

**NORTHERN TERRITORY OF AUSTRALIA
LICENCE TO TAKE GROUNDWATER
Pursuant to section 60 of the *Water Act 1992***

Licence No: L10010

| | | | |
|---|--|-----------------------|--------------------------------|
| Licence Holder: | Arafura Rare Earths Pty Ltd (ACN 118 158 900) | | |
| Address: | PO Box 5773, St Georges Tce Perth, WA, 6831 | | |
| Commencement Date: | 01-Sep-2022 | | |
| Expiry Date: | 31-Aug-2032 | | |
| Water Control District: | Ti Tree Water Control District | | |
| Groundwater Resource: | Local Aquifer | | |
| Management Zone: | Low Yield | | |
| Water Allocation Plan: | Ti Tree Water Allocation Plan 2020-2030 | | |
| Bore(s): | To be drilled | | |
| Property(s) on which water is used: | NT Portion 703 (6300 Stuart Hwy, Anmatjere) | | |
| Beneficial Use(s) of Water Entitlement | Maximum Water Entitlement ML/year | Security Level | Licence Trading Allowed |
| Mining Activity | 40 | Not Specified | No |
| Total Maximum Water Entitlement: | 40 ML/year | | |

Terms and Conditions:

1 Water Extraction Conditions

- 1.1 The licence holder must extract no more than the stated Total Maximum Water Entitlement from the listed groundwater resource for the period listed in Table 1.

Table 1: Total Maximum Water Entitlement per Period

| Period | Entitlement |
|----------------------------|--------------------|
| 01-Sep-2022 to 30-Jun-2023 | 33 ML |
| 01-Jul-2023 to 30-Jun-2024 | 40 ML |
| 01-Jul-2024 to 30-Jun-2025 | 40 ML |
| 01-Jul-2025 to 30-Jun-2026 | 40 ML |
| 01-Jul-2026 to 30-Jun-2027 | 40 ML |
| 01-Jul-2027 to 30-Jun-2028 | 40 ML |
| 01-Jul-2028 to 30-Jun-2029 | 40 ML |
| 01-Jul-2029 to 30-Jun-2030 | 40 ML |
| 01-Jul-2030 to 30-Jun-2031 | 40 ML |
| 01-Jul-2031 to 30-Jun-2032 | 40 ML |
| 01-Jul-2032 to 31-Aug-2032 | 7 ML |

- 1.2 The licence holder must ensure water extracted under this licence is not wasted. For the purpose of this condition water is wasted where, irrespective of intention:
- a) more water is used than is reasonably necessary for the immediate purpose for which water is taken, including used for irrigation;
 - b) an unnecessary or excessive flow or flood of water is allowed to occur; or
 - c) water is taken without adequate control or supervision of its taking.
- 1.3 The licence holder may only extract water under this licence from a bore listed on this licence.
- 1.4 The licence holder must maintain the bores used for extracting water under this licence in accordance with the National Uniform Drillers Licensing Committee 'Minimum Construction Requirement for Water Bores in Australia' as amended.
- 1.5 The licence holder may only extract water under this licence for use on a property listed on this licence.

2 Water Metering and Reporting Conditions

- 2.1 Extraction from the listed groundwater resource must be recorded by a meter or meters supplied, installed and maintained by the licence holder in accordance with the Northern Territory Non-Urban Water Metering Code of Practice for Water Extraction Licences, as amended from time to time.
- 2.2 Within two (2) weeks of 30 September, December, March and June of each year, and within two weeks of the expiry date, the licence holder must supply the Controller with a record of water extraction, reported by calendar month, from each of the listed bores.

3 Special Conditions

- 3.1 The licence holder must maintain, implement and comply with the current version of the documents listed in Table 2.

Table 2: Licence documents

| Document title | Short title | Version |
|--|-------------|----------------------|
| Arafura Resources Limited Water Abstraction Plan | ARWAP | 2 (9 September 2021) |

- 3.2 The ARWAP must be updated prior to taking water under this licence to:
- a) specify monitoring bores which will be used to:
 - (i) identify drawdown which may impact on other groundwater users in the area, groundwater dependent vegetation, and groundwater dependent Aboriginal cultural values; and
 - (ii) trigger adaptive management measures for the protection of stock water supply.
 - b) map groundwater dependent vegetation where;
 - (i) standing water level is less than 15m below ground level; and
 - (ii) groundwater is predicated to have a significant drawdown due to the project.
 - c) specify trigger values and adaptive management measures to:
 - (i) ensure water supply for stock use; and
 - (ii) ensure key groundwater dependent vegetation, and groundwater dependent Aboriginal cultural values are protected.
 - d) include a peer review process by a suitably qualified professional
- 3.3 If amendments (other than typographical changes or revisions to formatting or referencing) are proposed to be made to a document listed in Table 2, the licence holder must have the document independently reviewed by a suitably qualified professional and notify the Department by email to water.regulation@nt.gov.au, and include;
- a) a tracked changes version of the proposed amendment(s);

- b) reasons for the amendment(s); and
 - c) a copy of an independent review of the proposed updated document, undertaken by a suitably qualified professional.
- 3.4 The Department may require the licence holder to revise or amend and resubmit any document provided in accordance with this licence. Where the Department requires any document to be revised or amended, the licence holder must submit it to the Department by the date specified by the Department.
- 3.5 The licence holder must notify the Department in writing within 48 hours of becoming aware of non-compliance (or suspected non-compliance) with any condition of this licence. A notification under this condition must:
- a) contain particulars of the non-compliance, including the identified or potential impacts associated with the non-compliance;
 - b) identify the steps that have or will be taken to minimise the impacts of the non-compliance; and
 - c) identify the steps that have or will be taken to prevent a reoccurrence or minimise the risk of further non-compliance.
- 3.6 The licence holder must provide an annual report to the Controller within 2 weeks of 30 June each year which:
- a) details compliance with the conditions of this licence in the previous financial year;
 - b) identifies exceedances of trigger values in the licence documents and actions taken in response; and
 - c) details any changes to trigger values in the licence documents.
- 3.7 The licence holder must maintain on a publicly available website:
- a) a copy of this licence;
 - b) the current version of licence documents specified in Table 2;
 - c) details of non-compliance reported in accordance with Condition 3.5; and
 - d) copies of annual reports prepared in accordance with Condition 3.6.
- 3.8 The licence holder may only extract water under this licence for Approved Mining Activities.
- 3.9 If the Mine Management Plan associated with the Approved Mining Activity is revoked or expires, the licence holder must inform the Controller in writing within 7 days via water.regulation@nt.gov.au.


Joanne Townsend

Controller of Water
Resources

25 / 8 /2022

Definitions

“Act” means the *Water Act 1992* (NT).

“Approved Mining Activity” means a mining activity or activities which have been approved by the Minister or delegate in accordance with the *Mining Management Act 2001*.

“Controller” means the Controller of Water Resources.

“Entitlement” means the amount(s) specified in Condition 1.1.

“Period” means a period of time specified in Condition 1.1.

“Regulations” means the *Water Regulations 1992* (NT).

“Security level” means the order in which announced allocations are applied to licences. E.g. in years when a less than 100% announced allocation is required to ensure that environmental water provisions are satisfied, Low Security licence entitlements are reduced first, then Medium Security entitlements and finally High Security entitlements.