



**Rirratjingu
Aboriginal
Corporation**

Annual Report

20

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**stand firm and
stand together**

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Our mission

Our Mission is to stand firm and to stand together for our people:

To remain the rock that is one voice together with a shared resolve to shape a future for our families and generations to come so they can live equally in a world of economic certainty and social wellbeing.

Our Mission is inspired by the Rock which remains immovable against the tide, the storms and the winds of change. The words of our forefathers remain in our minds:

"Be firm and strong for the land, and the strength of your solidarity will sustain you in your cause. Our country (land and sea) will exist forever. It must be protected so that it will remain the same, so that it can be seen in the same way that the elders saw it in the past."

Roy Dadayrja Marika – 1990 on behalf of the elders.

The Rock

"Even though you crash upon me and your patterns are left on me, I will stand firm for you as the day draws to an end ..."

1 paddle, 1 boat, 1 harpoon, 1 people! Hunters for one turtle to benefit all our people.



Rirratjingu Aboriginal Corporation Cultural Ambassador Witiyana Marika in reflective mood upon viewing the Dr Marika mural commissioned in June 2018. Witiyana played a key role at the Aboriginal Family Violence Policing Conference welcoming visitors and highlighting local issues and local approaches and solutions.



Our vision

Our Vision is a future where our people stand together in a world of harmony, prosperity and opportunity.

A world where our traditional cultural values remain our heartbeat, the wisdom from our forefathers our map and a new generation of our people are standing strong, standing equal.

Our Vision is guided by that of our forefathers. They have inspired us to work diligently, to hold tightly our culture and tradition, to be firm and strong for our land and our culture, to protect and care for our people and to stay united and stand tall.

Our guiding principles

Our Values

1. Outstanding governance will epitomise our approach.
2. The highest ethical standards will remain central to our work.
3. Open and inclusive management will highlight our operations.
4. Yolngu culture will remain at the forefront of our minds and as a guide to our work.
5. A responsive and accountable approach to our members, our community and key stakeholders will remain at the core of our activities.

Our Foundation

Rirratjingu Aboriginal Corporation was founded in 1984 by the late Dadaynga Marika 'Roy' Marika: MBE and Father of Indigenous Land Rights in Australia.

We wear our logo with pride – The mighty Rock 'Mandula' which is replicated as Roy's resting place.

*Rirratjingu Aboriginal Corporation
Board of Directors*



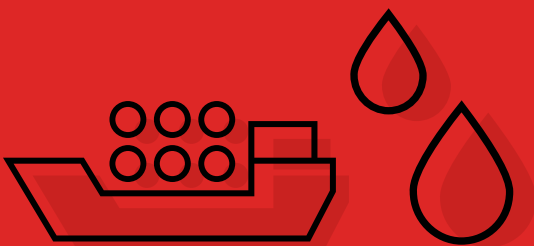


Achievements
Snapshot

17/18

13,500+
tonnes

of stock
delivered
from
Quarry



50 million
litres

of fuel delivered
from Bunuwal Fuel

11 **Bunggul**
performances



2017 Gove AFL

Men's & Women's
Premierships

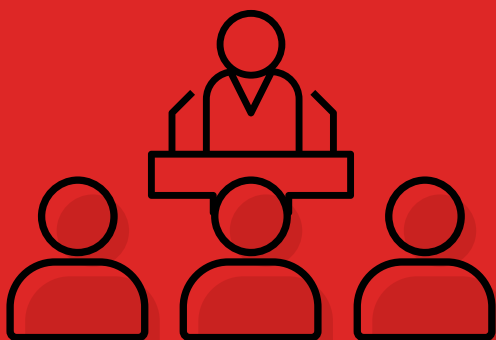
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concerts



1

royal
visit



HOSTED

Aboriginal Family Violence Policing Conference

Highlights



Djarrak Football Club Mens players show unity at ¼ Time break at Yirrkala Oval.



Bunuwal fuel

Rirratjingu Aboriginal Corporation's Bunuwal Fuel has sealed a new deal with Rio Tinto, to continue supplying diesel to Rio Tinto's Gove Operations in North-East Arnhem Land.

This deal continues the joint venture between Bunuwal Investments and Kununurra-based CGL that was first established in 2013.



Rirratjingu football program

The Rirratjingu Football Program set its 2017/18 mission to be the Highest Performing Remote Football Program in the nation. 13 participants played in the NTFL through our host Darwin Buffaloes Football Club with Gapiirri Burarrwanga playing in the Premier League Grand Final and Shanita Garrawurra and Gawiya Mununggurr winning the Under 18 Youth Girls Premiership.

Our domestic program, Djarrak Football Club won the 2017 Men's and Women's Gove AFL Premierships respectively.



HRH Prince of Wales visit

The Rirratjingu Clan had the honour of providing a traditional ceremonial welcome to HRH Charles Prince of Wales during his Royal Visit to the Gove Peninsula. The clan performed the sacred Wuyal ceremony on Mt Nhulun with images and footage spreading around the globe.

Prince Charles was met by Bakamumu Marika and presented with a traditional headdress and a woven dilly bag.

Message from the Chair



Director's year in review

The Rirratjingu people, through their representative voices, recognised the need for a strong corporation that could work for them today and build a future for them tomorrow.

The Rirratjingu Aboriginal Corporation (RAC) was born (1984) in response to this need along with the opportunities that would flow from the distribution of mining royalties from the Rio Tinto mining activities on the Gove peninsula.

As directors of RAC we have been proud to continue to lead this important task. Our focus has been the application of royalty funds to build the quality of life for our people today while investing for a sustainable future post mining.

We can now reflect on the challenges of our past and those times when we felt a sense of hopelessness. We stood strong through the hardship and our resolve is now bearing fruit. The work we have done has long moved on from those difficult days to a place where our people can have certainty in a sustainable future and a good education.

We have remained strong to our values, we have allowed no compromises to our standards of governance and we have continued to commit the time to understand the issues facing our corporation and the broader community. We have worked hard to fulfil our responsibilities as directors of RAC.

We are grateful to our staff for the effort they have made to ensure we, as directors, are fully informed and that we are well placed to make the right decisions. We have most recently demonstrated the strength of our governance and our unity through the necessary decision to strengthen our operational leadership team. A new corporate structure, a clearly defined strategic and operational plan along with a strong policy framework will further build our capacity and our focus on efficient and productive outcomes.

With the support of our broader team including expert advisors we have been continuously active in evaluating our work, our approach and how we can continue to develop and work towards better outcomes.

As a board, it has been critical for us to do what is necessary to ensure a high level of operational leadership. As a corporation operating in a challenging environment we have continued the process of ensuring a strong foundation. We have continued to avail ourselves of governance training. We have engaged independent professional input and particularly through compliance, operational and management audits. This knowledge and awareness have been important in allowing us, as directors, to make the important decisions about our future.



OUR FUTURE

As directors, we share the excitement of our future. Our foundation is sound. We must build on the investment to date in delivering certainty around land and royalty issues. But these important issues will not hinder our progress across so many other fronts.

We have established **ten important priorities** that will provide direction and operational imperatives over the next twelve months and beyond to 2022. These priorities include those directed at **creating a sustainable future:**

1. Good Governance
2. Investing in a Sustainable Future
3. Social Cohesion-Social Progression
4. Professional Operations
5. Strong Brand

Our five additional strategic priorities include those directed at **empowering our people:**

6. Positive Corporate Culture
7. Cultural Integrity
8. Investing in our People
9. Strength in our Young Leaders
10. Fellowship and Fun

Notably, this year ahead will see our corporation invest in our people and our community through our new Culture and Community Division with initiatives including our new Social Program, Funeral Fund, Education (includes Marrma Rom), Music, Family Violence, Welcoming Ceremonies and Cultural Events, Health and a continuation of our Football program.

THANK YOU

My special thanks to staff that have remained loyal and resilient and have continued to deliver throughout the year. Thanks also to all directors and their families. Our year has been busy and you are frequently called on to attend meetings and represent the corporation, thanks you!

Signed

Chair
Bakamumu Marika





Acting CEO's Review

This Annual Report provides time to pause and reflect, a chance to look back at another successful year in the journey of our corporation. A chance to celebrate the achievements and progress made.

This Annual Report captures many of our highlights. As Acting CEO, I can assure all stakeholders that our team has worked tirelessly to ensure we deliver great service, great outcomes and all within a well governed organisational environment.

This year has seen changes in our approach towards a more clearly defined operational agenda. Carefully considered strategic priorities now drive a clear operational agenda. This planning framework has encouraged the thinking necessary for us to move forward with focus and efficiency.

Contained herein are more detailed reflections from each program. One theme is evident across them all: 'with passion and belief, supported within a well governed and managed environment; so much is possible'.

We are excited as we move into 2018 – 2019. We do so in the knowledge that directors and management have a clear focus articulated in our strategic and operational plans. Notably this includes our newly created Culture and Community Division which will give a stronger focus to programs and benefits on behalf of the Rirratjingu people.

Within our Culture & Community Division we have established ten important priorities that will provide direction and operational imperatives over the next twelve months and beyond to 2022. Amongst these, Priority 8 - Investing in our People, we have a focus on initiatives including our new Social Program, Funeral Fund, Education, Music, Family Violence, Welcoming Ceremonies and Cultural Events, Health and a continuation of our Football program.

As we move forward we have also sharpened our focus on business and commercial outcomes. Our approach will bring accountability and performance review more sharply into focus.

My sincere thanks to the directors. Our determination to progress with strong governance and productive operations has called for their constant participation and our regular meetings are always well attended with directors participating actively. It is always such a pleasure to witness the levels of discussion and interest and the time taken to discuss key issues in language.

My thanks to the 'Rirratjingu operational team' that have played such a solid part in the day to day operations. Our operational leadership has changed in recent times and this has closed some doors and opened others. I have appreciated the lessons learnt from our former CEO whilst relishing the opportunity to take 'the reigns' for a period and lead the team whilst we seek the new leadership important in taking our corporation to new levels.

The continued passion and competence of our team are exactly why we have achieved success this past year and why we are well placed to continue to build on this moving forward. Those on the ground every day have acknowledged the importance of operating within a governance and operational framework underlined by best practice policy and procedure.

The balance between efficiency and properly governed service delivery can at times be frustrating. But our team has worked hard to support the high standards we set.



To community, stakeholders and supporters, my thanks!

S. Shah

Saheel Shah
Acting CEO
Rirratjingu Aboriginal Corporation

The background of the top half of the page features a photograph of three Indigenous women standing side-by-side. They are wearing traditional, intricately beaded and feathered dresses. The scene is set against a warm, orange and red sunset sky. The women are looking slightly to the right of the camera.

