



Government
of South Australia

Mining Act 1971

MISCELLANEOUS PURPOSES LICENCE DOCUMENT

LICENCE HOLDER Southern Iron Pty Ltd (ACN 119 611 068)

LICENCE NUMBER MPL 141

COMMENCEMENT DATE 24 May 2013

TERM OF LICENCE Nine (9) years, 59 days

EXPIRY DATE 21 July 2022

AREA OF LICENCE 249.79 hectares

RevenueSA - Stamp Duty - ABN 19 040 349 865 ©	
RevNetID/PR/ Bundle No.:	EX131453-712
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: <u>[Signature]</u>	Date: <u>27/10/14</u>

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1 Details of Grant of Miscellaneous Purposes Licence

On 24 May 2013 the Minister granted this Miscellaneous Purposes Licence:

- (a) Under section 52(1) of the Act;
- (b) To Southern Iron Pty Ltd (ACN 119 611 068);
- (c) For the purpose of water supply infrastructure required to service the existing accommodation village;
- (d) This Miscellaneous Purposes Licence is granted over an area of 249.79 hectares, is located approximately 50 km SSE of Coober Pedy and is more specifically defined in the map and co-ordinates specified in the Annexure;
- (e) Pursuant to the terms and conditions prescribed by the *Mining Act 1971* and the *Mining Regulations 2011*;
- (f) Subject to the Additional Terms and Conditions which are specified in the First and Second Schedules.

This Miscellaneous Purposes Licence is numbered MPL 141.

2 Terms and conditions required by the Act to be specified in the Miscellaneous Purposes Licence

2.1 Term, Commencement and Expiration

This Miscellaneous Purposes Licence is granted for the term of nine (9) years, 59 days.

The term of this Miscellaneous Purposes Licence commenced on 24 May 2013, and, unless it is earlier renewed, surrendered or cancelled, this Miscellaneous Purposes Licence will cease on 21 July 2022.

2.2 Rental

The Tenement Holder shall pay, by way of rental, such sums as may be prescribed and in accordance with subsection 52(6) of the Act and regulation 54 of the Regulations.

2.3 Suspension and Cancellation: Stipulation of Process

Pursuant to subsection 56(1) of the Act, the Minister may suspend or cancel this Miscellaneous Purposes Licence if the Tenement Holder contravenes or fails to comply with a term or condition of this Miscellaneous Purposes Licence or a provision of the Act (which includes the Regulations).

Pursuant to subsection 56(2) of the Act, the Minister may stipulate in the Miscellaneous Purposes Licence a process for suspension or cancellation that must be followed before the powers in subsection 56(1) may be exercised.

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

3 Restatement of selected provisions from the Act

3.1 Explanation of Restatements

All of the restatements in this portion of this Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence.

3.2 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 Miscellaneous Purposes Licence.

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 Miscellaneous Purposes Licence 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.

3.3 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 Miscellaneous Purposes Licence.
- (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 58 and 70 of the Regulations.
- (g) Comply, insofar as applicable to a miscellaneous purposes licence, with regulation 86 of the Regulations (compliance reports).
- (h) Comply with the requirement in regulation 53 of the Regulations to display the licence number and the removal of notices relating to the intention to apply for a miscellaneous purposes licence.
- (i) Comply with the requirement in regulation 55 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.

3.4 Restatement of obligation to pay landowner compensation

The owner of any land in respect of which a miscellaneous purposes licence is granted shall be entitled to compensation in accordance with section 54 of the Act.

3.5 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.

3.6 Restatement of Fees

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

3.7 Restatement of Renewal

This Miscellaneous Purposes Licence shall be renewed in accordance with the Act and regulation 56 of the Regulations.

3.8 Restatement of Surrender

The Tenement Holder may apply to surrender this Miscellaneous Purposes Licence during its term in accordance with the Act and regulation 59 of the Regulations.

3.9 Restatement of Forfeiture

This Miscellaneous Purposes Licence is subject to the forfeiture provisions of the Act being section 70 and 85.

3.10 Restatement of Notices

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

3.11 Restatement of Mining Register

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

4 Definitions

In this Miscellaneous Purposes Licence, the following words have the following meanings:

- (a) "Additional Terms and Conditions" means the Additional Terms and Conditions authorised by section 52(2)(3) 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 Miscellaneous Purpose Licence;
- (f) "the APPROVED PEPR" means the PEPR that has received ministerial approval;
- (g) "the Land" means the land over which this Miscellaneous Purpose Licence is granted;
- (h) "the Mineral(s)" means the mineral(s) described in paragraph 1 of the Miscellaneous Purpose Licence;
- (i) "the Minister" means the Minister for Mineral Resources and Energy (or any substituted Minister);
- (j) "the PROPOSED PEPR" means the document that must be submitted for ministerial approval within twelve (12) months of the date of grant of this Miscellaneous Purpose Licence;
- (k) "the Regulations" means the South Australian Mining Regulations 2011;
- (l) "the Tenement Holder" means the person or persons to whom this Miscellaneous Purpose Licence 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 Miscellaneous Purposes Licence the following will apply:

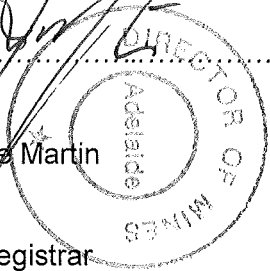
- (a) Unless otherwise stated, any term which is used in this Miscellaneous Purposes Licence which has a specific meaning in the Act or the Regulations, has that same meaning in this Miscellaneous Purposes Licence;
- (b) The masculine shall include the feminine, words importing persons shall include 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 Miscellaneous Purposes Licence is granted to Joint Tenement Holders, they are all jointly and severally liable for compliance with the Act, the Regulations and this Miscellaneous Purposes Licence, 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence including the Additional Terms and Conditions in the First and Second Schedules;
- (e) If any act pursuant to this Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence;
- (k) The title page and the contents page do not form part of this Miscellaneous Purposes Licence;
- (l) The Annexure and all of the Schedules form part of this Miscellaneous Purposes Licence.

6 Execution

EXECUTED this 23rd day of October 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 day of 2014

by Southern Iron Pty Ltd (ACN 119 611 068)

in accordance with section 127 of the Corporations Act 2001 and its Constitution

.....
Signature of Director

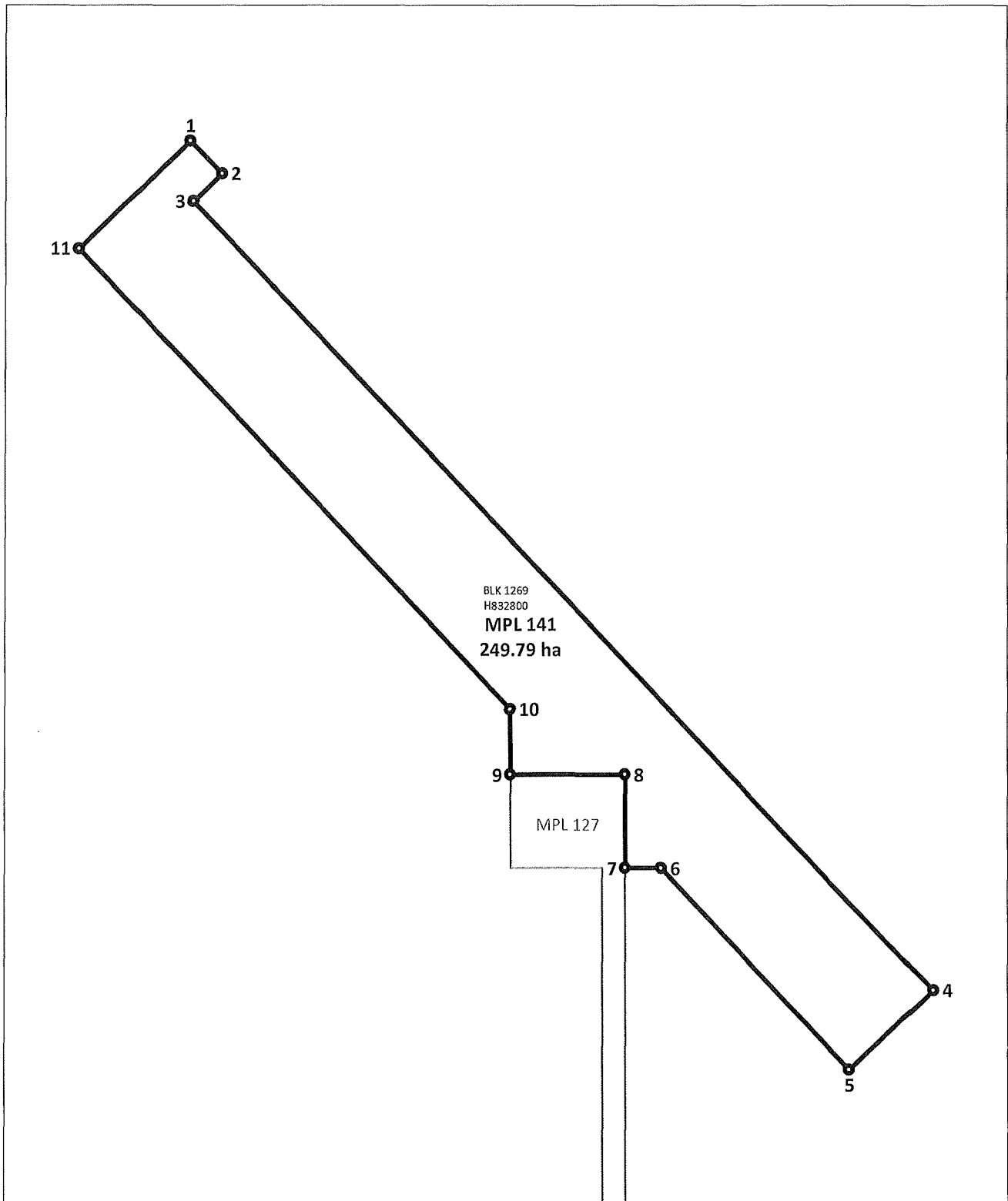
.....
CRESS WATERS

Print Name of Director

.....

