

Queensland



MOUNT ISA MINES LIMITED AGREEMENT ACT 1985

**Reprinted as in force on 30 May 1997
(includes amendments up to Act No. 29 of 1997)**

**Reprint No. 1A
2nd revised edition**

**This reprint is prepared by
the Office of the Queensland Parliamentary Counsel
Warning—This reprint is not an authorised copy**

Information about this reprint

This Act is reprinted as at 30 May 1997. The reprint shows the law as amended by all amendments that commenced on or before that day (Reprints Act 1992 s 5(c)).

The reprint includes a reference to the law by which each amendment was made—see list of legislation and list of annotations in endnotes.

Minor editorial changes allowed under the provisions of the Reprints Act 1992 have been made to use aspects of format and printing style consistent with current drafting practice (s 35).

This page is specific to this reprint. See previous reprint for information about earlier changes made under the Reprints Act 1992. A table of earlier reprints is included in the endnotes.

Also see endnotes for information about—

- **when provisions commenced**
- **editorial changes made in earlier reprint.**

Dates shown on reprints

Reprints dated at last amendment All reprints produced on or after 1 July 2002, hard copy and electronic, are dated as at the last date of amendment. Previously reprints were dated as at the date of publication. If a hard copy reprint is dated earlier than an electronic version published before 1 July 2002, it means the legislation was not further amended and the reprint date is the commencement of the last amendment.

If the date of a hard copy reprint is the same as the date shown for an electronic version previously published, it merely means that the electronic version was published before the hard copy version. Also, any revised edition of the previously published electronic version will have the same date as that version.

Replacement reprint date If the date of a hard copy reprint is the same as the date shown on another hard copy reprint it means that one is the replacement of the other.

Revised edition indicates further material has affected existing material. For example—

- a correction
- a retrospective provision
- other relevant information.

Note—see endnote 6 for list of legislation for variation of agreement in the schedule to the Act.

Queensland



MOUNT ISA MINES LIMITED AGREEMENT ACT 1985

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MOUNT ISA MINES LIMITED AGREEMENT ACT 1985

[as amended by all amendments that commenced on or before 30 May 1997]

An Act with respect to the ratification of an agreement entered into for and on behalf of the State of Queensland with Mount Isa Mines Limited and for associated and consequential purposes

1 Short title

This Act may be cited as the *Mount Isa Mines Limited Agreement Act 1985*.

1A Definitions

In this Act—

“**agreement**” means the agreement made 14 February 1985 between the State and Mount Isa Mines Limited, a copy of which is in schedule 1.

“**formal agreement**” means the agreement as varied under an Act.

2 Ratification of agreement

The agreement is ratified and approved.

2A Ratification of 1997 agreement

(1) The agreement made 9 May 1997 between the State and Mount Isa Mines Limited varying the agreement is ratified and approved.

(2) A copy of the varying agreement is in schedule 2.

3 Variation of formal agreement by agreement

(1) The formal agreement may be varied by a further agreement between the Minister and Mount Isa Mines Limited.

(2) The Minister may make a further agreement only if the proposed further agreement has been approved by regulation.

(3) The Minister must notify the date of the making of the further agreement by gazette notice.

3A Effect of formal agreement

(1) The formal agreement has the force of law and takes effect as if its provisions were expressly enacted in this Act.

(2) If there is an inconsistency between the formal agreement and another Act or law, the formal agreement prevails to the extent of the inconsistency.

(3) However, if the formal agreement is varied by a further agreement that has been approved by regulation, subsection (2) only applies to an inconsistency between the agreement as approved by regulation and an instrument made under another Act.

4 Parliament not restricted

Nothing contained in this Act or in the formal agreement shall be construed to restrict the Parliament in making laws that affect the rights and obligations of the parties to that agreement or to any agreements made under such agreement or any variation thereof.

6 Certain instruments exempt from stamp duty

If upon production to the commissioner of stamp duties of an instrument referred to in this section the commissioner of stamp duties is satisfied that—

- (a) the instrument is the formal agreement, or a copy thereof; or
- (b) the instrument is an agreement varying the formal agreement, or a copy thereof;

the instrument is exempt from stamp duty under the *Stamp Act 1894*.

7 Regulation making power

(1) The Governor in Council may make regulations under this Act.

(2) For the purposes of subsection (1), a mention in the formal agreement of an order in council is taken to be a mention of a regulation.

SCHEDULE 1¹**MOUNT ISA MINES LIMITED AGREEMENT**

section 2

THIS AGREEMENT is made the fourteenth day of February, 1985, between THE STATE OF QUEENSLAND (hereinafter called “the State”) of the First Part and MOUNT ISA MINES LIMITED a company incorporated in Queensland whose registered office is at 160 Ann Street, Brisbane, Queensland (hereinafter with its successors and permitted assigns called “the Company”) of the Second Part.

WHEREAS in circumstances that now are part of the economic and social history of Queensland the undertakings and activities of the Company on below and above the surface of lands of the State in that region known now as the Mount Isa Mining District have come to be unique of large scale and of diverse scope,

AND WHEREAS the Company holds many different tenures over those lands which tenures have been granted over many years pursuant to the *Mining Act of 1898*, the *Miners’ Homestead Leases Act of 1913* and the *Mining Act of 1968* (each such Act as amended from time to time) the tenures being expressed to be for varying purposes and terms,

AND WHEREAS all such tenures being held for the purposes of the one integrated Company operation, the State and the Company have seen merits for each in replacing the many present tenures with one which allows, *inter alia*, for all existing undertakings and activities of such operation plus presently foreseeable possible growth in the same,

AND WHEREAS having regard to the foregoing and to the interaction of such operation with functions of government and government agencies in the area and to other incidental matters

IN WITNESS WHEREOF the parties have executed this Agreement the day and year herein before written.

1 Consistent with the provisions of the Act, this schedule only contains the proposed agreement authorised to be entered into by the Act as originally enacted. It does not purport to be either the agreement actually entered into or that agreement as amended from time to time.

SCHEDULE 1 (continued)

SIGNED by IVAN JAMES GIBBS the Minister)
 for Mines of the State of Queensland for and on) IVAN J.
 behalf of the State of Queensland in the presence of:) GIBBS
 J. T. WOODS J. P., A Justice of the Peace)
 SIGNED for and on behalf of MOUNT ISA MINES)
 LIMITED by JOHN MIDDLELIN, Executive Director,) J. MIDDLELIN
 under authority of a Resolution of the Board of)
 Directors in the presence of: L. J. ROGERS (Solicitor))

PART I—PRELIMINARY

NOW THEREFORE IT IS HEREBY AGREED as follows:—

1. This Agreement shall be divided into Parts as follows:—

PART I—PRELIMINARY;

PART II—PROVISIONS RELATING TO THE MINING LEASE
AND RELATED MATTERS;

PART III—PROVISIONS RELATING TO WATER, DAMS,
RESERVOIRS AND PIPELINES, AND ELECTRICITY
DISTRIBUTION;

PART IV—GENERAL.

2. In this Agreement unless the context otherwise requires the general terms following shall have the meanings respectively assigned to them—

“**the Act**” means the *Mount Isa Mines Limited Agreement Act 1985*.

“**Company**” means Mount Isa Mines Limited, its successors and permitted assigns.

“**Electricity Act**” means the *Electricity Act 1976–1984*.

“**Land Act**” means the *Land Act 1962–1984*.

SCHEDULE 1 (continued)

“Mining Tenements” means those lands described in Schedule E to this Agreement being lands which are held, used, occupied or enjoyed or, as the case may be, have been applied for by the Company pursuant to any Act relating to mining.

“Minister” means the Minister of the Crown for the time being charged with the administration of the *Mining Act 1968–1983*.

“NORQEB” means the North Queensland Electricity Board or its successor distributor of electricity in the Mount Isa area pursuant to the Electricity Act.

“the Mining Lease” means Mining Lease No. 8058, Mount Isa Mining District, to be granted in accordance with Clause 1 of Part II of this Agreement.

“The State” means the State of Queensland.

“Water Act” means the *Water Act 1926–1983*.

“Water Board” means the Mount Isa Water Board constituted under the Water Act.

3. In this Agreement unless the context otherwise requires—

- (a) the singular includes the plural and the plural includes the singular; and
- (b) any reference to any Act or Acts shall include that Act or those Acts and any Act amending the same or in substitution therefor.

4.(1) This Agreement is made subject to approval and ratification by the Parliament of the State of Queensland expressed in an Agreement Act to be enacted during the sittings of Parliament to be held immediately following the execution hereof or such subsequent sittings as may be practicable and agreed upon by the parties hereto.

(2) The State agrees that the Government of the State of Queensland shall as soon as practicable after the execution of this Agreement introduce into and sponsor in the Parliament of the State a Bill in the form initialed by or on behalf of the parties hereto for an Act to be intituled “the *Mount Isa Mines Limited Agreement Act 1985*” to approve and ratify this

SCHEDULE 1 (continued)

Agreement in all respects in the form executed by the parties hereto and to provide for carrying this Agreement into effect.

