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N.S.W. STAMP DUTY
CL No. 221815 MINERAL MINING LEASE
2003...2004...2005

CONSOLIDATED MINING LEASE

MINING ACT 1992

NO. 16 (Act 1992)

DATED 23 APRIL 2004

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

Blue Circle Southern Cement Ltd
(ACN 008 528 523)

RECORDED in the Department of Mineral Resources

at Sydney, this THIRTIETH day
of APRIL 2004 at the hour of 10-00
o'clock in the FORE noon.

for R. Goodwin
Director-General

MINING ACT 1992

CONSOLIDATED MINING LEASE

THIS DEED made the TWENTY THIRD day of APRIL Two thousand and four in pursuance of the provisions of the Mining Act 1992 (hereinafter called "the Act") BETWEEN **Kerry Hickey**, Minister for Mineral Resources of the State of New South Wales (hereinafter called "the Minister" which expression shall where the context admits or requires include the successors in office of the Minister and the person acting as such Minister for the time being) AND **Blue Circle Southern Cement Ltd (ACN 008 528 523)** (which with its successors and transferees is hereinafter called "the lease holder") of **Clunies Ross Street, Prospect in the State of New South Wales, 2148.**

WHEREAS the lease holder was until the execution hereof by the Minister the lease holder of the leases specified in the Schedule of Leases annexed hereto. **AND WHEREAS** the Minister considered that the said leases should be consolidated in conformity with Part 6 of the Act and has complied with the requirements of that Part relating to the grant of a consolidated mining lease **NOW THIS DEED WITNESSES** that in consideration of the observance and performance of the covenants contained in this Deed and the payment of royalty by the lease holder the Minister in pursuance of the provisions of the Act **DOES HEREBY** demise and lease to the lease holder **ALL THAT** piece or parcel of land, being the aggregate of all the areas of land subject to the leases specified in the Schedule of Leases, containing by admeasurement **about 616.5 hectares** and more particularly described and delineated in the plan annexed hereto for the purpose of prospecting and mining for **agricultural lime, clay/shale, iron minerals, limestone, marble and structural clay.**

TO HOLD the said land with the appurtenances thereon subject to such rights and interests as may be lawfully subsisting therein or which may be reserved by the Act at the date of this Deed and to such conditions, provisos and stipulations as are contained in this Deed **UNTO** the lease holder from and including the date of this Deed for the period expiring on **26 February 2023** for the purpose aforesaid and no other purpose.

1. **THAT** in this lease except insofar as the context otherwise indicates or requires -
 - (a) any reference to an Act includes that Act and any Act amending or in substitution for the same; "Director-General" means the person for the time being holding office or acting as Director-General, Department of Mineral

Resources, Sydney; the word "mine" has the meaning assigned to it by the Act; words importing the singular number shall include the plural the masculine gender the feminine or neuter gender and vice versa; and

(b) any covenant on the part of two or more persons shall be deemed to bind them jointly and severally.

2. **THAT** the lease holder shall during the said period pay to the Minister in Sydney in respect of all such minerals as stated recovered from the land hereby demised royalty at the rate or rates prescribed by the Act and the Regulations thereunder at the time the minerals are recovered, or at the rate or rates fixed by the Minister from time to time during the term of this demise in exercise of the power in that behalf conferred upon him by the Act.

3. **THAT** the lease holder shall at all times during the said term of this lease keep and preserve the said mine from all avoidable injury or damage and also the levels, drifts, shafts, watercourses, roadways, works, erections and fixtures therein and thereon in good repair and condition and in such state and condition shall on the expiration or sooner determination of the said term or any renewal thereof deliver possession of the land and the premises hereby demised to the Minister or other persons authorised to receive possession thereof.

4. **THAT** the conditions and provisions set forth in the Schedule of Conditions annexed hereto and numbered 1 to 27 (inclusive) are embodied and incorporated within this Deed as conditions and provisions of the lease hereby granted **AND** that the lease holder shall observe fulfil and perform the same. Condition Nos. 1, 2, 5, 16, 17, 19, 23 and 24 are identified as conditions relating to environmental management for the purposes of Sections 125(3) and 374A of the Mining Act 1992.

