

# MAXWELL INFRASTRUCTURE

## Independent Environmental Audit

### Prepared for:

Maxwell Ventures (Management) Pty Ltd  
Level 26, 259 George Street  
Sydney NSW 2000

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## BASIS OF REPORT

This report has been prepared by SLR Consulting Australia Pty Ltd with all reasonable skill, care and diligence, and taking account of the timescale and resources allocated to it by agreement with Maxwell Infrastructure (Management) Pty Ltd (the Client). Information reported herein is based on the interpretation of data collected, which has been accepted in good faith as being accurate and valid.

This report is for the exclusive use of the Client. No warranties or guarantees are expressed or should be inferred by any third parties. This report may not be relied upon by other parties without written consent from SLR

SLR disclaims any responsibility to the Client and others in respect of any matters outside the agreed scope of the work.

## DOCUMENT CONTROL

Reference	Date	Prepared	Checked	Authorised
630.12587-R01-v0.1	14 December 2018	Chris Jones	Chris Jones	Chris Jones
630.12587-R01-v0.1	13 December 2018	Chris Jones	Chris Jones	Chris Jones
630.12587-R01-v0.1	3 December 2018	Chris Jones	Tracey Ball	Chris Jones

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# 1 Introduction

## 1.1 Background to Site

Maxwell Infrastructure is located near the township of Muswellbrook in the Upper Hunter Valley of NSW. Maxwell Infrastructure (previously known as Drayton Mine) has been in operation since 1982 commencing coal production in 1983 and ceased operation on 31 October 2016. Consequently, during 2017 and 2018 no coal was mined and there was no movement of overburden or waste rock other than for management of spontaneous combustion and rehabilitation activities.

Maxwell Infrastructure was previously owned by Anglo Coal Drayton Management of which Anglo American owned an 88.2 percent share and managed the operation on behalf of Anglo Coal Drayton Management. Other joint venture partners included Mitsui Drayton Investment Pty Limited, NCE Australia Pty Limited, Hyundai Australia Pty Limited and Daesung Australia Limited. Total (100 percent) ownership and management of the site transitioned to Maxwell Ventures (Management) Pty Ltd on the 26 February 2018. Maxwell Ventures (Management) Pty Ltd is a wholly owned subsidiary of Malabar Coal Limited (Malabar Coal). Malabar Coal commenced rehabilitation activities within 7 days of taking ownership.

Maxwell Infrastructure consists of an open cut mine which used both dragline and truck and shovel to produce up to eight million tonnes per annum (Mtpa) of Run of Mine (ROM) thermal coal for export markets. During 2016 approximately 1.3 Mt of thermal coal was mined for export to overseas markets. The closest private residences are located at Antiene, approximately 2.5 km north of the site.

Coal extraction at the site ceased on 31 October 2016. Malabar Coal formally took control of the Drayton Mine and EL 5460 (now known as the Maxwell Project), on 26 February 2018. Rehabilitation under the management of Malabar Coal commenced in March 2018 and will continue into 2019.

## 1.2 Audit Scope

This Independent Environmental Audit (Audit) covers the period from 6 November 2015 (day after previous 2015 Independent Environmental Audit) to 1 November 2018 (last day of SLR Consulting Australia's (SLR's) onsite Auditing).

Schedule 5 condition 6 of Project Approval (PA) 06\_0202 for the Maxwell Infrastructure site and Condition 7.1 (b) of Development Approval (DA) 106-04-00 for the Drayton Rail Spur and Antiene Rail Loop outlines the requirement to complete the Independent Environmental Audit.

The scope of the Audit covers the site when it was in operations as well as in its current form (rehabilitation only). It was acknowledged throughout the audit that Malabar Coal only took ownership of the Maxwell Infrastructure site nine months preceding the audit.

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## AUDITING

### Independent Environmental Audit

The Audit will also be undertaken in accordance with the following PA conditions:

Schedule 5 Conditions 6 and 7 of PA 06 0202 Mod 2:

*6. Within 2 years of this approval, and every 3 years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. This Audit must:*

- a. be conducted by a suitably qualified, experienced, and independent team of experts whose appointment has been endorsed by the Director-General;*
- b. assess the environmental performance of the project, and its effects on the surrounding environment;*
- c. assess whether the project is complying with the relevant standards, performance measures, and statutory requirements;*
- d. review the adequacy of any strategy/plan/program required under this approval; and, if necessary,*
- e. recommend measures or actions to improve the environmental performance of the project, and/or any strategy/plan/program required under this approval.*

*Note: This Audit team must be led by a suitably qualified Auditor, and include experts in the field of noise, and mine rehabilitation and closure.*

*7. Within 6 weeks of completing this Audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the Audit report to the Director-General with a response to any recommendations contained in the Audit report.*

### Third Party Monitoring/Auditing

The Audit will also be undertaken in accordance with the following DA conditions:

Schedule 2, Condition 7.1 of DA 106-04-00:

- a. Every three years from the date of this consent until completion of coal transportation in the DA area, or as otherwise directed by the Director-General, the Applicant shall conduct an environmental Audit of the Drayton Rail loop operation and Antiene rail spur operation in accordance with ISO 14010 - Guidelines and General Principles for Environmental Auditing, and ISO 14011 - Procedures for Environmental Auditing (or the current versions), and in accordance with any specifications required by the Director-General. The Audit shall be co-ordinated as far as possible with the Audit for the Bayswater rail loading facility and rail loop as directed by the Director-General. Copies of the report shall be submitted by the Applicant to the Director-General, MSC, EPA, DMR, and CCC within two weeks of the report's completion for comment.*
- b. The Audit shall:*
  - (i) assess compliance with the requirements of this consent, licences and approvals;*
  - (ii) assess the development against the predictions made in the EIS;*

*(iii) review the effectiveness of the environmental management of the coal transportation operations, including any mitigation works;*

*(iv) be carried out at the Applicant's expense; and*

*(v) be conducted by a duly qualified independent person or team approved by the Director-General in consultation with MSC.*

*c. The Director-General may, after considering any submission made by the relevant government agencies, MSC and CCC on the report, notify the Applicant of any requirements with regard to any recommendations in the report. The Applicant shall comply with those reasonable requirements within such time as the Director-General may require.*

The Audit has assessed the key approvals and documentation outlined in **Section 4**, including:

- Project Approval (PA) 06\_0202;
- Development Approval (DA) 106-04-00;
- Environment Protection Licence (EPL) 1323;
- Coal Leases (CL 229 and CL 395); and
- Mining Lease (ML 1531).

The Maxwell Infrastructure site is outlined in **Figure 1**.

Figure 1 Maxwell Infrastructure Site





## 1.3 Key Site Contacts

Contact details for key personnel at Maxwell Infrastructure are provided in **Table 1** below:

**Table 1** Contact Details for Key Mine Personnel

Name	Role	Telephone	Email
Rob Hayes	Operations Manager	02 6542 0203	<a href="mailto:rhayes@malabarcoal.com.au">rhayes@malabarcoal.com.au</a>
Donna McLaughlin	Environment and Community Manager	02 6542 0283	<a href="mailto:dmclaughlin@malabarcoal.com.au">dmclaughlin@malabarcoal.com.au</a>
Tasman Willis	Environmental Co-ordinator	02 6542 0239	<a href="mailto:twillis@malabarcoal.com.au">twillis@malabarcoal.com.au</a>
Rebecca Harcus	Environmental Co-ordinator	02 6542 0239	<a href="mailto:rharcus@malabarcoal.com.au">rharcus@malabarcoal.com.au</a>

## 1.4 Audit Methodology

The Audit was undertaken onsite by Chris Jones (Lead Auditor), Tracey Ball (Assistant Auditor) and Martin Davenport (Mine Site Noise Specialist) of SLR, with the site component completed on 30 and 31 October 2018, and 1 November 2018. The SLR Audit team are independent of Malabar Coal as defined under Section 3.3 of the NSW Government's (2015) *Independent Audit Guideline*.

Information was provided by Malabar Coal prior to, during and following the Audit. SLR also sourced a large amount of information from the Malabar Coal website.

The methodology for the Audit consisted of the following key steps:

- Introductory and close out meetings;
- Reviewing key documents provided by Malabar Coal prior to the Audit;
- Consultation with relevant government agencies as per the Audit requirements prior to the site component;
- Preparation of draft Audit Tables provided to Malabar Coal prior to the site Audit;
- Site component of the Audit – including inspections and discussions with key Maxwell Infrastructure operational personnel;
- Review of additional relevant documentation obtained while onsite during the inspection or provided by Maxwell Infrastructure operations after the site inspection; and
- Client review and comment on the draft Audit report.

Photographs taken during the site inspections are included in **Appendix A**. A large amount of evidence was viewed and collected as part of the Audit, including monitoring records, reports, and correspondence. While this key evidence has been referenced in **Section 2**, it has not been attached to this Audit report.

The Audit has been completed as per the *Independent Environmental Audit Guidelines* (DPE, October 2015).

The Audit team assessed the approvals and documentation outlined in **Section 4**.

### 1.4.1 Introductory and Closeout Meetings

Introductory and close out meetings were held for the Audit. At the opening meeting introductions were made by each of the meeting attendees and Malabar Coal personnel provided background details regarding the site to SLR. During the close-out meeting a general discussion about compliance and areas for improvement was undertaken. **Table 2** lists those present at these meetings.

**Table 2 Meeting Attendees**

Name	Role	Comment
Rob Hayes	Operations Manager	Present at opening and closing meeting
Donna McLaughlin	Environment and Community Manager	Present at opening and closing meeting
Tasman Willis	Environmental Co-ordinator	Present at closing meeting
Mick Whitehurst	Open Cut Examiner	Present at opening meeting
Geoff Thompson	Mine Engineer	Present at opening meeting
Hardy Blasko	Infrastructure Superintendent	Present at opening meeting
Troy Leedham	Workshop Superintendent	Present at opening meeting
Chris Jones	SLR Lead Auditor	Present at opening and closing meeting
Tracey Ball	SLR Assistant Auditor	Present at opening and closing meeting
Martin Davenport	SLR Mine Site Noise Specialist	Present at opening meeting

## 1.5 Consultation Requirements

**Table 3** outlines the stakeholder consultation completed for Malabar Coal, undertaken in accordance with the Audit Guidelines.

**Table 3 Stakeholder Consultation for the Audit**

Regulatory Authority	Contact Details	Comment
Department of Planning and Environment (DPE) – Planning Services	Heidi Watters Phone: 02 6575 3401 Email: <a href="mailto:Heidi.Watters@Planning.nsw.gov.au">Heidi.Watters@Planning.nsw.gov.au</a>	Email sent to contact from SLR on 17 September 2018. Response provided from DPE on 25 September 2018. See <b>Table 4</b> below for comments and responses.
Environment Protection Authority (EPA)	Jenny Lange Phone: 02 4908 6800 Email: <a href="mailto:Jenny.Lange@epa.nsw.gov.au">Jenny.Lange@epa.nsw.gov.au</a>	Email sent to contact from SLR on 17 September 2018. No response provided to SLR.
Department of Planning and Environment (DPE) – Resources Regulator	Peter Ainsworth Phone: 02 4931 6666 Email: <a href="mailto:peter.ainsworth@planning.nsw.gov.au">peter.ainsworth@planning.nsw.gov.au</a>	Email sent to contact from SLR on 17 September 2018. No response provided to SLR.

Regulatory Authority	Contact Details	Comment
Department of Industry – Water (DOI Water)	Hannah Grogan Email: <a href="mailto:hannah.grogan@dpi.nsw.gov.au">hannah.grogan@dpi.nsw.gov.au</a>	Email sent to contact from SLR on 17 September 2018. No response provided to SLR.
Muswellbrook Shire Council (MSC)	Mark Scandrett Phone: 02 6549 3700 Email: <a href="mailto:mark.scandrett@muswellbrook.nsw.gov.au">mark.scandrett@muswellbrook.nsw.gov.au</a>	Email sent to contact from SLR on 17 September 2018. No response provided to SLR.
Community Consultation Committee (CCC)	Jennifer Lecky CCC Chairperson Phone: 02 6542 5792 Email: <a href="mailto:jlecky@ozemail.com.au">jlecky@ozemail.com.au</a>	Email sent to contact from SLR on 17 September 2018. No response provided to SLR.

### 1.5.1 DPE Comments

**Table 4** outlines the DPE comments provided to SLR on 25 September 2018 relating to the Audit.

**Table 4 DPE Comments Relating to the Maxwell Infrastructure Independent Environmental Audit**

Aspect	Comment
In addition to the requirements under the approval and the IEA Guideline, the Department requests the following: <ul style="list-style-type: none"> <li>All matters raised in agency and CCC consultation should be clearly addressed in the IEA report</li> </ul>	Only DPE responded to SLR as part of this Audit.
<ul style="list-style-type: none"> <li>An assessment of the adequacy and implementation of management plans required by the approvals (PA 06_0202 and DA 106-04-00) throughout the Audit period</li> </ul>	The adequacy of the management plans have been reviewed as part of the Audit. See <b>Section 4.5</b> and <b>Section 6 and 7</b> for recommendations.

Aspect	Comment
<ul style="list-style-type: none"> <li>An assessment of the status of rehabilitation and final landform compared to predictions in the EA and Rehabilitation Management Plan/Mining Operations Plan (MOP)</li> </ul>	<p>The status of the rehabilitation was reviewed as part of the Audit. It is noted that the most recent approved MOP by DPE is from 2015, when the site was operational and under the management of Anglo Coal. It is noted there have been two MOP Amendments prepared during the Audit period, however these have not yet been approved by the DPE (the MOP includes component of the Mine Closure Plan condition).</p> <p>The 2016 Annual Review states:  <i>Drayton achieved the area proposed in the MOP of 86 ha of rehabilitation in 2016.</i></p> <p>The 2017 Annual Review states:  <i>The current Drayton MOP proposed a target of 106 ha of rehabilitation in 2017 (see Table 32). Due to delays in mobilisation of a rehabilitation contractor, no new rehabilitation was completed in 2017.</i></p> <p>2018 Progress:                      The 2017 Annual Review forecast that during 2018 83ha of land would be prepared for rehabilitation. Based on an inspection of recently completed rehabilitation areas and discussions with Malabar Coal, the rehabilitation target of 83ha should be achieved by the end of December 2018.</p>
<ul style="list-style-type: none"> <li>An assessment of the status of biodiversity offset areas compared to KPIs in the Rehabilitation and Offset Management Plan; and</li> </ul>	<p>The <i>Rehabilitation and Offset Management Plan</i> is dated October 2013, and activities for the period from 2013-2015 are discussed. This plan is out of date and SLR recommends updating.</p>
<ul style="list-style-type: none"> <li>A review of community consultation, complaints and engagement during the reporting period, including any compensation or mitigation.</li> </ul>	<p>Complaints and community consultation was reviewed by the Audit team. There were few complaints and records were provided logging and investigating complaints.</p> <p>CCC meeting minutes were included on the Malabar Coal website.</p>

## 2 Documents Reviewed and Referenced

Key documentation reviewed as part of the Audit includes:

- Project Approval (PA) 06\_0202;
- Development Approval (DA) 106-04-00;
- Environment Protection Licence (EPL) 1323;
- Coal Leases (CL 229 and CL 395);
- Mining Lease (ML 1531);
- Annual Reviews – 2015, 2016 and 2017;
- Monitoring results for noise, air, water and blasting;
- Rehabilitation Monitoring Reports;
- Environmental Management Plans – as per approval conditions;
- Annual Returns – across the Audit period;
- Complaints log;
- Evidence of maintenance and calibration;
- CCC Meeting Minutes – across the Audit period; and
- Key consultation with government – including consultation and approval letters.

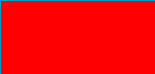



### 3 Assessment of Compliance

The terms used in the Audit to describe the level of compliance of the site with the relevant approval documentation are outlined in **Table 5** and **Table 6**. These are requirements of the DPE *Independent Environmental Audit Guidelines (October 2015)*.

**Table 5 Compliance Assessment Criteria**

Assessment	Criteria
<b>Compliant</b>	Where the Auditor has collected sufficient verifiable evidence to demonstrate that the intent and all elements of the requirement of the regulatory approval have been complied with within the scope of the Audit.
<b>Not verified</b>	Where the Auditor has not been able to collect sufficient verifiable evidence to demonstrate that the intent and all elements of the requirement of the regulatory approval have been complied with within the scope of the Audit. In the absence of sufficient verification, the Auditor may in some instances be able to verify by other means (visual inspection, personal communication, etc.) that a requirement has been met. In such a situation, the requirement should still be assessed as not verified. However, the Auditor could note in the report that they have no reasons to believe that the operation is non-compliant with that requirement.
<b>Non-compliant</b>	Where the Auditor has collected sufficient verifiable evidence to demonstrate that the intent of one or more specific elements of the regulatory approval have not been complied with within the scope of the Audit.
<b>Administrative non-compliance</b>	A technical non-compliance with a regulatory approval that would not impact on performance and that is considered minor in nature (e.g. report submitted but not on the due date, failed monitor or late monitoring session). This would not apply to performance-related aspects (e.g. exceedance of a noise limit) or where a requirement had not been met at all (e.g. noise management plan not prepared and submitted for approval).
<b>Not triggered</b>	A regulatory approval requirement has an activation or timing trigger that had not been met at the time of the Audit inspection; therefore, a determination of compliance could not be made.
<b>Observation</b>	Observations are recorded where the Audit identified issues of concern which do not strictly relate to the scope of the Audit or assessment of compliance. Further observations are considered to be indicators of potential non-compliances or areas where performance may be improved.
<b>Note</b>	A statement or fact, where no assessment of compliance is required.

**Table 6 Risk Levels for Non-Compliances**

Risk Level	Colour Code	Description
<b>High</b>		Non-compliance with potential for significant environmental consequences, regardless of the likelihood of occurrence.
<b>Medium</b>		Non-compliance with: <ul style="list-style-type: none"><li>• potential for serious environmental consequences, but is unlikely to occur; or</li><li>• potential for moderate environmental consequences but is likely to occur.</li></ul>
<b>Low</b>		Non-compliance with: <ul style="list-style-type: none"><li>• potential for moderate environmental consequences, but is unlikely to occur; or</li><li>• potential for low environmental consequences but is likely to occur.</li></ul>
<b>Administrative Non-Compliance</b>		Only to be applied where the non-compliance does not result in any risk of environmental harm (e.g. submitting a report to government later than required under approval conditions).

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## 4 Approvals and Documentation Assessed

Audit findings and recommendations relating to key approvals are outlined in **Section 6 and 7** of this report.

### 4.1 Previous Audit Recommendations

The previous Audit was completed by AECOM, with the Audit completed in November 2015. A revised Audit report was dated 25 May 2016.

The previous Audit covered the period of October 2012 to November 2015. Actions were reviewed as part of this Audit and appear to have been mostly completed by Drayton Coal and then Malabar Coal. Section 10 of the 2017 Annual Review provides an update on the recommendations from the previous Audit.

The only recommendation which does not appear to be fully actioned related to water management.

#### **AECOM Recommendation:**

*It is recommended that the system of post rainfall inspections be reviewed to include rehabilitation areas, sediment and erosion control measures, and the potential for offsite discharge.*

#### **Drayton Coal Comment:**

*The system of post rainfall inspections needs to be reviewed to include a trigger for conducting inspections and a methodology for recording inspections that are completed. The system will then be reviewed to include newly established rehabilitation areas (where vegetation is absent or not well established), sediment and erosion control structures (which may have impaired function after rainfall), and dams with the potential to discharge offsite. These are all inspected regularly but post rainfall inspections are not consistently recorded.*

#### **SLR Comment:**

SLR noted that the *Water Management Plan* (Schedule 3 Condition 31 of PA06\_0202) committed to inspections of water storages following storm events of greater than 30mm in a 24 hour period. Based on liaison with Malabar Coal, prescribed dams are being inspected, however no evidence can be provided of other mine water storage dams onsite. This is an Administrative Non - Compliance relating to implementation of inspections. SLR recommended that dams and water management structures listed in Section 7.4.2 of the *Water Management Plan* are inspected following storm events of more than 30mm in a 24 hour period.

#### **Malabar Coal Comment:**

*Malabar Coal acknowledges the recommendation noted above that dams and water management structures listed in Section 7.4.2 of the *Water Management Plan* are inspected following storm events of more than 30mm in a 24 hour period. Malabar Coal will ensure the recommendation is implemented by December 2018.*

### 4.2 Project Approval PA 06\_0202

The conditions relating to Project Approval PA 06\_0202 were assessed as part of this Audit. This is the primary approval for the site. The consolidated Project Approval was first granted in 1 February 2008, with Modification 1 granted October 2009 and Modification 2 granted February 2012.



### 4.3 Environmental Assessment – Statement of Commitments (PA 06\_0202)

There is a Statement of Commitments relating to PA 06\_0202. There are numerous commitments relating to environmental management, monitoring and reporting. The site had a high level of compliance against the Statement of Commitments.

### 4.4 Development Consent DA 104-04-00

Development Approval DA 106-04-00 is dated 2 November 2000 and was approved for the increased coal transport tonnages using the existing Drayton Coal Loop and Antiene Rail Spur. There is overlap between the Project Approval PA 06\_0202 and Development Approval DA 106-04-00, including the requirement for several management plans within both approvals.

### 4.5 Management Plans and Programs

The following Management Plans were assessed as part of the Audit. All the management plans reviewed are required according to Development Approval conditions. Several other management plans have been developed for the site to meet Malabar Coal internal requirements. These particular management plans were reviewed for context; however compliance was not assessed during the Audit as these are internal plans.

**Table 7 Management Plans**

Management Plan	Development Approval/Development Consent	Comment
<i>Noise Management Plan</i>	Schedule 3 Condition 8 of PA 06_0202  Condition 5.3.2 of DA 106-04-00	SLR determined Malabar Coal are generally compliant with this management plan, however we have provided some additional recommendations.
<i>Blast Monitoring Program</i>	Schedule 3 Condition 20 of PA 06_0202	SLR determined Malabar Coal are generally compliant with this management plan.
<i>Spontaneous Combustion Management Plan</i>	Schedule 3 Condition 24 of PA 06_0202	SLR determined Malabar Coal are generally compliant with this management plan.
<i>Air Quality and Greenhouse Gas Management Plan</i>	Schedule 3 Condition 25 of PA 06_0202  Condition 5.1 of DA 106-04-00 (this requires a Dust Management Plan)	SLR determined Malabar Coal are generally compliant with this management plan, however we have provided some additional recommendations.
<i>Water Management Plan</i>	Schedule 3 Condition 28 of PA 06_0202  Condition 3.1 of DA 106-04-00	There are some non - compliances relating to the implementation of this management plan. We have provided some recommendations.
<i>Landscape Management Plan</i>	Schedule 3 Condition 38 of PA 06_0202	The <i>Landscape Management Plan</i> is the overarching plan for rehabilitation. There is a

Management Plan	Development Approval/Development Consent	Comment
<i>Rehabilitation and Offset Management Plan</i>	Schedule 3 Condition 39 of PA 06_0202	non - compliance relating to the implementation of the <i>Rehabilitation and Offset Management Plan</i> (component of the <i>Landscape Management Plan</i> ). We have provided some recommendations.
<i>Final Void Management Plan</i>	Schedule 3 Condition 40 of PA 06_0202	
<i>Mine Closure Plan</i>	Schedule 3 Condition 41 of PA 06_0202	
<i>Aboriginal Cultural Heritage Management Plan</i>	Schedule 3 Condition 43 of PA 06_0202	There is a non - compliance relating to consultation with the Office of Environment and Heritage (OEH). We have provided a recommendation.
<i>Flora and Fauna Management Plan</i>	Statement of Commitments	SLR determined Malabar Coal are generally compliant with this management plan.
<i>Joint Acquisition Management Plan</i>	Condition 10.3 of DA 106-04-00	This plan is out of date. It was prepared and issued in 2001.

## 4.6 Environment Protection Licence

SLR assessed compliance against the Environment Protection Licence (EPL 1323) which has an anniversary date of 1 May. Conditions relate to limit conditions, operating conditions, monitoring and reporting.

## 4.7 Mining Leases

As part of this Audit, SLR assessed the three mining leases which are applicable to the Project Approval Area. This included Coal Lease (CL) 229, CL 395 and Mining Lease (ML) 1531. These leases included conditions relating to mining, rehabilitation, MOPs and group security deposits. It is noted that the management responsibility for some section of leases comes under Mt Arthur Coal (sub leased). SLR has not assessed performance in areas that have been sub leased.

## 4.8 Water Licences

Malabar Coal has one current Groundwater Extraction Licence; Bore Licence 20BL171958. This licence is a production bore and has an annual limit of 985ML. There was also a licence for Bore Licence 20BL111869 which operated during the 2015 and 2016 Annual Review periods and had an entitlement limit of 402ML.

The Water Licence for Bore Licence 20BL171958 has a condition stating:

*The volume of groundwater extracted from the works authorized by this licence shall not exceed 985 megalitres in any 12 month period commencing 1st July.*

Based on the information in the 2015, 2016 and 2017 Annual Reviews the site was well below the extraction licence limits during the Audit period.

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## 4.9 Complaints

Complaints were recorded within the 2015, 2016 and 2017 Annual Reviews. Complaints have decreased over the Audit period, including:

- 15 complaints in the 2015 calendar year relating to blast, noise and odour;
- 5 complaints in 2016 relating to blasting, fire safety and odour;
- 1 complaint in 2017 relating to an outbreak of spontaneous combustion; and
- 1 complaint in 2018 relating to long term air quality impacts.

It is noted that based on investigations, some of the odour complaints do not appear to be linked with the site.

It is expected that the number of complaints will remain low whilst the site is not operational and only undertaking rehabilitation activities.

### 4.10 Incident/Non Compliance Management

There were two incidents noted within the Audit period, with both relating to water management.

**Discharge 1** - The EPL Annual Return and Annual Review state that *“a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff.”*

The EPL Annual Return states:

*“The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528 uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.”*

**Discharge 2** - Information from initial incident notification report to DPE on 30 October 2018.

*“Mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.”*

No further recommendations regarding these non - compliances. Improvement measures were noted in incident reports. It appears they have been enacted to reduce the likelihood of future discharge events.

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## 5 Environmental Management – Specialist Assessments

### 5.1 Rehabilitation and Closure - Background

The most significant environmental aspect at site relates to rehabilitation and mine closure. It should be noted that the quality of the current rehabilitation onsite is highly variable ranging from poor to high quality. There is a complex history at the site relating to the MOP and the approved final landform. The following information was provided by Malabar Coal to explain the history regarding the MOP:

- DPE asked Drayton to update the Mine Closure Management Plan (a draft plan was submitted in March 2013 however this was never finalised);
- Drayton included the Final Void Management Plan and Mine Closure Management Plan as part of the MOP;
- Drayton submitted a new MOP in October 2015:
  - This was approved by the Resources Regulator on 30/10/15 (approval correspondence in the MOP);
  - This was approved by DPE on 17/11/15 (approval correspondence in the MOP);
- In December 2016, Drayton submitted a variation to the MOP (December 2016 version) due to the premature cessation of coal mining in 2016 – refer to pdf titled ‘*Cover Letter for Drayton MOP Amendment Dec16*’:
  - The rehabilitation objectives, completion criteria and schedule of activities was approved by Resources Regulator on 7/2/17 (approval correspondence in the MOP);
  - No approval was received by DPE;
- Due to the pending acquisition with Malabar Coal, in June 2017 Resources Regulator requested some further information from Drayton regarding the site– refer to pdf titled ‘*170301 Anglo American Drayton Mine Request for Written Advice re Operations and MOP pdf (OUT17 20678)*’;
- In June 2017, Drayton provided a response – refer to pdf titled ‘*John Trotter ref OUT17 20678 210617*’;
- Drayton submitted an amendment to the MOP in September 2017 – refer to pdf titled ‘*170920 MOP Amendment Consultation Letter*’:
  - In October 2017, advice was received from DPE regarding the post mining land uses (slight change in vegetation communities) and that it was generally consistent with the Project Approval conditions. DPE also noted that other changes to the MOP must be consistent with the Project Approval and requested the opportunity to comment on the changes that were submitted to Resources Regulator – refer to pdf titled ‘*20171003 DPE Ltr post mining land use approval*’; and
  - In November 2017, DPE provided a response to the MOP amendment indicating why they believe the MOP was not adequate – refer to pdf titled ‘*20171130 MOP comments (002)*’.

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### 5.1.1 SLRs Findings – Rehabilitation and Closure

Areas of good performance include:

- There are some areas of established rehabilitation at site.
- There is an intensive rehabilitation planning schedule for 2018/2019. Rehabilitation is the current focus for the site;
- Evidence of rehabilitation monitoring, including gap analysis on established rehabilitation;
- There are plans to graze areas of older established pasture rehabilitation;
- The seed mix has been revised at the site;
- Use of soil ameliorants and gypsum within the rehabilitation;
- Evidence provided of a Rehabilitation Assessment Report outlining proposed improvements for current rehabilitation; and
- The site have undertaken a material balance based on October 2016 landform to ensure rehabilitated landform is consistent with Plan 4 of the current MOP Approval.

The recommendations relating to rehabilitation and closure are outlined below:

- Liaison with the Resource Regulator and DPE regarding an agreement on the final landform for the site. Based on the information provided to SLR, the site will continue to complete rehabilitation as per the landform in the approved 2015 MOP unless directed otherwise from the Resource Regulator or the DPE;
- The site needs to review the circumstances when the chisel plow is used. For some recent rehabilitation the chisel plow has been used, when deep ripping on a horizontal aspect should be used.
- There are some general water management improvements in some areas of recent rehabilitation, including a review/repair of some contour drains.
- There is a large area of gully erosion at the site in an area that was shaped and rehabilitated during Anglo's management; up to 3 metres width. It has been determined that a drop structure will need to be established in this area. We recommend:
  - Engineering design; and
  - Review of rock material onsite for suitability.
- The eastern face of the North tip is an area of rehabilitation that has failed. It is noted the area that has failed is one of the steeper rehabilitated slopes. Implement actions to attempt to rectify this problem including additional work on the landform, use of ameliorants, and a review of seed mix;
- Soil testing should be completed in areas of failed rehabilitation as well as prior to implementing future rehabilitation; and
- Provide additional information in the Annual Review. This includes proposed improvements of current rehabilitation areas and proposed activities for future rehabilitation.

## 5.2 Noise

The audit required the input of a noise specialist.

### 5.2.1 SLRs Findings – Noise

Areas of good performance include:

- Adherence with noise impact assessment criteria was evident from noise monitoring assessment reports;
- Based on the information provided to SLR there have been no requests for acquisition based on noise during the Audit period;
- The site has an effective *Noise Management Plan*; and
- Complaints relating to noise have dropped during the Audit period, with this expected as the site is not operational.

Areas of proposed improvements include:

- Noise Monitoring (Schedule 3 Condition 3 of PA 06\_0202) – There was no evidence of assessment against cumulative noise monitoring. However based on the previous 2017 *Noise Management Plan*, this did not specifically outline a methodology to assess against cumulative noise. Cumulative noise levels should be included in future noise monitoring reporting and Annual Reviews.

## 6 Audit Findings – Summary of Non Compliances

**Table 8** outlines the summary of non - compliances relating to the statutory conditions of Maxwell Infrastructure and the proposed recommendation.

**Table 8 Summary of Non-Compliance**

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
<b>MOD 2 Consolidated Consent (PA06_0202)</b>				
Schedule 3 Condition 3	The Proponent shall take all reasonable and feasible measures to ensure that the noise generated by the project combined with the noise generated by other mines does not exceed the following amenity criteria at any residence on privately-owned land or on more than 25 percent of any privately owned land:  · LAeq(11 hour) 50 dB(A) – Day; · LAeq(4 hour) 45 dB(A) – Evening; · LAeq(9 hour) 40 dB(A) – Night.	<b>Administrative Non - Compliance</b>	Noise monitoring data/reports from the audit period do not document compliance with cumulative Noise levels. It is noted that cumulative noise levels from the operation of other coal mines are unlikely to be above the relevant cumulative criteria.	<b>REC 1:</b> Cumulative noise levels should be included in future noise monitoring reporting and Annual Reviews.
Schedule 3 Condition 21	The Proponent shall ensure that the dust emissions generated by the project do not cause additional exceedances of the air quality impact assessment criteria listed in Tables 6, 7 and 8 at any residence, on privately-owned land, or on more than 25 percent of any privately-owned land.	<b>Administrative Non - Compliance</b>	<b>Monitoring Frequency:</b> The approved Oct 2018 Air Quality and Greenhouse Gas MP outlines dust monitoring requirements, including four E-Samplers and one TEOM.  Meets the requirements of this condition. However full data capture did not occur during the audit period. <u>Administrative Non - Compliance.</u>  TEOM: The 2017 Annual Review states: There were two days in January (25th and 26th) and one in early February (4th) when technical difficulties with the Lot 9 Antiene	Nil recommendation

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation																							
	<p><i>Table 6: Long term impact assessment criteria for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> </tr> </thead> <tbody> <tr> <td>Total suspended particulate (TSP) matter</td> <td>Annual</td> <td>90 µg/m<sup>3</sup></td> </tr> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>Annual</td> <td>30 µg/m<sup>3</sup></td> </tr> </tbody> </table> <p><i>Table 7: Short term impact assessment criterion for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> </tr> </thead> <tbody> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>24 hour</td> <td>50 µg/m<sup>3</sup></td> </tr> </tbody> </table> <p><i>Table 8: Long term impact assessment criteria for deposited dust</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Maximum increase in deposited dust level</th> <th>Maximum total deposited dust level</th> </tr> </thead> <tbody> <tr> <td>Deposited dust</td> <td>Annual</td> <td>2 g/m<sup>2</sup>/month</td> <td>4 g/m<sup>2</sup>/month</td> </tr> </tbody> </table> <p><i>Note: Deposited dust is assessed as insoluble solids as defined by Standards Australia, AS/NZS 3580.10.1:2003. Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method.</i></p>	Pollutant	Averaging period	Criterion	Total suspended particulate (TSP) matter	Annual	90 µg/m <sup>3</sup>	Particulate matter < 10 µm (PM <sub>10</sub> )	Annual	30 µg/m <sup>3</sup>	Pollutant	Averaging period	Criterion	Particulate matter < 10 µm (PM <sub>10</sub> )	24 hour	50 µg/m <sup>3</sup>	Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level	Deposited dust	Annual	2 g/m <sup>2</sup> /month	4 g/m <sup>2</sup> /month		<p>TEOM caused erroneous data to be recorded for the 24-hour average. Problem was rectified.</p> <p>E-Sampler Network: Internal monitoring network only.</p> <p>The EPL Annual Return - 2017/18 notes a non-compliance relating to monitoring frequency for ES-03. EPA Identification No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.</p> <p>Other data capture failures also occurred during 2015 and 2016, with these noted in the Annual Reviews. Based on discussions with site, these issues have now been fixed - no recommendation.</p>	
Pollutant	Averaging period	Criterion																									
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Schedule 3 Condition 27	<p><b>Surface Water Discharges</b></p> <p>The Proponent shall only discharge water from the site in accordance with the provisions of an EPL or the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.</p>	Non – Compliance (Low Risk)	<p>The site does not have a licenced discharge point. 2 discharges provided to SLR during the audit period.</p> <p>Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased</p>	Nil recommendation																							



Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>due to rainfall runoff.</p> <p>The EPL Annual Return states:  <i>The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528 uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</i></p> <p>Discharge 2 - Information from initial incident notification report to DPE on 30 October 2018.</p> <p><i>Mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.</i></p> <p>No further recommendations regarding these non - compliances. Improvement</p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			measures have been enacted to reduce the likelihood of future discharge events.	
Schedule 3 Condition 30	<p><b>Erosion and Sediment Control</b>                      The Erosion and Sediment Control Plan must:</p> <ol style="list-style-type: none"> <li>be consistent with the requirements of the Managing Urban Stormwater: Soils and Construction Manual (Landcom 2004, or its latest version);</li> <li>identify activities that could cause soil erosion and generate sediment;</li> <li>describe measures to minimise soil erosion and the potential for the transport of sediment to downstream waters;</li> <li>describe the location, function, and capacity of erosion and sediment control structures; and</li> <li>describe what measures would be implemented to maintain the structures over time.</li> </ol>	Administrative Non - Compliance	<p>See Appendix for details on preparation. <u>Implementation:</u></p> <ul style="list-style-type: none"> <li>Evidence of erosion and sediment control in the field. There are recommendations relating to water management within rehabilitated areas with these covered under specific rehabilitation conditions.</li> <li>Site inspection identified a very simple water management system dividing the site into potentially contaminated water, dirty water and clean water. The inspection did not indicate any major issues relating to water management.</li> <li>SLR noted sediment built up in lower lube bay area.</li> <li>Evidence of incorrect design/construction of some contour banks in rehabilitation.</li> </ul> <p>Section 7.3.1 of the Water Management Plan outlines the requirement to construct graded banks in rehabilitation areas. Construction of graded banks by suitably qualified contractors over final reshaped overburden areas to minimise erosion and re-direct runoff to catch drains and water</p>	<p><b>REC 2:</b>                      Clean out sump at the lower lube bay and transfer sediment to the bioremediation area.</p> <p>See Section 5.1 of the main report regarding recommendations for rehabilitation and closure.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>disposal areas. These banks are typically constructed with a 0.5-1.5% slope, a 3-5m basal width, and spaced to minimise down slope flows. They end with level spreaders (typically 5m wide). The function of these structures is to divert water through rehabilitated lands at a rate that does not create erosion or damage and to deliver it to established dams or water holding bodies located in strategic locations near rehabilitated areas. The inspection by SLR indicated that several areas of recent and past rehabilitation that did not meet this design. There have been some blow outs of erosion in areas where contour drains were not designed as per this commitment. <u>Administrative Non - Compliance</u> regarding implementation of the WMP.</p> <p>The inspection by SLR indicated that several areas of recent and past rehabilitation that did not meet this design. There have been some blow outs of erosion in areas where contour drains were not designed as per this commitment. Administrative non - compliance regarding implementation of the WMP. past rehabilitation that did not meet this design. There have been some blow outs of erosion in areas where contour drains were not designed as per this commitment. <u>Administrative non - compliance</u> regarding implementation of</p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			the WMP.	
Schedule 3 Condition 31	<p><b>Surface Water Monitoring</b>                      The Surface Water Management and Monitoring Plan must include:</p> <p>a. detailed baseline data on surface water flows and quality in creeks and other waterbodies that could be affected by the project;</p>	Administrative Non - Compliance	See Appendix for details on preparation.  <u>Implementation:</u> <ul style="list-style-type: none"> <li>Evidence of surface water monitoring</li> </ul>	<p><b>REC 3:</b>                      Ensure dams listed in Section 7.4.2 of the WMP are inspected following storm</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>b. surface water impact assessment criteria;</p> <p>c. a program to monitor the impact of the project on surface water flows and quality and downstream water users; and</p> <p>d. reporting procedures for the results of this monitoring.</p>		<p>in monthly reports and Annual Reviews.</p> <ul style="list-style-type: none"> <li>Evidence that monitoring locations outlined within Section 7.4.2 of the WMP are being monitored.</li> <li>SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.</li> <li>There is a commitment in Section 7.4.3 of the WMP regarding inspections of water storages (listed in Section 7.4.2) following storm events of more than 30mm in a 24 hour period. Based on liaison with Malabar Coal, prescribed dams are being inspected, however no evidence can be provided of other dams onsite. <u>Administrative Non - Compliance</u> relating to implementation on inspections.</li> </ul>	<p>events of more than 30mm in a 24 hour period.</p>
Schedule 3 Condition 32	<p><b>Groundwater Monitoring Plan</b>                      The Groundwater Monitoring Plan must include:</p> <p>a. detailed baseline data of groundwater levels, yield and quality in the region (including privately owned groundwater bores within the predicted drawdown impact zone identified in the EA);</p> <p>b. a program to augment the baseline data over the life of the project;</p> <p>c. groundwater assessment criteria, including trigger levels for investigating any</p>	Administrative Non - Compliance	<p>See Appendix for details on preparation.</p> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>Evidence of groundwater monitoring in monthly reports and Annual Reviews. Includes depth and parameters.</li> </ul>	<p><b>REC 4:</b>                      Ensure groundwater monitoring is completed as per the Groundwater Monitoring Plan.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>potentially adverse groundwater impacts;</p> <p>d. a program to monitor:</p> <ul style="list-style-type: none"> <li>• regional groundwater levels and quality in the surrounding aquifers;</li> <li>• impacts on the groundwater supply of potentially affected landowners;</li> <li>• the volume of ground water seeping into the open cut mine workings;</li> <li>• the groundwater pressure response in the surrounding coal measures;</li> <li>• the seepage/leachate from any tailings dams, water storages or backfilled voids on site;</li> </ul> <p>e. procedures for the verification of the groundwater model; and</p> <p>f. reporting procedures for the results of the monitoring program and model verification.</p>		<ul style="list-style-type: none"> <li>• SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.</li> <li>• Site inspection noted groundwater storage within voids.</li> <li>• Groundwater Monitoring - <u>Administrative Non - Compliance</u></li> </ul> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p>	
<p>Schedule 3 Condition 39</p>	<p>The Rehabilitation and Offset Management Plan must include:</p> <p>a. the objectives for the rehabilitation of the site and provisions of the offset;</p> <p>b. a detailed description of how the rehabilitation of the site and implementation of the Offset Strategy would be integrated with the rehabilitation and Offset Strategy for the Mt Arthur North mine and remnant vegetation on Macquarie Generation's land, to ensure there is a comprehensive integrated strategy for the restoration and enhancement of the local landscape over time;</p>	<p><b>Administrative Non - Compliance</b></p>	<p>See Appendix for details on preparation.</p> <p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Section 4.2 outlines this document is to be reviewed every three years. <u>Administrative Non - Compliance.</u></li> <li>• Evidence of rehabilitation and</li> </ul>	<p><b>REC 5:</b></p> <p>The Rehabilitation and Offset Management Plan is from 2013 and should be updated.</p> <p>If the current draft MOP amendment that is with the DPE and Resource Regulator</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>c. a description of the short, medium, and long term measures that would be implemented to:</p> <ul style="list-style-type: none"> <li>• rehabilitate the site;</li> <li>• implement the Offset Strategy;</li> <li>• implement the Thomas Mitchell Drive Tree Screens; and</li> <li>• manage the remnant vegetation and habitat on the site; and</li> </ul> <p>d. a detailed description of what measures would be implemented over the next 3 years to rehabilitate the site and implement the Offset Strategy and Thomas Mitchell Drive tree screens, including the procedures to be implemented for:</p> <ul style="list-style-type: none"> <li>• progressively rehabilitating areas disturbed by mining;</li> <li>• implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata;</li> <li>• managing the remnant vegetation and habitat on site</li> <li>• managing impacts on fauna;</li> <li>• reducing the visual impacts of the project;</li> <li>• landscaping the site to minimise visual impacts;</li> <li>• protecting areas outside the disturbance areas conserving and reusing topsoil;</li> <li>• collecting and propagating seeds for rehabilitation works;</li> <li>• salvaging and reusing material from the site for habitat enhancement;</li> <li>• controlling weeds and feral pests;</li> <li>• controlling access;</li> <li>• bushfire management; and</li> </ul>		<p>biodiversity monitoring reports.</p> <ul style="list-style-type: none"> <li>• Evidence of rehabilitation and offset areas. Evidence of maintenance through inspections and weed spraying. Evidence of past tube stock planting.</li> <li>• Evidence of vegetation screen along Thomas Mitchell Drive.</li> <li>• Evidence of capping of material prone to spontaneous combustion.</li> <li>• The Plan is out of date and only has a proposed rehabilitation schedule from 2013-2015. It was prepared when the site was operational.</li> </ul> <p>Section 4.10.2 Site Preparation outlines the requirement to deep rip.  <i>“Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile”.</i></p> <p>For some areas the chisel plow has been used, which does not meet the requirement of this commitment.  <u>Administrative Non - Compliance.</u></p>	<p>is approved, the Rehabilitation and Offset Management Plan should be updated for consistency.</p> <p>See Section 5.1 of the main report relating to rehabilitation recommendations.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>• managing any potential conflicts between the rehabilitation of the mine and Aboriginal cultural heritage;</li> </ul> <p>e. detailed performance and completion criteria for the rehabilitation of the site and implementation of the Offset Strategy and Thomas Mitchell Drive tree screens;</p> <p>f. a detailed description of how the performance of the rehabilitation of the site and implementation of the Offset Strategy and Thomas Mitchell Drive tree screens would be monitored over time to achieve the relevant objectives and completion criteria;</p> <p>g. a description of the potential risks to successful rehabilitation and/or revegetation, and a description of the contingency measures that would be implemented to mitigate these risks; and</p> <p>h. details of who is responsible for monitoring, reviewing and implementing the plan.</p> <p>Note: Reference to 'rehabilitation' in this approval includes all works associated with the rehabilitation and restoration of the site as described in the EA, and applies to all areas within the Mining Lease and Offsets Strategy.</p>			
Schedule 3 Condition 43	<p><b>Aboriginal Heritage Plan</b></p> <p>The Proponent shall prepare and implement an Aboriginal Heritage Plan to the satisfaction of the Director-General. This plan must:</p> <p>a. be prepared in consultation with OEH and relevant Aboriginal communities;</p> <p>b. be submitted to the Director-General for approval within 6 months of this approval or prior to the disturbance of any Aboriginal object or site, whichever is the soonest; and</p> <p>c. include a:</p> <ul style="list-style-type: none"> <li>• detailed salvage program and management plan for all Aboriginal sites</li> </ul>	Administrative Non - Compliance	<p><u>Preparation:</u></p> <p>The Aboriginal Cultural Heritage Plan (ACHP), dated 14 June 2017. Approval letter from DPE dated 18 September 2017 (Appendix 2):</p> <p>This plan:</p> <p>(a) Prepared in consultation with Aboriginal communities: Section 6.2 &amp; Appendices 2;</p> <ul style="list-style-type: none"> <li>• The ACHP does not mention consultation with OEH. Site cannot</li> </ul>	<p><b>REC 6:</b></p> <p>Ensure for the next update of the Aboriginal Cultural Heritage Plan, the OEH are included in the consultation.</p>



Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>within the project disturbance area;</p> <ul style="list-style-type: none"> <li>• detailed description of the measures that would be implemented to protect Aboriginal sites outside the project disturbance area;</li> <li>• description of the measures that would be implemented if any new Aboriginal objects or skeletal remains are discovered during the project; and</li> <li>• protocol for the ongoing consultation and involvement of the Aboriginal communities in the conservation and management of Aboriginal cultural heritage on the site.</li> </ul>		<p>provide evidence of consultation as part of the preparation of the management plan. <u>Therefore this is an Administrative Non - Compliance.</u></p> <p>(b) N/A - Outside of audit period                      (c) include a:</p> <ul style="list-style-type: none"> <li>• Salvage program and management plan: Section 7.2;</li> <li>• Measures to be implemented to protect Aboriginal sites outside the project disturbance area: Section 8;</li> <li>• Measures that would be implemented if any new Aboriginal objects or skeletal remains are discovered during the project: Section 9; and</li> <li>• Protocol for the ongoing consultation and involvement of the Aboriginal communities: Section 6.2.</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Based on the information provided to SLR the previous salvage occurred in 2009. No information provided to SLR relating to incidents for heritage.</li> </ul> <p>Evidence of consultation with RAP's in 2018 for the new project through 10 August 2018 meeting and powerpoint</p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			presentation.	
Schedule 3 Condition 44	<p><b>Monitoring of Coal Transport</b></p> <p>The Proponent shall:</p> <p>a. keep records of the:</p> <ul style="list-style-type: none"> <li>• amount of coal transported from the site each year; and</li> <li>• number of coal haulage train movements generated by the project (on a daily basis);</li> <li>• date and time of each train movement generated by the project; and</li> </ul> <p>b. include these records in the AEMR.</p>	Administrative Non - Compliance	<p>a) and b) Rail records provided in 2017 Annual Review on a daily basis. No records of date and times.</p> <p>The daily records are provided in the 2015 - 2017 Annual Reviews. The 2015 Annual Review states dates and times of loading, however the 2016 and 2017 Annual Reviews do not. <u>Administrative Non - Compliance.</u></p> <p>It should be noted that no coal is being transported from site and that this has not been permissible under Schedule 2, Condition 5 of Project Approval 06_0202 since 31 December 2017. No further recommendation.</p>	Nil recommendation
Schedule 5 Condition 2	<p><b>Environmental Monitoring Program</b></p> <p>The Proponent shall prepare and implement an Environmental Monitoring Program for the project to the satisfaction of the Director-General. This program must be submitted to the Director-General within 6 months of this approval, and consolidate the various monitoring requirements in Schedule 3 of this approval into a single document, and be submitted to the Director-General concurrently with the submission of the relevant monitoring programs/plans.</p>	Administrative Non - Compliance	<p><u>Preparation:</u></p> <ul style="list-style-type: none"> <li>• Environmental Monitoring Program (EMP), dated 3 June 2017</li> <li>• Approval letter from DPE dated 18 September 2017 (Appendix 1)</li> <li>• N/A - Outside of the audit period</li> <li>• Consolidates various monitoring requirements: Section 4.6</li> <li>• Approval letter from DPE dated 18 September 2017 (Appendix 1) indicates that the EMP was submitted</li> </ul>	<p>As per <b>REC 4:</b></p> <p>As per Schedule 3 Condition 32 recommendation.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>to DPE concurrently with the submission of the other site's monitoring programs/plans.</p> <p><u>Implementation:</u>                      Evidence of monitoring within Annual Reviews and monthly reports.                      The Annual Review indicates some groundwater parameters have not been monitored.</p> <p>Groundwater Monitoring – <u>Administrative Non - Compliance</u> for groundwater monitoring implementation in Section 4.6 of the Environmental Monitoring Program.</p> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p>	
Schedule 5 Condition 5	<p><b>Annual Reporting</b>                      Within 12 months of this approval, and annually thereafter, the Proponent shall submit an AEMR to the Director-General and relevant agencies. This report must:</p>	Administrative Non - Compliance	<p>See Appendix for all sub conditions. Conditions a-e and g – i are compliant.</p> <p>(f) Include an analysis of these monitoring</p>	<p><b>REC 7:</b></p> <ul style="list-style-type: none"> <li>Ensure an analysis of monitoring results</li> </ul>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>a. identify the standards and performance measures that apply to the project;</p> <p>b. describe the works carried out in the last 12 months;</p> <p>c. describe the works that will be carried out in the next 12 months;</p> <p>d. include a summary of the complaints received during the past year, and compare this to the complaints received in previous years;</p> <p>e. include a summary of the monitoring results for the project during the past year;</p> <p>f. include an analysis of these monitoring results against the relevant:</p> <ul style="list-style-type: none"> <li>• limits/criteria in this approval;</li> <li>• monitoring results from previous years; and</li> <li>• predictions in the EA;</li> </ul> <p>g. identify any trends in the monitoring results over the life of the project;</p> <p>h. identify and discuss any non-compliance during the previous year; and</p> <p>i. describe what actions were, or are being, taken to ensure compliance.</p>		<p>results against the relevant:</p> <ul style="list-style-type: none"> <li>• Limits/criteria in this approval: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMR (Section 6)</li> <li>• Monitoring results from previous years: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</li> <li>• <u>Administrative Non - Compliance:</u> 2015 AEMR: Historic data not provided for tsp, depositional dust, surface water and blasting.</li> <li>• <u>Administrative Non - Compliance:</u> 2016 AEMR: Historic data not provided for air quality, blasting, noise and surface water</li> <li>• <u>Administrative Non - Compliance:</u> 2017 AEMR: Historic data not provided for PM10, blasting and noise</li> </ul> <p>Predictions in the EA: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</p> <ul style="list-style-type: none"> <li>• <u>Administrative Non - Compliance:</u> 2016 AEMR: Missing EA predictions for blasting &amp; groundwater</li> <li>• <u>Administrative Non - Compliance:</u> 2017 AEMR: Missing EA predictions for groundwater</li> </ul>	<p>against historic data is included in Annual Reviews;</p> <ul style="list-style-type: none"> <li>• Ensure an analysis of monitoring results against predictions in the EA is included in Annual Reviews;</li> <li>• The current Annual Reviews should be streamlined to be more concise as per the Annual Review guidelines; and</li> <li>• The focus of the document should be more on rehabilitation.</li> </ul>
Schedule 5	<b>Independent Environmental Audit</b>	Administrative	Audit report by AECOM is dated 25 May	<b>REC 8:</b>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
Condition 8	<p>Within 3 months of submitting the audit report to the Director-General, the Proponent shall review and if necessary revise the:</p> <ul style="list-style-type: none"> <li>a. strategies/plans/programs required under this consent; and</li> <li>b. Conservation and Biodiversity Conservation Bond, to the satisfaction of the Director-General.</li> </ul>	Non - Compliance	2016. A series of management plans were resubmitted to the DPE in June and July 2017, which outside the 3 months.	Malabar Coal need to undertake a review of management plans within 3 months of submitting the IEA report.
Schedule 5 Condition 10	<p><b>Access to Information</b></p> <p>Within 3 months of the approval of any plan/strategy/program required under this approval (or any subsequent revision of these plans/strategies/programs), or the completion of the audits or AEMRs required under this approval, the Proponent shall:</p> <ul style="list-style-type: none"> <li>a. provide a copy of the relevant document/s to the relevant agencies and CCC; and</li> <li>b. put a copy of the relevant document/s on its website.</li> </ul>	Administrative Non - Compliance	<p>a) There has been no evidence provided to SLR illustrating the management plans were sent to relevant government agencies within three months of the June/July 2017 updates. The meeting minutes from the September 2017 CCC meeting illustrates the management plans were discussed at that meeting, including providing a link to the website location.</p> <p>No evidence the previous audit was sent to government agencies within three months of audit approval. <u>Administrative Non - Compliance.</u></p> <p>Evidence of Annual Review letters being sent to key agencies such as DPE, Resources Regulator, EPA, DPI Water, Dam Safety Committee, MSC.</p> <p>b) Evidence of management plans on website.</p>	<p><b>REC 9:</b></p> <p>Ensure the plans approved in October 2018 (AQMP and Noise MP) are sent to relevant stakeholders within three months as per sub condition a).</p> <p>Ensure this audit is sent to the agencies within the three month period.</p>
<b>MOD 2 Consolidated Consent (PA06_0202) Statement of Commitments</b>				
Commitment 5	<p>The following Management Plans will be prepared and/or revised and relied upon for the operation of Drayton (in consultation with relevant regulators to the approval of DoP):</p> <ul style="list-style-type: none"> <li>• Spontaneous Combustion Management Plan (EA Section 9.3.4)</li> </ul>	Administrative Non - Compliance	<p>See Appendix for details on preparation of all plans listed in this condition.</p> <p><b>Aboriginal Cultural Heritage Management</b></p>	<p>As per <b>REC 6:</b></p> <p>See Schedule 43 for consultation requirements.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>Water Management Plan (EA Section 8.5.3 &amp; 9.2.4)</li> <li>Flora &amp; Fauna Management Plan (EA Section 8.6.5)</li> <li>Rehabilitation &amp; Landscape Management Plan (including Void Management) (EA Section 8.7.3)</li> <li>Aboriginal Archaeology &amp; Cultural Heritage Management Plan (EA Section 9.6.3)</li> </ul>		<p><b>Plan, dated 14 June 2017</b></p> <ul style="list-style-type: none"> <li>The ACHP does not mention consultation with OEH. Site was unable to provide evidence of consultation with the OEH. <u>Administrative Non - Compliance.</u></li> <li>Approval letter from DPE dated 18 September 2017</li> </ul> <p><u>Implementation:</u>                      Based on discussions with the site, management plans are in the process of being updated.</p>	See Schedule 3 Condition 39 of PA06_0202 regarding rehabilitation recommendations.
Commitment 21	Drayton will prepare and submit to relevant regulatory departments an AEMR which will discuss monitoring results and include a discussion on predictions and commitments made within this EA. (EA Section 8.0 & 9.0)	<b>Administrative Non - Compliance</b>	<p>2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively</p> <ul style="list-style-type: none"> <li>Monitoring results: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</li> <li>Predictions within the EA: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</li> <li><u>Administrative Non - Compliance:</u>                      2016 AEMR: Missing EA predictions for blasting &amp; groundwater</li> <li><u>Administrative Non - Compliance:</u>                      2017 AEMR: Missing EA predictions for groundwater</li> </ul>	<p>As per <b>REC 7:</b></p> <p>As per Schedule 5 Condition 5 of the PA_06_0202</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			Commitments within the EA: <ul style="list-style-type: none"> <li>• Section 8.0: Discussion on monitoring and management of air quality, noise, blasting, groundwater, flora &amp; fauna and rehabilitation included in the AEMRs.</li> <li>• Section 9.0: Discussion on monitoring and management of surface water, spontaneous combustion, soils, visual aesthetics, Aboriginal heritage, natural heritage, public safety, waste and contaminated land included in the 2015, 2016 &amp; 2017 AEMRs.</li> </ul>	
<b>Development Approval DA 106-04-00</b>				
Condition 2.1	a. The Environmental Coordinator(s) employed by Drayton mine: <ol style="list-style-type: none"> <li>i. shall be responsible for the preparation of the environmental management plans required by this consent (refer Condition 2.2);</li> <li>ii. shall be responsible for considering and advising on matters specified in the conditions of this consent and compliance with such matters;</li> <li>iii. shall be responsible for receiving and responding to complaints in accordance with Condition 9.2(a); and</li> <li>iv. shall have the authority and independence to require reasonable steps to be taken to avoid or minimise unintended or adverse environmental impacts and failing the effectiveness of such steps, to stop work immediately if an adverse impact on the environment is likely to occur.</li> </ol> b. The Applicant shall notify the Director-General, DMR, EPA, DLWC, MSC, and the CCC (refer condition 9.1) of any changes to the name and/or contact details of the Environmental Co-ordinator(s). Any new appointment of an Environmental	Administrative Non - Compliance	a) Position descriptions for Manager Environment and Community and Environment Coordinator, both dated January 2018, indicate that they both or each person will be responsible for: <ol style="list-style-type: none"> <li>(i) The preparation of the environmental management plans;</li> <li>(ii) Considering and advising on matters specified in the conditions of this consent and compliance with such matters;</li> <li>(iii) Receiving and responding to complaints;</li> <li>(iv) Have the authority and independence to require reasonable steps to be taken to avoid or minimise unintended</li> </ol>	<b>REC 10:</b> Inform DPI Water of the current Environment and Community Manager.

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	Coordinator(s) is to receive prior approval of the Director-General.		or adverse environmental impacts. (b) Emails, dated 15/03/2018, from Maxwell Infrastructure to DPE, EPA & Resources Regulator regarding change in Environmental Coordinator.  <ul style="list-style-type: none"> <li>No evidence of notification to DPI Water (formally under DLWC) for the most recent Environment and Community Manager. <u>Minor Administrative Non - Compliance.</u></li> <li>CCC meeting minutes dated 21/03/2018. Maxwell Infrastructure notified CCC (also attended by MSC) of change in Environmental Coordinator during 21/03/2018 CCC meeting.</li> </ul>	
Condition 2.2	<p><b>Environmental Management Strategy</b></p> <p>a. The Applicant shall prepare an Environmental Management Strategy providing a strategic context for the environmental management plans [refer condition 2.2(d)]. The Environmental Management Strategy shall be prepared in consultation with the relevant authorities and the Community Consultative Committee (refer condition 9.1) and to the satisfaction of the Director-General, prior to commencement of operations. The Strategy shall be provided to the Director-General no later than the time the first Environmental Management Plan under sub clause (d) below is submitted.</p> <p>b. The Environmental Management Strategy shall include, but not be limited to:</p> <p>i. statutory and other obligations which the Applicant is required to fulfil during operation, including all approvals and consultations and agreements required from authorities and other stakeholders, and key legislation and</p>		See Appendix for details on preparation of all sub conditions. Sub conditions b – f are compliant  <u>Preparation:</u> (a) Environmental Management Strategy (EMS), dated 14 June 2017  <ul style="list-style-type: none"> <li>Includes rail loop within the scope of the EMS;</li> <li>Strategic framework for environmental management of the project: Section 5;</li> </ul>	<p><b>REC 11:</b></p> <p>Ensure future complies of the EMS are prepared in consultation with the CCC.</p>



Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>policies;</p> <p>ii. definition of the role, responsibility, authority, accountability and reporting of personnel relevant to environmental management, including the Environmental Officer;</p> <p>iii. overall environmental management objectives and performance outcomes, during, operation and decommissioning of the rail loop and Antiene rail spur, for each of the key environmental elements for which management plans are required under this consent;</p> <p>iv. overall ecological and community objectives for the project, and a strategy for the restoration and management of the areas affected by operations, including elements such as wetlands and other habitat areas, creek lines and drainage channels, within the context of those objectives;</p> <p>v. identification of cumulative environmental impacts and procedures for dealing with these at each stage of the development;</p> <p>vi. overall objectives and strategies to protect economic productivity within the area affected by the operations;</p> <p>vii. steps to be taken to ensure that all approvals, plans, and procedures are being complied with;</p> <p>viii. processes for complaint handling, investigation and resolution in relation to the environmental management of the project;</p> <p>ix. documentation of the results of consultations undertaken in the development of the Environmental Management Strategy.</p> <p>x. The Applicant shall make copies of the environmental management strategy available to MSC, EPA, DMR and the CCC within fourteen days of approval by the Director-General.</p> <p>c. The Applicant shall prepare the following environmental management plans for the Drayton rail loading facility:</p> <ul style="list-style-type: none"> <li>• Dust management plan (refer condition 5.1)</li> </ul>		<ul style="list-style-type: none"> <li>• Prepared in consultation with DPE (Section 1); and</li> <li>• <u>Administrative Non - Compliance:</u> The EMS was not prepared in consultation with Community Consultative Committee (CCC).</li> </ul>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>• Noise management plan (refer condition 5.4.3(a))</li> <li>• Water management plan (refer to condition 3.1)</li> <li>• Joint Acquisition Management Plan (refer to condition 10.3)</li> </ul> <p>d. The management plans are to be revised, and updated as necessary, at least every 5 years or as otherwise directed by the Director-General in consultation with the relevant government agencies. They will reflect changing environmental requirements or changes in technology/operational practices. Changes shall be made and approved in the same manner as the initial environmental management plan. The plans shall also be made publicly available at MSC within two weeks of approval of the relevant government authority.</p> <p>e. The Applicant shall make copies of the updated environmental management plans available to MSC, EPA, DMR and the CCC within fourteen days of approval by the Director-General.</p>			
Condition 3.1	<p><b>Surface and Ground Water Management and Monitoring</b></p> <p>The Applicant shall:</p> <p>a. Prepare a site water management plan and monitoring system for the Drayton rail loading facility to include the revised coal transport operations in consultation with DLWC prior to commencement of operations, and to the satisfaction of the Director-General . The plan shall include but not be limited to the following matters:</p> <ul style="list-style-type: none"> <li>i. details of the integration of the revised coal transport operations with the existing Drayton mine water management plan and monitoring system;</li> <li>ii. management of the quality and quantity of surface and groundwater within the areas covered by the Site Water Management Plan, which shall include preparation of monitoring programs;</li> <li>iii. management of stormwater and general surface runoff diversion to ensure separate effective management of clean and dirty water;</li> </ul>	Administrative Non - Compliance	<p>See Appendix for details on preparation of sub conditions.</p> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>• Evidence of groundwater monitoring in monthly reports and Annual Reviews. Includes depth and parameters.</li> <li>• SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.</li> <li>• Site inspection noted water storages.</li> </ul>	<p>As per <b>REC 3 and 4:</b></p> <p>As per Schedule 3 Condition 31 of PA06_0202 recommendation</p> <p>As per Schedule 3 Condition 32 of PA 06_0202 recommendation:</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>iv. measures to prevent the quality of any surface waters being degraded due to the revised coal transport operations, below that identified in Table 2.5 of the EIS</li> <li>v. contingency plans for managing adverse impacts of the development on surface or ground water quality and quantity below that identified in Table 2.5 of the EIS;</li> <li>vi. identification of any possible adverse effects on water supply sources of surrounding land holders as a result of the revised coal transport operations, and implementation of mitigation measures as necessary; and</li> <li>vii. a program for reporting on the effectiveness of the water management systems and performance against objectives contained in the water management plan.</li> </ul>		<p>Groundwater Monitoring - <u>Administrative Non - Compliance</u></p> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p> <p>Water Storage Inspections - <u>Administrative Non - Compliance</u></p> <p>There is a commitment in Section 7.4.3 of the WMP regarding inspections of water storages (listed in Section 7.4.2) following storm events of more than 30mm in a 24 hour period. Based on liaison with Malabar Coal, prescribed dams are being inspected, however no evidence can be provided of other dams onsite. <u>Administrative Non - Compliance</u> relating to implementation of inspections.</p>	
Condition 5.1	<ul style="list-style-type: none"> <li>a. The Applicant shall, within 3 months of this consent, prepare a Dust Management Plan for the Drayton rail loading facility, detailing air quality safeguards and procedures for dealing with dust emissions to the satisfaction of</li> </ul>	Administrative Non - Compliance	See Appendix for details on preparation of	<b>REC 12:</b> Ensure future versions of the AQ and GHG MP are

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>the Director-General. The Plan shall be prepared in consultation with the owners of the Bayswater rail loading facilities with the aim of achieving a consistent approach in the preparation of the Dust Management Plans for the Drayton and Bayswater rail facilities respectively. The Plan shall include, but not be limited to, details of:</p> <ul style="list-style-type: none"> <li>the identification of dust affected properties and the relevant dust limits consistent with the EIS;</li> <li>specifications of the procedures for the dust monitoring program for the purpose of undertaking independent dust investigations, including joint investigations with the owners of the Bayswater rail loading facility and rail loop where necessary;</li> <li>outline the procedure to notify property owners and occupiers likely to be affected by dust from the operations;</li> <li>the establishment of a protocol for handling dust complaints that include recording, reporting and acting on complaints;</li> <li>appropriate mechanisms for community consultation;</li> <li>outlining mitigation measures to be employed to minimise dust emissions;</li> <li>equipment to be available and used to control dust generation;</li> <li>methods to determine when and how operations are to be modified to minimise the potential for dust emissions if the relevant criteria are exceeded;</li> <li>• identification of longer term strategies directed towards mitigating dust levels that exceed the relevant EPA dust amenity criteria;</li> <li>• details of locations for dust monitoring and deposition gauges (including existing Drayton monitoring locations if proposed to be used.) at residential areas and</li> <li>frequency of monitoring, as agreed with the EPA;</li> </ul>		<p>sub conditions.</p> <p><u>Preparation:</u></p> <ul style="list-style-type: none"> <li>Dust Management Plan requirement covered by Air Quality Management and Monitoring Plan, dated 5 June 2017, and Air Quality and Greenhouse Gas Management Plan (AQGHGMP), dated 10 October 2018.</li> </ul> <p>(a) Approval letter from DPE dated 18 September 2017 &amp; 9 October 2018: Appendix 1 of both plans</p> <p><u>Administrative Non - Compliance:</u> The Plan's were not prepared in consultation with the owners of the Bayswater rail loading facilities (Mt Arthur).</p> <p><u>Implementation:</u></p> <p>When the site was operational, controls for dust management included real time air quality monitoring, water carts etc. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit</p>	<p>prepared in consultation with the owners of the Bayswater rail loading facility (Mt Arthur Coal).</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>a program to continue baseline monitoring undertaken prior to development consent; and</li> <li>details of the integration of this plan with the Drayton mine dust management plan, and this plan's inter-relationship with the Bayswater rail facilities dust management plan.</li> </ul>		inspection. Evidence of operators using the water cart earlier in the day was sighted by the audit team.	
Condition 6.1	<p><b>Limits on the Transportation of Coal</b></p> <p>a. Coal transported along the Drayton Rail Loop is limited to seven (7) million tonnes per annum.</p> <p>b. Coal transported along the Antiene Rail Spur is limited to twenty (20) million tonnes per annum.</p> <p>c. The peak number of train movements along the Drayton Rail Loop are limited to 12 per day.</p> <p>d. The peak number of train movements along the Antiene Rail Spur are limited to 30 per day.</p> <p>e. The maximum annual rate of coal haulage shall be calculated from the date of commencement of this consent. The Applicant shall submit a statement every six (6) months regarding the number of daily train movements, quantities and destination of product hauled on the Drayton rail loop and Antiene rail spur in that period to the Director- General unless otherwise agreed by the Director-General, commencing from the date of commencement of this consent.</p> <p>f. To ensure residents access on the northern side of Antiene Road is not restricted, the Applicant shall consult with RAC to ensure amendment of the RAC signal procedures manual is undertaken so that the signal located to the west of the level crossing near the junction of the Antiene rail spur and the Main Northern Railway (signal 60) is the priority signal for access to the Main Northern Railway as discussed in section 4.3.2.2 of the EIS.</p>	<b>Administrative Non - Compliance</b>	<p>(a) 2015, 2016 &amp; 2017 AEMRs indicate coal transport along the Drayton Rail Loop was within the seven (7) million tonnes per annum limit.</p> <p>(b) <u>Administrative Non - Compliance</u>: 2015 AEMR states coal transported on the Antiene rail spur exceeded Drayton consent requirement (twenty (20) million tonnes per annum), due to Mt Arthur coal transport. All other years reported in the 2016 &amp; 2017 AEMR were compliant with the limit. No further recommendation as transportation has been below the limit for past two years,</p> <p>(c) The peak number of train movements along the Drayton Rail Loop was within the 12 per day limit (reported in 2015, 2016 &amp; 2017 AEMRs).</p> <p>(d) The peak number of train movements along the Antiene Rail Spur was within the 30 per day limit (reported in 2015, 2016 &amp; 2017 AEMRs).</p> <p>(e) Annual statements attached to 2015, 2016 &amp; 2017 AEMRs.</p> <p>Email to DPE RE: six monthly rail report, dated 2/8/2018.</p>	Nil recommendation

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			(f) N/A - Outside of audit period.	
Condition 6.3	<p><b>Rail Scheduling</b></p> <p>A commercial agreement is in place between the owners of the Bayswater and Drayton rail facility proposals respectively which requires the applicant to advise the owners of the Bayswater rail facility, no less than sixty (60) business days before the commencement of each year, of its proposed Estimated Annual Tonnage and its planned shipping schedule for coal haulage on the Antiene Spur. On the first business day of each month, the applicant will advise the owners of Bayswater mine of its planned shipping schedule for coal haulage for each of the then ensuing three months.</p>	Administrative Non - Compliance	<ul style="list-style-type: none"> <li>Malabar Coal is not using the Antiene Spur, with the site going into care and maintenance in October 2016.</li> <li>Maxwell and Mt Arthur Coal CCC hold two meetings each year where the environmental performance of the rail spur is discussed and reviewed, together with any environmental enquiries and other issues.</li> <li>Annual Rail Activity Statements are attached to AEMRs.</li> <li><u>Administrative Non - Compliance:</u> Malabar Coal could not provide evidence that Mt Arthur was advised of estimated annual and 3-monthly tonnages for coal haulage on the Antiene Spur.</li> </ul>	<p><b>REC 13:</b></p> <ul style="list-style-type: none"> <li>Advise Mt Arthur the estimated annual tonnages for coal haulage on the Antiene Spur, sixty business days before the commencement of each year.</li> <li>Advise Mt Arthur the estimated 3-monthly tonnages for coal haulage on the Antiene Spur on the first business day of each month.</li> </ul>
Condition 7.1	<p><b>Independent Environmental Audit</b></p> <p>a. Every three years from the date of this consent until completion of coal transportation in the DA area, or as otherwise directed by the Director-General, the Applicant shall conduct an environmental audit of the Drayton Rail loop operation and Antiene rail spur operation in accordance with ISO 14010 - Guidelines and General Principles for Environmental Auditing, and ISO 14011 - Procedures for Environmental Auditing (or the current versions), and in accordance with any specifications required by the Director-General. The audit shall be co-ordinated as far as possible with the audit for the Bayswater rail loading facility and rail loop as directed by the Director-General. Copies of the report shall be submitted by the Applicant to the Director-General, MSC, EPA, DMR, and CCC within two weeks of the report's completion for comment.</p>	Administrative Non - Compliance	<p>a) Coal transport ceased during the audit period on 9 November 2016. However SLR has audited this consent as transportation did occur during the audit period. The previous 2015 audit reviewed this consent. No evidence provided to SLR that the prior audit report was sent to the Director-General, MSC, EPA, DMR, and CCC within two weeks of the report's completion for comment.</p> <p>b)</p>	<p><b>REC 14:</b></p> <p>Ensure copies of the audit of this Development Consent are sent to the relevant government agencies for comment, within 2 weeks of the reports completion.</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>b. The audit shall:</p> <ul style="list-style-type: none"> <li>i. assess compliance with the requirements of this consent, licences and approvals;</li> <li>ii. assess the development against the predictions made in the EIS;</li> <li>iii. review the effectiveness of the environmental management of the coal transportation operations, including any mitigation works;</li> <li>iv. be carried out at the Applicant's expense; and</li> <li>v. be conducted by a duly qualified independent person or team approved by the Director-General in consultation with MSC.</li> </ul> <p>c. The Director-General may, after considering any submission made by the relevant government agencies, MSC and CCC on the report, notify the Applicant of any requirements with regard to any recommendations in the report. The Applicant shall comply with those reasonable requirements within such time as the Director-General may require</p>		<ul style="list-style-type: none"> <li>i) Covered in 2015 audit;</li> <li>ii) Some assessment of year 2000 EIS;</li> <li>iii) Covered in 2015 audit;</li> <li>iv) Payment previously by Drayton;</li> <li>v) SLR has consulted with the MSC as part of the 2018 audit.</li> <li>c) DPE letter dated 4 April 2016 noted recommendations regarding cultural heritage and the Energy Efficiency Plan. AECOM made amendments to the Audit Report in accordance with the DPE letter and re-issued the report on 25 May 2016.</li> </ul>	
Condition 9.2	<p><b>Complaints</b></p> <ul style="list-style-type: none"> <li>a. (a) The environmental coordinator employed by Drayton mine (refer condition 2.1) shall be responsible:                     <ul style="list-style-type: none"> <li>i. for recording complaints with respect to coal transport operations along the Drayton rail loop and Antiene rail spur in accordance with the existing Drayton mine complaints handling procedures, or its equivalent, including use of the dedicated and publicly advertised telephone line, 24 hours per day 7 days per week, entering complaints or comments in an up to date log book, or other suitable data base, and ensuring that a response is provided to the complainant within 24 hours;</li> <li>ii. for providing a report of complaints received with respect to the Drayton coal transportation operations every six months throughout the life of the project to the Director-General, MSC, EPA, DMR, and CCC, or as otherwise agreed by the Director-General. A summary of this report shall be included</li> </ul> </li> </ul>	Administrative Non - Compliance	<p>The 2015-2017 Annual Reviews did not indicate any complaints relating to the rail loop (within the audit period). One rail noise complaint noted in July 2015 (outside of the audit period).</p> <ul style="list-style-type: none"> <li>i) 24 hours per day 7 days per week telephone line advertised on Malabar Coal website.</li> <li>• Complaints log;</li> <li>• Community complaints and Enquiries Procedure, dated 1/5/2018; and</li> <li>• 2015-2017 AEMRs state response to</li> </ul>	<b>REC 15:</b> Report complaints with respect to the Maxwell Infrastructure transportation operations to DPE, EPA and Resources Regulator on a 6 monthly basis.

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation												
	<p>in the AEMR (condition 8.1(a)).</p> <p>iii. consult with the environmental officer employed by the Bayswater mine to coordinate a response to any complaints received regarding the operation of the joint user rail facility.</p>		<p>community complaints within 24 hours.</p> <p>ii) Complaints discussed during six monthly CCC meetings. MSC attends these meetings.</p> <ul style="list-style-type: none"> <li>• <u>Administrative Non-Compliance:</u> No evidence provided to SLR - Report of complaints with respect to the Drayton coal transportation operations to DPE, EPA and Resources Regulator on a 6 monthly basis.</li> </ul> <p>iii) According to site communications the environmental officer employed by Mt Arthur is consulted to coordinate a response to any complaints received regarding the operation of the joint user rail facility</p>													
<b>EPL 1323</b>																
P1.3	<p>The following points referred to in the table are identified in this licence for the purposes of the monitoring and/or the setting of limits for discharges of pollutants to water from the point.</p> <table border="1"> <thead> <tr> <th colspan="4"><i>Water and land</i></th> </tr> <tr> <th>EPA Identification no.</th> <th>Type of Monitoring Point</th> <th>Type of Discharge Point</th> <th>Location Description</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>Discharge to utilisation area. Effluent volume monitoring.</td> <td>Discharge to utilisation area. Effluent volume monitoring.</td> <td>Utilisation area as shown on Drayton Coal Pty Ltd's Map No. ENV-0005, dated 12-MAR-2009.</td> </tr> </tbody> </table>	<i>Water and land</i>				EPA Identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description	3	Discharge to utilisation area. Effluent volume monitoring.	Discharge to utilisation area. Effluent volume monitoring.	Utilisation area as shown on Drayton Coal Pty Ltd's Map No. ENV-0005, dated 12-MAR-2009.	<p><b>Non – Compliance (Low risk)</b></p>	<p>The effluent utilisation area was sighted during the site inspection.</p> <p>There were however 2 uncontrolled discharges during the audit period.</p> <p>Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not</p>	<p>Nil recommendation</p>
<i>Water and land</i>																
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3	Discharge to utilisation area. Effluent volume monitoring.	Discharge to utilisation area. Effluent volume monitoring.	Utilisation area as shown on Drayton Coal Pty Ltd's Map No. ENV-0005, dated 12-MAR-2009.													



Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>switch on when the water level increased due to rainfall runoff.</p> <p>The EPL Annual Return states:                      The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528 uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</p> <p>Discharge 2 - Information from initial incident notification report to DPE on 30 October 2018.</p> <p>Mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.</p> <p>No further recommendations regarding</p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation								
			these non - compliances. Improvement measures have been enacted to reduce the likelihood of future discharge events.									
M2.1 and M2.2	<p>For each monitoring/discharge point or utilisation area specified below (by a point number), the licensee must monitor (by sampling and obtaining results by analysis) the concentration of each pollutant specified in Column 1. The licensee must use the sampling method, units of measure, and sample at the frequency, specified opposite in the other columns:</p> <p>Air Monitoring Requirements</p> <p>POINT 8,9,10,11</p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Units of measure</th> <th>Frequency</th> <th>Sampling Method</th> </tr> </thead> <tbody> <tr> <td>PM10</td> <td>micrograms per cubic metre</td> <td>Continuous</td> <td>Special Method 1</td> </tr> </tbody> </table> <p>Note: Special Method 1 requires the Licensee to undertake the monitoring of PM10 concentration in strict accordance with the manufacturer's operating manual supplied with the continuous monitoring equipment and titled "E-Sampler Particulate Monitor Operation Manual - Revision J".</p>	Pollutant	Units of measure	Frequency	Sampling Method	PM10	micrograms per cubic metre	Continuous	Special Method 1	Administrative Non - Compliance	<p>The approved Oct 2018 Air Quality and Greenhouse Gas MP outlines dust monitoring requirements, including four E-Samplers and one TEOM.</p> <p>Meets the requirements of this condition. However full data capture did not occur during the audit period - <u>Administrative Non-Compliance</u> for the frequency.</p> <p>TEOM: This is a Project Approval requirement only.</p> <p>E-Sampler Network: The 2017 Annual Review stated - During the Reporting Period the E-Samplers were subject to infrequent periods of breakdowns. Faults were detected promptly and, where the fault couldn't be rectified in the field, the faulty unit was replaced with the spare E-Sampler unit that was purchase for such occasions. Continuity of monitoring in 2017 improved significantly over 2016; however, continuous PM10 dust readings at all locations was not always possible.</p> <p>The EPL Annual Return - 2017/18 notes a non-compliance relating to monitoring frequency for ES-03. EPA Identification</p>	Nil recommendation
Pollutant	Units of measure	Frequency	Sampling Method									
PM10	micrograms per cubic metre	Continuous	Special Method 1									

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.</p> <p>Other data capture failures also occurred during 2015 and 2016. The Malabar Coal believe the site has fixed these errors and are less likely to occur in the future. No further recommendation.</p>	
M8.2	<p><b>Requirement to Monitor Particulate Matter</b></p> <p>The Licensee must record the average PM10 concentration at Monitoring Points 8, 9, 10 and 11 at intervals of 10 minutes. This data must be made available upon request by any Authorised Officer of the EPA who asks to see them.</p>	Administrative Non - Compliance	<p>The EPL Annual Return - 2017/18 notes a non - compliance relating to monitoring frequency for ES-03. EPA Identification No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.</p> <p>This has now been changed and no further recommendations.</p>	Nil recommendation
U2.1	<p>The licensee must:</p> <ol style="list-style-type: none"> <li>Conduct a targeted V Notch weir ('the weir') monitoring program that includes: <ul style="list-style-type: none"> <li>Continued monthly monitoring of water quality at the V Notch Weir (the Weir) (pollutants/parameters to include those reported in the document titled 'Access Road Dam' dated 24 September 2014, pg 4).</li> <li>real-time flow monitoring at the weir and recording of daily flows (in L/day)</li> <li>rainfall monitoring (existing licence condition M4.1)</li> </ul> </li> </ol>	Non-Compliance (Low Risk)	<p><u>Preparation:</u></p> <p>V Notch Weir has been installed and is operational.</p> <p><u>Implementation:</u></p> <p>The 2017-18 Annual Return outlines a non - compliance. See details below from Malabar Coal.</p> <p>A small volume of water flowed over the v-</p>	Nil recommendation

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<ul style="list-style-type: none"> <li>monitoring at the groundwater monitoring bore (DS1) on a monthly basis for the following parameters: groundwater level, electrical conductivity, pH, total dissolved solids, and salinity.</li> <li>monitoring of electrical conductivity in the Access Road Dam (at least quarterly) at 3 different depths within the dam – 30cm, 4m and 8m depth.</li> </ul> <p>2. Return all water draining to the Weir back to the Access Road Dam (or an alternate 'dirty' water dam on the premises) to ensure that saline water is not discharged from the premises. Pumping is to commence no later than 28 August 2015.</p>		<p>notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff.</p> <p>The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</p> <p>No further recommendation from SLR.</p>	
<b>ML 1531 and CCL 229 (Same conditions in both leases are non- compliant)</b>				
Condition 2	<p><b>Mining Rehabilitation, Environmental Management Process (MREMP) Mining Operations Plan (MOP)</b></p> <p>1. Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-</p> <p>a. ongoing mining operations and environmental management; and</p>	Administrative Non - Compliance	<p>See Appendix for details on preparation of sub conditions.</p> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>Final overall landform shaping has been designed as per the current approved MOP. Therefore compliant with implementation for overall</li> </ul>	As per <b>REC 5:</b> Recommendation as per Schedule 3, Condition 39 of PA 06_0202

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>b. ongoing monitoring of the project.</p> <p>2. The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement</p> <p>3. A Plan must be lodged with the Director-General:-</p> <p>a. prior to the commencement of operations</p> <p>b. subsequently as appropriate prior to the expiry of any current Plan; and</p> <p>c. in accordance with any direction issued by the Director-General.</p> <p>4. The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-</p> <p>a. area(s) proposed to be disturbed under the Plan;</p> <p>b. mining and rehabilitation method(s) to be used and their sequence;</p> <p>c. areas to be used for disposal of tailings/waste;</p> <p>d. existing and proposed surface infrastructure;</p> <p>e. progressive rehabilitation schedules;</p> <p>f. areas of particular environmental sensitivity;</p> <p>g. water management systems (including erosion and sediment controls);</p> <p>h. proposed resource recovery; and</p> <p>i. where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation</p> <p>5. The Plan when lodged will be reviewed by the Department of Mineral Resources.</p> <p>6. The Director-General may within two (2) months of the lodgement of a Plan</p>		<p>shaping.</p> <ul style="list-style-type: none"> <li>Section 7.2.1 outlines the requirement to complete deep ripping in rehabilitation.</li> <li>Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile.</li> <li>For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Administrative Non - Compliance.</u> Erosion is greater in areas where shaped material has not been deep ripped.</li> </ul> <p><u>Administrative Non - Compliance</u> - According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets.</p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>require modification and relodgement.</p> <p>7. If a requirement in accordance with clause (6) is not issued within two months of the lodgement of a Plan, lease holder may proceed with implementation of the Plan submitted subject to the lodgement of the required security deposit within the specified time.</p> <p>8. During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.</p>			
Condition 3	<p><b>Annual Environmental Management Report (AEMR)</b></p> <p>1. Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General.</p> <p>2. The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of:-</p> <ol style="list-style-type: none"> <li>the accepted Mining Operations Plan;</li> <li>development consent requirements and conditions;</li> <li>Environment Protection Authority and Department of Land and Water Conservation licences and approvals;</li> <li>any other statutory environmental requirements</li> <li>details of any variations to environmental approvals applicable to the lease area and</li> <li>where relevant, progress towards final rehabilitation objectives</li> </ol> <p>3. After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure</p>	Administrative Non - Compliance	<p>1) 2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively.</p> <ul style="list-style-type: none"> <li>Dates on 2015, 2016 &amp; 2017 AEMRs indicate that the documents were submitted within the required period.</li> </ul> <p>2) The 2015, 2016 &amp; 2017 AEMRs have been prepared generally in accordance with the DPE guidelines except:</p> <ul style="list-style-type: none"> <li><u>Administrative Non - Compliance:</u> 2015 AEMR: Missing a Statement of Compliance, section numbering is not in accordance with the guideline &amp; missing a figure showing disturbance, rehabilitation, active mining and offset areas;</li> <li>In correspondence dated 31 May 2016 DPE advised AngloAmerican the 2015 AEMR did not meet the Annual Review guideline, dated 2015.</li> <li>2016 AEMR: In correspondence dated</li> </ul>	<p>As per <b>REC 7:</b></p> <p>Recommendation as per Schedule 5, Condition 5 of PA 06_020</p>

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>that operations on the lease area are conducted in accordance with sound mining and environmental practice.</p> <p>4. The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies.</p>		<p>24 May 2016 DPE advised AngloAmerican the 2016 AEMR was missing a Statement of Compliance. A Statement of Compliance is now included in the latest version of the 2016 AEMR.</p> <ul style="list-style-type: none"> <li>• Contain a review and forecast of performance for the preceding and ensuring;</li> </ul> <p>a) The accepted MOP: 2015 AEMR (Sections 1, 2.6.4 &amp; 5.2), 2016 AEMR (Sections 8.1 &amp; 8.2) &amp; 2017 AEMR (Sections 1 &amp; 8.1);</p> <p>b), c) &amp; d) Requirements and conditions: 2015 AEMR (Section 3), 2016 &amp; 2017 AEMR (Section 1);</p> <p>e) Variations to environmental approvals: 2015 AEMR (Section 7.1), 2016 AEMR (Section 4.1.1) &amp; 2017 AEMR (Section 4.6.1).</p> <p>f) Progress towards final rehabilitation objectives: 2015 AEMR (Section 5), 2016 and 2017 AEMR (Section 8).</p> <p>3) Resources Regulator (formerly DRE) letter dated 15 July 2016 requests key performance issues that require active monitoring and maintenance are reported in the next AEMR (the 2016 AEMR).</p> <ul style="list-style-type: none"> <li>• Section 8.2 &amp; 12.1.1 of the 2016 AEMR describes these performance issues that required active monitoring and maintenance.</li> </ul>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			4) The AEMR is reviewed by the DPE. <ul style="list-style-type: none"> <li>DPE Approval letters dated 31 May 2016, 13 July 2017 and 28 August 2018.</li> </ul>	
Condition 25	<p><b>Management of Rehabilitated Lands</b></p> <p>The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to prevent contamination, pollution, erosion or siltation of any river, stream, creek tributary lake, dam, reservoir, watercourse, groundwater or catchment area or any undue interference to fish or their environment and shall observe any instruction given or which may be given by the Minister with a view to preventing or minimising the contamination, pollution, erosion or siltation or any river, stream, creek, tributary, lake, dam, reservoir, watercourse, groundwater or catchment area or any undue interference to fish or their environment.</p>	Non-Compliance (Low Risk)	<ul style="list-style-type: none"> <li>Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program.</li> <li>On-site water management (and pollution control) system in place, seen during the site inspection.</li> <li>Non-compliance: Two uncontrolled discharges during the audit period.</li> </ul> <p>Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</p> <p>Discharge 2 - Information from initial</p>	Nil recommendation.



Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.</p> <p>No further recommendation.</p>	
Condition 33	<p><b>Catchment Areas</b></p> <p>a. Operations shall be carried out in such a way as not cause any pollution of the Hunter Catchment Area.</p> <p>b. If the lease holder is using or about to use any process which in the opinion of the Minister is likely to cause contamination of the waters of the said Catchment Area the lease holder shall refrain from using or cease using the case may require such process within twenty four (24) hours of the receipt by the lease holder of a notice in writing under the hand of the Minister requiring the lease holder to do so.</p> <p>c. The lease holder shall comply with any regulations now in force or hereafter to be in force for the protection from pollution of the said Catchment Area.</p>	Non-Compliance (Low Risk)	<p>a)</p> <ul style="list-style-type: none"> <li>• Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program.</li> <li>• On-site water management (and pollution control) system in place, seen during the site inspection.</li> <li>• Non-compliance: Two uncontrolled discharges during the audit period. Potential for pollution of Hunter River catchment based on discharge events.</li> </ul> <p>Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been</p>	Nil recommendation

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
			<p>damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</p> <p>Discharge 2 - Information from initial incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken</p> <p>b) Based on site discussions there was no direction. Not triggered.</p> <p>c) Noted.</p> <p>No further recommendation.</p>	
<b>CL 395</b>				
Condition 2	<p>1. Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-</p> <p>a. ongoing mining operations and environmental management; and</p>	Administrative Non - Compliance	<p><u>Preparation:</u></p> <ul style="list-style-type: none"> <li>• Mining Operations Plan (MOP), dated December 2016: Evidence of approval.</li> <li>• Evidence of meeting requirement 1-4</li> </ul>	As per <b>REC 5:</b> Recommendation as per Schedule 3, Condition 39 of PA 06_0202

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>b. ongoing monitoring of the project.</p> <p>2. The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement.</p> <p>3. A Plan must be lodged with the Director-General:-</p> <p>a. prior to the commencement of mining operations (including mining purposes);</p> <p>b. subsequently as appropriate prior to the expiry of any current Plan; and</p> <p>c. in accordance with any direction issued by the Director-General.</p> <p>4. The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-</p> <p>a. area(s) proposed to be disturbed under the Plan;</p> <p>b. mining and rehabilitation method(s) to be used and their sequence;</p> <p>c. areas to be used for disposal of tailings/waste;</p> <p>d. existing and proposed surface infrastructure;</p> <p>e. existing flora and fauna on the site;</p> <p>f. progressive rehabilitation schedules;</p> <p>g. areas of particular environmental, ecological and cultural sensitivity and measures to protect these areas;</p> <p>h. water management systems (including erosion and sediment controls);</p> <p>i. proposed resource recovery; and</p> <p>j. where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation</p>		<p>of this condition. MOP has been prepared to cover the MOP Guideline requirement.</p> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>Final overall landform shaping has been designed as per the current approved MOP. Therefore compliant with implementation for overall shaping.</li> <li>Section 7.2.1 outlines the requirement to complete deep ripping in rehabilitation.</li> <li>Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile.</li> <li>For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Administrative Non - Compliance.</u> Erosion is greater in areas where shaped material has not been deep ripped.</li> </ul> <p><u>Administrative Non - Compliance -</u></p>	

Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	5. The Plan when lodged will be reviewed by the Department. 6. The Director-General may within two (2) months of the lodgement of a Plan, require modification and re-lodgement. 7. If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgement of a Plan, the lease holder may proceed with implementation of the Plan. 8. During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.		According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets.	
Condition 3	1. Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General. 2. The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of: <ol style="list-style-type: none"> <li>the accepted Mining Operations Plan;</li> <li>development consent requirements and conditions;</li> <li>Department of Environment and Conservation and Department of Planning licences and approvals;</li> <li>any other statutory environmental requirements;</li> <li>details of any variations to environmental approvals applicable to the lease area; and</li> <li>where relevant, progress towards final rehabilitation objectives.</li> </ol> 3. After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary	Administrative Non - Compliance	See Appendix for full sub conditions. Sub conditions 1, 3 and 4 are compliant.  2) The 2015, 2016 & 2017 AEMRs have been prepared generally in accordance with the DPE guidelines except: <ul style="list-style-type: none"> <li><u>Administrative Non - Compliance:</u>                              2015 AEMR: Missing a Statement of Compliance, section numbering is not in accordance with the guideline &amp; missing a figure showing disturbance, rehabilitation, active mining and offset areas;</li> <li>In correspondence dated 31 May 2016 DPE advised AngloAmerican the 2015 AEMR did not meet the Annual Review guideline, dated 2015.</li> <li>* 2016 AEMR: In correspondence dated 24 May 2016 DPE advised AngloAmerican the 2016 AEMR was</li> </ul>	As per <b>REC 7:</b>  Recommendation as per Schedule 5, Condition 5 of PA 06_020

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Schedule and Condition Number	Condition	Compliance Status	Evidence	Recommendation
	<p>studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.</p> <p>4. The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies and the local council.</p>		<p>missing a Statement of Compliance. A Statement of Compliance is now included in the latest version of the 2016 AEMR.</p>	

## 7 Additional Recommended Actions

### 7.1 Other recommendations

Additional recommendations relating to compliant conditions are outlined within **Table 9**.

**Table 9 Additional Recommendations for Maxwell Infrastructure**

Aspect	Recommendation
Rehabilitation	<p>See <b>Section 5.1. Relates to Schedule 3 Condition 34, Schedule 3 Condition 40, Schedule 3 Condition 41</b></p> <p><b>REC 16</b></p> <p>The recommendations relating to rehabilitation and closure are outlined below:</p> <ul style="list-style-type: none"> <li>• Liaison with the Resource Regulator and DPE regarding an agreement on the final landform for the site. Based on the information provided to SLR, the site will continue to complete rehabilitation as per the landform in the approved 2015 MOP unless directed otherwise from the Resource Regulator or the DPE;</li> <li>• The site needs to review the circumstances when the chisel plow is used. For some recent rehabilitation the chisel plow has been used, when deep ripping on a horizontal aspect should be used.</li> <li>• There are some general water management improvements in some areas of recent rehabilitation, including a review/repair of some contour drains.</li> <li>• There is a large area of gully erosion at the site in an area that was shaped and rehabilitated during Anglo’s management; up to 3 metres width. It has been determined that a drop structure will need to be established in this area. We recommend:             <ul style="list-style-type: none"> <li>• Engineering design; and</li> <li>• Review of rock material onsite for suitability.</li> </ul> </li> <li>• The eastern face of the North tip is an area of rehabilitation that has failed. It is noted the area that has failed is one of the steeper rehabilitated slopes. Implement actions to attempt to rectify this problem including additional work on the landform, use of ameliorants, and a review of seed mix;</li> <li>• Soil testing should be completed in areas of failed rehabilitation as well as prior to implementing future rehabilitation; and</li> <li>• Provide additional information in the Annual Review. This includes proposed improvements of current rehabilitation areas and proposed activities for future rehabilitation.</li> </ul>
Noise	<p><b>REC 17:</b></p> <p><b>Schedule 3 Condition 3 of PA 06_0202</b></p> <p>Noise Monitoring – There was no evidence of assessment against cumulative noise monitoring. However based on the previous 2017 Noise Management Plan, this did not specifically outline a methodology to assess against cumulative noise. Cumulative noise levels should be included in future noise monitoring reporting and Annual Reviews.</p>

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Aspect	Recommendation
Offset Areas	<p><b>REC 18:</b> <b>Schedule 3 Condition 36 PA 06_0202</b></p> <p>There is little information within the Annual Review about proposed activities within the offset areas. Additional information is recommended including proposed activities and timings for offset areas. It is recommended that this information is outlined within a table.</p>
Waste Management	<p><b>REC 19:</b> <b>Schedule 3 Condition 47 PA 06_0202</b> <b>O1.1 of the EPL</b></p> <ul style="list-style-type: none"><li>• Ensure cardboard waste found within the lower lube bay is moved to the cardboard recycling bin.</li><li>• Remove any unwanted waste from site. This includes the scrap metal which has been sorted in areas. SLR understands there is a plan in place for this.</li><li>• Removal off site of one empty oil drum located in one of the laydown areas.</li></ul>

## 8 Conclusion

A total of 278 conditions were assessed across the Project Approval (PA 06\_0202), Statement of Commitments, Development Consent (DA 106-04-00), Environment Protection Licence and three mining/coal leases. The Audit performance is outlined in **Table 10** below.

**Table 10 Summary of Audit Performance**

Approval	Number of Conditions	Administrative Non - Compliances	Low Risk Non - Compliances
Project Approval (PA06_0202)	71	12	1
MOD 2 Consolidated Consent (PA06_0202)	22	2	-
Development Approval DA 106-04-00	29	8	-
Environment Protection Licence – EPL 1323	68	3	2
Mining Lease No. 1531	34	2	2
Coal Lease No. 229	26	2	2
Coal Lease No. 395	28	2	-
<b>TOTAL</b>	<b>278</b>	<b>31</b>	<b>7</b>

In summary:

- There were 31 Administrative Non – Compliances;
- There were 7 Low Risk Non – Compliances; and
- There are a total of 19 recommendations across **Section 6 and 7**.

It should be noted that many of these non – compliances occurred prior to Malabar Coal taking ownership of the site.

Some aspects contribute to non - compliances across several conditions and different approvals, including discharges, implementation of management plans and other small administrative aspects.

Areas of improvement are included within **Section 6 and 7** of this report.

It should be noted that the following areas of good performance were noted during the Audit:

- Areas of good rehabilitation performance are outlined below:
  - There are some areas of established rehabilitation at site.
  - There is an intensive rehabilitation planning schedule for 2018/2019. Rehabilitation is the current focus for the site;
  - Evidence of rehabilitation monitoring, including gap analysis on established rehabilitation;
  - There are plans to graze areas of older established pasture rehabilitation;
  - The seed mix has been revised at the site;



- Use of soil ameliorants and gypsum within the rehabilitation;
  - Evidence provided of a Rehabilitation Assessment Report outlining proposed improvements for current rehabilitation; and
  - Based on the information provided to SLR, the site has undertaken a material balance based on October 2016 landform to ensure rehabilitated landform is consistent with Plan 4 of the current MOP Approval.
- Compliance with key criteria including dust, noise and blasting;
  - The water management system onsite is a simple system diving the site into different water streams. This appears to have been generally effective during the Audit period;
  - There are only small improvements required for waste management;
  - Evidence of an operating hydrocarbon remediation area;
  - There were few complaints and incidents during the period of the Audit. There was evidence of the investigation into complaints and incidents. No evidence was provided to SLR of incidents causing material environmental harm or requirement to enact the Pollution Incident Response Management Plan ; and
  - Malabar Coal are continuing to update current management plans to be more consistent with the status of the current site.

# APPENDIX A

## Photographs



**Photo 1 –Spoil Piles to be shaped for final rehabilitation**



**Photo 2 – Area of failed rehabilitation from when Anglo was the operator**



**Photo 3 – Newly rehabilitated area with stable cover crop. Mixed Waste Organic Mulch has been used.**



**Photo 4 – Some areas of existing rehabilitation require remedial works**



**Photo 5 – Some contour drains have not been designed and constructed as per the Water Management Plan commitments**



**Photo 6 – This photo illustrates areas of stable rehabilitation as well as areas requiring reshaping and reseeding**



**Photo 7 – Large area of gully erosion. It is proposed that a drop structure will be designed and constructed in this section of rehabilitation.**



**Photo 8 – Newly rehabilitated area has not been deep ripped on a horizontal contour. Chisel plow has been used instead. This may lead to increased erosion in the future.**



**Photo 9 – Newly rehabilitated area has not been deep ripped on a horizontal contour. Chisel plow has been used instead. This may lead to increased erosion in the future.**



**Photo 10 – Areas of erosion in sections of rehabilitation which have not been deep ripped.**



**Photo 11 – Looking into the void**



**Photo 12 – Areas of rehabilitation currently being shaped**





**Photo 13 – Looking into established rehabilitation**



**Photo 14 – Established rehabilitation areas**



**Photo 15 – Established rehabilitation area**



**Photo 16 – Established rehabilitation area**



**Photo 17 – Bund designed as per the Water Management Plan**



**Photo 18 – Area of failed rehabilitation requiring remedial work**



**Photo 19 – Empty oil drum to be removed from site.**



**Photo 20– SLR understands that Malabar Coal are continuing to removed unwanted infrastructure from the site**



**Photo 21 – Some bins have no labelling or labels are difficult to see**



**Photo 22 –Sediment to be removed from the lube bay and moved to the landfarm area**

# APPENDIX B

## Compliance Spreadsheet

## MOD 2 Consolidated Consent (PA06\_0202)

For the Following: Drayton Mine Extension

### 2012 Modification

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Administrative Conditions</b>				
<b>Obligation to Minimise Harm to the Environment</b>				
1	The Proponent shall implement all practicable measures to prevent and/or minimise any harm to the environment that may result from the construction, operation, or rehabilitation of the project.	Compliant	Based on the site inspection and information provided to SLR, the proponent has implemented all practical measures to prevent and/or minimise harm to the environment. No evidence of material harm.	
<b>Terms of Approval</b>				
2	The Proponent shall carry out the project generally in accordance with the: (a) EA; (b) statement of commitments; (c) EA (Mod 1); (d) EA (Mod 2); and (e) conditions of this approval.  Note: The general layout of the project is shown in Appendix 2.	Compliant	Based on the site inspection and information provided to SLR, the operations during the audit period appear to have been generally compliant with this overarching statutory requirement.	
3	If there is any inconsistency between the above documents, the most recent document shall prevail to the extent of the inconsistency. However, the conditions of this consent shall prevail to the extent of any inconsistency.	Noted	Noted.	
4	The Proponent shall comply with any reasonable requirement/s of the Director-General arising from the Department's assessment of: (a) any reports, plans, programs, strategies or correspondence that are submitted in accordance with this approval; and (b) the implementation of any actions or measures contained in these reports, plans, programs, strategies or correspondence.	Compliant	Evidence of consultation during the audit period. Including consultation regarding management plans. Ongoing consultation with the DPE and Resource Regulator regarding approved the final landform. Evidence of consultation for incident reports.	
4a	Within 3 months of any modification to this approval, the Proponent shall review and if necessary revise any strategies/plans/programs required under this approval which are relevant to the modification to the satisfaction of the Director-General.	Not Triggered	Modification is from 2012, with this condition outside of the audit scope.	
<b>Limits on Approval</b>				
5	Mining operations may take place on the site until 31 December 2017.  <b>Note:</b> Under this approval, the Proponent is required to rehabilitate the site and provide offsets to the satisfaction of the Director-General. Consequently, this approval will continue to apply in all other respects other than the right to conduct mining operations until the site has been rehabilitated and the offset provided to a satisfactory standard.	Compliant	Mining operations ceased at site on 31 October 2016.	
6	The Proponent shall not extract or process more than 8 million tonnes of ROM coal a year on site.	Compliant	The production limits outlined in the Annual Review are well below this level. No production since 2017.	
7	The Proponent shall only transport coal from the site by rail or overland conveyor.	Compliant	Based on the Annual Reviews, the site met this condition.	
<b>Surrender of Consents</b>				
8	Within 12 months of this approval, the Proponent shall surrender all previous development consents for the Drayton coal mine to the satisfaction of the Director-General.	Not Triggered	Modification is from 2012, with this condition outside of the audit scope.	
<b>Staged Submission of Management Plans/Monitoring Programs</b>				
9	With the approval of the Director-General, the Proponent may submit any management plan or monitoring program required by this approval on a progressive basis.	Compliant	Evidence of submission of management plans. Noise Management Plan and Air Quality Management Plans updated by Malabar Coal (dated October 2018) and recently approved.	
<b>Structural Adequacy</b>				
10	The Proponent shall ensure that all new buildings and structures, and any alterations or additions to existing buildings and structures, are constructed in accordance with the relevant requirements of the BCA.  <b>Notes:</b> - Under Part 4A of the EP&A Act, the Proponent is required to obtain construction and occupation certificates for the proposed building works. - Part 8 of the EP&A Regulation sets out the requirements for the certification of development.	Not Triggered	Based on discussions with the Environment and Community Manager there have been no new buildings during the audit period.	
<b>Demolition</b>				
11	The Proponent shall ensure that all demolition work is carried out in accordance with Australian Standard AS 2601-2001: The Demolition of Structures, or its latest version.	Not Triggered	Based on discussions with the Environment and Community Manager - Removal of mobile crib huts offsite. However no demolition of fixed infrastructure or buildings.	
<b>Operation of Plant and Equipment</b>				
12	The Proponent shall ensure that all plant and equipment used at the site is: (a) maintained in a proper and efficient condition; and (b) operated in a proper and efficient manner.	Compliant	Evidence of maintenance records provided. This includes: * Fuel storage maintenance - 18/10/2018; * Diesel pump maintenance - 3/9/2018; * Service of pollution dam skimmer - 12/10/2018; and * Evidence of some maintenance records during Anglo ownership from 2015 and 2016 (spreadsheet).  Site and equipment appeared to be generally maintained from the inspection.	
<b>Planning Agreement</b>				
13	Within 12 months of this approval, the Proponent shall enter into a planning agreement with Council and the Minister, in accordance with: (a) Division 6 of Part 4 of the EP&A Act; and (b) the terms of the Proponent's offer to the Council on 19 January 2007, which includes the matters set out in Appendix 4.	Not Triggered	Outside of this audit period.	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action																																																																																																																																		
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<b>Noise Impact Assessment Criteria</b>																																																																																																																																						
1	<p>The Proponent shall ensure that the noise generated by the project does not exceed the noise impact assessment criteria in Table 1 at any residence on privately-owned land, or on more than 25 percent of any privately-owned land.</p> <p><i>Table 1: Noise impact assessment criteria dBA</i></p> <table border="1"> <thead> <tr> <th>Land Number</th> <th>Day L<sub>Aeq</sub> 15 min</th> <th>Evening L<sub>Aeq</sub> 15 min</th> <th>Night L<sub>Aeq</sub> 15 min</th> <th>L<sub>Aeq</sub> 1 min</th> </tr> </thead> <tbody> <tr><td>34</td><td>35</td><td>35</td><td>36</td><td>45</td></tr> <tr><td>29</td><td>35</td><td>35</td><td>36</td><td>47</td></tr> <tr><td>31</td><td>35</td><td>35</td><td>37</td><td>47</td></tr> <tr><td>33, 86</td><td>35</td><td>35</td><td>36</td><td>45</td></tr> <tr><td>32</td><td>35</td><td>35</td><td>40</td><td>47</td></tr> <tr><td>71, 75</td><td>35</td><td>35</td><td>41</td><td>47</td></tr> <tr><td>70</td><td>35</td><td>36</td><td>41</td><td>47</td></tr> <tr><td>76</td><td>35</td><td>36</td><td>42</td><td>47</td></tr> <tr><td>28</td><td>35</td><td>37</td><td>40</td><td>47</td></tr> <tr><td>69</td><td>35</td><td>37</td><td>41</td><td>47</td></tr> <tr><td>13</td><td>36</td><td>36</td><td>35</td><td>45</td></tr> <tr><td>12</td><td>36</td><td>36</td><td>36</td><td>47</td></tr> <tr><td>25</td><td>36</td><td>37</td><td>37</td><td>47</td></tr> <tr><td>26</td><td>36</td><td>37</td><td>38</td><td>47</td></tr> <tr><td>27</td><td>36</td><td>37</td><td>39</td><td>47</td></tr> <tr><td>72</td><td>36</td><td>37</td><td>42</td><td>47</td></tr> <tr><td>17</td><td>37</td><td>38</td><td>36</td><td>47</td></tr> <tr><td>21, 22</td><td>38</td><td>38</td><td>38</td><td>45</td></tr> <tr><td>18</td><td>38</td><td>39</td><td>38</td><td>47</td></tr> <tr><td>20, 61</td><td>39</td><td>40</td><td>39</td><td>45</td></tr> <tr><td>14</td><td>40</td><td>39</td><td>38</td><td>47</td></tr> <tr><td>19</td><td>40</td><td>40</td><td>39</td><td>47</td></tr> <tr><td>16</td><td>41</td><td>41</td><td>39</td><td>47</td></tr> <tr><td>23</td><td>35</td><td>35</td><td>35</td><td>47</td></tr> <tr><td>All other privately-owned land</td><td>35</td><td>35</td><td>35</td><td>45</td></tr> </tbody> </table> <p>However, if the Proponent has a written negotiated noise agreement with any landowner of the land listed in Table 1, and a copy of this agreement has been forwarded to the Department and OEH, then the Proponent may exceed the noise limits in Table 1 in accordance with the negotiated noise agreement.</p> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>For information on the numbering and identification of properties used in this approval, see Appendix 5.</li> <li>To determine compliance with the LAeq(15 minute) noise limits, noise from the project is to be measured at the most affected point within the residential boundary, or at the most affected point within 30 metres of a dwelling (rural situations) where the dwelling is more than 30 metres from the boundary. Where it can be demonstrated that direct measurement of noise from the project is impractical, the OEH may accept alternative means of determining compliance (see Chapter 11 of the NSW Industrial Noise Policy). The modification factors in Section 4 of the NSW Industrial Noise Policy shall also be applied to the measured noise levels where applicable.</li> <li>To determine compliance with the LA1(1 minute) noise limits, noise from the project is to be measured at 1 metre from the dwelling façade. Where it can be demonstrated that direct measurement of noise from the project is impractical, the OEH may accept alternative means of determining compliance (see Chapter 11 of the NSW Industrial Noise Policy).</li> <li>The noise emission limits identified in the above table apply under meteorological conditions of: <ul style="list-style-type: none"> <li>wind speeds of up to 3 m/s at 10 metres above ground level; or</li> <li>temperature inversion conditions of up to 3°C/100m, and wind speeds of up to 2 m/s at 10 metres above ground level.</li> </ul> </li> </ul>	Land Number	Day L <sub>Aeq</sub> 15 min	Evening L <sub>Aeq</sub> 15 min	Night L <sub>Aeq</sub> 15 min	L <sub>Aeq</sub> 1 min	34	35	35	36	45	29	35	35	36	47	31	35	35	37	47	33, 86	35	35	36	45	32	35	35	40	47	71, 75	35	35	41	47	70	35	36	41	47	76	35	36	42	47	28	35	37	40	47	69	35	37	41	47	13	36	36	35	45	12	36	36	36	47	25	36	37	37	47	26	36	37	38	47	27	36	37	39	47	72	36	37	42	47	17	37	38	36	47	21, 22	38	38	38	45	18	38	39	38	47	20, 61	39	40	39	45	14	40	39	38	47	19	40	40	39	47	16	41	41	39	47	23	35	35	35	47	All other privately-owned land	35	35	35	45	Compliant	<ul style="list-style-type: none"> <li>* 2015, 2016, 2017 AEMRs</li> <li>* Q1, Q2 and Q3 Monitoring data (Q3 results to September 2018)</li> </ul>	
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2	<p>If the noise generated by the project exceeds the criteria in Table 2 at any residence on privately owned land or on more than 25 percent of any privately-owned land, the Proponent shall, upon receiving a written request for acquisition from the landowner, acquire the land in accordance with the procedures in conditions 8-10 of Schedule 4.</p> <p><i>Table 2: Land acquisition criteria dBA</i></p> <table border="1"> <thead> <tr> <th>Land Number</th> <th>Day/Evening/Night L<sub>Aeq</sub> 15min</th> </tr> </thead> <tbody> <tr> <td>12, 14, 16, 17, 18, 19, 23, 25, 26, 27, 28, 29, 31, 32, 69, 70, 71, 72, 75, 76</td> <td>42</td> </tr> <tr> <td>All other private land owners not listed in Table 1, or on more than 25 percent of, any privately owned land.</td> <td>40</td> </tr> </tbody> </table> <p>Note: Noise generated by the project is to be measured in accordance with the notes to Table 1.</p>	Land Number	Day/Evening/Night L <sub>Aeq</sub> 15min	12, 14, 16, 17, 18, 19, 23, 25, 26, 27, 28, 29, 31, 32, 69, 70, 71, 72, 75, 76	42	All other private land owners not listed in Table 1, or on more than 25 percent of, any privately owned land.	40	Not Triggered	No requests received.																																																																																																																													
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<b>Cumulative Noise Criteria</b>																																																																																																																																						
3	<p>The Proponent shall take all reasonable and feasible measures to ensure that the noise generated by the project combined with the noise generated by other mines does not exceed the following amenity criteria at any residence on privately-owned land or on more than 25 percent of any privately owned land:</p> <ul style="list-style-type: none"> <li>LAeq(11 hour) 50 dB(A) – Day;</li> <li>LAeq(4 hour) 45 dB(A) – Evening;</li> <li>LAeq(9 hour) 40 dB(A) – Night.</li> </ul>	Administrative Non-Compliance	Noise monitoring data/reports from the audit period do not document compliance with cumulative Noise levels. It is noted that cumulative noise levels from the operation of other coal mines are unlikely to be above the relevant cumulative criteria.	Cumulative noise levels should be included in future noise monitoring reporting and Annual Reviews.																																																																																																																																		
4	<p>If the noise generated by the project combined with the noise generated by other mines exceeds the following amenity criteria at any residence on privately owned-land or on more than 25 percent of any privately owned land, then upon receiving a written request from the landowner, the Proponent shall acquire the land on as equitable basis as possible with the relevant mines in accordance with the procedures in conditions 8-10 of Schedule 4:</p> <ul style="list-style-type: none"> <li>LAeq(11 hour) 53 dB(A) – Day;</li> <li>LAeq(4 hour) 48 dB(A) – Evening;</li> <li>LAeq(9 hour) 43 dB(A) – Night.</li> </ul> <p><b>Notes:</b> The cumulative noise generated by the project combined with the noise generated by other mines is to be measured in accordance with the relevant procedures in the NSW Industrial Noise Policy.</p>	Not Triggered	No requests received.																																																																																																																																			



Condition Number	Condition	Compliance Status	Evidence	Recommended Action						
<b>Noise Mitigation</b>										
5	<p>Within 12 months of this approval, unless otherwise agreed by the Director-General, the Proponent shall implement the noise mitigation measures outlined in Section 4.5 of the noise impact assessment, of the EA (see Appendix 6).</p> <p><b>Note:</b> Any request to vary the noise mitigation measures must be accompanied by a noise assessment that demonstrates that the proposed variation would not result in any increase of the noise levels as predicted in the EA.</p>	Compliant	Noise monitoring indicates compliance and as such likely that effective noise management in place							
6	<p>Upon receiving a written request from the owner of:</p> <ul style="list-style-type: none"> <li>the following land: 14, 16, 19, 20, 21, 22, 28, 32, 33, 61, 69, 70, 71, 72, 75, 76, 86; or</li> <li>any residence on privately-owned land where subsequent noise monitoring shows the noise generated by the project is greater than or equal to the relevant criteria in Table 3, the Proponent shall implement additional noise mitigation measures such as double glazing, insulation, and/or air conditioning at any residence on the land in consultation with the landowner.</li> </ul> <table border="1"> <caption>Table 3: Land acquisition criteria dBA</caption> <thead> <tr> <th>L<sub>avg</sub>(15min)</th> <th>Land Number</th> </tr> </thead> <tbody> <tr> <td>40</td> <td>12, 17, 18, 23, 25, 26, 27, 29, 31</td> </tr> <tr> <td>38</td> <td>All other private land owners</td> </tr> </tbody> </table> <p>These additional mitigation measures must be reasonable and feasible.</p> <p>If within 3 months of receiving this request from the landowner, the Proponent and the landowner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Director-General for resolution.</p> <p>Within 3 months of this approval, the Proponent shall notify all applicable landowners that they are entitled to receive additional noise mitigation measures.</p>	L <sub>avg</sub> (15min)	Land Number	40	12, 17, 18, 23, 25, 26, 27, 29, 31	38	All other private land owners	Not Triggered	Noise levels below criteria at all monitoring locations. No written requests received.	
L <sub>avg</sub> (15min)	Land Number									
40	12, 17, 18, 23, 25, 26, 27, 29, 31									
38	All other private land owners									
<b>Continuous Improvement</b>										
7	<p>The Proponent shall:</p> <ol style="list-style-type: none"> <li>implement all reasonable and feasible noise mitigation measures;</li> <li>investigate ways to reduce the noise generated by the project, including maximum noise levels which may result in sleep disturbance; and</li> <li>report on these investigations and the implementation and effectiveness of these measures in the AEMR.</li> </ol>	Compliant	Meets requirements a) - c). At all times during noise monitoring, noise levels were below criteria. Effective noise mitigation is in place.							
<b>Noise Management Plan</b>										
8	<p>The Proponent shall prepare and implement a Noise Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <ol style="list-style-type: none"> <li>be submitted to the Director-General by 31 October 2012 for approval;</li> <li>describe the measures that would be implemented (including a real-time noise management system that employs both reactive and proactive mitigation measures) to ensure: <ul style="list-style-type: none"> <li>best management practice is being employed;</li> <li>compliance with the relevant conditions of this approval;</li> </ul> </li> <li>describe the proposed noise management system in detail;</li> <li>include a noise monitoring program that: <ul style="list-style-type: none"> <li>uses a combination of real-time and supplementary attended monitoring measures to evaluate the performance of the project;</li> <li>adequately supports the proactive and reactive noise management system on site;</li> <li>includes a protocol for determining exceedances of the relevant conditions in this approval;</li> <li>evaluates and reports on the effectiveness of the noise management system on site;</li> <li>provides for the annual validation of the noise model for the project; and</li> </ul> </li> <li>include a protocol that has been prepared in consultation with the owners of nearby mines (including the Mt Arthur mine) to minimise the cumulative noise impacts of the mines.</li> </ol>	Compliant	<p><b>Preparation:</b>  Noise Management Plan, dated 2 July 2017;  (a) Approval letter from DPE, dated 18 September 2017 (Appendix 1);  (b) Real-time noise management system that employs both:  * Reactive mitigation measures: Section 11.2;  * Proactive mitigation measures: Section 11.1;  * Best management practice is being employed;  * Compliance with the relevant conditions of this approval: Section 6;  (c) Proposed noise management system: Section 10 &amp; Section 11;  (d) Noise monitoring program that:  * Uses a combination of real-time and supplementary attended monitoring measures to evaluate the performance of the project: Sections 10.1 &amp; 10.2;  * Adequately supports the proactive and reactive noise management system on site: Section 10;  * Includes a protocol for determining exceedances of the relevant conditions in this approval: Section 10.2;  * Evaluates and reports on the effectiveness of the noise management system on site: Section 12;  * Annual validation of the noise model: Section 9; and  (e) A protocol to minimise cumulative noise impacts of mines: Section 11.2.</p> <p>There is also a Noise Management Plan that was only approved a week before the audit period ceased. The October 2018 Noise Management Plan has been streamlined to focus on the care and maintenance operations. This covers the requirements of this condition.</p> <p>* Observation: Section 6 doesn't make complete references to where the statutory requirements and commitments have been addressed in the NMP.</p> <p><b>Implementation:</b>  * Evidence of noise monitoring through monthly report and Annual Review;  * No evidence of assessment against cumulative noise monitoring. However based on the previous 2017 Noise Management Plan, this did not specifically outline a methodology to assess against cumulative noise.</p>	As per Schedule 3, Condition 3 of Project Approval 06_0202 recommendation.						
<b>Blasting and Vibration</b>										
<b>Airblast Overpressure Criteria</b>										
9	<p>The Proponent shall ensure that the airblast overpressure level from blasting at the project does not exceed the criteria in Table 4 at any residence on privately-owned land.</p> <table border="1"> <caption>Table 4: Airblast overpressure impact assessment criteria</caption> <thead> <tr> <th>Airblast overpressure level (dB(Lin Peak))</th> <th>Allowable exceedance</th> </tr> </thead> <tbody> <tr> <td>115</td> <td>5% of the total number of blasts over a period of 12 months</td> </tr> <tr> <td>120</td> <td>0%</td> </tr> </tbody> </table>	Airblast overpressure level (dB(Lin Peak))	Allowable exceedance	115	5% of the total number of blasts over a period of 12 months	120	0%	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that (within audit period) met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.	
Airblast overpressure level (dB(Lin Peak))	Allowable exceedance									
115	5% of the total number of blasts over a period of 12 months									
120	0%									
<b>Ground Vibration Impact Assessment Criteria</b>										
10	<p>The Proponent shall ensure that the ground vibration level from blasting at the project does not exceed the criteria in Table 5 at any residence on privately-owned land.</p> <table border="1"> <caption>Table 5: Ground vibration impact assessment criteria</caption> <thead> <tr> <th>Peak particle velocity (mm/e)</th> <th>Allowable exceedance</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>5% of the total number of blasts over a period of 12 months</td> </tr> <tr> <td>10</td> <td>0%</td> </tr> </tbody> </table>	Peak particle velocity (mm/e)	Allowable exceedance	5	5% of the total number of blasts over a period of 12 months	10	0%	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that (within audit period) met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.	
Peak particle velocity (mm/e)	Allowable exceedance									
5	5% of the total number of blasts over a period of 12 months									
10	0%									
<b>Blasting Hours</b>										
11	<p>The Proponent shall only carry out blasting on the site between 9am and 5pm Monday to Saturday (EST), and 9am to 6pm Monday to Saturday (DST) inclusive. No blasting is allowed on Sundays, public holidays, or at any other time without the written approval of OEH.</p>	Compliant	Based on results in the monthly reports, blasting occurred within these times.							
<b>Blasting Frequency</b>										
12	<p>The Proponent may carry out a maximum of:</p> <ol style="list-style-type: none"> <li>2 blasts a day; and</li> <li>8 blasts a week,</li> </ol> <p>averaged over a 12 month period.</p>	Compliant	Based on results in the monthly reports, blasting frequency was in accordance with this condition.							

