

Cape Lambert
Iron Ore Ltd



FACSIMILE

To: Company Announcements

From: Eloise von Puttkammer

Fax: 1300 135 638

Fax: 08-9380-9666

Company: ASX Limited

Phone: 08-9380-9555

Date: 29 June 2009

Pages: 70 (including cover)

Subject: 604 Notices for Lodgment

Notes:

The attached information related to 3 separated 604 notices:

- Tianshan Goldfields (ASX: TGF);
- Corvette Resources (ASX: COV); and
- Buka Gold (ASX: BKG).

Please note that the Annexure B relates to all 3 notices.

Should you require additional information please do not hesitate to call.

Kind regards

Eloise von Puttkammer
Company Secretary

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Tianshan Goldfields Limited

ACN/ARSN 099 544 680

1. Details of substantial holder (1)

Name Cape Lambert Iron Ore Ltd ACN 095 047 920 and each company listed in Annexure A (the Cape Lambert Group)

ACN/ARSN (if applicable) See Annexure A

The holder became a substantial holder on 29/06/2009

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	53,672,638	53,672,638	20.00% based on 268,363,194 shares on issue

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Cape Lambert Group	Acquisition of a relevant interest (under subsection 608(1) of the <i>Corporations Act 2001</i> (Cth)) in Mineral Securities Limited, which holds a relevant interest (under subsections 608(1) and (3) of the <i>Corporations Act 2001</i> (Cth)) in Tianshan Goldfields Limited	53,672,638 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Cape Lambert Group	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	53,672,638 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Cape Lambert Group	29 June 2009	Pursuant to the agreement annexed as Annexure B		53,672,638 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Cape Lambert Group	Members of the Cape Lambert Group are associates of Cape Lambert Minsec Pty Ltd, and each other, under subparagraphs 12(2)(a)(i) and (ii) of the <i>Corporations Act 2001</i> (Cth)

7. Addresses

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

Name	Address
Cape Lambert Group	C/- 18 Oxford Close, Leederville WA 6007

Signature

print name Tony Sage

capacity Director

sign here

date 29/06/2009

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 7 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 808 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
- (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) Details of the consideration must include any and all benefits, moneys 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 of 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.

ANNEXURE A

ACN/Company no.	Company name	Country of Incorporation
136 930 204	Cape Lambert Minsec Pty Ltd	Australia
1390447	Mineral Securities Limited	British Virgin Islands
1390446	Minsec Investments (BVI) Limited	British Virgin Islands
125 112 325	Mineral Securities Investments (Australia) Pty Ltd	Australia
091 158 593	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Australia

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Corvette Resources Limited

ACN/ARSN 103 008 542

1. Details of substantial holder (1)

Name Cape Lambert Iron Ore Ltd ACN 095 047 920 and each company listed in Annexure A (the Cape Lambert Group)

ACN/ARSN (if applicable) See Annexure A

The holder became a substantial holder on 29/06/2009

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	23,207,719	23,207,719	20.00% based on 116,038,598 shares on issue

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Cape Lambert Group	Acquisition of a relevant interest (under subsection 608(1) of the <i>Corporations Act 2001</i> (Cth)) in Mineral Securities Limited, which holds a relevant interest (under subsections 608(1) and (3) of the <i>Corporations Act 2001</i> (Cth)) in Corvette Resources Limited	23,207,719 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Cape Lambert Group	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	23,207,719 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Cape Lambert Group	29 June 2009	Pursuant to the agreement annexed as Annexure B		23,207,719 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Cape Lambert Group	Members of the Cape Lambert Group are associates of Cape Lambert Minsec Pty Ltd, and each other, under subparagraphs 12(2)(a)(i) and (ii) of the <i>Corporations Act 2001</i> (Cth)

7. Addresses

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

Name	Address
Cape Lambert Group	C/- 18 Oxford Close, Leederville WA 6007

Signature

print name Tony Sage

capacity Director

sign here

date 29/06/2009

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 7 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
- (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) Details of the consideration must include any and all benefits, moneys 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 of 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.

ANNEXURE A

ACN/Company no.	Company name	Country of incorporation
136 930 204	Cape Lambert Minsec Pty Ltd	Australia
1390447	Mineral Securities Limited	British Virgin Islands
1390446	Minsec Investments (BVI) Limited	British Virgin Islands
125 112 325	Mineral Securities Investments (Australia) Pty Ltd	Australia
091 158 593	Mineral Securities Operations Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Australia

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Buka Gold Limited

ACN/ARSN 112 731 638

1. Details of substantial holder (1)

Name Cape Lambert Iron Ore Ltd ACN 095 047 920 and each company listed in Annexure A (the Cape Lambert Group)

ACN/ARSN (if applicable) See Annexure A

The holder became a substantial holder on 29/06/2009

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	14,278,579	14,278,579	20.00% based on 71,392,898 shares on issue

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Cape Lambert Group	Acquisition of a relevant interest (under subsection 608(1) of the <i>Corporations Act 2001</i> (Cth)) in Mineral Securities Limited, which holds a relevant interest (under subsections 608(1) and (3) of the <i>Corporations Act 2001</i> (Cth)) in Buka Gold Limited	14,278,579 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Cape Lambert Group	Buka Minerals Pty Ltd	Buka Minerals Pty Ltd	14,278,579 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Cape Lambert Group	29 June 2009	Pursuant to the agreement annexed as Annexure B		14,278,579 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Cape Lambert Group	Members of the Cape Lambert Group are associates of Cape Lambert Minsec Pty Ltd, and each other, under subparagraphs 12(2)(a)(i) and (ii) of the <i>Corporations Act 2001</i> (Cth)

7. Addresses

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

Name	Address
Cape Lambert Group	C/- 18 Oxford Close, Leederville WA 6007

Signature

print name Tony Sage

capacity Director

sign here

date 29/08/2009

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 7 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 606 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
- (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) Details of the consideration must include any and all benefits, moneys 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 of 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.

ANNEXURE A

ACN/Company no.	Company name	Country of Incorporation
136 930 204	Cape Lambert Minsec Pty Ltd	Australia
1390447	Mineral Securities Limited	British Virgin Islands
1390446	Minsec Investments (BVI) Limited	British Virgin Islands
01862971	Mineral Securities (UK) Ltd	England
000 741 373	Buka Minerals Pty Ltd	Australia

COCHRANE LISHMAN

Share Subscription and Sale Agreement

Dated

CopperCo Limited (Administrators Appointed) (Receivers and Managers
Appointed)

Mineral Securities Ltd

Cape Lambert MinSec Pty Ltd

Cape Lambert Iron Ore Ltd

Cochrane Lishman
Level 12
London House
216 St Georges Terrace
Perth WA 6000
Australia
T + 61 8 9262 5555
F + 61 8 9262 5522
www.cochranellishman.com.au

Share Subscription and Sale Agreement

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Share Subscription and Sale Agreement

Details

Interpretation – definitions are located at the end of the General terms

Parties	Seller, Buyer and Buyer's Guarantor	
Seller	Name	CopperCo Limited (Administrators Appointed) (Receivers and Managers Appointed)
	ACN	004 434 904
	Address	c/o Deloitte Touche Tohmatsu, Woodside Plaza, Level 14, 240 St Georges Terrace, Perth WA 6000
	Fax	+61 8 9365 7001
	Attention	Gary Doran and David Lombe
Company	Name	Mineral Securities Limited
	Registration no.	1390447 (incorporated pursuant to the British Virgin Islands Business Companies Act 2004)
	Address	c/o Level 22, Allendale Square, 77 St Georges Terrace, Perth WA 6000
	Fax	Prior to Completion, +61 8 9225 6091 From and including Completion, as per the Original Buyer.
	Attention	Prior to Completion, David Hillier From and including Completion, as per the Original Buyer.
Original Buyer	Name	Cape Lambert MinSec Pty Ltd (ACN 136 930 204)
	Address	C/- 18 Oxford Close, Leederville, Western Australia 6007
	Fax	+61 8 9380 9666
	Attention	Tony Sage / Elolse von Puttkammer

Share Subscription and Sale Agreement

Buyer's Guarantor	Name	Cape Lambert Iron Ore Ltd (ACN 71 095 047 920)
	Address	18 Oxford Close, Leederville, Western Australia 6007
	Fax	+61 8 9380 9666
	Attention	Tony Sage / Eloise von Puttkammer
Recitals	A	On 6 February 2009, the Receivers and Managers were appointed as joint and several receivers and managers of the assets and undertakings of the Seller and certain of its Related Entities (excluding, for the avoidance of doubt, the Company).
	B	The Seller has entered into this agreement pursuant to the powers of the Receivers and Managers, under the instruments under which they were appointed and which are otherwise conferred on a receiver and manager by law.
	C	The Company has entered into this agreement at the request of and with the approval of the Seller and under this agreement has agreed to issue to the Buyer, and the Buyer has agreed to subscribe for, the Subscription Shares on the terms and conditions of this agreement.
	D	Before Completion, all the Issued shares in the Company will be combined into one share which will be the Sale Share. The Seller will prior to Completion be the registered holder and beneficial owner of the Sale Share. After the shares are combined, there will only be one share in the Company.
	E	The Seller has agreed to sell, and the Buyer has agreed to buy, the Sale Share on the terms and conditions of this agreement.
	F	The Buyer's Guarantor has agreed to guarantee the obligations of the Buyer and acknowledges incurring obligations and giving rights under this agreement for valuable consideration received from the Seller.
Governing Law	Western Australia	
Date of agreement	See Signing page	

Share Subscription and Sale Agreement

General terms

1 Issue and sale of Shares

1.1 Subscription Shares

- a) The Seller must procure that the Company issue, and the Buyer must subscribe for, the Subscription Shares, on and subject to the terms and conditions of this agreement.
- b) All Subscription Shares issued to the Buyer will:
 - i) be issued as fully paid;
 - ii) be free of Encumbrances; and
 - iii) rank equally in all respects with the other ordinary shares in issue of the Company as at the date of Completion.

