



A R A F U R A
RESOURCES LIMITED

Nolans Indigenous Engagement Strategy (IES)

Promoting and supporting Indigenous
participation in the Nolans Project.

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1. INTRODUCTION TO THE STRATEGY

Arafura Resources Ltd (Arafura) is an Australian resources company, with offices in Perth and Darwin. The company plans to develop and market mineral resources, primarily those produced by its Nolans Rare Earths Project (Nolans Project or the Project) in the Northern Territory.

This Project will mine and process one of the world's largest deposits of the rare earths Neodymium and Praseodymium over a current mine life of 23 years. These are the essential ingredients in ultra-strong permanent magnets used in the automotive industry, new-energy vehicles, wind-turbine generators, smartphones and robotics. Subject to obtaining finance and a final investment decision from the Arafura Board, construction of the Nolans Project is expected to commence in 2020, with shipping of the first product likely in 2022.

Arafura has developed this Indigenous Engagement Strategy to promote and support Indigenous participation in the Nolans Project. This Strategy will cover the project site and the associated supply chain. This Strategy complies with the mandatory criteria under Schedule 1 of the Northern Australia Infrastructure Facility (NAIF) Investment Mandate which proponents must meet to be eligible for NAIF finance.

2. AIM

Arafura's aim is to be an employer and partner of choice in the Central Australia region, creating value for shareholders and all stakeholders. Arafura will strive to be a good corporate citizen with ethical governance and industry leading performance, ensuring the safety of employees and contractors while delivering environmental, social and economic benefit for all stakeholders.

In the true spirit of partnership, and through respectful collaboration and consultation, Arafura will strive to achieve outcomes closely aligned with community aspirations in local jobs, business, economic and social infrastructure investment opportunities. These benefits will be achieved for all Territorians and across all phases of the Nolans Project.

As an important part of this commitment, Arafura will give particular focus to providing local benefits for Indigenous people in Central Australia, especially the Anmatjere people on whose traditional lands this project is located.

3. APPROACH

Territory Benefit Plan

This Indigenous Engagement Strategy forms part of Arafura's overall commitment to deliver benefits from the Nolans Project for the Northern Territory's local industry, labour force and communities.

Under Northern Territory Government policy, Arafura will develop a Territory Benefit Plan, covering all phases of the Nolans Project. Working with the agency that has lead responsibility for this policy, Arafura will detail its commitments through this Plan to deliver benefits for the Northern Territory economy through engaging local labour and locally based suppliers.

In developing the Territory Benefit Plan, Arafura will consider the Five Mines Capability Mapping project when it is released. The Industry Capability Network Northern Territory was commissioned in 2018 to produce this report. Arafura expects that once completed, this report together with government, industry and community stakeholder consultations, should assist in determining the Northern Territory's industry and workforce capabilities and capacity to meet the needs of the Nolans Project. Arafura will use its Territory Benefit Plan as a framework to guide implementation of this Indigenous Engagement Strategy and finalise its negotiation of Native Title benefits with the Central Land Council.

Priority Action Areas

The purpose of the Indigenous Engagement Strategy is to maximise opportunities and benefits from the Nolans Project for Anmatjere traditional owners and other Indigenous people in the mine's operational areas and the broader Central Australian region. This Strategy outlines the context, objectives and commitments for achieving outcomes for Indigenous Territorians under each of the following priority action areas.

Priority Action 1 - Local Indigenous employment

Creating training and employment opportunities for local Indigenous people living within and near the Nolans Project's operational footprint.

Priority Action 2 - Supplier development

Providing opportunities for Indigenous businesses to increase their sustainability through participation in the Nolans Project's supply chain and other contracts awarded through this Project.

Priority Action 3 - Cultural respect

Respecting cultural rights, values and beliefs, and fostering strong relationships with the Anmatjere traditional landowners on whose country the Nolans Project is situated.

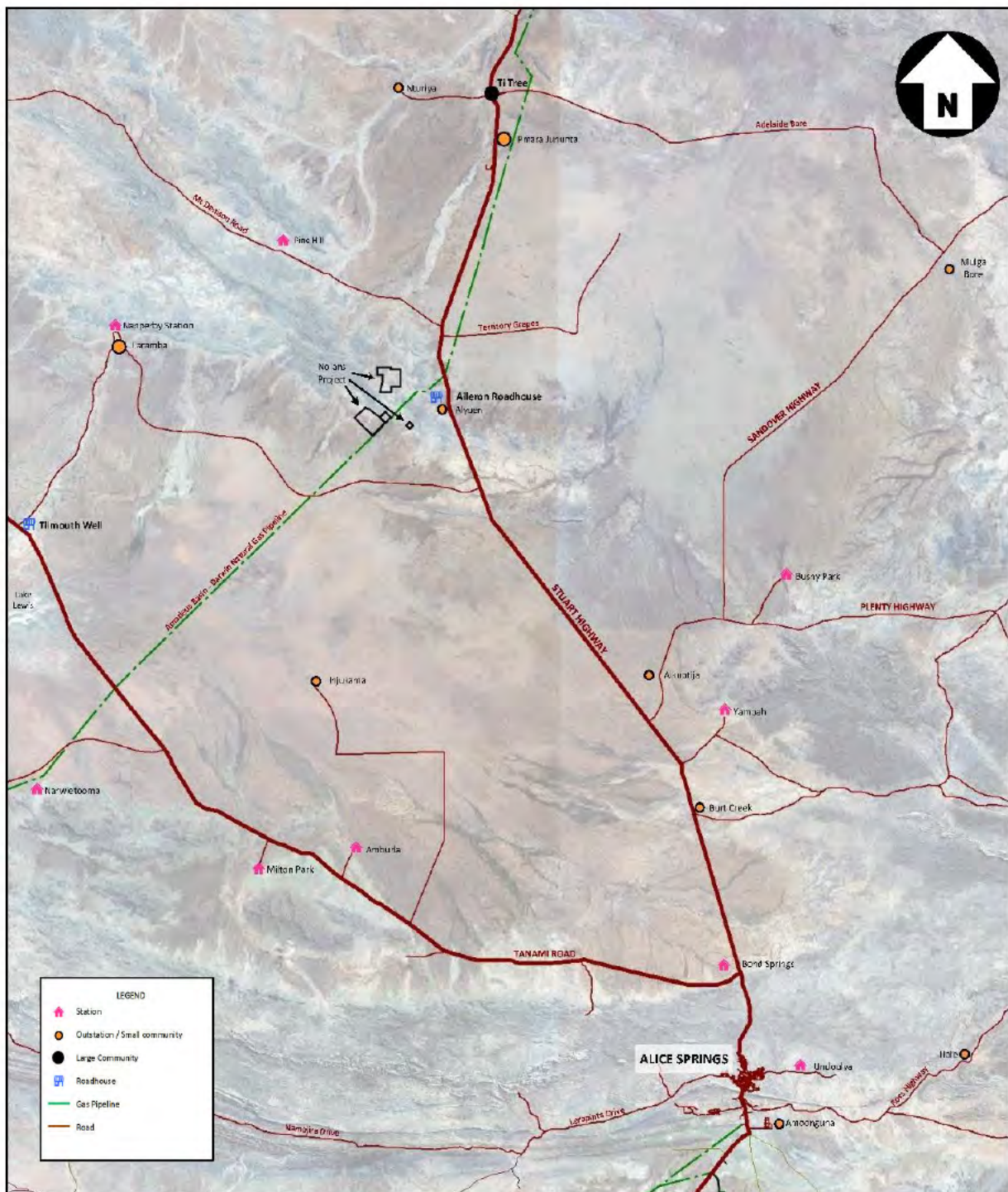
Priority Action 4 - Cultural heritage and environmental management

Working with the Anmatjere people, Aboriginal Areas Protection Authority and Central Land Council to protect sacred and heritage sites, and other places of cultural significance, by adopting good industry practice in the environmental management of the project site, transport corridors and adjoining land. This will ensure, as a minimum, Arafura's compliance with its regulatory obligations and management plans.

