Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme	Queensland Mining Corporation Limited
ACN/ARSN	109 962 469

1. Details of substantial holder (1)

Name	Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)
ACN/ARSN (if applicable)	082 593 235

The holder became a substantial holder on 16/07/2010

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	25,000,000	25,000,000	8.15%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	Acquirer of securities issued pursuant to an Asset Sale Agreement dated 18/12/2009 between Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed) and Queensland Mining Corporation Limited (as amended by deeds of variation), a copy of which is contained in annexure **A** to this notice (**Asset Sale Agreement**) and pursuant to the prospectus issued by Queensland Mining Corporation Limited and lodged with ASIC on 15/07/2010.	25,000,000 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	25,000,000 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	16/07/2010		In satisfaction of the purchase price payable to Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed) ($2,500,000) pursuant to the terms of the Asset Sale Agreement.	25,000,000 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)	Ernst & Young Building, 11 Mounts Bay Road, Perth, Western Australia.

Signature

print name	Vincent Smith	capacity	Liquidator
sign here		date	20/07/2010

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.

(6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(7) Include details of:

(a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."'

(9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A

Matrix Metals Limited (In Liquidation) (Receivers and Managers Appointed)
ACN 082 593 235

This is the annexure of 83 pages (including this page) marked "A", mentioned in the Form 603 'Notice of initial substantial holder', signed by me and dated 20 July 2010.

Dated: 20 July 2010.

Signed:

Name: Vincent Smith

Execution Version

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Asset Sale Agreement

Matrix Metals Limited (In Liquidation)
(Receivers and Managers appointed)
ABN 42 082 593 235

Queensland Mining Corporation Limited
ABN 61 109 962 469

Blake Dawson

Level 32, Exchange Plaza
2 The Esplanade
Perth WA 6000
Australia
T 61 8 9366 8000
F 61 8 9366 8111

Reference
MRW PSAR 09 2005 8416

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Asset Sale Agreement

DATE 18 December 2009

PARTIES

Matrix Metals Limited (In Liquidation) (Receivers and Managers appointed)
ABN 42 082 593 235 (**Seller**)

Queensland Mining Corporation Limited
ABN 61 109 962 469 (**Buyer**)

RECITALS

A. On 18 June 2009, the Seller was placed into liquidation with Vincent Anthony Smith and Justin Denis Walsh appointed as joint and several liquidators of the Seller.

B. The Seller enters into this agreement pursuant to the powers conferred on a liquidator by Law.

C. The Seller and Buyer enter this agreement for the sale of the Assets.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Agreed Works has the meaning given to it in clause 5.1(a).

Approvals means written notices from the Minister to the Seller given under sections 151(4), 198(5) and 300(6) of the Mineral Resources Act indicating that, subject to complying with any conditions specified in such notices and the Mineral Resources Act, the Minister will approve the assignment of the Tenements from the Seller to the Buyer.

Assets means the following assets:

(a) the right, title and interest in the Tenements;

(b) the Non-Tenement Assets; and

(c) the benefit of the Contracts;

(d) the benefit of the Native Title Agreements; and

(e) the Maxiforde Shares,

but does not include any Excluded Asset.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

ASX Listing Rules means the listing rules of ASX.

Authorisation means:

(a) an approval, authorisation, consent, declaration, exemption, permit, licence, notarisation or waiver, however it is described, and including any condition attached to it; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Bank has the meaning given to it in clause 3.3(a).

Bank Bill means a bill of exchange that has been accepted by any bank authorised under a law of the Commonwealth or any State to carry on banking business.

Bank Bill Rate means the 90-day Bank Bill rate being:

(a) the rate, expressed as yield per cent per annum (rounded upwards to 4 decimal places) quoted as the average bid rate on the Reuters monitor system page "BBSY" (or any page which replaces that page) at about 10.30 am (Sydney time) on the first day of that period, for Bank Bills having a 90 day period (or no more than two Business Days shorter or longer than a 90 day period); or

(b) if no average bid rate is published for 90 day Bank Bills in accordance with paragraph (a), the bid rate available to the Seller at about 11.00 am (Sydney time) on that day, as conclusively determined in good faith by the Seller.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth and Brisbane.

Buyer Claim means a Claim by the Buyer or by any other person (except a Related Person or the Seller) against the Seller or against a Related Person:

(a) (**Claims under agreement**) under any provision of this document or of any other document entered into pursuant to it (such as under a Warranty or under an indemnity); or

(b) (**other Claims**) of any kind (for example, on a representation, in tort, for negligence, under a statutory provision or under a contractual term implied by statute) in connection with or relating to the Assets or this document or the transaction it records.

Claim means a claim, action, proceeding or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Cloncurry Office means the premises occupied by the Seller at 57 Shaeffe Street, Cloncurry, Qld 4824.

Completion means completion of the sale and purchase of the Assets under clause 6.

Completion Date means:

(a) the latest of:

(i) the day which is 20 Business Days after the Condition has been satisfied (or waived under clause 4.2); and

(ii) 31 March 2010; or

(b) any other date the Seller and the Buyer agree on in writing.

Completion Payment has the meaning given to it in clause 3.1.

Condition has the meaning given to it in clause 4.1.

Confidential Information means any written or oral information of a technical, business or financial nature or that is taken by any provision of this document to be Confidential Information, or that the Discloser makes the Recipient aware is considered by the Discloser to be confidential and proprietary, and includes all information that is personal information for the purposes of the *Privacy Act 1988* (Cth), but does not include information which the Recipient can establish:

(a) was in the public domain when it was given to the Recipient;

(b) becomes, after being given to the Recipient, part of the public domain, except through disclosure contrary to this document;

(c) was in the Recipient's possession when it was given to the Recipient and had not been acquired in some other way (directly or indirectly) from the Discloser; or

(d) was lawfully received from another person who had the unrestricted legal right to disclose that information free from any obligation to keep it confidential.

Consideration Shares means fully paid ordinary shares in the capital of the Buyer issued to the Seller in accordance with clause 3.4.

Consideration Shares Sale Proceeds has the meaning given to it in clause 7.6(c).

Contracts means the contracts and commitments entered into by the Seller in connection with the Tenements and listed in Schedule 3, but only if they are not fully performed at the Completion Date.

Corporations Act means the *Corporations Act 2001* (Cth).

DEEDI means the Department of Employment, Economic Development and Innovation in Queensland and includes any other Queensland government department from time to time responsible for the administration of the Mineral Resources Act.

Deposit means a deposit of $400,000.

Deposit Holder has the meaning given to it in clause 3.3(a).

DERM means the Department of Environment and Resource Management in Queensland and includes any other Queensland government department from time to time responsible for the administration of Environmental Law in Queensland.

Discloser means the party giving information.

Disclosure Document has the meaning given to it in clause 3.4(b)(ii).

Encumbrance means:

(a) a mortgage, charge, pledge, lien or hypothecation;

(b) any third party interest (for example, a trust or an equity); or

(c) an easement, restrictive covenant, caveat or similar restriction over property.

End Date means the date which is nine months after the date of this document, or any other date the parties agree on in writing before that date.

Environment means all of the physical surroundings of humans including:

(a) land, water, atmosphere, climate, sound, odour and taste;

(b) the biological factors of animals and plants; and

(c) the social factor of aesthetics affecting any human individually or in their social groupings.

Environmental Law means any Law (including the laws of tort, negligence and nuisance) concerning the Environment.

Essential Asset means an Asset that is noted as an Essential Asset in Schedule 1, Schedule 2 or Schedule 3.

Excluded Asset means any asset owned by the Seller which is not expressly referred to in the definition of "Assets" including, for the avoidance of doubt and without limitation:

(a) the Performance Bonds;

(b) any Trade Debtor;

(c) any receivable;

(d) any cash of the Seller on hand or in bank accounts in the name of the Seller controlled by the Liquidators;

(e) any employment contract of any person;

(f) any insurance policy or insurance claim;

(g) any document or record which the Seller is obliged by law to retain; and

(h) any Asset deemed to be an Excluded Asset under clause 3.2 or clause 8.5.

Excluded Contract has the meaning given to it in clause 9.4.

Excluded Tenement has the meaning given to it in clause 8.5.

Flawed Asset has the meaning given to it in clause 3.2.

Government Agency means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

GST means:

(a) the same as in the GST Law;

(b) any other goods and services tax, or any Tax applying to this transaction in a similar way; and

(c) any additional tax, penalty tax, fine, interest or other charge under a law for such a Tax.

GST Law means the same as "GST law" means in the *A New Tax System (Goods & Services Tax) Act 1999*.

Initial Payment means the amount of $100,000.

Insolvency Event means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, the taking of any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event.

Joint Venture means the joint venture between the Seller and Orion Gold established pursuant to an Exploration Joint Venture Agreement between the Seller and Orion Gold dated 29 November 2006.

Law includes:

(a) any law, regulation, authorisation, ruling, judgment, order or decree of any Government Agency; and

(b) any statute, regulation, proclamation, ordinance or by-law in:

(i) Australia; or

(ii) any other jurisdiction.

Letter Agreement means the letter agreement between the Liquidators and the Buyer dated 6 November 2009.

Liability means any liability or obligation (whether actual, contingent or prospective), including for any Loss irrespective of when the acts, events or things giving rise to the liability occurred including liability for any consequential or indirect losses, economic losses or loss of profits.

Liquidators means Vincent Anthony Smith and Justin Denis Walsh in their capacity as joint and several liquidators of the Seller.

Loss means a damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Maxiforde means Maxiforde Pty Ltd (ACN 057 604 958).

Maxiforde Shares means all the issued shares in Maxiforde, including all accretions and rights attaching to such shares, including the right to receive dividends declared or paid on or after the date of this document, as detailed in Schedule 2.

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

Mining Information means:

(a) all geophysical, geological and geochemical information and data, including without limitation, surveys, maps, mosaics, aerial photographs, electromagnetic tapes, sketches, drawings, memoranda, drill cores, logs of such drill cores, drill maps, drill chips and associated geological logs, sampling and assay reports, notes, and other relevant information and data; and

(b) all records of site clearance activities and all site clearance certificates and all correspondence and documentation in connection with site clearance activities.

Minister means the Minister for Employment and Economic Development or other Minister from time to time being responsible for the administration of the Mineral Resources Act.

MQSH Act means the *Mining and Quarrying Safety and Health Act 1999* (Qld).

Native Title Agreements means the contracts and commitments entered into by the Seller listed in Schedule 4, but only if they are not fully performed at the Completion Date.

Nominal Share Consideration means the cash amount equal to the number of Consideration Shares issued by the Buyer to the Seller multiplied by the 5-day volume weighted average price of the Buyer's ordinary shares traded on ASX.

Non-Tenement Assets means the following assets:

(a) the right, title and interest in the Seller's participating interest in the Joint Venture;

(b) the Seller's right, title and interest in all equipment that supports exploration activities on the Tenements (including camping equipment, sampling equipment, cameras, computer hardware, printers, filing cabinets, office furniture, telephones, vehicles and assets located at the Cloncurry Office), including but not limited to, those items listed in Schedule 7;

(c) licences for computer software used by the Seller which relate solely to the Assets and are not required to be retained for other business of the Seller or a Related Person of the Seller (but only to the extent that such licences are capable of assignment); and

(d) the Mining Information to the extent such records and documents relate solely to the Tenements,

but, for the avoidance of doubt, does not include the Excluded Assets. The Non-Tenement Assets will be ascribed a value of $65,000.

Orion Gold means Orion Gold NL ABN 76 098 939 274 (formerly Goldstar Resources NL).

Performance Bonds means the bonds and cash deposits referred to in Schedule 5.

Permitted Encumbrances means:

(a) any charge or lien in favour of a Government Agency or statute; and

(b) any interests or rights arising under or pursuant to the Contracts or the Native Title Agreements.

Prescribed Amount means the dollar amount for a Flawed Asset or an Excluded Tenement, as the case may be, listed opposite the relevant item in the applicable Schedule.

Purchase Price means the amount of $5,000,000 (exclusive of GST) payable for the Assets.

Recipient means the party to whom information is given.

Recovery Action means anything done to exercise a right to recover anything from a person other than the Seller, a Related Person, the Buyer or a related body corporate of the Buyer, for example, issuing a demand, making an insurance claim, suing for tort, or claiming under an indemnity.

Related Person means:

(a) each related body corporate of the Seller;

(b) each agent, director, officer, employee and adviser of the Seller or of a related body corporate of the Seller;

(c) the Liquidators; and

(d) each partner, employee agent or adviser of the Liquidators.

Representative of a party means an employee, agent, officer, director, auditor, adviser, partner, associate, consultant, joint venturer or sub-contractor of that party or of a related body corporate of that party.

Sale Nominee means Novus Capital Limited (ACN 006 711 995).

Tax means a tax, levy, duty, charge, deduction or withholding, however it is described, that is imposed by law or by a Government Agency, together with any related interest, penalty, fine or other charge.

Tax Act means the *Income Tax Assessment Act 1936* and the *Income Tax Assessment Act 1997*, jointly, as applicable.

Tenements means:

(a) the mineral development licences listed in Schedule 1 granted pursuant to the Mineral Resources Act, as such licences may be varied, extended or renewed from time to time and shall include any successor or replacement licence, right or authority;

(b) the mining leases listed in Schedule 1 granted pursuant to the Mineral Resources Act, as such leases may be varied, extended or renewed from time to time and shall include any successor or replacement lease, right or authority;

(c) the exploration permits for minerals listed in Schedule 1 granted pursuant to the Mineral Resources Act, as such permits may be varied, extended or renewed from time to time and shall include any successor or replacement permit, right or authority; and

(d) the mining lease application listed in Schedule 1 as such application may be varied, extended or renewed from time to time.

