PLANNING AGREEMENT

Federation Mine Project

(SSD-24319456)

BETWEEN

Hera Resources Pty Limited

and

Cobar Shire Council

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Details

Parties

Name	**Cobar Shire Council**
ABN	**ABN 71 579 717 155**
Short form name	**CSC**
Notice details	Attention: The General Manager Address: 36 Linsley Street, PO Box 223, Cobar, NSW 2835 Email: mail@cobar.nsw.gov.au

Name	**Hera Resources Pty Limited**
ABN	**ABN 72 138 992 999**
Short form name	**Hera Resources**
Notice details	Attention: The General Manager Federation Mine Level 17, 144 Edward Street Brisbane QLD 4001 Phone: 61 7 3180 5000 Email: office@aureliametals.com.au

Background

Hera Resources Pty Limited ('Hera Resources') is a wholly owned and operated subsidiary of Aurelia Metals Limited ('Aurelia'). In the region Aurelia owns the Hera Mine at Nymagee and, through Peak Gold Mines, Pty Ltd, owns the Peak Mine at Cobar.

Hera Resources has been granted approval to develop the Federation Mine, a greenfield mining project 10 kilometres (km) south of the existing Hera Mine, and to haul the ore to and process it at the existing Hera Mine and the Peak Mine. Ore will be hauled via Burthong Road to Hera Mine and via Borthong Road, Priory Tank Road and Kidman Way to the Peak Mine. Processed concentrate from the Hera Mine will be hauled via Nymagee-Hermidale Road to the Hermidale Rail Siding and processed concentrate from the Peak Mine will be hauled via the Kidman Way and Barrier Highway to the Hermidale Rail Siding.

The Project involves the establishment and operation of an underground gold and metalliferous mine at the Federation site, including, inter alia:

a) Mining approximately 6.95 million tonnes of ore comprising lead, zinc, gold, silver and copper minerals over a period of 12 to 14 years;
b) Establishment of supporting surface infrastructure;
c) Modifications at the existing Hera Mine to facilitate the processing of ore from the Federation Mine;
d) Establishment of a services corridor between the Federation site and Hera Mine; and
e) Consolidation and surrender of the existing approval for the Hera Mine.

The Project will impact the Cobar Local Government Area (LGA) and has physical and socio-economic consequences for the Cobar Shire Council (CSC) to manage, especially matters pertaining to the Burthong Road and Priory Tank Road.

Over the life of the project, it is expected that an average of 477,000 tpa of ore may be hauled 10km between Federation Mine and the Hera Mine with the peak transport period expected to occur in FY28. Furthermore, up to 200ktpa may be hauled 104km between Federation Mine and the Peak Mine.

Hera Resources and CSC have negotiated this Planning Agreement whereby Hera Resources agrees to provide Community Contributions to CSC to fund enhancement projects in Nymagee and the broader Cobar LGA and to pay an annual road maintenance contribution linked to the annual movement of the ore along said roads over the life of the Project.

Hera Resources has also negotiated a Planning Agreement with Bogan Shire Council (BSC), in whose LGA base metal concentrate will be hauled between the Hera Mine and Hermidale rail siding.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

The meaning of capitalised terms and the provisions relating to the interpretation of this Agreement are as follows:

Act means the *Environmental Planning and Assessment Act 1979* (NSW).

Agreement means this Planning Agreement including any schedules.

Approval means any consent, modification, certificate, licence, permit, approval or other requirement of any Authority having jurisdiction in connection with the activities contemplated by this Agreement.

Authority means any government, semi-governmental, statutory, administrative, fiscal or judicial body, department, commission, authority, tribunal or agency.

BSC means Bogan Shire Council.

Business Day means any day except for a Saturday, Sunday, or bank or public holiday in New South Wales.

Cash Rate means the interest rate determined by the Reserve Bank of Australia which banks pay to borrow funds from other banks in the money market on an overnight basis. For the avoidance of doubt, the term Cash Rate has the same meaning as that adopted by the Reserve Bank of Australia.

Commencement Date means the date on which this Agreement comes into operation in accordance with clause 4.

CPI means the All-Groups Consumer Price Index applicable to Sydney published by the Australian Bureau of Statistics.

CSC means Cobar Shire Council.

Development means the Federation Mine Project that is the subject of the Development Consent.

Development Application has the same meaning as in part 4 of the Act.

Development Consent means the consent issued by the Minister for Planning in respect of the Federation Mine, namely State Significant Development (SSD) number 24319456.

