

DATED

21 SEPTEMBER

2011

THE DEPARTMENT OF TRADE AND INVESTMENT,
REGIONAL INFRASTRUCTURE AND SERVICES

AND

ALKANE RESOURCES LIMITED

DEED OF AGREEMENT

THIS DEED OF AGREEMENT is made the 21st day of September 2011

BETWEEN: THE DEPARTMENT OF TRADE AND INVESTMENT, REGIONAL INFRASTRUCTURE AND SERVICES
ABN 72 189 919 072 – 003 for the New South Wales Government ("the Department");

AND: ALKANE RESOURCES LTD, ACN 000689 216 of 65 Burswood Road, Burswood Western Australia ('The Grantee')

RECITALS

- A. The Grantee submitted an application for financial assistance under the Local Infrastructure Support Fund ('LISF')
- B. In furtherance of its objective to promote economic development in the State of New South Wales, the Department has agreed to provide assistance to the Grantee on the terms and conditions set out in this Deed.
- C. This Deed is entered into in consideration of the benefits to be realised by the Grantee as set out in this Deed and the mutual promises as set out herein between the parties.

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1. The following expressions are defined as set out below:

- 1.1.1. "**Business Day**" means any day that is not a Saturday, Sunday or Public Holiday in the State of New South Wales.
- 1.1.2. "**Business Hours**" means the hours from 9.00 am to 5.00 pm on any business day;
- 1.1.3. "**Creditable Acquisition**" has the same meaning given to it in GST Law;
- 1.1.4. "**Department**" means the NSW Department of Trade and Investment, Regional Infrastructure and Services;
- 1.1.5. "**GST**" means a tax, levy, duty, charge, or deduction imposed by the GST Law calculated by reference to the value of anything supplied but does not include any related additional tax, interest, penalty, fine, or other charge imposed in relation to the late or incorrect payment of GST;
- 1.1.6. "**GST Law**" means any law imposing a GST and includes A *New Tax System (Goods and Services Tax) Act 1999*, or if that Act does not exist for any reason, means any Act imposing, or relating to, a goods and services tax and any regulation made pursuant to any such Acts;
- 1.1.7. "**Guarantor**" means the person or persons named in item 6 of the Schedule;

- 1.18 **"Infrastructure"** means all infrastructure funded in whole or in part by the Project Grant.
- 1.1.9 **"Input Tax Credit"** has the same meaning given to it in GST Law;
- 1.1.10 **"the Project"** means the activities to be undertaken by the Grantee or TGO Company as described in item 1 of the Schedule;
- 1.1.11 **"Performance Criteria"** means the criteria that the Grantee must fulfil as a precondition to receiving the Project Grant as set out in clause 3 of this Deed ;
- 1.1.12 **"the Location"** means the location as set out in item 2 of the Schedule;
- 1.1.13 **"Project Grant"** means, according to the context, the whole or any part of the financial assistance paid or payable by the Department to the Grantee pursuant to this Deed;
- 1.1.14 **"Supply"** has the same meaning given to it in the GST Law;
- 1.1.15 **"Taxable Supply"** has the same meaning given to it in GST Law;
- 1.1.16 **"the Term"** means the term of this Deed as set out in item 3 of the Schedule.
- 1.1.17 **"TGO Company"** means Tomingley Gold Operations Pty Ltd, ACN 149 040 371.

Interpretation

- 1.2. Except where the context otherwise requires, a reference in this Deed to:
 - 1.2.1. Any person or Grantee shall mean and include the legal personal representative, successor in title, and permitted assigns of such person or Grantee as the circumstances may require;
 - 1.2.2. Any organisations, associations, societies, groups or bodies shall, in the event of them ceasing to exist or being reconstituted, renamed or replaced or if the powers or functions of any of them are transferred to any other entity, body or group, refer respectively to any such entity, body or group, established or constituted in lieu thereof or succeeding to similar powers or functions;
 - 1.2.3. Statutes, regulations, ordinances or by-laws shall be deemed for all purposes to be extended to include a reference to all statutes, regulations, ordinances or by-laws amending, consolidating or replacing same from time to time;
 - 1.2.4. A month shall be construed as a reference to a calendar month; and
 - 1.2.5. A financial year means a period of 12 months ending on 30 June.
- 1.3. Where any time limit pursuant to this Deed falls on a Saturday, Sunday or Public Holiday in the State of New South Wales then that time limit shall be deemed to have expired at 5.00 pm on the next Business Day.

