

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme BioProspect Limited

ACN/ARSN 008 130 336

1. Details of substantial holder (1)

Name Mining Investments Limited and Elias Khouri
ACN/ARSN (if applicable) N/A

There was a change in the interests of the substantial holder on

9 September 2014

The previous notice was given to the company on

10/06/2014

The previous notice was dated

10/06/2014

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Shares	735,000,000	23.16%	298,909,928	9.42%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed		Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
9 September 2014	Mining Limited	Investments	Off-Market Sale – Paid in Cash	\$450,000.00	150,000,000 fully paid ordinary shares	150,000,000 fully paid ordinary shares
9 September 2014	Mining Limited	Investments	Off-Market Sale pursuant to the Share Sale Agreement attached at Annexure (A)	Unsecured Loan of \$375,000.00 given by Mining Investments Limited	125,000,000 fully paid ordinary shares	125,000,000 fully paid ordinary shares
8 September 2014	Mining Limited	Investments	On-Market Sale	\$377,693.62	124,423,405 fully paid ordinary shares	124,423,405 fully paid ordinary shares
27 August 2014	Mining Limited	Investments	Off-Market Sale – Paid in Cash	\$110,000.00	36,666,667 fully paid ordinary shares	36,666,667 fully paid ordinary shares

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Mining Investments Limited	Mining Investments Limited	Mining Investments Limited	Legal and beneficial holder	298,909,928 fully paid ordinary shares	9.42%
Elias Khouri	Mining Investments Limited	Mining Investments Limited	100% shareholder of Mining Investments Limited	298,909,928 fully paid ordinary shares	9.42%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Mining Investments Limited	PO Box 3153, Newport, VIC 3015
Elias Khouri	PO Box 3153, Newport, VIC 3015

Signature

print name Elias Khouri

capacity Director

sign here

date 9 September 2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

ANNEXURE A

This is Annexure A of 24 pages (including this page) referred to in
Form 604 Notice of change of interests of substantial holder
given by Mining Investments Limited to BioProspect Limited (ACN 008 130 336) dated 9 September 2014.

Signed: 

Elias Khouri
Director of Mining Investments Limited

Share Sale Agreement

Mining Investments Limited





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DETAILS

Date: 9 September 2014

Parties

(1) **Mining Investments Limited (MIL)**

Incorporated in	Khaimah Free Trade Zone Authority, Government of Ras Al Khaimah
Address	C/- BDO Chartered Accountants & Business Advisers. Al Futtaim Tower, Al Maktoum Road, Deira, Dubai, United Arab Emirates
Fax	+961 9 780 497
Attention	Elias Khouri

(2) [REDACTED] (Purchaser)

ACN [REDACTED]

Address [REDACTED]

Fax [REDACTED]

Attention [REDACTED]

Recitals

- A. MIL is the owner of the Sale Shares, which are held by the Nominee on its behalf.
- B. MIL has agreed to sell, and the Purchaser has agreed to purchase, MIL's interest in the Sale Shares on the terms and conditions of this agreement.
- C. The Purchaser has engaged, or will before Completion engage, the Nominee to hold the Sale Shares on behalf of the Purchaser with effect from Completion.

Operative Parts

1. Defined terms and interpretation

1.1 Defined terms

The following definitions apply unless the context requires otherwise.

Business Day means a day (not being a Saturday or Sunday) on which banks are open for general banking business in Ras Al Khaimah, United Arab Emirates.

SK [REDACTED]

Company means the company described in item 1 of Schedule 1.

Completion means completion of the sale and purchase of the Sale Shares under clause 3.

Completion Date means the date on which Completion occurs.

Details means, in relation to a party, the details for that party set out at the commencement of this agreement.

Duty means any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Encumbrance means:

- (a) a mortgage, charge, pledge, lien, hypothecation or title retention arrangement; or
- (b) a "security interest" as defined under the *Personal Property Securities Act 2009* (Cth).

Government Agency means any government or governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity in any part of the world.

Immediately Available Funds means bank cheque or confirmed electronic funds transfer to an account nominated by the payee.

Law includes any law, statute, regulation, ordinance, authorisation, ruling, judgment and any order or decree of any Government Agency in any jurisdiction.

Loan Conditions means the conditions set out in paragraph 2 of Schedule 2.

Purchase Consideration means the amount specified in item 3 of Schedule 1.

Rights means all accretions and rights attaching to or arising from the Sale Shares (including without limitation, all rights to receive special dividends, returns of capital and other distributions declared or paid and to receive or subscribe for shares, notes, options or other securities or entitlements) declared, paid or issued by the Company after the Completion Date.