Development Contributions means the financial contributions to be made by Hera Resources to CSC for a Public Purpose in accordance with clause 5.

DPE means the NSW Department of Planning and Environment.

GST has the same meaning as in the GST Law.

GST Law has the same meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and any other Act or regulation relating to the imposition or administration of the GST.

Interest Rate means the rate which is the Cash Rate as set by the Reserve Bank of Australia as at the date that payments fall due, plus a margin of 2% per annum.

Law means:

(a) the common law including principles of equity;

(b) the requirements of all statutes, rules, ordinances, codes, regulations, proclamations and by-laws; and

(c) any Approval, including any condition or requirement under it.

LGA means the Local Government Area.

Mining Operations has the same meaning as in the Development Consent.

Minor Modification means a modification involving minor error, misdescription or miscalculation or a modification that a person acting reasonably would determine involves minimal environmental impact.

Modification means a modification to the Development Consent that would result in changes to the approved Development.

Party means a party to this Agreement, including their successors and assigns.

Planning Agreement has the same meaning as in section 7.1 of the Act.

Project means the development as described in the Development Consent.

Public Purpose has the same meaning as in the Act and includes (without limitation) any of the following:

(a) the provision of (or the recoupment of the cost of providing) public amenities or public services,

(b) the provision of (or the recoupment of the cost of providing) affordable housing,

(c)) the provision of (or the recoupment of the cost of providing) transport or other infrastructure relating to land,

(d) the funding of recurrent expenditure relating to the provision of public amenities or public services, affordable housing or transport or other infrastructure,

(e) the monitoring of the planning impacts of development,

(f) the conservation or enhancement of the natural environment.

Register means the Torrens Title register maintained under the *Real Property Act 1900* (NSW).

Regulation means the *Environmental Planning and Assessment Regulation 2021* (NSW).

Reserve Bank of Australia means Australia's central bank as constituted under the *Reserve Bank Act 1959* (Cth).

Tax Invoice has the same meaning as in the GST Law.

Term means from the Commencement Date of the Planning Agreement until the cessation of Mining Operations, as specified in the Development Consent.

1.2 Interpretation

In this Agreement, except where the context otherwise requires:

(a) the singular includes the plural and vice versa, and a gender includes other genders;

(b) another grammatical form of a defined word or expression has a corresponding meaning;

(c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this Agreement, and a reference to this Agreement includes any schedule or annexure;

(d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;

(e) a reference to A$, $A, dollar or $ is to Australian currency;

(f) a reference to time is to Sydney, NSW, Australia time;

(g) a reference to a party is to a party to this Agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

(h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;

(i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

(j) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;

(k) the meaning of general words is not limited by specific examples introduced by including, for example or similar expressions;

(l) any agreement, representation, warranty or indemnity by two or more Parties (including where two or more persons are included in the same defined term) binds them jointly and severally;

(m) any agreement, representation, warranty or indemnity in favour of two or more Parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;

(n) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this Agreement or any part of it; and

(o) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

2. Planning Agreement under the Act

The Parties agree that this Agreement is a Planning Agreement governed by Subdivision 2 of Division 7.1 of Part 7 of the Act.

3. Application of this Agreement

This Agreement applies to the Development and the ongoing maintenance of Burthong Road and Priory Tank Road, upon which ore from the Development will be hauled to the Hera Mine and Peak Mine.

4. Operation of this Agreement

This Agreement takes effect from the date the Agreement is signed as required by section 203 of the Regulation.

5. Development Contributions

(a) Subject to this Agreement, Hera Resources will make the following Development Contributions in respect of the Development:

(i) Payment of $250,000 per annum ("**Community Enhancement Contribution**") in accordance with the following terms:

a. The first payment will be made on 1 July 2025 unless the Project is delayed and has not yet commenced in which case the first payment will be pro-ratered and made from the month in which construction has commenced (as per clause A5(b) in the Development Consent) (commencement has the same meaning as "date of commencement" in the Development Consent). Subsequent payments will be made annually on each 1 July thereafter; and

b. Hera Resources must pay the Community Enhancement Contribution as follows:

i. $40,000 per annum to a Nymagee Enhancement Fund, for projects directly benefitting the people of Nymagee as nominated by the Nymagee Progress Association (or alternate community forum as agreed with both parties) in consultation with CSC and Hera Resources; and

ii. $210,000 per annum to a Cobar LGA Enhancement Fund, for projects that benefit the wider Cobar LGA. The projects should aim to attract and retain people to Cobar.

c. Where Hera Resources has contributed financially towards a project, programme, activity, etc. under clause 5(a)(i), CSC agrees to publicly acknowledge Hera Resources within 30 days of completing the work, by way of published media release or social media. CSC must proactively consult with Hera Resources prior to the completion of the project, programme, activity, etc to determine the content of the public acknowledgement.

