Government of South Australia Department of State Development

MINING LEASE: APPLICATION

USE THIS FORM TO:

Apply for a mining lease for minerals or extractive minerals

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Applicant(s)

Α	n	nl	ic	21	nt	1
_	μ	יש	10	a	11	

Applicant 2

Applicant 3

Applicant 4

NAME OF COMPANY or INDIVIDUAL	% SHARE		 €List all		
IRD Mining Operations Pty Ltd	100	%	applicants and their percentage		
		%	share in the application.		
		%			
		%			

Section B: Mineral details Tick one box Lease type ✓ Mineral Lease (ML) Extractive Minerals Lease (EML) only. Vineral(s) sought Magnetite Specify mineral name/s, not just symbol, e.g. "Gold" PM not "Au" RECEIVED Section C: Lease area 0 5 NOV 20 The whole of the land comprised in mineral claim (MC) or retention Provide all MC 4383 lease (RL) number/s: mineral claim and retention lease The portion of the land shown on the attached plan, comprised in numbers for the mineral claim (MC) or retention lease (RL) number/s: application area. Local Council area Wudinna District Council

Section D: Owners of Land and Notice of Entry

*Provide details of the land wner/s within the claim area, and how Notice of Entry (Form 21) was served, in accordance with section 58A of the Act.

OR

Provide details of any agreements with owner/s of land to authorise entry, in place of a notice of entry.

Title Reference Owner of land*		Date Form 21 served on owner or date agreement signed	Proof of service and/or a copy of any agreement, signed		
CT 5474/844	Leanne Traeger (as registered proprietor) Iron Road Limited (as lessee) Colin	7/07/2015 7/07/2015	by all parties, must be attached if not previously		
	Sampson, Carmen Sampson and Troy Sampson (as sub-lessees)	7/07/2015	submitted.		
CT 5328/6	D.K. & BM. Murphy Nominees Pty Ltd	7/07/2015			
CT 5971/434 & CT 5255/886	David Murphy and Wendy Murphy	7/07/2015			
CT 5945/769, CT 5184/280 &	GA Veitch Pty Ltd (as registered proprietor)	7/07/2015			
CT 5429/702	Leon Veitch & Gina Veitch (as lessees)	7/07/2015			
CT 5566/577	Fred Heath Nominees Pty Ltd	7/07/2015			
CT 5359/856 & CT 5550/29	Colin Sampson and Carmen Sampson	7/07/2015			
CT 5391/108	Daniel Van De Vorstenbosch and Patricia Van De Vorstenbosh	7/07/2015			

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Section E:

Exempt Land

Provide details of any land within the claim area that is 'exempt land' under section 9 of the Act.

(a) All of the land within MC 4383 (other than the land referred to in paragraph (b)) is exempt land by reason of being:

Cultivated field;

II. Land that is situated within 400 metres of a building or structure used as a place of residence; or

III. Land that is situated within 150 metres of:

(1) A building or structure, with a value of \$200 or more, used for an industrial or commercial purpose; or

(2) A spring, well, reservoir or dam.

Refer Figure 1

(b) The following land within MC 4383 is not exempt land (but only to the extent that this land is not land falling within either category referred to in paragraph (a)(ii) or (iii)):

I. Land comprising native vegetation; and

II. Land comprised in public road reserves.

Refer Figure 1

Four (4) buildings used as places of residence are located within 400 metres of the boundary of MC 4383 (refer Figure 2). This land **may** constitute exempt land during the life of the proposed mine if any mining operations are proposed to be conducted within the area of MC 4383 which are within 400 metres of those residences.

A waiver must be negotiated and lodged in accordance with the Regulations before mining operations can commence on exempt land.

Section F:

Native title land

Provide details of any land where native title [under the Native Title (South Australia) Act 1994] exists or might exist, even if there are no current claims or declarations.

There is no native title land within MC 4383.	Provide an extract from the State
	Native Title Register and/or the Register
	of Native Title Claims (Cwlth) if any exist.

NOTE: The Minister may refuse an application for a lease over native title land if the applicant is not proceeding with reasonable diligence to obtain the necessary agreement or determination.

Section G:

Attachments

Ensure that the following items are included with vour application.

