



REPUBLIC OF LIBERIA

MINISTRY OF LANDS, MINES AND ENERGY

P.O. BOX 10-9024

1000 MONROVIA 10

LIBERIA, WEST AFRICA



License Number: MEL 12014

MINERAL EXPLORATION LICENSE

This License is hereby granted by the Government of Liberia, through the Ministry of Lands, Mines and Energy (the "Ministry"), to *Southern Cross Investment Limited*. (the "Licensee").

SECTION 1. SCOPE OF LICENSE

1.1. This License entitles the Licensee to explore for the minerals identified in Section 1.2 in the exploration area defined in Section 3 of this License (the "Exploration Area") in order to ascertain the existence, location, quantity, and quality or commercial value of deposits in the Exploration Area of such minerals.

1.2. The mineral covered by this License is: **Iron Ore**

SECTION 2. EFFECTIVE DATE

The Effective Date of this License is the date on which it is approved by the Minister.

SECTION 3. EXPLORATION AREA

The Exploration Area covers approximately **349.13** sq km in area defined by the UTM coordinates of **SPATIAL REFERENCE (WGS84 UTM GRID ZONE 29N)** set forth below:

Vertices	Easting	Northing
1	494000	668000
2	494000	652000
3	487000	652000
4	487000	650000
5	481000	650000
6	481000	647662
7	474500	647662
8	474500	668000

SECTION 4. CONCERNING THE LICENSE

4.1. This License and the rights of the Licensee hereunder are subject to:

- (a) exploration regulations to be issued by the Minister of Lands, Mines and Energy (the "Minister") pursuant to the authority granted the Minister under the Liberia Minerals and Mining Law of 2000 (the "exploration regulations"), and

- (b) the Liberia Minerals and Mining Law of 2000, the Liberia Revenue Code of 2000, the environmental laws and regulations of the Republic of Liberia and all other applicable laws and regulations of the Republic of Liberia,

as such laws and regulations may from time to time be amended, modified or supplemented.

4.2. The Exploration Area granted by this License excludes areas within the Exploration Area excluded by Section 10 of the Minerals and Mining Law and areas subject to Class B mining licenses previously granted by the Republic of Liberia, and the Licensee shall not interfere with the activities of licensees under such licenses.

4.3. The Licensee will be required under the exploration regulations to make detailed quarterly reports of all field and sampling activities, and results and to make quarterly deposits with the Ministry of all geological information and samples gained from its exploration work in the Exploration Area, other than that portion of the samples subjected to destructive analysis or testing, in each case within specified periods after the end of a quarter.

4.4. The initial term of this License is three years from the Effective Date, subject to the ability of the Ministry in accordance with the exploration regulations to terminate this License for non-compliance with the regulations or other applicable law. If the Licensee is in compliance with its obligations during the initial term it will be entitled to a two year extension of its License with respect to a portion of the Exploration Area on the terms set forth in the Minerals and Mining Law of 2000 and the exploration regulations.


4.5. If the Licensee discovers in the Exploration Area exploitable deposits of the minerals referred to in Section 1.2 and has complied during the exploration period with its obligations under the Mining Law, the exploration regulations, and other applicable Law, it will have the right to enter into a Mineral Development Agreement (in the form then generally used by the Ministry in circumstances in which known deposits are not being put out for tender) and to obtain a Class A Mining License for the mining of such deposits in accordance with the Minerals and Mining Law and the applicable regulations of the Ministry governing the issuance of and operations under a Class A Mining license.

SECTION 5. BINDING ON GOVERNMENT

Minister for Mineral Exploration and approved by the Minister.

This License is duly issued and binding on the Government of Liberia when signed by the Assistant

Signed: 
Emmanuel O. Sherman
Assistant Minister
Mineral Exploration & Environmental Research

Approved: 
Roosevelt G. Jayjay
MINISTER

DATE: *6 May 11*



Attn: Map Attached:

