

Call for Expressions of Interest MG Corporation Joint Venture Opportunities

11 April 2024

Expressions of Interest: MG Corporation calls for expressions of interest from potential joint venture partners to develop agricultural enterprises on its farmlands in the East Kimberley. This expression of interest is for agricultural enterprises on Goomig Lots 15 (needs partial development) and 16 commencing in 2024 (potentially 2025).

About MG Corporation

MG people are the native title holders of large areas in the North of the East Kimberley region. MG Corporation was established in 2006 to represent the interests of MG native title holders and to receive and manage the benefits transferred under the Ord Final Agreement (**OFA**) to MG people. The OFA provides a broad package of measures to create a platform for future partnerships between MG people, the Government of Western Australia, industry and developers, for the benefit of the MG community and the wider East Kimberley region.

The MG people have native title over 14,000 square kilometers of land in the East Kimberley region of North Western Australia. Under the OFA MG Corporation is entitled to the freehold ownership of 675ha of irrigated agricultural land at Goomig.

MG Corporation has a vision to achieve a healthy, wealthy and culturally strong MG community. Maximising the economic benefit of its agricultural lands is fundamental to achieving this vision. MG Corporation seeks JV partnership arrangements which not only contribute economic returns, but build the capacity of MG people and contribute to the social development of MG people wherever possible.

In addition to Lots 15 and 16 at Goomig, MG Corporation has a significant land portfolio in the East Kimberley region, which may be of future interest to JV partners. The terms of the JV may include rights of first refusal for JV partners over identified land parcels. Holding native title over 14,000 square kilometres of land in the East Kimberley region also means that MG people have leverage for many agricultural opportunities outside of the OFA.

Further information on MG Corporation can be found at www.mgcorp.com.au

About Goomig Lots 15 and 16

Key details		
Item	Details	
Lot 16 on Deposited Plan 402393	285ha Ready to farm	
Lot 15 on Deposited Plan 402393	390ha Partially cleared and developed for irrigation, but further development will be required	

Tenure	Freehold for both Lot 15 and Lot 16
Current status of both	Laser levelling completed on Lot 16
lots	Tailwater recycling systems installed on Lot 16
	Pumps installed on Lot 16
	Channel stops installed on Lot 16
	Siphons for Lot 16
JV terms on offer	Open to negotiation
from MG Corporation:	Innovative proposals encouraged, especially those that maximise partnering opportunities for MG
	Proponents that take Lot 16 must also take and develop Lot 15
	Applicants to demonstrate bona fide financial backing and relevant experience
	Term ideally to be structured as an initial term, with extension options by agreement
	Partnership or other proposed model to be reviewed at each extension option
	Possible right of first refusal available for other MG lands
Site context	Access via sealed roads
	Close proximity (35 kms) to town of Kununurra
	Close proximity (145 kms) to Wyndham Port
	Remaining areas at Goomig (approximately 6,700ha) is leased by the State government and farmed by Kimberley Agricultural Investment (KAI)

Further detail about Lots 15 and 16

Lots 15 and 16 form a part of the larger Goomig farm area known as the 'Weaber Plain development' or 'Ord Stage 2'. Lots 15 and 16 are also a part of the Ord East Kimberley Expansion Project and are within a broader agriculture area initially developed by the State and now farmed by KAI. MG Corporation chose these particular lots due to their rich soils.

Lot 16 has been farmed with cotton in 2022 and 2023. Lot 15 is partially developed and the return drain, supply channel and retention dam are developed. Laser levelling and infrastructure is required on Lot 15. The successful proponent will be required to continue to develop Lot 15 as required by MG.

KAI has been successfully farming the remaining lots that form Ord Stage 2. This includes farming maize, chickpeas, sorghum and chia. Cotton is also being successfully grown at a commercial scale in the immediate vicinity of Lots 15 and 16. There is strong support for the development of the cotton industry with construction commencing on the Kununurra Cotton Gin. Further details on the Kununurra Cotton Gin is <u>available here</u>.

Both lots have environmental and other approvals, a provisional water supply, completed farm designs, partial irrigation infrastructure and close proximity to Wyndham Port.

Images of Lots 15 and 16 are at the end of this document.

Soils

Lots 15 and 16 comprise a combination of Cununurra and Aquitaine soils. Cununurra clays are commonly very dark greyish to dark brown, self-mulching cracking clays, while the Aquitaine soils ('black soils') are dark grey, coarse structured clays. Both soil types have been farmed under flood irrigation in the Ord Valley since the commencement of the Ord Irrigation Scheme.

<u>WEIMA</u>

Water Licence/Allocation

Water Corporation Bulk water and Transfer Agreement DWER Water licence and annual report

Water for the Goomig farm area is supplied from Lakes Argyle and Kununurra, through the M1/M2 system, with an allocation under the *Ord Surface Water Allocation Plan 2013.*Rate allocation is 15ML per hectare per annum.

Up to 120GL per annum (provisional allocation) is currently permitted to be applied to the Goomig farm area under EPBC Approval 2010/5491, across the entire development area. Kununurra Diversion Dam in the Wet Season.

The *Ord Surface Water Allocation Plan Methods Report* further notes that the objective is to establish a release regimes from Lake Argyle that are designed to fully meet licenced entitlements in 95 per cent of years (95% water security).