A mining proposal document that meets the requirements of section 35(1) of the Act	Applications must contain these
A plan show ing the area(s) of the mineral claims / retention leases and the area of the proposed lease	items in order to be valid.
A current copy of each title and proof of service / copy of any agreement with each land owner (Section D)	Please tick each box to confirm.
Attach a plan showing exempt land and copies of any negotiated waivers (Section E)	Current copies must be less than
Each applicant must complete a separate copy of the 'applicant details' page for each applicant	three months old.
Capital cost declaration (if applicable)	

By completing and submitting this application, the applicant(s) as stated in the attached 'applicant details' page certify that this application and mining proposal are accurate and are compliant with section 35(1) of the Act, and regulations 30(1) and 30(2) (and any published Ministerial determination under 30(3)) of the associated *Mining Regulations 2011*.

Section H: Calculation of Fees Payable

All Lease Applications	Application for a mining lease – Base Component	\$ [1,536]	Refer to the current fee schedule
PLUS	Application for a mining lease – Advertising Component	\$ 828	for the applicable

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Extractive Minerals Lease Applications (Tick One Only)	Annual production of less than 100,000 to		\$	fee. Annual production as estimated in the mining proposal document or attach information.
Mineral Lease Applications (Tick One Only)	Within the area of a council or a reserve - capital cost of < \$1,000,000 Within the area of a council or a reserve - capital cost of >= \$1,000,000 Outside the area of a council or a reserve - capital cost of < \$1,000,000 Outside the area of a council or a reserve - capital cost of >= \$1,000,000	Capital Cost Declaration	\$ 200,000	Attach Capital cost calculation. Refer to the guideline below.

Section I:	Payment Details				
Fee	Total of Fees from Section H	\$	202,364		Refer to the current fee schedule
	Cash - in person only. Do not	t pos	t.	OFFICE USE ONLY	for the applicable fee.
	Cheque - made out to 'DSD'			RECEIPT	
ayment method	Money Order				
	Credit Card - DSD to contact	appli	icant for card details		
	Credit Card - details below				
Card number	/				
Expiry MM/YYYY			CVV Security Code		CVV Code is the last 3 digits printed in the signature block on
Cardholder name		the back of the credit card.			
Cardholder signature	/ EFT Pay	ne	ent made 5/1	1/2015	

Section J: Certification that application is complete and correct

APPLICANT 1	Individual or Company Representative 1	Individual's Witness or Company R	
Print Name	Andrew J Stocks	2. Leonard Math	applicants sign in the correct order, as listed on page 1.
Signature	1. average	2.	COMPANY: Sign in accordance with the
ADDUGANTA	Description 4	Le dividualle Mitages et Company F	Corporations Act. If agent, written
APPLICANT 2	Individual or Company Representative 1	Individual's Witness or Company R	authority must be
Print Name	1.	2.	provided.
Signature	1.	2.	INDIVIDUAL: witness certifies that the individual
			named above is
APPLICANT 3	Individual or Company Representative 1	Individual's Witness or Company R	the person whose signature appears
Print Name	1.	2.	here.
Signature	1.	2.	Applications in an individual's name must be witnessed
	·		by a person who is not a beneficiary of
APPLICANT 4	Individual or Company Representative 1	Individual's Witness or Company R	the application
Print Name	1.	2.	(e.g. not a joint applicant).
Signature	1.	2.	

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- 1			THE PRODUCTION AND ASSESSMENT SECTION OF A PARTY.	

Print Name	1.	2.	signature appears here.
Signature	1.	2.	Applications in an individual's name
			must be witnessed by a person who is
APPLICANT 4	Individual or Company Representative 1	Individual's Witness or Company Representative 2	not a beneficiary of
Print Name	1.	2.	the application (e.g. not a joint
Signature	1.	2.	applicant).

Government of South Australia Department of State Development

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MINING LEASE: APPLICANT DETAILS

USE THIS FORM TO:

Provide the details of a new client, or provide updated details for an existing client.

One company or one individual per page only. No joint names

This applicant's
percentage share

100 %

Applicant number

1 of

169 060 146

Provide the total number of applicants.

Applicant type:

Company name

ABN

IRD Mining Operations Pty Ltd 96 169 060 146 ACN Ulf 'Company', provide registered business street address, and either an ABN or ACN.

