

AMENDMENT TO COONGIE LAKES CONTROLLED ACCESS AND WALK-IN ZONES

BACKGROUND

On 11 July 2003, a position relating to petroleum exploration in the Coongie Lakes area was published in the Government Gazette. This position, agreed at Cabinet level, included the creation of the Coongie Lakes National Park, as well as three special management zones within the Innamincka Regional Reserve: Walk-In Zone, Controlled Access Zone and No Go Zone. The area outside both the proposed National Park and No Go Zone was gazetted for petroleum exploration rights at this time, and Petroleum Exploration Licence (PEL) 182 was granted to Eagle Bay Resources NL on 10 August 2005.

At the time of creation the concept of the Walk-In Zone was that there would be no access to vehicles for exploration activities, however geophysical activities could be undertaken by foot, and subsurface drilling would be permitted from surface sites outside the Walk-In Zone. During the assessment of Eagle Bay Resources' proposed exploration program, it was discovered that the spatial definition of a portion of the defined Walk-In Zone included a public access track. At the time of defining the boundaries, the Walk-In Zone was conservatively defined to give a reasonable buffer to the thickly vegetated parts of the channel system. The environmental values and terrain conditions of the area were considered at this time, however the occurrence and associated implications of the existing public access track was inadvertently overlooked.

The public access track in question is a major connection between Moomba and the Birdsville Track, providing the only existing access to the North West region of the Cooper Basin. During the course of the assessment of Eagle Bay Resources' exploration proposals within PEL 182, the question of whether the transportation of drilling rig components via the public access track, within in the Walk-In Zone, to reach sites further North would be allowed, or whether a new access track would need to be constructed outside this zone.

Discussions on this matter have been held between Primary Industries and Resources SA (PIRSA) and the Department for Environment and Heritage (DEH). Pragmatically it makes little sense to construct a new track outside the Walk-In Zone, as vehicular access by Eagle Bay Resources would have virtually no impact on the key environmental values of the zone – the thickly vegetated riparian habitat. The track is sited along the edge of Cooper Creek and Christmas Creek floodplain and not within the thickly vegetated habitat. There is relatively sparse tree cover along the track in the Walk-In Zone, similar to that in the defined Controlled Access Zone further North.

ACTION

PIRSA and DEH have agreed to rezone a 400m wide strip of the Western side of the Walk-In Zone containing the public access track. As a result, the public access track is now included in the Controlled Access Zone, allowing vehicular transportation associated with petroleum exploration activities to occur along the existing public access track. Use of this track for vehicular transportation purposes will not have a significant impact on the adjacent thickly vegetated areas. The revised Controlled Access and Walk-In Zones are shown in Figures 1 and 2 attached.

Figure 1

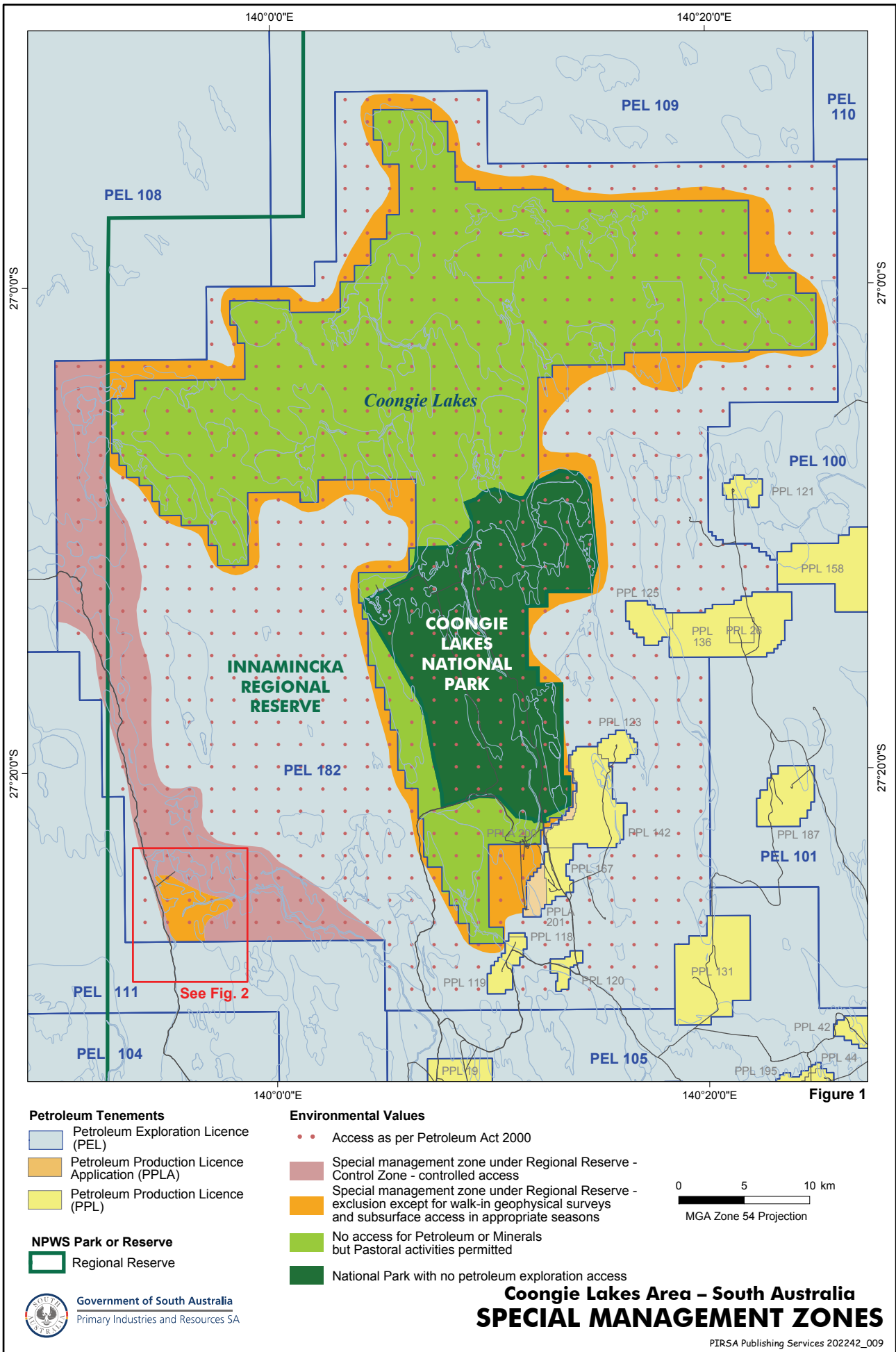


Figure 2