5. If the Bill referred to in sub-clause (2) of Clause 4 of this Part is not enacted by the Parliament of the State in the form initialed by or on behalf of the parties hereto or in such other terms as the parties hereto may agree in writing within the sittings provided for in sub-clause (1) of Clause 4 of this Part this Agreement will then cease and determine in which event neither party hereto will have any claim against the other with respect to any matter or thing arising out of, done, performed or omitted to be done or performed under this Agreement or in anticipation of the coming into force of this Agreement.

6. The State shall exempt this Agreement and any agreement whereby this Agreement is varied and copies thereof from stamp duty or similar duty.

7. Unless sooner terminated pursuant to Clause 3 of Part IV this Agreement shall be terminated by the Governor in Council by Order in Council as soon as may be practicable following the date of expiration, termination or surrender of the Mining Lease.

PART II—PROVISIONS RELATING TO THE MINING LEASE AND RELATED MATTERS

1. Subject to this Agreement and the Company making written request therefor, and upon the recommendation of the Minister, the Governor in Council shall grant to the Company Mining Lease No. 8058, Mount Isa Mining District over any land within the boundaries generally shown in Schedule A with surface area or surface areas within those boundaries and rights of way as generally shown in Schedule B, consequent upon survey as required by Clause 5 of this Part.

SCHEDULE 1 (continued)

2.(1) Upon the granting of the Mining Lease pursuant to Clause 1 of this Part, every right, title, estate or interest of the Company in the Mining Tenements or parts thereof within the boundaries of the Mining Lease, shall merge into and be extinguished by the Mining Lease and all rights and entitlements which thereafter but for this Agreement would have been held, used or enjoyed by the Company under any Act relating to mining in respect of the Mining Tenements shall cease and be of no force and effect so that thereafter the rights and entitlements of the Company under the Mining Lease shall be as set out in this Agreement.

(2) Where any of the Mining Tenements expire by the effluxion of time or otherwise after the making of this Agreement and before the grant of the Mining Lease pursuant to Clause 1 of this Part, such Mining Tenements shall be deemed to continue in force in accordance with the provisions of the *Mining Act 1968–1983* or other Acts relating to mining as are applicable thereto until the Mining Lease is granted or this Agreement is sooner terminated, and if so terminated, the Mining Tenements shall be deemed to continue in force as if a renewal had been sought subject to the provisions of the *Mining Act 1968–1983* or other Acts relating to mining as are applicable thereto as if this Agreement had not existed. Provided that rental payable in respect of any Mining Tenement deemed to continue in accordance with this Clause in respect of which rental is payable shall be at the rate applicable to all mining leases granted under the *Mining Act 1968–1983* as at the date on which the renewal of the term of the Mining Tenement in respect of which rental is payable would become effective but for the provisions of this Clause.

(3) Upon the granting of the Mining Lease any security deposits held in whatever form by the Minister in respect of any of the Mining Tenements shall be returned to the Company.

3. The Mining Lease shall subject to the provisions of this Part be for the purposes of—

- (a) exploring and mining for the minerals silver, lead, zinc, copper, silica and clay. Any such mineral or other mineral approved to be mined pursuant to the *Mining Act 1968-1983* shall for the purposes of this Agreement be referred to as a “designated mineral”;
- (b) treatment of the ore or any product of the ore of any designated mineral, or other mineral approved by the Minister, whether the

SCHEDULE 1 (continued)

ore was mined within the Mining Lease or elsewhere and whether such ore was mined by the Company or by some other person; “treatment” without limit to the generality of the meaning thereof includes crushing, sizing, beneficiating, concentrating, smelting, refining, alloying, casting and fabricating;

- (c) processing, manufacturing, stockpiling, storing, transporting or disposing of any product of such mining or treatment or by-product or waste product of such mining or treatment, or, processing of material useable in any such mining, treatment, processing or manufacturing;
- (d) manufacture, repair, rehabilitation or improvement of machinery, plant, tools, instruments or other equipment used in any operations within the scope of any of the aforesaid purposes;
- (e) research into and development of any matter or thing scientific, technological or otherwise related directly or indirectly to anything within the scope of the purposes of the Mining Lease;
- (f) cutting and constructing thereon dams, weirs, reservoirs, wells, waterchannels, aqueducts and pipe lines for pumping or raising water, and for all other purposes relating to the obtaining, storing, conveying, treatment, use or disposal of water;
- (g) production, transmission, use and sale of electricity;
- (h) provision by the Company or by any party authorised by it of facilities for use in sporting, cultural, educational, hobby or other leisure activities of employees of the Company or its contractors, or of local residents, tourists or other visitors, or, for the provision of amenities incidental to any such facility;
- (i) constructing, erecting or placing in or about the Mining Lease, and operating or permitting to be operated tramways, railways, conveyor belts and other ways or means of transport or conveyance and anything incidental thereto;
- (j) constructing, erecting, relocating or installing any works including but without limiting the generality thereof any plant, machinery or buildings, including buildings for accommodation of employees of the Company or of its contractors or consultants, or for accommodation of other invitees of the Company in connection with or incidental to any of the purposes

SCHEDULE 1 (continued)

abovementioned or to the provision of any services incidental to any such purpose;

- (k) quarrying rock, gravel or sand for use as fill material in mined out areas or in construction and maintenance of any works within the Mining Lease for any of the purposes abovementioned; and
- (l) any other purposes incidental to the foregoing or connected with the carrying out within the Mining Lease of any provision or purpose of this Agreement.

The said purposes shall be deemed during the period pending grant of the said Mining Lease to be purposes of the Mining Tenements.

4.(1) The Mining Lease shall be granted for an initial term of fifty (50) years from the first day of the month which next follows the day upon which it shall be granted, and shall be subject to—

- (a) the covenants and conditions applying to all mining leases as provided by the *Mining Act 1968–1983*, except where such covenants and conditions are varied by this Agreement;
- (b) the conditions set out in Schedule F to this Agreement; and
- (c) compliance with Clause 9 of this Part in respect of the Mining Plan.

The term shall be renewable from time to time for a further term in accordance with the provisions of Clause 6 of this Part.

(2) The Mining Lease shall be in the form set out in Schedule G.

5. Prior to the grant of the Mining Lease the Company shall—

- (a) cause to be lodged with the Minister a plan of survey and field notes prepared by a surveyor licensed by and in accordance with the provisions of the *Surveyors Act 1977–1983* showing the boundaries of the Mining Lease and any surface area or surface areas within those boundaries and rights of way;
- (b) comply with the provisions of Division IV of Part IV and Part XII of the *Mining Act 1968–1983* as regards the payment of compensation;

SCHEDULE 1 (continued)

- (c) submit to the Minister the first proposed mining plan for approval in accordance with Clause 9 of this Part; and
- (d) deposit with the Minister the initial sum of money or bond as required pursuant to Clause 10 of this Part.

6. If, on the request of the Company, the Minister is satisfied that the Company has complied substantially with its obligations pursuant to the Mining Lease and this Agreement, he shall grant to the Company a renewal of the Mining Lease for a further term not exceeding twenty-one (21) years or such lesser period as the Company may request upon the terms and conditions commonly included in mining leases at the date of such renewal and including such further terms and conditions as may be agreed upon between the Minister and the Company. Upon such renewal the Mining Lease shall remain subject to all sub-leases, mortgages, encumbrances, liens and other charges as existed prior to the expiration of the previous term. A request by the Company for such renewal shall be made to the Minister at least twelve (12) months but not more than five (5) years prior to the expiration of the term then current.

7.(1) The Company may at any time apply to the Minister for an area of surface to be included in the Mining Lease. If the Minister is satisfied that the Company has complied substantially with its obligations pursuant to the Mining Lease and this Agreement and the provisions of Division IV of Part IV and Part XII of the *Mining Act 1968–1983* as regards the payment of compensation, he shall recommend to the Governor in Council that such surface area be included in the Mining Lease.

(2) The provisions of Sections 21 CA and 124 of the *Mining Act 1968–1983* shall not apply.

8. The Company shall not be required to apply for or acquire a Permit to Enter in respect of any land which is private land within the meaning of Part XII of the *Mining Act 1968–1983* which is desired to be included at any time in the surface area of the Mining Lease.

9.(1) There shall be for the purposes of this Agreement a Mining Plan, prepared and approved as provided in this Clause, and the Company shall

SCHEDULE 1 (continued)

carry out purposes for which the Mining Lease is granted as set forth in Clause 3 of this Part on the area of the Mining Lease only in accordance with the Mining Plan.

(2) The Company shall from time to time submit to the Minister a proposed mining plan prepared in accordance with the special conditions of the Mining Lease: provided always that the Company shall submit a proposed mining plan at least three (3) months prior to the expiry of a current Mining Plan.

