



Western Australia

# **Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements Amendment Act 2017**

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As at 05 Dec 2017

No. 13 of 2017

Extract from [www.slp.wa.gov.au](http://www.slp.wa.gov.au), see that website for further information



# Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements Amendment Act 2017

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Western Australia

## **Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements Amendment Act 2017**

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**No. 13 of 2017**

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***An Act to amend the Iron Ore (Channar Joint Venture) Agreement Act 1987 and the Iron Ore (Hamersley Range) Agreement Act 1963.***

*[Assented to 5 December 2017]*

The Parliament of Western Australia enacts as follows:

## **Part 1 — Preliminary**

**1. Short title**

This is the *Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements Amendment Act 2017*.

**2. Commencement**

This Act comes into operation as follows —

- (a) Part 1 — on the day on which this Act receives the Royal Assent;
- (b) the rest of the Act — on the day after that day.

**Part 2 — Iron Ore (Channar Joint Venture) Agreement  
Act 1987 amended**

**3. Act amended**

This Part amends the *Iron Ore (Channar Joint Venture) Agreement Act 1987*.

**4. Section 3 amended**

- (1) In section 3 before the 1<sup>st</sup> alphabetical definition insert in numerical order:

**2017 variation agreement** means the agreement a copy of which is set out in Schedule 2;

- (2) In section 3 in the definition of ***the Agreement***:

- (a) delete “the Schedule and” and insert:

Schedule 1 and, except in section 4(1),

- (b) delete “provisions;” and insert:

provisions and by the 2017 variation agreement;

**5. Section 4 amended**

After section 4(1) insert:

- (1A) The 2017 variation agreement is ratified.

Note: The heading to amended section 4 is to read:

**Ratification and authorisation**

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**6. Schedule heading replaced**

Delete the heading to the Schedule and insert:

**Schedule 1 — Iron Ore (Channar Joint  
Venture) Agreement**

**7. Schedule 2 inserted**

After the Schedule insert:

**Schedule 2 — 2017 variation agreement**

[s. 3]

**2017**

**THE HONOURABLE MARK McGOWAN**

**THE STATE OF WESTERN AUSTRALIA**

**and**

**CHANNAR MINING PTY. LIMITED**

**ACN 009 127 039**

**SINOSTEEL CHANNAR PTY LTD**

**ACN 009 277 249**

**and**

**HAMERSLEY IRON PTY. LIMITED**

**ACN 004 558 276**



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**IRON ORE (CHANNAR JOINT VENTURE)  
AGREEMENT 1987**  
**RATIFIED VARIATION AGREEMENT**

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[Solicitor's details]

**THIS AGREEMENT** is made this 29<sup>th</sup> day of September 2017

**BETWEEN**

**THE HONOURABLE MARK McGOWAN**, BA LLB MLA,  
Premier of the State of Western Australia, acting for and on behalf of  
the said State and its instrumentalities from time to time (hereinafter  
called the "**State**") of the first part,

**AND**

**CHANNAR MINING PTY. LIMITED** ACN 009 127 039 of  
Level 22, Central Park, 152-158 St Georges Terrace, Perth,  
Western Australia and **SINOSTEEL CHANNAR PTY LTD**  
ACN 009 277 249 of Level 41, 108 St Georges Terrace, Perth,  
Western Australia (hereinafter called the "**Joint Venturers**" in which  
term shall be included their successors and permitted assigns) of the  
second part,

**AND**

**HAMERSLEY IRON PTY. LIMITED** ACN 004 558 276 of  
Level 22, Central Park, 152-158 St Georges Terrace, Perth,  
Western Australia (hereinafter called "**Hamersley**") of the third part.

**s. 7**

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**RECITALS:**

- A. The State, the Joint Venturers and Hamersley are parties to the agreement dated 27 October 1987, which is referred to in this Agreement as the "**Principal Agreement**".
- B. The parties wish to vary the provisions of the Principal Agreement on the terms and conditions set out in this Agreement.