Tenement Transfer Form means the form published from DEEDI from time to time for the assignment of an exploration permit or mineral development licence which at the date of this document is form number MRA-07 published by DEEDI titled "Assignment of an Exploration Permit or a Mineral Development Licence" and the form published from DEEDI from time to time for the assignment of a mining claim or mining lease which at the date of this document is form number MRA-24 published by DEEDI titled "Application for Assignment of Mining Claim or Mining Lease" as relevant to the transfer of a Tenement under this document.

Tenement Transfer Date means, in respect of a Tenement, the date on which the transfer of that Tenement to the Buyer becomes registered.

Trade Debtor means each amount owing to the Seller from a debtor as at Completion for goods or services supplied to the debtor by the Seller.

Warranty means each warranty of the Seller referred to in clause 11.1.

1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

  (i) **(legislation)** legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

  (ii) **(documents/agreements)** a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

  (iii) **(parties)** a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

  (iv) **(persons)** a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

  (v) **(parts of things)** anything (including a right, obligation or concept) includes each part of it.

(b) **(number)** A singular word includes the plural, and vice versa.

(c) **(gender)** A word which suggests one gender includes the other genders.

(d) **(parts of speech)** If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.

(e) **(examples)** If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The words **subsidiary, holding company, related body corporate** and **substantial holder** have the same meanings as in the Corporations Act.

(g) A reference to **information** is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programs, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets.

(h) A reference to **dollars** or **$** is to an amount in Australian currency.

(i) **(this document)** A reference to this document includes the agreement recorded by this document.

(j) **(GST wording)** Words defined in the GST Law have the same meaning in this document.

(k) **(GST groups)** If a person is a member of a GST group, references to GST for which the person is liable and to input tax credits to which the person is entitled include GST for which the representative member of the GST group is liable and input tax credits to which the representative member is entitled.

(l) **(notional GST)** References to GST extend to any notional liability of any person for GST and to any amount which is treated as GST under the GST Law, and references to an input tax credit extend to any notional input tax credit to which any person is entitled.

(m) **(Warranty breach)** Any reference to a contravention of or to a breach of any of the Warranties (or warranties of the Buyer) includes any of the Warranties (or warranties of the Buyer) not being complete, true or correct.

(n) **(separate Warranties)** Each Warranty (and each warranty of the Buyer) is a separate warranty and representation and its meaning is not affected by any other Warranty (or by any other warranty of the Buyer).

(o) The word **applicable** when used of a law is used to refer to any relevant law (including any subordinate or delegated legislation or statutory instrument of any kind) of a jurisdiction in or out of Australia, and also to any relevant judgment, order, policy, guideline, official directive or request (even if it does not have the force of law) of any Government Agency or regulatory body, such as a stock exchange, within or outside Australia.

1.3 The rule about "contra proferentem"

This document is not to be interpreted against the interests of a party merely because that party proposed this document or some provision in it or because that party relies on a provision of this document to protect itself.

1.4 Business Days

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

2. AGREEMENT TO SELL AND BUY THE ASSETS

2.1 Sale and purchase

(a) Subject to clause 4, the Seller agrees to sell the Assets to the Buyer and the Buyer agrees to buy the Assets from the Seller for the Purchase Price on the terms of this document.

(b) The Buyer accepts the Assets in their present condition and state of repair, and at their place of location, as at the date of this document subject to any reasonable diminution in condition and state of repair in the ordinary course between that date and the Completion Date.

2.2 Free from Encumbrances

(a) The Non-Tenement Assets must be transferred free from any Encumbrance (other than the Permitted Encumbrances) at Completion.

(b) The transfer of the Tenements must be effected in accordance with the process contemplated by clause 8 and free from any Encumbrance (other than Permitted Encumbrances).

(c) The transfer of the Contracts and the Native Title Agreements must be effected in accordance with the processes contemplated by clauses 9 and 10 respectively and free from any Encumbrance (other than Permitted Encumbrances).

3. PURCHASE PRICE

3.1 Purchase Price

The Purchase Price less the aggregate of:

(a) any adjustments made in accordance with clause 3.2 or 8.5;

(b) the Deposit;

(c) the Initial Payment; and

(d) the Nominal Share Consideration,

(**Completion Payment**) is payable in accordance with clause 6.5(a).

3.2 Purchase Price adjustment

If, at any time prior to Completion, the Seller or the Liquidators are, or have been, provided with documentary evidence which establishes to the reasonable satisfaction of the Buyer and the Seller that:

(a) a Non-Tenement Asset is subject to a third party lien or third party retention of title claim;

(b) a Non-Tenement Asset cannot be effectively assigned without the consent of a third party and that third party notifies the Seller or the Buyer in writing that it will not consent to the assignment of the Non-Tenement Asset to the Buyer;

(c) a third party owns a Non-Tenement Asset such that legal and beneficial title to that Non-Tenement Asset cannot be transferred to the Buyer;

(d) a Non-Tenement Asset does not in fact exist;

(e) a Contract is deemed to be an Excluded Contract pursuant to clause 9.4; or

(f) an exploration permit for minerals listed in Schedule 1 consists of a number of sub-blocks less than that listed opposite it in Schedule 1,

(**Flawed Asset**), each Flawed Asset will be deemed to be an Excluded Asset and the Purchase Price to be paid on Completion will be reduced by the Prescribed Amount for the Flawed Asset (or, in the case of clause 3.2(f), the Purchase Price to be paid on Completion will be reduced by a proportion of the Prescribed Amount equal to the proportion of sub-blocks which are less than those listed opposite the relevant exploration permit for minerals listed in Schedule 1).

3.3 Payment of Deposit

The Buyer must pay the Deposit to Blake Dawson (**Deposit Holder**) on execution of this document to be dealt with as follows:

(a) the Deposit Holder must invest the Deposit in an interest-bearing account with a Bank and must withdraw the Deposit and pay it to the party entitled to it under clause 3.3(c). For the purpose of this document, a **Bank** is any authorised deposit taking institution that is entitled to refer to itself as a "bank" under the *Banking Act 1959* (Cth);

(b) interest which accrues on the Deposit is to be paid to the party entitled to the Deposit under clause 3.3(c). For this purpose, interest means interest earned on the Deposit less bank charges and other moneys paid, payable or deducted in relation to the placement of the Deposit in the interest-bearing account in accordance with 3.3(a); and

(c) the Deposit must be paid to:

(i) the Buyer if Completion does not occur because of a default of the Seller or if this document is terminated by the Buyer pursuant to clause 14.5; or

(ii) the Seller if Completion does not occur for any reason other than as set out in clause 3.3(c)(i).

3.4 Consideration Shares

(a) Subject to clause 3.4(b), the Buyer may elect to issue Consideration Shares to the Seller up to a value of $2,500,000 in accordance with clause 6.5(b).

(b) The Buyer can only make an election to issue Consideration Shares in accordance with clause 3.4(a) if:

(i) before Completion the Buyer provides evidence satisfactory to the Seller (acting reasonably) that the Buyer has authority to issue the Consideration Shares in accordance with the ASX Listing Rules (including ASX Listing Rule 7.1); and

(ii) the Buyer issues the Consideration Shares with disclosure in accordance with Part 6D.2 of the Corporations Act (**Disclosure Document**).

3.5 Initial Payment

The Seller acknowledges and agrees that:

(a) the Buyer has paid the Initial Payment pursuant to the terms of the Letter Agreement; and

(b) upon Completion, the Initial Payment will be applied against the Purchase Price.

4. CONDITION PRECEDENT

4.1 Condition precedent to Completion

Completion is conditional on the Seller receiving the Approvals (on terms reasonably satisfactory to the Seller and the Buyer) (**Condition**), unless waived under clause 4.2.

4.2 Waiver of Condition

The Condition:

(a) is for the benefit of both the Buyer and the Seller; and

(b) can only be waived if the parties so agree in writing.

4.3 Obligation to satisfy Condition

(a) The parties must:

(i) use reasonable endeavours (other than waiver) to ensure that the Condition is satisfied; and

(ii) keep each other informed of any circumstances which may result in the Condition not being satisfied in accordance with its terms.

(b) The Buyer acknowledges that neither the Seller nor the Liquidators will be required to undertake any action required by the Minister or any Government Agency as a condition or in connection with the transfer of the Tenements which would expose the Seller or the Liquidator to any Liability which the Seller or the Liquidators are not prepared to undertake or incur, as determined in their sole discretion.

4.4 Result of non-satisfaction of Condition

(a) If:

(i) any conditions imposed by the Minister under the Approvals are not acceptable to the Seller (acting reasonably), this agreement may be terminated by the Seller at any time thereafter by giving notice to the Buyer in writing; and

(ii) (subject to clause 4.5) the Condition is not satisfied or waived under clause 4.2 on or before the End Date, then all rights and obligations under this document other than the following terminate on the day after the End Date:

(A) this clause 4 and clauses 1 (Interpretation), 3.3 (Payment of Deposit), 16 (Confidentiality and announcement), 18 (Costs and stamp duty), 19 (Notices), 20 (Amendment and assignment) and 21 (General); and

(B) rights that accrue before that date.

(b) For the avoidance of doubt, the Buyer acknowledges that a condition sought by the Minister under the Approvals will be unreasonable where the condition requires the Seller or the Liquidators to expend moneys or incur Liability which the Seller or the Liquidators are not prepared to expend or incur, acting in their sole discretion.

4.5 Partial satisfaction of Condition

(a) If the Condition is not satisfied or waived by 31 March 2010 by reason of Approvals having been provided in respect of some but not all of the Tenements, then provided that Approvals have been given in respect of the mining leases listed in Schedule 1:

(i) Completion will occur on those Tenements in respect of which Approvals have been given on 30 April 2010 (or on any other date agreed on by the Seller and Buyer) and all references to "Completion Date" will be treated as a reference to that date;

(ii) the Tenements in respect of which Approvals have not been given will (for the purposes of Completion only) be treated as Excluded Tenements; and

(iii) the Completion Payment will be reduced by the aggregate of the Prescribed Amounts in respect of the Tenements referred to in clause 4.5(a)(ii).

(b) For the avoidance of doubt, the Condition will continue to apply to those Tenements referred to in clause 4.5(a)(a)(ii) and Completion will occur in respect of those Tenements as and when Approvals for those Tenements are received.

5. PRE-COMPLETION MATTERS

5.1 Buyer access before Completion

(a) The Seller may, at its sole discretion, give the Buyer access to the Tenements before the Completion Date for the sole purpose of carrying out works in accordance with the terms and conditions attaching to the Tenements (**Agreed Works**) provided that:

(i) the Buyer makes a written request to the Seller (in a form agreed with the Seller) to carry out the Agreed Works;

(ii) the Seller agrees to the Buyer's request;

(iii) in carrying out the Agreed Works (and associated activities), the Buyer complies with all relevant legal requirements in relation to the Tenements, (including those set out in the *Aboriginal Cultural Heritage Act 2003* (Qld) and any agreements that the Seller may have entered into that comply with sections 23(3)(ii) and 23(3)(iii) of that Act), the *Environmental Protection Act 1994* (Qld), the Mineral Resources Act, the MQSH Act, at Law, and any specific conditions in relation to the Tenements or any other contractual arrangements that the Seller may have in respect of the Tenements as though it were the holder of the Tenements;

(iv) the Buyer is responsible for health and safety in respect of all Agreed Works (and associated activities) conducted on the Tenements; and

(v) the Buyer will be appointed by the Seller as the operator under section 48(1) of the MQSH Act;

(vi) the Buyer accepts all risks in connection with the Tenement as though it were the holder of the Tenements; and

(vii) the Buyer allows the Seller to observe the conduct of any Agreed Works.

(b) The Buyer:

(i) agrees to perform any Agreed Works with due care, skill and diligence in accordance with best industry practice;

(ii) agrees to be responsible for any Loss, Claim or rehabilitation requirement caused by or relating to such Agreed Works;

(iii) indemnifies the Seller and the Liquidators against any Loss, Claim, rehabilitation requirement or other damage caused by or related to such Agreed Works or a breach of this clause 5.1;

(iv) agrees to take out, at its own cost, any insurance required to be taken out and maintained by Law or as requested by the Seller (acting reasonably), and provide documentary evidence of such insurance upon request by the Seller;

(v) must make good any DERM or DEEDI matters; and

(vi) must carry out any rehabilitation works that may be required as a consequence of carrying out the Agreed Works.

(c) If Completion does not occur (for any reason):

(i) the Seller and Liquidators have no obligation to reimburse the Buyer for any costs whatsoever that the Buyer has incurred in carrying out Agreed Works; and

(ii) the Buyer has no equitable interest in any Tenements or any other Asset by reason of carrying out the Agreed Works.

5.2 Maintenance of Tenements

Until Completion, the Seller will (unless the Buyer otherwise agrees) do anything (including execute all documents) that may be necessary or desirable to:

(a) maintain and effect the Seller's rights to each Tenement; and

(b) ensure that the Buyer becomes the registered holder and beneficial owner of each Tenement free from any Encumbrance other than a Permitted Encumbrance,

including making applications necessary for renewal, exemption or partial exemption from labour or any other conditions imposed by the Mineral Resources Act or under any other applicable law.

5.3 Access to records

(a) Prior to Completion, the Seller and the Liquidators are entitled to:

(i) make and retain copies of any records or documents relating to the Assets; and

(ii) make and retain back-up copies of any information held in relation to the Assets.

(b) Until Completion:

(i) the Seller agrees to keep the Buyer informed as to the operations and activities (if any) on the Tenements and any other material matters coming to the Seller's attention which would be reasonably likely to be relevant to a purchaser of the Assets;

(ii) the Seller must give the Buyer access, on reasonable notice during normal business hours, to any records or documents relating to the Assets; and

(iii) the Seller must forward to the Buyer a copy of all material communications received from any Government Agency which relates to the Tenements and any activities upon the Tenements.

6. COMPLETION

6.1 Time and place for Completion

Completion must take place on the Completion Date at the offices of Blake Dawson, Level 32 Exchange Plaza, 2 The Esplanade, Perth WA 6000.