(ii) Payment of Annual Road Maintenance Contributions in accordance with the following terms:

a. Annual payments for the maintenance of Burthong Road and Priory Tank Road will be determined in accordance with the *Cobar Local Infrastructure Contributions Plan, 2012*. The Annual Road Maintenance Contributions will be calculated as follows:

$CPeriod = ($RSLife) x ESA x RSLength / RSLife

Where:

$CPeriod = the monetary contribution payable by Hera Resources for the previous financial year.

$RSLife = is the standard cost of sealed road per kilometre over the design life in Australian dollars, being $374k (as at 2022 $A).

ESA = is the number of equivalent standard axles (ESA) generated by Hera Resources in the preceding financial year (as provided by Hera Resources to CSC by 1 September each year).

RSLife = is the design life of the Burthong Road and Priory Tank Road, being 2,000,000 ESA.

RSLength = is 10km of local roads between Federation Mine and Hera Mine (Burthong Road only) and 19km of local roads between Federation Mine and Peak Mine (Burthong Road and Priory Tank Road) hat will be travelled by Hera Resources ore laden heavy vehicles.

b. By 1 September each year, Hera Resources will provide CSC with the total ESA associated with ore truck movements between Federation Mine and Hera Mine and Federation Mine and Peak Mine during the previous financial year. CSC will issue a valid Tax Invoice based on the ESA using this calculation. Hera Resources will pay the Annual Road Maintenance Contribution in arrears.

c. CSC agrees that it will consider Hera Resources' input regarding areas of concern or maintenance priorities along Burthong Road and Priory Tank Road.

d. Hera Resources will provide CSC with two months written notice of their intent to transport ore between Federation Mine and Hera Mine or Peak Mine.

(b) CSC will provide an annual performance report (ie a concise 1-2 page summary) to Hera Resources which specifies how the Community Enhancement Contributions and Annual Road Mainetenance Contributions described in 5(a)(i) and 5(a)(ii) have been allocated, managed and accounted. The annual performance report will be supplied to Hera Resources at the time CSC issues the annual Tax Invoice for the annual contributions. The Tax Invoice will not be valid unless it is accompanied by the annual performance report.

(iii) The annual performance report must include:

a. A Financial Statement including all incoming and outgoing monies and any amounts that have not been spent and are currently being held by CSC. This Financial Statement must include all monies payable under this Agreement.

b. A summary of community projects that were funded by the Community Enhancement Contributions and a summary of the maintenance activities on the Burthong Road and Priory Tank Road that were funded by Hera Resources Road Maintenance Contributions over the previous 12 months.

c. A summary of the planned or anticipated community projects (including the estimated cost) that CSC intents to support over the next 12 months with the Community Enhancement Contribution and a summary of the planned or anticipated maintenance activities that CSC intends to be fund from the Road Maintenance Contributions over the next 12 month period and an estimate of the cost of these maintenance activities.

(c) The payments specified in 5(a)(i) and 5(a)(ii) are subject to annual CPI adjustment on the anniversary of the signing date. The payments shall be indexed in accordance with clause 6.

(d) The quantum for the annual Community Enhancement Contribution and Annual Road Maintenance Contribution specified in 5(a)(i) and 5(a)(ii) for the portion of the year between the anniversary date and the cessation of ore haulage activities will be calculated pro-rata.

(e) Hera Resources will pay the contributions specified in 5(a)(i) and 5(a)(ii) within 30 days of receiving a valid Tax Invoice (ie accompanied by the annual performance report). The contributions are deemed to be paid when cleared funds are deposited by means of electronic funds transfer into the bank account nominated by CSC.

(f) Hera Resources agrees to pay interest to CSC on any amount of the financial contributions described in 5(a)(i) and 5(a)(ii) from 30 days after they become due for payment, during the period that they remain unpaid, on demand, or at times determined by CSC, calculated on daily balances. The rate to be applied to each daily balance is the Interest Rate (adjusted to be a daily interest rate).

