



Government
of South Australia

Mining Act 1971

LEASE DOCUMENT

LEASE HOLDER Mulgundawa Investments Pty Ltd (ACN 093 255 111)

CLASS OF LEASE Mineral Lease

LEASE NUMBER ML 6418

COMMENCEMENT DATE 26 June 2013

TERM OF LEASE Twenty one (21) years

EXPIRY DATE 25 June 2034

MINERAL(S) Minerals (Salt)

AREA OF LEASE 99.31 hectares

RevenueSA - Stamp Duty - ABN 19 040 349 865 ©	
RevNetID/PR/ Bundle No.:	EX131623SS9
Orig/Copy _____ of/with _____	1 _____ copies
Consideration/Value/Security:	\$ 0
SA Proportion (if applicable):	\$ 0
SD: \$ 0	LTO Fees: \$ 0
Int: \$ 0	Pen/Add Tax: \$ 0
Signature: _____	Date: 21/11/14

Contents Page

1	Details of Grant of Mineral Lease.....	3
2	Terms and conditions required by the <i>Mining Act 1971</i> to be specified in the Mineral Lease.....	3
2.1	Description of the Land.....	3
2.2	Term, Commencement and Expiration.....	3
2.3	Rental	3
2.4	Compensation	3
2.5	Suspension and Cancellation: Stipulation of Process.....	4
3	Restatement of selected provisions from the Act.....	5
3.1	Explanation of Restatements	5
3.2	Restatement of rights conferred on Tenement Holder	5
3.3	Restatement of rights and powers not conferred on the Tenement Holder	5
3.4	Restatement of obligations imposed on Tenement Holder: Program for environment protection and rehabilitation	6
3.5	Restatement of obligations imposed on Tenement Holder: Working conditions.....	6
3.6	Restatement of obligations imposed on Tenement Holder: Other	7
3.7	Restatement of Bond.....	7
3.8	Restatement of Fees	8
3.9	Restatement of Renewal	8
3.10	Restatement of Surrender	8
3.11	Restatement of Forfeiture.....	8
3.12	Restatement of Notices	8
3.13	Restatement of Mining Register	8
4	Definitions.....	9
5	Interpretation	10
6	Execution.....	11
	ANNEXURE (MAP)	12
	ANNEXURE (DESCRIPTION OF AREAS)	13
	FIRST SCHEDULE.....	14
	SECOND SCHEDULE.....	15
	THIRD SCHEDULE	17
	FOURTH SCHEDULE	19

1 Details of Grant of Mineral Lease

On 26 June 2013 the Minister granted this Mineral Lease:

- (a) Under section 34 of the Act;
- (b) To Mulgundawa Investments Pty Ltd (ACN 093 255 111);
- (c) For the purpose of recovering of the Mineral(s) described in the First Schedule;
- (d) Pursuant to the terms and conditions prescribed by the *Mining Act 1971* and the *Mining Regulations 2011*;
- (e) Subject to the Additional Terms and Conditions which are specified in the First and Second Schedules.

This Mineral Lease is numbered ML 6418.

2 Terms and conditions required by the Act to be specified in the Mineral Lease

2.1 Description of the Land

This Mineral Lease is granted over an area of 99.31 hectares and is located approximately 20 km south of Murray Bridge.

The location of this Mineral Lease is more specifically defined in the map and co-ordinates specified in the Annexure.

2.2 Term, Commencement and Expiration

This Mineral Lease is granted for the term of twenty one (21) years.

The term of this Mineral Lease commenced on 26 June 2013, and, unless it is earlier renewed, surrendered or cancelled, this Mineral Lease will cease on 25 June 2034.

2.3 Rental

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.

2.4 Compensation

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 this Mineral Lease.

2.5 Suspension and Cancellation: Stipulation of Process

Pursuant to subsection 41(1) of the Act, the Minister may suspend or cancel this Mineral Lease if the Tenement Holder contravenes or fails to comply with a term or condition of this Mineral Lease or a provision of the Act (which includes the Regulations).

Pursuant to subsection 41(2) of the Act, the Minister may stipulate in the Mineral Lease a process for suspension or cancellation that must be followed before the powers in subsection 41(1) may be exercised.

- (a) The process for suspension of this Mineral Lease shall be as stipulated in the Third Schedule of this Mineral Lease.
- (b) The process for cancellation of this Mineral Lease shall be as stipulated in the Fourth Schedule of this Mineral Lease.