(3) Upon being satisfied that a proposed mining plan addresses the manner and method for carrying out purposes for which the Mining Lease is granted and such manner and method—

- (a) are in conformity with the provisions of this Agreement and the terms and conditions of the Mining Lease and the provisions of the *Mining Act 1968–1983* and the *Mines Regulation Act 1964–1983*;
- (b) shall adequately provide for the control of the impact on the environment of the operations to be carried out on the area of the Mining Lease, and for the satisfactory rehabilitation of any disturbed ground within the boundaries of the Mining Lease; and
- (c) shall not involve or require ongoing treatment or maintenance of toxic wastes, structures or excavations within the boundaries of the Mining Lease subsequent to the termination or expiry of the Mining Lease or any renewal thereof,

then the Minister shall by notice in writing to the Company approve the proposed mining plan which shall thereupon, or from such time as the Minister may specify, be the Mining Plan applicable to the Mining Lease and it shall supersede any previous Mining Plan. The Mining Plan then current shall be considered to be a part of the conditions of the Mining Lease.

(4) On written application by the Company, the Minister may approve a variation of a Mining Plan and upon approval such plan as varied shall be the Mining Plan. The Company shall be advised in writing of any approval or if the variation requested is not approved, the reasons therefor. Any variation approved shall not affect the term of the Mining Plan.

(5) Save as is hereinafter provided, the period of a Mining Plan shall not exceed five (5) years.

SCHEDULE 1 (continued)

(6) Where the Minister determines not to approve a proposed mining plan he shall notify the Company of the reason for his so determining and the Company shall have regard thereto in preparing a proposed mining plan which shall be submitted in such time as the Minister may specify in lieu of the plan not approved. Provided that the existing Mining Plan shall be deemed to continue until that time specified by the Minister for submission of a proposed mining plan in lieu of the approved Mining Plan or such further time as the Minister may specify.

10.(1) The Company shall lodge with the Minister a sum of money of the amount specified in this Clause, or at its option, a bond in such amount given by a Bank, insurance company or other financial institution approved by the Minister, so conditioned to be acceptable to him to be held by the Minister as security that the Company will observe and perform the covenants and conditions of the Mining Lease and comply with the provisions of this Agreement and where not inconsistent with this Agreement the provisions of the *Mining Act 1968–1983* applicable to the Company or to the Mining Lease and with all orders and directions lawfully made or given by the Minister and directed to the Company.

(2) The initial security deposit shall be \$1,000,000. Thereafter upon the approval of the Minister of any proposed mining plan lodged subsequent to the first Mining Plan, the Minister may direct that the amount of such security deposit be varied in accordance with the following formula—

$$\text{SecurityDeposit} = 1,000,000 \times \frac{A}{1675} \times \frac{W}{250}$$

In this formula—

A = the area in hectares shown on the proposed mining plan as disturbed in terms of Condition 3 (b) of Schedule F.

W = The weekly wage entitlement (to the next whole dollar) at the relevant date of the lowest paid labourer of the workforce of the Company (at the date of this Agreement provided for under Group 6 of the Mount Isa Mines Limited Award), or any wage rate substituted therefor from time to time in respect of that class of worker by the Mount Isa Mines Limited Award or any award substituted therefor.

Provided that where the proposed mining plan describes large scale open-cut mining operations, the formula shall not apply and the Minister

SCHEDULE 1 (continued)

shall determine the amount of security deposit which the Company shall lodge for the term of such mining plan.

Where the amount of such security deposit is varied the Minister shall give notice in writing thereof to the Company and shall direct the Company to lodge with him an appropriate sum of money or bond in like amount within a period specified in such notice and the Company shall comply with such direction.

(3) In determining the amount of money or bond which the Company shall lodge as security pursuant to this Clause where a proposed mining plan describes large scale open-cut mining operations, the Minister shall consider—

- (a) the scale of operations described in the proposed mining plan;
- (b) the nature of operations described in the proposed mining plan;
- (c) the area of the surface of the Mining Lease which is to be disturbed by operations described in the proposed mining plan;
- (d) the extent of remedial works which the State may have to conduct should the Company fail to comply with the proposed mining plan or the terms and conditions of the Mining Lease or the provisions of this Agreement and where not inconsistent therewith the provisions of the *Mining Act 1968–1983*; and
- (e) the cost of conducting works on or in the vicinity of the Mining Lease.

11.(1) The State shall not grant without the consent of the Company any mining lease or other right to mine or prospect for any minerals over any part of the Mining Lease.

(2) Other than where a right to a grant in fee simple has accrued or is accruing at the date of this Agreement, the State shall not issue a Deed of Grant in fee simple in respect of any lot or parcel of land within the boundaries of the Mining Lease.

(3) Notwithstanding the provisions of subclause (2) of this clause the State may grant—

- (a) a Deed of Grant in fee simple; or
- (b) a lease,

SCHEDULE 1 (continued)

pursuant to the provisions of the *Mining Titles Freeholding Act 1980* in respect of any lot or parcel of land within the boundaries of the Mining Lease.

12. It shall be a special covenant of the Mining Lease that the Company shall continuously use the land for purposes for which it is demised and the Company shall continuously and bona fide carry out in, on or in relation to the land demised—

- (a) exploration, mine planning, development and supply and maintenance of equipment; and/or
- (b) mining and winning and/or treatment of silver, lead, zinc, copper, silica, clay or other designated mineral;

on a scale so that not less than an amount as calculated by the following formula shall be expended each and every year of the term of the Mining Lease on such exploration, mine planning, development and supply and maintenance of equipment and/or mining and winning and/or treatment of silver, lead, zinc, copper, silica, clay or other designated mineral—

$$\text{The amount} = \frac{\$50,000,000 \times W}{250}$$

In this formula—

W =The weekly wage entitlement (to the next whole dollar) at the relevant date of the lowest paid labourer of the workforce of the Company (at the date of this Agreement provided for under Group 6 of the Mount Isa Mines Limited Award), or any wage rate substituted therefor from time to time in respect of that class of worker by the Mount Isa Mines Limited Award or any award substituted therefor.

The foregoing provisions of this Clause satisfy any obligation on the part of the Company as to labour and/or expenditure conditions applicable to the Mining Lease pursuant to the Mining Act.

13. Without limiting the provisions of the *Mining Act 1968-1983* or any other Act relating to mining in respect of the submission by the Company of information to the Minister, the Company shall furnish to the Minister

SCHEDULE 1 (continued)

within three (3) months after the expiration of each twelve (12) monthly period ending 30th June during the term of the Mining Lease a written report containing full particulars of the exploration, mine planning, development and supply and maintenance of equipment; and/or mining and winning and/or treatment of silver, lead, zinc, copper, silica, clay or other designated mineral undertaken in, on or in relation to the Mining Lease and details of the expenditure incurred in connection with such operations during every such twelve (12) monthly period.

14. The provisions of the *Mining Act 1968-1983* except so far as they are varied or modified or are inconsistent with this Agreement shall apply to this Agreement and also to the Mining Lease as if it were a mining lease granted under that Act.

15. The *Mines Regulation Act 1964-1983* shall extend and apply to all mines and quarries operated by or on behalf of the Company on the Mining Lease. Any place where quarrying is carried on for any of the purposes of this Agreement shall be deemed to be a mine within the meaning of that Act.

16.(1) The Company shall pay yearly rental in respect of the Mining Lease on and from the date of commencement of the Mining Lease firstly from such date of commencement to 31st December of the year in which the Mining Lease was granted and thereafter in advance not later than 31st December of each year of the balance of the term in the following manner—

- (a) during the first period of twenty-five (25) years at the rate applicable to all mining leases granted under the *Mining Act 1968-1983* as at the date of commencement of the term of the Mining Lease but subject to the provisos in sub-clauses (2) and (3) of this Clause;
- (b) during the next period of twenty-five (25) years at the rate applicable to all mining leases granted under the *Mining Act 1968-1983* as at the date of commencement of such period, but subject to the provisos in sub-clauses (2) and (3) of this Clause; and

SCHEDULE 1 (continued)

- (c) during the period of any renewal, at the rate applicable to all mining leases granted under the *Mining Act 1968-1983* as at the date of commencement of such renewal period, but subject to the provisos in sub-clauses (2) and (3) of this Clause.

(2) For so long as water in Lake Moondarra is included in that available to the Water Board for supply to the Mount Isa City Council, then no rent shall be payable in respect of an area of 2100 hectares as shown on registered plan MP 40751 and subject to inundation in consequence of the height of the dam wall of that lake. (Schedule C)

(3) For so long as water from Rifle Creek Dam is used in any generating station of the Company from which electricity is supplied to NORQEB then no rate shall be payable in respect of an area of 187 hectares as shown on registered plan MP 33485 and subject to inundation in consequence of the height of the wall of that dam. (Schedule D)

Provided that the provisions of sub-clauses (2) and (3) shall not apply should the Company undertake mining operations in, on or below the lands referred to in these sub-clauses in which case rent shall be payable in accordance with sub-clause (1) of this Clause.