1.2 Sale Share

- a) The Seller agrees to sell the Sale Share to the Buyer and the Buyer agrees to buy the Sale Share from the Seller, on the terms and conditions of this agreement.
- b) The Seller must sell the Sale Share to the Buyer together with all rights:
 - i) attached to it as at the date of this agreement; and
 - ii) that accrue between the date of this agreement and Completion.
- c) Risk in the Sale Share passes to the Buyer on Completion.

1.3 Free from Encumbrance

The Shares must be issued or transferred (as the case may be) to the Buyer free from any Encumbrance and with all rights, including dividend rights, attached or accruing to them on and from the date of this agreement.

Share Subscription and Sale Agreement

2 Nomination of alternative Buyer

- a) The Original Buyer may nominate another wholly owned subsidiary of the Buyer's Guarantor to subscribe for the Subscription Shares and to buy the Sale Shares under this agreement (the **Nominee**) by notice in writing to the Seller at least 10 Business Days before the Completion Date. The notice must state the identity of the Nominee.
- b) From the date of receipt by the Seller of that notice (the **Notification Date**):
 - i) the Original Buyer and the Buyer's Guarantor must ensure that the Nominee complies with all terms and conditions binding upon, and all obligations and liabilities of, the Buyer under this agreement;
 - ii) the parties agree to read and construe this agreement as if the references to 'the Buyer' were references to the Nominee (without the need for any further agreement or amendment); and
 - iii) the Seller agrees that the Nominee will have the benefit of the Buyer's rights under this agreement (including the Warranties). In addition, and despite clause 22 ("Assignment"), the Original Buyer may assign the benefit of this agreement to that Nominee. The assignment may include any rights that are unconditional, conditional, contingent or expectant at the time of assignment.
- c) Despite clause 2b), the Original Buyer will continue to be bound by all of the obligations of the Buyer under this agreement and will not be released from any obligations or liabilities under this agreement following the Notification Date. However, the Seller agrees that the Original Buyer will not be in breach of this agreement for failing to discharge an obligation of the Buyer under this agreement if the Nominee fully discharges that obligation.
- d) The Original Buyer must not, and must procure that the Nominee does not, make a Claim that could result in the Seller's liability being greater than it would have been if the Original Buyer had not exercised its nomination rights under clause 2a).

3 Several liability

The Seller and Company are severally liable for their respective obligations under this agreement.

Share Subscription and Sale Agreement

4 Conditions Precedent

4.1 Conditions Precedent

Completion is conditional on:

- a) **(Court direction)** the Receivers and Managers obtaining a direction from the Supreme Court of Western Australia that this agreement is not unlawful solely by reason of the fact that the Buyer, the buyer under the Asset Sale Agreement and the appointor of the Receivers and Managers are wholly owned subsidiaries of the Buyer's Guarantor;
- b) **(DOCAs)** deeds of company arrangement being approved at meetings convened under section 439A of the Corporations Act by the creditors of, and executed by, each of the following Group Members:
 - i) Mineral Securities Operations Limited (ACN 091 158 593);
 - ii) Mineral Securities Holdings Pty Ltd (ACN 092 525 614);
 - iii) Kadina Pty Ltd (ACN 009 633 096); and
 - iv) Platmin Holdings Pty Ltd (ACN 117 927 965).

each on the key terms set out in Schedule 3 and any other terms reasonably requested by the Buyer (the **DOCAs**), and all conditions to those **DOCAs** being satisfied or waived in accordance with the relevant **DOCA**;

- c) **(ASIC)** ASIC confirming that the acquisition of relevant interests in the Downstream ASX Interests by the Buyer and the Buyer's Guarantor under this agreement will fall within the exception in section 611 item 14 of the Corporations Act or otherwise granting relief in a form reasonably satisfactory to the Buyer in respect of the acquisition of relevant interests in the Downstream ASX Interests by Buyer and the Buyer's Guarantor;
- d) **(Asset Sale Agreement)** all conditions to completion of the Asset Sale Agreement, other than the condition regarding this agreement, being satisfied or waived in accordance with that agreement.

4.2 Reasonable endeavours

- a) The Seller must use its reasonable endeavours to obtain the satisfaction of the Conditions Precedent in clauses 4.1a) and 4.1b). The Buyer and the Company (at the cost of the Seller) must

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provide reasonable assistance to the Seller to obtain the satisfaction of the Conditions Precedent in clauses 4.1a) and 4.1b).

- b) The Buyer must use its reasonable endeavours to obtain the satisfaction of the Condition Precedent in clause 4.1c). The Seller and the Company (at the cost of the Seller) must each provide reasonable assistance to the Buyer to obtain the satisfaction of the Condition Precedent in clause 4.1c).
- c) The parties must keep each other informed of any circumstances which may result in any Condition Precedent not being satisfied in accordance with its terms.

4.3 Termination of agreement by either party

- a) The Condition Precedent in clause 4.1a) is inserted for the benefit of the parties to this agreement and the Receivers and Managers and is not capable of being waived.
- b) The Condition Precedent in clause 4.1b) is inserted for the benefit of the Seller, the Company and the Buyer and may only be waived by written agreement between the Seller, the Company and the Buyer.
- c) The Condition Precedent in clause 4.1c) is inserted for the benefit of the Buyer and the Seller but may only be waived by the Buyer in writing.
- d) The Condition Precedent in clause 4.1d) is inserted for the benefit of the Buyer and the Seller and may only be waived by written agreement between the Seller and the Buyer.
- e) If any of the Conditions Precedent are not fulfilled (or waived in accordance with this clause 4.3) or Completion has not occurred by 30 June 2009 or any later date agreed by the Buyer and the Seller then, if the Buyer or the Seller wishes to terminate this agreement and has complied with clause 4.2 ("Reasonable endeavours"), this agreement may be terminated by that party at any time before Completion by notice given by that party to the other parties.

5 Subscription Price and Sale Price

The price payable for the Subscription Shares and the Sale Share is as follows:

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- a) an amount equal to the sum of A\$50,100,000 as consideration for the issue of the Subscription Shares to the Buyer, to be paid to the Company (the **Subscription Price**); and
- b) A\$1 as consideration for the sale of the Sale Share to the Buyer, to be paid to the Seller (the **Sale Price**).

6 Period before Completion

6.1 Carrying on of business

Subject to clause 6.4 ("Permitted acts"), between the date of this agreement and the earlier of Completion and termination of this agreement, the Seller must (and must procure the Receivers and Managers, the Group Members and the Representatives of the Seller, the Receivers and Managers and the Group Members) use reasonable endeavours to ensure that the business of the Group Members is conducted materially in the ordinary course and, in particular, that each Group Member must:

- a) not cease to carry on its operations;
- b) take reasonable measures to ensure that the Receivers and Managers and senior management of the Seller and the Group Members keep the Buyer informed about the general state of operation of the Business prior to Completion and performance by the Seller and the Group Members of their obligations under this agreement in relation to the conduct of the Business;
- c) promptly notify the Buyer of any abnormal or unusual events with respect to the Business or the occurrence of any event outside the ordinary course of business;
- d) either satisfy the expenditure requirements and rentals applicable to the Tenements or to the extent that they do not or will not satisfy the expenditure requirements applicable to any Tenement, then apply for all exemptions from expenditure requirements applicable to those Tenements on a timely basis and in accordance with prudent mining tenement management practices;
- e) not pay any dividends or make any other distributions of its profits;
- f) not reduce its assets or distribute or return any assets to its members;
- g) not issue any shares, options or securities that are convertible into shares in that Group Member or grant any special voting or other rights that attach to the ordinary issued shares in its capital;
- h) not buy back any of its shares;

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- i) not alter its constitutional documents;
- j) not revalue its assets; and
- k) not repay any shareholder loans or advances.

6.2 Pre-Completion obligations

- a) Subject to clause 6.4, before Completion, the Seller must and must procure that the Company:
 - i) procure that all actions are taken as may be necessary to ensure the release in full of any loan balances between any Seller Group Members (on the one hand) and any Group Members (on the other hand) with effect from Completion, including by procuring that all such companies execute a deed of release with that effect and in a form reasonably satisfactory to the Buyer and the Seller;
 - ii) take such further action (including obtaining any cancellation or release, or lodging any required filings with Government Agencies) to procure that the Buyer acquires the Group Members at Completion free from any loans between a Seller Group Member and a Group Member; and
 - iii) take all actions and procure that all actions are taken as may be necessary to ensure the satisfaction of the condition to the DOCAs set out in clause 2.7b) of schedule 3.
- b) Subject to clause 6.4, before Completion, the Seller must and must procure the Company to combine all of the issued shares in the Company into one share with effect from Completion, including obtaining any shareholder approval that is required by law or the Company's constitution, and this share will be the Sale Share for the purposes of the sale and purchase of the Sale Share under this agreement.
- c) Subject to clause 6.4, before Completion, the Seller must use reasonable endeavours to bring the obligations under the London Lease to an end as soon as possible by procuring a sublet and negotiating a pay out and termination of the London Lease on terms acceptable to the Buyer.

6.3 Notification

- a) If, on or before Completion, a party becomes aware of any breach or potential breach of clause 6.1 ("Carrying on of business") or 6.2 ("Pre-Completion obligations") it must:

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- i) notify the other party of the breach or the potential breach and provide the other party with reasonable details of the alleged breach or potential breach; and
 - ii) without prejudice to any other rights of the parties, consult with the other party as to the effect of the alleged breach or potential breach.
- b) The Buyer must allow the Seller and the Company a reasonable and adequate opportunity to remedy the alleged breach or potential breach of clause 6.1 ("Carrying on of business") or 6.2 ("Pre-Completion obligations").

6.4 Permitted acts

Nothing in clause 6.1 ("Carrying on of business") or clause 6.2 ("Pre-Completion obligations") restricts the Seller, the Receivers and Managers, the Group Members and the Representatives of the Seller, the Receivers and Managers and the Group Members from doing anything:

- a) that is expressly permitted in this agreement;
- b) reasonably and prudently to respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property);
- c) that is necessary for it to meet its legal or contractual obligations disclosed in the Disclosure Material; or
- d) approved by the Buyer, such approval not to be unreasonably withheld or delayed.

