Attention: Alex Langley

Dear Mr. McGunnigle

SOLOMON IRON ORE PROJECT - STATEMENT 862 - CONDITION 13-4 - TROGLOFAUNA SURVEY AT ZION DEPOSIT

Thank you for your letter dated 21 June 2013 and the attached Solomon Iron Ore Project: Troglofauna Survey at Zion Deposit (February 2013) (the survey) advising the Office of the Environmental Protection Authority (OEPA) that a survey to demonstrate that similar and connected troglofauna habitat exists outside of areas that have been or are likely to be impacted by mining has been undertaken prior to ground disturbing activities associated with the Zion deposit.

The OEPA notes, after review of the survey and consideration of the survey's findings and conclusions, that three (3) troglobitic species were recorded, only within areas identified for potential mine pits at the Zion deposit.

However, the OEPA also notes that the survey indicates there is considerable troglobitic habitat connectivity in the strata and Channel Iron Deposits (CID) surrounding the proposed mine pits at the Zion Deposit, and that even with troglobitic species restricted to outcropping CID at Zion, this does not mean that troglobitic species will be threatened by mining operations at the proposed pit locations.

The OEPA considers that the submitted survey is acceptable and meets the requirements of Condition 13-4 of Ministerial Statement 862.

Yours sincerely

Kim Taylor
GENERAL MANAGER

10 September 2013