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Operating Conditions</b>				
13	<p>During mining operations, the Proponent shall:</p> <ul style="list-style-type: none"> <li>(a) implement best blasting practice to: <ul style="list-style-type: none"> <li>- protect the safety of people and livestock in the area surrounding blasting operations;</li> <li>- protect public or private infrastructure/property in the area surrounding blasting operations from blasting damage; and</li> <li>- minimise the dust and fume emissions from blasting at the project; and</li> </ul> </li> <li>(b) co-ordinate blasting on site with the blasting at the adjoining Mt Arthur coal mine to minimise the potential cumulative blasting impacts of the two mines, to the satisfaction of the Director-General.</li> </ul>	Compliant	<p>a) Evidence of Blasting Management and Monitoring Plan. Previous blast occurred in September 2016, hence there is little information regarding to the implementation of this condition. Blasting results in the Annual Review and monthly reports are within criteria. The Annual Review states that 'throughout 2016 a total of 3 blasting related enquiries or complaints were received. Two of these were in regards to blast vibration felt at the complainants' residences, and one was related to a blast cloud. Follow up actions concluded that no blasting had occurred at Drayton on any of the days where a complaint was made'.</p> <p>b) Evidence of blasting co-ordination with Mt Arthur. Mt Arthur coal mine provided emails to Malabar Coals on 4 July 2018 and 30 Oct 2018. No evidence of the DPE not being satisfied with the implementation of this condition. Evidence of blasting notification letters from Anglo Coal from 2016.</p>	
14	<p>The Proponent shall not undertake blasting within 500 metres of:</p> <ul style="list-style-type: none"> <li>(a) Thomas Mitchell Drive without the approval of Council; and</li> <li>(b) any privately-owned land or land not owned by the Proponent, unless suitable arrangements have been made with the landowner and any tenants to minimise the risk of flyrock-related impact to the property to the satisfaction of the Director-General.</li> </ul>	Compliant	<p>No blasting since September 2016. Evidence of Blast Management and Monitoring Plan, dated 28 August 2018. This contains a brief summary of the requirement to ensure compliance with this condition.</p> <p>a) Evidence of blast closure notifications for Thomas Mitchell Drive. Includes notification letters for 21 March 2016, 16 August 2016, 23 August 2016, 25 August 2016, 1 September 2016. Evidence also provided illustrating blasting notification portal for Muswellbrook Shire Council.</p> <p>b) No evidence provided that blasting occurred within 500m of a private property, nearby neighbours are notified as part of blasts.</p>	
<b>Public Notice</b>				
16	<p>During mining operations, the Proponent shall:</p> <ul style="list-style-type: none"> <li>(a) notify the landowner/occupier of any residence within 2 kilometres of the site who registers an interest in being notified about the blasting schedule at the mine;</li> <li>(b) operate a Blasting Hotline, or alternate system agreed to by the Director-General, to enable the public to get up-to-date information on the blasting schedule at the mine;</li> <li>(c) advertise the blasting hotline number in a local newspaper at least 4 times each year; and</li> <li>(d) publicise an updated blasting schedule on its website, to the satisfaction of the Director-General.</li> </ul>	Compliant	<p>a) Evidence of notification of blasts to nearby residents through letters provided to the audit team. Selection of letters provided from 2016. No blasting since September 2016.</p> <p>b) Evidence of blasting hotline advertisement from when the site was blasting.</p> <p>c) Blasting hotline from 2015 and 2016. Evidence of the quarterly advertisements from 2015 and 2016. No blasting since September 2016.</p> <p>d) As there has been no blasting since 2016, there are no current notifications. However evidence of blasting notifications from 2015 and 2016.</p>	
<b>Property Inspections</b>				
17	<p>Within 6 months of this approval, the Proponent shall advise all landowners of privately-owned land within 2 kilometres of the project that they are entitled to a structural property inspection.</p>	Not Triggered	This is not required during this audit period. Outside the period.	
18	<p>If the Proponent receives a written request for a structural property inspection from any of these land owners, the Proponent shall within 3 months of receiving this request:</p> <ul style="list-style-type: none"> <li>(a) commission a suitably qualified, experienced and independent person, whose appointment has been approved by the Director-General, to inspect the condition of any building or structure on the land, and recommend measures to mitigate any potential blasting impacts; and</li> <li>(b) give the landowner a copy of the property inspection report.</li> </ul>	Not Triggered	Based on discussions with Environment and Community Manager - no additional requests in this time.	
<b>Property Investigations</b>				
19	<p>If any landowner of privately owned land within 2 kilometres of the site claims that buildings and/or structures on his/her land have been damaged as a result of blasting at the project, the Proponent shall within 3 months of receiving this claim:</p> <ul style="list-style-type: none"> <li>(a) commission a suitably qualified, experienced and independent person, whose appointment has been approved by the Director-General, to investigate the claim; and</li> <li>(b) give the landowner a copy of the property investigation report.</li> </ul> <p>If this independent property investigation confirms the landowner's claim, and both parties agree with these findings, then the Proponent shall repair the damages to the satisfaction of the Director-General.</p> <p>If the Proponent or landowner disagrees with the findings of the independent property investigation, then either party may refer the matter to the Director-General for resolution.</p> <p>If the matter cannot be resolved within 21 days, the Director-General shall refer the matter to an Independent Dispute Resolution Process (see Appendix 10).</p>	Not Triggered	Based on discussions with Environment and Community Manager - no additional requests in this time.	
<b>Blast Monitoring Program</b>				
20	<p>The Proponent shall prepare and implement a Blast Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <ul style="list-style-type: none"> <li>(a) be submitted to the Director-General for approval by 31 October 2012;</li> <li>(b) describe the measures that would be implemented to ensure: <ul style="list-style-type: none"> <li>- best management practice is being employed;</li> <li>- compliance with the relevant conditions of this approval;</li> </ul> </li> <li>(c) include a road closure management plan for blasting within 500 metres of a public road, that has been prepared in consultation with the RTA and Council;</li> <li>(d) include a monitoring program for evaluating the performance of the project, including: <ul style="list-style-type: none"> <li>- compliance with the applicable criteria</li> <li>- minimising the fume emissions from the site; and</li> </ul> </li> <li>(e) include a protocol that has been prepared in consultation with the owners of nearby mines (including the Mt Arthur mine) to minimise the cumulative blasting impacts of these mines and the project.</li> </ul>	Compliant	<p><b>Preparation:</b></p> <ul style="list-style-type: none"> <li>- Blasting Management and Monitoring Plan dated 5 June 2017;</li> <li>(a) Approval letter from DPE, dated 18/9/2017;</li> <li>(b) Measures: <ul style="list-style-type: none"> <li>- Best management: Section 4.6.6;</li> <li>- compliance with the relevant conditions of this approval: Section 4.6.5;</li> <li>(c) Road Closure Management Plan: Appendix 6;</li> <li>(d) Monitoring program for evaluating: <ul style="list-style-type: none"> <li>- Compliance with the applicable criteria: Sections 4.6.3 &amp; 4.6.4;</li> <li>- Minimising the fume emissions: Appendix 7, Sections 12 &amp; 13; and</li> </ul> </li> <li>(e) Protocol to minimise cumulative blasting impacts: Section 4.6.8, 4.6.10 &amp; 4.6.11.</li> </ul> </li> </ul> <p><b>Implementation:</b></p> <p>No blasting since September 2016. Blasting results within criteria. Evidence of blast closure notifications for Thomas Mitchell Drive. Includes notification letters for 21 March 2016, 16 August 2016, 23 August 2016, 25 August 2016, 1 September 2016. Evidence also provided illustrating blasting notification portal for Muswellbrook Shire Council.</p> <p>Few complaints regarding blasting. Evidence of investigations into complaints. The Annual Review states that 'throughout 2016 a total of 3 blasting related enquiries or complaints were received. Two of these were in regards to blast vibration felt at the complainants' residences, and one was related to a blast cloud. Follow up actions concluded that no blasting had occurred at Drayton on any of the days where a complaint was made'.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action																																
<b>Air Quality</b>																																				
<b>Impact Assessment Criteria</b>																																				
21	<p>The Proponent shall ensure that the dust emissions generated by the project do not cause additional exceedances of the air quality impact assessment criteria listed in Tables 6, 7 and 8 at any residence, on privately-owned land, or on more than 25 percent of any privately-owned land.</p> <p><i>Table 6: Long term impact assessment criteria for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> </tr> </thead> <tbody> <tr> <td>Total suspended particulate (TSP) matter</td> <td>Annual</td> <td>90 µg/m<sup>3</sup></td> </tr> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>Annual</td> <td>30 µg/m<sup>3</sup></td> </tr> </tbody> </table> <p><i>Table 7: Short term impact assessment criterion for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> </tr> </thead> <tbody> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>24 hour</td> <td>50 µg/m<sup>3</sup></td> </tr> </tbody> </table> <p><i>Table 8: Long term impact assessment criteria for deposited dust</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Maximum increase in deposited dust level</th> <th>Maximum total deposited dust level</th> </tr> </thead> <tbody> <tr> <td>Deposited dust</td> <td>Annual</td> <td>2 g/m<sup>2</sup>/month</td> <td>4 g/m<sup>2</sup>/month</td> </tr> </tbody> </table> <p><i>Note: Deposited dust is assessed as insoluble solids as defined by Standards Australia, AS/NZS 3580.10.1:2003 Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method.</i></p>	Pollutant	Averaging period	Criterion	Total suspended particulate (TSP) matter	Annual	90 µg/m <sup>3</sup>	Particulate matter < 10 µm (PM <sub>10</sub> )	Annual	30 µg/m <sup>3</sup>	Pollutant	Averaging period	Criterion	Particulate matter < 10 µm (PM <sub>10</sub> )	24 hour	50 µg/m <sup>3</sup>	Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level	Deposited dust	Annual	2 g/m <sup>2</sup> /month	4 g/m <sup>2</sup> /month	Administrative Non-Compliance	<p>Dust sources have decreased with the site being put on care and maintenance in 2016.</p> <p><b>Results Against Criteria:</b></p> <p>Annual averages for 2018 have not yet been assessed due to only being 10 months of the 12 month average.</p> <p><b>Deposited Dust:</b> 2017 - below criteria 2016 - below criteria 2015 - Section of audit period - within criteria</p> <p><b>PM10 (TEOM)</b> 2017 - below criteria. 2016 - below criteria 2015 - Section of audit period - within criteria</p> <p><b>TSP</b> 2017 - below criteria 2016 - below criteria 2015 - Section of audit period - within criteria</p> <p><b>Monitoring Frequency:</b> The approved Oct 2018 Air Quality and Greenhouse Gas MP outlines dust monitoring requirements, including four E-Samplers and one TEOM.</p> <p>Meets the requirements of this condition. <u>However full data capture did not occur during the audit period. Administrative Non - Compliance.</u></p> <p>TEOM: The 2017 Annual Review states: There were two days in January (25th and 26th) and one in early February (4th) when technical difficulties with the Lot 9 Antiene TEOM caused erroneous data to be recorded for the 24-hour average. Problem was rectified.</p> <p>E-Sampler Network: Internal monitoring network only.</p> <p>The EPL Annual Return - 2017/18 notes a non compliance relating to monitoring frequency for ES-03. EPA Identification No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.</p> <p>Other data capture failures also occurred during 2015 and 2016, with these noted in the Annual Reviews. Based on discussions with site, these issues have now been fixed - no recommendation.</p>										
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Deposited dust	Annual	2 g/m <sup>2</sup> /month	4 g/m <sup>2</sup> /month																																	
<b>Land Acquisition Criteria</b>																																				
22	<p>If the dust emissions generated by the project exceed the criteria in Tables 8, 9 and 10 at any residence on privately-owned land, or on more than 25 percent of any privately-owned land, the Proponent shall, upon receiving a written request for acquisition from the landowner, acquire the land in accordance with the procedures in conditions 8-10 of Schedule 4.</p> <p><i>Table 9: Long term land acquisition criteria for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> </tr> </thead> <tbody> <tr> <td>Total suspended particulate (TSP) matter</td> <td>Annual</td> <td>90 µg/m<sup>3</sup></td> </tr> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>Annual</td> <td>30 µg/m<sup>3</sup></td> </tr> </tbody> </table> <p><i>Table 9: Short term land acquisition criteria for particulate matter</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Criterion</th> <th>Percentile<sup>1</sup></th> <th>Basis</th> </tr> </thead> <tbody> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>24 hour</td> <td>150 µg/m<sup>3</sup></td> <td>99<sup>2</sup></td> <td>Total<sup>3</sup></td> </tr> <tr> <td>Particulate matter &lt; 10 µm (PM<sub>10</sub>)</td> <td>24 hour</td> <td>50 µg/m<sup>3</sup></td> <td>98.6</td> <td>Incremental<sup>4</sup></td> </tr> </tbody> </table> <p><i>Notes:</i> <sup>1</sup>Based on the number of block 24 hour averages in an annual period. <sup>2</sup>Excludes extraordinary events such as bushfires, prescribed burning, dust storms, sea fog, fire incidents, illegal activities or any other activity agreed by the Director-General in consultation with the DECC. <sup>3</sup>Background PM<sub>10</sub> concentrations due to all other sources plus the incremental increase in PM<sub>10</sub> concentrations due to the mine alone. <sup>4</sup>Incremental increase in PM<sub>10</sub> concentrations due to the mine alone.</p> <p><i>Table 10: Long term land acquisition criteria for deposited dust</i></p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Averaging period</th> <th>Maximum increase in deposited dust level</th> <th>Maximum total deposited dust level</th> </tr> </thead> <tbody> <tr> <td>Deposited dust</td> <td>Annual</td> <td>2 g/m<sup>2</sup>/month</td> <td>4 g/m<sup>2</sup>/month</td> </tr> </tbody> </table> <p><i>Note: Deposited dust is assessed as insoluble solids as defined by Standards Australia, AS/NZS 3580.10.1:2003 Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method.</i></p>	Pollutant	Averaging period	Criterion	Total suspended particulate (TSP) matter	Annual	90 µg/m <sup>3</sup>	Particulate matter < 10 µm (PM <sub>10</sub> )	Annual	30 µg/m <sup>3</sup>	Pollutant	Averaging period	Criterion	Percentile <sup>1</sup>	Basis	Particulate matter < 10 µm (PM <sub>10</sub> )	24 hour	150 µg/m <sup>3</sup>	99 <sup>2</sup>	Total <sup>3</sup>	Particulate matter < 10 µm (PM <sub>10</sub> )	24 hour	50 µg/m <sup>3</sup>	98.6	Incremental <sup>4</sup>	Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level	Deposited dust	Annual	2 g/m <sup>2</sup> /month	4 g/m <sup>2</sup> /month	Not Triggered	Not triggered during audit period.	
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<b>Operating Conditions</b>																																				
23	<p>The Proponent shall:</p> <p>(a) ensure any visible air pollution generated by the project is assessed regularly, and that mining operations are relocated, modified, and/or stopped as required to minimise air quality impacts on privately-owned land;</p> <p>(b) ensure that the real-time air quality monitoring and meteorological monitoring data are assessed regularly, and that mining operations are relocated, modified and/or stopped as required to ensure compliance with the relevant air quality criteria; and</p> <p>(c) implement all practicable measures to minimise the off-site odour and fume emissions generated by any spontaneous combustion on site, to the satisfaction of the Director-General.</p>	Compliant	<p>a) When the site was operational, controls for dust management included real time air quality monitoring, water carts ect. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit inspection.</p> <p>b) Evidence of changed operations based on real time and meteorological data. Evidence of Anglo Shift Environment Check List outlining changes to activities eg. water cart, stopping mining. Monitoring of real time dust and meteorological is ongoing during the current phase of the site.</p> <p>c) Minor evidence of spontaneous combustion was sighted in the field. The Spontaneous Combustion Management Plan illustrates evidence of controls.</p> <p><b>Implementation for spontaneous combustion:</b> * Capping of material prone to spontaneous combustion - sighted in the field; * Annual flyover inspection for spontaneous combustion; * Monthly walkover - thermal camera; * Evidence of submission of six monthly spontaneous combustion monitoring reports; and * Evidence of consultation with the DPE in email correspondence in September 2018 regarding capping of areas to reduce spontaneous combustion potential.</p>																																	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Spontaneous Combustion</b>				
24	<p>The Proponent shall prepare and implement a Spontaneous Combustion Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) prepared in consultation with OEH and DRE by suitably qualified expert/s whose appointment/s have been approved by the Director-General; and</p> <p>(b) submitted to the Director-General for approval within 6 months of this approval.</p>	Compliant	<p><b>Preparation:</b>            Spontaneous Combustion Management Plan, dated 12 September 2017;            * Approval letter from DPE dated 16 November 2017 (Appendix 1);            (a) Prepared in consultation with OEH and Resources Regulator (formerly DRE): Section 4.3 and Appendix 1;            by Suitably qualified expert: Section 4.5.2 and Appendix 1;            (b) Approval of expert letter from DPE dated 29 June 2017 (Appendix 1 of Management Plan); and            * Approval letter from DPE dated 16 November 2017 (Appendix 1). Previous submission date was well before this audit period.</p> <p><b>Implementation:</b>            * Capping of material prone to spontaneous combustion - sighted in the field;            * Annual flyover inspection for spontaneous combustion;            * Monthly walkover - thermal camera;            * Evidence of submission of six monthly spontaneous combustion monitoring reports, including April to September 2018 report to the EPA</p>	
<b>Air Quality</b>				
25	<p>The Proponent shall prepare and implement an Air Quality and Greenhouse Gas Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be submitted to the Director-General by 31 October 2012 for approval;</p> <p>(b) describe the measures that would be implemented (including a real-time air quality management system that employs both reactive and proactive mitigation measures) to ensure:</p> <ul style="list-style-type: none"> <li>- best management practice is being employed;</li> <li>- compliance with the relevant conditions of this approval;</li> </ul> <p>(c) describe the proposed air quality management system;</p> <p>(d) include an air quality monitoring program that:</p> <ul style="list-style-type: none"> <li>- uses a combination of real-time monitors and supplementary monitors to evaluate the performance of the development;</li> <li>- adequately supports the proactive and reactive air quality management system;</li> <li>- includes PM2.5 monitoring (although this obligation may be satisfied by the regional air quality monitoring network if sufficient justification is provided);</li> <li>- evaluates and reports on the effectiveness of the air quality management system;</li> <li>- includes a protocol for determining any exceedances of the relevant conditions of this consent; and</li> </ul> <p>(e) include a protocol that has been prepared in consultation with the owners of nearby mines (including the Mt Arthur mine) to minimise the cumulative air quality impacts of the mines.</p>	Compliant	<p><b>Preparation:</b>            Air Quality and Monitoring Plan, dated 5 June 2017;            * Approval letter from DPE dated 18 September 2017 (Appendix 1);            (a) Approval letter from Department of Planning, dated 13 February 2009 (Appendix 1);            (b) Measures:            * Reactive and proactive mitigation measures: Section 4.10;            * Best management practice: Section 4.5 &amp; 4.6;            * Compliance with relevant conditions of this approval: Section 4.9;            (c) describe the proposed air quality management system: Section 4.9 &amp; Section 4.12;            (d) Air quality monitoring program: Section 4.12;            * Real-time monitors: Section 4.12;            * Supplementary monitors: Section 4.12;            * Supports the proactive and reactive air quality management system: Section 4.10;            * PM2.5 monitoring: Section 4.10.1;            * Effectiveness of the air quality management system: Section 4.13;            * Protocol for determining exceedances of the relevant conditions of this consent: Section 4.6; and            (e) Protocol minimise cumulative air quality impacts of the mines: Section 4.18.</p> <p>2018 approved Air Quality and Monitoring Plan also sighted with this just falling within the audit period. Document meets the requirement of a-e.</p> <p><b>Implementation:</b>            When the site was operational, controls for dust management included real time air quality monitoring, water carts ect. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was however noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit inspection.</p> <p><b>Observation:</b> The 2018 AQGHGMP show fewer dust monitoring sites than reported in the 2015 - 2017 AEMRs.</p>	
<b>Meteorological Monitoring</b>				
26	<p>During the life of the project, the Proponent shall ensure that there is a suitable meteorological station in the vicinity of the site that complies with the requirements in the Approved Methods for Sampling of Air Pollutants in New South Wales guideline.</p>	Compliant	<ul style="list-style-type: none"> <li>* Meteorological summary is outlined within the Annual Reviews.</li> <li>* Evidence of monitoring for rainfall, temperature, wind speed and direction.</li> <li>* Evidence of live meteorological station by Malabar Coal.</li> <li>* Evidence of raw meteorological data.</li> <li>* Evidence of calibration certificates sighted for meteorological station. Certificates sighted for 3/4/2018 and 20/5/2017. Also sighted annual physical screening checks by Carbon Based Environmental.</li> </ul>	
<b>Surface and Ground Water</b>				
<b>Surface Water Discharges</b>				
27	<p>The Proponent shall only discharge water from the site in accordance with the provisions of an EPL or the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.</p>	Non-Compliant (Low Risk)	<p>The site does not have a licenced discharge point. 2 discharges provided to SLR during the audit period.</p> <p><b>Discharge 1</b> - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff.</p> <p>The EPL Annual Return states:  <i>The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528 uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</i></p> <p><b>Discharge 2</b> - Information from initial incident notification report to DPE on 30 October 2018.</p> <p><i>Mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.</i></p> <p>No further recommendations regarding these non-compliances. Improvement measures have been enacted to reduce the likelihood of future discharge events.</p>	
<b>Water Management Plan</b>				
28	<p>The Proponent shall prepare and implement a Site Water Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be prepared in consultation with OEH and NOW by suitably qualified expert/s whose appointment/s have been approved by the Director-General;</p> <p>(b) be submitted to the Director-General for approval within 6 months of this approval; and</p> <p>(c) include:</p> <ul style="list-style-type: none"> <li>- a Site Water Balance;</li> <li>- an Erosion and Sediment Control Plan;</li> <li>- a Surface Water Monitoring Program;</li> <li>- a Ground Water Monitoring Program; and</li> <li>- a Surface and Ground Water Response Plan.</li> </ul>	Compliant	<p><b>Preparation:</b>            * Site Water Management Plan (WMP), dated 7 June 2017;            * Approval letter from DPE dated 18 September 2017 (Appendix 1);            (a) Prepared in consultation with OEH and DPI Water (formerly NOW): Section 6.4;            * Suitably qualified expert/s approved by the Director-General: Section 6.4;            (b) Original consent dated 1 February 2008 - June 2008 version of the prepared;            (c) includes:            * A Site Water Balance: Section 7.2;            * An Erosion and Sediment Control Plan: Section 7.3;            * A Surface Water Monitoring Program: Section 7.4;            * A Ground Water Monitoring Program: Section 7.5; and            * A Surface and Ground Water Response Plan: Section 7.6.</p> <p><b>Implementation:</b>            Site inspection identified a very simple water management system dividing the site into potentially contaminated water, dirty water and clean water. The inspection did not indicate any major issues relating to water management. There were recommendations relating to water management within rehabilitated areas with these covered under specific rehabilitation conditions.            Evidence of water monitoring in monthly reports and Annual Reviews.            SLR understands that all management plans are in the process of being reviewed.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Site Water Balance</b>				
29	<p>The Site Water Balance must:</p> <p>(a) include details of:</p> <ul style="list-style-type: none"> <li>- sources and security of water supply;</li> <li>- water use on site;</li> <li>- water management on site;</li> <li>- off-site water transfers; and</li> </ul> <p>(b) investigate and describe measures to minimise water use by the project.</p>	Compliant	<p><b>Preparation:</b>  Site Water Balance (Section 7.2, WMP):  (a) Includes:  <ul style="list-style-type: none"> <li>- Sources and security of water supply: Section 7.2.2 (WMP);</li> <li>- Water use on site: Section 7.2.2 (WMP);</li> <li>- Water management on site; Sections 7.2.2, 7.2.3 &amp; 7.2.4 (WMP);</li> <li>- Off-site water transfers: Section 7.2.3 (WMP); and</li> </ul> (b) Measures to minimise water use by the project: Section 7.2.4 (WMP).</p> <p><b>Implementation:</b>  * Evidence of water balance summary in the Annual Review.  * Field inspection indicates dams are well below capacity even with some recent rainfall.  * SLR understands that all management plans are in the process of being reviewed. We understand the site water balance will be reviewed at that time.</p>	
<b>Erosion and Sediment Control</b>				
30	<p>The Erosion and Sediment Control Plan must:</p> <p>(a) be consistent with the requirements of the Managing Urban Stormwater: Soils and Construction Manual (Landcom 2004, or its latest version);</p> <p>(b) identify activities that could cause soil erosion and generate sediment;</p> <p>(c) describe measures to minimise soil erosion and the potential for the transport of sediment to downstream waters;</p> <p>(d) describe the location, function, and capacity of erosion and sediment control structures; and</p> <p>(e) describe what measures would be implemented to maintain the structures over time.</p>	Administrative Non-Compliance	<p><b>Preparation:</b>  The Erosion and Sediment Control Plan (Section 7.3, WMP):  (a) Consistent with the requirements of Managing Urban Stormwater: Soils and Construction Manual (Landcom 2004, or its latest version): Section 7.3, WMP;  (b) Activities cause soil erosion and generate sediment: Section 7.3, WMP;  (c) describe measures to minimise soil erosion and sedimentation: Section 7.3.1, WMP;  (d) Location, function, and capacity of erosion and sediment control structures: Section 7.3.1, WMP; and  (e) Measures to be implemented to maintain the structures over time: Section 7.3.2, WMP.</p> <p><b>Implementation:</b>  * Evidence of erosion and sediment control in the field. There are recommendations relating to water management within rehabilitated areas with these covered under specific rehabilitation conditions.  * Site inspection identified a very simple water management system dividing the site into potentially contaminated water, dirty water and clean water. The inspection did not indicate any major issues relating to water management.  * SLR noted sediment built up in lower lube bay area.  * Evidence of incorrect design/construction of some contour banks in rehabilitation.</p> <p>Section 7.3.1 of the Water Management Plan outlines the requirement to construct graded banks in rehabilitation. <i>Construction of graded banks by suitably qualified contractors over final reshaped overburden areas to minimise erosion and re-direct runoff to catch drains and water disposal areas. These banks are typically constructed with a 0.5-1.5% slope, a 3-5m basal width, and spaced to minimise down slope flows. They end with level spreaders (typically 5m wide). The function of these structures is to divert water through rehabilitated lands at a rate that does not create erosion or damage and to deliver it to established dams or water holding bodies located in strategic locations near rehabilitated areas.</i></p> <p>The inspection by SLR indicated that several areas of recent and past rehabilitation that did not meet this design. There have been some blow outs of erosion in areas where contour drains were not designed as per this commitment. <u>Administrative non-compliance</u> regarding implementation of the WMP.</p>	<p>Clean out sump at the lower lube bay and transfer sediment to the bioremediation area.</p> <p>See Section 5.1 of the main report regarding recommendations for rehabilitation and closure.</p>
<b>Surface Water Monitoring</b>				
31	<p>The Surface Water Management and Monitoring Plan must include:</p> <p>(a) detailed baseline data on surface water flows and quality in creeks and other waterbodies that could be affected by the project;</p> <p>(b) surface water impact assessment criteria;</p> <p>(c) a program to monitor the impact of the project on surface water flows and quality and downstream water users; and</p> <p>(d) reporting procedures for the results of this monitoring.</p>	Administrative Non-Compliance	<p><b>Preparation:</b>  The Surface Water Monitoring Plan (Section 7.4, WMP):  (a) Detailed baseline data: Section 7.4.1, WMP;  (b) Surface water impact assessment criteria: Section 7.4.4, WMP;  (c) Monitor impact of project on surface water flows &amp; quality &amp; downstream water users: Section 7.4.2, WMP; and  (d) Reporting procedures: Section 7.4.5, WMP.</p> <p><b>Implementation:</b>  * Evidence of surface water monitoring in monthly reports and Annual Reviews.  * Evidence that monitoring locations outlined within Section 7.4.2 of the WMP are being monitored.  * SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.  * There is a commitment in Section 7.4.3 of the WMP regarding inspections of water storages (listed in Section 7.4.2) following storm events of more than 30mm in a 24 hour period. Based on liaison with Malabar Coal, prescribed dams are being inspected, however no evidence can be provided of other dams onsite. <u>Admin Non-Compliance</u> relating to implementation on inspections.</p>	<p>Ensure dams listed in Section 7.4.2 of the WMP are inspected following storm events of more than 30mm in a 24 hour period.</p>
<b>Groundwater Monitoring</b>				
32	<p>The Groundwater Monitoring Plan must include:</p> <p>(a) detailed baseline data of groundwater levels, yield and quality in the region (including privately owned groundwater bores within the predicted drawdown impact zone identified in the EA);</p> <p>(b) a program to augment the baseline data over the life of the project</p> <p>(c) groundwater assessment criteria, including trigger levels for investigating any potentially adverse groundwater impacts;</p> <p>(d) a program to monitor:</p> <ul style="list-style-type: none"> <li>- regional groundwater levels and quality in the surrounding aquifers;</li> <li>- impacts on the groundwater supply of potentially affected landowners;</li> <li>- the volume of ground water seeping into the open cut mine workings;</li> <li>- the groundwater pressure response in the surrounding coal measures;</li> <li>- the seepage/leachate from any tailings dams, water storages or backfilled voids on site;</li> </ul> <p>(e) procedures for the verification of the groundwater model; and</p> <p>(f) reporting procedures for the results of the monitoring program and model verification.</p>	Administrative Non-Compliance	<p><b>Preparation:</b>  The Groundwater Monitoring Plan (Section 7.5, WMP):  (a) Baseline data: Section 7.5.1, WMP;  (b) Program to augment the baseline data: Section 7.5.2, WMP;  (c) Groundwater assessment criteria: Section 7.5.3, WMP;  (d) Program to monitor:  <ul style="list-style-type: none"> <li>- Regional groundwater levels and quality in the surrounding aquifers: Section 7.5, WMP;</li> <li>- Impacts on the groundwater supply of potentially affected landowners: Section 7.5, WMP;</li> <li>- The volume of ground water seeping into the open cut mine workings: Section 7.5.4, WMP;</li> <li>- The groundwater pressure response: Section 7.5.4, WMP;</li> <li>- The seepage/leachate from any tailings dams, water storages or backfilled voids on site: Section 7.5.4, WMP;</li> </ul> (e) procedures for the verification of the groundwater model: Section 7.5.4, WMP; and  (f) reporting procedures for the results of the monitoring program and model verification: Section 7.5.4, WMP.</p> <p><b>Implementation:</b>  * Evidence of groundwater monitoring in monthly reports and Annual Reviews. Includes depth and parameters.  * SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.  * Site inspection noted groundwater storage within voids.  * Groundwater Monitoring - <u>Admin Non-Compliance</u></p> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p>	<p>Ensure groundwater monitoring is completed as per the Groundwater Monitoring Plan.</p>
<b>Surface and Ground Water Response Plan</b>				
33	<p>The Surface and Ground Water Response Plan must include:</p> <p>(a) a protocol for the investigation, notification and mitigation of any exceedances of the surface water and groundwater impact assessment criteria;</p> <p>(b) measures to mitigate and/or compensate potentially affected landowners with privately owned groundwater bores within the predicted drawdown impact zone identified in the EA, including provision of alternative supply of water to the affected landowner that is equivalent to the loss attributed to the project;</p> <p>(c) the procedures that would be followed if any unforeseen impacts are detected during the project.</p>	Compliant	<p><b>Preparation:</b>  The Surface and Ground Water Response Plan (Section 7.6, WMP):  (a) Protocol: Section 7.6, WMP;  (b) Measures to mitigate and/or compensate potentially affected landowners: Section 7.6, WMP; and  (c) Procedures to be followed if any unforeseen impacts are detected: Section 7.6, WMP.</p> <p><b>Implementation:</b>  * There were 2 surface water management incidents with this outlined in Schedule 3 Condition 27. Evidence of incident reporting, which meets the requirements of Section 7.6 of the WMP.  * Evidence of reporting of water management and incidents in previous Annual Reviews.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Rehabilitation and Landscape Management</b>				
<b>Rehabilitation</b>				
34	The Proponent shall progressively rehabilitate the site in a manner that is generally consistent with the final landform and proposed rehabilitation strategy in the EA (shown conceptually in Appendix 7) to the satisfaction of the DRE.	Compliant	Evidence of progressive rehabilitation in the field. Areas of good performance include: * Several areas of established rehabilitation; * There is an intensive rehabilitation planning schedule for 2018/2019; * Evidence of rehabilitation monitoring and inspections.  There are some areas of improvement, with this outlined in the recommendations in Section 5.1 the main report. It is noted that the rehabilitated landform has generally been designed and thus far implemented as per the landform in the approved 2015 MOP.	A full list of proposed rehabilitation improvements are outlined within Section 5.1 of the main report.
<b>Offset Strategy</b>				
35	The Proponent shall: (a) offset the following vegetation clearing of the project at a ratio of at least 2:1 to ensure there is a net improvement in the biodiversity value of the local area in the medium to long term: - 36 ha of Narrow-leaved Ironbark woodland; - 1 ha of Spotted Gum-Grey Box open forest woodland; and - 1.3 ha of Forest Red Gum open forest and woodland (Hunter Lowland Redgum Forest EEC); and - 6 ha of revegetated Yellow Box and Grey Gum woodland; (b) ensure that this offset is located in close proximity to the Natural Zone of the Drayton Wildlife Refuge (see Appendix 8); and (c) make suitable arrangements to protect this offset from development in the long term, to the satisfaction of the Director-General. <b>Note:</b> This offset may include land that is currently part of the existing Grazing Zone of the Drayton Wildlife Refuge (see Appendix 8).	Compliant	Evidence of Offset Strategy document dated May 2016. The original Offset Strategy was approved by the Director General on 20th April 2010.  a) and b) Area noted in the field and within plan provided to SLR.  c) Offset strategy previously approved.  Reviewed the offset area in the field. Malabar Coals noted that additional work is required in the offset area in the coming year. Evidence of monitoring within the offset area provided in the Annual Review, including Biodiversity Monitoring Report from EcoLogical - Spring 2017.	There is little information within the Annual Review about proposed activities within the offset areas. Additional information is recommended including proposed activities and timings for offset areas. It is recommended that this information is outlined within a table.
35A	By the end of December 2009, the Proponent shall: (a) incorporate an offset of at least 12 hectares, generally consistent with the offset described in the 2009 EA, into the Drayton Wildlife Refuge; and (b) establish mechanisms within the Offset Strategy for long-term conservation and management of this offset in accordance with condition 36.	Compliant	Outside of this audit period. See section 4.1 of the offset strategy.  However a) and b) have been met	
36	Within 6 months of this approval, the Proponent shall prepare an Offset Strategy for the project to the satisfaction of the Director-General. This strategy must: (a) be prepared in consultation with the OEH; (b) describe the measures that would be: - offset the specified vegetation clearing of the project; - ensure that adequate resources are dedicated towards the implementation of this offset; - demonstrate that the proposed offset is generally consistent with the principles in Appendix 9, and would result in a net improvement in the biodiversity value of the local area in the medium to long term; and - provide appropriate long term security for this offset.	Compliant	<b>Preparation:</b> * Offset Strategy, dated 4 June 2016. * DPE Approval letter dated 9 June 2017. * This strategy: (a) Distribution list for the Offset Strategy includes the OEH. (b) Measures that would: - Offset the specified vegetation clearing of the project: Section 4.2 & 4.3 - Adequate resources dedicated towards the implementation of this offset: Section 4.4 - Demonstrate that the proposed offset is generally consistent with the principles in Appendix 9: Section 1 * Result in a net improvement in the biodiversity value of the local area in the medium to long term: Section 1. - Appropriate long term security for this offset: Section 4.2 & 4.3  <b>Implementation:</b> * No evidence of any clearing during the audit period. * Evidence of monitoring of the offset area in Biodiversity Monitoring Reports. * The Offset Strategy appears to meet the requirements of this condition, however there are few commitments in regards to activities and timings.	
<b>Thomas Mitchell Drive Tree Screens</b>				
37	Within 2 years of this approval, the Proponent shall plant additional trees along the Thomas Mitchell Drive corridor to provide a mature tree screen for the project. These trees must be planted in consultation with Council, and subsequently monitored to the satisfaction of the Director-General.	Compliant	2017 Annual Review states:  <i>During 2007, some 2,060 native tree seedlings were planted along Thomas Mitchell Drive to act as visual barrier for future mining developments. The seedlings were successfully established and now provide a screened barrier for travellers along Thomas Mitchell Drive. Further tree plantings occurred throughout 2012, 2014 and 2015. Trees were planted in areas that are visible to both the New England Highway and Thomas Mitchell Drive to provide future relief from linear rehabilitated contours.</i>  Evidence of tree screens sighted during field inspection.	
<b>Landscaping Management Plan</b>				
38	The Proponent shall prepare and implement a detailed Landscape Management Plan for the project to the satisfaction of the DRE and the Director-General and. This plan must: (a) be prepared in consultation with OEH, NOW and Council by suitably qualified expert/s whose appointment/s have been approved by the Director-General (b) be submitted to the Director-General for approval within 12 months of this approval; and (c) include a: - Rehabilitation and Offset Management Plan; - Final Void Management Plan; and - Mine Closure Plan. <b>Note:</b> The Department accepts that the initial Landscape Management Plan may not include the detailed Final Void Management Plan and Mine Closure Plan. However, if this occurs, the Proponent will be required to seek approval from the Director-General for an alternative timetable for the completion and approval of the Final Void Management Plan and Mine Closure Plan.	Compliant	<b>Preparation:</b> Landscape Management Plan, dated 1 March 2016; * Approval letter from DPE dated 9 June 2017; * DPE letter dated 30 October 2015 refers to Mining Operations Plan (MOP) approval letter from DRG. (a) Prepared in consultation with OEH, NOW and Council: Section 4.4 Rehabilitation & Offset Management Plan, Section 1.5.2 of MOP; (b) N/A - Outside of audit period; and (c) include a: - Rehabilitation and Offset Management Plan: Requirement fulfilled by separate Rehabilitation and Offset Management Plan; - Final Void Management Plan: Requirement fulfilled by the MOP, dated 23 December 2016; and - Mine Closure Plan: Requirement fulfilled by the MOP, dated 23 December 2016.  <b>Implementation:</b> This is a high level document and has other management plans as appendices.	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Rehabilitation and Offset Management Plan</b>				
39	<p>The Rehabilitation and Offset Management Plan must include:</p> <p>(a) the objectives for the rehabilitation of the site and provisions of the offset;</p> <p>(b) a detailed description of how the rehabilitation of the site and implementation of the Offset Strategy would be integrated with the rehabilitation and Offset Strategy for the Mt Arthur North mine and remnant vegetation on Macquarie Generation's land, to ensure there is a comprehensive integrated strategy for the restoration and enhancement of the local landscape over time;</p> <p>(c) a description of the short, medium, and long term measures that would be implemented to:</p> <ul style="list-style-type: none"> <li>- rehabilitate the site;</li> <li>- implement the Offset Strategy;</li> <li>- implement the Thomas Mitchell Drive Tree Screens; and</li> <li>- manage the remnant vegetation and habitat on the site; and</li> </ul> <p>(d) a detailed description of what measures would be implemented over the next 3 years to rehabilitate the site and implement the Offset Strategy and Thomas Mitchell Drive tree screens, including the procedures to be implemented for:</p> <ul style="list-style-type: none"> <li>- progressively rehabilitating areas disturbed by mining;</li> <li>- implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata;</li> <li>- managing the remnant vegetation and habitat on site</li> <li>- managing impacts on fauna;</li> <li>- reducing the visual impacts of the project;</li> <li>- landscaping the site to minimise visual impacts;</li> <li>- protecting areas outside the disturbance areas conserving and reusing topsoil;</li> <li>- collecting and propagating seeds for rehabilitation works;</li> <li>- salvaging and reusing material from the site for habitat enhancement;</li> <li>- controlling weeds and feral pests;</li> <li>- controlling access;</li> <li>- bushfire management; and</li> <li>- managing any potential conflicts between the rehabilitation of the mine and Aboriginal cultural heritage;</li> </ul> <p>(e) detailed performance and completion criteria for the rehabilitation of the site and implementation of the Offset Strategy and Thomas Mitchell Drive tree screens;</p>	Administrative Non-Compliance	<p><b>Preparation:</b> The Rehabilitation and Offset Management Plan (ROMP), dated 1 October 2013. Administrative non-compliance relating to review period.</p> <p>(a) Rehabilitation objectives &amp; provisions of the offset: Sections 1 &amp; 4.7;</p> <p>(b) Integration: Section 4.8;</p> <p>(c) Description of the short, medium, and long term measures that would be implemented to:</p> <ul style="list-style-type: none"> <li>- Rehabilitate the site: Section 4;</li> <li>- Implement the Offset Strategy: Section 4;</li> <li>- Implement the Thomas Mitchell Drive Tree Screens: Section 4.9.6; and</li> <li>- manage the remnant vegetation and habitat on the site: Section 4.9.2; and</li> </ul> <p>(d) Measures:</p> <ul style="list-style-type: none"> <li>- Progressively rehabilitating areas disturbed by mining: Section 4.6;</li> <li>- Implementing revegetation and regeneration within the disturbance areas and offset areas: Sections 4.7, 4.9, 4.10 &amp; 4.11;</li> <li>- Managing the remnant vegetation and habitat on site: Section 4.9.2;</li> <li>- Managing impacts on fauna: Section 4.7.1;</li> <li>- Reducing the visual impacts of the project: Section 4.9.7;</li> <li>- Landscaping the site to minimise visual impacts: Section 4.9.7;</li> <li>- Protecting areas outside the disturbance areas conserving and reusing topsoil: Section 4.10.3;</li> <li>- Collecting and propagating seeds for rehabilitation works: Section 4.10.5;</li> <li>- Salvaging and reusing material from the site for habitat enhancement: Section 4.10.7;</li> <li>- Controlling weeds and feral pests: Sections 4.11.3 &amp; 4.11.4;</li> <li>- Controlling access: 4.11.2;</li> <li>- Bushfire management: The ROMP references the Bushfire Management Plan; and</li> <li>- Managing any potential conflicts between the rehabilitation of the mine and Aboriginal cultural heritage: Section 4.9.8;</li> </ul> <p>(e) Performance and completion criteria: Section 4.13.</p>	<p>The Rehabilitation and Offset Management Plan is from 2013 and should be updated.</p> <p>If the current draft MOP amendment that is with the DPE and Resource Regulator is approved, the Rehabilitation and Offset Management Plan should be updated for consistency.</p> <p>See Section 5.1 of the main report relating to rehabilitation recommendations.</p>
	<p>(f) a detailed description of how the performance of the rehabilitation of the site and implementation of the Offset Strategy and Thomas Mitchell Drive tree screens would be monitored over time to achieve the relevant objectives and completion criteria;</p> <p>(g) a description of the potential risks to successful rehabilitation and/or revegetation, and a description of the contingency measures that would be implemented to mitigate these risks; and</p> <p>(h) details of who is responsible for monitoring, reviewing and implementing the plan.</p> <p>Note: Reference to 'rehabilitation' in this approval includes all works associated with the rehabilitation and restoration of the site as described in the EA, and applies to all areas within the Mining Lease and Offsets Strategy.</p>		<p><b>Preparation:</b> (f) Monitoring: Section 4.14; (g) Potential risks &amp; contingency measures: Section 4.9.9 &amp; 4.9.10; (h) Details of who is responsible for monitoring, reviewing and implementing the plan: Section 4.1.</p> <p><b>Implementation:</b> Section 4.2 outlines this document is to be reviewed every three years. <u>Admin non-compliance.</u> Evidence of rehabilitation and biodiversity monitoring reports. Evidence of rehabilitation and offset areas. Evidence of maintenance through inspections and weed spraying. Evidence of past tube stock planting. Evidence of vegetation screen along Thomas Mitchell Drive. Evidence of capping of material prone to spontaneous combustion. The Plan is out of date and only has a proposed rehabilitation schedule from 2013-2015. It was prepared when the site was operational.</p> <p>Section 4.10.2 Site Preparation outlines the requirement to deep rip. <i>Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile.</i></p> <p>For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Admin non-compliance.</u></p>	
39A	Within 6 months of the modification approval (06_0202 MOD 2) the Proponent shall review and update the Rehabilitation and Offset Management Plan referred to in Condition 39 with consideration of the Muswellbrook Shire Council Mining Rehabilitation Policy, in consultation with Council, DRE and to the satisfaction of the Director General.	Not Triggered	Outside of audit period.	
<b>Final Void Management</b>				
40	<p>The Final Void Management Plan must:</p> <p>(a) justify the planned final location and future use of the final voids;</p> <p>(b) incorporate design criteria and specifications for the final voids based on verified groundwater modelling predictions and a re-assessment of post-mining groundwater equilibration;</p> <p>(c) assess the potential interactions between creeks on the site and the final voids; and</p> <p>(d) describe what actions and measures would be implemented to:</p> <ul style="list-style-type: none"> <li>- minimise any potential adverse impacts associated with the final voids; and</li> <li>- manage and monitor the potential impacts of the final voids over time.</li> </ul>	Compliant	<p><b>Preparation:</b> * The requirement of a Final Void Management Plan is fulfilled by the Mining Operations Plan (MOP), dated 23 December 2016 (refer to Condition 41, Schedule 3). * The MOP:</p> <p>(a) Justify planned final location and future use of the final voids: Sections 3.2.9, 4.2, 5.1, 5.2 &amp; 7.2.11;</p> <p>(b) Design criteria and specifications for the final voids: Section 3.2.15 &amp; 5.1;</p> <p>(c) Potential interactions between creeks on the site and the final voids: Section 3.2.15; and</p> <p>(d) Actions and measures to:</p> <ul style="list-style-type: none"> <li>- Minimise any potential adverse impacts associated with the final voids: Section 7.2.11; and</li> <li>- Manage and monitor the potential impacts of the final voids over time: Section 12.2.</li> </ul> <p><b>Implementation:</b> Based on a review of rehabilitation in the field and the material balance provided to SLR, the site has been completing landform design for final rehabilitation as per the current approved MOP. This includes the areas of the final voids.</p>	Liaison with the Resource Regulator and DPE regarding an agreement on the final landform for the site, including an agreement on final voids. Based on the information provided to SLR, the site will continue to complete rehabilitation as per the landform in the approved 2015 MOP unless directed otherwise from the Resource Regulator or the DPE.
<b>Mine Closure Plan</b>				
41	<p>The Mine Closure Plan must:</p> <p>(a) define the objectives and criteria for mine closure;</p> <p>(b) investigate options for the future use of the site, including the final voids;</p> <p>(c) investigate ways to minimise the adverse socio-economic effects associated with mine closure, including reduction in local employment levels;</p> <p>(d) describe the measures that would be implemented to minimise or manage the ongoing environmental effects of the project; and</p> <p>(e) describe how the performance of these measures would be monitored over time.</p>	Compliant	<p><b>Preparation:</b> * The requirement of a Mine Closure Plan is fulfilled by the Mining Operations Plan (MOP), dated 23 December 2016 (refer to Condition 41, Schedule 3). The MOP:</p> <p>(a) Objectives and criteria for mine closure: Section 4.3, 5.2 &amp; 6;</p> <p>(b) Investigate options for the future use of the site, including the final voids: Sections 3.2.9, 4.2, 4.2.1, 5 and 7.2.11;</p> <p>(c) Minimise adverse socio-economic effects: Section 3.2.13;</p> <p>(d) Measures to minimise or manage the ongoing environmental effects of the project: Section 3.2; and</p> <p>(e) Describe how the performance of these measures would be monitored over time: Section 8.</p> <p><b>Implementation:</b> Based on a review of rehabilitation in the field and the material balance provided to SLR, the site has been completing landform design for final rehabilitation as per the current approved MOP. Evidence of rehabilitation during site inspection. Evidence of rehabilitation monitoring.</p>	See Section 5.1 of the main report relating to rehabilitation recommendations.
41A	By 31 December 2012, the Proponent shall review the Rehabilitation and Offset Management Plan, Final Void Management Plan and Mine Closure Plan in consultation with Council and DRE and to the satisfaction of the Director General. This review must take Council's Mining Rehabilitation Policy into account.	Not Triggered	Outside of the audit period. SLR understands a draft version of the Landscape Management Plan has been provided to the DPE and	
<b>Conservation and Biodiversity Bond</b>				
42	<p>Within 3 months of the approval of the Landscape Management Plan, the Applicant shall lodge a conservation and biodiversity bond with either DRE or the Department to ensure that the Offset Strategy is implemented in accordance with the performance and completion criteria of the Landscape Management Plan. The sum of the bond shall be determined by:</p> <p>(a) calculating the full cost of implementing the Offset Strategy; and</p> <p>(b) employing a suitably qualified quantity surveyor to verify the calculated costs.</p> <p><b>Notes:</b></p> <ul style="list-style-type: none"> <li>- If the Offset Strategy is completed to the satisfaction of the Director-General, the DRE or the Department will release the conservation bond.</li> <li>- If the Offset Strategy is not completed to the satisfaction of the Director-General, all or part of the conservation bond will be used to ensure the satisfactory completion of the relevant works.</li> <li>- The conservation bond may be incorporated into rehabilitation bonding arrangements under the Mining Act 1993.</li> </ul>	Compliant	<p>a) and b) A revised bond was also sent through the DPE in September 2017. Based on discussions with the Malabar Coals Environment and Community Manager, the DPE did not approve the new bond</p> <p>The current approved bond provided to SLR as a balance summary was \$2,317,000.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Aboriginal Cultural Heritage</b>				
<b>Aboriginal Heritage Plan</b>				
43	The Proponent shall prepare and implement an Aboriginal Heritage Plan to the satisfaction of the Director-General. This plan must: (a) be prepared in consultation with OEH and relevant Aboriginal communities; (b) be submitted to the Director-General for approval within 6 months of this approval or prior to the disturbance of any Aboriginal object or site, whichever is the soonest; and (c) include a: - detailed salvage program and management plan for all Aboriginal sites within the project disturbance area; - detailed description of the measures that would be implemented to protect Aboriginal sites outside the project disturbance area; - description of the measures that would be implemented if any new Aboriginal objects or skeletal remains are discovered during the project; and - protocol for the ongoing consultation and involvement of the Aboriginal communities in the conservation and management of Aboriginal cultural heritage on the site.	Administrative Non-Compliance	<u>Preparation:</u> The Aboriginal Cultural Heritage Plan (ACHP), dated 14 June 2017 * Approval letter from DPE dated 18 September 2017 (Appendix 2); This plan: (a) Prepared in consultation with Aboriginal communities: Section 6.2 & Appendices 2; * <i>The ACHP does not mention consultation with OEH. Site cannot provide evidence of consultation as part of the preparation of the management plan. Therefore this is an administration non compliance.</i> (b) N/A - Outside of audit period (c) include a: - Salvage program and management plan: Section 7.2; - Measures to be implemented to protect Aboriginal sites outside the project disturbance area: Section 8; - Measures that would be implemented if any new Aboriginal objects or skeletal remains are discovered during the project: Section 9; and - Protocol for the ongoing consultation and involvement of the Aboriginal communities: Section 6.2. <u>Implementation:</u> Based on the information provided to SLR the previous salvage occurred in 2009. No information provided to SLR relating to incidents for heritage. Evidence of consultation with RAP's in 2018 for the new project through 10 August 2018 meeting and powerpoint presentation.	Ensure for the next update of the Aboriginal Cultural Heritage Plan, the OEH are included in the consultation.
<b>Transport</b>				
<b>Monitoring of Coal Transport</b>				
44	The Proponent shall: (a) keep records of the: - amount of coal transported from the site each year; and - number of coal haulage train movements generated by the project (on a daily basis); - date and time of each train movement generated by the project; and (b) include these records in the AEMR.	Administrative Non-Compliance	a) and b) Rail records provided in 2017 Annual Review on a daily basis. No records of date and times.  The daily records are provided in the 2015 - 2017 Annual Reviews. The 2015 Annual Review states dates and times of loading, however the 2016 and 2017 Annual Reviews do not. Admin Non - Compliance.  It should be noted that no coal is being transported from site and that this has not been permissible under Schedule 2, Condition 5 of Project Approval 06_0202 since 31 December 2017. No further recommendation.	
44A	By 31 June 2012, the Proponent shall contribute \$50,000 to Council towards the Council's costs for a Route and Upgrade Assessment of Thomas Mitchell Drive.	Not Triggered	Not within audit period.	
<b>Visual Impact</b>				
45	The Proponent shall: (a) ensure that all external lighting associated with the development complies with Australian Standard AS4282 (INT) 1995 – Control of Obtrusive Effects of Outdoor Lighting, (b) take all practicable measures to mitigate off-site lighting impacts from the development; and (c) minimise the visual impacts of the development to the satisfaction of the Director-General, to the satisfaction of the Director-General.	Compliant	a) - c) There is no night work with limited lighting.  There were no complaints relating to lighting within the 2015, 16 or 17 Annual Reviews.	
<b>Greenhouse and Energy Efficiency</b>				
46	The Proponent shall prepare and implement a Greenhouse and Energy Efficiency Plan for the project to the satisfaction of the Director-General. This plan must: (a) be prepared generally in accordance with the Guidelines for Energy Savings Action Plans (DEUS 2005, or its latest version); (b) be submitted to the Director-General for approval within 6 months of the date of this approval; (c) include a program to monitor greenhouse gas emissions and energy use generated by the project; (d) include a framework for investigating and implementing measures to reduce greenhouse gas emissions and energy use associated with the project; and (e) describe how the performance of these measures would be monitored over time.	Compliant	<u>Preparation:</u> * Greenhouse and Energy Efficiency Plan, dated 4 July 2017 * Approval letter from DPE dated 18 September 2017 (Appendix 1) This Plan: (a) Plan approved and generally prepared as per requirement. (b) N/A - Outside of audit period (c) Greenhouse gas emissions & energy use monitoring program: 4.7.1 & 4.7.2 (d) Framework for investigating & implementing measures to reduce greenhouse gas emissions and energy use: Section 4.7.4 (e) Describe how the performance of these measures would be monitored over time: Section 4.7.3. <u>Implementation:</u> Greenhouse gas is monitored. Electricity and fuel use is monitored.	
<b>Waste Minimisation</b>				
47	The Proponent shall: (a) monitor the amount of waste generated by the project; (b) investigate ways to minimise waste generated by the project; (c) implement reasonable and feasible measures to minimise waste generated by the project; (d) ensure irrigation of treated wastewater is undertaken in accordance with OEH's Environmental Guideline for the Utilisation of Treated Effluent; and (e) report on waste management and minimisation in the AEMR.	Compliant	<u>Preparation:</u> a) Waste monitoring is outlined in the Annual Reviews. See Section 6.17 of 2017 Annual Review. b) Since the site has been on care and maintenance there has been a large reduction in waste generated by the site. Some waste was removed during care and maintenance. c) Waste is minimised. Records provided in the Annual Reviews. d) The 2017 Annual Review stated: <i>All on-site effluent is treated in Drayton's sewage treatment plant (STP), which is licenced under the EPL. The treated effluent is then distributed into two settlement ponds, and overflow from these ponds is pumped to an area of rehabilitation on the East Tip. There are several septic tanks on site (e.g. at the CHP and crib huts) which are not connected to the on-site sewerage treatment plant. During the 2017 reporting period, Drayton's waste provider transported 12.2 kL of effluent from these tanks and pumped it into the on-site STP for treatment. EPL 1323 allows 140 kL/day to be discharged to the utilisation area. Visual inspections of the area have not identified any ponding or run-off.</i> e) Waste reporting in Annual Review. As discussed waste has decreased since going into care and maintenance. <u>Implementation:</u> Generally good quality waste management, however some minor improvements have been noted.	Ensure cardboard waste found within the lower lube bay is moved to the cardboard recycling bin.  Remove any unwanted waste from site. This includes the scrap metal which has been sorted in areas. SLR understands there is a plan in place for this.  Removal of site of one empty oil drum located in one of the laydown areas.
<b>Notification of Landowners</b>				
1	Within 3 months of this approval, the Proponent shall notify the landowners of the land listed in Table 1 that they have the right to request an independent review of the impacts of the project in accordance with condition 3 of Schedule 4 if they believe the project is exceeding the relevant impact assessment criteria in this approval.	Not Triggered	This condition is outside of this audit period and is not reflective of the current operations.	
2	If the results of the monitoring required in Schedule 3 identify that the impacts of the project are greater than the relevant impact assessment criteria in Schedule 3, except where a negotiated agreement has been entered into in relation to that impact, then the Proponent shall notify the Director-General and the affected landowners and/or existing or future tenants (including tenants of mine owned properties) accordingly, and provide quarterly monitoring results to each of these parties until the results show that the project is complying with the criteria in Schedule 3.	Not Triggered	This condition is outside of this audit period and is not reflective of the current operations.	



Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Independent Review</b>				
3	<p>If a landowner considers the project to be exceeding the impact assessment criteria in Schedule 3 then he/she may ask the Director-General in writing for an independent review of the impacts of the project on his/her land. If the Director-General is satisfied that an independent review is warranted, the Proponent shall within 3 months of the Director-General's decision:</p> <p>(a) consult with the landowner to determine his/her concerns;</p> <p>(b) commission a suitably qualified, experienced and independent person, whose appointment has been approved by the Director-General, to conduct monitoring on the land to:</p> <ul style="list-style-type: none"> <li>- determine whether the project is complying with the relevant impact assessment criteria in Schedule 3; and</li> <li>- identify the source(s) and scale of any impact on the land, and the project's contribution to this impact; and</li> </ul> <p>(c) give the Director-General and landowner a copy of the independent review.</p>	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
4	If the independent review determines that the project is complying with the relevant impact assessment criteria in Schedule 3, then the Proponent may discontinue the independent review with the approval of the Director-General.	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
5	<p>If the independent review determines that the project is not complying with the relevant impact assessment criteria in Schedule 3, and that the project is primarily responsible for this non-compliance, then the Proponent shall:</p> <p>(a) take all reasonable and feasible measures, in consultation with the landowner, to ensure that the project complies with the relevant criteria; and</p> <p>(b) conduct further monitoring to determine whether these measures ensure compliance. If the additional monitoring referred to above subsequently determines that the project is complying with the relevant criteria in Schedule 3, or the Proponent and landowner enter into a negotiated agreement to allow these exceedances, then the Proponent may discontinue the independent review with the approval of the Director-General.</p>	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
6	<p>If the independent review determines that the relevant criteria in Schedule 3 are being exceeded, but that more than one mine is responsible for this non-compliance, then the Proponent shall, together with the relevant mine/s:</p> <p>(a) take all reasonable and feasible measures, in consultation with the landowner, to ensure that the relevant criteria are complied with; and</p> <p>(b) conduct further monitoring to determine whether these measures ensure compliance; or</p> <p>(c) secure a written agreement with the landowner and other relevant mines to allow exceedances of the criteria in Schedule 3. If the additional monitoring referred to above subsequently determines that the noise generated by the project combined with the noise generated by other mines is complying with the relevant criteria in Schedule 3, then the Proponent may discontinue the independent review with the approval of the Director-General.</p>	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
7	If the landowner disputes the results of the independent review, either the Proponent or the landowner may refer the matter to the Director-General for resolution. If the matter cannot be resolved within 21 days, the Director-General shall refer the matter to an Independent Dispute Resolution Process (see Appendix 10).	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
<b>Land Acquisition</b>				
8	<p>Within 3 months of receiving a written request from a landowner with acquisition rights, the Proponent shall make a binding written offer to the landowner based on:</p> <p>(a) the current market value of the landowner's interest in the property at the date of this written request, as if the property was unaffected by the project the subject of the project application, having regard to the:</p> <ul style="list-style-type: none"> <li>- existing and permissible use of the land, in accordance with the applicable planning instruments at the date of the written request; and</li> <li>- presence of improvements on the property and/or any approved building or structure which has been physically commenced at the date of the landowner's written request, and is due to be completed subsequent to that date, but excluding any improvements that have resulted from the implementation of the additional noise mitigation measures in conditions 5 and 6 of Schedule 3;</li> </ul> <p>(b) the reasonable costs associated with:</p> <ul style="list-style-type: none"> <li>- relocating within the Muswellbrook local government area, or to any other local government area determined by the Director-General;</li> <li>- obtaining legal advice and expert advice for determining the acquisition price of the land, and the terms upon which it is required; and</li> </ul> <p>(c) reasonable compensation for any disturbance caused by the land acquisition process.</p> <p>However, if at the end of this period, the Proponent and landowner cannot agree on the acquisition price of the land, and/or the terms upon which the land is to be acquired, then either party may refer the matter to the Director-General for resolution.</p> <p>Upon receiving such a request, the Director-General shall request the President of the NSW Division of the Australian Property Institute to appoint a qualified independent valuer or Fellow of the Institute, to consider submissions from both parties, and determine a fair and reasonable acquisition price for the land, and/or terms upon which the land is to be acquired.</p> <p>Within 14 days of receiving the independent valuer's determination, the Proponent shall make a written offer to purchase the land at a price not less than the independent valuer's determination.</p> <p>If the landowner refuses to accept this offer within 6 months of the Proponent's offer, the Proponent's obligations to acquire the land shall cease, unless otherwise agreed by the Director-General.</p>	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
9	The Proponent shall bear the costs of any valuation or survey assessment requested by the independent valuer, or the Director-General, and the costs of determination referred above.	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
10	If the Proponent and landowner agree that only part of the land shall be acquired, then the Proponent shall pay all reasonable costs associated with obtaining Council approval for any plan of subdivision (where permissible), and registration of the plan at the Office of the Registrar-General.	Not Triggered	Not triggered based on discussions with the Environment and Community Manager. No evidence through paperwork of being triggered.	
<b>Schedule 5 Environmental Management Strategy</b>				
1	<p>The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Director-General. This strategy must be submitted to the Director-General within 6 months of this approval, and:</p> <p>(a) provide the strategic framework for environmental management of the project;</p> <p>(b) identify the statutory requirements that apply to the project;</p> <p>(c) describe in general how the environmental performance of the project would be monitored and managed;</p> <p>(d) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> <li>- keep the local community and relevant agencies informed about the operation and environmental performance of the project;</li> <li>- receive, handle, respond to, and record complaints;</li> <li>- resolve any disputes that may arise during the course of the project;</li> <li>- respond to any non-compliance;</li> <li>- manage cumulative impacts; and</li> <li>- respond to emergencies; and</li> </ul> <p>(e) describe the role, responsibility, authority, and accountability of all the key personnel involved in environmental management of the project.</p>	Compliant	<p><u>Preparation:</u></p> <ul style="list-style-type: none"> <li>* Environmental Management Strategy (EMS), dated 14 June 2017</li> <li>* Approval letter from DPE dated 18 September 2017 (Appendix 2)</li> <li>* N/A - Outside of the audit period</li> </ul> <p>(a) Strategic framework for environmental management of the project: Section 5</p> <p>(b) Statutory requirements: Section 6.3</p> <p>(c) Monitor and manage environmental performance of the project: Sections 6.9 &amp; 6.11</p> <p>(d) Procedures that would be implemented to:</p> <ul style="list-style-type: none"> <li>- Keep the local community and relevant agencies informed: Section 6.7</li> <li>- Receive, handle, respond to and record complaints: Section 6.7.1</li> <li>- Resolve any disputes: Section 6.7.2</li> <li>- Respond to any non-compliance: Section 6.11.1</li> <li>- Manage cumulative impacts: Section 6.11.2</li> <li>- Respond to emergencies: Section 6.10</li> </ul> <p>(e) Role, responsibility, authority and accountability of all the key personnel involved in environmental management of the project: Section 6.5 &amp; Appendix 1</p> <p><u>Implementation:</u></p> <p>Evidence of recording of complaints.</p> <p>Evidence of recording and reporting of non-compliances.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Environmental Monitoring Program</b>				
2	The Proponent shall prepare and implement an Environmental Monitoring Program for the project to the satisfaction of the Director-General. This program must be submitted to the Director-General within 6 months of this approval, and consolidate the various monitoring requirements in Schedule 3 of this approval into a single document, and be submitted to the Director-General concurrently with the submission of the relevant monitoring programs/plans.	Administrative Non-Compliance	<p><u>Preparation:</u></p> <ul style="list-style-type: none"> <li>* Environmental Monitoring Program (EMP), dated 3 June 2017</li> <li>* Approval letter from DPE dated 18 September 2017 (Appendix 1)</li> <li>* N/A - Outside of the audit period</li> <li>* Consolidates various monitoring requirements: Section 4.6</li> <li>* Approval letter from DPE dated 18 September 2017 (Appendix 1) indicates that the EMP was submitted to DPE concurrently with the submission of the other site's monitoring programs/plans.</li> </ul> <p><u>Implementation:</u></p> <p>Evidence of monitoring within Annual Reviews and monthly reports. The Annual Review indicates some groundwater parameters have not been monitored.</p> <p>Groundwater Monitoring - <u>Admin Non - Compliance</u> for groundwater monitoring implementation in Section 4.6 of the Environmental Monitoring Program.</p> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p>	As per Schedule 3 Condition 32 recommendation.
<b>Reporting</b>				
<b>Incident Reporting</b>				
3	Within 24 hours of detecting an exceedance of the limits/performance criteria in this approval or the occurrence of an incident that causes (or may cause) harm to the environment, the Proponent shall notify the Department and other relevant agencies of the exceedance/incident.	Not Triggered	<p>The 2015, 2016 and 2017 Annual Reviews did not report any incidents that required reporting in the audit period as none resulted in material environmental harm.</p> <p>Non compliances relating to the sampling of dust (TEOMs) relate to frequency, not criteria levels. These non compliances have been reported in the EPL Annual Returns and Annual Reviews.</p> <p>Evidence of initial email reporting of the 29 Oct 2018 discharge by Environment and Community Manager. Although it was unlikely that this incident caused 'harm to the environment', the issue was still reported.</p>	
4	<p>Within 6 days of notifying the Department and other relevant agencies of an exceedance/incident, the Proponent shall provide the Department and these agencies with a written report that:</p> <p>(a) describes the date, time, and nature of the exceedance/incident;</p> <p>(b) identifies the cause (or likely cause ) of the exceedance/incident;</p> <p>(c) describes what action has been taken to date ; and</p> <p>(d) describes the proposed measures to address the exceedance/incident.</p>	Not Triggered	There was an incident regarding overflow from a v notch weir. See Schedule 3 Condition 27 for details. The incident was reported to 3/11/2017, with the incident occurring on 26 and 27 October 2017. There was no specific limits to this area and based on the evidence provided to SLR in the incident report, there is no evidence that there was harm to the environment. Therefore reporting within 24 hours not required.	
<b>Annual Reporting</b>				
5	<p>Within 12 months of this approval, and annually thereafter, the Proponent shall submit an AEMR to the Director-General and relevant agencies. This report must:</p> <p>(a) identify the standards and performance measures that apply to the project;</p> <p>(b) describe the works carried out in the last 12 months;</p> <p>(c) describe the works that will be carried out in the next 12 months;</p> <p>(d) include a summary of the complaints received during the past year, and compare this to the complaints received in previous years;</p> <p>(e) include a summary of the monitoring results for the project during the past year;</p> <p>(f) include an analysis of these monitoring results against the relevant: - limits/criteria in this approval; - monitoring results from previous years; and - predictions in the EA;</p> <p>(g) identify any trends in the monitoring results over the life of the project;</p> <p>(h) identify and discuss any non-compliance during the previous year; and</p> <p>(i) describe what actions were, or are being, taken to ensure compliance.</p>	Administrative Non-Compliance	<ul style="list-style-type: none"> <li>* 2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively. Note 2017 was required to be revised and sent back to the DPE on 30 July 2018. Evidence of approval letters from DPE 2015 document (31/5/2016), 2016 document (31/7/2017), 2017 document (28/8/2018).</li> </ul> <p>This report:</p> <ul style="list-style-type: none"> <li>(a) Identify the standards and performance measures that apply to the project: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMR (Section 6 &amp; 7);</li> <li>(b) Describe the works carried out in the last 12 months: 2015 AEMR (Section 2), 2016 AEMR (Section 4) &amp; 2017 AEMR (Section 4);</li> <li>(c) Describe the works that will be carried out in the next 12 months: 2015 AEMR (Section 6.1), 2016 AEMR (Section 12) &amp; 2017 AEMR (Section 12.1);</li> <li>(d) Include a summary of the complaints received during the past year, and compare this to the complaints received in previous years: 2015 AEMR (Section 4.1), 2016 AEMR (Section 9.2) &amp; 2017 AEMR (Section 9.2);</li> <li>(e) Include a summary of the monitoring results for the project during the past year: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMRs (Section 6 &amp; 7);</li> <li>(f) Include an analysis of these monitoring results against the relevant: <ul style="list-style-type: none"> <li>- Limits/criteria in this approval: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMR (Section 6)</li> <li>- Monitoring results from previous years: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</li> <li>* <u>Admin Non-compliant:</u> 2015 AEMR: Historic data not provided for tsp, depositional dust, surface water and blasting.</li> <li>* <u>Admin Non-compliant:</u> 2016 AEMR: Historic data not provided for air quality, blasting, noise and surface water</li> <li>* <u>Admin Non-compliant:</u> 2017 AEMR: Historic data not provided for PM10, blasting and noise</li> <li>- Predictions in the EA: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)</li> <li>* <u>Admin Non-compliant:</u> 2016 AEMR: Missing EA predictions for blasting &amp; groundwater</li> <li>* <u>Admin Non-compliant:</u> 2017 AEMR: Missing EA predictions for groundwater</li> </ul> </li> <li>(g) Identify any trends in the monitoring results over the life of the project: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMR (Section 6);</li> <li>(h) Identify and discuss any non-compliance during the previous year: 2015 AEMR (N/A-no non-compliance reported), 2016 AEMR (Section 1 &amp; 11) &amp; 2017 AEMR (Section 1 &amp; 11); and</li> <li>(i) Describe what actions were, or are being, taken to ensure compliance: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7).</li> </ul>	<ul style="list-style-type: none"> <li>* Ensure an analysis of monitoring results against historic data is included in Annual Reviews;</li> <li>* Ensure an analysis of monitoring results against predictions in the EA is included in Annual Reviews;</li> <li>* The current Annual Reviews should be streamlined to be more concise as per the Annual Review guidelines; and</li> <li>* The focus of the document should be more on rehabilitation.</li> </ul>

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Independent Environmental Audit</b>				
6	<p>Within 2 years of this approval, and every 3 years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. This audit must:</p> <p>(a) be conducted by a suitably qualified, experienced, and independent team of experts whose appointment has been endorsed by the Director-General;</p> <p>(b) assess the environmental performance of the project, and its effects on the surrounding environment;</p> <p>(c) assess whether the project is complying with the relevant standards, performance measures, and statutory requirements;</p> <p>(d) review the adequacy of any strategy/plan/program required under this approval; and, if necessary,</p> <p>(e) recommend measures or actions to improve the environmental performance of the project, and/or any strategy/plan/program required under this approval.</p> <p><b>Note:</b> This audit team must be led by a suitably qualified auditor, and include experts in the field of noise, and mine rehabilitation and closure.</p>	Compliant	<p>a) The previous Independent Environmental Audit was completed by AECOM covering the period from 2 Oct 2012 to 9 Nov 2015. Team was suitably qualified and endorsed by the DPE on 25 September 2018</p> <p>b) The 2015 Audit assessed environmental performance of documentation and in the field.</p> <p>c) The 2015 Audit assessed relevant approvals.</p> <p>d) The 2015 Audit assessed strategies, plans and programs.</p> <p>e) The audit provided recommendations.</p> <p>The 2018 audit by SLR has been prepared to cover these requirements. Experts in the field of noise, mine rehabilitation and closure were included.</p> <p>The 2018 audit by SLR has been prepared to cover these requirements, including the use of experts in the field of noise, mine rehabilitation and closure.</p>	
7	<p>Within 6 weeks of completing this audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the audit report to the Director-General with a response to any recommendations contained in the audit report.</p>	Compliant	<p>The site component of the audit was completed by AECOM in November 2015. The letter from the DPE dated 29 January 2018 gave until 26 February 2018 to complete the audit. This timing was met.</p> <p>The audit was then updated based on the request from the DPE, with the revised audit dated 25 May 2016.</p>	
8	<p>Within 3 months of submitting the audit report to the Director-General, the Proponent shall review and if necessary revise the:</p> <p>(a) strategies/plans/programs required under this consent; and</p> <p>(b) Conservation and Biodiversity Conservation Bond, to the satisfaction of the Director-General.</p>	Administrative Non-Compliance	<p>Audit report by AECOM is dated 25 May 2016. A series of management plans were resubmitted to the DPE in June and July 2017, which outside the 3 months.</p>	<p>Malabar Coal need to undertake a review of management plans within 3 months of submitting the IEA report.</p>
<b>Community Consultative Committee</b>				
9	<p>The Proponent shall operate a Community Consultative Committee (CCC) for the project to the satisfaction of the Director-General, in general accordance with the Guideline for Establishing and Operating Community Consultative Committees for Mining Projects.</p>	Compliant	<p>The CCC continued during the audit period even with the site going into care and maintenance.</p> <p>Evidence of CCC minutes on the website dating back to 2013. Operation appears to be in accordance with the relevant guidelines.</p>	
<b>Access to Information</b>				
10	<p>Within 3 months of the approval of any plan/strategy/program required under this approval (or any subsequent revision of these plans/strategies/programs), or the completion of the audits or AEMRs required under this approval, the Proponent shall:</p> <p>(a) provide a copy of the relevant document/s to the relevant agencies and CCC; and</p> <p>(b) put a copy of the relevant document/s on its website.</p>	Administrative Non-Compliance	<p>a) There has been no evidence provided to SLR illustrating the management plans were sent to relevant government agencies within three months of the June/July 2017 updates. The meeting minutes from the September 2017 CCC meeting illustrates the management plans were discussed at that meeting, including providing a link to the website location.</p> <p>No evidence the previous audit was sent to government agencies within three months of audit approval. <u>Admin non - compliance.</u></p> <p>Evidence of Annual Review letters being sent to key agencies such as DPE, Resources Regulator, EPA, DPI Water, Dam Safety Committee, MSC.</p> <p>b) Evidence of management plans on website.</p>	<p>Ensure the plans approved in October 2018 (AQMP and Noise MP) are sent to relevant stakeholders within three months as per sub condition a).</p> <p>Ensure this audit is sent to the agencies within the three month period.</p>
11	<p>During the development, the Proponent shall:</p> <p>(a) include a copy of this approval, as may be modified from time to time, on its website;</p> <p>(b) provide a full summary of monitoring results required under this approval on its website; and</p> <p>(c) update these results on a regular basis (at least every 3 months).</p>	Compliant	<p>The following link outlines the key approvals:</p> <p><a href="http://malabarcoal.com.au/maxwell-infrastructure-downloads">http://malabarcoal.com.au/maxwell-infrastructure-downloads</a></p> <p>a) Key approvals outlined on the website.</p> <p>b) Up to date monitoring results are outlined on the website.</p> <p>c) Results appear to be updated every month for monitoring data and every three months for monitoring reports.</p>	

## MOD 2 Consolidated Consent (PA06\_0202)

### Statement of Commitments

For the Following: Drayton Mine Expansion

Commitment Number	Commitment	Compliance Status	Evidence	Recommended Action
<b>Mining Operations</b>				
1	The existing Development Consents as identified in Table 8 will be relinquished with a single Project Approval being sought for Drayton (with the exception of the Antiene Rail Spur Development Consent (DA 106-04-00) required to transport product coal to the Port of Newcastle). (EA Section 5.6)	Noted		
2	Drayton will ensure that an appropriate development consent will remain in place over the West Pit area until MAC obtains an appropriate planning approval over the area. (EA Section 8.7.2)	Compliant	* Development consent remains in place over the West Pit area.	
<b>Environmental Management &amp; Monitoring</b>				
3	The SHECMS will continue to be relied upon for environmental management, mitigation and monitoring at Drayton. The SHECMS will be revised to reflect the Project as required. (EA Section 3.3)	Compliant	* Environmental Management Strategy (EMS), dated 14 June 2017. * Malabar Coal maintains an Environment Policy, dated 19 July 2018, and a Health and Safety Policy, dated 19 July 2018.	
4	An Environmental Monitoring Program (EMP) will be developed for the Project, in consultation with relevant regulators for approval by DoP, and will consolidate monitoring aspects associated with: - Air Quality; (EA Section 8.2.4) - Noise; (EA Section 8.3.4) and - Blasting (EA Section 8.4)	Compliant	<b>Preparation:</b> * Environmental Monitoring Program (EMP), dated 3 June 2017 * Consultation with DPE (Appendix 1) * Approval letter from DPE dated 18 September 2017 (Appendix 1) * Consolidate monitoring aspects associated with: - Air Quality; Section 4.9 - Noise; Section 4.8 - Blasting; Section 4.10. <b>Implementation:</b> * Evidence of monitoring within Annual Reviews and monthly reports. * The EMP meets the specific requirement of this condition.	
5	The following Management Plans will be prepared and/or revised and relied upon for the operation of Drayton (in consultation with relevant regulators to the approval of DoP): - Spontaneous Combustion Management Plan (EA Section 9.3.4) - Water Management Plan (EA Section 8.5.3 & 9.2.4) - Flora & Fauna Management Plan (EA Section 8.6.5) - Rehabilitation & Landscape Management Plan (including Void Management) (EA Section 8.7.3) - Aboriginal Archaeology & Cultural Heritage Management Plan (EA Section 9.6.3)	Administrative Non-Compliance	<b>Preparation:</b> * Spontaneous Combustion Management Plan, dated 14 October 2017 - Prepared in consultation with OEH and DRG (formerly DRE): Section 4.3 and Appendix 1 - Approval letter from DPE dated 18 September 2017 * Water Management Plan, dated 7 June 2017 - Approval letter from DPE dated 18 September 2017 * Prepared in consultation with OEH and DPI Water (formerly NOW): Section 6.4 * Flora & Fauna Management Plan, dated 25 July 2013. - In consultation with relevant regulators during earlier reviews of the management plan. * Landscape Management Plan, dated 1 March 2016 - Prepared in consultation with OEH, NOW and Council: Section 4.4 Rehabilitation & Offset Management Plan, Section 1.5.2 of MOP - Approval letter from DPE dated 9 June 2017 * Rehabilitation and Offset Management Plan, dated 1 November 2013 - Prepared in consultation with OEH, NOW and Council: Section 4.4 - Approval letter from DPE dated 25 October 2013 * Aboriginal Cultural Heritage Management Plan, dated 14 June 2017 - The ACHP does not mention consultation with OEH. Site was unable to provide evidence of consultation with the OEH. <b>Administrative Non Compliance.</b> - Approval letter from DPE dated 18 September 2017 <b>Implementation:</b> Based on discussions with the site, management plans are in the process of being updated.	See Schedule 3 Condition 39 of PA06_0202 regarding rehabilitation recommendations. Ensure for the next update of the Aboriginal Cultural Heritage Plan, the OEH are included in the consultation.
<b>Air Quality</b>				
6	Drayton will actively manage the dragline in the North Pit in accordance with the SHECMS, such that there is no visible dust encroaching on private residences when prevailing weather conditions are towards Antiene Estate. (EA Section 8.2.4)	Compliant	* Coal extraction ceased on 31 October 2016 * 2015 & 2016 AEMRs indicate no exceedances in dust levels (caused by the operations) or complaints regarding dust.	
7	Drayton will continue to monitor Scope 1 and Scope 2 greenhouse gas emissions and investigate ways to further reduce these emissions (EA Section 8.2.4)	Compliant	* 2015-2017 AEMRs indicate Scope 1 (direct) and Scope 2 (indirect) greenhouse gas emissions monitored and energy optimisation measures implemented. * GHG emissions have progressively reduced during the audit period with the site going into care and maintenance. * Site inspection confirmed limited mine fleet being used to undertake rehabilitation at the site.	
<b>Noise</b>				
8	Drayton will implement the necessary noise control and management measures to ensure that the modelled noise outcome listed in Table 21 is not exceeded. (EA Section 8.3.4)	Compliant	No noise non-compliances. Minimal complaints. Noise is being effectively managed.	
9	Drayton will continue to manage the current noise monitoring program shown in Figure 7 and install a real-time noise monitor with audio link within Antiene Estate. (EA Section 8.3.4)	Compliant	No noise non-compliances. Minimal complaints. Noise is being effectively managed.	
<b>Water Resources</b>				
10	Drayton will undertake a census of privately owned groundwater bores identified in Table 26 to ascertain their current usage and provide a baseline against which to compare any future impacts. In the event of interruption to water supply resulting from the Project, an alternative water supply will be provided. (EA Section 8.5.3)	Compliant	* Water Management Plan (Section 7.5.1) refers to privately owned groundwater bores. - The Plan states 'Attempts to locate these bores have been unsuccessful and discussions with the landholders and DPI-Water has confirmed that these bores are no longer used'	
11	Drayton will obtain all necessary Water Access Licences for the Project from NOW.	Not Triggered	* The site does not have any Water Access Licences (WALs).	
<b>Flora &amp; Fauna</b>				
12	The Drayton Wildlife Refuge will remain in place to preserve flora and fauna and to provide an ecological offset for the Project, exceeding OEH's recommended minimum 2:1 offset ratio. (EA Section 8.6.5)	Compliant	* Ecological offsets (Northern and Southern Offsets areas) located at the site * Offset Strategy (Section 1), dated June 2016, states both offsets areas exceed OEH's recommended minimum 2:1 offset ratio.	
13	Drayton will proactively manage key areas of the Drayton Wildlife Refuge to enhance its ecological values. (EA Section 8.6.5)	Compliant	* During site inspection sighted the southern offsets area. * Offsets area noted to have issues, including weed infestation and lack of ecological diversity in certain sections. * However there is evidence of management.	

