patchy fires are lit in the early dry season (EDS) as the Country dries out after the wet and the weather is cool. This active EDS fire management reduces the impact of destructive late dry season (LDS) fires that damage Country and also produce large amounts of greenhouse gases.

Through the SFM Program, the ILSC partners

with and directly engages with project groups to prepare for and register SFM projects. Project groups include Indigenous organisations who represent Indigenous Landowners such as the Northern Land Council (NLC), the Central Land Council (CLC) and Indigenous Corporations such as Tiwi Resources and Thamarrurr Development Corporation.

These projects deliver multiple benefits for Indigenous landowners including looking after Country using traditional cultural practices, employment, income generation through emissions avoidance and the establishment of long-term sustainable enterprises on Indigenous held land.

SFM funds are used for all aspects of SFM Project establishment and management and are provided directly to project groups or third parties that provide a variety of services for the projects. Funding areas include:

- Project establishment feasibility studies, meetings and consultations with Traditional Owners, project registration costs
- Operational employment & training, on Country fire management, equipment
- Governance Indigenous owned entity development
- Communications Communications resources to facilitate understanding complex carbon related information.
- Monitoring and Evaluation Co benefits, biodiversity monitoring and evaluation

Program Structure

Phase 1 Project Funding Agreements:

Phase 1 Project Funding Agreements (PFA's) are the initial steps taken by groups towards engaging in the carbon economy. These agreements focus on due diligence, business planning, feasibility assessments, and meeting Clean Energy Regulator (CER) eligibility requirements for Australian Carbon Credit Units (ACCU) production.

Phase 1 PFA's play an essential role in supporting the early stages of project development assisting groups to build their understanding of the carbon industry, assess and develop their fire management capacity and provides an insight into aspects of operating an emissions avoidance project. These projects are ideally hosted by a local Indigenous entity, or otherwise via a temporary proxy organisation, if local governance capacity requires development.

Prior to the execution of Phase 1 contracts and the appointment of a hosting organisation, extensive consultation takes place with Traditional Owners, ensuring Free, Prior, Informed Consent (FPIC), has been granted. Moving into Phase 2 requires projects to demonstrate commercial viability and the potential to become fully independent commercial enterprises within 5 to 7 years of initiating savanna burning operations.

Phase 2 Project Funding Agreements:

Where a Phase 1 SFM project demonstrates it meets the necessary viability and assessment requirements, it has the opportunity to proceed into a Phase 2 PFA. Should the projects' Traditional Owners decide to proceed to the next step, projects are then registered with the CER under the Carbon Credits (Carbon Farming Initiative- Savanna Fire Management- Emissions Avoidance) Methodology Determination,

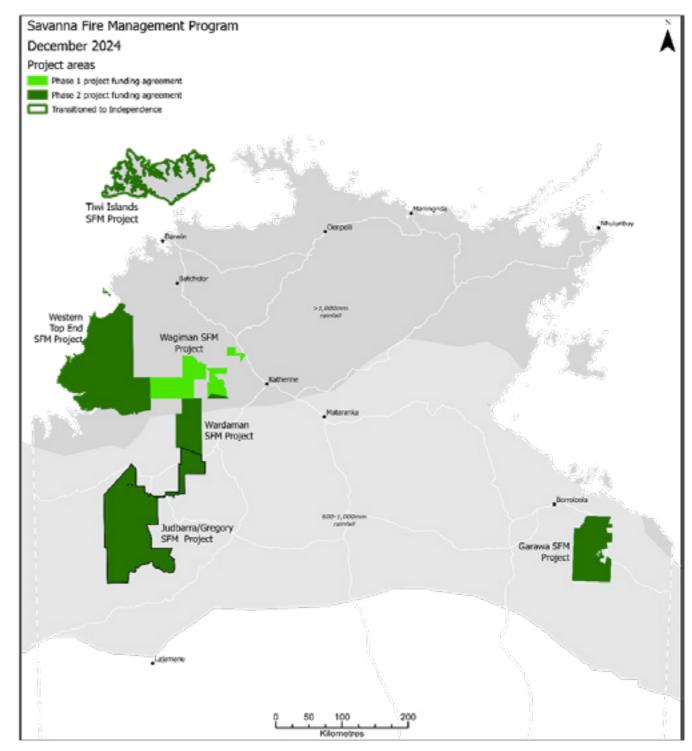
becoming eligible to earn ACCUs and are required to create an account with the Australian National Registry of Emissions Units (ANREU), where ACCUs are held.

Phase 2 PFA's identify the Project Proponents and Operators, the Proponent being the Indigenous Entity (or proxy) that registers the project with the CER and is responsible for maintaining compliance requirements including annual burning and offset reporting, and are subject to a prescribed auditing schedule, the Operator is the Indigenous entity undertaking the operational activity.

Phase 2 PFA's provide financial support for various aspects of fire management operations including, fire planning and burning operations, employment and training of Indigenous Rangers and provision of external expert technical advice if required. PFA's also support project offset reporting & audits, governance development and professional development opportunities.

