

# BHP BILLITON (TERMINATION OF AGREEMENTS) AGREEMENT BILL 2005

## EXPLANATORY MEMORANDUM

### Clause 1

Contains the short title of the Bill.

### Clause 2

Provides for the Bill to come into operation on the day which it receives Royal Assent.

### Clause 3

Contains the definition for the term 'Agreement' which refers to the agreement of which a copy is set out in Schedule 1 of the Bill.

### Clause 4(1)

Specifies that the Agreement is ratified.

### Clause 4(2)

Provides for the Agreement to operate despite any enactment or other law, without limiting or affecting the application of the *Government Agreements Act 1979*.

### Schedule 1

Schedule 1 contains a copy of an agreement between the State and BHP Billiton Limited ("BHPB") and BHP Billiton Minerals Pty. Ltd. ("BHPM") which:

- ⇒ provides that the *Broken Hill Proprietary Steel Industry Agreement Act 1952* as varied ("1952 Agreement") and the *Broken Hill Proprietary Company's Integrated Steel Works Agreement Act 1960* as varied ("1960 Agreement") are terminated on and from the date the Bill comes into operation as an Act;
- ⇒ provides for certain mineral leases set out in the Schedule to the 1952 Agreement to continue in full force;
- ⇒ grants a full unconditional release of BHPB's and BHPM's obligations under the above two State Agreements, including obligations of BHP Steel (AIS) Pty. Ltd. ("AIS") under the State Agreements assumed by BHPM under a Deed of Covenant dated 31 January 2002;

- ⇒ grants a full unconditional release of BHPB's and BHPM's obligations under former and existing Western Australian legislation to the extent that such obligations were excluded from applying to the activities of BHPB or BHPM under the terms of the 1952 Agreement and the 1960 Agreement; and
- ⇒ confirms the grant of similar releases of AIS' obligations by Deed of Covenant dated 31 January 2002.