



Great South Land
Minerals Limited

Great South Land Minerals Limited ABN 54 068 650 386

Land Owner Access Agreement



THIS AGREEMENT IS DATED the 22nd December 2011;

BETWEEN Tasmanian Land Conservancy Inc (ABN 88 743 606 934) of PO BOX 2112 Lower Sandy Bay 7005 in the State of Tasmania, Australia

(herein after with their successors and assigns called ("**the Landowner**"));

AND Great South Land Minerals Limited ABN 54 068 650 386 of Level 3/65 Murray Street, Hobart 7000 in the State of Tasmania, Australia

(herein after with its successors and assigns called ("**the Company**").

Or collectively, **the Company** and **the Landowner** may be referred to as **The Parties**.

Definitions:

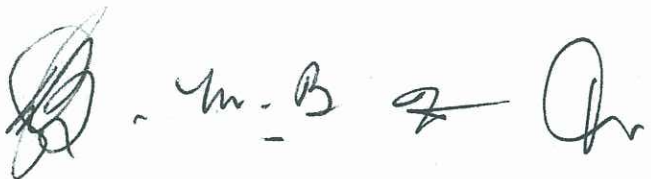
If not stated otherwise within this Agreement, the following shall apply to the meaning of:

Related Party is taken to have the same meaning as defined within *Section 9 of the Corporations Act 2001 (Commonwealth)*.

BACKGROUND:

- A. The Company is the holder of Exploration Licence (EL) 14/2009 ("**the Licence**"), issued by the Minister for Energy and Resources under the Mineral Resources Development Act 1995 ("**the Act**") and intends on drilling various exploration and or future development wells in the area covered by the Licence to test the underlying geological potential for the presence of hydrocarbons ("**the Works Program**").
- B. Tasmanian Land Conservancy is the registered owner of the property known as "Serpentine & Roscarbro" address Marlborough Road, Bronte Park Tasmania, 7140 with a Property Identification number of 7333254 and a Certificate of Title reference number of 227512/1, and is situated on Marlborough Road, Bronte Park in the State of Tasmania ("**the Property**").

The Company wishes to access an initial area of approximately 2.76 hectares, which may be subject to change during the term of the Agreement, with its present centre at co-ordinates 465660mE 5338904mN (AGD66 and Zone 55) (as located and shown on the Map "A" to this Agreement) or up to 200 metres of this point ("**the Site**") but within the boundary covered by the Forest Practices Plan (FPP) of the Company. The Company is guaranteed access to the Site, and to the Property to drill test a well known as "Bellevue #1" in accordance with the Works Program. The Site is located within the Property and is covered under FPP reference TAS0323-01 created 25th August 2008 and certified 29th August 2008, noting the FPP lifetime 31st December 2011 to which GSLM has applied for extension of term until 31st December 2013 with the Landowner, subject to authorisation by the Forest Practices or relevant authority.



- C. The Landowner has agreed to provide access to the Site to the Company for the purpose of carrying out the Works Program for a period commencing from the date of this Agreement on the terms and conditions herein after set out and ending not before 31st December 2012 subject to regulatory approval by Mineral Resources Tasmania for an extension to Exploration Licence 14/2009.
- D. From 31 December 2012 subject to Licence renewals, the company may extend access to the Site or the Property to continue operations subject to regulatory approval and further Agreement of the Landowner. The Company will notify the Landowner of any delays or changes in the Works Program schedule and may request to extend access to the Property, such request will be considered by the Landowner in good faith.

THE PARTIES AGREE as follows:

