

Our Ref: EPC 1674
 Contact: Brigitte Kabel
 Telephone: 07 3238 3814
 Facsimile: 07 3405 5346
 Email: brigitte.kabel@dme.qld.gov.au

29 June 2010

Springsure Mining Pty Ltd
 C/ - Mining Tenement Services
 GPO Box 215
 BRISBANE QLD 4001

Dear Sir,

APPLICATION FOR EXPLORATION PERMIT FOR COAL (EPC) NUMBERS. 1674

I refer to the above application and advise that the notification aspects set out in section 29 of the *Native Title Act 1993 (Cwlth)* have now been completed.

As there were no objections lodged by any relevant native title parties, your application may now proceed to grant with Native Title Protection Conditions (NTPC's), but firstly, you must submit the following within 20 business days of the date of this letter:

- Financial assurance of \$5,000.00; and
- Rental for the amount of \$1439.90 for the first year of the term of the permit; and
- Your acceptance of the terms and conditions set out in Annexures B, C and D of the attached draft grant document.

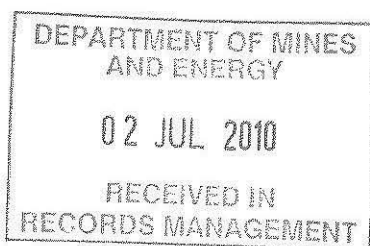
Alternatively, if you are obtaining a S31 agreement, do not accept the conditions mentioned above. Please advise the Department that you are negotiating an agreement.

Letters of acceptance of the term and conditions will not be accepted unless they are signed by all holders and signed by a Director, Company Secretary or other authorised person with the appropriate authorisation attached.

If you have any queries relating to this matter please contact me on 07 3238 3802.

Yours faithfully

BRIGITTE KABEL
Senior Tenures Officer
Tenures Management Unit



Southern Region (Mines)

Mines and Energy
 Podium 2
 Ground Floor, Landcentre Building,
 Cnr Main and Vulture Streets,
 WOOLLOONGABBA QLD 4102
 PO Box 1475 Coorparoo
 Queensland 4151 Australia
Telephone + 61 7 3238 3814
Facsimile + 61 7 3405 5349



Queensland Government
Department of Mines and Energy

EXPLORATION PERMIT APPLICATION CHECKLIST

This checklist is to be completed to determine whether an application for an exploration permit is acceptable.

This checklist comprises four parts:

- Part A is to be completed by the receiving officer.
- Part B is to be completed by the mining registrar or authorised officer to ensure that the application satisfies the requirements of Part 5 of the *Mineral Resources Act 1989*.
- Part C is to be completed by the mining registrar or authorised officer to establish land availability of the area applied for.
- Part D is to be completed by the mining registrar to determine whether the document lodged as an application for an exploration permit satisfies the requirements of section 81 of the *Mineral Resources Regulation 2003*.

PART A – RECEIVING DETAILS

Lodgement No: 12/109 Time: 1:20 AM/PM Date: 21/1/09

Received by (name): Kate Number of sub-blocks applied for: 11

Applicant(s): Springsure Mining Pty Ltd 100%

PART B – APPLICATION REQUIREMENTS

Section 1

Req'ment No.	Requirement	✓ yes x no	Remarks
1.1	Is the application in or on the approved form?	✓	
1.2	Is prescribed MRA fee lodged?	✓	
1.3	Is prescribed EPA fee lodged?	✓	\$500 fee + ANNUAL FEE \$500

Important Note: If 'no' has been answered to any of the Questions in Section 1, it is not necessary to complete the remainder of this checklist. Return the document lodged as an application to the applicant.

Signature: [Signature Box] Time: 1:33 AM/PM Date: 21/1/09

Section 2

Req'ment No.	Requirement	✓ yes x no	Remarks
2.1	Have the applicants been specified and do the respective percentages total 100%?	✓	
2.2	Where applicant is a company, A.C.N. been specified or a copy of ASIC certificate lodged?	✓	
2.3	Where applicant is a company, is company currently registered and A.C.N. correct? Go to www.asic.gov.au	✓	
2.4	If applicant is an individual, has a <i>certified copy</i> of proof of ID (must be 18+) been lodged?	N/A	
2.5	Name and address for service of 1 person provided?	✓	
2.6	Application lodged by agent? If so, is written authorisation provided?	N/A	
2.7	Application for Environmental Authority (exploration) lodged?	✓	
2.8	Is local authority specified?	✓	
2.9	Are minerals sought specified?	✓	EPC
2.10	Is general locality specified?	✓	
2.11	Is term sought specified?	✓	5yrs
2.12	Where sub-blocks exceed the prescribed number, has statement been lodged outlining reasons?	N/A	
2.13	Number of sub-blocks specified?	✓	
2.14	BIM & Block identified?	✓	
2.15	Sub-blocks required ticked?	✓	
2.16	Is area contiguous?	✓	
2.17	If the area is not contiguous, has statement been lodged outlining reasons why?	N/A	
2.18	Has statement relating to criteria used to apply for area been lodged?	✓	
2.19	Has a proposed work program and budget for each year (including details of investigation methods to be used and estimated duration of each investigation) been lodged?	✓	
2.20	Have numbers and qualifications of professional and other staff responsible for planning, conducting and reporting the investigations been lodged?	✓	
2.21	Has description of machinery and equipment to be used provided?	✓	
2.22	Has a statement specifying the financial status, technical resources and mining interests held by the applicant/s been lodged?	✓	
2.23	Has a statement specifying the annual budget for exploration and mining interests held in Queensland been lodged?	✓	

Important Note: If 'no' has been answered to any of the Questions in Section 2, it is not necessary to complete the remainder of this checklist. Forward the document and the checklist to the Mining Registrar to complete Part D of this checklist.

Exploration Permit Application Checklist

49-Sch4 - Signature

Signature:

Time: 2:11 AM/PM

Date: 21/01/09

PART C - LAND AVAILABILITY SEARCH RESULTS

Layers	Yes	No	N/A	Summary/Remarks	
Exploration Permit Mineral Application Granted		✓		EPMA No:	
				EPM No:	
				No. of whole sub-blocks not available:	
Exploration Permit Coal Application Granted		✓		EPCA No:	
				EPC No:	
				No. of whole sub-blocks not available:	
Mineral Development Licence (excluded pursuant to Section 132 of the Act) (ensure exclusion is entered in MERLIN)		✓		MDL No:	
				No. of whole sub-blocks not available:	
Mineral Development Licence - DEAD (release of land required pursuant to Section 226 of the Act)		✓		MDL No:	
				Date land released: (refer to 'AWD' code in MERLIN)	
Mining Claim (excluded pursuant to Section 132 of the Act) (ensure exclusion is entered in MERLIN)		✓		MC No:	
				No. of whole sub-blocks not available:	
Mining Lease (excluded pursuant to Section 132 of the Act) (ensure exclusion is entered in MERLIN)		✓		ML No:	
				No. of whole sub-blocks not available:	
Petroleum Authority Section 3A	✓			ATP No:	817
				PL No:	
				PPL No:	
				PFL No:	
Moratorium Section 135 of the Act (ensure exclusion is entered in MERLIN)		✓		No. of whole sub-blocks not available:	
Sterile Land Policy 45 (ensure exclusion is entered in MERLIN)	✓	✓		No. of whole sub-blocks that may not be available:	
Constrained Land Policy 46		✓		Name:	
				No. of sub-blocks affected:	
Restricted Areas Schedule 3 of the Regulation		✓		Name:	
				No. of sub-blocks affected:	
Notified Land		✓		Name:	
				No. of sub-blocks affected:	
ILUA Area		✓		Name:	

Exploration Permit Application Checklist

Total number of whole sub-blocks not available:	0
Total number of whole sub-blocks available to form application: <i>(Total number of sub-blocks available is calculated by subtracting the amount of sub-blocks not available against the number of sub-blocks applied for)</i>	11

Signature: 49-Sch4 - Signature	Time: 2:12 AM/PM	Date: 21/01/09
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Note: Produce map of land availability search and attach to this checklist.

PART D – DECISION BY MINING REGISTRAR

- Under the provisions of section 81(2)(b) of the *Minerals Resources Regulation 2003*, I confirm that no sub-blocks are available to form the application for an exploration permit (refer to Part B). The application is therefore unacceptable and is to be refused.
- ___ (Enter no. of sub-blocks) sub-blocks are available to form the application for an exploration permit (refer to Part B), however, Under the provisions of section 81(2) of the *Minerals Resources Regulation 2003*, the application is unacceptable because:

Refused because (refer to Part C):

- Under the provisions of section 81(2) of the *Minerals Resources Regulation 2003*, 11 (Enter no. of sub-blocks) sub-blocks are available to form the application for an exploration permit (refer to Parts B) and all requirements of application have been lodged (refer to Part C). The application is acceptable and can be recorded on the register and an acknowledgement produced.

Signed by Mining Registrar: 49-Sch4 - Signature	Time: 3:15 AM/PM	Date: 21/1/09
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Full name of mining registrar: C. WATSON



**Acknowledgement of Application
for Exploration Permit Number EPC 1674**

This acknowledges the abovementioned Application as detailed hereunder:-

- 1. Date Lodged: 21-JAN-2009
- 2. Time Lodged: 01:20 PM
- 3. Mining District: EMERALD
- 4. Principal Holder: SPRINGSURE MINING PTY LTD Share (%)
100
- 5. Principal Holder's Postal Address: C/- GLEN RICHARD LEWIS
CTPI 49-Sch4
- 6. Other Holders: NIL
- 7. Minerals Sought: COAL
- 8. Term Sought: 5 years
- 9. Remarks:
- 10. Area Description

BIM	Block	Sub-blocks
CHAR	49	E K P
CHAR	50	A B F G L M
CLER	3433	U Z
Total:	11	Sub-blocks

49-Sch4 - Signature

Signature

22/1/09
Date



TECHNICAL ASSESSMENT CHECKLIST AND RECOMMENDATIONS
EXPLORATION PERMIT FOR COAL NO.1674
APPLICATION

Date of Grant:

Applicant(s)/Holder(s): Springsure Mining Pty Ltd	
Project Name: NA	
Commodity: Underground thermal coal –from Cattle Creek Formation - Bowen Basin	
Number of sub-blocks applied for: 11	Application at folio: 1

Assessment Summary

<p>Technical and financial resources: Satisfactory – ResCo Consolidated Balance Sheet Summary from December 2008, show total cash assets as 49-Sch4 - Professional engagement on the project is adequate.</p>
<p>Program and concepts: Concepts are clear, excellent expenditure estimates with rational & practicable exploration program, for years1-4.</p>
<p>Location: 7km North of Springsure</p>
<p>The applicant DOES NOT need to submit further information to support the application. - Information requested in accordance with section 133A and at folio - Information provided on (see folio)</p>

Recommendations

Yr	From	To	S/B Actual	Min Prop\$	Actual \$	Program	Rep ort – Annual R	Comments
1			11	49-Sch4 -		<ul style="list-style-type: none"> ◆ Review of prior data ◆ Compilation of base exploration program ◆ Establish Exploration methodology & location ◆ Commencement of initial target drilling 	A	<p>Recommend:</p> <p>Grant for 4 year, over initial area of 11 S/SB.</p>
2			11			<ul style="list-style-type: none"> ◆ Review of Yr 1 exploration data ◆ Drilling ◆ Geotechnical consultant ◆ Initial feasibility assessment 	A	<p>Standard conditions including standard reporting condition.</p>
3			9			<ul style="list-style-type: none"> ◆ Review of Yr 2 exploration data ◆ Drilling & sampling ◆ Geotechnical consultant ◆ Feasibility decision ◆ Additional drilling as per feasibility planning 	A	<p>EPC 1674 application is for a period of 5 years. I found that indistinct program for year 5 has been submitted which includes commencement of infrastructure & initial development works. Therefore,</p>
4			7			<ul style="list-style-type: none"> ◆ Application for mining lease (ML) ◆ Geotechnical consultant ◆ Studies/ tests undertaken from the drilling program 	A	<p>I recommend that permit be granted for 4 years duration only.</p>

The Technical Assessment Checklist provides technical advice to the Delegated Authority on whether an application should proceed to grant. It offers a recommended course of action only and as such it should not be viewed as an approval document. All references to sections are references to the *Mineral Resources Act 1989*.

TECHNICAL ASSESSMENT CHECKLIST, COMMENT & RECOMMENDATIONS		Y, N OR NA
APPLICATION SPECIFIC CHECKLIST		
Non-contiguous Sub-blocks	The application can proceed over non-contiguous sub-blocks.	N/A
Area in Excess	The application can proceed over an area in excess of that prescribed?	N
Statements	Is the information provided in the statements (required by s133(g) and (h) sufficient?	Y
Program of Work	Can the proposed program of work be approved in accordance with section 137(3) having regard to section 137(3A)?	Y
Conditions	Are there sufficient grounds to recommend the Minister impose conditions at grant?	N
Suitability of Applicant	There are sufficient grounds to recommend against grant under section 137(4) or 137(5) of the <i>MRA1989</i> .	N
Possible Grant Over Existing Tenure	Are there sufficient technical grounds to recommend under section 132(1) of the <i>MRA1989</i> , that the tenure may be granted over other existing grants and applications for tenure under the Act?	N/A
Variation of Relinquishment Requirements	There sufficient technical grounds to support the recommendation of non-standard relinquishment requirements? (either s139(3) or s140(1))	N
Other Technical Matters	Are there any other technical matters that need to be raised?	N

RECOMMENDED STANDARD ADVICE IN LETTER OF OFFER	
Compliance with the approved work program and expenditure commitments of this exploration permit is a condition of grant of this tenure. Failure to comply with this requirement will be taken into account in the assessment of any application for the renewal of this tenure and may also result in the cancellation of this tenure. Should exceptional circumstances mean that you are unable to reasonably meet these requirements, you are advised to seek a variation of these conditions as soon as you become aware that possible non-compliance is likely.	
Other Advice	<p>Additional Information:</p> <ul style="list-style-type: none"> ➤ The Springsure Mining Pty Ltd has applied for EPC 1674 in order to construct a Training Mines Facility in the Bowen Basin, concurrent with the development of a sustainable underground thermal coal mine to provide practical & theoretical mining & OH&S experience & expertise. ➤ Springsure hosts a resource estimated at 92.5 Mt, which assumes a reserve/resource conversion rate of 40% is capable of supporting coal mining operation over a life of 31 years. (EPC covering the Springsure lease located in a previously undeveloped area of the Bowen Basin). ➤ In addition the company is aiming for a bankable project operating commercial coal and at the same time using it for training. The mine to be developed will be operating to reduce the cost of the training component.

SIGN-OFF					
A technical assessment of the information supplied with this application has now been completed and it is recommended that the application proceed toward grant subject to any proposed terms and conditions listed above. <i>Print file, sign-off, forward to Tenures Management</i>					
Signed	Helena Jovanovic	49-Sch4 - Signature	Date:	20/02/09	Title: Geoscientist
Signed	Ian Rienks	49-Sch4 - Signature	Date:	20/2/09	Title: Senior Geologist

RENEWAL SPECIFIC CHECK LIST		Y or N
Relinquishment	Is relinquishment compliant?	
Expenditure	Has expenditure been acceptable?	
Work Program	Has the program of work been complied with (or an equivalent body of work)?	
Conditions	Have specified conditions been complied with?	
Reporting	Have the reporting requirements been adhered to?	
Bona Fide	Do the actions of the holder appear to be bona fide?	
Significant Mineralisation	Has the holder reported significant mineralisation? See s176?	
Outcome	Is the holder complying with the conditions of this tenure?	
Performance History of Holder	Are there sufficient grounds to recommend against renewal under s141(1) or 160(1), for non-compliance with the technical requirements of the Act?	
Failure to Relinquish Land	Due to non-compliance with relinquishment requirements, does a recommendation need to be made regarding the area the Minister may direct be relinquished under s139(6) or 140(1)?	
Direction to Apply for Higher Tenure	Do sufficient technical grounds exist to warrant recommending to the Minister that the Holder apply for a higher form of tenure under section 176(2)?	
RECOMMENDED CONDITIONS FOR RENEWAL		
Compliance with the approved work program and expenditure commitments, or an equivalent body of work, acceptable to the Minister, of this exploration permit is a condition of grant of this tenure. Failure to comply with this requirement will be taken into account in the assessment of any application for the renewal of this tenure and may also result in the cancellation of this tenure. Application for any amendment to the conditions of grant must be in writing and directed to the Registrar, Minerals and Coal.		
Other Advice		

RENEWAL SIGN-OFF			
Signed	Date:	Title:	Geoscientist
Signed	Date:	Title:	Senior Geologist



**Queensland
Government**

Briefing Note
A/ Mining Registrar

Requested by: Cassie Atkins

Date Requested: 30 June 2010

For action by: ASAP

SUBJECT Grant of Exploration Permit for Coal (EPC) No 1674

PURPOSE

1. To seek the approval under delegation from the Minister in accordance with s137 of the *Mineral Resources Act 1989* (the Act), that Exploration Permit for Coal No 1674 be granted for a term of four years.