Governance and oversight arrangements are proposed for each action area. This will ensure the Strategy is reviewed, updated and regularly reported on, to track progress in achieving improved social and economic opportunities and outcomes for local Indigenous people and communities.

Consultation

The following map shows the major communities that fall within the Nolans Project's catchment area.



Anmatjere Traditional Owners

Negotiations with the Central Land Council are well underway and the Traditional Land Owners will be consulted prior to Final Investment Decision.

Regular consultation will be maintained throughout the implementation of this Strategy, to ensure its objectives and targets continue to align with and meet traditional owner and community expectations.

Touchpoints for stakeholder engagement

Arafura will use the following positions as its first point of contact in accessing government programs and services and working with Anmatjere traditional owners on the implementation of this Indigenous Engagement Strategy.

- **Central Australia Regional Manager**, National Indigenous Australians Agency of the Department of the Prime Minister and Cabinet – first point of contact for whole of government coordination of Commonwealth programs and initiatives relevant to this Strategy.
- **Manager Economic Development**, NT Department of Trade Business and Innovation – first point of contact for the Northern Territory Government's business development, workforce skilling and innovation programs.
- **Director Industry Training Programs**, NT Department of Education – first point of contact for Vocational Education and Training in Schools and working with training providers, industry and universities
- **Chief Executive Officer**, Central Land Council – first point of contact as the peak representative body for the Anmatjere people and other Aboriginal communities across Central Australia.

Stakeholder management

Arafura will ensure appropriately qualified and experienced team members are appointed to assist with implementing this Strategy. These positions will assist with engaging and managing relationships with the Anmatjere people, Central Land Council, community, business and government stakeholders and in implementing and reporting on the priority action areas of this Strategy.

The number of positions and their responsibilities will be finalised once the Nolans Project's workforce and organisational structure is agreed.

4. ROUNDTABLE MEETING

A Roundtable Consultation workshop was held in Alice Springs on 10 April 2019, seeking community input in the development of this Indigenous Engagement Strategy. Thirty-three participants attended from 24 organisations, representing government, local government, non-government, community and industry bodies. Participants were selected for their knowledge and leadership in Indigenous affairs, their understanding of regional workforce planning and business development processes, and their experience in the commercial development of the Northern Territory minerals and energy sectors.

The Roundtable workshop provided a forum to discuss the opportunities and challenges facing Arafura in achieving employment, business and social outcomes through the Nolans Project for local Indigenous people. Participants agreed that a strong partnership approach is needed to achieve the outcomes of this Strategy. The minutes of this Roundtable workshop are attached.

Further consultations were held in Alice Springs and Darwin, following completion of the final draft of this Strategy. Participants were asked to comment on the Strategy and to identify work their organisations were doing that could support implementation of this Strategy.

The findings of the Roundtable workshop and follow up consultations are referenced throughout this document.



5. STRATEGIC PRIORITIES

Priority Action 1 - Local Indigenous Employment

Context

The Nolans Project is in Central Australia, located about 135 kilometres north of Alice Springs, near Aileron. The Central Australia Region covers an area of over 500,000 square kilometres and makes up 40% of the Northern Territory's land mass. Located in the southern part of the Northern Territory, Central Australia incorporates Alice Springs and the desert communities that surround it. The Nolans Project is on Anmatjere country, with the three main communities of Ti Tree (nearest service town), Pmara Jutunta (Ti Tree Six Mile) and Laramba (Napperby Station) in close vicinity to the Project.

A snapshot of Indigenous demographic data for Alice Springs and Central Australia is provided on the next page. This data is drawn from the Australian Bureau of Statistics (ABS) 2016 Census Data¹ and the Bushtel community profiles².

A variety of jobs are expected to become available over the life of the Nolans Project, offering temporary, part-time and permanent employment. These jobs will range from labourers, blue collar workers of varying skill levels, to university qualified positions, supervisory and management roles. Numerous indirect jobs are also expected to be generated from the Nolans Project's supply chain.

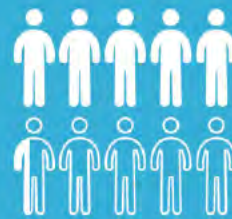
Not all Indigenous people seeking a job in the Nolans Project will be unemployed. As indicated by the ABS 2016 Census data, a substantial proportion of Indigenous people in the labour force in this region are already in either full or part-time work. Arafura expects that some of these people will pursue work in the Nolans Project.

The diversity of entry points for Indigenous people to work in the Nolans Project, the competitiveness of the local Indigenous labour market and people's readiness to take up work will influence the lead times required to implement the employment strategies outlined in this document. Regular community consultations will take place with key stakeholders, to ensure these strategies are appropriately targeted and continue to benefit Indigenous people and communities in the region.

¹ Australian Bureau of Statistics 2016 Census: Aboriginal and/or Torres Strait Islander Peoples QuickStats

² Northern Territory Government Bushtel Community Profiles, based on ABS 2016 Census, SA1

INDIGENOUS PROFILE FOR ALICE SPRINGS AND THE CENTRAL AUSTRALIA REGION



53%

A slightly higher proportion of the Alice Springs Indigenous population is female, compared to 51% for Central Australia.

36%

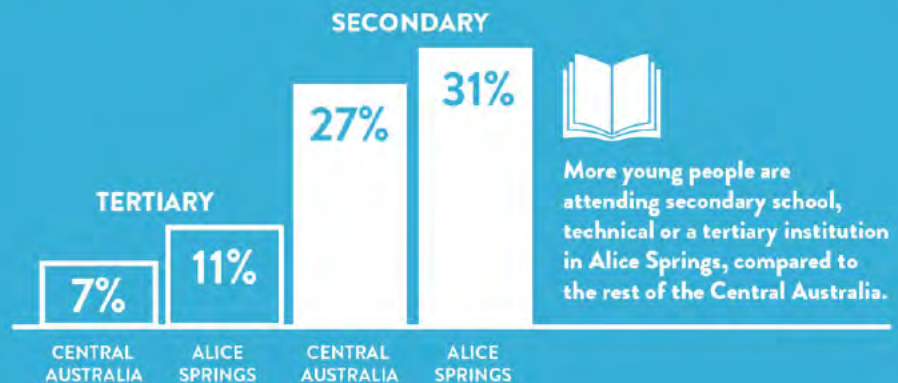
of the Central Australian population is Indigenous, compared to 17% in Alice Springs and 3% Australia-wide.

47%

of the Indigenous population for Central Australia is under 24, compared to 45% for Alice Springs.

68%

of the Indigenous population of Central Australia is working age (15-64), compared to 63% for Alice Springs.

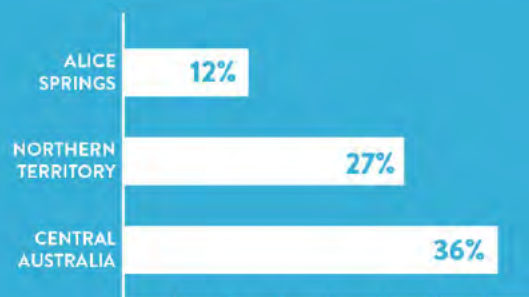


More Indigenous people in Alice Springs hold a Certificate III or higher qualification than the rest of Central Australia.



LABOUR FORCE PARTICIPATION

There are more people in the labour force in Alice Springs in full or part time employment, compared to the Central Australia Region.



INDIGENOUS UNEMPLOYMENT

Alice Springs (12%) has a significantly lower Indigenous unemployment rate than Central Australia (36%), compared to the Northern Territory's rate of 27%.

