



Exploration & Mining Title Services Pty Ltd
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BY FACSIMILE: (07) 3857 7552

1 October 2007

Dr Mark Elliott
China Yunnan Copper Australia Limited
Queensland Office
99 Fifth Avenue
WINDSOR QLD 4030

Dear Mark

RE: EXPLORATION PERMITS (EPM'S) 15248
PROJECT: THREE SISTERS

Please be advised that EPM 15248 has been granted for a term of five (5) years from 25 September 2007 to China Yunnan Copper Australia Limited.

A copy of the Exploration Permit document for the tenement is enclosed for your records. The original has been retained in this office for safekeeping.

Grant of the tenement

You are reminded that the Department of Mines and Energy will insist on strict compliance with the terms and conditions of the grant and the Code of Practice. You should review these documents to familiarise yourself with the terms and conditions of the tenement.

The grant of this Exploration Permit is over land where native title is extinguished and over land where native title may still exist (i.e. non-exclusive land). For land in the permit over areas which are non-exclusive, the right of this permit is subject to the recently negotiated Section 31 agreement between the State of Queensland, the Kalkadoon People #4 and Mt Stewart Gold Ltd.

Aboriginal Cultural Heritage Act / Native Title Requirements

Under section 23 of the Aboriginal Cultural Heritage Act 2003, all reasonable and practicable measures must be taken to ensure the activity does not harm Aboriginal cultural heritage (the "cultural heritage duty of care"). Maximum penalties for breaching the duty of care are \$750,000 for a corporation and \$75,000 for an individual. It is assumed that the Ancillary Agreement complies with the Aboriginal Cultural Heritage Act. Please check the Ancillary Agreement and verify that this is the case.

Please note that the Section 31 and Ancillary Agreements are conditions of tenure and as such you must comply with the agreements. If you wish this office to monitor compliance with the agreements, please contact me to discuss this matter directly.

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Other Conditions of Tenure

The conditions of the grants are detailed in the following documents, the majority of which are contained in the enclosed Exploration Permit document: -

- The Mineral Resources Act 1989;
- The Mineral Resources Regulation 2003;
- The "General Conditions" Version 1 for Exploration Permits dated October 2003;
- The "Specific Conditions" (i.e. the Program of Works);
- The Section 31 agreement between the State of Queensland, the Kalkadoon People #4 and Mt Stewart Gold Ltd;
- The standard Environmental Authority; and
- The 'Code of Environmental Compliance for Exploration Permits and Mineral Development Projects'.

Under the General Conditions it is a requirement that Matrix serve a written 'Notice of Entry' on all relevant background landowners at least seven days prior to entry. If you require any assistance in determining the background landowners on serving the notices please contact this office.

Outstanding Requirements

The annual rental payment for the period 25 September 2007 to 24 September 2008 is now due. The required amount is calculated at \$121.50 per sub-block for 143 sub-blocks.

Please forward a cheque for **\$17,374.50** made payable to the **'Department of Mines and Energy'** to this office by **17 October 2007** in order to comply with the 19 October 2007 deadline and I will attend to this matter on your behalf.

Yours faithfully

EDDIE PAUL

Mineral Properties Consultant, Brisbane Office

Enc.:

Part 5
Form Number 2
Version 3
(Section 137)

Mineral Resources Act 1989

Exploration Permit For Minerals Number EPM 15248

I, THE HONOURABLE GEOFF WILSON, MINISTER FOR MINES AND ENERGY

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

		Share (%)
1. Holder(s):	CHINA YUNNAN COPPER AUSTRALIA LIMITED	100
2. Minerals Sought:	ALL MINERALS OTHER THAN COAL	
3. Term:	5 year(s)	
4. Date Commenced:	25-SEP-2007	
5. Date Expires:	24-SEP-2012	
6. Rental:	\$17,374.50 <u>Year One</u>	
7. Security:	NIL	

8. Land Specified in Exploration Permit:

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

BIM	Block	Sub-blocks
CLON	526	A B C D F G H L M N Q V
CLON	527	B G M R S T U
CLON	595	S X Y Z
CLON	596	G H M N P R S U V W Z
CLON	597	F L Q
CLON	598	A F G L Q R S
CLON	599	N S X
CLON	667	C D E H J K N O P S T U X Y
CLON	668	A F Z
CLON	669	Q R S T U V W X Y Z
CLON	670	D E K
CLON	671	C H J M N O P R S U
CLON	673	H
CLON	739	C N S X Y
CLON	742	K P U
CLON	743	C L Q Y Z
CLON	744	N
CLON	814	K P U
CLON	815	F L M P Q R
CLON	816	J
CLON	818	E F G K L M N O P Q R S T U V W X Y Z
CLON	890	A B C D F G H J L M N Q

Total: 143 Sub-Blocks

9. Native Title:

An agreement under section 31(1)(b) of the Native Title Act 1993 (Cth) has been entered into in respect of the grant and renewal(s) of this Exploration Permit.

