

This Explanatory Note does not form part of the Tenement Document

EXPLANATION OF THE HILLSIDE TENEMENT DOCUMENTS

Purpose of a Tenement Document

Tenement documents are generated when, following a formal application process and detailed assessment by the Department of State Development in accordance with the *Mining Act 1971*, the Minister decides to grant a mining tenement.

The primary purpose of a tenement document (commonly called a “Lease” or a “Licence”) is to inform the Tenement Holder and the general public about the specific details of a particular grant.

The tenement document does not set out all of the things that a tenement holder must do; the *Mining Act 1971* and the *Mining Regulations 2011* – and other relevant Acts for that matter – contain a large number of additional requirements with which tenement holders must also comply. The tenement document does, however, provide the terms, conditions and clauses specific to the grant for ensuring the acceptable conduct of mining operations on that mining tenement.

Tenement documents for the different types of tenements offered to Rex (a Mineral Lease, Extractive Minerals Lease, and Miscellaneous Purposes Licence) are different, but share the same components and approach.

Format and Content of Tenement Documents

The Rex Minerals’ tenement documents are in the format of a small booklet, which must be read in entirety in the context of the Act and Regulations in order to understand the complete regulatory obligation imposed by the Minister on the tenement holder.

The Hillside Mineral Lease tenement document is comprised of:

1. *The Front Page*

The front page gives the reader basic tenement information ‘at a glance’. For example, it contains Rex’s name and the tenement’s commencement and expiration dates.

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2. *The Contents Page*

The contents page provides headings, paragraph and page numbers and describes the Schedules.

3. *The body of the tenement document*

The body of the tenement document contains:

- a) Details of the grant,
- b) The terms and conditions required by the Act to be specified in the tenement document,
- c) A paragraph about environmental outcomes (which links to the Sixth Schedule),
- d) Selected restatements of sections of the Act and Regulations,
- e) Definitions, and
- f) Rules on Interpretation

The 'restatements' are restatements of certain provisions of the Act or Regulations that the Department of State Development considers are of particular importance to all tenement holders. The restatements do not replace the actual contemporary provisions of the Act or Regulations and Rex is also required to comply with provisions that are not restated.

4. *Seven Schedules*

The seven schedules are:

- First Schedule- Additional Terms
- Second Schedule - Additional Conditions
- Third Schedule - Map and description of the tenement area
- Fourth Schedule - Process for Suspension
- Fifth Schedule - Process for Cancellation
- Sixth Schedule - Environmental Outcomes, Criteria and Strategies required in the Program for Environment Protection and Rehabilitation (PEPR)
- Seventh Schedule - Zoning at time of Grant.

To ensure clarity of the requirements of the Mining Act, the Schedules separate the conditions that have previously been provided in two Schedules, into three:

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- the First Schedule of terms grants Rex specific rights,
- the Second Schedule of conditions imposes specific restrictions, and
- the Sixth Schedule of clauses sets out requirements for content that would be provided in a PEPR.

Mining Operations and Environment Protection and Rehabilitation

Amendments to the Mining Act in 2011 enhanced the environmental protection and rehabilitation focus of the Act and Regulations, and introduced in Part 10A an environment protection and rehabilitation regime that is centred on PEPRs.

The tenement documents reflect this environmental focus in two significant ways. First, the body of the tenement documents contain extensive restatements about the PEPR and the process for its approval. Secondly, the types of environmental outcomes, criteria and strategies that Rex will need to address in its PEPR are included in the tenement document, particularly the Sixth Schedule.

If a lease is granted, actual mining operations must not commence until the (now) tenement holder has submitted a 'Proposed PEPR' for approval and the Minister has approved it.

The Minister will only approve the 'Proposed PEPR' if:

- a) It is consistent with the Mining Lease Proposal (MLP),
- b) It contains all of the information that the Act or Regulations say it must,
- c) Additional Conditions about the PEPR are complied with, and
- d) It addresses strategies and criteria to be adopted to measure environmental outcomes listed in the Sixth Schedule, and
- e) Access has been authorised to all land relevant for the operations described in the PEPR, in accordance with the Mining Act.



**Government
of South Australia**

Mining Act 1971

**TENEMENT DOCUMENT
EXTRACTIVE MINERALS LEASE**

TENEMENT HOLDER	Rex Minerals (SA) Pty Ltd (ACN 125 407 669)
CLASS OF LEASE	Extractive Minerals Lease (EML)
EML NUMBER	6439
COMMENCEMENT DATE	16 September 2014
TERM OF MINING TENEMENT	Four (4) years
EXPIRY DATE	15 September 2018
MINERAL(S)	All extractive minerals including sand, clay, limestone and gravel
AREA OF MINING TENEMENT	224.53 hectares

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Details of grant

1. On 16 September 2014, pursuant to Part 6 of the Act, the Minister made a statutory grant of the Extractive Minerals Lease (the Mining Tenement) described in this Tenement Document.
2. The Mining Tenement is granted:
 - 2.1. To Rex Minerals (SA) Pty Ltd (ACN 125 407 669);
 - 2.2. For the purpose of recovering the Mineral(s) described in the First Schedule of this Tenement Document.
3. The Mining Tenement is numbered EML 6439.
4. The Mining Tenement is:
 - 4.1. Subject to the Terms and Conditions prescribed by the Act and Regulations and specified in this Tenement Document; and
 - 4.2. Subject to the Additional Terms and Conditions specified in the First and Second Schedules (respectively) of this Tenement Document.

Terms and conditions required by the Act to be specified in the Tenement Document

Description of the Land

5. The Mining Tenement is granted over an area of 224.53 hectares and is located 12 km south of Ardrossan description of land.
6. The location of the Mining Tenement is more specifically defined in the map and co-ordinates specified in the Third Schedule of this Tenement Document.

Term, Commencement and Expiration

7. The Mining Tenement is granted for the term of 4 years.
8. The term of the Mining Tenement commenced on 16 September 2014, and, unless it is earlier renewed, surrendered or cancelled, the Mining Tenement will cease on 15 September 2018.

Rental

9. The Tenement Holder shall pay, by way of rental, such sums as may be prescribed and in accordance with section 40 of the Act and Regulation 42 of the Regulations.

Compensation

10. The Minister may, at any time, require the Tenement Holder to pay to any person an amount of compensation stipulated by the Minister, to which that person is, in the opinion of the Minister, entitled in consequence of mining operations in pursuance of the rights granted and the obligations imposed by the grant of the Mining Tenement.

Suspension and Cancellation: Stipulation of Process

11. Pursuant to subsection 41(1) of the Act, the Minister may suspend or cancel the Mining Tenement if the Tenement Holder contravenes or fails to comply with a term or condition of this Tenement Document or a provision of the Act (which includes the Regulations).
12. Pursuant to subsection 41(2) of the Act, the Minister may stipulate in the Tenement Document a process for suspension or cancellation that must be followed before the powers in subsection 41(1) may be exercised.
13. The process for suspension of the Mining Tenement shall be as stipulated in the Third Schedule of this Tenement Document.
14. The process for cancellation of the Mining Tenement shall be as stipulated in Fourth Schedule of this Tenement Document.

Environmental outcomes specified pursuant to Regulation 65 of the Regulations

15. The Sixth Schedule of this Tenement Document sets out outcomes contemplated in regulation 65(2) of the Regulations, that the Tenement Holder is required to address in any program submitted in accordance with Part 10A of the Act.

Explanatory Note: The Sixth Schedule may also contain strategies and criteria which the Department has formed the view would address the outcomes set out in that Schedule.