TOP OCCUPATIONS FOR INDIGENOUS PEOPLE IN CENTRAL AUSTRALIA



26% COMMUNITY & PERSONAL SERVICES
COMPARED TO 19% IN ALICE SPRINGS



17% PROFESSIONALS
COMPARED TO 18% IN ALICE SPRINGS



16% LABOURERS
COMPARED TO 11% IN ALICE SPRINGS



12% CLERICAL AND ADMINISTRATION
COMPARED TO 18% IN ALICE SPRINGS



8% TECHNICIANS AND TRADES
COMPARED TO 10% IN ALICE SPRINGS

Arafura's Commitment

Through this Indigenous Engagement Strategy, Arafura commits to building social and economic wellbeing by:

- creating culturally appropriate training and development pathways for local Indigenous people to take up employment opportunities in the Project; and
- maximising long-term career opportunities for local Indigenous people, across generations and over the full life of the Project.

Objective 1

Achieve a minimum target of Indigenous people employed in the Nolans Project, during the construction phase and over the life of the Project's operations.

- The Roundtable suggested a 30% Indigenous employment target for the Nolans Project, recommending immediate employment opportunities be pursued through entry-level jobs in the Project's construction phase. Arafura's success in meeting this target will depend on the competitiveness of the local labour force and the level of interest and capacity of local Indigenous people to fill the jobs on offer.
- Arafura estimates the Nolans Project will have a peak construction workforce of around 650 people and a full-time workforce of around 280 people during operations. Arafura expects the construction workforce will be largely fly-in, fly-out, with the full-time operational workforce targeted to come from Alice Springs and the surrounding region.
- The ABS Census Data identifies a significant proportion of working aged Indigenous people (15-64 years) living in the Nolans Project's catchment.
- Competition for Indigenous workers from the surrounding region is expected to be high, with 81% of Indigenous people in the labour force in Alice Springs and 59% in Central Australia already in full or part-time employment.
- Skilled and semi-skilled positions in technical, trade, operator and truck driving roles are the least commonly held positions by local Indigenous people. This will provide an opportunity for local Indigenous people to receive targeted training to gain the required skills to enable them to apply for these roles. Arafura will work with local service providers to ensure these programs are available to assist potential employees seeking opportunities with the Project.
- It is expected that Indigenous people's preferences and capabilities to work in the Nolans Project will vary considerably. Some people may be looking for a long-term career with the Project, while others may prefer part-time or contract work. Others may seek employment in the Project's supply chain; e.g., in the accommodation camp, providing transport to and from the site, or in administrative or logistics jobs based in Alice Springs.

Strategies

The employment strategies of this Priority Action will be monitored against an aspirational target of 20% local Indigenous employment in the Nolans Project. Arafura's progress in

meeting this target will be reviewed annually and adjusted in consultation with stakeholders.

Arafura will implement the following strategies designed to increase and retain the employment of local Indigenous people in the Nolans Project's construction and operational workforce.

- 1.1. Ahead of the Project's operations phase, Arafura will complete a skills audit throughout the local community using local providers. This audit will gauge the level of readiness of local unemployed Indigenous people to compete for and secure a job in the Nolans Project, and potentially other mines expected to come online in the region. Arafura will consult with the Regional Manager, National Indigenous Australians Agency and the Manager Economic Development, Dept. of Trade Business and Innovation to assess the readiness of local unemployed Indigenous people.
- 1.2. Using the findings of this audit and informed by the outcomes of ICN's Five Mines Capability Mapping Project, Arafura will seek seed-funding to develop a coordinated Indigenous training and recruitment calendar. This calendar will identify a rolling schedule of job training and recruitment activities, to meet the immediate and long-term workforce needs of the Nolans Project. Implementation of this calendar will draw on the resources available through the region's Employment Services Providers, Registered Training Organisations and the Aboriginal Employment grants program of the Dept. of Trade Business and Innovation.

This calendar will provide tailored pre and post-employment mentoring support and structured training pathways linked to offers of employment. Employment service providers from Alice Springs and across Central Australia will be invited to register their interest to deliver activities through this calendar, targeting both disengaged and work-ready jobseekers. The calendar will give particular focus, in the first instance, to supporting employment pathways for people from the Anmatjere communities. Appropriate gender-specific strategies will also be incorporated, to deliver sustainable Indigenous female employment outcomes across all phases of the Nolans Project. Implementation of the calendar will be subject to Arafura receiving its final investment decision and meeting all regulatory requirements to commence the Nolans Project.

- 1.3. Arafura will leverage local Indigenous employment opportunities through all contracts awarded by the Nolans Project. It will be a requirement of all contracts to set an Indigenous employment target and outline methodology for attracting, recruiting and retaining Indigenous employees. This will form a key element of the tender adjudication criteria and become a metric against which contractors will be measured.
- 1.4. Prospective contractors will be informed of the Indigenous training and recruitment calendar during the tendering process to allow for incorporation into their tender documentation. The contact details of participating employment service providers will be given to these suppliers, in deciding whether to use their services to help deliver on the Indigenous training, recruitment and retention targets of their tender proposal. Contractors will negotiate and enter into separate commercial arrangements with the employment services providers, should their services be utilized.
- 1.5. Arafura will ensure its suppliers and contractors are fully aligned with the Indigenous employment objectives of this Strategy. Information on grants available through the NT Department of Trade, Business and Innovation's Aboriginal Employment Program will be provided to encourage and help contractors and suppliers retain their Indigenous

employees and enable them to provide career development opportunities through apprenticeships and traineeships.

- 1.6. Arafura will ensure the Nolans Project workplace is culturally inclusive and responsive to Indigenous people's career needs and aspirations.
- 1.7. Arafura will consult with relevant government and industry stakeholders to support the development of a regional workforce strategy, that can help address potential skills gaps created by the movement of people in paid work to the Nolans Project and other mines in the region.

Objective 2

Build the long-term workforce capabilities of the Nolans Project by investing in Indigenous young people as future employees.

- Given this Project's long life, the Roundtable workshop recommended Arafura develop its future Indigenous work force capabilities by investing in the next generation of workers coming through school.
- The Roundtable proposed these longer-term capabilities be developed through tailored school-based programs that address workplace literacy and numeracy and build skills relevant to the mining industry. It was suggested that Arafura could offer future career pathways for young Indigenous Territorians by supporting post-school vocational and tertiary education opportunities.
- The Indigenous profile for Alice Springs and Central Australia shows high proportions of Indigenous children attending primary and secondary school. This data suggests there is a pipeline of students likely to progress over the next 10 years through educational pathways, to potentially increase the number of Indigenous people attending technical or tertiary institutions.

Strategies

To build the capabilities of Indigenous people to meet the Nolans Project's future operational workforce needs, Arafura will focus on the next generation of workers leaving school. Arafura will implement the following strategies to create a pipeline of Indigenous students in Central Australia completing high school and going on to work in the Nolans Project.

- 2.1 Arafura will explore the viability of establishing a Sponsorship Program or partnering with an existing program. Through this opportunity, Arafura will provide financial assistance to support identified career pathways for young Indigenous people in this region, to successfully complete tertiary qualifications and join the Nolans Project in a job that aligns with their qualification.
 - 2.1.1 To facilitate these job pathways, Arafura will establish a Graduate Development Program. This program will offer employment in the Nolans Project's operational workforce to university graduates coming through the sponsorship program, providing them with hands-on experience and additional on-the-job training as part of their transition into full-time work.

- 2.2 To support non-tertiary job pathways, Arafura will investigate offering school-based traineeships or apprenticeships to local Indigenous young people, 15 years and over, still at school. As part of this program, young people will receive paid work on the Project site while completing their school education, conditional on meeting occupational health and safety requirements and age restrictions for working on a mine and processing site.
- 2.3 Arafura will work with the Director Industry Training Programs, NT Dept. of Education, to investigate the establishment of a specially tailored Vocational Education and Training in Schools (VETiS) program. Targeting Indigenous students from participating schools across Central Australia, this program will start with a Certificate I Foundation Skills course to introduce students to working in mining-related fields. Over time students will progress along this learning pathway to develop their literacy/numeracy and employability skills, to eventually take up a school-based apprenticeship or traineeship. These will be offered either at an entry level (Certificate II) or trade level (Certificate III).

