



INDEPENDENCE GROUP NL
ABN 46 092 786 304

MEMORANDUM OF UNDERSTANDING

BETWEEN

EAST GIPPSLAND SHIRE COUNCIL

AND

INDEPENDENCE GROUP NL

1. PURPOSE OF AGREEMENT:

This is a Memorandum of Understanding (MOU) between:
East Gippsland Shire Council (EGSC); and
Independence Group NL (IGO)

The parties enter into this agreement with the intention of developing processes to support working cooperatively and collaboratively to maximise mutually beneficial community and economic development outcomes from the development and operation of Stockman Mine within East Gippsland.

The MOU confirms the principles of a collaborative approach, recognising the specific roles and obligations of each of the parties.

Both parties recognise that the MOU will also be used as part of the documentation supporting the State Government's Environmental Effects Statement process for approving the mine's operation and practices.

2. STOCKMAN MINE OVERVIEW:

In 2007, Western Australian mining company Jabiru Metals Pty Ltd won a competitive tender to explore copper, zinc, lead, silver and gold deposits at Stockman. The mine deposit is located approximately 18 kilometres east of Benambra in East Gippsland.

Jabiru Metals is now a wholly-owned subsidiary of IGO. IGO, as the new project owner, is now in the final stages of evaluating the viability of commencing mining operations, including seeking regulatory approvals. Preliminary assessments suggest that the construction phase of the mining operations is expected to last from 2013 to 2014, employing up to 120 workers (of which around 25% are likely to be Shire residents). Mining operations will then commence with the company directly employing staff.

The mine may employ a permanent workforce of up to 300 staff. The majority of workers will be housed during work shifts in a purpose-built accommodation village. A small number of senior mine site staff may live in Omeo and some locals may commute to site from their homes.

The Stockman Project is one of the most significant investments that is likely to occur in the Victorian High Country for the next decade. Economic modelling for the company has found that there will be substantial net positive economic impacts at the national (GDP), State (GSP) and regional (GRP) scale (specifically, the Melbourne and East Gippsland Statistical Divisions).

3. SHARED VISION AND ASPIRATIONS FOR THE STOCKMAN PROJECT:

The parties share a common vision for the Stockman project to maximize potential benefits to both the East Gippsland region and the IGO shareholders. This vision is underpinned by a commitment to:

- Use and adherence to good processes;
- Timely approvals and transparent processes (both statutory and non-statutory);
- Regular and open communication between the parties on all matters relating to the project;
- Joint advocacy processes to pursue commitments to the project and the region that will generate lasting benefits for both the project and the region;
- Creating a lasting community legacy from the project;
- Considering community outcomes in all aspects of the planning and delivery of the project; and
- Acknowledgement that the best outcomes for the company and the community will flow from an efficient financially robust project.

Whilst the content of this MOU focuses on maximising local social and economic opportunities associated with the project, both parties also acknowledge the equal importance of ensuring that the impacts on physical environment of the project is minimized as far as practical, and managed to a high standard. This area is not addressed in detail within the MOU as other processes exist to consider and protect the physical environment.

Both parties recognise the value of the partnership and cooperation to maximize the potential benefits the project can bring both the region and shareholders. As such the parties agree that they will work together in good faith in the spirit of:

- Maintaining long-term cooperative working relations;
- Identifying synergies and the ways to complement each party's core roles as a means of increasing the overall effectiveness and positive impacts of the Stockman project on East Gippsland;
- Building on each party's core strength, skills and attributes;
- Sharing information that will facilitate positive outcomes for the Stockman project; and
- Acknowledging that cooperation will generate the most significant outcomes for both the region and the project.

4. STRATEGIC ASPIRATIONS:

This MOU is aligned to the aspiration of the East Gippsland Shire Council as set out in the 2009 – 2013 Council Plan which identifies 'a vibrant and dynamic economic environment in which to do business' as a strategic objective for the Shire.

The MOU is also aligned to the corporate vision of IGO, namely "Value through discovery and development".

