

WUNDOWIE CHARCOAL IRON INDUSTRY SALE AGREEMENT.

No. 11 of 1979.

**AN ACT to amend the Wundowie Charcoal Iron
Industry Sale Agreement Act, 1974-1977.**

[Assented to 24th 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 *Wundowie Charcoal Iron Industry Sale Agreement Act Amendment Act, 1979*. Short title and citation.

(2) In this Act the Wundowie Charcoal Iron Industry Sale Agreement Act, 1974-1977, is referred to as the principal Act. Act No. 73 of 1974 as amended by Act No. 64 of 1977.

(3) The principal Act as amended by this Act may be cited as the Wundowie Charcoal Iron Industry Sale Agreement Act, 1974-1979.

Section 2
repealed
and
re-enacted.

2. Section 2 of the principal Act is repealed and re-enacted with amendments as follows—

Interpre-
tation.

2. In this Act unless the contrary intention appears—

“the Agreement” means the Agreement a copy of which is set out in the First Schedule to this Act, but if the Agreement is amended in accordance with its provisions includes the Agreement as so amended from time to time, and, except for the purposes of section 3 of this Act, a reference to the Agreement shall be construed as a reference to the Agreement as from time to time altered pursuant to the First Variation Agreement, the Second Variation Agreement, and the Third Variation Agreement;

“the First Variation Agreement” means the Variation Agreement ratified consequent upon the Wundowie Charcoal Iron Industry Sale Agreement Act Amendment Act, 1977, a copy of which is set out in the Second Schedule to this Act;

“the Second Variation Agreement” means the Variation Agreement dated 26th September, 1978, entered into and laid upon the Table of each House of Parliament pursuant to and in accordance with the provisions of clause 21 of the Agreement and not disallowed by either House;

“the Third Variation Agreement” means the Variation Agreement ratified consequent upon the Wundowie Charcoal Iron Industry Sale Agreement Act

1979.]

Wundowie Charcoal Iron [No. 11.
Industry Sale Agreement.

Amendment Act, 1979, a copy of which is set out in the Third Schedule to this Act. .

3. Section 3A of the principal Act is repealed and re-enacted with amendments as follows—

Section 3A repealed and re-enacted.

3A. The First Variation Agreement is approved and ratified.

Approval and ratification of the First Variation Agreement.

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

Section 3B added.

3B. The Third Variation Agreement is approved and ratified.

Approval and ratification of the Third Variation Agreement.

5. The principal Act is amended by adding at the end thereof the following Schedule—

Third Schedule added.

THIRD SCHEDULE.

THIS AGREEMENT is made the 8th day of May, 1979 BETWEEN THE HONOURABLE SIR CHARLES WALTER MICHAEL COURT, K.C.M.G., 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 (hereinafter called "the State") of the first part AGNEW CLOUGH LIMITED a company incorporated under the Companies Act 1961 of the said State and having its registered office therein at 22 Mount Street, Perth (hereinafter called "the Company" which expression will include its successors and permitted assigns) of the second part and MT. DEMPSTER MINING PTY. LTD. a company incorporated under the Companies Act 1961 of the said State and having its registered office therein at 22 Mount Street, Perth (hereinafter called "Mt. Dempster" which expression will include its successors and assigns) of the third part.

WHEREAS:

The parties are the parties to the agreement between them defined in section 2 of the Wundowie Charcoal Iron Industry Sale Agreement Act, 1974-1977 of the State of Western Australia.

By agreement dated 26th day of September, 1978 the parties varied the said agreement pursuant to and in accordance with the provisions of clause 21 thereof

(which said agreement and the variation thereto is hereinafter referred to as "the principal agreement"). The parties desire to further amend the principal agreement.

NOW THIS AGREEMENT WITNESSETH:

1. Subject to the context the words and expressions used in this Agreement have the same meanings respectively as they have in and for the purpose of the principal agreement.

Initial obligations of the State.

2. The State shall, (notwithstanding the provisions of clause 21 of the principal agreement), 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 31st day of December, 1979.

Ratification and operation.