17. Royalty shall be payable by the Company to the Crown on minerals won or mineral bearing ore removed from land in the Mining Lease in accordance with the provisions for the time being in that regard under the *Mining Act 1968-1983*, the *Mining Royalties Act 1974*, and any Regulations under either such Act. For all purposes of such Acts and Regulations relating to royalty the Mining Lease shall be a mining tenement and the Company, the owner thereof.

18.(1) Any sub-lease of Mining Tenements (which term for the purposes of this Agreement, unless a contrary intention appears, includes a sub-sublease) that at the date of this Agreement has received approval by the Minister (which term for the purposes of this subclause shall include predecessors in office of the Minister) shall be deemed to be a consent to a sub-letting authorised pursuant to the *Mining Act 1898 to 1967*, the *Mining Act 1968-1983* and to this Agreement. The granting of the Mining Lease pursuant to this Agreement shall not affect or prejudice any such sub-lease. Before the issue of the instrument of the Mining Lease there shall be endorsed thereon a note of each such sub-lease.

SCHEDULE 1 (continued)

(2) With the approval of the Minister the Company from time to time may grant a sub-lease or licence in respect of part of the Mining Lease to one or more parties for one or more of the purposes specified in Clause 3 of this Part, or for any other purpose or purposes specified in the Minister's written approval, and on terms which may authorise the grantee, its servants and other agents to instal and/or operate plant and machinery with the right to remove the same before or within six months of the termination of the Mining Lease, and which provide for access between the relevant part of the Mining Lease and public roads leading to the Mining Lease. The interest of a sub-lessee of any part of the Mining Lease may with the approval of the Minister and the agreement of the Company be sub-subleased.

**PART III—PROVISIONS RELATING TO WATER, DAMS,
RESERVOIRS AND PIPELINES, AND ELECTRICITY
DISTRIBUTION**

1. The Company shall during the term of the Mining Lease and any renewal thereof continue to have the right to take and use for any of the purposes in Clause 3 of Part II water dammed by the Company's wall across Rifle Creek which reservoir is known as Rifle Creek Dam or by the Company's wall across the Leichhardt River which reservoir is known as Lake Moondarra subject in the case of the latter reservoir to the subordination of such right in favour of the Water Board in the ways and for the purposes provided for in respect of Lake Moondarra and Lake Julius by Order in Council under the Water Act made on the twenty-second day of March 1973 and amended on the twelfth day of August 1976.

2. The State agrees that the dams and reservoirs on the Mining Lease which are in existence at the date of this Agreement shall be deemed to be works that had been established with the approval of the State and in accordance with the laws of the State.

Each such dam and reservoir shall be controlled, managed and operated in accordance with requirements in that behalf from time to time under any

SCHEDULE 1 (continued)

relevant Statute or Regulations thereunder or Order in Council pursuant there to.

3.(1) The Company from time to time may enter into agreements with the Water Board as to the management of the Board's operations and as to the Board's use of facilities of the Company located on the Mining Lease. With the approval of the Minister the Company may sub-let to the Water Board parts of the Mining Lease for purposes of the Water Board. The Company may grant licences to the Water Board permitting the Water Board to construct or erect facilities of the Water Board on specified parts of the Mining Lease and to enclose and secure the same. It may be a term of any such sub-lease or licence that the Water Board by its employees or other agents may enter upon the Mining Lease as necessary or appropriate for purposes relating to any such facilities of the Water Board or the Company.

(2) The Company from time to time and with the approval of the Minister may enter into a like kind of sub-lease or grant a like kind of licence to the Mount Isa City Council in relation to any point of supply of water from the Water Board to the said Council which is within the boundaries of the Mining Lease and to any pipeline or other associated facility of the said Council located between the said point and the boundary of the Mining Lease.

4. For the purposes of this Clause, "electrical works" has the same meaning as "works" in the Electricity Act. The State agrees that the electrical works made by the Company in or over land within the Mining Lease prior to the date of this Agreement, and the supply by the Company of electricity to parts of the Company's premises at Mount Isa not a mine within the meaning of the Mines Regulation Act and to NORQEB and to the Water Board shall be deemed to have been made with the approval of the State and in accordance with the laws of the State. This Agreement shall not be construed to hereafter exempt the Company or NORQEB, the Water Board or other persons which or who may wish to take electricity supply from the Company from complying with the requirements of the Electricity Act or as the case may require the Mines Regulation Act.

SCHEDULE 1 (continued)

PART IV—GENERAL

1. This Agreement shall be interpreted according to the laws for the time being in force in Queensland. In so far as there may be any conflict between any provision of this Agreement and of any other Act relating thereto the provision of this Agreement shall be paramount.

2. The Company may sell, lease or otherwise dispose or make use of any of its works which being in, on or about the Mining Lease for the time being are not required for carrying on the business of the Company.

3. (1) If the Company shall fail to meet any of its obligations under this Agreement including the covenants and conditions of the Mining Lease it shall be in default and, subject to any course of action herein required to be followed in particular circumstances, the Minister may give notice to the Company that this Agreement and the Mining Lease are liable to be terminated or the Company is liable to payment of a penalty, in which event he shall require the Company to show cause to his satisfaction why this Agreement and the Mining Lease shall not be terminated or the penalty imposed PROVIDED THAT except—

- (a) where the default is of the same kind as a default which has previously occurred and has been the subject of a notice pursuant to this Clause; or
- (b) where the default has caused serious loss or damage to the State, the public or to the environment and is not reasonably capable of satisfactory remedy,

the Minister shall not be entitled to give notice to the Company that this Agreement and the Mining Lease are liable to be terminated or a penalty imposed as aforesaid unless he shall first have given notice to the Company specifying the default and requiring it to be remedied in such reasonable time as shall be specified by the Minister and unless such default has not been so remedied within such time (or within such extension of time as the Minister may allow).

(2) If the Company shall fail to show cause or as the case may be to remedy a default to the satisfaction of the Minister pursuant to the provisions of any notice given in accordance with this Clause within such

SCHEDULE 1 (continued)

time as may be specified by the Minister or within such extended time as may be granted by the Minister the Governor in Council may by Order in Council published in the Gazette determine this Agreement and the Mining Lease or impose such penalty as he thinks fit. In default of payment of the penalty within the time allowed or upon termination as aforesaid the Company shall forfeit to the Crown freed from all sub-leases, mortgages, encumbrances, liens and other charges all lands vested in or howsoever held by the Company pursuant to this Agreement and the same shall vest in the Crown accordingly and the rights of the Company under this Agreement shall thereupon cease and determine.

(3) The Company shall not be held to be in default under the provisions of this Clause or to have failed to carry out any obligations under this Agreement if such default or failure is occasioned by act of God, force majeure, fire, flood, storm, tempest, war, riot, civil commotion, strike, lockout, shortage of labour, transport, power or essential material, break down of plant, inability in the opinion of the Governor in Council to profitably sell or otherwise dispose of products of mining and/or smelting operations on the demised lands or any other cause whatsoever beyond the control of the Company.

(4) Where by or pursuant to this Agreement any period of time is fixed during which the Company is required to do any act, matter or thing (including the expenditure of any sum of money) the Governor in Council upon being satisfied that the Company has been prevented or delayed from doing that act, matter or thing (or making that expenditure) by reason of any action, event or circumstance which is beyond the reasonable control and anticipation of the Company, he shall grant to the Company such extended time as he shall consider reasonably necessary to do such act, matter or thing (or make the expenditure) and the Company shall do such act, matter or thing (or make the expenditure) within the extended time so granted by the Governor in Council and performance within such extended time shall be deemed sufficient compliance with the requirement to do such act, matter or thing (or make the expenditure) during or within such fixed period or time, PROVIDED THAT where the Company is unable within such extended time to do such act, matter or thing (or make the expenditure) the provisions of subclause (1) of this Clause shall apply.

4. No omission by either party to require the performance by the other of any of the terms or conditions of this Agreement nor any forbearance or

SCHEDULE 1 (continued)

indulgence granted or shown by either party to the other shall release, discharge or in any manner affect or prejudice the right of a party at any time to require strict and full performance by the other of any or all of the terms or conditions to be observed or performed hereunder.

5. The Company shall for the purposes of this Agreement so far as is reasonably and economically practicable—

- (a) use the services of professional consultants resident and available within Queensland;
- (b) use labour available within Queensland;
- (c) when preparing specifications, calling for tenders and letting contracts for works, materials, plant, equipment and supplies ensure that Queensland suppliers, manufacturers, and contractors are given reasonable opportunity to tender or quote; and
- (d) give proper consideration and where possible preference to Queensland suppliers, manufacturers and contractors when letting contracts or placing orders for works, materials, plant, equipment and supplies where price, quality, delivery and service are equal to or better than that obtainable elsewhere.