Granted at Brisbane this twenty-fifth day of September 2007



for GEOFF WILSON
Minister for Mines and Energy

ANNEXURE A

Exploration Permit Number 15248 (EPM No. 15248) is granted subject to:

- (1) The General Conditions detailed in Annexure B
- (2) The Specific Conditions detailed in Annexure C (Program of Works)

ANNEXURE B

GENERAL CONDITIONS

1. Interpretation

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

2. Excluded Land

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

3. Code of Conduct

- 3.1 The Explorer must comply with the following Code of Conduct during the term of the Exploration Tenement and any renewal thereof:**

"CODE OF CONDUCT"

PROCEDURES FOR SOUND LANDOWNER/EXPLORER RELATIONS

This Code of Conduct was developed by the Queensland Chamber of Mines, the Cattlemen's Union and member organisations of the Queensland Farmers' Federation as approved by the then Honourable the Minister for Resource Industries on 20 September 1990.

LANDOWNER-EXPLORER PROCEDURES

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

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

The procedures, which follow, are the third edition of Guidelines drawn up by the mining industry and rural sector organisations, which were first published in 1981.

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

These procedures require the application of commonsense practices and courtesy to ensure good relations are maintained in the field and have been recognised by the Minister for Resource Industries (now the Minister Mines and Energy).

GENERAL PRINCIPLES

The explorer's aims should include -

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

EXPLORATION PROCEDURES

1. Select a person with an affinity for people on the land and, if possible, a knowledge of farming and grazing practice to be the Field Supervisor for the exploration activities.
2. This Field Supervisor, who shall be responsible to the company, must be familiar with all aspects and requirements of the project.

3. The Field Supervisor should endeavour to make contact with the landowner 4 weeks before entering the property and discuss the program of works as it affects the land, its improvements, crops and livestock.
4. The Field Supervisor should explain to the landowner or his agent personally, the scope of his authority. Where possible they should maintain regular contact throughout the program.
5. Ensure that the senior field personnel are familiar with the Regulations accompanying the Act.
6. Provide the landowner with a copy of a detailed location map, including proposed access routes. Inquire from the landowner as to any particular problems such as buried water pipes, contour banks, shade clumps, erosion prone land as well as position of gates and fences, stock movements and calving or lambing periods.
7. Give the landowner
 - (a) The number of the exploration permit and camp locations if any.
 - (b) The name and address of the person in charge and a senior executive for the explorer or the explorer's regional or Head Office who may be contacted at any time.
8. Ensure all employees, contractors or any other agent carries the required authorisation specified in the exploration permit.
9. Make all contractors and subcontractors aware of explorer's policy in the field and ensure that as far as is practicable it is adhered to. Ensure all contractors are supplied with a copy of this Code of Conduct.
10. The holder of the exploration permit has responsibility for the operation. Do not leave landowners liaising entirely to a contractor.
11. Inspect the area well in advance and
 - (a) pre-plan the exploration activities in consultation with the landowner to cause minimum disturbance to the landowner and damage to the land;
 - (b) confer with the landowner over the minimum distance of exploration activities from farm improvements and farm operations; and
 - (c) give the landowner an outline of the activity specifying likely entrance times, number of people, vehicles and other activities that may affect the landowner.
12. Contact the Shire Clerk of that local authority area and give them a map showing the area in which the exploration activities will be carried out and where appropriate discuss use of vehicles on the roads, particularly during wet weather.

DURING EXPLORATION

13. Be aware of the problems associated with vehicles carrying weeds into "clean" areas. For example, before moving into a new exploration activities area have mud washed off vehicles, particularly tyres. Also be aware of the possibility of introducing livestock diseases and become aware of any quarantine lines or quarantined properties in the area.
14. When the ground is wet, vehicle and machine movements, which would unduly damage roads or cultivation, should be curtailed. If it is absolutely necessary to move such vehicles or machines, any resulting damage should be repaired as soon as conditions dry out.
15. Effort should be made to be flexible as to the positioning of bores and the clearing of tracks in order to reduce to a minimum the destruction of trees and the creation of erosion hazards. If the holes drilled give a good water flow, advise the landowner as they may wish to utilise it.
16. The Field Supervisor should contact the landowner in person where practicable before each particular operational phase of the exploration activity takes place on land.