Signature of Director/Secretary
.....
MICHAEL O'CONNELL .

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: 1/04/2014

ANNEXURE

MISCELLANEOUS PURPOSES LICENCE 141

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 53

Point	Easting	Northing
1	497298 mE	6740124 mN
2	497434 mE	6739981 mN
3	497309 mE	6739863 mN
4	500545 mE	6736477 mN
5	500187 mE	6736135 mN
6	499360 mE	6737000 mN
7	499200 mE	6737000 mN
8	499200 mE	6737400 mN
9	498700 mE	6737400 mN
10	498700 mE	6737680 mN
11	496810 mE	6739658 mN

Area: 249.79 ha

Based on information provided by the applicant.

FIRST SCHEDULE

1. The Miscellaneous Purposes Licence (MPL) is granted for any purpose directly related to the conduct of mining operations in association with the mining operation known as Peculiar Knob Mine authorised under mining tenement(s) ML 6314 and EMLs 6363, 6364, 6365, 6366, 6367, 6368, 6369, 6370, 6371, 6372, 6373, 6374, 6375, 6376, 6377, 6378, 6379, 6380, 6381 and 6382, MPL 127, 128, 129, 130, 131, 133 and 134, as outlined in the miscellaneous purposes licence proposal document dated September 2012.
2. In accordance with Regulation 86(1)(a) the Licensee must provide a Compliance report every year, within 2 months after the anniversary of the date the Licence was granted, or at some other time agreed with the Minister.
3. The Licencee agrees to the approved PEPR (section 70B(5)) and the Compliance report (Regulation 86) and any reportable incident reports (Regulation 87) being made available for public inspection.
4. In accordance with Regulation 90(1) the Licencee must, prior to commencing operations under this Licence and for the duration of the lease maintain public liability insurance to cover all operations under the Licence (including sudden and accidental pollution) in the name of the Licensee 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.
5. 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 Licensee for the cost of rehabilitating the site to the requirements specified in the approved Program under Regulation 65(2).
6. The Licencee must meet all the charges and costs in obtaining and maintaining the Bond.

SECOND SCHEDULE

ENVIRONMENTAL OUTCOMES

1. For the purposes of preparation of the Program for Environment Protection and Rehabilitation under section 70B(2) and associated Regulations of the Mining Act 1971, the following environmental and mine rehabilitation outcomes must be included:

Mine rehabilitation

The Licensee 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:

- Integrate and harmonise final landforms and vegetation with the surrounding landscape.
- The risks to the health and safety of the public, native fauna and livestock are as low as reasonably practical.
- Where practical, re-establishment of the pre-mining ecosystem and landscape function.
- The site is physically stable.
- No compromise of the quality and quantity of ground and or surface water to existing users and water dependent ecosystems.
- All mine waste materials left onsite are chemically and physically stable.
- No industrial or commercial waste left onsite.
- Where practical, pre mining land use is re-established.

Waste disposal and hazardous substances

The Licensee must, in constructing and operating the Licence ensure that no contamination and/or pollution of natural water drainage systems, streams and rivers, groundwater, land and soils occurs either on or off site is caused by waste products and hazardous materials used in the mine operations.

Groundwater and surface water

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

Weeds and pests (feral animals)

The Licensee must, in constructing and operating the Licence 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 Licence area compared to adjoining land.

Note: *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.*

Native vegetation

The Licensee must, in constructing and operating the Licence, ensure no loss of abundance or diversity of native vegetation on or off the Licence through:

- clearance,
- dust/contaminant deposition,
- fire, or
- other damage

unless prior approval under the relevant legislation is obtained.

Adjacent land use

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

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 Miscellaneous Purposes Licence, 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 Miscellaneous Purposes Licence, 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence (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 Miscellaneous Purposes Licence, the written notice shall be called “Notice of Decision: Not Suspended”.
 - b. If the decision is to suspend this Miscellaneous Purposes Licence, 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 56(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 56(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 Miscellaneous Purposes Licence in accordance with section 56(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 Miscellaneous Purposes Licence, 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 Miscellaneous Purposes Licence, 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence 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 Miscellaneous Purposes Licence (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 Miscellaneous Purposes Licence, the written notice shall be called “the Notice of Decision: Not Cancelled”.
 - b. If the decision is to cancel this Miscellaneous Purposes Licence, 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 56(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 Miscellaneous Purposes Licence in accordance with section 56(5) of the Act.