Restatement of selected provisions from the Act

Explanation of Restatements

16. All of the restatements in this portion of this Tenement Document are included for guidance only and do not replace the substantive provisions of the Act or the Regulations.
17. If any restatement is inconsistent with the substantive provisions of the Act or the Regulations, the restatement will be invalid and the substantive provision of the Act or the Regulations will prevail and the Tenement Holder is required to comply with the substantive provision of the Act or the Regulations.

18. The Tenement Holder is still required to comply with any provision of the Act or Regulations that is not restated in this Tenement Document.

Restatement of rights conferred on Tenement Holder

19. The grant of the Mining Tenement confers an exclusive right upon the Tenement Holder including officers, employee(s), contractor(s) or duly authorised agent(s) of the Tenement Holder, to conduct mining operations on the Land, for the Mineral(s), subject to the provisions of the Act and the Regulations, and the terms and conditions specified in this Tenement Document.
20. The grant of the Mining Tenement authorises the Tenement Holder, including officers, employee(s), contractor(s) or duly authorised agent(s) of the Tenement Holder, to sell, or dispose of, the Mineral(s) recovered in the course of mining operations conducted in pursuance of the grant or to utilise any such minerals for any commercial or industrial purpose, subject to the payment of royalty.

Restatement of rights and powers not conferred on the Tenement Holder

21. The grant of the Mining Tenement does not confer any right on the Tenement Holder:
 - 21.1. To use the Land for any purpose other than the authorised mining operations;
 - or
 - 21.2. To confer any rights on any other person in relation to the Mining Tenement.

Explanatory Note: For example, the Tenement Holder cannot grant rights to a party under a Joint Venture Agreement (or other agreement however described), to conduct mining operations on the Land in that party's own right. The Tenement Holder may engage employees, contractors or agents to perform work on the tenement on the Tenement Holder's behalf.

Restatement of obligations imposed on Tenement Holder: Program for environment protection and rehabilitation

22. The Tenement Holder must not carry out mining operations unless there is an approved program for environment protection and rehabilitation (an APPROVED PEPR).
23. A PROPOSED PEPR will only be approved when it complies with the requirements of Part 10A of the Act and the Regulations.
24. To comply with Part 10 A of the Act, the PROPOSED PEPR must:
 - 24.1. Contain the information specified in section 70B(2) of the Act and regulation 65(2), (5), (6) of the Regulations and determinations made by the Minister under regulation 65(7) of the Regulations (if any);

- 24.2. Comply with any applicable conditions specified in this Tenement Document (if any);
- 24.3. Address any relevant environmental outcomes listed in the Sixth Schedule of this Tenement Document.

Explanatory note: At the date of grant, the determinations are available at: www.minerals.statedevelopment.sa.gov.au/publications_and_information/ministerial_determinations

25. In accordance with regulation 65(10) of the Regulations, the Tenement Holder must submit to the DSD for ministerial approval a PROPOSED PEPR that fully complies with the Act and Regulations within twelve (12) months after the grant of the Mining Tenement unless the Tenement Holder has been granted an extension of time for such submission.

Explanatory Note: Until otherwise notified, the Tenement Holder may apply for an extension of time in writing to the Director of Mines, Level 7, 101 Grenfell Street, Adelaide, SA 5000; setting out the reasons why the Tenement Holder seeks an extension and the date when the Tenement Holder estimates that the document will be ready for submission to the Minister.

Restatement of obligations imposed on Tenement Holder: Working conditions

26. In accordance with regulation 35 of the Regulations, unless otherwise determined or agreed by the Minister, the Tenement Holder must:
 - 26.1. Commence mining operations in accordance with the APPROVED PEPR within twelve (12) months after its approval; and
 - 26.2. Thereafter continue mining operations in accordance with the requirements of the program in the APPROVED PEPR.

Explanatory Note: Until otherwise notified, the Tenement Holder may apply for an extension of time in writing to the Director of Mines, Level 7, 101 Grenfell Street, Adelaide, SA 5000; setting out the reasons why the Tenement Holder seeks an extension and the date when the Tenement Holder estimates that the document will be ready for submission to the Minister.

Restatement of obligations imposed on Tenement Holder: Other

27. In addition to obligations about the conduct of mining operations and rehabilitation, the Act and Regulations impose other obligations on the Tenement Holder including obligations to:
 - 27.1. Comply with Part 3 of the Act (royalties).
 - 27.2. Comply with the applicable provisions of Part 9 of the Act (entry onto land and use of declared equipment).
 - 27.3. Comply with the applicable provisions of Part 9B of the Act (native title).
 - 27.4. Comply with the provisions of section 76 of the Act (mining returns) to the extent relevant to an extractive minerals lease.
 - 27.5. Comply with section 77 of the Act (records and geological samples) and regulation 84 of the Regulations.

- 27.6. Comply, as necessary, with section 83 of the Act (ministerial consent for dealings in relation to the Mining Tenement) and regulations 44 and 70 of the Regulations.
- 27.7. Comply, insofar as applicable to an extractive minerals lease, with regulation 86 of the Regulations (compliance reports).
- 27.8. Comply with the requirement in regulation 43 of the Regulations to maintain all posts, boundary indicator markers and notices in the positions required by the Regulations as applicable.
- 27.9. Permit the pastoral lessee (if any) of the Land to have free access and use at all times for domestic purposes, and for the purposes of watering stock from any surface water on the Land which shall not have been provided or stored by artificial means by the Tenement Holder.

Restatement of Exempt Land

28. In accordance with section 9 of the Act, the grant of the Mining Tenement does not authorise prospecting, exploring or mining upon any exempt land unless or until the benefit of the exemption is waived under section 9AA of the Act.

Restatement of Bond

29. In accordance with section 62 of the Act, the Minister may by written notice require the Tenement Holder to pay a bond in such sum and subject to such terms and conditions as ensure, in the opinion of the Minister, that the following will be satisfied:
- 29.1. Any civil or statutory liability likely to be incurred by the Tenement Holder in the course of carrying out mining operations;
- 29.2. The present and future obligations of the Tenement Holder in relation to the rehabilitation of land disturbed by mining operations.

Explanatory Note: The terms and conditions referred to in this paragraph will be imposed in the written notice given by the Minister. The Minister may include a term or condition that the bond may be increased if circumstances arise during the term of this Extractive Minerals Lease which increases the cost of rehabilitation or increases the cost of civil or statutory liability.

Restatement of Fees

30. The Tenement Holder shall pay all fees imposed by the Act and Regulations from time to time.

Restatement of Renewal

31. The Mining Tenement shall be renewed in accordance with the Act and the Regulations (if any).

Restatement of Surrender

32. The Tenement Holder may apply to surrender the Mining Tenement during its term in accordance with the Act and the Regulations.

Restatement of Forfeiture

33. The Mining Tenement is subject to the forfeiture provisions of the Act being sections 70 and 85.

Restatement of Notices

34. Notices under the Act will be served in accordance with regulation 106 of the Regulations.

Restatement of Mining Register

35. Section 15A of the Act requires the Mining Registrar to keep a register of, amongst other things, extractive minerals leases. Upon payment of the prescribed fee, the public may inspect the Mining Register.

Restatement of “mining operations”

36. As defined by section 6 of the Act “mining operations” means:
- 36.1. Operations carried out in the course of prospecting, exploring or mining for minerals; or
 - 36.2. Without limiting paragraph 36.1, any operations by which minerals are recovered from any place or situation, including by recovering minerals from the sea or a natural water supply; or
 - 36.3. On-site operations undertaken to make minerals recovered from the site a commercially viable product, other operations involving such minerals, or other operations involving minerals brought on to the site of a mine for processing; or
 - 36.4. Operations for the rehabilitation of land on account of the impact of any operations under a preceding paragraph; or
 - 36.5. Operations that are directly related to any operations under a preceding paragraph;
but does not include -
 - 36.6. An investigation or survey under section 15 of the Act ; or
 - 36.7. Fossicking; or
 - 36.8. The surface removal of loose rock material disturbed by agricultural operations.
37. This definition applies to operations that occur during all phases of the mine’s life.