(g) Subject to the parties agreeing the terms of the licence, Hera Resources agrees to provide CSC with a licence to access Lot 33 Deposited Plan (DP) 1128958, Lot 34 DP 1128958, Lot 31 DP 1128958 and Lot 1 DP 34286 for the duration of the Project. The licence will be provided separate to this Agreement.

6. Indexation of Development Contributions

Where this Agreement provides that an amount is to be increased by CPI, then the amount will be increased in accordance the following formula:

A = B x C/D

Where:

A = the current Development Contribution payable.

B = the contribution amount or rate stated in the Agreement.

C = the CPI most recently published before the date of payment for the current Development Contribution.

D = the CPI most recently published before the date of signing this Agreement.

7. Registration of this Agreement

7.1 Registration of this Agreement

(a) Unless otherwise required by law, the Parties agree that this Agreement does not need to be registered on the Register to the land that is the subject of the Development.

8. Dispute Resolution

8.1 No arbitration or court proceedings

If a dispute arises out of this Agreement (**Dispute**), a Party must comply with this clause 8 before starting arbitration or court proceedings (except proceedings for interlocutory or other urgent relief).

8.2 Notification

(a) A Party claiming a Dispute has arisen must give the other Party to the Dispute notice setting out details of the Dispute. The Dispute Notice must:

(i) be in writing;

(ii) include or be accompanied by reasonable particulars of the Dispute including:

(A) a brief description of the circumstances in which the Dispute arose;

(B) references to any provisions of this document acts, errors or omissions of any person, relevant to the Dispute; and

(C) where applicable, the financial quantum in dispute and if not precisely known, the best estimate available.

8.3 Parties to resolve Dispute

During the 30 days after a notice is given under clause 8.2 (or longer period if the Parties to the Dispute agree in writing), each Party to the Dispute must use its reasonable efforts to resolve the Dispute. If the Parties cannot resolve the Dispute within that period, they must refer the Dispute to a mediator if one of them so requests.

8.4 Mediation

(a) If the Parties cannot resolve the Dispute within the 30 days, they must refer the Dispute to an accredited mediator if one of them so requests and the Parties must mediate the Dispute in accordance with the Mediation Rules the Australian Institute of Arbitrators and Mediators.

(b) If the Parties do not agree on a mediator, either Party may request the President of the Australian Institute of Arbitrators and Mediators select the mediator and determine the mediator's remuneration, the costs of which must be borne equally by the Parties.

(c) The Parties commit to adopting a spirit of goodwill and compromise, with an equal sharing of power, to reach a resolution within 60 days.

8.5 Confidentiality

Any information or documents disclosed by a Party under this clause 8:

(a) must be kept confidential; and

(b) may only be used to attempt to resolve the Dispute.

8.6 Costs

Each Party to a Dispute must pay its own costs of complying with this clause 8. The Parties to the Dispute must equally pay the costs of any Mediator.

8.7 Termination of process

(a) A Party to a Dispute may terminate the dispute resolution process by giving notice to each other after it has complied with clauses 8.1 to 8.3.

(b) Clauses 8.5 and 8.6 survive termination of the dispute resolution process.

8.8 Breach of this clause

If a Party to a Dispute breaches this clause 8, the other Party to the Dispute does not have to comply with those clauses in relation to the Dispute.

9. Enforcement

(a) Without limiting any other remedies available to the Parties, this Agreement may be enforced by any Party in any Court of competent jurisdiction, subject to clause 8.

(b) Nothing in this Agreement prevents:

(i) a Party from bringing proceedings in the Land and Environment Court to enforce any aspect of this Agreement or any matter to which this Agreement relates; and

(ii) CSC from exercising any function under the Act or any other Act or Law relating to the enforcement of any aspect of this Agreement or any matter to which this Agreement relates.

10. Termination

(a) This Agreement will terminate:

(i) on the declaration by a court of competent jurisdiction that the Development Consent for the Development is invalid; or

(ii) at the end of the Term.

(b) In the event of termination of this Agreement, any funds that have been paid by Hera Resources as Development Contributions prior to termination:

(i) can continue to be expended in accordance with the terms of this Agreement; and

(ii) are not refundable by CSC to Hera Resources.

