



**THE HON MADELEINE KING MP**  
**Minister for Resources**  
**Minister for Northern Australia**

**SENATOR THE HON KATY GALLAGHER**  
**Minister for Finance**

MS23-003762

Ms Tracey Hayes  
Chair  
Northern Australia Infrastructure Facility  
Level 2, 111 Grafton Street  
CAIRNS QLD 4870

Dear Ms Hayes

### **Addendum to Statement of Expectations**

We are writing to you to bring to your attention further developments in the Australian Government's policy priorities since we sent you our Statement of Expectations for the Northern Australia Infrastructure Facility (NAIF) in December 2022 (SOE). In doing so, we provide an addendum to the previously issued SOE.

On 20 June 2023, the Government released a new Critical Minerals Strategy (the Strategy) that outlines our vision to:

- create diverse, resilient and sustainable supply chains through strong and secure international partnerships;
- build sovereign capability in critical minerals processing;
- use our critical minerals to help become a renewable energy superpower; and
- extract more value onshore from our resources – creating jobs and economic opportunity, including for regional and First Nations communities.

The Strategy notes the Government will continue to help develop strategically important projects by providing targeted and proportionate support to de-risk projects, crowd in commercial finance, and help overcome market distortions. This reflects the range of technical, project and market risks many projects face, particularly where they involve downstream processing.

As you are aware, the NAIF is at the heart of our Government's Northern Australia agenda and the Government expects the NAIF to continue to play an important role in supporting the growth of the critical minerals sector, particularly downstream processing, across the north.

To support this, we ask that the NAIF earmark \$500 million, of its recently appropriated \$7 billion, to support projects aligning with the Strategy.

The earmarked amount should not limit the NAIF from investing further in the critical minerals sector, should it determine projects meet the Government's Strategy and the *Northern Australia Infrastructure Facility Act 2016* (the Act) and Investment Mandate.

We ask that the NAIF works closely with our departments and the Critical Minerals Office in the Department of Industry, Science and Resources to develop and implement the delivery and reporting process to achieve this expectation.

We note this addendum does not revoke or amend our expectation that the NAIF ensures it operates in accordance with the Act and Investment Mandate, including having regard to portfolio diversity and risk.

We would appreciate your response to this letter as an addendum to your 9 February 2023 Statement of Intent (SOI) as soon as possible. We ask you outline how the NAIF Board, as the Accountable Authority for the NAIF, will deliver and report on the expectations outlined above.

Once the addenda to the SOE and SOI have been published, both will take effect from the date of the SOI. This means only projects reaching investment decision from the date of your amended SOI are to count toward the earmarked amount.

Yours sincerely



**Madeleine King MP**

6 / 7 / 2023



**Katy Gallagher**

7 / 7 / 2023