Restatement of Declaration of Insolvency

38. Comply with regulation 98(1)(c), which concerns bankruptcy, insolvency and liquidation.

Definitions

39. In this Tenement Document, the following words have the following meanings:

- 39.1. **“Act”** means the Mining Act 1971 of South Australia;
- 39.2. **“Additional Terms and Conditions”** means the Additional Terms and Conditions authorised by section 34(4) of the Act and set out in the First and Second Schedule of this Tenement Document respectively;
- 39.3. **“Applicant”** means the person or persons who applied for the Mining Tenement;
- 39.4. **“APPROVED PEPR”** means the document contemplated by section 70B(5) of the Act i.e. a PROPOSED PEPR that has received ministerial approval;
- 39.5. **“Business Day”** means any day that is not a Saturday, Sunday or a public holiday in South Australia;
- 39.6. **“DRP”** means the Decommissioning and Rehabilitation Plan;
- 39.7. **“DSD”** means the Department of State Development and includes any substituted Department;
- 39.8. **“Extractive Minerals Lease”** means the Mining Tenement granted to the Tenement Holder as referred to in paragraphs 1 and 2 of this Tenement Document;
- 39.9. **“the Land”** means the land over which the Mining Tenement is granted and which is described in paragraphs 5 and 6 and in the Third Schedule of this Tenement Document;
- 39.10. **“Mine completion”** means the Land has been rehabilitated to an extent that the Minister could approve an application for surrender of the Mining Tenement on the basis that the Tenement Holder has complied with sub-regulation 45(1) of the Regulations and there is no obstacle under sub-regulation 45(3) of the Regulations;
- 39.11. **“Mineral(s)”** means the Extractive Mineral(s) referred to in the First Schedule of this Tenement Document;
- 39.12. **“Mining Tenement”** means the Extractive Minerals Lease granted to the Tenement Holder, as referred to in paragraphs 1 and 2 of this Tenement Document and all of the rights and obligations encompassed in the grant;
- 39.13. **“the Minister”** means the Minister for Mineral Resources and Energy (or any substituted Minister);
- 39.14. **“PEPR”** means Program of Environmental Protection and Rehabilitation;
- 39.15. **“PROPOSED PEPR”** means the document required by regulation 65 (10) to be submitted for ministerial approval within twelve (12) months of the date of grant of the Mining Tenement;
- 39.16. **“Regulations”** means the Mining Regulations 2011 of South Australia;
- 39.17. **“site”** means the Land;
- 39.18. **“Tenement Document”** means this document;

- 39.19. **“Tenement Holder”** means the person or persons to whom the Mining Tenement was granted and includes:
- 39.19.1. in the case of a natural person the executors, administrators and assigns of that person;
 - 39.19.2. in the case of a body corporate the successors, administrators or permitted assigns thereof.
- 39.20. **“Weeds”** means any invasive plant that threatens native vegetation in the local area or any species recognised as invasive in South Australia.

Interpretation

40. For the purposes of interpreting this Tenement Document the following will apply:

- 40.1. Unless otherwise stated, any term which is used in this Tenement Document which has a specific meaning in the Act or the Regulations, has that same meaning in this Tenement Document;
- 40.2. The masculine shall include the feminine, words importing persons shall include corporations, and the singular shall include the plural when the context or circumstances require and unless inconsistent with or repugnant to the context the following words shall have the meanings set opposite to them respectively -
 - 40.2.1. "amendment" includes an addition, excision or substitution;
 - 40.2.2. "the Land" includes any part thereof;
 - 40.2.3. "the term" includes any renewal or extension thereof;
- 40.3. If the Mining Tenement is granted to more than one person, all of the persons to whom it is granted are all jointly and severally liable for compliance with the Act, the Regulations and this Tenement Document, including the Additional Terms in the First Schedule and the Additional Conditions in the Second Schedule;
- 40.4. If, by virtue of a dealing under section 83 of the Act, the Mining Tenement comes to be held by more than one person, they will all be jointly and severally liable for compliance with the Act, the Regulations and this Tenement Document including the Additional Terms and Conditions in the First and Second Schedules of this Tenement Document (respectively);
- 40.5. If any act pursuant to the Act or the Regulations, or this Tenement Document would otherwise be required to be done on a day which is not a Business Day then that act may be done on the next Business Day;
- 40.6. To the extent that there is any inconsistency, on the one hand, between a term of this Tenement Document, including any Additional Term or Condition, and, on the other hand, the Act or Regulations, the Act or Regulations shall prevail;
- 40.7. Subject to the transitional provisions in any amendment to the Act or the Regulations, all provisions referred to in this Tenement Document shall be taken to include any such amendment;
- 40.8. Subject to the transitional provisions in any amendment to the Act or the Regulations, to the extent that there is any inconsistency, on the one hand, between a term of this Tenement Document, including any Additional Term or Condition, and, on the other hand, any amendments to the Act or Regulations, the amended Act or Regulations shall prevail;

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- 40.9. Footnotes and explanatory notes do not form part of this Tenement Document;
 - 40.10. The Table of Contents does not form part of this Tenement Document;
 - 40.11. The front page and all of the Schedules form part of this Tenement Document.
-

EXECUTED by Rex Minerals (SA) Pty Ltd)
(ACN 125 407 669))
in accordance with section 127 of the)
Corporations Act 2001 and its Constitution)

Signature of Director

Signature of Director/Secretary

Print Name of Director

Print Name of Director/Secretary

Date: Date:

SIGNED by Junesse Martin Mining Registrar)
as delegate of the Minister for Mineral Resources)
and Energy in that regard pursuant to)
section 12 of the Mining Act 1971)
in the presence of:)

Date:

Witness

Print Name:

Date:

FIRST SCHEDULE

ADDITIONAL TERMS

Authorised Mining Operations

1. Mining operations authorised by the grant of the Mining Tenement must:
 - 1.1. Only be for the recovery of extractive minerals from stockpiles of excess overburden from the operations associated with the realignment of the Yorke Highway and St Vincent Highway within the Land; and
 - 1.2. Be consistent with the mining operations described in the mining lease proposal document dated August 2013 and subsequent Response Document dated 21 February 2014.

SECOND SCHEDULE
ADDITIONAL CONDITIONS

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Surface Water

1. The Tenement Holder must ensure that:

- 1.1. Mining operations do not cause inundation of third party property and infrastructure by water (to a greater extent than would be expected to occur prior to mining operations commencing); and
- 1.2. inundation of third party property and infrastructure by water (to a greater extent than would be expected to occur prior to mining operations commencing) after mine completion is not caused by mining operations;

unless the Tenement Holder obtains a registered Waiver of Exemption under the Act to undertake mining activities (inclusive of inundation).

2. The Tenement Holder must:

- 2.1. Ensure no surface water contaminated as a result of mining operations leaves the Land; and
- 2.2. ensure that:
 - 2.2.1. no surface water contaminated prior to mine completion remains within the Land after mine completion; and
 - 2.2.2. no contamination of surface water occurs after mine completion as a result of mining operations within the Land.

Transparency

3. The Tenement Holder agrees to the approved PEPR and any compliance reports and reportable incident reports submitted in accordance with the Regulations, being made available for public inspection.