The primary goal of Phase 2 PFA's is to foster the growth and development of the groups and project to provide the best chance of success to establish and maintain sustainable Indigenous carbon enterprises. It is a multifaceted process within a fast-moving complex industry with some groups transitioning to independence sooner than others. Phase 2 PFA's provide the funding via a flexible and targeted PFA combined with a beneficial ACCU proportional allocation at the point of transition, that provides participating groups an opportunity they may not otherwise be eligible to receive.

SFM Projects Map



Map of ILSC SFM Projects under Phase 1 (feasibility) and Phase 2 (operational) agreements.

NOTE - Tiwi Islands became independent in March 2024 and the Wagiman Fire Project was registered with the Clean Energy Regulator in late December 2024, commencing Phase2 operations in 2025.

Summary of SFM Program Manager Activities in 2024

The delivery of the SFM Program in 2024 has included some significant progress as well as some challenges. With a full SFM team largely in place for 2024, the primary focus has been to maintain the foundations that project groups have built, while identifying and addressing challenges to enable the groups and projects to strengthen over time.

A significant high point in 2024 was the transition of the Tiwi Islands Fire and Carbon Project to a fully independent, Indigenousowned carbon enterprise. Joining the SFM Program in 2016, the Tiwi Fire Project has generated 223,000 ACCUs, valued at over \$7 million, engaged over 100 Traditional Owners and their families in annual fire planning and operations, and provided accredited training in fire management practices to 90 individuals. The project is now under the management of Tiwi Resources Pty Ltd, continuing the Tiwi people's journey toward self-determination and increased economic development.

Operation of the Judbarra and Garawa projects moved from the North Australian Land and Sea Management Alliance (NAILSMA) to the NLC. This enables the NLC to provide direct SFM Project support to the Ranger Groups they manage and the Traditional Owners they represent.

The ILSC now acts as project proponent with the CER. The important and difficult work undertaken by NAILSMA in the early years of the SFM Program is acknowledged.

Implementation delays in the Judbarra SFM Project—the first registered on a national park with park owners and managers—combined with severe fire seasons, led to project difficulties. The SFM team sought independent advice for this project (and others). Modelling of future scenarios enabled the Judbarra SFM project partners to work with the CER to revoke and then re-register the project. This essentially reset the project. The pending By-law Permit, combined with re-registration, strengthens the project's position to realise its potential.

The Wagiman Fire Project was also registered late 2024 as ERF 200709 with the CER. After commencing as a Phase 1 project in 2020, this project is now ready to work towards independence under a Phase 2 contract commencing in early 2025.

With a focus on "Strategic Burning," the annual SFM Forum was held on the lands of the Kungarakan and Wari people in Batchelor NT, from 5 - 7 November. The 35 participants heard presentations from the ILSC, Charles Darwin University (CDU), Darwin Centre for Bushfire Research (DCBR), Bushfires NT, Northern Australia Fire Information (NAFI) staff and participated in planning sessions, providing the opportunity for the fire mangers to discuss their operational plans and ideas with peers.

INPEX, the ILSC and Perpetual agreed on changes to the "Proportional ACCU Allocation" to allow a carbon price to be factored into ACCUs reimbursed to INPEX. Once the final sign off occurs, groups can work in the knowledge their efforts will be reflected with an annualised

averaged carbon price, plus a premium, providing improved benefit as the groups transition to independence.

In 2024, a suite of third-party contracts were initiated. These aimed to deliver improved communication to the groups via engaging the Indigenous Carbon Industry Network (ICIN), CDU Language, Literacy, Numeracy, and graphic design development specialists to produce communication tools targeted at participating groups. It is anticipated that these tools, ongoing NAFI and other specialist training delivery and increased planning support with the project groups will assist in capacity development and provide a greater understanding of Emissions Avoidance through Savanna Fire Management in the coming years.

No of CEM Divisionts	Phase 2	5
No. of SFM Projects:	Phase 1	1
No. of Ranger Groups involved		7
	No. of Individuals involved	80 (ex - Tiwi Project)
Total project area (hectares)		4.6 million ha
	Training courses provided	10
No. of third party contracts (consultant)		6

