EVAPORITES (LAKE MacLEOD) AGREEMENT.

No. 5 of 1979.

AN ACT to amend the Evaporites (Lake MacLeod) Agreement Act, 1967-1973.

[Assented to 17th May, 1979.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

- 1. (1) This Act may be cited as the Evaporites short title (Lake MacLeod) Agreement Act Amendment Act, citation. 1979.
- (2) In this Act the Evaporites (Lake MacLeod) of 1967. Agreement Act, 1967-1973, is referred to as the principal Act.

(3) The principal Act as amended by this Act may be cited as the Evaporites (Lake MacLeod) Agreement Act, 1967-1979.

Section 2

- 2. Section 2 of the principal Act is amended—
 - (a) by deleting the passage "Act.", in line four of the interpretation of the term "the Variation Agreement", and inserting in lieu thereof the passage "Act;"; and
 - (b) by adding after the interpretation of the term "the Variation Agreement" a further interpretation as follows—
 - "the Second Variation Agreement" means the Agreement of which a copy is set out in the Third Schedule to this Act. .

Section 3B added.

3. The principal Act is amended by adding a section, to stand as section 3B, as follows—

Ratification of Second Variation Agreement. 3B. The Second Variation Agreement is ratified. .

Third Schedule added. 4. The principal Act is amended by adding a Schedule, to stand as the Third Schedule, as follows—

THIRD SCHEDULE.

AN AGREEMENT made the Fifteenth day of November, 1978 BETWEEN THE HONOURABLE SIR CHARLES WALTER MICHAEL COURT, O.B.E., M.L.A., Premier of the State of Western Australia acting for and on behalf of the said State and its instrumentalities (the State of Western Australia and its instrumentalities being hereinafter referred to as "the State") of the one part and TEXADA MINES PTY. LIMITED a company incorporated under the Companies Act, 1961 of the State of Western Australia and having its registered office at 37 St. George's Terrace, Perth in the State of Western Australia (hereinafter referred to as "the Company") of the other part.

WHEREAS:

- (a) The parties to this Agreement are the parties to the agreement between them as defined in section 2 of the Evaporites (Lake MacLeod) Agreement Act, 1967 (which agreement is hereinafter referred to as "the principal Agreement").
- (b) The parties desire to vary the provisions of the principal Agreement.

NOW THIS AGREEMENT WITNESSETH:

- 1. In this Agreement, subject to the context words and phrases to which meanings are given under clause 1 of the principal Agreement (other than words and phrases to which meanings are given in this Agreement) shall have the same respective meanings in this Agreement as are given to them in clause 1 of the principal Agreement.
- 2. (1) The provisions of this Agreement other than clause 3 shall not come into operation until the Bill referred to in clause 3 has been passed by the Parliament of Western Australia and comes into operation as an Act.
- (2) If the said Bill is not passed within 12 months after the date hereof this Agreement shall then cease and determine at the expiration of the said 12 months period and neither of the parties hereto shall have any claim against the other of them with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed, under this Agreement.
- (3) On the said Bill commencing to operate as an Act all the provisions of this Agreement shall operate and take effect notwithstanding the provisions of any Act or law.

Initial obligations of State.

- The State shall introduce and sponsor a Bill in the Parliament of Western Australia to ratify this Agreement and endeavour to secure its passage as an Act prior to the 30th day of June, 1979.
- 4. Notwithstanding the provisions of the principal Agreement-

installa-

(1) The Company shall, in accordance with a programme approved by the Minister, not later than the 31st day of December, 1979 and at an additional cost of \$2 500 000, upgrade the Company's common salt installations to improve both their efficiency and their security against the elements and have such work completed by the 31st day of December, 1980 to the satisfaction of the Minister.

Shipment of common salt.

(2) The Company shall during the continuance of this Agreement produce from the mineral lease and ship common salt at a rate of not less than 700 000 tons during each of the years ending 31st March, 1980, 1981 and 1982 and thereafter at a rate of not less than 500 000 tons per annum.

Relief from potash obligations.

(3) The Company is relieved from its obligations under the principal Agreement in respect of potash, subject to compliance with each of the following conditions—

Investigation and report on utilisation of resource. (a) The Company shall during the currency of this Agreement continue to investigate the full utilisation of the resource the subject of the mineral lease and shall report thereon to the reasonable satisfaction of the Minister at intervals of three years, the first report being due on the 31st day of December, 1981.

Third party participa(b) In the event that the State notifies the Company that a third party wishes to utilise any part of the said resource (other than common salt) the Company shall, if it does not wish to proceed with the utilisation of such part of the said resource, consult and co-operate with the Minister and the third party on fair and reasonable conditions of usage of such part of the said resource and of access to the Company's established facilities by the third party. If any dispute arises as to the terms and conditions under which such use shall take place, the Minister shall determine the position on the basis that the terms of any arrangement between the State, the Company and such third party shall not unduly interfere with or jeopardise the established works operations or markets of the Company and shall not be more favourable on the whole than those granted to the Company having regard to the area or part of the said resource made available to such third party PROVIDED THAT the decision of the Minister as aforesaid may at the option of the Company be referred to arbitration hereunder. The parties hereto agree to enter into any variation of this Agreement or the principal Agreement that may be necessary to give effect to the decision of the Minister or to an award made on an arbitration.

(c) The Company shall continue to maintain its plant referred to in paragraph (a) of sub-largheinite clause (1) of clause 9 of the principal Agreement until such time as the Minister is satisfied that such plant is unsuitable for use by either the Company or a third party under this subclause.

5. The provisions of the principal Agreement shall be read Interpretation. and construed subject to the provisions of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed the day and year first hereinbefore written.

SIGNED by the said THE HONOUR-SIR CHARLES WALTER CHARLES COURT. MICHAEL COURT, O.B.E., M.L.A., in the presence of

ANDREW MENSAROS. Minister for Industrial Development.

THE COMMON SEAL OF TEXADA MINES PTY. LIMITED was hereunto affixed by the authority of the Directors and this instrument signed countersigned by

[C.S.]

Director IAN H. CARNE.

Secretary R. DICKINSON.