Notification of cessation of operations

4. Within 30 days of becoming aware of any event or decision which is likely to give rise to the cessation of mining operations for a period of more than 7 days and prior to the cessation of mining operations, the Tenement Holder must notify the Director of Mines in writing of the event or decision. The notice must specify the date upon which the mining operations are expected to cease, or have ceased and an estimate of the period of cessation.

Decommissioning and Rehabilitation Plan

5. Unless the Director of Mines otherwise directs, a DRP must be submitted to the Director of Mines for approval within 30 days of any decision or event that is likely to give rise to the permanent cessation of mining operations, and that DRP must:

- 5.1. Set out the activities and scheduling required for the carrying out of the rehabilitation works specified in the approved PEPR;
- 5.2. be prepared in accordance with any guidelines provided by the Director of Mines.

6. The Tenement Holder must comply with a DRP approved in accordance with **Condition 5** or **7** when decommissioning or rehabilitating the Land.

7. If, in the opinion of the Director of Mines, mining operations on the Land have substantially ceased for 2 years or more, the Director of Mines may:
 - 7.1. Require that the Tenement Holder submits a DRP for approval dealing with the requirements set out in **Condition 5**; and/or
 - 7.2. direct the Tenement Holder to rehabilitate the Mining Tenement in accordance with the approved PEPR and/or any DRP.

Communications Protocol

8. The Tenement Holder must develop (to the satisfaction of the Director of Mines) a communication and operating protocol between itself and owners of land adjacent to and on the Land (subject to the agreement of the owners of land) prior to the commencement of mining operations that includes the following matters:
 - 8.1. Interaction with landholder operations;
 - 8.2. emergency procedures;
 - 8.3. communications and issue management processes;
 - 8.4. land management;
 - 8.5. dispute resolution;
 - 8.6. ongoing communication about the Tenement Holder's operations;
 - 8.7. receiving and considering feedback;
 - 8.8. safety procedures;
 - 8.9. access protocols; and
 - 8.10. any matters identified by the Director of Mines in writing.
9. The Tenement Holder must maintain and adhere to the protocol to the satisfaction of the Director of Mines for the term of the Mining Tenement.

Complaints Register

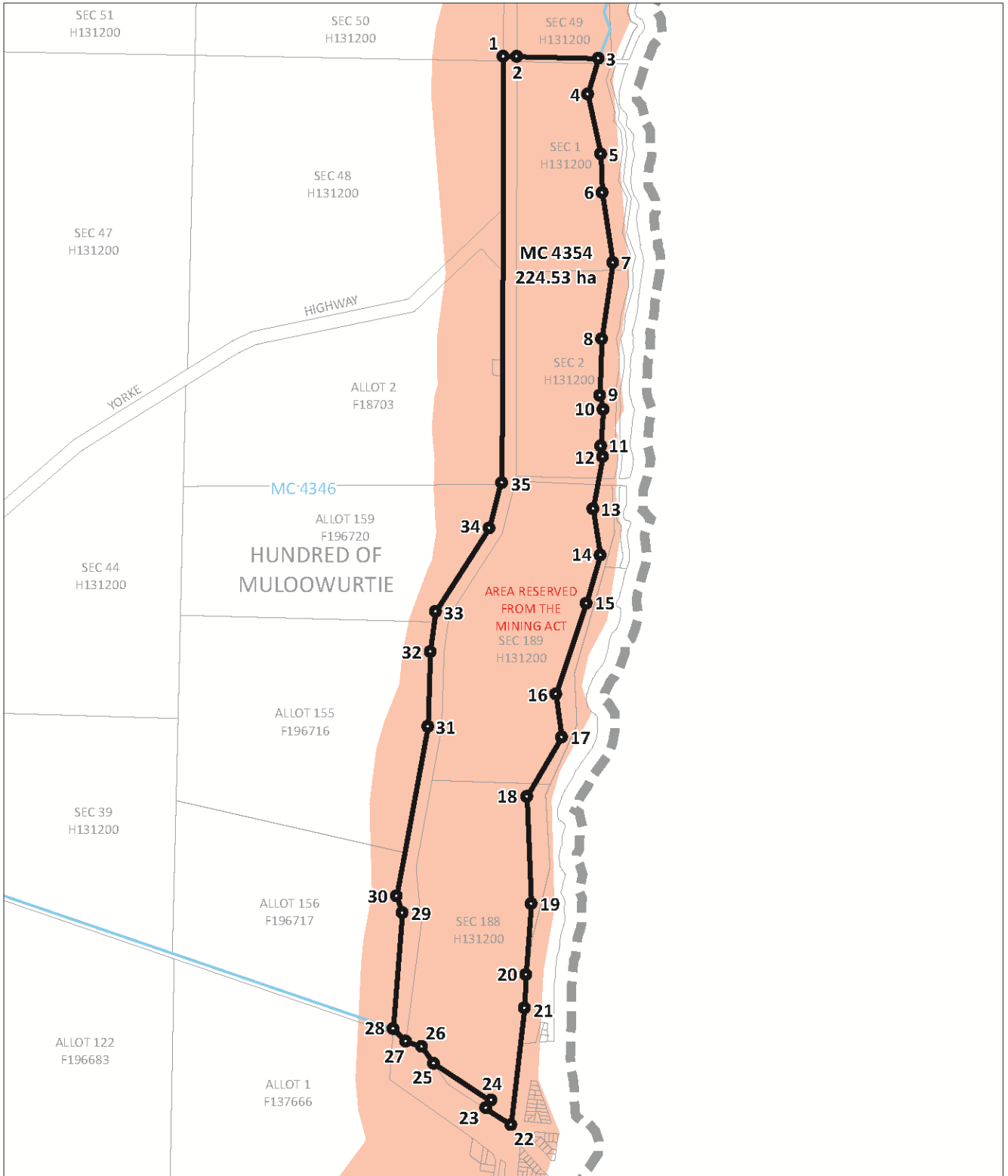
10. The Tenement Holder must operate a 24 hour per day, 7 day per week, free-call telephone complaints line for the purpose of receiving complaints from members of the public in relation to mining operations.
11. The Tenement Holder must take reasonable measures to notify the public of the complaints line telephone number and the fact that it is a complaints line.
12. The Tenement Holder must establish and maintain a public complaints register. The public complaints register must, as a minimum, record the following detail in relation to each complaint received in which it is alleged that environmental harm (including an environmental nuisance) has been caused by the mining operations:
 - 12.1. The time at which the complaint was received;

- 12.2. all personal details of the complainant which were provided by the complainant or, if no such details were provided, a note to that effect;
 - 12.3. the subject-matter of the complaint;
 - 12.4. the action taken by the tenement holder in relation to the complaint, including any follow-up contact with the complainant; and
 - 12.5. if no action was taken by the tenement holder, the reasons why no action was taken.
13. All records in respect of the public complaints must be maintained for a period of at least 7 years.
 14. The Tenement Holder must make the public complaints register publically available except for the name and contact details of each complainant.

Other Legislation

15. The Tenement Holder must comply with all State and Commonwealth legislation and regulations applicable to the activities undertaken pursuant to this lease including (but not limited to):
 - 15.1. *Environment Protection and Biodiversity Conservation Act 1999*;
 - 15.2. *Development Act 1993*;
 - 15.3. *Dangerous Substances Act 1979*;
 - 15.4. *National Parks and Wildlife Act 1972*;
 - 15.5. *Marine Parks Act 2007*;
 - 15.6. *Natural Resources Management Act 2004*;
 - 15.7. *Public and Environmental Health Act 1987*;
 - 15.8. *Radiation Protection and Control Act 1982*;
 - 15.9. *Aboriginal Heritage Act 1988*;
 - 15.10. *Heritage Places Act 1993*;
 - 15.11. *Work Health and Safety Act 2012*;
 - 15.12. *Environment Protection Act 1993*;
 - 15.13. *Native Vegetation Act 1991*;
 - 15.14. *Mines and Works Inspection Act 1920*;
 - 15.15. *Harbours and Navigation Act 1993*; and
 - 15.16. *Road Traffic Act 1961*.