This agreement is also considered to compliment the broader vision for the region as outlined in the Gippsland Regional Plan which identifies that all of the key propulsive sectors are highly dependent on ongoing access to the region's natural resources. The need to respond to these challenges creates a range of exciting opportunities that have much potential for the region regarding investment in facilities and infrastructure, new employment opportunities and improved skills.

Both Independence and the East Gippsland Shire Council also share the Victorian Government aspiration for sustainable development in regional Victoria.

5. AIMS AND OBJECTIVES OF THIS AGREEMENT:

Both parties are committed to working in collaboration to identify and progress opportunities that will deliver social and economic development benefits for the region whilst, through endeavouring to maximize the efficiency and robustness of the project's operations, not compromising or placing an unnecessary financial burden on IGO as a company with obligations to its shareholders.

The aims of this MOU are therefore to ensure that:

- The roles of each party are clearly understood and respected by all both parties;
- Processes are developed that will assist the parties to facilitate positive local economic and social outcomes associated with the project;
- Processes and mechanisms are in place to support clear communication, collaboration and support, and these mechanisms are understood and supported by both parties;
- A range of agreed activities and projects are committed to by each organisation and there is a spirit of willingness to enter into further cooperative activities in the future; and

- Both parties understand and commit to provide the capacity necessary to deliver the intent of this MOU.

6. DELIVERY OF THIS AGREEMENT:

Four key areas of collaboration and joint focus have been identified as necessary to fulfill the obligations and intent of this agreement. Each has been detailed below and is also subject of a more detailed action intentions, outlined in Schedules One to Four

The schedules appended to this document are intended to be regularly reviewed and updated to ensure ongoing currency and relevancy to the overarching MOU. A diagram of the relationship between the schedules and this MOU is provided as Appendix One.

6.1 Key Areas of Focus

Four key areas have been identified as the core areas for collaboration between the two parties being:

1. Provision, Maintenance and Enhancement of Physical Infrastructure;
2. Optimising Social Outcomes;
3. Optimising Economic Outcomes; and
4. Building Relationships to support the Project.

As detailed in Section Three of this MOU, the agreement does not address the physical environment. Preservation and protection of the physical environment is acknowledged as an important aspect of the project by both parties. However this is considered to be amply addressed via other legislative processes.

The Objectives for each of these focus areas is as follows:

6.1.1 *Provision, Maintenance and Enhancement of Physical Infrastructure:*

To work cooperatively and in good faith to advocate for, facilitate and/or deliver infrastructure of a standard for a best practice mine; which also delivers wider benefits to the communities of East Gippsland.

6.1.2 *Optimising Social Outcomes:*

To work cooperatively and in good faith to facilitate as many positive outcomes from the Stockman project as possible whilst also working jointly to minimize and mitigate any potential negative social outcomes associated with the project.

6.1.3 *Optimising Economic Outcomes:*

To work cooperatively and in good faith to facilitate as many positive outcomes from the Stockman project as possible whilst also working jointly to minimize and mitigate any potential negative economic and employment outcomes for the region associated with the project.

6.1.4 *Building Relationships to Support the Project*

To work cooperatively and in good faith to where practical, legislatively possible and in both organisation's best interests, develop an advocacy and relationship management program which will aid both the project's timely delivery and the delivery of wider community benefits.

6.2 Mechanisms for Implementation and Review

Both parties commit to attending regular working party meetings that will be used as the core mechanism for ensuring timely implementation, reviewing and updating as necessary of the delivery schedules associated with this agreement.

7. ROLES OF THE PARTIES WITHIN THIS AGREEMENT:

Both parties have roles and obligations that will not be compromised or impacted upon by entering into this agreement.

The roles of East Gippsland Shire Council (EGSC) are outlined within the *Local Government Act (1989)*. Primarily in relation to this agreement the roles of East Gippsland Shire are in the areas of regulation (statutory planning); local infrastructure provision (local roads etc); provision of strategic advice and direction; and facilitating social and economic development outcomes.

Importantly EGSC is a conduit to the local community and provides a point of direct liaison on all community matters.

The role of IGO is that of the developer and operator of the proposed Stockman Mine. IGO, as a publically listed company, is obliged to meet its obligations to corporate regulators and its shareholders, through good governance and reporting requirements.

