

Reference: 13/2639

Mr John Maynard Manager, Survey Property & Titles – Western Region Locked Bag 1002 WALLERAWANG NSW 2845

Dear Sir

MINING PURPOSES LEASE NO 314 (ACT 1973)

In accordance with the provisions of Section 114(1) (a) of the *Mining Act* 1992, the Minister renewed the lease subject to the terms and conditions set out in the attached Instrument of Renewal document.

The renewal took effect on 16 June 2014.

Please note prior to any mining activities being undertaken on the lease, a current Mining Operations Plan must be approved by the Secretary. The holder of the lease may also be required to hold a current development consent/project approval before commencing activities in accordance with the *Environmental Planning & Assessment Act 1979*.

An overview of the environmental assessment and approval requirements for mining, in addition to guidelines regarding the preparation of a Mining Operations Plan are available from the Environment section of the Department's website: www.resourcesandenergy.nsw.gov.au.

In regard to Condition 9 (Cooperation Agreement) -- the TASMAP system located on the Department's website (www.minerals.nsw.gov.au) will be of assistance in determining the presence of overlapping petroleum titles.

For further information, please contact the undersigned on 02 4931 6439.

Yours faithfully

Lisa Keevill for Secretary 24 July 2014

INSTRUMENT OF RENEWAL

LEASE: Mining Purposes Lease No 314

(Act 1973)

HOLDER: Centennial Springvale Pty Limited

(ACN 052 096 812)

Springvale SK Kores Pty Limited

(ACN 051 015 402)

DATE OF LEASE: 3 August 1993

EXPIRY DATE OF LEASE: 3 August 2014

PERIOD OF RENEWAL UNTIL: 3 August 2035

AREA: 96 hectares

AS SHOWN BY PLAN NO: Catalogue No: D7236

SURFACE EXCEPTION: Nil

DEPTH RESTRICTION: Part 5 metres

Part 15.24 metres Part 20 metres

PURPOSES:

The construction, maintenance and use (in or in connection with mining operations) of:

- any building or mining plant,
- any road, railway, tramway, bridge or jetty,
- any reservoir, dam, drain or water race,
- any cable, conveyor, pipeline, telephone line or signalling system,
- any bin, magazine or fuel chute,
- any plant nursery;

- the removal, stockpiling, management or depositing of overburden, ore or tailings to the extent that it is associated with mineral extraction or mineral beneficiation;
- the storage of fuel, machinery, timber or equipment for use in or in connection with mining operations;
- the generation and transmission of electricity for use in or in connection with mining operations;
- the construction, maintenance and use (in or in connection with mining operations) of any drillhole or shaft for:
- drainage of gas, or
- · drainage or conveyance of water, or
- ventilation, or
- conveyance of electricity, or
- conveyance of materials, or
- communications, or
- emergency access to underground workings.

AMENDMENTS TO THE CONDITIONS OF THE LEASE:

- (a) All the Conditions contained in the lease prior to the renewal have been deleted.
- (b) The lease is now subject to the attached Mining Lease Conditions 2013 (Coal) numbered:

1-9(inclusive)

Conditions 2 to 6 are identified as conditions relating to environmental management for the purposes of Section 378D of the *Mining Act 1992*.

Note: Conditions 2 to 6 of this mining lease are imposed pursuant to sections 238 and 239 of the Mining Act 1992. Clause 7 of Schedule 12 of the Mining Regulation 2010 saves higher penalties for a breach of condition imposed by or under sections 238 or 239 of the Act.

We, Centennial Springvale Pty Limited (ACN 052 096 812) and Springvale SK Kores Pty Limited (ACN 051 015 402), hereby accept the renewal of this Lease and agree to be bound by the conditions specified.

Tony Macko Company Secretary

Director

CENTENNIAL SPRINGVALE PTY LIMITED

(ACN 052 096 812)

SPRINGVALE SK KORES PTY LIMITED

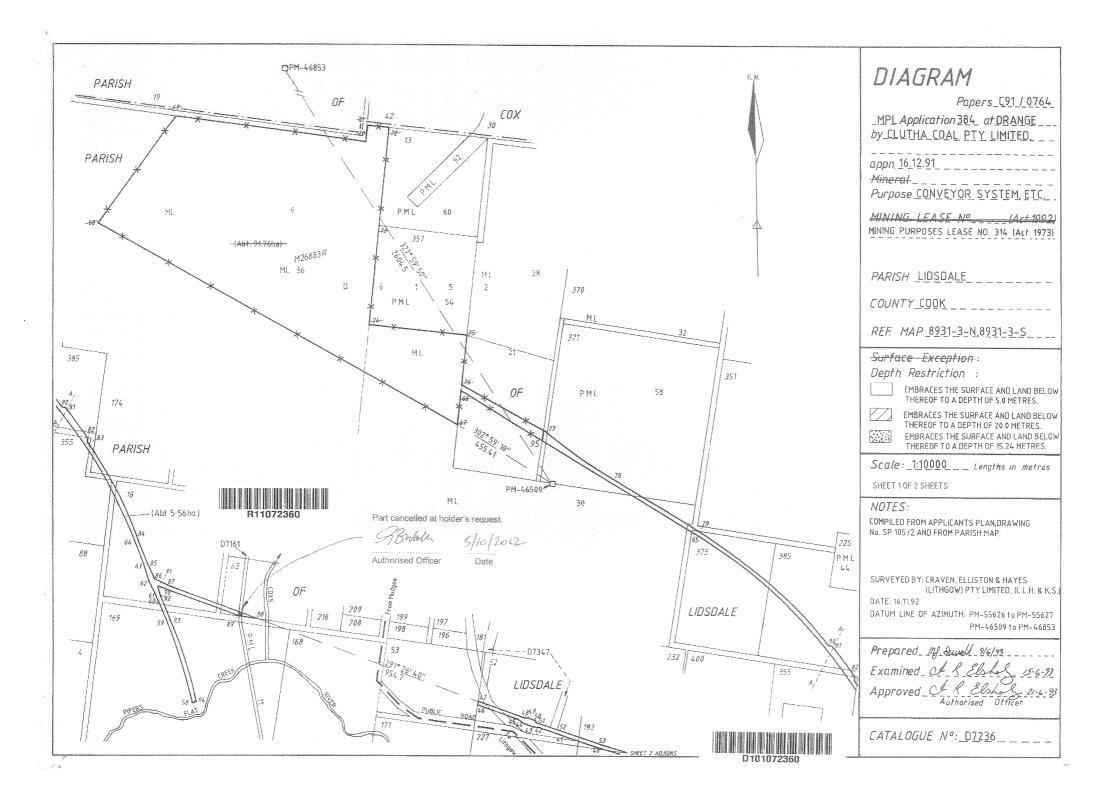
(ACN 051 015 402)

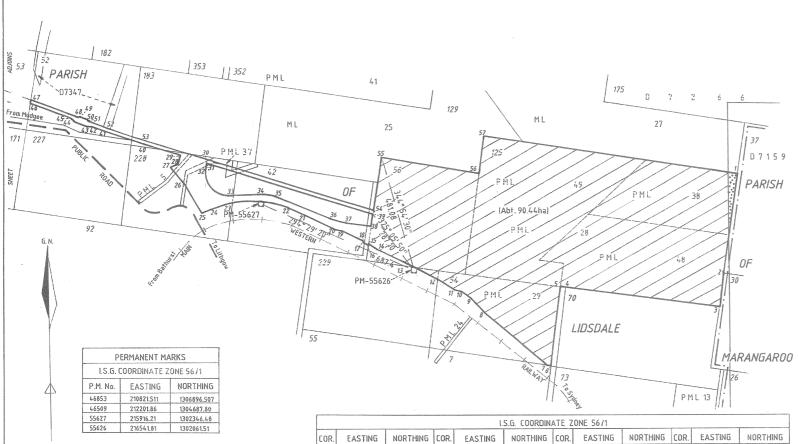
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Minister for Resources and Energy





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	CHC	RD		
BDY	BEARING	DISTANCE	ARC	RADIUS
22-23	90° 05′ 10"	300.58	307.31	. 422.4
32-33 135° 36' 40"		144.71	164.51	95.0
34-35	99° 22' 00"	41.610	41.99	90.0
36-37	105° 22′ 00"	48.720	48.85	190.0
58-59	343° 46′ 10″	325.50	325.86	1994.0
64-65	320° 48' 50"	1261.5	1283.56	1994.0
77-78	126° 45' 50"	304.99	305,29	1991.0
79-80	132° 20' 50"	696.10	699,65	2009.0
81-82	144" 51' 40"	151.28	151.32	2019.0
83-84	153" 18' 00"	416.37	417.12	2009.0
93-94	163° 48' 30"	319.07	319.41	2009.0

95.98 96ha P44070004

AREA: Abt. 182.2ha (in x parts)

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OR.	EASTING	NORTHING	COR.	EASTING	NORTHING	COR.	EASTING	NORTHING	COR.	EASTING	NORTHING
1	217868.215	1302434.476	25	215679.664	1302311.043	49	215185.926	1302713.801	73	211514.309	1305745.387
2	217802.813	1302027.708	26	215606.265	1302438.722	50	215223.156	1302699.176	-74-	211464.960	1305345.877
3	217786.162	1301889.736	27	215554.929	1302499.634	51	215221.694	1302695.453	-75-	211864.431	1305296.533
4	217158,016	1301983.379	28	215586.410	1302511.373	52	215290.758	1302668.323	-76-	211839.680	1305096.158
5	217138.174	1301986.692	29	215598.025	1302547.508	53	215469.292	1302604,639	77	212174.916	1304905,383
6	217090.609	1301663,678	30	215706.232	1302512,729	54	216379.998	1302311.933	78	212419.247	1304722.839
7	217078.246	1301665.776	31	215703.224	1302503.369	55	216416.544	1302526,003	79	212802.965	1304479,592
8	216822.476	1301885.286	32	215701,286	1302483.351	56	216812.566	1302452,753	80	213317.442	1304010.661
9	216773.891	1301938.964	33	215802.518	1302379.937	57	216836.671	1302607.396	.81	213333.302	1304006.48
10	216734.338	1301969.172	34	215932.464	1302384,011	58	213826,079	1302796,293	82	213420.373	1303882.773
11	216704.639	1301978,403	35	215973.519	1302377.241	59	213736.006	1303109.078	83	213418.972	1303866.43
12	216637.962	1302021,823	36	216226.240	1302271,346	60	213700.963	1303201.589	84	213606.065	1303494.45
13	216553.264	1302068.682	37	216273.218	1302258.434	61	213686.332	1303240.216	85	213659.200	1303354,185
14	216386,791	1302152.093	38	216368.959	1302245.006	62	213659.081	1303293.807	86	213680.033	1303307.519
15	216356.906	1302171.926	39	216377.530	1302296.971	63	213645.173	1303348.872	87	213739.502	1303277.68
16	216356,268	1302168.053	40	215464.702	1302590.358	64	213592.038	1303489,145	88	214100.663	1303135.812
17	216337.441	1302177.550	41	215285.274	1302654.362	65	212794.934	1304466.924	89	214030.058	1303147.43
18	216338.462	1302183.768	42	215244.132	1302670.523	-66-	211836.968	1305074.198	90	213734.017	1303263.77
19	216249.966	1302228.287	43	215213.650	1302674.976	-67	211819.866	1304935.747	91	213690.022	1303278.58
20	216220.119	1302236.731	44	215176.420	1302689.601	-68-	210371.278	1305777.200	92	213700.358	1303245.53
21	216104.607	1302294.999	45	215151.056	1302707.085	-69	210695,268	1306206.754	93	213750.033	1303114.392
22	216029.692	1302329,590	46	214986.952	1302771.547	-70-	211466.390	1306089,406	94	213839.008	1302807.97
23	215729.116	1302330.042	47	214989.298	1302786.742	-71-	211477.226	1306155,717	95	212168-436	1304864-07
24	215712.663	1302325.883	48	215184.463	1302710.078	-72	211563.675	1306145.038			

DIAGRAM

PARISH LIDSDALE

COUNTY_COOK

REF. MAP_8931-3-S & 8931-3-N

Scale: 1:10000 __ Lengths in metre

This is sheet 2 of my plan in 2 sheets

NOTES:

COMPILED FROM APPLICANTS PLAN, DRAWING No. SP 105/2 AND FROM PARISH MAP.



D101072934 361

Plan approved for an area of 96ha (ex.por.ML36).

Authorised Officer

Prepared Meswell 9.6.93

Examined & R. Elshol 15-6-9;

Approved & R. Elshol 21-6-9;

Authorised Officer

CATALOGUE Nº: D7236

MINING LEASE CONDITIONS 2013

Definitions

- 1. Notice to Landholders
- 2. Rehabilitation
- 3. Mining Operations Plan and Annual Rehabilitation Report
- 4. **Compliance Report**
- 5. **Environmental Incident Report**
- 6. Subsidence Management
- 7. Resource Recovery
- 8. Security
- 9. **Cooperation Agreement**

Note: Exploration Reports (Geological and Geophysical)

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.

Department means the Division of Resources & Energy within the Department of Trade and Investment, Regional Infrastructure and Services.

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

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 Act.

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

MINING LEASE CONDITIONS 2013

1. Notice to Landholders

- (a) Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.
- (b) If there are ten or more landholders, 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 mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.

2. Rehabilitation

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

3. Mining Operations Plan and Annual Rehabilitation Report

- (a) The lease holder 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 lease holder 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

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- 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 September 2013 published on the Department's website at

 www.resources.nsw.gov.au/environment
- (d) The lease holder may apply to the Minister to amend an approved MOP at any time.
- (e) It is not a breach of this condition if:
 - (i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and
 - (ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.
- (f) The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister.

 The report must:
 - (i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;
 - (ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and
 - (iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment.

Note: The Rehabilitation Report replaces the Annual Environmental Management Report.

4. Compliance Report

- (a) The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.
- (b) The Compliance Report must include:
 - (i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;
 - (ii) particulars of any non-compliance with any such conditions or provisions,
 - (iii) the reasons for any such non-compliance;

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- (iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.
- (c) The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.
- (d) In addition to annual lodgement under condition 4(c) above, a Compliance Report:
 - (i) must accompany any application to renew this mining lease under the Act;
 - (ii) must accompany any application to transfer this mining lease under the Act; and
 - (iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.
- (e) Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.
- (f) A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.

5. Environmental Incident Report

- (a) The lease holder must notify the Department of all:
 - (i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and
 - (ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the *Protection of the Environment Administration Act 1991*),

arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach.

Note. Refer to www.resources.nsw.gov.au/environment for notification contact details.

- (b) The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:
 - (i) the details of the mining lease;
 - (ii) contact details for the lease holder;
 - (iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;

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- (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 5(a).
- (vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.
- Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.
- (c) In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of 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.

6. Subsidence Management

The lease holder must not commence or undertake underground mining operations that may cause subsidence of the surface other than in accordance with an Eligible Subsidence Management Plan approved by the Director-General.

For the purposes of this condition, an 'Eligible Subsidence Management Plan' means:

- (i) A Subsidence Management Plan prepared in accordance with current government guidelines for the preparation of Subsidence Management Plans; or
- (ii) Those parts of an Extraction Plan or another type of plan:
 - prepared, either in whole or in part, with reference to current government guidelines for the preparation of a Subsidence Management Plan; and
 - approved for the purposes of the Environmental Planning and Assessment Act
 1979 (or any planning legislation which replaces that Act) by the Minister or
 Director-General of the Department of Planning & Infrastructure, or another
 officer of that Department authorised to approve such a plan,

which relate to issues of subsidence.

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7. Resource Recovery

The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.

8. Security

Group Security

The lease holder 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.

The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$6,750,000.

The leases covered by the group security include:

Mining Lease 204 (Act 1906)

Mining Lease 564 (Act 1906)

Private Lands Lease 133 (Act 1906)

Consolidated Coal Lease 733 (Act 1973)

Coal Lease 361 (Act 1973)

Coal Lease 377 (Act 1973)

Coal Lease 394 (Act 1973)

Mining Purposes Lease 314 (Act 1973)

Mining Lease 1303 (Act 1992)

Mining Lease 1319 (Act 1992)

Mining Lease 1323 (Act 1992)

Mining Lease 1326 (Act 1992)

Mining Lease 1352 (Act 1992)

Mining Lease 1448 (Act 1992)

Mining Lease 1537 (Act 1992)

Mining Lease 1588 (Act 1992)

Wining Lease 1670 (Act 1992)

9. Cooperation Agreement

The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:

- access arrangements
- operational interaction procedures
- dispute resolution
- information exchange
- well location
- timing of drilling
- potential resource extraction conflicts; and
- rehabilitation issues.

Exploration Reporting

Note: Exploration Reports (Geological and Geophysical)

The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010.

Reports must be prepared in accordance with <u>Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales</u> (Department of Trade and Investment; Regional Infrastructure and Services 2010).

SPECIAL CONDITIONS

Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.