

General Conditions

Work Program

1. The lease holder must carry out the operations, and any other activities, described in the Work Program and comply with any commitments in relation to the conduct of operations specified in the Work Program, as for the time being in force, in respect of this lease.

Community Consultation

2. The lease holder must carry out community consultation in relation to the planning and conduct of activities under this lease in accordance with the *Exploration Code of Practice: Community Consultation* (March 2016).

Protection of the Environment

3. The lease holder must prevent, or if that is not reasonably practicable, minimise so far as is reasonably practicable, any harm to the environment arising from activities carried out under this lease.

Security

4. The lease holder must provide a security deposit to secure funding for the fulfilment of obligations under this lease (including obligations that may arise in the future) as follows:
 - (a) Amount: \$ **[Security amount entered here]**
 - (b) Lease Holder's entitlement to interest: none.

Rehabilitation

5. The lease holder must carry out rehabilitation of all disturbance caused by activities carried out under this lease in accordance with the requirements in Part B of the *Exploration Code of Practice – Rehabilitation* (July 2015) to the satisfaction of the Minister.

Environmental Incident Reporting

6. The lease holder must provide environmental incident notifications and reports to the Secretary no later than 7 days after those notifications and reports are provided to relevant authorities under the *Protection of the Environment Operations Act 1997*.

Annual Activity Reporting

7. Unless otherwise approved by the Secretary, the lease holder must submit annual activity reports prepared in accordance with the *Exploration Guideline: Annual Activity Reporting for Prospecting Titles* (July 2015) at the following times:
 - (a) Annually, within one calendar month following the grant anniversary date of this lease
 - (b) On any other date or dates directed by the Secretary in writing; and
 - (c) Within one calendar month following the cancellation or expiry of this lease.

Change in Control

8. If the lease holder is a corporation or a trust, the Minister's prior written approval is required before any:
 - (a) Change in effective control of the lease holder; or

- (b) Foreign acquisition of substantial control in the lease holder.

The Minister's approval is not required where a change in effective control of the lease holder, or a foreign acquisition of substantial control of the lease holder, occurs as a result of the acquisition of shares or other securities on a registered stock exchange.

Additional Conditions

[Either "nil" or Special/Additional Conditions will be included for the specific lease if relevant]

Drilling Notification

9. At least 28 days before commencing any drilling operation (for assessable prospecting operations), the lease holder must provide written notice to the Department of Planning, Industry and Environment – Water Division (DPIE – Water) through the 'Water Actions Management System' (WAMS) portal <http://wams.water.nsw.gov.au/wams/core.aspx?LITE>, which sets out:
- (a) the lease holder's intention to drill the exploratory holes; and
 - (b) a description of the nature and location of the proposed exploratory holes.

Landholder Liaison Program and Property Acquisition Strategy

10. Upon the grant of the lease, the lease holder must establish a landholder liaison program, which must include procedures for addressing all landholder inquiries (**Landholder Liaison Program**).
- Where it is proposed that the lease area will be used in future for the development of open cut mining operations, the lease holder must establish a strategy for the acquisition of property within the lease area from any land owners who:
- (a) request in writing that the lease holder acquire their land; and
 - (b) can demonstrate hardship and, despite bona fide attempts to sell, have been unable to sell their land as a consequence of the proposed open cut mining, (**Property Acquisition Strategy**).

Copies of both the Landholder Liaison Program and the Property Acquisition Strategy must be provided to all landowners within the lease area and to the Executive Director Resource Operations at the Department.

Where such hardship and bona fide efforts to sell are established under the terms of this condition or agreed between the parties, the lease holder must be prepared to purchase the landowners land in accordance with this condition.

Where agreement cannot be reached as to the demonstration of hardship and bona fide efforts to sell, either the lease holder or the landowner may refer the matter to the Secretary for resolution.

Upon receiving such a referral, the Secretary shall appoint an independent arbitrator from the Minister's panel of arbitrators appointed under the *Mining Act 1992* (NSW) to:

- consider submissions from both parties,
- determine whether hardship exists and bona fide attempts to sell have been made, and
- prepare a summary report for the Secretary.

The arbitrator's costs are to be borne by the lease holder.

Land acquisition

Within three months of receiving a written request from a landowner within the lease area, or within three months of receiving a copy of an arbitrator's report confirming hardship and bona fide attempts to sell, the lease holder must make a binding written offer to the landowner based on:

- (a) the current market value of the landowner's interest in the land, which is within the lease area, at the date of the written request, as if the land was unaffected by the potential development of open cut mining operations within the lease area, having regard to the:
 - existing and permissible use and amenity of the land,
 - presence of improvements on the land and/or any approved building or structure which has been physically commenced at the date of the landowner's written request, and is due to be completed subsequent to that date, and
- (b) the reasonable costs associated with the landowner obtaining legal and expert advice for determining the acquisition price of the land and the terms upon which it is to be acquired.

If, within 28 days of the lease holder making an offer to acquire a landowner's land in accordance with this condition, the lease holder and landowner cannot agree on the acquisition price and/or the terms upon which the land is to be acquired, then either party may refer the matter to the Secretary for resolution.

Upon receiving such a referral, the Secretary shall request the President of the NSW Division of the Australian Property Institute (**API**) to appoint a qualified independent valuer to:

- consider submissions from both parties;
- establish a fair market value for the land and determine reasonable costs and compensation for the acquisition, in accordance with paragraphs (a)-(b) above; and
- recommend appropriate fair and reasonable terms of acquisition.

The appointed valuer is to provide a report and explanation of their valuation, determinations and proposed terms of acquisition to the Secretary, the lease holder and the landowner.

The Secretary shall consider the valuation, determinations and terms of acquisition proposed by the independent valuer and advise the parties that:

- (a) the independent valuer's report is fair and reasonable, in which case the lease holder must make a written offer to purchase the land in accordance with the terms set out in the independent valuer's report and at a price no less than that set in the report within 14 days, or
- (b) that the independent valuer's report is not fair and/or reasonable, in which case a further independent valuation and determination will be undertaken in accordance with this condition and the Secretary will duly request a further appointment by the API.

If the landowner has not accepted a written offer duly made by the lease holder under this condition within 6 months of receipt of the offer, the lease holder's obligation to acquire the land shall cease, unless otherwise agreed by the Secretary.

The lease holder shall bear the full costs of any independent valuer's valuation, determination and report under this condition.

If the lease holder and landowner agree that only part of the land shall be acquired, the lease holder shall pay all reasonable costs associated with obtaining approval from the relevant consent authority for any plan of subdivision (where permissible), and registration of the plan at the Office of the Registrar-General.

Definitions:

Hardship: conditions that are difficult to endure. Hardship may be caused by illness, age, financial stress or adverse personal circumstances.

Bona fide attempts to sell: - listing of the property, which is within the lease area, with a local Real Estate or Stock and Station Agent, for a period of at least six months at a price which is in line with the current market for the property, as if it was unaffected by potential future open cut mining operations within the lease. The listing must have occurred during the term of the assessment lease or during a twelve month period immediately prior to the grant of the assessment lease.

Landowner: has the meaning given to the term 'owner' in the *Land Acquisition (Just Terms Compensation) Act 1991* (NSW).

Market value: means 'market value' as defined in the *Land Acquisition (Just Terms Compensation) Act 1991* (NSW).

Secretary: means the Secretary administering the *Mining Act 1992*.

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