

## IRON ORE (SAVAGE RIVER) AGREEMENT.

No. 56 of 1965.

AN ACT to approve a certain agreement relating to the establishment of an iron ore industry in the State, and to provide for carrying that agreement into effect and for matters incidental thereto.

[22 December 1965.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

Short title.

**1** This Act may be cited as the *Iron Ore (Savage River) Agreement Act 1965*.

Interpre-  
tation.

**2** In this Act, unless the contrary intention appears—

“agreement” means the indenture a copy of which is set forth in the schedule to this Act;

“Director” means the Director of Mines;

“industry” means the operations authorized by the lease to be carried on by the lessees on the leased premises, and any other operations, works, or undertakings incidental or ancillary thereto or connected therewith that are carried on by the lessees on those premises;

“lease” has the meaning assigned to that expression in clause 1 of the agreement;

“leased premises” has the meaning assigned to that expression in the lease;

“lessees” has the meaning assigned to that expression in clause 1 of the agreement;

“Minister” means the Minister who for the time being has the administration of the *Mining Act 1929*;

“supplementary lease” means a lease of additional premises granted to the lessees in pursuance of the provisions of the lease.

Approval of  
agreement.

**3—(1)** The agreement is approved.

(2) Notwithstanding any other law, the agreement, and the lease when granted, have effect as if the provisions thereof were expressly enacted in this Act.

**4—(1)** The Premier, the Minister, and the Director respec-

tively may do all such acts and things as may be required or necessary for carrying out and giving effect, on the part of the State, to the agreement and the lease or for the exercise and performance of the powers, discretions, authorities, and obligations conferred or imposed on them respectively under the agreement and the lease.

Power to  
carry out  
agreement  
and lease.

(2) Without prejudice to the generality of the provisions of subsection (1) of this section, the Minister shall take all such steps as are reasonably required to enable the lease and any supplementary lease to be granted to the lessees free from any estates or interests, or any rights (whether contractual or otherwise), of any other person, other than such estates, interests, and rights as are expressly reserved by the lease or to which the lease is made subject, and for that purpose the Minister may exercise all or any of the powers conferred on him by sections five and six.

**5—(1)** The Minister may, under and in accordance with the provisions of the *Lands Resumption Act 1957*, acquire land that is reasonably required by the State or the lessees for any purpose referred to in, or contemplated by, the lease as if that purpose were a public purpose within the meaning of that Act.

Acquisition  
of land.

(2) Any land that is acquired under the authority of this section may be disposed of or used, in accordance with the provisions of the agreement and the lease, for the purposes of the carrying on of the industry.

**6—(1)** For the purpose of enabling the lease and any supplementary lease to be granted to the lessees free from the estates, interests, and rights of any other person, the Minister may, by notice in writing to a person who is the holder of, or a party to, a document of authority cancel the document of authority and revoke all estates, interests, and rights conferred by it on, or subsisting under it for the benefit of, any person other than the lessees, and all such estates, interests, and rights are, by force of this section, converted into claims for compensation.

Revocation  
of rights  
of persons  
other than  
the lessees.

(2) A notice under this section shall be served on a person to whom it is directed personally or sent to him by post by means of the certified mail service to his usual or last-known place of abode or business.

(3) A notice under this section has effect, notwithstanding the provisions of any other law, as if the document of authority to which it relates contained a provision expressly authorizing the Minister to exercise the power conferred on him by this section.

(4) Where an estate, interest, or right of a person under a document of authority is revoked pursuant to this section, that person is entitled to compensation.

(5) A claim for compensation under this section—

(a) shall be in writing;

(b) shall be served on the Minister personally or by post; and

(c) shall set forth full particulars of the amount of compensation that is sought and the grounds on which it is sought.

(6) If the Minister and the claimant cannot agree on the amount of compensation to be paid to the claimant under this section, the claimant may recover the compensation by action against the Minister in a court of competent jurisdiction.

(7) In this section, “document of authority” means any document that confers on the holder thereof or any party thereto any estate, interest, or right (whether contractual or otherwise) over, in, or in relation to any land of the Crown situated within the leased premises.

Grant of  
certain land  
to the  
lessees.

**7**—(1) Upon payment by the lessees of an amount calculated at the rate of one pound five shillings for each acre comprised therein, the Governor shall, in the name and on behalf of Her Majesty, by deed of grant substantially in accordance with form XXV prescribed in the *Crown Lands Regulations* 1946, convey and alienate to the lessees in fee simple the land that is described in the second schedule to the agreement.

(2) In this section, the expression, “the *Crown Lands Regulations* 1946” means the regulations having that title that were published in the *Gazette* on the thirteenth day of February 1946.

Construction,  
use, &c., of  
port instal-  
lations.

**8**—(1) Subject to section sixty-five A of the *Marine Act* 1921, the lessees may, at or in the vicinity of Brickmaker’s Bay in this State, construct, establish, maintain, and use such structures, machinery, facilities, and other things as may be necessary or convenient for the loading and unloading of vessels, the mooring of vessels, and the provision of navigational aids for vessels.

(2) Notwithstanding anything in the *Marine Act* 1921, the board may, with the approval of the Minister having the administration of that Act, enter into an agreement with the lessees containing such provisions as may be agreed upon between the board and the lessees for the purpose of facilitating the exercise of the powers conferred on the lessees by this section and for correlating the activities of the lessees with those of the board in the exercise of its lawful jurisdiction.

(3) Without prejudice to the generality of the provisions of subsection (2) of this section, an agreement under that subsection may make provision for or with respect to—

- (a) the payment by the lessees to the board of such special port dues and other charges as are specified therein in lieu of the port dues and other charges that, but for the agreement, would be payable by the lessees to the board;
- (b) limiting, or delegating to the lessees or to such other person as may be specified in that behalf in the agreement, the exercise and performance of the powers, authorities, and duties of the board or limiting or modifying the application of those powers, authorities, or duties so far as they affect the operations of the lessees under the lease or the carrying on of the industry; and
- (c) limiting or modifying the operation, in relation to the lessees, of the provisions of any by-law lawfully made by the board (whether before or after the commencement of this Act).

(4) In this section—

“board” means the Marine Board of Circular Head;

“vessel” means a vessel as defined in the *Marine Act* 1921.

**9**—(1) For the purpose of assisting the lessees to construct, establish, maintain, and use the structures, machinery, facilities, and other things to which subsection (1) of section eight relates, the Treasurer may lend to the lessees out of the Loan Fund (which, to the necessary extent, is appropriated accordingly) such sums of money, not exceeding in the whole the sum of two million pounds, as may be agreed upon between the Treasurer and the lessees.

Power of Treasurer to lend moneys to the lessees.

(2) The loan authorized by this section shall be made upon and subject to such terms and conditions as may be agreed upon between the Treasurer and the lessees.

**10** The provisions of the *Mining Act* 1929 apply to and in relation to any part of the leased premises that is a public reserve or has been set apart or dedicated for a public purpose to the same extent in all respects as if a proclamation had been issued under paragraph (b) of subsection (3) of section five of that Act declaring that part of the leased premises to be subject to all the provisions of that Act.

Application of the *Mining Act* 1929 to such parts of the leased premises as are public reserves, &c.

**11**—(1) The lessees may construct, and for the term of the lease and any extension or renewal thereof maintain and use, such pipelines as may be necessary or convenient for the purposes of the industry over or under any road or railway

Pipelines.

constructed (whether before or after the commencement of this Act) over any part of the land to which this section relates.

(2) A pipeline constructed under the authority of this section shall be of such quality and of such materials as the lessees may determine, but in constructing it over or under a road or railway the lessees shall construct such conduits, culverts, and other works as may be required for the protection of the road or railway by the authority that has the control and management of the road or railway.

(3) The point at which a pipeline constructed under the authority of this section crosses over or under a road or railway shall be determined by the lessees, and the lessees shall, not less than fourteen days before commencing the construction of the pipeline over or under a road or railway, give to the authority that has the control and management of the road or railway notice in writing of the point so determined.

(4) In the construction, maintenance, and use under the authority of this section of a pipeline over or under a road or railway, the lessees—

(a) shall not interfere with any traffic on the road or railway; and

(b) shall, after the completion of the construction thereof, or of any works in connection with the construction or maintenance thereof, fill up and reinstate the surface of the ground disturbed by the work and make good the surface, and replace, reinstate, and make good all drains or other works opened by it, to the satisfaction of the authority that has the control and management of the road or railway.

(5) The ownership of a pipeline constructed under the authority of this section is at all times vested in the lessees.

(6) In this section, the expression "land to which this section relates" means the land hatched black on the plans filed in the office of the Director and numbered with the reference numbers 2571, 2572, and 2573 respectively.

Exclusion of certain statutory provisions.

**12—**(1) This Act shall not be deemed to be a special Act for the purposes of the *Lands Clause Act 1857* and nothing in that Act or in any special Act (within the meaning of that Act) applies to or in relation to the lessees' undertaking or the leased premises.

(2) So long as the lessees continue to be registered under the *Companies Act 1962*, nothing in the *Mining Companies Act 1884* or the *Mining Companies (Foreign) Act 1884* applies to or in relation to the lessees, or any corporation which, or other person who, is for the time being the agent of the lessees in this State in its or his capacity as the agent thereof.

**13**—(1) Any works to which this section applies that are established, erected, constructed, maintained, or used by the lessees on any part of the leased premises are works within the meaning of the *Mines and Works Regulation Act 1915*. Application of the *Mines and Works Regulation Act 1915* pellets, plant, &c

(2) In this section, "works to which this section applies" means any building, structure, plant, or equipment used or designed for use in or in connection with—

- (a) the conversion of iron ore into pellets;
- (b) the crushing, magnetization, reduction, or treatment in any other manner of iron ore or products obtained from iron ore; or
- (c) the storage of iron ore or of products obtained from iron ore.

**14**—(1) If a dispute arises under or with respect to the interpretation or operation of the lease, that dispute shall be determined by the appropriate warden's court (as defined in the *Mining Act 1929*) as if it were a matter which that Act provides shall be determined by the warden. Settlement of disputes.

(2) A warden's court shall be deemed to have jurisdiction to hear and determine a dispute to which this section relates, and the provisions of Parts XI and XII of the *Mining Act 1929* (other than section ninety-eight), so far as they are applicable and with the necessary modifications and adaptations, apply accordingly to and in relation to the hearing and determination of such a dispute.

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## THE SCHEDULE.

(Section 3 (1).)

THIS INDENTURE made the Eleventh day of October One thousand nine hundred and sixty-five BETWEEN THE HONOURABLE ERIC ELLIOTT REECE M.H.A. Premier and Minister for Mines (hereinafter called "the Premier") on behalf of the State of Tasmania of the one part and NORTHWEST IRON CO. LTD. and DAHLIA MINING CO. LTD. corporations organised and existing under the laws of the State of Delaware in the United States of America and registered in Tasmania as foreign companies of the other part.

WITNESSETH:

1 For all purposes of this Indenture the following words and phrases shall have the following meanings:

"the Lessees" means Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd. and their respective successors and permitted assigns.

"the Lease" means the Indenture of Lease as executed by the parties hereto which shall be substantially in the form of the Indenture of Lease set out in the first schedule hereto.

"the Mining Act" means the Mining Act 1929.

"the Ratifying Act" means the Act referred to in Clause 3 hereof.

"the Leased Premises" means the premises for the time being and from time to time comprising the Leased Premises under and as defined by the Lease.

"the Minister" means the Minister for Mines.

2. The Premier shall as soon as convenient introduce in the Parliament of Tasmania a Bill containing provisions substantially to the following effect:

- (a) that this Indenture shall by the Ratifying Act be approved.
- (b) that this Indenture and the Lease when granted shall have the force and effect of law and shall take effect as though the same had been repeated in and expressly enacted in the Ratifying Act.
- (c) that the Minister shall take all such steps as are reasonably required to enable the Lease and every supplementary lease therein referred to, to be granted to the Lessees free from any other estate or interest or any rights whether contractual or otherwise in any person or corporation other than such estates interests or rights as are expressly reserved by the Lease or to which the Lease is made subject and for that purpose the Minister may, either compulsorily or by agreement, acquire land as defined in the Lease in accordance with the provisions of the Lands Resumption Act 1957 as if such purpose were a public purpose within the meaning of such Act.
- (d) that the Premier, the Minister, and the Director of Mines respectively may do all such acts and things as may be required or necessary for carrying out and giving effect to this Indenture and the Lease or for the exercise and performance of the powers, discretions, authorities, and obligations conferred or imposed on them respectively under this Indenture and the Lease.
- (e) that the Treasurer shall make available to the Lessees a loan not in excess of Two million pounds (£2,000,000) on terms and conditions to be agreed to by the Treasurer.
- (f) that upon payment of an amount calculated at the rate of One pound five shillings per acre for every acre comprised therein the Governor shall in the name and on behalf of Her Majesty, by deed of grant substantially in Form XXV set out in the Crown Lands Regulations, 1946, convey and alienate to the Lessees in fee simple the piece of land described in the second schedule hereto.
- (g) that subject to compliance with Section 65 A of the Marine Act, 1921, the Lessees may construct establish maintain and use private facilities at Brickmaker's Bay for and in connection with the loading and unloading of vessels and for that purpose and for the purpose of correlating the activities of the Lessees with those of The Marine Board of Circular Head, the said Board may, with the approval of the Minister administering the Marine Act, 1921, and notwithstanding any provision of that Act, enter into an agreement with the Lessees containing such provisions as shall be agreed between the said Board and the Lessees including (but without in any way limiting the matters which may be included in such agreement)

- (i) provisions whereby special port dues and other charges are paid in lieu of port dues and charges which would otherwise be applicable
  - (ii) provisions whereby the said Board's powers and authority or the application thereof so far as they affect the Lessees' operations are limited or delegated
  - (iii) provisions whereby the operation of By-laws now in effect or hereinafter made by the said Board are limited insofar as they affect the Lessees' operations.
- (h) that the jurisdiction of the Warden's Court provided for by the Mining Act is extended so that such Court has jurisdiction to determine any and every dispute arising under or out of the Lease.
- (i) that such parts of the Leased Premises as are public reserves or have been set apart or dedicated for any public purpose shall be subject to the provisions of the Mining Act as if the same had been proclaimed pursuant to Section 5 (3) (b) of the Mining Act.
- (j) that the Lands Clauses Act 1857 shall not apply to the Ratifying Act.
- (k) that, for so long as they respectively remain registered under the Companies Act, 1962 or any Act substituted therefor as foreign companies, the Mining Companies (Foreign) Act, 1884 shall not apply to the Lessees or Pickands Mather & Co. International, the managing agents of the Lessees.
- (l) (i) That the Lessees may construct, and for the entire term of the Lease and any extension or renewal thereof use and maintain, pipelines over or under any and every railway and road now or hereafter within the land hatched black on the plans filed in the office of the Director of Mines bearing reference numbers 2571, 2572 and 2573.
- (ii) The pipelines constructed as aforesaid shall be of such quality and materials as the Lessees shall determine but in constructing the same over or under any railway or roads the Lessees shall construct such conduits culverts and other works required for the protection of such railway lines and roads by the appropriate authority having the control and management thereof.
- (iii) The exact location of any crossing of any railway line or road shall be as determined by the Lessees but such location shall be notified in writing by the Lessees to such appropriate authority fourteen days prior to the date upon which the Lessees commence construction as aforesaid.
- (iv) In the construction and maintenance of the pipelines by the Lessees over or under any railway or road the Lessees
- A. shall not interfere with any traffic on the railway or road and
  - B. shall to the satisfaction of such appropriate authority after the completion of any such construction or any works in connection with the construction and maintenance thereof, fill up and reinstate the surface of the ground disturbed by the work and make good the surface and replace reinstate and make good all drains and other works opened by them.
- (v) The ownership of the pipelines and supporting works shall at all times be vested in the Lessees.

### 3. If

- (a) The Bill referred to in Clause 2 hereof is passed by both Houses of Parliament and comes into operation as an Act prior to the thirty-first day of December One thousand nine hundred and sixty-five and
- (b) The Lessees prior to the thirtieth day of June One thousand nine hundred and sixty-six or such later date as the Premier



- sp<sup>1</sup> agree to in writing notify the Premier in writing that they are ready to execute the Lease
- Premier shall forthwith grant the Lease and execute and deliver the same and the Lessees shall execute and deliver the counterpart thereof and concurrently therewith the Lessees shall surrender or cause to be surrendered Applications for Mineral Leases numbered 4M/64, 5M/64, 6M/64, 7M/64, 8M/64, and 9M/64.
4. If the conditions set out in paragraphs (a) and (b) of Clause 3 hereof or either of them are not satisfied this Indenture shall cease to operate and none of the parties hereto shall have any claim against the other or others of them with respect to any matter or thing arising out of done or performed or omitted to be done or performed hereunder.

IN WITNESS whereof these presents have been duly executed the day and year first hereinbefore written.

THE FIRST SCHEDULE HEREINBEFORE REFERRED TO

LEASE

THIS INDENTURE made the \_\_\_\_\_ day of \_\_\_\_\_ One thousand nine hundred and sixty-BETWEEN THE HONOUR- ABLE ERIC ELLIOTT REECE M.H.A. Premier and Minister for Mines acting on behalf of the State (hereinafter referred to as "the Premier") of the one part and NORTHWEST IRON CO. LTD. and DAHLIA MINING CO. LTD. corporations organized and existing under the laws of the State of Delaware in the United States of America and registered in Tasmania as foreign companies of the other part

WITNESSETH:

1. DEFINITIONS:

Definitions

"the State" means the State of Tasmania and its instrumentalities.

"Lessees" means Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd. their respective successors and permitted assigns and where the context so permits includes the sub-lessees licensees and agents of Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd.

"the Minister" means the Minister for Mines from time to time and any other minister at any time administering the Act or any substitution therefor.

"additional premises" means lands and rights demised and leased by any Supplementary Lease.

"pipeline premises" means any lands and rights demised pursuant to paragraph (ii) of subclause (b) of Clause 5 hereof.

"Supplementary Lease" means a lease of additional premises demised and leased pursuant to subclause (b) of Clause 5 hereof.

"Leased Premises" means all those lands surrounded by red boundary lines on the Plan together with additional premises.

"the Plan" means the several plans filed in the office of the Director and bearing reference numbers 2571, 2572 and 2573.

"Mineral" means any metal or the ore of any metal or any combination of metals and ores and includes (but without limiting the generality of the foregoing) iron bearing substances and vanadium and also includes any inorganic substance and any combination of inorganic elements and any mineral aggregate (not being of animal or vegetable origin) but does not include coal stone oil or precious stones.

"the Act" means the Mining Act 1929 and the regulations made thereunder as in force on the thirty-first day of August One thousand nine hundred and sixty-five and where the phrase "conditions which may be prescribed" or where any phrase of similar purport is used in the Act the conditions matters or things referred to in any such phrase shall mean and be the conditions matters or things which have been prescribed or are otherwise in force at such date.

The several words and phrases set out in sub-section (1) of Section 2 of the Act shall for the purposes of this Lease unless otherwise defined herein or the contrary intention herein appears, have the meanings therein respectively assigned to them.

For the purpose of construing the Act in relation to this Lease, unless a contrary intention is herein expressed or implied

- (a) except to the extent that for the purposes of this Lease they are expressly or by necessary implication hereby excluded or modified the provisions of the Act are applicable to this Lease
- (b) this Lease shall be deemed to have been granted under the Act
- (c) this Lease and the Leased Premises shall for the purposes of the Act be deemed to be a "mining tenement"
- (d) the Lessees shall be deemed to be a "lessee" as defined by the Act
- (e) the Lessees shall be deemed to be the holder and holders of a "mining lease" and a "mining tenement".

2. THE Premier on behalf of the State does hereby DEMISE AND LEASE <sup>Demise</sup> unto the Lessees as tenants in common in equal shares for a term of thirty (30) years from the date hereof ALL THOSE the lands surrounded by red boundary lines (herein referred to as "the initial leased premises") on the Plan EXCEPTING THEREOUT the land known as Bass Highway AND RESERVING TO THE STATE all such stone and indigenous timber as may at any time or times hereafter be required for the construction maintenance or repair of any public ways bridges fences embankments dams sewers or drains or other works together with the right of taking and removing the same and for that purpose to go in and upon the Leased Premises AND SUBJECT TO the rights of the Hydro-Electric Commission of Tasmania under the Hydro-Electric Commission Act 1944 as amended in respect of the piece of land forming part of the initial leased premises upon which an electricity distribution line is erected THE LESSEES HAVING THE RIGHT NEVERTHELESS to use such piece of land for the purposes contemplated by this Lease provided that in so doing the Lessees do not unreasonably interfere with the lawful use and enjoyment of such rights.

3. THE Leased Premises may be used for mining operations therein and thereon for minerals and stone to the maximum extent permitted <sup>Lessees' Rights</sup>

- (a) Under Section 31 of the Act to a holder of a mining lease and the holder of a mineral lease
- (b) Under Section 69 of the Act to the holder of an easement licence specifying all the powers set forth in paragraphs (a), (b), (c) and (d) of that Section
- (c) Under the Act to a holder of a mining tenement together with the right and authority in compliance (but subject to the provisions of this Lease) with the laws of the State to construct, operate, use and maintain transportation systems for the handling and shipment of mining products resulting from the Lessees' mining operations and the delivery of supplies for the Lessees' operations on the Leased Premises such as, without limitation thereto, pipelines, water lines, oil and other storage facilities and deepwater shiploading and unloading facilities.

4. THE Lessees covenant wth the Premier— <sup>Lessees' Covenants</sup>

- (a) To pay to the State a rental of Two thousand eight hundred and ninety eight Pounds (£2898) per annum payable annually in advance on the \_\_\_\_\_ day of \_\_\_\_\_ in each and every year during the term hereof the first payment to be made upon the delivery hereof.
- (b) On or before the thirtieth (30th) days of the months of January, April, July and October in each year of the term to pay to the State a royalty on iron ore products produced from iron bearing substances mined from the Leased Premises and shipped by the Lessees during the last preceding calendar quarter year equal to
  - (A) until sixty million (60,000,000) tons thereof shall have been shipped by the Lessees—one shilling and sixpence (1s. 6d.) per ton and<sup>Royalty on Iron Ore Products</sup>

- (B) after sixty million (60,000,000) tons thereof shall have been shipped by the Lessees—such sum as shall be determined by the Minister being not more than three shillings (3s. 0d.) per ton.

For the purposes of this subclause

- (i) "iron ore products" shall mean and include iron ore concentrates iron ore pellets and other processed iron ore products not having an iron content by weight (dry analysis) of more than Seventy-two per centum (72%)
- (ii) iron ore products shall be deemed "shipped" when placed upon an ocean vessel or other bulk carrier for transportation to the consumer's works following the last stage of processing of such iron ore products by the Lessees PROVIDED THAT if the Lessees shall at any time hereafter install facilities on the Leased Premises or elsewhere in Tasmania for the reduction of iron ore products produced from iron bearing substances mined from the Leased Premises to increase the iron content by weight (dry analysis) to more than Seventy-two per centum (72%) then iron ore products delivered to such facilities for reduction therein shall be deemed "shipped" when delivered to such facilities
- (iii) the weights of iron ore products for the purposes of royalty computation hereunder shall be determined at the time of shipment thereof (or as near such time of shipment as may be reasonably feasible in the circumstances then prevailing) upon belt scales or such other weighing devices of standard design used in the mining industry as may be mutually agreed between the Director and the Lessees
- (iv) "calendar quarter year" means each quarterly period ending on the last days of the months of March, June, September and December in each year
- (v) at the time of each quarterly payment of royalty the Lessees shall transmit to the State a true and accurate statement showing for the preceding calendar quarter year the tonnage of iron ore products produced from the Leased Premises shipped during such calendar quarter year
- (vi) "ton" means Two thousand two hundred and forty (2240) pounds avoirdupois.

Lessees' Operations

- (c) To maintain all buildings structures plant machinery and equipment on the Leased Premises in good order repair and condition subject to fair wear and tear.

Use of Leased Premises

- (d) Not to use the Leased Premises or any part thereof for any purpose not hereby expressly or impliedly authorized without the consent in writing of the Minister.

Reversion

- (e) Upon the expiration or sooner determination of the term or any extension thereof peaceably and quietly to yield and deliver up to the State possession of the Leased Premises subject always to the rights of the Lessees to remove certain of its property as provided in paragraph (ii) of subclause (g) of Clause 6 hereof.

Restrictions on Export

- (f) Not, without the written consent of the Minister, to export from Tasmania untreated iron ore or iron ore concentrates produced from the Leased Premises unless the same shall be—
- (i) in the form of iron ore pellets, or
- (ii) in some other form in which the iron content by weight exceeds Seventy-two per centum (72%) dry analysis

provided, however, that the Lessees may export untreated iron ore and iron ore concentrates for purposes of sampling (in bulk or otherwise) metallurgical testing or assaying with the consent in writing of the Director as to the quantity thereof.

Labour Covenant

- (g) To employ on or in connection with the development of, construction of facilities on, or operation of the Leased Premises during the first year of the term of this Lease not less than Five hundred and ten thousand four hundred (510,400) man hours and during

each subsequent year of the term of this Lease not less than One million and twenty thousand eight hundred (1,020,800) man hours.

For the purposes of this clause—

- (i) men employed by a sublessee tributor or contractor shall be deemed to be employed by the Lessees
- (ii) if the Lessees use steam power, water power, electric power, or other power for driving machinery each ten horsepower hours shall be deemed to be equivalent to one man hour
- (iii) in the case of electric power each kilowatt hour consumed by the Lessees on the Leased Premises shall be deemed to equal one and thirty-four hundredths (1.34) horsepower hours and
- (iv) the Director may pursuant to Section 53 of the Act grant to the Lessees a certificate of exemption from this covenant in the same manner as if it were the "labour covenant" referred to in Section 46 of the Act.

**5. THE** Premier on behalf of the State covenants with the Lessees— State's  
Covenants  
Preservation  
of Rights

(a) That, having regard to the particular nature of the industry proposed to be established by the Lessees on the Leased Premises but subject to—

- A. There being no subsisting default on the part of the Lessees in respect of which notice has been given pursuant to paragraph (iii) of subclause (a) of Clause 6 hereof;
  - B. The right of the State to terminate this Lease as provided in subclause (a) of Clause 6 hereof;
  - C. The right of the State to resume the Leased Premises or any part thereof under the Lands Resumption Act 1957 and the Public Authorities' Land Acquisition Act 1949; and
  - D. The right of the State hereby reserved to cross certain parts of the Leased Premises for the purposes set out in subclause (1) of Clause 6 hereof;
- (i) the State shall ensure that during the currency of this Lease the rights of the Lessees hereunder shall not in any way through any act of the State be impaired, disturbed or prejudicially affected.
  - (ii) no person other than the Lessees shall acquire any rights under any law of the State in or over the Leased Premises or any part thereof without the consent in writing of the Lessees which consent shall not be unreasonably or arbitrarily withheld.
  - (iii) in its laws or the administration thereof the State will not discriminate against the Lessees or the business of the Lessees carried on pursuant hereto or against any person or business where the effect of such discrimination would be directly or indirectly to discriminate against the Lessees.
  - (iv) the State will not hinder or prevent the export of iron ore pellets, reduced iron products in which the iron content by weight exceeds seventy-two per centum (72%) (dry analysis) and reasonable quantities of untreated iron ore and iron ore concentrates for purposes of sampling (in bulk or otherwise) metallurgically testing or assaying produced from the Leased Premises.

For the purposes of this subclause the term "State" shall in addition to the "State" as hereinbefore defined also include all authorities, bodies, corporations and commissions having in the area comprised in the Leased Premises or over the operations of the Lessees in Tasmania any jurisdiction power or authority conferred by or derived from any Act passed by the Parliament of Tasmania.

- (b) That
- (i) For the purpose of constructing one or more pipelines (which term shall whenever used in this Lease include pipelines and all ancillary improvements and facilities therefor and roads and accesses thereto) the Lessees shall have the right from Selection of  
site of  
pipeline and  
grant of  
Supplemen-  
tary Lease or  
Leases  
therefor and  
for other  
purposes

time to time to enter upon the land hatched black on the Plan and make surveys, take levels and clear the same or any part thereof and select therefrom a strip of land One hundred and fifty (150) feet wide running generally in a north-south direction through the entire length of the said land hatched black and to erect and construct on through and over the said strip a pipeline or pipelines PROVIDED that the selection of any strip that is within the area comprised in Exploration Licence Number EL 4/61 shall be subject to the obtaining of the consent in writing of the holder of such Exploration Licence.

- (ii) The State will grant Supplementary Leases of such strip or any part or parts thereof (limited, however, to the surface and to a depth of fifty (50) feet below the surface thereof) as and when the same shall have been selected by the Lessees and shown on a survey plan or plans lodged with the Director.
- (iii) The State will from time to time grant to the Lessees Supplementary Leases of such further lands as are reasonably required whether as sources of iron ore or otherwise to enable the Lessees effectively to carry on the operations contemplated by the State and the Lessees. In particular but without limiting the generality of the foregoing the State will grant Supplementary Leases of all lands reasonably required by the Lessees for installation of additional plant, to give the Lessees adequate access from State roads to any part of the Leased Premises, and to bring to and discharge from all parts of the Leased Premises and the mine town to be located in the vicinity thereof adequate quantities of water PROVIDED ALWAYS that where in the opinion of the Director the granting of any Supplementary Lease might interfere with any mining operations or intended mining operations on any part of the area comprised in Exploration Licence Number EL 4/61 then such Supplementary Lease shall not be granted without the consent in writing of the holder of such Exploration Licence.
- (iv) Any further lands which are leased to the Lessees pursuant to paragraph (iii) hereof as sources of iron ore shall be situated within two (2) miles to the South of Mine Grid Line N 19000 as shown on the plan filed in the office of the Director bearing reference number 2571 and East of the Savage River and West of Mine Grid Line E20000 as shown on the said plan number 2571 and no Supplementary Leases of such further lands shall be granted without the consent in writing of the holder of Exploration Licence Number EL 4/61 or if there be no such holder then without the consent of the Minister in writing.
- (v) When that portion of the road known as Bass Highway which is at present located in the initial leased premises is reconstructed on land located outside the initial leased premises the State will grant to the Lessees a Supplementary Lease of the land within the boundaries of the initial leased premises on which Bass Highway is at present located.
- (vi) There shall be excepted from any Supplementary Lease any land upon which any State-owned railway or public road presently exists and any land upon which Bass Highway shall have been reconstructed as mentioned in the last preceding paragraph.
- (vii) If Bass Highway shall be reconstructed as aforesaid on any land included in any Supplementary Lease previously granted to the Lessees the Lessees shall upon the Minister so requesting in writing surrender the Lease of such land to such person authority body corporation or commission as the Minister shall, in such request, nominate.
- (viii) Any Supplementary Lease granted for the purpose of bringing water to or discharging water from any part of the Leased

Premises or the mine town shall confer upon the Lessees for the remainder of the term of this Lease all rights necessary or convenient to take or discharge such water.

- (ix) When it is necessary for the State to acquire any land for the purpose of granting Supplementary Leases as herein provided such land shall with all possible expedition be acquired by the Minister for such purpose. For the purposes of this paragraph "land" includes any estate or interest in land and all rights contractual statutory or otherwise relating to land. **Acquisition of Lands.**
- (c) That the Minister on behalf of the State will from time to time when requested in writing by the Lessees consent in writing to the Lessees making improvements on the Leased Premises. **Consent to Improvements**
- (d) The State shall at all times hereafter take all steps (including resumption of private lands) as are reasonably required to vest in the Lessees the leasehold estate hereby or by any Supplementary Lease granted free of all estates and interests and all rights, contractual statutory or otherwise other than such as are hereby reserved. **Good Title**
- (e) The State shall at all times hereafter indemnify and keep the Lessees indemnified from and against all claims made by persons rightfully claiming in respect of any act performed by the Lessees in the bona fide exercise of the rights and powers conferred upon them under this Lease or any Supplementary Lease and which act constitutes an interference with any estate or interest or any right contractual statutory or otherwise of the claimant in or to or relating to the Leased Premises or any part thereof including without limiting the generality of the foregoing any such claim or claims rightfully made by any holder or holders of any Exclusive Forest Permit or Forest Lease or any lease or licence under the Crown Lands Act 1935. **Indemnity**
- 6. THE Premier on behalf of the State and the Lessees mutually agree and declare that:** **Mutual Agreements**
- (a) (i) Sections 55, 56, 57, 58, 59, 60, 61 and 131 C of the Act shall not apply to this Lease or to any Supplementary Lease. **State's right to Terminate**
- (ii) This Lease has been granted to the Lessees on condition that they will as soon as reasonably practicable commence to use the same for the mining concentrating and pelletizing of iron ore and to that end will make improvements sufficient for the production of not less than One million five hundred thousand (1,500,000) tons of iron ore pellets per annum. If such improvements have not been made within a period of five years from the date hereof or such longer period as the Minister shall determine then it shall be lawful for the Minister to declare this Lease and each and every Supplementary Lease terminated and the rights of the Lessees hereunder and thereunder forfeited PROVIDED HOWEVER that if the Minister shall determine to extend the said period of five years by the addition of a further period it shall be lawful for the Minister at the time of such extension to also extend the term granted by this Lease by the addition thereto of the same further period as is then added to the said term of five years.
- (iii) If the Lessees shall fail to pay in accordance with the terms and conditions hereof the rent or the royalty provided for in this Lease or any rent provided for any Supplementary Lease or if the Lessees shall fail to observe and perform any of the covenants and conditions herein expressed to be performed or observed by the Lessees and if such failure shall continue for thirty (30) days after receipt by the Lessees of written notice from the Minister specifying such failure then and from thenceforward (unless the Lessees shall in the meantime rectify such failure) it shall be lawful for the Minister to declare this Lease and each and every Supplementary Lease terminated and the rights of the Lessees hereunder and there-

under forfeited without prejudice to any other remedy the State may then have PROVIDED HOWEVER that if the Lessees shall deny the failure alleged by the Minister and shall request judicial determination thereof the period until the matter is finally determined shall not be deemed to be part of the said thirty (30) days hereinbefore referred to and if the contention of the Minister be sustained by such determination the Lessees shall have such time as the determination shall specify in which to correct the failure complained of but not less than thirty (30) days from the date of the final determination.

No alterations  
of terms of  
Lease except  
by Agreement

- (b) (i) Except where otherwise mutually agreed between the parties hereto the terms covenants and conditions of this Lease shall during the currency hereof remain as at the date of commencement hereof and insofar as any amendment of or substitution for the Act would have the effect of altering adding to or derogating from the terms covenants and conditions of this Lease the same shall not apply to this Lease or to the Leased Premises.
- (ii) The terms covenants and conditions of this Lease may be cancelled added to varied or substituted by agreement in writing between the Minister and the Lessees.

Income Tax  
Provisions

- (c) For the purposes of the Income Tax and Social Services Contribution Assessment Act 1936 as amended of the Commonwealth of Australia
- (i) This Lease and any and all Supplementary Leases are collectively a mining lease and the parties hereto do hereby state that the purpose of the grant of this Lease and any and all Supplementary Leases is to enable the persons to whom the grant is made to carry on mining operations upon the land being the Leased Premises.
- (ii) The State hereby consents to the construction by the Lessees on the Leased Premises of the improvements listed in Appendix A hereto.

Assignment

- (d) (i) Section 49 and Section 49 A of the Act shall not apply to this Lease or to any Supplementary Lease.
- (ii) The Lessees shall have the right with the consent in writing of the Minister to transfer assign sublet or otherwise dispose of this Lease or the Leased Premises or any part thereof. The consent of the Minister to any such assignment transfer subletting or other disposition shall not be unreasonably or arbitrarily withheld. In the case of any transfer or assignment such transfer or assignment shall be subject to the transferee or assignee executing in favour of the State a Deed of Covenant to comply with and observe the transferred or assigned obligations.

Right of  
Inspection

- (e) The Minister or his duly authorised agents shall have the right at all reasonable times to enter into and upon the Leased Premises for the purpose of inspecting the same and taking all reasonable means to ascertain the condition thereof and the kind quality and quantity of iron ore products and (if the Lessees are mining or producing or shipping other minerals) other minerals remaining therein or mined or removed therefrom including the right to take reasonable quantities of samples of such iron ore products and such other minerals and to make analyses thereof at the State's expense and to enter upon any lands on which any iron ore products or other minerals from the Leased Premises are stock-piled or to which any such material has been removed for beneficiation, pelletising, reduction or other treatment for the purpose of inspecting the facilities therefor and ascertaining the kind quality and quantity of iron ore products or other minerals thereon or for the purpose of inspecting and testing the weighing of iron ore products or other minerals produced from the Leased Premises not thereby unreasonably or unnecessarily hindering or interrupting any of the operations of the Lessees.

- (f) (i) Section 50 of the Act shall not apply to this Lease or to any Supplementary Lease. Surrender  
by Lessees
- (ii) Subject to the Lessees at the time of giving the notice herein-after referred to not being in default in the payment of any rent or royalty payable hereunder the Lessees shall have the right at any time upon not less than ninety (90) days notice in writing to surrender this Lease or any part thereof or any and every Supplementary Lease or any part thereof and in the event of such notice being given this Lease or such Supplementary Lease or such parts of such Lease or Supplementary Lease as the case may be shall terminate on the date specified in such notice as being the date of such termination such date being not less than ninety (90) days after the giving of such notice. On any surrender of any part of this Lease or of any part of any Supplementary Lease the rent payable hereunder shall be reduced at the rate of ten shillings (10s. 0d.) per annum for each acre comprised in such part and the obligations of the Lessees under subclause (g) of Clause 4 hereof shall be reduced to such extent as is reasonable in the circumstances.
- (g) (i) Section 63 of the Act shall not apply to this Lease or to any Supplementary Lease. Removal of  
Lessees'  
Property
- (ii) Upon the termination of this Lease whether by expiration of time or otherwise the Lessees may and shall have twelve (12) calendar months in which to remove all buildings machinery mining products and all other property of any nature or description erected or placed by the Lessees upon the Leased Premises except the property set out in Appendix B hereto which property together with such additional property as may be agreed between the Minister and the Lessees from time to time, shall not be subject to tenant rights and the Lessees shall not be entitled to remove the same upon termination.
- (iii) Notwithstanding the termination of this Lease the Lessees shall be entitled to enter into and upon the Leased Premises to the extent to which such entry is reasonably necessary to enable the Lessees to remove property as aforesaid in accordance with this Clause.
- (h) Without in any way limiting the generality of any power or right of the Lessees conferred by the Act or this Lease or any Supplementary Lease, the Lessees may without any charge fee or other payment whatsoever draw reasonable quantities of sea water from Brickmaker's Bay and fresh water from Savage River, Black River (including not less than fifty thousand (50,000) gallons per day from Black River) or any other source reasonably necessary for use in their operations and may construct such works and use such portion of the sea bed or the bed or banks of any river or stream as are reasonably required for such purposes. Water  
Intake
- (i) The Lessees may discharge waste water into the Savage River and into Brickmaker's Bay but the Lessees shall take reasonable and usual precautions to exclude contaminating matter from waste water so discharged and shall comply with the reasonable directions of the Director in respect thereof. Water  
Discharge
- (j) Notwithstanding anything to the contrary contained in the Lease or in the Act, the parties hereto shall be relieved of all liability for failure to perform or delay in performing their obligations hereunder in the event that such failure or delay shall be caused by or arise from events or occurrences reasonably beyond their control such as, but not limited to, Acts of God, force majeure, acts of governments, war, insurrection, riots, and civil commotions, public enemies, floods and washaways, windstorms, fires, strikes, lockouts, work stoppages, labour disputes (whether partial or general), shortages of labour or essential materials, reasonable failure to secure contractors, monetary and exchange control restrictions, import or export restrictions or economic conditions reducing requirements of consumers of iron ore products produced from the Leased Premises; and this Lease shall not be declared forfeited for non-compliance by the Lessees with their obligations hereunder if Force  
Majeure



such non-compliance is or has been occasioned by any one or more events or occurrences reasonably beyond their control and provided always that the relief hereby agreed to in respect of acts of governments shall not apply to, or be construed in such manner as to give relief to, the State in circumstances where the act in respect of which relief is sought is the act of the State or the Government of the State.

Supple-  
mentary  
Leases

- (k) (i) Every Supplementary Lease granted pursuant hereto shall be in or to the effect of the form set out in Appendix C hereto and shall be signed by the Minister on behalf of the State.
- (ii) Upon the execution and delivery of any Supplementary Lease the additional premises thereby demised shall be added to and form part of the Leased Premises and this Lease shall thenceforth be read and construed in all respects as if such additional premises had been originally included in the Leased Premises.
- (iii) No additional rent shall be payable hereunder in respect of any Supplementary Lease of pipeline premises, the rent payable for the land comprised in any such Supplementary Lease being already included in the rent payable pursuant to subclause (a) of Clause (4) hereof.
- (iv) On the grant of any Supplementary Lease (other than a Supplementary Lease of pipeline premises) the annual rental payable hereunder shall be increased by the sum of Ten shillings (10s. 0d.) for each acre comprised in such Supplementary Lease.

State's  
right to  
pass over  
pipeline

- (l) The State and every person authorized by the lease shall have the right at all times during the term of this Lease to pass and repass over and through any part of the pipeline premises for public purposes of an emergency nature including fire prevention and control but the State shall not in the exercise of its rights hereunder unreasonably interfere with or interrupt the Lessees' operations on the Leased Premises and if the State shall in the exercise of its rights hereunder cause any damage to the Lessees' property or shall interfere with or interrupt the operations of the Lessees on the Leased Premises the State shall compensate the Lessees in respect of such damage for any loss which the Lessees may suffer or incur.

Rights of  
other persons  
to pass over  
pipeline

- (m) The Lessees shall permit persons to pass and repass over any part of the pipeline premises for the purposes of obtaining and removing timber from areas adjacent thereto. No fee or other consideration shall be charged by the Lessees in respect of the grant of such permits but otherwise the Lessees may grant such permits on such terms and conditions as are reasonable.

Compliance  
with exist-  
ing and  
future law

- (n) The demise hereby made and the covenants terms conditions contained in this Lease and in any and every Supplementary Lease shall for all purposes be deemed to be valid and to comply with and satisfy the provisions of every Act and law whether now existing or whether enacted or made at any time hereafter and to the extent that such covenants terms and conditions or any of them vary from negate or conflict with the requirements of any such Act or law such covenants terms and conditions shall prevail.

Reimburse-  
ment to  
State

- (o) The Lessees shall reimburse the State for any sum paid by the State to any person as compensation or purchase consideration for private land acquired by the State pursuant to paragraph (ix) of subclause (b) of Clause 5 hereof but no agreement to purchase any such private land shall be entered into and no agreement shall be made as to the amount of compensation payable to any such person without the prior consent of the Lessees.

Effect on  
Lease  
Applications

- (p) This Lease shall for the purpose of this acknowledgement only and not for any other purpose be deemed to have been granted pursuant to Applications numbered 4M/64 to 9M/64 inclusive under the Act and in full satisfaction of the State's obligations in respect thereof.

Exclusion of  
Certain Sec-  
tions of the  
Act and  
Regulations

- (q) (i) Section 6 A of the Act shall not apply to this Lease or to the Leased Premises except in so far as it relates to mining products other than iron bearing substances, vanadium, iron pyrites, and products thereof.

- (ii) Section 30 of the Act shall not apply to this Lease or to the Leased Premises in so far as that Section relates to royalties on iron bearing substances and products thereof it being understood and agreed between the State and the Lessees that the sole and exclusive royalty payable by the Lessees in respect of iron bearing substances and products thereof is as set out in subclause (b) of clause 4 hereof.
- (iii) Sections 32, 42, 45, 46, 47 (1), 47 (3), 47 (6), 47 (9), 47 (10), 47 (17), 78, 82 A, 83, 91, 114, 129 (1) and 130 of the Act and Regulations 4, 5 (1), 5 (3), 17, 19, 20, 27, 31, 32, 33, 36, 37, 39, 44, 44A, 52 and 58 thereunder shall not apply to this Lease or to the Leased Premises.
- (r) As soon as is reasonably practicable the Lessees will establish and will throughout the term hereof maintain all such posts marks trenches and notices as are reasonably required to mark the boundaries of the Leased Premises. **Boundary Marks**
- (s) The pelletizing plant erected on part of the Leased Premises shall be deemed to be "works" within the meaning of that term as used in the Mines and Works Regulation Act 1915. **Mines and Works Regulation Act 1915**
- (t) Laws of general application of the State of Tasmania shall apply to the Lessees, this Lease and to the Leased Premises except as is otherwise herein provided and except to the extent that the same are either expressly or by necessary implication inconsistent with the provisions of this Lease or provisions as to water rights in any Supplementary Lease. **Application of Laws of Tasmania**
- (u) (i) The Lessees shall pay royalty at the prescribed rate on all gravel and sand removed by or with the permission of the Lessees directly from pits situated on the Leased Premises. **Removal of Stone**
- (ii) Except as provided in paragraph (i) hereof no royalty or other compensation shall be payable by the Lessees to the State in respect of any stone (including overburden, rock, or stone crushed or otherwise processed to make sand or gravel) taken or removed by the Lessees from the Leased Premises for the purposes of the construction, operation or maintenance of the Lessees' facilities on the Leased Premises and the construction operation and maintenance of the facilities of the town located in the vicinity of the Savage River area.
- (iii) The Lessees may licence or permit any person or company to remove stone from the Leased Premises.
- (iv) If pursuant to the reservation in that behalf hereinbefore contained the State shall remove stone or timber from the Leased Premises the State shall not in such removal hinder or interrupt the Lessees' operations on the Leased Premises and if in such removal the State shall cause any damage to the Lessees' property or shall hinder or interrupt the operations of the Lessees on the Leased Premises the State shall compensate the Lessees in respect of such damage or other loss which the Lessees may suffer or incur.
- (v) In the event that this Lease or the Leased Premises or any part thereof or any interest therein is resumed by the State the compensation payable by the State to the Lessees in respect thereof shall be determined having regard to the matters set out in paragraphs (a) (b) (c) and (d) of subsection (1) and in subsections 2, 3 and 4 of Section 19 of the Public Authorities' Land Acquisition Act 1949 as in force at the date hereof. **Compensation on Resumption**
- (w) If pursuant to subsection 16 of Section 47 of the Act the Minister shall on completion of any survey cause a deed supplemental to the Lease to be prepared setting forth the description of the Leased Premises as so ascertained then upon the execution by the Minister of the said deed the description therein contained shall supersede the description contained in this Lease. **Survey**
- (x) This Lease and every Supplementary Lease shall be governed by and interpreted in accordance with the laws of Tasmania. **Governing Law**

**Marginal Headings**

(y) The marginal headings appearing in the left margin of this Lease are inserted for convenient reference purposes only and are not definitive as to the provisions opposite those headings in the interpretation and construction of this Lease.

**Notices**

(z) Any notice consent or other writing authorized or required by this Lease or by the Act to be given or sent shall be deemed duly given or sent by the State or the Minister if signed by the Minister or by the Director or by a senior permanent officer of the Department of Mines and delivered or forwarded by prepaid post to the Lessees' office at 43 Cattley Street, Burnie, Tasmania and by the Lessees if signed on behalf of the Lessees by the Manager of the Lessees' operations in Tasmania and delivered or forwarded by prepaid post to the Department of Mines at Hobart, Tasmania and any such notice consent or writing shall when forwarded by prepaid post be deemed to have been duly given or sent and to have been received on the day on which it would normally be delivered in the ordinary course of the post. Either party hereto may change the address in Tasmania to which notices consents or other writings may be given or sent by giving the other party notice of such change in which case notices consents and other writings shall not be deemed to have been given or sent unless forwarded to such party at the new address stated in the said notice.

**Joint and several liability**

(aa) The covenants of the Lessees contained in this Lease are joint and several.

**Devolution of Covenants**

(bb) All the covenants terms provisions conditions and agreements herein contained shall run with the land comprising the Leased Premises and shall inure to the benefit of and be binding upon the successors assigns and sub-lessees of the Lessees.

IN WITNESS whereof these presents have been duly executed the day and year first hereinbefore written.

APPENDIX A**A. Concentrator Plant**—including, without limitation thereto,

1. Crusher facility (steel frame with single sheet closure) containing a crusher and attendant feeders and conveyors to the crude ore stockpile. Feeders and conveyors to the concentrator building.
2. Concentrator building (a steel frame structure with single sheet closure).
3. Concentrator building facilities—
  - a. Autogenous mills
  - b. Vibrating screens
  - c. Pumps
  - d. Magnetic separators
  - e. Cyclones
  - f. Ball mills
  - g. Necessary conveyors
  - h. All other equipment and facilities for the concentrating of iron-bearing substances derived from the Leased Premises.
4. Facilities for transfer of iron ore concentrates by pumping from the concentrator building to the slurry storage tanks and thence to the pipeline system.
5. Auxiliary facilities—maintenance shop, warehouse, office, change-room and other facilities ancillary to mining and concentration.