**THE PARTIES AGREE AS FOLLOWS:**

**1. Ratification and operation**

- (1) This Agreement, other than this clause, does not come into operation except in accordance with subclause (2).
- (2) This Agreement, other than this clause, comes into operation on the day on which it is ratified by an Act of the Parliament of Western Australia ("**Operative Date**") unless, before that day, it terminates under subclauses (4) or (5).
- (3) The State must introduce in the Parliament of Western Australia before 31 October 2017 or a later date agreed by the parties to this Agreement a Bill to ratify this Agreement and must endeavour to secure its passage as an Act.
- (4) If by 31 December 2017 this Agreement has not been ratified by an Act of the Parliament of Western Australia then, unless the parties to this Agreement otherwise agree, this Agreement terminates on that day and no party hereto will have any claim against any other party hereto with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed under this Agreement.
- (5) The parties agree that if the Principal Agreement is otherwise determined in accordance with its provisions on a day prior to the Operative Date, then this Agreement shall also terminate on and from that day and no party hereto will have any claim against any other party hereto with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed under this Agreement.

## **2. Variations of the Principal Agreement**

The Principal Agreement is hereby varied as follows:

(1) in clause 1 by:

- (a) deleting the definitions of "direct shipping ore", "fine ore", "fines" and "f.o.b. revenue"; and
- (b) inserting in the appropriate alphabetical positions the following new definitions:

"Hamersley Range 1963 Agreement" means the agreement approved by and scheduled to the *Iron Ore (Hamersley Range) Agreement Act 1963*, as from time to time added to, varied or amended;

"Variation Agreement" means the variation agreement made on or about 3 October 2017 between the Honourable Mark McGowan, Premier of the State of Western Australia acting for and on behalf of the said State and its instrumentalities from time to time, the Joint Venturers and Hamersley;

"Variation Date" means the date on which clause 2 of the Variation Agreement comes into operation;

(2) in clause 15 by:

- (a) in subclause (5) inserting after the words "consent of" the following:

"the Minister for Minerals and Energy, acting with the concurrence of the Minister, and"; and
- (b) in paragraph (a) of subclause (7) deleting the words "agreement (as amended from time to time) ratified by the Iron Ore (Hamersley

**Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements  
Amendment Act 2017**

**Part 2** Iron Ore (Channar Joint Venture) Agreement Act 1987  
amended

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Range) Agreement Act 1963" and  
substituting:

"Hamersley Range 1963 Agreement";

(3) in clause 22 by:

(a) inserting after the words "Clause 23" the  
following:

"or pursuant to the proviso to paragraph (a) of  
subclause (7) of Clause 15"; and

(b) inserting after the last sentence of Clause 22  
the following additional sentence:

"The parties acknowledge that rental paid by  
the Joint Venturers pursuant to this Clause in  
respect of any period or part thereof prior to  
the Variation Date in relation to iron ore upon  
which royalty was payable pursuant to the  
proviso to paragraph (a) of subclause (7) of  
Clause 15 shall be treated for all purposes as  
rental paid in respect of iron ore upon which  
royalty was payable pursuant to Clause 23.";

(4) in clause 23 by:

(a) deleting subclause (1) and substituting the  
following:

"The Joint Venturers shall during the  
continuance of this Agreement pay to the  
State royalty in accordance with the  
Hamersley Range 1963 Agreement on all iron  
ore from the mining lease (other than iron ore  
shipped solely for testing purposes and iron  
ore on which royalty is paid by Hamersley  
pursuant to the proviso to paragraph (a)  
of subclause (7) of Clause 15) as if such iron ore  
were produced under a mineral lease granted  
pursuant to the abovementioned agreement.";  
and

(b) deleting subclauses (2), (3) and (4);

- (5) by inserting after clause 23 a new Clause as follows:

**"Blending**

23A. The Joint Venturers may blend iron ore mined from the mining lease with iron ore mined pursuant to the Hamersley Range 1963 Agreement."