Registered address line 1

Registered address line 2

Suburb / Locality

Level 6, 30 Currie Street

SA 5000 State Postcode

5001

Postcode

clients need to attach a copy of their certificate of business registration.

New company

Adelaide

Surname

Given names

Applicant Contact Details

Postal address is the same as company registered address above

Postal Address Line 1

Postal Address Line 2

Suburb / Locality

Email

Website

Telephone

GPO Box 1164

Adelaide

admin@ironroadlimited.com.au

www.ironroadlimited.com.au

8214 4400 Fax

Provide a postal address if it is different to the registered business street address.

Contact Person for Queries

Contact Name

Laura Johnston ljohnston@ironroadlimited.com.au

Position / Role

Project Approvals Manager

(i)A contact person must be nominated for each client.

Email Telephone

8214 4405

Mobile

0488 070 021

SA

State

8214 4440

Certified Correct

Name

Laura Johnston

(i)May be certified by any appropriate person.

Signature

MINING LEASE: APPLICATION



APPENDIX A: MINING LEASE AND MISCELLANEOUS PURPOSES LICENCE ASSESSMENT FEE

The following information is provided as a guide only.

EXTRACTIVE MINERALS LEASE APPLICATIONS:

The calculation of the assessment fee for an Extractive Minerals Lease application is based on the *estimated annual production* for the proposed operation.

The declared *estimated annual production* will be assessed in accordance with the Mining Lease Proposal lodged with the application for the Extractive Minerals Lease.

Please refer to the current Schedule of fees under the Mining Act 1971 for the fee payable.

MINERAL LEASE AND MISCELLANEOUS PURPOSES LICENCE APPLICATIONS:

The calculation of the assessment fee for a Mineral Lease and a Miscellaneous Purposes Licence application is now based on the *capital cost* and location of the proposed lease and/or licence. *Capital cost* has been defined in the Regulations to provide clarity on what costs applicants are required to consider when calculating and declaring the total *capital cost*. It only includes costs incurred or reasonably expected to be incurred prior to operations commencing.

applicants who require a combination of several mining tenements for a single project, i.e. a combination of a Mineral Lease and one or more Miscellaneous Purposes Licences, should discuss this requirement with the Department prior to submitting their applications. Applicants will be encouraged to submit a consolidated package of applications as the Department has the discretion to waive multiple assessment fees ensuring the total cost of the fee is capped and commensurate with the complexity of the applications.

Mining Regulations 2011 - regulation 3 - Interpretation capital cost means—

- (a) in relation to a mining lease, the aggregate of the costs incurred or reasonably expected to be incurred before operations constituting the mining or recovery of minerals commence under the lease: or
- (b) in relation to a miscellaneous purposes licence, the aggregate of the capital costs incurred or reasonably expected to be incurred under or in connection with the licence, including costs associated with any of the following:
- (c) engineering, planning or design work;
- (d) works associated with open pit development or underground working development;
 - (e) constructing or installing infrastructure for the operations including—
 - (i) pit and underground infrastructure; and
 - (ii) fixed plant; and
 - (iii) rock and tailings waste storage facilities; and
 - (iv) buildings, powerlines, bores and roads;
 - (f) constructing or installing structures, or undertaking earthworks, to prevent, or limit, damage to or impairment of, the environment by the operations;
 - (g) measures associated with the assessment, management, limitation and remediation of the environmental impacts of the operations;
 - (h) making provision for contingencies, excluding any costs incurred or reasonably expected to be incurred in acquiring land or constructing or installing infrastructure outside the area of the mining lease or miscellaneous purposes licence (as the case may be).

CAPITAL COST DECLARATION AND CALCULATION:

An applicant for a Mineral Lease and/or a Miscellaneous Purposes Licence is now required to declare the *capital cost* of the proposed project on the application form (Form 10 - Section G Calculation of Fees Payable).

The Applicant is required to provide specific information to support the *capital cost* declaration as an attachment to the application.

The Department will assess the information provided with the application to ensure it meets the requirements of the Mining Regulations and that it is consistent with any public information.