URGENCY

2. Routine

RECOMMENDATION/S

It is recommended that the Acting Mining Registrar, under delegation from the Minister approve:

- 1) pursuant to section 137(1)(a) of the Act, the grant of Exploration Permit for Coal No. 1674 over an area of 11 sub-blocks and for a term of four;
- 2) a program of work that accompanied the application pursuant to section 137(3) of the Act;
- 3) that the statements provided by the applicant, pursuant to section 133(1)(g) and (h) of the Act are acceptable.

NOTED / APPROVED / NOT APPROVED

49-Sch4 - Signature

Brigitte Kabel
A/ Mining Registrar

as authorised on behalf of
Kab Byrne

30 / 6 /2010

COMMENTS

DEPARTMENT OF MINES AND ENERGY
02 JUL 2010
RECEIVED IN RECORDS MANAGEMENT

BACKGROUND

3. EPC 1674 was applied for over 11 sub-blocks by Springsure Mining Pty Ltd on 21 January 2009. The application is approximately 7km North of Springsure within the Emerald Mining District.
4. On, 14 October 2009, a letter was sent to the applicant advising that the application could proceed to grant upon written acceptance of the terms and conditions set out in annexure B, C and D.
5. On, 29 June 2010, an intention to grant letter was sent to the applicant requesting payment of the first year's rental and financial assurance.

ISSUES

5. The initial assessment was conducted at folio two.
6. The initial assessment revealed that 11 sub-blocks applied for are available.
7. Technical assessment was evaluated at folio 9. The recommendation is to proceed to grant over an area of 11 sub-blocks for a term of four year with Standard Conditions. Expenditure requirements are as follows:

Yr 1	11s/b
Yr 2	11s/b
Yr 3	9 s/b
Yr 4	7 s/b
8. Native Title assessment was conducted at folio 5. The assessment revealed that the application is 55% within non-exclusive land.
9. Approval was given by the Minister on 22 September 2009 to progress the application through the right to negotiate process utilising the expedited procedures.
 - The application was advertised as an act attracting the Expedited Procedures on 2 December 2009.
 - The notification aspects set out in section 29 of the *Native Title Act 1993* (Cth) have been completed. No objections to the use of the expedited procedures were lodged by any relevant native title parties. The EPC can proceed to be granted with the Native Title Protection Conditions.
10. Security Deposit pursuant to section 144 of the Act was determined at folio 9 as nil.
11. The Department of Environment and Resource Management has issued code compliant Environmental Authority No. MIC200856009 and assessed the financial assurance as \$5,000. - folio 4A
12. Financial Assurance of \$5,000 was lodged with the department on 29 June 2010 – BR259393.
13. The first year's rental of \$1,456.40 was received by the department on 29 June 2010 – BR259393.
14. The applicant accepted the terms and conditions on 29 June 2010.

GRANT CHECKLIST

EXPLORATION PERMIT FOR MINERAL/COAL NUMBER: 1078

1. I CONFIRM THAT THE FOLLOWING REQUIREMENTS OF SECTION 133 OF THE MINERAL RESOURCES ACT 1989 HAVE BEEN COMPLIED WITH BY THE APPLICANT:

- (a) The application is in the approved form. ✓
- (b) (i) The application correctly specifies the name of each applicant. ✓
(ii) The applicant(s) company is still registered and details of incorporation are still correct. (Note that a company may be de-registered or changed name between time of application and grant) ✓
- (c) The application specifies an address for service. ✓
- (d) The application identifies, in the prescribed manner, the land sought. ✓
- (e) The application specifies the minerals sought. ✓
- (f) The application was lodged at a prescribed office. ✓
- (g) The application was accompanied by an acceptable statement detailing the programme of work to be carried out. ✓
- (h) The application was accompanied by an acceptable statement specifying the estimated human, technical and financial resources proposed to be committed to exploration work during each year of the exploration permit. ✓
- (i) The application was accompanied by an acceptable statement detailing exploration data captured by the applicant prior to the application being made. ✓
- (j) The application was accompanied by an acceptable statement detailing the applicant's financial and technical resources. ✓
- (k) The applicant(s) has provided acceptable proof of identity. ✓
- (l) The applicant has paid the prescribed application fee. ✓
- (m) There are not reasonable grounds for the opinion that the applicant has previously contravened or failed to comply with any provision of this Act, the repealed Acts, any other Act about mining or the Fossicking Act 1994. ✓

2. THE FOLLOWING, REQUIRED UNDER SECTION 137 OF THE *MINERAL RESOURCES ACT 1989* TO ENABLE GRANT OF THE APPLICATION HAVE OTHERWISE BEEN COMPLIED WITH:

- (a) The sub-blocks applied for are contiguous. ✓
OR
The sub-blocks applied for are non-contiguous. The proposed program of works can be undertaken in accordance with competent and efficient mineral exploration practice over the non-contiguous sub-blocks.
- (b) The area applied for does not exceed the area prescribed in respect of the mineral or minerals sought. ✓
OR
The area applied for does exceed the area prescribed in respect of the mineral or minerals sought. Approval in accordance with section 127(4) of the MRA has been given.
- (c) There are no other exploration permits, for the same mineral(s) in existence over any of the sub-blocks. ✓
- (d) This application ~~does~~ does not contain any land excluded in accordance with section 132 of the MRA (this land is described as 'Excluded Land' in the General Conditions). - strike land NR 259 ✓
- (e) Exceptional circumstances do/do not exist justifying the discretion to include land normally excluded in accordance with section 132 of the MRA. ✓
- (f) A relinquishment schedule has been determined (where grant is for greater than two years). ✓
- (g) The level of security to be deposited has been determined. ✓ NIL
- (h) The term of the exploration permit has been specified. ✓
- (i) A program of works has been determined. ✓
- (j) A relevant environmental authority has been issued. ✓ MIC 2008 56009
- (k) The application has progressed through the relevant native title process (where required). ✓
- (l) Having regard to all other issues, the grant of this exploration permit is consistent with the objectives of the MRA. ✓
- (m) The application does not include land that includes the whole or part of a fossicking area? ✓
- (n) The application is made bona fide for the purposes of the MRA. ✓

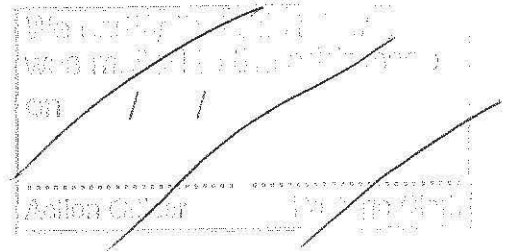
49-Sch4 - Signature

Acting Mining Registrar
Southern Region (Mines)

Brigitte Kabel as authorized on
behalf of Kate Byrne.

Allan Thompson Collected²⁷
30/6/10.

Author: Cassie Atkins
File: EPC1674
Unit: Tenures
Phone: 3895 3930



30 June 2010

Springsure Mining Pty Limited
C/- Mining Tenement Services
GPO Box 215
BRISBANE QLD 4001

B/C – Mining Registrar – Emerald District
B/C – Department of Environment & Resource
Management
PO Box 906
EMERALD QLD 4720

Dear Sir/Madam

EXPLORATION PERMIT FOR COAL NUMBER 1674

I acknowledge receipt of the financial assurance and rent in respect of the above and advise that the Acting Mining Registrar, as the authorised delegate of the Minister, on 30 June 2010 granted Exploration Permit for Coal (EPM) Number 1674 pursuant to Section 137 of the *Mineral Resources Act 1989*, for a term of four years as from 30 June 2010.

The original Permit document issued in respect of this Exploration Permit is enclosed for your records.

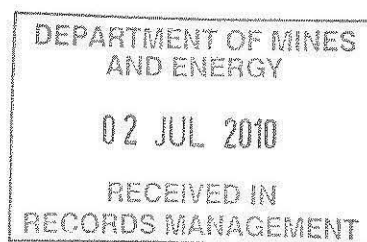
For your information the conditions applying to this Exploration Permit are contained in:

- the *Mineral Resources Act 1989*;
- the *Mineral Resources Regulation 2003*;
- Annexure B, the "General Conditions" Version 4 for Exploration Permits, dated 26 May 2010;
- Annexure C, the Specific Conditions for the exploration permit; and
- Annexure D, the Native Title Protection Conditions Version 1.1(a) dated 22 August 2003.

You should note that this Department will at all times insist on strict compliance with the terms and conditions of the Exploration Permit.

Native Title requirements

In accordance with the definition of "Native Title Parties" in Schedule 1 of the Native Title Protection Conditions, there are no Native Title Parties in relation to your Exploration Permit.



Department of Employment, Economic
Development and Innovation
PO Box 1475
Coorparoo QLD 4151
Queensland PC Australia
Telephone +61 7 3895 3930
Facsimile +61 7 3405 5347
Website www.deedi.qld.gov.au
ABN 24 830 236 406

Note that the Native Title Parties are only those that existed at 4 months after the Notification Day for the exploration permit and do not include any new registered native title claims. This information has been obtained from analyses supplied by the National Native Title Tribunal.

Although there are no Native Title parties in relation to your Exploration Permit you are still required to comply with the cultural heritage aspects outlined in parts 2, 9 and 10 of the Native Title Protection Conditions.

If, following exploration, you intend to apply for mining tenements within the boundaries of your exploration permit you should be aware that the Government's policy is that it will not grant mining tenure for the purpose of mining uranium in Queensland. Nor will it permit the treatment or processing of uranium in the State.

Environmental Authority

The Department of Environment and Resource Management has issued a code compliant Environmental Authority MIC200856009 in respect to this permit.

Notice of Entry

Pursuant to the provisions of Section 163 of the *Mineral Resources Act 1989* you are required to give each owner of land covered by the permit written notice of entry before initial entry is made by you under the authority of the permit. Such notice/s must be given at least five (5) business days before entry or within such shorter period acceptable to the owner and endorsed on the notice. Section 164 provides for the term and renewal of such notices of entry. A copy of this notice is available on the Department's website.

Overlapping Tenures

Pursuant to section 3A of the *Mineral Resources Act 1989* additional provisions may apply to the grant of an exploration permit over land in the area of a petroleum authority (an authority to prospect, petroleum lease, pipeline licence or a petroleum facility licence). It is your responsibility to determine the existence of any petroleum authority within the boundaries of your exploration permit. Please refer to section 3A of the *Mineral Resources Act 1989* to determine if any of these additional provisions apply to you.

Uranium

If, following exploration, you intend to apply for mining tenements within the boundaries of your exploration permit you should be aware that the Government's policy is that it will not grant mining tenure for the purpose of mining uranium in Queensland. Nor will it permit the treatment or processing of uranium in the State.

Cultural Heritage

Under section 23 of the Aboriginal Cultural Heritage Act 2003 a person who carries out an activity must take all reasonable and practicable measures to ensure the activity does not harm Aboriginal cultural heritage (the "cultural heritage duty of care"). Maximum penalties for breaching the duty of care are \$750,000 for a corporation and \$75,000 for an individual.

You will comply with the cultural heritage duty of care if you are acting in accordance with gazetted cultural heritage duty of care guidelines. An assessment of your proposed activity against the duty of care guidelines will help determine whether or to what extent Aboriginal cultural heritage may be harmed by your activity. It will also help determine whether you need to undertake a search of the cultural heritage database and register.

If following an assessment of the duty of care guidelines you believe cultural heritage may be harmed by your proposed activity, you should contact the Cultural Heritage Coordination Unit for further advice on (07) 3238 3838 or e-mail cultural.heritage@nrw.qld.gov.au. Further information on cultural heritage, together with a copy of the duty of care guidelines and cultural heritage search forms, may also be obtained from www.dme.qld.gov.au.

Health and Safety

To protect the health and safety of everyone on the mine site you must comply with Mining and Quarrying Safety and Health Act 1999 and Mining and Quarrying Safety and Health Regulations 2001 for mineral exploration. The following matters should be complied with if appropriate:

- Mine Notification to Chief Inspector of Site Senior Executive appointment;
- Mine Record - to record all specified safety records;
- Notification to Inspector of Mines of either commencement or cessation of operations;
- Notice of Accident to Inspector of Mines;
- Underground Workings to be surveyed;
- Arrangements for persons working alone;
- Openings and excavations to be protected.

Please contact the Regional Inspector of Mines in Central Region on (07) 4938 4605 before work commences to ascertain your health and safety responsibilities.

Census Forms

Mines, quarrying and explosives operations are required to supply Queensland Mining Quarrying and Explosives Industry Census forms (which are provided by the Department). Information that includes the number of workers employed at each operation for all or part of the previous 12-months.

The census form for calculating the annual Safety and Health Levy must be lodged quarterly with the department, with the form received within 20 days of the end of each quarter.

Note: Penalties will apply for non-supply or incorrect data by the due date. Interest may also be charged on overdue payments.

The department may undertake periodical audits of information provided by industry. For further information please contact (07) 3836 0038 or email safetyandhealthlevy@deedi.qld.gov.au

Please do not hesitate to call Cassie Atkins on (07) 3895 3930 if you require further information

Yours faithfully

49-Sch4 - Signature

Brigitte Kabel
A/ Mining Registrar
Southern Region

*as authorised on behalf
of Kate Byrne*



**Queensland
Government**

Author Shelby Lim
File / Ref number EPC 1674
Directorate / Unit Tenures Support Unit
Phone 07 3238 3805

Department of
**Employment, Economic
Development and Innovation**

1 December 2009

Springsure Mining Pty Ltd
PO Box 1316
NEWCASTLE NSW 2300

Dear Sir/Madam

NOTICE OF PROPOSED GRANT OF EXPLORATION PERMIT

In accordance with section 29 of the *Native Title Act 1993* (Cth) notice of the proposed grant of Exploration Permit for Coal No. 1674 has been given to the Registered Native Title Claimants, the Representative Aboriginal/Torres Strait Islander Body and the National Native Title Tribunal.

Please find enclosed a copy of the Notice of Proposed Grant of Exploration Permits. The notification day for this application is 23 December 2009.

The permit will be advertised in the Koori Mail and the Emerald Central Queensland News on Wednesday, 2 December 2009.

Yours sincerely
49-Sch4 - Signature

Rv

**Rachel Bird
A/Mining Registrar (Minerals & Coal)**

Queensland Mines & Energy
Southern Region (Mines)
Podium 2, Ground Floor
Landcentre Building
Cnr Main & Vulture Street
Woolloongabba Qld 4102
PO Box 1475, Coorparoo
Queensland 4151 Australia
Telephone + 61 7 3238 3805
Facsimile + 61 7 3405 5346
Website www.qld.gov.au

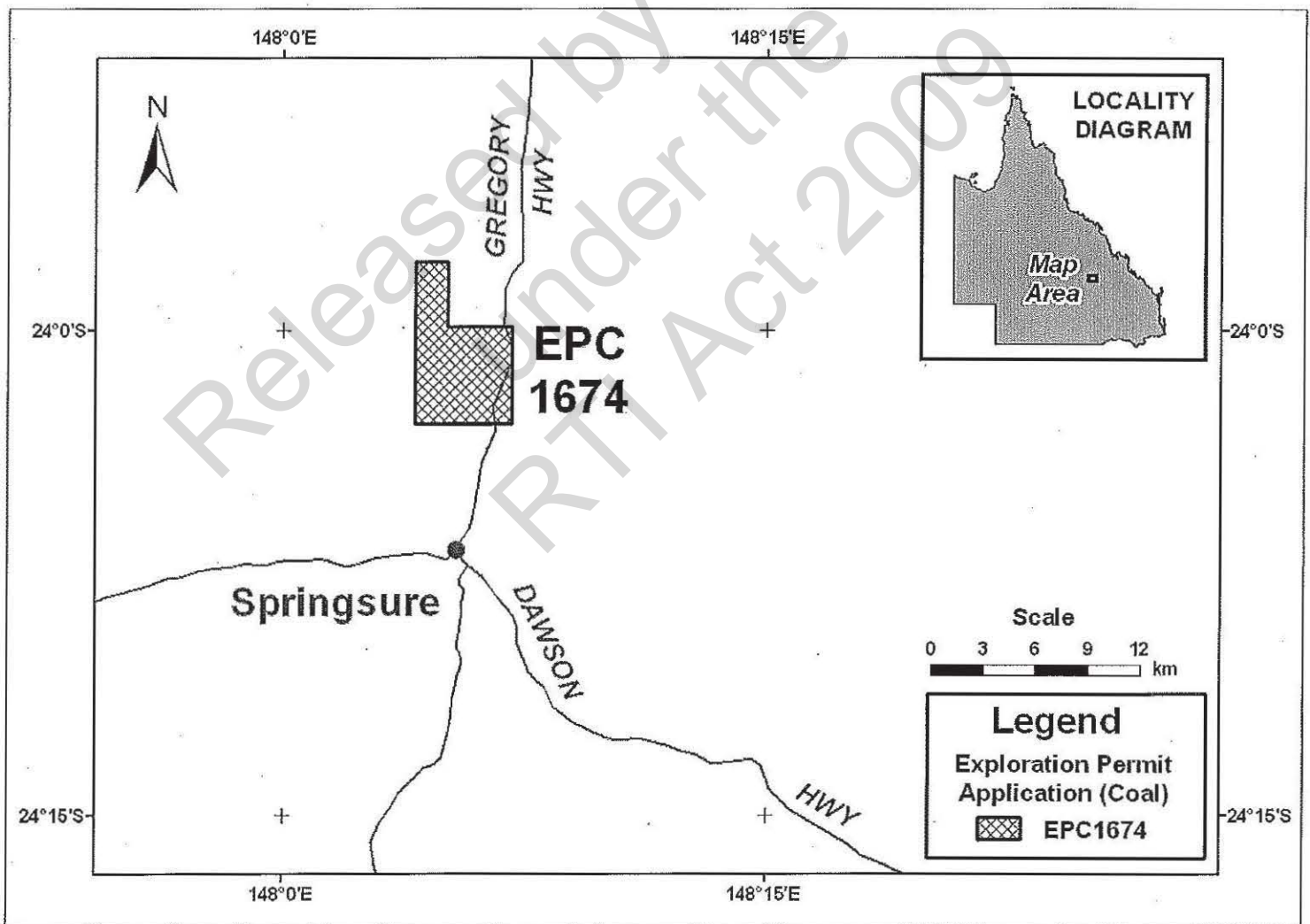
NOTICE OF PROPOSED GRANT OF EXPLORATION PERMITS

NATIVE TITLE ACT 1993 (Cth) Section 29

The State of Queensland - Minister for Natural Resources, Mines and Energy and Minister for Trade hereby gives notice in accordance with section 29 of the *Native Title Act 1993 (Cth)* of the proposed grant of each of the Exploration Permits shown below under the *Mineral Resources Act 1989 (Qld)*.

