



NSW DEPARTMENT OF  
PRIMARY INDUSTRIES

Code  
leaves  
10/3/09

Mr Bob Corbett  
Environment Manager – NSW  
VALE Australia Pty Ltd  
PO Box 1823  
NEWCASTLE 2300 NSW

Our Ref: 07-1975  
Contact: Gary Walker  
Telephone: 02 65 718702

Dear Bob

### MINING LEASE APPLICATION NO 303

The Minister on 16 March 2009 granted Mining Lease No 1630 (Act 1992) in satisfaction of this application. This authority will expire on 16 March 2030. The lease is enclosed for your records.

You are reminded of the following:

- ◆ Mining operations must be conducted in accordance with a Mining Operations Plan satisfactory to the Director-General. This plan must be lodged before operations commence.
- ◆ The definition of 'land' and 'landholder' is described in the dictionary of the *Mining Act 1992 (updated 2008)*.
- ◆ Before operations commence you must also negotiate an agreement regarding compensation with any affected landholder or have compensation assessed by the Warden.
- ◆ Notification of the grant of the lease must be served on each affected landholder not later than 3 months from the date of grant.

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**MINERALS - TITLES**

Postal Address:  
PO Box 51 Singleton NSW 2330  
Street Address:  
Level 2, 1 Civic Ave Singleton NSW 2330

ABN 51 734 124 190

www.dpi.nsw.gov.au  
Tel: 65 718788  
Fax: 65 721201

As directed by the Minister, the land subject of this lease has been recorded in the Colliery Holding Register as part of Camberwell Colliery Holding.

In regard to Condition 31 (Cooperation Agreement) -- the TASMAL system located on the DPI website <http://www.dpi.nsw.gov.au/minerals/titles/online-services/tasmap> will be of assistance in determining the presence of overlapping petroleum titles.

If you have any queries, please contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'G Walker', written in a cursive style.

Gary Walker  
for Director General

Office of State Revenue  
NSW Treasury  
Client No: 1846988  
Duty: N/A Trans No: 161630 2372  
Asst details: COAL

MINING LEASE  
MINING ACT 1992

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No. 1630

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16 March 2009

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THE MINISTER FOR MINERAL  
RESOURCES  
OF THE STATE  
OF NEW SOUTH WALES  
TO

**Vale Australia (GC) Pty Ltd**  
**(ACN 097 238 349)**  
**Maitland Main Collieries Pty Ltd**  
**(ACN 000 021 652)**  
**NS Glennies Creek Pty Limited**  
**(ACN 113 447 331)**  
**POS-GC Pty Ltd**  
**(ACN 113 446 414)**  
**JFE Steel Australia (GC) Pty Ltd**  
**(ACN 113 447 466) and**  
**JS Glennies Creek Pty Ltd**  
**(ACN 113 447 055)**

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Mining Lease Application No 303

**MINING ACT 1992**

**MINING LEASE**

THIS DEED made the Sixteenth day of March Two thousand and nine in pursuance of the provisions of the Mining Act 1992 (hereinafter called "the Act") BETWEEN **IAN MACDONALD, MLC, MINISTER FOR MINERAL RESOURCES** of the State of New South Wales (hereinafter called "the Minister" which expression shall where the context admits or requires include the successors in office of the Minister and the person acting as such Minister for the time being) AND **Vale Australia (GC) Pty Ltd ACN 097 238 349, Maitland Main Collieries Pty Ltd ACN 000 021 652, NS Glennies Creek Pty Limited ACN 113 447 331, POS-GC Pty Ltd ACN 113 446 414, JFE Steel Australia (GC) Pty Ltd ACN 113 447 466, and JS Glennies Creek Pty Ltd ACN 113 447 055** (which with their successors and transferees are hereinafter called "the lease holder") of **653 Bridgeman Road, Singleton NSW 2330.**

WHEREAS

- (a) in conformity with the Act application was made for a mining lease over the lands hereinafter described; and
- (b) all conditions and things required to be done and performed before granting a mining lease under the Act have been done and performed NOW THIS DEED WITNESSETH that in consideration of the observance and performance of the covenants contained in this Deed and the payment of royalty by the lease holder, the Minister in pursuance of the provisions of the Act DOES HEREBY demise and lease to the lease holder ALL THAT piece or parcel of land containing by admeasurement **18.13** hectares as shown on Plan No. **M27122**, more particularly described and delineated in the plan attached for the purpose of prospecting and mining for **coal**.

