

Instrument of Grant

I **Kevin Ruming, Director Strategic Resource Assessment & Advice**, pursuant to section 63 of the *Mining Act 1992*, determine to grant a **Mining (Mineral Owner) Lease** in satisfaction of **Mining (Mineral Owner) Lease Application 26 (Act 1992)** to **The Austral Brick Co Pty Ltd, 000 005 550**:

In respect of **Clay / Shale, Kaolin and Structural Clay minerals**;

- (a) For the term of **Two Hundred and Fifty Two (252) months, ending on**
[Click here and type Date of end of term]; **and**;
- (b) Over the mining (mineral owner) lease area described in Schedule 1; and
- (c) Subject to the conditions set out in Schedule 2 and Schedule 3 of this lease.

Signed this 27th day of June 2017



Kevin Ruming
Director Strategic Resource Assessment & Advice
As delegate for the Secretary of the NSW Department of Planning and Environment
Delegation dated: 1 May 2017

**Mining (Mineral Owner) Lease
Issued under the Mining Act 1992**

Mining (Mineral Owner) Lease	Mining (Mineral Owner) Lease No 6 (1992)
GRANT DATE:	27 June 2017
TERM:	Two Hundred and Fifty Two (252) Months
DUE EXPIRY DATE:	27 June 2038
LEASE HOLDER:	The Austral Brick Co Pty Ltd ACN 000 005 550
LEASE AREA:	See Schedule 1
MINERAL/S:	Clay / Shale Kaolin Structural Clay

Information about this lease

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

- Apply for the renewal of this lease; or
- Apply for the transfer of this lease 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 lease consistent with the *Mining Act 1992*.

The following fees are payable in connection with this lease:

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

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

Please note that lease holders may also be required to obtain approvals and comply with requirements of other legislation when carrying out assessment 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 lease holder under this lease

This lease gives the lease holder an exclusive right to prospect for and mine the mineral or groups of minerals specified in this lease on the land to which this lease applies.

Restrictions on the exercise of rights under this lease

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

Lease Area (Schedule 1)

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

Lease Conditions (Schedules 2 and 3)

This lease is subject to the conditions in Schedule 2 and Schedule 3. The lease holder must conduct prospecting and mining 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 lease conditions is an offence under the *Mining Act 1992*.

Lease History

Identifier	Effective date	Reasons for Update
1	27 June 2017	Grant of M(MO)L 6

Definitions

Words used in this mining lease have the same meaning as defined in the *Mining Act 1992* except where otherwise defined below:

Act means the *Mining Act 1992* or any legislation that succeeds the Act.

Department means the Division of Resources & Geoscience within the NSW Department of Planning and Environment.

Environment protection legislation means 'environment protection legislation' as defined under the *Protection of the Environment Administration Act 1991*.

Harm to the environment has the same meaning as in the *Protection of the Environment Operations Act 1997*.

Landholder for the purposes of these conditions does not include a secondary landholder and includes, in the case of exempted areas, the controlling body for the exempted area.

Material harm to the environment has the same meaning as in the *Protection of the Environment Operations Act 1997*.

Minister means the Minister administering the *Mining Act 1992*.

Pollution incident has the same meaning as in the *Protection of the Environment Operations Act 1997*.

Regulation means the *Mining Regulation 2016* or any regulation that succeeds the Regulation.

Secretary means the Secretary of the NSW Department of Planning and Environment.

LEASE AREA

Lease Area Lot 1 DP 414246 and 54.85 hectares

Land: The lease area includes all land described in the attached lease plan titled **M27422** (Act 1992) and approved on **7 March 2017**.

GENERAL CONDITIONS

1. Rehabilitation

Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.