Exploration Permit to which this notice applies:

Exploration Permit Number	Location of Exploration Permit (Refer to Diagram)	Description of Area of Application*	Current Applicant												
EPC1674	Approx. 12 km N from Springsure Centred at approximate Lat.24°0'S Long.148°06'E Local Government Area: Central Highlands Regional Council	Area: 34 km ² Block Identification Maps: Charleville and Clermont Number of Sub-blocks: 11 (each 1'lat.x 1'long.) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Block Number</td> <td style="width: 50%;">Sub-blocks</td> </tr> <tr> <td>Charleville</td> <td></td> </tr> <tr> <td>49</td> <td>e, k, p</td> </tr> <tr> <td>50</td> <td>a, b, f, g, l, m</td> </tr> <tr> <td>Clermont</td> <td></td> </tr> <tr> <td>3433</td> <td>u, z</td> </tr> </table>	Block Number	Sub-blocks	Charleville		49	e, k, p	50	a, b, f, g, l, m	Clermont		3433	u, z	Springsure Mining Pty Ltd 134 554 662
Block Number	Sub-blocks														
Charleville															
49	e, k, p														
50	a, b, f, g, l, m														
Clermont															
3433	u, z														



* Exploration Permits are described by the name of the Block Identification Map and the number of the Blocks (the Block Numbers) the application covers. Mines and Energy (Department of Employment, Economic Development and Innovation) creates Block Identification Maps. These maps use a linear grid to cover the whole of Queensland. The basic unit of that linear grid is a Block. Each Block is approximately 5 minutes of

latitude and 5 minutes of longitude. The approximate area of a Block is 80 square kilometres. 3456 Blocks, which are individually numbered from 1 to 3456, make up an area that is shown on a Block Identification Map.

Each Block Identification Map has a different name. The Block Identification Map is usually named after a geographical feature shown on the Block Identification Map. Block Identification Maps are at a scale of 1:1 000 000.

Each Block is sub-divided into 25 Sub-Blocks, identified alphabetically by code 'a' to 'z' omitting 'i'. Each Sub-Block is approx.1 minute of latitude and 1 minute of longitude. The approximate area of a Sub-Block is 3 square kilometres. A unique description of each Sub-Block is achieved by combining the name of the Block Identification Map with the number of the Block (from 1 to 3456) and the Sub-Block (from a to z) ie. MAP NAME, BLOCK NUMBER, Sub-Block eg. CHARLEVILLE 1645 d.

A copy of the Block Identification Map of each Exploration Permit is attached.

Nature of the Acts:

Grant of an Exploration Permit under the *Mineral Resources Act 1989* (Qld) authorises the holder to explore for minerals specified for a period not exceeding five (5) years and to seek renewals for a term not exceeding five (5) years.

It is proposed to grant the Exploration Permits subject to the *Mineral Resources Act 1989* (Qld) and also subject to General Conditions Version 3, 6 November, 2008 and Native Title Protection Conditions 1.1(a), 22 August, 2003. These conditions are found attached to this notification.

Name and Address of person doing Acts:

The Exploration Permits will be granted under the *Mineral Resources Act 1989* (Qld) by the Queensland Minister for Natural Resources, Mines and Energy and Minister for Trade or his delegate, PO Box 15216, CITY EAST, QLD 4002.

Further Information:

Further information about the proposed grant of the Exploration Permits, may be obtained from Mines and Energy (Department of Employment, Economic Development and Innovation), Landcentre, Corner of Vulture and Main Streets, Woolloongabba, Queensland 4102, Telephone: (07) 3238 3814.

Native Title Parties:

Under the *Native Title Act 1993* (Cth) any person who is a 'native title party' is entitled to certain rights in relation to the proposed grant of the Exploration Permits. Under section 30 of the *Native Title Act 1993* (Cth) persons have until three (3) months after the Notification Day to take certain steps to become native title parties in relation to this notice.

Enquiries in relation to filing a native title determination application may be directed to the Federal Court, Brisbane Registry, Level 6, Commonwealth Law Courts, 119 North Quay, Brisbane, Queensland 4000, Telephone: (07) 3248 1100 or Email: qldreg@fedcourt.gov.au.

Enquiries in relation to the registration of a native title determination application may be directed to the National Native Title Tribunal, Brisbane Registry, Level 30, 239 George Street, Brisbane, Queensland 4000, Telephone: (07) 3226 8200 or 1800 640 501.

Expedited Procedure:

The State of Queensland considers the grant of each Exploration Permit to which this notice applies is an act attracting the Expedited Procedure.

Each individual Exploration Permit may be granted unless, within a period of four (4) months after the Notification Day, a native title party lodges an objection in respect of the individual Exploration Permit with the National

Native Title Tribunal against the inclusion of the statement that the State considers the grant of that Exploration Permit is a future act attracting the Expedited Procedure.

Enquiries in relation to lodging an objection should be directed to the National Native Title Tribunal, Level 30, 239 George Street, Brisbane, Queensland 4000, Telephone: (07) 3226 8200 or 1800 640 501.

Notification Day: 23 December 2009

Dated at Brisbane this 10 day of NOVEMBER 2009

49-Sch4 - Signature

Signed

**Executive Director, Indigenous Services
for Minister for Natural Resources, Mines and Energy and Minister for Trade**

Released by DNRIM
under the
RTI Act 2009

**Part 5
Form Number 2
Version 3
(Section 137)**

Mineral Resources Act 1989

Exploration Permit For Coal Number EPC 1674

I, *THE HONOURABLE STEPHEN ROBERTSON, MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY*

of Queensland pursuant to the Mineral Resources Act 1989 (the 'Act') grant this Exploration Permit subject to the provisions of the Act, the Mineral Resources Regulation 2003, the terms of this Exploration Permit and the Conditions provided in Annexure A to this Exploration Permit.

Share (%)

100

1. Holder(s): SPRINGSURE MINING PTY LIMITED

2. Tenancy Type: Tenancy In Common

3. Minerals Sought: COAL

4. Term: 4 year(s)

5. Date Commenced: 30-JUN-2010

6. Date Expires: 29-JUN-2014

7. Rental: \$1,456.40 Year One

8. Security: NIL

9. Land Specified in Exploration Permit:

Subject to the provisions of the Act, this Exploration Permit is granted over all the land within the boundaries of the following Blocks and Sub-Blocks. This Land does not include any protected areas as defined under the Act.

<u>BIM</u>	<u>Block</u>	<u>Sub-blocks</u>
CHAR	49	E K P
CHAR	50	A B F G L M
CLER	3433	U Z

Total: 11 Sub-Blocks

Granted at Brisbane this thirtieth day of June 2010

for STEPHEN ROBERTSON
 Minister for Natural Resources, Mines and Energy

ANNEXURE A

Exploration Permit Number 1674 (EPC No.1674) is granted subject to:

- (1) The General Conditions detailed in Annexure B
- (2) The Specific Conditions detailed in Annexure C (Program of Works)
- (3) The Native Title Protection Conditions (Version 1.1(a)) detailed in Annexure D

Released by DNRM
under the
RTI Act 2009

ANNEXURE B

GENERAL CONDITIONS

1. Interpretation

- 1.1 In these **Conditions** unless the context otherwise requires or the contrary intention appears, Schedule 1 contains certain terms that will have the meanings assigned to them.
- 1.2 A reference to a person includes a reference to corporations and other entities recognized by law.
- 1.3 A reference to a statute, regulation, ordinance or local law will be deemed to extend to all statutes, regulations, ordinances or local laws amending, consolidating or replacing them.
- 1.4 In these **Conditions** the headings to the clauses have been inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of any of the **Conditions**.
- 1.5 The singular includes the plural and vice versa.
- 1.6 Words importing one gender will include a reference to all other genders.
- 1.7 A covenant or agreement on the part of two or more persons will be deemed to bind them jointly and severally.
- 1.8 A reference to a clause, schedule or attachment is a reference to a clause, schedule or attachment to these Conditions and includes any amendments to them made in accordance with these Conditions.
- 1.9 Where under or pursuant to these Conditions the day on or by which any act, matter or thing is to be done is not a Business Day, such an act, matter or thing may be done on the next proceeding Business Day.
- 1.10 In the case of any inconsistency between the General Conditions or the Special Conditions and any native title obligations, the native title obligations will prevail to the extent of that inconsistency.
- 1.11 The Permit Holder must comply with the Native Title Protection Conditions, if any are set out in a schedule to this document, during the term of the permit.

2. Excluded Land

- 2.1 The **Exploration Tenement** does not apply to any **Excluded Land**.
- 2.2 The **Explorer** must determine the location of any **Excluded Land**.

3. Code of Conduct

- 3.1 The **Explorer** must comply with the following **Code of Conduct** during the term of the **Exploration Tenement** and any renewal thereof:
- 3.2 The Explorer must provide a copy of the Code of Conduct to the owner of the Land prior to entry on the Land to carry out Exploration Activities.
- 3.3 For the purposes of the **Code of Conduct** the term landowner does not include a native title party as defined in the Native Title Protection Conditions.

"CODE OF CONDUCT"

PROCEDURES FOR SOUND LANDOWNER/EXPLORER RELATIONS

The Code of Conduct is contained in the general conditions of an exploration permit granted under the *Mineral Resources Act 1989* and is currently being reviewed by the department under the guidance of the Land Access Working Group.

LANDOWNER-EXPLORER PROCEDURES

(To be read in conjunction with the *Mineral Resources Act 1989* ("the Act") and the Mineral Resources Regulation 2003 ("the Regulations"))

The development of good relations between landowners and those involved in mineral exploration requires the recognition of the needs and concerns of both parties.

All mineral exploration is carried out under the provisions of the Act, which lays down clear obligations for the explorer to repair damage, to rehabilitate and to compensate the landowners where appropriate.

These procedures require the application of commonsense practices and courtesy to ensure good relations are maintained in the field.

GENERAL PRINCIPLES

The explorer's aims should include -

1. Close liaison with all landowners affected by exploration.
2. Minimising damage to improvements, vegetation and land.
3. Minimising disturbance to landowners and livestock and understanding that land is the livelihood of farmers and graziers.
4. Rectifying, without undue delay, any damage, which can be reasonably repaired.
5. Promptly paying the landowner for any agreed compensation for damage, injury or loss caused.
6. Abiding by the following procedures during exploration.

EXPLORATION PROCEDURES

1. Select a person with an affinity for people on the land and, if possible, a knowledge of farming and grazing practice to be the Field Supervisor for the exploration activities.
2. This Field Supervisor, who shall be responsible to the company, must be familiar with all aspects and requirements of the project.
3. The Field Supervisor should endeavour to make contact with the landowner 4 weeks before entering the property and discuss the program of works as it affects the land, its improvements, crops and livestock.
4. The Field Supervisor should explain to the landowner or his agent personally, the scope of his authority. Where possible they should maintain regular contact throughout the program.
5. Ensure that the senior field personnel are familiar with the Regulations accompanying the Act.
6. Provide the landowner with a copy of a detailed location map, including proposed access routes. Inquire from the landowner as to any particular problems such as buried water pipes, contour banks, shade clumps, erosion prone land as well as position of gates and fences, stock movements and calving or lambing periods.
7. Give the landowner
 - (a) The number of the exploration permit and camp locations if any.
 - (b) The name and address of the person in charge and a senior executive for the explorer or the explorer's regional or Head Office who may be contacted at any time.
8. Ensure all employees, contractors or any other agent carries the required authorisation specified in the exploration permit.
9. Make all contractors and subcontractors aware of explorer's policy in the field and ensure that as far as is practicable it is adhered to. Ensure all contractors are supplied with a copy of this Code of Conduct.
10. The holder of the exploration permit has responsibility for the operation. Do not leave landowners liaising entirely to a contractor.
11. Inspect the area well in advance and

- (a) pre-plan the exploration activities in consultation with the landowner to cause minimum disturbance to the landowner and damage to the land;
 - (b) confer with the landowner over the minimum distance of exploration activities from farm improvements and farm operations; and
 - (c) give the landowner an outline of the activity specifying likely entrance times, number of people, vehicles and other activities that may affect the landowner.
12. Contact the Chief Executive Officer of that local authority area and give them a map showing the area in which the exploration activities will be carried out and where appropriate discuss use of vehicles on the roads, particularly during wet weather.

DURING EXPLORATION

13. Be aware of the problems associated with vehicles carrying weeds into "clean" areas. For example, before moving into a new exploration activities area have mud washed off vehicles, particularly tyres. Also be aware of the possibility of introducing livestock diseases and become aware of any quarantine lines or quarantined properties in the area.
14. When the ground is wet, vehicle and machine movements, which would unduly damage roads or cultivation, should be curtailed. If it is absolutely necessary to move such vehicles or machines, any resulting damage should be repaired as soon as conditions dry out.
15. Effort should be made to be flexible as to the positioning of bores and the clearing of tracks in order to reduce to a minimum the destruction of trees and the creation of erosion hazards. If the holes drilled give a good water flow, advise the landowner as they may wish to utilise it.
16. The Field Supervisor should contact the landowner in person where practicable before each particular operational phase of the exploration activity takes place on land.
17. Any significant changes of the program of works should be made known to the landowner prior to their implementation.
18. (i) The landowner should be advised if and when people and machinery will be entering the land so they can be present if they chooses.
(ii) Ensure vehicles observe moderate speed to minimise dust, noise and stock disturbance.
(iii) Keep number of vehicles on the land to a minimum.
(iv) Avoid unnecessary vehicle movement at night whenever possible.
19. Machinery should be supervised by a responsible person who has an awareness of possible problems. This person should make direct contact with the landowner and ensure that as far as practicable, lines are placed in position indicated to the landowner but where possible deviate around large trees, fences, improvements, soil conservation works, regeneration areas and wildlife corridors etc.
20. Where timber must be bulldozed, it should be left in a manner acceptable to the landowner. Likewise the explorer should confer with the landowner in respect of the proper treatment of watercourses.
21. The width of clearing for lines, especially in timber clumps and tree belts, should be kept to a minimum.
22. Minimise clearing especially on hillsides and slopes susceptible to erosion and along creek banks where there is an obvious shade line.
23. Where possible use existing gates and leave them as they are found. Where this is not possible and after consulting with the landowner employ a competent fencer to erect stock-proof temporary gates and then effect permanent repairs where necessary.
24. Where fences are cut they should be immediately repaired, or gates hung in accordance with the landowner's wishes.
25. Where several days are liable to elapse between the various operational phases of the exploration activities, have the temporary gates checked for stock security.
26. Report any damage, for example; broken gates (including catches), crops, fences, bad ruts, etc. to the landowner as necessary and discuss the repairs necessary. Temporary repairs should be effected without undue delay.
27. Minimise disturbance to the soil surface during construction of survey lines and, where possible, restrict the disturbance to the removal of surface vegetation particularly on cultivated land.
28. Erosion on survey lines should be minimised where appropriate by the prompt construction of check banks and/or spur drains.
29. Take care that costeans and excavations:
- (a) do not endanger livestock; and
 - (b) are refilled as soon as possible after they are no longer required.