- 1.4. Where any covenant, condition, agreement, warranty or other provision of this Deed expressly or impliedly binds more than one person then it shall bind each such person separately and all such persons jointly.
- 1.5. Where a word or phrase is given a defined meaning in this Deed, any other part of speech or other grammatical form in respect of such word or phrase shall, unless the context otherwise requires, have a corresponding meaning.
- 1.6. No amendment of or addition to the provisions of this Deed shall be valid and binding unless it is in writing and signed by all of the Parties. No waiver shall be valid and binding unless it is in writing and signed by the party giving it.
- 1.7. The headings used in this Deed are for convenience only and shall not affect the interpretation of this Deed.
- 1.8. The provisions of the Schedule to this Deed shall be deemed to be incorporated into this Deed and binding as if they were set out in full in the body of this Deed.

2. TERM

The Term shall be as set out in item 3 of the Schedule, unless otherwise agreed in writing between the parties or earlier terminated in accordance with this Deed.

3. NSW GOVERNMENT ASSISTANCE AND PERFORMANCE CRITERIA

- 3.1. The Department agrees to pay to the Grantee an amount not exceeding in aggregate the Project Grant, subject to compliance by the Grantee with the following Performance Criteria and with the terms and conditions of this Deed applying generally.

Performance Criteria Applying Generally

- 3.2. In order to qualify for the Project Grant the Grantee must comply with the following general Performance Criteria:
 - 3.2.1. The Grantee must or must ensure that TGO Company lawfully carries out the **Project** at the **Location** and otherwise in accordance with this Deed during the Term;
 - 3.2.2. The Grantee must or must ensure that TGO Company achieves the **Project milestones** set out in item 1 of the Schedule and must provide a **report** to the Department on the economic development outcomes as set out in clause 21.
 - 3.2.3. At no time during the Term may the Grantee and must ensure that TGO Company does not move the Project to a location outside the State of New South Wales;
 - 3.2.4. The Grantee must demonstrate to the Department that it has or must ensure that TGO Company has secured additional funding from other entities to allow the Project to be fully completed;
 - 3.2.5. The Grantee must ensure that the third parties set out in Item 1.1 of the Schedule undertake the activities outlined in Item 1.1 of the Schedule.
 - 3.2.6. The Grantee agrees to and must ensure that TGO Company consults the Industry Capability Network (NSW) Ltd to identify competitive local sources

of equipment, supplies and services for the construction and operation of the Project.

3.2.7. The Grantee agrees to transfer ownership of the completed water supply infrastructure to Narromine Shire Council.

3.3. The fulfilment of any of the Performance Criteria can only take place through the operation of the Project. The Grantee cannot rely upon any of its other activities outside the Project to satisfy the Performance Criteria.

4. EVIDENCE OF COMPLIANCE

4.1. Payment of the Project Grant, or any part of it, is subject to and conditional upon the Grantee providing to the Department such evidence of compliance as is set out in this clause and item 1.1 of the Schedule.

4.2. The Grantee agrees to supply to the Department upon request all information and documents required by the Department to enable it to assess whether the Performance Criteria have been met within 28 days of any such request by the Department.

4.3. The Grantee agrees to liaise regularly with the Department to facilitate the monitoring of compliance with this Deed and shall make its staff available and must ensure that TGO Company makes its staff available as required to communicate with the Department. Officers of the Department shall be entitled, on reasonable notice, to visit the Location during Business Hours, interview the Grantee's and TGO Company staff and inspect the Grantee's and TGO Company records for the purpose of such liaison and monitoring.