7 Completion

7.1 Time and place of Completion

- a) Completion will take place at midday on the Required Date at the offices of Cochrane Lishman, Level 12, London House, 216 St Georges Terrace, Perth, Western Australia or any other time and place agreed between the Seller and the Buyer.
- b) Completion will commence after a representative of the Seller, the Relevant Subsidiaries and the deed administrators under the DOCAs is present or available by phone, and the Buyer is satisfied, acting reasonably, that those companies are ready, willing and able to complete the Asset Sale Agreement and the DOCAs or the Buyer waives this requirement.

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7.2 Seller's and Company's obligations

On Completion, the Seller must and must procure the Company deliver to the Buyer:

- a) **(transfers and Share certificates)** transfers in favour of the Buyer of the Sale Share, completed and duly executed by the Seller and any other documents that may be required by the Company for registration of the transfer of the Sale Share to the Buyer, and the existing share certificates for the Sale Share;
- b) **(Records and common seal)** written confirmation that the originals or copies of all Records in any Material Form and the common seal (if any) of each Group Member is held on premises controlled by the Group Members;
- c) **(bank authority)** duly completed bank authorities directed to the bankers of each Group Member authorising the operation of each of its bank accounts by nominees of the Buyer and terminating the authority of each of the present signatories;
- d) **(resignations)** written resignations of the Retiring Directors and the existing secretary and public officer (if any) of each Group Member;
- e) **(directors resolution of the Company)** a certified copy of a resolution of the directors of the Company resolving that:
 - i) the Subscription Shares be issued to the Buyer and new share certificates (or other documents necessary to establish the Buyer's title) for the Subscription Shares be issued in the name of the Buyer;
 - ii) subject only to the payment of any stamp duty, the transfer of the Sale Share be registered and new share certificates (and any other documents necessary to establish the Buyer's title) for the Sale Share in the name of the Buyer be issued; and
 - iii) subject to the constitution of the Company and receipt of required consents to act, each of the Incoming Directors be appointed to the board of directors of the Company, and, subject to receipt of relevant resignations, the resignation of the Retiring Directors from the board be accepted, all with effect from Completion, but so that a properly constituted board of directors is in existence at all times;
- f) **(directors resolution of each Subsidiary)** a certified copy of a resolution of directors of each Subsidiary resolving that, subject to

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the constitution of the Subsidiary and receipt of required consents to act, each of the Incoming Directors be appointed to the board of directors of the Subsidiary, and, subject to receipt of relevant resignations, the resignation of the Retiring Directors from the board be accepted, all with effect from Completion, but so that a properly constituted board of directors is in existence at all times; and

- g) (ASIC form 312) an ASIC form 312 in respect of the release of the outstanding charge relating to the Buka Minerals Guarantee.

7.3 Buyer's obligations

On Completion the Buyer must:

- a) (payment) pay the Seller and the Company in accordance with clause 9.1 ("Payment on Completion") if the Seller and the Company each complies with clause 7.2 ("Seller's obligations");
- b) (Shares) accept the issue of the Subscription Shares and the transfer of the Sale Share; and
- c) (consents to act) deliver executed consents to act by the Incoming Directors.

7.4 Simultaneous actions at Completion

- a) In respect of Completion, the obligations of the parties under this agreement, and under the DOCAs and the Asset Sale Agreement in respect of completion of those agreements (unless the Buyer and the Seller waive this requirement, so as to allow the parties to proceed with Completion under this agreement only), are interdependent and if one obligation is not performed, then without prejudice to any rights available to any party as a consequence:
 - i) there is no obligation on any party to undertake or perform any of the other obligations;
 - ii) to the extent that such obligations have already been undertaken, the parties must do everything reasonably required to reverse this; and
 - iii) the Seller, the Company and the Buyer must each return to the other all documents delivered to it under clause 7.2 ("Seller's and Company's obligations") and 7.3 ("Buyer's obligations") and must each repay to the other all payments received by it under clause 7.3 ("Buyer's obligations").

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- b) The Buyer may, in its sole discretion, waive any or all of the actions that the Seller or the Company is required to perform under clause 7.2 ("Seller's and Company's obligations") and the Seller may, in its sole discretion, waive any or all of the actions that the Buyer is required to perform under clause 7.3 ("Buyer's Obligations").
- c) If Completion occurs, all actions required to be performed by a party at Completion will be taken to have occurred simultaneously on the Completion Date.

7.5 Post - Completion notices

Each party will immediately give to the other party all payments, notices, correspondence, information or enquiries in relation to the Company or any Subsidiary which it receives after Completion and which belong to the other party.

7.6 Seller assistance after Completion

For six months after Completion, the Seller must give the Buyer any information which the Buyer reasonably requests about the Group and which is in the Seller's possession or control, but the Buyer must pay the fees of the Receivers and Managers or their staff for anything other than casual enquiries handled from their office, and the Buyer must make no Claim whatever against the Seller, the Receivers and Managers or the Representatives of the Seller or the Receivers and Managers in relation to:

- a) if given, any such information; or
- b) if not given, any failure to provide information or assistance; or
- c) any reliance upon such information.

8 GST

8.1 Definitions

Words used in this clause 8 ("GST") that have a defined meaning in the GST Law have the same meaning as in the GST Law unless the context indicates otherwise.

8.2 GST

- a) Unless expressly included, the consideration for any supply under or in connection with this agreement does not include GST.
- b) To the extent that any supply made under or in connection with this agreement is a taxable supply (other than any supply made

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under another agreement that contains a specific provision dealing with GST), the recipient must pay, in addition to the consideration provided under this agreement for that supply (unless it expressly includes GST) an amount (additional amount) equal to the amount of that consideration (or its GST exclusive market value) multiplied by the rate at which GST is imposed in respect of the supply. The recipient must pay the additional amount at the same time as the consideration to which it is referable.

- c) Whenever an adjustment event occurs in relation to any taxable supply to which clause 8.2b) applies:
 - i) the supplier must determine the amount of the GST component of the consideration payable; and
 - ii) if the GST component of that consideration differs from the amount previously paid, the amount of the difference must be paid by, refunded to or credited to the recipient, as applicable.

8.3 Tax invoices

The supplier must issue a Tax Invoice to the recipient of a supply to which clause 8.2 ("GST") applies no later than 7 days following payment of the GST inclusive consideration for that supply under that clause.

8.4 Reimbursements

If either party is entitled under this agreement to be reimbursed or indemnified by the other party for a cost or expense incurred in connection with this agreement, the reimbursement or indemnity payment must not include any GST component of the cost or expense to the extent that the cost or expense is the consideration for a creditable acquisition made by the party being reimbursed or indemnified, or by its representative member.

8.5 Information, returns and accounting to end GST Group

After Completion:

- a) the Buyer must ensure that each Group Member gives the representative member of the Seller's GST Group on a timely basis, all information that the Group Member holds that is needed to lodge any GST return; and
- b) the Seller must ensure that the representative member of the Seller's GST Group:

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- i) applies to the Commissioner of Taxation to revoke the approval of the Group Member as a member of the Seller's GST Group; and
- ii) lodges the GST returns for the final period in which the Group Member was a member of the Seller's GST Group and remits all amounts in respect of GST to the Commissioner of Taxation as and when required by the GST Law.

8.6 Supplies between former members of the GST Group

If:

- a) before Completion a Group Member is a member of the Seller's GST Group;
- b) the Group Member has made a supply to, or has been the recipient of a supply made by, another member of the Seller's GST Group;
- c) due to Completion the Group Member ceases to be eligible to be a member of the Seller's GST Group with effect from a date prior to the Completion Date;
- d) because the supply would have been to another member of the Seller's GST Group, the supply would not have been treated as a taxable supply if it had been made while the Group Member was a member of the Seller's GST Group;
- e) the supply is pursuant to an agreement made before Completion;
- f) that agreement does not contain a provision requiring the recipient to pay to the supplier any amount in respect of GST in addition to the consideration otherwise payable for the supply; and
- g) the consideration negotiated by the parties for the supply was not calculated to include GST, then after Completion, the Seller (if the recipient of a taxable supply is not the Group Member) or the Buyer (if the recipient of a taxable supply is the Group Member) must ensure that the recipient of a taxable supply indemnifies the supplier of a taxable supply for any GST payable in respect of a supply and pays the amount of that GST in addition to the consideration for the supply.

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9 Payment of the Subscription Price and Sale Price

9.1 Payment on Completion

On Completion, the Buyer agrees:

- a) to pay to the Company an amount equal to the sum of A\$50,100,000, being the Subscription Price; and
- b) to pay to the Seller the sum of A\$1, being the Sale Price.

9.2 Method of Payment

- a) The payment referred to in clause 9.1a) must be made by direct deposit of cleared funds to the credit of a bank account specified in writing by the Company.
- b) The payment referred to in clause 9.1b) must be made in cash.

10 Access

The Seller and the Company agree to allow the Buyer access to the Group, the Project, the Records and the Assets on reasonable notice and at all reasonable times before the Completion Date to enable the Buyer to become familiar with the affairs of the Group, subject to the Seller and the Company receiving all necessary third party approvals. Any information obtained by the Buyer as a result of such access will be deemed to constitute "Confidential Information" for the purposes of clause 17 ("Confidentiality"). The Buyer agrees not to copy or remove any of the Records before Completion.

11 Conduct of business after Completion

11.1 Acknowledgement in relation to Seller Marks

The Buyer acknowledges that it and, from Completion, the Company and each Subsidiary, will have no right in or to, or to use, any Seller Mark.