30. Soil and subsoil removed from costeans or excavations should be stored separately for backfilling and rehabilitation.
31. On cultivated land where undue soil compaction has occurred, rip the land after conferring with the landowner, or, alternatively, come to an arrangement whereby the landowner rectifies the compaction.
32. Have the crews carry rubbish containers and avoid littering of any sort at all times.
33. Where blasting is proposed the landowner is to be advised well beforehand.
34. Minimise fire risk by sitting fuel dumps, generators and similar equipment on suitably cleared areas and observe laws relating to the fitting of spark arresters and use of fire in the open. Fire fighting equipment should be carried as appropriate.
35. Land clearing fires should not be lit without prior agreement from the landowner.
36. Ensure no firearms or domestic animals are brought into the area of the exploration tenement without advising the landowner/occupier or any other occupiers of the land.
37. When using helicopters:
 - (a) first confer with landowner regarding planned stock program eg. lambing, calving or mustering;
 - (b) advise landowner of proposed use and area of use and proposed times of such flights; and
 - (c) ensure pilots are instructed to use the helicopters so as to cause minimal disturbance to stock.
38. Campsites must be at least 400 metres from surface water and drinking troughs, unless permission to the contrary has been obtained from the landowner. They should not be located over stock pads leading to water points.
39. Invite the landowner to inspect the work area when the program of works is finished so that any problems can be discussed.
40. Make sure for the safety of stock that:
 - (a) all shot holes are filled and properly capped promptly after being shot; and
 - (b) coal exploration and other holes are properly filled and capped. Any excess cuttings are to be removed if required by the landowner.
41. Permanent marker pegs should be positioned where they are not likely to cause injury to stock or hinder machine movement. All temporary markers, particularly steel posts, should be removed when no longer required.
42. The Field Supervisor should have the authority to negotiate and finalise compensation/rehabilitation with the minimum of delay and have full authority in the field.
43. In the event that the Field Supervisor and the landowner cannot agree over rehabilitation and compensation the landowner can raise the matter with the Senior Officer responsible for the program of works.
44. Undertake agreed rehabilitation without undue delay and pay for any agreed crop or similar damage immediately.
45. Replace topsoil over rehabilitated excavations.
46. Under no circumstances should chemicals, oils or their containers be dumped into surface or underground water systems.

Reporting

- 4.1** The Permit Holder must provide the Minister with the reports required under section 141(1)(f) of the *Mineral Resources Act 1989* and provide the Minister a report when directed by the Minister under section 141(1)(fa) of the *Mineral Resources Act 1989*.
- 4.2** In particular, the following reports must be submitted within the timeframes indicated:
- (1) annual reports must be lodged within one month of the end of each year of the term of the Permit;
 - (2) partial relinquishment reports for the area surrendered must be lodged within two months from the date the Minister consents to the partial surrender of the Permit; and
 - (3) final reports must be lodged within two months of the Permit ending due to surrender, expiration or cancellation.
- Section 13B, 13C and 13D of the *Mineral Resources Regulation 2003* clearly defines the requirements and statements required for an annual, relinquishment, final reports and an expenditure statement.
- 4.3** All reports provided to the Minister must meet the standards set out in "Australian Requirements for the Submission of Digital Exploration Data", which were developed by the Government Geoscience Information Policy Advisory Committee (GGIPAC), unless a specific exemption has been obtained from the Department.
- 4.4** Reports which do not meet the required standard will not be accepted.
- 4.5** The reports referred to in clause 4.2 must be lodged electronically using the Department's system for submission of reports, which is currently the Queensland Digital Exploration Reports System (QDEX). Reports lodged via QDEX must be in the digital form stated in "Guidelines for the Submission of Digital Company Reports", a copy of which is available from offices of the Department and from the Department's website.
- 4.6** A report referred to in clause 4.2 may be lodged in hard copy format, only if the Chief Executive has given approval to the permit holder prior to the report being submitted.
- 4.7** By notice in writing, the Minister may also require the Permit Holder to provide further information or reports.
- 3** The Permit Holder must provide the requested information or reports, at the Permit Holder's expense, within the time specified by the Minister or within the further extended period the Minister has agreed to.

5. Provision of Samples

- 5.1** The Permit Holder must mark all containers holding drill core or drill samples taken during the term of the Permit using a permanent method, by clearly displaying -
- (1) the Permit Holder's name;
 - (2) the name of the exploration project the Permit relates to;
 - (3) the borehole designation;
 - (4) the depths contained; and
 - (5) box numbers (e.g. 1 of N, 2 of N).
- 5.2** All drill core and drill samples must be retained by the Permit Holder in a manner that preserves the integrity of the drill core and drill samples, including after the Permit ends.
- 5.3** No drill core or drill samples may be destroyed at any time without the prior written approval of the Department, including after the Permit ends.

- 5.4 If the Permit Holder wishes to dispose of drill core or drill samples at any time, including after the Permit ends, the Permit Holder must seek the written approval of the Department by applying in writing to the relevant Regional Geologist.
- 5.5 The Regional Geologist may then direct the Permit Holder to –
- (1) provide the Regional Geologist with sufficient information to enable them to decide what drill core and drill samples the Department may require;
 - (2) provide the Department with the drill core and drill samples nominated by the Regional Geologist; and
 - (3) deliver the drill core and drill samples in the manner specified, to the location specified and within the time specified by the Regional Geologist, at the Permit Holder's expense.
- 5.6 The Regional Geologist may then also approve the disposal of any drill core or drill samples.
- 5.7 If the Permit Holder decides to end the Permit early or allow the Permit to expire without proceeding to a retention or production tenure, the Permit Holder must –
- (1) notify the relevant Regional Geologist of the Department in writing of all drill core and drill samples taken during the term of the Permit; and
 - (2) must provide the Regional Geologist with justification for the retention of any drill core and drill samples by the Permit Holder.
- 5.8 The Regional Geologist, acting reasonably, may then determine whether the Permit Holder should be allowed to retain any drill core and drill samples and, if so, the conditions imposed on the retention of the drill core and drill samples.
- 5.9 The Regional Geologist may also direct the Permit Holder to –
- (1) provide the Regional Geologist with sufficient information to enable them to decide what drill core and drill samples the Department requires;
 - (2) provide the Department with the drill core and drill samples nominated by the Regional Geologist; and
 - (3) deliver the drill core and drill samples in the manner specified, to the location specified and within the time specified by the Regional Geologist, at the Permit Holder's expense.

6. Provision of Samples to State

- 6.1 The **State** may at any time require the **Explorer** (in writing) to provide to the **State**:
- (1) a selection of Drill Core; or
 - (2) a selection of other Drill Samples.
- 6.2 If the **Explorer** is required to provide material under clause 6.1, the **Explorer** must provide such selection of Drill Core or Drill Samples to the **State** at the **Explorer's** cost within 28 **Business Days** of the receipt date of the written request.
- 6.3 The **Explorer** must mark all Drill Core or Drill Samples taken during the **Exploration Tenement** using a permanent method, by clearly displaying the following:
- (1) the Permit holder's name;
 - (2) the name of the exploration project the Permit relates to;
 - (3) the borehole designation;
 - (4) the depths contained; and
 - (5) box numbers (for example, 1 of N, 2 of N).
- 6.4 The **Explorer** must keep all Drill Core or Drill Samples for a least one year from the date of the completion of drilling unless notified by the **State** that the material may be disposed of earlier.
- 6.5 The **Explorer** must notify the Manager, Exploration Data Centre in writing at least three months prior to the intended disposal of Drill Core or Drill Samples.

Rental

7.1 It is a condition of the grant of this Exploration Permit that:

- (1) The prescribed rental for the first year shall be paid prior to the grant of the Permit;
- (2) Rental for the second and subsequent years of the term of the Permit shall be due and payable on the anniversary of the date of grant of the Exploration Permit; and

SCHEDULE 1 Definitions

In these **Conditions**, unless the context otherwise requires or the contrary intention appears, the following terms shall have the meanings assigned to them –

“**Authority**” means the owner of the relevant reserve, structure or feature;

“**Authorised Exploration Activities**” means those activities authorised under the *Mineral Resources Act 1989*;

“**Business Day**” means a day other than a Saturday, Sunday or a public holiday for the **State**.

“**Code of Conduct**” means the *Code of Conduct for Procedures for Sound Landowner/Explorer Relations* under Clause 3.1 of these conditions.

“**Conditions**” means the conditions contained in this Annexure B.

“**Excluded Land**” means:

(a) land that was:

- (i) the subject of a specific exclusion; or
- (ii) was taken to be excluded under section 132 of the *Mineral Resources Act 1989*; when the Exploration Tenement was granted, and that land has not subsequently been added to the Exploration Tenement in accordance with the *Mineral Resources Act 1989*; or

(b) a **protected area** as defined under the *Mineral Resources Act 1989*

“**Exploration Activities**” means activities that may be conducted under the Exploration Tenement.

“**Exploration Permit**” has the meaning in the *Mineral Resources Act 1989*.

“**Exploration Tenement**” means the Exploration Permit for which these Conditions form part.

“**Explorer**” means the holder of the Exploration Tenement.

“**Land**” means the land the subject of the Exploration Tenement.

“**Law**” includes all statutes, regulations and local laws.

“**Mining Registrar**” has the meaning in the *Mineral Resources Act 1989*.

“**Mining Claim**” has the meaning in the *Mineral Resources Act 1989*.

“**Mining Lease**” has the meaning in the *Mineral Resources Act 1989*.

“**Minister**” means the Minister of the Crown for the time being charged with the administration of the *Mineral Resources Act 1989*.

“**Mineral Resources Act 1989**” means the *Mineral Resources Act 1989 (Qld)*.

“**Mineral Resources Regulation 2003**” means the *Mineral Resources Regulation 2003(Qld)*

“**Native Title Protection Conditions**” means the conditions of the Exploration Tenement to satisfy requirements of the expedited procedure in section 237 of the *Native Title Act 1993 (Cth)*.

“**Permit**” has the same meaning as Exploration Tenement.

“**Permit Holder**” has the same meaning as Explorer.

“**Prescribed Conditions**” means any conditions that are prescribed conditions for the purposes of section 141 of the *Mineral Resources Act 1989*.

“**Program of Works**” means the program of Exploration Activities to be carried out during the term of the Exploration Tenement.

“**Protected Area**” means an area dedicated under the Nature Conservation Act 1992 as –

- (a) a national park (scientific); or
- (b) a national park; or
- (c) a national park (Aboriginal land); or
- (d) a national park (Torres Strait Islander land); or
- (e) a national park (recovery); or
- (f) a conservation park.

“**State**” means the State of Queensland.

"State Grant" means an interest or rights in land held under the *Land Act 1994* evidenced in a Tenure Document.

Tenure Document" has the meaning in the *Land Act 1994*.

Released by DNRM
under the
RTI Act 2009

ANNEXURE C

SPECIFIC CONDITIONS

It is a condition of the grant of this Exploration Permit that the explorer shall carry out the following Program of Works and comply with the expenditure commitments detailed hereunder during the term of the permit.

PROGRAM OF WORKS FOR EPC 1674

Activities such as bulk sampling, costeaning, pitting and trenching are not permitted activities for an exploration permit granted through the expedited procedure process.

Year 1

- ◆ Review of prior data
- ◆ Compilation of base exploration program
- ◆ Establish exploration methodology and location
- ◆ Commencement of initial target drilling

Year 2

- ◆ Review of year 1 exploration data
- ◆ Drilling
- ◆ Geotechnical consultant
- ◆ Initial feasibility assessment

Year 3

- ◆ Review of year 2 exploration data
- ◆ Drilling and sampling
- ◆ Geotechnical consultant
- ◆ Feasibility decision
- ◆ Additional drilling as per feasibility planning

Year 4

- ◆ Application for mining lease (ML)
- ◆ Geotechnical consultant
- ◆ Studies/tests undertaken from the drilling program

EXPENDITURE:

Year	1	49-Sch4 - Business affair
	2	
	3	
	4	

AREA:

Year	Commencing	Area (sub-blocks)
1	30 June 2010	11
2	30 June 2011	11
3	30 June 2012	9
4	30 June 2013	7

RELINQUISHMENT SCHEDULE:

2 s/b relinquishment due 29 May 2012
2 s/b relinquishment due 29 May 2013
20% further relinquishment if renewal sought

EXCLUSIONS:

Sterile Land – NP 259 – National Park

Released by DNRM
under the
RTI Act 2009



Author / Brigitte Kabel
Unit / Tenures Management Unit
Reference / EPC 1674
Phone / 07 3238 3814
Facsimile / 07 3405 5346
Email / brigitte.kabel@deedi.qld.gov.au

Department of
Employment, Economic
Development and Innovation

14 October 2009

Springsure Mining Pty Ltd
C/- Glen Richard Lewis
CTPI 49-Sch4

Dear Sir/Madam,

**Proposed Grant of Exploration Permit for Coal No. 1674 – Native Title Act 1993
(Cwlth) section 29**

As an authorised delegate of the Minister, I am considering granting the above Exploration Permit to you over the area and in accordance with the terms and conditions set out in Annexures B, C and D of the attached draft grant document.

There are a number of issues you need to consider in connection with the proposed grant.

Annexure D

A copy of the Native Title Protection Conditions Version 1.1(a) can be located on the departments website at <http://www.nrm.qld.gov.au/nativetitle/mining/ntpcs.html>

Environmental Authority (Mining Activities)

Your application for Environmental Authority submitted with the above application has now been assessed by the Environmental Protection Agency. It has decided to grant a Code Compliant Environmental Authority under the *Environmental Protection Act 1994* subject to certain Conditions of Approval. The code for environmental compliance for exploration and mineral development projects can be located on the Environment Protection Agency website at <http://www.epa.qld.gov.au/publications>. You should read those conditions carefully.

Mines and Energy Dept of
Employment, Economic
Development and Innovation
PO Box 1475
Coorparoo QLD 4151
Telephone + 61 7 3238 3737
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au
ABN 98 628 485 885

You will note that one of these conditions of the Code of Environmental Compliance is to provide for the payment of a financial assurance, which the Environmental Protection Agency has advised, is \$5000 for Environmental Authority number MIC200856009.

Annual Rental

Under section 137 of the *Mineral Resources Act 1989* rental for the first year of the term of an exploration permit is payable before the grant of the permit under section 137 of the *Mineral Resources Act 1989*. Rental will be requested on completion of the native title process.

Work Program

Activities such as bulk sampling, costeaning, pitting and trenching are not permitted activities for an exploration permit granted through the expedited procedure process. To include one or all of these activities in your proposed program of works, you will need to progress your application through the Right to Negotiate process. Please advise the Mining Registrar, Mineral and Coal, if you would like to include any of these activities into your current proposed program of works before commencing the expedited procedure process.

Security Deposit under the *Mineral Resources Act 1989*

Under section 144 of the *Mineral Resources Act 1989* the Minister shall determine the amount of security to be deposited by the holder prior to the grant of an Exploration Permit. In this instance, as authorised delegate of the Minister, I have determined that, if the Exploration Permit is granted, no security will be required.

Uranium

It is important to note that the Government's policy is that it will not grant a mining lease for the purpose of mining uranium in Queensland, nor will it permit the treatment or processing of uranium within the State.

Procedures Under the *Native Title Act 1993 (Cwlth)*

The "Right to Negotiate" process set out in the *Native Title Act 1993 (Cwlth)* (Part 2 - Division 3 - Subdivision P) will apply to the grant of an Exploration Permit that affects native title.

Expedited Procedure

Your applications have been referred to the Minister who has decided the State will progress your application through the Right To Negotiate process under the *Native Title Act 1993 (Cwlth)* ("the Act") using the Expedited Procedures. However, that approval is subject to you, as the proposed grantee, carrying out the public notification aspects set out in section 29 (3) of the Act.

The notice given to the relevant native title parties and the public notice will include a statement that the proposed grant attracts the expedited procedure (section 29).

If the relevant native title parties make no objection against the statement, then the State can proceed towards granting the Exploration Permit subject to the Native Title Protection Conditions at Annexure D of the draft grant document, in addition to those at Annexures B and C of the draft grant document.

However, if the relevant native title parties make an objection against that statement within the required period, then the National Native Title Tribunal ("the NNTT") must decide whether the proposed grant attracts the expedited procedure (section 32).

