

Instrument of Grant

I, **The Hon Don Harwin MLC, Minister for Resources**, pursuant to section 22 of the *Mining Act 1992*, determine to grant an Exploration Licence in satisfaction of **Exploration Licence Application No 5678 (Act 1992) to Mount Thorley Operations Pty Limited, ACN 000 013 249**:

In respect of **Group 9 minerals**;

- (a) For the term of **six years**; and
- (b) Over the exploration area described in Schedule 1; and
- (c) Subject to the conditions set out in Schedule 2 and Schedule 3; and
- (d) In compliance with any Activity Approvals in Schedule 4; and
- (e) In accordance with the approved work program referenced in Schedule 5.

SIGNED



**Don Harwin MLC
Minister for Resources**

Dated: **15.2.19**

EXPLORATION LICENCE

Operational allocation licence - section 13C of the *Mining Act 1992*

EXPLORATION LICENCE NUMBER:	ELA 5678
GRANT DATE:	15 February 2019
TERM:	Six Years
DUE EXPIRY DATE:	15 February 2025
LICENCE HOLDER:	Mount Thorley Operations Pty Limited ACN 000 013 249
EXPLORATION AREA:	See Schedule 1
RESOURCE:	Group 9 minerals

Information about this licence

This exploration licence is issued under the *Mining Act 1992*. The licence holder may:

- Apply for the renewal of this exploration licence; or
- Apply for the transfer of this exploration licence to another person.

Renewal applications are to be submitted within the period of two months prior up to midnight on the expiry date of the licence consistent with the *Mining Act 1992*.

The following fees are payable in connection with this licence:

- An annual rental fee; and
- An annual administrative levy.

Additional rights and responsibilities of licence holders are set out in the *Mining Act 1992* and the *Mining Regulation 2016*.

Please note that licence holders may also be required to obtain approvals and comply with requirements of other legislation when carrying out exploration activities, including (but not limited to):

- The *Environmental Planning and Assessment Act 1979*;
- The *Protection of the Environment Operations Act 1997*; and
- The *Water Act 1912* and the *Water Management Act 2000*.

Rights of the licence holder under this licence

This licence gives the licence holder an exclusive right to prospect for:

- The group(s) of minerals to which this licence relates; and
- In respect of the land to which this licence relates.

Restrictions on the exercise of rights under this licence

It is the responsibility of the licence holder to apprise themselves of the restrictions on the exercise of rights under this licence that exist under NSW and Commonwealth legislation.

Exploration Area (Schedule 1)

The land to which this licence applies is set out at Schedule 1 of this licence.

Licence Conditions (Schedules 2 and 3)

This licence is subject to the conditions in Schedule 2 and Schedule 3. The licence holder must conduct prospecting operations in accordance with these conditions, as well as any conditions imposed by the *Mining Act 1992* and *Mining Regulation 2016*. In particular:

- The conditions set out in Schedule 2 are general conditions; and
- The conditions (if any) set out in Schedule 3 are additional conditions.

Contravention of licence conditions is an offence under the *Mining Act 1992*.

Further Approvals under this licence (Schedule 4)

The licence holder may need to obtain further approvals or Ministerial consent before carrying out prospecting operations on the land subject to this licence (see in particular the activity approval requirements for assessable prospecting operations section 23A of the *Mining Act 1992*, which requires an activity approval to be obtained prior to commencing any assessable prospecting operation).

Work Program (Schedule 5)

Condition 1 of Schedule 2 of this licence requires the licence holder to comply with the Work Program. The Work Program unique identifier is set out at Schedule 5 of this licence. The Work Program may be varied on application of the licence holder, with the approval of the Minister.

Licence History

Identifier	Effective date	Reason for Update
1	15 February 2019	Grant of EL 8824 (1992)

DEFINITIONS

In this licence:

- (a) A reference to a Code or Guideline is a reference to that document as amended or replaced from time to time, and
- (b) Words have the meaning given to those terms in the *Mining Act 1992* unless otherwise defined below:

Change in effective control of the licence holder means any occurrence which results in any person, not being a related body corporate of the licence holder, newly being in one or more of the following positions:

- (a) having the capacity to appoint or control more than 50% of the number of directors of the licence-holder's board;
- (b) being entitled to exercise (directly or indirectly) more than 50% of the votes entitled to be cast at any general meeting of the licence-holder; or
- (c) holding more than 50% of the issued share capital (other than shares issued with no rights other than to receive a specified amount in distribution) of the licence-holder.

Environmental incident notifications and reports means any notifications and reports to be provided to relevant authorities under Part 5.7 or Part 5.7A of the *Protection of the Environment Operations Act 1997*.