4.4. The Department may at its expense during the Term conduct audits of invoices and reports submitted to the Department pursuant to this Agreement. The Department agrees to give reasonable prior notice to the Grantee and TGO Company of its intention to conduct any such audit.

4.5. The Department may at the Grantees expense appoint an independent person to conduct an independent audit of Project expenditure and/or request an audit of Project expenditure by an independent person appointed by the Grantee at the Grantees expense.

4.6. The Department is entitled to audit the monies expended from the Grant upon the administration of the Project and for that purpose the Grantee and must ensure that TGO Company:

- a. will permit reasonable access to and the copying of its financial and other records by any appropriate person duly authorised by the Department;
- b. will answer all reasonable enquiries by any person duly authorised by the Department; and
- c. will provide reasonable assistance to any person duly authorised by the Department in the conduct of the audit or inspection.

4.7. The Grantee will and must ensure that TGO Company, if required, provide the independent auditor with access to accounting records and documentation in respect of funds granted under this Agreement.

5. GOODS AND SERVICES TAX (GST)

- 6.7. On completion of the Project or by no later than 31 December 2013, the Grantee must submit to the Department evidence as set out in item 1.1 of the Schedule of the total Project cost .

7. WITHHOLDING OF PROJECT GRANT/REPAYMENT OF PROJECT GRANT

Withholding/suspension of Project Grant

- 7.1. The Department reserves the right, in its absolute discretion, to withhold or suspend payment of the whole or any part of the Project Grant until the Grantee performs its obligations under this Deed (and in particular, all or any part of the relevant Performance Criteria) to the satisfaction of the Department. This right may be exercised by the Department at any time during the Term by notice in writing. This clause is not to be taken as releasing the Grantee from performing any or all of its obligations under this Deed.

Repayment of Project Grant

- 7.2. If in the reasonable opinion of the Department the Grantee fails to meet any of the Performance Criteria in whole or in part, the Grantee must repay to the Department the whole or any part of the Project Grant previously paid to the Grantee having regard to the nature and extent of the Grantee's non-compliance and the extent to which the economic benefits of the Project as contemplated by the Department in entering into this Deed have been achieved, together with interest calculated in accordance with the daily published Commonwealth Bank of Australia corporate overdraft reference rate as demanded by the Department within 28 days of the Department serving notice of demand under this clause upon the Grantee.

Set-off

- 7.3. If the Department becomes aware that it has made an overpayment of Project Grant, or if circumstances arise where the Department is entitled to demand a repayment of any Project Grant, the Department may set off the amount of any such overpayment or claim for repayment against any future payment of Project Grant to the Grantee.
- 7.4. If 42% of the total Project cost is less than the total amount of instalments paid by the Department upon completion by the Grantee of the milestones of the Project as set out in item 1.1, then the Department will be entitled to a refund for the overpayment of funding from the Grantee and the Grantee agrees to repay the overpaid funding within 14 days from the Department's request for payment.
- 7.5. Any repayment claimed by the Department from the Grantee under this clause 7 will be a debt due and owing by the Grantee to the Department. Such debt shall survive termination of this Deed in any circumstances.

8. TERMINATION

Termination by the Department

- 8.1. The Department may terminate this Deed at any time during the Term by giving no less than 14 days written notice on the occurrence of any of the following:

- 8.1.1. a resolution is made for the sale, winding up, dissolution, official management or administration of the Grantee or TGO Company;
- 8.1.2. the Grantee or TGO Company enters into any Deed, compromise or composition with or assignment for the benefit of creditors;
- 8.1.3. the Grantee breaches any material obligation including, but not limited to, any or all of the Performance Criteria or the provision of evidence of compliance with same, and where such breach is capable of rectification, fails to correct or remedy such breach within 14 days of a notice being served by the Department requesting that the breach be rectified;
- 8.1.4. the Grantee without reasonable cause suspends its compliance with the Performance Criteria; or
- 8.1.5. the Grantee or TGO Company breaches any NSW or Commonwealth legislation applicable to the conduct of the Project or to any conduct by the Grantee or TGO Company in any way connected to the Project.