Where possible IGO will facilitate broader benefits for the region, however it must be noted that IGO's primary obligations as a private enterprise is to represent and fulfill the expectation of its shareholders. The distinction of IGO as a stimulator of regional benefits rather than as a direct deliverer of benefits should therefore be noted.

8. LIAISON AND COMMUNICATION

Both parties acknowledge the key role that effective communication plays in implementing the MOU aims. To aid the building and maintenance of effective communication channels and protocols the following will be undertaken:

8.1 Liaison Protocols

Both parties agree to liaise on a regular basis using the existing officer level working party as the primary interface between the two organizations.

Principle contact points for the two organizations are nominated in Schedule 5, as modified from time to time, as the liaison points for each organization.

8.2 Communication Protocols

Recognising the importance of common key messages both parties agree to the following:

- Nominating a set of agreed key spokespersons for the project's regional benefits who can present a series of common key messages about the benefits the project can deliver for the region;
- Neither party to this MOU has the authority to speak publically on behalf of the other party without prior consent; and

- Where one of party wishes to issue a public statement about the MOU, including the cooperation arrangements between the two parties via press release, newsletter or other communications means, any such statements will be approved by both parties, prior to release.

9. RESOURCING:

Wherever possible both parties agree to use resources in a manner that will best benefit the region.

This resource sharing includes the following:

- Information and knowledge sharing (where information isn't protected by intellectual property or confidentiality clauses);
- Sharing of databases and other resources when available which are not protected by privacy legislation subject to usage and distribution; and
- Jointly resourcing priority activity identified in Schedules One to Four over the three year life of this agreement. A contribution of up to \$40,000 plus any applicable GST (cash or in-kind equivalent) shall be committed by each party in year one of the agreement to facilitate commencement of actions required prior to mine start-up. These funds will be held jointly and both parties will agree to the projects and initiatives they will be invested in, prior to release. Where possible these funds will be used to attract additional investment from other tiers of government and third parties.

10. CONFLICT RESOLUTION:

Both parties will work cooperatively in the spirit of goodwill, recognising that the position of each might at times differ. If one party believes the substance of the MOU is not being fulfilled it will initiate discussions with the other party to resolve the issue of concern.

If the parties are unable to reach a satisfactory resolution of a dispute, the matters may be referred to a specifically convened meeting, mediated by an independent party acceptable to all.

11. LIFE OF AGREEMENT AND REVIEW:

This agreement shall be effective for **three (3)** years from the date of signing and shall be reviewed each year and at the end of the three year period. The final review should include a review of effectiveness and scope for improvement. The schedules to this agreement can be changed by agreement between the parties at each annual review.

12. GOODS AND SERVICES TAX (GST):

If GST is payable in relation to the supply of anything under this MOU, the amount payable will be the consideration specified plus GST (if any). For the purposes of this MOU, GST has the meaning given in section 195-1 of A New Tax System (Goods and Services Tax) Act 1999.

13. REPRESENTATIONS:

This Memorandum of Understanding does not permit the use of copyright materials (including logo's) and dissemination of confidential information, or allow staff of either of the parties to represent each other without prior written agreement.

14. NATURE OF MOU:

This Memorandum of Understanding outlines the framework of the working relationship between the parties. It does not constitute a contract and is based upon goodwill and is bound in honor only.

This Memorandum of Understanding does not constitute a partnership or joint venture and neither of the parties can commit the other parties financially or otherwise to third parties.

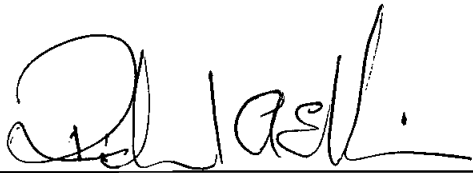
15. STATUTORY OBLIGATIONS:

This Memorandum of Understanding does not negate or replace any of the statutory obligations that the East Gippsland Shire Council has as a local government authority, nor does it replace any of the obligations that the Shire has under the *Local Government Act (1989)* or Independence Group NL has as a publically listed company.

16. TERMINATION:

Either of the parties may terminate their participation in this Memorandum of Understanding by providing 90 days written notice. In the event of a breach of any of the terms of the agreement, it may be terminated without notice.

