

DATED _____

2010

WOLF MINERALS (UK) LIMITED

HOLLY DOWN LLP

HEMERDON LAND LLP

DAVID MICHAEL STRODE COBBOLD

ANTHONY ALAN RUSSELL COBBOLD, JUDITH EILEEN STRODE COBBOLD,
SIMOND HUGH GREGORY & CHRISTOPHER JAMES HUTTON

and

DEVON COUNTY COUNCIL

UNILATERAL UNDERTAKING

Hemerdon Mine & Crownhill Down
Plympton, Near Plymouth
Devon

Stephens
Scown
Solicitors

The logo for Stephens Scown Solicitors features a stylized, dark red graphic element on the right side, resembling a vertical bar with a curved top and bottom, partially overlapping the text.

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THIS PLANNING OBLIGATION BY UNDERTAKING is dated the

day of

Two thousand and ten and given by

- (1) **WOLF MINERALS (UK) LIMITED** (Company No. 06358670) whose registered office is at 90 Fetter Lane London EC4A 1JP ("the Mineral Operator")
- (2) **HOLLY DOWN LLP** (Company No. 0C353275) whose registered office is at Newnham Park Plympton Plymouth PL7 5BN ("Holly Down LLP")
- (3) **HEMERDON LAND LLP** (Company No. OC358362) whose registered office is at c/o Bishop Fleming, Cobourg House, Mayflower Street, Plymouth PL1 1LG ("Hemerdon Land LLP")
- (4) **DAVID MICHAEL STRODE COBBOLD** of Newnham Park, Plympton, Plymouth PL7 5BN ("Mr Cobbold")
- (5) **ANTHONY ALAN RUSSELL COBBOLD, JUDITH EILEEN STRODE COBBOLD, SIMON HUGH GREGORY** and **CHRISTOPHER JAMES HUTTON** all care of Newnham House, Newnham Park, Plympton and their successors in title ("the Newnham Trustees")

TO

DEVON COUNTY COUNCIL of County Hall Topsham Road Exeter Devon EX2 4QD ("the Council")

RECITALS:

- A. The Council is the Mineral Planning Authority for the purpose of the Town & Country Planning Act 1990 as amended ("the 1990 Act) for the area within which the land known as Hemerdon Mine and Crownhill Down at Plympton, Near Plymouth, Devon is situated
- B. The Mineral Operator has the benefit of an Option Agreement dated 4th December 2007 and made between Thomasina Mary Blaikie, Anthony Alan Russell Cobbold, David Michael Strode Cobbold and Catriona Jennet Edington Woolcombe Gambrill (1) John Stephens Cutler and Anne Margaret Andrews (2), Thomasina Mary Blaikie, Catriona Jennet Edington Woolcombe Gambrill and Susannah Marion Ruth Woolcombe-Morris (3) and Judith Eileen Strode Cobbold, Anthony Alan Russell Cobbold, John Philip Westwell and Christopher James Hutton (4) under which the Mineral Operator was granted the option to take a Lease of the mineral site.

- C. Holly Down LLP is the freehold owner of that part of the land comprising the mineral site more particularly described in Part 1 of Schedule 1 to this Undertaking.
- D. Hemerdon Land LLP is the freehold owner of that part of the mineral site more particularly described in Part 2 of Schedule 1 to this Undertaking.
- E. The Newnham Estate Trustees are the freehold owners of that part of the mineral site more particularly described in Part 3 of Schedule 1 to this Undertaking.
- F. Mr Cobbold is the freehold owner of that part of the mineral site more particularly described in Part 4 of Schedule 1 to this Undertaking.
- G. The Mineral Operator is intending to exercise the option granted pursuant to the Option Agreement dated 4 December 2007 and to recommence mineral operations at the mineral site pursuant to the planning permission ("the Planning Permission") listed in Schedule 2 to this Undertaking
- H. By an Order ("the Order") to be made under Section 97 of the 1990 Act (in the form of the draft attached to this Undertaking) the Council will modify the Planning Permission and replace the conditions in the Planning Permission with the new conditions set out in Schedule 1 to the Order
- I. The Mineral Operator has agreed to the substitution of the conditions in the Planning Permission by the new conditions set out in Schedule 1 to the Order and to carry out mineral operations in accordance with those conditions without seeking compensation from the Council pursuant to Section 107 of the 1990 Act
- J This Undertaking shall not take effect until the Order is confirmed