Effect of termination/expiry

- 8.2. Upon expiry or termination of this Deed in any circumstances, the Grantee must prepare and deliver to the Department a report detailing the extent of the Grantee's compliance with the Performance Criteria in a form reasonably acceptable to the Department.
- 8.3. Expiry or termination of this Deed in any circumstances shall not release the Grantee from any liability for breach or non-performance of any obligation incurred under this Deed up to the date the termination takes effect, and shall be subject to the rights of the Department to withhold, suspend or demand repayment of Project Grant pursuant to clause 7 of this Deed.

9. RESOLUTION OF DISPUTES

- 9.1. If a dispute arises out of or relates to this Deed, or the breach, termination, validity or subject matter thereof, or as to any related claim in tort, in equity or pursuant to any statute or law, the parties agree to endeavour in good faith to settle the dispute by mediation administered by the Australian Commercial Disputes Centre (ACDC) before having recourse to arbitration or litigation.
- 9.2. A party claiming that a dispute has arisen must give written notice to the other party specifying the nature of the dispute ("the notice of dispute").
- 9.3. Within seven (7) days of receipt of the notice of dispute, the parties must seek to resolve the dispute.
- 9.4. If the dispute is not resolved within seven (7) days or within such further period as the parties mutually agree in writing then the dispute must be referred to ACDC for mediation.
- 9.5. The mediation shall be conducted in accordance with ACDC Mediation Guidelines which set out the procedures to be adopted, the process of selection of the mediator and the costs involved and which terms are hereby deemed incorporated.

- 9.6. In the event that the dispute has not been settled within twenty-eight (28) days or such other period as agreed to in writing between the parties hereto after the appointment of the mediator the dispute shall be submitted to arbitration administered by ACDC, under the ACDC Arbitration Guidelines which terms are hereby deemed incorporated. The arbitrator shall not be the same person as the mediator.
- 9.7. Any such arbitration shall be administered by ACDC.
- 9.8. The appointing authority shall be ACDC.
- 9.9. The place of arbitration shall be Sydney.
- 9.10. This Deed shall, to the fullest extent possible, and having regard to the nature of the dispute, continue to operate and to bind the parties while the dispute is being dealt with in accordance with this clause.
- 9.11. Nothing in this clause will preclude either party from seeking urgent interlocutory relief.
- 9.12. This clause shall continue to have effect notwithstanding expiry or termination of this Deed.

10. OPENING/PUBLIC ANNOUNCEMENTS

- 10.1. The Grantee agrees to and must ensure that TGO Company acknowledges the Project Grant provided by the NSW Government in any press announcement or official opening of the Project, if requested to do so and on the terms stipulated by the Department.
- 10.2. The Grantee must not and must ensure that TGO Company does not make any press announcements or conduct any official openings relating to the Project Grant provided to the Project without prior written consent of the Department.

11. CONFIDENTIALITY AND PRIVACY

- 11.1. Both parties shall, except as required by law or for the purposes of seeking professional advice, keep the terms of this Deed and the negotiations associated with it confidential, and not disclose same to any third party unless the prior written consent of the other party has been obtained.
- 11.2. The Department agrees and undertakes that it will not supply information relating to the Grantee or its officers and employees to any person without the consent of the Grantee or person involved unless required by law.
- 11.3. Notwithstanding any other provision of this Deed, the Grantee hereby consents and must ensure that TGO Company consents to the Department;
 - 11.3.1. including information relating to the Grantee and/or TGO Company in any annual report or other publication of the Department;
 - 11.3.2. using information relating to the Grantee and/or TGO Company, or their officers and employees, otherwise in the course of the Department's usual activities.

11.4. The provisions of this clause 11 shall continue to have effect notwithstanding expiry or termination of this Deed.

12. GOVERNING LAW

This Deed is governed by the laws of New South Wales. The parties submit to the non-exclusive jurisdiction of Courts exercising jurisdiction in New South Wales.

13. COSTS

Each party shall pay its own costs of negotiating, preparing and executing this Deed.