The Ord water allocation plan is currently under allocated overall for Goomig, ensuring there s sufficient water available in the system for future farmers. A bulk water storage and channel maintenance agreement is currently being determined between the WA Water Corporation and KAI as the main Goomig land user. KAI will supply water to Lots 15 and 16 as part of the Water, Environmental Management and Infrastructure Agreement negotiated between the parties.

- Costs under the WEIMA are open and transparent and charged pro rate per hectare.
- Fees incorporate Watercorp charges and OIC.
- Additional environmental and water licence annual reporting costs.

Water Infrastructure Agreement (CALIM)

Maintenance of farm water gates
Maintenance of communications system (SCADA)
Maintenance of community drains
maintenance of DWI gauging station

¹ Ord River surface water allocation plan | Western Australian Government (www.wa.gov.au)

Environmental obligations

Lots 15 and 16 are subject to a number of environmental obligations. These include:

- Ministerial Statement 938² dated 12 June 2013: for the development of the Ord River Irrigation Area Stage 2 (M2 Supply Channel), Kununurra and which required the implementation of an Environmental Management Plan.
- Commonwealth EPBC Approval 2010/5491³ dated 19 September 2011: imposes several conditions on the clearing for irrigation and infrastructure an area of up to 9,375ha on the Weaber Plain.
- Goomig Buffer Area: The entire Goomig area is affected by a buffer of approximately 11,470ha. The purpose of this is to have a buffer between the farming areas and surrounding conservation areas.

MG Corporation is required to comply with these environmental instruments. As such, any JV partner will also likely be required to comply with these instruments.

It is recommended that all potential JV partner conduct their own due diligence on the above matters and seek clarification from MG Corporation as required. While MG has used reasonable endeavors to ensure the accuracy of this information, interested parties cannot place any reliance on this information.

Common Area Land and Infrastructure Management

The management of common area land and infrastructure (Water delivery infrastructure -WEIMA) within the Goomig farm area is undertaken by KAI under agreement with the WA government. As with the environmental management, a proportion of the costs of this work will be charged to MG Corporation. Based on the area of farmed land on Goomig. These costs will form part of the JV charges.]

Selection Criteria and Submission Requirements

- Submissions of no more than 10 pages must be emailed to chair@mgcorp.com.au by no later than 30 April 2024.
- Submissions must address the below selection criteria.
- Shortlisted submissions will be provided with a more detailed information package and will be contacted to further develop the proposed JV arrangement in conjunction with MG Corporation.
- What type of contractual arrangement is proposed? What are the key terms of the 1. proposed JV arrangement?
- 2. How does the proponent propose to engage MG people and MG businesses? How does the proponent intend to engage with MG Corporation?
- 3. Will the proponent offer training and development opportunities for MG people?
- What does the proponent intend to produce on Lots 15 and 16 and under what arrangements?
- 5. What agricultural experience and expertise does the proponent have?

² Statement No (epa.wa.gov.au)

³ EPBC 2011/5491 (environment.gov.au)

6.	What is the proposed length of the JV arrangement? Is the proponent open to extension periods, with MG having the ability to negotiate a different model?
7.	What are the proposed developments (if any) for Lots 15 and 16? What are the development timelines?
8.	Does the proponent have bona fide financial backing? If so, please provide details.
9.	How will the proponent demonstrate commitment to proper environmental protection and land management requirements

Note: Images of Lot 15 and Lot 16 are over the page



Figure 1 - Map of Goomig Farm Area and approximate locations of Lot 15 and Lot 16

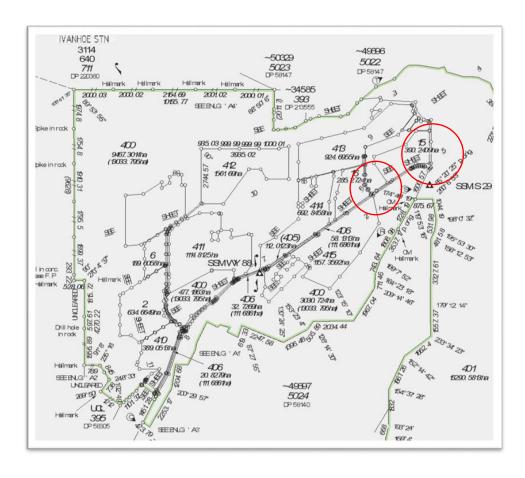


Figure 2 - Survey Plan showing Lots 15 and 16



Figure 3 - Lot 16 under Development:



Figure 4 - Aerial of Lot 16 (including field layout)



Figure 5 - Lot 15 under development

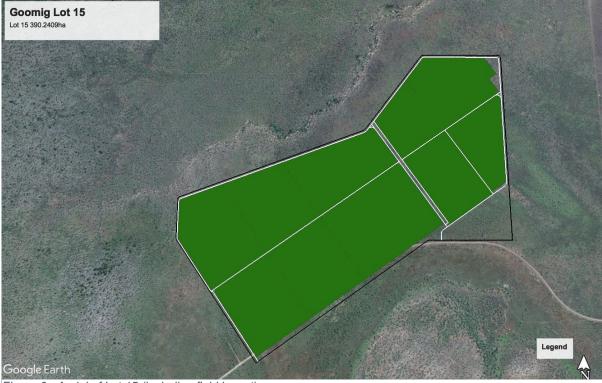


Figure 6 - Aerial of Lot 15 (including field layout)