11.2 Prohibition on the use of Seller Marks

- a) The Buyer must:
 - i) not, and must ensure that from Completion the Company and the Subsidiaries do not, at any time use any Mark which:

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- A) contains or consists of a Seller Mark in any document; or
 - B) is deceptively similar or substantially identical to a Seller Mark; and
- ii) not, and must ensure that from Completion the Company and the Subsidiaries do not, commit any act or omission which would be an infringement of, or otherwise inconsistent with, the Seller's rights in the Seller Marks.
- b) From Completion, the Seller must:
 - iii) not, and must ensure that from Completion the Seller Group Members do not, at any time use any Mark which:
 - A) contains or consists of a MinSec Mark in any document; or
 - B) is deceptively similar or substantially identical to a MinSec Mark; and
 - iv) not, and must ensure that from Completion the Seller Group Members do not, commit any act or omission which would be an infringement of, or otherwise inconsistent with, the Buyer's rights in the MinSec Marks.

11.3 Exclusion of directors and officers from liability

- a) From Completion, the Buyer will ensure that the Company and each Subsidiary does not take any Action or proceeding or make any Claim or demand against any of the present or former directors or officers of the Company or any Subsidiary in respect of any act or omission on the part of such director or officer before Completion, other than any matter arising from the wilful misconduct or dishonesty of that director or officer.
- b) The directors or officers of the Company or any Subsidiary are not personally liable under this agreement.
- c) The Buyer agrees not to make any requisition or Claim as against the directors or officers of the Company or any Subsidiary because of, or in connection with, the exercise by any of them of any of their powers.
- d) The Buyer acknowledges that this clause is for the benefit of those directors and officers, that they will have the benefit of those benefits as if they were parties to this agreement and may be enforced by them or on their behalf by the Seller.

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11.4 Indemnity relating to Unissued Seller Shares

- a) The Seller indemnifies the Buyer and each Buyer Group Member and, following Completion, each Group Company (together, the **Indemnified Parties**) against, and must pay the Buyer an amount equal to, any Loss suffered or incurred by an Indemnified Party in connection with any claims made by former shareholders of the Company in relation to the Unissued Seller Shares, except to the extent that the Seller's liability for the Loss is limited or qualified under clause 13 ("Limited Liability").
- b) For the avoidance of doubt, in respect of clause 11.4a), Loss includes an amount that would be necessary to put the Indemnified Party in the same position as if the claim had not been made.

12 Warranties and representations

12.1 Accuracy

The Seller represents and warrants to the Buyer that each Warranty is correct and not misleading in any material respect on the date of this agreement and will be correct and not misleading in any material respect on the Completion Date as if made on and as at each of those dates.

12.2 Separate Warranties

Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

12.3 Reliance

The Seller acknowledges that the Buyer entered into this agreement and will complete this agreement in reliance on the Warranties.

12.4 Indemnity for breach of Warranty

- a) The Seller indemnifies the Buyer and each Buyer Group Member against, and must pay the Buyer an amount equal to, any Loss suffered or incurred by the Buyer or a Buyer Group Member in connection with a breach of a Warranty, except to the extent that the Warranty or the Seller's liability for the Loss are limited or qualified under this agreement.
- b) For the avoidance of doubt, in respect of any breach of Warranty, Loss includes an amount that would be necessary to put the Buyer or Buyer Group Member (as applicable) in the same position as if the Warranty had been true.

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12.5 Notification of Warranty breaches

The Seller must promptly notify the Buyer, with reasonable details, if at any time after the date of this agreement it becomes aware that:

- a) a Warranty has ceased to be true; or
- b) an act or event has occurred that would or might reasonably be expected to result in a Warranty ceasing to be true if it were repeated at Completion.

12.6 Matters disclosed

Each Warranty is to be read down and qualified by any information:

- a) which is fairly disclosed to the Buyer in the Disclosure Material on or before the date of this agreement;
- b) which is otherwise within the actual knowledge of the Buyer;
- c) that would have been disclosed to the Buyer had the Buyer conducted searches on the date of this agreement of records open to public inspection maintained by the Australian Securities and Investments Commission, the Australian Stock Exchange Limited, the London Stock Exchange plc, the Trade Marks Office, the Land Titles Office in Queensland, the Queensland Department of Environment and Resource Management, the Queensland Government Department of Mines and Energy, the High Court, the Federal Court and the Supreme Courts in every State and Territory in Australia; and
- d) which a reasonable person in the position of the Buyer would have found after due enquiry prompted by anything fairly disclosed in the Disclosure Materials or in the Buyer's actual knowledge;

which is or may be inconsistent with that Warranty and, to the extent that any Warranty is incorrect or misleading having regard to any such information, that Warranty is deemed not to have been given.

For purposes of this clause 12.6 ("Matters disclosed"), a fact, matter or circumstance is 'fairly disclosed' if sufficient information has been disclosed that a sophisticated investor, experienced in transactions of the nature of the sale under this agreement and familiar with the Business, would be aware of the substance and significance of the information and would be aware of the nature and extent of the breach of Warranty.

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12.7 Buyer's acknowledgment

The Buyer acknowledges and agrees (for the benefit of the Seller, the Company, the Receivers and Managers and their respective Representatives) that:

- a) in entering into this agreement and in proceeding to Completion, the Buyer does not rely on any statement, representation, warranty, condition, forecast or other conduct which may have been made by or on behalf of the Seller, the Company, the Receivers and Managers or their respective Representatives except those expressly set out in this agreement (including in the Warranties);
- b) it has had the opportunity to conduct due diligence and has satisfied itself in relation to matters arising from the due diligence;
- c) irrespective of whether or not its due diligence was as full or exhaustive as the Buyer would have wished, it has nevertheless independently and without the benefit of any inducement, representations or warranty from the Seller, the Company or the Receivers and Managers or their respective Representatives, except those expressly set out in this agreement (including in the Warranties), determined to enter into this agreement;
- d) none of the Seller, the Company, the Receivers and Managers and their respective Representatives has made or makes any representation or warranty as to the accuracy or completeness of the Disclosure Material;
- e) the Company has made or makes no representation and gives no warranty in relation to this agreement, the Company or any of its Subsidiaries or the businesses and Assets of those companies;
- f) subject to any law to the contrary and except as provided in this agreement (including the Warranties), all terms, conditions, warranties and statements, whether express, implied, written, oral, collateral, statutory or otherwise, are excluded; and
- g) it has obtained its own legal advice in relation to it entering into this agreement.

12.8 Receivers and Managers

- a) The Receivers and Managers are not personally liable under this agreement.
- b) The Buyer agrees not to make any requisition or Claim as against the Receivers and Managers or their Representatives because of, or

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in connection with, the exercise by the Receivers and Managers of any of their powers.

13 Limited Liability

13.1 Seller's limited liability

The Seller's total liability for loss or damage of any kind, however caused, in contract, tort (including negligence), under any statute or otherwise arising from or relating in any way to this agreement or its subject matter is limited in aggregate for any and all Claims to the amount equal to the aggregate of the secured debt owed by the Group to the Secured Creditor at Completion and \$1.

13.2 Company's limited liability

The Company's total liability for loss or damage of any kind, however caused, in contract, tort (including negligence), under any statute or otherwise arising from or relating in any way to this agreement or its subject matter is limited in aggregate for any and all Claims to:

- a) in relation to the period before Completion – nil; and
- b) in relation to the period after Completion – the Subscription Price.

13.3 Time limit

The Buyer may not make any Claim under this agreement including for a breach of Warranty unless full details of the Claim have been notified to the Seller during the period ending 6 months after the Completion Date.

13.4 Further acknowledgments by Buyer

The Buyer acknowledges the terms of clause 13.1 ("Seller's limited liability) above and that, having taken appropriate legal advice, it is aware that it purchases the Shares on an "as is where is" basis.

14 Buyer's warranties

14.1 Buyer's warranties

Each of the Buyer and the Buyer's Guarantor represents and warrants to the Seller and the Company that each of the following statements is correct and not misleading in any material respect on the date of this agreement and will be correct and not misleading in any material respect as at the Completion Date as if made on and as at each of those dates:

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- a) it has the power to enter into and perform this agreement and has obtained all necessary consents and authorisations to enable it to do so;
- b) the entry into and performance of this agreement by it does not constitute a breach of any obligation (including any statutory, contractual or fiduciary obligation), or default under any agreement or undertaking by which it is bound;
- c) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms by appropriate legal remedy;
- d) this agreement and Completion do not conflict with or result in a breach of or default under any applicable law, any provision of its constitution or any material term or provision of any agreement or deed or writ, order or injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound;
- e) no voluntary arrangement has been proposed or reached with its creditors; and
- f) it is able to pay its debts as and when they fall due.

14.2 Indemnity

- a) The Buyer indemnifies the Seller, the Company and the Receivers and Managers against any Loss that the Seller, the Company and the Receivers and Managers may incur to the extent caused by any breach of the representations and warranties in clause 14.1 ("Buyer's warranties").
- b) The Buyer's total liability under clause 14.2a) is limited in aggregate for any and all Claims to the aggregate amount of the Subscription Price and the Sale Price.

15 Default

15.1 Failure by a party to Complete

If a party does not Complete, other than as a result of default by the other party, the non-defaulting party may give the defaulting party notice requiring it to Complete within three Business Days of receipt of the notice.

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15.2 Specific performance or termination

If the defaulting party does not Complete within the period specified in clause 15.1 ("Failure by a party to Complete") the non-defaulting party may choose either to proceed for specific performance or terminate this agreement. In either case, the non-defaulting party may seek damages for the default.

15.3 Termination of agreement

If this agreement is terminated under clause 4.3 ("Termination of agreement by either party") or 15.2 ("Specific performance or termination") then, in addition to any other rights, powers or remedies provided by law:

- a) each party is released from its obligations under this agreement other than in relation to clauses 17 ("Confidentiality") and 20.1 ("Legal costs");
- b) each party retains the rights it has against any other party in connection with any breach or Claim that has arisen before termination; and
- c) each party must comply with clause 17.4 ("Delivery of materials") as if a request to do so had been made request by each Disclosing Party.

16 Guarantee and indemnity

16.1 Consideration

The Buyer's Guarantor acknowledges that the Seller is acting in reliance on the Buyer's Guarantor incurring obligations and giving rights under this Guarantee.