Sale Shares means the shares described in item 2 of Schedule 1.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural, and the converse also applies.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a *person* includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.



- (e) A reference to a clause, Schedule or Annexure is a reference to a clause of or schedule or annexure to this agreement.
- (f) A reference to an agreement, or document (including a reference to this agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this agreement or that other agreement or document.
- (g) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.
- (h) A reference to a party to this agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (i) A reference to legislation or to provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (j) Any authorities, associations, bodies and entities whether statutory or otherwise shall, in the event of such authority, association, body or entity ceasing to exist or being reconstituted, replaced or the powers or functions thereof being transferred to or taken over by any other authority, association, body or entity, be deemed to refer respectively to the authority, association, body or entity established, constituted or substituted in lieu thereof or which exercises substantially the same powers or functions in lieu thereof.
- (k) A reference to any thing (including any amount) is a reference to the whole and each part of it and a reference to a group of persons is a reference to all of them collectively, to any two or more of them collectively and to each of them individually;
- (l) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (m) A reference to dollars and \$ or A\$ is to Australian currency.
- (n) A reference to a month is a reference to a calendar month;
- (o) All references to time are to Dubai, United Arab Emirates time.
- (p) Mentioning anything after includes or including, or similar expressions, does not limit what else might be included.
- (q) Nothing in this agreement is to be interpreted against a party solely on the ground that the party put forward this agreement or a relevant part of it.

1.3 Business Day

- (a) Subject to clause 1.3(b), where the day on or by which anything is to be done is not a Business Day, that thing must be done on or by the following Business Day.
- (b) If a payment is required to be made under this Agreement which is not a Business Day, that payment shall be made on the preceding Business Day.

1.4 Parties not associates

Nothing in this agreement is intended to give rise to an association between the parties.

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2. Sale and purchase

2.1 Sale and purchase of Sale Shares

At Completion, MIL must sell, and the Purchaser must buy, MIL's title and interest in all of the Sale Shares (including any Rights) free from any Encumbrances and otherwise on the terms and conditions of this agreement.

2.2 Purchase Consideration

The consideration payable by the Purchaser to MIL for the purchase of the Sale Shares under clause 2.1 is the Purchase Consideration.

3. Completion

3.1 Date for Completion

Completion must take place at the offices of Mining Investments Limited, [REDACTED] on 9 September at 9.00am, or on or at such other date, time or place as agreed between the parties in writing.

3.2 Purchaser's obligations at Completion

At Completion, the Purchaser must:

- (a) subject to clause (b), pay to MIL the Non-Vendor Financed Component of the Purchase Consideration in Immediately Available Funds; and
- (b) deliver to MIL or do all other things required to satisfy any Loan Conditions.

3.3 MIL's obligations at Completion

Subject to the Purchaser having complied with clause 3.2, at Completion, MIL will deliver to the Purchaser a share transfer form duly executed by MIL under which MIL's interest in the Sale Shares will be transferred to the Purchaser.

3.4 Notice to complete

- (a) If either party (**Defaulting Party**) fails to satisfy any of its obligations under clause 3.2 or 3.3 (as the case may be) on the day and at the place and time for Completion determined under clause 3.1, then the other party (**Non-Defaulting Party**) may give the Defaulting Party a notice requiring the Defaulting Party to satisfy those obligations within a period of 3 Business Days from the date of the Notice and declaring time to be of the essence.
- (b) If the Defaulting Party fails to satisfy those obligations within those 3 Business Days, then the Non-Defaulting Party may, without limitation to any other rights it may have, terminate this agreement by giving notice thereof to the Defaulting Party.

3.5 Termination of sale and purchase of Sale Shares

If this agreement is terminated in accordance with clause 3.4, then with effect on and from the date of issue of the notice of termination:

- (a) there is no further obligation on MIL or the Purchaser to undertake or perform any of the unperformed obligations in this agreement; and



- (b) to the extent that such obligations have already been undertaken or performed, the parties must do everything reasonably required to reverse those actions (including returning to the other all documents delivered by the other party),

provided that the parties retain the rights they have against the other party in respect of any breach of this agreement occurring prior (without affecting any rights at Law or in equity) to such termination.

3.6 **Loan terms**

The parties agree that:

- (a) the proportion of the Purchase Consideration that will be financed by MIL is set out in item 5 of Schedule 1; and
- (b) the provisions of Schedule 2 apply to this loan and to the parties.