2024 SFM Program Information

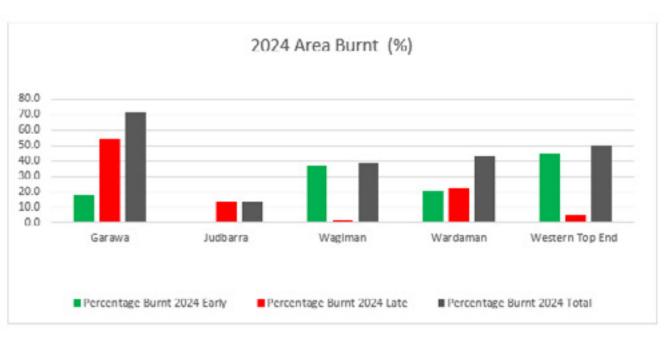


Table 1. Area burnt by season and total for the SFM Projects in 2024



Wagiman Fire Project - Phase 1

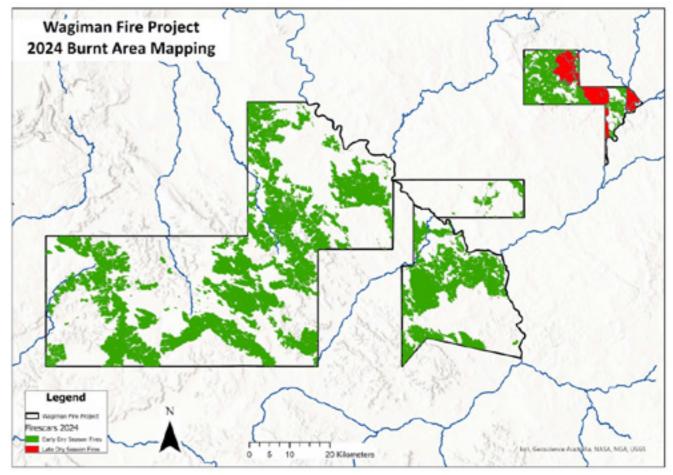
REGISTRATION	ERF200709 - 24th December 2024
CONTRACT	Phase 1 Contract ended July 2024.
PROJECT PROPONENT	Indigenous Land and Sea Corporation
PROJECT OPERATOR	Northern Land Council
RANGER GROUPS	Wagiman Rangers
PROJECT AREA (Ha)	445,497 - Upper Daly, Wagiman #1 & Wagiman #2 ALT's
PARTICIPATION - Individuals	25
TRAINING RECEIVED	Aerial Incendiary & Safety Around Helicopters.

Activities 2024

The Wagiman SFM Project Phase 1 PFA ran from May 2020 to July 2024. During this period the project undertook the required vegetation mapping and validation, satisfying the CERs methodology requirements for ACCU production. Along with this, the Wagiman Project has successfully completed all milestones associated with the Phase 1 PFA and is now ready to move forward into Phase 2.

The Section 19 (s19) lease agreement under the Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA) between the NLC and ILSC to conduct Emissions Avoidance via Savanna Fire Management was finalised in late 2024. The project was subsequently registered with the CER under the Carbon Credits (Carbon Farming Initiative- Savanna Fire Management- Emissions Avoidance) Methodology Determination on 24 December 2024, as ERF200709. A Phase 2 PFA with the ILSC as the project proponent and the NLC as the project operator will commence in early 2025.





Map of burnt areas in the Wagiman Fire Project area - 2024. Burnt area mapping courtesy of NAFI



Garawa Carbon Project - Phase 2

REGISTRATION	ERF 130950
CONTRACT	Phase 2 Contract January 2024 - November 2027
PROJECT PROPONENT	Indigenous Land and Sea Corporation
PROJECT OPERATOR	Northern Land Council
RANGER GROUPS	Garawa Ranger Group
PROJECT AREA (Ha)	521,768 - Garawa Aboriginal Land Trust
PARTICIPATION - Individuals	15
TRAINING RECEIVED	Planning Workshops

Activities 2024

The seasonal engagement of a qualified and experienced fire management practitioner played a crucial role in providing guidance and mentorship to the project participants. This enabled Garawa to plan for 2024 effectively. Unfortunately, staffing issues early in the EDS burning program hindered the group's efforts to implement the required EDS and LDS activities needed to reduce the negative impact of LDS fire.

The Phase 2 contract for this project was renewed in late 2024 with the ILSC as the project proponent and NLC as the project operator. An experienced fire manager has been engaged for the 2025 season, who will work with the project proponent and Traditional Owners to implement a more strategic approach to EDS efforts.

The Garawa project is in a position where the project can be revoked and reregistered with CER. During early discussion with the project operators, they indicated its an option they would like to pursue, with a decision to proceed will be made in the coming months following further analysis of future scenarios.

Despite some significant setbacks, Traditional Owners have indicated they would like to see the project and governance development continue. This is demonstrated by the renewal of the NLC s 19 ALRA licence agreement for the ILSC to continue the project, which will be finalised in early 2025.



Garawa Fire Project 2024 Burnt Area Mapping Legend Garawa 2024 Burnt Area Early Dry Season Fires 5.5 22 Kilometers Late Dry Season Fires

Map of burnt areas in the Garawa Carbon Project area - 2024. Burnt area mapping courtesy of NAFI

Judbarra National Park Project - Phase 2

REGISTRATION	ERF 200886 24th December 2024
CONTRACT	Phase 2 contract January 2022 - December 2025
PROJECT PROPONENT	Indigenous Land and Sea Corporation
PROJECT OPERATOR	Northern Land Council
RANGER GROUPS	Timber Creek, Wardaman and Daguragu Rangers
PROJECT AREA (Ha)	1,300,574 - Judbarra, Nalipinkak, Wambardi, Winan ALT's
PARTICIPATION - Individuals	14
TRAINING RECEIVED	NAFI & GIS Training – SFM planning workshop

Activities 2024

Pre-season fire planning was undertaken in early 2024 by the Project Operator with Traditional Owners and Ranger Groups, the ILSC and Parks and Wildlife Commission of the Northern Territory (PWCNT). Required permits were obtained and the fire plan submitted and approved. Despite the Judbarra Fire and Joint Management Committee's continued support of the project, final resolution of the By-law Permit was not obtained in 2024. With no By-law Permit issued by the PWCNT, less burning occurred than was planned with only a small amount of ground burning able to be undertaken by Traditional Owners in the 2024 EDS.