1 ACCESS TO LAND

- 1.1 The Landowner grants to the Company, its employees, agents and contractors, an unrestricted right of vehicular access over the Property to the Site by way of licence, access from Marlborough Road and Serpentine Road and any constructed access (as denoted within attached Map marked "Attachment B - Road Map") for the fee set out in Clause 3.1 hereof. Further, the parties acknowledge that unrestricted access to the Site is permitted under the terms of the Company's Exploration Licence 14/2009 and under the provisions of the Act.
- 1.2 The creation, upgrading and maintenance of a route for vehicular access, if necessary, shall be the responsibility and at the sole cost of the Company, and shall be to the standard stipulated in the Forest Practices Code 2000 (FPC) and approved Forest Practices Plan (FPP) and any extension or variation thereof.
- 1.3 The Landowner agrees to permit and allow the Company, its employees, agents and contractors to enter upon the Property (as described in Clause B) and use the Site for the purpose of carrying out the Works Program ("the Operations").
- 1.4 For the safety and security of all personnel using the Serpentine Road access, the Company agrees that for the duration of its Operations at locations nominated by the Company (acting reasonably) it will maintain a presence of Security Personnel who will monitor and record all visitors to and from the drill site. The Landowner agrees, that no personnel, representative, agents, employees or associates of the Landowner will be able to access the Site without prior authorisation of the Company for Occupational, Health and Safety reasons, as the area will be recognised as a Mine Site to which certain authorisations, entry requirements, laws and regulations will apply and are required to be adhered to by the Parties, their authorised representatives, associates, employees and agents.
- 1.5 This Land Access Agreement will also enable access for the purpose of any extensions to Exploration Licence 14/2009 under the Mineral Resources Development Act 1995 granted to the Company for the Site.

- 1.6 It is the intention of the Company to apply for an Exploration Licence during 2011-12 for Category 2 minerals (Coal, peat, lignite and oil shale) as defined under the Mineral Resources Development Act 1995 ("the Category 2 minerals Exploration Licence"). It is agreed by both parties that no additional access agreement will be required to cover access to the Site for the purpose of exploration pursuant to the Category 2 minerals Exploration Licence, provided that such Exploration Licence relates only to exploration via the drill test well known as "Bellevue #1" in accordance with the Works Program.

2 CONDITIONS OF ACCESS

- 2.1 While undertaking the Operations and the Works Program on the Site pursuant to the Exploration Licence, the Company will, unless otherwise agreed with the Landowner.
- 2.2 Observe and comply with all conditions of the Act, Exploration Licence, FPP and any variation or extension thereof and any other permits or approvals of or incidental to the Exploration Licence, or Work Program.
- 2.3 Decommission the Site in a manner and standard that would be suitable to be utilised as a State Emergency Services muster or Fire Fighting meeting point, acceptable to the Landowner. Reinstatement of all such areas and maintenance will be done in consultation with the Landowner.
- 2.4 Except in the event of an emergency, the Company will have exclusive access to the Site whilst operations are being conducted.
- 2.5 At the conclusion of the Operations, the Company will remove all drilling, testing or other equipment and material/apparatus brought by Company or its authorised agents and contractors, and installed or used on the Site.
- 2.6 All excavations will be filled in or removed as agreed between the Landowner and the Company after the Operations have been completed and will be performed as required by the Act, FPP or any alteration or variation thereof or rehabilitation directions issued by Mineral Resources Tasmania.
- 2.7 The Company will request from the Landowner, written notification that the site has been maintained to an acceptable standard to the Landowner upon conclusion of the Operations and the Landowner will provide such notification unless there are grounds for the Landowner not to do so (acting reasonably).
- 2.8 Upon completion of its Operations, the Company will as soon as conveniently possible effect restoration of the surface of the Serpentine access road in accordance with the FPP or any variation or extension thereof and relevant Codes of Practice.
- 2.9 Within a period not exceeding six (6) months following the end of the term, reinstate in a good and tradesmanlike manner, with materials of good quality, any damage done to existing concrete areas of any kind, water systems, silting fences, tiles or subsoil drains caused resulting from use of Serpentine Road. Restoration of such areas and maintenance shall be done in consultation with the Landowner and in accordance with the FPP or any variation or extension thereof and relevant Codes of Practice (unless otherwise agreed to in writing).
- 2.10 At all times during the course of carrying out its Operations, the Company, in accordance with this Agreement will avoid doing any unnecessary damage to

the balance of the Landowner's land and will avoid causing any unnecessary interference with the Landowner's use and enjoyment of that land.

