

**MEMORANDUM OF UNDERSTANDING
BETWEEN
YARRIAMBIACK SHIRE COUNCIL
AND
ASTRON CORPORATION LIMITED**

Suggested edits arising from annual review (as discussed Feb 2024)

1 PURPOSE OF THIS AGREEMENT

This Memorandum of Understanding (MOU) is to promote processes to support the Yarriambiack Shire Council (YSC) and Astron Corporation Limited (Astron), through Astron's operating subsidiary, Donald Mineral Sands Pty Ltd (DMS), working cooperatively and collaboratively to maximise mutually beneficial community and economic outcomes from the development and operation of the Donald Mineral Sands Project (Donald Project).

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 be appended to the documentation DMS is required to provide to the support approvals documentation for the Donald Project.

1.1 Yarriambiack Shire Council

The YSC governs an area of 7158 square kilometres and has an estimated residential population of 6556 people, centred around the town of Warracknabeal and several smaller towns. The key industry in the Shire is agriculture; however, it is recognised that mining is an emerging industry.

The Yarriambiack Community Vision articulated by the YSC identifies and sets out the community priorities for the next 20 years and will guide the decision making of Council:

'A connected rural community who values its land and wellbeing'

This shared vision will be achieved through:

- Supporting agriculture
- Strengthening business and tourism
- Staying connected through infrastructure
- **Supporting local housing initiatives**
- Being a supportive Council
- Looking after our communities
- Being environmentally responsible

adding, "Supporting local housing initiatives" to this list.

The YSC:

- Has functions and authority conferred on it by the Victorian Parliament.
- Provides governance and leadership for the local community through advocacy, decision making and leadership.

- Is accountable to the local community in the performance of its functions, the exercise of its authority and the use of its resources.

Council is responsible for many services, facilities, assets and infrastructure, which provide a range of benefits to the community. These responsibilities are undertaken with transparency and accountability by preparing and reviewing plans in consultation with the community and reporting on performance on a quarterly and annual basis.

Council has adopted a number of key strategic plans that outline Council's vision for improved services to the community and will require investment in infrastructure and housing, and additional resources. One of these plans is the Strategic Resource Plan and the Long-Term Financial Plan.

1.2 Astron Corporation Limited (Astron)

edit: "investment infrastructure and housing, and additional resources"

Listed on the ASX in 1983, Astron is a mining and processing company, with more than 30 years' experience in mineral sands processing, technology and downstream product development, as well as the marketing and sale of zircon and titania (titanium dioxide) products.

The company is at a key juncture with the opportunity to bring into production the major, long-life Donald Mineral Sands project – a globally significant new source of zircon, titanium dioxide and rare earth supply.

As the Donald Project develops from concept towards operation, Astron and its people and contractors will focus on adopting the highest sustainability principles and practices. Its goal is to make a positive and lasting impact on the sustainability and resilience of the local community. Its operating and financial successes are directly linked to the people and communities surrounding its future operations. Astron and DMS, Astron's wholly owned subsidiary, are committed to developing strong relationships based on open and meaningful communication with all stakeholders.

Astron, through the development of the Donald Project has the potential to be a globally significant mineral sands producer, and through employment, procurement, community programmes, the Donald Project has the potential to be a significant contributor to the local and the wider-state economy.

1.3 Vision for the DMS project

The parties share a common vision to maximise potential benefits for the YSC and more broadly the Wimmera Southern Mallee (WSM) region. This vision is underpinned by a commitment to:

- Regular and open communication between the parties on all matters relating to the project
- Joint advocacy processes and cooperation to pursue commitments to the project and the region that will generate lasting benefits for both the project and the YSC and the region
- Considering community outcomes in all aspects of the planning and delivery of the project
- Acknowledgement that the best outcomes for the company and the community from the DMS project will flow from an efficient and financially robust project
- Building on each party's core strength, skills, and attributes
- Sharing information that will facilitate positive outcomes for the DMS project.

The content of this MOU focuses on maximising local social and economic opportunities associated with the project. Astron and YSC are committed to cooperation in the areas of common interest to achieve positive environmental, social and economic outcomes for the communities within the Shire.

Both parties also acknowledge the importance of ensuring that the impacts on the physical environment of the project are minimised as far as reasonably practical and are managed to a high standard that reflects industry practices and that all environmental obligations are met and reported on the DMS project.

2 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 maximise the efficiency and robustness of the Donald Project operations, not compromising or placing an unnecessary financial burden on:

- a) Astron as a company with obligations to its shareholders, and
- b) YSC to its municipal rate payers.