PROVIDED always and it is hereby declared as follows:

(a) **THAT** this lease is granted subject to amendment as provided under Section 79 of the Act.

(b) **THAT** if the lease holder at any time during the period of this demise -

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

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

- (c) **THAT** no implied covenant for title or for quiet enjoyment shall be contained herein.
- (d) **THAT** all the conditions and provisions contained in the Mining Act 1992 and the Regulations thereunder, the Mines Inspection Act, 1901 and the Coal Mines Regulation Act, 1982 or any other law now or hereafter to be passed or prescribed shall be incorporated within this Deed as conditions and provisions of the lease granted. The lease holder covenants to observe and fulfil and perform the same.
- (e) **THAT** such of the provisions and conditions declared and contained in this Deed as requiring anything to be done or not to be done by the lease holder shall be read and construed as covenants by the lease holder with the Minister which are to be observed and performed.

5. Upon the execution hereof by the Minister the leases specified in the Schedule of Leases shall subject to the provisions of Section 108 of the Mining Act 1992 be taken to have been cancelled in accordance with Section 98(2) of the said Act.

SCHEDULE OF LEASES

LEASE NO.

MINERAL LEASE	3190	(ACT 1906)
MINERAL LEASE	3206	(ACT 1906)
MINERAL LEASE	3514	(ACT 1906)
MINERAL LEASE	3553	(ACT 1906)
MINERAL LEASE	3691	(ACT 1906)
MINERAL LEASE	4044	(ACT 1906)
MINERAL LEASE	4362	(ACT 1906)
MINERAL LEASE	4547	(ACT 1906)
MINERAL LEASE	4663	(ACT 1906)
MINERAL LEASE	4664	(ACT 1906)
MINERAL LEASE	5231	(ACT 1906)
MINERAL LEASE	6360	(ACT 1906)
MINING LEASE	484	(ACT 1973)
MINING LEASE	580	(ACT 1973)
MINING LEASE	978	(ACT 1973)
MINING PURPOSES LEASE	476	(ACT 1906)
MINING PURPOSES LEASE	681	(ACT 1906)
MINING PURPOSES LEASE	686	(ACT 1906)
MINING PURPOSES LEASE	908	(ACT 1906)
MINING PURPOSES LEASE	1169	(ACT 1906)
MINING PURPOSES LEASE	1222	(ACT 1906)
MINING PURPOSES LEASE	1286	(ACT 1906)
MINING PURPOSES LEASE	1356	(ACT 1906)
MINING PURPOSES LEASE	1357	(ACT 1906)
MINING PURPOSES LEASE	1416	(ACT 1906)
MINING PURPOSES LEASE	74	(ACT 1973)
MINING PURPOSES LEASE	116	(ACT 1973)
MINING PURPOSES LEASE	147	(ACT 1973)
MINING PURPOSES LEASE	175	(ACT 1973)
MINING PURPOSES LEASE	176	(ACT 1973)
MINING PURPOSES LEASE	202	(ACT 1973)
MINING PURPOSES LEASE	211	(ACT 1973)
PRIVATE LANDS (MINING PURPOSES) LEASE	1811	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2114	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2168	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2183	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2713	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2864	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2865	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2907	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2965	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	2971	(ACT 1906)

PRIVATE LANDS (MINING PURPOSES) LEASE	3053	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3087	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3417	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3478	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3479	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3792	(ACT 1906)
PRIVATE LANDS (MINING PURPOSES) LEASE	3815	(ACT 1906)

PRIVATE LANDS LEASE	1974	(ACT 1906)
PRIVATE LANDS LEASE	2098	(ACT 1906)

PRIVATE LANDS LEASE	52	(ACT 1918)
PRIVATE LANDS LEASE	53	(ACT 1918)
PRIVATE LANDS LEASE	189	(ACT 1918)
PRIVATE LANDS LEASE	201	(ACT 1918)