6.2 What the Seller must do on Completion

At Completion, the Seller must give the Buyer effective possession and operational control of the Assets.

6.3 What documents the Seller must sign and give to the Buyer on Completion

In particular, as well as doing anything else this document requires the Seller to do on Completion, the Seller at Completion:

(a) must give the Buyer in a form previously approved by the Buyer (who must not unreasonably withhold or delay consent) and duly signed:

(i) **(title documents)** all documents of title relating to the Assets; and

(ii) **(documents in respect of the Tenements)** to the extent the information and attachments are available to the Seller:

(A) **(Tenement Transfer Forms)** executed Tenement Transfer Forms; and

(B) **(application forms)** executed transfer application forms (in the form prescribed by DERM) to transfer each environmental authority associated with each Tenement to the Buyer;

(b) **(consents in relation to participating interests in the Joint Venture)** must use reasonable endeavours to obtain and provide any written consents from third parties in relation to the transfer of the Seller's participating interest in the Joint Venture to the Buyer;

(c) **(consents in relation to Contracts and Native Title Agreements)** must use reasonable endeavours to obtain and provide any written consents from third parties in relation to the transfer of the benefit of the Contracts (except the Joint Venture) and the Native Title Agreements to the Buyer;

(d) **(discharge of Encumbrances)** must procure, and provide evidence of, the discharge and release of the Assets from the Encumbrances (other than Permitted Encumbrances), including the two floating charges granted by Maxiforde in favour of its former directors;

(e) **(Mining Information)** must make available to the Buyer all Mining Information in its possession, custody or control, except that if the Seller is legally required to retain the originals of any of them, the Seller may deliver copies of them to the Buyer;

(f) **(Maxiforde)** must give the Buyer:

(i) **(share transfers)** transfers of the Maxiforde Shares naming as transferee the Buyer (or its nominee) which have been duly executed by the registered holders of the Maxiforde Shares and in registrable form, together with the share certificates for the Maxiforde Shares;

(ii) **(resignations)** the written resignation of each director, secretary and public officer of Maxiforde, which resignation must acknowledge that the director, secretary or public officer (as the case may be) has no Claim of any kind against Maxiforde (including any Claim for salary, fees, loss of office or any loan);

(iii) **(certificate of registration)** the certificate of registration or incorporation of Maxiforde (and any certificate of registration or incorporation on change of name of Maxiforde);

(iv) **(constitution)** a certified copy of the constitution of Maxiforde;

(v) **(minute books)** the minute books and records of meetings or resolutions of members and directors of Maxiforde; and

(vi) **(register of members)** the register of members and each other register (including the register of options and register of charges) of Maxiforde; and

(g) **(delivery of Assets)** must deliver to the Buyer those Assets capable of transfer by delivery and permit the Buyer to take possession of the Assets.

6.4 Board meeting of Maxiforde

At Completion, the Seller must ensure that a duly convened meeting of the directors of Maxiforde is held, and that resolutions for the following are passed at that meeting:

(a) to approve the transfer of the Maxiforde Shares to the Buyer, to register (subject to payment of any stamp duty) the transfers of the Maxiforde Shares, to issue a new share certificate for the Maxiforde Shares in the name of the Buyer (or its nominee), and to cancel the existing share certificates;

(b) to appoint as additional directors, secretaries and public officers of Maxiforde persons nominated by the Buyer before Completion by notice to the Seller (except any nominee who has not provided a written consent to act); and

(c) to note the retirement of each existing director, secretary and public officer of Maxiforde with effect from the end of that meeting, by the written resignations provided under clause 6.3(f)(ii).

6.5 What the Buyer must pay on Completion

At Completion, the Buyer must:

(a) **(Completion Payment)** pay the Completion Payment:

(i) **(Seller direction)** to the Seller, or as the Seller may direct by notice to the Buyer; and

(ii) **(bank cheque)** by bank cheque or in any other form the parties agree on in writing; and

(b) **(Consideration Shares)** subject to clause 3.4, issue to the Seller the Consideration Shares, credited as fully paid.

6.6 Interest on Purchase Price

If the Buyer does not pay the Purchase Price or any part of it on or before the date or dates specified for payment, the Buyer must pay to the Seller in addition to the balance of the Purchase Price interest on the unpaid balance of the Purchase Price at a rate which is equal to the sum of the Bank Bill Rate from time to time and 2%, computed on a daily basis from and including the due day for payment of the relevant part of the Purchase Price to (but excluding) the date of payment, capitalised monthly.

6.7 What the Buyer must do on Completion

(a) At Completion:

(i) **(Deposit)** the Deposit (and any interest on the Deposit) must be released and paid to the Seller (or as the Seller directs); and

(ii) **(Buyer actions)** the Buyer must (as well as doing anything else this agreement requires the Buyer to do on Completion):

(A) **(sign and accept documents)** accept all the documents and items which the Seller gives the Buyer under clause 6.3, after signing any of those documents which require signing by the Buyer; and

(B) **(Performance Bonds)** deliver evidence to the Seller and the Liquidators (in a form reasonably required by the Seller) of the bonds or cash deposits to replace and release the Performance Bonds;

(C) **(directors meeting)** hold a duly convened meeting of the directors of the Buyer at which it is resolved:

(I) **(issue shares)** to issue the Consideration Shares to the Seller (or as the Seller may direct by notice to the Buyer);

(II) **(shares to rank equally)** that the Consideration Shares are to rank from the Completion Date on an equal footing in all respects with the then existing issued shares of the same class in the capital of the Buyer; and

(III) **(register Seller)** to register the Seller (or its nominee) as the holder of the Consideration Shares;

(D) **(quotation)** apply for official quotation of the Consideration Shares by ASX; and

(E) **(lodgement with ASX)** lodge with ASX the Disclosure Document and provide a copy to the Seller.

(b) Immediately following official quotation of the Consideration Shares by ASX, the Buyer must procure delivery of the Consideration Shares by the crediting of the Consideration Shares via CHESS to the Seller's account or to such other account as may be directed by the Seller.

6.8 Title, property, risk of the Assets

Until Completion, the title to, property in and, subject to clause 5.1, risk of, the Assets remain solely with the Seller, but they pass to the Buyer on and from Completion.

7. POST-COMPLETION MATTERS

7.1 Buyer to operate until after Completion

On and from the Completion Date until the date on which all of the transfers of the Tenements to the Buyer have become registered (other than any Excluded Tenements), the Buyer:

(a) will be appointed by the Seller as the operator under section 48(1) of the MQSH Act; and

(b) must:

(i) comply with each obligation imposed by the MQSH Act, at Law or otherwise on the holder of the Tenements; and

(ii) accept all risks in connection with the Tenement as though it were the holder of the Tenements.

7.2 Indemnity

The Buyer must indemnify the Seller against any Claim, Liability or Loss incurred by the Seller in connection with the Tenements, including a failure by the Buyer, its directors, officers, employees, contractors (including subcontractors) or agents to fully comply with any part of clause 7.1.

7.3 Seller assistance after Completion

For 20 Business Days after Completion, the Seller must give the Buyer any information which the Buyer requests about the Assets and which is in the Seller's possession or control, and the Buyer must make no Claim whatever against the Seller, the Liquidators or any other person (for each of whom the Seller enters this clause as trustee) in relation to:

(a) **(if given)** any such information or assistance;

(b) **(if not given)** any failure to provide information or assistance; or

(c) **(reliance)** any reliance upon information or assistance.

7.4 Buyer assistance after Completion

Until the conclusion of the liquidation of the Seller, the Buyer must give the Seller and the Liquidators any regional, logistical, or geographical assistance which is requested by the Seller or Liquidators in the Cloncurry and Mt Isa areas, Queensland, Australia, with respect to areas not the subject of this document (for example, the Wee McGregor area) and which is in the Buyer's possession or control, and the Seller and Liquidators must make no Claim whatsoever against the Buyer in relation to:

(a) any such information or assistance; or

(b) any reliance upon information or assistance.

7.5 Access to records

(a) After the Completion Date:

(i) the Buyer must retain any books, records and documents delivered to it on Completion; and

(ii) the Seller must retain the books, records and other documents relating to the Assets required to be kept or maintained by the Seller,

for a period of five years from the date of the creation of the relevant document.

(b) After Completion, the Buyer will allow the Seller and the Liquidators to have access to those books, records and documents (excluding tax returns of the Seller and the Buyer) during business hours as the Seller and the Liquidators reasonably requires, and the Buyer must provide assistance (including copies of relevant documents) reasonably requested by the Seller and the Liquidators.

7.6 Cash adjustment for Consideration Shares

If the Buyer issues Consideration Shares to the Seller in accordance with clause 6.5(b), then:

(a) the Seller agrees to engage the Sale Nominee to manage the sale of the Consideration Shares, on terms that the Sale Nominee must, on a best endeavours basis and on commercial terms, dispose of at least $500,000 worth of Consideration Shares for each three-week period after the Completion Date, until all Consideration Shares are sold;

(b) if the Seller is dissatisfied with the rate of disposal of the Consideration Shares by the Sale Nominee, the Seller may:

(i) give notice to the Buyer that it intends to appoint an alternate agent to manage the sale of the Consideration Shares; and

(ii) 14 days after giving notice in accordance with clause 7.6(b)(i), appoint an alternate agent to manage the sale of the Consideration Shares on terms that the alternate agent must dispose of the remaining Consideration Shares in an orderly manner so that all Consideration Shares are sold within 15 weeks of the Completion Date;

(c) promptly after all the Consideration Shares are sold, the Seller must account to the Buyer in writing for the proceeds received from the sale of the Consideration Shares (net of any brokerage and duty, and any other selling costs, taxes and charges) (**Consideration Shares Sale Proceeds**);

(d) if the Nominal Share Consideration is greater than the Consideration Shares Sale Proceeds, the Buyer must pay a cash amount equivalent to the difference between the Nominal Share Consideration and the Consideration Shares Sale Proceeds to the Seller within 10 Business Days of the Seller notifying the Buyer in accordance with clause 7.6(c); and

(e) if the Consideration Shares Sale Proceeds is greater than the Nominal Share Consideration, the Seller must pay a cash amount equivalent to the difference between the Consideration Shares Sale Proceeds and the Nominal Share Consideration to the Buyer within 10 Business Days of the Seller notifying the Buyer in accordance with clause 7.6(c).

7.7 Apportionments

(a) If the Seller has made a prepayment in respect of goods, services or other benefits, including rentals and council rates in respect of the Tenements, the benefit of which will be received by the Buyer after the Completion Date, the Buyer will pay to the Seller the amount of that prepayment to the extent that it relates to the period after the Completion Date.

(b) For the avoidance of doubt, any monies in accordance with this clause will be in addition to the Purchase Price.

7.8 Maxiforde

The Maxiforde Shares are being sold on the understanding that Maxiforde has no liabilities. If, after Completion, it is established that Maxiforde had any liability as at Completion, the Buyer may claim from the Seller an amount equal to such liability up to the Prescribed Amount for the Maxiforde Shares set out in Schedule 2.

8. TENEMENTS

8.1 Approvals to transfer Tenements

Without limiting clause 4.3(a):

(a) as soon as reasonably practicable after the date of this document, the Seller must provide or submit to DEEDI the applications, documents and information required to obtain the Approvals; and

(b) the Seller agrees to promptly provide the Buyer with a copy of any communication it receives or delivers in connection with the Approvals.

8.2 Lodgement of transfer applications

(a) Promptly following Completion, the Buyer must commence the transfer of the Tenements by counter-signing (if applicable) and submitting to DEEDI and DERM:

(i) the Tenement Transfer Forms;

(ii) executed transfer application forms (in the form prescribed by DERM) to transfer each environmental authority associated with each Tenement to the Buyer;

(iii) any required bonds or cash deposits required to replace and release the Performance Bonds;

(iv) any other instruments received from the Seller under clause 6.3(a)(ii); and

(v) any other document which is necessary to satisfy a requirement specified in the terms of the Approval as being a condition to the Approvals,

and provide the Seller with copies of the documents submitted and any subsequent confirmation or correspondence received from DEEDI or DERM as soon as practicable after such documents are submitted or the confirmation or correspondence is received.

(b) The Buyer must take any other step reasonably required by the Seller which is necessary or desirable to effect the transfer of the Tenements.

8.3 Replacement and release of Performance Bonds

As soon as practicable after Completion and in any event within 10 Business Days of the Tenement Transfer Date, the Buyer must provide to the Seller evidence to the satisfaction of the Seller of the replacement and release of any Performance Bond relating to that Tenement.

8.4 Performance of Tenements

The Buyer will (on and from Completion):

(a) assume the Liabilities of the Seller under the Tenements;

(b) properly perform the obligations of the Seller under the Tenements; and

(c) comply with any conditions required by any third party in relation to the transfer of the Tenements to the Buyer.

8.5 Excluded Tenements

If, at any time prior to Completion:

(a) the Minister refuses to approve the assignment of a Tenement from the Seller to Buyer (on terms satisfactory to the Seller and the Buyer acting reasonably);

(b) any conditions imposed by the Minister under an Approval in respect of a Tenement are not acceptable to the Buyer (acting reasonably);

(c) the Tenement cannot be transferred without the consent of a third party (other than the Minister) and such third party notifies the Seller or the Buyer in writing that it will not consent to the assignment of the Tenement; or

(d) the Tenement is subject to pre-emption rights and those pre-emption rights have been exercised in relation to the Tenement;

(each an **Excluded Tenement**), then:

(e) the Excluded Tenement will be deemed to be an Excluded Asset; and

(f) the Purchase Price to be paid on Completion will be reduced by the Prescribed Amount for the Excluded Tenement.