MAP



NOTE: The boundary of this lease is depicted so as to best represent the relationship to the surrounding cadastral parcels. The legal boundary is to be ascertained by the coordinates specified.

DATE PRODUCED: 18/07/2014

THIRD SCHEDULE
(DESCRIPTION OF AREAS)

All that part of the State of South Australia, bounded by a line joining the points of coordinates set out in the following table:

Map Grid of Australia 1994 Zone 53

Point	Easting		Northing	
1	764312.75	mE	6175959.02	mN
2	764373.12	mE	6175958.49	mN
3	764714.19	mE	6175955.49	mN
4	764676.00	mE	6175822.00	mN
5	764734.00	mE	6175557.00	mN
6	764740.00	mE	6175388.00	mN
7	764787.00	mE	6175079.00	mN
8	764738.00	mE	6174742.00	mN
9	764728.00	mE	6174493.00	mN
10	764744.00	mE	6174431.00	mN
11	764734.00	mE	6174268.00	mN
12	764741.00	mE	6174222.00	mN
13	764698.00	mE	6173991.00	mN
14	764731.00	mE	6173788.00	mN
15	764668.00	mE	6173574.00	mN
16	764535.00	mE	6173173.00	mN
17	764561.00	mE	6172985.00	mN
18	764408.00	mE	6172722.00	mN
19	764427.00	mE	6172249.00	mN
20	764402.00	mE	6171936.00	mN
21	764397.00	mE	6171790.00	mN
22	764337.21	mE	6171274.62	mN
23	764227.09	mE	6171349.36	mN
24	764249.69	mE	6171382.66	mN
25	763999.00	mE	6171552.80	mN
26	763947.58	mE	6171627.81	mN
27	763878.07	mE	6171651.52	mN
28	763822.33	mE	6171692.12	mN
29	763860.45	mE	6172175.12	mN

EXTRACTIVE MINERAL LEASE 6439

THIRD SCHEDULE

30	763838.02	mE	6172259.93	mN
31	763978.08	mE	6173025.26	mN
32	763980.36	mE	6173361.89	mN
33	764003.47	mE	6173519.30	mN
34	764242.78	mE	6173882.41	mN
35	764296.46	mE	6174107.38	mN

Area: 224.53 ha

Based on information provided by the applicant.

FOURTH SCHEDULE

PROCESS FOR SUSPENSION

Issuance of Suspension Show Cause Notice

1. Where the Minister is of the view that there may be grounds to consider whether to suspend the Mining Tenement, the Minister shall give written notice to the Tenement Holder, which shall:
 - 1.1. Specify the provision of the Act or the Regulations, or the term or condition of the grant of the Mining Tenement, that the Minister believes the Tenement Holder has contravened or failed to comply with; and
 - 1.2. give the Tenement Holder thirty (30) Business Days from the date of the written notice to show cause why the Mining Tenement should not be suspended (“the Suspension Show Cause Notice”).

Minister’s action if Tenement Holder does not respond

2. If the Tenement Holder does not respond to the Suspension Show Cause Notice within thirty (30) Business Days, the Minister may suspend the Mining Tenement without further notice (in accordance with the process outlined below).

Minister’s action if Tenement Holder does respond

3. If the Tenement Holder responds to the Suspension Show Cause Notice within thirty (30) Business Days, the Minister will consider the Tenement Holder’s submission and decide whether to suspend the Mining Tenement (in accordance with the process outlined below).

Written Notice of Minister’s decision

4. The Minister shall give written notice to the Tenement Holder of the Minister’s decision.
 - 4.1. If the decision is not to suspend the Mining Tenement, the written notice shall be called “Notice of Decision: Not Suspended”.
 - 4.2. If the decision is to suspend the Mining Tenement, the written notice shall be called “Notice of Decision: Suspended”.
5. A Notice of Decision: Not Suspended, may contain any information that the Minister considers relevant.
6. A Notice of Decision: Suspended, shall:
 - 6.1. Specify the reason for suspension;
 - 6.2. specify the period of suspension;
 - 6.3. specify the action (if any) the Tenement Holder may be required to take for the Minister to consider revoking the suspension, and the time frame for taking that action;

- 6.4. inform the Tenement Holder of their right of appeal to the Environment, Resources and Development Court, in accordance with subsection 41(3) of the Act.

The Mining Register

7. Notice of Decision: Suspended, shall be placed on the Mining Register.

Minister's action if Tenement Holder takes action as specified in Notice of Decision

8. If the Tenement Holder takes the action specified by the Minister under paragraph 6.3 of this Schedule, the Minister will consider revoking the suspension.
9. If the Minister revokes the suspension, the Minister will, within a reasonable time:
 - 9.1. Write to the Tenement Holder informing the Tenement Holder of the revocation.
 - 9.2. Cause the revocation to be placed on the Mining Register.

Minister's action if Tenement Holder appeals

10. If the Tenement Holder appeals to the Environment Resources and Development Court the Minister will consider exercising the discretion under section 41(4) of the Act, to stay the operation of the suspension until the appeal is finally disposed of.
11. If the Environment Resources and Development Court ,is satisfied that there is no proper ground for the suspension, and so orders, the Minister will:
 - 11.1. Cause the Court's order to be placed on the Mining Register; and
 - 11.2. reinstate the Mining Tenement in accordance with section 41(5) of the Act.

FIFTH SCHEDULE
PROCESS FOR CANCELLATION

Issuance of Cancellation Show Cause Notice

1. Where the Minister is of the view that there may be grounds to consider whether to cancel the Mining Tenement, the Minister shall give written notice to the Tenement Holder, which shall:
 - 1.1. Specify the provision of the Act or the Regulations, or the term or condition of the grant of the Mining Tenement, that the Minister believes the Tenement Holder has contravened or failed to comply with; and
 - 1.2. give the Tenement Holder sixty (60) Business Days from the date of written notice to show cause why the Mining Tenement should not be cancelled (“the Cancellation Show Cause Notice”).

Minister’s action if the Tenement Holder does not respond

2. If the Tenement Holder does not respond to the Cancellation Show Cause Notice within sixty (60) Business Days, the Minister may cancel the Mining Tenement without further notice (in accordance with the process outlined below).

Minister’s action if the Tenement Holder does respond

3. If the Tenement Holder responds to the Cancellation Show Cause Notice within sixty (60) Business Days, the Minister will consider the Tenement Holder’s submission and decide whether to cancel the Mining Tenement (in accordance with the process outlined below).

Written notice of Minister’s decision

4. The Minister shall give written notice to the Tenement Holder of the decision.
 - 4.1. If the decision is not to cancel the Mining Tenement, the written notice shall be called “the Notice of Decision: Not Cancelled”.
 - 4.2. If the decision is to cancel the Mining Tenement, the written notice shall be called “the Notice of Decision: Cancelled”.
5. A Notice of Decision: Not Cancelled may contain any information that the Minister considers relevant.
6. A Notice of Decision: Cancelled shall:
 - 6.1. Specify the reason for cancellation;
 - 6.2. specify the date from which cancellation is effective;

- 6.3. inform the Tenement Holder of their right of appeal to the Environment, Resources and Development Court in accordance with subsection 41(3) of the Act.