3. The provisions of this Agreement shall not come into operation unless and until a Bill to approve and ratify this Agreement is passed by the Legislature of the State and comes into operation as an Act.

4. The principal agreement is hereby varied as follows—

(1) as to Clause 1—

(a) by amending the definition of "Mineral Claims" by substituting for the passage "as the case may be;" at the end of the definition, the passage "as the case may be together with such other mineral claims that have been or may be granted to Mt. Dempster for the mining of vanadium and titanium as the Minister for Mines may approve;" ;

(b) by adding after the definition "Mineral Claims" a new definition as follows—

"mineral lease" means the mineral lease referred to in clause 4A and includes a renewal thereof and according to the requirements of the context shall describe the area of land demised as well as the instrument by which it is demised;

(2) as to clause 4 subclause 3 paragraph (a)—
by substituting for paragraph (a) the following paragraph—

(a) not to surrender or permit the Mineral Claims to be surrendered other than for the ground the subject thereof to be incorporated in the mineral lease;

(3) by adding after clause 4 a new clause 4A as follows—

Mineral Lease.

4A. (1) On application made by the Company for a mineral lease over so much of the land as

at the date of application is contained within and subject to the Mineral Claims as the Company desires, the State shall upon the surrender by Mt. Dempster of such Mineral Claims cause to be granted to the Company at the rental specified from time to time in the Mining Act, a mineral lease of such land so applied for (notwithstanding that the survey in respect thereof has not been completed but subject to such corrections to accord with the survey when completed at the Company's expense) such mineral lease to be granted under and, except as otherwise provided in this Agreement, subject to the Mining Act but in the form set out in this clause and in respect of the minerals set out therein and subject to such of the conditions of the surrendered Mineral Claims as the Minister for Mines determines and such other conditions as the Minister for Mines may reasonably require from time to time for the purpose of reducing or making good injury to the surface of the land in the mineral lease or injury to anything on or below the surface of that land.

(2) Subject to the performance by the Company of its obligations under this Agreement and the Mining Act and notwithstanding any provisions of the Mining Act to the contrary, the term of the mineral lease shall be for a period of 21 years commencing from the date of receipt of application with the right during the currency of this Agreement to take successive renewals of the said term each for a period of 21 years upon the same terms and conditions, subject to the sooner determination of the said term upon the cessation or determination of this Agreement, such right to be exercisable by the Company making written application for any such renewal not later than 1 month before the expiration of the current term of the mineral lease. Term.

(3) The State shall ensure that during the currency of this Agreement and subject to compliance with its obligations hereunder the Company shall not be required to comply with the labour conditions imposed by or under the Mining Act in regard to the mineral lease. Labour conditions.

(4) The State shall not during the currency of this Agreement register any claim or grant any lease or other mining tenement under the Mining Act or otherwise by which any person other than the Company or an associated Other mining tenements.

company will obtain under the laws relating to mining or otherwise any rights to mine or take the natural substances (other than petroleum as defined in the Petroleum Act, 1967) within the mineral lease unless the Minister reasonably determines that it is not likely to unduly prejudice or to interfere with the operations of the Company hereunder assuming the taking by the Company of all reasonable steps to avoid the interference.

Access
over
mineral
lease.

(5) The Company shall at all times permit the State and third parties (with or without stock vehicles and rolling stock) to have access to and to pass over the mineral lease (by separate route, road or railway where applicable) so long as that access and passage does not materially prejudice or interfere with the operations of the Company under this Agreement.

Surrender
of part of
mineral
lease.

(6) Notwithstanding the provisions of this Clause the Company may with the consent of the Minister for Mines from time to time (with abatement of future rent in respect to the area surrendered but without any abatement of the rent already paid or any rent which has become due and has been paid in advance) surrender to the State all or any portion or portions (of reasonable size and shape) of the mineral lease.

FORM OF MINERAL LEASE.
WESTERN AUSTRALIA.
MINING ACT, 1904.

WUNDOWIE CHARCOAL IRON INDUSTRY SALE
AGREEMENT ACT, 1974.
MINERAL LEASE.