6. Nothing in this Agreement contained or implied shall constitute a partnership between the State and the Company.

7. Enforcement of compliance with the provisions of this Agreement and with the covenants and conditions of the Mining Lease shall rest only with the State and the Company.

SCHEDULE 1 (continued)

SCHEDULE E**MINING TENEMENTS**

Description	Name
Mining Lease No. 4085	Water Rights Lease
Mineral Lease No. 5203	Dam Site
Mineral Lease No. 5204	Pumping Station
Mineral Lease No. 5252	Powerline No. 2
Mineral Lease No. 5253	Leichhardt River Road
Mineral Lease No. 5304	Right of Way No. 3 Powerline
Mining Lease No. 5389	Pipeline No. 3
Mining Lease No. 5512	Ash Dam
Mining Lease No. 5513	Ash Road
Mining Lease No. 5520	Big Beryl
Mining Lease No. 5528	Big Wheel
Mining Lease No. 5585	Causeway
Mining Lease No. 5589	Mount Isa Amalgamated
Mining Lease No. 5668	Lena Creek
Mining Lease No. 6101	Sybella No. 1
Mining Lease No. 6102	Sybella No. 2
Mining Lease No. 6103	Sybella No. 3
Mining Lease No. 6104	Sybella No. 4
Mining Lease No. 6105	Sybella No. 5
Mining Lease No. 6106	Mica Creek No. 1
Mining Lease No. 6107	Mica Creek No. 2
Mining Lease No. 6108	Mica Creek No. 3
Mining Lease No. 6332	Hilton Tailings
Mining Lease No. 6380	Hilton

SCHEDULE 1 (continued)

SCHEDULE E (continued)

Mining Lease No. 6674	Hilton Pipeline
Mining Lease No. 6678	Magazine No. 1
Mining Lease No. 6679	Magazine No. 2
Mining Lease No. 6680	Safety Zone No. 3
Mining Lease No. 6681	Safety Zone No. 4
Mining Lease No. 6682	Safety Zone No. 5
Mining Lease No. 6683	Safety Zone No. 6
Mining Lease No. 6885	Hilton Tailings No. 2
Mining Lease No. 6886	Hilton Tailings No. 3
Mining Lease No. 6918	Sybella No. 6
Mining Lease No. 6919	Spring Creek
Mining Lease No. 6920	Moondarra
Mining Lease No. 7710	Southdowns
Mining Lease No. 7744	Hilton Tailings No. 4
Mining Lease No. 7745	Hilton Tailings No. 5
Mining Lease No. 7746	Hilton Tailings No. 6
Mining Lease No. 7823	Pickhandle No. 1
Mining Lease No. 7824	Hilton Tailings No. 8
Mining Lease No. 7825	Hilton Tailings No. 9
Mining Lease No. 7826	Pickhandle No. 4
Mining Lease No. 7864	Hilton Tailings No. 11
Mining Lease No. 7865	Hilton Tailings No. 12
Mining Lease No. 7866	Hilton Tailings No. 13
Mining Lease No. 7983	Spring Creek West
Mining Lease No. 8023	Spear South No. 2
Mining Lease Application No. 8029	Spear South No. 1
Mining Lease Application No. 8050	White Blow

SCHEDULE 1 (continued)

SCHEDULE E (continued)

Mining Lease Application No. 8051 Glance

Water Right No. 103 Rifle Creek Pipeline

Water Right No. 109 Rifle Creek Waterstorage

Water Right No. 118 Lake Moondarra

SCHEDULE 1 (continued)

SCHEDULE F**1 Conditions**

Where in these conditions the following terms are used they shall be read and construed as having the meanings appearing below—

“approved”—approved by the Minister in writing.

“Minister”—the Minister of the Crown for the time being charged with the administration of the *Mining Act 1968-1983*.

“Company”—means Mount Isa Mines Limited, its successors and permitted assigns.

“Agreement”—the Agreement ratified by the *Mount Isa Mines Limited Agreement Act 1985*.

2. The Company shall comply with the Sludge Abatement conditions as required by Section 60 (2) (a) (b) and (c) of the *Mining Act 1968-1983*.

3. Save as is otherwise provided in paragraph (a) hereof a proposed mining plan submitted in accordance with Clause 9 Part II of the Agreement shall—

(a)—

- (i) describe in such detail as the Minister may require the nature and scale of all existing and proposed works, undertakings, activities and operations which are or are to be conducted by the Company or its agents within the boundaries of the Mining Lease in carrying out any of the purposes set out in paragraphs (a), (b), (c), (f), (g), (i), (j) or (k) of Clause 3 of Part II of the Agreement;
- (ii) list to the satisfaction of the Minister any of the purposes provided for in paragraphs (d), (e) and (h) of Clause 3 of Part II of the Agreement in respect of which there are or are to be works, undertakings, activities or operations conducted by the Company or its agents within the boundaries of the Mining Lease provided that where the Minister so directs, the Company shall deal with such

SCHEDULE 1 (continued)

SCHEDULE F (continued)

information in accordance with provision (i) of this subclause; and

- (iii) include, where works, undertakings, activities or operations are in existence or are proposed within the boundaries of the Mining Lease in respect of purposes provided for in paragraph (l) of Clause 3 of Part II of the Agreement, and in respect of which no recording has been made in the proposed mining plan in pursuance of provision (i) or provision (ii) of this subclause, a summary to the satisfaction of the Minister of such works, undertakings, activities or operations and on being so directed by the Minister in that behalf the Company shall deal with such information in accordance with provision (i) or provision (ii) of this subclause as the Minister so directs.

Where works, undertakings, activities and operations involve the disturbance of the surface of the Mining Lease for the purposes of excavation, storage of wastes or products, the construction of buildings or fixed improvements or for any other purpose the proposed mining plan shall provide such details of the disturbance as the Minister may require.

Earthworks and stockpiles of smaller than 100,000 m³ and buildings and improvements of a value less than \$1,000,000 need not be shown if they are unlikely to have a significant effect on the environment surrounding the Mining Lease.

Activities, undertakings or operations by the Company within the boundaries of the Mining Lease which provide the following kinds of services need not be described in the proposed mining plan unless the Minister notifies the Company in writing of his requirements:—

administration and commercial services necessary or usual for a mining and metallurgical business of the scale referred to in the proposed mining plan, services for the procurement of employees and materials for such business, industrial relations, public relations, local community relations, security, health and safety;

SCHEDULE 1 (continued)

SCHEDULE F (continued)

- (b) show the area of the surface of the Mining Lease which is disturbed and which is to be disturbed during the term of the proposed mining plan;
 - (c) describe the typical physical and chemical nature of all wastes resulting from the works, undertakings, activities and operations of the Company or its agents or assigns and the methods to be used to dispose of these wastes and the measures to be taken to ensure that such waste disposal does not cause unacceptable impact on the environment;
 - (d) describe measures not already set out in (c) above which are designed to control the pollution of air and water and lands adjacent to the Mining Lease and measures to control noise and the effects of vibration from blasting;
 - (e) describe measures to rehabilitate the area of the Mining Lease the surface of which has been disturbed or describe the provisions to be made to rehabilitate areas which are disturbed and which will not be available for rehabilitation during the term of the proposed mining plan;
 - (f) describe the measures designed to monitor the impact on the environment of all proposed works, undertakings, activities and operations;
 - (g) contain any other information relevant to the mining (including winning, treatment and waste disposal) and rehabilitation of the Mining Lease and protection of adjacent lands during the term of the proposed mining plan that the Minister may require; and
 - (h) include any matter requiring specific approval under the terms of these conditions.
- 4.** At all times the Company shall provide professional and technical resources adequate to the satisfaction of the Minister to—
- (a) monitor dust and noxious gases above and around the Mining Lease;
 - (b) monitor the quality of all waters on the Mining Lease and entering and leaving the Mining Lease as stream flows, piped or channelled waters or groundwater flows;

SCHEDULE 1 (continued)

SCHEDULE F (continued)

- (c) monitor the level of noise and ground vibration generated on the Mining Lease; and
- (d) monitor the waste disposal and rehabilitation programme and for conducting any experimental works necessary to ensure compliance with these conditions.

5. If so directed at any time by the Minister, the Company shall commence a programme to monitor air quality, water quality, noise and ground vibration on or about the Mining Lease or to amend an existing programme. The Minister may direct the number and frequency of samples or measurements to be taken, the location where such samples and measurements are to be taken, the method of analysis to be used where applicable and the system of reporting the results of such monitoring programme, provided that when the Minister is satisfied that adequate provisions exist and are currently being effectively administered under the law of the State other than the Agreement then the Minister shall not issue any direction under this condition.