3 **Restatement of selected provisions from the Act**

3.1 Explanation of Restatements

All of the restatements in this portion of this Mineral Lease are included for guidance only and do not replace the substantive provisions of the Act or the Regulations.

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.

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

3.2 Restatement of rights conferred on Tenement Holder

This Mineral Lease 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 of this Mineral Lease.

This Mineral Lease 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 this Mineral Lease or to utilise any such mineral(s) for any commercial or industrial purpose, subject to the payment of royalty.

3.3 Restatement of rights and powers not conferred on the Tenement Holder

This Mineral Lease does not confer any right on the Tenement Holder:

- (a) To use the Land for any purpose other than the authorised mining operations.
- (b) To confer any rights on any other person in relation to the 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 can of course engage employees, contractors or agents to perform work on the tenement on the Tenement Holder's behalf).

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

The Tenement Holder must not carry out mining operations unless there is an approved program for environment protection and rehabilitation (an APPROVED PEPR).

A PROPOSED PEPR will only be approved when it complies with the requirements of Part 10A of the Act and the Regulations.

To comply with Part 10 A of the Act, the PROPOSED PEPR must:

- (a) 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;
- (b) Comply with any applicable conditions attached to this Mineral Lease.

EXPLANATORY NOTE: As at the time of issuing this document, the determinations are available at: www.minerals.statedevelopment.sa.gov.au/publications_and_information/ministerial_determinations

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

EXPLANATORY NOTE: Until otherwise notified, if the Tenement Holder wishes to apply for an extension of time, please write 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.

3.5 Restatement of obligations imposed on Tenement Holder: Working conditions

In accordance with regulation 35 of the Regulations, unless otherwise determined or agreed by the Minister, the Tenement Holder must:

- (a) commence mining operations in accordance with the APPROVED PEPR within twelve (12) months after its approval; and
- (b) thereafter continue mining operations in accordance with the requirements of the program in the APPROVED PEPR.

EXPLANATORY NOTE: Until otherwise notified, if the Tenement Holder wishes to apply for an extension of time, please write 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 mining operations will be commenced.

3.6 Restatement of obligations imposed on Tenement Holder: Other

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:

- (a) If applicable, comply with section 9 of the Act (Exempt Land).
- (b) Comply with the applicable provisions of Part 9 of the Act (entry onto land and use of declared equipment).
- (c) Comply with the applicable provisions of Part 9B of the Act (native title).
- (d) Comply with the provisions of section 76 of the Act (mining returns) to the extent relevant to a minerals lease.
- (e) Comply with section 77 of the Act (records and geological samples) and regulation 84 of the Regulations.
- (f) Comply, as necessary, with section 83 of the Act (ministerial consent for dealings in relation to the Tenement) and regulations 44 and 70 of the Regulations.
- (g) Comply, insofar as applicable to minerals leases, with regulation 86 of the Regulations (compliance reports).
- (h) 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.
- (i) 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.

3.7 Restatement of Bond

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:

- (a) any civil or statutory liability likely to be incurred by the Tenement Holder in the course of carrying out mining operations;
- (b) 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 Mineral Lease which increases the cost of rehabilitation or increases the cost of civil or statutory liability.

3.8 Restatement of Fees

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

3.9 Restatement of Renewal

This Mineral Lease shall be renewed in accordance with the Act and the Regulations (if any).

3.10 Restatement of Surrender

The Tenement Holder may apply to surrender this Mineral Lease during its term in accordance with the Act and the Regulations.

3.11 Restatement of Forfeiture

The Mineral Lease is subject to the forfeiture provisions of the Act being section 70 and 85.

3.12 Restatement of Notices

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

3.13 Restatement of Mining Register

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

4 Definitions

In this Mineral Lease, the following words have the following meanings:

- (a) "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 Schedules;
- (b) "Business Day" means any day that is not a Saturday, Sunday or a public holiday in Adelaide;
- (c) "DSD" means the Department of State Development and includes any substituted Department;
- (d) "the Act" means the South Australian *Mining Act 1971*;
- (e) "the Applicant" means the person or persons who, or company or companies that, applied for this Mineral Lease;
- (f) "the APPROVED PEPR" means the PEPR that has received ministerial approval;
- (g) "the Land" means the land over which this Mineral Lease is granted;
- (h) "the Mineral(s)" means the Mineral(s) referred to in the First Schedule;
- (i) "the Minister" means the Minister for Mineral Resources and Energy (or any substituted Minister);
- (j) "the 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 this Mineral Lease;
- (k) "the Regulations" means the South Australian *Mining Regulations 2011*;
- (l) "the Tenement Holder" means the person or persons to whom this Mineral Lease was granted and includes:
 - (i) in the case of a natural person the executors, administrators and assigns of that person;
 - (ii) in the case of a body corporate the successors, administrators or permitted assigns thereof.