17. Any significant changes of the program of works should be made known to the landowner prior to their implementation.
18.
 - (i) The landowner should be advised if and when people and machinery will be entering the land so they can be present if they chooses.
 - (ii) Ensure vehicles observe moderate speed to minimise dust, noise and stock disturbance.
 - (iii) Keep number of vehicles on the land to a minimum.
 - (iv) Avoid unnecessary vehicle movement at night whenever possible.
19. Machinery should be supervised by a responsible person who has an awareness of possible problems. This person should make direct contact with the landowner and ensure that as far as practicable, lines are placed in position indicated to the landowner but where possible deviate around large trees, fences, improvements, soil conservation works, regeneration areas and wildlife corridors etc.
20. Where timber must be bulldozed, it should be left in a manner acceptable to the landowner. Likewise the explorer should confer with the landowner in respect of the proper treatment of watercourses.
21. The width of clearing for lines, especially in timber clumps and tree belts, should be kept to a minimum.
22. Minimise clearing especially on hillsides and slopes susceptible to erosion and along creek banks where there is an obvious shade line.
23. Where possible use existing gates and leave them as they are found. Where this is not possible and after consulting with the landowner employ a competent fencer to erect stock-proof temporary gates and then effect permanent repairs where necessary.
24. Where fences are cut they should be immediately repaired, or gates hung in accordance with the landowner's wishes.
25. Where several days are liable to elapse between the various operational phases of the exploration activities, have the temporary gates checked for stock security.
26. Report any damage, for example; broken gates (including catches), crops, fences, bad ruts, etc. to the landowner as necessary and discuss the repairs necessary. Temporary repairs should be effected without undue delay.
27. Minimise disturbance to the soil surface during construction of survey lines and, where possible, restrict the disturbance to the removal of surface vegetation particularly on cultivated land.
28. Erosion on survey lines should be minimised where appropriate by the prompt construction of check banks and/or spur drains.
29. Take care that costeans and excavations:
 - (a) do not endanger livestock; and
 - (b) are refilled as soon as possible after they are no longer required.
30. Soil and subsoil removed from costeans or excavations should be stored separately for backfilling and rehabilitation.
31. On cultivated land where undue soil compaction has occurred, rip the land after conferring with the landowner, or, alternatively, come to an arrangement whereby the landowner rectifies the compaction.
32. Have the crews carry rubbish containers and avoid littering of any sort at all times.
33. Where blasting is proposed the landowner is to be advised well beforehand.
34. Minimise fire risk by sitting fuel dumps, generators and similar equipment on suitably cleared areas and observe laws relating to the fitting of spark arresters and use of fire in the open. Fire fighting equipment should be carried as appropriate.
35. Land clearing fires should not be lit without prior agreement from the landowner.
36. Ensure no firearms or domestic animals are brought into the area of the exploration tenement without advising the landowner/occupier or any other occupiers of the land.
37. When using helicopters:

- (a) first confer with landowner regarding planned stock program eg. lambing, calving or mustering;
 - (b) advise landowner of proposed use and area of use and proposed times of such flights; and
 - (c) ensure pilots are instructed to use the helicopters so as to cause minimal disturbance to stock.
38. Campsites must be at least 400 metres from surface water and drinking troughs, unless permission to the contrary has been obtained from the landowner. They should not be located over stock pads leading to water points.
 39. Invite the landowner to inspect the work area when the program of works is finished so that any problems can be discussed.
 40. Make sure for the safety of stock that:
 - (a) all shot holes are filled and properly capped promptly after being shot; and
 - (b) coal exploration and other holes are properly filled and capped. Any excess cuttings are to be removed if required by the landowner.
 41. Permanent marker pegs should be positioned where they are not likely to cause injury to stock or hinder machine movement. All temporary markers, particularly steel posts, should be removed when no longer required.
 42. The Field Supervisor should have the authority to negotiate and finalise compensation/rehabilitation with the minimum of delay and have full authority in the field.
 43. In the event that the Field Supervisor and the landowner cannot agree over rehabilitation and compensation the landowner can raise the matter with the Senior Officer responsible for the program of works.
 44. Undertake agreed rehabilitation without undue delay and pay for any agreed crop or similar damage immediately.
 45. Replace topsoil over rehabilitated excavations.
 46. Under no circumstances should chemicals, oils or their containers be dumped into surface or underground water systems.