8.6 Buyer's indemnity

The Buyer indemnifies the Seller, the Liquidators and their respective Representatives (each an **Indemnified Party**) against any and all Loss arising from or incurred in connection with:

(a) a breach by the Buyer of this clause 8;

(b) any act or omission of the Buyer in relation to the Tenements on or after the Completion Date (whether or not the Tenements are still held in the name of the Seller);

(c) the transfer, assignment or novation of the Tenements; and

(d) a breach by the Seller or the Liquidators of any law in relation to the Assets and any act or omission of the Seller or the Liquidators in relation to the Assets which has or may have any impact on the Environment on or after the date of Completion.

9. CONTRACTS

9.1 Transfer of Contracts

Subject to clauses 9.2, 9.3 and 9.4, on Completion the Seller assigns to the Buyer the rights of the Seller under each Contract, and the Buyer assumes the obligations of the Seller under each Contract.

9.2 Novation of a Contract

If before Completion the Buyer notifies the Seller that it requires the novation of any Contract, the Seller must on Completion ensure the novation to the Buyer of that Contract and the assignment of the rights of the Seller under that Contract.

9.3 Obtaining consent

If the consent of a person is needed for the assignment or novation of a Contract to the Buyer:

(a) **(assignment)** this document assigns that Contract only if and when and to the extent that assignment would not breach that Contract;

(b) **(obtain consent)** the Seller and the Buyer must each use reasonable endeavours to obtain before Completion the consent of each person (such as each other party to the Contract) needed to assign or novate the Contract and to transfer the benefit and burden of the Contract to the Buyer and to release the Seller from all obligations and liabilities arising under the Contract after Completion;

(c) **(consent after Completion)** if the consent is not obtained by Completion, the Seller and Buyer must each keep using reasonable endeavours to obtain it for a period of six months after Completion; and

(d) **(documents)** the Seller and the Buyer must promptly execute every document reasonably required by the third party to give effect to the consent of the third party.

9.4 Where no assignment or novation

If a Contract cannot be effectively assigned or novated without the consent of a third party and that party notifies the Seller or the Buyer in writing at or before Completion that it will not consent to the assignment or agree to novate the Contract (**Excluded Contract**), the parties agree that the Excluded Contract will be deemed to be a Flawed Asset and the Purchase Price will be adjusted in accordance with the provisions in clause 3.2.

9.5 No Seller warranty or representation about assignment of Contracts

Neither the Seller nor the Liquidators make any representation or warranty as to whether:

(a) **(assignability)** any Contract is capable of assignment or novation;

(b) **(consents)** any consent to assignment or novation of any Contract is or will be available;

(c) **(validity)** any Contract is valid or subsisting;

(d) **(breach, default)** there has been a breach of or a default under any Contract by any party to the Contract; or

(e) **(legal force)** any Contract is legally binding, or other than an informal arrangement.

9.6 Indemnity from the Buyer

The Buyer indemnifies the Seller, the Liquidators and their respective Representatives (each an **Indemnified Party**) against any Loss associated with, arising from, or incurred in connection with:

(a) a breach by the Buyer of this clause 9;

(b) any act or omission of the Buyer in relation to the Contracts on or after the Completion Date (whether or not the Contracts have been assigned or novated to the Buyer); and

(c) the transfer, assignment or novation of the Contracts.

10. NATIVE TITLE AGREEMENTS

10.1 Transfer of Native Title Agreements

Subject to clauses 10.2, 10.3 and 10.4, on Completion the Seller assigns to the Buyer the rights of the Seller under each Native Title Agreement, and the Buyer assumes the obligations of the Seller under each Native Title Agreement.

10.2 Obtaining consent

If the consent of a person is needed for the assignment or novation of a Native Title Agreement to the Buyer:

(a) (**assignment**) this document assigns that Native Title Agreement only if and when and to the extent that assignment would not breach that Native Title Agreement;

(b) (**obtain consent**) the Seller and the Buyer must each use reasonable endeavours to obtain before Completion the consent of each person (such as each other party to the Native Title Agreement) needed to assign or novate the Native Title Agreement and to transfer the benefit and burden of the Native Title Agreement to the Buyer and to release the Seller from all obligations and liabilities arising under the Native Title Agreement after Completion;

(c) (**consent after Completion**) if the consent is not obtained by Completion, the Seller and Buyer must each keep using reasonable endeavours to obtain it for a period of six months following Completion; and

(d) (**documents**) the Seller and the Buyer must promptly execute every document reasonably required by the third party to give effect to the consent of the third party.

10.3 No Seller warranty or representation about assignment of Native Title Agreements

Neither the Seller nor the Liquidators make any representation or warranty as to whether:

(a) (**assignability**) any Native Title Agreement is capable of assignment or novation;

(b) (**consents**) any consent to assignment or novation of any Native Title Agreement is or will be available;

(c) (**validity**) any Native Title Agreement is valid or subsisting;

(d) (**breach, default**) there has been a breach of or a default under any Native Title Agreement by any party to the Native Title Agreement; or

(e) (**legal force**) any Native Title Agreement is legally binding, or other than an informal arrangement.

10.4 Indemnity from the Buyer

The Buyer indemnifies the Seller, the Liquidators and their respective Representatives (each an **Indemnified Party**) against any Loss associated with, arising from, or incurred in connection with:

(a) a breach by the Buyer of this clause 10;

(b) any act or omission of the Buyer in relation to the Native Title Agreements on or after the Completion Date (whether or not the Native Title Agreements have been assigned or novated to the Buyer); and

(c) the transfer, assignment or novation of the Native Title Agreements.

11. WARRANTIES OF THE SELLER

11.1 Seller's Warranties

The Seller represents and warrants that, to the best of its knowledge, each of the following statements are true, complete and accurate in all respects, both at the date of this document and at the Completion Date:

(a) **(title)** the Seller is the sole legal and beneficial owner of the Assets; and

(b) **(power)** the Seller has full legal capacity and power to enter into this document and to complete the sale and purchase of the Assets.

11.2 Exceptions to Warranties

The Warranties are not breached by, and each representation in the Warranties is qualified by:

(a) **(information provided)** anything disclosed or referred to in any information relating to the Assets which has been made available in written or recorded form to the Buyer or to any related body corporate of the Buyer by the Seller or by any of the Seller's advisers before the date of this document;

(b) **(disclosed in this document)** anything disclosed or referred to in this document or in any annexure or exhibit;

(c) **(actual knowledge)** anything which the Buyer or any of its agents actually knows before entering into this document; or

(d) **(consent or agreement)** anything to the extent that it is caused by or contributed to by any act, omission, transaction, or arrangement:

  (i) of, by or on behalf of the Buyer or any related body corporate of the Buyer;

  (ii) of, by or on behalf of the Seller, or any other person, at the request of or with the consent or acquiescence of the Buyer; or

  (iii) implementing, or permitted by, the terms of this document or of any other agreement contemplated by it.

11.3 Exclusion of implied obligations

(a) **(sale of goods)** Any warranty condition term or provision which might be implied in this agreement by the *Sale of Goods Act 1896* (Qld) or by the general law is expressly excluded.

(b) **(warranties)** To the maximum extent permitted by law, every other condition, warranty, term, provision, representation or undertaking (express, implied, written, oral, collateral, statutory or otherwise) except the Warranties is excluded or altogether or (if exclusion is unlawful) limited to the payment of:

(i) in the case of goods, the lesser of the cost of having the goods repaired and the cost of replacing the goods or of acquiring equivalent goods; or

(ii) in the case of services, the cost of having the services supplied again.

11.4 No Liability of Liquidators

(a) The Liquidators do not make any warranties or representations in connection with this document or the sale of the Assets.

(b) The Liquidators are not personally liable under this document.

11.5 Waiver of statutory rights

To the extent permitted by Law, the Buyer:

(a) **(no statutory Claim on Seller)** agrees not to make, and releases any right it may have to make, against the Seller any Claim based on Parts IVA or V (including sections 51A, 52 or 53) of the *Trade Practices Act 1974* (Cth), or on any corresponding provision of any State or Territory legislation, or on a similar provision under any applicable law, for any act or omission concerning any Asset, or for any statement or representation about any of those things which is not expressly contained in this document; and

(b) **(no statutory Claim on Related Person)** agrees with the Seller (on behalf of itself and for each Related Person) not to make, and releases any right it may have to make, any such Claim against a Related Person.

11.6 Quality of information

The Buyer for itself and for each of its related bodies corporate acknowledges to and agrees with the Seller (on behalf of itself and for each Related Person) that the discussions about the purchase of the Assets and the provision of information relating to the Assets were made by the Seller and accepted by the Buyer and each related body corporate of the Buyer, and this document is entered into, on the basis and condition that, except for the Seller and then only to the extent of the Warranties:

(a) **(information not warranted)** neither the Seller nor any Related Person has made or makes any representation or warranty as to the accuracy or completeness of any information;

(b) **(no duty of care)** neither the Seller nor any Related Person accepts any duty of care for the provision of any information to the Buyer or to any related body corporate of the Buyer or to any provider of finance or to any other person;

(c) **(no liability)** neither the Seller nor any Related Person is under any liability to the Buyer or to any related body corporate of the Buyer or to any provider of finance or to any other person if, for whatever reason, any information is or becomes inaccurate, incomplete or misleading in any way;

(d) **(no reliance)** neither the Buyer nor any of its related bodies corporate relies on any Related Person or upon the Seller to provide accurate or complete information or information that is not misleading; and

(e) **(no Buyer remedy)** in the absence of fraud (and then against the fraudulent person only), neither the Buyer nor any of its related bodies corporate has any right or remedy against the Seller or against any Related Person in relation to information, and cannot bring a Buyer Claim relating to information, except as expressly set out in this document.

11.7 No liability if loss is otherwise compensated for

The Buyer may only recover once for the same Loss, and cannot bring a Buyer Claim for an amount or Loss:

(a) **(already compensated)** to the extent that the same amount or Loss has been recovered in another Buyer Claim, or is made good or is compensated for without cost to the Buyer;

(b) **(Tax benefits)** to the extent of an amount equal to any Tax rebate, Tax credit, or reduction in present or future Tax received or receivable by the Buyer or by any of its related bodies corporate in respect of the amount or matter the subject of the Buyer Claim;

(c) **(savings)** to the extent that there are any corresponding savings by, or net benefit to, the Buyer or any of its related bodies corporate; or

(d) **(Recovery Action)** to the extent that the Buyer or any of its related bodies corporate is entitled to take Recovery Action (including a claim on an insurance policy) for any part of that amount.

11.8 Mitigation of losses

The Buyer must take, and must ensure each of its related bodies corporate takes, all reasonable action to mitigate any loss suffered for which a Buyer Claim could be made. Nothing in this document restricts or limits any general obligation at law to mitigate any loss or damage.

11.9 Limitation on Claims

Any Buyer Claim is excluded to the extent that it is for indirect or consequential loss or loss of profit or economic loss, however it arises (including on a wrongful failure by the Seller to complete the sale and purchase of the Assets), or for punitive or exemplary damages.

11.10 Warranties are personal

(a) **(personal rights)** The rights of the Buyer to make a Buyer Claim based on a Warranty are personal to the Buyer and may not be assigned to any other person.

(b) **(if Buyer onsells)** Neither the Buyer nor a person deriving title from the Buyer can make a Buyer Claim based on a Warranty if the Buyer has after Completion ceased to own any Asset to which the Buyer Claim relates.

11.11 Threshold for Claims

The Buyer cannot make any Buyer Claim:

(a) for less than $10,000; and

(b) unless and until the aggregate amount of all Claims of the Buyer that are otherwise permitted by this document (not counting any such Claim for less than $10,000) exceeds $50,000, and then the Buyer may claim only the amounts exceeding $50,000.

11.12 Cap on Claims

The liability of the Seller for Buyer Claims is limited to $2,500,000. This clause 11.12 operates to the fullest extent permitted by Law.

11.13 Time limits for bringing Claims

This clause 11.13 operates to the fullest extent permitted by Law. The Buyer cannot make any Buyer Claim, and the liability of the Seller for a Buyer Claim is absolutely barred, unless within six months after Completion, the Buyer gives to the Seller prompt notice of the Claim specifying in detail the matter which gives rise to the Claim, the nature of the Claim, the amount claimed, and how the amount is calculated.

11.14 Claim to be reduction of Purchase Price

Any payment to the Buyer or to a related body corporate of the Buyer for any Buyer Claim is taken to be a reduction of that part of the Purchase Price which is for the Asset that the Buyer Claim is about, but if the Buyer Claim is not about a specific Asset, the payment for the Buyer Claim is taken to be a reduction of the Purchase Price to be allocated to each Asset proportionately (that is, the proportion of the payment to be allocated to each Asset is the same as the proportion of the Purchase Price allocated to that Asset).

11.15 Liability of Seller to Buyer

To the extent that the Buyer's right to make a Buyer Claim is limited or excluded by this clause 10, the Buyer Claim and the Seller's liability is absolutely barred, and the Buyer must not make a Buyer Claim against the Seller.

11.16 Liability of Related Persons to Buyer

The Buyer acknowledges that the Seller enters this clause 11 for itself and for each Related Person, each of whom may rely on this clause 11. The Buyer must:

(a) **(no Claim)** not make a Buyer Claim against any Related Person;

(b) **(ensure no Claim by others)** ensure that no related body corporate of the Buyer, and no officer, employee, agent or adviser of the Buyer or of a related body corporate of the Buyer, brings against the Seller or against a Related Person a Buyer Claim, or a Claim for something that is in substance for the same thing as a Buyer Claim; and

(c) **(indemnity)** indemnify the Seller and each Related Person against any such Claim (or any Buyer Claim) by any of those persons.

11.17 Survival of termination

Clauses 11.4(b), 11.5 and 11.9 to 11.16 (inclusive) survive termination of this document.

12. WARRANTIES OF THE BUYER

12.1 Buyer's warranties

The Buyer represents and warrants and it is a condition of this document that each of the statements set out in Schedule 6 is true, complete and accurate in all respects, and is not in any way misleading or deceptive, or likely to mislead or deceive, both at the date of this document and at the Completion Date (except that a Warranty which refers to only one of those dates is given only as at that date).