NOW THIS UNDERTAKING WITNESSES as follows:

1. Definitions & Interpretation

In this Undertaking, unless the context otherwise requires:

"Annual Permanent Restoration Report" means the Annual Permanent Restoration Report referred to in Clause 3.4 of this Undertaking

"Annual Restoration, Land and Water Management and Landscape Review" means the Annual Restoration, Land and Water Management and Landscape Review referred to in Clause 3.3 of this Undertaking

"Hemerdon Mine Site" means the mineral site at Hemerdon for which planning permission has been granted by the Council for the extraction of minerals and for

tipping of waste including land used for associated operations in connection with mineral working and tipping

“Hemerdon Mine Site Access Road” means the private road serving the Hemerdon Mine Site and linking the site with the Lee Moor Road

“Lee Moor Road Diversion Permission” means any planning permission granted by the Council for the diversion of the Lee Moor Road to accommodate the mineral workings at Hemerdon Mine and Crownhill Down

“New Conditions” mean the planning conditions set out in Schedule 1 to the Order

“Newnham Link Road Permission” means any planning permissions granted by the Council and Plymouth City Council for the construction of a new road to replace the southern section of the Lee Moor Road

“Owners” means Holly Down LLP, Hemerdon Land LLP, Mr Cobbold and the Newnham Trustees and their successors in title and assigns

“Plan HEM.UU.1” means plan HEM.UU.1 attached to this Undertaking

“Plan HEM.UU.2” means plan HEM.UU.2 attached to this Undertaking

“Plan HEM.UU.3” means plan HEM.UU.3 attached to this Undertaking

“Plan HEM.UU.4 means plan HEM.UU.4 attached to this Undertaking

“Plan HEM.UU.5 means plan HEM.UU.5 attached to this Undertaking

“Plan HEM.UU.6 means plan HEM.UU.6 attached to this Undertaking

“Plan HEM.UU.7 means plan HEM.UU.7 attached to this Undertaking

“Restoration Concept” means the restoration principles set out in Schedule 3 to this Undertaking and referred to in Clause 3.2 hereof

“Restoration Feedstock Management Scheme” means the restoration feedstock management scheme referred to in Clause 3.7 of this Undertaking

“Section 52 Agreement” means an agreement dated 5th June 1986 and made between Amax Explorations of UK Inc. and Hemerdon Mining and Smelting (UK) Limited (1) James Humphrey George Woolcombe and Thomasina Mary Blaikie (2) Amax International Limited (3) and the Council (4)

2. Where the context so requires:

- (a) the singular includes the plural;

- (b) references to any party shall include the successors in title of that party;
- (c) where a party includes more than one person any obligations of that party shall be joint and several;
- (d) references to clauses and schedules are references to clauses in and schedules to this Undertaking; and
- (e) save as otherwise provided in this Undertaking any approval in writing or consent to be given by the Council under this Undertaking shall not be unreasonably withheld or delayed.

Legal effect

- 2.1** This Undertaking contains planning obligations for the purposes of and is made pursuant to Section 106 of the 1990 Act and Section 111 of the Local Government Act 1972 to the intent that they shall bind the Mineral Operator and its successors in title and assigns and, to the limited extent only specified in this Undertaking, the Owners and their successors in title to those parts of the mineral site owned by them and their assigns
- 2.2** This Undertaking shall be enforceable by the Council
- 2.3** No person shall be liable for any breach of this Undertaking unless he or it holds an interest in the part of the mineral site in respect of which such breach of this Undertaking occurs or held such an interest at the date of the breach
- 2.4** If the Planning Permission is either revoked or further modified by any statutory procedure without the consent of the Mineral Operator or its successors in title and the Owners this Undertaking shall cease to have effect
- 2.5** Nothing in this Undertaking shall be construed as prohibiting or limiting any right to develop any part of the mineral site in accordance with a planning permission granted by the Council or by the Secretary of State on appeal or reference to him after the date of this Undertaking

3. PLANNING OBLIGATIONS – MINERAL OPERATOR

The Mineral Operator undertakes as follows:

3.1 Review

Prior to diverting the Lee Moor Road pursuant to the Lee Moor Road Diversion Permission to undertake a review of:-

3.1.1 the opportunities to reduce the quantity of material to be disposed on Crownhill Down and specifically west of the existing route of Lee Moor Road in accordance with the permitted scheme

3.1.2 the resulting opportunities to limit or relocate any permitted works including the tipping of waste and the location of water management features west of the existing route of Lee Moor Road, and

3.1.3 the resulting necessity to divert the Lee Moor Road

and to provide a copy of that review to the Council.