If the NNTT decides that the proposed grant does not attract the expedited procedure then it will have to be dealt with through the normal negotiation procedure (sections 31 and 32).

If the NNTT decides that it is an act attracting the expedited procedure the State can then proceed to grant the Exploration Permit subject to the Native Title Protection Conditions at Annexure D of the draft grant document, in addition to those at Annexures B and C of the draft grant document (section 32).

Draft Public Notice

The Department has prepared a draft (copy enclosed) of the "Public Notice" advertisement to assist you in progressing the public notification requirements set out in section 29 of the Act.

The Public Notice is a critical part of the notification process. Consequently, it is important to note that the notice enclosed is a **draft only**. **You should seek your own legal advice as to whether or not the notice satisfies the requirements under the Act.**

The Department assisting you in placing your Public Notice as part of a combined Public Notice (draft copy enclosed). We have asked the Koori Mail and the relevant local newspaper to indicate what the estimated costs of placing the combined notices in their respective newspapers is. The estimates are:

Koori Mail	\$1700.00
Emerald Central Queensland News	\$700.00

The total of this advertisement is \$2400.00, which includes GST.

If you wish the Department to place your Public Notice for you, the amount of \$2400.00 is required to be lodged by **no later than 30 October 2009**. **Please ensure that this amount is lodged with the Southern Region office (address can be found on page 1). If not paid at this office, the payment details may not be received until after the due date.**

An adjustment to that amount may need to be made if the actual costs differ from what the newspapers have indicated the costs will be. Failure to provide the monies by the due date may result in delay in having your advertisement placed in the newspapers. It will also adversely impact upon the cost of the combined Public Notice and may also result in additional advertising costs to you.

If you decide that you wish to prepare and place the public notice in the relevant newspapers without the Department's assistance, you are welcome to do so, however, you will need to co-ordinate the "Notification Day" displayed in the public notice with the Department. This is because the written notice that the State must send to the various native title parties under section 29(1) of the Act must nominate the same notification day that the Public Notice under section 29(3) of Act as specified in section 29(5). The notification day must be a day by which it is reasonable from the State's perspective, to assume all the notices will have been received, or otherwise come to the attention of the persons who must be notified.

Publication of Advertisement in Newspapers

Based on current planning, it is anticipated that the advertisements will be placed in December 2009. However, this date may be subject to change and the Department accepts no responsibility for any change of publication dates.

Notification Date

The draft advertisement enclosed for your consideration indicates the Notification Date will be 23 December 2009.

Agreement under Section 31 of the Act as an Alternative to the Native Title Protection Conditions

You might like to consider negotiating an agreement under section 31 of the Act with any Native Title Claimants over the area covered by the proposed Exploration Permit. This could be done with a view to developing a long-term relationship rather than both of you having the Native Title Protection Conditions imposed upon the tenure. Such an Agreement would also remove any risks associated with potential objections being lodged against the adoption of the Expedited Procedure.

It is anticipated the position of the State under any such agreement would be:

- a) The responsibility for the negotiation and completion of any agreement would lie solely with you as the applicant and all the native title parties; and
- b) The agreement would have to be finalised and executed by all the relevant parties within 4 months after the notification day; and
- c) The agreement must put no obligations upon the State and must not fetter any decision the state or its representatives make under statute; and
- d) If all of the above criteria are satisfied then the State would agree to withdraw the notice that the Expedited Procedures apply and, if granted, the Exploration Permit would not be subject to the Native Title Protection Conditions.

However, please note, the State is placing no obligation upon you to negotiate and finalise such an Agreement.

Abandonment of Application

If you wish to abandon your application, you will need to provide written confirmation of this by 28 October 2009.

Please note that if no advice is received from you in accordance with the above timeframes, steps may be taken to reject your application.

I look forward to your prompt response.
Enquiries

All enquiries relating to this matter should be directed to the above contact on (07) 3238 3814.

Yours faithfully,

49-Sch4 - Signature

Rachel Bird

A/ Mining Registrar (Minerals & Coal)
Southern Region (Mines)

Enclosed:

- Section 29 notice
- Draft grant document

Released by DNRM
under the
RTI Act 2009



**TECHNICAL ASSESSMENT CHECKLIST AND RECOMMENDATIONS
EXPLORATION PERMIT FOR COAL NO. 1674
RENEWAL**

**Date of Grant:
30 June 2010**

Applicant(s)/Holder(s): Springsure Mining Pty Ltd (100%)	
Project Name: Springsure	
Commodity: Underground thermal coal –from Reids Dome Beds - Bowen Basin	
Number of sub-blocks applied for: 11	

Assessment Summary

Technical and financial resources: Parent Guildford Coal had <input type="text" value="49-Sch4 - B"/> in cash as of 31 December 2013.
Program and concepts: <input type="text" value="49-Sch4 - Business affairs"/> indicated; MDL to be lodged shortly.
Location: 7km North of Springsure
Level of ground impact for NT considerations:
The applicant DOES / DOES NOT need to submit further information to support the application. - Information requested in accordance with section 133A and at folio - Information provided on (see folio)

Recommendations

Yr	From	To	S/B Actual	Min Prop\$	Actual \$	Program	Report Annual	Comments
1	30/6/10	29/6/11	11			49-Sch4 - Business affairs		
2	30/6/11	29/6/12	11					
3	30/6/12	29/6/13	11					

OVER

4	30/6/13	29/6/14	11	49-Sch4 - Business affairs		Recommend vary year 4 conditions to allow full retention for year 5.
5	30/6/14	29/6/15	11			Recommend renew for years 5 to 9 over 11 sub-blocks. MDLA planned for resource area.
6	30/6/15	29/6/16	11			
7	30/6/16	29/6/17	11			
8	30/6/17	29/6/18	11			
9	30/6/18	29/6/19	11			

The Technical Assessment Checklist provides technical advice to the Delegated Authority on whether an application should proceed to grant. It offers a recommended course of action only and as such it should **not** be viewed as an approval document. All references to sections are references to the *Mineral Resources Act 1989*.

RENEWAL SPECIFIC CHECK LIST		Y or N
Relinquishment	Is relinquishment compliant? Retention acceptable, holder came close to meeting ambitious 4-year total expenditure.	N
Expenditure	Has expenditure been acceptable? Substantially compliant.	Y
Work Program	Has the program of work been complied with (or an equivalent body of work)? Overall, yes	Y
Conditions	Have specified conditions been complied with?	N/A
Reporting	Have the reporting requirements been adhered to?	Y
Bona Fide	Do the actions of the holder appear to be bona fide?	Y
Significant Mineralisation	Has the holder reported significant mineralisation? See s176?	Y
Outcome	Is the holder complying with the conditions of this tenure?	Y
Performance History of Holder	Are there sufficient grounds to recommend against renewal under s141(1) or 160(1), for non-compliance with the technical requirements of the Act?	N
Failure to Relinquish Land	Due to non-compliance with relinquishment requirements, does a recommendation need to be made regarding the area the Minister may direct be relinquished under s139(6) or 140(1)?	N
Direction to Apply for Higher Tenure	Do sufficient technical grounds exist to warrant recommending to the Minister that the Holder apply for a higher form of tenure under section 176(2)?	N
RECOMMENDED CONDITIONS FOR RENEWAL		

Compliance with the approved work program and expenditure commitments, or an equivalent body of work, acceptable to the Minister, of this exploration permit is a condition of grant of this tenure. Failure to comply with this requirement will be taken into account in the assessment of any application for the renewal of this tenure and may also result in the cancellation of this tenure. Application for any amendment to the conditions of grant must be in writing and directed to the Registrar, Minerals and Coal.

Other Advice

RENEWAL SIGN-OFF						
Signed			Date:		Title:	
Signed	Ian Rienks	49-Sch4 - Signature	Date:	29/5/14	Title:	

Released by DNRM
under the
RTI Act 2009

Application to vary conditions of existing permit Section 141C of the *Mineral Resources Act 1989*



Our Ref: EPC 1674
Email: exploration@dnrm.qld.gov.au
Phone: (07) 3238 3843

Department of
Natural Resources and Mines

21 February 2014

Springsure Mining Pty Limited
C/- Environmental and Licensing Professionals Pty Ltd
GPO Box 559
BRISBANE QLD 4001

Dear Sir/Madam,

Variation request approved for Exploration Permit Coal 1674

I advise that, after due consideration your request to vary the relinquishment schedule for year 4 from 7 sub-blocks to 11 sub-blocks, the Ministers delegate, has approved the request under section 141C of the *Mineral Resources Act 1989*, (MRA)

Please be aware that a new Operational Policy 11/2012 - Application to vary conditions of an exploration permit was introduced in October 2012. Public viewing of this Policy is available on the Departments website: <http://mines.industry.qld.gov.au/mining/operational-policies.htm>

Any further requests for variations to the permit conditions that are made by permit holder/s which have not been in strict compliance or in substantial compliance with their permit conditions and obligations are/is likely to be refused.

This letter must be kept as a record that your variation has been approved.

Yours sincerely

49-Sch4 - Signatur

Fergus O'Brien
Manager
Exploration Management Unit

Department of Natural Resources
and Mine
PO Box 15216, City East
Queensland 4002 Australia
Facsimile + 61 7 3008 5741

Approved work program for renewal of EPC 1674

You are required to carry out the following work program within the conditioned period and comply with the related expenditure commitments outlined throughout the permit term.

In accordance with **Operational policy 5/2012 - Work program and relinquishment conditions**, your work program performance will be assessed against each component of the work program condition period.

Conditioned period 1

Year 5

Sub-blocks 11

Activity	Total expenditure
49-Sch4 - Business affairs	49-Sch4 - Busine

Year 6

Sub-blocks 11

Activity	Total expenditure
	49-Sch4 - Business

Year 7

Sub-blocks 11

Activity	Total expenditure
	49-Sch4 - Busin

Note:

40% relinquishment of sub-blocks required at end of year 3

50% relinquishment of sub-blocks is required if a renewal of the permit is sought

Condition period 2

Year 8

Sub-blocks 11

Activity	Total expenditure
49-Sch4 - Business affairs	49-Sch4 - Business

Year 9

Sub-blocks 11

Activity	Total expenditure
49-Sch4 - Business affairs	49-Sch4 - Business

Released by DNRPM
under the
RTI Act 2009

Renewal of EPC 1674

11 June 2014

Reference: EPC1674

Springsure Mining Pty Limited
c/- ELP Pty Ltd
GPO Box 559
BRISBANE QLD 4001

Dear Sir/Madam

We are pleased to advise that pursuant to section 147A of the *Mineral Resources Act 1989*, EPC 1674 has been renewed.

Renewal date: 11 June 2014
Commencement date: 30 June 2014
Term: 5 years

Note: the Department will, at all times, insist on strict compliance with all terms and conditions of the exploration permit.

For your information the conditions applying to this exploration permit are contained in:

- the *Mineral Resources Act 1989*
- the *Mineral Resources Regulation 2003*
- approved work program for renewal (attached)

You are required to carry out the activities comply with the related expenditure commitments detailed in your approved work program within the conditioned period. You must ensure you relinquish the required area during the renewed period. Refer to ***Operational policy 5/2012 - Work program and relinquishment conditions*** for more information.

We recommend this letter be kept as a record that this renewal has been approved and recorded on the register.

Where do I find more information?

There are a range of useful resources and support materials available to assist you in learning more about land access and building relationships with landholders from our website www.business.qld.gov.au/industry/mining. You can also download guidelines and policies on your resource permit obligations, land access and native title as it applies to mining and exploration activities.

If you have questions about this letter, or specific detail relating to the above permit contact the Coal Assessment Hub on coalhub@dnrm.qld.gov.au or 07) 49360362.

If you would like to receive future reminders via email, or need help desk services, please register with MyMinesOnline via the website or email mines_online@dnrm.qld.gov.au.

Regards

Mining and Petroleum Operations
Department of Natural Resources and Mines



Queensland Government

TECHNICAL ASSESSMENT CHECKLIST AND RECOMMENDATIONS EXPLORATION PERMIT FOR COAL NO EPC 1674 RENEWAL

Date of Grant: 30 June 2010

Applicant(s)/Holder(s): Springsure Mining Pty Ltd (100%)	
Project Name: Springsure	
Commodity: Coal	
Number of sub-blocks applied for: 11	Application at folio: 1

Assessment Summary

Technical and financial resources: Springsure Mining have some coal experience amongst their senior management team. They use, and plan to continue to use consultants such as Moultrie to support the progress of this project. Guildford Coal Limited is the majority (50.78%) shareholder and manager of Springsure Mining Pty Ltd. Guildford report 49-Sch4 - Business on hand and at bank as of December 2013.

Program and concepts: Springsure hope to develop the northern half of EPC 1674 49-Sch4 - Business affairs and will "imminently" apply for a MDL as part of this strategy.

Location: Approximately 8km north of the town of Springsure

The applicant **DOES / DOES NOT** need to submit further information to support the application.

- Information requested in accordance with section 133A and at folio
- Information provided on (see folio)

Recommendations

Yr	From	To	S/B Actual	Min Prop\$	Actual \$	Program	Report A- Annual	Comments
1	30.6.2010	29.6.2011	11					49-Sch4 - Business affairs
2	30.6.2011	29.6.2012	11					
3	30.6.2012	29.6.2013	11					

4	30.6.2013	29.6.2014	11	49-Sch4 - Business affairs	Another 49-Sch is reported as having been spent during this period.
5	30.6.2014	29.6.2015	11		Recommend granting TA for 5 years. See 'Other Advice'.
6	30.6.2015	29.6.2016	11		
7	30.6.2016	29.6.2017			
8	30.6.2017	29.6.2018			
9	30.6.2018	29.6.2019			

The Technical Assessment Checklist provides technical advice to the Delegated Authority on whether an application should proceed to grant. It offers a recommended course of action only and as such it should **not** be viewed as an approval document. All references to sections are references to the *Mineral Resources Act 1989*.

RENEWAL SPECIFIC CHECK LIST		Y or N
Relinquishment	Is relinquishment compliant?	Y
Expenditure	Has expenditure been acceptable? 49-Sch4 - Business affairs	Y
Work Program	Has the program of work been complied with (or an equivalent body of work)?	Y
Conditions	Have specified conditions been complied with?	Y
Reporting	Have the reporting requirements been adhered to?	Y
Bona Fide	Do the actions of the holder appear to be bona fide? 49-Sch4 - Business affairs	N
Significant Mineralisation	Has the holder reported significant mineralisation? See s176? 49-Sch4 - Business affairs	N
Outcome	Is the holder complying with the conditions of this tenure?	Y
Performance History of Holder	Are there sufficient grounds to recommend against renewal under s141(1) or 160(1), for non-compliance with the technical requirements of the Act?	N
Failure to Relinquish Land	Due to non-compliance with relinquishment requirements, does a recommendation need to be made regarding the area the Minister may direct be relinquished under s139(6) or 140(1)?	N

Direction to Apply for Higher Tenure	Do sufficient technical grounds exist to warrant recommending to the Minister that the Holder apply for a higher form of tenure under section 176(2)?	Y
RECOMMENDED CONDITIONS FOR RENEWAL		
Compliance with the approved work program and expenditure commitments, or an equivalent body of work, acceptable to the Minister, of this exploration permit is a condition of grant of this tenure. Failure to comply with this requirement will be taken into account in the assessment of any application for the renewal of this tenure and may also result in the cancellation of this tenure. Application for any amendment to the conditions of grant must be in writing and directed to the Registrar, Minerals and Coal.		
Other Advice	<p>49-Sch4 - Business affairs</p> <p>[Redacted]</p> <p>Renewal is recommended 49-Sch4 - Business affairs</p> <p>[Redacted]</p> <p>[Redacted] Springsure have plans to apply for an MDL over the northern part of EPC 1674. Relinquishment variation is recommended to allow Springsure to explore the southern part of the EPC. See email dated 1.6.14 attached to file.</p>	

49-Sch4 - Signature

RENEWAL SIGN-OFF					
Signed	[Redacted]	Date:	05.06.2014	Title:	Geoscientist
Signed	Callum Lamont	Date:		Title:	

Released by DNRM under the RTI Act 2009

①

Exploration permit renewal application checklist

This checklist is to be completed to determine whether an application for renewal is acceptable. Note that applicants must answer every question of the prescribed application for renewal.