2. Mining Operations Plan

- (a) The leaseholder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The leaseholder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.
- (b) The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which:
 - (i) Identifies areas that will be disturbed;
 - (ii) Details the staging of specific mining operations, mining purposes and prospecting;
 - (iii) Identifies how the mine will be managed and rehabilitated to achieve the post mining land use;
 - (iv) Identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and
 - (v) Reflects the conditions of approval under:
 - the *Environmental Planning and Assessment Act 1979*;
 - the *Protection of the Environment Operations Act 1997*; and
 - any other approvals relevant to the development including the conditions of this mining lease.
- (c) The MOP must be prepared in accordance with the *ESG3: Mining Operations Plan (MOP) Guidelines*.¹
- (d) The leaseholder may apply to the Minister to amend an approved MOP at any time.

3 Annual Rehabilitation Report

- (a) The leaseholder must submit an Annual Rehabilitation Report which includes, but is not limited to the following:
- (i) A plan, or plans, which identifies the location (including coordinates) of all disturbance areas that are the subject of previous, current or future rehabilitation activities.
 - (ii) A brief description of all surface disturbing activities carried out during the report period. The location and size (in hectares) of each of the disturbance areas is to be identified on a plan.
 - (iii) A brief description of rehabilitation undertaken during the reporting period (for example, area reshaped and seeded for pasture). The location and size (in hectares) of the rehabilitation areas are to be identified on a plan.
 - (iv) A description of rehabilitation monitoring programs and analysis of results of rehabilitation monitoring programs, including a summary of whether rehabilitation is trending towards meeting the objectives and completion criteria.
 - (v) A brief description of the rehabilitation care and maintenance works to be undertaken over the next 12 months to address the outcomes of the monitoring program.
 - (vi) A brief description of the rehabilitation forecast for the next 12 months. The location and size (in hectares) of the proposed rehabilitation areas are to be identified on a plan.
 - (vii) Photographs of each disturbance area including those areas where rehabilitation activities have been conducted.
- (b) The Annual Rehabilitation Report must be submitted within 90 days of the grant anniversary date, unless otherwise approved by the Secretary.

4. Non Compliance and Incident Reporting

- (a) The leaseholder must notify the Department immediately after becoming aware of any of the following:
- (i) Any breaches of the conditions of this mining lease or breaches of the Act or Regulation.

- (ii) Any breaches of environment protection legislation causing or threatening material harm to the environment, arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease.
 - (iii) Any notification made under section 148 of the *Protection of the Environment Operations Act 1997* arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.
- (b) Notifications must be provided through the Department's website.ⁱⁱ

5. Environmental Incident Report

- (a) The leaseholder must submit an Environmental Incident Report to the Department within seven (7) days of :
- (i) All breaches referred to in condition 4(a)(i) that caused or threatened material harm to the environment;
 - (ii) All breaches referred to in condition 4(a)(ii).
- (b) The Environmental Incident Reportⁱⁱⁱ must include the following:
- (i) The details of the mining lease;
 - (ii) Contact details for the leaseholder;
 - (iii) A map identifying the location of the incident and where material harm to the environment has or is likely to occur;
 - (iv) A description of the nature of the incident or breach, likely causes and consequences;
 - (v) A timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in condition 5(a);
 - (vi) Summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations; and
 - (vii) Mining purposes and prospecting operations under this mining lease.

6. Security

The leaseholder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.

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

ADDITIONAL CONDITIONS

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The Division of Resources & Geoscience (DRG) may impose special conditions, based on individual circumstances, where appropriate.

ⁱ See www.resourcesandenergy.nsw.gov.au/miners-and-explorers/rules-and-forms/pgf/environmental-guidelines for ESG3 guidelines.

ⁱⁱ See www.resourcesandenergy.nsw.gov.au/miners-and-explorers/rules-and-forms/pgf/environmental-guidelines for notification contact details.

ⁱⁱⁱ *The leaseholder should have regard to any relevant Secretary's guidelines in the preparation of an Environmental Incident Report. Refer to www.resourcesandenergy.nsw.gov.au/miners-and-explorers/rules-and-forms/pgf/environmental-guidelines for further details.*