The aims of this MOU are therefore to ensure that:

- The roles of each party are clearly understood and respected by 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
- Both parties understand and commit to providing the capacity necessary to deliver the intent of this MOU; and
- The social and economic benefits are at the forefront of decision making, to maximise the benefits within the YSC's footprint.

3 DELIVERY OF THE INTENT OF THIS AGREEMENT

Two key areas of collaboration and joint focus, detailed below, are identified as necessary to fulfill the obligations and intent of this agreement. Detailed action intentions are outlined in Schedules One and Two of this MOU.

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

3.1 Key Areas of Focus

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

1. Optimising Economic and Social Outcomes – to work cooperatively and in good faith to facilitate as many positive outcomes from the DMS project as possible whilst also working jointly to minimise and mitigate any potential negative economic employment and social outcomes associated with the project.
2. Building Relationships to Support the Project – to work cooperatively and in good faith to develop an advocacy and relationship management program which will aid the timely delivery of the project and the wider community benefits.

3.2 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 the delivery schedules associated with this agreement.

4 ROLES OF THE PARTIES WITHIN THIS AGREEMENT:

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

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

The role of Astron as the developer and operator of the Donald Project is to meet its obligations to corporate regulators and its shareholders, through good governance and reporting requirements.

It is agreed Astron/DMS is a stimulator of regional benefits rather than a direct deliverer of benefits.

5 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:

1. Liaison Protocols – both parties agree to liaise on a regular basis using the Principal Contacts (Schedule 3) as the working party for the primary interface between the two organisations. Principal contact points for the two organisations are nominated in Schedule Three, as modified from time to time, as the liaison points for each organisation.
2. Communication Protocols – recognising the importance of common key messages, both parties agree to the following:
 - 2.1 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.
 - 2.2 Neither party to this MOU has the authority to speak publicly on behalf of the other party without prior consent.
 - 2.3 Where one 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.

5.1 Public Reporting

DMS will remain committed to reporting publicly on its performance through its Environmental Review Committee (ERC) which will be made up of community, council, state government and company representatives.

Annual community reporting that will be made available on the Company's website.

5.2 Incident Response

The Company and YSC to have formalised protocols on the management of any high impact incidents.

6 RESOURCING

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

This resource sharing includes information and knowledge, databases, and other resources when available and in accordance with legislative requirements. The sharing of resources is governed by relevant legal obligations (Privacy, Confidentiality, Intellectual Property, etc.).

7 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, if appropriate, mediated by an independent party acceptable to all.

8 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.

9 REPRESENTATIONS

This MOU does not permit the use of copyright materials (including logos) and dissemination of confidential information or allow staff from either of the parties to represent each other without prior written agreement.

10 NATURE OF THE MOU

This MOU 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 honour only.

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

11 STATUTORY OBLIGATIONS

This MOU does not negate or replace any of the statutory obligations that YSC has as a local government authority, nor does it replace any of the obligations that the YSC has under the *Local Government Act 2020* and *Local Government Act 1989* or ASTRON has as a private company.