Lease No. Mineral Field

ELIZABETH THE SECOND by the Grace of God Queen of Australia and Her other Realms and Territories Head of the Commonwealth: TO ALL TO WHOM THESE PRESENTS shall come GREETINGS: KNOW YE that WHEREAS by section 48 of the Mining Act, 1904, power is given to the Governor of our State of Western Australia, in the Commonwealth of Australia, to grant leases of land for the purposes of mining thereon for any mineral other than gold upon the terms and conditions set forth in the said Act AND WHEREAS by an Agreement made between the State of Western Australia of the first part, AGNEW CLOUGH LIMITED a company incorporated under the Companies Act, 1961 of the said State and having its registered office therein at 22 Mount Street, Perth

(hereinafter called "the Company" which expression includes its successors and permitted assigns) of the second part and MT. DEMPSTER MINING PTY LTD a company incorporated under the Companies Act, 1961 of the said State and having its registered office therein at 22 Mount Street, Perth of the third part which Agreement (hereinafter referred to as "the Agreement") was ratified by the Wundowie Charcoal Iron Industry Sale Agreement Act, 1974—the State agreed to grant to the Company on application made by the Company a mineral lease under and, except as otherwise provided by the Agreement, subject to the Mining Act, 1904 AND WHEREAS the Company has now made application for a mineral lease of the land hereinafter described for the purpose of mining thereon for titaniferous magnetite, vanadium, copper, lead, zinc and molybdenum NOW WE in consideration of the rents and royalties reserved by the Agreement and in consideration of the other covenants and conditions in this lease and in the Agreement to be observed by the Company DO BY THESE PRESENTS GRANT AND DEMISE UNTO THE COMPANY but subject to the provisions of the Agreement all those pieces and parcels of land situated in the Mineral Field containing approximately hectares (subject to such corrections as may be necessary to accord with the survey when made) and particularly described and delineated on the plan in the schedule hereto and all those mines, veins, seams, lodes, or deposits of titaniferous magnetite, vanadium, copper, lead, zinc and molybdenum in, on, or under the said land (hereinafter called "the said mines") together with the rights, liberties, easements, advantages and appertinances thereto belonging or appertaining to a lessee of a mineral lease under the Mining Act, 1904, including all amendments thereof for the time being in force and all regulations made thereunder for the time being in force (which Act and regulations are hereinafter referred to as "the Mining Act") or to which the Company is entitled under the Agreement, excepting and reserving out of this demise any portion of the said land which is now used for any public works or building whatsoever TO HOLD the said land and the said mines and all and singular the premises hereby demised for the term of twenty one (21) years from the day of 19 with the right to renew the same from time to time for further periods each of twenty one (21) years as provided in but subject to the terms covenants and conditions set out in the Agreement and to the Mining Act (as modified by the Agreement) YIELDING and paying therefor the rents and royalties as provided for in the Agreement AND WE do hereby declare that this lease is subject to the condition that the Company shall observe perform and carry out the provisions of the Mines Regulation Act, 1946 and all amendments thereof for the time being in force and the regulations for the time being in force made thereunder and the provisions of the Mining Act (as modified

by the Agreement) in so far as the same affect or have application to this lease or any renewal thereof.

PROVIDED THAT this lease and any renewal thereof shall not be determined or forfeited otherwise than under and in accordance with the Agreement.

AND PROVIDED FURTHER that all petroleum and other minerals apart from titaniferous magnetite, vanadium, copper, lead, zinc and molybdenum on or below the surface of the demised land are reserved to Her Majesty or any person claiming under her and that any person lawfully authorised in that behalf may have access to the demised land for the purpose of searching for and obtaining petroleum, or subject to the terms of the Agreement other minerals (other than those aforesaid) in any part of the land under the provisions of the Mining Act or the Petroleum Act, 1967.

IN WITNESS WHEREOF we have caused our Minister for Mines to affix his seal and set his hand hereto at Perth in our said State of Western Australia and the common seal of the Company was hereunto affixed by authority of the Board of Directors.

Dated the _____ day of _____ 19 .

THE SCHEDULE ABOVE REFERRED TO (plan of lease).