12.2 Reliance on Buyer's representations and warranties

The Buyer acknowledges that the Seller has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties in this clause.

12.3 Buyer's Indemnity

The Buyer indemnifies the Seller, the Liquidators and their respective Representatives (each an **Indemnified Party**) against any and all Loss incurred or suffered by the Indemnified Party to the extent such Loss is caused by any breach of the representations and warranties in clause 12.1.

13. CONDITIONAL OPERATION BEYOND THREE MONTHS

13.1 Limited operation

To the extent that section 477(2B) of the Corporations Act may require such approval, each clause of this document requiring continuing performance (including without limitation each indemnity) must be discharged by performance within 3 months from the date of this document unless the approval of the Court, or of a committee of inspection, or of a resolution of the creditors of the Seller, is given under section 477(2B) of the Corporations Act to the continuation of the operation of that clause (or to this document as a whole) indefinitely or for a specified period of more than three months from the date of this document. Nothing in this clause affects the operation beyond three months of any clause of this document which is not prohibited by section 477(2B) if it is not so approved.

13.2 Obligation to satisfy conditions

The Seller and the Buyer must use their respective best endeavours to ensure that the condition referred to in clause 13.1 is fulfilled within 3 months of the date of this document.

14. DEFAULT AND TERMINATION

14.1 Remedies of Seller

If Completion does not occur because of a default of the Buyer, the Seller may in its absolute discretion:

(a) (**terminate**) terminate this document (with or without forfeiture of the Deposit); and

(b) (**resell**) (without limiting any other remedy it may have) if it terminates this agreement, resell all or part of the Assets in any way the Seller sees fit, and recover from the Buyer (with credit for any of the Deposit forfeited):

(i) (**costs**) the reasonable costs and expenses of resale, and of any attempted resale; and

(ii) (**shortfall**) any deficiency between the proceeds of the resale and the aggregate of the Purchase Price plus interest on the Purchase Price calculated on a daily basis from the Completion Date until the date of completion of the resale at the Bank Bill Rate.

14.2 Calculation of deficiency on resale

On a resale of part of the Assets, the deficiency on resale is to be calculated by reference to the part of the Purchase Price attributed to that part of the Assets.

14.3 Deposit

If the Seller terminates this agreement under clause 14.1, then unless the Seller indicates it is not claiming forfeiture of the Deposit, the Buyer forfeits the Deposit to the Seller and the Deposit immediately vests in the Seller.

14.4 Failure by party to Complete

If a party does not Complete, other than as a result of default by the other party, the non-defaulting party may:

(a) terminate this document by notice in writing; or

(b) give the defaulting party written notice requiring it to Complete within two Business Days of receipt of the notice.

If the defaulting party does not Complete within this period, the non-defaulting party may choose either to proceed for specific performance or terminate this agreement. In either case, the non-defaulting party may, subject to clauses 11, 12 and 15, seek damages for the default.

14.5 Failure to transfer an Essential Asset

If, for any reason, an Essential Asset cannot be transferred, assigned or novated to the Buyer as contemplated in this document, the Buyer may terminate this document by notice in writing to the other party.

14.6 Effect of termination

(a) If this document is terminated under clause 14.1, clause 14.4 or clause 14.5, then:

(i) the Seller and the Liquidators retain their respective rights against the Buyer in connection with any breach or claim that has arisen before termination;

(ii) the Buyer retains their rights (if any) against the Seller in connection with any breach or claim of this agreement including a breach of Warranty that has arisen before termination;

(iii) the Buyer must return to the Seller all documents and other materials in any medium in its possession, power or control which contain information relating to the Assets; and

(iv) the Buyer cannot make a claim, either directly or indirectly, against the Liquidators (or their respective Representatives).

(b) The termination of this document under this clause 14 does not affect any other rights the parties have against one another at law or in equity and clause 16 ("Confidentiality"), clause 17 ("GST") and clause 18 ("Costs and stamp duty") and survive termination.

15. LIMITATION OF LIABILITY OF LIQUIDATORS

15.1 Buyer's acknowledgment

The Buyer acknowledges that:

(a) on 18 June 2009, the Seller was placed into liquidation and the Liquidators were appointed as joint and several liquidators of the Seller;

(b) the Seller enters into this agreement pursuant to the powers of the Liquidators conferred on a liquidator by Law; and

(c) the Seller, the Liquidators and their respective Representatives have limited knowledge of the Assets.

15.2 Limitation of liability

To the maximum extent permitted by Law, the Liquidators do not incur any personal liability, howsoever arising, to the Buyer:

(a) under this document;

(b) under any other agreement associated with or related to this document (or the transactions contemplated by this document); or

(c) by executing this document or any other agreement, deed, instrument, transaction or document executed in connection with or as contemplated by this document.

15.3 Buyer must not recover from the Liquidators

The Buyer must not seek any remedy from, or to recover against, the Liquidators or their respective Representatives:

(a) under, or in respect of:

(i) this document;

(ii) any other agreement associated with or related to this document (or the transactions contemplated by this document); or

(iii) the execution of this document or any other agreement, deed, instrument, transaction or document executed in connection with or as contemplated by this document;

(b) in connection with the exercise by the Liquidators of any of their powers and authorities (including their power of sale).

15.4 Actions against the Seller only

Without limiting clause 15.3, the Buyer acknowledges and agrees that the contractual rights of the Buyer (if any) are against the Seller under or in respect of this agreement or any contract expressed or implied by law in equity or statute or otherwise, and are not against the Liquidators personally or any of their Representatives.

15.5 Survival of termination

This clause 15 will survive termination of this document.

16. CONFIDENTIALITY AND ANNOUNCEMENT

16.1 Obligations of confidentiality

Except as permitted by clause 16.2, the Recipient must not:

(a) **(not disclose)** disclose Confidential Information directly or indirectly in any form to anyone else; or

(b) **(not use or copy)** use or make a copy of any Confidential Information except to:

(i) **(due diligence)** acquire or check information in connection with this document and the transactions contemplated by it; or

(ii) **(performance)** perform any of its obligations under this document or in relation to any of the transactions contemplated by it.

16.2 Exceptions to obligations of confidentiality

The obligations in clause 16.1 do not apply to a Recipient if:

(a) **(agreement)** the Discloser has first agreed in writing to the particular disclosure, use, or copying;

(b) **(person needs to know)** the information is disclosed to an officer or employee of the Recipient who needs to know the information concerned to perform his or her duties, or to a professional adviser, banker or financial adviser of the Recipient, or to someone whose consent is required under this document or for a transaction contemplated by it, and that person makes an undertaking to the Discloser (which the Recipient must ensure that person observes):

(i) **(no further disclosure)** not to disclose any of the Confidential Information in any form to anyone else; and

(ii) **(limited use)** only to use the Confidential Information in a manner consistent with clause 16.1(b) for the purposes of performing his or her duties to the Recipient, or advising the Recipient, or financing the Recipient, or considering whether to give that consent (as the case may be); or

(c) **(required by law)** disclosure of any Confidential Information is required to comply with any applicable law or requirement of any Government Agency or regulatory body (including any relevant stock exchange), the Recipient promptly gives notice of its intended disclosure to, and consults with, the Discloser to the extent practicable, and uses its reasonable endeavours consistent with its obligations to minimise any such disclosure and to ensure that any Confidential Information so disclosed will be treated as confidential.

16.3 Security of Confidential Information

The Recipient must use reasonable endeavours to:

(a) **(control)** keep effective control of Confidential Information;

(b) **(secure)** ensure that Confidential Information is secure from theft, loss, damage or unauthorised access or alteration; and

(c) **(conduct of others)** ensure that persons other than the Recipient do not disclose, use or copy Confidential Information except as permitted by this clause 16.

16.4 Return of Confidential Information

If Completion does not occur on or before the Completion Date, a Recipient must immediately:

(a) **(return materials)** deliver to the Discloser (or if in electronic form, erase or destroy and deliver evidence of erasure or destruction) all documents and other materials containing, recording or referring to Confidential Information which are in its possession, power or control; and

(b) **(ensure others return materials)** ensure that any person who receives the Confidential Information by the Recipient's authority returns the Confidential Information to the Discloser in any form in which it is held (or if it is in electronic form, erases or destroys it and gives evidence of its erasure or destruction to the Discloser).

16.5 Privacy

The Seller and the Buyer must each assist the other to comply with its obligations under the *Privacy Act 1988* (Cth) in relation to Confidential Information.

16.6 Survival of obligations

The obligations concerning Confidential Information imposed by this clause survive termination of this document and survive Completion, but if Completion occurs the Buyer may use or disclose Confidential Information as needed for the ordinary conduct of the business of the Buyer.

16.7 Confidentiality of this document and announcements

Until Completion, each party must treat the existence and terms of this document as Confidential Information and no announcement or communication relating to the negotiations of the parties or to the existence, subject matter or terms of this document may be made or authorised by a party unless:

(a) **(agreement)** the Seller and the Buyer have first given their written approval;

(b) **(to certain persons)** the disclosure is to the party's employees, consultants, professional advisers, bankers, financial advisers or financiers or to a person whose consent is required under this document or for a transaction contemplated by it and those persons undertake to keep confidential any information so disclosed; or

(c) **(required by law)** the disclosure is made to the extent reasonably needed to comply with any applicable law or requirement of any Government Agency or regulatory body (including any relevant stock exchange), the party promptly gives notice of its intended disclosure to, and consults with, the other party to the extent practicable, and uses its reasonable endeavours consistent with its obligations to minimise any such disclosure and to ensure that any Confidential Information so disclosed will be treated confidentially.

17. GST

17.1 GST pass on

If GST is or will be payable on a supply made under or in connection with this document, to the extent that the consideration otherwise provided for that supply under this document is not stated to include an amount in respect of GST on the supply:

(a) the consideration otherwise provided for that supply under this document is increased by the amount of that GST; and

(b) the recipient must make payment of the increase as and when the consideration otherwise provided for, or relevant part of it, must be paid or provided or, if the consideration has already been paid or provided, within 7 days of receiving a written demand from the supplier.

17.2 Tax invoices and adjustment notes

(a) The Seller must issue a tax invoice (or an adjustment note) to the Buyer for any supply for which the Seller may recover GST from the Buyer under this document, and must include in the tax invoice (or adjustment note) the particulars required by the GST Law.

(b) The Buyer must promptly forward to the Seller any tax invoice the Buyer receives from a party to any Contract for GST reimbursed to that party by the Seller.

18. COSTS AND STAMP DUTY

18.1 Costs generally

Subject to clause 18.2, each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this document.

18.2 Stamp duty generally

The Buyer is solely responsible for, and must indemnify the Seller against, any duty that is payable on or in relation to:

(a) this document;

(b) the sale, purchase, assignment or transfer of any property under this document; and

(c) any instrument or transaction that this document contemplates.

19. NOTICES

19.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

(a) **(writing)** in writing, signed by or on behalf of the person giving it;

(b) **(addressed)** addressed to the person to whom it is to be given; and

(c) **(sent)** either:

(i) **(mail)** delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or

(ii) **(fax)** sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full.

19.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

(a) **(fax delivery)** if it is delivered or sent by fax:

(i) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or

(ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day; and

(b) **(mail delivery)** if it is sent by mail:

(i) within Australia – 3 Business Days after posting; or

(ii) to or from a place outside Australia – 7 Business Days after posting.

19.3 Address for notices

A person's address and fax number are those set out below, or as the person notifies the sender:

Seller

Address:	The Ernst & Young Building, 11 Mounts Bay Road, Perth WA 6000
Fax number:	+ 61 8 9429 2192
Attention:	Mr Vince Smith

Buyer

Address:	Level 24, 56 Pitt Street, Sydney NSW 2000
Fax number:	+ 61 2 9247 4844
Attention:	Mr Howard Renshaw

20. AMENDMENT AND ASSIGNMENT

20.1 Amendment

This document can only be amended, supplemented, replaced or novated by another document executed by the parties.

20.2 Assignment

A party may only assign, encumber, declare a trust over or otherwise create an interest in its rights under this document with the consent of the other party.

21. GENERAL

21.1 Governing law

(a) **(law)** This document is governed by the law in force in Western Australia.

(b) **(jurisdiction)** Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

21.2 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

21.3 Waiver of rights

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) **(conduct)** no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) **(one occasion)** a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) **(further exercise)** the exercise of a right does not prevent any further exercise of that right or of any other right.

21.4 Operation of this document

(a) **(entire agreement)** This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) **(severance)** Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

21.5 Operation of indemnities

Each indemnity in this document survives the expiry or termination of this document.

21.6 GST on claims and expenses

(a) **(GST on Claim payments)** If a party provides a payment for or any satisfaction of a Claim or a right to Claim under or in connection with this document (for example, for misleading or deceptive conduct or for misrepresentation or for a breach of any Warranty or warranty of the Buyer or for indemnity or for reimbursement of any expense) that gives rise to a liability for GST, the provider must pay, and indemnify the satisfied claimant on demand against, the amount of that GST.

(b) **(costs plus GST)** If a party has a Claim under or in connection with this document for a cost on which that party must pay an amount for GST, the claim is for the cost plus the amount for GST (except any amount for GST for which that party is entitled to an input tax credit).

(c) **(revenue Claims)** If a party has a Claim under or in connection with this document whose amount depends on actual or estimated revenue or which is for a loss of revenue, revenue must be calculated without including any amount received or receivable as reimbursement for GST (whether that amount is separate or included as part of a larger amount).

21.7 Consents

Where this document contemplates that a party may agree or consent to something (however it is described), the party may (unless this document expressly contemplates otherwise):

(a) **(discretion)** agree or consent, or not agree or consent, in its absolute discretion; and

(b) **(conditions)** agree or consent subject to conditions.

21.8 Counterparts

This document may be executed in counterparts.