Foreign acquisition of substantial control in the licence holder means any occurrence which results in a foreign party, not being a related body corporate of the licence holder, newly being in one or more of the following positions:

- (a) having the capacity to appoint or control 15% or more of the number of directors of the licence-holder's board;
- (b) being entitled to exercise (directly or indirectly) 15% or more of the votes entitled to be cast at any general meeting of the licence-holder; or
- (c) holding interests in 15% or more of the issued share capital (other than shares issued with no rights other than to receive a specified amount in distribution) of the licence-holder.

National park, regional park, historic site, nature reserve, karst conservation reserve and Aboriginal area have the meaning given to those terms in the *National Parks and Wildlife Act 1974*.

Related Body Corporate has the same meaning given to that term in the *Corporations Act 2001 (Cth)*.

Relevant authorities has the meaning given to that term in section 148 of the *Protection of the Environment Operations Act 1997*.

Work Program means the approved work program referred to in Schedule 5 of this licence, as amended from time to time with the approval of the Minister.

EXPLORATION AREA

The exploration area comprises of an area of **1,992 hectares** as shown on Plan No **E5678-01**, and exclusive of any land:-

- (a) excluded by section 19 of the *Mining Act 1992*;
- (b) subject of any mining reserve constituted under section 367 of the *Mining Act 1992* prior to the grant of this licence which prohibits the grant of new exploration licences;
- (c) vested in the Commonwealth of Australia; or
- (d) within any national park, regional park, historic site, nature reserve, karst conservation reserve or Aboriginal area at the date of the grant of this licence.

Note: *This exclusion includes reserves created under the National Parks & Wildlife Act 1974 and established under other legislation.*

The boundaries of the exploration area are indicated on the following diagram.

DISCLAIMER

The boundaries of the exploration area in the diagram are indicative only, based on knowledge and understanding at the time this licence was granted. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date. No warranty about the accuracy, currency or completeness of any information in this diagram is inferred (including, without limitation, any information provided by third parties). While all reasonable care has been taken in the compilation of this diagram, to the extent permitted by law, the NSW Department of Planning and Environment excludes all liability for the accuracy or completeness of the information, or for any injury, loss, or damage whatsoever (including without limitation liability for negligence and consequential losses) suffered by any person acting, or purporting to act, in reliance upon anything contained herein. Users should rely upon their own advice, skills, interpretation and experience in applying the information in the diagram.

RESOURCES & GEOSCIENCE

File: EF18/6462
(ELA No. 5678)