TO HOLD the said land together with any appurtenances thereon subject to:

- (a) such rights and interests as may be lawfully subsisting therein or which may be reserved by the Act at the date of this Deed; and
- (b) such conditions, provisos and stipulations as are contained in this Deed UNTO the lease holder from and including the date of this Deed for the term of **twenty one (21) years**, for the purpose as stated and for no other purpose.

1. THAT in this lease except insofar as the context otherwise indicates or requires:
  - (a) any reference to an Act includes that Act and any Act amending or in substitution for the same; "Director-General" means the person for the time being holding office or acting as Director-General, Department of Primary Industries; the word "mine" has the meaning assigned to it by the Act; words importing the singular number shall include the plural, the masculine gender the feminine or neuter gender and vice versa; and
  - (b) any covenant on the part of two or more persons shall be deemed to bind them jointly and severally.
2. THAT the lease holder shall during the said term pay to the Minister in Sydney in respect of all such minerals as stated, recovered from the land hereby demised, royalty at the rate or rates prescribed by the Act and the Regulations thereunder at the time the minerals are recovered, or at the rate or rates fixed by the Minister from time to time during the term of this demise in exercise of the power in that behalf conferred upon him by the Act.
3. THAT the lease holder shall at all times during the term of this lease keep and preserve the said mine from all avoidable injury or damage and also the levels, drifts, shafts, watercourses, roadways, works, erections and fixtures therein and thereon in good repair and condition and in such state and condition shall on the expiration or sooner determination of the said term or any renewal thereof deliver possession of the land and the premises hereby demised to the Minister or other persons authorised to receive possession thereof.
4. THAT the conditions and provisions set forth in the Schedule of Mining Lease Conditions 2008 herein and numbered: **1 to 23 (inclusive), 25, 26, 28, 29 and 31** are embodied and incorporated within this Deed as conditions and provisions of the lease hereby granted AND that the lease holder shall observe fulfil and perform the same. Conditions 2 to 8 (inclusive), and 17 to 23 (inclusive) are identified as conditions relating to environmental management for the purposes of Sections 125(3) and 374A of the Mining Act 1992.

PROVIDED always and it is hereby declared as follows:

- (a) THAT this lease is granted subject to amendment as provided under Section 79 of the Act.
- (b) THAT if the lease holder at any time during the term of this demise -
  - (i) fails to fulfil or contravenes the covenants and conditions herein contained; or

- (ii) fails to comply with any provision of the Act or the Regulations with which the lease holder is required to comply; or
- (iii) fails to comply with the requirements of any agreement or assessment in relation to the payment of compensation,

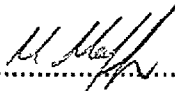
this lease may be cancelled by the Minister by instrument in writing and the cancellation shall have effect from and including the date on which notice of the cancellation is served on the lease holder or on such later date as is specified in the notice; and any liability incurred by the lease holder before the cancellation took effect shall not be affected.

- (c) THAT no implied covenant for title or for quiet enjoyment shall be contained herein.
- (d) THAT all the conditions and provisions contained in the Mining Act 1992 and the Regulations thereunder, the *Mine Health & Safety Act 2004*, the *Mine Health and Safety Regulation 2007*, or, *Coal Mine Health & Safety Regulation 2006*, or any other law hereafter to be passed or prescribed shall be incorporated within this Deed as conditions and provisions of the lease granted. The lease holder hereby covenants to observe, fulfil and perform the same.
- (e) THAT such of the provisions and conditions declared and contained in this Deed as requiring anything to be done or not to be done by the lease holder, shall be read and construed as covenants by the lease holder with the Minister which are to be observed and performed.

IN WITNESS WHEREOF the parties hereto have executed this Deed the day and year first abovewritten.