The Mining Register

7. Notice of Decision: Cancelled, shall be placed on the Mining Register.

Minister's action if Tenement Holder appeals

8. If the Tenement Holder appeals to the Environment Resources and Development Court the Minister will consider exercising his discretion under section 41(4) of the Act, to stay the operation of the cancellation until the appeal is finally disposed of.
9. If the Environment Resources and Development Court, is satisfied that there is no proper ground for the cancellation, and so orders, the Minister will:
 - 9.1. Cause the Court's order to be placed on the Mining Register; and
 - 9.2. reinstate the Mining Tenement in accordance with section 41(5) of the Act.

SIXTH SCHEDULE**Environmental outcomes and associated criteria and strategies specified in this lease pursuant to Regulation 65 of the Regulations**

INDEX TO SIXTH SCHEDULE	Clause No.
Air Quality Outcomes	1
Noise Outcome.....	2
Noise Strategies.....	3
Visual Amenity Outcomes.....	4
Visual Amenity Strategies.....	5
Soil and Land Disturbance Outcomes.....	6
Native Vegetation Outcome.....	7
Weeds, Pest and Pathogens Outcome.....	8
Heritage Outcomes.....	9
Heritage Strategies.....	10
Surface Water Strategies.....	11
Public Safety Outcomes	12 - 13
Traffic Outcomes.....	14 - 15

Air Quality Outcome

1. The Tenement Holder must, in construction, operation and post mine completion, ensure that there are no public health and/or public nuisance impacts from air emissions and/or dust generated by mining operations.

Noise Outcome

2. The Tenement Holder must, in construction and operation, ensure noise emanating from mining operations is in accordance with the current amenity as defined by the Yorke Peninsula Council Development Plan at the time of lease grant, set out in the Seventh Schedule of this Tenement Document.

Noise Strategies

3. The Tenement Holder is required to address the following matters for the purposes of Regulation 65(2)(c) of the Regulations in relation to the outcome in **Sixth Schedule Clause 2**;
 - 3.1. the Tenement Holder must ensure that separation distances between any extractive stockpiles and Pine Point ensure the achievement of the outcome in **Sixth Schedule Clause 2**.

Visual Amenity Outcome

4. The Tenement Holder must, in construction, operation and post mine completion, ensure that the form, contrasting aspects and reflective aspects of mining operations are visually softened to blend in with the surrounding landscape.

Visual Amenity Strategies

5. The Tenement Holder is required to address the following matters for the purposes of Regulation 65(2)(c) of the Regulations in relation to the outcome in **Sixth Schedule Clause 4**;
 - 5.1. develop and implement strategies in consultation with affected parties for the management of visual amenity which should include (but not limited to):
 - 5.1.1. Screening of prominent built structures and use of non-reflective, natural coloured materials.
 - 5.1.2. Prompt rehabilitation of disturbed areas once no longer required for mining operations, utilising every available opportunity provided by the mine plan.

Soil and Land Disturbance Outcome

6. The Tenement Holder must, in construction, operation and post mine completion, ensure that the existing (pre-mining) soil quality and quantity is maintained.

Native Vegetation Outcome

7. The Tenement Holder must not clear any native vegetation on the Land other than in accordance with the realignment of the St Vincent Highway and the realignment of the Yorke Highway.

Weeds, Pest and Pathogens Outcome

8. The Tenement Holder must, in construction, operation and post mine completion, ensure no introduction of new species of weeds, plant pathogens or pests (including feral animals), nor sustained increase in abundance of existing weed or pest species on the Land compared to adjoining land.

Heritage Outcome

9. The Tenement Holder must, in construction and operation, ensure that there is no disturbance to Aboriginal or European heritage sites, objects or remains unless prior approval under the relevant legislation is obtained.

Heritage strategies

10. The Tenement Holder is required to address the following matters for the purposes of Regulation 65(2)(c) of the Regulations in relation to **Sixth Schedule Clause 9**:
 - 10.1. An Aboriginal heritage survey to be carried out with the representatives of the Traditional Owners prior to the disturbance of land, to identify and document Aboriginal sites and objects for all land to be disturbed.

Surface water strategies

11. The Tenement Holder is required to address the following matters for the purposes of Regulation 65(2)(c) of the Regulations in relation to **Second Schedule Conditions 1 and 2**:
 - 11.1. No change in surface water flow across third party property that could prevent achievement of the outcome in **Second Schedule Condition 1** unless otherwise agreed by the affected third party.
 - 11.2. Progressive landform stabilisation methods and utilisation of energy dissipation where necessary to minimise sediment loads in run-off from disturbed areas and landforms.

Public Safety Outcomes

12. The Tenement Holder must, in construction and operation, ensure that unauthorised entry to the Land does not result in public injuries and or deaths that could have been reasonably prevented.

13. The Tenement Holder must in construction and operation, ensure that there are no adverse impacts to adjacent land use and no unauthorised damage to public or private property and infrastructure as a result of uncontrolled fires caused by mining operations.

