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2. LAND TENURE

The Mt. Black EL of 170 square kilometres was granted to the EZ Company in 1962. Since 1978, the EL has been the subject of a Joint Venture Agreement between the EZ Company and GODC. The agreement allowed GODC to earn a 40% interest in 138 square kilometres of the EL, but did not include the 32 square kilometre Rosebery Mine Lease. The EZ Company was the operator of the Joint Venture from April, 1978 to November, 1983.

In November, 1983 the Mt. Black Joint Venture Supplementary Agreement divided the 138 square kilometre Joint Venture area into a "Tin Area", known as the Colebrook Project Area, and a "Zinc-Lead Area", known as the Rosebery East Project Area. (See Figure 1)

The 22 square kilometre Colebrook Project Area was to be operated by the EZ Company and continue with equities of; EZ Company 60%, GODC 40%. The 116 square kilometre Rosebery East Project Area was to be operated by GODC to increase its equity from 40% to 50% by an expenditure of \$400,000 as sole contributor.

Under the current regulations governing EL tenure, the 138 square kilometre Mt. Black Joint Venture area must be reduced to 125 square kilometres by 22nd January, 1985 and must be relinquished by 22nd January, 1988.

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