4. **Warranties**

4.1 **Purchaser warranties**

The Purchaser represents and warrants to MIL that:

- (a) it has full power, authority and capacity to enter into and perform its obligations under this agreement;
- (b) the entry into and the performance by it of this agreement does not violate, breach or result in a contravention of any Law, regulation or authorisation or of its constitution or other constituent documents; and
- (c) this agreement constitutes a legally valid and binding obligation on the Purchaser that is enforceable in accordance with its terms.

4.2 **MIL warranties**

MIL represents and warrants to the Purchaser that:

- (a) it has full power, authority and capacity to enter into and perform its obligations under this agreement;
- (b) the entry into and the performance by it of this agreement does not violate, breach or result in a contravention of any Law, regulation or authorisation or of its constitution or other constituent documents;
- (c) this agreement constitutes a legally valid and binding obligation on the Purchaser that is enforceable in accordance with its terms; and
- (d) it is entitled to sell and transfer its title and interest in the Sale Shares free of any Encumbrance or adverse interest.

4.3 **Survival of representations and warranties**

The representations and warranties given in this clause 4:

- (a) do not merge on Completion; and

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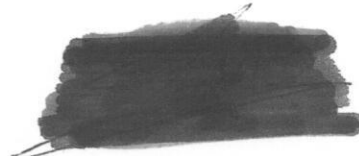
- (b) are regarded as repeated at Completion with regard to the acts and circumstances then subsisting.
-

5. Confidentiality

5.1 Confidentiality obligations

The parties agree to keep the terms of this agreement confidential and not disclose it or allow it to be disclosed to any third party except:

- (a) with the prior written approval of the other party;
- (b) to its officers, employees, consultants, advisers or financiers on a need to know basis who are aware of the need to keep the information disclosed confidential; and
- (c) is required to be disclosed by applicable Law, the rules of any recognised securities exchange or any order of any court, tribunal, authority or regulatory body or in connection with the enforcement of this agreement

A large, dark, rectangular redacted area covering a signature.A handwritten signature in ink, appearing to be 'SK'.

Schedule 1 – Reference Schedule

Item 1	Company	BioProspect Limited (ACN 008 130 336)
Item 2	Sale Shares	125,000,000 of fully paid ordinary shares in the Company
Item 3	Purchase Consideration	A\$375,000.00
Item 4	Non-Vendor Financed Component of the Purchase Consideration	Nil% of the Purchase Consideration (being A\$375,000)
Item 5	Vendor Financed Component of the Purchase Consideration	100% of the Purchase Consideration (being A\$375,000)



Schedule 2 – Loan terms

1. Defined terms and interpretation

1.1 Defined terms

The following words have these meanings in this Schedule 2 (in addition to the definitions in clause 1.1 of the body of this agreement, unless the context requires otherwise):

Agreement means the loan terms and conditions, as set out in Schedule 2.

Authorised Officer means:

- (a) in the case of the Lender, a director, secretary, officer or senior manager of the Lender, or a person appointed by the Lender to act as its Authorised Officer for the purposes of this agreement; and
- (b) in the case of the Borrower, a director or a secretary of the Borrower, or a person appointed by the Borrower to act as its Authorised Officer for the purposes of this agreement.

Borrower means the Purchaser.

Collateral means the Sale Shares and any other property or interest which forms part of the collateral under the Specific Security Deed.

Event of Default has the meaning given in paragraph 8(a) of this Schedule 2.

GST means either value added tax or the goods and services tax as imposed by the Law including, where relevant, any related interest, penalties, fines or other charges;

Higher Interest Rate means 20% per annum.

Insolvency Event means in relation to a person:

- (a) it is (or states that it is) an insolvent under administration or insolvent;
- (b) it has had a controller appointed, or is in liquidation, in provisional liquidation, under administration or wound-up or has had a receiver or receiver and manager appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute, or dissolved [in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Lender (acting reasonably)];
- (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within seven days), resolution passed, meeting convened, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above;
- (e) it is otherwise unable to pay its debts when they fall due; or
- (f) something having a substantially similar effect to (a) to (g) happens in connection with that person under the Law of any jurisdiction.

Interest Payment Date means the last Business Day of each calendar month for so long as there remains any Principal Outstanding.

Lender means MIL.

Loan Amount means A\$375,000, being that part of the Purchase Consideration that is financed by MIL.

Lower Interest Rate means 12% per annum.

Potential Event of Default means any event, thing or circumstance which with the giving of notice, lapse of time or fulfilment of any condition (or any combination of those things) would be likely to become an Event of Default.

Principal Outstanding means the aggregate from time to time of:

- (a) the Loan Amount; and
- (b) all other amounts including capitalised interest (if any) and fees, which have fallen due and payable under this agreement by the Borrower and which remain unpaid,

less the total of all repayments of principal made hereunder.


the Completion Date.

