

February 17, 2014

# Dear Committee Members

As a 'small cap' mineral exploration company with tenement interests in northern Australia, we welcome the opportunity to lodge our submission to the Committee.

During the course of conducting our business we have met with a number of challenges that are particular to working in northern Australia. A summary of these challenges is outlined below:

# 1. Communications

The lack of effective telecommunications coverage in northern Australia is a distinct problem in the region and the reliance on intermittent and expensive satellite communications is not efficient. This is accentuated by modern exploration techniques, which require the transference of digital data over a reliable network in real time for decision making procedures. Complete effective coverage over the region would be highly advantageous for exploration activities.

# 2. Lack of infrastructure

The lack of infrastructure is a hindrance to the development of the region. The lack of a comprehensive network of all-weather roads effectively reduces the opportunity to explore the region to only six months of the year. The lack of port facilities and surrounding land subdivisions secured also discourages large scale investment in the region with the knowledge of not being able to get your products to overseas markets in a timely and cost effective manner.

# 3. Excessive red tape

Excessive and restrictive red tape has an adverse effect on our business by increasing compliance cost. This is especially detrimental to a small to mid-size company like AMMG as we do not have the resources to devote whole teams to regulatory compliance. Reduced and streamlined regulatory compliance systems would be of a great advantage to the development of northern Australia

# 4. Policy uncertainty

Investor confidence and uncertainty over government policy decisions is an impediment to the development of the region. Business needs re-assurance that policies won't change half way through the development of large capital projects, which often takes several years to eventuate, can precede without a policy change that will affect the viability of the project, especially in the projects' latter stages. 'Grand –fathering' a project if there is to be policy change, would add certainty.

As an exploration company we believe that by addressing the issues we have raised above will potentially advance and improve the development of northern Australian.

AMMG would like to thank the Committee for the opportunity to make our submission.

Yours faithfully

*Ric Dawson* Managing Director