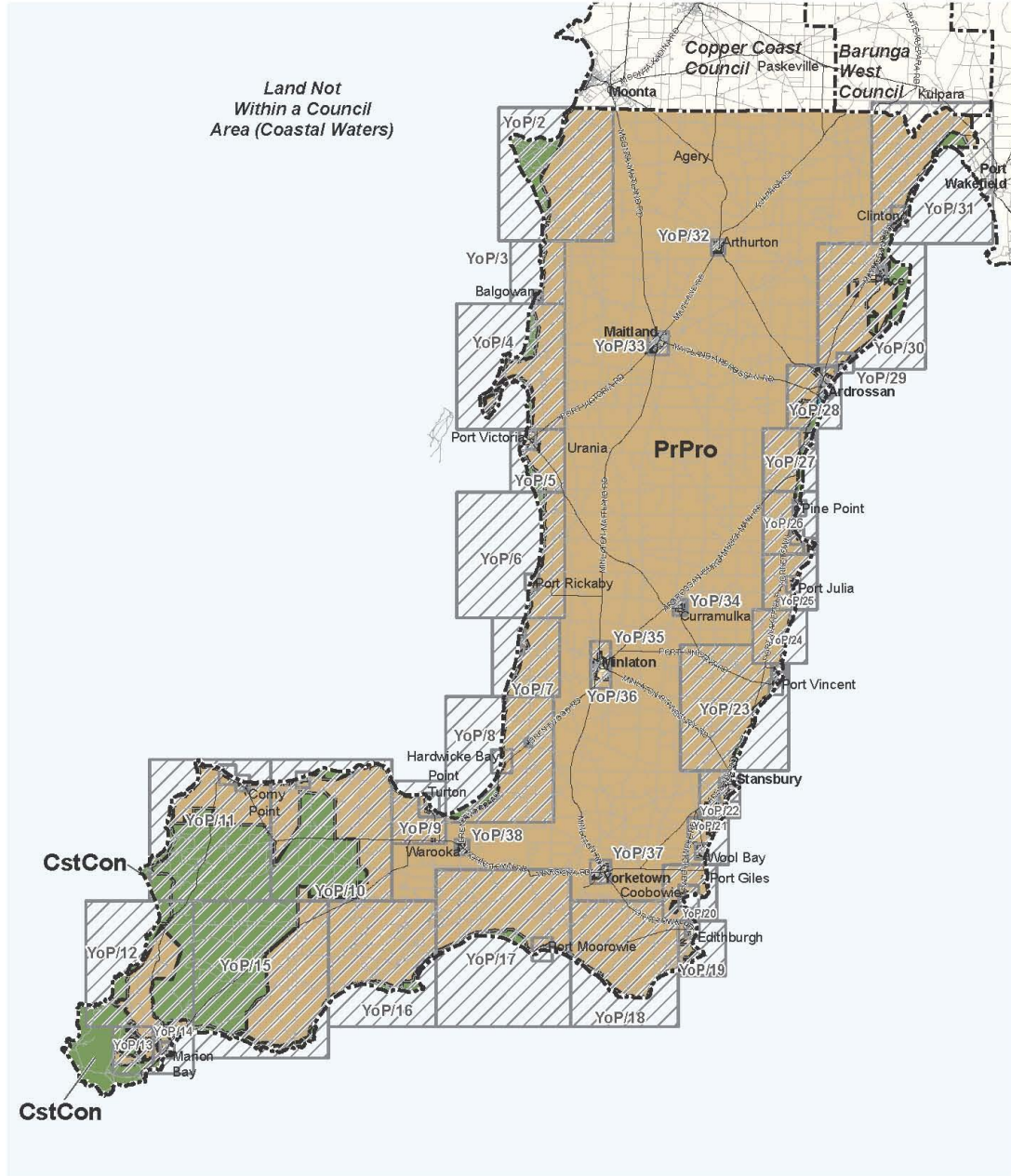
Traffic Outcomes

14. The Tenement Holder must, in construction and operation, ensure that no public impacts offsite are caused by noise, dust and/or dragout to and from the mine associated with mine related traffic.

15. The Tenement Holder must, in construction and operation, ensure that there are no traffic accidents involving the public at mine access points that could have been reasonably prevented by the Tenement Holder.

**SEVENTH SCHEDULE
ZONE MAP YoP/1**

**YORKE PENINSULA COUNCIL DEVELOPMENT PLAN AT DATE OF GRANT OF
THIS MINERAL LEASE**



Land Not
Within a Council
Area (Coastal Waters)

See enlargement map for accurate representation.



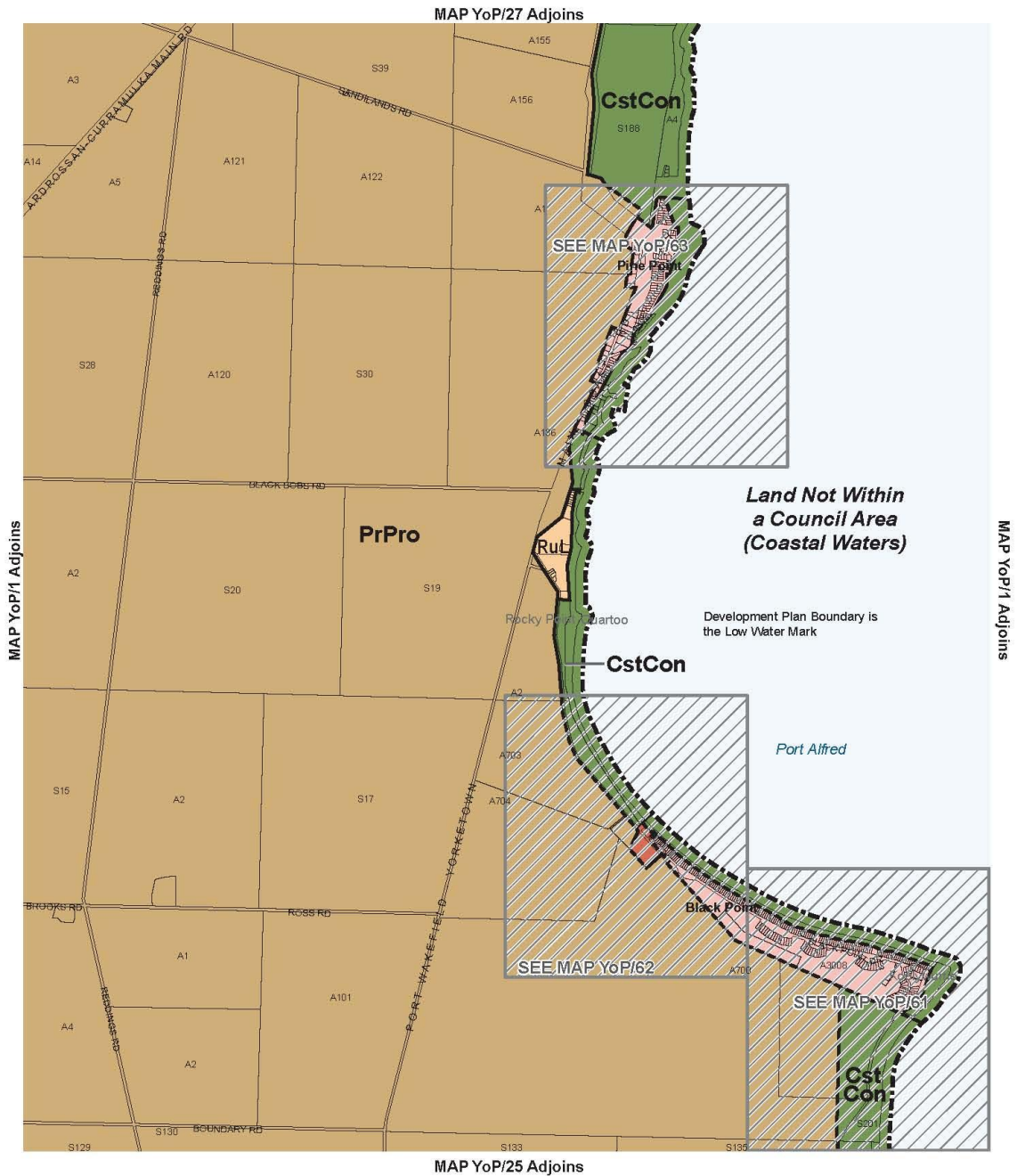
- Zones**
- CstCon Coastal Conservation
 - PrPro Primary Production
 - Zone Boundary
 - Development Plan Boundary

Zone Map YoP/1

YORKE PENINSULA COUNCIL
Consolidated - 6 February 2014

ZONE MAP YoP/26

**YORKE PENINSULA COUNCIL DEVELOPMENT PLAN
AT DATE OF GRANT OF THIS MINERAL LEASE**



See enlargement map for accurate representation.
Lamberts Conformal Conic Projection, GDA94