- (6) in clause 31 by:

- (a) deleting "(except as to any part upon which a permanent residence shall be erected or which is occupied in connection with that residence and except as to any part upon which there stands any improvements that are used in connection with a commercial undertaking not directly related to the mining of iron ore)" and substituting:

"(except as to any part of land upon which is situated a specified improvement as referred to below)"; and

- (b) inserting after the last sentence of clause 31 the following additional sentence:

"For the purpose of this Clause the following improvements are specified improvements:

- (a) accommodation, recreation or administration facilities and associated buildings; or
- (b) maintenance workshops existing within 100 metres of facilities of the type listed in paragraph (a) above.";

- (7) in clause 41 by inserting after the words "pursuant to any Act" the following:

"(including under the *Environmental Protection Act 1986*)";

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- (8) by deleting clause 50 and substituting the following new clause:

**"Term of Agreement and completion of productive mining**

50. (1) Subject to the provisions of Clause 39, this Agreement shall expire on 22 February 2028.

(2) The Joint Venturers may, provided they are not in default of their obligations under this Agreement, give notice to the Minister not later than 22 February 2027 of their desire to have the provisions of this Agreement extended for such period not exceeding 5 years as may be nominated in such notice.

(3) The Minister may, if satisfied that the Joint Venturers require the Agreement to be extended for the additional period nominated in a notice given under subclause (2) to:

(a) complete any productive mining activities then the subject of approved proposals; or

(b) decommission a mine or mines (including ceasing production and removing infrastructure, plant, equipment and services comprising and associated with the mine or mines) and rehabilitate the minesite or minesites,

extend the term of this Agreement for such additional period.

(4) For the purposes of this clause "productive mining activities" means

activities for the mining and recovery of  
iron ore.";

(9) by inserting after clause 50 the following new clause:

**"50A. Mining lease and lease I163654 are deemed  
amended upon endorsement in registers**

- (1) The respective terms of the mining lease and lease I163654 (originally special lease 3116/11553) shall be deemed to be extended upon and from the respective date of endorsement referred to in subclause (2) so as to in each case expire on 22 February 2028 or such later date agreed by the Minister pursuant to Clause 50(3) as being the date of expiry of this Agreement, subject to the sooner determination of their respective terms in accordance with their provisions or upon the cessation or determination of the Agreement.
- (2) As soon as practicable after the Variation Date the State shall cause a notation or other endorsement to be made in the register maintained under:
  - (a) section 103F of the Mining Act that the mining lease is extended from the date of such endorsement and by such endorsement pursuant to this Clause and as contemplated by this Clause; and
  - (b) section 48 of the *Transfer of Land Act 1893* that lease I163654 is extended from the date of such endorsement and by such endorsement pursuant to this Clause and as contemplated by this Clause.

**Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements  
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**Part 2** Iron Ore (Channar Joint Venture) Agreement Act 1987  
amended

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For the avoidance of doubt, the Director General of Mines and the Registrar of Titles are authorised to make the abovementioned endorsements in the respective registers that they administer without any further formalities, approvals or other preconditions."; and

(10) in clause 51 by adding the following after "State of Western Australia":

"and the parties to this Agreement submit to the jurisdiction of the courts of Western Australia in relation to any action or proceeding to settle any dispute or question arising out of or in connection with this Agreement".

**EXECUTED AS A DEED.**

**SIGNED** by **THE HONOURABLE** )  
**MARK McGOWAN**, in the )  
presence of: )

[Signature]

Signature of witness

TRENA McDONALD

Name of witness (block letters)

[Signature]

Signature of **THE  
HONOURABLE MARK  
McGOWAN**



**Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements  
Amendment Act 2017**

Iron Ore (Channar Joint Venture) Agreement Act 1987  
amended

**Part 2**

**s. 7**

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**EXECUTED** by **CHANNAR** )  
**MINING PTY. LIMITED** )  
ACN 009 127 039 in accordance )  
with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature]

.....  
Signature of director

PAUL SHANNON

.....  
Name of director (block letters)

[Signature]

.....  
Signature of director/~~company~~  
~~secretary~~\*  
\*delete whichever is not applicable

MICHAEL GOLLSCHESKI

.....  
Name of director/~~company~~  
~~secretary~~\* (block letters)  
\*delete whichever is not applicable

**EXECUTED** by **SINOSTEEL** )  
**CHANNAR PTY LTD** )  
ACN 009 277 249 in accordance )  
with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature]

.....  
Signature of director

SUN XIAOXUAN

.....  
Name of director (block letters)

[Signature]

.....  
Signature of ~~director~~/company  
secretary\*  
\*delete whichever is not applicable