5 Interpretation

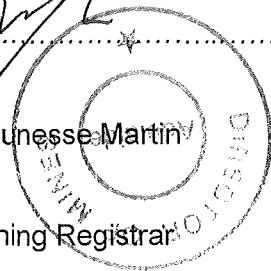
For the purposes of interpreting this Mineral Lease the following will apply:

- (a) Unless otherwise stated, any term which is used in this Mineral Lease which has a specific meaning in the Act or the Regulations, has that same meaning in this Mineral Lease;
- (b) 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 –
 - (i) “amendment” includes an addition, excision or substitution;
 - (ii) “the Land” includes any part thereof;
 - (iii) “the term” includes any renewal or extension thereof;
- (c) If this Mineral Lease is granted to Joint Tenement Holders, they are all jointly and severally liable for compliance with the Act, the Regulations and this Mineral Lease, including the Additional Terms and Conditions in the First and Second Schedules;
- (d) If, by virtue of a dealing under section 83 of the Act, this Mineral Lease comes to be held by Joint Tenement Holders, they will all be jointly and severally liable for compliance with the Act, the Regulations and this Mineral Lease including the Additional Terms and Conditions in the First and Second Schedules;
- (e) If any act pursuant to this Mineral Lease 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;
- (f) To the extent that there is any inconsistency, on the one hand, between a term of this Mineral Lease or any Additional Term or Condition, and, on the other hand, the Act or Regulations, the Act or Regulations shall prevail;
- (g) Subject to the transitional provisions in any amendment to the Act or the Regulations, all provisions referred to in this Mineral Lease shall be taken to include any such amendment;
- (h) 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 Mineral Lease or any Additional Term or Condition, and, on the other hand, any amendments to the Act or Regulations, the amended Act or Regulations shall prevail;
- (i) Footnotes and Explanatory notes do not form part of this Mineral Lease;
- (k) The title page and the contents page do not form part of this Mineral Lease;
- (l) The Annexure and all of the Schedules form part of this Mineral Lease.

6 Execution

EXECUTED this 21st day of November 2014


Name: Junesse Martin
Title: Mining Registrar



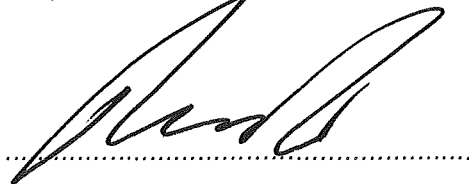
Delegation: Power delegated on 14 February 2014 date by the Minister for Mineral Resources and Energy

SIGNED this 5th day of November 2014

by Mulgundawa Investments Pty Ltd (ACN 093 255 111)

in accordance with section 127 of the

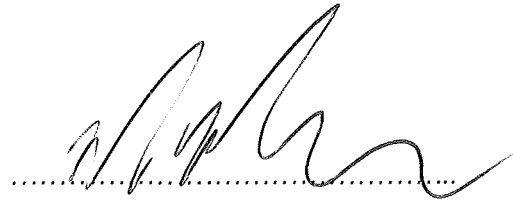
Corporations Act 2001 and its Constitution