The design of the VETiS program will occur during the Project's construction phase. Implementation of the school-based apprenticeships/traineeships, and the eventual transition of students to a full-time apprenticeship or job, will support the development of the Nolans Project's long-term operational workforce. This program will also be promoted to prospective contractors to take up as part of the Indigenous workforce strategies being developed through their tender proposals.

Governance and Oversight

Arafura will ensure senior management oversight and responsibility for monitoring and championing the above Indigenous training, employment, and retention strategies. The recruitment and retention outcomes of these strategies will be reported annually by Arafura against the achievement of its Indigenous employment target.

Through its oversight of the key initiatives of this Action Priority, Arafura will:

- ensure recruitment practices are fair and provide equal opportunity for local Indigenous people to compete and win jobs in the Nolans Project;
- promote staff and career development opportunities to increase job security and satisfaction, aimed at maximising employment and retention of local Indigenous workers in the Nolans Project; and
- maximise the benefits of local Indigenous people working in the Nolans Project by creating an equitable workplace that values the contributions and positive differences Indigenous staff bring and, as much as possible, supporting flexible workplace arrangements that help Indigenous employees to manage cultural and community commitments.



Priority Action 2 – Supplier Development

Context

Business count statistics from the Northern Territory Department of Trade, Business and Innovation³ show there were 14,479 actively trading businesses in the Northern Territory, as at June 2018. Of these, 14.2% (or 2,056 businesses) were located in Alice Springs.

The vast majority of businesses in the Northern Territory (96%) were small enterprises, of which 61% employed no staff, 26% employed between 1 and 4 staff and 13% employed between 5 and 9 staff. More than half the total businesses in the Northern Territory (52%) had an annual turnover of less than \$200,000 a year.

There is no reliable data available to determine precisely the number of Indigenous-owned businesses operating in the Northern Territory. The National Indigenous Australians Agency⁴ estimates that, of the 2.1 million businesses operating in Australia, between 12,000 and 16,000 of these are Indigenous owned. Using locational information provided by businesses⁵, PricewaterhouseCoopers Indigenous Consulting calculates that 8% of a total 6,057 Indigenous small businesses operating across Australia are located in the Northern Territory. This represents 458 businesses, of which 60 are located in greater Darwin while the majority (408 businesses) are concentrated in regional areas of the Northern Territory.

The Nolans Project has the potential to offer significant local procurement opportunities, especially during the construction phase. During its operations, additional procurement opportunities will become available through the Nolans Project's supply chain and ancillary services.

The Project is advantageously located 135 kilometres north of Alice Springs and will be an important business centre as well as the focal point for the Project's transport and logistics requirements.

Arafura's Commitment

³ NT Department of Trade, Business and Innovation Economic Quick Facts – Business Count NT – June 2018. (Information current as at March 2019).

⁴ Department of the Prime Minister and Cabinet Indigenous Business Factsheet. July 2017.

⁵ PricewaterhouseCoopers Indigenous Consulting, Australian Bureau of Statistics Census of Population and Housing (2011), prepared on behalf of PM&C.

Through this Indigenous Engagement Strategy, Arafura commits to supporting the growth of the local economy and the Indigenous business sector by:

- promoting opportunities for Indigenous-owned businesses to compete for construction, service and supply contracts through the Nolan's Project; and
- working with government, service providers and relevant representative bodies to help Indigenous-owned businesses develop the skills and capabilities to successfully win and deliver contracts through this Project.

Objective 1

Establish a business hub to build a sustainable Indigenous business sector in Alice Springs and Central Australia.

- The Roundtable Consultation proposed that Arafura develop a regional communication strategy, to engage with local Indigenous-owned businesses through the Nolans Project.
- PricewaterhouseCoopers (PwC Australia) states that, in the absence of a universal definition of an Indigenous business, it is difficult to compile a comprehensive list of Indigenous businesses in Australia. In its report, *The Contribution of the Indigenous Business Sector to the Australian Economy*, PwC Australia identifies three categories of Indigenous businesses – Self Employed, Enterprises with Employees, and Trusts⁶.
- Indigenous businesses in Alice Springs and Central Australia will be identified through this Strategy using the Industry Capability Network's NT Aboriginal Content Finder database. This database lists businesses who have been certified as Indigenous by Supply Nation or through their membership with the Northern Territory Indigenous Business Network.

Strategies

- 1.1. Arafura will consult with the Regional Manager, National Indigenous Australians Agency and the Manager Economic Development, NT Dept. of Business Trade and Innovation, with regards to the options of establishing a business hub and single contact point in Central Australia for Indigenous businesses to access advice, mainstream and Indigenous specific support services. This centralized one-stop-shop should enable local Indigenous businesses to use the programs and services available through the Australian Government's *Indigenous Business Sector Strategy (2018-2028)* ⁷ and the Northern Territory's Aboriginal Business Development and Start.Run.Grow programs ⁸ .

This proposed regional approach should ensure complementarity of government programs and provide ease of access for businesses, to help build their capability in developing a larger Indigenous business sector for Central Australia. The approach should also strengthen business networks, information and data sharing arrangements, to ensure Indigenous businesses are best positioned to benefit from the commercial opportunities expected to come from the Nolans Project, as well as other potential major mining projects being considered for this region.

⁶*The contribution of the Indigenous business sector to Australia's economy*. PwC Indigenous Consulting and PricewaterhouseCoopers Consulting (Australia) Pty Ltd. 2018. Executive Summary, pg. ii

⁷ *The Indigenous Business Sector Strategy. Supercharging Indigenous Start-Up and Growth. 2018-2028*. Australian Government.

⁸ NT Dept. of Trade Business and Development. <https://startrunrow.nt.gov.au/>

Objective 2

Increase local Indigenous business participation in the Nolans Project.

- The Roundtable suggested that Arafura develops a regional communication strategy to ensure Indigenous-owned businesses are aware of and engaged early in the Nolans' procurement processes, providing them the opportunity to compete on an equal footing with other suppliers.
- The Roundtable also proposed that Arafura develop an Aboriginal Contracting Framework and set a target of Indigenous businesses participating in the Nolans Project. It was recommended that, through this Framework, Arafura should consider a range of incentives to build the capacity of Indigenous-owned businesses to 'get through the gate' in tendering and winning contracts. Arafura will consider the Commonwealth Government's Aboriginal Contracting Framework in the development of its own Framework.
- Given their size, complexity and safety requirements, Arafura expects its construction projects will mostly be contracted to tier one companies with the necessary experience, quality standards, capital, technical skills and capabilities to deliver these works to the standards required. It is therefore
- Strategies have been included in this Priority Action to advise Indigenous businesses of the opportunities, benefits and risks involved in negotiating subcontracting or joint venture arrangements with partner organisations. Arafura aims to avoid this issue of 'black cladding' through the procurement strategies being developed for this project and its enforcement of these commercial arrangements.

Strategies

Arafura will implement the following strategies, aimed at increasing local and Indigenous business participation in the Nolans Project's procurement and contracting activities:

- 2.1 All contracts tendered through the Nolans Project will have local and Indigenous content provisions, giving local and Indigenous-owned businesses an advantage in the tendering phase for these contracts. It will also provide an incentive for tier one contractors to organize work packages to allow sub-contracting to local and Indigenous businesses. This will be enabled by the following:
 - 2.1.1 Arafura and its contractors will utilise ICN to provide the communication platform for advertising its tendering opportunities in the Nolans Project.
 - 2.1.2 All tenderers will be required to submit a plan for their utilization of local and Indigenous businesses and set a target for local and Indigenous participation within the contract against which the successful tenderer will be measured.
 - 2.1.3 Arafura will monitor and update annually its progress in achieving Indigenous business involvement in the Project's supply chain. Arafura's performance will be assessed against its Indigenous business participation benchmark. The benchmark will be established once the potential capacity of the Indigenous supply market is ascertained.