16.2 Guarantee

The Buyer's Guarantor unconditionally and irrevocably guarantees to the Seller the Buyer's compliance with the Buyer's obligations in connection with this agreement, including each obligation to pay money.

If the Buyer does not comply with those obligations on time and in accordance with this agreement, then the Buyer's Guarantor agrees to comply with those obligations on demand from the Seller. A demand may be made whether or not the Seller has made demand on the Buyer.

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16.3 Indemnity for avoidance of Guarantee

The Buyer's Guarantor indemnifies the Seller against any liability or loss arising from, and any costs, charges or expenses it incurs, if an obligation under clause 16.2 ("Guarantee") is unenforceable against, or a monetary obligation under clause 16.2 ("Guarantee") cannot be recovered from, the Buyer's Guarantor on the basis of a guarantee because of any circumstance whatsoever.

The Buyer's Guarantor agrees to pay amounts due under this clause 16.3 ("Indemnity for avoidance of Guarantee") on demand from the Seller.

The Seller need not incur expense or make payment before enforcing this right of indemnity.

16.4 Extent of guarantee and indemnity

The guarantee in clause 16.2 ("Guarantee") is a continuing obligation despite any intervening payment, settlement or other thing and extends to all of the Buyer's obligations in connection with this agreement. The Buyer's Guarantor waives any right it has of first requiring the Seller to commence proceedings or enforce any other right against the Buyer or any other person before claiming from the Buyer's Guarantor under this Guarantee.

16.5 Obligation to pay interest

The Buyer's Guarantor agrees to pay interest on any amount under this Guarantee which is not paid on the due date for payment and is not otherwise incurring interest.

The interest accrues daily from (and including) the due date to (but excluding) the date of actual payment and is calculated on actual days elapsed and a year of 365 days.

The Buyer's Guarantor agrees to pay interest under this clause on demand from the Seller.

16.6 Rate of interest

The rate of interest applying to each daily balance is the rate 4% per annum above the 60 day Bank Bill Swap Reference Rate last published on or before that day in The Australian Financial Review (or if that rate has not been published, another rate set by the parties).

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16.7 Compounding

Interest payable under clause 16.5 ("Obligation to pay interest") which is not paid when due for payment may be added to the overdue amount by the Seller at intervals which the Seller determines from time to time or, if no determination is made, every 30 days. Interest is payable on the increased overdue amount at the rate set out in clause 16.6 ("Rate of interest") and in the manner set out in clause 16.5 ("Obligation to pay interest").

16.8 No merger

This Guarantee does not merge with or adversely affect, and is not adversely affected by, any of the following:

- a) any other guarantee, indemnity, mortgage, charge or other encumbrance, or other right or remedy to which the Seller is entitled; or
- b) a judgment which the Seller obtains against the Buyer's Guarantor, the Buyer or any other person in connection with this agreement.

The Seller may still exercise its rights under this Guarantee as well as under the judgment, mortgage, charge or other encumbrance or the right or remedy.

16.9 Rights of the Seller are protected

The rights given to the Seller under this Guarantee, and the Buyer's Guarantor's liabilities under it, are not affected by any act or omission of the Seller or any other person. For example, those rights and liabilities are not affected by:

- a) varying or replacing this agreement; or
- b) releasing the Buyer or giving the Buyer a concession (such as more time to pay); or
- c) acquiescence or delay by the Seller or any other person.

16.10 Reinstatement of rights

Under law relating to liquidation, administration, insolvency or the protection of creditors, a person may claim that a transaction (including a payment) in connection with this Guarantee or this agreement is void or voidable. If a claim is made and upheld, conceded or compromised, then:

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- a) the Seller is immediately entitled as against the Buyer's Guarantor to the rights in connection with this Guarantee or this agreement to which it was entitled immediately before the transaction; and
- b) on request from the Seller, the Buyer's Guarantor agrees to do anything (including signing any document) to restore to the Seller any mortgage, charge or other encumbrance (including this Guarantee) held by it from the Buyer's Guarantor immediately before the transaction.

17 Confidentiality

17.1 Confidential Information

No Confidential Information may be disclosed by the Receiving Party to any person except:

- a) to Representatives of the Receiving Party or its Related Entities requiring the information for the purposes of this agreement; or
- b) with the consent of the Disclosing Party; or
- c) if the Receiving Party is required to do so by law, a stock exchange or any regulatory authority; or
- d) if the Receiving Party is required to do so in connection with legal proceedings relating to this agreement; or
- e) in the case of the Seller or the Receivers and Managers, any disclosure whatsoever to the Secured Creditor by whom the Receivers and Managers have been appointed; or
- f) where the disclosure is necessary to seek satisfaction of any of the conditions in clause 4.1 ("Conditions Precedent") provided that the recipient of the information is made aware of the confidential nature of the information and is instructed to keep the information confidential.

17.2 Disclosure of Confidential Information

If the Receiving Party discloses information as permitted under clause 17.1a) or 17.1b) ("Confidential Information") the Receiving Party must use its reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the Confidential Information except in the circumstances permitted in clause 17.1 ("Confidential Information").

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17.3 Excluded Information

Clauses 17.1 ("Confidential Information"), 17.2 ("Disclosure of Confidential Information") and 17.4 ("Delivery of Materials") do not apply to Excluded Information.

17.4 Delivery of materials

The Receiving Party must, on the request of the Disclosing Party, immediately deliver to the Disclosing Party all documents or other materials containing or referring to Confidential Information of the Disclosing Party which are:

- a) in the Receiving Party's possession, power or control; or
- b) in the possession, power or control of persons who have received Confidential Information under clause 17.1a) or 17.1b).

17.5 Use and disclosure of Confidential Information by Buyer from Completion

On and from Completion, clauses 17.1 ("Confidential Information") to 17.4 ("Delivery of materials") cease to apply to the Buyer and the Confidentiality Deeds will terminate.

17.6 Enforcement by the Company

Nothing in this clause 17 ("Confidentiality") will prevent the Company from enforcing any confidentiality agreement entered into by potential buyers of the Shares before the date of this agreement, to the extent that the confidentiality agreement was for the benefit of and is enforceable by the Company.

17.7 Survival of termination

This clause 17 ("Confidentiality") will survive termination of this agreement.

18 Announcements

18.1 Public announcements

Subject to clause 18.2 ("Public announcements required by law"), no party may, before or after Completion, make or send a public announcement, communication or circular concerning the transactions referred to in this agreement unless it has first obtained the written consent of the other parties which consent is not to be unreasonably withheld or delayed.

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18.2 Public announcements required by law

Clause 18.1 ("Public announcements") does not apply to any filings by a party or the Receivers and Managers with a Government Authority or a public announcement, communication or circular required by law or a regulation of a stock exchange, if the party required to make or send it has:

- a) provided the other party with sufficient notice to enable it to seek a protective order or other remedy; and
- b) provided all assistance and co-operation that the other party considers necessary to prevent or minimise that disclosure.

19 Obligations after Completion

19.1 Maintenance of Records

After the Completion Date the Buyer will keep the Records delivered to it on Completion for five years from the date of the creation of the relevant document.

19.2 Access

- a) After Completion the Buyer must:
 - i) on reasonable notice from the Seller, the Receivers and Managers provide the Seller, the Receivers and Managers and their respective advisers with reasonable access to the Records and allow them to inspect and, at their own expense, obtain copies of the Records for the purpose of preparing tax returns, accounts and other financial statements, discharging statutory obligations or complying with Tax, Duty or other legal requirements or to conduct legal or arbitration proceedings.
 - ii) on reasonable notice from a Former Director provide that director and his advisers with reasonable access to the Records and allow them to inspect and, at their own expense, obtain copies of the Records for the purpose of discharging legal requirements or to conduct or defend legal or arbitration proceedings relating to his actions as a director, the Group, its Assets or this Agreement.
- b) During the 6 months after Completion, the Buyer must provide the Seller and the Receivers and Managers with access to Records under clause 19.2a) free of charge. After this period, the Seller must reimburse the Buyer for its reasonable costs in providing this access.

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- c) The Buyer is not obliged to waive legal professional privilege. The Seller must comply with any reasonable steps requested by the Buyer to preserve confidentiality.

19.3 Indemnity

- a) The Buyer and each Group Member must indemnify the Former Directors, to the extent permitted by law, against any liability incurred by that person acting as a director or as an officer of the Company or a subsidiary of the Company arising directly as a result of their execution of this agreement or any action this agreement requires them to undertake (including legal costs).
- b) To the extent permitted by law, the Buyer and each Group Member must, on demand by a Former Director, advance to the Former Director his reasonable costs incurred or expected to be incurred in respect of legal costs of the Former Director that would be payable under clause 19.3(a) if no adverse finding is ultimately made against the Former Director. If moneys are advanced for costs under clause 19.3(b), the amount of the advance will be deemed to be an amount paid to the Director as an indemnity under clause 19.3(a), unless it is subsequently found that the Director was not entitled to be indemnified for those costs, in which case the Former Director must repay those moneys.

19.4 Run Off D&O Policy

- a) Prior to Completion, the Seller must, at the Seller's cost, put in place (or procure and authorise the Company to put in place) a Run Off Directors & Officers Insurance Policy in favour of the Former Directors (and if required by the insurer in favour of all former directors and officers of Group Members) in respect of their positions as directors or officers of Group Members which provides insurance for a period of 7 years after Completion, provided that the premium for such policy does not exceed \$250,000.
- b) The Seller must give each Former Director a copy of the Run Off D&O Policy and a certificate of currency in respect of that policy.
- c) If at the earlier of:
 - i) Completion; and
 - ii) ninety (90) days following the effective date of termination or non-renewal of Chubb Insurance Company of Australia Limited under Directors and Officers Liability insurance policy number 93297136(08) (Existing D&O Policy),

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the Run Off Directors & Officers Insurance Policy in clause 19.4(a) is not in place, the Seller must activate the bilateral extended reporting period under the Existing D&O Policy to extend the reporting period under that policy for the maximum period permitted after expiry from its expiry date, pay the required premium, costs and charges and otherwise do all acts matters and things required to effect the extension and ensure that the policy is maintained in good standing.