12 TERMINATION

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

{Signed by DMS}

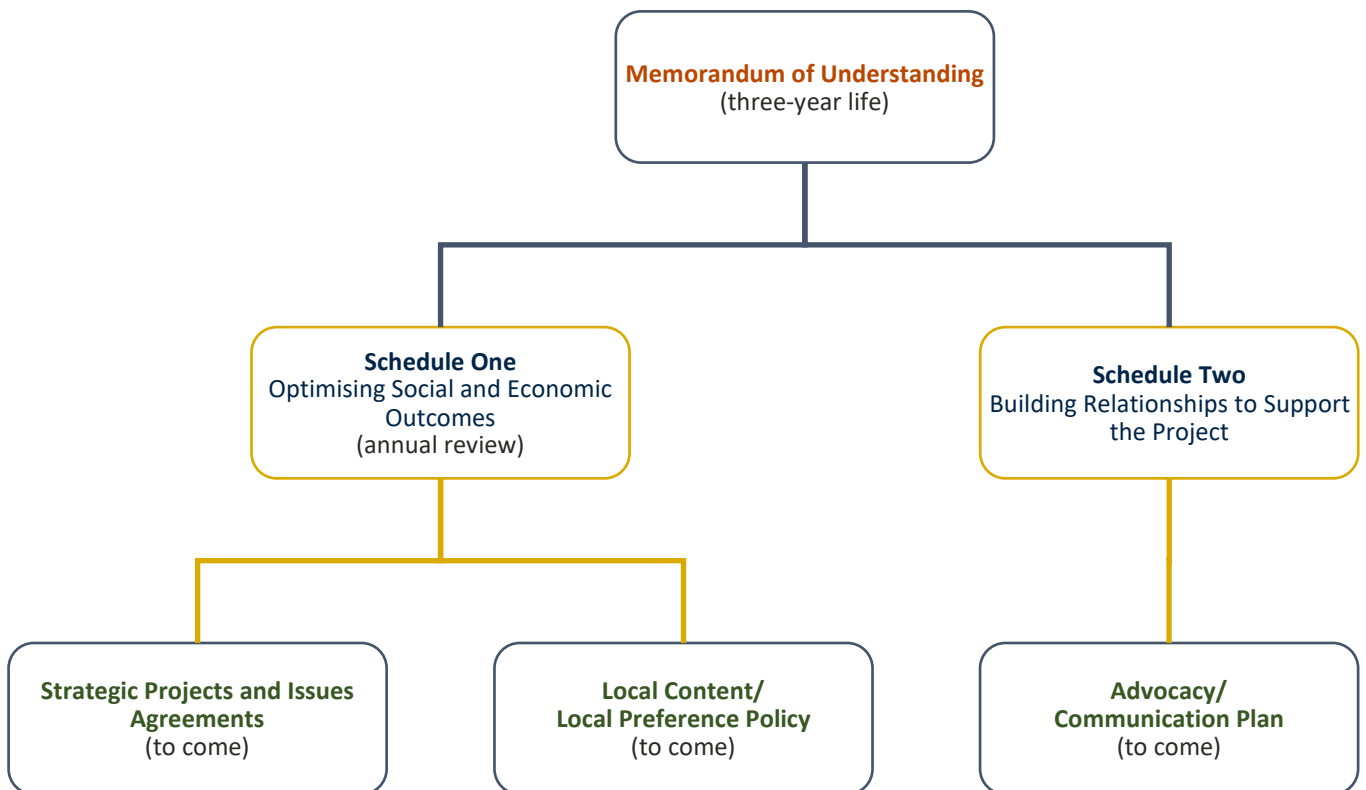
{Signed by Yarriambiack}

APPENDIX ONE

SCHEDULES TO THE AGREEMENT

- Schedule One: Optimising Economic and Social Outcomes
- Schedule Two: Building Relationships to Support the Project
- Schedule Three: Principal Contacts

Model of Agreements Hierarchy



SCHEDULE ONE: OPTIMISING ECONOMIC AND SOCIAL OUTCOMES

Purpose

The purpose of Schedule One is to develop a set of agreed principles and actions for both the YSC and Astron Corporation with the objective of maximising the economic and social benefits delivered locally by the project without negatively impacting the operations of the Donald Mineral Sands project (Donald Project).

Duration of the Schedule and Review

Schedule One shall apply for a twelve (12) month period from the date of signing the Memorandum of Understanding (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 Donald Project's development status and the requirements for the forthcoming year.

Intentions

As detailed in Section 6.1.1 of this MOU, both parties have agreed to work cooperatively and in good faith to facilitate as many positive outcomes from the DMS project as possible whilst also working jointly as practicable to minimise negative economic, employment or social outcomes which may be associated with the project.

To achieve this the following actions will be undertaken:

1. Joint Actions

Both parties agree to the following:

* New item 1.1: Work collaboratively to support local housing initiatives.
* All other items retained - list re-numbered accordingly.

1.1 Work collaboratively to support local housing development initiatives.

1.2 Facilitate training strategies with the Wimmera Southern Mallee community to generate sufficient lead time for training.

1.3 Proactively plan for the project's end of mine life from the region with long lead-times so the economic and social impact of this withdrawal can be minimised.

1.4 Work with local education providers to undertake advanced planning for and advocate to ensure resources are allocated to meet demand stimulated by the DMS project

1.5 Work with local health service providers to undertake advanced planning for and advocate to ensure resources are allocated to meet demand stimulated by the DMS project.

1.6 To work with the existing communities in the project area to develop an ongoing program of community interaction and combined events to facilitate the positive integration of the DMS project workforce and the community.

1.7 Work collaboratively together to identify opportunities to ensure employees and contractors of DMS reside within the YSC municipality, providing for a positive and enhanced social and economic benefit to the Shire.

2. Yarriambiack Shire Council Actions

YSC agrees to the following:

2.1 Work with industries within the region to:

2.1.1 Help understand the likely impact on their workforce.

2.1.2 Understand the Astron business model and the requirements this places on businesses and contractors so they are well placed to bid for Astron work.