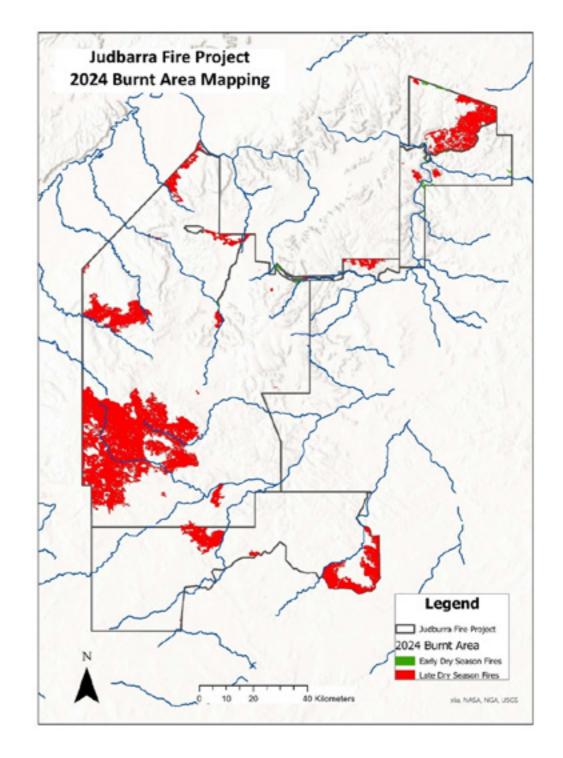
Protracted negotiations of the By-law Permit have hindered Project success. The ACCU totals for the Project are in the negative, making it difficult to return to positive ACCUs into the coming years. Independent advice was sought to canvas scenarios that lay ahead for the project, with the most favourable being to revoke and re-register the project. Consultation with INPEX staff, the project proponent and the CER saw the project re-registered in December 2024.

Issues with the By-law Permit have progressed in 2024 and are expected to be resolved before the burning season in 2025 therefore paving the way for a more productive year for the project.





Photos of the Judbarra Fire Project area (r) and fire planning meeting with Traditional Owners, ILSC, and project stakeholders



Map of burnt areas in the Judbarra Fire Project area - 2024. Burnt area mapping courtesy of NAFI

Wardaman Fire Management Project - Phase 2

REGISTRATION	ERF 170671 - December 2021
CONTRACT	Phase 2 - December 2021 - December 2025
PROJECT PROPONENT	Indigenous Land & Sea Corporation
PROJECT OPERATOR	Northern Land Council
RANGER GROUPS	Wardaman Rangers
PROJECT AREA (Ha)	290,270 - Menngen - Yubulyawun Aboriginal Land Trusts
PARTICIPATION - Individuals	26
TRAINING RECEIVED	NAFI & GIS Training, Country Camps facilitating knowledge exchange

Activities 2024

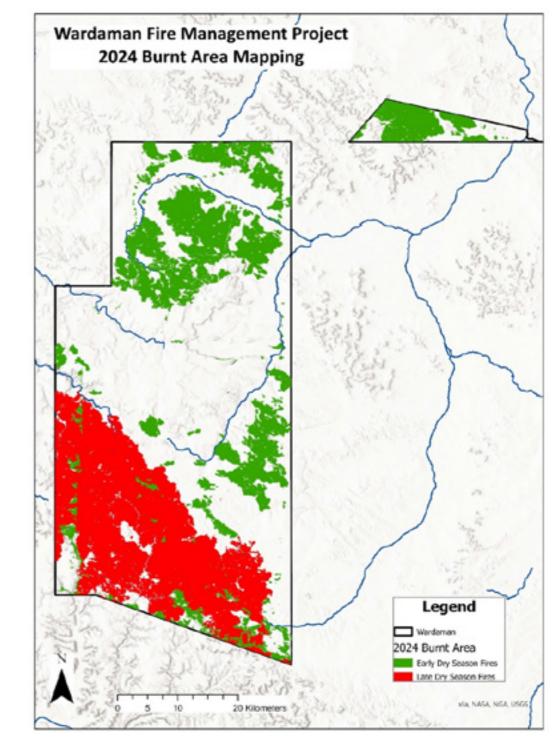
2024 was the Wardaman Projects third year of Phase 2 operations. During the 2024 EDS, the Wardaman Rangers, with Traditional Owners implemented their 2024 fire management across the Wardman Indigenous Protected Area. The Fire Management Plan focused on protecting sites of cultural and biological significance.

2024 saw the Wardman project undertake its CER prescribed initial audit for the reporting period December 21 - December 22. Undertaken by GHD, the audit found the project proponent and operators, "have operated and implemented the project in accordance with the Carbon

Credits (Carbon Farming Initiative—Savanna Fire Management—Emissions Avoidance) Methodology Determination 2018." Upon the successful initial audit the project submitted its first project report and application to the CER for the issuance of ACCU's.

Building on planning conducted with the group in 2024, SFM staff will assist the group to better understand and implement strategic burning practices to minimise the impact of LDS fires. Other areas of focus for 2025 include building governance capacity and improved collaboration with neighbouring properties.