DIAGRAM OF EXPLORATION LICENCE No. 8824

HOLDER: MT THORLEY OPERATIONS PTY LIMITED

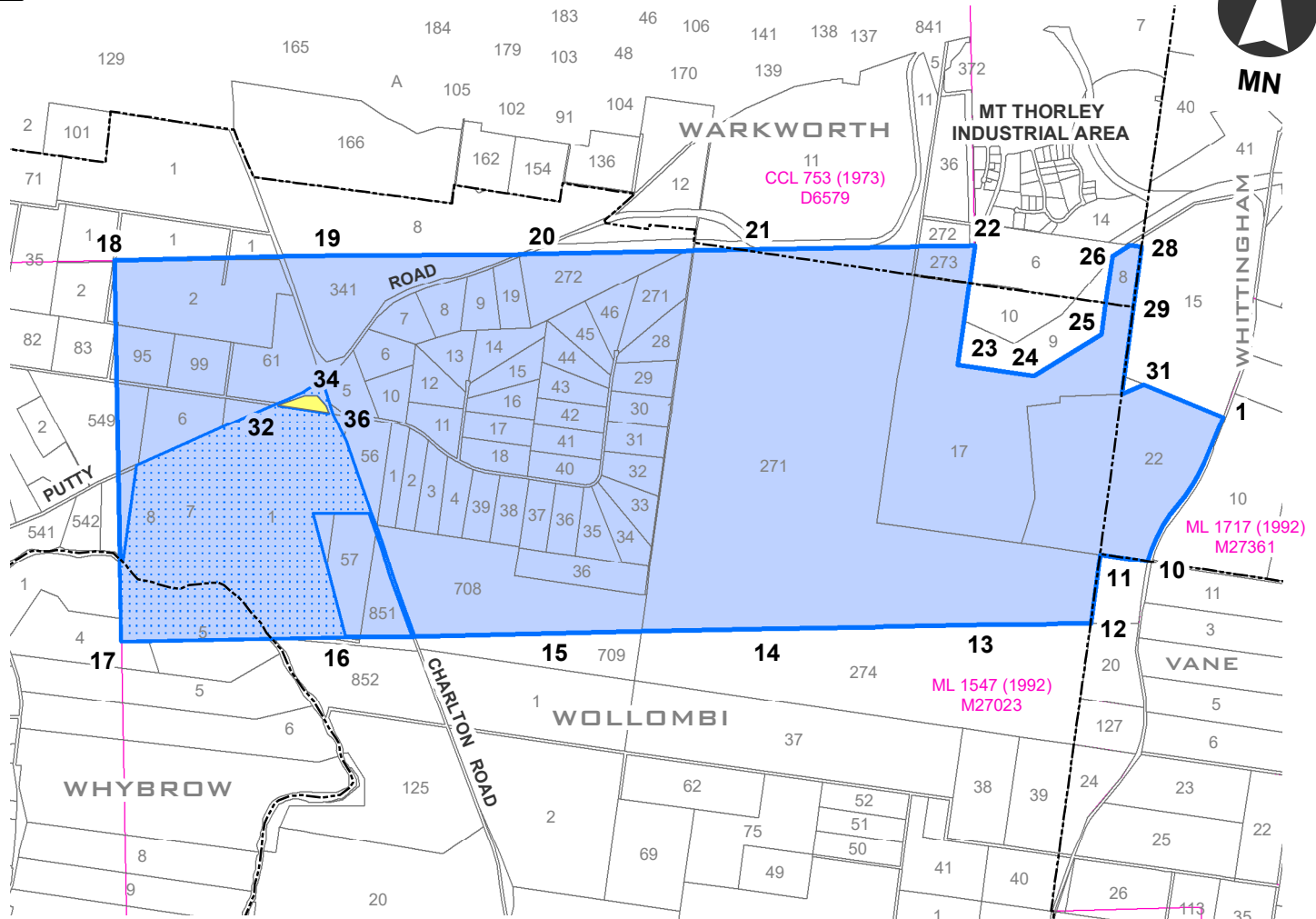
PARISHES: WARKWORTH, WHITTINGHAM, WOLLOMBI & WHYBROW

COUNTIES: NORTHUMBERLAND & HUNTER

SCALE 1: 50000

REF MAP: 9132-4-S

SUBJECT TO SURVEY

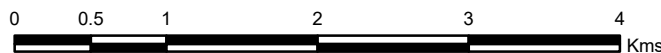


MGA CO-ORDINATES ZONE 56					
PT	EASTING	NORTHING	PT	EASTING	NORTHING
1	323 672.610	6 386 682.966	19	317 178.766	6 387 858.551
2	323 549.111	6 386 360.331	20	318 742.488	6 387 887.139
3	323 506.712	6 386 269.739	21	320 306.202	6 387 915.479
4	323 462.131	6 386 188.521	22	321 857.834	6 387 943.174
5	323 410.073	6 386 111.864	23	321 721.727	6 387 074.242
6	323 299.190	6 385 972.135	24	322 275.747	6 386 987.272
7	323 255.460	6 385 898.295	25	322 768.230	6 387 279.828
8	323 209.142	6 385 810.054	26	322 857.649	6 387 849.466
9	323 171.004	6 385 717.605	27	322 994.945	6 387 931.050
10	323 144.725	6 385 631.571	28	323 082.020	6 387 917.700
11	322 805.962	6 385 684.075	29	323 019.326	6 387 484.658
12	322 729.72	6 385 186.06	30	322 928.693	6 386 822.897
13	321 919.44	6 385 171.63	31	323 084.492	6 386 898.942
14	320 356.18	6 385 143.57	32	316 808	6 386 771
15	318 792.93	6 385 115.24	33	316 999	6 386 841
16	317 229.66	6 385 086.52	34	317 091	6 386 842
17	315 666.36	6 385 057.67	35	317 154	6 386 766
18	315 615.036	6 387 829.684	36	317 173	6 386 716

Co-ordinate points coloured green determined by survey.

Co-ordinate values for:
Pts 1 & 10 from M27361
Pts 12-17 from M27023

UNIVERSAL TRANSVERSE MERCATOR PROJECTION
HORIZONTAL DATUM: GDA94



AREA: abt. 1992 ha

- Embraces the strata between a depth of 10 metres below the Bayswater Seam to a depth of 900 metres below Australian Height Datum.
- Embraces the surface and soil below thereof to a depth of 20 metres and then the strata between a depth of 10 metres below the Bayswater Seam to a depth of 900 metres below Australian Height Datum.
- Embraces the surface and soil below thereof to a depth of 20 metres and then the strata from 100 metres below the Australian Height Datum or 30 metres above the Bayswater seam (which ever is deeper) to a depth of 900 metres below Australian Height Datum.