Signature of Director

Paul Pike

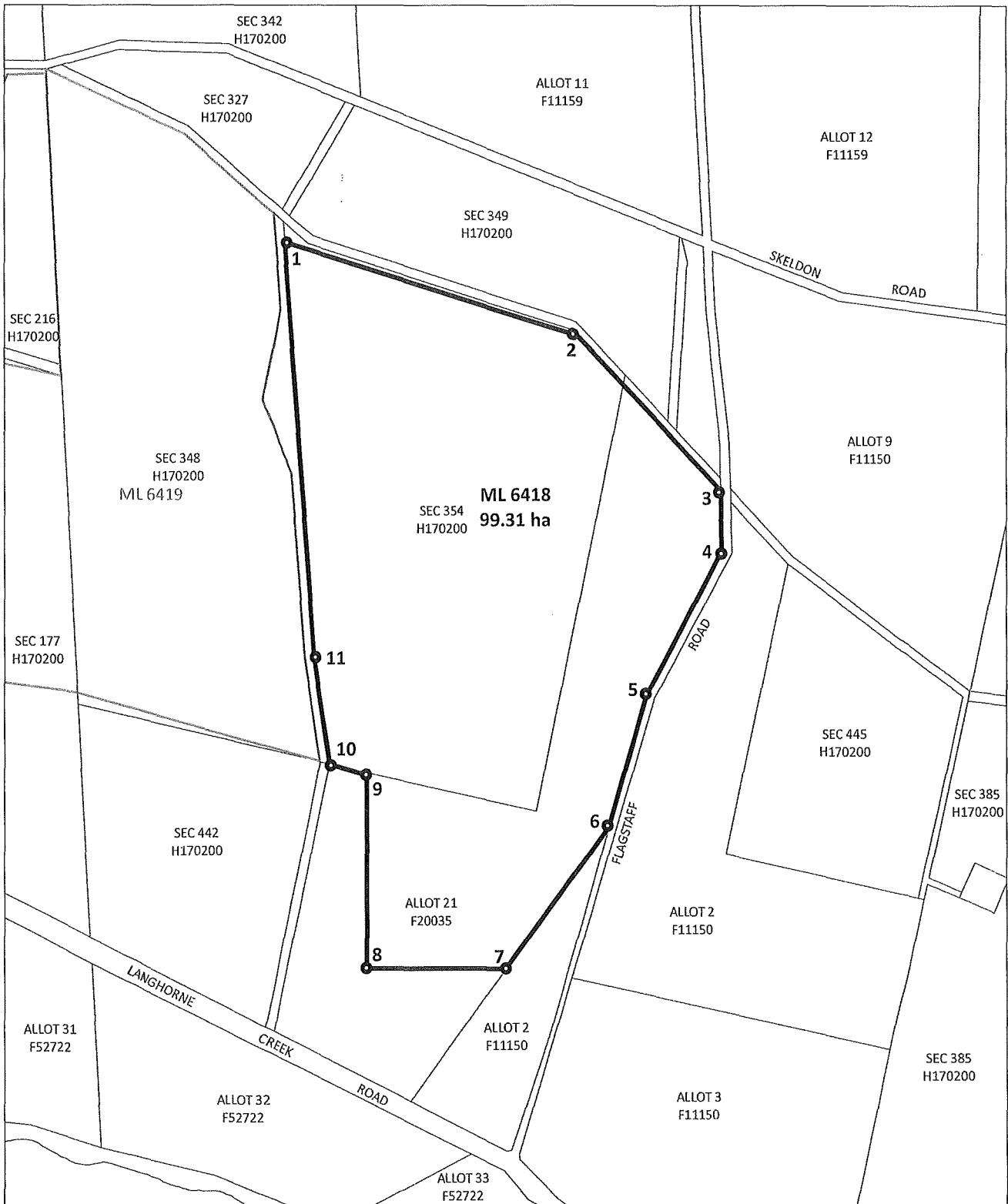
Print Name of Director



Signature of Director/Secretary

Michael McNamara

Print Name of Director/Secretary



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: 16/07/2014

ANNEXURE

MINERAL LEASE 6418

DESCRIPTION OF AREA

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 54

Point	Easting	Northing
1	340578 mE	6091915 mN
2	341205 mE	6091719 mN
3	341525 mE	6091380 mN
4	341530 mE	6091249 mN
5	341363 mE	6090948 mN
6	341279 mE	6090667 mN
7	341057 mE	6090361 mN
8	340750 mE	6090361 mN
9	340750 mE	6090775 mN
10	340672 mE	6090795 mN
11	340639 mE	6091025 mN

Area: 99.31 ha

Based on information provided by the applicant.