Map of burnt areas in the Wardaman Fire Management Project area - 2024. Burnt area mapping courtesy of NAFI

Western Top End SFM Project - Phase 2

REGISTRATION	ERF 160973
CONTRACT	Phase 2 May 2024 - January 2025
PROJECT PROPONENT	Thamarrurr Development Corporation
PROJECT OPERATOR	Thamarrurr Development Corporation
RANGER GROUPS	Thamarrurr Rangers.
PROJECT AREA (Ha)	1,395,758 - Daly River - Port Keats Aboriginal Land Trusts
PARTICIPATION - Individuals	24
TRAINING RECEIVED	Fire Operations - Level 1, Planning workshops

Activities 2024

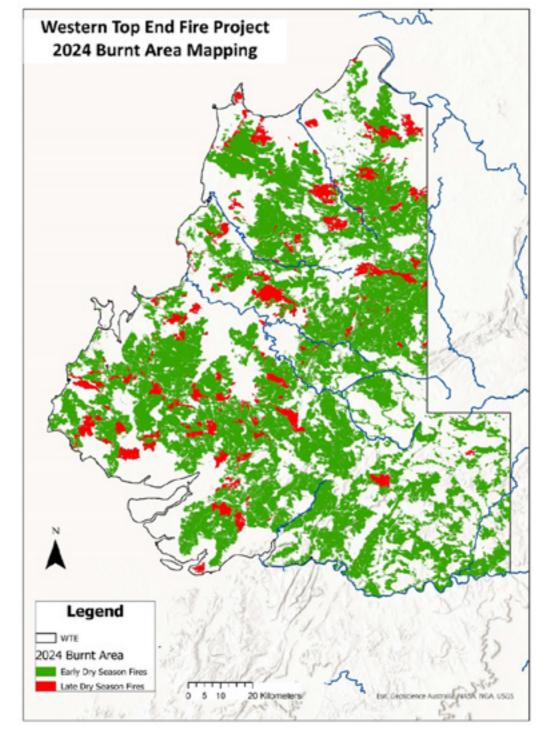
2024 was the third year of Western Top End (WTE) project operating under their existing Phase2 contract in 2024. The Thamarrurr Rangers undertook approximately 100 hours of aerial prescribed burning during the 2024 EDS, which assisted with reducing the impact from LDS wildfires.

Planning in 2024 had identified the potential to undertake "wet season burning" across the project area in 2025. Wet season burning, undertaken from early January to mid-February, is a technique that results in a reduction in highly flammable annual spear grass. Senescent spear grass, unburnt in 2024 is used to carry a fire over newly emerging spear grass thus killing the new grass before it can seed. This results in spear grass being knocked out of the burnt area and providing another tool for strategic burning, offering the potential to reduce the long-term flammability of Country. In reducing the dominance of spear grass it also provides plant and animals with a break from frequent fire.

Development of the Nganambala (Emu Point)
Healthy Country Plan continued with Traditional
Owners in 2024, providing the opportunity
for their land management aspiration to be
incorporated into current and future work plans,
including annual fire operations.

Although WTE has had some challenges in previous years, they are now well established and are generating positive annual ACCUs and are working towards becoming an independent carbon enterprise.





Map of burnt areas in the WTE SFM Project area - 2024. Burnt area mapping courtesy of NAFI

Tiwi Project - Phase 2

REGISTRATION	ERF 105045
CONTRACT	Phase 2 Contract July 2021 - March 2024
PROJECT PROPONENT	Tiwi Resources Corporation
PROJECT OPERATOR	Tiwi Resources Corporation
RANGER GROUPS	Tiwi Rangers hosted by Tiwi Resources Corporation
PROJECT AREA (Ha)	746,793 - Tiwi Aboriginal Land Trust (Bathurst & Melville Islands)
PARTICIPATION - Individuals	Approximately 150+ over the duration of the project
TRAINING RECEIVED	NAFI - QGIS, 4x4 , Pyroshot & Raindance , WHS, First Aid

Activities 2024

The transition of Tiwi Islands Fire and Carbon Project to a fully independent, Indigenous-owned carbon enterprise was a significant high point in 2024. Joining the SFM Program in 2018, the Tiwi Fire Project has generated around 223,000 ACCU's, engaged over 100 Traditional Owners and their families in annual fire planning and operations, and provided accredited training in fire management practices to 90 individuals.

A celebration was held at Wurrumiyanga on Bathurst Island in October 2024, which saw INPEX, the ILSC Tiwi Island's Rangers and Traditional Owners officially acknowledge the project transition from the SFM program. The project is now under the management of Tiwi Corporation, continuing Tiwi people's journey toward self-determination and increased economic development.



Photos of INPEX staff, Traditional Owners and Tiwi Rangers at an event to celebrate the transition to independence of the Tiwi Carbon Project. (Photo credits: David Hancock)

ACCUs generated by SFM Program Operators

The SFM Program has five projects that are registered with the CER and therefore eligible to earn ACCUs in 2024.

Official reporting (submission of project offset reports) to the CER is yet to be undertaken of proportion so ACCUs have not been issued for 2024 SFM Program functions. However, SavBAT calculations by end 2025.

using 2024 data have been run for all projects; predicted ACCUs earned by each project are provided below.

All project reporting, including calculation of proportion of ACCUs attributable to SFM Program funding, is expected to be completed by end 2025.