Rirratji

The Djang'kawu narrative, what non-Indigenous people might call a Dreamtime story, tells of how the Rirratjingu Clan was formed.

It begins with the Djang'kawu brother and his two sisters, Bitjiwurruru and Madalatj, who journeyed from Burralku through the darkness with only the Morning Star to guide them. When they reached the shores of Yalangbara, the sun rose to herald the birth of the world.

The sisters were the owners of ceremonial lore and travelled with their digging sticks (mawalan or djota), feathered regalia and sacred objects (rangga) secreted in their conical baskets and mats (nganmarra). These seemingly ordinary objects transformed into different landforms along the way; feathered string became sand ridges, the mat an island and clap sticks (bilma) rocky outcrops.

The pregnant Bitjiwurruru gave birth to the Rirratjingu Clan and bestowed on them their language and ownership of the

land. The first Ngarra ceremony was performed in a manner that is still performed to this day as a demonstration of the unbreakable link that the Rirratjingu have to their land, their culture and their history.

There is no timeframe to the Djang'kawu narrative, but anthropologists say that the Rirratjingu people have lived in North-East Arnhem Land for about 55,000 years, making them the oldest continuous culture in the world.

First contact with outsiders may have been 1,000 years ago. Clan stories tell of light-skinned, rice-eating seafarers with metal tools and weapons. The Rirratjingu called them Bayini, and they were likely traders from Asia.

Macassan traders arrived in the 17th century in search of trepang. The contact between Macassans and the Rirratjingu ended when the Australian Government banned the trepang trade in the early 20th century.

Europeans arrived in the late 19th century and a mission settlement was established at Yirrkala in the early 20th century.

The most dramatic outside influence began in the 1960s when bauxite began to be mined on the Gove Peninsula.



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Looking back

The Rirratjingu and other clans sent bark petitions to the Federal Parliament in opposition to mining and declaring their rights to traditional lands. The protests did not stop the mining, but a parliamentary inquiry recommended that Yolngu people be compensated, and sacred sites be protected. It was the foundation of the Land Rights Act.

The Rirratjingu Aboriginal Corporation (RAC) was set up in 1984 to distribute mining royalties from the mine. In 2011, the Gove Agreement was signed to extend the life of the mine for a further 42 years. The Rirratjingu make claim that the Gove Agreement intended that royalties would be shared equally between the Rirratjingu Clan and the Gumatj Clan. This equal and fair distribution of royalties did not happen.

Instead, the Rirratjingu people were awarded less than one third of the royalties. The legacy of this decision has clouded our recent past as we look to stand strong for our people, both past, present and future.

We have been placed in a position where our only recourse for justice in this matter is through the courts. This legal action continues and its domination in recent years has somewhat narrowed our focus and hindered our progress.

It has been somewhat of a distraction.

We maintain a resolve to achieve fairness and to claim that which is rightfully ours. But in recent times we have also achieved outstanding commercial success through Bunuwal Investments, Bunuwal Fuel and Bunuwal Mining. These enterprises provide evidence of our initiative and capacity along with the foundation for us to grow our presence in the commercial world.

We have invested productively, we have paid down debt and a range of economic and social programs have been launched. We have built a reputation for our balance between commercial and social outcomes. These will remain our pillars moving forward.

We will continue our efforts to resolve fairness in royalty distribution but through our recently completed strategic and operational plans we have injected new energy and focus into further building the future for our people. We are excited about our future.

Rirratji

Looking forward

The Rirratjingu people are always looking ahead, always working towards a stronger, healthier, more secure future for generations to come.

Rirratjingu Aboriginal Corporation Cultural Ambassador Witiyana Marika addresses the Yirkala Community to confront the issue of Domestic and Family Violence head on. The Corporation is a national leader in this social cause.

nggu



This forward-thinking comes naturally to a people who have lived on their lands since the Dreamtime. As well as being forward-thinking, Rirratjingu people are resilient, ambitious and stand on their own two feet.

The Rirratjingu Aboriginal Corporation look forward with a strong sense of optimism and excitement. We have a foundation upon which we can build and opportunities that can ensure we prosper in building a better today and tomorrow for our people.

A focus on board driven strategic and operational planning has set clarity around our broader focus. This is a focus that retains the imperatives of resolving our land rights but also in building a highly successful 21st century corporation with a reputation for strong governance, commercial success and a social agenda that meets the needs of our people by providing greater opportunity for them to progress.

We have, in recent times, made hard decisions in the interests of the corporation and our members. These decisions have led to greater professionalism, improved capacity at both board and operational levels, a clearer and planned sense of direction and a more structured policy environment. These are the standards that will give us the platform to grow and achieve.

We maintain a resolve to achieve fairness and to claim that which is rightfully ours. But there is so much more for us to do! We will focus on further growth through our existing commercial arms of Bunuwal Investments, Bunuwal Fuel and Bunuwal Mining. We will extend these with other commercial enterprises through a greatly enhanced focus on business opportunities.

We remain acutely aware that Rio Tinto will close, and mining royalties will cease. The announcement of this imminent closure was made in 2013 and reflected through the redundancy of some 1,500 workers. Now in 2018 we expect a royalty window of perhaps ten years. This is a critical time for us to invest strongly and to grow our assets to ensure a sustainable future.

Our agenda must provide for our people today but must also ensure we remain firmly focused on our future and sustainability.

We will continue our efforts to resolve fairness in royalty distribution but through our recently completed strategic and operational plans we have injected new energy and focus into further building the future for our people. We are excited about our future.

As Chair of the Corporation, Bakamumu Marika says: "No one looks after the clan, we look after ourselves." We have a proud history of creating prosperity and opportunity for the Rirratjingu people of North-East Arnhem Land. Our record has been shaped by the sons of the Land Rights movement and their commitment to see the community benefit from what is rightfully ours.

This history inspires our future as we look forward. A future of ambition and vision, for continued sustainable growth, continued social and economic progress in the community and continued recognition of everything achieved in the past.

We will continue to channel our business into tangible outcomes that benefit the broader community. Our future will see the Corporation continue to drive further social and economic progress for the local community. It will also see the Rirratjingu continue to stand up for what is right, and advocate for policies that will improve the lives of not only local Indigenous people, but Indigenous communities throughout Australia, including continuing to fight for secure tenure and access to our own land.

We look forward to the future of the Rirratjingu Aboriginal Corporation. It is exciting and will always be guided by the clan's rich history and its continued commitment to driving progress in the community.

Governance

The Rirratjingu Aboriginal Corporation is an Indigenous Corporation governed under the Corporations Aboriginal and Torres Strait Islander (CATSI) Act 2006. Our classification is a large corporation.

The Corporation is governed by a board of local Rirratjingu directors for the reporting period 2017-2018. During this time the board has met on 4 occasions to host director meetings and 1 Annual General Meeting.

The majority of our directors have been on the board since incorporation in 1984 with younger directors holding director roles for the past decade. This has provided a stable and active core group. Board meetings are formal and governed by clear protocols. Directors are engaged in proper and vigorous conversation on topics appropriate to their responsibilities. The environment is one of teamwork and sharing, with input from all directors.

This year the directors completed a formally structured Governance Training Program. This program supplemented the ongoing training provided in director meetings and other forums throughout the year. This focus on training has remained a feature of our well governed environment.

The board and executive staff are confident the Rirratjingu Aboriginal Corporation has in place a strong and compliant governance framework. We have recently supplemented our director positions with three Independent 'Expert Advisors' who will provide greater capacity in specific areas as we take on the exciting challenges before us.

Directors

Chairman

Bakamumu Marika

Vice Chairman

Wanyubi Marika

Director

Lak Lak Marika

Director

Djayminy Marika

Director

Guruminbuy Marika

Director

Wurrulga Marika

Director

Wuyala Marika

Director

Djalinda Marika

Advisor

Denise Fincham

Advisor

Danny Keep

Advisor

Peter Chilman



Bakamumu Marika
Chairperson

Rirratjingu Aboriginal Corporation
Rirratjingu Mining Pty Ltd
Bunuwal Investments

Director
Bunuwal Fuel

Bakamumu Marika is an experienced board executive and the Leader of the Rirratjingu people, traditional owners of lands on the Gove Peninsula. He is actively involved in four entities across the Rirratjingu Aboriginal Corporation including Rirratjingu Mining, Bunuwal Investments and Bunuwal Fuel.

Bakamumu works closely with the management team of Rirratjingu Aboriginal Corporation taking an interest across the operations and social impacts stemming from successful business models and a world class Culture & Community program area.

A strong, highly functioning Rirratjingu Clan underpins the reasoning behind Bakamumu serving across all boards. Bakamumu understands the importance of securing investments and business opportunities for the future of the Rirratjingu people.

Previously, Bakamumu has overseen the successful completion of multiple property and construction projects. Bakamumu worked collaboratively with the Commonwealth Bank’s financial advisors to put together a tender that won Bunuwal Fuel Pty Ltd a distribution deal that provides Rio Tinto Gove Operations with diesel fuel.



Wanyubi Marika
Vice Chairperson

Rirratjingu Aboriginal Corporation
Bunuwal Investments

Wanyubi Marika is a senior leader of the Rirratjingu clan and Vice Chairperson of the Rirratjingu Aboriginal Corporation. Wanyubi played an integral role in establishing Bunuwal Investments Pty Ltd as the business arm of the Rirratjingu Aboriginal Corporation. Since its establishment, Rirratjingu monetary entitlements have been invested in various business, creating wealth and promoting opportunity for the region.

Wanyubi plays a key role in the Rirratjingu Aboriginal Corporation and acts as Cultural Advisor across the Rirratjingu and Bunuwal entities. Wanyubi has studied Media, Clerical Administration and has an Associate Diploma of Community Management. He plays a critical role in ensuring businesses are developed in culturally appropriate ways.

Wanyubi sites his goal for Yolngu to better understand business opportunities and the benefits that arise from projects like Bunuwal Fuel. This will create sustainable projects which support the future generations of Rirratjingu and other Yolngu clans.

Previously, Wanyubi has been recognised as an artist of national significance. Working mostly in bark painting, larrakitj (hollow log coffins) and wood carving, Wanyubi has delivered exhibitions across the nation. Wanyubi is a former Chairperson of the Buku-Larrangay Mulka Arts Centre Committee.