17. SIGNATURES:



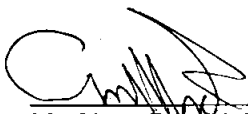
Cr Richard Ellis
Mayor
East Gippsland Shire Council

DATE: 4 May 2012



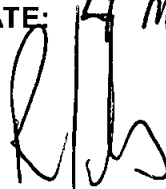
Mr Steve Kozlowski
Chief Executive Officer
East Gippsland Shire Council

DATE: 4 May 2012



Mr Chris Bonwick
Managing Director
Independence Group NL

DATE: 12 June 2012



Mr Rod Jacobs
Development Manager
Independence Group NL

DATE: 12th June 2012

SCHEDULES TO THE AGREEMENT

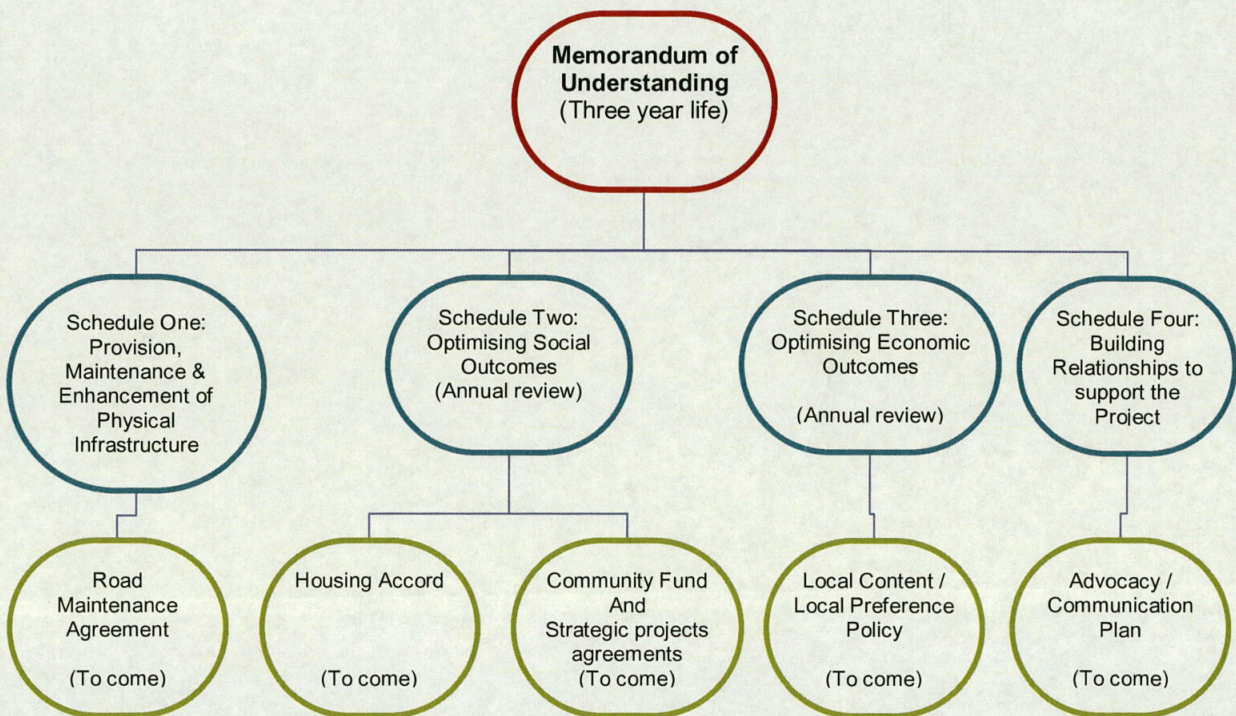
Schedule One: Provision, Maintenance and Enhancement of Physical Infrastructure

Schedule Two: Optimising Social Outcomes

Schedule Three: Optimising Economic Outcomes

Schedule Four: Building Relationships to support the Project

Model of Agreements Hierarchy:



Schedule One

Provision, Maintenance and Enhancement of Physical Infrastructure

Purpose:

The purpose of Schedule One is to develop a set of agreed work actions for both the East Gippsland Shire Council and Independence Group NL that will focus on developing agreements; joint advocacy and specific works to facilitate the provision of new and enhancement of existing physical infrastructure to meet the Stockman Mine needs, whilst also providing a broader social benefit. Ideally this infrastructure will provide a lasting 'legacy' benefit for the region that will endure beyond the life of the mine.