28/3/2014

EP No.: <u>EPC 1674</u>	Application lodged: <u>14/4/2014</u>	Expiry date: <u>29/6/2014</u>
Holder(s) <u>SPRINGSURE MINING Pty Limited</u>		

Part A – Application requirements

① 10c

Item	Requirement	Yes	No	Remarks
1	Has the holder made and signed application for renewal?	✓		
2	Is the application in or on the prescribed form?	✓		
3	Is the prescribed fee paid?	✓		
4	Is the application lodged greater than 6 months prior to the expiry date (see s147)?		✓	
5	Is the application lodged less than 3 months prior to the expiry date (see s147)? If yes: Has submission for late lodgement been submitted? If yes: forward to delegate for approval.		✓	
6	Where holder is a company, is company currently registered? <u>ACN 134 554 662</u>	✓		Search the ASIC website www.asic.gov.au
8	Has the holder specified the length of the term to be renewed?	✓		<u>5 YEARS</u>
9	Is a brief summary of work carried out during the current term lodged?	✓		
10	Is a statement specifying a proposed work program and expenditure for each year of the proposed term lodged?	✓		
11	Is a statement specifying financial and technical resources lodged?	✓		
12	Was the permit granted under an Indigenous Land Use Agreement (ILUA)?		✓	
13	Is there provision for renewal in the ILUA?		✓	

VPC

STATE PROVISIONS

Item	Requirement	Yes	No	Remarks
14	Was the permit granted subject to the ASPs? If yes: the renewal application must proceed in accordance with the commonwealth native title provisions (ie. RTN, expedited procedure, ILUA).		✓	Note: application needs to be referred to NT unit for commencement of NT process

Part B – Renewal application restriction/conditions

Restriction	Yes	No	Remarks
Are there any conditions imposed on grant/former renewal that should be taken into consideration on the assessment of the application for renewal?		✓	
Is the permit over land (the overlapping land) in the area of a petroleum authority?	✓	✓	APP 693
Is the permit within a restricted area that does not permit renewal?		✓	
Has the permit been renewed previously?		✓	
Is the permit already pending renewal?		✓	
Will the public interest be affected by the renewal of the permit?		✓	

Part C – Decision by authorised officer

All requirements of application have been lodged. The application is acceptable and can be recorded on the register.

The application is unacceptable because:

Refused because (refer to Part A):

49-Sch4 - Signature

Name: _____
Tenures Officer/Senior Tenures Officer
Exploration Management Unit
 Date:

Signature: _____



Holder(s)(%)		<i>SPRINGSURE MINING PTY LIMITED</i>	
Current area (sub-blocks):		<i>11</i>	
Date of grant			
Date of expiry		<i>29 JUN 2014</i>	
Renewal application date lodged:		<i>28 MAR 2014</i>	
Is the EP the subject of an application for an MDL or ML?			<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Year of permit (before renewal)			
Last relinquishment date and no. of sub-blocks		<i>29 JUN 2013, ML</i>	
District	<i>EMERALD</i>	Project name:	
Native Title process		<i>EXPEDITED GRANT</i>	
Current conditions on the EP (either imposed at grant or previous renewal - RA, wild rivers etc)		<i>N/A</i>	
Renewal checklist completed and application in order			<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Application lodged with renewal period			<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Late lodgement approval given			YES/NO <i>N/A</i>
Term requested	<i>5</i> years	From <i>29 JUN 2014</i> to <i>29 JUN 2019</i>	
Request to retain total area lodged with application?			<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Is relinquishment required prior to expiry date?			<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <i>N/A</i>
Other comments:			
<i>RETAIN 11 SUB BLOCKS - VARIATION LOGGED</i>			

Checked and endorsed for approval

Tenures Officer
Exploration Management Unit
Date:

PROCESS AND COMPLIANCE

- 1) the technical assessment is complete with a recommendation to proceed/~~reject~~ - Folio 27/5/2014
- 2) A NT process is not required/has been undertaken - Folio EXPEV NTPCs S31 - Determined -
- 3) Rent is up to date and the application for renewal can proceed to be approved. Rent due. 30 June 2017
- 4) Reporting is up to date and the application for renewal can proceed to be approved. Due 30 June 2017
- 5) The expenditure is satisfactory OR ~~The expenditure has not been satisfactory to date however the application for renewal can proceed for the following reasons: _____~~
- 6) There are no outstanding dealings on this EP that would prevent the application for renewal being approved (NSC, AEL, Variation etc) NO O/S
- 7) No conditions were imposed on this EP by the delegated officer at the last renewal OR The following condition(s) was imposed on this EP by the delegated officer at the last renewal and has been complied with. NO CONDITIONS
- 8) There are no conditions to be imposed on this EP at renewal OR The following condition(s) is/are required to be imposed on this EP: NIL

Checked and endorsed for approval

49-Sch4 - Signature

Senior Tenures Officer
 Exploration Management Unit
 Date:

RECOMMENDATION

It is recommended that the Mining Registrar, Exploration Management Unit, under delegation from the Minister approve:

- 1) pursuant to section 147A of the *Mineral Resources Act 1989* (the Act), renew Exploration Permit for Minerals/Coal No. 1674 over an area of 11 sub-blocks and for a term of 5 years;
- 2) pursuant to section 144(1) of the Act a security deposit of Nil is determined for EP _____;
- 3) The holder has observed and performed all the covenants and conditions applying to the permit and required to be observed and performed by the holder and has complied with the Act in relation to the EP. ✓
- 4) that the program of work (work program) for the renewed term is appropriate and acceptable; ✓
- 5) that the statements provided by the applicant/s, pursuant to section 147(2)(b) and (c) of the Act are acceptable. ✓
- 6) The public interest will not be adversely affected by the renewal. ✓

APPROVED/NOT APPROVED

49-Sch4 - Signature

5 Mining Registrar, Exploration Management Unit
 Date: Coal Hub Assessment

COMMENTS

TECH ASSESSMENT REQUESTED MORE DATA
 SPRINGSURE MINING PROVIDED ✓



GUILDFORD

COAL

10 April 2012

A/Mining Registrar
Tenures Support Unit
Department of Employment, Economic Development and Innovation
PO Box 1475
COORPAROO QLD 4151

ATTENTION: TODD ELLIS

Dear Todd,

RE: EXPLORATION PERMIT FOR COAL 1674

Pursuant to Section 141C(3)(a) of the MRA 1989, (Application to vary conditions of existing permit) Guildford Coal Limited (as manager for and operator on behalf of Springsure Mining Pty Ltd) requests the following expenditure variation:

- EPC 1674 – for year 2 ending 30/06/2012 from 49-Sch4 - Business affairs

Rationale for seeking a variation

Over the past twelve (12) months Guildford Coal Limited has been negotiating the purchase of the majority shareholding in Springsure Mining Pty Ltd from several related parties. In the absence of a Shareholders' Agreement outlining the method for management of expenditure on the tenement, exploration activity on the tenement was suspended pending resolution of these outstanding matters.

The successful acquisition of the majority shareholding in Springsure Pty Ltd was announced on the ASX on 2 April 2012. On ground exploration activity is scheduled to resume in late April 2012. Importantly, the exploration plan for the tenement recognises the underspend in year 2 (the subject of this variation request) and ensures the outstanding amount is expended during the balance of the year 3 period.

Therefore Guildford Coal seeks to request the Minister's approval for the following:

- Pursuant to section 141C(a) of the *Mineral Resources Act 1989*, to vary the expenditure commitment for year 2 from 49-Sch4 - Business affairs

Please call the undersigned if you have any queries, on (07) 3005 1533

Yours faithfully,
Guildford Coal
For Springsure Mining Pty Ltd

49-Sch4 - Signature

Mark Turner
Chief Operating Officer





Application to vary the conditions of an exploration permit

*Mineral Resources Act 1989
Mineral Resources Regulation 2003
Version 1*

No. (Office Use Only)

MINES ABN 59 020 847 551

Complete this form and submit the original with any attachments at a **mines lodgement office**. For a full list of locations, visit mines.industry.qld.gov.au/mining/tenure-fee-royalties-rents.htm.

Please read operational policies 5/2012 **Work program and relinquishment conditions** and 11/2012 **Application to vary conditions of an exploration permit** ("the Policies") before completing this application. This form also references operational policy 3/2012 **Strict compliance and substantial compliance**. This form comprises information required under the *Mineral Resources Act 1989* (MRA) and associated operational policies. It is recommended you provide as much justification as you feel necessary, including attaching further documentation, to support this request.

Complete on screen or use a pen and write neatly using **BLOCK LETTERS** Cross where applicable .

Note: In accordance with operational policy 11/2012 **Application to vary conditions of an exploration permit**, any application to vary conditions should be made at least **two months** before the end of the period that relates to the condition.

Question 1 – Permit details

1.1 Permit type and number:

EPC 1674

1.3 Reason for application:

Variation to an existing work program

Variation to expenditure commitment

Variation to relinquishment schedule conditions

Question 2 – Permit holder details *(if more than two holders provide a separate attachment)*

Authorised holder (Principal holder)

Company name / surname: Springsure Mining Pty Ltd

Given name (if individual): ACN/ARBN: 134 554 662 % share (if a holder) 100

Other holders (if applicable)

Company name / surname:

Given name (if individual): ACN/ARBN: % share

Authorised holder representative (authorised person to act as contact for this permit)

Name: Environmental Licensing Professionals Pty Ltd

Contact: CTPI 49-Sch4

Address: PO Box 559

Town/City: Brisbane State: QLD Postcode: 4001

Country: Australia Phone no: (07) 32399700

Email: CTPI 49-Sch4 @elp.com.au

Question 3 – Self assessment of variation request to ensure it satisfies policy criteria

(to be prepared in consideration of the department's operational policies. All 11 questions are to be completed)

Please tick

		YES	NO	Mineral Resources Act 1989 ("MRA") and Policy requirements
1	Was the permit granted as a result of a competitive application process? If so, does this variation relate to the first two years of the permit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>The policies require requests of this nature be supported by sufficient and satisfactory reasons, including exceptional circumstances, to gain approval.</i>
2	Have all reporting requirements on the permit been met? This includes the lodgement of relinquishment reports, annual reports and separate expenditure statements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>s141 MRA requires that reports be lodged to comply with the conditions of the permit. The department may refuse to accept variation requests made on permits with outstanding reporting obligations due to the tenure not being in strict compliance with mandatory permit conditions.</i>
3	Has all rent on the permit been paid to date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>s138 and 141 MRA require that rental be paid on the anniversary date of the permit, as part of the conditions of the permit. The department may refuse to accept variation requests made on permits with outstanding rental due to the tenure not being in strict compliance with mandatory permit conditions.</i>
4	Will the variation be lodged no later than two months prior to the end of the period the variation relates to?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Departmental policy requires that variation requests should be lodged two months prior to the end of the relevant period. If you are unable to lodge within this reasonable timeframe, the permit holder will need to outline the exceptional circumstances behind the late lodgement. This justification will be assessed against the holder's compliance history together with the variation request.</i>
5	Can you demonstrate substantial compliance with permit conditions, including (but not limited to) relinquishment, work programs, reporting and rent?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operational policy 3/2012 Strict compliance and substantial compliance provides background to the assessment of the tenure holder's compliance. This will be considered in any variation request.</i>
6	Has there been more than one relinquishment variation request applied for on the permit in the past term?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>The policies provide that where relinquishment variations are granted, it does not change the permit relinquishment requirements but only defers the requirement to the next relinquishment date. If a previous relinquishment variation request has been made (and was approved) in the current term, a subsequent relinquishment variation may not be approved unless exceptional circumstances are provided.</i>
7	Does the variation apply to a transfer?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Tenure holders accept terms and conditions, including that they will meet work program, expenditure and relinquishment commitments. If the permit is being transferred, it is the holders' responsibility to ensure that commitments are met until the transfer is finalised. A transfer is not considered a valid reason to vary conditions and might not be approved unless there are exceptional circumstances.</i>
8	Does the variation justification relate to your financial ability to carry out the work? This can include lack of funding or commitments on other projects.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>s133 and 151 MRA provide that tenure holders are granted or transferred a permit as they indicate they have the financial resources to comply with conditions and carry out the work program on each permit. As the holder has acknowledged this and accepted the terms and conditions, variation requests of this nature might not be approved unless exceptional circumstances are provided.</i>
9	Does the variation relate to your technical ability to carry out the work program? This can include your inability to source or dedicate rigs, equipment or qualified personnel to the permit work program.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>s133 and 151 MRA provide that tenure holders are granted or transferred a permit as they indicate they have the human and technical resources to comply with conditions and carry out the work program on each permit. As the holder has acknowledged this and accepted the terms and conditions, variation requests of this nature may not be approved unless exceptional circumstances are provided.</i>

		YES	NO	Mineral Resources Act 1989 ("MRA") and Policy requirements
10	Does the variation request relate to work program activities that are of equal or greater value or that are consistent with the objectives of the existing work program? (not required for relinquishments)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Under the policies, variations to work program activities might only be approved if the alternative work activity is of equal or greater value and/or if the alternative work activity is consistent with the objective of original work program component. As an example, an airborne survey might be conducted rather than an approved drilling program as it saves the applicant time and money and provides richer data.</i>
11	Is this permit part of an approved project? If so nominate the project permits to which the commitments on this permit were met in 4.1 or 4.5 below.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Operational policy 8/2012 Project-based permit administration provides a framework for the management of multiple permits. If this permit is not part of an approved project, any request referencing another permit will not be approved. If this permit is part of an approved project for relinquishment nominate the permit to which relinquishment due on this permit will apply to in Q 4.5, for expenditure and work program, nominate the permit where the work was undertaken in your justification in Q 4.1.</i>

Question 4 – Variation details (please attach any further justification or information as required)

4.1 Variation to work program and related expenditure

(If your permit is transitioning from annual obligations to work periods, note the relevant years below, otherwise, note the period term e.g. 2013-2015)

Period work period to which variation applies	N/A	Offset work period where work program and related expenditure shortfall will be met	N/A	(ONLY for approved Projects) Nominate permit where work was undertaken	N/A
Current conditioned work program and related expenditure	N/A				
Proposed work program and related expenditure	N/A				

4.2 Provide justification as to why you are unable to meet the work program and related expenditure commitments.

Consider costs and description of exploration techniques undertaken to achieve the work program commitments for the period and/or changes to human and technical resources and/or why the variation is required. If the variation request is related to exceptional circumstances that were beyond your control, please outline those circumstances below:

N/A

Note: variations are not likely to be approved for matters relating to your financial or technical resources or your ability to manage exploration. If required, refer to the Operational Policies for definitions and examples of exceptional circumstances.

4.3 Outline what has been done in the current term to meet your work program and related expenditure commitments:

N/A

4.4 Outline how you will remedy the shortfall of the work program and related expenditure commitment in the following period and/or what significant change to exploration techniques were used in the current period to achieve your work program commitments:

N/A

4.5 Variation to prescribed relinquishment schedule

(If your permit is transitioning from annual obligations to work periods, note the relevant years below, otherwise, note the period term e.g. 2013-2015)

Permit work period to which variation applies	Maximum current prescribed sub-blocks for that period	Number of sub-blocks due for relinquishment	Proposed sub-blocks to be retained	Date last relinquishment was made from permit	(ONLY for approved Projects) Nominate relinquishment from which permit?
2013-2014	7	4	11	N/A	N/A

4.6 Provide reasons why you are seeking to vary the current relinquishment condition. Valid reasons might include, but are not limited to, a lodged higher tenure application, strong exploration performance or exceptional circumstances.

Imminent exploration programme, as detailed in attached document.

If required, refer to the Operational Policies for definitions and examples of exceptional circumstances.

4.7 When was the last variation to relinquishment conditions approved on the permit? What reasons were provided in that request? If a variation has already been approved in the current term, what exceptional circumstances are there for this application to also be considered?

N/A

Question 5 – Confirm your obligations

This application to vary the conditions of an exploration permit is made pursuant to section 141C of the *Mineral Resources Act 1989*. Applications to vary conditions must be signed by all holders or their authorised holder representative. By signing below or in an attached submission, you also confirm the following:

I/We have read and understood Operational Policies 11/2012 Application to vary conditions of an exploration permit and 5/2012 Work program and relinquishment conditions .
I/We understand that section 404D of the <i>Mineral Resource Act 1989</i> provides that a document containing information that is false or misleading can attract a maximum penalty of 200 penalty units.
I/We understand my/our obligations as a holder(s)/authorised holder representative(s).
I/We acknowledge the results of my/our self assessment in Question 3
I/We understand that my/our self assessment of this request to vary the conditions of the permit will be verified and used in the departmental assessment of this request.
I/We acknowledge that assessment of this request will be made on the application as lodged and it is unlikely that the department will seek any further information in the assessment.
I/We will make any required actions necessary once advice of the variation assessment decision is provided to me/us (including relinquishment nominations) within statutory or specified timeframes.

Signature 1:	<input type="text" value="49-Sch4 - Sign"/>	Signature 2:	<input type="text"/>
Print name:	<input type="text" value="CTPI 49-Sch4"/>	Print name:	<input type="text"/>
Position:	<input type="text" value="Authorised Agent"/>	Position:	<input type="text"/>

Note: If there are more than 2 holders please attach further signatures. Also attach any authorisation as required.