6. The Company shall ensure that the amount of noise, dust and gases and ground vibration generated on the Mining Lease and affecting adjacent lands outside the boundaries of the Mining Lease shall be at a level acceptable to the Minister, and when directed by the Minister the Company shall take all steps necessary to reduce such noise, dust and gases and ground vibration to the level nominated by the Minister, provided that when the Minister is satisfied that adequate provisions exist and are currently being effectively administered under the law of the State other than the Agreement then the Minister shall not issue any direction under this condition.

7. The development of improvements on the Mining Lease which are to be used for residential purposes or for purposes associated with the provision of services to persons residing on the Mining Lease, shall be subject to the by-laws and regulations of the Local Authority for the time being having responsibility for the area in which the Mining Lease is situated.

SCHEDULE 1 (continued)

SCHEDULE F (continued)

8. Pursuant to Section 60 (2) (a) of the *Mining Act 1968-1983* the Company shall—

- (a) prior to the commencement of deposition of overburden, waste rock, smelter wastes, fly ash or mill tailings on any part of the Mining Lease, satisfy the Minister that such part is suitable for that purpose; and
- (b) satisfy the Minister that adequate precautions have been taken to prevent water that may leach, drain or wash from any overburden, fly ash, waste rock, smelter wastes or tailings dump flowing into any natural water course or reservoir, or satisfy the Minister that such water will be adequately treated.

When the Minister so requires, the Company shall ensure that overburden, fly ash, waste rock, smelter wastes and tailings dumps, that react with water to produce substances that are toxic to animal and plant life, are covered by an approved layer of inert material.

9. When required by the Minister the Company shall prior to the disturbance of any area—

- (a) remove soil;
- (b) stack such soil in an approved manner; and
- (c) take approved precautions to prevent erosion of such stacked soil.

Stockpiled soil shall be utilised for maximum benefit to the rehabilitation of the Mining Lease and for no other purpose.

10. The Company shall contour and rehabilitate disturbed areas in accordance with an approved land use for that area. In nominating such a land use for approval the Company shall ensure that—

- (a) drainage lines shall be established to allow surface waters to enter the undisturbed drainage system;
- (b) the surface of the rehabilitated ground shall be stabilised against the natural forces of erosion;

SCHEDULE 1 (continued)

SCHEDULE F (continued)

- (c) the area shall not require ongoing maintenance after the termination of the Mining Lease or any renewal thereof; and
- (d) consideration shall be given to the land use requirements in the region of the Mining Lease.

11. All roads, tracks, rights of way and any other right of entry to, on or upon the Mining Lease shall be maintained by the Company in a manner so that those persons who have a right to use such roads, tracks, rights of way and any other right of entry shall have access at all times and if the Company desires to mine through the path of an existing road, track or right of way an alternative road, track or right of way shall be provided by the Company and maintained at a standard at least equal to that of the original road, track or right of way so mined. Nothing in this condition shall be read or construed so as to negate the provisions of Section 44 of the *Mining Act 1968-1983*.

12. The Company shall only construct dams on the Mining Lease in accordance with an approved plan. This condition shall not be read or construed as negating the duties and responsibilities of the Company under the provisions of the *Water Act 1926-1983*.

13. The Company shall maintain the Mining Lease free of rubbish at all times except at locations approved for the permanent disposal of rubbish and, prior to the termination of the Mining Lease, remove all machinery and plant unless otherwise approved.

14. Subject to the Agreement the Company shall observe at all times the provisions of the *Rural Fires Act 1946-1984*, Part V of the *Stock Routes and Rural Lands Protection Act 1944-1984*, the *Aboriginal Relics Preservation Act 1967-1976*, the *Clean Waters Act 1971-1982*, the *Clean Air Act 1963-1981* and the *Water Act 1926-1983* or any Act in amendment thereto or in substitution thereof and any permit or licence granted under the provisions of those Acts as they relate to the Company or to the Mining Lease, provided that where the Minister is satisfied that penalties pursuant to the aforementioned Act are adequate in the particular circumstances for

SCHEDULE 1 (continued)
SCHEDULE F (continued)

any breach of this condition, then he shall not act pursuant to this condition.

15. With respect to Telecom Australia facilities or equipment within the Mining Lease the Company shall—

- (a) not disturb or erect structures within a distance of four (4) metres of any such facilities or equipment unless otherwise approved;
- (b) allow free access by Telecom Australia employees for official purposes;
- (c) be liable for damage caused by the Company or its operations to Telecom Australia facilities or equipment; and
- (d) allow Telecom Australia to exercise its powers and rights under the Telecommunications Act 1975-1983 of the Commonwealth on the Mining Lease at all times.

16. With respect to the facilities or equipment operated or owned by the North Queensland Electricity Board on or adjacent to the Mining Lease the Company shall—

- (a) not disturb soil, earth, fill or like material or erect structures within a distance of five (5) metres of any such facilities or equipment or within five (5) metres of the centreline of any transmission line unless otherwise approved;
- (b) allow free access for official purposes to employees or other agents of the North Queensland Electricity Board together with vehicles or other appropriate machinery; and
- (c) subject to any defences otherwise available be liable for damage caused by the Company or its operations to the property of the North Queensland Electricity Board.

17. When required by the Minister, the Company shall, prior to the disturbance of an area (not previously disturbed) within the boundaries of the Mining Lease, submit to the Minister—

- (a) a contour map of the area at approved scale and contour interval;

SCHEDULE 1 (continued)

SCHEDULE F (continued)

- (b) a vegetation map of the area and descriptions of the vegetation associations used as mapping units; and
- (c) a soil map of the area and descriptions of the soil types shown on the map.

The Company shall not disturb the surface of that part of the Mining Lease until such maps and descriptions have been approved.

18. The Company shall pay all Local Authority rates applicable to the Mining Lease when they become due and payable.

SCHEDULE 1 (continued)

SCHEDULE G

No. 8058

Reg. Mount Isa

Vol.

Fol.

Queensland

MOUNT ISA MINES LIMITED AGREEMENT ACT 1985**MINING LEASE**

ELIZABETH THE SECOND, by the grace of God, Queen of Australia,
and Her other Realms and Territories, Head of the Commonwealth.

Mining District of Mount Isa

Counties of Rochedale and Argylla

Parishes of Holmfirth, Norden, Heywood, Royton, Haslingden and Coll.
Area

**TO ALL TO WHOM THESE PRESENTS SHALL COME,
GREETING:**

WHEREAS:

- A. The State of Queensland and MOUNT ISA MINES LIMITED (hereinafter called "the Company") have entered into an agreement (hereinafter called "the Agreement" and which term shall include the Agreement as it may from time to time be amended) for purposes concerned with the granting to the Company of a mining lease (hereinafter called "the Mining Lease") and for other incidental purposes.
- B. The Agreement was made subject to approval and ratification by the Parliament of the State of Queensland expressed in an Agreement Act

SCHEDULE 1 (continued)

SCHEDULE G (continued)

(hereinafter called “the Agreement Act”) to be enacted during the sittings of Parliament to be held immediately following the execution thereof or such subsequent sittings as may be practicable and agreed upon by the parties thereto.

- C. The Agreement Act provides that upon being approved and ratified pursuant thereto the Agreement shall have the force of law.
- D. The Agreement provides that the Governor in Council shall issue the Mining Lease on compliance by the Company with certain requirements outlined therein, and expresses the purposes for which it shall be granted and the covenants, terms, conditions, exceptions, reservations and provisos applicable thereto.
- E. The Agreement Act has been proclaimed to come into force and the Company has satisfied the requirements of the Agreement entitling it to the grant of the Mining Lease.

NOW THEREFORE WE DO HEREBY for Us Our Heirs and Successors demise and lease unto the Company its successors and permitted assigns all that parcel of Land situated in the Mount Isa Mining District and particularly described in the First Schedule hereinafter written—

- (a) for the purposes set out in the Agreement; and
- (b) subject to the covenants, terms, conditions, exceptions, reservations and provisos set out in the Agreement,

saving reserving and excepting always unto Us Our Heirs and Successors and unto the Minister for Mines of Our said State and to any and every person or persons hereinafter appointed by him in that behalf liberty at all times during the continuance of this demise to enter into and upon the Land hereby demised and all Mines and Works therein or thereon in order to view and examine the condition thereof and for that purpose to make use of all or any railways tramways or roads or every and all machinery upon the said Land or belonging to the said Mines and also to use or make any levels drifts or passages requisite for the purpose of any such inspection TO HAVE AND TO HOLD the said Land and Mines and all and singular other the premises hereinbefore mentioned and hereby demised with the appurtenances unto the Lessee, for the full term of Fifty years from the First day of , 198 which said term shall be renewable as is provided in the Agreement reserving saving and excepting unto Us Our Heirs and Successors all petroleum found in the Land herein demised.

SCHEDULE 1 (continued)

SCHEDULE G (continued)

AND WE DO HEREBY ALSO RESERVE unto Us Our Heirs and Successors and to such persons as shall from time to time be duly authorised by Us in that behalf during the term of this Lease the free right and privilege of access including ingress egress and regress into upon over and out of the said Land for the purpose of searching for and for the operations of obtaining petroleum in any part of the said Land.