2.2 During operations Arafura will, where possible, break work packages into smaller components that are suitable for small to medium sized businesses to tender. Arafura will work with the Industry Capability Network of the Northern Territory (ICN) to design work packages that best reflect the local industry's capacity to supply. ICN's *Statement of Capacity, Mining Equipment, Technology and Services* report, commissioned by the Northern Territory Government⁹, will be used as a reference guide for this work. As part of this process, Arafura will identify work packages where there are significant numbers of majority owned and capable Indigenous businesses to tender.

2.3 Arafura will work with and utilise both the Northern Territory and Australian government programs to assist Indigenous businesses build their capacity to participate in the Nolans Project. With ICN, NTIBN, the Northern Territory and Australian governments' assistance, Arafura will host Industry forums that specifically target local and Indigenous businesses in the Central Australia region.

These forums will promote upcoming tenders for which Indigenous businesses may wish to register an expression of interest. The forums will outline the work packages linked to these tenders, detailing their scope of works, timing, delivery expectations and pre-qualification requirements.

Working with the government business programs identified in Objective 1 of this Priority Action, the forums will assist Indigenous businesses to access the expertise, business advice and support services available through these programs to increase their competitiveness to tender for work in the Nolans Project. To help these businesses determine their capability to undertake this work, structured sessions will be run through these forums providing information and advice on:

- the Nolans Project's buyer environment and characteristics;
- the capability requirements for organisations to tender for specific work packages in the Nolans Project;
- subcontractor opportunities available through different work packages and the options to bid for partial or full scope of delivery; and
- the benefits, risks and assistance available to help Indigenous businesses to negotiate and enter into joint venture or subcontracting arrangements with partner organisations.

2.4 Arafura will work with the Central Land Council and Central Desert Regional Council to explore potential micro-business opportunities with the Anmatjere traditional owners. The awarding of any contracts as a result of this collaboration will be negotiated directly with traditional owner groups.

Governance and Oversight

Arafura will provide senior management oversight, monitoring and championing of the above Indigenous supplier initiatives by ensuring Arafura:

- analyses its supply spend each year to identify opportunities and address potential blockages for Indigenous-owned businesses from participating;

⁹ *Statement of Capacity, Mining Equipment, Technology and Services (METS)*. 2018. Industry Capability Network of the Northern Territory, commissioned by the Northern Territory Government.

- works proactively with the business networking bodies, Northern Territory and Australian governments to ensure local Indigenous businesses are aware of and can access the full range of support services available to assist with their participation in the Nolans Project; and
- regularly disseminates procurement updates, advice and information to Indigenous businesses through its dedicated ICN Gateway Page and Indigenous Business Industry Forums, in consultation with government and business networking bodies.



Priority Action 3 – Cultural Respect

Context

Arafura considers itself as a valued corporate citizen who works respectfully with communities in and around its operational footprint. Arafura understands its future rests on its social license to develop, operate, close and rehabilitate resource projects consistent with community expectations. This Indigenous Engagement Strategy builds on extensive and ongoing community consultation, held by Arafura over the past 15 years as part of its negotiation of current exploration and future Native Title agreements and regulatory approvals. Arafura has reconfigured aspects of the Nolans Project in response to community issues raised. Arafura will ensure it has the appropriate policies, standards and practices in place to continue to work in good faith and add value to the Indigenous communities and other stakeholders in the company's operational areas.

Arafura's Commitment

Arafura respects the social, economic, spiritual and cultural relationship Indigenous people have with country and place. Through this Indigenous Engagement Strategy, Arafura commits to:

- engage early and form long-term and enduring partnerships with Indigenous authorities, organisations and key representative bodies, such as the Central Land Council;
- support community-development initiatives that promote social benefits for the region's Indigenous communities, particularly the Anmatjere traditional landowners on whose country the Nolans Project is located; and
- adhere to culturally appropriate protocols, and acknowledge and support community leadership and management structures, through its engagement and work with local Indigenous communities.

Objective 1

Maintain open, meaningful and transparent communication with local Indigenous communities, particularly the Anmatjere traditional owners, on all relevant aspects involving the development and operation of the Nolans Project.

- The Roundtable recognised Arafura's leadership role in driving effective engagement with local Indigenous communities. It suggested this Indigenous Engagement Strategy

should be based on sound data, be accountable and sustainable, and apply a best-practice approach to engaging and working with Indigenous people.

- The Roundtable recommended that Arafura employ appropriately qualified and experienced staff to lead, nurture and sustain its long-term relationships through this Strategy with local Indigenous people and communities.

Strategies

In order to continue to build and maintain positive relationships with the local community, Arafura will:

- 1.1. Appoint team members to develop and lead its consultation work with local Indigenous people and communities. Arafura will also hold community-based expos/roadshows on the progress of the Nolans Project, as part of a locally driven grassroots communication strategy. Arafura will, as deemed appropriate, contribute to or sponsor local cultural events, community activities and festivals.
- 1.2. Consult with and be guided by the Central Land Council and Anmatjere traditional owners on the establishment of local and regional communication and governance arrangements, to support their engagement in the Nolans Project. Arafura will use these arrangements to consult and work with local Indigenous communities and Native Title holders on the implementation of this Project.
- 1.3. Arafura will explore with Central Land Council and traditional owners' opportunities to deliver cross-cultural training to the Nolans' workforce and provide cultural mentors and guides to improve understanding, appreciation and respect for Anmatjere culture, language and protocols.

Objective 2

Apply community development practices, and work with local Indigenous people and the Anmatjere traditional owners, to develop projects that deliver community benefits and enhance social and emotional wellbeing.

- The Roundtable Consultation suggested Arafura provide sponsorships and other funding to support meaningful engagement with local Indigenous communities.
- As a result of payments made by Arafura in accordance with agreements with the Central Land Council and Native Title holders, a number of community benefits projects have already been made possible, such as the construction of a new laundry block at Alyuen Outstation organised by the Central Land Council.

Strategies

To develop projects that will deliver community benefits, Arafura will:

- 2.1 Work with groups like the National Indigenous Australians Agency and Australian, Northern Territory and Local governments and the Central Land Council, to identify funding opportunities for community projects over and above Arafura's financial contributions already committed through its negotiation of land use agreements with Native Title holders.

- 2.2 Assist organisations to build the capacity of local communities through literacy, numeracy and health education projects, leadership and cultural strengthening activities by accessing funds through the Commonwealth's Indigenous Advancement Strategy and relevant Northern Territory Government programs.

Governance and Oversight

Arafura will provide senior management oversight, monitoring and championing of the above community and cultural engagement initiatives. This will include establishing Key Performance Indicators to regularly monitor and report on the frequency of meetings and to gauge community satisfaction with the delivery and outcomes of the consultations undertaken.



Priority Action 4 – Cultural Heritage and Environmental Management

Context

Arafura has completed numerous cultural heritage studies of the areas likely to be impacted directly and indirectly by the Nolans Project. These studies considered heritage, sacred and other important cultural sites, and included the review of previous archaeological studies. Through this work, Arafura has found artefacts at 67 sites, particularly along the Yalyarimbi Range, which have been properly recorded and classified by their heritage value. Sacred site surveys have also been completed in consultation with the Central Land Council and the Aboriginal Areas Protection Authority, and Sacred Site Authority Certificates obtained.

In May 2016 Arafura lodged its Environmental Impact Statement for the Nolans Project with the relevant Australian and Northern Territory Government departments. This Statement presented the results of a large number of detailed studies, including on plants and animals in the area, likely social impacts of the Project on people, families and surrounding communities, traffic, dust and noise studies, cultural and heritage studies, radiation risks and studies of creeks and groundwater aquifers. As part of its regulatory approvals, Arafura was required to submit a range of environmental, social and cultural heritage management plans.