2.2 Work with Astron to develop local content clauses in contract tenders.

- 2.3 Facilitate cooperation and discussion between the project and other projects to enhance collaboration and minimise conflict.
- 2.4 To support Astron's recruitment processes with information and specific programs aimed at encouraging new employees to relocate to the YSC area.
- 2.5 Work with Astron and YSC Communities to identify land and infrastructure requirements and/or opportunities, assisting with future planning and development where possible, and within legislative frameworks.

3. Astron Actions

Astron agrees to the following:

- 3.1 Have a clearly articulated local preference policy for both employees and suppliers/contractors that is capable of being monitored.
- 3.2 Proactively work with locally based Registered Training Organisations to deliver appropriate and affordable training within the region.
- 3.3 Where training provider gaps exist, work with Registered Training Organisations to develop new training capacity.
- 3.4 Support apprenticeships, traineeships, and cadetships in the Project Area.
- 3.5 To work with YSC to ensure Astron's sponsorships and donations contribute to the community wellbeing and development in an appropriate manner **with a view to enduring, long-term benefits to community.**
- 3.6 To identify and discuss with YSC the potential of some of the DMS project's professional services to be available for the broader community access and use (paramedics, emergency service teams)
- 3.7 To work with YSC to develop a proactive approach to encourage new employees to relocate to YSC area as new residents.
- 3.8 Establishing and promoting accommodation options within the YSC municipality, to encourage a local Wimmera/Mallee based workforce, opposed to a drive-in drive out (or fly in fly out) workforce, that resides outside of the municipal district.
- 3.9 Ensuring the social and economic benefits to the YSC municipality is at the forefront of decision making for the project.

SCHEDULE TWO: BUILDING RELATIONSHIPS TO SUPPORT THE PROJECT

Purpose

The purpose of Schedule Two is to develop a set of agreed principles and actions for both YSC and Astron Corporation to build relationships, agreements, and processes with third parties that will facilitate achievement of the area of key focus outlined in Section Six of the Memorandum of Understanding (MOU).

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 MOU, 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:

1. Joint Actions:

Both parties agree to the following:

- 1.1 Develop and implement an advocacy program to support Schedules One that includes use of agreed key messages and priorities for advocacy effort.
- 1.2 Develop a joint position on approval requirements where possible.
- 1.3 Work to ensure that the community is provided with opportunities to articulate a vision during and following the project licencing process for how DMS project can be embraced and act as a catalyst for development in the YSC council area and how social opportunities can be maximised and negative impacts mitigated.
- 1.4 Develop a joint strategy to seek State Government funding from royalty payments for enduring assets such as but not necessarily limited to:
 - 1.1.1 Road upgrades
 - 1.1.2 Power supply upgrades
 - 1.1.3 Rail infrastructure
 - 1.1.4 Development of community facilities
 - 1.1.5 Development of housing and associated infrastructure
 - 1.1.6 Investment in training.

SCHEDULE THREE: PRINCIPAL CONTACTS

Purpose

The purpose of Schedule Three is to list the appropriate contact details for liaison and communications with respect to the Memorandum of Understanding (MOU) and attached Schedules.

Duration of the Schedule and Review

Schedule Three 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 MOU both parties have agreed to liaise on a regular basis using the officer level working party as the primary interface between the two organisations.

1. YSC Details

Title Name Surname 1	Mayor, Councillor Kylie Zanker kzanker@yarriambiack.vic.gov.au 03 53 98 0100
Title Name Surname 2	Chief Executive Officer, Tammy Smith tsmith@yarriambiack.vic.gov.au 03 53 98 0100 0438 337 175
YSC Street Address:	Yarriambiack Shire Council 34 Lyle Street, Warracknabeal Vic 3393
YSC Postal Address:	Yarriambiack Shire Council PO Box 243 Warracknabeal Vic 3393

2. Astron Corporation Details

Title Name Surname 1	General Manager, Sustainability, Jessica Reid jessica.reid@astronlimited.com 0418 308 969
Title Name Surname 2	Environment and Community Officer, Paul Atherton paul.atherton@donaldmineralsands.com.au 03 5385 7088 0474 869 110
Title Name Surname 3	Project Manager, Sean Chelius 03 5385 7088 0400 740 321
Astron Street Address:	<u>21 Church</u> Steet, Minyip, Vic 3392
Astron Postal Address:	PO Box 49, Minyip, VIC 3392