Commitment Number	Commitment	Compliance Status	Evidence	Recommended Action
<b>Spontaneous Combustion</b>				
14	Drayton will continue to monitor spontaneous combustion and implement the mitigation and management techniques discussed in Section 9.3.4 and in the revised SCMP. (EA Section 9.3.4)	Compliant	<p><u>Preparation:</u>            Spontaneous Combustion Management Plan, dated 12 September 2017;            * Approval letter from DPE dated 16 November 2017 (Appendix 1);            Prepared in consultation with OEH and DRG (formerly DRE): Section 4.3 and Appendix 1;            by Suitably qualified expert: Section 4.5.2 and Appendix 1;            Approval of expert letter from DPE dated 29 June 2017 (Appendix 1 of Management Plan); and            * Approval letter from DPE dated 16 November 2017 (Appendix 1). Previous submission date was well before this audit period.</p> <p><u>Implementation:</u>            * Evidence of consultation with DPE in September 2018 regarding spontaneous combustion;            Capping of material prone to spontaneous combustion - sighted in the field;            * Annual flyover inspection;            * Monthly walkover - thermal camera; and            * Evidence of submission of six monthly spontaneous combustion monitoring reports during the audit period.</p>	
<b>Visual</b>				
15	Dense tree planting will be undertaken along the northern edge of the EA Boundary on Thomas Mitchell Drive to create a visual screen within the initial Project years. (EA Section 9.5.4)	Compliant	<p>2017 Annual Review states:  <i>During 2007, some 2,060 native tree seedlings were planted along Thomas Mitchell Drive to act as visual barrier for future mining developments. The seedlings were successfully established and now provide a screened barrier for travellers along Thomas Mitchell Drive. Further tree plantings occurred throughout 2012, 2014 and 2015. Trees were planted in areas that are visible to both the New England Highway and Thomas Mitchell Drive to provide future relief from linear rehabilitated contours.</i></p> <p>Evidence of tree screens sighted during field inspection</p>	
16	All visual and night light impacts will continue to be managed in accordance with the SHECMS. (EA Section 9.5.4)	Compliant	<ul style="list-style-type: none"> <li>* There is no night work with limited lighting.</li> <li>* There were no complaints relating to lighting or visual impacts within the 2015, 2016 or 2017 Annual Reviews.</li> <li>* Visual impacts managed with visual screen.</li> </ul>	
<b>Aboriginal Archaeology &amp; Cultural Heritage</b>				
17	Aboriginal heritage will continue to be managed in accordance with the revised Aboriginal Archaeology & Cultural Heritage Management Plan in consultation with the local Aboriginal community and OEH. (EA Section 9.7.3)	Compliant	<p><u>Preparation:</u>            * The Aboriginal Cultural Heritage Plan (ACHP), dated 14 June 2017            * Prepared in consultation with Aboriginal communities: Section 6.2 &amp; Appendices 2;</p>	
<b>Non-Aboriginal Heritage</b>				
18	Non-Aboriginal heritage Sites 1, 3 and 4 identified in Section 9.8 will continue to be preserved and managed in accordance with the SHECMS. Site 5 identified in Table 32 will be physically barricaded to prevent accidental damage. Site 2 will be cleared prior to disturbance.(EA Section 9.8)	Compliant	<ul style="list-style-type: none"> <li>* 2015-2017 AEMRs state that:  <i>"The EA field survey identified five non-Aboriginal heritage sites within the EA boundary, none of which were statutory listed. One of these sites was determined to be of high local significance. It was predicted in the EA that this site would not be impacted by mining activities however a physical barrier was installed around the site to prevent accidental damage and maintain its heritage value."</i></li> </ul>	
<b>Community</b>				
19	Drayton will enter into a VPA with MSC in the terms of the offer made by Drayton and agreed in principle by MSC. (EA Section 9.12)	Not Triggered	<p>As per Appendix 4 of the Project Approval, the VPA only required two payments:            • \$200K when the approval was granted in 2007; and            • \$300K when production increases beyond 8 Mtpa (never occurred, historic coal production numbers are on page 15 of the 2017 AEMR).</p>	
20	Drayton will continue to facilitate the operation of the Drayton CCC. (EA Section 8.0 & 9.0)	Compliant	<ul style="list-style-type: none"> <li>* CCC meets every quarter according to 2015-2017 AEMRs.</li> </ul>	
<b>Reporting</b>				
21	Drayton will prepare and submit to relevant regulatory departments an AEMR which will discuss monitoring results and include a discussion on predictions and commitments made within this EA. (EA Section 8.0 & 9.0)	Administrative Non-Compliance	<p>2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively            * Monitoring results: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)            * Predictions within the EA: 2015 AEMR (Section 3), 2016 AEMR (Section 6 &amp; 7) &amp; 2017 AEMR (Section 6 &amp; 7)            - <u>Admin Non-compliant:</u> 2016 AEMR: Missing EA predictions for blasting &amp; groundwater            - <u>Admin Non-compliant:</u> 2017 AEMR: Missing EA predictions for groundwater            * Commitments within the EA:            - Section 8.0: Discussion on monitoring and management of air quality, noise, blasting, groundwater, flora &amp; fauna and rehabilitation included in the AEMRs.            - Section 9.0: Discussion on monitoring and management of surface water, spontaneous combustion, soils, visual aesthetics, Aboriginal heritage, natural heritage, public safety, waste and contaminated land included in the 2015, 2016 &amp; 2017 AEMRs.</p>	See Schedule 5 Condition 5 of PA_06_0202
<b>Macquarie Generation</b>				
22	<p>Drayton Mine recognises Macquarie Generation's ultimate requirement for void space to deposit fly ash from its Power Stations. To this end Drayton will use its reasonable endeavours and will consult with Macquarie Generation with a view to cooperating with Macquarie Generation to:</p> <p>(a) secure planning approval for and the use by Macquarie Generation of the East Pit mine void which will be left at the end of mining by Drayton in the general location indicated in Figure 11 in the EA for the purpose of the disposal of fly ash; and</p> <p>(b) reach agreement on reasonable terms to implement arrangements for the extension of the Liddell Ash Dam or such other works as may be agreed between Drayton and Macquarie Generation to accommodate fly ash from the Liddell Power Station that cannot be disposed of by Macquarie Generation in its existing facilities during the period from 2010 until the completion of mining by Drayton.</p>	Not Triggered	<p>There is no current plans for AGL Macquarie to dump within the void. The site is completing rehabilitation as per the approved landform from the MOP.</p>	

## Development Approval DA 106-04-00

For the Following: Increased Coal transport tonnage using the existing Drayton Rail Loop and Antline Rail Spur

### 2000 Consent

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>General Conditions</b>				
1	There is an obligation on the Applicant to prevent and minimise harm to the environment throughout the life of the project. This requires that all practicable measures are to be taken to prevent and minimise harm that may result from the construction, operation and, where relevant, decommissioning of the development.	Compliant	Based on the site inspection and evidence provided to SLR the site has made all attempts to prevent and minimise harm to the environment.	
<b>Adherence to terms of DA,EIS etc</b>				
1.1	<p>(a) The development is to be carried out generally in accordance with development application No. 106-04-00, and the EIS dated March 2000, prepared by Umwelt(Australia) Pty Limited and certified in accordance with Section 78A(8) of the Act, and all other relevant documentation provided to DUAP, including:</p> <p>(i) additional information requested by the EPA and supplied by Umwelt (Australia Pty Limited) in a letter dated 15 June 2000; with the results of extended noise monitoring, in a letter dated 20 July 2000 and accompanying report titled "Response to EPA Submission of 5 July 2000".</p> <p>(ii) Drayton Coal Pty Ltd Response to Summary of Submissions received from DUAP on 2 June 2000, prepared by Umwelt (Australia) Pty Ltd, August 2000. as may be modified by the conditions set out herein.</p> <p>(b) If, at any time, the Director-General is aware of environmental impacts from the proposal that pose serious environmental concerns due to the failure of environmental management measures in place to ameliorate the impacts, the Director-General may order the Applicant to cease the activities causing those impacts until those concerns have been addressed to the satisfaction of the Director-General.</p> <p>(c) If any licence conditions are breached the applicant shall comply with any modification to the work as specified by the relevant agency.</p>	Compliant	<p>(a) Development being undertaken generally in accordance with the documentation.</p> <p>(b) The Director-General (DPE) did not order site to cease activities causing impacts.</p> <p>(c) Incidents were provided to SLR as part of the audit. This included consultation with government departments. The site has implemented actions as required.</p>	
	Note: This consent should be read in conjunction with the existing Muswellbrook Shire Council Drayton Mine Project consent issued on 25 September 1980.	Noted		
<b>Period of Approval/ Project Commencement</b>				
1.2	<p>(i) The approval for coal transport operations is for a period of 25 years from the date of this consent.</p> <p>(ii) At least two weeks prior to the commencement of operation or within such period as agreed by the Director-General, the Applicant shall submit for the approval of the Director-General a compliance report detailing compliance with all the relevant conditions that apply prior to the commencement of operation.</p> <p>(iii) Date of commencement of operation is to be notified in writing to the Director-General, and MSC, at least two weeks prior to commencement of operation.</p>	Noted	<p>(i) Noted. Within this period.</p> <p>(ii) N/A - Outside of audit period</p> <p>(iii) N/A - Outside of audit period</p>	
<b>Dispute Resolution</b>				
1.3	In the event that the Applicant, MSC or a Government agency, other than the Department of Urban Affairs and Planning, cannot agree on the specification or requirements applicable under this consent, the matter shall be referred by either party to the Director- General or if not resolved, whose determination of the disagreement shall be final and binding on the parties.	Not triggered	* According to site communications and 2015, 2016 & 2017 AEMRs; no such disagreements have occurred at the Drayton Rail Loop and Antiene Rail Spur areas.	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Environmental Coordinator</b>				
2.1	<p>(a) The Environmental Coordinator(s) employed by Drayton mine:</p> <p>(i) shall be responsible for the preparation of the environmental management plans required by this consent (refer Condition 2.2);</p> <p>(ii) shall be responsible for considering and advising on matters specified in the conditions of this consent and compliance with such matters;</p> <p>(iii) shall be responsible for receiving and responding to complaints in accordance with Condition 9.2(a); and</p> <p>(iv) shall have the authority and independence to require reasonable steps to be taken to avoid or minimise unintended or adverse environmental impacts and failing the effectiveness of such steps, to stop work immediately if an adverse impact on the environment is likely to occur.</p> <p>(b) The Applicant shall notify the Director-General, DMR, EPA, DLWC, MSC, and the CCC (refer condition 9.1) of any changes to the name and/or contact details of the Environmental Co-ordinator(s). Any new appointment of an Environmental Coordinator(s) is to receive prior approval of the Director-General.</p>	Administrative Non-Compliance	<p>(a) Position descriptions for Manager Environment and Community and Environment Coordinator, both dated January 2018, indicate that they both or each person will be responsible for:</p> <p>i) The preparation of the environmental management plans;</p> <p>ii) Considering and advising on matters specified in the conditions of this consent and compliance with such matters;</p> <p>iii) Receiving and responding to complaints;</p> <p>iv) Have the authority and independence to require reasonable steps to be taken to avoid or minimise unintended or adverse environmental impacts.</p> <p>(b) Emails, dated 15/03/2018, from Maxwell Infrastructure to DPE, EPA &amp; Resources Regulator regarding change in Environmental Coordinator.</p> <p>* No evidence of notification to DPI Water (formally under DLWC) for the most recent Environment and Community Manager. <u>Minor Administrative Non - Compliance.</u></p> <p>* CCC meeting minutes dated 21/03/2018. Maxwell Infrastructure notified CCC (also attended by MSC) of change in Environmental Coordinator during 21/03/2018 CCC meeting.</p>	Inform DPI Water of the current Environment and Community Manager.
<b>Environmental Management Strategies and Plans</b>				
2.2	<p>(a) The Applicant shall prepare an Environmental Management Strategy providing a strategic context for the environmental management plans [refer condition 2.2(d)]. The Environmental Management Strategy shall be prepared in consultation with the relevant authorities and the Community Consultative Committee (refer condition 9.1) and to the satisfaction of the Director-General, prior to commencement of operations. The Strategy shall be provided to the Director-General no later than the time the first Environmental Management Plan under sub clause (d) below is submitted.</p> <p>(b) The Environmental Management Strategy shall include, but not be limited to:</p> <p>(i) statutory and other obligations which the Applicant is required to fulfil during operation, including all approvals and consultations and agreements required from authorities and other stakeholders, and key legislation and policies;</p> <p>(ii) definition of the role, responsibility, authority, accountability and reporting of personnel relevant to environmental management, including the Environmental Officer;</p> <p>(iii) overall environmental management objectives and performance outcomes, during, operation and decommissioning of the rail loop and Antiene rail spur, for each of the key environmental elements for which management plans are required under this consent;</p> <p>(iv) overall ecological and community objectives for the project, and a strategy for the restoration and management of the areas affected by operations, including elements such as wetlands and other habitat areas, creek lines and drainage channels, within the context of those objectives;</p> <p>(v) identification of cumulative environmental impacts and procedures for dealing with these at each stage of the development;</p> <p>(vi) overall objectives and strategies to protect economic productivity within the area affected by the operations;</p> <p>(vii) steps to be taken to ensure that all approvals, plans, and procedures are being complied with;</p> <p>(viii) processes for complaint handling, investigation and resolution in relation to the environmental management of the project;</p> <p>(ix) documentation of the results of consultations undertaken in the development of the Environmental Management Strategy.</p> <p>(x) The Applicant shall make copies of the environmental management strategy available to MSC, EPA, DMR and the CCC within fourteen days of approval by the Director-General.</p> <p>(d) The Applicant shall prepare the following environmental management plans for the Drayton rail loading facility:</p> <ul style="list-style-type: none"> <li>• Dust management plan (refer condition 5.1)</li> <li>• Noise management plan (refer condition 5.4.3(a))</li> <li>• Water management plan (refer to condition 3.1)</li> <li>• Joint Acquisition Management Plan (refer to condition 10.3)</li> </ul>	Administrative Non-Compliance	<p><u>Preparation:</u></p> <p>(a) Environmental Management Strategy (EMS), dated 14 June 2017</p> <p>* Includes rail loop within the scope of the EMS.</p> <p>Strategic framework for environmental management of the project: Section 5</p> <p>* Prepared in consultation with DPE (Section 1)</p> <p>* <u>Admin Non-compliant:</u> The EMS was not prepared in consultation with Community Consultative Committee (CCC).</p> <p>* Approval letter from DPE dated 18 September 2017: Appendix 2</p> <p>(b) The EMS:</p> <p>(i) Statutory requirements, legislation and policies: Section 6</p> <p>(ii) Role, responsibility, authority and accountability of all the key personnel involved in environmental management of the project: Section 6.5 &amp; Appendix 1</p> <p>(iii) Environmental management objectives and performance outcomes: Section 6.4</p> <p>(iv) Overall ecological and community objectives for the project: Section 6.4</p> <p>(v) Identification and management of cumulative environmental impacts: 6.11.2</p> <p>(vi) Overall objectives and strategies to protect economic productivity: Section 6.4</p> <p>(vii) Compliance with approvals, plans, and procedures: Section 6.3</p> <p>(viii) Complaint handling, investigation and resolution: Section 6.7.1</p> <p>(ix) Consultation documentation: Appendix 2</p> <p>(x) EMS approved by DPE on 18 September 2017</p> <p>* CCC Meeting minutes dated 27 September 2017 indicate the EMS was posted onto the company website within 14 days of the approval of the EMS.</p> <p>(d) Environmental management plans for the Drayton rail loading facility:</p> <ul style="list-style-type: none"> <li>• Air Quality and Monitoring Plan (AQMP), dated 5/6/2017 &amp; 10/10/2018.</li> <li>• Noise Management Plan (NMP), dated 2/7/2017 &amp; 16/10/2018.</li> <li>• Water management plan (WMP), dated 7/6/2017.</li> <li>• Joint Acquisition Management Plan, dated 2001.</li> </ul>	* Ensure future complies of the EMS are prepared in consultation with the CCC.
	<p>(e) The management plans are to be revised, and updated as necessary, at least every 5 years or as otherwise directed by the Director-General in consultation with the relevant government agencies. They will reflect changing environmental requirements or changes in technology/operational practices. Changes shall be made and approved in the same manner as the initial environmental management plan. The plans shall also be made publicly available at MSC within two weeks of approval of the relevant government authority.</p> <p>(f) The Applicant shall make copies of the updated environmental management plans available to MSC, EPA, DMR and the CCC within fourteen days of approval by the Director-General.</p>		<p>(e) Noise Management Plan (NMP) dated 16/10/2018 and DPE approval letter dated 16/10/2018. Prior report dated 2/7/2017.</p> <p>* Air Quality Management Plan (AQMP) dated 10/10/2018. Prior report dated 5/6/2017.</p> <ul style="list-style-type: none"> <li>• WMP dated 7/6/2017.</li> <li>* Admin Non-Compliant: Joint Acquisition Management Plan dated 2001. Has not been updated since 2001.</li> <li>* NMP approval letter from DPE dated 16/10/2018.</li> <li>* AQMP approval letter from DPE dated 9/10/2018.</li> <li>* Consultation with DLWC for preparation of WMP: Section 6.4 WMP.</li> <li>* Approval letter from DPE for WMP dated 18 September 2017:</li> </ul> <p>(f) According to site communications updated AQMP &amp; NMP posted on Malabar Coal website as soon these MPs approved by DPE.</p> <ul style="list-style-type: none"> <li>• AQMP dated 5/6/2017 (copy sent to DPE &amp; loaded onto Anglo American website)</li> <li>• NMP dated 2/7/2017 (copy sent to DPE &amp; loaded onto Anglo American website)</li> <li>• WMP dated 7/6/2017 (copy sent to DPE &amp; loaded onto Anglo American website)</li> <li>• Joint Acquisition Management Plan, dated 2001: N/A. Outside audit period.</li> </ul> <p><u>Implementation:</u></p> <ul style="list-style-type: none"> <li>* No evidence of the CCC being consulted as part of the preparation of the EMS. <u>Administrative Non-Compliance.</u></li> <li>* Evidence of recording of complaints.</li> <li>* Evidence of recording and reporting of non compliances.</li> </ul>	
<b>Bushfire and other Fire Controls</b>				
2.3	The Applicant shall maintain the existing fire protection works on site at Drayton rail loading facility, including the availability of trained personnel, water tankers and fire fighting equipment and annual hazard reduction measures with particular attention to boundaries of adjoining landholdings.	Compliant	<ul style="list-style-type: none"> <li>* Site inspection verified fire fighting equipment maintained at the rail loading facility and slashing being undertaken in this area.</li> <li>* According to site comms. The site is undertaking slashing and other proactive fire management measures.</li> <li>* Bushfire Management Procedure outlines how Malabar Coal manages and responds to bushfire events.</li> </ul>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Water Management and Monitoring</b>				
<b>Surface and Ground Water Management and Monitoring</b>				
3.1	<p>The Applicant shall:</p> <p>(a) Prepare a site water management plan and monitoring system for the Drayton rail loading facility to include the revised coal transport operations in consultation with DLWC prior to commencement of operations, and to the satisfaction of the Director-General. The plan shall include but not be limited to the following matters:</p> <p>(i) details of the integration of the revised coal transport operations with the existing Drayton mine water management plan and monitoring system.;</p> <p>(ii) management of the quality and quantity of surface and groundwater within the areas covered by the Site Water Management Plan, which shall include preparation of monitoring programs;</p> <p>(iii) management of stormwater and general surface runoff diversion to ensure separate effective management of clean and dirty water;</p> <p>(iv) measures to prevent the quality of any surface waters being degraded due to the revised coal transport operations, below that identified in Table 2.5 of the EIS</p> <p>(v) contingency plans for managing adverse impacts of the development on surface or ground water quality and quantity below that identified in Table 2.5 of the EIS;</p> <p>(vi) identification of any possible adverse effects on water supply sources of surrounding land holders as a result of the revised coal transport operations, and implementation of mitigation measures as necessary; and</p> <p>(vii) a program for reporting on the effectiveness of the water management systems and performance against objectives contained in the this water management plan.</p> <p><b>Pollution of waters</b>  <b>Note:</b> Except as may be expressly provided by a licence under the Protection of the Environment Operations Act 1997 in relation of the development, section 120 of the Protection of the Environment Operations Act 1997 must be complied with in connection with the carrying out of the development.</p>	Administrative Non-Compliance	<p><b>Preparation:</b></p> <ul style="list-style-type: none"> <li>* Site Water Management Plan (WMP), dated 7 June 2017</li> <li>(a) For the Drayton rail loading facility: Section 2</li> <li>* Consultation with DLWC: Section 6.4</li> <li>* Approval letter from DPE dated 18 September 2017: Appendix 1</li> </ul> <p>The plan includes:</p> <ul style="list-style-type: none"> <li>(i) Integration with existing wmp &amp; monitoring system: Sections 7.1 &amp; 7.4</li> <li>(ii) Management of the quality and quantity of surface and groundwater, include preparation of monitoring programs: Section 7.5</li> <li>(iii) Management of stormwater and general surface runoff diversion: Section 7.1</li> <li>(iv) Measures to prevent the quality of any surface waters being degraded: Section 7.3</li> <li>(v) Contingency plans: Section 7.6</li> <li>(vi) Identification of any possible adverse effects on water supply sources of surrounding land holders: Section 7.6</li> <li>(vii) Reporting on the effectiveness of the water management systems &amp; performance against objectives: Section 7.4.5</li> </ul> <p><b>Implementation:</b></p> <ul style="list-style-type: none"> <li>* Evidence of groundwater monitoring in monthly reports and Annual Reviews. Includes depth and parameters.</li> <li>* SLR understands that all management plans are in the process of being reviewed. Historical data for monitoring locations should be updated to include more recent data.</li> <li>* Site inspection noted water storages.</li> </ul> <p>Groundwater Monitoring - <u>Admin Non - Compliance</u></p> <p>There is evidence of the additional parameters being monitored at a number of the bores, however, these have not been monitored consistently during the audit period. DS1 is the only monitoring site where the requirement to test all parameters 6-monthly over the audit period is satisfied. DS2, DS3 and R4241, while not reported consistently across the audit period, have been consistently monitored for all parameters from at least mid-2017.</p> <p>Water Storage Inspections - <u>Admin Non - Compliance</u></p> <p>There is a commitment in Section 7.4.3 of the WMP regarding inspections of water storages (listed in Section 7.4.2) following storm events of more than 30mm in a 24 hour period. Based on liaison with Malabar Coal, prescribed dams are being inspected, however no evidence can be provided of other dams onsite. Admin Non - Compliance relating to implementation of inspections.</p>	<p>As per Schedule 3 Condition 31 of PA06_0202 recommendation</p> <p>As per Schedule 3 Condition 32 of PA 06_0202 recommendation:</p>
		Not Triggered	* Based on the evidence received from Malabar Coal no pollution of waters occurred during the audit period.	
<b>Waste Management</b>				
4	The applicant shall ensure that the waste management system, including the management of waste water, is maintained and applied to the proposed increase coal transport operations along the Drayton rail loop and Antiene rail spur as detailed in Section 5.2.5 of the EIS.	Compliant	* Site inspection verified the waste management system is maintained and used for the Drayton rail loop.	
<b>Noise and Air Quality Management and Monitoring</b>				
<b>Air Quality Management and Monitoring</b>				
<b>Dust Management Plan</b>				
5.1	<p>(a) The Applicant shall, within 3 months of this consent, prepare a Dust Management Plan for the Drayton rail loading facility, detailing air quality safeguards and procedures for dealing with dust emissions to the satisfaction of the Director-General. The Plan shall be prepared in consultation with the owners of the Bayswater rail loading facilities with the aim of achieving a consistent approach in the preparation of the Dust Management Plans for the Drayton and Bayswater rail facilities respectively. The Plan shall include, but not be limited to, details of:</p> <ul style="list-style-type: none"> <li>• the identification of dust affected properties and the relevant dust limits consistent with the EIS;</li> <li>• specifications of the procedures for the dust monitoring program for the purpose of undertaking independent dust investigations, including joint investigations with the owners of the Bayswater rail loading facility and rail loop where necessary;</li> <li>• outline the procedure to notify property owners and occupiers likely to be affected by dust from the operations;</li> <li>• the establishment of a protocol for handling dust complaints that include recording, reporting and acting on complaints;</li> <li>• appropriate mechanisms for community consultation;</li> <li>• outlining mitigation measures to be employed to minimise dust emissions;</li> <li>• equipment to be available and used to control dust generation;</li> <li>• methods to determine when and how operations are to be modified to minimise the potential for dust emissions if the relevant criteria are exceeded;</li> <li>• identification of longer term strategies directed towards mitigating dust levels that exceed the relevant EPA dust amenity criteria;</li> <li>• details of locations for dust monitoring and deposition gauges (including existing Drayton monitoring locations if proposed to be used.) at residential areas and frequency of monitoring, as agreed with the EPA;</li> <li>• a program to continue baseline monitoring undertaken prior to development consent; and</li> <li>• details of the integration of this plan with the Drayton mine dust management plan, and this plan's inter-relationship with the Bayswater rail facilities dust management plan.</li> </ul>	Administrative Non-Compliance	<p><b>Preparation:</b></p> <ul style="list-style-type: none"> <li>* Dust Management Plan requirement covered by Air Quality Management and Monitoring Plan, dated 5 June 2017, and Air Quality and Greenhouse Gas Management Plan (AQGHGMP), dated 10 October 2018.</li> <li>(a) Approval letter from DPE dated 18 September 2017 &amp; 9 October 2018: Appendix 1 of both plans</li> </ul> <p><u>Admin Non-compliant:</u> The Plan was not prepared in consultation with the owners of the Bayswater rail loading facilities (Mt Arthur).</p> <p>The Air Quality Management and Monitoring Plan includes:</p> <ul style="list-style-type: none"> <li>• Potential dust affected properties illustrated through monitoring locations;</li> <li>• Relevant dust limits consistent with the EIS (Section 4.6);</li> <li>• Procedures for the dust monitoring program: <ul style="list-style-type: none"> <li>* Undertaking independent dust investigations: Section 4.10.1;</li> <li>* Joint investigations: Section 4.18;</li> <li>* Procedure to notify property owners and occupiers: Section 4.12;</li> <li>* Protocol for handling dust complaints: Section 4.16;</li> <li>* Mechanisms for community consultation: Section 4.12;</li> </ul> </li> <li>• Mitigation measures: Section 4.9;</li> <li>• Equipment available and used to control dust generation: Section 4.9;</li> <li>• Methods to determine when and how operations are to be modified to minimise dust emissions: Section 4.10.2;</li> <li>• Identify longer term strategies for mitigating dust levels: Section 4.9;</li> <li>• Locations for dust monitoring and deposition gauges: Section 4.12 &amp; Figure 1;</li> <li>* Frequency of monitoring: Section 4.12;</li> <li>* Baseline monitoring: Section 4.12; and</li> <li>* Details of integration with the Bayswater rail facilities dust management plan: Section 4.18.</li> <li>* The AQGHGMP also includes all these sections.</li> </ul> <p><b>Implementation:</b></p> <p>When the site was operational, controls for dust management included real time air quality monitoring, water carts etc. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit inspection. Evidence of operators using the water cart earlier in the day was sighted by the audit team.</p>	<p>Ensure future versions of the AQ and GHG MP are prepared in consultation with the owners of the Bayswater rail loading facility (Mt Arthur Coal).</p>



Condition Number	Condition	Compliance Status	Evidence	Recommended Action									
<b>Air Quality and Dust Monitoring</b>													
5.1	<p>(b) The Applicant shall:</p> <p>(a) undertake monitoring at locations described in the Dust Management Plan (Condition 5.1(a));</p> <p>(ii) use existing relevant Drayton dust deposition and total suspended particulate (TSP) monitoring gauges for the Drayton Rail Loop and Antiene Rail Spur operations, including sites for monitoring impacts of dust at the nearest non-mined owned residences, and any additional locations as may be determined by the Dust Management Plan referred to in Condition 5.1(a); and 10</p> <p>(iii) provide all results and analysis of air quality monitoring in the AEMR including a determination of the annual dust deposition rate in gm/m<sup>2</sup>/month, which shall be plotted in the AEMR.</p> <p>(c) Monitoring of dust deposition and the concentration of PM10 particulate matter in ambient air must be carried out at locations agreed to in consultation with the EPA. The sampling method, units of measure, interval and frequency of monitoring will be as set out in the "Approved Methods for Sampling and Analysis of Air Pollutants in NSW", or its latest version.</p>	Compliant	<p>(b) (a) 2015 - 2017 AEMRs indicate dust monitoring in accordance with the AQGHGMP;</p> <p>(ii) Air Quality Management and Monitoring Plan applies to both the Drayton Rail Loop and Antiene Rail Spur operations</p> <p>* Plan includes sites for monitoring impacts of dust.</p> <p>(iii) Results and analysis of air quality monitoring included in 2015 AEMR (Section 3.1), 2016 AEMR (Section 6.2) &amp; 2017 AEMRs (Section 6.2)</p> <p>(c) Consultation with the EPA: Section 4.4</p> <p>* "Approved Methods for Sampling and Analysis of Air Pollutants in NSW": Section 4.12</p> <p><b>Observation:</b> The 2018 AQGHGMP show fewer dust monitoring sites than reported in the 2015 - 2017 AEMRs.</p>										
	<p>(d) In the event that a landowner or occupier considers that dust from the project at their dwelling or over more than 25% of their vacant land is in excess of the relevant EPA dust amenity criteria, and the Director-General is satisfied that an investigation is required, the Applicant shall upon the receipt of a written request:</p> <p>(i) consult with the landowner or occupants affected to determine their concerns;</p> <p>(ii) make arrangements for and bear the cost of, in consultation with the owner of the Bayswater rail loading facility and rail loop, appropriate independent dust investigations in accordance with the Dust Management Plan, and to the satisfaction of the Director-General, to quantify the impact and determine the source of the effect;</p> <p>(iii) modify the operation in accordance with the Dust Management Plan if exceedances are demonstrated to result from the operation. This shall include:</p> <ul style="list-style-type: none"> <li>• introduction of additional controls, either of dust generation from individual sources on the site or on site operations or modify operations, to ensure that the dust criteria are achieved; and / or,</li> <li>• enter into an agreement with the landowner, or provide such forms of benefit or amelioration as may be agreed between the parties as providing acceptable amelioration/benefit for the dust levels experienced. The agreement may also be made in consultation with the owner of the Bayswater rail loading facility and rail loop and</li> <li>• conduct follow up investigations to the satisfaction of the Director-General, where necessary.</li> </ul> <p><b>Note:</b> Vacant land in this condition means the whole of the lot in a current plan registered at the Land Titles Office as at the date of this consent that does not have a dwelling situated on the lot and is permitted to have a dwelling on that lot.</p> <p>(e) If the independent dust investigations in sub-clause (e) above confirm that dust limits are in excess of the relevant EPA dust amenity criteria, the Applicant shall at the written request of the owner acquire the relevant property. Acquisition shall be in accordance with the procedures set out in Condition 10.1, 10.2 and 10.3.</p> <p>(f) Further independent investigations shall cease if the Director-General is satisfied that the relevant consent limits or relevant EPA dust amenity criteria are not being exceeded and are unlikely to be exceeded in the future.</p>	Not Triggered	Based on discussions with site this has not been triggered.										
<b>Dust Suppression and Control</b>													
5.2	Activities occurring at the premises must be carried out in a manner that will minimise emissions of dust from the premises.	Compliant	<p>* No dust emissions seen during site inspection.</p> <p>* Air Quality Management and Monitoring Plan, dated 5/6/2017 and 10/10/2018 includes mitigation measures to minimise emissions of dust.</p>										
<b>Noise Control</b>													
5.3.1 Noise Levels	<p>(a) For three years from the date of this consent, the applicant shall cooperate with the relevant mining operators to limit the cumulative noise contributions from the operation of Drayton rail loop and Antiene rail spur such that these noise levels in conjunction with the total cumulative noise emissions from the operations of the Drayton coal mine, Bayswater rail loading facility and rail loop, Bayswater mine, Antiene rail spur, and proposed Mount Arthur North project if approved, do not exceed the dB(A) Leq(9 hour/4 hour/11 hour) noise limits in Table 1 at any non-mine owned dwellings (refer also condition 10.1). The applicant shall also ensure that the noise levels from the Drayton rail loop and Antiene rail spur alone shall not exceed the dB(A) Leq(15 minute) noise limits also shown in Table 1 for the first three years from the date of this consent.</p>	Not Triggered	Only applicable within 3 years of consent.										
	<p style="text-align: center;"><u>Table 1: Noise limits</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Night time (10pm-7am)</th> <th>Evening time (6pm-10pm)</th> <th>Day time (7am-6pm)</th> </tr> </thead> <tbody> <tr> <td>42 dB(A) Leq(9 hour)</td> <td>42 dB(A) Leq(4 hour)</td> <td>42 dB(A) Leq(11 hour)</td> </tr> <tr> <td>40 dB(A) Leq(15 minute)</td> <td>40 dB(A) Leq(15 minute)</td> <td>40 dB(A) Leq(15 minute)</td> </tr> </tbody> </table>				Night time (10pm-7am)	Evening time (6pm-10pm)	Day time (7am-6pm)	42 dB(A) Leq(9 hour)	42 dB(A) Leq(4 hour)	42 dB(A) Leq(11 hour)	40 dB(A) Leq(15 minute)	40 dB(A) Leq(15 minute)	40 dB(A) Leq(15 minute)
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	<p>(b) After three years from the date of this consent, the applicant shall cooperate with the relevant mining operators to limit the cumulative noise contributions from the Drayton rail loop and Antiene rail spur such that these noise levels in conjunction with the total cumulative noise contributions from the operations of the Drayton coal mine, Bayswater rail loading facility and rail loop, Bayswater mine and the Antiene rail spur, and proposed Mount Arthur North project if approved, do not exceed the dB(A) Leq(9 hour/4 hour/11 hour) noise limits in Table 2 at any non-mine owned dwellings (refer also condition 10.1). The applicant shall also ensure that the noise levels from the Drayton rail loop and Antiene rail spur alone do not exceed the dB(A) Leq(15 minute) noise limits also shown in Table 2 after three years from the date of this consent.</p>	Not Triggered											
	<p style="text-align: center;"><u>Table 2: Noise limits</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Night time</th> <th>Evening Time</th> <th>Day time</th> </tr> </thead> <tbody> <tr> <td>40 Leq(9 hour) dB(A)</td> <td>40 Leq(4 hour) dB(A)</td> <td>40 Leq(11 hour) dB(A)</td> </tr> <tr> <td>38 Leq(15 minute) dB(A)</td> <td>38 Leq(15 minute) dB(A)</td> <td>38 Leq(15 minute) dB(A)</td> </tr> </tbody> </table>	Night time	Evening Time	Day time	40 Leq(9 hour) dB(A)	40 Leq(4 hour) dB(A)	40 Leq(11 hour) dB(A)	38 Leq(15 minute) dB(A)	38 Leq(15 minute) dB(A)	38 Leq(15 minute) dB(A)	Not Triggered		As per Schedule 3, Condition 3 of PA 06_0202 recommendation.
Night time	Evening Time	Day time											
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Condition Number	Condition	Compliance Status	Evidence	Recommended Action									
	<p>(c) Notwithstanding condition 5.3.1 (b) above, the Director-General may otherwise agree to a request from the applicant to maintain the noise criteria of Table 1, provided that the Director-General is satisfied that the applicant can justify that it cannot achieve the noise criteria in Table 2 by:</p> <p>(i) providing full detail of whatever means are required to achieve the noise levels in Table 2, and a quantitative analysis of the cost effectiveness of such means to the satisfaction of the EPA; and</p> <p>(ii) following the analysis at (i) above, the applicant is required to determine, to the satisfaction of the EPA, the best alternative mitigation measures that might not achieve the levels in Table 2, but are considered reasonable and feasible and will be put in place by the applicant.</p>	Not Triggered	<p>"There are inconsistencies between the criteria contained in PA 06_0202 and DA 106-04-00. Noise from the Drayton (now Maxwell Infrastructure) rail loop is encompassed in the intrusive and cumulative criteria provided in PA 06-0202. Noise monitoring through the audit period notes that rail movements on the Antiene Rail spur generated LAeq(15minute) noise levels of up to 43 dBA, exceeding the intrusive noise limits contained in both Table 2 and Table 3 of DA 106-04-00. Notwithstanding, the previous Noise Management Plan dated 20/09/2017 and the current noise management plan dated 16/10/2018, as endorsed by the DPE, indicates that where inconsistencies exist the criteria contained in PA 06_0202 overrides DA 1066-04-00.</p>										
	<p>(d) Notwithstanding sub clauses (a), (b) and (c) above, the area of noise affectation for the cumulative operation of the Drayton rail loop, Antiene rail spur, Drayton coal mine, Bayswater rail loading facility and rail loop, Bayswater mine, Antiene rail spur, and proposed Mount Arthur North project if approved, is defined by demonstrated exceedance of noise levels at any non-mine owned dwellings of the dB(A) Leq(9 hour/4 hour/11 hour) noise limits shown in Table 3 below. The area of noise affectation for the Drayton rail loop and Antiene spur is defined by demonstrated exceedance of noise levels at any non-mine owned dwellings of the dB(A) Leq(15 minute) noise limits also shown in Table 3 below.</p> <p style="text-align: center;"><u>Table 3: Noise Affectation Criteria</u></p> <table border="1" data-bbox="368 611 1086 688"> <thead> <tr> <th>Night Time</th> <th>Evening Time</th> <th>Day time</th> </tr> </thead> <tbody> <tr> <td>45 dB(A)Leq(9hour)</td> <td>45 dB(A)Leq(4hour)</td> <td>45 dB(A)Leq(11hour)</td> </tr> <tr> <td>43 dB(A)Leq(15 minute)</td> <td>43 dB(A)Leq(15 minute)</td> <td>43 dB(A)Leq(15 minute)</td> </tr> </tbody> </table>	Night Time	Evening Time	Day time	45 dB(A)Leq(9hour)	45 dB(A)Leq(4hour)	45 dB(A)Leq(11hour)	43 dB(A)Leq(15 minute)	43 dB(A)Leq(15 minute)	43 dB(A)Leq(15 minute)	Not Triggered		
Night Time	Evening Time	Day time											
45 dB(A)Leq(9hour)	45 dB(A)Leq(4hour)	45 dB(A)Leq(11hour)											
43 dB(A)Leq(15 minute)	43 dB(A)Leq(15 minute)	43 dB(A)Leq(15 minute)											
	<p>(e) In the event that a landowner or occupier considers that noise from the project at their dwelling is in excess of:</p> <ul style="list-style-type: none"> <li>the noise levels depicted in Table 1 within the first three years from the date of this consent; or</li> <li>the noise levels depicted in Table 2 after the first three years from the date of this consent (or as agreed by the Director-General); or</li> <li>the noise levels depicted in Table 3; or</li> <li>that a landowner considers that the noise levels depicted in Table 3 is being exceeded over more than 25% of their vacant land,</li> </ul> <p>and the Director-General is satisfied that an investigation is required, the Applicant shall upon the receipt of a written request:</p> <p>(i) consult with the landowner or occupants affected to determine their concerns;</p> <p>(ii) make arrangements for and bear the costs of, in consultation with the owner's of Bayswater rail loading facility and rail loop, appropriate independent noise investigations in accordance with the noise management plan, and to the satisfaction of the Director-General, to quantify the impact and determine the source of the effect and contribution of the Drayton rail loop and Antiene rail spur;</p> <p>(iii) modify the coal transportation activity in accordance with a noise reduction plan prepared as part of the noise management plan, if exceedances are demonstrated to result from the coal transportation activity. This shall include:</p> <ul style="list-style-type: none"> <li>introduction of additional controls, either on noise emission from individual sources on the site or on site operations or modify operations, to ensure that the criteria in the Table 2 above are achieved;</li> <li>with the agreement of the landowner, undertaking of noise control at the dwelling to achieve acceptable internal noise levels;</li> <li>entering into an agreement with the owner of Bayswater rail loading facility and rail loop and the landowner, or provide such other forms of benefit or amelioration as may be agreed between the parties as providing acceptable amelioration/benefit for the noise levels experienced;</li> </ul> <p>(iv) conduct follow up investigations to the satisfaction of the Director-General, where necessary.</p> <p>(f) If the independent noise investigations in sub-clause (e) above confirm that noise limits in Table 3 are being exceeded, the Applicant shall at the written request of the owner acquire the relevant property. Acquisition shall be in accordance with the procedures set out in Condition 10.2 and 10.3.</p> <p>(g) If continued complaints and noise investigations confirm that noise limits in Table 1 and/or 2 are being exceeded, but are less than the noise levels in Table 3, the Applicant shall continue to negotiate with the owner of the Bayswater rail loading facility and rail loop and the landowner until an acceptable resolution is reached.</p> <p>(h) Further independent investigations shall cease if the Director-General is satisfied that the relevant consent limits are not being exceeded and are unlikely to be exceeded in the future.</p>	Not Triggered	No complaints or written requests received regarding noise.										
	<p><b>Note:</b></p> <p>1. The noise emission limits in this condition apply for adverse weather conditions. "Adverse" weather conditions means the presence of winds up to 3 metres per second, and/or temperature inversions for up to 4 degrees C per 100 metres.</p> <p>2. Vacant land in this condition means the whole of the lot in a current plan registered at the Land Titles Office as at the date of this consent that does not have a dwelling situated on the lot and is permitted to have a dwelling on that lot.</p>												