20 Costs and stamp duty

20.1 Legal costs

The parties agree to pay their own legal and other costs and expenses in connection with the negotiation, preparation, execution and completion of this agreement and other related documentation, except for stamp duty.

20.2 Stamp duty

The Buyer agrees to pay all stamp duty (including fines and penalties) chargeable, payable or assessed in relation to this agreement and the transfer of the Shares to the Buyer.

21 Notices

21.1 Form

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be:

- a) in writing;
- b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

21.2 Delivery

Notices must be:

- a) left at the address set out or referred to in the Details;
- b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details; or

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- c) sent by fax to the fax number set out or referred to in the Details.

However, if the intended recipient has notified a changed address or changed fax number, then the communication must be to that address or fax number.

21.3 When effective

Notices take effect from the time they are received or taken to be received under clause 21.4 ("When taken to be received") (whichever happens first) unless a later time is specified.

21.4 When taken to be received

Notices are taken to be received:

- a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent.

21.5 Receipt outside business hours

Despite clauses 21.3 ("When effective") and 21.4 ("When taken to be received"), if notices are received or taken to be received under clause 21.4 ("When taken to be received") after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

22 Assignment

Subject to clause 2b)iii), no party may assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied, in each case without the consent of the other parties, which consent must not be unreasonably withheld or delayed.

23 Benefit of this agreement

The parties agree that the Receivers and Managers and their Representatives, the Representatives of the Seller and the Representatives of the Company and its Subsidiaries and the Representatives of the Buyer and the Buyer's Guarantor, who are not parties to this agreement, will have the benefit pursuant to section 11 of the Property Law Act 1969 (WA) of all rights, interests, benefits, indemnities and warranties provided to them under this agreement as if they were parties to this agreement.

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24 Miscellaneous

24.1 Discretion in exercising rights

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

24.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

24.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

24.4 Approvals and consents

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

24.5 Conflict of interest

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

24.6 Remedies cumulative

The rights and remedies provided in this agreement are in addition to other rights and remedies given by law independently of this agreement.

24.7 Rights and obligations are unaffected

Rights given to the parties under this agreement and the parties' liabilities under it are not affected by anything which might otherwise affect them by law.

24.8 Variation and waiver

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

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24.9 No merger

The Warranties, undertakings and indemnities in this agreement do not merge and are not extinguished on Completion and will survive after Completion.

24.10 Indemnities

Subject to this agreement, the indemnities in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

24.11 Further steps

- a) Each party (other than the Company) agrees, at its own expense, to do anything the other party asks; and
- b) the Seller must procure the Company to do anything required of the Company,

(such as obtaining consents, signing and producing documents and getting documents completed and signed) as may be necessary or desirable to give full effect to the provisions of this agreement and the transactions contemplated by it.

24.12 Entire agreement

This agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

24.13 Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

24.14 Severability

If the whole or any part of a provision of this agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause 24.14 ("Severability") has no effect if the severance alters the basic nature of this agreement or is contrary to public policy.

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24.15 No rescission

The Buyer waives any right it may have, but for this clause 24.15 ("No rescission"), to terminate or refuse to Complete this agreement as a result of any representation, other than the Warranties, being or becoming untrue, incomplete or inaccurate or to rescind this agreement as a result of any Warranty or representation being or becoming untrue, incomplete or inaccurate.

25 Governing Law

25.1 Governing Law

This agreement is governed by the law in force in Western Australia.

25.2 Jurisdiction

Each party submits to the non-exclusive jurisdiction of the courts of Western Australia and courts of appeal from them. Each party waives any right it has to object to an Action being brought in those courts including, without limitation, by claiming that the Action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

26 Counterparts

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

27 Supervening legislation

Any present or future legislation which operates to vary the obligations of a party in connection with this agreement with the result that another party'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.

28 Interpretation

28.1 Definitions

These meanings apply unless the contrary intention appears.

Action means an action, dispute, Claim, demand, investigation, inquiry, prosecution, litigation, proceeding, arbitration, mediation or dispute resolution.

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ASIC means the Australian Securities and Investments Commission.

Asset Sale Agreement means the asset sale agreement relating to the acquisition of all of the Lady Annie project and other assets of the CopperCo Group by Cape Lambert Lady Annie Exploration Pty Ltd, a wholly owned subsidiary of the Buyer's Guarantor, dated on or about the date of this agreement.

Assets means the assets from time to time of the Group.

ASX Listing Rules means the official listing rules of the Australian Securities Exchange operated by ASX Limited (ACN 008 624 691).

Authorised Officer means a person appointed by a party to act as an Authorised Officer for the purposes of this agreement.

Buka Minerals Guarantee means the bank guarantee given by Buka Minerals Pty Ltd to the State of Queensland for \$544,240, being its share of potential rehabilitation obligations for Lady Loretta tenement ML5568, in respect of which there is a registered charge against Buka Minerals Pty Ltd (ACN 000 741 373), in favour of ANZ Banking Group, with a maximum prospective liability of \$10,000,000 which is secured over all assets and undertakings of Buka Minerals Pty Ltd.

Business means any business of the Group Members or the Assets.

Business Day means a day other than a Saturday, Sunday or public holiday in Western Australia or Queensland.

Buyer means the Original Buyer and, if nominated under clause 2 ("Nomination of alternative Buyer"), the Nominee.

Buyer Group means Cape Lambert Iron Ore Ltd and its subsidiaries and **Buyer Group Member** means any of those companies.

Claim means any allegation, debt, cause of action, Liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at law, in equity, under statute or otherwise.

Completion means completion of the sale and purchase of the Sale Shares and the subscription for the Subscription Shares in accordance with clause 7 ("Completion") and **Complete** has a corresponding meaning.

Completion Date means the date on which Completion occurs..

Conditions Precedent means the conditions precedent set out in clause 4.1 ("Conditions Precedent").

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Confidential Information means all Information disclosed to the Receiving Party or any Related Entity or Representative of the Receiving Party, under or in connection with this agreement, including:

- a) information which, either orally or in writing, is designated or indicated as being the proprietary or confidential information of the Disclosing Party or any of its Related Entities;
- b) information derived or produced partly or wholly from the Information including any calculation, conclusion, summary or computer modelling; and
- c) trade assets or information which is capable of protection at law or equity as confidential information,

whether the Information was disclosed:

- a) orally, in writing or in electronic or machine readable form;
- b) before, on or after the date of this agreement;
- c) as a result of discussions between the parties concerning or arising out of the acquisition of the Shares; or
- d) by the Disclosing Party or any of its Representatives, any of its Related Entities, any Representatives of its related entities or by any third person.

Confidentiality Deeds means the confidentiality deeds between the Seller and the Buyer's Guarantor, pursuant to the sale process for the Mineral Securities Investments as described in the "Information Memorandum for the Mineral Securities Investments" dated 16 March 2009.

CopperCo Group means the Seller and its subsidiaries (other than the Group Members).

Corporations Act means the Corporations Act 2001 (Cwlth).

Deloitte means Deloitte Touche Tohmatsu.

Details means the section of this agreement headed "Details".

Disclosing Party means the party disclosing Confidential Information.

Disclosure Material means:

- a) all of the information and material, including answers to questions asked by the Buyer, which was contained in the virtual data room managed by Deloitte Touche Tohmatsu;

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- b) any other information or material not contained in that data room but provided in writing to the Buyer by or on behalf of the Seller.

DOCA is defined in clause 4.1b).

Downstream ASX Interests means the interests held by the Group in Corvette Resources Ltd (ACN 103 006 542), Niplats Australia Ltd (ACN 100 714 181), Tianshan Goldfields Ltd (ACN 099 544 680) and Buka Gold Ltd (ACN 112 731 638).

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, but excludes any Tax.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, lien, charge, pledge, trust or title retention or any agreement to create any of them or allow them to exist.

Excluded Information means Confidential Information which:

- a) is in or becomes part of the public domain other than through breach of this agreement or an obligation of confidence owed to the Disclosing Party or any Related Entity of the Disclosing Party;
- b) the Receiving Party can prove by contemporaneous written documentation was already known to it at the time of disclosure by the Disclosing Party or its Related Entities or Representatives (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality to the Disclosing Party or its Related Entities or Representatives); or
- c) the Receiving Party acquires from a source other than the Disclosing Party or any Related Entity or Representative of the Disclosing Party where such source is entitled to disclose it.

Former Director means a person who is a director or officer of the Company or a Subsidiary as at the date of this agreement

Government Agency means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.

Group means the Company and the Subsidiaries.

Group Members means the members of the Group and **Group Member** means any one of them.

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GST means goods and services tax or similar value added tax levied or imposed in Australia under the GST Law or otherwise on a supply.

GST Act means A New Tax System (Goods and Services Tax) Act 1999 (Cwlth).

GST Group has the same meaning as that term is defined in the GST Act.

GST Law has the same meaning as in the GST Act.

Guarantee means the guarantee and indemnity in clause 16 ("Guarantee and indemnity").

Incoming Directors means the persons nominated by the Buyer to be directors of the Company and the Subsidiaries from Completion.

Information means all information regardless of its Material Form relating to or developed in connection with:

- a) the business, technology or other affairs of the Disclosing Party or any Related Entity of the Disclosing Party, or in the case of the Seller only, the Company or any Subsidiary; or
- b) any systems, technology, ideas, concepts, know-how, techniques, designs, specifications, blueprints, tracings, diagrams, models, functions, capabilities and designs (including computer software, manufacturing processes or other information embodied in drawings or specifications), intellectual property or any other information which is marked "confidential" or is otherwise indicated to be subject to an obligation of confidence owned or used by or licensed to the Disclosing Party or a Related Entity of the Disclosing Party, or in the case of the Seller only, the Company or any Subsidiary.

ITAA 1997 means the Income Tax Assessment Act 1997 (Cwlth).

Liability means any liability or obligation (whether actual, contingent or prospective), including for any Loss irrespective of when the acts, events or things giving rise to the liability occurred.