Schedule 1

(Clause 1.1 - Tenements)

TENEMENTS

Tenement Number	Name	Seller interest	Date granted	Expiry Date	Sub-blocks	Area (Ha)	Approximate Area (km^2)	Prescribed Amount ($)	Essential Asset (Y/N)
Exploration permits for minerals									
14148	White Range #1	100%	19-Oct-04	18-Oct-08[1]	8		25.65	57,100	N
14163	White Range #2	100%	19-Oct-04	18-Oct-09	8		25.66	28,600	N
14475	White Range #4	100%	27-Jun-05	26-Jun-10	11		35.32	39,300	N
15031	White Range #6	100%	16-Feb-06	15-Feb-11	4		12.81	14,300	N
15196	Mt Tracey	100%	09-Mar-07	08-Mar-12	36		115.10	5,900	N
15520	Top Bore	100%	02-May-07	01-May-12	86		274.80	14,100	N
15858	Sunny Mount	100%	23-Oct-08	22-Oct-13	5		16.05	17,800	N
15859	Split Rock	100%	08-Nov-07	07-Nov-12	6		19.25	20,000	N
15897	White Range Consolidated	100%	23-Oct-08	23-Oct-13	6		19.24	42,900	N
Mineral development licences									
204	Copper Canyon	100%	08-Nov-96	30-Nov-11	n/a	1,920.10	19.20	84,500	Y
205	Greenmount	100%	08-Nov-96	30-Nov-11	n/a	2,627.14	26.27	115,500	Y

Tenement Number	Name	Seller interest	Date granted	Expiry Date	Sub-blocks	Area (Ha)	Approximate Area (km^2)	Prescribed Amount ($)	Essential Asset (Y/N)
Mining Leases									
2519	Vulcan	100%	22-Nov-73	30-Nov-08[2]	n/a	4.05	0.04	300,000	N
90081	Hampden Copper	100%, up to depth of 100m, 0% below 100m	22-Aug-96	31-Aug-06[3]	n/a	1,247.00[4]	12.47	1,425,000	Y
90082	Mt McCabe	100%,	23-May-96	31-May-06[5]	n/a	272.50	2.73	400,000	N
90134	Greenmount	100%	10-Jun-04	30-Jun-14	n/a	1,207.10	12.07	1,375,000	Y
Mining Lease Application									
90161	Phil's Find	100%	In application	n/a	n/a	171.17	1.71	50,000	Y

1 Renewal application has been lodged.

2 Renewal application has been lodged.

3 Renewal application has been lodged.

4 Surface area is 271.6395ha. An application has been submitted for additional surface area. This application will automatically follow the mining lease and is not separately listed.

5 Renewal application has been lodged.

Schedule 2

(Clause 1.1 – Maxiforde Shares)

MAXIFORDE SHARES

Number of Shares	Registered owner of Shares	Beneficial owner of Shares	Prescribed Amount ($)
4	Seller	Seller	200,000

Maxiforde is the registered holder of ML90083 (Stuart) which measures 40.93ha in area. ML90083 was granted on 30 July 1996 and had an expiry date of 31 July 2009. A renewal application has been lodged.

Schedule 3

(Clause 1.1 - Contracts)

CONTRACTS

Contract description	Prescribed Amount ($)
General	
Exploration Joint Venture Agreement between Orion Gold and Seller dated 29 November 2006, under which Seller has earned a 51% interest in EPM's 13625 (Top Camp, 58 sub-blocks) and 13922 (Iron Ridge, 20 sub-blocks) which are under conditional surrender pending replacement by EPM 17602 (Top Camp, 78 sub-blocks) which is currently in application	645,000
Tenement Swap Deed between Seller and Exco Resources NL (ABN 99 080 339 671) dated 29 January 2007 varied by an Amendment Deed dated 10 September 2007, under which Seller has a 100% interest in certain sub-blocks within EPM's 13091 (Notlor, 8 sub-blocks) and 15740 (Kuridala, 83 sub-blocks)	100,000
Royalty agreements	
Option to Purchase Interest In Hampden Kilometre Surface Area between Metana Minerals NL (ACN 000 829 130) (subsequently renamed Gold Mines of Australia (WA) NL) and UAL Pty Ltd (ACN 008 755 155) dated 23 November 1993 and Letter of Covenant between Base Metals of Australia NL (ACN 064 698 504) and UAL Pty Ltd (ACN 008 755 155) dated 8 December 1995 both assigned as contemplated in the Deed of Assumption between Majestic Resources NL (ACN 050 541 332), Seller, Base Metals of Australia NL (ACN 064 698 504) and Selwyn Queensland Pty Ltd (ACN 089 594 374) dated 7 March 2001 and the Novation Deed between Selwyn Queensland Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 089 594 374), Seller and Ivanhoe Cloncurry Mines Pty Ltd (ACN 106 255 216) dated 24 May 2004 varied by a Variation Deed dated 18 March 2005	Nil
Sale Agreement between William Australia Pty Limited (ACN 010 593 352), Seller and Majestic Resources NL (ACN 050 541 332) dated 15 May 2000	Nil
Compensation Agreements	
Compensation Agreement between Archibald James Macdonald and Seller dated 25 August 2005 (in respect of MLA 90161)	Nil

Schedule 4

(Clause 1.1 - Contracts)

NATIVE TITLE AGREEMENTS

Contract description
Ancillary Agreement EPM 11035 between Kalkadoon People and Seller dated 1 July 2005
Ancillary Agreement EPM 14622 between Kalkadoon People and Seller dated 1 July 2005
Ancillary Agreement between Kalkadoon People and Seller dated 23 July 2004 (in respect of EPMs 14148 and 14163)
Ancillary Agreement between Mitakoodi People and Seller dated 23 November 2004 (in respect of EPM 11035)
Ancillary Agreement between Mitakoodi People and Seller dated 13 June 2005 (in respect of EPM 14772)
Ancillary Agreement between Mitakoodi People and Seller dated 2 September 2005 (in respect of EPM 15031)
Ancillary Agreement between Mitakoodi People and Seller dated 2 April 2006 (in respect of EPM 15196)
Ancillary Agreement between Mitakoodi People and Seller dated 5 February 2007 (in respect of EPM 15520)
Deed Regarding the Inclusion of Excluded Land into an Exploration Permit(s) between The State of Queensland and Mitakoodi People and Kalkadoon People and Seller dated 9 June 2005 (in respect of EPM 11035)
Deed Regarding the Grant and Renewal(s) of Exploration Permit between The State of Queensland and Mitakoodi People and Seller dated 7 April 2005 (in respect of EPM 14475)
Deed Regarding the Grant of Exploration Permit(s) between The State of Queensland and Kalkadoon People and Seller dated 9 June 2005 (in respect of EPM 14622)
Deed Regarding the Grant of Exploration Permit(s) between The State of Queensland and Mitakoodi People and Seller (in respect of EPM 14772)
Deed Regarding the Grant of Exploration Permit(s) between The State of Queensland and Mitakoodi People #3 and Seller (in respect of EPM 15196)
Exploration Agreement between The Kalkadoon People and Seller (EPMs 15005, 15196, 15251, 15520, 15858, 15859 and 15897) dated 3 April 2007
Letter agreement (Finder's Fee for Identifying Native Copper Location - Wally's Find) between Seller and Wally Robertson dated 17 October 2007
Mining Agreement for ML 90134 between Mitakoodi People and Seller dated 8 October 2003

Contract description
Resource and Infrastructure Agreement for The White Range Project between Mitakoodi People and Seller dated 1 November 2004

Schedule 5

PERFORMANCE BONDS

Bond Type	Issued by	Held by/ beneficiary	Tenement Type	Tenement number(s)	AMOUNT
Bankers Undertaking	Westpac	The State of Queensland	ML	2519 90081 90082	$7,520.00
Cash	Matrix	The State of Queensland	ML	90134	$6,337.84
Bankers Undertaking	Westpac	The State of Queensland	MDL	205	$8,000.00
Bankers Undertaking	Westpac	The State of Queensland	MDL	205	$8,000.00
Bankers Undertaking	Westpac	The State of Queensland	MDL	204	$8,000.00
Bankers Undertaking	Westpac	The State of Queensland	EPM	11035*	$10,000.00
Bankers Undertaking	Westpac	The State of Queensland	EPM	4317*	$2,500.00
Bankers Undertaking	Westpac	The State of Queensland	EPM	4317*	$2,500.00
Cash	Matrix	The State of Queensland	EPM	14148	$2,500.00
Cash	Matrix	The State of Queensland	EPM	14163	$2,500.00
Cash	Matrix	The State of Queensland	EPM	14475	$2,500.00
Cash	Matrix	The State of Queensland	EPM	14772*	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15031	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15196	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15520	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15859	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15897	$2,500.00
Cash	Matrix	The State of Queensland	EPM	15858	$2,500.00
Total					$77,857.84
Made up as follows:					
Bankers Undertaking					$46,520.00
Cash					$31,337.84
Total					$77,857.84

* EPM's 4317, 11035 and 14772 were conditionally surrendered upon the grant of EPM 15897. Bankers undertaking certificates issued by Westpac were never updated

Schedule 6

(Clause 12.1)

BUYER'S REPRESENTATIONS AND WARRANTIES

1. (**status**) The Buyer is duly incorporated and validly exists under the laws of Queensland.
2. (**power**) The Buyer has full legal capacity and power to:
   (a) own its property and to carry on its business; and
   (b) enter into this document and to carry out the transactions that this document contemplates.
3. (**corporate authority**) The Buyer has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates.
4. (**Authorisations**) The Buyer holds each Authorisation that is necessary or desirable to:
   (a) enable it to properly execute this document and to carry out the transactions that this document contemplates; or
   (b) ensure that this document is legal, valid, binding and admissible in evidence,

   and it is complying with any conditions to which any of these Authorisations is subject.
5. (**document effective**) This document constitutes its legal, valid and binding obligations, enforceable against the Buyer in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration.
6. (**no contravention**) Neither execution of this document by the Buyer nor the carrying out by it of the transactions that this document contemplates, does or will:
   (a) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;
   (b) contravene any Authorisation;
   (c) contravene any undertaking or instrument binding on the Buyer or any of its property;
   (d) contravene any fiduciary obligation of the Buyer; or
   (e) contravene the Buyer's constitution.
7. (**no receiver**) No controller (as defined in the Corporations Act) has been appointed over any part of its assets and no such appointment has been threatened.
8. (**no winding up proceedings**) No proceedings have been brought or threatened or procedure commenced for the purpose of winding up the Buyer or placing it under administration.
9. (**no Insolvency Event**) The Buyer is not affected by an Insolvency Event.

10. **(not voidable in insolvency)** Neither execution of this document nor Completion nor any other transaction which this document contemplates will be or become a transaction which is voidable under part 5.7B of the Corporations Act.

11. **(not unenforceable)** There is no circumstance which could make this document or any transaction contemplated by it void, voidable or unenforceable under any applicable law about insolvency.

12. **(no litigation affecting Buyer)** No litigation, arbitration, mediation, conciliation or administrative proceeding is taking place, pending, or threatened, whose outcome is likely to have a material adverse effect on the ability of the Buyer to perform its obligations to complete the sale and purchase of the Assets.

13. **(no Seller representations)** The Buyer has not entered this document in reliance on any representation or promise (apart from the Warranties) given or made (or purporting to be given or made) by the Seller or the Liquidators, by a related body corporate of the Seller, or by any agent, director, officer, employee or adviser of the Seller or of any of its related bodies corporate.

14. **(no known breaches of a Warranty)** At the date of this document, the Buyer does not know of, or have any ground to suspect, anything which may be, or would with the lapse of time or giving of notice, or both, be likely to become, a breach of any Warranty.

15. **(Buyer inquiries)** The Buyer:

(a) **(assets)** acknowledges that the Assets are purchased on an 'as is, where is' basis in the constitution they are in at the time of Completion;

(b) **(due diligence)** and its Representatives have had an opportunity to conduct a due diligence investigation and evaluation of the Assets, and have used that opportunity;

(c) **(own inquiries)** has made, and relies on, its own searches, investigations and enquiries in respect of the Assets, and has satisfied itself that:

(i) as to the suitability, condition and quality of the Assets;

(ii) as to the suitability of the services and utilities (if any) provided to the Tenements (and/or any water on the Tenements);

(iii) as to the environmental condition of the Tenements;

(iv) by enquiry of the appropriate authorities, the activities which may be carried out on the Tenements including the manner in which those activities must be carried out, any developments which may take place on the Tenements and any restrictions on the activities or developments which may be carried out;

(d) **(independent advice)** has had independent legal, financial and technical advice relating to the purchase of the Assets and to the terms of this document and to the documents to be executed pursuant to it, including:

(i) the value of the Assets; and

(ii) the present and future feasibility, viability and economic return of the Assets;

(e) **(own evaluation)** has made and is relying on its own independent investigation, analysis and evaluation of the information provided by the Seller and of other information which it considers relevant; and

(f) **(satisfied)** has satisfied itself in relation to matters revealed, or which should have been revealed had reasonable care and due diligence been exercised, by its inquiries, investigation, analysis and evaluation.

16. **(Consideration Shares rank equally)** On their issue at Completion, the Consideration Shares will rank on an equal footing in all respects with the then existing issued shares of that class in the capital of the Buyer and will be freely transferrable without any restriction.

Schedule 7

(Clause 1.1 – Non-Tenement Assets)

EQUIPMENT

DESCRIPTION
• Sokkia GPS mapping system
• 6 satellite phones
• CSI Wireless DGPS MAX Differential Receiver
• Plan printer
• 2004 Toyota Landcruiser (rego no. 261-KOU)
• 2003 Toyota Landcruiser (rego no. 812-KFN)
• 5 room drill core sample storage unit at Alice St, Cloncurry
• Storage shed at Kuridala Camp
• Personal Computer - Black tower server HP V220 20" widescreen monitor, keyboard and mouse, Belecon dongle port
• Personal Computer - Core II Duo, 3Gb, 500Gb, super drive, HP Pavillion tower, serial no. AUD82107WT, Digitor 17" flat panel monitor, keyboard and mouse
• Personal Computer - Core II Duo, 2Gb, 500Gb, super drive HP Pavillion tower, serial no. AUD81304RP, HP V220 20" widescreen flat panel monitor
• Personal Computer - Asus black tower server, Benq FP767-12 17" flat panel monitor, keyboard and mouse
• Personal Computer - Antec tower server case, Benq FP767 17" flat panel monitor, keyboard and mouse
• Xplorpac dongle
• G-Pick dongle

EXECUTED as an agreement.

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

SIGNED for **MATRIX METALS LIMITED (IN LIQUIDATION) (RECEIVERS & MANAGERS APPOINTED) ABN 42 082 593 235**, by its duly authorised agent, in the presence of:

Signature of agent

Signature of witness

Vincent Smith

Name

Andrew Howie

Name

EXECUTED by **QUEENSLAND MINING CORPORATION LIMITED ABN 61 109 962 469** in the presence of:

Signature of director

Signature of director/secretary

Full name

Full name

EXECUTED as an agreement.

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

SIGNED for **MATRIX METALS LIMITED (IN LIQUIDATION) (RECEIVERS & MANAGERS APPOINTED) ABN 42 082 593 235**, by its duly authorised agent, in the presence of:

Signature of agent

Signature of witness

Name

Name

EXECUTED by **QUEENSLAND MINING CORPORATION LIMITED ABN 61 109 962 469** in the presence of:

H V Renshaw

Signature of director

Howard V. Renshaw

Full name

Signature of ~~director~~/secretary

Richard K Hill

Full name

Execution Version

Deed of Variation to Asset Sale Agreement

Matrix Metals Limited (In Liquidation) (Receivers and Managers appointed)
ABN 42 082 593 235

Queensland Mining Corporation Limited
ABN 61 109 962 469

Blake Dawson

Level 32, Exchange Plaza
2 The Esplanade
Perth WA 6000
Australia
T 61 8 9366 8000
F 61 8 9366 8111

Reference
MRW PSAR 09 2005 8416

Contents

Deed of Variation to Asset Sale Agreement

DATE 24th December 2009

PARTIES

Matrix Metals Limited (In Liquidation) (Receivers and Managers appointed)
ABN 42 082 593 235 (**Seller**)

Queensland Mining Corporation Limited
ABN 61 109 962 469 (**Buyer**)

RECITALS

A. The Buyer and the Seller have entered into the Asset Sale Agreement.

B. The Seller enters into this agreement pursuant to the powers conferred on a liquidator by Law.

C. The Buyer and the Seller wish to amend the Asset Sale Agreement in the manner set out in this document.

OPERATIVE P OVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Asset Sale Agreement means the agreement dated 18 December 2009 between the Buyer and the Seller for the sale of the Assets.

Authorisation means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Effective Date means the date of this document.

Government Agency means:

(a) a government or government department or other body;

(b) a governmental, semi–governmental or judicial person including a statutory corporation; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

Law includes:

(a) any law, regulation, authorisation, ruling, judgment, order or decree of any Government Agency; and

(b) any statute, regulation, proclamation, ordinance or by-law in:

(i) Australia; or

(ii) any other jurisdiction.

1.2 Terms defined in the Asset Sale Agreement

A term (other than a term defined in clause 1.1) that is defined in the Asset Sale Agreement (as amended by this document) has the same meaning in this document.

1.3 Rules for interpreting this document

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re–enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech for that word has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) A reference to **information** is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programs, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets.

(g) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(h) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.

1.4 Non Business Days

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

2. CONSIDERATION

Each party acknowledges that it has received valuable consideration for entering into this document.

3. AMENDMENT

3.1 Amendment to Asset Sale Agreement

(a) With effect on and from the Effective Date, Schedule 1 of the Asset Sale Agreement is substituted in its entirety with Schedule 1 of this document.

(b) Paragraph (a) does not affect any right or obligation of either party that arises before the Effective Date.

3.2 Effect of amendment

(a) Except as expressly amended by this document, the Asset Sale Agreement is confirmed and remains in full force and effect.

(b) With effect on and from the Effective Date, the Asset Sale Agreement will be read and construed as amended by this document.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and warranties of Buyer

The Buyer represents and warrants that:

(a) **(status)** it is a company duly incorporated under the laws of the jurisdiction in which it is registered;

(b) **(power)** it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that it contemplates;

(c) (**corporate authority**) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and to carry out the transactions contemplated;

(d) (**Authorisations**) it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this document and to carry out the transactions that it contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business as it is now being conducted,

and it is complying with any conditions to which any of these Authorisations is subject;

(e) (**document effective**) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(f) (**no contravention**) neither its execution of this document, nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any agreement binding on it or any of its property; or

(iv) contravene its constitution or the powers or duties of its directors;

(g) (**commercial benefit**) the execution by it of this document, and the carrying out by it of the transactions that this document contemplates, is for its corporate benefit and in its commercial interests;

(h) (**solvency**) there are no reasonable grounds to suspect that it will not be able to pay its debts as and when they become due and payable; and

(i) (**no trust**) it is not entering into this document as trustee of any trust or settlement.

4.2 Representations and warranties of Seller

The Seller represents and warrants that it has full legal capacity and power to enter into this document and to carry out the transactions that it contemplates.

4.3 Reliance on representations and warranties

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that it contemplates in reliance on the representations and warranties that are made in this clause 4.

5. NOTICES

5.1 Addresses

All notices, demands or other communications required or permitted to be given or made under this document must be in writing and delivered personally or sent by prepaid registered post or by facsimile addresses to the intended recipient at their address or facsimile number set out below (or to such other address or telefax number as any party may from time to time notify the others):

Seller

Address:	The Ernst & Young Building, 11 Mounts Bay Road, Perth WA 6000
Fax number:	+ 61 8 9429 2192
Attention:	Mr Vince Smith

Buyer

Address:	Level 24, 56 Pitt Street, Sydney NSW 2000
Fax number:	+ 61 2 9247 4844
Attention:	Mr Howard Renshaw

5.2 Deemed delivery

Any such notice, demand or communication shall be deemed to have been duly served (if given or made by telefax) immediately or (if given or made by letter) seven days after posting or after it has been sent by prepaid first class courier and in providing the same it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted by certified or registered mail or sent by courier.

6. GENERAL

6.1 Governing law

(a) This document is governed by the laws of the State of Western Australia.

(b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this document.

6.2 Liability for expenses

Each party must pay its own expenses incurred in negotiating, executing, stamping and registering this document.

6.3 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

6.4 Waiver of rights

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right or as an estoppel precluding enforcement of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

6.5 Operation of this document

(a) Subject to paragraph (b), this document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

6.6 Exclusion of contrary legislation

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

6.7 Amendment

This document can only be amended or replaced by another document signed by the parties.

6.8 Counterparts

This document may be executed in counterparts.

6.9 Attorneys

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

Schedule 1

(Clause 1.1 - Tenements)

TENEMENTS

Tenement Number	Name	Seller interest	Date granted	Expiry Date	Sub-blocks	Area (Ha)	Approximate Area (km^2)	Prescribed Amount ($)	Essential Asset (Y/N)
Exploration permits for minerals									
14148	White Range #1	100%	19-Oct-04	18-Oct-08[i]	32		102.6	57,100	N
14163	White Range #2	100%	19-Oct-04	18-Oct-09	8		25.66	24,200	N
14475	White Range #4	100%	27-Jun-05	26-Jun-10	11		35.32	33,400	N
15031	White Range #6	100%	16-Feb-06	15-Feb-11	4		12.81	12,100	N
15196	Mt Tracey	100%	09-Mar-07	08-Mar-12	72		230.20	9,100	N
15520	Top Bore	100%	02-May-07	01-May-12	86		274.80	10,900	N
15858	Sunny Mount	100%	23-Oct-08	22-Oct-13	10		32.09	30,300	N
15859	Split Rock	100%	08-Nov-07	07-Nov-12	12		38.49	20,000	N
15897	White Range Consolidated	100%	23-Oct-08	23-Oct-13	24		76.96	42,900	N

[i] Renewal application has been lodged.

Tenement Number	Name	Seller interest	Date granted	Expiry Date	Sub-blocks	Area (Ha)	Approximate Area (km^2)	Prescribed Amount ($)	Essential Asset (Y/N)
Mineral development licences									
204	Copper Canyon	100%	08-Nov-96	30-Nov-11	n/a	1,920.10	19.20	84,500	Y
205	Greenmount	100%	08-Nov-96	30-Nov-11	n/a	2,627.14	26.27	115,500	Y
Mining Leases									
2519	Vulcan	100%	22-Nov-73	30-Nov-08[ii]	n/a	4.05	0.04	300,000	N
90081	Hampden Copper	100%, up to depth of 100m, 0% below 100m	22-Aug-96	31-Aug-06[iii]	n/a	1,247.00[iv]	12.47	1,425,000	Y
90082	Mt McCabe	100%.	23-May-96	31-May-06[v]	n/a	272.50	2.73	400,000	N
90134	Greenmount	100%	10-Jun-04	30-Jun-14	n/a	1,207.10	12.07	1,375,000	Y
Mining Lease Application									
90161	Phil's Find[1]	100%	In application	n/a	n/a	171.17	1.71	50,000	Y

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ii Renewal application has been lodged.

iii Renewal application has been lodged.

iv Surface area is 271.6395ha. An application has been submitted for additional surface area. This application will automatically follow the mining lease and is not separately listed.

v Renewal application has been lodged.

EXECUTED as a deed.

SIGNED for **MATRIX METALS LIMITED (IN LIQUIDATION) (RECEIVERS & MANAGERS APPOINTED) ABN 42 082 593 235**, by its duly authorised agent, in the presence of:

Mark Summers

Signature of agent

MARK DAVID SUMMERS

Signature of witness

Name Vincent Smith

EXECUTED by **QUEENSLAND MINING CORPORATION LIMITED ABN 61 109 962 469** in the presence of:

Signature of director

Signature of director/secretary

Full name

Full name

EXECUTED as a deed.

SIGNED for **MATRIX METALS LIMITED (IN LIQUIDATION) (RECEIVERS & MANAGERS APPOINTED) ABN 42 082 593 235**, by its duly authorised agent, in the presence of:

Signature of agent

Signature of witness

Name

EXECUTED by **QUEENSLAND MINING CORPORATION LIMITED ABN 61 109 962 469** in the presence of:

Signature of director

Signature of director/secretary

acting

HOWARD V. RENSHAW

Full name

CLEMENT ANTHONY GYLE

Full name

Deed of Variation to Asset Sale Agreement

Matrix Metals Limited (In Liquidation) (Receivers and Managers appointed)
ABN 42 082 593 235

Queensland Mining Corporation Limited
ABN 61 109 962 469

Blake Dawson

Level 32, Exchange Plaza
2 The Esplanade
Perth WA 6000
Australia
T 61 8 9366 8000
F 61 8 9366 8111

Reference
DRD PSAR 09 2005 8416

Contents

Deed of Variation to Asset Sale Agreement

DATE 15 July 2010

PARTIES

Matrix Metals Limited (In Liquidation) (Receivers and Managers appointed)
ABN 42 082 593 235 (**Seller**)

Queensland Mining Corporation Limited
ABN 61 109 962 469 (**Buyer**)

RECITALS

A. The Buyer and the Seller have entered into the Asset Sale Agreement.

B. The Seller enters into this document pursuant to the powers conferred on a liquidator by Law.

C. The Buyer and the Seller wish to amend the Asset Sale Agreement in the manner set out in this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Asset Sale Agreement means the agreement dated 18 December 2009 (as amended by the deed of variation dated 24 December 2009) between the Buyer and the Seller for the sale of the Assets.

Authorisation means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Effective Date means the date of this document.

Government Agency means:

(a) a government or government department or other body;

(b) a governmental, semi–governmental or judicial person including a statutory corporation; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

Law includes:

(a) any law, regulation, authorisation, ruling, judgment, order or decree of any Government Agency; and

(b) any statute, regulation, proclamation, ordinance or by-law in:

(i) Australia; or

(ii) any other jurisdiction.

1.2 Terms defined in the Asset Sale Agreement

A term (other than a term defined in clause 1.1) that is defined in the Asset Sale Agreement (as amended by this document) has the same meaning in this document.

1.3 Rules for interpreting this document

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re–enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech for that word has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) A reference to **information** is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programs, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets.

(g) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(h) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.

1.4 Non Business Days

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

2. ACKNOWLEDGEMENTS

(a) Each party acknowledges that it has received valuable consideration for entering into this document.

(b) The Buyer acknowledges that the Seller is ready, willing and able to Complete on and following the date of this document.

3. AMENDMENT

3.1 Completion Date

Clause 1.1 of the Asset Sale Agreement is amended by deleting the definition of "Completion Date" and inserting the following new definition:

> **Completion Date** means 16 July 2010 or such other date as may be agreed by the parties in writing.

3.2 Nominal Share Consideration

Clause 1.1 of the Asset Sale Agreement is amended by deleting the definition of "Nominal Share Consideration".