SCHEDULE 1 (continued)

FIRST SCHEDULE**DESCRIPTION**

Name of Mining Lease

Surface Area

Description by survey of the land demised as shown on the diagrams endorsed on these Presents and Plan Catalogue Number MP held at the Department of Mines, Brisbane. Subject to Section 44 of the *Mining Act 1968-1983*.

IN TESTIMONY WHEREOF, We have caused this Our Lease to be Sealed with the Seal of Our said State.

WITNESS Our Trusty and Well-beloved His

Excellency Commodore SIR

JAMES MAXWELL
RAMSAY. Knight

Commander of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Royal Victorian Order, Commander of the Most Excellent Order of the British Empire, upon whom has been conferred the Decoration of the Distinguished Service Cross, and Commodore in the Royal Australian Navy (Retired), Governor in and over the State of Queensland and its Dependencies in the Commonwealth of Australia, at Government House, Brisbane, in Queensland aforesaid, this day of in the year of our Reign, and

SCHEDULE 1 (continued)
FIRST SCHEDULE (continued)

in the year of Our Lord One
thousand nine hundred and

SCHEDULE 2**AGREEMENT VARYING THE MOUNT ISA MINES
LIMITED AGREEMENT**

section 2A

**AGREEMENT VARYING THE MOUNT ISA MINES
LIMITED AGREEMENT**

THIS AGREEMENT is made the 9th day of May 1997

BETWEEN: **THE STATE OF QUEENSLAND** (the “State”);

AND: **MOUNT ISA MINES LIMITED** (A.C.N. 009 661 447) a company incorporated in Queensland and whose registered office is at Level 1, 410 Ann Street, Brisbane, Queensland (the “Company”).

RECITALS

- A.** The State and the Company are parties to an agreement made on the fourteenth day of February 1985 which was approved and ratified and given the force of law by the Mount Isa Mines Limited Agreement Act 1985 and which is set out in the Schedule to that Act (the “Agreement”).
- B.** WMC Fertilizers Ltd (“WMC”) is investigating the feasibility of manufacturing fertiliser products at its phosphate deposit at Phosphate Hill to the south of Mount Isa (the “Project”), which Project is of considerable scale and economic benefit to Queensland.
- C.** The Project incorporates the construction and operation of an acid plant and associated gas cleaning facilities (all the “Acid Plant”) by WMC at Mount Isa to convert sulphur dioxide from the Company’s copper smelting operations to sulphuric acid for use in the manufacture of the fertiliser products.

SCHEDULE 2 (continued)

- D.** WMC and the Company have agreed the terms by which the Company will make available to WMC smelter process gases for conversion to sulphuric acid.
- E.** WMC and the Company have agreed that in the event the Acid Plant does not capture smelter process gases made available to WMC for conversion to sulphuric acid, the current procedure of emitting such gases via the copper smelter stack will continue.
- F.** The construction of the Acid Plant, and the substantial reduction in Smelter emissions which will result from its operation, will be a positive step towards achieving the object specified in section 3 of the Environmental Protection Act 1994 in that it allows for new and continued development while at the same time reduces the potential for environmental impact.
- G.** The State and the Company have agreed that the current air quality standards will apply to all emissions of smelter process gases which the Acid Plant does not capture.
- H.** The State and the Company have agreed that a formal study be carried out into the environmental impacts of sulphur dioxide emissions under conditions projected to occur when the Acid Plant is in operation.
- I.** The State and the Company wish to vary the Formal Agreement as provided by this agreement.
- J.** This agreement will only take effect in the event that the Acid Plant is constructed.
- K.** This agreement replaces the agreement between the parties made the 29th day of April 1997 and that agreement has no effect.

IT IS AGREED AS FOLLOWS—**CONDITION PRECEDENT**

It is a condition precedent to this agreement that—

- (a) WMC irrevocably commits to construction of the Acid Plant; and
- (b) all conditions precedent specified in the agreement between WMC and the Company dated 19 December 1996 are satisfied.

SCHEDULE 2 (continued)

COMMENCEMENT DATE

This agreement commences on the later of—

- (a) the date on which all conditions precedent to it are satisfied; and
- (b) the date of this agreement (the “Commencement Date”).

VARIATION OF FORMAL AGREEMENT—DEFINITIONS

The Formal Agreement is varied by inserting the following definitions in clause 2 of Part I—

“**Administering Authority**” has the meaning given to that term in Schedule 4 of the Environmental Protection Act 1994.

“**Environment**” has the meaning given to that term in section 8 of the Environmental Protection Act 1994.

“**Environmental Duty**” has the meaning given to that term in section 36 of the Environmental Protection Act 1994.

“**Environmental Legislation**” means the Environmental Protection Act 1994 and any other Act and any subordinate legislation under those Acts which relate to the air emissions from the Smelters.

“**Formal Agreement**” means the Agreement entered into for and on behalf of the State and the Company on the fourteenth day of February 1985, a copy of which is set out in the Schedule to the Mount Isa Mines Limited Agreement Act, as varied from time to time in accordance with this Act.

“**Panel Assessment Study**” means the study to be commenced within three months of the Commencement Date and to be conducted in accordance with the scope specified in Schedule I by or on behalf or at the direction of the State into the environmental impacts of sulphur dioxide emissions from the Smelters under conditions projected to occur when the Acid Plant is in operation.

“**Permit**” means an environmental authority, order, direction or other requirement under any Environmental Legislation.

“**Prescribed Requirements**” has the meaning given in clause 20 of Part II.

SCHEDULE 2 (continued)

“Smelters” means the copper smelter and the lead smelter or either of them, and the Acid Plant, and any associated plant and equipment, located on the Mining Tenements.

“Standard Criteria” has the meaning given to that term in Schedule 4 of the Environmental Protection Act 1994.

VARIATION OF FORMAL AGREEMENT— ENVIRONMENTAL MANAGEMENT SYSTEM

The Formal Agreement is varied by inserting a new clause 19 in Part II as follows—

19. The Company shall—

- (a) develop and implement an integrated environmental management system (“IEMS”) which provides for the following functions—
 - **formulating and implementing an environmental policy**
 - **management ethic and leadership**
 - **initial environmental review**
 - **planning**, comprising
 - identification of environmental aspects and evaluation of impacts
 - legal requirements
 - internal performance criteria
 - environmental objectives
 - environmental action plan
 - **implementation and risk management**, identifying
 - resources needs
 - IEMS integration with existing management elements
 - environmental awareness and motivation
 - knowledge, skills and training
 - documentation
 - operational control

SCHEDULE 2 (continued)

- emergency preparedness and response
 - **measurement and evaluation**, comprising
 - measuring and monitoring
 - corrective and mitigative action
 - records and information management
 - **review and correction of deficiencies;**
- (b) lodge with the administering authority on or before 1 July 1997, and at six monthly intervals thereafter until 2 January 1999, a brief report describing the progress in developing and implementing the IEMS;
- (c) on or before 1 December 1997, have substantially completed the IEMS documentation;
- (d) on or before 1 December 1997, lodge a detailed description of the IEMS and its documentation with the administering authority for its review and comment; and
- (e) have due regard to that comment in the finalisation of the IEMS.

VARIATION OF FORMAL AGREEMENT—PANEL ASSESSMENT STUDY

The Formal Agreement is varied by inserting a new clause 20 in Part II as follows—

20.(1) The Company shall participate in the Panel Assessment Study which shall meet at least 6 times per year for its 3 year duration and provide an interim report every 6 months for tabling in Parliament.

(2) Subject to clause 20(3), the scope of the Panel Assessment Study shall be as set out in Schedule I.

(3) In particular, the Panel Assessment Study shall investigate and report within 3 years on emission control technologies which would enable the Company to meet ambient air standards for sulphur dioxide in compliance with environmental legislation.

(4) Following the publication of the findings of the Panel Assessment Study, the Company shall consult with the Minister for Environment to determine how those findings should be included in the IEMS.

SCHEDULE 2 (continued)

(5) In making the determination referred to in subclause (4) of this clause 20, the Standard Criteria must be considered.

VARIATION OF FORMAL AGREEMENT—AVAILABILITY OF SMELTER GASES

The Formal Agreement is varied by inserting a new clause 21 in Part II as follows—

21. The Company shall make available to the operator of the Acid Plant the gases generated and collected from the copper smelter.

VARIATION OF FORMAL AGREEMENT—AIR QUALITY STANDARDS

The Formal Agreement is varied by inserting a new clause 22 in Part II as follows—

22.(1) Despite any Environmental Legislation or other law to the contrary—

- (a) with respect to air emissions, the only standards, parameters, conditions and requirements which apply to and regulate the environmental effects and emissions from or in connection with the Smelters are those set out in Schedule H (the “Prescribed Requirements”);
- (b) environmental effects and emissions from or in connection with air emissions from the Smelters and their operation that conform with the Prescribed Requirements are lawful; and
- (c) the Company shall be taken for all purposes to be the holder of a licence under Chapter 3 Part 4 of the Environmental Protection Act 1994 which is consistent with the provisions and conditions contained in Schedule H.