3.2 Restoration Concept

To undertake restoration of the site in accordance with the Restoration Concept the principles of which shall be reviewed by the Mineral Operator at five yearly intervals from the date of this Undertaking in consultation with the Council and other relevant statutory agencies and to submit such review to the Council and where as a result of that review any jointly agreed amendments to the principles are required to incorporate such amendments into the Restoration Concept and to undertake restoration in accordance with those amendments including incorporating such amendments into subsequent annual reviews undertaken by reason of the Annual Restoration, Land and Water Management and Landscape Review. Nothing in this clause shall prevent the Mineral Operator from implementing changes as agreed with the Council to the principles of restoration at any time.

3.3 Annual Restoration Land & Water Management & Landscape Review.

To prepare annually in consultation with the Council and other relevant statutory agencies by the anniversary of this Undertaking the Annual Restoration, Land and Water Management and Landscape Review of restoration, land and water management and landscape objectives and outcomes so as to inform restoration, land and water management and landscape operations in the following year which restoration, land and water management and landscape operations shall be undertaken in accordance with the relevant conclusions and the agreed detailed management methods of that review. Nothing in this clause shall prevent the Mineral Operator from implementing changes as agreed with the Council to restoration, land and water management or landscaping objectives at any time.

3.4 Annual Permanent Restoration Report

To submit annually by the anniversary of this Undertaking an Annual Permanent Restoration Report identifying areas which have passed into permanent restoration and which, subject to approval by the Council that such areas have passed into permanent restoration, will then become subject to aftercare and to specify, in consultation and in agreement with the Council, the particular aftercare procedures relevant to those individual permanent restoration areas and to carry out such aftercare procedures or such alternative aftercare procedures as may be agreed with the Council from time to time for a period of 10 years from the date of approval by the Council of the relevant Annual Permanent Restoration Report identifying that land has passed into permanent restoration.

3.5 Planting

Within the first planting season following construction of the Hemerdon Mine Site Access Road to plant the residual field areas left by the permitted works in Smallhanger Valley, on the edge of Crownhill Down and around the permitted open pit as outlined in black on Plan HEM.UU.2 with mixed broadleaf trees and shrubs of the species, size and density in accordance with a scheme to be agreed with the Council.

3.6 Hooksburry Valley

Within the first planting season following commencement of construction of the diverted Lee Moor Road (if following the review in clause 3.1 such diversion is constructed) to plant the residual field areas left by the permitted diversion works on the northern flank of the Hooksburry Valley as outlined in black on Plan HEM.UU.3 with mixed broadleaf trees and shrubs of the species, size and density in accordance with a scheme to be agreed with the Council.

3.7 Restoration Feedstock Management Scheme

Prior to undertaking any disposal of waste on Crownhill Down pursuant to the Planning Permission to prepare in consultation and in agreement with the Council a Restoration Feedstock Management Scheme for the area of Crownhill Down as outlined in black on Plan HEM.UU.4 and relevant adjacent land with the objective of enabling the improvement of the floristic restoration feedstock when required for restoration and to carry out the works set out in that Scheme in accordance with the specifications, timing and phasing identified in the Scheme prior to any such land

being required for permitted operations and as may be modified by the Annual Restoration, Land and Water Management and Landscape Review.

3.8 Bats

3.8.1 Upon occupancy being taken by the Mineral Operator of the properties, buildings or structures acquired by it pursuant to the Section 52 Agreement to undertake a Bat Roost Survey of those properties, buildings or structures and their curtilages for the presence of bat roosts which survey shall be undertaken at a time and in a manner adequate for the identification of such roosts. A report of that survey shall be submitted to the Council within 3 months of completion of the survey and, except where the permitted works require their demolition, the Mineral Operator shall maintain all and any properties, buildings and structures used as bat roosts in a manner which retains and protects such roosts as set out in a Bat Roost Management Scheme to be submitted by the Mineral Operator within 6 months of the submission of the Bat Roost Survey which management scheme shall be undertaken by the Mineral Operator for the duration of operations pursuant to the Planning Permission and until the final restoration of the site.