Taxes means taxes, levies, imposts, deductions, charges, withholdings and duties imposed by any authority (including stamp and transaction taxes and duties) (together with any related interest, penalties, fines and expenses in connection with them).

Termination Date means the date which is two years from the Completion Date.

2. Conditions Precedent

- (a) The Lender shall not be required to Complete the sale and purchase of the Sale Shares and finance any part of the Purchase Consideration until each of the following has occurred (unless waived in writing by the Lender):
 - (i) the Lender has received this Agreement and all ancillary documents duly executed and, where required by the Lender, duly stamped and in registrable form;
 - (ii) such other information, documents, assurances and opinions as the Lender may require, including without limitation, the constituent documents of the Borrower, and bankruptcy and litigation searches in relation to Borrower;
 - (iii) no Event of Default has occurred or would occur with the passing of time or giving of notice; and
 - (iv) no breach of any representation or warranty contained in paragraph 13 of this Schedule 2 has occurred.
- (b) The conditions in paragraph 2(a) of this Schedule 2 are for the benefit of the Lender only.



3. Repayment

(a) The Borrower must repay:

(i) the Principal Outstanding in accordance with the following:

(A) on the last day of each month for a period of 24 months, the amount of \$31,250, plus the amount of accrued Interest on the Principal Outstanding; and

(ii) all remaining Principal Outstanding and interest which has accrued but is unpaid, on the Termination Date,

in each case, without set off or counterclaim and free and clear of any withholding, deduction or other payment for Taxes unless prohibited by Law.

(b) The Loan Amount is not available for redrawing in whole or in part.

4. Interest on principal outstanding

(a) Subject to paragraph 4(d) of this Schedule 2, the Borrower shall pay interest on the Principal Outstanding at the Higher Interest Rate in arrears on each Interest Payment Date.

(b) Interest shall:

(i) accrue from day to day;

(ii) be computed from the date of the drawdown of the Loan Amount (being the Completion Date) to the date the Loan Amount is repaid (both days inclusive) on a compound interest basis; and

(iii) be calculated on the actual number of days elapsed on the basis of a 365 day year.

(c) If a liability under this paragraph 4 of this Schedule 2 becomes merged in a judgment or order, then the Borrower agrees to pay interest to the Lender on the amount of that liability as an independent obligation. This interest accrues from the date the liability becomes due for payment both before and after the judgment or order until it is paid, at a rate that is the higher of the rate payable under the judgment or order and the rate referred to in paragraph 4(a) of this Schedule 2.

(d) Notwithstanding paragraph 4(a) of this Schedule 2, if on the relevant Interest Payment Date there is no unwaived and continuing Event of Default, then the interest which shall accrue on such Interest Payment Date shall be calculated at the Lower Interest Rate in lieu of the Higher Interest Rate.

5. Security

The Loan is unsecured. In the event that there is a failure to pay any of the Principal Outstanding, the Lender can cause the Purchaser to sell all or part of the Sale Shares in order to satisfy any sum due to it.



6. Preservation of the borrower's liability

The liabilities of the Borrower and the rights of the Lender under this agreement are not affected by anything which might otherwise have that effect at Law or in equity including one or more of the following (whether occurring with or without the consent of a person):

- (a) any inaccuracy, insufficiency or forgery of or in any certificate or other instrument which purports to be made, issued or delivered on behalf of the Borrower under this agreement or under any other Transaction Document;
- (b) the Lender or another person granting time or other indulgence (with or without the imposition of an additional burden) to, compounding or compromising with or wholly or partially releasing the Borrower or another person in any way;
- (c) laches, acquiescence, delay, acts, omissions or mistakes on the part of the Lender or another person;
- (d) the invalidity or unenforceability of an obligation or liability of a person other than the Borrower;
- (e) invalidity or irregularity in the execution of this agreement by the Borrower or any deficiency in the powers of the Borrower to enter into or observe its obligations under this agreement; or
- (f) the invalidity or irregularity in the execution of this Agreement.

7. Payments and taxes

- (a) The Borrower agrees under this Agreement to make payments to the Lender under th not later than 10.00am Dubai time on the due date in immediately available funds to the account of the Lender at a bank which the Lender designates by notice to the Borrower.
- (b) The Borrower agrees to make payments under this Agreement without set-off or counterclaim and free and clear of any withholding, deduction or other payment for Taxes unless prohibited by Law.
- (c) If a Law requires the Borrower to withhold, deduct or otherwise incur Taxes from or in respect of a payment so that the Lender would not actually receive for its own benefit on the due date the full amount provided for under a Transaction Document, then:
 - (i) the Borrower must make that deduction, withholding or payment (and any further deductions, withholdings or payments contemplated by paragraph 7(c)(ii) of this Schedule 2) and pay to the appropriate government agency an amount equal to the full amount deducted, withheld or paid as required by Law and give the Lender the original receipt for the payment; and
 - (ii) pay additional amounts to the Lender which would result in the Lender receiving at the time the payment is due (after deduction, withholding or payment of any Taxes in respect of any additional amount) the full amount which the Lender would have received if no deduction, withholding or payment had been required.