Please refer to the examples below of the information that may be provided to support a *capital cost* calculation:

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Example 1 - Open Pit Mine

Capital Cost breakdown	Cost \$(AUD)
Open Pit Pre-strip	
Mobile Equipment	
Mine related Infrastructure	
Processing Plant	
Process Plant related infrastructure	
Ancillary Buildings	
Engineering Design	
Project Management Costs	
Environmental Monitoring	
Contingency	
Total	

Example 2 – Underground Mine

Capital Cost breakdown	Cost \$(AUD)
Underground Mining	
Underground Infrastructure	
Process infrastructure	
Onsite infrastructure and utilities	
Freight and Logistics	
Project Costs	
Owners Costs	
Contingency	1
Total	

Example 3 – Direct/Indirect Cost Model

- Directifiquect Cost Model	
Capital Cost breakdown	Cost \$(AUD)
Direct Costs	
Overall Site	
Mining	
ROM Pad	
Crushing	
Crushed Ore Stockpile	
Grinding and Flotation	
Tailings	
Site Services and Utilities	
Ancillary Buildings	
Plant Mobile Equipment	
Indirect Costs	
Construction Indirect costs	
Spares	
First Fills	
Freight and Logistics	
Commissioning	
EPCM	
Owners Costs	
Contingency	
Total	

ASSESSMENT FEE PAYABLE:

Capital Cost less than \$1,000,000

For a Mineral Lease and/or Miscellaneous Purposes Licence application where the expected *capital cost* is less than \$1,000,000 the assessment fee is as per Schedule of Fees.

Capital Cost more than \$1,000,000

For a Mineral Lease and/or Miscellaneous Purposes Licence application where the expected capital cost is more than \$1,000,000 the assessment fee varies depending on where the proposed project is to be located and the expected *capital cost*. The assessment fee is calculated as a percentage of the expected *capital cost* up to a maximum capped fee of \$200,000*.

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The percentage payable is dependent on the location of the proposed lease or licence. Where a proposed project is outside the area of a council and outside the area of a reserve (within the meaning of the *National Parks and Wildlife Act 1972*), the fee is calculated as **0.125**%* of the expected *capital cost*. Please refer to Example 4.

Where a proposed project is within the area of a council or a reserve, the fee is calculated at **0.25**%* of the expected *capital cost*. Please refer to Example 5.

Example 4 – Assessment fee for Mineral Lease and/or Miscellaneous Purposes Licence Application outside the area of a council and outside the area of a reserve:

For an application where the location of the proposed project is outside the area of a council and is also outside a reserve the assessment fee is calculated at **0.125**%* of the *expected capital* cost up to a maximum capped fee of \$200,000*.

Capital Cost	Percentage of Capital Cost*	Calculated Assessment Fee	Set Assessment Fee
<\$1,000,000			\$1,000
\$2,000,000	0.125%	\$2,500	
\$5,000,000	0.125%	\$6,250	
\$10,000,000	0.125%	\$12,500	
\$25,000,000	0.125%	\$31,250	
\$50,000,000	0.125%	\$62,500	
\$75,000,000	0.125%	\$93,750	
\$80,000,000	0.125%	\$100,000	
\$100,000,000	0.125%	\$125,000	
\$150,000,000	0.125%	\$187,500	
\$160,000,000	0.125%	\$200,000	
>\$160,000,000			\$200,000

^{*}Percentage of Capital Cost correct as at 19 January 2015

Example 5 – Assessment fee for Mineral Lease and/or Miscellaneous Purposes Licence Application within the area of a council or within the area of a reserve:

For an application where the whole or any part of the proposed project is *within the area of a council* or *within a reserve* the assessment fee is calculated at **0.25**%* of the expected *capital cost* up to a maximum capped fee of \$200,000*.

Capital Cost	Percentage of Capital Cost*	Calculated Assessment Fee	Set Assessment Fee
<\$1,000,000			\$1,000
\$2,000,000	0.25%	\$5,000	
\$3,000,000	0.25%	\$7,500	
\$4,000,000	0.25%	\$10,000	
\$5,000,000	0.25%	\$12,500	
\$10,000,000	0.25%	\$25,000	
\$25,000,000	0.25%	\$62,500	
\$50,000,000	0.25%	\$125,000	
\$75,000,000	0.25%	\$187,500	
\$80,000,000	0.25%	\$200,000	
>\$80,000,000			\$200,000

^{*} Percentage of Capital Cost correct as at 19 January 2015

Please refer to the current <u>Schedule of fees under the *Mining Act 1971*</u> for the fee payable.

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