**B. Pipeline System**

1. Slurry storage tanks and pumping system (which includes pipeline feed pumps as well as pipeline pumps).
2. One or more booster pump stations (containing necessary pumping equipment and attendant facilities).
3. One or more pipelines for transfer of slurry concentrates to pellet plant, including all supports and other facilities ancillary thereto.

**C. Pellet Plant**

1. Receiving tank systems, consisting of storage pits, thickeners, and associated pumping equipment.
2. Pellet Plant building and facilities, including
  - a. Dewatering and filtering system consisting of thickeners, pumps and disc filters.
  - b. Conveyor systems.
  - c. Balling equipment and auxiliaries.
  - d. Indurating equipment and auxiliaries.
  - e. Bentonite storage and handling equipment.
3. Stockpile system
  - a. Stockpile area (in open) and improvements thereon.
  - b. Conveyors from pellet plant to stockpile.
  - c. Stacking and reclaiming equipment consisting of a stacker, tunnel, feeders and conveyor.
4. Conveyors to loading system.
5. Auxiliary facilities for pellet plant including, without limitation thereto, maintenance shop, warehouse, fuel oil storage and handling, offices and railroad siding.

**D. Harbour**

1. Offshore conveyor system mounted on a trestle between 5,000 and 6,000 feet long which will terminate offshore at a shiploading boom which will be mounted on a pile-supported structure.
2. Shipmooring facilities such as dolphins and permanent anchors.
3. Navigational aids such as buoys and range markers.

Additional facilities and improvements as shall be required or, in the opinion of the Lessees, desirable for operations on the Leased Premises.

\*\*\*\*\*

**APPENDIX B**

1. Pelletizer building, excluding the plant\* housed therein, but including normal building foundations, roof and wall supports and cladding, and steel and reinforced concrete flooring.
2. Facilities auxiliary to the pelletizing operation including all buildings, structures and earthworks therefor, such facilities to include, but without limitation thereto, the maintenance shop, warehouse, fuel oil storage area and facilities, offices, and railroad siding, but excluding all items of plant\* contained therein.
3. Receiving tanks (or storage pits) constructed in connection with the pelletizing operation including foundation pads, earthworks and underground piping, but excluding plant\* related thereto.
4. Stockpile area and facilities for pelletizing operations including all buildings, structures, earthworks and underground piping, but excluding plant\*.
5. Bentonite storage area and facilities including structures and earthworks but excluding plant\*.

All of the foregoing will be situated in that portion of the initial leased premises (as defined in the Lease to which this Appendix B is annexed) located onshore at Brickmakers Bay.

\* Whenever the word "plant" appears in this Appendix B it shall have the meaning ascribed (at the date of the Lease to which this Appendix is annexed) to that term for the purposes of Section 54 (1) of the Commonwealth Income Tax and Social Services Assessment Act 1936-1964 and, without limiting the generality thereof, "plant" shall include:

- (a) in relation to the pelletizer building (1 above) the dewatering and filtering system consisting of thickeners, pumps and disc filters; conveyor systems; balling equipment and auxiliaries;

- indurating equipment; and bentonite handling equipment; together with special foundations required for any of the foregoing;
- (b) in relation to the receiving tank system (3 above), thickener and pumping equipment;
- (c) plant complexes as follows: conveyor from pellet plant to stockpile; stacking and reclaiming equipment consisting of stacker, tunnel feeders and conveyor, and bentonite storage;
- (d) in relation to bentonite storage (5 above), equipment for use in unloading, storing, and delivering bentonite to the pelletizer building.

\*\*\*\*\*

APPENDIX C  
SUPPLEMENTARY LEASE

THIS INDENTURE made the \_\_\_\_\_ day of \_\_\_\_\_ One thousand nine hundred and \_\_\_\_\_ BETWEEN THE HONOURABLE being and as the Minister for Mines (hereinafter called "the Minister") for and on behalf of the State of Tasmania (hereinafter called "the State") of the one part and \* (hereinafter called "the Lessee(s)") of the other part

WITNESSETH:

1. PURSUANT to the provisions of an Indenture of Lease dated the \_\_\_\_\_ day of \_\_\_\_\_ One thousand nine hundred and \_\_\_\_\_ granted to Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd. and supplemental thereto the Minister on behalf of the State hereby DEMISES AND LEASES to the Lessee(s) for a term expiring on the date of expiry of the term created by the said Indenture of Lease ALL THAT the land hereunder described.

DESCRIPTION OF LAND

- 2. \*\*
- 3. \*\*\*

IN WITNESS whereof these presents have been duly executed the day and year first hereinbefore written.

SIGNED SEALED AND DELIVERED  
by THE MINISTER in the presence of: }

THE SEAL of  
was hereunto affixed by authority of the Board of Directors in the presence of:  
(or other form of execution as the circumstances may require) }

THE SEAL of  
was hereunto affixed by authority of the Board of Directors in the presence of:  
(or other form of execution as the circumstances may require) }

\* Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd. or their respective successors or assigns.

\*\* If this Supplementary Lease is being granted for the purpose of giving to the Lessee(s) rights to water as set forth in the said Indenture of Lease appropriate provisions granting such rights shall be inserted.

\*\*\* If this Supplementary Lease is being granted for the purpose of demising to the Lessee(s) land as sources of additional iron ore, here insert:

"The parties hereby agree that for the purposes of Clause 4 (g) of the said Indenture of Lease there shall be added as from the date hereof \_\_\_\_\_ man hours for each ten acres demised hereby to the total number of man hours secondly specified in such Clause".

\*\*\*\*\*

SIGNED SEALED AND DELIVERED }  
by THE HONOURABLE ERIC ELLIOTT }  
REECE M.H.A. in the presence of: }

or  
other appropriate form of execution

THE CORPORATE SEAL of NORTH- }  
WEST IRON CO. LTD. was hereunto }  
affixed in the presence of: }

or  
other appropriate form of execution

SIGNED SEALED AND DELIVERED }  
by \_\_\_\_\_ }  
as the Attorney for and as the act and }  
deed of DAHLIA MINING CO. LTD. in }  
the presence of: }

or  
other appropriate form of execution

\*\*\*\*\*

THE SECOND SCHEDULE HEREINBEFORE REFERRED TO

All that area of land containing 641 acres or thereabouts excluding the Corinna-Waratah Road and subject to survey, situate in the Land District of Russell and as shown on Land District Plan No. 43. filed and registered in the office of the Surveyor-General and Secretary for Lands at Hobart.

\*\*\*\*\*

SIGNED SEALED AND DELIVERED }  
by THE HONOURABLE ERIC ELLIOTT }  
REECE M.H.A. in the presence of: }

ERIC REECE (L.S)

J. G. SYMONS

SIGNED SEALED AND DELIVERED }  
by WILLIAM EDWARD CONWAY for }  
and as the act and deed of NORTHWEST }  
IRON CO. LTD. in the presence of: }

NORTHWEST IRON CO. }  
LTD. (L.S)

By its attorney  
W. E. CONWAY

A. L. PEARCE

SIGNED SEALED AND DELIVERED }  
by ROBERT HUGH MINTER for and }  
as the act and deed of DAHLIA MINING }  
CO. LTD. in the presence of: }

DAHLIA MINING CO. }  
LTD. (L.S)

By its attorney  
R. H. MINTER

G. L. JOHNSON