11. Force Majeure

(a) Hera Resources's obligations in this Agreement will be suspended (including the calculation of time) for the length of time that such obligations are genuinely affected by any event, circumstance or combination of events or circumstances occurring after the Commencement Date that:

(i) are not within Hera Resources's reasonable control;

(ii) the occurrence or effect of which Hera Resources could not have avoided through compliance with its obligations under this Agreement and the exercise of due diligence; and

(iii) causes or results in the prevention or delay of Hera Resources from performing any of its obligations under this Agreement,

(b) If Hera Resources is affected by a Force Majeure Event, it must:

(i) notify CSC in writing as soon as reasonably possible of the details of the Force Majeure Event, the date of commencement and expected duration of the Force Majeure Event and an estimate of time required to enable Hera Resources to resume full performance of its obligations;

(ii) use all reasonable efforts to mitigate the effect upon its performance of this Agreement and to fulfil its obligations under this Agreement;

(iii) keep CSC informed of the steps being taken to mitigate the effect of the Force Majeure Event upon its performance of this Agreement; and

(iv) when the period for which its obligations affected by a Force Majeure Event cease, recommence performance of all its affected obligations under this Agreement.

12. Review of this Agreement

(a) During the Term of this Agreement, the Parties agree to act in good faith and a spirit of co-operation to promptly review and possibly amend or replace the Agreement. The Development Contributions will remain payable by Hera Resources until such time as:

(i) The Parties agree to modify them; or

(ii) Subject to clause 12(b), the Development Consent is the subject of a Modification or a new but related Development Application; or

(iii) The Development is sold to another party at which time this Agreement may be reviewed and amended; or

(iv) The Development reaches the end of its operational life and closes; or

(v) The Development is placed in 'care and maintenance' mode in which case the obligation to pay the Development Contribution is suspended from the date on which Hera Resources gives CSC written notice that the Development is in 'care and maintenance' mode, until operations are resumed.

(b) CSC agrees that if the Development Consent is the subject of Minor Modifications, then the Community Enhancement Contributions and the Annual Road Maintenance Contributions will not be increased (expect for CPI Adjustments).

(c) In the event that clause 12(a) is triggered and both Parties are unable to agree to amend or replace the Agreement, the Agreement shall remain in force.

(d) No modification or review of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

(e) Regardless, during the final year of the Development, the Parties agree to discuss any future related development plans and if appropriate negotiate a replacement for, or an extension of, this Agreement as determined by circumstances at the time. Until such time as a new Agreement is struck, this current Agreement shall remain in force as per the terms herein.

13. No Fetter

13.1 Discretion

This Agreement is not intended to operate to fetter, in any manner, the exercise of any statutory power or discretion of CSC, including but not limited to any statutory power or discretion of CSC relating to the assessment and determination of any Development Application for the Development (all referred to in this Agreement as a **Discretion**).

13.2 No fetter

No provision of this Agreement is intended to constitute any fetter on the exercise of any Discretion. If, contrary to the operation of this clause, any provision of this Agreement is held by a court of competent jurisdiction to constitute a fetter on any Discretion, the Parties agree:

(a) they will take all practical steps, including the execution of any further documents to ensure the objective of this clause is substantially satisfied;

(b) in the event that clause 13.2(a) cannot be achieved without giving rise to a fetter on the exercise of a Discretion, the relevant provision is to be severed and the remainder of this Agreement has full force and effect; and

(c) to endeavour to satisfy the common objectives of the Parties in relation to the provision of this Agreement, which is to be held to be a fetter to the extent that is possible, having regard to the relevant court judgment.

14. Notices

14.1 Notices

Any notice given under or in connection with this Agreement (**Notice**):

(a) must be in writing and signed by a person duly authorised by the sender;

(b) must be addressed as follows and delivered to the intended recipient by email, by hand or, by prepaid post at the address below, or at the address last notified by the intended recipient to the sender after the date of this Agreement:

Name **Cobar Shire Council**

Attention: The General Manager

Address: 36 Linsley Street, PO Box 223, Cobar, NSW 2835

Email: mail@cobar.nsw.gov.au

Name **Hera Resources Pty Limited**

Attention: The General Manager
Federation Mine Project
Level 17, 144 Edward Street, Brisbane QLD 40001
Phone: 61 7 3180 5000
Email: office@aureliametals.com.au

(c) is taken to be given and made:

(i) in the case of hand delivery, when delivered;

(ii) in the case of email, when a delivery or read receipt notice is received by the sender; and

(iii) in the case of delivery by post, seven Business Days after the date of posting (if posted to an address in the same country) or ten Business Days after the date of posting (if posted to an address in another country).

(d) if under clause 14.1(c) a Notice would be taken to be given or made on a day that is not a Business Day in the place to which the Notice is sent, or later than 4pm (local time), it is taken to have been given or made at the start of business on the next Business Day in that place.