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Noise Management Plan</b>				
5.3.2	<p>(a) The Applicant shall within three months of the date of this consent, prepare a Noise Management Plan for the Drayton rail loading facility and Antiene rail spur, to the satisfaction of the Director-General. The Plan shall be prepared in consultation with the owner of Bayswater rail loading facility with the aim of achieving a consistent approach in the preparation of the Drayton rail loading facility noise management plan. The Plan shall:</p> <ul style="list-style-type: none"> <li>include details of the conduct of noise investigations at three monthly intervals (unless otherwise agreed by the Director-General) to evaluate, assess and report the both the L<sub>eq</sub>(15 minute) (project alone) and L<sub>eq</sub>(9 hour/4 hour/11 hour) (cumulative) noise emission levels due to normal coal transport operations under adverse weather conditions;</li> <li>details of the proposed methodologies including establishing the Drayton rail loop and Antiene rail spur operating configuration; determining survey intervals; weather conditions and seasonal variations; selecting variations, locations, periods and times of measurements;</li> <li>outline the design of any noise monitoring and noise modelling or other studies including the means for determining the noise levels emitted by the operations;</li> <li>particularly focus on the management of night time noise (10.00pm – 7.00am) for each year of operation;</li> <li>identify noise affected properties and the relevant noise limits consistent with the EIS, the additional noise information requested by the EPA and supplied by Umwelt (Australia Pty Limited) in a letter dated 15 June 2000; with results of extended noise monitoring and in a letter dated 20 July 2000 and accompanying report titled "Response to EPA Submission of 5 July 2000; and the Drayton Coal Pty Ltd Response to Summary of Submissions received from DUAP on 2 June 2000, prepared by Umwelt (Australia) Pty Ltd, August 2000;</li> <li>specify the procedures for a noise monitoring program for the purpose of undertaking independent noise investigations, in consultation with the owners of Bayswater mine, as necessary;</li> <li>outline the procedure to notify property owners and occupiers likely to be affected by noise from the operations;</li> <li>establish a protocol for handling noise complaints that include recording, reporting and acting on complaints;</li> <li>record appropriate mechanisms for community consultation;</li> <li>outline mitigation measures to be employed on the site to limit noise emissions;</li> <li>identify longer term strategies directed towards mitigating noise levels that exceed the noise criteria in Table 2 under adverse meteorological conditions;</li> <li>outline measures to be used to reduce the impact of intermittent, low frequency and tonal noise (including any truck reversing alarms);</li> <li>specify measures to be taken to document any higher level of impacts or patterns of temperature inversions, and detail actions to quantify and ameliorate enhanced impacts if they lead to exceedance of the relevant noise criteria;</li> <li>survey and investigate noise reduction measures, if required, from plant and equipment annually, subject to noise monitoring results and/or complaints received, and report in the AEMR at the conclusion of the first 12 months of operations and set targets for noise reduction taking into consideration valid noise complaints in the previous year. The Report shall also include remedial measures to achieve compliance with the specified noise goals; and</li> <li>include details of the integration of this plan with the existing Drayton mine Noise Management Plan, and its inter-relationship with the Bayswater rail facility noise management plan.</li> </ul> <p>(b) Prior to the commencement of operations the applicant shall ensure cladding is added to the northern side of the Drayton Coal Handling Facility, extending from ground level to the top of the conical section of both loading bins, with an internal facing of absorbing material and vibration isolated from the existing structure as described in the EIS.</p> <p>(c) The Applicant shall also:</p> <p>(i) make copies of the Plans available to the EPA, MSC and CCC within fourteen days of approval, or as otherwise agreed to be the Director-General; and</p> <p>(ii) include a summary of noise monitoring results in the AEMR .</p>	Compliant	<p><u>Preparation:</u></p> <p>(a) <u>Noise Management Plan, dated 2 July 2017:</u></p> <ul style="list-style-type: none"> <li>Approval letter from DPE, dated 18 September 2017 (Appendix 1);</li> <li>Plan prepared in consultation with the owner of Bayswater rail loading facility: Section 11.2.</li> </ul> <p><u>Observation:</u> Section 6 doesn't make complete references to where the statutory requirements and commitments have been addressed in the NMP.</p> <p>The Plan:</p> <ul style="list-style-type: none"> <li>DPE approved monitoring program;</li> <li>Proposed methodologies: <ul style="list-style-type: none"> <li>Determining survey intervals: Sections 10.1 &amp; 10.2;</li> <li>Weather conditions and seasonal variations: Section 10.3;</li> <li>Noise monitoring and noise modelling: Sections 10.1, 10.2 &amp; 9;</li> </ul> </li> <li>Management of night time noise: Section 11.1;</li> <li>Noise affected properties: Section 2;</li> <li>Noise limits consistent with the EIS: Section 10.2</li> <li>Results of extended noise monitoring: Section 10 (results are provided in AEMRs);</li> <li>Procedures for a noise monitoring program: Sections 10.1, 10.2 &amp; 11.2;</li> <li>Procedure to notify property owners and occupiers: Section 12;</li> <li>Protocol for handling noise complaints: Section 11.2;</li> <li>Mechanisms for community consultation; Section 12;</li> <li>Mitigation measures: Section 11;</li> <li>Longer term strategies: Section 11.1;</li> </ul>	
		Not Triggered	<p>Reduce the impact of intermittent, low frequency and tonal noise: Section 11.1;</p> <ul style="list-style-type: none"> <li>Document any higher level of impacts or patterns of temperature inversions: Section 10.3;</li> <li>Quantify and ameliorate enhanced impacts: Sections 10 &amp; 11.2</li> <li>Survey and investigate noise reduction measures: Section 11.2</li> <li>Report in the AEMR: 2015 AEMR (Section 3.11), 2016 AEMR (Section 6.8) &amp; 2017 AEMR (Section 6.9);</li> <li>Targets: 2015 AEMR (Section 6.1), 2016 &amp; 2017 AEMRs (Section 12.1).</li> <li>Remedial measures: Section 11.2;</li> <li>Integration of this plan: Section 11.2.</li> </ul> <p>* There is also a Noise Management Plan that was only approved a week before the audit period ceased. The October 2018 Noise Management Plan has been streamlined to focus on the care and maintenance operations. This Plan covers all of the condition requirements.</p>	
		Not Triggered	Outside of the audit period.	
<b>Noise Monitoring</b>				
5.3.3	<p>(a) The levels of noise emitted from the premises must be monitored for 72 hrs every 3 months unless otherwise agreed by the Director-General at locations agreed to in consultation with the EPA. The monitoring must determine the LA<sub>eq</sub>,9hour, LA<sub>eq</sub>,15min, LA<sub>10</sub>,15min, LA<sub>90</sub>, 15min, and LA<sub>1</sub>,1min and include an assessment of the impact of operational noise on adjoining residents.</p> <p>(b) Noise monitoring at the specified locations must be undertaken during daytime (7.00am- 6.00pm), evening (6.00pm-10.00pm) and night time (10.00pm-7.00am).</p>	Not Triggered	Monitoring undertaken is different to this condition, however monitoring is completed as per the approved Noise Management Plan	
<b>Light Emissions</b>				
5.4	The Applicant shall screen or direct all on-site lighting away from residences and roadways, or manage such lighting to the satisfaction of MSC.	Compliant	<p>According to below documentation, lighting was screened or directed away from residents/roadways:</p> <ul style="list-style-type: none"> <li>Section 3.12 2015 AEMR.</li> <li>Section 6.9 2016 AEMR.</li> <li>Section 6.10 AEMR.</li> </ul> <p>There is no night work with limited lighting.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Transport</b>				
<b>Limits on Transportation of Coal</b>				
6.1	<p>(a) Coal transported along the Drayton Rail Loop is limited to seven (7) million tonnes per annum.</p> <p>(b) Coal transported along the Antiene Rail Spur is limited to twenty (20) million tonnes per annum.</p> <p>(c) The peak number of train movements along the Drayton Rail Loop are limited to 12 per day.</p> <p>(d) The peak number of train movements along the Antiene Rail Spur are limited to 30 per day.</p> <p>(e) The maximum annual rate of coal haulage shall be calculated from the date of commencement of this consent. The Applicant shall submit a statement every six (6) months regarding the number of daily train movements, quantities and destination of product hauled on the Drayton rail loop and Antiene rail spur in that period to the Director-General unless otherwise agreed by the Director-General, commencing from the date of commencement of this consent.</p> <p>(f) To ensure residents access on the northern side of Antiene Road is not restricted, the Applicant shall consult with RAC to ensure amendment of the RAC signal procedures manual is undertaken so that the signal located to the west of the level crossing near the junction of the Antiene rail spur and the Main Northern Railway (signal 60) is the priority signal for access to the Main Northern Railway as discussed in section 4.3.2.2 of the EIS.</p> <p><b>Note:</b> Condition 6.1 shall be read in conjunction with condition 6.1 Limits on Transportation of Coal of the consent issued by the Minister for Urban Affairs and Planning to Coal Operations Australia Limited (COAL) for the construction and operation of the Bayswater Rail Loading Facility and Rail Loop. Condition 6.1 of the COAL consent is as follows:</p> <p>(a) Coal transported along the Bayswater Rail Loop is limited to 13 million tonnes per annum during the simultaneous operation of the Drayton Rail Loop at 7 million tonnes per annum.</p> <p>(b) Coal transported along the Bayswater Rail Loop can only exceed 13 million tonnes per annum where the combined annual tonnage of operations along the Bayswater Rail Loop and Drayton Rail Loop do not exceed 20 million tonnes per annum.</p> <p>(c) The peak number of train movements along the Bayswater Rail Loop are limited to 18 per day, except in the event that Drayton mine does not utilise all of its 7 million tonnes per annum, the applicant may take up the spare capacity, with a total limit of 30 train movements per day along the Bayswater rail loop and Antiene rail spur.</p> <p>(d) The maximum annual rate of coal haulage shall be calculated from the date of commencement of rail haulage. The Applicant shall submit a statement every six (6) months regarding the quantities, number of daily train movements and destination of product hauled on Bayswater rail loop in that period to the Director-General unless otherwise agreed by the Director-General, commencing from the date of commencement of rail haulage.</p>	Administrative Non-Compliance	<p>(a) 2015, 2016 &amp; 2017 AEMRs indicate coal transport along the Drayton Rail Loop was within the seven (7) million tonnes per annum limit.</p> <p>(b) <b>Admin Non-compliant:</b> 2015 AEMR states coal transported on the Antiene rail spur exceeded Drayton consent requirement (twenty (20) million tonnes per annum), due to Mt Arthur coal transport. All other years reported in the 2016 &amp; 2017 AEMR were compliant with the limit. No further recommendation as transportation has been below the limit for past two years,</p> <p>(c) The peak number of train movements along the Drayton Rail Loop was within the 12 per day limit (reported in 2015, 2016 &amp; 2017 AEMRs).</p> <p>(d) The peak number of train movements along the Antiene Rail Spur was within the 30 per day limit (reported in 2015, 2016 &amp; 2017 AEMRs).</p> <p>(e) Annual statements attached to 2015, 2016 &amp; 2017 AEMRs. Email to DPE RE: six monthly rail report, dated 2/8/2018.</p> <p>(f) N/A - Outside of audit period.</p>	
		Noted	* Bayswater Rail Loop outside of Maxwell infrastructure Site.	
<b>Rail Transport</b>				
6.2	No coal shall be hauled on public roads except under emergency or special situations and only with the prior written permission of the Director-General, RTA and MSC.	Compliant	<p>* 2015 &amp; 2016 AEMRs indicate all coal transport was via trains.</p> <p>* No coal transported in 2017, as reported in 2017 AEMR.</p>	
<b>Rail Scheduling</b>				
6.3	<p><b>Note:</b> A commercial agreement is in place between the owners of the Bayswater and Drayton rail facility proposals respectively which requires the applicant to advise the owners of the Bayswater rail facility, no less than sixty (60) business days before the commencement of each year, of its proposed Estimated Annual Tonnage and its planned shipping schedule for coal haulage on the Antiene Spur. On the first business day of each month, the applicant will advise the owners of Bayswater mine of its planned shipping schedule for coal haulage for each of the then ensuing three months.</p>	Administrative Non-Compliance	<p>* Malabar Coal is not using the Antiene Spur, with the site going into care and maintenance in October 2016.</p> <p>* Maxwell and Mt Arthur Coal CCC hold two meetings each year where the environmental performance of the rail spur is discussed and reviewed, together with any environmental enquiries and other issues.</p> <p>* Annual Rail Activity Statements are attached to AEMRs.</p> <p>* <b>Admin Non-compliant:</b> Malabar Coal could not provide evidence that Mt Arthur was advised of estimated annual and 3-monthly tonnages for coal haulage on the Antiene Spur.</p>	<p>* Advise Mt Arthur the estimated annual tonnages for coal haulage on the Antiene Spur, sixty business days before the commencement of each year.</p> <p>* Advise Mt Arthur the estimated 3-monthly tonnages for coal haulage on the Antiene Spur on the first business day of each month.</p>
<b>Monitoring / Auditing</b>				
7	<p>(a) In addition to the requirements contained elsewhere in this consent, the Director-General may, at any time in consultation with the relevant government authorities and Applicant, require the monitoring programs in Conditions 3 and 5 to be revised/updated to reflect changing environmental requirements or changes in technology/operational practices. Changes shall be made and approved in the same manner as the initial monitoring programs. All monitoring programs shall also be made publicly available at MSC within two weeks of approval of the relevant government authority.</p> <p>(b) All sampling strategies and protocols undertaken as part of any monitoring program shall include a quality assurance/quality control plan and shall require approval from the relevant regulatory agencies to ensure the effectiveness and quality of the monitoring program. Only laboratories with a nationally recognised relevant accreditation shall be used for laboratory analysis.</p>	Compliant	<p>(a) Evidence of DPE requesting management plans to be updated. Letter from DPE dated 24 May 2017 regarding the requirement to meet a previous Drayton commitment to update management plans. The letter requested these plans be resubmitted by 19 June 2017. Current management plans that were requested to be updated (see DPE letter from 24 May 2017) outline revision dates of June 2017 in the revisions table. Also approval letter of management plans from 18 September 2017.</p> <p>(b) Environmental management plans for the Drayton rail loading facility all include a quality assurance/quality control plan, as detailed below:</p> <ul style="list-style-type: none"> <li>• AQMP, dated 5 June 2017 (Section 4.12) &amp; AQGHGM, dated 10 October 2018 (Section 4.1);</li> <li>• NMP, dated 2 July 2017 (Section 6) &amp; NMP, dated 16 October 2018 (Section 4.1); and</li> <li>• Water management plan (WMP), dated 7 June 2017 (Section 7.4.4).</li> </ul> <p>* All the above management plans have been approved by DPE.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Third Party Monitoring / Auditing</b>				
7.1	<p><b>Independent Environmental Audit</b></p> <p>(a) Every three years from the date of this consent until completion of coal transportation in the DA area, or as otherwise directed by the Director-General, the Applicant shall conduct an environmental audit of the Drayton Rail loop operation and Antlene rail spur operation in accordance with ISO 14010 - Guidelines and General Principles for Environmental Auditing, and ISO 14011 - Procedures for Environmental Auditing (or the current versions), and in accordance with any specifications required by the Director-General. The audit shall be co-ordinated as far as possible with the audit for the Bayswater rail loading facility and rail loop as directed by the Director-General. Copies of the report shall be submitted by the Applicant to the Director-General, MSC, EPA, DMR, and CCC within two weeks of the report's completion for comment.</p> <p>(b) The audit shall:</p> <p>(i) assess compliance with the requirements of this consent, licences and approvals;</p> <p>(ii) assess the development against the predictions made in the EIS;</p> <p>(iii) review the effectiveness of the environmental management of the coal transportation operations, including any mitigation works;</p> <p>(iv) be carried out at the Applicant's expense; and</p> <p>(v) be conducted by a duly qualified independent person or team approved by the Director-General in consultation with MSC.</p> <p>(c) The Director-General may, after considering any submission made by the relevant government agencies, MSC and CCC on the report, notify the Applicant of any requirements with regard to any recommendations in the report. The Applicant shall comply with those reasonable requirements within such time as the Director-General may require.</p>	Administrative Non-Compliance	<p>a) Coal transport ceased during the audit period on 9 November 2016. However SLR has audited this consent as transportation did occur during the audit period. The previous 2015 audit reviewed this consent.</p> <p>No evidence provided to SLR that the prior audit report was sent to the Director-General, MSC, EPA, DMR, and CCC within two weeks of the report's completion for comment.</p> <p>b)</p> <p>i) Covered in 2015 audit;</p> <p>ii) Some assessment of year 2000 EIS;</p> <p>iii) Covered in 2015 audit;</p> <p>iv) Payment previously by Drayton;</p> <p>v) SLR has consulted with the MSC as part of the 2018 audit.</p> <p>c) DPE letter dated 4 April 2016 noted recommendations regarding cultural heritage and the Energy Efficiency Plan.</p> <p>* AECOM made amendments to the Audit Report in accordance with the DPE letter and re-issued the report on 25 May 2016.</p>	Ensure copies of the audit of this Development Consent are sent to the relevant government agencies for comment, within 2 weeks of the reports completion.
<b>Meteorological</b>				
7.2	The applicant shall utilise the existing meteorological station at Drayton mine or establish an alternative meteorological station at a relevant location, in accordance with the requirements of AS 2922 1987 "Ambient Air Guide for Siting of Sampling Units" or updated version. The meteorological station must be capable of recording wind direction and speed, temperature and sigma theta and be operated in accordance with the requirements of AS 2923-1987 "Ambient Air Guide Horizontal Wind for Air Quality Application", or subsequent relevant standards.	Compliant	<p>Meteorological summary is outlined within the Annual Reviews.</p> <p>Evidence of monitoring for rainfall, temperature, wind speed and direction.</p> <p>Evidence of live meteorological station by Malabar Coal.</p> <p>Evidence of raw meteorological data.</p> <p>Evidence of calibration certificates sighted for meteorological station. Certificates sighted for 3/4/2018 and 20/5/2017. Also sighted annual physical screening checks by Carbon Based Environmental.</p>	
<b>Reporting</b>				
<b>Environmental Reporting</b>				
8.1	<p><b>Annual Environmental Management Report (AEMR)</b></p> <p>(a) The Applicant shall, throughout the life of the rail loading facility and rail loop and for a period of at least three years after the completion of operations in the DA area, prepare and submit an Annual Environmental Management Report (AEMR), which may be incorporated into the existing Drayton AEMR to the satisfaction of the Director-General. The AEMR shall include a review of the performance of coal transportation against the Environmental Management Strategy, the conditions of this consent, and other licences and approvals relating to the coal transport operations. To enable ready comparison with the predictions of the EIS, diagrams and tables, the report shall include, but not be limited to, the following matters:</p> <p>(i) an annual compliance review of the performance of the project against conditions of this consent and statutory approvals;</p> <p>(ii) a review of the effectiveness of the environmental management of the coal transport operations in terms of EPA, DMR, and MSC requirements;</p> <p>(iii) results of all environmental monitoring required under this consent or other approvals, including interpretations and discussion by a suitably qualified person;</p> <p>(iv) identify trends in monitoring results over the life of coal transport operations;</p> <p>(v) a listing of any variations obtained to approvals applicable to the subject area during the previous year; and</p> <p>(vi) environmental management targets and strategies for the next year, taking into account identified trends in monitoring results.</p> <p>(b) In preparing the AEMR, the Applicant shall:</p> <p>(i) respond to any request made by the Director-General for any additional requirements; and</p> <p>(ii) comply with any requirements of the Director-General or other relevant government agencies.</p> <p>(iii) ensure that the first report is completed and submitted within twelve months of this consent; or at a date determined by the Director-General in consultation with the DMR and the EPA; or in the next Drayton mine AEMR after the date of this consent.</p>	Compliant	<p>2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively. Evidence of Annual Review approval letters from 2015, 2016 and 2017.</p> <p>(a)</p> <p>The AEMRs include:</p> <p>* Review of the performance of coal transportation: Section 7.2 (2015 AEMR), Section 4.1.3 (2016 AEMR) &amp; Section 4.6.3 (2017 AEMR).</p> <p>* The report includes:</p> <p>(i) Compliance review against conditions of this consent and statutory approvals: Section 3 (2015 AEMR), Section 1 (2016 &amp; 2017 AEMR);</p> <p>(ii) Effectiveness of the environmental management of the coal transport operations: Section 7.2 (2015 AEMR), Section 4.1.3 (2016 AEMR) &amp; Section 4.6.3 (2017 AEMR).</p> <p>(iii) Environmental monitoring: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMRs (Section 6 &amp; 7)</p> <p>(iv) Trends in monitoring results: 2015 AEMR (Section 3), 2016 AEMR (Section 6) &amp; 2017 AEMR (Section 6).</p> <p>(v) Variations obtained to approvals: 2015 AEMR (Section 7.1), 2016 AEMR (Section 4.1.1) &amp; 2017 AEMR (Section 4.6.1).</p> <p>(vi) Environmental management targets and strategies: 2015 AEMR (Section 6.1), 2016 &amp; 2017 AEMRs (Section 12).</p> <p>(b)(i)(ii) 2015, 2016 &amp; 2017 DPE AEMR approval letters dated 31 May 2016, 13 July 2017 &amp; 28 August 2018, respectively.</p> <p>(iii) N/A - Requirement outside the audit period.</p>	As per recommendation from Schedule 5 Condition 5 of PA06_0202.
<b>Community Consultation /Obligations</b>				
<b>Community Consultative Committee</b>				
9.1	<p>(i) The Applicant shall, at its own expense:</p> <p>(a) provide to the existing Drayton Community Consultative Committee (CCC), or its equivalent, regular information on the progress of coal transport operations and monitoring results;</p> <p>(b) promptly provide to the Committee such other information as the Chair of the Committee may reasonably request concerning the environmental performance of the coal transport operations; and</p> <p>(c) provide access for site inspections by the Committee.</p> <p>(ii) The Applicant shall co-ordinate with Bayswater mine joint meetings of the Drayton and Bayswater CCCs, or their equivalents, on a basis to be agreed by the two CCCs, to discuss the management of the joint user rail facility.</p>	Compliant	<p>* The CCC continued during the audit period even with the site going into care and maintenance.</p> <p>* Evidence of CCC minutes dating back to 2013.</p> <p>a) The CCC regularly met during the period to discuss operations.</p> <p>b) CCC minutes from audit period indicate no such requests for information.</p> <p>c) N/A - 2015, 2016 &amp; 2017 AEMRs do not mention any inspections by the CCC.</p> <p>* According to site communications no inspections by CCC.</p> <p>* Rehabilitation tour undertaken by CCC (included in September 2018 CCC meeting minutes).</p> <p>ii) 2015, 2016 &amp; 2017 AEMRs refer to joint meetings undertaken to discuss the management of the joint user rail facility</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Community Consultation</b>				
9.2	<p><b>Complaints</b>            (a) The environmental coordinator employed by Drayton mine (refer condition 2.1) shall be responsible:            (i) for recording complaints with respect to coal transport operations along the Drayton rail loop and Antiene rail spur in accordance with the existing Drayton mine complaints handling procedures, or its equivalent, including use of the dedicated and publicly advertised telephone line, 24 hours per day 7 days per week, entering complaints or comments in an up to date log book, or other suitable data base, and ensuring that a response is provided to the complainant within 24 hours;            (ii) for providing a report of complaints received with respect to the Drayton coal transportation operations every six months throughout the life of the project to the Director-General, MSC, EPA, DMR, and CCC, or as otherwise agreed by the Director-General. A summary of this report shall be included in the AEMR (condition 8.1(a)).            (iii) consult with the environmental officer employed by the Bayswater mine to coordinate a response to any complaints received regarding the operation of the joint user rail facility .</p>	Administrative Non-Compliance	<p>The 2015-2017 Annual Reviews did not indicate any complaints relating to the rail loop (within the audit period). One rail noise complaint noted in July 2015 (outside of the audit period).</p> <p>i) 24 hours per day 7 days per week telephone line advertised on Malabar Coal website.            * Complaints log            * Community complaints and Enquiries Procedure, dated 1/5/2018            - 2015-2017 AEMRs state response to community complaints within 24 hours.</p> <p>ii) Complaints discussed during six monthly CCC meetings. MSC attends these meetings.            * <u>Admin Non-Compliant</u>: No evidence provided to SLR - Report of complaints with respect to the Drayton coal transportation operations to DPE, EPA and Resources Regulator on a 6 monthly basis.</p> <p>iii) According to site communications the environmental officer employed by Mt Arthur is consulted to coordinate a response to any complaints received regarding the operation of the joint user rail facility</p>	Report complaints with respect to the Maxwell Infrastructure transportation operations to DPE, EPA and Resources Regulator on a 6 monthly basis.
<b>Proponents Obligations</b>				
<b>Cumulative Impact Assessment</b>				
10.1	<p>(a) In the event that the cumulative impact of noise or dust contributed by the operation of the Drayton rail loading facility, rail loop and Antiene rail spur and other nearby mining/industrial activities, including the Bayswater rail loop, Bayswater mine, Drayton mine, and Mount Arthur North Project if approved, at dwellings, or vacant land (as described in Condition 6.3.1(e)), in the vicinity of the operation, is in excess of the noise or dust criteria contained in these conditions of consent, the Applicant shall negotiate with the other mining companies appropriate arrangements to reasonably contribute to the management of the identified cumulative impacts to the satisfaction of the Director-General.</p> <p>(b) If it is identified from subclause (a) above that an industrial operator, other than a mining company, is the cause of an exceedance, the applicant shall provide a report to the Director-General the reasons for the cumulative criteria exceedances with demonstration that the applicant's activities are not the sole cause of the exceedances.</p> <p>(c) If agreement on appropriate contributions towards mitigation measures/ acquisition cannot be reached from negotiations undertaken in accordance with subclause (a), then the Director-General may appoint an independent panel to resolve the matter. The membership of the independent panel shall be as determined by the Director-General. The independent panel shall determine the responsibilities of each of the mining companies. The decision of the independent panel shall be final and binding on all parties. The responsibilities of the mining companies and the landowner as described in Condition 10.2 and 10.3 will apply.</p> <p>(d) Prior to the appointment of the independent panel, the applicant shall provide the Director-General a report detailing the applicant's reasons for being unable to get agreement with the other parties, and the reasons for the cumulative criteria exceedances with demonstration that the applicant's activities are not the sole cause of the exceedances.</p>	Compliant	<p>* The 2015-2017 AEMRs did not indicate any complaints relating to the rail loop (within the audit period). One rail noise complaint noted in July 2015 (outside of the audit period).</p> <p>* The Complaints Log did not indicate any complaints regarding the rail loop.</p>	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Area of Affectation - Land Acquisition</b>				
	<b>Note:</b> In Condition 10.2 (a)-(h) "land" means the whole of a lot in a current plan registered at the Land Titles Office as at the date of this consent.	Noted		
10.2	<p>(a) The Applicant shall negotiate and purchase a property, as identified in conditions 5.1, 5.3 and/or 10.1, within six (6) months of a written request from the affected land owner.</p> <p>(b) In respect of a request to purchase land arising under this condition, the Applicant shall pay the owner the acquisition price which shall take into account and provide payment for:</p> <p>(i) a sum not less than the current market value of the owner's interest in the land at the date of this consent, as if the land was unaffected by coal transport operations along the Drayton rail loop and Antiene rail spur the subject of this DA, having regard to:</p> <ul style="list-style-type: none"> <li>the existing use and permissible use of the land in accordance with the applicable planning instruments at the date of the written request; and</li> <li>the presence of improvements on the land and/or any Council approved building or structure which although substantially commenced at the date of request is completed subsequent to that date.</li> </ul> <p>(ii) the owner's reasonable compensation for disturbance allowance and relocation costs within the Muswellbrook or Singleton Local Government Area, or within such other location as may be determined by the Director-General in exceptional circumstances;</p> <p>(iii) the owner's reasonable costs for obtaining legal advice and expert witnesses for the purposes of determining the acquisition price of the land and the terms upon which it is to be acquired.</p> <p>Notwithstanding any other condition of this consent, the landowner and the Applicant may, upon request of the landowner, acquire any property affected by the project during the course of this consent on terms agreed to between the Applicant and the landowner.</p>			
	<p>(d) In the event that the Applicant and any owner referred to in this condition cannot agree within the time limit upon the acquisition price of the land and/or the terms upon which it is to be acquired, then:</p> <p>(i) either party may refer the matter to the Director-General, who shall request the President of the Australian Institute of Valuers and Land Economists to appoint a qualified independent valuer or Fellow of the Institute, who shall determine, after consideration of any submissions from the owners, a fair and reasonable acquisition price for the land as described in sub-clause (c) and/or terms upon which it is to be acquired;</p> <p>(ii) in the event of a dispute regarding outstanding matters that cannot be resolved, the independent valuer shall refer the matter to the Director-General, recommending the appointment of a qualified panel. The Director-General, if satisfied that there is need for a qualified panel, shall arrange for the constitution of the panel. The panel shall consist of:</p> <ol style="list-style-type: none"> <li>the appointed independent valuer,</li> <li>the Director-General or nominee, and</li> <li>the President of the Law Society of NSW or nominee. The qualified panel shall determine a fair and reasonable acquisition price as described in sub-clause (c) above and/or the terms upon which the property is to be acquired.</li> </ol> <p>(e) The Applicant shall bear the costs of any valuation or survey assessment requested by the independent valuer, panel, or the Director-General and the costs of determination referred to in sub clauses (c) and (d).</p> <p>(f) Upon receipt of a determination pursuant to sub-clauses (c) and (d), the Applicant shall, within 14 days, offer in writing to acquire the relevant land at a price not less than the determination. Should the Applicant's offer to acquire not be accepted by the owner within six (6) months of the date of such offer, the Applicant's obligations to purchase the property shall cease, unless otherwise agreed by the Director-General.</p> <p>(g) In the event that only part of the land is to be transferred to the Applicant, the Applicant shall pay all reasonable costs associated with obtaining Council approval to any plan of subdivision and registration of the plan at the Office of the Registrar-General</p> <p>(h) The provisions of this condition do not apply to a land owner who is the holder of an authority under the Mining Act, 1992</p>	Not Triggered	This did not occur during the audit period.	
<b>Joint Acquisition Management Plan</b>				
10.3	<p>The Applicant shall prior to commencement of the increased operations of the Drayton rail loop and Antiene rail spur, prepare a Joint Acquisition Management Plan with the owner of Bayswater rail loading facility and rail loop, to the satisfaction of the Director-General. The plan shall:</p> <ul style="list-style-type: none"> <li>Provide details of a joint approach to be adopted by the Applicant and the owner of the Bayswater rail loading facility and rail loop in regard to meeting the acquisition procedure requirements outlined in condition 10.2 of this consent relating to the cumulative impacts of the Drayton rail loop and Antiene rail spur, Drayton coal mine Bayswater rail loading facility and rail loop, Bayswater mine and the Mount Arthur North project if approved, should acquisition be required.</li> </ul>	Compliant	* Joint Acquisition Management Plan, dated 2001.	
<b>Further Approvals and Agreements</b>				
<b>Statutory Requirements</b>				
11.1	(a) The Applicant shall ensure that all statutory requirements including but not restricted to those set down by the Local Government Act 1993, Protection of the Environment Administration Act 1991, Protection of the Environment Operations Act 1997, and all other relevant legislation, Regulations, Australian Standards, Codes, Guidelines and Notices, Conditions, Directions, Notices and Requirements issued pursuant to statutory powers by the MSC, EPA, DLWC, DMR, and RAC, are fully met.	Compliant	The rail loop is currently in care and maintenance. There is no evidence of operations not being in accordance with the general operating requirements.	

# Environment Protection Licence - Licence 1323

Condition Number	Condition	Compliance Status	Evidence	Recommended Action									
<b>Administrative Conditions</b>													
<b>What is the licence authorises and regulates</b>													
A1.1	<p>This licence authorises the carrying out of the scheduled activities listed below at the premises specified in A2. The activities are listed according to their scheduled activity classification, fee-based activity classification and the scale of the operation.</p> <p>Unless otherwise further restricted by a condition of this licence, the scale at which the activity is carried out must not exceed the maximum scale specified in this condition.</p> <table border="1"> <thead> <tr> <th>Scheduled Activity</th> <th>Fee Based Activity</th> <th>Scale</th> </tr> </thead> <tbody> <tr> <td>Coal works</td> <td>Coal works</td> <td>0 - 2000000 T annual handing capacity</td> </tr> <tr> <td>Mining for coal</td> <td>Mining for coal</td> <td>0 - 500000 T annual production capacity</td> </tr> </tbody> </table>	Scheduled Activity	Fee Based Activity	Scale	Coal works	Coal works	0 - 2000000 T annual handing capacity	Mining for coal	Mining for coal	0 - 500000 T annual production capacity	Noted	Noted	
Scheduled Activity	Fee Based Activity	Scale											
Coal works	Coal works	0 - 2000000 T annual handing capacity											
Mining for coal	Mining for coal	0 - 500000 T annual production capacity											
<b>Premises or plant to which this licence applies</b>													
A2.1	<p>The licence applies to the following premises:</p> <table border="1"> <thead> <tr> <th>Premises Details</th> </tr> </thead> <tbody> <tr> <td>DRAYTON COAL MINE</td> </tr> <tr> <td>THOMAS MITCHELL DRIVE</td> </tr> <tr> <td>MUSWELLBROOK</td> </tr> <tr> <td>NSW 2333</td> </tr> <tr> <td>PREMISES BOUNDARY AS SHOWN ON DRAWING TITLED "EPA LICENCE AREA, PLAN NO ENV-0005 " DATED 12 MARCH2009.</td> </tr> </tbody> </table>	Premises Details	DRAYTON COAL MINE	THOMAS MITCHELL DRIVE	MUSWELLBROOK	NSW 2333	PREMISES BOUNDARY AS SHOWN ON DRAWING TITLED "EPA LICENCE AREA, PLAN NO ENV-0005 " DATED 12 MARCH2009.	Noted	Noted. Based on evidence provided to SLR, activities appear to have been completed within the defined area.				
Premises Details													
DRAYTON COAL MINE													
THOMAS MITCHELL DRIVE													
MUSWELLBROOK													
NSW 2333													
PREMISES BOUNDARY AS SHOWN ON DRAWING TITLED "EPA LICENCE AREA, PLAN NO ENV-0005 " DATED 12 MARCH2009.													
<b>Other Activities</b>													
A3	<p>This licence applies to all other activities carried on at the premises, including:</p> <table border="1"> <thead> <tr> <th>Ancillary Activity</th> </tr> </thead> <tbody> <tr> <td>Extractive Industries - small gravel quarry</td> </tr> <tr> <td>Sewage Treatment System with a capacity &lt;300 EP.</td> </tr> </tbody> </table>	Ancillary Activity	Extractive Industries - small gravel quarry	Sewage Treatment System with a capacity <300 EP.	Noted	<p>Sewage treatment system is operating. Evidence sighted during field inspection.</p> <p>There is no quarry onsite.</p>							
Ancillary Activity													
Extractive Industries - small gravel quarry													
Sewage Treatment System with a capacity <300 EP.													
<b>Information Supplied to the EPA</b>													
A4.1	<p>Works and activities must be carried out in accordance with the proposal contained in the licence application, except as expressly provided by a condition of this licence.</p> <p>In this condition the reference to "the licence application" includes a reference to:</p> <p>a) the applications for any licences (including former pollution control approvals) which this licence replaces under the Protection of the Environment Operations (Savings and Transitional) Regulation 1998; and</p> <p>b) the licence information form provided by the licensee to the EPA to assist the EPA in connection with the issuing of this licence.</p>	Noted											



Condition Number	Condition	Compliance Status	Evidence	Recommended Action																								
<b>2. Discharges to Air and Water and Applications to Land</b>																												
<b>P1 Location of monitoring/Discharge points and area</b>																												
P1.1	<p>The following points referred to in the table below are identified in this licence for the purposes of monitoring and/or the setting of limits for the emission of pollutants to the air from the point.</p> <table border="1"> <thead> <tr> <th colspan="4">Air</th> </tr> <tr> <th>EPA identification no.</th> <th>Type of Monitoring Point</th> <th>Type of Discharge Point</th> <th>Location Description</th> </tr> </thead> <tbody> <tr> <td>8</td> <td>Particulate Matter Monitoring</td> <td></td> <td>Monitor "ES-01" at coordinates 303404 6420313 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.</td> </tr> <tr> <td>9</td> <td>Particulate Matter Monitoring</td> <td></td> <td>Monitor "ES-02" at coordinates 305573 6415968 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.</td> </tr> <tr> <td>10</td> <td>Particulate Matter Monitoring</td> <td></td> <td>Monitor "ES-03" at coordinates 305162 6419038 (Easting Northing) as shown on plan titled "Drayton Mine Dust and Meteorological Monitoring Locations" dated November 2016.</td> </tr> <tr> <td>11</td> <td>Particulate Matter Monitoring</td> <td></td> <td>Monitor "ES-04" at coordinates 304203 6417889 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.</td> </tr> </tbody> </table>	Air				EPA identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description	8	Particulate Matter Monitoring		Monitor "ES-01" at coordinates 303404 6420313 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.	9	Particulate Matter Monitoring		Monitor "ES-02" at coordinates 305573 6415968 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.	10	Particulate Matter Monitoring		Monitor "ES-03" at coordinates 305162 6419038 (Easting Northing) as shown on plan titled "Drayton Mine Dust and Meteorological Monitoring Locations" dated November 2016.	11	Particulate Matter Monitoring		Monitor "ES-04" at coordinates 304203 6417889 (Easting Northing) as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.	Compliant	<p>Evidence of these dust monitoring locations within the AQMP. Document approved from DPE in October 2018. Evidence of monitoring locations within Figure 1 of the AQMP.</p> <p>Monitoring summaries and data outlined in the Annual Reviews and monthly reports.</p>	
Air																												
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P1.2	<p>The following utilisation areas referred to in the table below are identified in this licence for the purposes of the monitoring and/or the setting of limits for any application of solids or liquids to the utilisation area.</p>	Noted																										
P1.3	<p>The following points referred to in the table are identified in this licence for the purposes of the monitoring and/or the setting of limits for discharges of pollutants to water from the point.</p> <table border="1"> <thead> <tr> <th colspan="4">Water and land</th> </tr> <tr> <th>EPA Identification no.</th> <th>Type of Monitoring Point</th> <th>Type of Discharge Point</th> <th>Location Description</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>Discharge to utilisation area. Effluent volume monitoring.</td> <td>Discharge to utilisation area. Effluent volume monitoring.</td> <td>Utilisation area as shown on Drayton Coal Pty Ltd's Map No. ENV-0005, dated 12-MAR-2009.</td> </tr> </tbody> </table>	Water and land				EPA Identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description	3	Discharge to utilisation area. Effluent volume monitoring.	Discharge to utilisation area. Effluent volume monitoring.	Utilisation area as shown on Drayton Coal Pty Ltd's Map No. ENV-0005, dated 12-MAR-2009.	Non-Compliant (Low Risk)	<p>The effluent utilisation area was sighted during the site inspection.</p> <p>There were however 2 uncontrolled discharges during the audit period.</p> <p><b>Discharge 1</b> - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff.</p> <p>The EPL Annual Return states:  <i>The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7,528 uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</i></p> <p><b>Discharge 2</b> - Information from initial incident notification report to DPE on 30 October 2018.</p> <p><i>Mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.</i></p> <p>No further recommendations regarding these non-compliances. Improvement measures have been enacted to reduce the likelihood of future discharge events.</p>													
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P1.4	<p>The following points referred to in the table below are identified in this licence for the purposes of weather and/or noise monitoring and/or setting limits for the emission of noise from the premises.</p> <table border="1"> <thead> <tr> <th colspan="3">Noise/Weather</th> </tr> <tr> <th>EPA identification no.</th> <th>Type of monitoring point</th> <th>Location description</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>Air blast overpressure &amp; ground vibration peak particle velocity monitoring</td> <td>Monitoring location identified as "Sharman" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"</td> </tr> <tr> <td>6</td> <td>Air blast overpressure &amp; ground vibration peak particle velocity monitoring</td> <td>Monitoring location identified as "De Boer" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"</td> </tr> <tr> <td>7</td> <td>Air blast overpressure &amp; ground vibration peak particle velocity monitoring</td> <td>Monitoring location identified as "Antiene" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"</td> </tr> <tr> <td>12</td> <td>Meteorological Station</td> <td>Monitor labelled "Met Station" at coordinates 305436 6420494 as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.</td> </tr> </tbody> </table>	Noise/Weather			EPA identification no.	Type of monitoring point	Location description	5	Air blast overpressure & ground vibration peak particle velocity monitoring	Monitoring location identified as "Sharman" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"	6	Air blast overpressure & ground vibration peak particle velocity monitoring	Monitoring location identified as "De Boer" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"	7	Air blast overpressure & ground vibration peak particle velocity monitoring	Monitoring location identified as "Antiene" in the document titled: "Blast Monitoring Sites, Figure 11, Anglo American Drayton Mine, 21/03/2013"	12	Meteorological Station	Monitor labelled "Met Station" at coordinates 305436 6420494 as shown on plan titled "Anglo American Drayton Mine Air Quality Monitoring Locations" dated November 2016.	Compliant	<p>* Blasting occurred at the site until September 2016. Meteorological monitoring continues to be monitored and results are included in the Annual Reviews.</p> <p>* Blast monitoring locations are outlined within the Blast Management and Monitoring Plan.</p> <p>* A summary of results is outlined within the Annual Review during 2015 and 2016, with the three blast monitoring locations being monitored.</p> <p>* Evidence of meteorological station, including monitoring summary in the Annual Review and calibration certificates.</p>							
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<b>Pollution of water</b>																																																																																																																																																																									
L1.1	Except as may be expressly provided in any other condition of this licence, the licensee must comply with section 120 of the Protection of the Environment Operations Act 1997.	Compliant	Generally the site has complied with section 120 of the Protection of the Environment Operations Act 1997. Although there were 2 discharge events there is no evidence of material harm based on the information provided to SLR as part of the audit.																																																																																																																																																																						
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L2.1	For each discharge point or utilisation area specified below (by a point number), the volume/mass of: a) liquids discharged to water; or; b) solids or liquids applied to the area; must not exceed the volume/mass limit specified for that discharge point or area. <table border="1" data-bbox="270 457 1065 512"> <thead> <tr> <th>Point</th> <th>Unit of Measure</th> <th>Volume/Mass Limit</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>kilolitres per day</td> <td>140</td> </tr> </tbody> </table>	Point	Unit of Measure	Volume/Mass Limit	3	kilolitres per day	140	Compliant	The total effluent amount and area applied to the utilisation area was outlined within the Annual Reviews. The site was well below these limits.																																																																																																																																																																
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L3.1	Noise generated at the premises must not exceed the noise limits presented in the table below. The noise limits in the table below represent the noise contribution from the premises. <table border="1" data-bbox="338 638 1035 1478"> <thead> <tr> <th>Land Number</th> <th>Day LAeq(15 minute)</th> <th>Evening LAeq(15 minute)</th> <th>Night LAeq(15 minute)</th> <th>Night LA1(1 minute)</th> </tr> </thead> <tbody> <tr><td>12</td><td>36</td><td>36</td><td>36</td><td>47</td></tr> <tr><td>13</td><td>36</td><td>36</td><td>35</td><td>45</td></tr> <tr><td>14</td><td>40</td><td>39</td><td>38</td><td>47</td></tr> <tr><td>16</td><td>41</td><td>41</td><td>39</td><td>47</td></tr> <tr><td>17</td><td>37</td><td>38</td><td>36</td><td>47</td></tr> <tr><td>18</td><td>38</td><td>39</td><td>38</td><td>47</td></tr> <tr><td>19</td><td>40</td><td>40</td><td>39</td><td>47</td></tr> <tr><td>20</td><td>39</td><td>40</td><td>39</td><td>45</td></tr> <tr><td>21</td><td>38</td><td>38</td><td>38</td><td>45</td></tr> <tr><td>22</td><td>38</td><td>38</td><td>38</td><td>45</td></tr> <tr><td>23</td><td>35</td><td>35</td><td>35</td><td>47</td></tr> <tr><td>25</td><td>36</td><td>37</td><td>37</td><td>47</td></tr> <tr><td>26</td><td>36</td><td>37</td><td>38</td><td>47</td></tr> <tr><td>27</td><td>36</td><td>37</td><td>39</td><td>47</td></tr> <tr><td>28</td><td>35</td><td>37</td><td>40</td><td>47</td></tr> <tr><td>29</td><td>35</td><td>35</td><td>36</td><td>47</td></tr> <tr><td>31</td><td>35</td><td>35</td><td>37</td><td>47</td></tr> <tr><td>32</td><td>35</td><td>35</td><td>40</td><td>47</td></tr> <tr><td>33</td><td>35</td><td>35</td><td>38</td><td>45</td></tr> <tr><td>34</td><td>35</td><td>35</td><td>36</td><td>45</td></tr> <tr><td>35</td><td>35</td><td>35</td><td>35</td><td>45</td></tr> <tr><td>37</td><td>35</td><td>35</td><td>35</td><td>45</td></tr> <tr><td>42</td><td>35</td><td>35</td><td>35</td><td>45</td></tr> <tr><td>61</td><td>39</td><td>40</td><td>39</td><td>45</td></tr> <tr><td>69</td><td>35</td><td>37</td><td>41</td><td>47</td></tr> <tr><td>70</td><td>35</td><td>36</td><td>41</td><td>47</td></tr> <tr><td>71</td><td>35</td><td>35</td><td>41</td><td>47</td></tr> <tr><td>72</td><td>36</td><td>37</td><td>42</td><td>47</td></tr> <tr><td>75</td><td>35</td><td>35</td><td>41</td><td>47</td></tr> <tr><td>76</td><td>35</td><td>36</td><td>42</td><td>47</td></tr> <tr><td>86</td><td>35</td><td>35</td><td>38</td><td>45</td></tr> <tr><td>All other privately owned land</td><td>35</td><td>35</td><td>35</td><td>45</td></tr> </tbody> </table>	Land Number	Day LAeq(15 minute)	Evening LAeq(15 minute)	Night LAeq(15 minute)	Night LA1(1 minute)	12	36	36	36	47	13	36	36	35	45	14	40	39	38	47	16	41	41	39	47	17	37	38	36	47	18	38	39	38	47	19	40	40	39	47	20	39	40	39	45	21	38	38	38	45	22	38	38	38	45	23	35	35	35	47	25	36	37	37	47	26	36	37	38	47	27	36	37	39	47	28	35	37	40	47	29	35	35	36	47	31	35	35	37	47	32	35	35	40	47	33	35	35	38	45	34	35	35	36	45	35	35	35	35	45	37	35	35	35	45	42	35	35	35	45	61	39	40	39	45	69	35	37	41	47	70	35	36	41	47	71	35	35	41	47	72	36	37	42	47	75	35	35	41	47	76	35	36	42	47	86	35	35	38	45	All other privately owned land	35	35	35	45	Compliant	* 2015, 2016, 2017 Annual Reviews * Q1, Q2 and Q3 Monitoring data and October 2018 noise monitoring report provided to SLR.	
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	Note: LAeq means the equivalent continuous noise level - the level equivalent to the energy average of noise levels occurring over a measurement period. Day is defined as the period from 7am to 6pm Monday to Saturday and 8am to 6pm Sundays and Public Holidays. Evening is defined as the period of 6pm to 10pm. Night is defined as the period from 10pm to 7am Monday to Saturday and 10pm to 8am on Sundays and Public Holidays. These limits do not apply if the licensee has an approved agreement with the relevant owner/s of these residences to generate higher noise levels. Land identification numbers refer to the document titled "Drayton Mine Project Approval Modification Environmental Assessment, Table 1 & Figure 4, prepared by Hansen Bailey for Anglo Coal (Drayton Management) Pty Limited and dated July 2009.	Compliant																																																																																																																																																																							
L3.2	To determine compliance with the LAeq(15 minutes) noise limits in condition L3.1 must be measured at, or computed for, the most affected point on or within the residential boundary, or at the most affected point within 30m of the dwelling (rural situations) where the dwelling is more than 30m from the boundary. Where it can be demonstrated that direct measurement of noise from the premises is impractical, the EPA may accept alternative means of determining compliance. See Chapter 11 of the NSW Industrial Noise Policy. The modification factors presented in Section 4 of the NSW Industrial Noise Policy shall be applied to the measured noise levels where applicable	Compliant	* 2015, 2016, 2017 Annual Reviews * Q1, Q2 and Q3 Monitoring data and October 2018 noise monitoring report provided to SLR.																																																																																																																																																																						

