

CLEARING PERMIT

Granted under section 51E of the Environmental Protection Act 1986

PERMIT DETAILS

Purpose Permit Number: 3774 / 1 File Number: A0983/201001

Duration of Permit: From 4 September 2010 to 31 August 2011

PERMIT HOLDER

Kagara Nickel Pty Ltd

LAND ON WHICH CLEARING IS TO BE DONE

Mining Lease 77/99

PURPOSE FOR WHICH THE CLEARING MAY BE DONE

1. Clearing for the purpose of mineral exploration.

CONDITIONS

Type of clearing authorised

1. The Permit Holder must not clear more than 1.41 hectares of native vegetation. All clearing must be within the areas shaded yellow on attached Plan 3774/1.

Avoid, minimise etc clearing

- 2. In determining the amount of native vegetation to be cleared authorised under 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.

Fauna Management

4. The Permit Holder shall retain habitat trees found within the areas shaded yellow on attached Plan 3774/1.

Records to be kept

- 5. The Permit Holder must maintain the following records for activities done pursuant to this Permit:
 - (a) In relation to the clearing of native vegetation authorised under this Permit:
 - the location where the clearing occurred, recorded using a Global Positioning System (GPS) unit set to Geocentric Datum Australia 1994 (GDA94), expressing the geographical coordinates in Eastings and Northings;
 - (ii) the date that the area was cleared;
 - (iii) the size of the area cleared (in hectares); and
 - (iv) purpose for which clearing was undertaken.

Reporting

- 6. (a) The Permit Holder shall provide a report to the Director, Environment Division, Department of Mines and Petroleum by 31 January 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 January and 31 December of the previous year.
 - (b) Prior to 31 August 2011, the Permit Holder must provide to the Director, Environment Division, Department of Mines and Petroleum a written report of records required under Condition 5 of this Permit where these records have not already been provided under Condition 6(a) of this Permit.

Definitions

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

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

habitat tree(s) means trees that have a diameter, at average adult human chest height, of greater than 70cm, healthy but with dead limbs and broken crowns that are likely to contain hollows and roosts suitable for native fauna, or where these are not present then healthy but with the potential to contain hollows and roosts;

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/s 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 Agriculture and Related Resources Protection Act 1976;

Phil Gorey DIRECTOR

ENVIRONMENT DIVISION

DEPARTMENT OF MINES AND PETROLEUM

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

5 August 2010