8. Events of Default

- (a) An Event of Default occurs if:
- (i) the Borrower does not pay on time any money payable to the Lender under this Agreement;
 - (ii) a representation or warranty made or taken to be made by or on behalf of the Borrower in connection with this Agreement is found or is notified by the Borrower to be materially incorrect or misleading when made or taken to be made;
 - (iii) an Insolvency Event occurs in respect of the Borrower;
 - (iv) this Agreement is or becomes wholly or partly void, voidable or unenforceable, or is claimed to be so by the Borrower or by anyone on its behalf;
 - (v) an Encumbrance is placed over the Sale Shares, prior to the payment of the Principal Outstanding;
 - (vi) the Borrower does not observe any obligation under this Agreement (other than an obligation to pay money) to which it is a party and, if the non-observance can be remedied, does not remedy the non-observance within seven days;
 - (vii) the Borrower does not duly and punctually observe and perform all obligations to pay principal, interest and other moneys payable under every security (if any) taking priority to the Security;
 - (viii) a change occurs in the business, assets or financial condition of the Borrower which in the reasonable opinion of the Lender may have a material adverse effect on the ability of the Borrower to observe its obligations under a Transaction Document; or
 - (ix) an "event of default" however described occurs under any other Transaction Document.
- (b) When an Event of Default or Potential Event of Default occurs and while that event continues the Lender may, by written notice to the Borrower (in addition to exercising any right of the Lender under this Agreement or at Law) declare the Principal Outstanding and all interest and other moneys payable under the Transaction Documents immediately due and payable whereupon the same shall become immediately due and payable.

9. Fees and expenses

- (a) The Borrower is to pay the Lender's legal expenses (on a full indemnity basis or solicitor and own client basis, whichever is the higher) in relation to the negotiation, preparation and execution of this Agreement. The Borrower shall pay all stamp duty and registration fees payable on or in respect of this Agreement.
- (b) The Borrower agrees to pay or reimburse the Lender on demand for:
- (i) the costs, charges and expenses (including travel expenses, valuation fees and legal fees on a full indemnity basis) of the Lender in connection with the contemplated or actual enforcement or preservation of any rights under this Agreement; and

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- (ii) the fees in respect of any further valuations or valuation updates reasonably required by the Lender from time to time; and
- (iii) the costs, charges and expenses incurred by the Lender in connection with any default under any consent, approval, exercise or non-exercise of rights, waiver, variation, release or discharge in connection with this Agreement; and
- (iv) Taxes and fees (including registration fees) and fines and penalties in respect of fees, which may be payable or determined to be payable in connection with this Agreement or a payment or receipt or any other transaction contemplated by this Agreement; and
- (v) the costs, charges and expenses of the Lender in connection with any enquiry by any authority involving the Borrower or any of its Related Bodies Corporate,

including in each case legal costs expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher.

- (c) The Borrower indemnifies the Lender against any liability or loss arising from, and any costs, charges and expenses incurred in connection with:
 - (i) the payment, omission to make payment or delay in making payment of an amount referred to in this paragraph 9 of this Schedule 2;
 - (ii) an Event of Default;
 - (iii) any payment required to be made by the Borrower under this Agreement not being made on its due date; or
 - (iv) the Lender acting in connection with this Agreement in good faith on facsimile or telephone instructions purporting to originate from the offices of the Borrower or to be given by an Authorised Officer of the Borrower,

including liability, loss (including loss of profits), costs, charges or expenses on account of funds borrowed, contracted for or used to fund any amount payable under the Transaction Documents and including in each case legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher, premiums and penalties incurred in liquidating or re-employing advances made by third parties or funds acquired or arranged to effect or maintain the Loan Amount or any part thereof.