Project	Predicted ACCUs 2024	Proportion attributed to SFM funding	ACCUs transferred to INPEX in 2025
Tiwi*	Independent	N/A	N/A
Garawa**	zero ACCUs generated	N/A	0
Western Top End**	zero ACCUs generated	N/A	0
Judbarra 2^	-27,881	TBD	0
Wardaman**	zero ACCUs generated	N/A	TBD
Wagiman [^]	-26,322	TBD	TBD
Total	-54,203		TBD

Table 2. ACCUs predicted to be credited to SFM Projects for 2024 $\,$

- * The Tiwi Project transitioned to independence in March 2024 and ceased reporting to the SFM Program at the end of 2023.
- ** The Garawa, Wardaman and Western Top End Projects all generated positive emissions abatement in 2024. However, these projects all had negative ACCU balances from previous
- years in which their baseline emissions were exceeded, so zero ACCUs will be issued for the 2024 reporting year.
- ^ The Wagiman project was registered in 2024; the Judbarra 2 was registered in 2024 following de-registration of the Judbarra (1) project.



SFM Program Financial Summary 2024

INCOME			
Q1 SFM Payment	\$903,442	\$597,841	\$305,601
Q2 SFM Payment	\$903,442	\$1,208,791	-\$305,348
Q3 SFM Payment	\$903,442	\$903,442	-
Q4 SFM Payment	\$903,442	\$903,442	-
Total Payments (2021)	\$3,613,769	\$3,613,516	\$253
Balance held by SFM Program (1 Jan 2020)	\$1,162,783	\$1,162,783	-
TOTAL INCOME	\$4,776,552	\$4,776,299	\$253

EXPENSES			
	BUDGET	YTD ACTUAL	VARIANCE
PHASE 2 PFAs	\$2,926,730	\$2,190,598	\$736,132
Garawa NAILSMA	\$220,000	\$245,593	-\$25,593
Garawa NLC	\$310,000	\$145,000	\$165,000
Judbarra NAILSMA	\$420,000	\$420,000	-
Judbarra NLC	\$352,960	\$175,000	\$177,960
Thamarrurr	\$654,160	\$694,395	\$40,235
Tiwi Resources	\$350,610	\$350,610	-
Wagiman	\$430,000	-	\$430,000
Wardaman	\$189,000	\$160,000	\$29,000
PHASE 1 PFAs	\$80,000	\$83,790	-\$3,790
Wagiman	\$80,000	\$83,790	-\$3,790
Third Party Service Providers	\$689,340	\$291,611	\$397,729
PEC Consulting	-	\$1,266	-\$1,266
NAFI Satellite Imagery and Training	\$200,000	\$50,405	\$149,595
NAFI Hi Resolution Burnt Area Mapping	-	\$99,985	-\$99,985
NLC SFM Carbon Position	\$165,560	\$82,780	\$82,780
First Nations Broadcasting	-	\$18,000	-\$18,000
ICIN Flipbook	\$113,780	-	\$113,780
CDU LLND	-	\$10,496	-\$10,496
Co - Benefits	\$100,000	-	\$100,000
Environmental/Biodiversity Monitoring	\$50,000	-	\$50,000
SFM Forum	\$60,000	\$28,679	\$31,321
SFM Project Direct Costs	\$595,884	\$617,341	-\$21,457
Staff Salaries & On costs	\$443,484	\$497,634	-\$54,150
Office- Accommodation & Expenses	\$42,400	\$27,893	\$14,507
IT and comms equip	\$8,000	-	\$8,000
Conferences and meetings	\$6,000	\$6,358	-\$358
Vehicle Running Costs	\$12,500	\$37,495	-\$24,995
Fuel	\$20,500	\$2,818	\$17,682
Travel	\$45,000	\$31,620	\$13,380
Staff - Corporate Training	\$8,000	-	\$8,000
Marketing & Comms	\$10,000	\$13,524	-\$3,524
ILSC Overhead Costs (fixed)	\$185,025	\$185,025	
TOTAL EXPENSES	\$4,476,979	\$3,368,365	\$1,108,614



Summary of Variance from 2024 Budget

Program expenditure in 2024 was underspent largely due to the carrying over of funds from 2023.

Some variation in project costs and Third-Party Service Providers occurred from the budgeted amounts.

Overall, the budget and expenditure are well balanced with any variation attributable to normal variation experienced in delivery of the complex SFM Program.

Performance Evaluation of the SFM Pogram

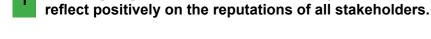


Good - expectations of principles and purposes are being met

- expectations of principles and purposes are somewhat being met

Avoiding negative reputational risk to key stakeholders and maximising the potential to

Poor - expectations are not being met



The ILSC undertook several actions to promote the positive intention and outcomes of the SFM program in 2024. These included:

- The publication of "Tradition, Culture, Opportunity - Managing Country through First Nations Fire Practices" article in Territory Q magazines "Blak Business" Edition in March 2024.
- Providing assistance to organise and participate in the annual ICIN Savanna Fire Forum held at Darwin Convention Centre. Promoting SFM projects from Northern Australia and engaging Federal, State and Territory governments on ways to enhance and support these important initiatives.
- Facilitating the ILSC's annual SFM Forum and proving groups with an opportunity to share their projects with local research institutes, strengthening program outcomes and benefits.

