



## CHIEF MINISTER

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Committee Secretary  
Senate Standing Committees on Environment and Communications

Via email: [ec.sen@aph.gov.au](mailto:ec.sen@aph.gov.au)

Dear Committee Secretary

The Northern Territory Government is appreciative of the opportunity to provide information to assist the Senate Standing Committee on Environment and Communications (the Committee) in understanding matters associated with the Middle Arm Sustainable Development Precinct (MASDP).

During the Darwin public hearings, held from 10-11 April 2024, Senator Hanson-Young raised questions addressed in this correspondence. Please find below the Northern Territory Government's responses to these questions. It is important to note that while select questions have been addressed herein, further responses to other questions taken on notice will be furnished separately to the Committee.

1. **Please provide the following documents:**
  - a. **the two program packages taken forward to the Stage 3 Business Case with Infrastructure Australia;**

The Northern Territory Government acknowledges the Committee's request for the two program packages considered for the Stage 3 Business Case of MASDP. These can be found in the Stage 2 Business Case. Please refer to Infrastructure Australia's (IA) answers to written questions on notice from Senator Hanson-Young on 7 March 2024 (received 4 April 2024) which includes the redacted version of the Stage 2 Business Case.

In accordance with the Senate's resolution of 2003, the Territory Government acknowledges the potential commercial sensitivity of certain information within the program packages. The information redacted in the Stage 2 Business Case pertains to the commercial decisions and planning of proponents. As some of these proponents are listed on the Australian Securities Exchange (ASX), public disclosure of this information could prematurely influence market prices and potentially reveal proprietary business information. This could disadvantage these proponents competitively, and therefore needs to remain redacted.

**b. all current proponents for the Middle Arm Industrial Hub;**

On 9 June 2023, the Northern Territory Government announced it had issued 'not to deal' commitments to five proponents over specific parcels of land at the Precinct.

These commitments mean that their preferred sites in MASDP will be set aside for up to 12 months to provide each proponent confidence and certainty to continue developing their proposals. As discussed, these commitments have been extended to allow the proponents more time to complete the project work. Final land allocation within Middle Arm is subject to achievement of key project milestones, specific to each proponent.

The proponents are:

- **TEH2, 100 percent owned by Total Energies** – renewable energy: a global independent power producer, proposing to develop a green hydrogen production facility using solar energy with the capability of producing more than 80,000 tonnes of renewables-based hydrogen per annum for domestic and export potential.
- **Fortescue Future Industries (FFI)** – renewable energy: a global green energy company proposing to develop a green hydrogen hub, comprised of green hydrogen and green ammonia production and export facilities.
- **Tivan** – critical minerals: is proposing to produce vanadium oxides through application of innovative downstream processing technology using feedstock sourced from Tivan's Speewah and Mount Peake Projects; titanium dioxide and iron oxide also produced as by-products. Tivan is also working to facilitate an industrialisation pathway for vanadium redox flow batteries.
- **Tamboran Resources Limited** – natural gas: a lower CO2 emissions liquefied natural gas (LNG) export facility. Gas from this export facility will play an important role in the decarbonisation plans of our neighbours and trading partners in Asia and beyond.
- **Avenira** – critical minerals: is proposing a lithium-ferro-phosphate (LFP) cathode manufacturing facility, which will manufacture pre cursor battery cathode materials from critical minerals, including phosphate sourced from the Wonarah Project in the Northern Territory.

The Middle Arm Peninsula is already home to the Santos Darwin LNG and the INPEX Ichthys LNG processing facilities – both companies are committed to net zero emissions.

Further to the list of do not deal proponents, a Memorandum of Understanding was signed between the Northern Territory Government, Larrakia Energy and KOMIPO (Korean Midland Power Company), to provide a significant green energy supply to Middle Arm and a potential future green energy project.

For further information on the proponents and the mix of industries, please refer to the MASDP website here: <https://middlearmprecinct.nt.gov.au/home>.



**c. any cost-benefit analysis undertaken of the project;**

The Stage 2 Business Case is the work completed to date on cost-benefit analysis.

The Stage 3 Business Case is currently undergoing development to ensure it meets the rigorous requirements of IA's Assessment Framework. The Northern Territory Government remains committed to delivering a robust and comprehensive submission that clearly demonstrates the project's benefits and feasibility.

Once finalised, the Stage 3 Business Case will be submitted to IA for formal evaluation at the earliest possible opportunity.

The Stage 3 Business Case will be considered by both the Northern Territory and Australian Government Cabinets to assess project viability and determine potential funding allocations. Releasing the program packages at this stage could prejudice these critical decision-making processes and damage inter-governmental relationships.

The Territory Government remains committed to transparency. As such, we will explore the possibility of releasing non-confidential details of the program packages after the Cabinet considerations are complete.

**d. proposed equity arrangements for the project;**

The Australian Government announced in the 2022-23 October Budget that it had allocated \$1.5 billion in planned equity to support MASDP's development. This investment would be focussed on constructing shared-use marine infrastructure, including modular manufacturing offloading facilities and dredging of the shipping channel.

The equity arrangements between the Australian and Northern Territory Governments are still under negotiation.

**e. any Business Case for the project.**

Please refer to the answer provided at 1(c) above.

Yours sincerely

EVA LAWLER

22 MAY 2024