Lak Lak Marika
Director

Rirratjingu Aboriginal Corporation
Bunuwal Investments

Lak Lak Marika serves as a Director of the Rirratjingu Aboriginal Corporation and Bunuwal Investments. She is the senior most figure of the Rirratjingu Clan. As the ultimate cultural authority of her clan, Lak Lak holds the final decision-making power over issues involving land and other clan concerns.

Lak Lak was educated by the missionaries before studying nursing and becoming an Aboriginal Health Worker in 1969. She was later promoted to Chairperson of the NT Health Department overseeing Aboriginal Health Workers across the Territory.

Lak Lak is actively involved in the Rirratjingu Aboriginal Corporation and business entities decision making process, living quietly at her homeland on the northern shore of Bremer Island.



Wurrulga Marika
Director

Rirratjingu Aboriginal Corporation
Rirratjingu Mining Pty Ltd
Bunuwal Investments

Mandaka Marika is a senior member of the Rirratjingu clan and the son of the late Dadaynga 'Roy' Marika. He is actively involved in three entities across the Rirratjingu Aboriginal Corporation including Rirratjingu Mining and Bunuwal Investments. Mandaka has completed a Land Management course and holds employment at Dhimurru Aboriginal Corporation rising through the ranks as a ranger in 1993 to now holding the Managing Director position. Mandaka has dedicated his life to caring for the land, of which his father and fellow Yolngu leaders fought for which resulted in the great Land Rights campaigns of the 1960's and beyond. A strong cultural standing ensures Mandaka is a key leader, and often called upon to be a keynote speaker, and conduct welcome to country for the Rirratjingu clan and business arms.



Wuyala (Bruno) Marika
Director

Rirratjingu Aboriginal Corporation
Bunuwal Investments

Wuyala Marika is a senior member of the Rirratjingu people, traditional owners of lands on the Gove Peninsula. He is Director of the Rirratjingu Aboriginal Corporation and Bunuwal Investments. Wuyala is heavily involved with his culture and often plays significant roles for the Rirratjingu Ceremonial Program. Wuyala currently holds employment at the Yirrkala Nursery where he specialises in native plant regeneration and maintenance duties in nearby Nhulunbuy.



Djalinda Ulamari
Director

Rirratjingu Aboriginal Corporation
Bunuwal Investments

Djalinda Ulamari was first elected to the Board of Rirratjingu Aboriginal Corporation in 1984. Djalinda has a Diploma of Teaching specialising in Aboriginal Schools and spent most of her working life in the education sector, including working with the Yirrkala Community Education Centre and Yirrkala Homelands School. A strong communicator, Djalinda has been registered with the Aboriginal Interpreter Service (AIS) and been called upon to assist with justice system processing, Centerlink and with NT Police among a host of responsibilities. Djalinda now serves as a Senior Cultural Advisor for the Dhimurru Aboriginal Corporation and has previously been an active member of the organisations board.



Gurrumin Marika
Director

Rirratjingu Aboriginal Corporation
Bunuwal Investments

Gurrumin Marika is a respected ceremonial leader of the Rirratjingu Clan and is the holder of sacred knowledge only known to a select number of men. Gurrumin has a background in the education sector where he has spent 10 years teaching on homelands. He holds a Certificate III in Teaching. Prior to his teaching role, Gurrumin worked with YBE and Yirrkala Dhanbul Council where he specialised in civil works particularly earth moving and truck haulage. Gurrumin practices his culture and occasionally produces bark paintings and plays Yidaki. A traditional man, Gurrumin spend time with family and can be found helping his wife and children with traditional pandanus grass harvesting, preparation and weaving. A highly experienced Director, Gurrumin brings a dedication to his governance roles at Rirratjingu Aboriginal Corporation.



Djayminy Marika
Director

Rirratjingu Aboriginal Corporation

Djayminy Marika is a man forging his way as a future leader of the Rirratjingu people, traditional owners of lands on the Gove Peninsula. He serves as a Director for the Rirratjingu Aboriginal Corporation. Djayminy is the current captain for Djarrak Football Club and led the side to the 2017 Gove AFL Premiership and has been hands on in mentoring the next crop of first year senior players. Previously, Djayminy has completed training and gained employment with Rio Tinto Gove Operations. He now mixes his time between Yirrkala and Barkira Homeland.

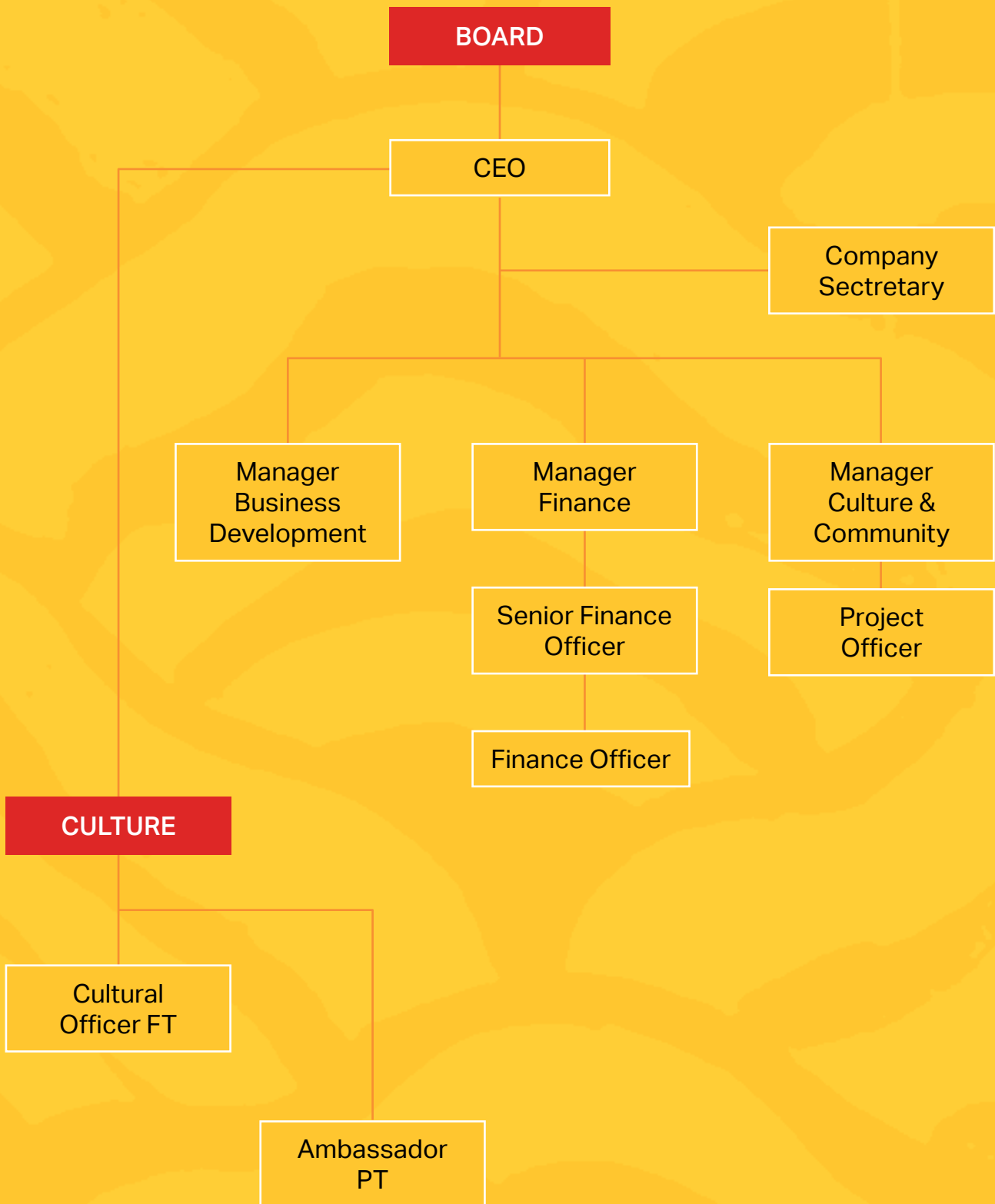


Witiyana Marika
Director

Rirratjingu Mining Pty Ltd
Bunuwal Investments

Witiyana Marika is a senior leader of the Rirratjingu clan and a Director of Rirratjingu Mining Pty Ltd and Bunuwal Investments. Witiyana is a senior ceremonial leader and a teacher of song lines and ceremonies for his clan and community. More widely, Witiyana is known across Australia as a key member of the famous band Yothu Yindi, which he co-founded with the late Mr M Yunupingu. As a member of Yothu Yindi, Witiyana has travelled the globe sharing Yolngu culture. Witiyana has worked closely with Richard Trudgen as a co-presenter at cross-cultural seminars, and in this role he continues to tour Australia educating a cross-section of the nation's Academic and Business worlds. A strong governance background includes Vice Chairperson of the Aboriginal Resource Development Services (ARDS) and formerly held Chairperson of Buku-Larrangay Mulka Arts Centre Committee and Dhimurru Land Management.

Organisational chart



Rirratjingu
Aboriginal
Corporation



The Rirratjingu Aboriginal Corporation (RAC) was established in 1984 and is owned by the Marika family from Yirrkala.

They are the proud descendants of the Land Rights Warriors who championed the Bark Petitions and fought the great Gove Land Rights Case, *Milirrpum Marika & Ors v Nabalco*, which was the precursor to the Land Rights Act 1976.

Carrying on this tradition, RAC has led economic and social development initiatives for the betterment of traditional owners across North-East Arnhem Land since its inception.

Rather than accepting what seemed inevitable financial disaster after the closure of the Rio Tinto Gove aluminium refinery, the RAC chose to continue leading the way by growing their organisation and positioning themselves for future sustainability.

The Corporation manages businesses that have an audited dozens of local people. Economic and social achievements are considerable and include:

- Establishment of Bunuwal Fuel, which has won an eight-year contract to import 50 million litres per year of fuel from Singapore for Rio Tinto Australia.
- Establishment of Rirratjingu Mining, which runs a blue metal quarry that last financial year sold 60,000 tonnes of rock to Rio Tinto for rehabilitation projects.
- The Rirratjingu Football Program, which provides employment, training and healthy lifestyle advice using football as a medium – in its first year, the program got 13 men into the NT Football League and 19 into employment.
- Major funding provider for the NO MORE anti-domestic violence campaign in the NT; the second Family Violence Policing Conference, the largest anti-domestic violence conference in Australia, will be held in Yirrkala in June at the invitation of the Rirratjingu people.
- Funding for many start-up projects in Arnhem Land to support economic development.
- Running numerous education, scholarship and funding programs, including major financial support for School Sport NT, which helps athletics, soccer, football, netball and other teams.