15. GST

15.1 Defined GST terms

In this clause 15, words and expressions which are not defined in this Agreement but which have a defined meaning in the GST Law have the same meaning as in the GST Law.

15.2 GST to be added to amounts payable

If GST is payable on a taxable supply made under, by reference to or in connection with this Agreement, the Party providing the consideration for that Taxable Supply must also pay the GST Amount as additional consideration. This clause does not apply to the extent that the consideration for the Taxable Supply is expressly agreed to be GST inclusive, unless otherwise expressly stated, prices or other sums payable or consideration to be provided under or in accordance with this Agreement are exclusive of GST.

15.3 Tax invoice

If a Party is liable for GST on any payments made under this Agreement, the other Party must issue a tax invoice (or an adjustment note) to the liable party for any GST payable under this Agreement within seven days of a written request. The tax invoice (or adjustment note) must include the particulars required by the GST Law to obtain an input tax credit for that GST.

15.4 GST obligations to survive termination

This clause 15 will continue to apply after expiration of termination of this Agreement.

16. General

16.1 Relationship between Parties

(a) Nothing in this Agreement:

(i) constitutes a partnership between the Parties; or

(ii) except as expressly provided, makes a Party an agent of another Party for any purpose.

(b) A Party cannot in any way or for any purpose:

(i) bind another Party; or

(ii) contract in the name of another Party.

(c) If a Party must fulfil an obligation and that Party is dependent on another Party, then that other Party must do each thing reasonably within its power to assist the other in the performance of that obligation.

16.2 Time for doing acts

(a) If the time for doing any act or thing required to be done or a notice period specified in this Agreement expires on a day other than a Business Day, the time for doing that act or thing or the expiration of that notice period is extended until the following Business Day.

(b) If any act or thing required to be done is done after 5pm on the specified day, it is taken to have been done on the following Business Day.

16.3 Further assurances

Each Party must promptly execute all documents and do all other things reasonably necessary or desirable to give effect to the arrangements recorded in this Agreement.

16.4 Variation

A provision of this Agreement can only be varied by a later written document executed by or on behalf of all Parties.

16.5 Counterparts

This Agreement may be executed in any number of counterparts. All counterparts taken together constitute one instrument.

16.6 Entire Agreement

The contents of this Agreement constitute the entire Agreement between the Parties and supersede any prior negotiations, representations, understandings or arrangements made between the Parties regarding the subject matter of this Agreement, whether orally or in writing.

16.7 Invalidity

(a) A word or provision must be read down if:

(i) this Agreement is void, voidable, or unenforceable if it is not read down;

(ii) this Agreement will not be void, voidable or unenforceable if it is read down; and

(iii) the provision is capable of being read down.

(b) A word or provision must be severed if:

(i) despite the operation of clause 16.7(a), the provision is void, voidable or unenforceable if it is not severed; and

(ii) this Agreement will be void, voidable or unenforceable if it is not severed.

(c) The remainder of this Agreement has full effect even if clause 16.7(b)(i) or 16.7(b)(ii) applies.

16.8 Waiver

A right or remedy created by this Agreement cannot be waived except in writing signed by the Party entitled to that right. Delay by a Party in exercising a right or remedy does not constitute a waiver of that right or remedy, nor does a waiver (either wholly or in part) by a Party of a right operate as a subsequent waiver of the same right or of any other right of that Party.

16.9 Governing law and jurisdiction

(a) The Laws applicable in New South Wales govern this Agreement.

(b) The Parties submit to the non-exclusive jurisdiction of the courts of New South Wales and any courts competent to hear appeals from those courts.

Schedule 1 –Requirements under Section 7.4 of the Act

The Parties acknowledge and agree that the table set out below provides for certain terms, conditions and procedures for the purpose of the Planning Agreement complying with the Act.