• Participating in the NT Bushfires 'Land Holders Alliance' initiative which aims to provide NT landholders, that are engaged in or affected by prescribed burning programs, with an opportunity to better understand and collaborate on annual fire operations.





Supporting and enabling the development of sustainable, viable Indigenous enterprises and the delivery of economic, environmental, social, and cultural benefits.

While recognising the complexity of the projects, the SFM Program has provided good support to project development over the current and previous years, focusing on building the operational foundations of the groups.

With five Phase 2 contracts in place in 2024, the SFM program continued to support the aspirations of the participating groups to develop their respective projects. Phase 2 contracts are tailored to some extent with a focus on supporting the groups to undertake the planning and operations necessary to conduct annual fire management operations, building capacity to develop a successful Indigenous carbon enterprise.

It is through these actions that economic, environmental, social, and cultural benefits (co benefits) are delivered for participating groups and their Country.

Further to Phase 2 contracts, in consultation with project operators the SFM team has sought to engage third-party service providers to better articulate, develop and measure the co-benefits and other aspects of the program including:

- Darwin Centre for Bushfire Research (DCBR) - to undertake 1) Habitat and Fire Community Mapping, 2) Ecological Threshold Analysis and 3) develop Savanna Monitoring and Evaluation Reporting Framework, identifying fire sensitive vegetation communities within project areas to measure and evaluate long term impacts of SFM activities.
- Indigenous Carbon Industry Network (ICIN) -Charles Darwin University Language, Literacy, Numeracy Digital (LLND) Development Team. To develop a suite of fit-for-purpose and targeted communication and educational tools to assist groups to better understand what is required to operate a viable carbon enterprise.
- People & Environment Consulting (PEC) provision of independent advice on the status off several projects with a focus on ACCU production as the project progresses. This has enabled the SFM to take the required actions to provide groups with the best chance to develop a viable enterprise as Phase 2 contracts progress.



Providing business and employment opportunities for Indigenous people via **SFM Project Operators.**

SFM project operators have provided 80 individuals with either fulltime, part time or casual employment through the 2024 year, primarily in EDS planning and burning activities.

While this is a great outcome, the ongoing challenge in remote communities related to employment is to retain a core group of employees from year to year within each group, bringing with them the experience they have gained in previous years. Some projects can retain longer term staff, while others struggle, as is being reported from other SFM programs across Northern Australia.

Measures to address this will need consideration in the coming years.

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Promoting the use of sound land and environmental practices; and improving biodiversity outcomes through savanna fire management activity.

SFM project groups have either completed development or are in the process of developing and reviewing Healthy Country Plans, Indigenous Protected Area (IPA) Plan of Management, or other document describing their project areas Assets (Cultural & Environmental etc), Threats (Invasive Species, Inappropriate Fire, Erosion, etc) and Actions and Priorities to manage them.

These plans are developed with Traditional Owners and guide the work of Ranger Groups via annual work programs, promoting the use of sound environmental and land management practices, with the aim of maintaining or improving the health of their identified assets.

Via direct engagement with project groups, the SFM team promotes and encourages strategic EDS burning across all its projects. This is largely accepted as a positive action to reduce the negative impacts on Biodiversity caused by hot LDS fire. Biodiversity conservation is complex, and there is a significant knowledge

gap that encompasses fire and biodiversity in the diverse range of habitat and climatic types across northern Australian savanna landscapes. Addressing critical knowledge gaps will depend on a coordinated and strategic approach across the fire management and research community.

The program manager has engaged the DCBR to undertake; 1) Habitat and Fire Community Mapping, 2) Ecological Threshold Analysis; and 3) develop a Savanna Monitoring and Evaluation Reporting Framework, across all project areas to better assist project groups and the broader community to evaluate long term impacts of SFM activities and reporting against established metrics.

Improved biodiversity monitoring metrics will be required if the participating groups wish to engage with the emerging Nature Repair Markets.

Spreading community and social benefits of the Ichthys Project beyond Darwin into regional areas of the Northern Territory.

Complimenting the Indigenous Employment and engagement outcomes from each of the existing group's annual planning and operational activities, the Program Manager is engaged in a feasibility study with the Namultja Aboriginal Corporation on their Country in the Gulf of Carpentaria, with an initial assessment due in early 2025.

Further to direct engagement with current projects groups, the Program Manager has a procurement policy that encourages the engagement of Indigenous Owned business, where the required service provision can be met.

Indigenous businesses were engaged in 2024 to provide the following services;

- Graphic design services for 2023 SFM Annual Report
- Welcome to Country and cultural knowledge for 2023 SFM fire forum.
- Provision of graphics and production of 2024 SFM Forum shirts.

Other regional businesses utilised via SFM program in 2024 include;

- Three days accommodation and catering services for 40 people at the SFM forum.
- 100's of helicopter hire hours across multiple companies during EDS operations.



Developing the capacity of Indigenous groups and SFM Project Operators; enhancing the skills and knowledge of all stakeholders in carbon management, including carbon policy and implementation of practical carbon farming projects.

While participating groups continued to develop their operational capacity and knowledge through these activities, such as undertaking specialised training and attending industry workshops and forums, there remains a significant deficiency across all groups in understanding the broader carbon industry and what is required to operate and manage a sustainable carbon enterprise.