14. NO WAIVER

No failure to exercise and no delay in exercising any right, power or remedy under this Deed will operate as a waiver nor will any single or partial exercise of any right, power or remedy preclude any other or further exercise of that or any other right, power or remedy.

15. ASSIGNMENT

The Grantee may not assign, charge or otherwise deal with the benefit of this Deed without the prior written consent of the Department, which consent may be withheld by the Department in its sole and absolute discretion. For the purposes of this Deed, any change of control in the shareholding of the Grantee shall be deemed to be an assignment by the Grantee.

16. GUARANTEE

16.1. The Guarantor unconditionally guarantees to the Department:

16.1.1. the due and punctual payment by the Grantee of all moneys due and payable or from time to time to become due and payable to the Department by the Grantee pursuant to or in connection with this Deed; and

16.1.2. the due and punctual observance and performance by the Grantee of all its other liabilities, obligations and agreements (whether contingent, prospective or actual) to the Department pursuant to or in connection with this Deed.

16.2. This guarantee is a continuing guarantee and is irrevocable until discharged in writing by the Department.

16.3. The Department is not required to proceed against the Grantee or exhaust any remedies it may have against the Grantee or enforce any security it may hold with respect to the Grantee's obligations, but is entitled to demand and receive payment from the Guarantor when any payment is due under this Deed.

16.4. The Guarantor's obligations are absolute and unconditional. The liability of the Guarantor extends to and will not be abrogated, prejudiced, affected or discharged (either in whole or in part) by any one or more of the following:

16.4.1. any modification of the liabilities of the Grantee under this Deed;

- 16.4.2. the release, amendment, variation, replacement or discharge (either in whole or in part) of, or an agreement to release, amend, vary, replace or discharge (either in whole or in part) the Grantee's obligations, whether or not these matters are formalised in writing and whether or not the Guarantor is aware of, or consents to these matters;
- 16.4.3. the granting of time, credit or any other indulgence or concession to the Grantee, the Guarantor or any other person by the Department with or without the knowledge or consent of the Guarantor;
- 16.4.4. the Grantee's obligations or any part thereof, or the Guarantor's obligations or any part thereof, being or becoming wholly or partially illegal, void, voidable, defective, informal or unenforceable, whether by reason of any statute (including, without limitation, any statute of limitation) or for any other reason whatever by which the liability of the Grantee or the liability of the Guarantor would, but for this paragraph, have been discharged or otherwise adversely affected;
- 16.4.5. Upon expiry of the Term, and subject to the Department being satisfied that the Grantee has met all the Performance Criteria and has otherwise fully complied with all its obligations under this Deed, the Department must release and discharge the Guarantor from its obligations herein at the Guarantor's sole expense.

17. SECURITY

- 17.1. This Deed is subject to and conditional upon the Grantee granting to the Department and maintaining throughout the Term the security set out in Item 7 of the Schedule at the sole cost of the Grantee and on terms acceptable to the Department in its sole discretion.
- 17.2. the Department may call upon the security if any amount owing by the Grantee to the Department under this Deed remains unpaid for a period of 21 days after the due date for payment.
- 17.3. Upon expiry of the Term, and subject to the Department being satisfied that the Grantee has met all the Performance Criteria and has otherwise fully complied with all its obligations under this Deed, the Department must release and discharge the Security at the Grantee's sole expense.

18. INDEMNITY AND RELEASE

- 18.1. The Grantee agrees to indemnify and keep indemnified the State of New South Wales and the Department (including its officers, employees and agents) ("those indemnified") from and against all actions, proceedings, claims, demands, costs, losses, damages and expenses which may be brought against or made upon those indemnified or which those indemnified may be put to, arising directly or indirectly from any breach by the Grantee of any of its obligations pursuant to this Deed and/or any act or omission of the Grantee and/or TGO Company in connection with the Project.
- 18.2. The Grantee agrees to release and discharge those indemnified from any action, proceedings, claims or demands which, but for this provision, might be brought against or made upon those indemnified arising directly or indirectly from any breach by the Grantee of any of its obligations pursuant to this Deed and/or any

act or omission of the Grantee and/or TGO Company in connection with the Project.