Arafura has listened to what people had to say and has already reconfigured aspects of the Nolans Project in response to the issues raised. For example, it relocated processing out of the Ti Tree Basin catchment area to mitigate perceived risks and impacts on the basin and other users of this aquifer. Following this decision, Arafura invested in an extensive exploration program looking for an alternative water supply and will now tap into a newly identified aquifer system south-west of the project site.

Arafura's Commitment

Arafura will continue to collaborate with traditional landowners, through the Central Land Council, on protecting and preserving areas of unique cultural significance and minimising the impact of the Project's operations on the environment. Through this Indigenous Engagement Strategy, Arafura will:

- consult widely and keep Traditional Owners and nearby communities up to date on its operations to ensure sustainable development of the Project; and
- continue to work with the Anmatjere people to monitor and protect culturally sensitive sites during construction, operations and decommissioning of the Project.

Objective 1

Ensure Indigenous participation in cultural heritage protection activities associated with the Nolans Project.

- The Roundtable recommended Arafura work with the Central Land Council to involve Indigenous participation in planning and overseeing land management and cultural protection matters associated with the Nolans Project.
- A Cultural Heritage Management Plan was completed by Arafura in February 2016. This plan describes the protection measures and procedures to be implemented for managing and mitigating any impacts (known and as yet unknown) on historical Aboriginal cultural heritage items during the construction, operation and decommissioning phases of the Nolans Project. This plan outlines a number of compliance measures for managing and mitigating impact on cultural heritage items within the project area. These include cultural heritage awareness training for field team members and regular monitoring inspections of identified heritage items by the environmental manager throughout the duration of the Project.
- The Cultural Heritage Management Plan also outlines the roles and responsibilities of personnel who will implement this plan, including a number of environmental team member positions. These positions will be responsible for managing community consultation with Indigenous stakeholders and Traditional Owners, arranging site meetings regarding potential impacts to items with historic or cultural heritage value, developing a communication strategy to keep stakeholders informed about this plan and its implementation, acting as points of contact for the community regarding the Plan and responding to enquiries and complaints as required.

Strategies

Arafura will implement the following strategies to fulfill this objective:

- 1.1. Develop and implement a cultural heritage awareness training program to be undertaken by the Project's employees and contractors.
- 1.2. Develop and implement an inspection program for identified heritage items.
- 1.3. Undertake regular community consultation with local Indigenous people and other stakeholders as identified under the plan.

Objective 2

Assist the Anmatyerr Ranger Group to work with Arafura in the management and protection of valuable environmental resources on the Nolans Project site.

- The Roundtable suggested that Arafura work with the Central Land Council, Anmatjere traditional landowners and other interested parties, to facilitate local community involvement and collaboration in the Nolans Project's environmental management processes.
- The Central Land Council currently employs the Anmatyerr Rangers, with funding from the National Indigenous Australian Agency's Working on Country program and the Indigenous Land Corporation's Real Jobs program. Ongoing ranger work includes

waterhole monitoring and maintenance to protect culturally significant places; cultural mapping of important sites and storylines; and ongoing maintenance of cultural sites and outstations, including weed and feral animal management.

Strategies

To support the participation of the Anmatyerr Rangers in some aspects of the environmental management of the Nolans Project site, Arafura will:

- 2.1 Work with the Central Land Council and the National Indigenous Australians Agency to identify potential funding to build the capabilities of the Anmatyerr Rangers to participate in this work. This may include funds for more staff and/or ongoing training, equipment, buildings and other practical assistance.
- 2.2 Together with the CLC and National Indigenous Australians Agency, ensure the rangers are appropriately equipped to work with Arafura to help manage and protect the cultural and natural resources of the Anmatjere traditional lands on which the Project is located. Arafura will also support the intergenerational transfer of Indigenous ecological knowledge, engaging with schools and working with Anmatjere traditional owners and the Central Land Council to help mentor and develop young Indigenous people as future rangers in this program.

Governance and Oversight

Arafura will provide senior management oversight, monitoring and championing of the above community and cultural heritage and environment initiatives through:

- ensuring the Cultural Heritage Management Plan is maintained over the life of the Nolans Project, completing reviews and updating the Plan as required;
- ensuring the Anmatyerr Rangers, through the Central Land Council, are appropriately engaged and supported to participate in the cultural heritage and environmental management of the Nolans site.

6. MONITORING IMPLEMENTATION AND COMPLIANCE

As a living document, Arafura will ensure this Indigenous Engagement Strategy is regularly updated to keep abreast of any changes that will enhance delivery outcomes over the life of this Strategy. Arafura will develop an Operational Plan to oversee and manage implementation of this Strategy, which will be reviewed annually.

This Operational Plan will identify the business areas responsible for implementing specific action priorities and objectives, timeframes, key activities and the resources needed to implement these. The Plan will also identify indicators and benchmark data to measure the impact and success of this Strategy. Traffic-light reporting will be used to monitor progress in meeting these performance measures and to escalate any actions at risk of not being achieved.

Arafura will ensure effective monitoring and evaluation takes place to maintain compliance of this Indigenous Engagement Strategy. Arafura will design an evaluation methodology, using a mix of qualitative and quantitative methods. Development of the evaluation methodology will be finalised in the first year of the Indigenous Engagement Strategy, with a full evaluation completed every three years of the Strategy.

The evaluations will monitor the extent to which this Strategy continues to engage with the right stakeholders and deliver on its objectives. The evaluations will also assess the operation of the Indigenous Engagement Strategy in tandem with the Territory Benefit Plan, to ensure that Arafura addresses inconsistencies and local Indigenous communities continue to benefit from broader engagement opportunities identified by this Plan. Finally, the evaluations will measure over time the impact and critical value of this Strategy for local Indigenous communities, in achieving improved business, employment and socio-economic advancement opportunities from the Nolans Project.

A report on Arafura's compliance with the Indigenous Engagement Strategy will be tabled annually with Arafura's Managing Director. A section will be included in Arafura's Annual Report to provide updates on progress with implementing the Indigenous Engagement Strategy, the outcomes achieved and expenditure on the Strategy over the previous year.

Attachments



ROUNDTABLE MEETING MINUTES

The Arafura Resources Ltd (Arafura) Roundtable meeting on the development of an Indigenous Engagement Strategy for the Nolans Rare Earths Project (Nolans Project), took place in Alice Springs on Wednesday 10 April 2019.

Thirty participants from 24 organisations attended, representing government, non-government, community and industry bodies. The attendance list is at [Attachment A](#).

Karen Sheldon, Managing Director, Karen Sheldon Group, welcomed participants to the Roundtable meeting. Zania Liddle, Chief Executive Officer, Institute of Aboriginal Development, gave the traditional welcome to country and acknowledged the Arrernte elders, past and present. Jennifer Reilly, Chief Executive Officer, Karen Sheldon Group, facilitated the meeting. The Roundtable agenda is at [Attachment B](#).

Opening Remarks

Gavin Lockyer, Managing Director, and Brian Fowler, General Manager Northern Territory, Arafura Resources Ltd, opened the meeting with an overview of the Nolans Project. Details of the mine's rare earths deposits, the Project's construction timeline and its potential social and economic benefits were discussed.

The discussion highlighted the importance of having an inclusive and responsive strategy, to engage with the right stakeholders and secure their support for this Project. The role of this strategy in facilitating a long-term partnership with local Aboriginal people and communities was also discussed, to ensure they continue to benefit from the employment and business outcomes to be achieved over the full life of this Project.

The morning's preliminary discussions were concluded with an overview by Mark Stoyles, Mark Stoyles Consulting, of the components and a best-practice approach to developing an Indigenous Engagement Strategy. Regional demographic and business data were also presented, as context to guide the small group discussions later in the day.

Outcomes of the Roundtable Discussions

During the day's proceedings two small group discussion sessions were held, to consider the following policy design issues in the development of an Indigenous Engagement Strategy.