- 2.11 Purchase water from the Landowner (if available) at a cost of \$2,000 per annum from the adjacent quarry site for the purpose of the Operations. The Parties agree that the purchase of the water may be offset against the \$60,000 provisional budget for additional services itemised in 3.1.1 to be procured by the Company from the Landowner during the term in the manner provided in clause 3.1.1. The Landowner will be required to invoice the Company for use of the water from the first instance the Company notifies the Landowner water is procured for the purpose of the Operations.
- 2.12 Mud pit water resulting from the Operations will be contained and removed from the site or disposed in accordance with the Company's Environmental Management Plan and any applicable Act, Regulations or Permit requirements.
- 2.13 Provide Maps of the area of the Property, Site and general point of Operations.
- 2.14 Acknowledge any threatened species or threatened vegetation community that may inhabit the Site, and agrees to notify the Landowner of any operations that may disturb same in accordance with the Company's Environmental Management Plan and FPP directives.
- 2.15 The Company will construct or maintain any access road needed in accordance with the FPP or variation or extension thereof (as per attached Road Map).
- 2.16 As from the date of mobilisation and for the term of this Agreement, the Company guarantees the structural integrity of all access roads. The existing roads, including any abutments, shall be assessed before and after the Operations, by an independent Engineer or qualified person and a condition report prepared. Any damage arising from use associated with the Operations will be paid for or restored by the Company in accordance with the provisions of the FPP or any variation or extension thereof or relevant Codes of Practice by the Company.
- 2.17 No firearms to be carried on or used by the Company or its agents, employees or contractors on the Property. No firearms are to be carried or used by the Landowner or its agents, employees or contractors on the Property during the term.
- 2.18 Keep the Site and its environs free of rubbish resulting from the Company's activities and when exploration work has been completed, removal of all waste materials from the Site.

3 COSTS

- 3.1 The Company shall pay a Licence Fee to the Landowner for access to the Site which will be as follows:

The licence fee shall be a one off fixed amount of \$60,000 exclusive of GST to the 31st December 2012 as a fee to gain access to the Site. Access by the Company is for the completion of the exploration drilling of the Bellevue #1 well with a completion date of 31 December 2012, subject to regulatory



approval by Mineral Resources Tasmania. This fee will be payable prior to commencement of drilling operations including mobilisation to Site, at which time notification will be provided to the Landowner from the Company.

- 3.1.1 Additional fees may be payable by the Company to the Landowner up to the value of AUD\$60,000 (GST inclusive) in the form of consultancy/service fees, to which the Company agrees to procure the services (as and when required) of Environmental Consultancy from the Landowner and its employees. The services shall be commissioned ad-hoc and in accordance with the requirements of the Company (which may include requirements as to appropriate qualifications and the ability to perform these services in accordance with the companies timetable) to obtain necessary permits to undertake exploration and/or drilling activities at the Site. The Consultancy Service Fees to be charged by the Landowner to the Company (as commissioned by agreement) and shall be charged at a rate of \$160 per hour (exclusive of GST). Notwithstanding any other term of this Agreement the amount of the annual water fee paid as referred to in clauses 2.11 and 3.1.2 will be deemed as a credit to the Company for the purpose of the calculation of any amount payable under clause 3.1.1 by the Company to the Landowner and deducted from the amount payable.
- 3.1.2 An annual water access fee of \$2,000 (as referred to in Clause 2.11) may be charged by the Landowner to the Company and invoiced to the Company which will represent a service fee for access to water for the Operations.
- 3.1.3 The fees to be accrued in 3.1, 3.1.1& 3.1.2 shall be payable in accordance with the specific provisions of this Agreement and upon provision of the Services (as applicable to each event) and shall include 30 day terms upon issuance of a tax invoice by the Landowner to the Company;
- 3.1.4 The Landowner and the Company agree the entering into the provisions of this agreement, constitutes a waiver and discharge of full responsibility, obligation and liability for the Company to provide for any additional environmental and/or any remediation bonds to the Landowner and perform or assume liability for any additional rehabilitation in respect of the Site or access to the Site or the Property, other than what is required for the Company to obtain operational permits associated with EL14/2009 or the Act, or as directed by Mineral Resources Tasmania as referred to in clause 3.7.
- 3.1.5 The term of this Agreement may be extended upon such conditions that are mutually agreed between the parties.
- 3.2 The Company may apply to the Landowner to negotiate a new agreement.
- 3.3 Payment to the Landowner of the Licence Fee shall be made prior to the commencement of drilling operations, including mobilisation by bank cheque or by electronic funds transfer into the Landowner's nominated bank account. After such payment, the Landowner agrees to permit access to and use of the Site by the Company to undertake the Operations.

- 3.4 The Landowner will grant the Company access to the Property and the Site to undertake preliminary site assessments, works and other activities necessary in obtaining Permits to commence Operations prior to payment of the Licence Fee.
- 3.5 The Company will indemnify the Landowner against all reasonable losses sustained by the Landowner due to the Operations of the Company on the land other than loss of use of the Property and Site during the term of this Agreement and during any renewal. Such indemnity shall not apply to the extent that the liability arises from the negligence, wilful or reckless actions of employees or contractors of the party seeking to be indemnified and shall be in accordance with Public Liability Insurance provisions.
- 3.6 The Landowner's reasonable legal costs in reaching and entering into this Agreement up to the value of AUD\$1,500 and obtaining such consents as necessary and incidental thereto, are to be borne by the Company.
- 3.7 The Company shall only be required to provide an Environmental Bond in accordance with the Mineral Resources Development Act 1995 (The Act) and no further bonds are required to be implemented in respect of this Agreement. The environmental bond may be used by the Company to perform remedial work as required by the Act, FPP or extension or variation thereof and/or relevant Codes.
- 3.8 All costs, fees and bonds contained in this Agreement are expressed as GST Exclusive amounts, unless otherwise stated.

4 TERM OF AGREEMENT

- 4.1 This Agreement shall be effective from date of signing and will be current until 31st December 2012 (**End of Term**), subject to regulatory approval by Mineral Resources Tasmania for the granting of an extension to Exploration Licence 14/2009, unless otherwise agreed upon by both Parties.

5. DISPUTE RESOLUTION

- 5.1 If any dispute, doubt or questions arise between the Parties hereto concerning this Agreement then any such dispute, doubt or question shall be referred to a single independent arbitrator if the Parties agree on one, otherwise by two arbitrators with the provisions of the *Alternative Dispute Resolution Act 2001(Tasmania)*.
- 5.2 It is expressly agreed that any dispute shall not be sufficient grounds to suspend drilling or testing operations being performed diligently and in accordance with the best safe drilling practices recognised by the international petroleum industry, with the exception of the payment of the Licence Fee by the Company to the Landowner as provided for in clause 3.1 of this Agreement, which if unpaid will be sufficient grounds to suspend drilling or testing operations.

6. ASSIGNMENT

- 6.1 This Agreement shall bind the Parties and their assigns to the intent that the rights and obligations hereby created shall bind and be enforceable by the

Landowner for the time being of the Property and the holder for the time being of any petroleum exploration or mining permit granted to the Company over the land.

- 6.2 The Landowner shall not sell or otherwise dispose of or part with rights to the possession of the Property during the term of this Agreement except upon condition that the purchaser or other party to that transaction agrees in writing to be bound by this Agreement.
- 6.3 The rights of the Company hereunder shall not be assigned to any person or corporation except upon the condition that the Landowner, Company and assignee agrees in writing to be bound by this Agreement.

7. GOVERNING LAW

This Agreement shall be governed and construed by the laws of the State of Tasmania in Australia. The Agreement shall not be construed with any presumption against the company.

8. HEADINGS

The headings in this Agreement have been inserted for guidance only and will not form as part of the provisions of this Agreement and will not be used for the purpose of construction.

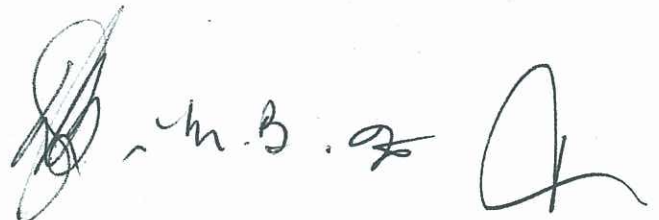
9. INSURANCE& INDEMNITY

The Company will be responsible for:

- (a) Maintaining sufficient Insurance to ensure that any equipment belonging to the Company is insured against all insurable risks relating to the equipment while situated on the property;
- (b) Maintaining Public Risk Insurance for a minimum of ten million dollars (\$10,000,000) covering any liability arising from the occupation and use of the Property by the Company and any persons acting with its authority or permission.

