

Northern Territory Exploration

Hancock Prospecting Pty Ltd (“HPPL”) has noted the recent media reports regarding its (and others) proposed exploration work in the Northern Territory. HPPL is committed to investing in the north of Australia through its mining and agricultural operations and is committed to doing so in compliance with all of its statutory obligations.

From 2010 to 2013, HPPL supported the Northern Land Council (“NLC”) in an extensive consultation process with the Traditional Owners. During this consultation period, HPPL attended a meeting in 2013 that had been organized by the NLC for final approval of the exploration deed for EP154. At this meeting, HPPL explained its proposed long term exploration processes and allowed the Traditional Owners the opportunity to ask questions of what may be involved. In addition, extensive site surveys of areas of significance to the Traditional Owners were conducted in 2013 by the NLC and utilizing NLC anthropologists and the Traditional Owners.

As part of the final stages of the consultation process and following the site surveys, in 2013 the Traditional Owners vetoed exploration over more than 50% of the original application for area EP154 (58% of the Mangarray Land Trust area), including all major streams and rivers. When the permit was granted, this area was thus excluded from the permit and HPPL respected the Traditional Owners’ right to control exploration activities over their land. The decision of the Traditional Owners to exclude a large portion of the area from the permit was viewed as indicative of them having understood the information provided and having actively participated in the process.

We also refer to the media reports of comments ascribed to NLC CEO Mr Joe Morrison reported in the Guardian on 29 June that the consultations with the Traditional Owners were “extensive” and that all consent and non-consent decisions regarding the exploration permit were “fully informed”. Further that “competent bilingual traditional owners” assisted the NLC with delivering information. Further comments ascribed to Mr Morrison were that “The information given at consultation meetings was extensive, but neutral. Traditional Owners were fully informed about the process of fracking and about all known possible environmental consequences. That TO’s took this information on board is evidenced by their decision to refuse exploration over approximately 50% of the land applied for, including all watercourses, communities, living areas and sacred sites.”

The excluded area is under a five year moratorium and HPPL is not allowed to consult with the Traditional Owners on this area until this time period has ended.

The exploration permit conditions imposed do not give any approval for any fracking activity.

HPPL's proposed exploration program for 2016 in EP154 includes limited seismic surveys and drilling of a single slim line core hole to obtain geological information to assist interpretation of seismic data. This drill hole will not include any fracking. The location of the drill hole is an area of low-permeability shale with no productive aquifers and is more than 50 kilometers away from the Mataranka area limestone aquifer and related springs.

Throughout this process, HPPL has acted in accordance with all of its legislative requirements in communicating and dealing with the Traditional Owners of the region and co-operated fully with the NLC. HPPL believes that further exploration and investment has the potential to bring significant benefits to the region.

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