1. Developing a job-ready Aboriginal workforce and business sector to capitalize on the training, employment and procurement opportunities likely to result from the Nolans Project; and
2. Engaging meaningfully with people and communities, to maximize Aboriginal participation and ensure the Strategy is inclusive of local Aboriginal needs and aspirations.

The questions used to guide these discussions are listed in [Attachment C](#). The following is a summary overview of the key findings and recommendations arising from the discussions.

1. Aboriginal Workforce and Business Development

Developing a local Aboriginal Workforce

- Thirty percent was suggested as an appropriate Aboriginal employment target for the Nolans Project.
- Arafura's success in meeting this target will depend on a range of factors, including for example, how much of the target comes from local recruitment efforts versus national, the type of employment opportunities available and their skill requirements, and the capacity of training providers to meet the ongoing demands of a job-ready workforce.
- It was suggested that this Aboriginal workforce be drawn from local surrounding affected communities, Alice Springs and the broader Central Australia Region.

Employment Barriers

- Potential barriers to employing local Aboriginal people in the Nolans Project were identified in the amount of lead-time needed to train people, difficulties with people obtaining proof of identity, police clearance checks and other certificates required to work at a mining site, onerous government guidelines, workplace language and cultural issues, and the level of difficulty in job-application/recruitment processes.

Short-Term Opportunities and Longer-Term Strategies to build Workforce Capacity

- Immediate and short-term employment opportunities were identified in entry-level jobs in the construction phase of the Nolans Project, field work assistants, employing people to undertake on-country conservation and land-management work and through catering, laundry and cleaning jobs in the accommodation facility, transport, office administration and other ancillary support roles.
- Opportunities to develop longer-term Aboriginal workforce capabilities were identified in tailored school-based Programs that address workplace literacy and numeracy obstacles and build vocational skills in the mining industry, together with increasing access to certificate-based training and tertiary education providing nationally recognised and industry-relevant qualifications.
- The suggested mechanisms to achieve these longer-term objectives would involve Arafura entering into MOUs with schools and other training providers registered with the Australian Government's Australian Skills Authority, upskilling existing workers and offering career pathways through traineeships/apprenticeships, holding job expos and establishing a jobs portal for prospective applicants to register their skills and qualifications.
- This is in addition to Arafura working with Local Government to provide incentives for people to relocate to Alice Springs and for employers to recruit local Aboriginal people, as a coordinated strategy to build the town's labour market as a transport and logistics hub for the Nolans Project.
- Finally, it was suggested that Arafura could also offer scholarships to increase the number of Aboriginal people with university qualifications to work in technical and specialized operational roles in the Nolans Project.

Building Capacity of local Aboriginal-Owned businesses

- It was suggested that Arafura implements a regional communication strategy, to ensure local Aboriginal-owned businesses participate in procurement exercises arising from the Nolans Project.
 - This would be part of a broader capacity building approach to get Aboriginal-owned businesses “through the gate” in tendering and winning contracts.
 - Part of this exercise would involve businesses understanding what is needed to get “ready” and to position their organisation to successfully compete for contracts.
- In line with this proposal, it was suggested that Arafura enters MOUs with key representative organisations working in the Aboriginal enterprise development sector. These could include, for example, the Northern Territory Indigenous Business Network, the Industry Capability Network, Supply Nation, Chambers of Commerce, Northern Territory and Australian governments. It was suggested the MOUs should include an agreed definition of what constitutes an Aboriginal-owned business, to ensure a consistent approach across the sector.
- The communication strategy and MOUs would form a key component of an Aboriginal Contracting Framework, with an indicative target of 20 percent of Aboriginal-owned businesses participating in the Nolans Project.
 - This target is aspirational and would be achieved over several years.
 - The Framework could also consider other procurement incentives, such as weightings for tendering organisations who enter into joint-venture partnerships with local Aboriginal-owned businesses and targeting jobs for Aboriginal people across the supply chain, from cleaning and catering to sub-contracting to Tier One suppliers.
 - Any incentives for Aboriginal-owned businesses and jobs must be clearly spelt out in the tender documents, including price differentials built in to deliver on social outcomes. These incentives should be weighed against other relevant criteria, such as price competitiveness and capacity to meet quality standards, to ensure value for money.
 - It was suggested that Arafura could use the construction phase of the Nolans Project to give experience and build the capacity of Aboriginal-owned businesses to participate in later procurement exercises. This could particularly be relevant to new and emerging businesses, where these businesses would have longer lead times to complete their contracts.

Giving Preference to local Aboriginal-Owned businesses

- The following strategies were identified to give preference to local Aboriginal-owned businesses in the Nolans Project procurement outcomes.
 - Certifying Aboriginal-owned businesses in respect to their capacity to tender for different tiered contracts (i.e. tiers 1-3), which may require packaging of tenders to suit local capacities.
 - Building in opportunities for local Aboriginal-owned businesses to tender for contracts as part of the supply chains of the Nolans Project.
 - Specifying requirements in contract documentation for tendering organisations to engage and work with Aboriginal-owned businesses/communities.
 - Certifying Aboriginal business ownership.

2. Maximising Aboriginal Participation

Key Stakeholders to Drive the Indigenous Engagement Strategy

- The Roundtable discussions identified the following stakeholders, considered to be important in successfully engaging with Aboriginal people and communities and helping achieve the Aboriginal employment and procurement targets.
 - Northern Territory Indigenous Business Network – business support, networking and policy advice
 - Chamber of Commerce – training, advice and HR support
 - Industry Capability Network – local procurement/supply chains
 - Community Development Providers, Registered Training Organisations, Vocational Training and Employment Centres – employment and engagement
 - Industry Skills Advisory Council NT – enabling skills development and skills advice
 - Government Departments (NT and Cwlth) – setting procurement targets and grant funding Programs
 - Central Land Council – representing the statutory rights of native title holders, coordinating agreement making and establishing a community benefits fund.

Meaningful Engagement and Inclusiveness of Aboriginal needs and aspirations

- It was suggested a good understanding of local and regional population numbers and other demographic data is needed to help drive effective and meaningful engagement with Aboriginal communities. It was further suggested the Indigenous Engagement Strategy must be clearly documented and structured in a way that is accountable, sustainable and leads the way in working with communities. The Strategy should also identify key liaison points, to provide mentoring and support through its engagement role with local communities.
- Arafura should work with the Dept. of the Prime Minister and Cabinet, other government and non-government organisations working in communities and the Central Land Council, through its statutory role of representing the needs and expectations of local Aboriginal communities.

Government Programs that support Aboriginal Engagement

- A broad range of government Programs and funding initiatives were identified, to support Arafura's engagement and work with local Aboriginal communities.
- Relevant Commonwealth Programs include:
 - Dept. of Jobs and Small Business JobActive wage subsidies Program, providing financial incentives for employers to hire people, and the Transition to Work employment service, providing intensive pre-employment support and intensive services to support the work-readiness of young people aged 15-21 years;
 - Dept. of the Prime Minister and Cabinet Community Development Program (including 1,000 subsidized jobs for CDP participants), Vocational Education and Training Centres and other Aboriginal business and community Programs funded through the Indigenous Advancement Strategy;

- Dept. of the Prime Minister and Cabinet Indigenous Business Sector Strategy, as the cornerstone of the Indigenous Entrepreneurs Package to support Aboriginal business growth and diversity; and
- Indigenous Business Australia, offering Aboriginal people a mix of financial services and products to help start, acquire or grow a business.
- Relevant Northern Territory Government Programs include:
 - Dept. of Primary Industry and Resources' three-year scholarship funding support for people wanting to study earth science, metallurgy, mining engineering or petroleum engineering at university;
 - A wide range of other grants and forms of support available from various Northern Territory Government departments to help businesses, community organisations and individuals;
 - Dept. of Business Innovation and Trade's Territory Workforce Program, offering funding for initiatives that support workforce training and development and grants to increase participation and completion of apprenticeships and traineeships;
- A range of community-based initiatives were also identified, including Group Training Northern Territory's apprenticeship employment Program, where this organisation employs apprentices and places them into a business. Other relevant Programs also identified include Stars, Clontarf and the Girls Academy that support student retention and participation at school.