IAN HOLDING

.....  
Name of ~~director~~/company  
secretary\* (block letters)  
\*delete whichever is not applicable

**Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements  
Amendment Act 2017**

**Part 2** Iron Ore (Channar Joint Venture) Agreement Act 1987  
amended

**s. 7**

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**EXECUTED** by **HAMERSLEY** )  
**IRON PTY. LIMITED** )  
ACN 004 558 276 in accordance )  
with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature]  
.....  
Signature of director

PAUL SHANNON  
.....  
Name of director (block letters)

[Signature]  
.....  
Signature of director/~~company~~  
~~secretary~~\*  
\*delete whichever is not applicable

MICHAEL GOLLSCHESKI  
.....  
Name of director/~~company~~  
~~secretary~~\* (block letters)  
\*delete whichever is not applicable

**Part 3 — *Iron Ore (Hamersley Range) Agreement  
Act 1963* amended**

**8. Act amended**

This Part amends the *Iron Ore (Hamersley Range) Agreement Act 1963*.

**9. Section 2 amended**

In section 2 insert in alphabetical order:

*Fifteenth Supplementary Agreement* means the agreement a copy of which is set out in the Sixteenth Schedule;

**10. Section 4H inserted**

After section 4G insert:

**4H. Fifteenth Supplementary Agreement**

- (1) The Fifteenth Supplementary Agreement is ratified and its implementation is authorised.
- (2) Without limiting or otherwise affecting the application of the *Government Agreements Act 1979*, the Fifteenth Supplementary Agreement is to operate and take effect despite any other Act or law.

**s. 11**

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**11. Sixteenth Schedule inserted**

After the Fifteenth Schedule insert:

**Sixteenth Schedule — Fifteenth Supplementary  
Agreement**

[s. 2]

**2017**

**THE HONOURABLE MARK McGOWAN  
THE STATE OF WESTERN AUSTRALIA  
and  
HAMERSLEY IRON PTY. LIMITED  
ACN 004 558 276**

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**IRON ORE (HAMERSLEY RANGE) AGREEMENT 1963  
RATIFIED VARIATION AGREEMENT**

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[Solicitor's details]

**THIS AGREEMENT** is made this 29<sup>th</sup> day of September 2017

**BETWEEN**

**THE HONOURABLE MARK McGOWAN**, BA LLB MLA,  
Premier of the State of Western Australia, acting for and on behalf of  
the said State and its instrumentalities from time to time (hereinafter  
called the "**State**") of the first part,

**AND**

**HAMERSLEY IRON PTY. LIMITED** ACN 004 558 276 of  
Level 22, Central Park, 152-158 St Georges Terrace, Perth, Western  
Australia, (hereinafter called the "**Company**" in which term shall be  
included its successors and permitted assigns) of the second part.

**RECITALS:**

- A.** The State and the Company are the parties to the agreement dated 30 July 1963, approved by and scheduled to the *Iron Ore (Hamersley Range) Agreement Act 1963* and which as subsequently added to, varied or amended is referred to in this Agreement as the "**Principal Agreement**".
- B.** The State and the Company wish to vary the provisions of the Principal Agreement on the terms and conditions set out in this Agreement.

**THE PARTIES AGREE AS FOLLOWS:**

**1. Ratification and operation**

- (1) This Agreement, other than this clause, does not come into operation except in accordance with subclause (2).
- (2) This Agreement, other than this clause, comes into operation on the day on which it is ratified by an Act of the Parliament of Western Australia ("**Operative Date**") unless, before that day, it terminates under subclauses (4) or (5).

**s. 11**

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- (3) The State must introduce in the Parliament of Western Australia before 31 October 2017 or a later date agreed by the parties to this Agreement a Bill to ratify this Agreement and must endeavour to secure its passage as an Act.
- (4) If by 31 December 2017 this Agreement has not been ratified by an Act of the Parliament of Western Australia then, unless the parties to this Agreement otherwise agree, this Agreement terminates on that day and no party hereto will have any claim against any other party hereto with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed under this Agreement.
- (5) The parties agree that if the Principal Agreement is otherwise determined in accordance with its provisions on a day prior to the Operative Date, then this Agreement shall also terminate on and from that day and no party hereto will have any claim against any other party hereto with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed under this Agreement.