Schedule One also articulates how the two parties will reach agreement on the maintenance of infrastructure assets within East Gippsland Shire Council's control.

Duration of the Schedule and Review:

Schedule One shall apply for a twelve (12) month period from the date of signing. At the end of this period, both parties agree to review the commitments detailed in the schedule, with a view to updating, refining and adding to them to reflect the project's current status and the requirements for the forthcoming year.

Intentions:

As detailed in section 6.1.1 of the Memorandum of Understanding both parties have agreed to work cooperatively and in good faith to advocate for, facilitate and/or deliver infrastructure of a standard for a best practice mine; which also delivers wider benefits to the communities of East Gippsland.

To do this the following actions will be undertaken:

Joint Actions:

Both Parties agree to the following:

1. Identify roads within VicRoads control in need of upgrade prior to the opening of the mine and develop a joint advocacy approach to State government to seek commitments to these improvements based on the principle of royalties return.
2. Identify roads within VicRoads control in need of additional and ongoing maintenance and develop a joint advocacy approach to State government to seek commitments to these improvements scheduled into VicRoads ongoing maintenance based on the principle of increased return to government from heavy vehicle licencing fees.
3. Entering into an agreement that stipulates the processes that will be used by both parties to address additional maintenance identified for roads used by IGO under Council control, including establishing status of road at commencement, ongoing maintenance and return of road maintenance responsibilities at conclusion.
4. Based on IGO investigations develop an agreed advocacy approach to facilitate any necessary upgrades of rail infrastructure to support the movement of ore from Bairnsdale to IGO's port of choice.
5. Commit to the principle of using IGO demand to support lobbying and the development of justification of provision of upgraded infrastructure to communities and locations beyond the mine site.
6. Actively lobby to have royalties from the mine activity preemptively applied to regional infrastructure that will deliver both community and IGO benefit.

East Gippsland Shire Council Actions:

East Gippsland Shire Council agrees to the following:

1. Audit road conditions for roads within Council control with the objective of reaching a use and maintenance agreement with IGO;
2. Determine the annual maintenance costs that Council has traditionally allocated to roads to be used by the project based on median costs from 2006 – 2011 and agree to continue to allocate this level of maintenance funding to these roads;
3. Use the Stockman project as the stimulus for investigating the feasibility of a new inter-modal freight hub in Bairnsdale;
4. Enter discussions with the Benambra Airstrip owner to have the airstrip available for emergency use by the mine and other associated users.

Independence Group NL Actions:

Independence Group NL agrees to the following:

1. IGO enter into an agreement with Council to meet additional road maintenance costs in excess of 'normal' annual maintenance cost, with both parties jointly agreeing to the process for calculating 'normal' maintenance costs. This agreement will be reviewed on an annual basis.
2. Investigate and confirm any required upgrades to the rail system to support the movement of ore from Bairnsdale to IGO's port of choice.
3. Support Council's investigation of the feasibility of an inter-modal freight hub in Bairnsdale with supply of information and concepts as required.
4. To consider and where possible work with the State to develop an agreement to upgrade power supply to communities on-route to the mine using compressed gas delivered by or on behalf of IGO.
5. To consider and enter into discussions with communications providers to extend upgraded wireless or fibre services to Benambra and Omeo as part of the development of communications infrastructure for the mine site and workers village.
6. To consider and identify infrastructure delivery mechanisms that will leave a 'legacy' benefit to the community beyond the life of the mine and improve the livability and amenity of Benambra and Omeo.
7. Develop a clear proposal for royalty reinvestment in the region, that Council and IGO could actively lobby to have applied to enduring assets, such as:
 - a. Road upgrades;
 - b. Power supply upgrades;
 - c. Rail Infrastructure;
 - d. Development of community facilities; and
 - e. Investment in training.
8. Agree that the proposed helipad at the mine site can be made available for broader use in emergency situations.