10. Indemnity

The Borrower indemnifies the Lender against any liability or loss arising from, and any costs, charges and expenses incurred in connection with:

- (a) the payment, omission to make payment or delay in making payment of an amount referred to in this paragraph 10 of this Schedule 2;
- (b) an Event of Default or Potential Event of Default;
- (c) any payment required to be made by the Borrower under this Agreement not being made on its due date; or

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- (d) the Lender acting in connection with this Agreement in good faith on facsimile or telephone instructions purporting to originate from the offices of the Borrower or to be given by an Authorised Officer of the Borrower,

including liability, loss (including loss of profits), costs, charges or expenses on account of funds borrowed, contracted for or used to fund any amount payable under the Transaction Documents and including in each case legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher, premiums and penalties incurred in liquidating or re-employing advances made by third parties or funds acquired or arranged to effect or maintain the Loan Amount or any part thereof.

11. Application of money

The Lender may apply amounts paid by the Borrower towards satisfaction of the Borrower's obligations under the Transaction Documents in the manner the Lender sees fit, unless the Transaction Documents expressly provide otherwise.

12. Undertaking

The Borrower undertakes:

- (a) to give promptly to the Lender any information and supporting evidence that the Lender reasonably requests from time to time (including copies of the Borrower's accounts and reasonable details relating to their preparation);
- (b) to notify the Lender promptly if any representation or warranty made or taken to be made by or on behalf of the Borrower in connection with this Agreement is found to be incorrect or misleading when made or taken to be made;
- (c) to do everything necessary to ensure that no Event of Default or Potential Event of Default occurs;
- (d) upon request from the Lender, promptly to provide the Lender with a certificate signed by the Borrower which states whether an Event of Default or Potential Event of Default continues unremedied;
- (e) to notify the Lender promptly after it occurs of full details of an Event of Default or Potential Event of Default, and the steps taken to remedy it;
- (f) to obtain, renew on time and comply with the terms of each authorisation necessary to enter into the Transaction Documents to which it is a party, observe obligations under them and allow them to be enforced;
- (g) to keep confidential and not to disclose the existence of the this agreement and the terms and conditions thereof;
- (h) not without the Lender's prior written consent to create or allow to exist any encumbrance or security interest whether ranking ahead of, pari passu with, or after the Security;
- (i) to execute and do, or cause to be executed and done by any person, at the expense of the Borrower, all assurances and other things as are reasonably required or requested at any time and from time to time by the Lender for giving effect to, and the full benefit of, the covenants contained or implied in this agreement and the Security in favour of the Lender or to protect the Lender's rights, powers and remedies under this agreement or the Security;



- (j) to comply with the requirements of all applicable Laws, rules, regulations, orders and decrees of any person, non-compliance with which would, or might, in the Lender's opinion, have a material adverse effect on the Borrower's ability to comply with its obligations under this agreement or the Security;
- (k) to keep its assets and undertaking insured, and to ensure that any asset leased by it is insured, against such risks and in such amounts as would prudently be insured against by a person carrying on business similar to the Borrower and to deliver to the Lender upon request by the Lender written details of such insurances and appropriate evidence that all such insurances are in full force and effect and that all relevant premiums have been paid; and
- (l) to notify the Lender forthwith of any litigation or administrative or other proceedings initiated or threatened against the Borrower or any of the Borrower's assets.

13. Warranties

- (a) In addition to the representations and warranties given by the Borrower in the body of this agreement, the Borrower represents and warrants that:
 - (i) it has in full force and effect the authorisations necessary to enter into the Transaction Documents, observe obligations under them and allow them to be enforced;
 - (ii) its obligations under the Transaction Documents are valid and binding and are enforceable against it in accordance with their terms;
 - (iii) its obligations under this Schedule 2 rank in priority to all other indebtedness of the Borrower except liability mandatorily preferred by Law;
 - (iv) it is not a trustee of any trust or settlement;
 - (v) it has power to enter into and observe its obligations under this agreement;
 - (vi) this Agreement and the transactions under it do not contravene any Law, regulation or official directive or any of its obligations or undertakings by which it or any of its assets are bound or cause a limitation on its powers or the powers of its directors to be exceeded;
 - (vii) this Agreement constitutes a valid and legally binding obligation of the Borrower in accordance with its terms;
 - (viii) the execution, delivery and performance of this Agreement does not violate any existing Law or regulation (including listing rules of any securities exchange) or any document or agreement binding upon the Borrower or any assets of the Borrower or the constitution or other constituent document of the Borrower;
 - (ix) all information relating to the Borrower provided to the Lender in connection with this Agreement is true in all material respects and is not misleading in any material respect by omission or otherwise;
 - (x) no litigation, arbitration, mediation, conciliation, criminal or administrative proceedings are current, pending or, to the knowledge of the Borrower threatened, which could have a material adverse effect on the business assets or financial condition of the Borrower;