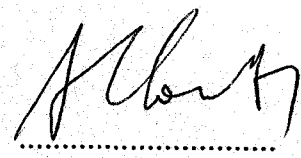
PRIVATE LANDS LEASE	86	(ACT 1924)
PRIVATE LANDS LEASE	87	(ACT 1924)
PRIVATE LANDS LEASE	128	(ACT 1924)
PRIVATE LANDS LEASE	188	(ACT 1924)
PRIVATE LANDS LEASE	279	(ACT 1924)
PRIVATE LANDS LEASE	280	(ACT 1924)
PRIVATE LANDS LEASE	334	(ACT 1924)
PRIVATE LANDS LEASE	335	(ACT 1924)
PRIVATE LANDS LEASE	336	(ACT 1924)
PRIVATE LANDS LEASE	499	(ACT 1924)

SPECIAL LEASE	639	(ACT 1906)
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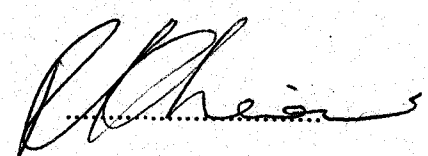
IN WITNESS WHEREOF the Minister hereto has executed this Deed the day and year first
abovewritten.

SIGNED SEALED AND DELIVERED BY

ALAN COUTTS
DIRECTOR-GENERAL
BY DELEGATION FROM THE MINISTER



in the presence of



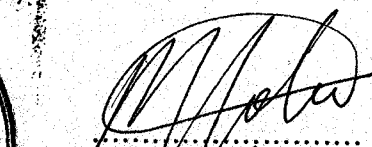
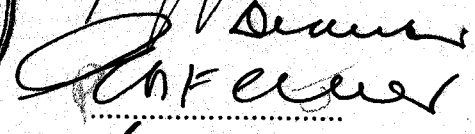
Witness

SIGNED SEALED AND DELIVERED BY

Blue Circle Southern Cement Ltd
(ACN 008 528 523)



in the presence of



Witness

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SCHEDULE OF CONDITIONS

Mining, Rehabilitation, Environmental Management Process (MREMP)

Mining Operations Plan (MOP)

1. (1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-
 - (a) ongoing mining operations and environmental management; and
 - (b) ongoing monitoring of the project.
- (2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement.
- (3) A Plan must be lodged with the Director-General:-
 - (a) prior to the commencement of mining operations (including mining purposes);
 - (b) subsequently as appropriate prior to the expiry of any current Plan; and
 - (c) in accordance with any direction issued by the Director-General.
- (4) The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-
 - (a) area(s) proposed to be disturbed under the Plan;
 - (b) mining and rehabilitation method(s) to be used and their sequence;
 - (c) areas to be used for disposal of tailings/waste;
 - (d) existing and proposed surface infrastructure;
 - (e) existing flora and fauna on the site;
 - (f) progressive rehabilitation schedules;
 - (g) areas of particular environmental, ecological and cultural sensitivity and measures to protect these areas;
 - (h) water management systems (including erosion and sediment controls);
 - (i) proposed resource recovery; and
 - (j) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation.
- (5) The Plan when lodged will be reviewed by the Department of Mineral Resources.
- (6) The Director-General may within two (2) months of the lodgement of a Plan, require modification and re-lodgement.

- (7) If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgement of a Plan, the lease holder may proceed with implementation of the Plan.
- (8) During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.

Annual Environmental Management Report (AEMR)

2. (1) Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General.
- (2) The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of:
 - (a) the accepted Mining Operations Plan;
 - (b) development consent requirements and conditions;
 - (c) Environment Protection Authority and Department of Infrastructure, Planning and Natural Resources licences and approvals;
 - (d) any other statutory environmental requirements;
 - (e) details of any variations to environmental approvals applicable to the lease area; and
 - (f) where relevant, progress towards final rehabilitation objectives.
- (3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.
- (4) The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies and the local council.

Mining Operations – Restricted Areas

3. The lease holder must restrict mining operations within the area formerly subject of Special Lease No. 639 (Act 1906) to the areas shown by blue hatching on Diagram Catalogued No. 786 in the Department of Mineral Resources, unless with the written approval of the Minister and subject to any conditions he may stipulate.
4. The lease holder must restrict mining operations within the areas formerly subject of Mineral Lease Nos. 4044, 4547, 4663 and 4664 (Act 1906) and Private Lands Lease No. 334 (Act 1924) to the area shown by red tint on the Plan Catalogued No. M25819 roll in the Department of Mineral Resources, unless with the written approval of the Minister and subject to any conditions he may stipulate.

Bungonia Creek

5. The lease holder must conduct mining operations in a manner that minimises spillage of material into Bungonia Creek and must comply with any direction given by the Director-General in this regard.

Bungonia Gorge

6. The lease holder must erect and maintain within the lease area sufficient and suitable notices warning the public of the potential danger from material falling or rolling down the slopes of Bungonia Gorge and must comply with any direction given by the Director-General in this regard.

Expenditure Requirement

7. The lease holder must expend on prospecting or mining operations an amount of not less than \$700,000.00 per annum.

The Minister may at any time during the currency of this lease, by instrument in writing served on the lease holder, increase or decrease the amount of expenditure required.

Control of Operations

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

Reports

9. The lease holder shall provide, within a period of twenty-eight days after each anniversary of the date this lease has effect or at such other date as the Director-General may stipulate, of each year, a progress report(s) to the satisfaction of the Director-General containing the following:
 - (a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period;
 - (b) Details of expenditure incurred in conducting that exploration;
 - (c) A summary of all geological findings acquired through mining or development evaluation activities;
 - (d) Particulars of exploration proposed to be conducted in the next twelve months period;
 - (e) All plans, maps, sections and other data necessary to satisfactorily interpret the report(s).

Licence to Use Reports

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

Confidentiality

11. (a) All exploration reports submitted in accordance with the conditions of this lease will be kept confidential while the lease is in force, except in cases where:
 - (i) the lease holder has agreed that specified reports may be made non-confidential.
 - (ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease.
- (b) Confidentiality will be continued beyond the termination of a lease where an application for a flow-on title was lodged during the currency of the lease. The confidentiality will last until that flow-on title or any subsequent flow-on title, has terminated.
- (c) The Director-General may extend the period of confidentiality.

Terms of the non-exclusive licence

12. The terms of the non-exclusive copyright licence granted under condition 7(a) are:
 - (a) the Minister may sub-licence others to publish, print, adapt and reproduce but not on-licence reports.
 - (b) the Minister and any sub-licensee will acknowledge the lease holder's and any identifiable consultant's ownership of copyright in any reproduction of the reports, including storage of reports onto an electronic database.
 - (c) the lease holder does not warrant ownership of all copyright works in any report and, the lease holder will use best endeavours to identify those parts of the report for which the lease holder owns the copyright.
 - (d) there is no royalty payable by the Minister for the licence.
 - (e) if the lease holder has reasonable grounds to believe that the Minister has exercised his rights under the non-exclusive copyright licence in a manner which adversely affects the operations of the lease holder, that licence is revocable on the giving of a period of not less than three months notice.

Blasting

13. (a) The lease holder must not use explosives on the lease area on Saturdays, Sundays or Public Holidays;
- (b) The lease holder must give adequate warning of its intention to use explosives on the lease area by means of the erection of notices and the sounding of a whistle, siren or other suitable warning device;

- (c) The lease holder must use explosives in a manner that does not damage or disturb the walls of Bungonia Gorge Slot.

14. (a) Ground Vibration

The lease holder must ensure that the ground vibration peak particle velocity generated by any blasting within the lease area does not exceed 10 mm/second and does not exceed 5 mm/second in more than 5% of the total number of blasts over a period of 12 months at any dwelling or occupied premises as the case may be, unless determined otherwise by the Environment Protection Authority.

(b) Blast Overpressure

The lease holder must ensure that the blast overpressure noise level generated by any blasting within the lease area does not exceed 120 dB (linear) and does not exceed 115 dB (linear) in more than 5% of the total number of blasts over a period of 12 months, at any dwelling or occupied premises, as the case may be, unless determined otherwise by the Environment Protection Authority.

Safety

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

Rehabilitation

16. (a) Land disturbed must be rehabilitated to a stable and permanent form suitable for a subsequent land use acceptable to the Director-General and in accordance with the Mining Operations Plan so that:
- there is no adverse environmental effect outside the disturbed area and that the land is properly drained and protected from soil erosion.
 - the state of the land is compatible with the surrounding land and land use requirements.
 - the landforms, soils, hydrology and flora require no greater maintenance than that in the surrounding land.
 - in cases where revegetation is required and native vegetation has been removed or damaged, the original species must be re-established with close reference to the flora survey included in the Mining Operations Plan. If the original vegetation was not native, any re-established vegetation must be appropriate to the area and at an acceptable density.
 - the land does not pose a threat to public safety.
- (b) Any topsoil that is removed must be stored and maintained in a manner acceptable to the Director-General.

17. The lease holder must comply with any direction given by the Director-General regarding the stabilisation and revegetation of any mine residues, tailings or overburden dumps situated on the lease area.

Exploratory Drilling

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

Prevention of Soil Erosion and Pollution

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

Transmission lines, Communication lines and Pipelines

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

Fences, Gates

21. (a) Activities on the lease must not interfere with or damage fences without the prior written approval of the owner thereof or the Minister and subject to any conditions the Minister may stipulate.

- (b) Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.

Roads

- 22. (a) Operations must not affect any road unless in accordance with an accepted Mining Operations Plan or with the prior written approval of the Director-General and subject to any conditions he may stipulate.
 - (b) The lease holder must pay to the local council, the Department of Lands or the Roads and Traffic Authority the cost incurred in fixing any damage to roads caused by operations carried out under the lease, less any amount paid or payable from the Mine Subsidence Compensation Fund.
23. Access tracks must be kept to a minimum and be positioned so that they do not cause any unnecessary damage to the land. Temporary access tracks must be ripped, topsoiled and revegetated as soon as possible after they are no longer required for mining operations. The design and construction of access tracks must be in accordance with specifications fixed by the Department of Infrastructure, Planning and Natural Resources.

Trees and Timber

- 24. (a) The lease holder must not fell trees, strip bark or cut timber on the lease without the consent of the landholder who is entitled to the use of the timber, or if such a landholder refuses consent or attaches unreasonable conditions to the consent, without the approval of a warden.
- (b) The lease holder must not cut, destroy, ringbark or remove any timber or other vegetative cover on the lease area except such as directly obstructs or prevents the carrying on of operations. Any clearing not authorised under the Mining Act 1992 must comply with the provisions of the Native Vegetation Conservation Act 1997.
- (c) The lease holder must have any necessary licence from the Forestry Commission of New South Wales before using timber from any Crown land within the lease area.

Resource Recovery

- 25. (a) Notwithstanding any description of mining methods and their sequence or of proposed resource recovery contained within the Mining Operations Plan, if at any time the Director-General is of the opinion that minerals which the lease entitles the lease holder to mine and which are economically recoverable at the time are not being recovered from the lease area, or that any such minerals which are being recovered are not being recovered to the extent which should be economically possible or which for environmental reasons are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals.
- (b) The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.
- (c) The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area.

- (d) No such notice shall be issued by the Director-General unless the matter has firstly been thoroughly discussed with and a report to the Director-General has incorporated the views of the lease holder.
- (e) The lease holder may object to the requirements of any notice issued under this condition and on receipt of such an objection the Minister shall refer it to a Warden for inquiry and report under Section 334 of the Mining Act, 1992.
- (f) After considering the Warden's report the Minister shall decide whether to withdraw, modify or maintain the requirements specified in the original notice and shall give the lease holder written notice of the decision. The lease holder must comply with the requirements of this notice.

Indemnity

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

Security

27. (a) A security in the sum of \$2,900,000.00 must be lodged with the Minister by the lease holder for the purpose of ensuring the fulfilment of obligations under this lease. If the lease holder fails to fulfil any one or more of such obligations the said sum may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of this clause the lease holder shall be deemed to have failed to fulfil the obligations of this lease if the lease holder fails to comply with any condition or provision hereof, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision hereof or of any provision of the Act or regulations made thereunder.
- (b) The lease holder must provide the security required by sub-clause (a) hereof in one of the following forms:
- (i) cash,
 - (ii) a security certificate in a form approved by the Minister and issued by an authorised deposit-taking institution.