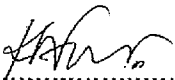
SIGNED AND DELIVERED  
BY

**Vale Australia (GC) Pty Ltd**  
**ACN 097 238 349**



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in the presence of

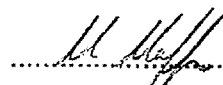


.....  
Witness



SIGNED AND DELIVERED  
BY

**Maitland Main Collieries Pty Ltd**  
**ACN 000 021 652**

  
.....

in the presence of

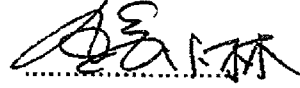
  
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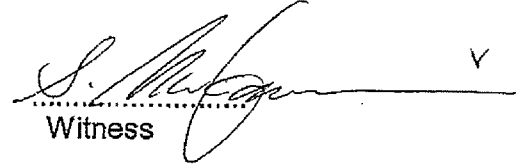


SIGNED AND DELIVERED  
BY

**NS Glennies Creek Pty Limited**  
**ACN 113 447 331**



in the presence of

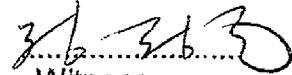
  
Witness

SIGNED AND DELIVERED  
BY

POS-GC Pty Ltd  
ACN 113 446 414

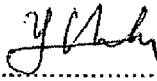


in the presence of

  
Witness

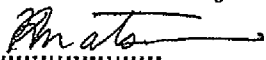
SIGNED AND DELIVERED  
BY

JFE Steel Australia (GC) Pty Ltd  
ACN 113 447 466

  
.....

Yoji Nakagawa

in the presence of

  
.....

Witness


Kazuki Matsuo

SIGNED AND DELIVERED  
BY

**JS Glennies Creek Pty Ltd**  
**ACN 113 447 055**

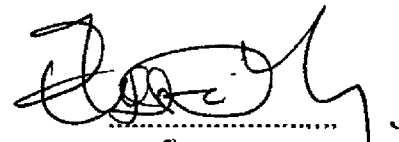
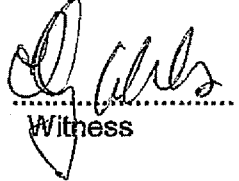
  
.....  
Yasushi Yoshida

in the presence of

  
.....  
Witness NORIAKI OCHIAI

SIGNED AND DELIVERED  
BY

in the presence of

  
.....  
  
.....  
Witness

## **MINING LEASE CONDITIONS 2008**

### **1. Notice to Landholders**

Within a period of three months from the date of grant/renewal of this lease or within such further time as the Minister may allow, the lease holder must serve on each landholder of the land a notice in writing indicating that this lease has been granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice.

If there are ten or more landholders affected, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this lease has been granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.

### **2. Environmental Harm**

The leaseholder shall implement all practicable measures to prevent and/or minimise any harm to the environment that may result from the construction, operation or rehabilitation of the development.

### **3. Mining Operations Plan**

- (a) Mining operations must not be carried out otherwise than in accordance with:  
a Mining Operations Plan (MOP) which has been approved by the Director-General of the Department of Primary Industries.
- (b) The MOP must:
- i) identify areas that will be disturbed by mining operations;
  - ii) detail the staging of specific mining operations;
  - iii) identify how the mine will be managed to allow mine closure;
  - iv) identify how mining operations will be carried out on site in order to prevent and or minimise harm to the environment;
  - v) reflect 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 lease; and
  - vi) have regard to any relevant guidelines adopted by the Director-General.
- (c) The leaseholder may apply to the Director-General to amend an approved MOP at any time.
- (d) It is not a breach of this condition if:
- i) the operations constituting the breach were necessary to comply with a lawful order or direction given under the *Mining Act 1992*, the *Environmental Planning and Assessment Act 1979*, *Protection of the Environment Operations Act 1997* or the *Occupational Health and Safety Act 2000*; and

## 9. Working Requirement

The lease holder must:

- (a) ensure that at least **one (1)** competent person is efficiently employed on the lease area on any week day except Sunday or any week day that is a public holiday,
- OR
- (b) expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than **\$17,500** per annum whilst the lease is in force.