Dated:

Optimising Social Outcomes

Purpose:

The purpose of Schedule Two is to develop a set of agreed principles and actions for both the East Gippsland Shire Council and Independence Group NL with the objective of maximising the social benefits delivered locally by the project without negatively impacting on the operations of Stockman Mine.

Duration of the Schedule and Review:

Schedule Two shall apply for a twelve (12) month period from the date of signing the MOU. At the end of this period, both parties agree to review the commitments detailed in the schedule, with a view to updating, refining and adding to them to reflect the project's current status and the requirements for the forthcoming year.

Intentions:

As detailed in section 6.1.2 of the Memorandum of Understanding both parties have agreed to work cooperatively and in good faith to facilitate as many positive outcomes from the Stockman Mine as possible whilst also working jointly to minimise and mitigate any potential negative social outcomes associated with the project

To do this the following actions will be undertaken:

Joint Actions:

Both Parties agree to the following:

1. Develop a 'Housing Accord' to document action that will be undertaken by relevant parties to address the full range of issues based on the principles of:
 - i. Diversity and re-usability of stock
 - ii. Appropriate investment and divestment approaches
 - iii. Minimising impact to existing housing and tourism stock
 - iv. Location and mix of housing
2. Work with local education and children's services providers to undertake advanced planning for and advocate to ensure resources are allocated to meet demand stimulated by the mine;
3. Work with police and emergency service providers to undertake advanced planning for and advocate to ensure resources are allocated to meet demand stimulated by the mine;
4. Work with local health service providers to undertake advanced planning for and advocate to ensure resources are allocated to meet demand stimulated by the mine;
5. To work with the existing communities in Omeo and Benambra to build and resource an ongoing program of community interaction and combined events to facilitate the positive integration of the workers and existing residents;
6. To proactively develop a process to address the closure of the mine and the exit strategy to be put in place at the end of the mine life, to ensure that the negative impact the closure has on the local communities and economy is minimised.

East Gippsland Shire Council Actions:

East Gippsland Shire Council agrees to the following:

1. To work with IGO and the community to proactively identify any potential negative implications associated with the introduction of a mine workers village and develop mitigation measures to address these potential impacts before they eventuate;
2. To support IGO's recruitment processes with information and specific programs aimed at encouraging new employees to relocate to East Gippsland.
3. To identify and discuss with IGO cost sharing for community facilities and services provided by Council that could be upgraded to meet the needs of mine workers and reduce the need for IGO to develop new, stand-alone facilities and services with the aim of reaching agreement about the cost sharing associated with each of these facility / service upgrades.

Independence Group NL Actions:

Independence Group NL agrees to the following:

1. To develop a 'Community Fund' of not less than \$100,000 pa to be administered jointly by IGO, Council and Community representatives, with the annual contribution amounts and administration structures to be the subject of a separate formal agreement with the community, based around the principles of:
 - i. Building community and economic sustainability;
 - ii. Achieve maximum benefit to the community of the region; and
 - iii. Generate long term and sustainable community benefits and outcomes.
2. To provide additional funds towards developing strategic projects of mutual benefit and agreed to by both parties. These projects will focus on generating:
 - a. Development of the capacity and sustainability of the community of the region and which will have an impact beyond the life of the operation of the mine;
 - b. Supporting a future robust economy for the region;
 - c. Exploiting new and emerging opportunities for the region; and
 - d. Are justifiable business cases for the mine (i.e. result in an economic advantage) whilst providing wider community benefit as listed above.
3. To identify and discuss with Council the potential for and conditions associated with some of the mine's professional services to be available for broader community access and use (paramedics; emergency service teams; etc);
4. To identify and discuss with Council the potential for and conditions associated with some of the mine's worker facilities to be available for broader community access and use (canteen services; gyms, leisure facilities and competitions etc);
5. To work with Council on the design of the Workers Village so that it has, as far as possible , a positive impact on the amenity of its location;
6. To work with Council and community representatives to build Code of Conduct agreements into all road transport contracts to ensure that the additional trucks on the Roads between the Mine site and Bairnsdale cause minimal negative impact on the communities en-route;

7. To work with Council and community representatives to build Code of Conduct agreements into all employment contracts to assist with the impact of an influx of mine workers on the small communities of Orneo and Benambra; and
8. To work with Council to develop a proactive approach to encouraging new employees to relocate to East Gippsland as new residents that could include:
 - iv. Investigation of financial incentives;
 - v. Selling of the region as part of the recruitment process; and
 - vi. Actively targeting skilled workers to 'come home'.