- 3.2 The Explorer must provide a copy of the Code of Conduct to the owner of the Land prior to entry on the Land to carry out Exploration Activities.
- 3.3 For the purposes of the **Code of Conduct** the term landowner does not include a native title party as defined in the Native Title Protection Conditions.

4. Reporting

- 3.4 The Permit Holder must provide the Minister with the reports required under the Mineral Resources Act 1989.
- 3.5 In particular, the following reports must be submitted within the timeframes indicated:
 - (1) annual reports (detailing all activities carried out, all results, proposed future activities, relevant maps, sections, assay results and other relevant charts) must be lodged within one month of the end of each year of the term of the Permit;
 - (2) partial relinquishment reports for the area surrendered (detailing all activities carried out, all results, relevant maps, sections, assay results and other relevant charts) must be lodged within two months from the date the Minister consents to the partial surrender of the Permit); and
 - (3) final reports (containing a summary of results for the whole period of the Permit, an assessment of the results and any data and plans necessary to understand the

final report), must be lodged within two months of the Permit ending due to surrender, expiration or cancellation.

- 3.6** All reports provided to the Minister must meet the standards set out in "Australian Requirements for the Submission of Digital Exploration Data", which were developed by the Government Geoscience Information Policy Advisory Committee (GGIPAC), unless a specific exemption has been obtained from the Department.
- 3.7** Reports which do not meet the required standard will not be accepted.
- 3.8** The reports referred to in clause 3.5 must be lodged electronically using the Department's system for submission of reports, which is currently the Queensland Digital Exploration Reports System (QDEX). Reports lodged via QDEX must be in the digital form stated in "Guidelines for the Submission of Digital Company Reports", a copy of which is available from offices of the Department and from the Department's website.
- 3.9** When lodging a report referred to in clause 3.5, the Permit Holder must also lodge an expenditure statement with the Minister. The expenditure statement –
- (1) must not be incorporated into the report;
 - (2) must not be lodged electronically via QDEX; and
 - (3) must be physically lodged as a separate document with the Department.
- 3.10** The expenditure statement –
- (1) must itemise expenditure incurred during the relevant period;
 - (2) must describe in detail all work for which an expenditure claim is made;
 - (3) must, for final reports, itemise expenditure for the whole term of the Permit and, if combined with the annual report, must also specifically itemise expenditure for the last year; and
 - (4) must explain all departures from the Program of Works.
- 3.11** In terms of what may be included in the expenditure statement –
- (1) Deposits, Permit rent and legal costs are not claimable;
 - (2) Purchases of capital items are not claimable;
 - (3) Depreciation for capital items can be claimed;
 - (4) Overheads of 10% of actual exploration costs can be claimed; and
 - (5) Purchases of multi-client geophysical data can be claimed.
- 3.12** By notice in writing, the Minister may also require the Permit Holder to provide further information or reports.
- 3.13** The Permit Holder must provide the requested information or reports, at the Permit Holder's expense, within the time specified by the Minister or within the further extended period the Minister has agreed to.

PROVISION OF SAMPLES

- 3.14** The Permit Holder must mark all containers holding drill core or drill samples taken during the term of the Permit using a permanent method, by clearly displaying –

- (1) the Permit Holder's name;
- (2) the name of the exploration project the Permit relates to;
- (3) the borehole designation;
- (4) the depths contained; and
- (5) box numbers (e.g. 1 of N, 2 of N).

3.15 All drill core and drill samples must be retained by the Permit Holder in a manner that preserves the integrity of the drill core and drill samples, including after the Permit ends.

3.16 No drill core or drill samples may be destroyed at any time without the prior written approval of the Department, including after the Permit ends.

3.17 If the Permit Holder wishes to dispose of drill core or drill samples at any time, including after the Permit ends, the Permit Holder must seek the written approval of the Department by applying in writing to the relevant Regional Geologist.

3.18 The Regional Geologist may then direct the Permit Holder to –

- (1) provide the Regional Geologist with sufficient information to enable them to decide what drill core and drill samples the Department may require;
- (2) provide the Department with the drill core and drill samples nominated by the Regional Geologist; and
- (3) deliver the drill core and drill samples in the manner specified, to the location specified and within the time specified by the Regional Geologist, at the Permit Holder's expense.