London Lease means the leases dated 3 July 2007 and 10 October 2007 each between Rosewood Property Holding Limited as landlord and Scarborough Minerals Plc (now named Mineral Securities (UK) Ltd) as tenant, including all amendments thereto (each, a **Lease**), in respect of those parts of 13-14 Golden Square, London W1F9JF (UK Land Registry title number NGL 810023) as is more particularly described in each Lease.

Loss means all damage, loss, cost, and expense (including legal costs and expenses of whatsoever nature or description).

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Mark means a trade mark, logo, domain name, business name or similar right, whether registered or unregistered.

Material Form means any form (whether visible or not) of storage from which reproductions can be made.

MinSec Mark means any Mark including the words Scarborough, MinSec or Minsec.

Nominee is defined in clause 2 ("Nomination of alternative Buyer").

Project means the Sappes gold project located approximately 2 km east of the village of Sappes in the prefecture of Rhodope in north-eastern Greece and the interests held by the Group in the Lady Loretta zinc project located in north-western Queensland.

Receivers and Managers means Gary Peter Doran and David John Frank Lombe of Deloitte Touche Tohmatsu, who were appointed as joint and several receivers and managers of all the assets and undertaking of the Seller and certain of its subsidiaries on 6 February 2009.

Receiving Party means the recipient of Confidential Information.

Records means all records of the Group.

Related Entity has the meaning it has in the Corporations Act.

Relevant Subsidiaries means each of Lady Annie Operations Pty Ltd (ACN 076 289 097) (Administrators Appointed) (Receivers and Managers Appointed), Savannah Resources Pty Ltd (ACN 096 358 735) (Administrators Appointed) (Receivers and Managers Appointed), CopperCo Queensland Operations Pty Ltd (ACN 120 883 285) (Administrators Appointed) (Receivers and Managers Appointed), Lady Annie Pty Ltd (ACN 073 222 045) (Administrators Appointed) (Receivers and Managers Appointed) and Millennium Minerals Operations Pty Ltd (ACN 077 507 521).

Representative of a party includes an employee, agent, officer or director of that party (and, in the case of the Receivers and Managers, of Deloitte).

Required Date means the earlier of:

- a) if the Conditions Precedent have been satisfied, 30 June 2009; and
- b) the third Business Day after the satisfaction of the last Condition Precedent,

or any other date agreed by the Seller and the Buyer.

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Retiring Directors means the existing directors of the Company and the Subsidiaries.

Run Off D&O Policy means a policy of insurance provided by the Seller or Company insuring the Former Directors against liability for Wrongful Acts acting as a director and officer of the Company or its Subsidiaries (or any of them) committed or incurred prior to Completion and which manifest as a claim or circumstance after Completion from a reputable insurance company which is at least as comprehensive as those available from reputable and financially secure insurance companies containing the kinds of terms, conditions and exclusions commonly included in such policies, designed to protect Former Directors to the maximum extent that is reasonable in the circumstances and provides cover for at least \$10 million for each claim with an aggregate maximum of \$50 million for all claims for Wrongful Acts during the policy term.

Sale Price means the consideration payable for the Sale Shares, as stated in clause 5b).

Sale Shares means all of the issued shares of the Company and (after the conversion referred to in clause 6.2b)) to be 1 ordinary fully paid share.

Secured Creditor means Dempsey Resources Pty Ltd (ACN 100 305 486).

Seller Group means the Seller and each of its Related Entities (other than the Group Members) and **Seller Group Member** means any one of them.

Seller Mark means any Mark including the word CopperCo.

Shares means the Sale Share and the Subscription Shares and **Share** means any one of those shares.

Subscription Price means the consideration payable for the Subscription Shares, as stated in clause 5a).

Subscription Shares means the Subscription Number of ordinary fully paid shares of the Company agreed to be issued under this agreement and **Subscription Share** means any one of those shares.

Subscription Number means 50,100,000.

Subsidiaries means each of the entities listed in Schedule 2 and **Subsidiary** means any one of those bodies corporate.

Taxes means taxes, levies, imposts, charges and duties imposed by any Government Agency (including, stamp and transaction duties) together with any related interest, penalties, fines and expenses in connection with them and **Tax** means any of these.

Share Subscription and Sale Agreement

Tax Invoice includes any document or record treated by the Commissioner of Taxation as a tax invoice or as a document entitling a recipient to an input tax credit.

Tenements means the interests held by the Group Members as at the opening of business on the Completion Date in the tenements relating to the Project, including any application for and any extension, renewal, conversion or substitution of any of those tenements.

Unissued Seller Shares means the shares in the Seller which were not issued to former shareholders of the Company (in consideration for the sale of their shares in the Company to the Seller) under the compulsory acquisition process in or about September 2008.

Warranties means the warranties and representations in this agreement including clause 12 ("Warranties and representations") and schedule 1 ("Warranties") and **Warranty** has a corresponding meaning.

Wrongful Act means any act or omission, including but not limited to any error, misstatement, misleading statement, neglect, breach of trust or breach of duty committed or attempted or allegedly committed or attempted.

28.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- a) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this agreement;
- b) **(variations or replacements)** a document (including this agreement) includes any variation or replacement of it;
- c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- d) **(singular includes plural)** the singular includes the plural and vice versa;
- e) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, joint venture, an unincorporated body or association, or any Government Agency;
- f) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators,

Share Subscription and Sale Agreement

successors, substitutes (including persons taking by novation) and assigns;

- g) **(two or more persons)** an agreement, representation or Warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- h) **(jointly and individually)** an agreement, representation or Warranty by two or more persons binds them jointly and each of them individually.
- i) **(dollars)** Australian dollars, dollars, \$ or A\$ is a reference to the lawful currency of Australia;
- j) **(calculation of time)** if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- l) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- m) **(meaning not limited)** the words "include", "including", "for example" or "such as" are not used as, nor are they to be interpreted as words of limitation and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- n) **(next Business Day)** if an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

28.3 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

EXECUTED as an agreement.

Share Subscription and Sale Agreement

Schedule 1 – Warranties

1 Power and authority

1.1 Authority

The Seller and the Company have each taken all action which is necessary to authorise the entry into and performance of its obligations under this agreement.

1.2 Power

The Seller and the Company each have the power to enter into this agreement and to comply with its obligations under it.

2 Shares

2.1 Proportion of capital

Immediately before Completion, the Sale Share will comprise all of the issued shares of the Company.

2.2 Title

Immediately before Completion, the Seller will be the registered and beneficial owner of the Sale Share.

2.3 No Encumbrances

There will be no Encumbrances over the Shares as at Completion.

2.4 Ownership

The Buyer will acquire at Completion:

- a) the full legal and beneficial ownership of the Subscription Shares free and clear of all Encumbrances, subject to registration of the Buyer in the register of shareholders;
- b) the Subscription Shares free of competing rights, including pre-emptive rights or rights of first refusal; and

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- c) the Subscription Shares that have no money owing in respect of them.

2.5 Company

- a) The Buyer will acquire at Completion full legal and beneficial ownership of 100% of the shares of the Company.

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Schedule 2 - Subsidiaries

Name of Subsidiary	Place of incorporation	Issued capital	Registered and beneficial shareholders
Algarrobo Holdings (BVI) Limited	British Virgin Islands	1	Cuesta Resources (BVI) Limited (100%)
Allied Mining Pty Ltd	Australia	5,000,001	Mineral Securities Holdings Pty Ltd (100%)
Andalucla Mineral Services Limited	England	1	Mineral Securities (UK) Ltd (100%)
Australian Ferroalloys Pty Ltd	Australia	3,600	Mineral Securities Holdings Pty Ltd (100%)
Australis Exploration Pty Ltd	Australia	1	Mineral Securities Operations Limited (100%)
Buka Minerals (Lady Loretta No.2)	Australia	2	Kadina Pty. Limited (100%)
Buka Minerals Pty Limited	Australia	187,461,133	Mineral Securities (UK) Ltd (100%)
Buka Technologies Pty Ltd	Australia	60,000,001	Buka Minerals Pty Limited (100%)
Cuesta Resources (BVI) Limited	British Virgin Islands	1	Mineral Securities Operations Limited (100%)
Danae Resources Pty Limited	Australia	106,489,634	Mineral Securities (UK) Ltd (100%)
Goodwest Investments Pty Ltd	Australia	640,001	Mineral Securities Holdings Pty Ltd (100%)

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Name of Subsidiary	Place of Incorporation	Issued capital	Registered and beneficial shareholders
Greenwich Resources (Czech Republic)	Czech Republic	10,000	Scarborough Minerals International BV (100%)
Kadina Pty Limited	Australia	2	Buka Minerals Pty Limited (100%)
Kyprou Gold Limited	England	128	Scarborough Minerals International BV (100%)
Manor Resources NL	Australia	402,546	Danae Resources Pty Limited (100%)
Mineral Securities (China) Pty Ltd	Australia	1,000	Mineral Securities Operations Limited (100%)
Mineral Securities (NK) Pty Ltd	Australia	10,000,000	Mineral Securities (China) Pty Ltd (100%)
Mineral Securities (SA) P/L	South Africa	599	Mineral Securities Operations Limited (83.3%)
Mineral Securities (UK) Ltd	England	104,364,898	Minsec Investments (BVI) Limited (100%)
Mineral Securities Holdings Pty Ltd	Australia	91,485,000	Mineral Securities Operations Limited (100%)
Mineral Securities Hong Kong (NK) Limited	Hong Kong	1,000	Mineral Securities (NK) Pty Ltd (88%)
Mineral Securities Investments (Australia) Pty Ltd	Australia	1	Minsec Investments (BVI) Limited (100%)
Mineral Securities Operations Limited	Australia	76,983,563	Mineral Securities Investments (Australia) Pty Ltd 100%
Minsec Investment Holdings (BVI) Limited	British Virgin Islands	1	Minsec Investments (BVI) Limited (100%)
Minsec Investments	British Virgin Islands	1	Mineral Securities