3.8.2 Within 6 months of taking occupancy of the properties, buildings or structures acquired by the Mineral Operator in accordance with the Section 52 Agreement to undertake the erection of bat boxes on land at Smallhanger Valley and the western fringe of Crownhill Down as indicated generally by the area outlined or demarcated in black on Plan HEM.UU.5 the number of such boxes and their location to be agreed with the Council and to retain those bat boxes or substitutes prior to any such land being required for permitted operations that maybe agreed with the Council from time to time for the duration of operations pursuant to the Planning Permission and until the completion of the final restoration of the site.

3.9 Hemerdon Mine Liaison Groups

3.9.1 To convene the first Hemerdon Mine Informal Technical Liaison Group in accordance with the Hemerdon Mine Informal Technical Liaison Group Terms of Reference set out in Schedule 4 to this Undertaking and to participate in that Group in accordance with those Terms of Reference.

3.9.2 To participate in the Hemerdon Mine Local Liaison Group in accordance with the Hemerdon Mine Local Liaison Group Terms of Reference set out in Schedule 5 to this Undertaking.

3.10 Transport Plan

Prior to the submission of any planning application for the erection and operation of processing plant to produce secondary aggregate to prepare in agreement with the Council and submit as part of the application a Transport Plan detailing the quantity, routing and timing of road traffic movements transporting such secondary aggregates.

3.11 Construction Management Plan/Access Management Plan

To prepare, as agreed with the relevant Highway Authority, a Construction Management Plan supported by an Access Management Plan for exceptional loads, oversize mobile plant or oversize vehicles for the development at the Hemerdon Mine Site pursuant to the Planning Permission and for the development pursuant to the Newnham Link Road Permission before construction works recommence at either site.

3.12 Travel Plans

To prepare, as agreed with the relevant Highway Authority, Travel Plans for the Hemerdon Mine site for

3.12.1 the construction phase before construction works recommence

3.12.2 the operational phase before the operational phase recommences,
pursuant to the Planning Permission

3.13 Geological Exposures

In undertaking restoration of the excavation to review in conjunction with the Council and other relevant statutory agencies the potential for the protection in situ of representative geological exposures if and where appropriate and where of scientific value and to provide for management of such exposures so as to retain the exposures for a period of 10 years following completion of final restoration of the permitted operations

4. PLANNING OBLIGATIONS – MINERAL OPERATOR/HOLLY DOWN LLP/MR COBBOLD/HEMERDON LAND LLP

The Mineral Operator, Holly Down LLP, Mr Cobbold and Hemerdon Land LLP jointly and severally undertake as follows:

4.1 Planting

To maintain the trees and shrubs planted in accordance with a scheme agreed in

writing with the Council under clause 3.5 or as may be modified by the Annual Restoration, Land and Water Management and Landscape Review required by clause 3.3 for the duration of all operations and for a period of 10 years following completion of restoration

4.2 Hooksburry Valley

To maintain the trees and shrubs planted in accordance with a scheme agreed in writing with the Council under clause 3.6 or as may be modified by the Annual Restoration, Land and Water Management and Landscape Review required by clause 3.3 for the duration of all operations and for a period of 10 years following completion of restoration

5 PLANNING OBLIGATIONS – MINERAL OPERATOR/HOLLY DOWN LLP/HEMERDON LAND LLP/ MR COBBOLD/NEWNHAM TRUSTEES

The Mineral Operator, Holly Down LLP, Hemerdon Land LLP, Mr Cobbold, and the Newnham Trustees jointly and severally undertake as follows:

5.1 New Public Rights of Way

- 5.1.1 Prior to the diversion of PROWs 17,18, 21, 22 and 35 to provide at the Mineral Operator's expense and through the mechanism of an agreement with the relevant highway authority or authorities under Section 25 of the Highways Act 1980 a new Public Right of Way as a bridleway between points A and B as shown by the broken black line on Plan HEM.UU.6.
- 5.1.2 Within 1 year of completion of the restoration of the tip on Crownhill Down or such longer period as may reasonably be required and agreed with the Council to provide at the Mineral Operator's expense and through the mechanism of an agreement with the relevant highway authority or authorities under Section 25 of the Highways Act 1980 a new Public Right of Way as a bridleway between points C (Galva Road) and D (junction of PROW 57 with permission boundary) via Drakelands Corner along a route to the east of the Crownhill Down tip and as indicated generally by the broken black line on Plan HEM.UU.7
- 5.1.3 Within 1 year of completion of the restoration of the tip on Crownhill Down or such longer period as may reasonably be required and agreed with the Council to provide at the Mineral Operator's expense and through the mechanism of an agreement with the relevant highway authority or authorities under Section 25 of the Highways Act 1980 a new Public Right of Way as a bridleway between points E (start of PROW 30)

and F (Lee Moor Road by Brown's Wood) on the most direct practical route in agreement with the Council and as indicated generally by the broken black line as shown on Plan HEM.UU.7

- 5.1.4 Within 1 year of completion of construction of the diverted Lee Moor Road (if such diversion is constructed) or such longer period as may reasonably be required and agreed with the Council to provide at the Mineral Operator's expense and through the mechanism of an agreement with the relevant highway authority or authorities under Section 25 of the Highways Act 1980 a new Public Right of Way as a bridleway between points G and H and as indicated generally by the broken black line shown on Plan HEM.UU.7 on land immediately adjacent to the diverted Lee Moor Road on a route to be agreed with the Council.

5.2 Permissive Bridleway

Prior to the commencement of tipping of mineral waste on Crownhill Down to provide at the Mineral Operator's expense a permissive bridleway between points J and K as indicated generally by the broken black line shown on Plan HEM.UU.7 on land immediately adjacent to the existing Lee Moor Road on a route to be agreed with the Council which permissive bridleway shall be retained until a permanent bridleway is constructed between points G & H in accordance with clause 5.1.4. In the event that the review required by Clause 3.1 concludes that the Lee Moor Road is not to be diverted a new public right of way shall be provided at the Mineral Operator's expense and through the mechanism of an agreement with the relevant highway authority or authorities under Section 25 of the Highways Act 1980 as a bridleway between points J and K and as indicated generally by the broken black line shown on Plan HEM.UU.7 on land immediately adjacent to the existing Lee Moor Road on a route to be agreed with the Council within 1 year or such longer period as may reasonably be required and agreed with the Council from the date that the review required by Clause 3.1 is submitted to and agreed by the Council.

6. ARBITRATION

- 6.1 Any matter or matters in dispute arising under this Unilateral Undertaking shall be referred to the decision of a single arbitrator ("the Arbitrator") whose decision shall be final and binding on the parties hereto and who shall act in all respects under the provisions of the Arbitration Act 1996

6.2 The Arbitrator shall be a Member of the Royal Institution of Chartered Surveyors and shall be appointed by agreement between the parties. If no such agreement is reached within three months of the matter in dispute arising the Arbitrator shall be appointed on the application of any party by the President for the time being of the Institution

7. OWNERS' LIABILITY CLAUSE

7.1 The liability of the Owners under clause 5 shall be deemed to have been fully discharged in respect of any new diverted or permissive bridleway if the Owners have entered into or offered to enter into an agreement under Section 25 of the Highways Act 1980 with the relevant highway authority or authorities in reasonable and appropriate terms in respect of such right of way.

7.2 Neither Holly Down LLP nor Hemerdon Land LLP nor the Newnham Estate Trustees nor David Cobbold or their respective successors in title or assigns shall be liable for any of the obligations or covenants of the Mineral Operator under this Undertaking.

7.3 The liability of the Owners under clause 4 shall be restricted to schemes to which the relevant Owners have given their prior written approval, such approval not to be unreasonably withheld or delayed in respect of any scheme which has been approved in writing by the Council.

8. INDEMNITY

The Mineral Operator jointly and severally covenants with the Owners that it will indemnify them against any liability to the Council hereunder and against all costs and expenses reasonably incurred by them in complying with the planning obligations and restrictions contained in this Undertaking

9. CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

The parties giving this Undertaking do not intend that any of the planning obligations hereunder will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not the Council or not a party to this Undertaking

10 SECTION 52 AGREEMENT

It is hereby agreed and declared that the Section 52 Agreement shall be unaffected by this Undertaking

IN WITNESS whereof the parties hereto have executed this Deed the day and year first before written