

Instrument of Renewal

I, **Zane West, Manager Royalties and Advisory Services**, pursuant to section 114 of the *Mining Act 1992*, determine to renew **Authorisation 339 (Act 1992)** held by **Boggabri Coal Pty Limited, ACN 122 087 398, Chugoku Electric Power Australia Resources Pty Ltd, ACN 600 294 068, and NS Boggabri Pty Limited, ACN 113 447 313:**

In respect of **Group 9 and 9A minerals;**

- (a) For the further term ending on **11 April 2022;**
- (b) Over the exploration area described in Schedule 1; and
- (c) Subject to the conditions set out in Schedule 2 and Schedule 3 of this licence.

SIGNED



Zane West
Manager Royalties and Advisory Services
As Delegate for the
Minister Industry, Resources and Energy
22-Nov-16

EXPLORATION LICENCE

Issued under the Mining Act 1992

AUTHORISATION NUMBER:	339 (Act 1973)
RENEWAL DATE:	22 November 2016
TERM ENDING ON:	11 April 2022
LICENCE HOLDER:	Boggabri Coal Pty Limited, ACN 122 087 398 Chugoku Electric Power Australia Resources Pty Ltd, ACN 600 294 068 NS Boggabri Pty Limited, ACN 113 447 313
EXPLORATION AREA:	See Schedule 1
RESOURCE:	Group 9 and 9A 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 minerals or groups of minerals to which this licence relates; and
- In respect of the land to which this licence relates.

However, in accordance with section 45 of the *Aboriginal Land Rights Act 1983*, this licence does **not** give the licence holder the right to prospect for any minerals except coal on land vested in an Aboriginal Land Council or Local Land Council at the date of grant of this licence.

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 (Schedule 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. In particular:

- The conditions set out in Schedule 2 apply to the carrying out of all activities under this licence; and
- The conditions set out in Schedule 3 apply to the carrying out of specified activities under this licence.

The conditions of this licence may be amended in a number of circumstances, including (but not limited to):

- Upon renewal or transfer of the licence; and
- At any time, to include conditions for protecting the environment.

Contravention of licence conditions is an offence under the Act.

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*). Approvals or consents which have been granted after commencement of this licence, and after 1 July 2015, are attached at Schedule 4 of this licence.

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

Version	Effective date	Notes
1	22 November 2016	Renewal of Authorisation 339

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:

Associated person of a licence holder means a person who is an employee, agent, licensee, contractor or subcontractor of the licence holder.

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*.

Third Party means any person who is not a Related Body Corporate of the licence holder.

Work Program means the approved work program attached as 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 **890 hectares** as shown on Plan No **A339-08**, and exclusive of any land:-

- (a) vested in the Commonwealth of Australia; or
- (b) that was not subject to the licence immediately before this renewal.

Note: *This exclusion (b) may include land that, at the date this licence was initially granted, was:*

- *subject to an authority, or an application for an authority;*
- *subject to a residence area or business area referred to in clause 1, Part 1 of Schedule 11 of the Mining Regulation 2003;*
- *subject to any mining reserve constituted under section 367 of the Mining Act 1992 which prohibited the grant of new exploration licences;*
- *vested in the Commonwealth of Australia; or*
- *located within a national park, regional park, historic site, nature reserve, karst conservation area or Aboriginal area established under the National Parks & Wildlife Act 1974 or 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 Industry 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.

PLAN No. A339-08

RESOURCES & ENERGY

File: 11/1893

DIAGRAM OF AUTHORISATION No. 339

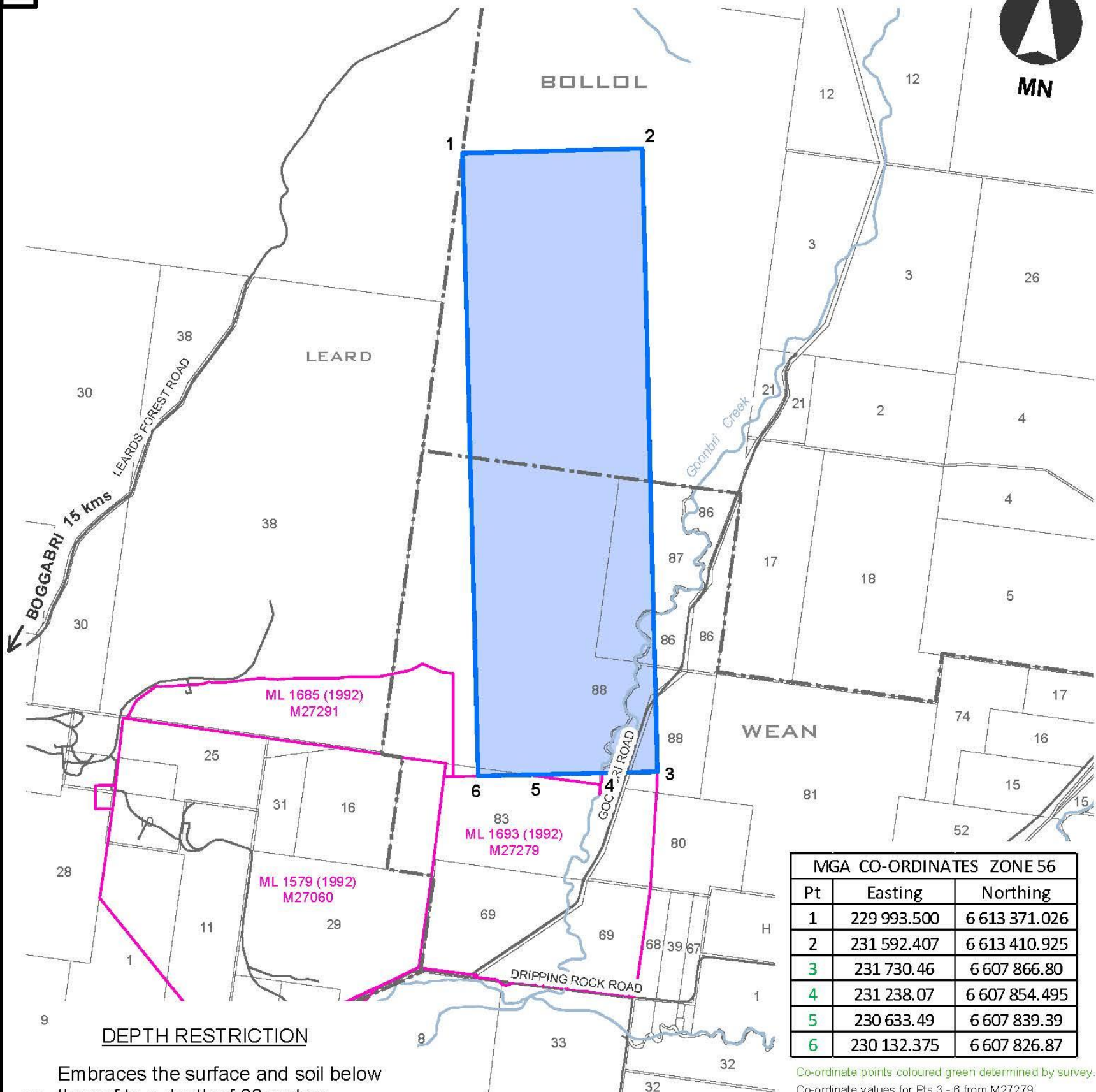
HOLDERS: BOGGABRI COAL PTY LIMITED, CHUGOKU ELECTRIC POWER AUSTRALIA RESOURCES PTY. LTD. & NS BOGGABRI PTY LIMITED

PARISH: BOLLLOL & WEAN

SCALE 1: 50000

**COUNTY: NANDEWAR
REF MAP: 8936-4-N & 4-S**

SUBJECT TO SURVEY



MGA CO-ORDINATES ZONE 56		
Pt	Easting	Northing
1	229 993.500	6 613 371.026
2	231 592.407	6 613 410.925
3	231 730.46	6 607 866.80
4	231 238.07	6 607 854.495
5	230 633.49	6 607 839.39
6	230 132.375	6 607 826.87

Co-ordinate points coloured green determined by survey.
Co-ordinate values for Pts 3 - 6 from M27279

DEPTH RESTRICTION

Embraces the surface and soil below thereof to a depth of 20 metres



AREA: abt. 890 ha

**Prepared by: S Collins
Date: 13-04-2016
Approved by: P Hord
Date: 20-04-2016
Maitland Regional Office**

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 disclaims all liability for any loss, damage, cost, expense or injury (including death) incurred or arising by reason of any person using or relying on the titles information contained on this diagram by reason of 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. **This condition does not apply to this authority.**~~

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 Industry).

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: **\$ 50, 000**
- (b) Licence Holder's entitlement to interest: none

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 Industry) to the satisfaction of the Minister.

Contact Details

7. The licence holder must provide to the Secretary, and keep updated, the name and contact details of the person or position nominated by the licence holder to be the point of contact for the Secretary for all matters arising under this licence.

Note: This person or position will be the point of contact for **all** enquiries and general correspondence between the licence holder and the Department (including but not limited to administrative, geotechnical, environmental, and safety matters.)

Records

8. The licence holder must keep records required to be created and maintained under the Act, Regulations or this licence:

- (a) In a legible form, or in a form that can readily be reduced to a legible form for production to any inspector; and
- (b) For 4 years following the expiry or termination of this licence.

Environmental Incident Reporting

9. 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

10. Unless otherwise approved by the Minister, the licence holder must submit annual activity reports prepared in accordance with the *Exploration Guideline: Annual Activity Reporting for Prospecting Titles* (NSW Department of Industry) 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 Minister in writing; and

(c) Within one calendar month of cancellation or expiry of this licence.

Change in Control

11. Subject to condition 12, 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.

12. 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.

SPECIAL CONDITIONS

Drilling Notification

13. 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
- b) a description of the nature and location of the proposed exploratory holes.

Core and Sample Storage

14. The title holder must take, and properly label and store for the duration of this licence:

- a) core samples of the strata encountered in any drilling carried out under this licence; and
- b) cuttings of the strata encountered when carrying out any non-core drilling prospecting operations under this licence.

Core and Sample Retention and Disposal

15. The title holder must:

- a) provide the Minister any such core cuttings, samples or data in relation to the examination of cores or samples as the Minister may require; and
- b) upon the termination of this title, advise the Secretary of the title holder's plans for the continued storage or disposal of cores and samples.

ACTIVITY SPECIFIC CONDITIONS

1. Any assessable prospecting operation approved prior to the renewal (or transfer if applicable) must be carried out in accordance with:
 - (a) any conditions imposed on that approval; and
 - (b) Part B of the following Codes of Practice, as relevant:
 - (i) the Exploration Code of Practice: Environmental Management
 - (ii) the Exploration Code of Practice: Produced Water Management, Storage and Transfer
2. To the extent of any inconsistency between (a) and (b) above, the provisions of the Codes of Practice will prevail.

FURTHER APPROVALS

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WORK PROGRAM

In accordance with condition 1 of this licence the approved work program is the document identified by the identification number:

WP-AUTH339-2016-2022