3.19 The Regional Geologist may then also approve the disposal of any drill core or drill samples.

3.20 If the Permit Holder decides to end the Permit early or allow the Permit to expire without proceeding to a retention or production tenure, the Permit Holder must –

- (1) notify the relevant Regional Geologist of the Department in writing of all drill core and drill samples taken during the term of the Permit; and
- (2) must provide the Regional Geologist with justification for the retention of any drill core and drill samples by the Permit Holder.

3.21 The Regional Geologist, acting reasonably, may then determine whether the Permit Holder should be allowed to retain any drill core and drill samples and, if so, the conditions imposed on the retention of the drill core and drill samples.

3.22 The Regional Geologist may also direct the Permit Holder to –

- (1) provide the Regional Geologist with sufficient information to enable them to decide what drill core and drill samples the Department requires;
- (2) provide the Department with the drill core and drill samples nominated by the Regional Geologist; and
- (3) deliver the drill core and drill samples in the manner specified, to the location specified and within the time specified by the Regional Geologist, at the Permit Holder's expense.

5. Provision of Samples to State

- 5.1 The **State** may at any time require the **Explorer** (in writing) to provide to the **State**:
- (1) a selection of Drill Core; or
 - (2) a selection of other Drill Samples.
- 5.2 If the **Explorer** is required to provide material under clause 5.1, the **Explorer** must provide such selection of Drill Core or Drill Samples to the **State** at the **Explorer's** cost within 28 **Business Days** of the receipt date of the written request.
- 5.3 The **Explorer** must mark all Drill Core or Drill Samples taken during the **Exploration Tenement** using a permanent method, by clearly displaying the following:
- (1) the Explorer's name;
 - (2) the name of the exploration project the Exploration Tenement relates to;
 - (3) the borehole designation;
 - (4) the depths contained; and
 - (5) box numbers (for example, 1 of N, 2 of N).
- 5.4 The **Explorer** must keep all Drill Core or Drill Samples for a least one year from the date of the completion of drilling unless notified by the **State** that the material may be disposed of earlier.
- 5.5 The **Explorer** must notify the Manager, Exploration Data Centre in writing at least three months prior to the intended disposal of Drill Core or Drill Samples.

6. Rental

- 6.1 It is a condition of the grant of this Exploration Permit that:
- (1) The prescribed rental for the first year shall be paid within one month of the date of grant of the Permit;
 - (2) Rental for the second and subsequent years of the term of the Permit shall be due and payable on the anniversary of the date of grant of the Exploration Permit; and

SCHEDULE 1 Definitions

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

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

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

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

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

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

“Excluded Land” means:

(a) land that was:

(i) the subject of a specific exclusion; or

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

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

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

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

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

“Explorer” means the holder of the Exploration Tenement.

"Land" means the land the subject of the Exploration Tenement.

"Law" includes all statutes, regulations and local laws.

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

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

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

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

"Mineral Resources Act 1989" means the *Mineral Resources Act 1989 (Qld)*.

"Mineral Resources Regulation 2003" means the *Mineral Resources Regulation 2003(Qld)*

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

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

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

"Protected Area" means an area dedicated under the Nature Conservation Act 1992 as -

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

"Report" means a report required to be provided under section 141(1)(f)(i) of the *Mineral Resources Act 1989*.

"State" means the State of Queensland.

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

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

ANNEXURE C

SPECIFIC CONDITIONS

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

PROGRAM OF WORKS FOR EPM 15248

Year 1

- ◆ Data compilation and review
- ◆ Structural interpretation
- ◆ Geological mapping

Year 2

- ◆ Drilling
- ◆ Soil and rock-chip sampling
- ◆ Assaying

Year 3

- ◆ Drilling
- ◆ Geophysical survey
- ◆ Assaying

Year 4

- ◆ Drilling
- ◆ Geophysical survey
- ◆ Assaying

Year 5

- ◆ Drilling
- ◆ Metallurgical testing
- ◆ Assaying

EXPENDITURE:

Year 1	\$85,000.00
2	\$95,000.00
3	\$100,000.00
4	\$110,000.00
5	\$200,000.00

AREA:

Year	Commencing	Area
1	25 September 2007	143
2	25 September 2008	143
3	25 September 2009	71
4	25 September 2010	35
5	25 September 2011	17

RELINQUISHMENT SCHEDULE:

72 s/b relinquishment due 24 August 2009
36 s/b relinquishment due 24 August 2010
18 s/b relinquishment due 24 August 2011
50% further relinquishment if renewal sought

EXCLUSIONS:

Any current Mining Claim, Mineral Development Licence or Mining Lease at the time of lodgement of this permit pursuant to section 132 of the *Mineral Resources Act 1989*.