

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION SECTION 93AA AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION ACT

The commitments in this undertaking are offered to the Australian Securities & Investments Commission ("ASIC") by:

SANWANT SINGH DEO

of 5/4 College Road, Berrimah NT 0828 (PO Box 456, Berrimah NT 0828), Darwin in the Northern Territory of Australia (**hereinafter also referred to as "Mr. Deo"**).

1. BACKGROUND.

- 1.1 Mr Deo, at the relevant time a partner of the firm of Cleanthous & Deo, was the appointed auditor of the Balangarri Aboriginal Corporation ("Balangarri") for the period June 1996 until the termination of his appointment in January 1999.
- 1.2 Under the Corporations Law ASIC is responsible for the registration of company auditors.
- 1.3 Under the Corporations Law ASIC maintains a register of company auditors and has sole standing to apply to the Companies Auditors and Liquidators Disciplinary Board for the deregistration or discipline of auditors.
- 1.4 ASIC received a complaint in January 1999 concerning the conduct of the audit by Mr Deo of Balangarri for the financial year 1997/98.
- 1.5 ASIC investigated the complaint and concluded that Mr Deo conducted the audit while having a conflict of interest with the chief executive officer of Balangarri and that Mr Deo had failed to perform the audit to a number of Australian Auditing Standards.
- 1.6 Mr Deo acknowledges the concerns of ASIC and has offered to enter into this undertaking.

2. UNDERTAKINGS.

- 2.1 Pursuant to Section 93AA of the Australian Securities and Investments Commission Act Mr Deo hereby undertakes that he will -
 - (a) in relation to his audit practice -
 - (i) at his own expense, have -
 - (A) each audit which he undertakes between 1 January 2000 and 31 December 2000; and
 - (B) each audit nominated by ASIC in writing which he undertakes between 1 January 2001 and 31 December 2001,

- independently reviewed by a registered company auditor approved in writing by ASIC, who will provide to ASIC written comments on the quality of Mr Deo's audits and their compliance with AUS;
- (ii) advise ASIC by 10 January 2000 of the identity of that registered company auditor;
 - (iii) by 10 January 2000 notify ASIC of all assignments of which he currently holds an appointment as auditor and, further that he will notify ASIC of those assignments in respect of which he is appointed auditor from the date of this undertaking until 31 December 2001.
- (b) between 1 January 2000 and 31 December 2001 undertake 40 hours of professional development or training in each calendar year which is -
- (i) conducted or approved by the Australian Society of Certified Practising Accountants or Institute of Chartered Accountants for the requirements of their members' continuing professional development; and
 - (ii) of which at least 20 hours in each calendar year must relate to auditing, and
- maintain a written register of the professional development or training undertaken as required by this sub-clause.
- (c) undertake all audit work conducted after the date of this undertaking in compliance with Australian Audit Standards (AUS).

2.2 Mr Deo agrees to be available to be contacted by, and to render all reasonable assistance to, ASIC officers who will have the responsibility for monitoring the compliance obligations set out in clause 2.1 hereof.

3. ACKNOWLEDGMENTS.

3.1 Mr Deo agrees and acknowledges that ASIC:

- (a) may issue a media release on execution of this undertaking referring to its terms and the concerns of ASIC which led to its execution;
- (b) may from time to time publicly refer to this undertaking; and
- (c) will make this undertaking available for public inspection.

3.2 Mr Deo acknowledges that this undertaking in no way derogates from the rights and remedies available to ASIC or any other person arising from any conduct described in this undertaking.

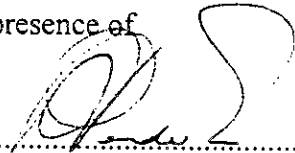
3.3 Mr. Deo acknowledges that ASIC's acceptance of an enforceable undertaking does not affect ASIC's power to investigate a contravention arising from future conduct.

3.4 Mr Deo acknowledges that this undertaking has no operative force until accepted by ASIC.

Signed by SANWANT SINGH DEO)
this 21st day of December 1999.)
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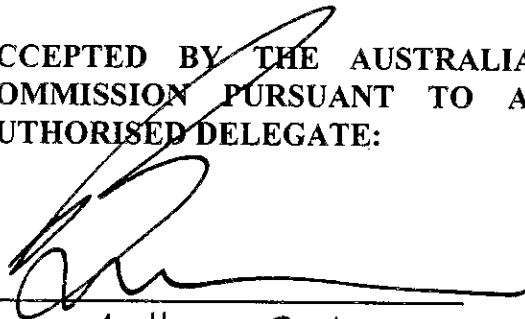


In the presence of



.....PHILIP VAN DER EYK.....
Name

ACCEPTED BY THE AUSTRALIAN SECURITIES & INVESTMENTS
COMMISSION PURSUANT TO ASIC ACT S93AA BY ITS DULY
AUTHORISED DELEGATE:



[Name] Anthony BEVEN
[Position] Regional Commissioner (1947)

This 21st day of December 1999.