The Minister may at any time or times, by instrument in writing served on the lease holder, increase or decrease the expenditure required or the number of people to be employed.

## 10. Control of Operations

- (a) If an Environmental Officer of the Department believes that the lease holder is not complying with any provision of the Act or any condition of this lease relating to the working of the lease, he may direct the lease holder to:-
  - (i) cease working the lease; or
  - (ii) cease that part of the operation not complying with the Act or conditions; until in the opinion of the Environmental Officer the situation is rectified.
- (b) The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.
- (c) A direction referred to in this condition may be served on the Mine Manager.

## 11. Reports

The lease holder must provide an exploration report, within a period of twenty-eight days after each anniversary of the date this lease has effect or at such other date as the Director-General may stipulate, of each year. The report must be to the satisfaction of the Director-General and contain the following:

- (a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period;
- (b) Details of expenditure incurred in conducting that exploration;
- (c) A summary of all geological findings acquired through mining or development evaluation activities;
- (d) Particulars of exploration proposed to be conducted in the next twelve months period;
- (e) All plans, maps, sections and other data necessary to satisfactorily interpret the report.

## 12. Licence to Use Reports

- (a) The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print, adapt and reproduce all exploration reports lodged in any form and for the full duration of copyright.
- (b) The non-exclusive licence will operate as a consent for the purposes of section 365 of the Mining Act 1992.

## 16. Safety

Operations must be carried out in a manner that ensures the safety of persons or stock in the vicinity of the operations. All drill holes shafts and excavations must be appropriately protected, to the satisfaction of the Director-General, to ensure that access to them by persons and stock is restricted. Abandoned shafts and excavations opened up or used by the lease holder must be filled in or otherwise rendered safe to a standard acceptable to the Director-General.

## 17. Exploratory Drilling

- (a) At least twenty eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Water and Energy Regional Hydrologist of the intention to drill exploratory drill holes together with information on the location of the proposed holes.
- (b) If the lease holder drills exploratory drill holes he must satisfy the Director-General that:-
  - (i) all cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established;
  - (ii) all holes cored or otherwise are sealed to prevent the collapse of the surrounding surface;
  - (iii) all drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters;
  - (iv) if any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape;
  - (v) if any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers.
  - (vi) once any drill hole ceases to be used the hole must be sealed in accordance with Departmental guidelines. Alternatively, the hole must be sealed as instructed by the Director-General.
  - (vii) once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.

## 18. Prevention of Soil Erosion and Pollution

Operations must be carried out in a manner that does not cause or aggravate air pollution, water pollution (including sedimentation) or soil contamination or erosion, unless otherwise authorised by a relevant approval, and in accordance with an accepted Mining Operations Plan. For the purpose of this condition, water shall be taken to include any watercourse, waterbody or groundwaters. The lease holder must observe and perform any instructions given by the Director-General in this regard.

## 19. Transmission lines, Communication lines and Pipelines

Operations must not interfere with or impair the stability or efficiency of any transmission line, communication line, pipeline or any other utility on the lease area without the prior written approval of the Director-General and subject to any conditions he may stipulate.

- (b) The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.
- (c) The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area.
- (d) The Director-General shall issue no such notice unless the matter has firstly been thoroughly discussed with and a report to the Director-General has incorporated the views of the lease holder.
- (e) The lease holder may object to the requirements of any notice issued under this condition and on receipt of such an objection the Minister shall refer it to a Warden for inquiry and report under Section 334 of the *Mining Act, 1992*.
- (f) After considering the Warden's report the Minister shall decide whether to withdraw, modify or maintain the requirements specified in the original notice and shall give the lease holder written notice of the decision. The lease holder must comply with the requirements of this notice.

## 26. Indemnity

The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever nature and all costs, charges and expenses which may be brought against the lease holder or which the lease holder may incur in respect of any accident or injury to any person or property which may arise out of the construction, maintenance or working of any workings now existing or to be made by the lease holder within the lease area or in connection with any of the operations notwithstanding that all other conditions of this lease shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do.

## 28. Single Security (extended)

- (a) The single security given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under **Coal Lease 382 (Act 1973), Mining Leases 1437, 1518, 1525 and 1551 (Act 1992)** is extended to apply to this lease.
- (b) If the lease holder fails to fulfil any one or more of the obligations under this lease, then the security held may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of this clause the lease holder shall be deemed to have failed to fulfil the obligations of the lease if the lease holder fails to comply with any condition or provision hereof, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision hereof or of any provision of the Act or regulations made thereunder.

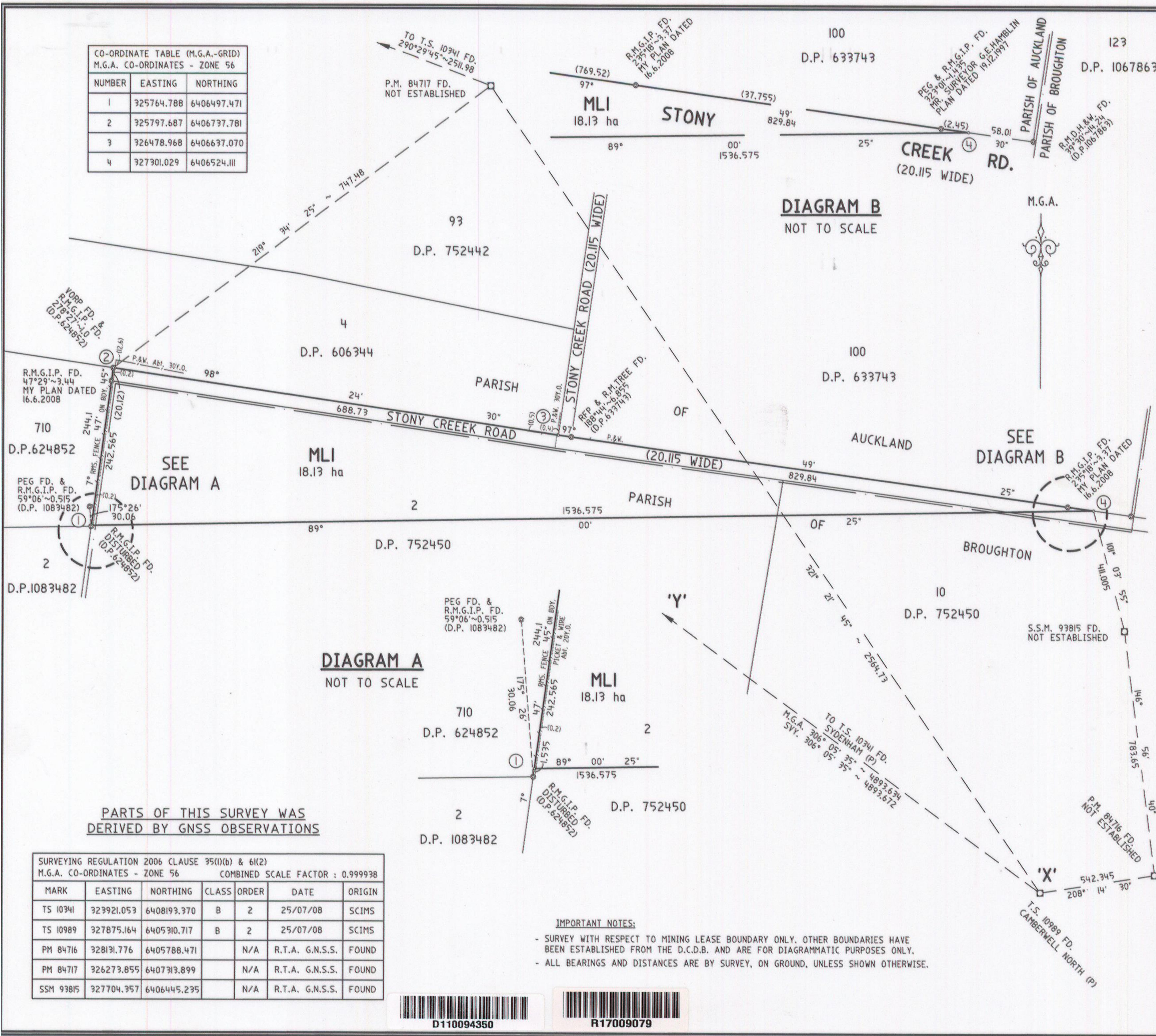
## 29. Prescribed Dam

- (a) Notwithstanding any Mining Operations Plan, the lease holder must not mine within any part of the lease area which is within the notification area of the **Mt Owen Stage 5 Tailings Dam, Mt Owen Rail Loop Tailings Dam, Glennies Creek Colliery Pit Water Dam (also known as Possum Skin Dam) and Camberwell Tailings Dam 2** without the prior written approval of the Minister and subject to any conditions he may stipulate.



- dispute resolution
- information exchange
- well location
- timing of drilling
- potential resource extraction conflicts and
- rehabilitation issues.

CO-ORDINATE TABLE (M.G.A.-GRID) M.G.A. CO-ORDINATES - ZONE 56		
NUMBER	EASTING	NORTHING
1	325764.788	6406497.471
2	325797.687	6406737.781
3	326478.968	6406637.070
4	327301.029	6406524.111



PARTS OF THIS SURVEY WAS DERIVED BY GNSS OBSERVATIONS

SURVEYING REGULATION 2006 CLAUSE 35(1)(b) & 6(2) M.G.A. CO-ORDINATES - ZONE 56 COMBINED SCALE FACTOR : 0.999938						