(2) To the extent that the Prescribed Requirements differ from or are inconsistent with standards, parameters, conditions and requirements contained or prescribed in any Environmental Legislation, the application of that Environmental Legislation to the Smelters, their operation and the Company is modified only to the extent of that difference or inconsistency and, in all other respects (including those mentioned in paragraph (3) of

SCHEDULE 2 (continued)

this clause 22), the Environmental Legislation applies with full force and effect.

(3) To the extent to which any Environmental Legislation (as modified by paragraph (2) of this clause 22) is not complied with, the provisions of that Environmental Legislation in relation to offences, penalties and remedies for noncompliance with or breaches of that Environmental Legislation (as so modified) shall apply.

VARIATION OF FORMAL AGREEMENT—NEW SCHEDULE H

The Formal Agreement is varied by inserting a new Schedule H as follows—

SCHEDULE H**PART 1—DEFINITIONS**

“Abnormal operating conditions” means equipment startup, equipment shut down, Smelter and AQC plant or equipment malfunctions which were not reasonably foreseeable, accidents and emergencies.

“Unpredictable meteorological conditions” means atmospheric conditions which, although in the opinion of a reasonable AQC System operator would not cause the limits in Clause 1 to be exceeded, in fact have that effect.

“AQC system” means the closed loop air quality control system used by the Company to monitor and control ambient air quality in the Mount Isa community.

PART 2—AIR QUALITY

1. The Company shall not cause the following ambient air quality limits at any of the air quality monitoring stations identified in Part 3 of this Schedule H to be exceeded—

SCHEDULE 2 (continued)

- (a) an annual arithmetic mean sulphur dioxide concentration of 80 micrograms per cubic metre;
- (b) a 24 hour running average sulphur dioxide concentration of 365 micrograms per cubic metre; and
- (c) a 3 hour running average sulphur dioxide concentration of 1,300 micrograms per cubic metre.

2. It is not a contravention of clause 1 of this Part 2 if the limits specified in that clause are exceeded due in whole or in part to abnormal operating conditions or unpredictable meteorological conditions, provided that the Company has complied with the Environmental Duty in respect of the operation of the AQC System.

3. The Company shall maintain high PM-10 samplers at the locations identified in Part 4 of this Schedule H and must report annually the mean value of quarterly running average concentrations of arsenic, cadmium, lead and mercury for all samplers.

4. The Company shall not cause the quarterly running average concentration of lead to exceed 1.5ug/m³ at the PM-10 high volume sampling sites at the locations identified in Part 4 of this Schedule H.

5. Despite clauses 1 and 4 of this Part, should the report of the Panel Assessment Study referred to in clause 20(3) of the Formal Agreement identify feasible emission control technologies which would enable the Company to meet ambient air quality standards in compliance with Environmental Legislation, the Company, if required by the Minister for Environment, shall submit to the Minister for Environment for approval, and upon approval comply with, an environmental plan, for the purpose of achieving future compliance with such standards under the Environmental Legislation.

SCHEDULE 2 (continued)

PART 3—SULPHUR DIOXIDE MONITORING STATIONS

The air quality monitoring stations referred to in clause 1 of Part 2 of this Schedule H shall be located as follows—

Monitor	Latitude	Longitude
1	20°41'44" S	139°29'22" E
2	20°42'32" S	139°30'30" E
3	20°43'44" S	139°30'28" E
4	20°44'23" S	39°30'07" E
5	20°44'57" S	139°29'20" E
6	20°42'47" S	139°29'23" E
7	20°43'04" S	139°29'53" E
8	20°43'41" S	139°29'35" E
9	20°44'07" S	139°29'19" E
10	20°44'32" S	139°29'03" E

PART 4—PM-10 MONITORING STATIONS

The high PM-10 samplers referred to in clause 2 of Part 2 of this Schedule H shall be located as follows—

SCHEDULE 2 (continued)

Monitor	Latitude	Longitude
BSD	20°44'08" S	139°29'01" E
RSL	20°42'49" S	139°29'14" E
Racecourse	20°42'59" S	139°29'56" E
Miles St	20°43'07" S	139°29'35" E
K. Oval	20°43'52" S	139°29'15" E

* Measured using hand-held GPS equipment.

VARIATION OF FORMAL AGREEMENT—NEW SCHEDULE I

The Formal Agreement is varied by inserting a new Schedule I as follows—

SCHEDULE I**SCOPE OF PANEL ASSESSMENT STUDY**

The scope of the work to be carried out by the Panel Assessment Study is to be determined by the Minister for Environment, but is to include at least the following matters—

- (a) current status including site history, smelting processes, air quality control system, sulphur dioxide sources and emission levels;
- (b) emission control options including world-wide industry practice, technology options, feasibility, legal requirements, impact of control options on waste streams and energy;
- (c) environmental, health and social impacts, including research and monitoring results and community impacts; and
- (d) community views on the emissions and the effectiveness of the air quality control system.

SCHEDULE 2 (continued)

EXECUTED as an agreement by the parties at the date set out at the commencement of this agreement.

SIGNED for and on behalf of the **STATE OF QUEENSLAND** by the Hon. Tom Gilmore the Minister for Mines and Energy of the State of Queensland in the presence of:

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A Justice of the Peace

SIGNED for and on behalf of the **MOUNT ISA MINES LIMITED** by David Munro in the presence of:

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A Justice of the Peace

ENDNOTES**1 Index to endnotes**

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2 Date to which amendments incorporated

This is the reprint date mentioned in the Reprints Act 1992, section 5(c). Accordingly, this reprint includes all amendments that commenced operation on or before 30 May 1997. Future amendments of the Mount Isa Mines Limited Agreement Act 1985 may be made in accordance with this reprint under the Reprints Act 1992, section 49.

3 Key**Key to abbreviations in list of legislation and annotations**

Key	Explanation	Key	Explanation
AIA	= Acts Interpretation Act 1954	(prev)	= previously
amd	= amended	proc	= proclamation
amdt	= amendment	prov	= provision
ch	= chapter	pt	= part
def	= definition	pubd	= published
div	= division	R[X]	= Reprint No.[X]
exp	= expires/expired	RA	= Reprints Act 1992
gaz	= gazette	reloc	= relocated
hdg	= heading	renum	= renumbered
ins	= inserted	rep	= repealed
lap	= lapsed	(retro)	= retrospectively
notfd	= notified	rv	= revised edition
o in c	= order in council	s	= section
om	= omitted	sch	= schedule
orig	= original	sdiv	= subdivision
p	= page	SIA	= Statutory Instruments Act 1992
para	= paragraph	SIR	= Statutory Instruments Regulation 2002
prec	= preceding	SL	= subordinate legislation
pres	= present	sub	= substituted
prev	= previous	unnum	= unnumbered

4 Table of reprints

Reprints are issued for both future and past effective dates. For the most up-to-date table of reprints, see the latest reprint.

5 List of legislation

Mount Isa Mines Limited Agreement Act 1985 No. 7

date of assent 20 March 1985

commenced on date of assent

amending legislation—

Statute Law (Miscellaneous Provisions) Act (No. 2) 1993 No. 76 ss 1–3 sch 1

date of assent 14 December 1993

commenced on date of assent

Mount Isa Limited Agreement Amendment Act 1997 No. 29

date of assent 22 May 1997

commenced on date of assent

6 List of legislation for variation of agreement (see Act section 3)

order in council published gazette—

4 October 1986 pp 697–8

commenced on date of publication

Mount Isa Mines Limited Agreement Variation Order 1992 SL No. 454

made by the Governor in Council on 17 December 1992

notfd gaz 18 December 1992 pp 1988–96

commenced on date of notification

exp 1 September 2003 (see SIA s 54)

Mount Isa Limited Agreement Amendment Act 1997 No. 29

date of assent 22 May 1997

commenced on date of assent

7 List of annotations

Definitions

1A ins 1997 No. 29 s 3

Ratification of agreement

s 2 sub 1997 No. 29 s 4

Ratification of 1997 agreement

s 2A ins 1997 No. 29 s 4

Variation of formal agreement by agreement**s 3** sub 1993 No. 76 s 3 sch 1**Effect of formal agreement****s 3A** ins 1997 No. 29 s 5**Orders in Council****s 5** om 1993 No. 76 s 3 sch 1**Regulation making power****s 7** ins 1993 No. 76 s 3 sch 1**SCHEDULE 1—MOUNT ISA LIMITED AGREEMENT****sch hdg** sub 1997 No. 29 s 6**SCHEDULE 2—AGREEMENT VARYING THE MOUNT ISA MINES LIMITED AGREEMENT****sch 2** ins 1997 No. 29 s 7