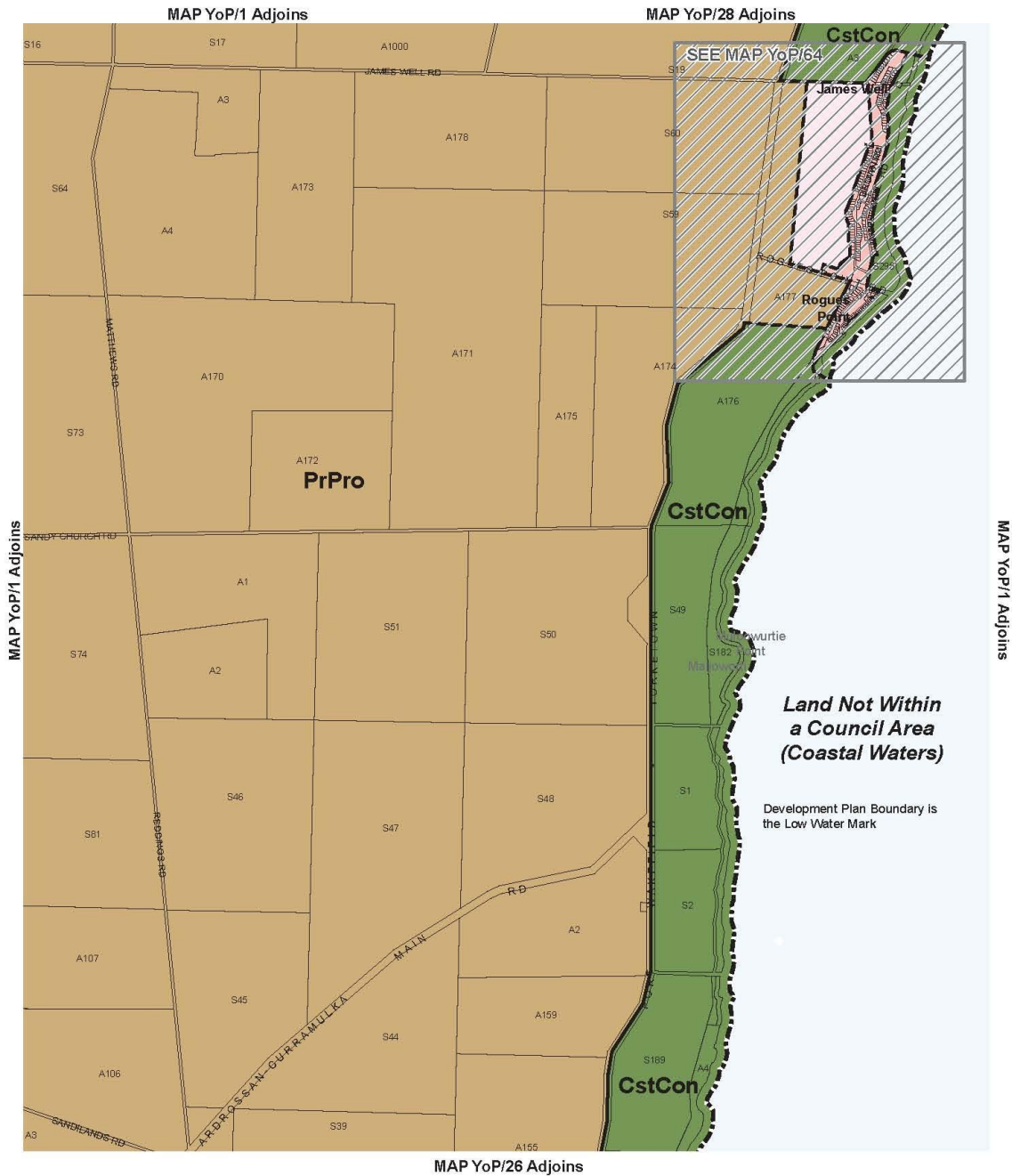
- Zones**
- CstCon Coastal Conservation
 - PrPro Primary Production
 - RuL Rural Living
 - Zone Boundary
 - Development Plan Boundary

Zone Map YoP/26

YORKE PENINSULA COUNCIL
Consolidated - 6 February 2014

ZONE MAP YoP/27

YORKE PENINSULA COUNCIL DEVELOPMENT PLAN
AT DATE OF GRANT OF THIS MINERAL LEASE



See enlargement map for accurate representation.
Lamberts Conformal Conic Projection, GDA94



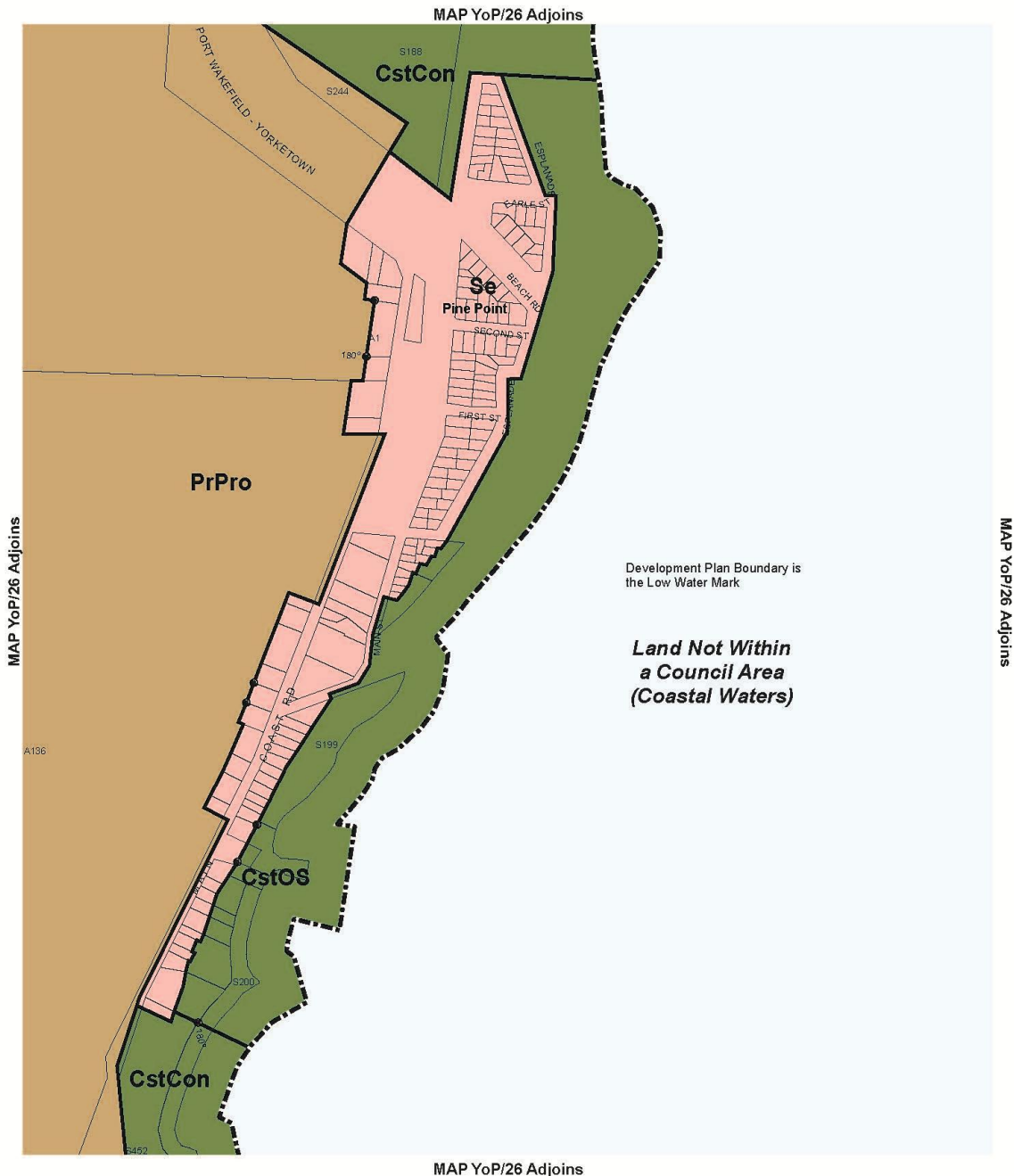
- Zones**
- Coastal Conservation
 - Primary Production
 - Zone Boundary
 - Development Plan Boundary

Zone Map YoP/27

YORKE PENINSULA COUNCIL
Consolidated - 6 February 2014

ZONE MAP YoP/63

**YORKE PENINSULA COUNCIL DEVELOPMENT PLAN
AT DATE OF GRANT OF THIS MINERAL LEASE**



Lamberts Conformal Conic Projection, GDA94



- Zones**
- CstCon Coastal Conservation
 - CstOS Coastal Open Space
 - PrPro Primary Production
 - Se Settlement
 - Zone Boundary
 - Development Plan Boundary

PINE POINT
Zone Map YoP/63

YORKE PENINSULA COUNCIL
Consolidated - 6 February 2014