Requirement under the Act	**This Planning Agreement**
Planning instrument and/or development application – [Section 7.4 (1)]. Hera Resources has:	
(a) sought a change to an environmental planning instrument	No
(b) made, or proposes to make, a development application	Yes
(c) entered into an agreement with, or is otherwise associated with, a person, to whom paragraph (a) or (b) applies	No
Description of the land to which this Planning Agreement applies- [Section 7.4 (3)(a)]	Not applicable.
Description of the development to which this Planning Agreement applies – [Section 7.4 (3)(b)]	See the 'Background' section of the Agreement and the definition of Development in Clause 1.1.
The nature and extent, timing and manner of delivery of Development Contributions required by this document – [Section 7.4 (3)(c)]	See clause 5 of this Agreement.
Applicability of Section 7.11 (an amenity or services contribution) and Section 7.12 (a fixed development levy) of the Act – [Section 7.4 (3)(d)]	The Development Contributions agreed to in this Agreement shall be in complete and final satisfaction of all obligations of Hera Resources to make contributions including pursuant to section 7.11 and section 7.12 of the Act.
Applicability of section 7.24 (a special infrastructure contribution) of the Act – [Section 7.4 (3)(d)]	The application of section 7.24 of the Act is excluded.
Consideration of benefits under this Planning Agreement if section 7.11 applies – [Section 7.4 (3)(e)]	The Development Contributions agreed to in this Agreement shall be in complete and final satisfaction of all obligations of Hera Resources to make contributions including pursuant to section 7.11 and section 7.12 of the Act.
Mechanism for Dispute resolution – [Section 7.4 (3)(f)]	See clause 8 of this Agreement.
Enforcement of this document – [Section 7.4 (3)(g)]	See clause 9 of this Agreement.

Requirement under the Act	This Planning Agreement
No obligation to grant consent or exercise functions – [Section 7.4 (9)]	See clause 13 of this Agreement.

Schedule 2: Explanatory Note

Hera Resources Pty Limited

and

Cobar Shire Council

Introduction

The purpose of this explanatory note is to provide a plain English summary to support the notification of the proposed Planning Agreement (**Planning Agreement**) prepared under Subdivision 2 of Division 7.1 of Part 7 of the *Environmental Planning and Assessment Act 1979* (NSW) (**Act**). For the avoidance of doubt, this Explanatory Note does not form part of the Planning Agreement and does not bind any of the Parties.

This explanatory note has been prepared in accordance with section 205 of the *Environmental Planning and Assessment Regulation 2021* (NSW). It will be exhibited with a copy of the Agreement when the Agreement is made available for inspection by the public in accordance with the Act, as specified by section 205 of the Regulation.

Parties to the Planning Agreement

The Parties to the Planning Agreement are Cobar Shire Council (**CSC**) and Hera Resources Pty Limited (**Hera Resources**).

Hera Resources has made an offer to enter into the Planning Agreement in connection with a State Significant Development (SSD-24319456) for the development of the Federation Mine Project (**Development**).

Hera Resources has negotiated a Planning Agreement with Bogan Shire Council, in whose LGA base metal concentrate will be hauled.

Description of the Subject Land

There is no land to which this planning agreement applies.

Description of the Development Application (Proposed Development)

Hera Resources Pty Limited ('Hera Resources') is a wholly owned and operated subsidiary of Aurelia Metals Limited ('Aurelia'). In the region Aurelia owns the Hera Mine at Nymagee and, through Peak Gold Mines, Pty Ltd, owns the Peak Mine at Cobar.

Hera Resources has been granted approval to develop the Federation Mine, a greenfield mining project 10 kilometres (km) south of the existing Hera Mine, and to haul the ore to and process it at the existing Hera Mine and the Peak Mine. Ore will be hauled via Burthong Road to Hera Mine and via Borthong Road, Priory Tank Road and Kidman Way to the Peak Mine. Processed concentrate from the Hera Mine will be hauled via Nymagee-Hermidale Road to the Hermidale Rail Siding and processed concentrate from the Peak Mine will be hauled via the Kidman Way and Barrier Highway to the Hermidale Rail Siding.

The Project involves the establishment and operation of an underground gold and metalliferous mine at the Federation site, including, inter alia:

a) Mining approximately 6.95 million tonnes of ore comprising lead, zinc, gold, silver and copper minerals over a period of 12 to 14 years;
b) Establishment of supporting surface infrastructure;
c) Modifications at the existing Hera Mine to facilitate the processing of ore from the Federation Mine;

d) Establishment of a services corridor between the Federation site and Hera Mine; and
e) Consolidation and surrender of the existing approval for the Hera Mine.

The Project will impact the Cobar Local Government Area (LGA) and has physical and socio-economic consequences for the Cobar Shire Council (CSC) to manage, especially matters pertaining to Burthong Road and Priory Tank Road.

Over the life of the project, it is expected that an average of 477,000 tpa of ore may be hauled 10km between Federation Mine and the Hera Mine with the peak transport period expected to occur in FY28. Furthermore, an average of 80,000 tpa may be hauled 104km between Federation Mine and the Peak Mine with the peak transport period expected to occur in FY25.