Annual reporting to the CER, maintaining Australian National Registry of Emissions Units (ANREU) accounts, auditing requirements, receiving, and understanding changes in policy and methodology development, maintaining governance compliance are challenging tasks and ones that are currently undertaken by the

Program Manager. These aspects along with governance development are areas in which participating groups will require significant ongoing capacity development.

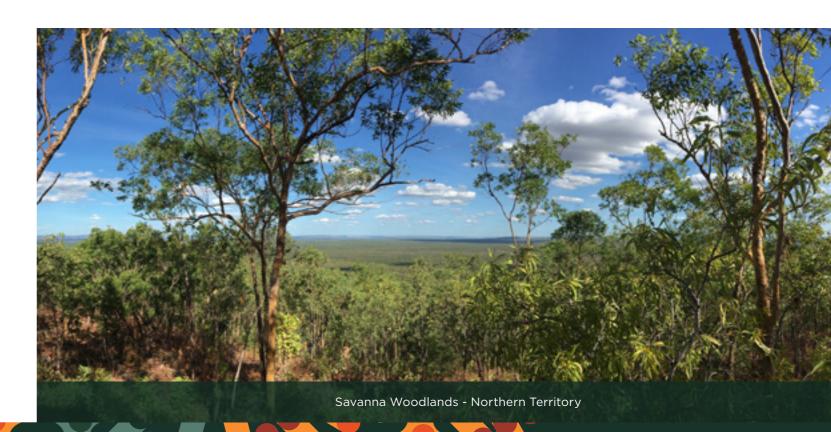
The Program Manager has engaged ICIN and Language, Literacy, Numeracy specialists to develop a suite of tools to assist participating groups and communities to improve their literacy in emissions avoidance via SFM and the boarder carbon market. While initial work has commenced on this, it is foreseen this will be an ongoing project, requiring appropriate time and resource allocations.



Minimising, managing and mitigating all relevant risks appropriately, particularly workplace health and safety risks.

With no reported incidents to date, the Program Manager will continue to work with Project Operators to review and maintain risk

management processes, ensuring appropriate mitigation measures are in place where hazards are identified.



Protection of Indigenous cultural and heritage sites.

This is seen as a strong point of the SFM project where it operates on Aboriginal Land Trust (ALT) as managed by the Northern or Central Land Council, functioning under the Aboriginal Land Rights Act (Northern Territory) 1976, of which a large remit is the protection of sacred sites.

Any license given to a proponent to operate a project on ALT must go through the respective Land Council, whose responsibility it is to consult the Traditional Owners of the respective ALT seeking their approval to the terms and conditions of the license. Sacred site protections are provided in these agreements.

Further protections are provided during annual planning activities with Traditional Owners, who will often prioritise sacred site protection works be undertaken during annual fire operations.

Sacred site protection and preservation of culturally significant species are the centre pieces on which Healthy Country / Fire Plans are developed and why Ranger Groups do the work they do.

Generating ACCUs; and avoiding emissions, thereby having a positive impact on climate change mitigation.

ACCU generation differs greatly from project to project. This variance can be attributed to several factors including.

- Projects baselines derived at the point of project registration provide some groups with a greater buffer against LDS fire encroachment.
- High and Low Rainfall Isohyet delineation –
 projects in the high rainfall zone will typically
 generate more ACCU's, while those in lower
 rainfall areas, will typically require greater
 strategic burning efforts to achieve positive
 ACCU generation.
- Operating environment the challenging issue of retaining Rangers and Group Coordinators, is a constant across these projects in remote Northern Australia. Coupled with complicated administrative requirements of external agencies, very isolated project locations and competing time demands on staff contributes to projects not performing as productively as they may want, in some cases seeing ACCU's fall into negative figures.

- Land Tenure with the exception of the Tiwi Islands project, all SFM projects operating in this program have multiple neighbouring land tenures, further complicating already complex projects. Neighbours land use goals, views and application of fire often differ from Landowners operating emissions avoidance projects.
- Carbon Literacy most groups at this point are not fully aware of the impacts LDS fire on their ACCU development and the importance of maintaining positive ACCU generation through the course of a Phase 2 contract.

With these factors in mind the Program Manager and Project Operators are aware that significant improvement needs to be achieved regarding ACCU generation if these projects are to progress into a sustainable carbon enterprise.

During 2024, the Program Manager has provided the groups with increased access to fine scale mapping services and introduced the principles of strategic burning to build on and improve the groups EDS burning activities. With these and other initiatives it is anticipated that ACCU generation will improve in the coming years and in turn meet Traditional Owners aspirations of looking after people and Country.

Participating Groups and Organisations



































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Established in 1995 under the *Aboriginal and Torres Strait Islander Act*, we provide for the contemporary and future land needs of Indigenous people, particularly those unlikely to benefit from Native Title or Land Rights.

We work with our Indigenous partners to grow their economic, environmental, cultural and social capital by supporting their acquisition and management of land and water. In redressing dispossession, we provide for a more prosperous and culturally centred future for Indigenous people.

The Indigenous Land and Sea Corporation is a Commonwealth entity under the Public Governance, Performance and Accountability Act 2013.







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