RAC is more than a family business – it is a community business. It represents the Rirratjingu Clan, the Traditional Owners of Yirrkala and Nhulunbuy, and owns and operates three job-creating subsidiary businesses: Bunuwal Investments, with 50 residential and commercial properties, Bunuwal Fuel, which is a joint venture company distributing diesel across the Gove Peninsula, and Rirratjingu Mining.

The fuel business has increased 250 percent, from 20 million litres in 2013, to 50 million litres per annum in 2017. Housing assets have regained value due to subdividing the properties. Rirratjingu Mining has increased supply of quarry products 400 percent, from 16,000 to more than 70,000 tonnes of rock sales.

All these businesses have their eye on the long game – to create long-term financial sustainability of the Corporation post-mining on the Gove Peninsula in 2030.

Of course, despite continuing financial and social success, the RAC has not been without challenges. The greatest challenge has always been a lack of secure tenure and access to their own land to create wealth, although 99-year leases agreed by the Australian Government will open opportunities.

Rirratjingu Mining

The Rirratjingu acquired control of the Gove Quarry in 2011 – the first Indigenous-owned mining operation in East Arnhem Land.

In the following year, Rirratjingu Mining commenced supplying 16,000 tonnes of blue metal rock to the Rio Tinto Residue Disposal Area (RDA), known as Red Mud Ponds, an area used to dispose of waste from the aluminium refining process.

The mountains of toxic waste are on Rirratjingu land, where Wuyal the spiritual Honey Man left his dilly bag. With the closure of the refinery, the Red Mud Ponds area is being rehabilitated and returned to its natural state.

The mine will slowly decommission the ponds by putting a plastic geomesh liner over the Red Mud Ponds and establishing drainage for rainwater run-off. With the curtailment of the refinery and the ramping up of the rehabilitation of the RDA, Rirratjingu Mining rock supply has grown from 16,000 to more than 60,000 tonnes for the RDA pond-capping project alone.

The geomesh project previously employed 457 visa workers for the manual labour. The overseas workers have been replaced by 10 local indigenous employees from the Rirratjingu and YBE. This is a great outcome for local people.

“Creating economic opportunities is one of the most important things we can do to support the local community,” says former RAC CEO Stuart Maclean. “These jobs mean 10 local Indigenous people get that opportunity, with benefits that flow through to their families, and with increased business activity, profits flow back to the wider community.”

The Rirratjingu Mining Indigenous Works Crew provides regular garden maintenance and associated services to more than 100 Rio Tinto properties, while continuing to maintain and service Rirratjingu's 50 residential and commercial properties.





Bunuwal Fuel

In 2013, the RAC established Bunuwal Fuel, a joint venture between Bunuwal Investments and Kununurra-based CGL, to tender for the supply of 20 million litres of diesel a year to Rio Tinto Gove Operations in North-East Arnhem Land.

If you have ever switched on a light, charged your phone or driven a vehicle on the Territory's Gove Peninsula, then you have been a customer of Bunuwal Fuel. The company has become an extraordinary role model for Indigenous businesses throughout Australia.

By June 2017, Bunuwal Fuel had delivered more than 150 million litres of diesel to the Gove Peninsula, and now annual consumption has increased to more than 50 million litres per annum.

The RAC won the contract against several global competitors including Exxon, Caltex and BP. Rirratjingu celebrated a further significant milestone in May by entering into an agreement with BP Australia to supply diesel for their Nhulunbuy Service Station.

Bunuwal Fuel imports the diesel from Singapore and then works closely with another Arnhem Land-based Indigenous mining and haulage contractor, YBE, to have it trucked from Gove Port to Pacific Aluminium's bauxite mining operation and ancillary projects. It also supports power generation for the peninsula and the townships of Nhulunbuy and Yirrkala. The company sells to third-party fuel consumers, including Laynhapuy Homelands, who then take the fuel to remote communities and homelands throughout the region.





November 2017 – Rirratjingu signs new diesel deal with Rio Tinto

Rirratjingu Aboriginal Corporation's Bunuwal Fuel has sealed a new deal with Rio Tinto, to continue supplying diesel to Rio Tinto's Gove Operations in North-East Arnhem Land.

Speaking after the signing of the new deal, Rirratjingu Chairman, Bakamumu Marika, said the agreement will support jobs and development in North-East Arnhem Land.

"This is a great result for our community and the broader Arnhem Land community," Marika said.

"To have Rio Tinto continuing to buy our fuel is a really positive development and it is significant that an Indigenous company is winning such important contracts.

"This means that the profits stay in the community, will support further development and will also provide jobs and training."



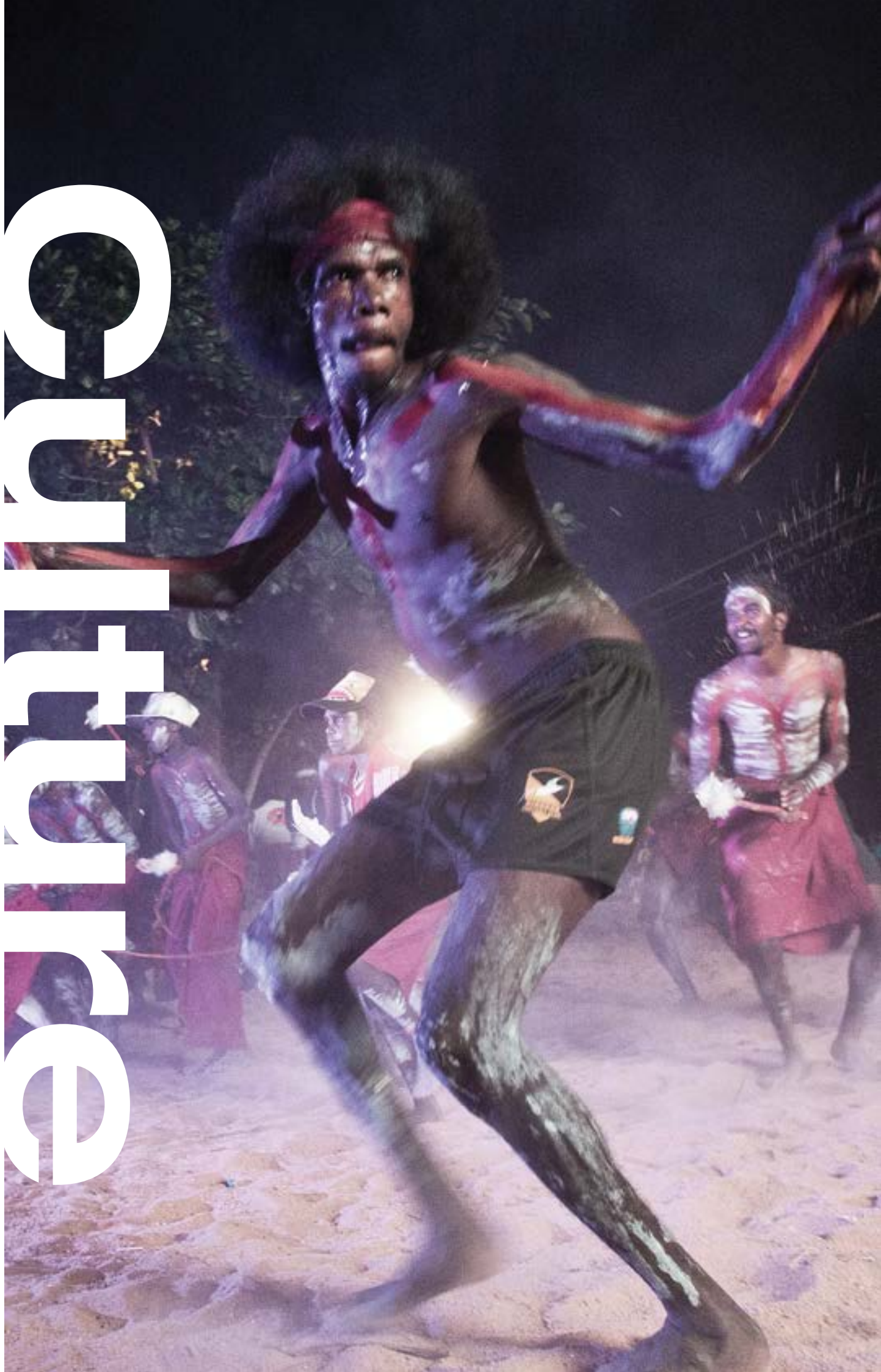
Bunuwal Investments

In 2004, the RAC created Bunuwal Investments, an investment arm based in Yirrkala seeking business and investment opportunities to enhance long-term economic capacity and prepare for the day when mining royalties are no longer paid.



The first major investment was in Malpi Village. Housing was in short supply when Rio Tinto upgraded its mining operation on the Gove Peninsula so Bunuwal Investments built 26 properties on Rirratjingu land near central Nhulunbuy. The homes were finished in 2007 and leased to Northern Territory and Commonwealth government staff on secure, long-term leases. The leases run until 2020. The company's investment has been further enhanced by the subdivision of the estate into individual titles.

Culture





There's an ancient saying in North-East Arnhem Land: a Yolngu is someone who can sing and dance.

And nobody doubts the truth of that on seeing the avalanche of talented singers, songwriters and musicians pouring out of the region.

The Rirratjingu Aboriginal Corporation supports the enrichment of the Yolngu cultural experience by sponsoring art, dance and music.

OUTCOME

The Rirratjingu Clan has performed Bunggul, traditional dance, for a number of significant occasions or events. These performance opportunities also allow clan members and performers to be remunerated for their performance.

Key bunggul has included the clan travelling to Canberra in 2016, supporting events confronting Domestic and Family Violence, supporting Police Remembrance Day and Australia Day activities in Nhulunbuy. The Welcoming of HRH Prince Charles saw content of the clan go global.

Local businesses and organisations have supported employees by releasing their staff to attend bunggul as key performers and practice culture.

Environment

The Rirratjingu are committed to preserving the environment and working to rehabilitate areas impacted by poor land management practices.

OUTCOME

This is reflected in the Corporation's support for the Indigenous Rangers Program, by providing housing and the Corporation's work to rehabilitate the Red Mud Ponds, which are a legacy from the Gove Refinery.

HRH Prince of Wales visit

The Rirratjingu people hosted His Royal Highness, Prince Charles on his recent visit to East Arnhem Land.

His Royal Highness was welcomed with a sacred 'Wuyal' ceremony at Nhulun Hill, which revealed the Malka (feather) string that connects the Rirratjingu people to their land.