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Name of Subsidiary	Place of Incorporation	Issued capital	Registered and beneficial shareholders
(BVI) Limited			Limited (100%)
MS Corporate Director Limited	England	1	Mineral Securities (UK) Ltd (100%)
MS Corporate Secretary Limited	England	1	Mineral Securities (UK) Ltd (100%)
Multiplex Development Zarmitan Limited	England	100	Danae Resources Pty Limited (100%)
Platmin Holdings Pty Ltd	Australia	1	Mineral Securities Operations Limited (100%)
Scarborough Minerals (Australia) Pty Ltd	Australia	1	Mineral Securities (UK) Ltd (100%)
Scarborough Minerals (Finance) Pty Ltd	England	10,000,000	Mineral Securities (UK) Ltd (100%)
		4,724,150 preference shares	Scarborough NL
Scarborough Minerals International BV	Netherlands	22,080	Scarborough Minerals Overseas Holdings Ltd (100%)
Scarborough Minerals Overseas Holdings Limited	England	1,500,000	Mineral Securities (UK) Ltd (100%)
Scarborough NL	Australia	10,918,705 partly paid to \$0.01	Mineral Securities (UK) Ltd (100%)
Sierra Explorations SA	Chile	To be advised by the Seller before Completion	Sierra Minerals Ltd (100%)
Sierra Minerals Limited	England	1	Mineral Securities (UK) Ltd (100%)
Thrace Investments BV	Netherlands	4,400	Scarborough Minerals International BV (100%)
Thrace Minerals Exploration & Mining SA	Greece	1,241,600	Kyprou Gold Ltd (51%)
			Thrace Minerals BV

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Name of Subsidiary	Place of incorporation	Issued capital	Registered and beneficial shareholders
			(49%)

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Schedule 3 – Terms of DOCAs

1 Definitions

Terms used in this Schedule 3 have the following meanings and as otherwise set out in the Definitions section of this agreement.

Administrators means the voluntary administrators to the DOCA Company.

Administration means the state of administration of the DOCA Company.

Agreement means this Share Subscription and Sale Agreement.

Corporations Regulations means the Corporations Regulations 2001 (Cwlth).

Creditors' Claims means claims of creditors admitted pursuant to item 2.4 below against the DOCA Company.

Creditors' Trust means a trust for the benefit of creditors of the DOCA Company.

DOCA Company means each of:

- a) Mineral Securities Operations Limited (ACN 091 158 593);
- b) Mineral Securities Holdings Pty Ltd (ACN 092 525 614);
- c) Kadina Pty Ltd (ACN 009 633 096); and
- d) Platmin Holdings Pty Ltd (ACN 117 927 965).

MinSec Operations means Mineral Securities Operations Ltd (ACN 091 158 593).

2 Key terms

Each DOCA is to be on the following terms.

2.1 Deed Administrators

- a) The Administrators become the Deed Administrators for the purposes of the DOCA.

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- b) The Deed Administrators (and not the directors) shall be responsible for the management, operation and control of the business and affairs of the company throughout the DOCA period.
- c) The Deed Administrators become the Trustees of the Creditors' Trust on establishment of the Creditors' Trust.

2.2 DOCA period

The DOCA will be commence on the date the DOCA is executed and will terminate on the earlier of Completion or termination of the Agreement.

2.3 Funds

- a) There are to be two Creditors' Trust funds (**Funds**).
- b) The first fund (**Fund A**) will be comprised of an upfront payment of the amount equal to the secured debt owed by the Group to the Secured Creditor at Completion, by MinSec Operations to be paid to the Secured Creditor, in full satisfaction of its claim against the DOCA Company.
- c) The second fund (**Fund B**) will be comprised of A\$1,600,000 which will be distributed to unsecured creditors pro rata.
- d) On the Required Date:
 - i) the Deed Administrators will establish and constitute the Creditors' Trust Funds by way of nominal sums, such sums to be recoverable as an out of pocket expense incurred by the Deed Administrators during the course of the DOCA;
 - ii) the Company must loan to MinSec Operations an amount equal to the secured debt owed by the Group to the Secured Creditor at Completion plus \$1,600,000, with this amount to be paid by the Company directly into the Funds established by the Deed Administrators in the manner outlined in 2.3(d)(i) above; and
 - iii) the Trustees of the Creditors' Trust, must distribute the Funds in accordance with clause 2.5 ("Distribution") below.

2.4 Proof of claims

The day on or before which Claims must have arisen if they are to be admissible to participate in the DOCA is 26 November 2008, being the date of appointment of the voluntary administrators to the Seller and certain of its subsidiaries.

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2.5 Distribution

- a) Fund A will be available only to the Secured Creditor and will be paid to the Secured Creditor in full satisfaction of its claim. Upon receipt of this payment, the Secured Creditor will release its charge over the assets of the DOCA Company.
- b) Fund B will be applied (with reference to sections 556, 560 and 561 of the Corporations Act and the claims of the Secured Creditor) in the manner and order of priority as follows:
 - i) to pay any liabilities properly incurred by the Administrators and Deed Administrators during the course of the Administration and the DOCA;
 - ii) to pay the Administrators and Deed Administrators' remuneration and out of pocket expenses in the course of them carrying out their duties;
 - iii) to pay any employee entitlements (if any) including any outstanding wages, superannuation, superannuation guarantee charge, annual leave to 26 November 2008. Such amounts will be paid on the basis that they are to receive the same priority as if the property of the company were applied in accordance with sections 556, 560 and 561; and
 - iv) on a pro rata basis to unsecured creditors
 - v) pay any remaining balance to the Company.
- c) The Secured Creditor will not be entitled to participate in Fund B as an unsecured creditor.
- d) Group Members and Seller Group Members will not be entitled to participate in Fund A or Fund B.

2.6 Creditors' Trust

- a) Upon payment by the Company of the amount comprising Fund A and Fund B into the Creditors' Trust (to be established as set out above), the DOCA will terminate.
- b) All Creditors' Claims, save for Creditor Claims made by Group Members or Seller Group Members, against the DOCA Company will be released and extinguished on the creation of the Creditors' Trust and the DOCA Company will be, subject to required lodgements with ASIC, released from administration and returned to solvency.

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- c) Creditor Claims made by Group Members or Seller Group Members will be excluded from the claims compromised by the DOCA, and will survive the termination of the DOCA.
- d) Pursuant to the Creditors' Trust, each admitted claim against the Company, save for Creditor Claims made by Group Members or Seller Group Members, will be replaced with a claim of equal value against the Creditors' Trust.

2.7 Conditions precedent

There will be conditions precedent to the DOCA for:

- a) all conditions to completion of this Agreement and the Asset Sale Agreement, other than the conditions in each agreement regarding the other agreement, to be satisfied or waived in accordance with the relevant agreement; and
- b) the Company and the Seller to procure from the Group Members and the Seller Group Members with claims against the DOCA Company, and for those Group Members and Seller Group Members with claims against the DOCA Company to provide, such written enforceable undertakings to forbear from enforcing those claims as the Deed Administrator reasonably requires to be satisfied that the DOCA Company will be solvent on termination of the DOCA.

2.8 Enforcement against the DOCA Company

From the time of execution of the DOCA, the DOCA Company, any officer or member of the DOCA Company or any creditor bound by the provisions of the DOCA must not make any application to wind up the DOCA Company, continue any such application or commence or continue any enforcement process in relation to the property of the DOCA Company.

2.9 Convening of Creditors' Meetings

The DOCA will terminate and the appointment of the Deed Administrators will come to an end on any of the following events:

- a) the lapse of the DOCA period;
- b) a resolution of creditors at a meeting convened by the Deed Administrators in accordance with the Corporations Act; or
- c) by an order of the Court.

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2.10 Other terms

- a) That any other terms and conditions as contained in Schedule 8A of the Corporations Regulations be incorporated so as to give effect to the DOCA.
- b) Sections 440C, 440D and 444DB of the Corporations Act will apply while the DOCA is on foot.
- c) Nothing in the DOCA will impose any obligation on the DOCA Company or the Buyer to make an offer or agree the terms of any transaction.
- d) The rights of the Secured Creditor will not be prejudiced by the DOCA.

Share Subscription and Sale Agreement

Signing page

DATED: 7 May 2009

EXECUTED by COPPERCO
LIMITED (ADMINISTRATORS
APPOINTED) (RECEIVERS AND
MANAGERS APPOINTED)
(ACN 004 434 904) by its duly
appointed receiver and manager in
the presence of:

R.P. Coan
Signature of witness

R.P. COAN
Name of witness (block letters)

G. Peter Doran
Signature of Gary Peter Doran, joint
and several Receiver and Manager
of CopperCo Limited

Company

Signed by
Mineral Securities Limited
by it duly authorised representative

sign
here ▶

Authorised Representative

print
name

David Hillier

sign
here ▶

Witness

print
name

Share Subscription and Sale Agreement

Signing page

DATED: _____

EXECUTED by COPPERCO)
 LIMITED (ADMINISTRATORS)
 APPOINTED) (RECEIVERS AND)
 MANAGERS APPOINTED))
 (ACN 004 434 904) by its duly)
 appointed receiver and manager in)
 the presence of:)

.....
 Signature of witness)

.....
 Name of witness (block letters))

.....
 Signature of Gary Peter Doran, joint
 and several Receiver and Manager
 of CopperCo Limited

Company

Signed by
Mineral Securities Limited
 by It duly authorised representative

sign
 here ►



 Authorised Representative

print
 name

David Hillier

sign
 here ►



 Witness

print
 name



Share Subscription and Sale Agreement

Buyer

Signed by
Cape Lambert MinSec Pty Ltd
by its duly authorised representative

sign
here ►

Authorised Representative

print
name

Tony Sage

sign
here ►

Witness

print
name

Jeremy Wickens

Buyer's Guarantor

Signed by
Cape Lambert Iron Ore Ltd
by its duly authorised representative

sign
here ►

Authorised Representative

print
name

Tony Sage

sign
here ►

Witness

print
name

Jeremy Wickens