Approved by: P Hord
Date: 22-05-2018
Revised: 23-11-2018
Grant Revision: 21-02-2019
Spatial Services
Resource Operations

DISCLAIMER: The compilation of information shown on this diagram is derived from plans and data, some of which has been produced and provided by third parties. Title boundaries have been adjusted to maintain their relationship with the digital cadastral database in some circumstances, thereby creating certain inaccuracies in the data. The Department and the State of New South Wales make no statement, representation or warranty that the titles information shown on this diagram is complete, accurate or free from error. Users rely on the titles information supplied on this diagram at their own risk. The Department and the State of New South Wales accepts no responsibility for any person, acting on, or relying on, or upon any of the titles information shown on this diagram, and disclaim all liability for any loss, damage, cost, expense or injury (including death) incurred or arising by reason of or relying on the titles information contained on this diagram by reason of or by any error, omission, defect or misstatement (whether such error, omission or misstatement is caused by or arises from negligence, lack of care or otherwise). Users should always verify historical material by making and relying upon their own separate inquiries prior to making any important decisions or taking any action on the basis of titles information.

GENERAL CONDITIONS

Work Program

1. The licence holder must carry out the operations, and any other activities, described in the Work Program and comply with any commitments in relation to the conduct of operations specified in the Work Program, as for the time being in force, in respect of this licence.

Native Title

2. The licence holder must not prospect on any land or waters within the exploration area on which Native Title has not been extinguished under the Native Title Act 1993 (Cth) without the prior written consent of the Minister.

Community Consultation

3. The licence holder must carry out community consultation in relation to the planning and conduct of activities under this licence in accordance with the *Exploration Code of Practice: Community Consultation* (NSW Department of Planning and Environment).

Protection of the Environment

4. The licence holder must prevent, or if that is not reasonably practicable, minimise so far as is reasonably practicable, any harm to the environment arising from activities carried out under this licence.

Security

5. The licence holder must provide a security deposit to secure funding for the fulfilment of obligations under this licence (including obligations that may arise in the future) as follows:

- (a) Amount: **\$10,000**
- (b) Licence holder's entitlement to interest: none.

Note: Requests for information about licences covered by a group security deposit can be made via email to securities.titles@planning.nsw.gov.au.

Rehabilitation

6. The licence holder must carry out rehabilitation of all disturbance caused by activities carried out under this licence in accordance with the requirements in Part B of the *Exploration Code of Practice - Rehabilitation* (NSW Department of Planning and Environment) to the satisfaction of the Minister.

Environmental Incident Reporting

7. The licence holder must provide environmental incident notifications and reports to the Secretary no later than 7 days after those notifications and reports are provided to relevant authorities under the *Protection of the Environment Operations Act 1997*.

Annual Activity Reporting

8. Unless otherwise approved by the Secretary, the licence holder must submit annual activity reports prepared in accordance with the *Exploration Guideline: Annual Activity Reporting for Prospecting Titles* (NSW Department of Planning and Environment) at the following times:

- (a) Annually, within one calendar month following the grant anniversary date of this licence;
- (b) On any other date or dates directed by the Secretary in writing; and
- (c) Within one calendar month following the cancellation or expiry of this licence.

Change in Control

9. Subject to condition 10, if the licence holder is a corporation or a trust, the Minister's prior written approval is required before any:

- (a) Change in effective control of the licence holder; or
- (b) Foreign acquisition of substantial control in the licence holder.

10. The Minister's approval is not required where a change in effective control of the licence holder, or a foreign acquisition of substantial control of the licence holder, occurs as a result of the acquisition of shares or other securities on a registered stock exchange.

ADDITIONAL CONDITIONS

Drilling Notification

11. At least 28 days before commencing any drilling operation (for assessable prospecting operations), the licence holder must provide a written notice to DPI Water drilling.mineralsandenergy@dpi.nsw.gov.au which sets out:

(a) the licence holder's intention to drill the exploratory holes; and

a description of the nature and location of the proposed exploratory holes.

Financial contributions

12. Subject to ongoing tenure of this licence, on future grant of a mining lease(s) over the licence area, the licence holder is required to pay the Government the agreed financial contributions in accordance with the *Guidelines for exploration licence applications for operational allocation purposes* (NSW Department of Planning and Environment, dated December 2015).

Schedule 4 – Further Approvals

FURTHER APPROVALS

Further approvals and consents may be granted after the commencement of this licence.

The licence holder is required to comply with all approvals and consents which have been granted after commencement of this licence.

WORK PROGRAM

For further information please refer to the cover letter.

In accordance with Condition 1 of this licence the approved Work Program is the document identified by the identification number:

WP-EL8824-2019-2025