- 18.3. The Grantee's liability to indemnify the Department under clause 18.1 will be reduced proportionately to the extent that any act or omission of the Department or its officers, employees or agents contributed to the loss or liability.

19. ADDRESSES FOR SERVICE

- 19.1. Department of Trade and Investment, Regional Infrastructure and Services
Level 49, MLC Centre
19 Martin Place
SYDNEY NSW 2000

Attention: Deputy Director General, Industry, Innovation & Investment
Fax: (02) 9338 6728

Alkane Resources Limited
65 Burswood Road
Burswood 6100 Western Australia
Attention: Ian Chalmers, Managing Director

20. INFRASTRUCTURE

- 20.1. The Grantee and the Department agree that all Infrastructure built or established by the Grantee pursuant to the Project with the Project Grant is owned by the Grantee or relevant third parties.
- 20.2. The Grantee agrees to maintain the Infrastructure during the Term where the Grantee is the owner of the infrastructure and maintenance is part of the Grantee's responsibilities.
- 20.3. The Grantee must ensure that the Infrastructure is not encumbered in any way, sold or disposed of during the Term without the prior written consent of the Department.
- 20.4. The Grantee must ensure that the Infrastructure is at all times physically located within the State of New South Wales, unless the Department, in its absolute discretion, gives prior written consent to the movement of Infrastructure to a location outside of the State of New South Wales.
- 20.5. As a condition of any consent given by the Department under clause 20.4 the Department may require the Grantee to repay to the Department some or all of the Project Grant or Grant interest used to build or establish the Infrastructure.
- 20.6. Any repayment claimed by the Department from the Grantee under clause 20.5 will be a debt due and owing by the Grantee to the Department.

21. REPORTING

- 21.1. The Grantee agrees to provide and must ensure that TGO Company provides to the Department an annual written report on the **economic development outcomes** requested periodically by the Department achieved as a result of the Project Grant.
- 21.2. The Department may carry out a site visit at the Location as part of this report.

- 21.3. The Grantee agrees to participate and must ensure that TGO Company participates in any survey or feedback request conducted by the Department from time to time. This obligation shall survive termination of this Agreement.
- 21.4. The Grantee agrees to complete and must ensure that TGO Company completes the following upon request from the Department from time to time, including after termination of this Agreement:
- (a) A project assistance confirmation questionnaire.
 - (b) An independent survey of Department's service levels and the effectiveness of assistance provided.
 - (c) A Department survey of project outcomes.

THE SCHEDULE

Item 1 The Project (Clause 1.1.10)

Upgrade of electricity supply to the Tomingley Gold Project (TGP) site comprising:

- construction of a 20km of 66kV Electricity Transmission Line (ETL) from the Country Energy Peak Hill Substation to the TGP site;
- construction of a 66kV line bay at the Peak Hill Substation to accommodate the TGP feeder;
- installation of a 66/11kV transformer 5/8 at the TGP Substation;
- construction of a 22kV electricity distribution line of 950 metres to the water bore on the "Woodlands" property.

Upgrade of water supply infrastructure comprising:

- construction and equipment of a 300mm water bore on the "Woodlands" property;
- construction of a 45.9 km water supply pipeline from the water bore to the processing plant at the TPG site.

Item 1.1 Third Parties (Clause 3.2.5)

Alkane Resources Ltd has established Tomingley Gold Operations Pty Ltd, a wholly owned subsidiary, to construct and run the Tomingley Gold Project. Tomingley Gold Operations Pty Ltd is responsible for the supply, construction and installation of the water and electricity infrastructure to the Tomingley Gold Project site including: purchase of the Water Access Licence, bore construction and equipment, water supply pipeline components and installation; and design and surveys, easement acquisition, transformers and line supply and installation of electricity transmission line.