**2. Variations of the Principal Agreement**

The Principal Agreement is hereby varied as follows:

- (1) in clause 1 by inserting after the definition of "Channar Agreement" the following new definition:

**"Channar Joint Venture Completion Date"** means the date (if it should occur prior to the cessation or determination of the Channar Agreement) upon which an associated company becomes, in accordance with clause 35 of the Channar Agreement, the sole entity comprising the 'Joint Venturers' for the purposes of that agreement;"

- (2) in clause 8E by inserting after subclause (7) the following new subclause:

"(8) The Company acknowledges that its obligations under this clause apply to its activities in connection with agreements contemplated by clause 15(7) of the Channar Agreement.";

- (3) in clause 10 by inserting:
- (a) after the word "practicable" in paragraph (i) of subclause (2) of clause 10 the following:

"(including in its activities in connection with agreements contemplated by clause 15(7) of the Channar Agreement)"; and
  - (b) after subparagraph (i) of paragraph (a) of subclause (4) the following new subparagraph:

"(ia) iron ore mined from the mining lease granted under the Channar Agreement; or"
- (4) in clause 10H:
- (a) in paragraph (b) of subclause (1) by replacing the second reference to "clause" with "subclause"; and
  - (b) inserting after subclause (1) the following new subclauses:

"(1A) On and from the Channar Joint Venture Completion Date and prior to the cessation or determination of the Channar Agreement the Company may from time to time:

    - (a) with the written consent of the Joint Venturers under the Channar Agreement and provided it is at that date the holder of Mineral Lease 4SA apply to the Minister for Mines for inclusion in Mineral Lease 4SA of so much of the land within the mining lease granted under the Channar Agreement as the Company then desires and the Minister for Mines shall upon the surrender of the land applied for include that land in Mineral Lease 4SA on terms and in the

**s. 11**

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manner contemplated by  
subclause (1)(a) above; and

- (b) with the written consent of the Joint Venturers under the Channar Agreement and provided that they are at that date the holder of any lease licence easement grant or other title made under the Channar Agreement, apply for a similar right or rights for the purpose of facilitating mining from areas included or to be included in Mineral Lease 4SA pursuant to paragraph (a) of this subclause and the State shall, consequent upon the registration of the relevant surrender or surrenders, grant or arrange to have the appropriate authority or other interested instrumentality of the State grant such right or rights on terms and in the manner contemplated by subclause (1)(b) above.
- (1B) Except as otherwise agreed by the Minister, the Company shall undertake and complete any outstanding decommissioning, remediation, rehabilitation and other closure activities and works relating to land included in Mineral Lease 4SA or the subject of a right granted pursuant to this Clause in accordance with all laws and requirements applicable to that land immediately prior to the inclusion or grant including requirements under the Channar Agreement, the EP Act, the Mining Act 1978, the LAA and the terms and conditions of the former title."; and



(5) in clause 28 by adding the following after "State":

"and the parties to this Agreement submit to the jurisdiction of the courts of Western Australia in relation to any action or proceeding to settle any dispute or question arising out of or in connection with this Agreement".

**EXECUTED AS A DEED.**

**SIGNED** by **THE HONOURABLE** )  
**MARK McGOWAN**, in the )  
presence of: )

[Signature]

Signature of witness

TRENA McDONALD

Name of witness (block letters)

[Signature]

Signature of **THE  
HONOURABLE MARK  
McGOWAN**

**Iron Ore (Channar Joint Venture) (Hamersley Range) Agreements  
Amendment Act 2017**

**Part 3** Iron Ore (Hamersley Range) Agreement Act 1963 amended

**s. 11**

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**EXECUTED** by **HAMERSLEY** )  
**IRON PTY. LIMITED** )  
ACN 004 558 276 in accordance )  
with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature]

.....  
Signature of director

PAUL SHANNON

.....  
Name of director (block letters)

[Signature]

.....  
Signature of director/~~company~~  
~~secretary~~\*  
\*delete whichever is not applicable

MICHAEL GOLLSCHEWSKI

.....  
Name of director/~~company~~  
~~secretary~~\* (block letters)  
\*delete whichever is not applicable

=====