- (xi) no Event of Default or Potential Event of Default has occurred;
- (xii) the Borrower has complied with all statutes, regulations and other Laws applicable to it and its businesses;
- (xiii) the Borrower is not in default and no event has occurred which with the giving of notice, lapse of time or other condition could constitute a default, in respect of any financial indebtedness; and
- (xiv) the Borrower's most recent accounts:
 - (A) have been prepared in accordance with accounting principles and practices generally accepted under International Accounting Standards; and
 - (B) give a true and fair view of the financial condition of the Borrower as at the date to which the accounts or statement relate and the results of the Borrower's operations for the accounting period and since that date there has been no material adverse change in the financial condition of the Borrower as shown in the accounts or statement.
- (b) The representations and warranties in paragraph 13(a) above of this Schedule 2 are taken to be made on the date of this agreement and on each day on which there remains any Principal Outstanding.

14. Notices

- (a) A notice, approval, consent or other communication in connection with this Agreement is a party:
 - (i) may be given by an Authorised Officer of the relevant party;
 - (ii) must be in writing; and
 - (iii) must be left at the address of the addressee or sent by prepaid ordinary post (airmail if posted to or from a place outside Australia) to the address of the addressee or sent by facsimile to the facsimile number of the addressee which is specified in the details section of this agreement (if any) or if the addressee notifies another address or facsimile number then to that address or facsimile number.
- (b) Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is received.
- (c) A letter or facsimile is taken to be received:
 - (i) in the case of a posted letter, on the third (seventh, if posted to or from a place outside Australia) day after posting; and
 - (ii) in the case of a facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient notified for the purpose of this paragraph 14.
- (d) Any process or other document relating to litigation, administrative or arbitral proceedings in relation to this agreement may be served by any method

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contemplated by paragraph 14(a) of this Schedule 2 in addition to any means authorised by Law.

15. Change of Law

(a) If after the date of this agreement:

(i) there is a change in, or extension of, any applicable Law or regulation relating to taxation, or the interpretation or application of any applicable Law or regulation relating to taxation, which results in the Lender being subjected to any tax in respect of this agreement or the Loan Amount or any amount or amounts payable under this agreement (except for taxes on the overall net income of the Lender); or

(ii) any Law or regulation or any other condition, whether or not having the force of Law, is introduced, or if already existing, is deemed applicable or is changed or there is any change in its interpretation, application or enforcement by any governmental or other authority charged with its administration, application or enforcement, ("change of circumstance"), and the result of any of the above matters is:

(A) to reduce the amount received or receivable by the Lender under this agreement below the amount expected at the date of this agreement to be receivable by the Lender; or

(B) to increase the cost to the Lender of providing the funding or maintaining the Loan Amount above the cost expected at the date of this agreement,

by an amount which the Lender considers to be material, the Lender will advise the Borrower in writing of the amount of the shortfall or of the increased cost. The Borrower must then, within 14 days of receiving that written notice pay the Lender either the amount of the shortfall in the amount received or receivable or the amount of the increased cost of providing the funding or maintaining the Loan Amount.

(b) If after the date of this agreement there is a change of circumstance such as to make it unlawful, or impossible (in the Lender's opinion) for the Lender to give effect to or maintain its obligations under this agreement, the Lender will, by notice to the Borrower, declare that the Lender's obligation to maintain the Loan Amount is terminated forthwith provided always that such change of circumstance is not the result of an act or failure to act of the Lender. If advances have been provided the Borrower must then, within the lesser of three months of receiving that notice and the period of any maximum grace period allowed by any relevant Law or regulation for compliance by the Lender with its obligations, repay the Principal Outstanding, together with all interest accrued and not then paid and all other amounts payable under this agreement and unpaid, without premium or penalty. The Loan Amount will not be available for redrawing either in whole or in part in this or any other circumstance.

16. Miscellaneous

16.1 Exercise of rights

The Lender may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by the Lender does not prevent a further exercise of that or an exercise of any other right, power or remedy. Failure by the Lender to exercise or delay in exercising a

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right, power or remedy does not prevent its exercise. The Lender is not liable for any loss caused by the exercise, attempted exercise, failure to exercise or delay in exercising a right, power or remedy whether by reason of the Lender's negligence or otherwise.

16.2 Waiver and variation

A provision of or a right created under this agreement may not be waived or varied except in writing signed by the party or parties to be bound.

16.3 Supervening legislation

Any present or future legislation which operates to vary the obligations of the Borrower in connection with this agreement with the result that the Lender's rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by Law.

16.4 Approvals and consent

The Lender may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion unless this agreement expressly provides otherwise.

16.5 Remedies cumulative

The rights, powers and remedies provided in this agreement are cumulative with and not exclusive of the rights, powers or remedies provided by Law independently of this agreement.