3.3 Nominees

The Asset Sale Agreement is amended by inserting a new clause 2.3 as follows:

> **2.3 Nominees**
>
> (a) Subject to clause 2.3(b), the Buyer may nominate one or more wholly owned subsidiaries of the Buyer (**Nominees**) as transferees of part or all of the Assets (other than the Seller's right, title and interest in the Joint Venture) at Completion by notice in writing to the Seller at least 2 Business Days before the Completion Date. The notice must state the identity of the Nominees.
>
> (b) If the Buyer nominates one or more Nominees in accordance with clause 2.3(a):
>
> (i) it will continue to be bound by all of the obligations of the Buyer under this document and will not be released from any such obligations or liabilities (provided that the Buyer

will not be in breach of this document for failing to discharge an obligation of the Buyer under this document if the Nominee fully discharges that obligation);

(ii) notwithstanding any other provision of this document, the Buyer must not make any claim that could result in the liability of the Seller, the Liquidators or their respective Representatives being greater than it would have been if the Buyer had not exercised its nomination rights under clause 2.3(a);

(iii) on or before Completion, the Buyer must procure the Nominees to enter into a deed poll given in favour of the Seller, the Liquidators and their respective Representatives on terms reasonably acceptable to the Seller by which the Nominees covenant not to seek any remedy from, or to recover against, the Seller, the Liquidators or their respective Representatives under, or in respect of:

(A) this document;

(B) any other agreement associated with or related to this document (or the transactions contemplated by this document); or

(C) the execution of this document or any other agreement, deed, instrument, transaction or document executed in connection with or as contemplated by this document;

or in connection with the exercise by the Liquidators of any of their powers and authorities (including their power of sale); and.

(c) This clause 2.3 is not intended to derogate from the Buyer's right to make a Buyer Claim under the document, and for this purpose (but no other purpose) the Seller acknowledges and agrees that the Buyer may make a Buyer Claim for losses incurred in relation to Assets held by the Nominees, or any one or more of them, as though the Buyer was the holder of the relevant Assets. For the avoidance of doubt, clause 11 of this document applies to any such Buyer Claim.

(d) Clause 2.3(b) survives termination of this document.

3.4 Purchase Price

Clause 3.1(d) of the Asset Sale Agreement is amended by deleting the words "the Nominal Share Consideration" and replacing them with "$2,500,000".

3.5 Consideration Shares

Clause 3.4(a) of the Asset Sale Agreement is amended by deleting the word "up" and replacing it with "equal".

3.6 Cash Adjustment for Consideration Shares

Clause 7.6 of the Asset Sale Agreement is to be deleted and replaced by the following:

7.6 Cash adjustment for Consideration Shares

If the Buyer issues Consideration Shares to the Seller in accordance with clause 6.5(b), then the following sub-clauses apply:

(a) on or before each of the following dates:

(i) 16 August 2010;

(ii) 16 September 2010;

(iii) 16 October 2010;

(iv) 16 November 2010; and

(v) 16 December 2010,

the Buyer has the option to pay $500,000 to the Seller, or as the Seller may direct by notice to the Buyer, by bank cheque or in any other form the parties agree on in writing, towards satisfaction of the Purchase Price;

(b) if the Buyer makes a payment in accordance with clause 7.6(a), the Seller will not dispose of a number of Consideration Shares whose value is equal to the payment made by the Buyer;

(c) if the Buyer does not make a payment in accordance with clause 7.6(a) on or before a date as set out in that clause, the Seller is permitted to engage the Sale Nominee to manage the sale of $500,000 worth of Consideration Shares immediately on and from that date on a best endeavours basis and on commercial terms;

(d) if the Seller is dissatisfied with the rate of disposal of Consideration Shares by the Sale Nominee, the Seller may:

(i) give notice to the Buyer that it intends to appoint an alternate agent to manage the sale of those Consideration Shares; and

(ii) seven days after giving notice in accordance with clause 7.6(d)(i), appoint an alternate agent to manage the sale of the Consideration Shares on terms that the alternate agent must dispose of those Consideration Shares in an orderly manner;

(e) promptly after the last date set out in clause 7.6(a), the Seller must account to the Buyer in writing for the proceeds received from the sale of any Consideration Shares (net of any brokerage and duty, and any other selling costs, taxes and charges) (**Consideration Shares Sale Proceeds**);

(f) if the aggregate of the Consideration Shares Sale Proceeds and any payments made in accordance with clause 7.6(a) is less than $2,500,000 (such difference being referred to as the **Shortfall**), the Seller is permitted to engage the Sale Nominee to manage the sale of a number of Consideration Shares, the proceeds of which (net of any brokerage and duty, and any other selling costs, taxes and charges) produce an amount up to the Shortfall;

(g) if the net proceeds of the Consideration Shares disposed of pursuant to clause 7.6(f) is less than the Shortfall, the Buyer must pay a cash amount equivalent to that difference to the Seller within 10 Business Days of the Seller notifying the Buyer of that difference; and

(h) if:

(i) the Buyer has paid to the Seller $2,500,000 in accordance with clause 7.6(a); or

(ii) after the disposal of Consideration Shares in accordance with clause 7.6(f), the Seller continues to hold some Consideration Shares,

the Seller will deal with any Consideration Shares it continues to hold in accordance with the lawful direction of the Buyer, provided that no costs or other Liabilities are incurred by the Seller and the Buyer indemnifies the Seller and the Liquidators against any Loss associated with, arising from, or incurred in connection with, the Seller complying with the direction of the Buyer in accordance with this clause 7.6(h).

3.7 Contracts and Native Title Agreements

Schedule 3 and Schedule 4 of the Asset Sale Agreement are substituted in their entirety with Schedule 1 and Schedule 2 (respectively) of this document.

3.8 Effect of amendments

(a) Clauses 3.1, 3.2, 3.3, 3.4, 3.5, 3.6 and 3.7 do not affect any right or obligation of either party that arises before the Effective Date.

(b) Except as expressly amended by this document, the Asset Sale Agreement is confirmed and remains in full force and effect.

(c) With effect on and from the Effective Date, the Asset Sale Agreement will be read and construed as amended by this document.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and warranties of the Buyer

The Buyer represents and warrants that:

(a) **(status)** it is a company duly incorporated under the laws of the jurisdiction in which it is registered;

(b) **(power)** it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that it contemplates;

(c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its entry into this document and to carry out the transactions contemplated;

(d) **(Authorisations)** it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this document and to carry out the transactions that it contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business as it is now being conducted,

and it is complying with any conditions to which any of these Authorisations is subject;

(e) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(f) **(no contravention)** neither its execution of this document, nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any agreement binding on it or any of its property; or

(iv) contravene its constitution or the powers or duties of its directors;

(g) **(commercial benefit)** the execution by it of this document, and the carrying out by it of the transactions that this document contemplates, is for its corporate benefit and in its commercial interests;

(h) **(solvency)** there are no reasonable grounds to suspect that it will not be able to pay its debts as and when they become due and payable; and

(i) **(no trust)** it is not entering into this document as trustee of any trust or settlement.

4.2 Representations and warranties of the Seller

The Seller represents and warrants that it has full legal capacity and power to enter into this document and to carry out the transactions that it contemplates.

4.3 Reliance on representations and warranties

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that it contemplates in reliance on the representations and warranties that are made in this clause 4.

5. NOTICES

5.1 Addresses

All notices, demands or other communications required or permitted to be given or made under this document must be in writing and delivered personally or sent by prepaid registered post or by facsimile addresses to the intended recipient at their address or facsimile number set out below (or to such other address or telefax number as any party may from time to time notify the others):

Seller
Address: The Ernst & Young Building, 11 Mounts Bay Road, Perth WA 6000
Fax number: + 61 8 9429 2192
Attention: Mr Vince Smith

Buyer
Address: Level 24, 56 Pitt Street, Sydney NSW 2000
Fax number: + 61 2 9251 6730
Attention: Mr Howard Renshaw

5.2 Deemed delivery

Any such notice, demand or communication shall be deemed to have been duly served (if given or made by telefax) immediately or (if given or made by letter) seven days after posting or after it has been sent by prepaid first class courier and in providing the same it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted by certified or registered mail or sent by courier.

6. GENERAL

6.1 Governing law

(a) This document is governed by the laws of the State of Western Australia.

(b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this document.

6.2 Liability for expenses

Each party must pay its own expenses incurred in negotiating, executing, stamping and registering this document.

6.3 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

6.4 Waiver of rights

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right or as an estoppel precluding enforcement of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

6.5 Operation of this document

(a) Subject to paragraph (b), this document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

6.6 Exclusion of contrary legislation

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

6.7 Amendment

This document can only be amended or replaced by another document signed by the parties.

6.8 Counterparts

This document may be executed in counterparts.

6.9 Attorneys

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

Schedule 1

CONTRACTS

No.	**Contract description**	**Prescribed Amount ($)**
1.	**General**	
1.1	Exploration Joint Venture Agreement between Orion Gold and the Seller dated 29 November 2006, under which the Seller has earned a 51% interest in EPM's 13625 (Top Camp, 58 sub-blocks) and 13922 (Iron Ridge, 20 sub-blocks) which are under conditional surrender pending replacement by EPM 17602 (Top Camp, 78 sub-blocks) which is currently in application	645,000
1.2	Tenement Swap Deed between the Seller and Exco Resources NL (ABN 99 080 339 671) dated 29 January 2007 varied by an Amendment Deed dated 10 September 2007, under which the Seller has a 100% interest in certain sub-blocks within EPM's 13091 (Notlor, 8 sub-blocks) and 15740 (Kuridala, 83 sub-blocks)	100,000
2.	**Royalty agreements**	
2.1	Option to Purchase Interest In Hampden Kilometre Surface Area between Metana Minerals NL (ACN 000 829 130) (subsequently renamed Gold Mines of Australia (WA) NL) and UAL Pty Ltd (ACN 008 755 155) dated 23 November 1993 and Letter of Covenant between Base Metals of Australia NL (ACN 064 698 504) and UAL Pty Ltd (ACN 008 755 155) dated 8 December 1995 both assigned as contemplated in the Deed of Assumption between Majestic Resources NL (ACN 050 541 332), the Seller, Base Metals of Australia NL (ACN 064 698 504) and Selwyn Queensland Pty Ltd (ACN 089 594 374) dated 7 March 2001 and the Novation Deed between Selwyn Queensland Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 089 594 374), the Seller and Ivanhoe Cloncurry Mines Pty Ltd (ACN 106 255 216) dated 24 May 2004 varied by a Variation Deed dated 18 March 2005	Nil
2.2	Sale Agreement between William Australia Pty Limited (ACN 010 593 352), the Seller and Majestic Resources NL (ACN 050 541 332) dated 15 May 2000	Nil
2.3	Letter agreement (Finder's Fee for Identifying Native Copper Location - Wally's Find) between the Seller and Wally Robertson dated 17 October 2007	
3.	**Compensation Agreements**	
3.1	Compensation Agreement between Archibald James Macdonald (**Macdonald**) and the Seller dated 25 August 2005 (in respect of MLA 90161)	Nil
3.2	Compensation Agreement between Macdonald and Majestic Resources NL (in respect of ML 90134)	Nil

No.	Contract description	Prescribed Amount ($)
3.3	Compensation Agreement between Macdonald and the Seller (in respect of ML 90081)	Nil
3.4	Compensation Agreement between Macdonald and Majestic Resources (in respect of ML 2519)	Nil

Schedule 2

NATIVE TITLE AGREEMENTS

No.	Contract description
1.	Ancillary Agreement EPM 11035 between Kalkadoon People and the Seller dated 1 July 2005
2.	Ancillary Agreement between Kalkadoon People and the Seller dated 23 July 2004 (in respect of EPMs 14148 and 14163)
3.	Ancillary Agreement between Mitakoodi People and the Seller dated 28 June 2004 [in relation to EPMs 14163, 14148 and 14475 only]
4.	Ancillary Agreement between Mitakoodi People and the Seller dated 23 November 2004 (in respect of EPM 11035)
5.	Ancillary Agreement between Mitakoodi People and the Seller dated 13 June 2005 (in respect of EPM 14772)
6.	Ancillary Agreement between Mitakoodi People and the Seller dated 2 September 2005 (in respect of EPM 15031)
7.	Ancillary Agreement between Mitakoodi People and the Seller dated 2 April 2006 (in respect of EPM 15196)
8.	Ancillary Agreement between Mitakoodi People and the Seller dated 5 February 2007 (in respect of EPM 15520)
9.	Deed regarding the Inclusion of Excluded Land into an Exploration Permit(s) between The State of Queensland and Mitakoodi People and Kalkadoon People and the Seller dated 9 June 2005 (in respect of EPM 11035)
10.	Deed regarding the Grant and Renewal(s) of Exploration Permit between The State of Queensland and Mitakoodi People and the Seller dated 7 April 2005 (in respect of EPM 14475)
11.	Deed regarding the Grant of Exploration Permit(s) between The State of Queensland and Mitakoodi People and the Seller (in respect of EPM 14772)
12.	Deed regarding the Grant of Exploration Permit(s) between The State of Queensland and Mitakoodi People #3 and the Seller (in respect of EPM 15196)
13.	Exploration Agreement between The Kalkadoon People and the Seller (EPMs 15005, 15196, 15251, 15520, 15858, 15859 and 15897) dated 3 April 2007. [In relation to EPMs 15196, 15520, 15858, 15859 and 15897 only.]
14.	Deed regarding the Grant of Exploration Permits between the State of Queensland, Mitakoodi & Mayi People and the Seller (in respect of EPM 15858 and EPM 15897)

No.	Contract description
15.	Native Title and Heritage Protection Agreement between the Seller and Pearl Connelly on behalf of the Mitakoodi and Mayi People (in respect of EPM 15858 & 15897)
16.	Mining Agreement for ML 90134 between Mitakoodi People and the Seller dated 8 October 2003
17.	Resource and Infrastructure Agreement for The White Range Project between Mitakoodi People and the Seller dated 1 November 2004

EXECUTED as a deed.

SIGNED for **MATRIX METALS LIMITED (IN LIQUIDATION) (RECEIVERS & MANAGERS APPOINTED) ABN 42 082 593 235**, by its duly authorised agent, in the presence of:

Signature of witness	Signature of agent
Tae Royle	VINCENT SMITH
Full name	Full name

EXECUTED by **QUEENSLAND MINING CORPORATION LIMITED ABN 61 109 962 469** in the presence of:

Signature of director	Signature of director/secretary
HOWARD. V. RENSHAW	Richard L.S. Hill
Full name	Full name