Please indicate below of any items accompanying Form:
Further documentation required to support your application to vary conditions. <input checked="" type="checkbox"/>
Any authorisations or consents as required <input checked="" type="checkbox"/>

Disclaimer

The Queensland Government is collecting information provided on and with this form to assess the suitability of the application for varying conditions on an exploration permit under the *Mineral Resources Act 1989* (the Act). This information is authorised by sections 133, 141, 146, 392 of the Act. Some or all of this information may be provided to other agencies of the Queensland Government for issuing an environmental authority, to make register searches, extracts or copies under section 387B of the Act or to make other approvals as required under the Act. Your personal information will not otherwise be disclosed to any other third party without your consent, unless authorised or required by law.

OFFICE USE ONLY

Confirm self assessment responses and any supporting attachments. Consider variation type (work program, expenditure and/or relinquishment) when completing.

The results of this assessment do not limit the exercising of discretion by the decision maker.

Yes No

Self assessment completed?		
Self assessment indicates that application meets Policy requirements for approval?		
Have all holders or authorised holder representatives signed to lodge the variation request and to confirm their obligations (Q5)?		
Was an exceptional circumstance provided? Does the exceptional circumstance meet the Policy definitions?		
Confirm that permit has been approved for Project Status if an alternate permit nominated.		
If yes to above, is the <i>Project</i> compliant with total work program, relinquishment and expenditure conditions?		
Statement detailing why the holder is unable to meet the current conditions provided?		
Does the statement appear sufficient?		
Statement detailing the attempts made to meet the conditions provided?		
Does the statement appear sufficient?		
Statement addressing any changes to technical or human resources to support the new rationale provided?		
Does the statement appear sufficient?		
Are the same or similar work program commitments met at a lesser cost?		
Has an alternate year been nominated to which any shortfall will be met?		
Was an alternate year nominated in any earlier request? Have they now met the shortfall in that earlier request?		
Is the nature of variation request similar to previous requests? ie are the same, similar or repeated reasons provided?		
Has the holder already applied for (and was granted) a variation to the relinquishment condition in the current term?		
Confirm that exploration permit is not a conditional surrender grant or conditioned with accelerated relinquishment		
Confirm that permit holder has substantially complied with the program of works and expenditure commitments to date		
Confirm that the permit holder has met previous relinquishment conditions		
Were any contraventions of conditions recorded in the current term?		
Was request received 2 months prior to the end of the period being varied?		
Were valid reasons for the late lodgement provided, including exceptional circumstances?		
Confirm that all rent has been paid		
Confirm that all reports have been lodged		
Have one or more higher tenure application(s) been lodged in the permit area in the current term?		
How many sub-blocks do not apply to the higher tenure application(s)?		_____ sub-blocks
Confirm date last variation lodged	____ / ____ / 20__	
Confirm date last variation decided	____ / ____ / 20__	
Confirm last relinquishment date (if this request relates to relinquishment)	____ / ____ / 20__	
My assessment of the request to vary the conditions of the permit recommends that the variation: BE APPROVED <input type="checkbox"/> / NOT BE APPROVED <input type="checkbox"/> / be sent for further assessment <input type="checkbox"/> .		Initial
<i>Note: The results of this assessment do not limit the exercising of discretion by the decision maker.</i>		

29 May 2013

A/Mining Registrar
Tenures Support Unit
Department of Natural Resources and Mines
GPO Box 15216
CITY EAST QLD 4002



Dear Sir/Madam

RE: EXPLORATION PERMIT FOR COAL NUMBER (EPC) 1674

Environmental and Licensing Professionals Pty Ltd acts on behalf of Springsure Mining Pty Ltd under the letter of authority enclosed.

Pursuant to Section 141C of the *Mineral Resources Act 1989* we request a variation to the relinquishment conditions of the above mentioned Exploration Permit as follows:

- Year 4 commencing 30 June 2013 from 7 sub-blocks to remain at 11 sub-blocks.

This tenement was Lodged on the 21 December 2009 and granted on the 30 June 2010 and is due to Expire on the 29 June 2014.

Rationale for seeking a variation

In the previous year of tenure (year 3) Springsure Mining Pty Ltd undertook a drilling program beginning in April 2012.

49-Sch4 - Business affairs

Further studies undertaken have identified coal resource potential over the majority of EPC 1674 (see attached figure). Springsure Mining Pty Ltd will commence a drilling program in June 2013 (year 4) estimated to cost 49-Sch4 - Bu to further explore the coal resource potential within the target area. Please find attached an outline of the proposed exploration programme. Therefore Springsure respectfully requests a waiver of the relinquishment schedule for EPC 1674, allowing the tenement to remain in its current status of 11 sub-blocks.

We recognise that this variation is not being lodged within the prescribed period. This was due to recent management changes to the company and a change in focus of Guildford Coals tenement portfolio. The drilling programme on EPC 1674 now has full management backing and commencement is imminent. Our client respectfully requests consideration is given to this late lodgement.

Please find attached the required MRA form application to vary the Conditions of an Exploration Permit.

Please call the undersigned if you have any queries, on (07) 3239 9747.

Yours faithfully,

49-Sch4 - Signatur

CTPI 49-Sch4

Tenement Officer

Environmental & Licensing Professionals Pty Ltd

Released by DNRM
under the
RTI Act 2009

Application to vary conditions of existing permit Section 141C of the *Mineral Resources Act 1989*

Our Ref: EPC 1674
Email: exploration@dnrm.qld.gov.au
Phone: (07) 3199 7790

16 July 2013

Springsure Mining Pty Limited
C/- Environmental and Licensing Professionals Pty Ltd
GPO Box 559
BRISBANE QLD 4001

Dear Sir/Madam,

Variation request refused for Exploration Permit coal 1674

I advise that, after due consideration your request to vary the relinquishment schedule for year 4 from 7 sub-blocks to 11 sub-blocks, the Ministers delegate, has refused the request under section 141C of the *Mineral Resources Act 1989*, (MRA)

Below lists the reason the request has been refused.

- ◆

No further variation requests for the relinquishment schedule will be accepted for this period unless exceptional circumstances listed in the Operational Policy 11/2012 Application to Vary Conditions applies. Public viewing of this Policy is available on the Departments website: <http://mines.industry.qld.gov.au/mining/operational-policies.htm>

As per the conditions of your permit, you are now required to lodge a submission nominating 4 sub-blocks for relinquishment from the area of the permit within **20 business days** from the date of this letter.

Failure to do so will result in the department taking non-compliance action against the permit holder.

Yours sincerely

Kate Byrne
A/Mining Registrar
Exploration Management Unit



Application to vary the conditions of an exploration permit

*Mineral Resources Act 1989
Mineral Resources Regulation 2003
Version 2*

No. (Office Use Only)

MINES ABN 59 020 847 551

Complete this form and submit the original with any attachments at a **mines lodgement office**. For a full list of locations, visit mines.industry.qld.gov.au/mining/tenure-fee-royalties-rents.htm.

Please read operational policies 5/2012 **Work program and relinquishment conditions** and 11/2012 **Application to vary conditions of an exploration permit** ("the Policies") before completing this application. This form also references operational policy 3/2012 **Strict compliance and substantial compliance**. This form comprises information required under the *Mineral Resources Act 1989* (MRA) and associated operational policies. It is recommended you provide as much justification as you feel necessary, including attaching further documentation, to support this request.

Complete on screen or use a pen and write neatly using **BLOCK LETTERS** Cross where applicable .

Note: In accordance with operational policy 11/2012 **Application to vary conditions of an exploration permit**, any application to vary conditions should be made at least **two months** before the end of the period that relates to the condition.

Question 1 – Permit details

1.1 Permit type and number:

EPC 1674

1.3 Reason for application:

Variation to an existing work program

Variation to expenditure commitment

Variation to relinquishment schedule conditions

Question 2 – Permit holder details (if more than two holders provide a separate attachment)

Authorised holder (Principal holder)

Company name / surname:

SPRINGSURE MINING PTY LTD

Given name (if individual):

ACN/ARBN:

27 134 554 662

% share (if a holder)

100%

Other holders (if applicable)

Company name / surname:

Given name (if individual):

ACN/ARBN:

% share

Authorised holder representative (authorised person to act as contact for this permit)

Name

TERRACOM LIMITED

Contact:

RENEE HERREYGERS

Address:

PO BOX 548

Town/City:

THIRROUL

State:

NSW

Postcode:

2515

Country:

AUSTRALIA

Phone no:

49-Sch4 - Mobile

Email:

CTPI 49-Sch4

@TERRACOMRESOURCES.COM

Question 3 – Self assessment of variation request to ensure it satisfies policy criteria

(to be prepared in consideration of the department's operational policies. All 11 questions are to be completed)

Please tick

	YES	NO	Mineral Resources Act 1989 ("MRA") and Policy requirements
1	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>The policies require requests of this nature be supported by sufficient and satisfactory reasons, including exceptional circumstances, to gain approval.</i>
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>s141 MRA requires that reports be lodged to comply with the conditions of the permit. The department may refuse to accept variation requests made on permits with outstanding reporting obligations due to the tenure not being in strict compliance with mandatory permit conditions.</i>
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>s138 and 141 MRA require that rental be paid on the anniversary date of the permit, as part of the conditions of the permit. The department may refuse to accept variation requests made on permits with outstanding rental due to the tenure not being in strict compliance with mandatory permit conditions.</i>
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Departmental policy requires that variation requests should be lodged two months prior to the end of the relevant period. If you are unable to lodge within this reasonable timeframe, the permit holder will need to outline the exceptional circumstances behind the late lodgement. This justification will be assessed against the holder's compliance history together with the variation request.</i>
5	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operational policy 3/2012 Strict compliance and substantial compliance provides background to the assessment of the tenure holder's compliance. This will be considered in any variation request.</i>
6	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>The policies provide that where relinquishment variations are granted, it does not change the permit relinquishment requirements but only defers the requirement to the next relinquishment date. If a previous relinquishment variation request has been made (and was approved) in the current term, a subsequent relinquishment variation may not be approved unless exceptional circumstances are provided.</i>
7	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Tenure holders accept terms and conditions, including that they will meet work program, expenditure and relinquishment commitments. If the permit is being transferred, it is the holders' responsibility to ensure that commitments are met until the transfer is finalised. A transfer is not considered a valid reason to vary conditions and might not be approved unless there are exceptional circumstances.</i>
8	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>s133 and 151 MRA provide that tenure holders are granted or transferred a permit as they indicate they have the financial resources to comply with conditions and carry out the work program on each permit. As the holder has acknowledged this and accepted the terms and conditions, variation requests of this nature might not be approved unless exceptional circumstances are provided.</i>
9	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>s133 and 151 MRA provide that tenure holders are granted or transferred a permit as they indicate they have the human and technical resources to comply with conditions and carry out the work program on each permit. As the holder has acknowledged this and accepted the terms and conditions, variation requests of this nature may not be approved unless exceptional circumstances are provided.</i>

		YES	NO	Mineral Resources Act 1989 ("MRA") and Policy requirements
10	Does the variation request relate to work program activities that are of equal or greater value or that are consistent with the objectives of the existing work program? (not required for relinquishments)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Under the policies, variations to work program activities might only be approved if the alternative work activity is of equal or greater value and/or if the alternative work activity is consistent with the objective of original work program component. As an example, an airborne survey might be conducted rather than an approved drilling program as it saves the applicant time and money and provides richer data.</i>
11	Is this permit part of an approved project? If so nominate the project permits to which the commitments on this permit were met in 4.1 or 4.5 below.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Operational policy 8/2012 Project-based permit administration provides a framework for the management of multiple permits. If this permit is not part of an approved project, any request referencing another permit will not be approved. If this permit is part of an approved project for relinquishment nominate the permit to which relinquishment due on this permit will apply to in Q 4.5, for expenditure and work program, nominate the permit where the work was undertaken in your justification in Q 4.1.</i>

Question 4 – Variation details (please attach any further justification or information as required)

4.1 Variation to work program and related expenditure

(If your permit is transitioning from annual obligations to work periods, note the relevant years below, otherwise, note the period term e.g. 2013-2015)

Permit work period to which variation applies	1674	Offset work period where work program and related expenditure shortfall will be met	2015-2019	(ONLY for approved Projects) Nominate permit where work was undertaken
Current conditioned work program and related expenditure	PLEASE REFER TO ADJOINING LETTER			
Proposed work program and related expenditure	PLEASE REFER TO ADJOINING LETTER			

4.2 Provide justification as to why you are unable to meet the work program and related expenditure commitments.

Consider costs and description of exploration techniques undertaken to achieve the work program commitments for the period and/or changes to human and technical resources and/or why the variation is required. If the variation request is related to exceptional circumstances that were beyond your control, please outline those circumstances below:

PLEASE REFER TO ADJOINING LETTER

Note: variations are not likely to be approved for matters relating to your financial or technical resources or your ability to manage exploration. If required, refer to the Operational Policies for definitions and examples of exceptional circumstances.

4.3 Outline what has been done in the current term to meet your work program and related expenditure commitments:

PLEASE REFER TO ADJOINING LETTER

4.4 Outline how you will remedy the shortfall of the work program and related expenditure commitment in the following period and/or what significant change to exploration techniques were used in the current period to achieve your work program commitments:

PLEASE REFER TO ADJOINING LETTER

4.5 Variation to prescribed relinquishment schedule

(If your permit is transitioning from annual obligations to work periods, note the relevant years below, otherwise, note the period term e.g. 2013-2015)

Permit work period to which variation applies	Maximum current prescribed sub-blocks for that period	Number of sub-blocks due for relinquishment	Proposed sub-blocks to be retained	Date last relinquishment was made from permit	(ONLY for approved Projects) Nominate relinquishment from which permit?

4.6 Provide reasons why you are seeking to vary the current relinquishment condition. Valid reasons might include, but are not limited to, a lodged higher tenure application, strong exploration performance or exceptional circumstances.

Released under the RTI Act 2009

If required, refer to the Operational Policies for definitions and examples of exceptional circumstances.

4.7 When was the last variation to relinquishment conditions approved on the permit? What reasons were provided in that request? If a variation has already been approved in the current term, what exceptional circumstances are there for this application to also be considered?

Question 5 – Confirm your obligations

This application to vary the conditions of an exploration permit is made pursuant to section 141C of the *Mineral Resources Act 1989*. Applications to vary conditions must be signed by all holders or their authorised holder representative. By signing below or in an attached submission, you also confirm the following:

I/We have read and understood Operational Policies 11/2012 <i>Application to vary conditions of an exploration permit</i> and 5/2012 <i>Work program and relinquishment conditions</i> .
I/We understand that section 404D of the <i>Mineral Resource Act 1989</i> provides that a document containing information that is false or misleading can attract a maximum penalty of 200 penalty units.
I/We understand my/our obligations as a holder(s)/authorised holder representative(s).
I/We acknowledge the results of my/our self assessment in Question 3
I/We understand that my/our self assessment of this request to vary the conditions of the permit will be verified and used in the departmental assessment of this request.
I/We acknowledge that assessment of this request will be made on the application as lodged and it is unlikely that the department will seek any further information in the assessment.
I/We will make any required actions necessary once advice of the variation assessment decision is provided to me/us (including relinquishment nominations) within statutory or specified timeframes.

Signature 1:	<input type="text" value="49-Sch4 - Signature"/>	Signature 2:	<input type="text"/>
Print name:	<input type="text" value="RENEE HERREYGERS"/>	Print name:	<input type="text"/>
Position:	<input type="text" value="TENEMENT MANAGER"/>	Position:	<input type="text"/>

Note: If there are more than 2 holders please attach further signatures. Also attach any authorisation as required.

Please indicate below of any items accompanying Form:	
Further documentation required to support your application to vary conditions.	<input type="checkbox"/>
Any authorisations or consents as required	<input type="checkbox"/>

Disclaimer

The Queensland Government is collecting information provided on and with this form to assess the suitability of the application for varying conditions on an exploration permit under the *Mineral Resources Act 1989* (the Act). This information is authorised by sections 133, 141, 146, 392 of the Act. Some or all of this information may be provided to other agencies of the Queensland Government for issuing an environmental authority, to make register searches, extracts or copies under section 387B of the Act or to make other approvals as required under the Act. Your personal information will not otherwise be disclosed to any other third party without your consent, unless authorised or required by law.

OFFICE USE ONLY

Confirm self assessment responses and any supporting attachments. Consider variation type (work program, expenditure and/or relinquishment) when completing.

The results of this assessment do not limit the exercising of discretion by the decision maker.