Hera Resources and CSC have negotiated this Planning Agreement whereby Hera Resources agrees to provide Community Contributions to CSC to fund enhancement projects in Nymagee and the broader Cobar LGA and to pay an annual road maintenance contribution linked to the annual movement of the ore along said roads over the life of the Development.

Hera Resources has negotiated a Planning Agreement with Bogan Shire Council (BSC), in whose LGA base metal concentrate will be hauled between the Hera Mine and Hermidale rail siding.

Summary of Objectives, Nature and Effect of the Planning Agreement

The objective of the Planning Agreement is to facilitate the delivery of the development contributions to CSC for the provision of public benefits.

The Planning Agreement provides that Hera Resources will make the following Development Contributions in respect of the Development until ore haulage operations are completed or suspended:

a) Annual Community Enhancement Contributions of $250,000 that will be spent directly in Nymagee and the broader Cobar LGA and focus on enhancing the livability of Nymagee and attracting and retaining people within Cobar. ;

b) Annual payments in arrears for the maintenance of the Burthong Road and Priory Tank Road based on the actual tonnage of ore hauled from the Federation Mine to the Hera Mine and Peak Mine.

Assessment of Merits of Planning Agreement

Purpose of the Planning Agreement

In accordance with section 7.4, the Development Contributions, the subject of the Planning Agreement will be applied to a public purpose(s) that will ensure the provision of a public benefits.

CSC and Hera Resources are of the view that the provisions of the Planning Agreement provide a reasonable means of achieving a positive public purpose(s).

This is because the Development Contributions that are the subject of the Planning Agreement reflect there are broad tangible and intangible environmental, social and economic costs arising from the Development and the said contributions will assist CSC to provide needed material public benefits to its communities, namely through the application of the Community Enhancement Contribution and ongoing maintenanceof the Burthong and Priory Tank Road's.

It is also acknowledged the Development will deliver significant social and economic benefits to the Nymagee community, greater Bogan and the Cobar LGAs and the state of NSW more generally. These benefits and impacts have been outlined in more detail in the Environmental Impact Statement.

How the Planning Agreement Promotes the Elements of CSC's Charter

The Planning Agreement promotes a number of elements of CSC's Charter under section 8 of the *Local Government Act 1993* (NSW). In particular, the Planning Agreement, through the delivery of a public purpose(s) and material public benefit(s), allows CSC to:

- provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively;
- exercise community leadership;
- bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible; and
- keep the local community and the State government (and through it, the wider community) informed about its activities.

The Impact of the Planning Agreement on the Public or any Section of the Public

The Planning Agreement will benefit the public and local communities through the delivery of a public purpose(s) and material public benefit(s).

How the Planning Agreement Promotes the Public Interest

The Planning Agreement promotes the public interest by committing Hera Resources to make monetary contributions towards a public purpose(s).

How the Planning Agreement Promotes the Objects of the Act

Relevant Objects of the Act supported and promoted by this Planning Agreement include:

- to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources; and
- to promote the orderly and economic use and development of land.

The Planning Agreement promotes these objects of the Act by requiring Hera Resources to make monetary contributions towards public purposes.

Requirements in relation to Construction, Occupation and Subdivision Certificates

Clause 5 of the Planning Agreement sets out the timing for the payment of the Development Contributions.

The Planning Agreement does not require the payment of any monetary contributions and does not specify any requirements that must be complied with prior to the issue of any Subdivision Certificate, Construction Certificate or Occupation Certificate.

Interpretation of Planning Agreement

This Explanatory Note is not intended to be used to assist in construing the Planning Agreement.

Signing page

EXECUTED as a Deed.

SIGNED, SEALED AND DELIVERED by **Hera Resources Pty Limited ABN 37 108 476 384** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Signature of director

Bryan Quinn

Full name (PRINT)

6 March 2024

Date

Signature of ~~director~~/company secretary
(Please delete as applicable)

Rochelle Carey

Full name (PRINT)

6 March 2024

Date

SIGNED, SEALED AND DELIVERED by the authorised delegate for **Cobar Shire Council ABN 71 579 717 155** in accordance with a resolution of the Council dated 22.2.24

Signature of authorised delegate

PETER VLATKO

Full name (PRINT)

5/3/24

Date

Signature of witness

Kelly Fawbank

Full name of witness (PRINT)

05/03/2024

Date