FIRST SCHEDULE

1. Mining operations authorised by this Lease must only be for the recovery of salt as outlined in the mining lease proposal document dated 3 December 2012.
2. In accordance with Regulation 86(1)(a) the Lessee must provide a Compliance report every year, within 2 months after the anniversary of the date the Lease was granted, or at some other time agreed with the Minister.
3. In accordance with Regulation 90(1) the Lessee must, prior to commencing operations under this Lease and for the duration of the lease maintain public liability insurance to cover all operations under the Lease (including sudden and accidental pollution) in the name of the Lessee for a sum not less than \$20 million or such greater sum as specified by the Minister, and make such amendments to the terms and conditions of the insurance as the Minister may require.
4. In requesting a review of the bond required under the *Mining Act 1971* the Minister may request that written quotes from an independent third party approved by the Minister are obtained by the Lessee for the cost of rehabilitating the site to the requirements specified in the approved Program under Regulation 65(2).
5. The Lessee must meet all the charges and costs in obtaining and maintaining the Bond.

SECOND SCHEDULE

1. Adjacent land use

The Lessee must, in constructing and operating the Lease, ensure that there are no adverse impacts to adjacent land use.

2. Protection of third party property

The Lessee must, in constructing and operating the Lease, ensure that there is no unauthorised damage (including that caused by fire) to adjacent public or private property and infrastructure.

3. Aboriginal and European Heritage

The Lessee must, in constructing and operating the Lease, ensure that there is no disturbance to Aboriginal or European artefacts or sites of significance unless prior approval under the relevant legislation is obtained.

4. Weeds and Pests (*feral animals*)

The Lessee must, in constructing and operating the Lease, 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 in the Lease area compared to adjoining land.

Weeds are defined in this condition as any invasive plant that threatens native vegetation in the local area or any species recognised as invasive in South Australia.

5. Hydrology

The Lessee must, in constructing and operating the Lease, ensure that there is no adverse impact to the quality and quantity of surface water caused by mining operations to existing users and water dependent ecosystems.

6. Landholder liaison

The Lessee must ensure that the occupier of the land is fully advised of their program of activities, particularly in regard to the impact of operations on the land and rehabilitation progress.

7. Waste disposal

The Lessee must, in constructing and operating the Lease, ensure that all commercial or industrial waste is disposed of in accordance with relevant legislation.

8. Mine rehabilitation

The Lessee must demonstrate to the satisfaction of the Director of Mines that the following mine closure outcomes (in so far as they may be affected by mining operations) are expected to be achieved and sustained after mine closure:

- No industrial or commercial waste left onsite.
- Where practical, pre mining land use is re-established.

THIRD 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 this Mineral Lease, the Minister shall give written notice to the Tenement Holder, which shall:
 - a. Specify the provision of the Act or the Regulations, or the term or condition of this Mineral Lease, that the Minister believes the Tenement Holder has contravened or failed to comply with; and
 - b. Give the Tenement Holder thirty (30) Business Days from the date of the written notice to show cause why this Mineral Lease 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 this Mineral Lease 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 this Mineral Lease (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.
 - a. If the decision is not to suspend this Mineral Lease, the written notice shall be called “Notice of Decision: Not Suspended”.
 - b. If the decision is to suspend this Mineral Lease, 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:

- a. Specify the reason for suspension;
- b. Specify the period of suspension;
- c. 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;
- d. 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 c, the Minister will consider revoking the suspension.
9. If the Minister revokes the suspension, the Minister will, within a reasonable time:
 - a. Write to the Tenement Holder informing the Tenement Holder of the revocation.
 - b. 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:
 - a. Cause the Court's order to be placed on the Mining Register; and
 - b. Reinstate the Mineral Lease in accordance with section 41(5) of the Act.

FOURTH 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 this Mineral Lease, the Minister shall give written notice to the Tenement Holder, which shall:
 - a. Specify the provision of the Act or the Regulations, or the term or condition of this Mineral Lease, that the Minister believes the Tenement Holder has contravened or failed to comply with; and
 - b. Give the Tenement Holder sixty (60) Business Days from the date of written notice to show cause why this Mineral Lease 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 this Mineral Lease 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 this Mineral Lease (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.
 - a. If the decision is not to cancel this Mineral Lease, the written notice shall be called "the Notice of Decision: Not Cancelled".
 - b. If the decision is to cancel this Mineral Lease, 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:
 - a. Specify the reason for cancellation;
 - b. Specify the date from which cancellation is effective;
 - c. 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:
 - a. Cause the Court's order to be placed on the Mining Register; and
 - b. Reinstate the Mineral Lease in accordance with section 41(5) of the Act.