	Yes	No
Self assessment completed?		
Self assessment indicates that application meets Policy requirements for approval?		
Have all holders or authorised holder representatives signed to lodge the variation request and to confirm their obligations (Q5)?		
Was an exceptional circumstance provided? Does the exceptional circumstance meet the Policy definitions?		
Confirm that permit has been approved for Project Status if an alternate permit nominated. If yes to above, is the Project compliant with total work program, relinquishment and expenditure conditions?		
Statement detailing why the holder is unable to meet the current conditions provided? Does the statement appear sufficient?		
Statement detailing the attempts made to meet the conditions provided? Does the statement appear sufficient?		
Statement addressing any changes to technical or human resources to support the new rationale provided? Does the statement appear sufficient?		
Were the same or similar work program commitments met at a lesser cost?		
Has an alternate year been nominated to which any shortfall will be met?		
Was an alternate year nominated in any earlier request? Have they now met the shortfall in that earlier request?		
Is the nature of variation request similar to previous requests? ie are the same, similar or repeated reasons provided?		
Has the holder already applied for (and was granted) a variation to the relinquishment condition in the current term?		
Confirm that exploration permit is not a conditional surrender grant or conditioned with accelerated relinquishment		
Confirm that permit holder has substantially complied with the program of works and expenditure commitments to date		
Confirm that the permit holder has met previous relinquishment conditions		
Were any contraventions of conditions recorded in the current term?		
Was request received 2 months prior to the end of the period being varied? Were valid reasons for the late lodgement provided, including exceptional circumstances?		
Confirm that all rent has been paid		
Confirm that all reports have been lodged		
Have one or more higher tenure application(s) been lodged in the permit area in the current term? How many sub-blocks do not apply to the higher tenure application(s)?		_____ sub-blocks
Confirm date last variation lodged	_____ / _____ / 20__	
Confirm date last variation decided	_____ / _____ / 20__	
Confirm last relinquishment date (if this request relates to relinquishment)	_____ / _____ / 20__	
My assessment of the request to vary the conditions of the permit recommends that the variation: BE APPROVED <input type="checkbox"/> / NOT BE APPROVED <input type="checkbox"/> / be sent for further assessment <input type="checkbox"/> .		Initial
<i>Note: The results of this assessment do not limit the exercising of discretion by the decision maker.</i>		

Variation – Exploration Permit – Initial Assessment

 Permit Type and Number: EPC 1674

MILESTONE: Application Details			
1	What is the type of variation applied for?	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Project <input type="checkbox"/> Relinquishment <input checked="" type="checkbox"/> Work Program	
2	What Year(s) does the variation apply to?	<i>Entire program 6-10</i>	
3	Does the variation relate to a renewal application?	No	
4	Is the variation being made at least 2 months before the requirement is due?	No	Late
MILESTONE: Permit Details			
5	What date was the permit granted?	30/06/2010	
6	Is the permit part of an approved Project?	No	
7	Is rent and reporting compliant?	Yes	
<p>Final comments: The permit was granted 30/06/2010 and was renewed last year. Rent and reporting is up to date. The permit is not part of the approved Project. Variation is to the work program and expenditure for Year 6 to 10.</p>			

Variation – Exploration Permit – Technical Assessment

Complete the technical assessment using the form below.

Enter permit type and number

EPC 1674

Targeted minerals

Thermal Coal – Bowen Basin

Project name

Springsure Mining Pty Ltd – TerraCom Ltd

Is this application part of a group?

No.





MILESTONE: Justification		Record in working notes when complete along with date of completion	
Comments			
1	Have reasons why the holder is seeking a variation acceptable?	YES	
2	Does the variation justification relate to the financial ability to carry out the work? This can include lack of funding or commitments on other projects	YES	
3	Does the variation relate to technical ability to carry out the work program? This can include your inability to source or dedicate rigs, equipment or qualified personnel to the permit work program	NO	
4	Does the variation request relate to work program activities that are of equal or greater value or that are consistent with the objectives of the existing work program?	NO	
Further details: <i>Recent meetings with the company – date/hub/agreements.</i> <i>No meetings reported.</i>			
Milestone –		Record in working notes when complete along with date of completion	
Comments			
5	Has justification been provided as to why the holder is unable to meet the work program and related expenditure commitments	YES	
6	Has a statement outlining what has been done in the current term to meet the work program and related expenditure commitments	YES	
Further Details			
MILESTONE: Expenditure compliance			
7	Is the expenditure compliant?	YES	We over in expenditure on this tenement in the past.
Further details:			



Final comments: 24/05/2016 TAS recommends approval of the variation to EPC 1674.

Summary of work program with history

Recommendations								
Yr	From	To	S/B Actual	Min Prop \$	Actual \$	Program	Report Annual	Comments
1	30/6/10	29/6/11	11	49-Sch4 - Business affairs				
2	30/6/11	29/6/12	11					

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3	30/6/12	29/6/13	11	49-Sch4 - Business affairs	<p>REQUEST TO VARY YEAR 4 FROM 7 TO 11SB. VPC NOT APPROVED, ADVISE NON-COMPLIANCE RECORDED 09/07/13.</p>
4	30/6/13	29/6/14	11		<p>Additional information provided in august 2013 to support retenion of all sub-blocks. approved FOB, 19-feb-2014</p> <p>Recommend vary year 4 conditions to allow full retention for year 5.</p>
5	30/6/14	29/6/15	11		<p>Recommend renew for years 5 to 9 over 11 sub-blocks. MDLA planned for resource area.</p>

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6	30/6/15	29/6/16	11	49-Sch4 - Business affairs	
7	30/6/16	29/6/17	11		
8	30/6/17	29/6/18	11		
9	30/6/18	29/6/19	11		

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under the
RTI Act 2009



TerraCom Limited
34 Hewitts Avenue
Thirroul, NSW, 2515
Australia
ABN: 35 143 533 537

www.terraresources.com

Sharon Wilkings, Mining Registrar
Department of Natural Resources and Mines Building 'E', 25 Yeppoon Road
Parkhurst QLD 4702
PO Box 3679, Red Hill
North Rockhampton QLD 4701

Tuesday, July 26, 2016

Dear Sharon,

Expenditure Statement for Exploration Permit for Coal 'EPC' 1674

Please find enclosed the 2015-16 expenditure statement for EPC 1674.

The company has expended [49-Sch4 - Busi] in the sixth year of tenure.

Should you require any further information please don't hesitate to contact me on [49-Sch4 - Mobile p]

Kind Regards,

[49-Sch4 - Signature]

Renee Herreygers
Tenement Manager

TerraCom Limited

E: [CTPI 49-Sch4]@terraresources.com

P: [49-Sch4 - Mobile]

Variation – Exploration Permit – Administrative Assessment

 Permit Type and Number: EPC1674

MILESTONE: Project Status																																	
1	Is the permit part of an approved Project?	No																															
2	If Yes to Q1, is the variation being assessed as part of the Project?	N/A																															
3	If Yes to Q2, outline the proposed offset or how the condition has been met by the Project.	N/A																															
MILESTONE: Applications and Existing Permits																																	
4	Is the permit part of a conditional surrender application?	No																															
5	Is there an application for, or granted, MDL, ML or PL over the permit area?	Yes	MDL3002 granted 16/07/2015																														
MILESTONE: Assess Compliance																																	
6	Was the permit granted as a result of a competing application?	No																															
7	If Yes to Q6, does the variation relate to the first 2 years of the permit's term?	N/A																															
8	Is rent compliant?	Yes	Next due 30/06/2016 \$1,309.50																														
9	Is reporting compliant?	Yes																															
10	Is the expenditure compliant? <i>(insert extra years as required)</i>	Yes	Medium																														
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Year</th> <th style="width: 40%;">Prescribed</th> <th style="width: 50%;">Actual</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>49-Sch4 - Business affairs</td> <td>49-Sch4 - Business affairs</td> </tr> <tr> <td style="text-align: center;">2</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">3</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">4</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">5</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">6</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">7</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">8</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">9</td> <td></td> <td></td> </tr> </tbody> </table>	Year	Prescribed	Actual	1	49-Sch4 - Business affairs	49-Sch4 - Business affairs	2			3			4			5			6			7			8			9				
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1	49-Sch4 - Business affairs	49-Sch4 - Business affairs																															
2																																	
3																																	
4																																	
5																																	
6																																	
7																																	
8																																	
9																																	

	49-Sch4 - Business affairs		
11	Is the relinquishment condition compliant?	No	Retain sub-blocks from grant. 2 sub-blocks removed due to higher tenure grant.
12	Is there any outstanding dealings or known issues which may affect the outcome of a variation?	No	
MILESTONE: Last Variation Details (only complete if applicable)			
13	What date was the last variation lodged?	14/04/2014	
14	What was the variation type?	<input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Relinquishment <input type="checkbox"/> Work Program	
15	What was the outcome?	Approved 11/06/2014	
16	If applicable, provide details of why the variation was not approved OR if there were conditions on the variation approval?		
17	Has there been more than one relinquishment variation approved during the current term?	No	
MILESTONE: Justification			
18	Has the holder recently met with the Hub to discuss the lodgement of this variation?	Yes	Recently meeting this week – not notes of key points in spreadsheet as yet
19	Has reasons to justify the variation request been provided?	Yes	
20	Has an outline of what has been done in the current term to meet the work program and expenditure commitment been provided?	No	Refer back to activity in the grant term
21	Has an outline of how the shortfall will be made up been provided?	No	

Final comments:

The permit was granted 30/06/2010 over an area of 11 sub-blocks. 2 sub-blocks have been removed due to the grant of MDL3002. The MDL was granted in 2015. This MDL partially covers 3 sub-blocks at the northern end of the permit. Rent and reporting is up to date, next obligations due now.

49-Sch4 - Business affairs	The holder is requesting to vary the work program for Condition Period 1 and Conditioned Period 2.

Notes

Refer to [Operational Policy 11/2012 Application to vary conditions of an exploration permit](#) for information about varying a condition of an exploration permit.

Refer to [Operational Policy 3/2013 Exceptional circumstances](#) for information about what is considered as exceptional circumstances.

Refer to [Operational Policy 8/2012 Project-based permit administration](#) where a variation is being lodged for a permit that is part of an approved Project.

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Variation - Exploration Permit – decision summary

Permit type and number

Permit holder name

What is the variation to?

- project
- existing work program
- expenditure commitment
- relinquishment schedule conditions

Compliance

1. The application is in order (see completed checklists attached to each task) and may be approved.

The applicant has substantially complied with the requirements to vary an exploration permit (see **administrative assessment task**).

The holder has substantially complied with the conditions of the permits (see **administrative assessment task**).

Technical assessment has made a recommendation (see **technical assessment task**).

There are no outstanding dealings on this EP that would prevent approval of this variation.

Decision

- The variation complies with section 141 of the *Mineral Resources Act 1989* and can be accepted.

Final comments:

1. Application for variation to expenditure APPROVED –
 - for condition period 1 (years 5, 6 & 7) from
 - for condition period 2 (years 8 & 9) from
2. Application for variation to work program APPROVED –
 -

Kylie Dunlop

A/Senior Mining Registrar
Coal Assessment Hub

Signed:

Date: 11/08/2016

Variation of permit conditions approval EPC1674

24 June 2016

MMOL Activity Reference: 172448

Springsure Mining Pty Limited
C/- Renee Herreygers
C/- Terracom Limited
PO Box 548
THIRROUL NSW 2515

Dear Sir/Madam

We are pleased to advise that pursuant to section 141C of the *Mineral Resources Act 1989*, approval to vary the permit conditions Exploration Permit for Coal (EPC) Number 1674 is given.

Previous condition: Conditioned Period 1 expenditure 49-Sch4 - Business
 Conditioned Period 2 expenditure

New condition: Conditioned Period 1 expenditure 49-Sch4 - Busine
 Conditioned Period 2 expenditure
49-Sch4 - Business affair

Note: the Department will, at all times, insist on strict compliance with all terms and conditions of the exploration permit.

We recommend this letter be kept as a record that this variation of permit conditions has been approved and recorded on the register.

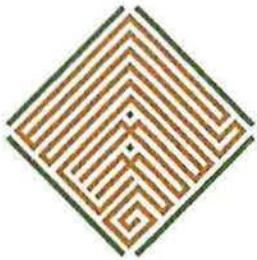
Where do I find more information?

There are a range of useful resources and support materials available to assist you from our website www.business.qld.gov.au/industry/mining. You can also download guidelines and policies on your resource permit obligations, land access and native title as it applies to mining and exploration activities.

If you have questions about this letter, or specific detail relating to the above permit contact the Coal Assessment Hub on CoalHub@dnrm.qld.gov.au or +61 (07) 4936 0169.

Regards

Kylie Dunlop
Mining and Petroleum Operations
Department of Natural Resources and Mines



TERRACOM

TerraCom Limited
34 Hewitts Avenue
Thirroul, NSW, 2515
Australia
ABN: 35 143 533 537

www.terracomresources.com

Wednesday, 11 May 2016

Attn: Kylie Dunlop (in Sharon Wilkings absence), Mining Registrar

Department of Natural Resources and Mines
Building 'E', 25 Yeppoon Road
Parkhurst QLD 4702
PO Box 3679, Red Hill
North Rockhampton QLD 4701

Dear Kylie,

Reference: Application to vary expenditure commitment for Exploration Permit for Coal (EPC) 1674 due to subsequent approval of MDL 3002 grant within EPC area.

Exploration Permit for Coal 'EPC' 1674 was granted to Springsure Mining Pty Ltd on the 30th June 2010 for a term of five (5) years with a total of eleven (11) sub blocks. Springsure Mining Pty Ltd is a wholly owned and operated subsidiary of TerraCom Limited, formerly known as Guildford Coal Limited.

49-Sch4 - Business affairs

In March 2014 the company lodged a 5 year renewal for EPC 1674 with another large work program however and within the 'justification' section of the renewal, the company stated "should the application for the MDL be approved, than the work plan outlined in this document will be reviewed and varied accordingly". On the 11th June 2014 the renewal was approved and further 5 years of tenure was granted.

On the 20th July 2015, MDL 3002 was approved pursuant to section 186 of the *Mineral Resources Act 1989*. MDL 3002 was granted on the 1st August 2015 for a term of 3 years with a large work program and combined expenditure 49-Sch4 - Business. The MDL is located across the north western portion of EPC 1674.

Based on the above information, the TerraCom team have discussed and planned an amended work plan for EPC 1674 (outlined in table 2 below) now that MDL 3002 has been approved. The amended work plan has been designed with the large expenditure and work plan commitments of the MDL in mind and as a result the company is submitting this variation request.

Pursuant to Section 141C of the *Mineral Resources Act 1989*, TerraCom Limited hereby seeks to request the approval to vary the work program and expenditure commitment for the first and second conditioned period of tenure for EPC 1674 as set out in *Table 1 – current 'approved' work program of EPC 1674* and *Table 2– Request to vary the work program of EPC 1674* below.

Table 1 – current 'approved' work program of EPC 1674

Conditioned period 1

Year 5	
Activity	Expenditure
49-Sch4 - Business affairs	49-Sch4 - Busi
Year 6	
Activity	Expenditure
	49-Sch4 - Busine
Year 7	
Activity	Expenditure
	49-Sch4 - Busine
Total expenditure for conditioned period 1	

Conditioned period 2

Year 8	
Activity	Expenditure
	49-Sch4 - B
Year 9	
Activity	Expenditure
	49-Sch4 - Business
Total expenditure for conditioned period 2	



TerraCom Limited
 34 Hewitts Avenue
 Thirroul, NSW, 2515
 Australia
 ABN: 35 143 533 537

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Table 2- Request to vary the work program of EPC 1674

Conditioned period 1

Year 5	
Activity	Expenditure
49-Sch4 - Business affairs	
Year 6	
Activity	Expenditure
49-Sch4 - Business affairs	
Year 7	
Activity	Expenditure
49-Sch4 - Business affairs	
Total expenditure for conditioned period 1	

Conditioned period 2

Year 8	
Activity	Expenditure
49-Sch4 - Business affairs	
Year 9	
Activity	Expenditure
49-Sch4 - Business affairs	
Total expenditure for conditioned period 2	49-Sch4 - Bus

Rationale to Support Variation Requests

- The EPC renewal was required and approved before the approval and grant of MDL 3002 which proposes more expenditure commitment than the previous EPC approval over the current resources and most prospective area.
- Over the life of EPC 1674, the company has not requested any expenditure variations and consistently remained ahead of expenditure expending over [49-Sch4 - B] dollars to date.

Attached to this letter for further reference is an Application to Vary a Permit.

Should you require any further information please don't hesitate to contact me on [49-Sch4 - Mobil] or Mark Reynolds on []

King Regards,

[49-Sch4 - Signature]

Renee Herreygers
Tenement Manager

Terracom Limited

E: [CTPI 49-Sch4]@[terraacomresources.com](mailto:[CTPI 49-Sch4]@terraacomresources.com)

P: [49-Sch4 - Mobile p]

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