Dated:

Optimising Economic Outcomes

Purpose:

The purpose of Schedule Three is to develop a set of agreed principles and actions for both the East Gippsland Shire Council and Independence Group NL with the objective of maximizing the economic outcomes of the project to both eastern Gippsland and Stockman Mine.

Duration of the Schedule and Review:

Schedule three shall apply for a twelve (12) month period from the date of signing of the MOU. At the end of this period, both parties agree to review the commitments detailed in the schedule, with a view to updating, refining and adding to them to reflect the project's current status and the requirements for the forthcoming year.

Intentions:

As detailed in section 6.1.3 of the Memorandum of Understanding both parties have agreed to work cooperatively and in good faith to facilitate as many positive outcomes from the Stockman Mine as possible whilst also working jointly to minimize and mitigate any potential negative economic and employment outcomes for the region associated with the project

To do this the following actions will be undertaken:

Joint Actions:

Both Parties agree to the following:

1. To work collaboratively on early intervention strategies with the East Gippsland community, to generate sufficient lead time for training.
2. Work collaboratively on a plan to facilitate sustainable economic activity that will fill the void created by the mine at the end of the mine life, with this plan to identify the investment, infrastructure and support mechanisms required to facilitate a lasting legacy from the project and a strong viable local economy into the future. Where possible the provision of infrastructure for the mine will be planned to also meet these longer-term needs.
3. Proactively plan for the mine's withdrawal from the region with long lead-times so the social and economic impact of this withdrawal can be minimised.

East Gippsland Shire Council Actions:

East Gippsland Shire Council agrees to the following:

1. Work with industries within the region with a long lead time to:
 - i. Assist existing industries to understand the likely impact on their workforce and the need to develop strategies to retain or attract new staff;
 - ii. Understand the IGO business model and the requirements this places on contractors so that local contractors are well placed to bid for work with IGO; and
 - iii. Facilitate relationships between IGO and others that will facilitate tendering and securing of contracts.
2. Work with IGO to develop agreements around local content clauses in contract tenders.

3. Work to identify the land supply requirements needed to support establishment of new businesses attracted to the area, and ensure that sufficient, appropriately zoned land exists to meet this projected demand.
4. Facilitate cooperation and discussion between the mine and other industry operators to enhance collaboration and minimise conflict.

Independence Group NL Actions:

Independence Group NL agrees to the following:

1. Have a clearly articulated local preference policy for both employees and suppliers/contractors that is capable of being monitored and included in contracts;
2. Proactively work with locally based Registered Training Organisations to deliver appropriate and affordable training within the region;
3. Where training provider gaps exist work with Registered Training Organisations to either partner with experienced trainers or develop new training capacity;
4. Commit to growing local employees via apprenticeships, traineeships and cadetships etc;
5. To the extent practical, develop roster structures that will enable local community members to work with IGO;
6. Investigate incentives that could be applied to attract and retain locally based staff;
7. Work to counter potential negative impacts that the project may have on the region's existing tourism industry via:
 - a. Spacing of trucks to avoid convoys;
 - b. Investigate ways of marketing the Great Alpine Road as a touring experience to counter potential impacts on tourism in the area; and
 - c. Lobbying State government for creation of additional passing lanes.

Dated:

Building Relationships to Support the Project

Purpose:

The purpose of Schedule Four is to develop a set of agreed principles and actions for both East Gippsland Shire Council and Independence Group NL to build relationships, agreements and processes with third parties that will facilitate achievement of the other three areas of key focus outlined in section six of the MOU.

