

CLEARING PERMIT

Granted under section 51E of the Environmental Protection Act 1986

PERMIT DETAILS

Purpose Permit Number: 2795 / 1 File Number: A1554/200801

Duration of Permit: From 27 December 2008 to 31 December 2009

PERMIT HOLDER

Kagara Nickel Limited

LAND ON WHICH CLEARING IS TO BE DONE

Mining Lease 77/544

PURPOSE FOR WHICH THE CLEARING MAY BE DONE

1. Clearing for the purposes of mineral exploration.

CONDITIONS

1. The Permit Holder must not clear more than 2.41 hectares of native vegetation. All clearing must be within the areas cross-hatched yellow on attached Plan 2795/1.

Guiding Principles

- 2. In determining the amount of native vegetation to be cleared pursuant to this Permit the Permit Holder must have regard to the following principles, set out in order of preference:
 - (i) Avoid the clearing of native vegetation;
 - (ii) Minimise the amount of native vegetation to be cleared; and
- (iii) Reduce the impact of clearing on any environmental value.

Weed Control

- 3. When undertaking any clearing or other activity authorised under this Permit, the Permit Holder must take the following steps to minimise the risk of the introduction and spread of weeds:
 - (i) clean earth-moving machinery of soil and vegetation prior to entering and leaving the area to be cleared;
 - (ii) ensure that no weed-affected soil, mulch, fill or other material is brought into the area to be cleared; and
 - (iii) restrict the movement of machines and other vehicles to the limits of the areas to be cleared.

Rehabilitation

4. The Permit Holder shall stockpile all topsoil and vegetation cleared under this Permit for use in rehabilitation.

Record Keeping

- 5. The Permit Holder shall record the following for each instance of clearing:
 - (i) the location of where the clearing occurred, expressed as grid coordinates using the Geocentric Datum of Australia 1994 coordinate system;
 - (ii) the size of the area cleared in hectares;
 - (iii) the dates on which the area was cleared;
 - (iv) the purpose of clearing; and
 - (v) the method of clearing.

Reporting

6. The Permit Holder shall provide a report to the Director, Environment Division, Department of Industry and Resources by 31 December each year for the life of this permit, demonstrating adherence to all conditions of this permit, and setting out the records required under condition 5 of this permit in relation to clearing carried out between 1 December and 30 November of the previous year.

Definitions

The following definitions are given to terms used in this Permit:

fill means material used to increase the ground level, or fill a hollow;

mulch means the use of organic matter, wood chips or rocks to slow the movement of water across the soil surface and to reduce evaporation;

weed means a species listed in Appendix 3 of the "Environmental Weed strategy" published by the Department of Conservation and Land Management (1999), and plants declared under section 37 of the Agricultural and Related Resources Protection Act 1976.

Ian Briggs

A/DIRECTOR

ENVIRONMENT DIVISION

DEPARTMENT OF INDUSTRY AND RESOURCES

Officer with delegated authority under Section 20 of the Environmental Protection Act 1986

27 November 2008