Project Milestones

\$ AMOUNT	MILESTONE	EVIDENCE OF COMPLIANCE
\$500,000	Acceptance and signing of the Deed of Agreement. Commencement of the project: <ul style="list-style-type: none"> • Execute Call Option on purchase of 1,000ML share of Water Access Licence 20270. • Construct and equip a 300mm production bore on site at the "Woodlands" property. 	<ul style="list-style-type: none"> • Signed and sealed Deed of Agreement returned to the Department. • Provision of a Project time line including expected commencement and completion dates for the Project. • Provision of documentary evidence confirming purchase of Water Access Licence. • Provision of invoices and evidence of payment for major infrastructure items/works purchased to date. • Site visit by a Departmental officer to confirm completion of bore construction.
\$1,000,000	Completion of: <ul style="list-style-type: none"> • acquisition of 66kV ETL easement; 	<ul style="list-style-type: none"> • Provision of invoices and evidence of payment for major infrastructure items/works purchased to date.

	<ul style="list-style-type: none"> • detailed water supply pipeline design and survey; • delivery of 66kV line bay at Peak Hill Substation; • delivery of 66kV/11kV transformer 5/8 at TGP site; • installation of 66kV transformer bay at TPG site; • construction of 22kV electricity distribution line to bore (950 metres). 	<ul style="list-style-type: none"> • Site visit by a Departmental officer to confirm completion of ETL works.
<p>\$2,000,000 or an amount representing the balance of up to 42% of total Project cost whichever is the lesser amount or nil and repayment of funding already paid to date in accordance with clause 7.4 (Clauses 4.1-4.7 and 7.4).</p>	<p>Completion of:</p> <ul style="list-style-type: none"> • Pipeline construction, trenching, underboring, burial. • Construction of 20 km of 66kV Electricity Transmission Line (Peak Hill Substation to TGP site). 	<ul style="list-style-type: none"> • Provision of invoices and evidence of payment for major infrastructure items/works purchased to date. • Site visit by a Departmental officer to confirm completion of works.
<p>\$500,000 or an amount representing the balance of up to 42% of total Project cost whichever is the lesser amount or nil and repayment of funding already paid to date in accordance with clause 7.4 (Clauses 4.1-4.7 and 7.4).</p>	<p>Completion of the Project by 30 June 2013.</p>	<ul style="list-style-type: none"> • Provision of invoices and evidence of payment for major infrastructure items purchased throughout the Project. • Site visit by a Departmental officer to confirm works identified at Item 1 have been completed. • Executed Agreement between the Grantee and Narromine Shire Council regarding the transfer of the water supply infrastructure.

Item 2 The Location (Clause 1.1.12)

Newell Highway, Tomingley, NSW 2869.

Item3 The Term (Clause 2)

Commencing on 1 June 2011 and finishing on 30 June 2014

Item 4 The total amount of Project Grant (Clause 1.1.16)

Up to \$4,000,000 or 42% of the total water and electricity infrastructure cost whichever is the lesser amount.

Item 5 The Claims Address (Clause 6.1)

Senior Manager, Regional Programs
Department of Trade and Investment, Regional Infrastructure and Services
GPO Box 5477
Sydney NSW 2001

Item 6 The Guarantor (Clause 16)

Not Applicable

Item 7 Security (Clause 17)

Not Applicable

EXECUTED as a Deed

SIGNED SEALED AND DELIVERED by,
Deputy Director General, Industry, Innovation
& Investment
Department of Trade and Investment, Regional
Infrastructure and Services
for and on behalf of the Crown
in right of the State of New South Wales, but not so
as to incur any personal liability, in the presence of:

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Witness

.....
Deputy Director General

.....
C. GREENER
Print name of witness

THE COMMON SEAL of
ALKANE RESOURCES LTD, ACN 000689216
was duly affixed hereto
by authority of the Board
of Directors in accordance with its Constitution
in the presence of:



.....
Director/Company Secretary

.....
Director

.....
KAREN ELIZABETH VIRE BROWN
Print name of Director/Company Secretary

.....
DAVID IAN CHAMBERS
Print name of Director

Date: 21/9/2011