Duration of the Schedule and Review:

Schedule Four shall apply for a twelve (12) month period from the date of signing the MOU. At the end of this period, both parties agree to review the commitments detailed in the schedule, with a view to updating, refining and adding to them to reflect the project's current status and the requirements for the forthcoming year.

Intentions:

As detailed in section 6.1.4 of the Memorandum of Understanding both parties have agreed to work cooperatively and in good faith to where practical, legislatively possible and in both organisation's best interests, develop an advocacy and relationship management program which will aid both the project's timely delivery and the delivery of wider community benefits.

To do this, the following actions are agreed to:

Joint Actions:

Both Parties agree to the following:

1. Develop and implement an advocacy program to support Schedules One to Three that includes use of agreed key messages and priorities for advocacy effort;
2. Where possible provide a united position on policy, permitting and approval requirements, prior to finalisation of approvals documentation;
3. Work to ensure that the environmental considerations are balanced with consideration of social and economic benefits;
4. Work to ensure that the Community is provided with opportunities to articulate their vision for how Stockman Mine can be embraced and act as a catalyst for development in the Omeo and how social opportunities can be maximized and negative impacts mitigated; and
5. Develop a clear proposal for royalties to be preemptively invested in the region that Council and IGO will use to actively lobby to have applied to enduring assets such as but not necessarily limited to:
 - a. Road upgrades;
 - b. Power supply upgrades;
 - c. Rail Infrastructure;
 - d. Development of community facilities; and
 - e. Investment in training.

East Gippsland Shire Council Actions:

East Gippsland Shire Council agrees to the following:

1. Support IGO's negotiations with State Government to ensure that appropriate consideration is given to all environmental approval requirements;
2. Proactively make introductions for IGO with relative decision makers including MP's, State and Federal Government representatives; business and service providers, and local community representatives;
3. Attend meetings with IGO to advocate for servicing, infrastructure and supportive policy position where these are identified as delivering benefits to both the Mine and the broader community; and
4. Openly share information and intelligence that is relevant to the Stockman Mine project.

Independence Group NL Actions:

Independence Group NL agrees to the following:

1. Develop mechanisms for ongoing interaction and effective liaison with the local community including but not limited to:
 - i. Community Reference Group;
 - ii. Community information days;
 - iii. Attendance at community forums and meetings; and
 - iv. Use of existing media and communication mechanisms.
2. Recognises East Gippsland Shire as a key stakeholder and representative of the local community and engages with Council on a regular and ongoing base.

Dated:

Schedule Five

Contact Details for Liaison and Communication

Purpose:

The purpose of Schedule Five is to list the appropriate contact details for liaison and communications with respect to the MOU and attached Schedules.

Duration of the Schedule and Review:

Schedule Five shall apply for the duration of the MOU, and be updated as required by either party to maintain current contact information.

Intentions:

As detailed in section 8.1 of the Memorandum of Understanding both parties have agreed to liaise on a regular basis using the officer level working party as the primary interface between the two organisations.

East Gippsland Shire Council Details:

1. Kate Nelson
Title: Director Planning and Community
Email: KateN@egipps.vic.gov.au
Tel: (03) 5153 9500
Mob: 0417 707508
2. Fiona Weigall
Title: Manager Major Projects and Economic Development
Email: FionaW@egipps.vic.gov.au
Tel: (03) 5153 9500
Mob: 0427 539 509

EGSC Street Address: East Gippsland Shire Council
273 Main St
Bairnsdale, Victoria 3875

EGSC Postal Address: East Gippsland Shire Council
P.O. Box 1618
Bairnsdale, Victoria 3875

Independence Group NL Details:

3. Rod Jacobs
Title: Development Manager
Email: rod.jacobs@igo.com.au
Tel: (08) 9238 8300
Mob: 0400 208 747
4. John Yeates
Title: Manager, Approvals and Government Relations
Email: john.yeates@igo.com.au
Tel: (08) 9238 8300
Mob: 0416 034 159

IGO Street Address: Independence Group NL
Suite 4, Level 5, South Shore Centre
85 South Perth Esplanade
South Perth, Western Australia 6151

IGO Postal Address: Independence Group NL
P.O. Box 496
South Perth, Western Australia 6951

Dated: