

MINES AND PETROLEUM — REY RESOURCES LTD

1374. Hon Dr Brad Pettitt to the parliamentary secretary representing the Minister for Mines and Petroleum:

I refer to the latest Rey Resources Ltd ‘Consolidated interim financial report for the six months ended 31 December 2022’, and in particular the Independent Auditor’s report which states: “Material Uncertainty Related to Going Concern ... The Group’s current liabilities exceeded current assets by \$14,645,000 as at 31 December 2022. As stated in Note 2(b), these conditions, along with other matters as stated in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.” I ask:

- (a) what are Rey Resources’ current estimated financial liabilities in relation to the closure and rehabilitation of its wells sites, access tracks and other petroleum infrastructure on each of EP487, L15, R1 and EP104 in the Canning Basin;
- (b) has Rey Resources been directed by the Department to undertake any closure or rehabilitation works on any of the tenements named above;
- (c) if yes to (b), what works and within what timeframe;
- (d) what is the current status of each of the following Rey Resources wells: Point Torment-1, StokesBay-1 and West Kora-1;
- (e) given the financial difficulties Rey’s Independent Auditor has highlighted, what steps has the Department taken to secure from the company the funds required to carry out the works required on Rey’s tenements;
- (f) is the Minister prepared to allow Rey Resources to relinquish its Western Australian tenements without paying for their rehabilitation as occurred with New Standard Energy; and
- (g) if no to (f), how does the Minister intend to ensure this will not happen again?

**Hon Matthew Swinbourn replied:**

- (a) Specific cost estimates for rehabilitation of well sites and access tracks have not been confirmed.
- (b) No.
- (c) Not applicable.
- (d) Point Torment 1 is suspended; Stokes Bay 1; and West Kora 1 are shut-in.
- (e) There are no provisions in Western Australia’s petroleum legislation to secure funds from companies, such as Rey Resources, to carry out required decommissioning and rehabilitation works for an active title.
- (f) No.
- (g) If required, the Minister for Mines and Petroleum may issue a Direction to Rey Resources for decommissioning and rehabilitation.