Supporting long-term Engagement with Aboriginal Communities

- It was suggested that Arafura employ Aboriginal Engagement and Liaison Officers to nurture and sustain long-term relationships through this Strategy with local Aboriginal people and communities. These officers would work with Registered Training Organisations and job providers and run community-based expos/roadshows to showcase the Project's successes, as part of a broader communication and marketing strategy.
- It was also suggested that Arafura regularly attend networking groups, such as the Chambers of Commerce, Local Council and Authority meetings. Key Performance Indicators should be developed to measure community and employee satisfaction rates, against agreed benchmark indicators, and monitor numbers and the frequency of community engagements.
- Community sponsorships and other support Programs were identified as an effective mechanism for Arafura to maintain long-term and meaningful engagement with local Aboriginal communities. Arafura is negotiating agreements with Native Title Holders through the Central Land Council that will include a community benefits fund, however it cannot prescribe how these funds are spent. .
- Finally, it was suggested Arafura could co-invest in the School's Vocational Education Training Program and local business development initiatives, as long-term strategies to meet the Aboriginal employment and business targets of the Nolans Project.

Working with Organisations that have pecuniary or decision-making interests

- The first step suggested for working with these organisations was to map the organisations, their stakeholder interests and statutory roles and responsibilities. Terms of reference should be developed to be clear and transparent on shared expectations and potential business opportunities.
- It was suggested Arafura maintain both formal and informal leadership relationships with Aboriginal traditional owners and with the Central Land Council.

Working with local stakeholders to manage environmental and cultural heritage protection

- Depending on local interests, it was suggested that Arafura work with the Central Land Council to establish a liaison group, to oversee land management and cultural heritage protection matters. Arafura would report annually through this group.
- It was suggested the establishment of this group would assist in providing accountability, building trust and supporting a two-way communication flow, to help manage the interplay between community expectations and Arafura's regulatory responsibilities. This liaison group would be in addition to any wider community reference group.

Closing Remarks

Jennifer Reilly thanked participants for their attendance at the Roundtable meeting and invited closing comments from the floor. People were generally positive of the day's event, acknowledging the broad range of contributions made and the positive ideas provided.

It was agreed that, once people have had the opportunity to review the Meeting Minutes, there will be a further opportunity to make comments and suggestions. These can be emailed to Jessica Brownlie at: media@karensheeldon.com.au by Friday 17 May 2019.

Follow up meetings may also be arranged with relevant organisations to discuss further any comments or proposals coming out of the Roundtable Meeting. Mark Stoyles will follow up with these organisations and can be contacted on 0412-848-794 or by email at: markstoyles2@bigpond.com

Attachment A

In Attendance

Brian Fowler	Arafura Resources Limited
Gavin Lockyer	Arafura Resources Limited
Kate Hams	Central Desert Regional Council
Camille Dobson	Central Land Council
Jason Quin	Central Land Council
Joyce Taylor	Central Land Council
Vincent Lange	Centrefarm/TopEndfarm
Joseph Clarke	Centrefarm/ALSEDA
Jennes Walker	Charles Darwin University
Mark Hopkins	Civil Train
Simon Coutts	Clontarf Foundation
Andrew Oliver	Department of Education
Tristan Duggie	Department of Education
Ian Dickson	Department of the Prime Minister and Cabinet
Donna Digby	Department of Trade, Business and Innovation
Grant Butler	Department of Trade, Business and Innovation
Sarah Jericho	Industry Capability Network NT
Debbie Paylor	Industry Skills Advisory Council NT
Stephen Goodall	Industry Skills Advisory Council NT
Zania Liddle	Institute for Aboriginal Development (IAD)
Naomi Kartinyeri	Karen Sheldon Employment Services
Tina Clerke	Karen Sheldon Employment Services
Jennifer Reilly	Karen Sheldon Group
Jessica Brownlie	Karen Sheldon Group
Karen Sheldon	Karen Sheldon Group
Mark Stoyles	Mark Stoyles Consulting
Sharon Drage	MAX Employment Alice Springs
Greg Drew	Ngurratjuta/Pmara Ntjarra
Bill Risk	Northern Territory Indigenous Business Network (NTIBN)
Alana Richardson	NT Chamber of Commerce and Industry
Tim Stewart	NT Link
Bradley Parsons	Tangentyere Constructions
Dee McCorkindale	Tangentyere Employment Services
Clara Alefaio	The Salvation Army Employment Service Alice Springs
Jane Munday	True North Communication

Apologies

Joe Martin-Jard	Central Land Council
Michael Klerck	Tangentyere Constructions
Ryan Clerke	Saltbush Social Enterprises
Vance Glynn	Saltbush Social Enterprises

Attachment B

Agenda

<i>TIMES</i>	<i>ITEM</i>
<i>10:00 to 10:15am</i>	Open – Welcome to Country and outline of the agenda.
<i>10:15 to 10:45am</i>	Description of the Nolans Rare-Earths Project
<i>10:45 to 11:00am</i>	Outline of a proposed Indigenous Engagement Strategy
<i>11:00 to 11:30am</i>	Break – Morning Tea
<i>11:30am to 12:00md</i>	Key facts and figures
<i>12:00md to 1:00pm</i>	Roundtable discussion and Feedback – developing a local Indigenous workforce and supporting local businesses to capitalise on the employment and subcontracting opportunities of the Nolans Rare-Earths Project.
<i>1:00 to 2:00pm</i>	Break - Lunch
<i>2:00 to 3:00pm</i>	Roundtable discussion and Feedback – stakeholder engagement: • <i>Best practice approaches to engagement</i> • <i>Engaging the right stakeholders</i>
<i>3:00 to 3:30pm</i>	Summary of the two Roundtable discussions – next steps and opportunities for further input in the development of an Indigenous Engagement Strategy.
<i>3:30 to 4:00pm</i>	Wrap up of the day's proceedings and close.

Attachment C

Roundtable Discussion Session 1

Table One	<u>Questions</u> 1. What is an achievable Aboriginal employment target for the Nolans Project? 2. Where should this local workforce be drawn? 3. What are the barriers stopping Aboriginal people from taking up these positions?
Table Two	<u>Questions</u> 1. What are the opportunities for local Aboriginal people to meet the Nolans Project's immediate and long-term workforce needs? 2. How can government, education and training providers ensure a regular supply of local job-ready Aboriginal people? 3. How can recruitment and employment activities be coordinated with other mining and economic projects starting up in Central Australia?
Table Three	<u>Questions</u> 1. What is an achievable Aboriginal business procurement target? 2. What are the opportunities to give preference to Aboriginal-owned businesses suppliers? 3. How can Arafura build the capacity of local Aboriginal-owned businesses to compete and win contracts through the Nolans Project?

Roundtable Discussion Session 2

Table One	<u>Questions</u> 1. Who are the stakeholders that can help drive the Indigenous Engagement Strategy participation, employment and procurement targets? 2. How can this strategy meaningfully engage with and be inclusive of the needs and aspirations of local Aboriginal communities?
Table Two	<u>Questions</u> 1. What government Programs are available to support Arafura's engagement with local Aboriginal communities? 2. How can Arafura drive long term engagement with Aboriginal communities over the life of the Nolans Project?
Table Three	<u>Questions</u> 1. How can the Indigenous Engagement Strategy involve organisations with pecuniary or decision-making interests, such as land councils and traditional owner groups? 2. How can Arafura work with local stakeholders to respond the importance of environmental and cultural heritage protection?



Report developed in partnership with **Saltbush Social Enterprises** and the **Karen Sheldon Group**.

Prepared by Mark Stoyles of **Mark Stoyles Consulting**

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