16.6 Indemnities

Each indemnity in this agreement is a continuing obligation, separate and independent from the other obligations of the Borrower and survives termination of this agreement. It is not necessary for the Lender to incur expenses or make payment before enforcing a right of indemnity conferred by this agreement.

16.7 Time of the essence

Time is of the essence of this agreement in respect of an obligation of the Borrower to pay any money.

16.8 Assignment

The Borrower must not assign or otherwise dispose of or deal with its rights or obligations under this agreement. The Lender at any time may do any of those things as the Lender sees fit.

16.9 Certificate

A certificate signed by the Lender or its solicitors acting bona fide about a matter or about a sum payable to the Lender is sufficient evidence of the matter or sum stated in the certificate unless the matter or sum is proved to be false.

16.10 Direct Debit

If required by the Lender from time to time, the Borrower shall arrange for any amount payable under this agreement to the Lender to be paid directly from the Borrower's bank account directly into the Lender's bank account.

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17. Governing law, jurisdiction and service of process

- (a) This agreement is governed by the law in force in Khaimah Free Trade Zone Authority, Government of Ras Al Khaimah.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Khaimah Free Trade Zone Authority, Government of Ras Al Khaimah and courts of appeal from them. Each party waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought to an inconvenient forum or that those courts do not have jurisdiction.

18. Counterparts

This agreement may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

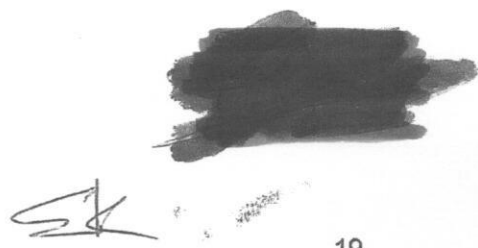
19. Conflict

In the event of any express inconsistency between this Agreement and which the Borrower is a party, the terms of this agreement shall prevail to the extent of the inconsistency.

20. Value Added Tax or Goods and Services Tax

- (a) All payments to be made by the Borrower under or in connection with this Agreement have been calculated without regard to Value Added Tax or Goods and Services Tax ("GST")
- (b) If all or part of any such payment is the consideration for a taxable supply for GST purposes then, when the Borrower makes the payment:
 - (i) it must pay to the Lender an additional amount equal to that payment (or part) multiplied by the appropriate rate of GST ; and
 - (ii) the Lender will promptly provide to the Borrower a tax invoice complying with the relevant GST legislation.
- (c) Where under this Agreement the Borrower is required to reimburse or indemnify for an amount, the Borrower must pay the relevant amount (including any sum in respect of GST) less any GST input tax credit the Lender determines it is entitled to claim in respect of that amount.
- (d) Where:
 - (i) the Lender incurs any amount in respect of GST directly in connection with this Agreement; and
 - (ii) the relevant amount has been incurred in order to acquire anything for which the Lender is not entitled to an input tax credit for GST purposes,

the Borrower must pay an amount equal to the amount incurred by the Lender.



21. Legal and financial advice

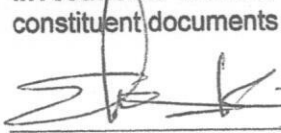
The Borrower acknowledges and agrees that the Lender has recommended that it should, and has provided the opportunity for it to, obtain independent legal and financial advice in relation to this agreement and the transactions contemplated by it.

22. Further assurance

- (a) The Borrower shall, immediately upon demand by the Lender, and entirely at its own cost and expense, make, execute, do, perform and provide or cause or procure to be made, executed, done, performed and provided, all such further acts, agreements, assurances, bills, bonds, contracts, deeds, documents, evidences of indebtedness, guarantees, indemnities, instruments, letters, loan notes, notes, notices, powers of attorney, promissory notes, receipts, undertakings, matters and things as the Lender shall reasonably require to perfect or improve the security afforded or created, or intended to be afforded or created by this agreement, including in respect of anything reasonably required by the Lender to be done for the purposes of the *Personal Property Securities Act 2009* (Cth), (the **Assurance Documents**).
- (b) Without prejudice to paragraph 22(a) of this Schedule 2, the Borrower irrevocably authorises and appoints the Lender to be its attorney and in the name and on behalf of the Borrower to execute the Assurance Documents.

Executed as an agreement


Executed for and on behalf of Mining)
Investments Limited in accordance with its)
constituent documents by



Signature of authorised person



Signature of authorised person



Director

Office held

Name of authorised person
(BLOCK LETTERS)

Signature of authorised person

Office held

Name of authorised person
(BLOCK LETTERS)

Executed by 

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Witness



Name and address of witness