- (4) as to clause 8 subclause (1)—
by substituting for paragraph (a) the following new paragraph—
 - (a) continue to carry on at Wundowie the production of pig iron from two blast furnaces during the period commencing on the 1st day of July, 1979 and terminating on the 30th day of June, 1980 at a projected rate of eighty-five thousand (85,000) tonnes per annum but not less than a rate of sixty thousand (60,000) tonnes per annum
- (5) as to Clause 8A—
by substituting for paragraph (a) the following new paragraph—
 - (a) to paragraph (a) of subclause (1) of clause 8 during the period commencing on the 1st day of November, 1978 and terminating on the 30th day of June, 1980;
- (6) as to clause 8B subclause (1)—
by substituting for paragraph (b) the following paragraph—
 - (b) subclause (1) of clause 8 to the intent that the provisions of clause 27 shall cease to have any further force or effect

after the date of such notice but not in any event prior to the 30th day of June, 1980. ;

(7) by substituting for clause 15C the following new clause—

Reimburse-
ment of
Pay-roll
Tax.

15C. Subject to the due performance by the Company and Mt. Dempster of their respective obligations hereunder up to and including the 30th day of June, 1980, the State shall pay to the Company as soon as practicable after the 30th day of June, 1979 and the 30th day of June, 1980 (but not later than 60 days after the appropriate date) an amount equal to the total pay-roll tax actually paid by the Company under the provisions of the Pay-roll Tax Assessment Act, 1971 in respect of the taxable wages paid by the Company to those of its employees employed solely in the Industry and at Koolyanobbing for the period commencing on the 1st day of November, 1978 and terminating on the 30th day of June, 1979 and the period commencing on the 1st day of July, 1979 and terminating on the 30th day of June, 1980 (less any refund made to the Company or to which the Company is entitled under the Pay-roll Tax Assessment Act in respect of the appropriate period) PROVIDED THAT the maximum amount payable by the State pursuant to this clause in respect of the period commencing on the 1st day of November, 1978 and terminating on the 30th day of June, 1980 shall not exceed two hundred and twenty six thousand dollars (\$226,000) AND PROVIDED FURTHER THAT if this Agreement is determined by the State pursuant to clause 27 prior to the 30th day of June, 1980 the Company shall forthwith pay to the State any amount paid by the State to the Company pursuant to this clause. ;

(8) by adding after clause 15E a new clause 15F as follows—

15F. Subject to the due performance by the Company and Mt. Dempster respectively of their obligations hereunder the State shall as from the 1st day of November, 1978 provide in lieu of all other freight subsidies under this Agreement a new subsidy of two dollars (\$2) per tonne of iron ore transported by the Western Australian Government Railways Commission from Koolyanobbing to Wundowie for the period commencing on the 1st day of November, 1978 and terminating on the 30th day of June, 1980 PROVIDED THAT any payments by way of subsidy made by the State pursuant to clause 15

New
subsidy.

of this Agreement during this period shall be offset against payments due by the State to the Company pursuant to this clause AND PROVIDED FURTHER THAT if this Agreement is determined by the State pursuant to clause 27 prior to the 30th day of June, 1980 the Company shall forthwith pay to the State an amount equal to the freight subsidy received by the Company pursuant to this clause.

IN WITNESS whereof these presents have been executed by or on behalf of the parties hereto the day and year first hereinbefore written.

SIGNED by THE HONOUR-
ABLE SIR CHARLES WALTER
MICHAEL COURT, K.C.M.G.,
O.B.E., M.L.A. in the presence
of—

CHARLES COURT

ANDREW MENSAROS
MINISTER FOR INDUSTRIAL
DEVELOPMENT.

The Common Seal of AGNEW
CLOUGH LIMITED was here-
unto affixed by authority of the
Directors and in the presence
of—

[C.S.]

GARRICK AGNEW,
DIRECTOR.

J. S. SMITHSON,
SECRETARY.

The Common Seal of MT.
DEMPSTER MINING PTY LTD
was hereunto affixed by
authority of the Directors and
in the presence of—

[C.S.]

GARRICK AGNEW,
DIRECTOR.

J. S. SMITHSON,
SECRETARY.