Further, the Company agrees to:

- (c) Indemnify the Landowner and the Landowner's officers, employees and agents from and against any and all third party Claims made against the Landowner and/or the Landowner's officers, employees and agents for any Damages incurred in connection with:
 - i. any breach of any representation or warranty, or the inaccuracy of any representation, made by the Company in or pursuant to this Agreement;
 - ii. any breach of any covenant or agreement made by the Company in or pursuant to this Agreement;
 - iii. any grossly negligent act or omission, or unlawful act or omission with an intention to cause harm, of the Company or any of its officers, directors, agents, contractors or employees, in connection with this Agreement or of the Company's obligations under this Agreement; or

Handwritten signature and initials, possibly reading "S. M. B. 2" followed by a large flourish.

- iv. the death of or injury to any person or loss of or damage to the property of any person (including the Landowner) arising from or out of the Company's use of the Land or any part of it by the Company or by any employee, agent, contractor, visitor or customer of the Company or other person having business with the Company or in connection with the Operations or the Works Program on the Property.

Unless the Damages is caused by or to the extent contributed to by the negligence wilful default or omission of the Landowner

Further, the Landowner agrees to;

- (d) Maintain Public Risk Insurance for a minimum of ten million dollars (\$10,000,000) covering any liability arising from the occupation and use of the Property by the Landowner and any persons acting with its authority or permission.
- (e) Indemnify the Company and the Company's officers, employees and agents from and against any and all third party Claims made against the Company and/or the Company's officers, employees and agents for any Damages incurred in connection with:
 - i. any breach of any representation or warranty, or the inaccuracy of any representation, made by the Landowner in or pursuant to this Agreement;
 - ii. any breach of any covenant or agreement made by the Landowner in or pursuant to this Agreement;
 - iii. any grossly negligent act or omission, or unlawful act or omission with an intention to cause harm, of the Landowner or any of its officers, directors, agents, contractors or employees, in connection with this Agreement or of the Landowner's obligations under this Agreement; or
 - iv. the death of or injury to any person or loss of or damage to the property of any person (including the Company) arising from or out of the Landowner's use of the Land or any part of it by the Landowner or by any employee, agent, contractor, visitor or customer of the Landowner or other person having business with the Landowner.

Unless the Damages is caused by or to the extent contributed to by the negligence wilful default or omission of the Company

10. ENTIRE AGREEMENT

10.1 This Agreement sets out the entire Agreement between the Parties. It supersedes any previous Agreement between the Parties in relation to the subject matter of this Agreement. No other term expressed, or implied, and no usage or course of dealing forms part of or affects this Agreement.

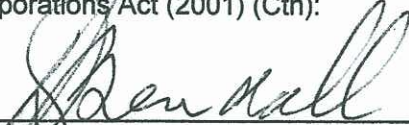
10.2 Each party agrees and acknowledges that entering into this Agreement it does not rely on any representation not expressly set out in this Agreement of any nature made to it by any person (whether a Party or not). Each party

irrevocable waives all claims, rights, and remedies in relation to any such representations made to it before entering this Agreement.

- 10.3 This Clause does not exclude or restrict any liability or remedy for fraudulent or misrepresentation or fraudulent concealment.

EXECUTED as an Agreement:

GREAT SOUTH LAND MINERALS LIMITED
ABN 54068 650 386
in accordance with section 127 of the
Corporations Act (2001) (Cth):



Director

In the presence of:



Witness

Name: PAUL HEATH
Address: 144 WARWICK ST, WEST HOBART 7000
Occupation: COO + EXECUTIVE GEOLGIST

The Common Seal of the
TASMANIAN LAND CONSERVANCY INC)
ABN 88 743 606 934



Director/Authorised Person(s)

In the presence of:



Witness

Name: Jane Hutchinson
Address:
Occupation: CEO





Director/Company Secretary

In the presence of:



Witness

Name: PAUL HEATH
Address: 144 WARWICK ST, WEST HOBART, 7000
Occupation: COO + EXECUTIVE GEOLGIST





Director/Authorised Person(s)

In the presence of:



Witness

Name: Geoff Cawser
Address:
Occupation: PRESIDENT

Final 22nd December 2011

Attachment A – Site Location and Co-ordinates, Map