MARK	EASTING	NORTHING	CLASS	ORDER	DATE	ORIGIN
TS 10341	323921.053	6408193.370	B	2	25/07/08	SCIMS
TS 10989	327875.164	6405310.717	B	2	25/07/08	SCIMS
PM 84716	328131.776	6405788.471		N/A	R.T.A. G.N.S.S.	FOUND
PM 84717	326273.855	6407313.899		N/A	R.T.A. G.N.S.S.	FOUND
SSM 93815	327704.357	6406445.235		N/A	R.T.A. G.N.S.S.	FOUND

**IMPORTANT NOTES:**

- SURVEY WITH RESPECT TO MINING LEASE BOUNDARY ONLY. OTHER BOUNDARIES HAVE BEEN ESTABLISHED FROM THE D.C.D.B. AND ARE FOR DIAGRAMMATIC PURPOSES ONLY.
- ALL BEARINGS AND DISTANCES ARE BY SURVEY, ON GROUND, UNLESS SHOWN OTHERWISE.



**PLAN OF PORTION ML1**

PARISH: BROUGHTON  
 COUNTY: DURHAM  
 MAP SHEET No.9133-3-S  
 REDUCTION RATIO 1:4,000  
 MINING LEASE APPLICATION No.303  
 MINING DIVISION: SINGLETON  
 APPLICANT:  
 AMCI (GC) PTY LIMITED AND OTHERS  
 APPLICATION DATE: 18-06-2007

MINING LEASE No. 1630 (Act 1992)  
 STATUS:  
 METHOD: OPEN CUT

SURFACE EXCEPTION / DEPTH RESTRICTION  
 EMBRACES THE SURFACE AND SOIL  
 BELOW THEREOF TO A DEPTH OF 20  
 METRES.

**NOTES:**

Azimuth: X-Y  
 Plans used in the course of this survey

- D.P.606344
- D.P.624852
- D.P.633743
- D.P.1067863
- D.P.1083482

**Martin Alexander Burns**  
**Pegasus Technical Pty. Ltd.**

a surveyor registered under the Surveying Act 2002,  
 hereby certify that the survey represented  
 in this plan is accurate and has been completed in  
 accordance with the Surveying Regulation 2006 and  
 the Surveyor General's Direction for Mining Surveys  
 and was completed on **25th July 2008**

Signature : .....  
 Surveyors Reference : **D1Z12**  
 Exemption No:

Survey Calcs : ..... 21-1-2009  
 Plan Investigated : ..... 21-1-2009  
 Plan Approved : ..... 21-1-2009  
 Paper No : 07-1975

M27122