His Royal Highness was also presented with a Malka string headband and a sacred Bathi (dillybag) painted with ceremonial designs representing land ownership on the Gove Peninsula.

The ceremony was performed at Nhulun Hill where the spirit being Wuyal (sugar bag honey man) climbed to the top of the hill and named the areas around Nhulunbuy, and gave the Rirratjingu people their sacred knowledge.

The meeting with his Royal Highness gave the Rirratjingu people the opportunity to share their sacred lore and connection with their land.

His Royal Highness also visited the world renowned Yirkkala Art Centre where the Rirratjingu showed him the church panels, which are another important part of the Yolngu movement's ownership and control of their land.

His Royal Highness Prince Charles is escorted by senior leaders of the Rirratjingu Clan to the peak of Mt Nhulun. HRH Prince Charles was honoured with the sacred Wuyal Ceremony.

Photo courtesy of Getty Images.





**"Bunggul is already
in the blood"**

BAWULI MARIKA



Investing in our people



The Riratjingu Aboriginal Corporation take their social responsibility as a large Yirrkala based organisation very seriously.

The corporation has set itself the target of impacting the community at a social level and through delivered social programs, sponsorship and in-kind support has been able to add value to activities and events at Yirrkala and Territory and nationwide across many years.

A diverse range of vehicles including sport, music and art are all underpinned by the rationale to promote being a good person. The Culture & Community vehicles have contributed to initiatives that seek to leave the community in a better place or state. Striving for a safe and highly functioning community is the legacy by which the corporation will hold itself in the years and decades to come.

Culture and the ability to practice and share through bunggul has given clan members the opportunity to express themselves and take pride in practising customs for special events and occasions.

Obviously, the Royal visit was a pinnacle event yet no less significant for the Riratjingu has been the Learning on Country Program where elders take a sense of pride in passing knowledge to students at Yirrkala School in the outdoor classroom. Our friends at Dhimurru Aboriginal Corporation lead the Learning on Country program and we support each other on a number of activities.



Mural Tributes

In August 2016, Rirratjingu Aboriginal Corporation traded their pens for paintbrushes, commissioning murals on a local Yirrkala grocery store.

Marking forty years since the federal recognition of land rights, the Aboriginal Land Rights (Northern Territory) Act 1976, preeminent street artist Mike Makatron honoured the driving forces of the Act.

Father of land rights, Roy Marika and his involvement in the Great Gove land rights case *Milirrpum v Nabalco* 1971 eventually led to the Act, providing groundwork for his life-long fight for land rights.

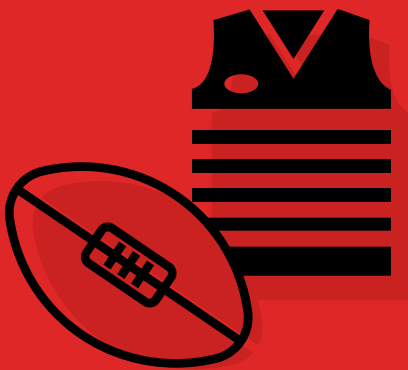
With the mural as a backdrop, the RAC performed the Wuyal ceremony and showed support as the son and grandson of Roy Marika sung at the recent National Indigenous Music Awards (NIMA).

In June 2018 an artwork of the late Dr Marika was commissioned to acknowledge her work in the local community.

Culture & Community
Snapshot

17/18

11 Bunggul
performances



2017 Gove AFL
Men's & Women's
Premierships

**Geelong
Next Gen**

Academy
Trip to
Victoria

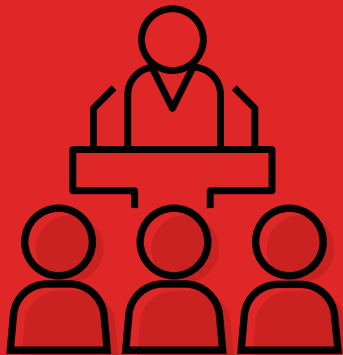


SUPPORTED

2
concerts



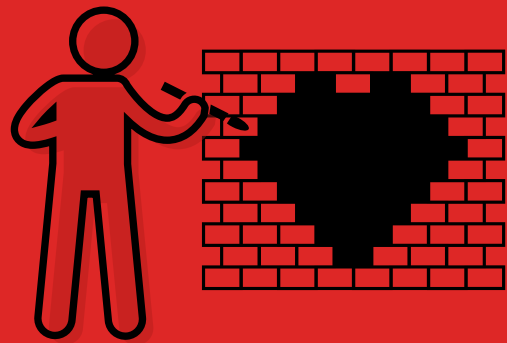
1
royal visit



HOSTED

**Aboriginal Family
Violence Policing
Conference**

**Dr Marika
Mural**



Support 2

Learning on Country

Rirratjingu football program

The Rirratjingu Football Program has been a source of pride for the Rirratjingu clan since its beginning in 2015 as primarily a pathway for Yirkkala based players from Djarrak Football Club to play and experience football in the Northern Territory Football League in the Darwin Buffaloes Football Club colours.

Three years on, the program can highlight that it has sought to use football as a vehicle for positive social change for its members and the wider community. The 'Better People Make Better Players' approach has garnered an appreciation from the playing group that being the version of oneself, will create not only better playing talent but better community members that contribute positively to their club, family and community.

With sport being a results-based endeavour, the Social Programs created a number of key measures that the program aimed to address using football as a vehicle. In 2015 the Djarrak Football Club was a host body for social gatherings and behaviours that directly impacted family life at Yirkkala.

Through direction from the Rirratjingu Aboriginal Corporation the program sought to:

- Address alcohol consumption through education and removing alcohol from club functions,
- Improve number of players holding down employment,
- Improve number of players attending school,
- Educate the playing group on the effects of Domestic and Family Violence and to create a safe environment for all club members, and
- Prepare good people to take the opportunity to attend the programs Darwin based duties in the NTFL.

The 2017 Gove AFL Season highlighted the value of addressing team and club culture through the pursuit of being Better People. The club trended upwards through the Men's team and the inaugural Women's side.

A feature for both teams was the diversity across the playing groups from age through race and clan. A kaleidoscope of colours would ably describe the club's members during the season.





Success would feature for both sides on Grand Final day with the women creating history to secure the first Gove AFLW Premiership. Team Captain, 14 year old Kaya Mununggurr hoisted the premiership cup at match eve much to the support the Djarrak faithful.

The men's completed a fine year by securing the clubs 7th Gove AFL premiership. A physical encounter came down to the final minutes and Lee Mununggurr played the role of hero to calmly slot the winning goal from the forward pocket boundary.

The programs duties in Darwin for the 2017/18 NTFL Season will best be remembered for the transition of female players into the travelling squad.

Shanita Garrawurra and Gawiya Mununggurr both won premiership medals with the Darwin Buffaloes Under 18 Youth Girls and Kaya Mununggurr found success at Under 15 level by winning an NT Thunder Academy spot. Garrawurra represented the NT Thunder Under 18 Girls against South Australia in May.

Since the 2015 sponsorship began with the Darwin Buffaloes, the contribution of the program players and coaches has seen the club track upwards in each season to date. A number of male players debuted at Premier Level with Gapiirri Burarrwanga and Dale Dhamarrandji both making impacts during their time in the guernsey. Lee Mununggurr followed his debut in 2016/17 NTFL Season by playing 10 games and securing a Rising Star nomination before succumbing to injury in late January.

Burarrwanga would have a standout season and play the heart breaking Grand Final single point loss in late March.

"We don't judge ourselves on wins or losses on the field. It's off the field where we are most active. If we can impact a student attending school or a player getting employment and providing for the family – well that's a win worth celebrating".

– Hayden Rickard, Senior Coach

Community safety for all

The Rirratjingu Aboriginal Corporation has been working hard to rid the Yirrkala community and communities throughout the Northern Territory of the scourge of family violence.



According to the latest Closing the Gap report, Aboriginal and Torres Strait Islander women were 32 times more likely to be hospitalised due to family violence-related assaults than other women.

As a result, the RAC has been working with police, community organisations and community leaders to reduce the incidence of family violence.

In June 2017, the RAC co-hosted 200 police officers and NGO representatives for the first Rirratjingu Aboriginal Corporation and NT Police Indigenous Family Violence Policing Conference in Alice Springs.

An offer by the Corporation to hold the next conference in Yirrkala in June 2018 was accepted. The RAC is proud to lead the way in combating domestic violence and has urged other communities to follow suit.

OUTCOME

Since 2016, the RAC raised \$130,000 for anti-family violence efforts. The Corporation is the largest non-government financial supporter of Charlie King's anti-family violence initiative, the No More campaign, which was recognised in the Closing the Gap report.

In December 2016, Prime Minister Malcolm Turnbull, during a speech in the Australian Parliament, praised the efforts of the Rirratjingu in reducing family and domestic violence incidents, which has dropped by 27.9 per cent in Yirrkala.

One of the successful initiatives driven by the RAC is encouraging local sporting teams to introduce domestic violence action plans. A good example of this is the Djarrak Football Club action plan.



"We have shown leadership through partnering with the Rirratjingu Aboriginal Corporation to present the Aboriginal Family Violence Policing Conference and showcasing the strong community embraced partnerships and programs that are occurring, and are successful, in remote communities. It is these partnerships that are at the heart of our capability to support remote communities and highlight different approaches to tackling domestic and family violence at a grassroots level. This was an extraordinary experience for all that attended Yirrkala."

– Commissioner of Police and CEO of the Fire and Emergency Services, Reece P Kershaw APM



Visit to Parliament House, Canberra

On 28 November 2016 Rirratjingu leaders joined with Federal Parliamentarians across all sides of politics to say 'no more' to family violence.

At Parliament House, the Rirratjingu performed the Djan'kawu Ceremony and urged action on the horrific rates of family violence in Indigenous communities.

After linking arms with Prime Minister Malcolm Turnbull and Opposition Leader Bill Shorten, Rirratjingu Aboriginal Corporation Chairman, Bakamumu Marika said the event was an important step along the journey to see real action on family violence.

"Family violence tears communities apart and we must be doing all we can to eradicate it," said RAC Chairman, Bakamumu Marika.

Aboriginal Family Violence Policing Conference

The Aboriginal Family Violence Policing Conference (AFVP Conference) took place in Yirrkala, Arnhem Land on Wednesday 20 June to Friday 22 June 2018.

Following the success of last year's conference held in Alice Springs, the Rirratjingu Aboriginal Corporation and the NT Police, Fire and Emergency Services held this conference with a difference.

Delegates from around Australia and the World travelled to the remote Aboriginal community Yirrkala in Arnhem Land, some 1000km east of Darwin, Northern Territory.

This conference offered a unique opportunity to engage with Aboriginal Elders, hear from leaders in the anti-violence space and embrace the coastal setting in an extraordinary three-day learning symposium presented in an outdoor marquee overlooking the Gove Peninsula.

While the 2017 conference set the scene for the wider discussions about the effects of violence on Aboriginal communities, the 2018 conference sought to engage attendees through a range of workshops and empowerment training opportunities, to reduce the spate of domestic violence across the country.

Engaging police from across Australia and Australasia, chief executive officers, professors, politicians and leaders in the domestic and family violence fields; this conference offered Aboriginal engagement and discussions that are real, heartfelt and honest.



"We have been able to reduce family violence by 27.9% at Yirrkala. We did that by holding lots of alcohol free events".

– Witiyana Marika



Music

Honouring our past & future

There's an ancient saying in North-East Arnhem Land: a Yolngu is someone who can sing and dance. And nobody doubts the truth of that on seeing the avalanche of talented singers, songwriters and musicians pouring out of the region.

The Rirratjingu Aboriginal Corporation supports the enrichment of the Yolngu cultural experience by sponsoring art, dance and music.

In June 2018, the Corporation supported a Yarrapay Concert as part of I ♥ Yirrkala Day. 3 Yarrapay Concerts have supported local artists to make the most of live performance opportunities.

OUTCOME

Musicians receiving financial support include bands East Journey and Bärre Westwind, as well as singer-songwriter Yirrmal Marika, who has toured with the Indigenous all-star Black Arm Band and made two guests appearances on stage with Midnight Oil.

RAC sponsored East Journey's first recording and video clip, which won a national award.

Yothu Yindi put Yolgnu musical talent on the world stage 25 years ago and there is a feeling that the new wave of talented artists will do the same over the next few years.

Former RAC chief executive Stuart Maclean says: "Performers need a bit of help from us to get started. We're very pleased to lend a hand. That's our mission – to empower local Indigenous people."

RAC not only supports bands – it has helped Yolngu model Maminydjama "Magnolia" Maymuru.

RAC chairman Bakamumu Marika sees all forms of art – ancient and modern – as a way of empowering Indigenous people.

"It's about creating positive social change and developing a next generation of leaders. Find what our young people are talented at, use that to engage, empower them, build self-esteem and develop them. Leaders create leaders."



Education for the future

Supporting education initiatives in the community has been hugely important for the Rirratjingu.



Ensuring school attendance rates are improving, children are learning and receiving opportunities are a vital part of improving economic and social outcomes for the entire community.

As a result, the Rirratjingu Aboriginal Corporation is supporting children at school through extra-curricular activities, sporting opportunities tied to school attendance and also culture initiatives at school.

OUTCOME

Support for the Learning on Country Program at the Yirrkala School has engaged young people and taught them western subjects using traditional culture. Rirratjingu Aboriginal Corporation also run numerous education, scholarship and funding programs, and has been instrumental in helping athletics, soccer, football, netball and other teams at school sport level.

"The opportunities, support and generosity provided to our Clontarf boys from Rirratjingu has played a significant role in contributing to a successful year of education in Yirrkala. Whilst there have been many highlights on the sporting fields, the growth in our young men as people is a credit to RAC social programs and we are certainly grateful for their continued support."

– Bernie Price,
Director Yirrkala School Clontarf Academy





The Future

The Rirratjingu Aboriginal Corporation of 2018 is a proud organisation built upon strong governance, an eye fixed to win business outcomes and a socially responsible contribution to the Yirkala and regional communities and Yolngu people.

—

Navigating the challenges towards a future without mining on Rirratjingu land, complexity surrounding ongoing land tenure, uncertainty across Federal and Territory Government commitment to the region post mining all point to a dynamic environment for the Corporation and its business entities to operate within the next decade.

Since 1984, the Corporation has faced a myriad of challenges and pushed on regardless to be in the healthy position the organisation currently finds itself in. Yet an eye is firmly fixed to the future to ensure that the Rirratjingu culture continues despite the modern world continuously encroaching on traditional living.

The Rirratjingu people value their culture above all else, and the corporation promotes an avenue for clan members to celebrate and share culture through ceremony for various events.

Supporting and adding value to local community groups and organisations and providing education surrounding a safe and highly functioning community for all, ensures the corporation not only meets its social obligations, yet is renowned for its support of the NT Police and the creation of the nation's first Indigenous Family Violence Policing Conference.

The Corporation understands that education is critical for a prosperous future and the Culture and Community area has been tasked with supporting local providers and acknowledges that parents and guardians must ensure their children receive their right to a local education system through attendance and the chance for growth through learning.

As the Corporation looks to future proof its business models, it will also invest in getting a new generation of leaders prepared for governance and cultural leadership roles within the Corporation and Clan respectively. This exciting new portfolio will expose selected participants to education and experiences that holistically develop the next generation of torch bearers to face the future.





**Rirratjingu
Aboriginal
Corporation**

Annual Report

Financial Statements

FOR THE YEAR ENDED
30 JUNE 2018

2017

2018

Directors' Report

For the year ended 30 June 2018

Your directors present their report on the Corporation for the financial year ended 30 June 2018.

Directors

The names of the directors in office at the end of the financial year are:

| | Family Group | Director | Date Joined as Member | Date Elected/ Re-elected as Director | No. of meetings | Meetings attended |
|----|--------------|---------------------------------|-----------------------|---|-----------------|-------------------|
| 1. | Mawalan | Lak Lak (Joan) Marika | 16 October 1984 | 31 October 2013 | 4 | 4 |
| 2. | Mathaman | Djayminy (Djay) Marika | 16 October 1984 | 29 December 2015 | 4 | 2 |
| 3. | Milirrpum | Wanyubi Marika (Deputy Chair) | 16 October 1984 | 31 October 2013 | 4 | 4 |
| 4. | Dhungala | Guruminbuy No.1 (Steven) Marika | 16 October 1984 | 31 October 2013 | 4 | 4 |
| 5. | Dadaynga | Wurrulga (Sam) Marika | 16 October 1984 | 31 October 2013 | 4 | 4 |
| 6. | Ninimbitj | Bakamumu (Alan) Marika (Chair) | 16 October 1984 | 31 October 2013 | 4 | 4 |
| 7. | Wandjuk | Wuyala (Bruno) Marika | 16 October 1984 | 29 December 2015 | 4 | 4 |
| 8. | Dhurryurrngu | Djalinda (Jesse) Ulamari | 16 October 1984 | 31 October 2013 | 4 | 2 |

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Directors' Report

For the year ended 30 June 2018

Review of Operations

The Corporation's net result for the year before distributions was a profit of \$4,520,163 (2017: \$4,377,096).

Principal Activities

The Corporation was established to provide monetary and other benefits to the Aboriginal people and communities within the North East Arnhem land region and other members not residing in the region, but who have traditional interests in the region.

No significant change in the nature of these activities occurred during the year.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the Corporation occurred during the financial year.

After Balance Date Events

No significant matters have occurred after balance date up to the date of these financial statements, other than the matter described in Note 13 to the financial statements.

Likely Developments

The Director's are not aware of any significant likely developments in future financial years.

Distributions Paid or Recommended

Distributions of \$4,495,651 (2017: \$3,707,183) were paid or recommended to be paid during the year.

Environmental Regulation and Performance

The Corporation's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 339-50 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006 is set out below.

Signed in accordance with a resolution of the Board of Directors:

Director



Director



Dated 5 October 2018

Auditor's Independence Declaration

For the year ended 30 June 2018



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PO Box 6771 Cairns QLD 4870
AUSTRALIA

DECLARATION OF INDEPENDENCE BY GREG MITCHELL TO THE DIRECTORS OF RIRRATJINGU ABORIGINAL CORPORATION

As lead auditor of Rirratjingu Aboriginal Corporation for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Rirratjingu Aboriginal Corporation and the entities it controlled during the period.

A handwritten signature in blue ink that reads 'g Mitchell'.

Greg Mitchell

Director

A handwritten logo in blue ink that reads 'BDO'.

BDO Audit (NTH QLD) Pty Ltd

Cairns, 9 October 2018

Statement of Profit or Loss and other Comprehensive Income

For the year ended 30 June 2018

| | Notes | Consolidated | |
|--|-------|--------------------|--------------------|
| | | 2018 \$ | 2017 \$ |
| Revenue | | | |
| Sale of goods | | 1,299,413 | 2,833,587 |
| Royalties – Gove Agreement and Section 64 | 10 | 6,591,120 | 5,022,262 |
| Movement in deferred royalties | | 392,874 | 774,071 |
| Forgiveness of prior period deferred royalties | | - | 791,036 |
| Interest | | 111,278 | 120,433 |
| Franking credits refundable | | - | 816,623 |
| Rental income | | 162,443 | 134,393 |
| Other income | | 1,818 | 13,870 |
| | | 8,558,946 | 10,506,275 |
| Expenditure | | | |
| Cost of goods sold | | (271,038) | (1,164,356) |
| Administration expenses | | (509,296) | (686,928) |
| Bad and doubtful debts | | (26,162) | (75,175) |
| Depreciation expense | | (33,375) | (40,929) |
| Dividend paid | | - | (10,115) |
| Donations | | - | (3,000) |
| Employee benefits expense | | (429,111) | (405,632) |
| Finance costs | | (65,961) | (82,451) |
| Insurance expense | | (49,134) | (48,033) |
| Materials and hire costs | | (18,283) | (25,559) |
| Social and cultural programs | | (910,730) | (880,697) |
| Motor vehicle expenses | | (44,168) | (47,243) |
| Professional fees, contractors and consultants | | (1,333,228) | (1,231,941) |
| Property costs | | (75,924) | (91,655) |
| Provision for legal costs | | (200,000) | (1,000,000) |
| Repairs and maintenance | | (25,019) | (55,254) |
| Staff expenses | | (5,317) | (12,134) |
| Travel and accommodation | | (38,625) | (215,922) |
| | | (4,035,371) | (6,077,024) |
| Profit/(Loss) before tax | | 4,523,575 | 4,429,251 |
| Income tax expense | 2 | (3,412) | (52,155) |
| Profit/(Loss) before distributions | | 4,520,163 | 4,377,096 |
| Member and trust distributions | 10 | (4,495,651) | (3,707,183) |
| Profit/(Loss) for the year after distributions | | 24,512 | 669,913 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 24,512 | 669,913 |

Statement of Financial Position

As at 30 June 2018

| | Notes | 2018 \$ | 2017 \$ |
|----------------------------------|-------|-------------------|------------------|
| CURRENT ASSETS | | | |
| Cash | | 8,159,729 | 4,391,480 |
| Trade and other receivables | 3 | 1,843,726 | 2,574,562 |
| Security deposit | | 25,916 | 25,916 |
| Inventory | 4 | 2,060,388 | 2,175,699 |
| TOTAL CURRENT ASSETS | | 12,089,759 | 9,167,657 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 104,039 | 121,771 |
| Deferred tax asset | | 110,715 | 73,985 |
| Loans receivable | | - | 104,324 |
| TOTAL NON-CURRENT ASSETS | | 214,754 | 300,080 |
| TOTAL ASSETS | | 12,304,513 | 9,467,737 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 5 | 1,476,251 | 1,034,597 |
| Provisions | 6 | 1,442,137 | 1,224,806 |
| Income tax payable | | 15,630 | 55,171 |
| Loans payable | 7 | 2,192,820 | - |
| TOTAL CURRENT LIABILITIES | | 5,126,838 | 2,314,574 |
| TOTAL LIABILITIES | | 5,126,838 | 2,314,574 |
| NET ASSETS | | 7,177,675 | 7,153,163 |
| EQUITY | | | |
| Retained earnings | | 7,177,675 | 7,153,163 |
| TOTAL EQUITY | | 7,177,675 | 7,153,163 |

Statement of Changes in Equity

For the year ended 30 June 2018

| | Notes | Retained Earnings \$ | Total \$ |
|--|-------|-------------------------|------------------|
| Balance at 1 July 2016 | | 6,483,250 | 6,483,250 |
| Total comprehensive income for the year | | | |
| Profit for the year | | 669,913 | 669,913 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 669,913 | 669,913 |
| Balance at 30 June 2017 | | 7,153,163 | 7,153,163 |
| Total comprehensive income for the year | | | |
| Profit for the year | | 24,512 | 24,512 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 24,512 | 24,512 |
| Balance at 30 June 2018 | | 7,177,675 | 7,177,675 |

Statement of Cash Flows

For the year ended 30 June 2018

| | Notes | Consolidated | |
|---|-------|------------------|------------------|
| | | 2018 \$ | 2017 \$ |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts from royalties and sales | | 9,821,967 | 8,642,259 |
| Payments to suppliers and employees and members | | (8,300,855) | (8,370,930) |
| Interest received | | 111,278 | 120,433 |
| Interest paid | | (65,961) | (82,451) |
| Income tax paid | | (79,682) | (493,142) |
| Net cash flows from (used in) operating activities | | 1,486,747 | (183,831) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from the sale of property, plant and equipment | | - | 15,000 |
| Purchases of property, plant and equipment | | (15,642) | (62,145) |
| Proceeds from related party loans | | 2,297,144 | 864,968 |
| Net cash flows from investing activities | | 2,281,502 | 817,823 |
| Net increase in cash held | | 3,768,249 | 633,992 |
| Cash at beginning of financial year | | 4,391,480 | 3,757,488 |
| Cash at end of financial year | | 8,159,729 | 4,391,480 |

Notes to the Financial Statements

For the year ended 30 June 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of Rirratjingu Aboriginal Corporation for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors on the date the financial statements are signed and covers the consolidated entity of Rirratjingu Aboriginal Corporation and its subsidiaries. Rirratjingu Aboriginal Corporation is a not-for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in the Australian currency.

(a) Basis of Accounting

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

The financial statements have also been prepared on a historical cost basis. The concept of accruals accounting has been adopted in preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The accounting policies have been consistently applied, unless otherwise stated.

(b) Basis of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Rirratjingu Aboriginal Corporation and its subsidiaries at 30 June each year ("the Group"). Subsidiaries are entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Consolidated financial statements include all subsidiaries from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies. All inter-entity balances and transactions have been eliminated.

Rirratjingu Aboriginal Corporation (RAC) controlled the wholly owned subsidiary Rirratjingu Mining Pty Ltd for the entire period presented in these financial statements.

(c) Financial Instruments

Financial assets and financial liabilities are recognised on the Corporation's Statement of Financial Position when the Corporation becomes a party to the contractual provisions of the instrument.

(i) Trade Receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost.

(ii) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand, deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

(iii) Borrowings

Interest-bearing loans and overdrafts are measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Corporation's accounting policy for borrowing costs.

(iv) Trade Payables

Trade payables are initially measured at fair values, and are subsequently measured at amortised cost, using the effective interest rate method.

Notes to the Financial Statements

For the year ended 30 June 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grant income

Revenue from funding and grants is accounted for on receipt, except when the funding is to be allocated over more than one period, in which case any unspent revenue is transferred to the unexpended grant liability.

Sale of goods

Income is recognised when control of the goods has passed to the buyer.

Rendering of services

Income is recognised upon the delivery of the service to the customers.

Royalty income

Income is recognised when the right to receive it is obtained.

Land use fee

Income is recognised when the right to receive it is obtained.

Interest income

Income is recognised when the right to receive it is obtained.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(f) Impairment

At the end of each reporting period, the entity assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

(g) New and Amended Standards and Interpretations

In the year ended 30 June 2018, the Directors of the Trustee company have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to accounting policies.

(h) New and Amended Standards and Interpretations Not Yet Adopted

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2018. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to the accounting policies.

Notes to the Financial Statements

For the year ended 30 June 2018

| Note | Consolidated 2018 \$ | 2017 \$ |
|--|----------------------------|---------------|
| NOTE 2: INCOME TAX EXPENSE | | |
| The prima facie tax payable on profit (loss) before income tax is reconciled to the income tax expense as follows: | | |
| Prima facie income tax payable (refundable) on profit (loss) after distributions and before income tax at 30.0% (2017 - 30.0%) | 8,377 | 216,620 |
| Add tax effect of: | | |
| - exempt income | (6,925) | (165,660) |
| - under-provision in prior year | 1,960 | 1,195 |
| Income tax expense (benefit) attributable to profit from ordinary activities | <u>3,412</u> | <u>52,155</u> |

The charge for current income tax expense is based on the profit of the subsidiary for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and on unused tax losses. No deferred tax assets or liabilities will be recognised from the initial recognition of an asset or liability excluding a business combination that, at the time of the transaction, did not affect either accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the income statement except where it relates to items which are recognised directly in equity, in which case the deferred tax is recognised directly in equity.

Deferred tax assets are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Deferred tax assets in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation, and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

No provision for income tax has been raised for the parent entity as the Corporation is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

NOTE 3: TRADE AND OTHER RECEIVABLES

| | | |
|-----------------------------------|------------------|------------------|
| Trade debtors | 270,104 | 551,029 |
| Less provision for doubtful debts | (101,337) | (75,175) |
| Accrued royalties receivable | 1,666,310 | 1,273,436 |
| Other debtors | 8,649 | 825,272 |
| | <u>1,843,726</u> | <u>2,574,562</u> |

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

Impairment of Receivables

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Notes to the Financial Statements

For the year ended 30 June 2018

| Note | Consolidated | |
|--------------------------|------------------|------------------|
| | 2018 \$ | 2017 \$ |
| NOTE 4: INVENTORY | | |
| Work in progress | 446,563 | 446,563 |
| Finished goods | 1,613,825 | 1,729,136 |
| | 2,060,388 | 2,175,699 |

Inventories are stated at the lower of cost and net realisable value. Cost comprises all direct materials, direct labour and an appropriate portion of variable and fixed overheads. Fixed overheads are allocated on the basis of normal operating capacity. Costs are assigned to inventories using the weighted average/first-in-first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling cost of completion and selling expenses.

Critical Accounting Estimates and Judgments

The entity has engaged surveyors to measure the quantity of stock on hand at balance date in cubic metres. The measurement is an estimate based on the dimensions of stock piles and cannot confirm exact quantities. Further, the value of the stock piles is based on tonnes rather than metres. A factor is applied to convert the quantity in metres into tonnes, however actual tonnes will not be known until the stock is weighed as part of the sale process. If there are significant differences between recorded cubic metres and actual cubic metres, or between the recorded conversion factor and actual conversion rates, it could have a material impact on the value of stock on hand as recorded in the financial statements.

NOTE 5: TRADE AND OTHER PAYABLES

| | | |
|--------------------------------|------------------|------------------|
| Trade creditors | 109,305 | 72,386 |
| Deferred distributions payable | 975,139 | 830,206 |
| Other payables and accruals | 371,227 | 110,196 |
| Employee leave accruals | 20,580 | 21,809 |
| | 1,476,251 | 1,034,597 |

Trade Creditors and Accruals

Trade and other payables are measured initially at fair value and subsequently at amortised cost using the effective interest method.

Employee Benefits

Provision is made for the Trust's liability for employee benefits arising from services rendered by employees to balance date.

NOTE 6: PROVISIONS

| | | |
|---------------------------|------------------|------------------|
| Long service leave | 50,414 | 33,083 |
| Quarry restoration | 191,723 | 191,723 |
| Provision for legal costs | 1,200,000 | 1,000,000 |
| | 1,442,137 | 1,224,806 |

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on costs.

The company currently has an obligation to restore a quarry site at Yirrkala back to its original condition per the mining management plan.

Provision is made for the Company's liability for legal costs resulting from two previous Federal Court decisions against the corporation. Legal costs have been measured at the amounts expected to be paid when the liability is settled.

NOTE 7: LOANS PAYABLE

CURRENT

| | | |
|------------------------------------|------------------|------------------|
| Loan – Bunuwal Investments Pty Ltd | 2,192,820 | (104,324) |
| | 2,192,820 | (104,324) |

The loan to Bunuwal Investments Pty Ltd is non-interest bearing, unsecured, and repayable on demand.

Notes to the Financial Statements

For the year ended 30 June 2018

| Note | Consolidated | |
|--|----------------|---------------|
| | 2018 \$ | 2017 \$ |
| NOTE 8: RELATED PARTY TRANSACTIONS | | |
| (a) Remuneration and Retirement Benefits | | |
| No director has received, or became entitled to receive a benefit other than sitting fees which is paid based on a per meeting basis. The Chairperson receives a monthly set fee and payment of his telephone account, plus payment for some immaterial motor vehicle costs. | | |
| (b) Key Management Compensation Information | | |
| Sitting fees | 38,479 | 26,241 |
| Chairperson's fee | 65,000 | 65,000 |
| | <u>103,479</u> | <u>91,241</u> |

(c) Transactions with Related Parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year (for information regarding outstanding loan balances on related parties, refer to Note 7).

| | | Sales | Royalties distributed | Admin and management | Professional fees | Other payments |
|---------------------------------|------|-------|-----------------------|----------------------|-------------------|----------------|
| Bunuwal Investments Pty Ltd ATF | 2018 | - | (3,150,718) | (502,247) | (900,816) | - |
| Miliditjpi Trust | 2017 | - | (2,343,185) | (584,088) | (453,000) | - |

NOTE 9: PARENT ENTITY INFORMATION

The following information relates to the parent entity, Rirratjingu Aboriginal Corporation. The information presented has been prepared using accounting policies that are consistent with those presented in Note 1.

| | Parent | |
|--|-------------------|------------------|
| | 2018 \$ | 2017 \$ |
| Current Assets | 11,356,505 | 8,988,702 |
| Non-current Assets | 35,519 | 33,684 |
| TOTAL ASSETS | <u>11,392,024</u> | <u>9,022,386</u> |
| Current Liabilities | 4,260,784 | 1,914,226 |
| TOTAL LIABILITIES | <u>4,260,784</u> | <u>1,914,226</u> |
| NET ASSETS | <u>7,131,240</u> | <u>7,108,160</u> |
| Retained earnings | 7,131,240 | 7,108,160 |
| TOTAL EQUITY | <u>7,131,240</u> | <u>7,108,160</u> |
| Profit (loss) for the year after member distributions | 23,080 | 1,657,657 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>23,080</u> | <u>1,657,657</u> |

Notes to the Financial Statements

For the year ended 30 June 2018

NOTE 10: ROYALTIES RECEIVED AND DISTRIBUTED

Rirratjingu Aboriginal Corporation (RAC) is entitled to receive royalties for land used in mining activities performed by Rio Tinto Alcan (RTA) under the Gove Agreement, and section lease revenue from various businesses. A schedule has been agreed which sees a portion of this revenue distributed to family members, a portion retained by RAC to be used in paying for members expense, and a portion distributed to The Miliditjpi Trust (The Trust) for investment. The total received and distributed is shown in the table below which includes distributions which are deferred pending the outcome of the Northern Land Council legal proceeding.

| | 2018 | 2017 |
|--|------------------|-------------|
| | \$ | \$ |
| Revenue received by Rirratjingu Aboriginal Corporation | | |
| Gove Agreement royalties | 3,413,464 | 2,459,325 |
| Section 64 leases | 3,177,656 | 2,562,937 |
| Total | 6,591,120 | 5,022,262 |
| Distributed as follows | | |
| Family members | 1,200,000 | 1,200,000 |
| The Miliditjpi Trust | 3,150,718 | 2,343,185 |
| Retained by RAC | 2,095,470 | 1,315,079 |
| Deferred on behalf of The Trust | 144,932 | 163,998 |
| | 6,591,120 | 5,022,262 |

Director's Declaration

For the year ended 30 June 2018

The directors of the Corporation have determined that the Corporation is not a reporting entity. The directors have determined that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the Corporation declare that:

1. the financial statements and notes, as set out on pages 4 to 12 are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and
 - a) comply with Accounting Standards as described in Note 1 to the Financial Statements and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2017*; and
 - b) give a true and fair view of the Corporation's financial position as at 30 June 2018 and of the performance for the financial year ended on that date of the Corporation in accordance with the accounting policies outlined in Note 1 to the financial statements;
2. in the directors' opinion there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the directors.

Director 

Director 

Dated 5 October 2018

Independent Auditor's Report

For the year ended 30 June 2018



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To the members of Rirratjingu Aboriginal Corporation

Report on the Audit of the Financial Report

Opinion

We have audited the consolidated financial report of Rirratjingu Aboriginal Corporation (the Corporation) and its subsidiaries (the group), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Rirratjingu Aboriginal Corporation, is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, including:

- (i) Giving a true and fair view of the Corporation's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements, and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2017*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Corporation in accordance with the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, which has been given to the directors of the Corporation, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report, but does not include the financial report and our auditor's report thereon.

Independent Auditor's Report

For the year ended 30 June 2018



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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the Financial Report

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Independent Auditor's Report

For the year ended 30 June 2018



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Report on Other Legal and Regulatory Requirements

In conducting our audit engagement for the financial year ended 30 June 2018, in our opinion:

- (a) We have been given all information, explanations and assistance necessary for the conduct of the audit;
- (b) The Corporation has kept financial records sufficient to enable the financial report to be prepared and audited; and
- (c) The Corporation has kept other records and registers as required by the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

Responsibilities for the Other Legal and Regulatory Requirements

The directors of the Corporation are responsible for the preparation and presentation of the financial report in accordance with the Corporations (Aboriginal and Torres Strait Islander) Act 2006 and the Corporations (Aboriginal and Torres Strait Islander) Regulations 2017. Our responsibility is to express an opinion on the above matters based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit (NTH QLD) Pty Ltd

g Mitchell

Greg Mitchell

Director

Cairns, 9 October 2018

BUNUWAL INVESTMENTS

ABN 65 220 388 194

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

| | 2018 | 2017 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Revenue | | |
| Royalties and distributions received | 3,150,718 | 2,343,185 |
| Deferred royalties from RAC | 144,932 | 163,998 |
| Deferred royalties not recorded in RAC | 351,909 | 424,202 |
| Rent received | 1,384,077 | 1,618,244 |
| Interest received | 8,460 | 5,389 |
| Share of profits of associates accounted for using the equity method | 396,199 | 833,601 |
| Franking credit refund | 214,286 | 385,714 |
| Management fees | 502,248 | 584,088 |
| | 6,152,829 | 6,358,421 |
| Fair value adjustment – investment property | 650,000 | (1,550,000) |
| | 6,802,829 | 4,808,421 |
| Expenditure | | |
| Accounting and audit fees | (34,160) | (32,945) |
| Advertising and sponsorship | (42,415) | (30,082) |
| Bad and doubtful debts | - | (51,449) |
| Consulting, legal and other professional fees | (1,427,912) | (1,110,940) |
| Depreciation expense | (13,247) | (16,966) |
| Director's fees | (7,000) | (17,750) |
| Electricity | (46,376) | (44,607) |
| Employee benefits expense | (648,063) | (620,610) |
| Finance costs | (26,063) | (87,750) |
| Insurance expense | (87,551) | (81,086) |
| Meeting expenses | (2,456) | (4,849) |
| Motor vehicle expenses | (17,164) | (16,791) |
| Office supplies | (2,097) | (2,770) |
| Other expenses | (104,024) | (152,510) |
| Printing, postage, and stationery | (4,630) | (6,012) |
| Property management fees | (77,681) | (83,629) |
| Rates | (75,168) | (73,336) |
| Repairs and maintenance | (304,989) | (178,418) |
| Rent expense | (79,301) | (97,459) |
| Superannuation | (56,972) | (55,663) |
| Telephone | (12,343) | (13,463) |
| Travel and accommodation | (68,912) | (60,372) |
| | (3,138,524) | (2,839,457) |
| Profit before tax | 3,664,305 | 1,968,964 |
| Income tax expense | - | - |
| Profit after tax | 3,664,305 | 1,968,964 |
| Other comprehensive income | - | - |
| Total comprehensive income | 3,664,305 | 1,968,964 |

Statement of Financial Position

As at 30 June 2018

| | 2018 | 2017 |
|----------------------------------|-------------------|-------------|
| | \$ | \$ |
| CURRENT ASSETS | | |
| Cash | 2,178,768 | 2,422,439 |
| Trade and other receivables | 1,223,955 | 1,393,767 |
| Accrued royalties receivable | 1,492,458 | 1,140,549 |
| Related party receivables | 2,192,820 | 284,976 |
| Other assets | 9,072 | 6,473 |
| TOTAL CURRENT ASSETS | 7,097,073 | 5,248,204 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 39,652 | 52,899 |
| Investment property | 10,452,010 | 9,802,010 |
| Direct equity investments | 589,071 | 692,872 |
| TOTAL NON-CURRENT ASSETS | 11,080,733 | 10,547,781 |
| TOTAL ASSETS | 18,177,806 | 15,795,985 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 336,529 | 209,713 |
| Borrowings | 1,010,000 | 2,030,000 |
| Related party borrowings | - | 389,300 |
| TOTAL CURRENT LIABILITIES | 1,346,529 | 2,629,013 |
| TOTAL LIABILITIES | 1,346,529 | 2,629,013 |
| NET ASSETS | 16,831,277 | 13,166,972 |
| EQUITY | | |
| Trust capital | 10 | 10 |
| Retained earnings | 16,831,267 | 13,166,962 |
| TOTAL EQUITY | 16,831,277 | 13,166,972 |

BUNUWAL INVESTMENTS

ABN 65 220 388 194

Statement of Changes in Equity

For the year ended 30 June 2018

| | Trust Capital | Retained Earnings | Total |
|--|----------------------|--------------------------|--------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | 10 | 11,197,998 | 11,198,008 |
| Total comprehensive income for the period | | | |
| Profit for the year | - | 1,968,964 | 1,968,964 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the period | - | 1,968,964 | 1,968,964 |
| Balance at 30 June 2017 | 10 | 13,166,962 | 13,166,972 |
| Total comprehensive income for the year | | | |
| Profit for the year | - | 3,664,305 | 3,664,305 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | - | 3,664,305 | 3,664,305 |
| Balance at 30 June 2018 | 10 | 16,831,267 | 16,831,277 |

Statement of Cash Flows

| | \$ | \$ |
|--|-------------|-------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Receipts from customers, tenants and distributions | 5,594,316 | 4,573,852 |
| Payments to suppliers and employees | (3,003,240) | (2,620,004) |
| Interest received | 8,460 | 5,389 |
| Interest paid | (26,063) | (87,750) |
| Dividends received | 500,000 | 900,000 |
| Net cash flows from operating activities | 3,073,473 | 2,771,487 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Payments for in property, plant and equipment | - | (10,507) |
| Net cash flows used in investing activities | - | (10,507) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Advances to related parties | (2,297,144) | (864,968) |
| Repayment of borrowings | (1,020,000) | (1,080,000) |
| Net cash flows from (used in) financing activities | (3,317,144) | (1,944,968) |
| Net increase/(decrease) in cash held | (243,671) | 816,012 |
| Cash at beginning of financial year | 2,422,439 | 1,606,427 |
| Cash at end of financial year | 2,178,768 | 2,422,439 |



**Riratjingu
Aboriginal
Corporation**