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
L3.3	To determine compliance with the LA1(1 minute) conditions L3.1 noise from the premises is to be measured at 1m from the dwelling facade. Where it can be demonstrated that direct measurement of noise from the premises is impractical, the EPA may accept alternative means of determining compliance. See Chapter 11 of the NSW Industrial Noise Policy.	Compliant	* 2015, 2016, 2017 Annual Reviews. * Q1, Q2 and Q3 Monitoring data and October 2018 noise monitoring report provided to SLR. * It is noted that monitoring not completed at 1m from façade - however such noise monitoring is generally not practical.	
L3.4	The Noise emission limits identified in condition L3.1 apply under metrological conditions of: - Wind speed up to 3m/s at 10 meters above ground level; or - Temperature inversion conditions of up to 3 degrees/100m and wind speed up to 2m/s at 10 meters above the ground.	Compliant	* 2015, 2016, 2017 Annual Reviews. * Q1, Q2 and Q3 Monitoring data and October 2018 noise monitoring report provided to SLR. * Use of meteorological station.	
<b>Blasting</b>				
L4.1	The airblast overpressure level from blasting operations in or on the premises must not exceed: 115 dB (Lin Peak) for more than 5% of the total number of blasts during each reporting period; at either monitoring point 5, 6 or 7 in Condition P1.4.	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that period met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.	
L4.2	The airblast overpressure level from blasting operations in or on the premises must not exceed: 120 dB (Lin Peak) at any time; at either monitoring point 5, 6 or 7 in Condition P1.4.	Compliant		
L4.3	The ground vibration peak particle velocity from blasting operations carried out in or on the premises must not exceed: 5 mm/second for more than 5% of the total number of blasts during each reporting period; at either monitoring point 5, 6 or 7 in Condition P1.4.	Compliant		
L4.4	The ground vibration peak particle velocity from blasting operations carried out in or on the premises must not exceed: 10 mm/second at any time; at either monitoring point 5, 6 or 7 in Condition P1.4.	Compliant		
L4.5	Blasting in or on the premises must only be carried out between 900 hours and 1700 hours, Monday to Saturday (Eastern Standard Time) and between 900 hours and 1800 Hours, Monday to Saturday(Daylight Saving Time). Blasting in or on the premises must not take place on Sundays or Public Holidays without the prior approval of the EPA.	Compliant	Based on results in the monthly reports, blasting occurred within these times.	
L4.6	Offensive blast fume must not be emitted from the premises.  Definition: Offensive blast fume means post-blast gases from the detonation of explosives at the premises that by reason of their nature, duration, character or quality, or the time at which they are emitted, or any other circumstances:  1. are harmful to (or likely to be harmful to) a person that is outside the premises from which it is emitted, or 2. interferes unreasonably with (or is likely to interfere unreasonably with) the comfort or repose of a person who is outside the premises from which it is emitted.	Compliant	Based on information in the Annual Review, no fume events occurred at site during the audit period.	
<b>Operating Conditions</b>				
<b>Activities must be carried out in a competent manner</b>				
O1.1	Licensed activities must be carried out in a competent manner.  This includes: a) the processing, handling, movement and storage of materials and substances used to carry out the activity; and b) the treatment, storage, processing, reprocessing, transport and disposal of waste generated by the activity.	Compliant	a) No coal is currently stored onsite. Washing of coal occurred during the audit period with a summary in the Annual Review. b) Waste management generally effective at site. Minor changes required.	Recommendation as per Schedule 3 Condition 47 of PA06_0202. .
<b>Maintenance of plant and equipment</b>				
O2.1	All plant and equipment installed at the premises or used in connection with the licensed activity: a) must be maintained in a proper and efficient condition; and b) must be operated in a proper and efficient manner.	Compliant	Evidence of maintenance records provided. This includes: * Fuel storage maintenance - 18/10/2018; * Diesel pump maintenance - 3/9/2018; * Service of pollution dam skimmer - 12/10/2018; and * Evidence of some maintenance records during Anglo ownership from 2015 and 2016 (spreadsheet).  Site and equipment appeared to be generally maintained from the inspection.	
<b>Dust</b>				
O4.1	Effluent application must not occur in a manner that causes surface runoff.	Compliant	Based on the information provided by Malabar Coal, there have been no issues. The site is well below the capacity.	
O4.2	Spray from effluent application must not drift beyond the boundary of the premises.	Compliant	Based on the information provided by Malabar Coal, there have been no issues. The site is well below the capacity.	
O4.3	The quantity of effluent/solids applied to the utilisation area must not exceed the capacity of the area to effectively utilise the effluent/solids.  For the purpose of this condition, 'effectively utilise' include the use of the effluent/solids for pasture or crop production, as well as the ability of the soil to absorb the nutrient, salt, hydraulic load and organic material.	Compliant	Based on a review of information provided to SLR and discussions with site the system is designed to cater for a large workforce.	
<b>Other Operating Conditions</b>				
O5.1	There must be no incineration or open burning of any material(s) on the premises, except as specifically authorised by the EPA.	Compliant	There was no evidence of waste incineration during the audit period.	
<b>Monitoring and Recording Conditions</b>				
<b>Monitoring Records</b>				
M1.1	The results of any monitoring required to be conducted by this licence or a load calculation protocol must be recorded and retained as set out in this condition.	Noted	Noted	
M1.2	All records required to be kept by this licence must be: a) in a legible form, or in a form that can readily be reduced to a legible form; b) kept for at least 4 years after the monitoring or event to which they relate took place; and c) produced in a legible form to any authorised officer of the EPA who asks to see them.	Compliant	a) Evidence of monitoring reports on the website since 2013. This includes details of monitoring results. Evidence of monitoring summaries for key data in the Annual Reviews. See Appendices. b) Results available to SLR date back to 2013. c) Results available on the website.	
M1.3	The following records must be kept in respect of any samples required to be collected for the purposes of this licence: a) the date(s) on which the sample was taken; b) the time(s) at which the sample was collected; c) the point at which the sample was taken; and d) the name of the person who collected the sample.	Compliant	A selection of data was provided for dust, water and blasting results. This includes field sheets and chain of custodies. The results cover the requirements of a) - d).	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action																																								
<b>Requirements to monitor concentration of pollutants discharged</b>																																												
M2.1	For each monitoring/discharge point or utilisation area specified below (by a point number), the licensee must monitor (by sampling and obtaining results by analysis) the concentration of each pollutant specified in Column 1. The licensee must use the sampling method, units of measure, and sample at the frequency, specified opposite in the other columns:	Administrative Non-Compliance	The approved Oct 2018 Air Quality and Greenhouse Gas MP outlines dust monitoring requirements, including four E-Samplers and one TEOM.																																									
M2.2	<p>Air Monitoring Requirements</p> <p>POINT 8,9,10,11</p> <table border="1"> <thead> <tr> <th>Pollutant</th> <th>Units of measure</th> <th>Frequency</th> <th>Sampling Method</th> </tr> </thead> <tbody> <tr> <td>PM10</td> <td>micrograms per cubic metre</td> <td>Continuous</td> <td>Special Method 1</td> </tr> </tbody> </table> <p><b>Note:</b> Special Method 1 requires the Licensee to undertake the monitoring of PM10 concentration in strict accordance with the manufacturer's operating manual supplied with the continuous monitoring equipment and titled "E-Sampler Particulate Monitor Operation Manual - Revision J".</p>	Pollutant	Units of measure	Frequency	Sampling Method	PM10	micrograms per cubic metre	Continuous	Special Method 1	Administrative Non-Compliance	<p>Meets the requirements of this condition. However full data capture did not occur during the audit period - Admin Non-Compliance for the frequency. .</p> <p>TEOM: This is a Project Approval requirement only.</p> <p>E-Sampler Network: The 2017 Annual Review stated - <i>During the Reporting Period the E-Samplers were subject to infrequent periods of breakdowns. Faults were detected promptly and, where the fault couldn't be rectified in the field, the faulty unit was replaced with the spare E-Sampler unit that was purchase for such occasions. Continuity of monitoring in 2017 improved significantly over 2016; however, continuous PM10 dust readings at all locations was not always possible.</i></p> <p>The EPL Annual Return - 2017/18 notes a non compliance relating to monitoring frequency for ES-03. <i>EPA Identification No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.</i></p> <p>Other data capture failures also occurred during 2015 and 2016. The Malabar Coal believe the site has fixed these errors and are less likely to occur in the future. No further recommendation.</p>																																	
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<b>Testing Methods - concentration limits</b>																																												
M3.1	<p>Monitoring for the concentration of a pollutant emitted to the air required to be conducted by this licence must be done in accordance with:</p> <p>a) any methodology which is required by or under the Act to be used for the testing of the concentration of the pollutant; or</p> <p>b) if no such requirement is imposed by or under the Act, any methodology which a condition of this licence requires to be used for that testing; or</p> <p>c) if no such requirement is imposed by or under the Act or by a condition of this licence, any methodology approved in writing by the EPA for the purposes of that testing prior to the testing taking place.</p> <p><b>Note:</b> The Protection of the Environment Operations (Clean Air) Regulation 2010 requires testing for certain purposes to be conducted in accordance with test methods contained in the publication "Approved Methods for the Sampling and Analysis of Air Pollutants in NSW".</p>	Compliant	<p>a to c) Despite some data loss the monitoring for air quality has been completed in accordance with the approved monitoring methodology.</p> <p>Monitoring by a trained contractor.</p>																																									
<b>Weather Monitoring</b>																																												
M4.1	<p>At the point(s) identified below, the licensee must monitor (by sampling and obtaining results by analysis) the parameters specified in Column 1 of the table below, using the corresponding sampling method, units of measure, averaging period and sampling frequency, specified opposite in the Columns 2, 3, 4 and 5 respectively.</p> <p>POINT 12</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>Sampling method</th> <th>Units of measure</th> <th>Averaging period</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>Rainfall</td> <td>AM-4</td> <td>millimetres</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Sigma Theta</td> <td>AM-2 &amp; AM-4</td> <td>Degrees</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Temperature at 2 metres</td> <td>AM-4</td> <td>Celsius</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Temperature at 10 metres</td> <td>AM-4</td> <td>Celsius</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Total Solar Radiation</td> <td>AM-4</td> <td>Watts per square metre</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Wind Direction at 10 metres</td> <td>AM-2 &amp; AM-4</td> <td>Degrees</td> <td>10 minutes</td> <td>Continuous</td> </tr> <tr> <td>Wind Speed at 10 metres</td> <td>AM-2 &amp; AM-4</td> <td>metres per second</td> <td>10 minutes</td> <td>Continuous</td> </tr> </tbody> </table> <p><b>Note:</b> (1) All methods are specified in the Approved Methods for Sampling and Analysis of Air pollutants in New South Wales and all monitoring must be conducted strictly in accordance with the requirements outlined in this document</p>	Parameter	Sampling method	Units of measure	Averaging period	Frequency	Rainfall	AM-4	millimetres	10 minutes	Continuous	Sigma Theta	AM-2 & AM-4	Degrees	10 minutes	Continuous	Temperature at 2 metres	AM-4	Celsius	10 minutes	Continuous	Temperature at 10 metres	AM-4	Celsius	10 minutes	Continuous	Total Solar Radiation	AM-4	Watts per square metre	10 minutes	Continuous	Wind Direction at 10 metres	AM-2 & AM-4	Degrees	10 minutes	Continuous	Wind Speed at 10 metres	AM-2 & AM-4	metres per second	10 minutes	Continuous	Compliant	<p>* Meteorological summary is outlined within the Annual Reviews.</p> <p>* Evidence of monitoring for rainfall, temperature, wind speed and direction.</p> <p>* Evidence of live meteorological station by Malabar Coal.</p> <p>* Evidence of raw meteorological data.</p> <p>* Evidence of calibration certificates sighted for meteorological station.</p>	
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<b>Recording of pollution complaints</b>																																												
M5.1	The licensee must keep a legible record of all complaints made to the licensee or any employee or agent of the licensee in relation to pollution arising from any activity to which this licence applies.	Compliant	<p>* Evidence of complaints recorded with the Annual Reviews.</p> <p>* Evidence of 2018 complaints log also provided.</p>																																									
M5.2	<p>The record must include details of the following:</p> <p>a) the date and time of the complaint;</p> <p>b) the method by which the complaint was made;</p> <p>c) any personal details of the complainant which were provided by the complainant or, if no such details were provided, a note to that effect;</p> <p>d) the nature of the complaint;</p> <p>e) the action taken by the licensee in relation to the complaint, including any follow-up contact with the complainant; and</p> <p>f) if no action was taken by the licensee, the reasons why no action was taken.</p>	Compliant	<p>* Complaints log provided for 2018. For the 2018 log all these details have been recorded.</p> <p>* Prior to 2018 (different ownership) evidence of complaints from within Annual Review.</p> <p>* Evidence of complaints recorded with the Annual Reviews.</p>																																									
M5.3	The record of a complaint must be kept for at least 4 years after the complaint was made.	Compliant																																										
M5.4	The record must be produced to any authorised officer of the EPA who asks to see them.	Compliant	Can be provided upon request.																																									
<b>Telephone complaints line</b>																																												
M6.1	The licensee must operate during its operating hours a telephone complaints line for the purpose of receiving any complaints from members of the public in relation to activities conducted at the premises or by the vehicle or mobile plant, unless otherwise specified in the licence.	Compliant	A complaints line is outlined on the website, 1899 653 960. There is also an email address.																																									
M6.2	The licensee must notify the public of the complaints line telephone number and the fact that it is a complaints line so that the impacted community knows how to make a complaint.	Compliant	<p>The complaints line is outlined on the website.</p> <p><a href="http://malabarcoal.com.au/community">http://malabarcoal.com.au/community</a></p>																																									
M6.3	The preceding two conditions do not apply until 3 months after the date of the issue of this licence.	Noted	Noted.																																									

Condition Number	Condition	Compliance Status	Evidence	Recommended Action												
<b>Blasting</b>																
M7.1	<p>To determine compliance with conditions L4.1, L4.2, L4.3 and L4.4:</p> <p>a) Airblast overpressure and ground vibration levels must be measured and electronically recorded for monitoring points 5, 6 and 7 for the parameters specified in Column 1 of the table below; and</p> <p>b) The licensee must use the units of measure, sampling method, and sample at the frequency specified opposite in the other columns.</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>Units of Measure</th> <th>Frequency</th> <th>Sampling Method</th> </tr> </thead> <tbody> <tr> <td>Airblast Overpressure</td> <td>Decibels (Linear Peak)</td> <td>All blasts</td> <td>Australian Standard AS 2187.2-2006</td> </tr> <tr> <td>Ground Vibration Peak Particle Velocity</td> <td>millimetres/second</td> <td>All blasts</td> <td>Australian Standard AS 2187.2-2006</td> </tr> </tbody> </table>	Parameter	Units of Measure	Frequency	Sampling Method	Airblast Overpressure	Decibels (Linear Peak)	All blasts	Australian Standard AS 2187.2-2006	Ground Vibration Peak Particle Velocity	millimetres/second	All blasts	Australian Standard AS 2187.2-2006	Compliant	Blasting results provided in Annual Reviews and monthly reports. Based on information provided in the Annual Review, all blasts within the audit period were captured.	
Parameter	Units of Measure	Frequency	Sampling Method													
Airblast Overpressure	Decibels (Linear Peak)	All blasts	Australian Standard AS 2187.2-2006													
Ground Vibration Peak Particle Velocity	millimetres/second	All blasts	Australian Standard AS 2187.2-2006													
<b>Other Monitoring and recording conditions</b>																
M8.1	Noise Monitoring Every six months the Licensee must monitor noise from the premises in accordance with Conditions L3.2 and L3.3 to determine compliance with the limits specified in Condition L3.1.	Compliant	Monitoring is being completed as per approved Noise Management Plan.													
M8.2	Requirement to Monitor Particulate Matter The Licensee must record the average PM10 concentration at Monitoring Points 8, 9, 10 and 11 at intervals of 10 minutes. This data must be made available upon request by any Authorised Officer of the EPA who asks to see them.	Administrative Non-Compliance	The EPL Annual Return - 2017/18 notes a non-compliance relating to monitoring frequency for ES-03. EPA Identification No.10 (ES-03) commenced the reporting period recording in 15 minute intervals. The unit was changed to record in 5 minute intervals on the 14 June 2017.  This has now been changed and no further recommendations.													
<b>Reporting Conditions</b>																
<b>Annual Return Documents</b>																
R1.1	<p>The licensee must complete and supply to the EPA an Annual Return in the approved form comprising:</p> <ol style="list-style-type: none"> <li>1. a Statement of Compliance,</li> <li>2. a Monitoring and Complaints Summary,</li> <li>3. a Statement of Compliance - Licence Conditions,</li> <li>4. a Statement of Compliance - Load based Fee,</li> <li>5. a Statement of Compliance - Requirement to Prepare Pollution Incident Response Management Plan,</li> <li>6. a Statement of Compliance - Requirement to Publish Pollution Monitoring Data; and</li> <li>7. a Statement of Compliance - Environmental Management Systems and Practices.</li> </ol> <p>At the end of each reporting period, the EPA will provide to the licensee a copy of the form that must be completed and returned to the EPA.</p>	Compliant	<p>Evidence of Annual Returns: 1/5/2015-30/4/2016; 1/5/2016-30/4/2017; and 1/5/2017-30/4/2018.</p> <p>EPL Annual Return forms have been completed to meet this requirement.</p>													
R1.2	<p>An Annual Return must be prepared in respect of each reporting period, except as provided below.</p> <p><b>Note:</b> The term "reporting period" is defined in the dictionary at the end of this licence. Do not complete the Annual Return until after the end of the reporting period.</p>	Compliant	<p>Evidence of Annual Returns: 1/5/2015-30/4/2016; 1/5/2016-30/4/2017; and 1/5/2017-30/4/2018.</p>													
R1.3	<p>Where this licence is transferred from the licensee to a new licensee:</p> <p>a) the transferring licensee must prepare an Annual Return for the period commencing on the first day of the reporting period and ending on the date the application for the transfer of the licence to the new licensee is granted; and</p> <p>b) the new licensee must prepare an Annual Return for the period commencing on the date the application for the transfer of the licence is granted and ending on the last day of the reporting period.</p> <p><b>Note:</b> An application to transfer a licence must be made in the approved form for this purpose.</p>	Compliant	Licensee has been transferred to Malabar Coal (Drayton Management) Pty Ltd according to the 2017-18 EPL Annual Return. The anniversary date has not changed.													
R1.4	<p>Where this licence is surrendered by the licensee or revoked by the EPA or Minister, the licensee must prepare an Annual Return in respect of the period commencing on the first day of the reporting period and ending on:</p> <p>a) in relation to the surrender of a licence - the date when notice in writing of approval of the surrender is given; or</p> <p>b) in relation to the revocation of the licence - the date from which notice revoking the licence operates.</p>	Not Triggered	Not triggered.													
R1.5	The Annual Return for the reporting period must be supplied to the EPA via eConnect EPA or by registered post not later than 60 days after the end of each reporting period or in the case of a transferring licence not later than 60 days after the date the transfer was granted (the 'due date').	Compliant	<p>Evidence of e - submission for other Annual Returns. Within required period.</p> <p>Signed version of 2016/17 Annual Return within 60 days - signed 26/6/2017.</p>													
R1.6	The licensee must retain a copy of the Annual Return supplied to the EPA for a period of at least 4 years after the Annual Return was due to be supplied to the EPA.	Compliant	Evidence of EPL Annual Returns for audit period and previous audit period.													
R1.7	<p>Within the Annual Return, the Statements of Compliance must be certified and the Monitoring and Complaints Summary must be signed by:</p> <p>a) the licence holder; or</p> <p>b) by a person approved in writing by the EPA to sign on behalf of the licence holder.</p>	Compliant	<p>Evidence of e - submission for other Annual Returns. Within required period.</p> <p>Signed version of 2016/17 Annual Return within 60 days - signed 26/6/2017.</p>													

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
R1.8	The licensee must report any exceedance of the licence blasting limits to the regional office of the EPA as soon as practicable after the exceedance becomes known to the licensee or to one of the licensee's employees or agents.	Compliant	Based on the results in the Annual Reviews, there has been no exceedance of blasting results.	
<b>Notification of environmental harm</b>				
R2	<b>Note:</b> The licensee or its employees must notify all relevant authorities of incidents causing or threatening material harm to the environment immediately after the person becomes aware of the incident in accordance with the requirements of Part 5.7 of the Act.	Not Triggered	Based on the information provided to SLR, there have been no incidents which have triggered this condition or enacting of the Pollution Incident Response Management Plan.	
R2.1	Notifications must be made by telephoning the Environment Line service on 131 555.	Not Triggered		
R2.2	The licensee must provide written details of the notification to the EPA within 7 days of the date on which the incident occurred.	Not Triggered		
<b>Written Report</b>				
R3.1	Where an authorised officer of the EPA suspects on reasonable grounds that: a) where this licence applies to premises, an event has occurred at the premises; or b) where this licence applies to vehicles or mobile plant, an event has occurred in connection with the carrying out of the activities authorised by this licence, and the event has caused, is causing or is likely to cause material harm to the environment (whether the harm occurs on or off premises to which the licence applies), the authorised officer may request a written report of the event.	Not Triggered	Based on the information provided to SLR this condition has not been triggered.	
R3.2	The licensee must make all reasonable inquiries in relation to the event and supply the report to the EPA within such time as may be specified in the request.	Not Triggered		
R3.3	The request may require a report which includes any or all of the following information: a) the cause, time and duration of the event; b) the type, volume and concentration of every pollutant discharged as a result of the event; c) the name, address and business hours telephone number of employees or agents of the licensee, or specified class of them, who witnessed the event; d) the name, address and business hours telephone number of every other person (of whom the licensee is aware) who witnessed the event, unless the licensee has been unable to obtain that information after making reasonable effort; e) action taken by the licensee in relation to the event, including any follow-up contact with any complainants; f) details of any measure taken or proposed to be taken to prevent or mitigate against a recurrence of such an event; and g) any other relevant matters.	Not Triggered		
R3.4	The EPA may make a written request for further details in relation to any of the above matters if it is not satisfied with the report provided by the licensee. The licensee must provide such further details to the EPA within the time specified in the request.	Not Triggered		
R3.5	<b>Reporting of exceedances of blasting limits</b> The licensee must report any exceedance of the licence blasting limits to the regional office of the EPA as soon as practicable after the exceedance becomes known to the licensee or to one of the licensee's employees or agents.	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that period met the blasting criteria. Evidence of blasting results in Annual Reviews as well as monthly reports.	
R3.6	<b>Spontaneous Combustion Control Program Reporting</b> The monthly summaries, assessments and maps prepared under the spontaneous combustion control program must be submitted to the EPA in the form of a half yearly report. The licensee must forward a copy of each report to the regional office of the EPA no later than (2) months after the half yearly period being reported.	Compliant	Evidence of Spontaneous Combustion reports from the period. Evidence that these reports were completed six monthly. Evidence of submission of reports to the EPA by Malabar Coal.	
R3.7	The monthly summaries, assessments and maps must be retained by the licensee for not less than three (3) years following the period under review. The records must be kept in a legible form and must be made available to any authorised officer of the EPA on request	Compliant	Evidence of summaries and maps within the six monthly reports. Covers entire audit period.	
R3.8	<b>Noise Monitoring Report</b> A noise compliance assessment report must be submitted to the EPA on an annual basis with the Annual Return as set out in Condition R1. The report must be prepared by an accredited acoustical consultant and determine compliance with the noise limits in Condition L3.1.	Compliant	Evidence of Annual Noise Reports completed by Spectrum Acoustics. 7 June 2016, 19 May 2017 and 14 June 2017. Submission with Annual Return.	
<b>General Conditions</b>				
<b>Copy of Licence kept at the premises or plant</b>				
G1.1	A copy of this licence must be kept at the premises to which the licence applies.	Compliant	A copy of the EPL is available at site.	
G1.2	The licence must be produced to any authorised officer of the EPA who asks to see it.	Noted		
G1.3	The licence must be available for inspection by any employee or agent of the licensee working at the premises.	Compliant	A copy of the EPL is available at site.	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Pollution Studies and Reduction Programs</b>				
<b>Coal Mine Wind Erosion of Exposed Land Assessment</b>				
U1.1	<p>The licensee must undertake the following steps:</p> <ol style="list-style-type: none"> <li>1. Calculate the wind erosion exposed surface area (in hectares) within the premises as of 31 March 2015.</li> <li>2. Determine the wind erosion exposed surface area (in hectares) predicted as at 31 March 2015 within the licensee's Environmental Assessment for the premises.</li> <li>3. Compare the areas calculated in steps 1 and 2.</li> <li>4. Submit a written report to the EPA at hunter.region@epa.nsw.gov.au containing the analysis required in steps 1 to 3, by 29 May 2015.</li> </ol> <p>The report submitted to the EPA must be accompanied by spatial data to confirm the wind erosion exposed surface area calculations. The following data is required:</p> <ul style="list-style-type: none"> <li>• Shapefiles showing the premises boundary.</li> <li>• Shapefiles showing the wind erosion exposed area within the premises as of 31 March 2015</li> <li>• Shapefiles showing areas classified as stabilised surface as of 31 March 2015.</li> <li>• Details of any studies undertaken to verify that the areas of stabilised surface meet the definition.</li> </ul> <p><b>Note:</b> 1. Environmental Assessment means any environmental assessment document prepared in order to gain approval or consent under the Environmental Planning and Assessment Act (1979) under which the Licensee currently operates at the premises. If predictions made in this document do not correspond to the current year of mine operation, the Licensee should interpolate between predictions.</p> <p>2. Stabilised Surface means any previously disturbed surface area which shows visual or other evidence of surface crusting and is resistant to wind-driven fugitive dust and is demonstrated to be stabilised. Stabilisation can be determined in accordance with one or more of the applicable test methods obtained in the Rule 403 Implementation Handbook located at: <a href="http://www.capcoa.org/Docs/SQAQMD%20r403%20handbook.doc">www.capcoa.org/Docs/SQAQMD%20r403%20handbook.doc</a>.</p> <p>3. Wind Erosion Exposed Surface Area means the portion of the premises surface which has been physically moved, uncovered, destabilised or otherwise modified from its natural state, thereby increasing the potential for particulate matter emissions, but excluding areas which have been:</p> <ul style="list-style-type: none"> <li>- paved or covered by a permanent building or structure;</li> <li>- maintained with a vegetative ground cover of at least 50% of ground cover for particular areas.</li> </ul> <p>Vegetative ground cover can be determined in accordance with the standardised procedure for revegetation assessment contained in Atyeo C. &amp; Thackway R. (2009) located at: <a href="http://data.daff.gov.au/data/warehouse/pe_brs9000004196/revegetationManual200906_20100410_ap14.pdf">http://data.daff.gov.au/data/warehouse/pe_brs9000004196/revegetationManual200906_20100410_ap14.pdf</a>; or - classified as a stabilised surface.</p>	Not Triggered	This is outside the audit period.	
<b>V Notch Weir Monitoring Program</b>				
U2.1	<p>The licensee must:</p> <ol style="list-style-type: none"> <li>1. Conduct a targeted V Notch weir ('the weir') monitoring program that includes: <ul style="list-style-type: none"> <li>- Continued monthly monitoring of water quality at the V Notch Weir (the Weir) (pollutants/parameters to include those reported in the document titled 'Access Road Dam' dated 24 September 2014, pg 4).</li> <li>- real-time flow monitoring at the weir and recording of daily flows (in L/day)</li> <li>- rainfall monitoring (existing licence condition M4.1)</li> <li>- monitoring at the groundwater monitoring bore (DS1) on a monthly basis for the following parameters: groundwater level, electrical conductivity, pH, total dissolved solids, and salinity.</li> <li>- monitoring of electrical conductivity in the Access Road Dam (at least quarterly) at 3 different depths within the dam – 30cm, 4m and 8m depth.</li> </ul> </li> <li>2. Return all water draining to the Weir back to the Access Road Dam (or an alternate 'dirty' water dam on the premises) to ensure that saline water is not discharged from the premises. Pumping is to commence no later than 28 August 2015.</li> </ol>	Non-Compliant (Low Risk)	<p><b>Preparation:</b> V Notch Weir has been installed and is operational.</p> <p><b>Implementation:</b> The 2017-18 Annual Return outlines a non compliance. See details below from Malabar Coal.</p> <p><i>A small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff.</i></p> <p><i>The damaged electrical unit was replaced and the pump was switched back on. Water samples were collected. A pre-mining study of Ramrod Creek indicated that the creek water quality was saline prior to commencement of mining, with a sample collected from the creek having an electrical conductivity of 7.528uS/cm. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance.</i></p> <p>No further recommendation from SLR.</p>	
<b>Special Conditions</b>				
<b>Spontaneous combustion control program</b>				
E1.1	<p><b>Spontaneous combustion control program</b> Carbonaceous material that is prone to self heating and which is not extracted as run of mine coal must be selectively removed and purposely disposed of in such a manner that will prevent the development of spontaneous combustion at the disposal site.</p> <p>The licensee must implement a Spontaneous Combustion Control Program which must include, but may not be limited to, the following:-</p> <ol style="list-style-type: none"> <li>(a) A monthly summary of actions and procedures undertaken to prevent the development or to control the spread of spontaneous combustion at the premises.</li> <li>(b) An assessment of the effectiveness of the actions and procedures undertaken every month in preventing the development and control of the spread of spontaneous combustion at the premises.</li> <li>(c) Monthly mapping of the approximate location of the areas subject of spontaneous combustion at the premises. The map must show the respective areas in square metres of each area affected and must include a key to show the relative intensity of the heatings.</li> </ol>	Compliant	<p><b>Preparation:</b> Spontaneous Combustion Management Plan dated 12/9/2017. Evidence of six monthly spontaneous combustion reporting.</p> <p><b>Implementation:</b> a - c) Evidence of monthly actions, including monthly mapping. Reporting within the Annual Review. Evidence of capping of spontaneous combustion as part of the rehabilitation program. Sighted in the field.</p>	

**Mining Lease No. 1531 (Mining Act, 1992)**

Drayton Coal Pty Limited  
Date of Lease: 26 February 2003  
Expiry of Lease: 25 February 2024

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Extraction of Coal</b>				
1	The lease holder shall extract as large a percentage of the coal in the subject area as is practicable consistent with the provisions of the Coal Mines Regulations Act 1982 and the Regulations thereunder and shall comply with any direction given or which may be given in this regard by the Minister	Compliant	* 2015-2016 AEMRs indicate amount of coal extracted from the site * Coal extraction ceased on 31 October 2016 after all remaining viable coal reserves were extracted.	
<b>Mining Rehabilitation, Environmental Management Process (MREMP) Mining Operations Plan (MOP)</b>				
2	<p>1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-</p> <p>a) ongoing mining operations and environmental management; and</p> <p>b) ongoing monitoring of the project.</p> <p>2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement</p> <p>3) A Plan must be lodged with the Director-General:-</p> <p>a) prior to the commencement of operations</p> <p>b) subsequently as appropriate prior to the expiry of any current Plan; and</p> <p>c) in accordance with any direction issued by the Director-General.</p> <p>4) The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-</p> <p>a) area(s) proposed to be disturbed under the Plan;</p> <p>b) mining and rehabilitation method(s) to be used and their sequence;</p> <p>c) areas to be used for disposal of tailings/waste;</p> <p>d) existing and proposed surface infrastructure;</p> <p>e) progressive rehabilitation schedules;</p> <p>f) areas of particular environmental sensitivity;</p> <p>g) water management systems (including erosion and sediment controls);</p> <p>h) proposed resource recovery; and</p> <p>i) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation</p> <p>5) The Plan when lodged will be reviewed by the Department of Mineral Resources.</p> <p>6) The Director-General may within two (2) months of the lodgement of a Plan require modification and relodgement.</p> <p>7) If a requirement in accordance with clause (6) is not issued within two months of the lodgement of a Plan, lease holder may proceed with implementation of the Plan submitted subject to the lodgement of the required security deposit within the specified time.</p> <p>8) During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.</p>	Administrative Non-Compliance	<p>Preparation:</p> <p>Mining Operations Plan (MOP), dated December 2016:</p> <p>1) Non-compliant: Amended MOP dated December 2016 was not approved by DRG.</p> <p>The Plan:</p> <p>a) Ongoing mining operations (Section 2.4) and environmental management (Section 3);</p> <p>b) Ongoing monitoring (Section 8.1);</p> <p>2) Generally prepared in accordance with the Director-General's guidelines (entire MOP).</p> <p>3) A plan must be lodged with the Director-General:</p> <p>a) N/A - Condition outside of audit period;</p> <p>b) MOP approval letter from DRG dated 17 November 2015;</p> <p>c) Malabar Coal currently working with DRG and DPE to obtain an approved MOP;</p> <p>* The rehabilitation objectives, completion criteria and schedule of activities was approved by DRG on 7 February 2017.</p> <p>* No approval was received by DPE</p> <p>4) A schedule of proposed mine development: Table 10.</p> <p>Diagrams and documentation:</p> <p>a) Area(s) proposed to be disturbed under the Plan: Section 11.</p> <p>b) Mining and rehabilitation method(s) (Sections 2.4) to be used and their sequence: Section 11;</p> <p>c) Areas to be used for disposal of tailings/waste: Section 2.4.2;</p> <p>d) Existing and proposed surface infrastructure: Section 2.3.2;</p> <p>e) Progressive rehabilitation schedules: Table 28;</p> <p>f) Areas of particular environmental sensitivity: Sections 3.2.7 &amp; 3.2.8;</p> <p>g) Water management systems (including erosion and sediment controls): Sections 2.4.5 &amp; 3.2.15;</p> <p>h) Proposed resource recovery: Section 2.4; and</p> <p>i) A closure plan is incorporated into the MOP.</p> <p>* Final rehabilitation objectives/methods: Section 4.3.</p> <p>* Post mining landuse/vegetation: Section 4.2</p> <p>5) MOP submission letter to Resources Regulator dated 23 December 2016.</p> <p>6) N/A - Resources Regulator did not require modification and relodgement of the MOP.</p> <p>7) Noted.</p> <p>8) Noted.</p> <p>The MOP generally meets the requirement of this condition.</p> <p>Implementation:</p> <p>Final overall landform shaping has been designed as per the current approved MOP. Therefore compliant with implementation for overall shaping.</p> <p>Section 7.2.1 outlines the requirement to complete deep ripping in rehabilitation.</p> <p>Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile.</p> <p>For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Admin non - compliance</u>. Erosion is greater in areas where shaped material has not been deep ripped.</p> <p><u>Admin Non - Compliance</u> - According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets.</p>	Recommendation as per Schedule 3, Condition 39 of PA 06_0202
<b>Annual Environmental Management Report (AEMR)</b>				
3	<p>1) Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General.</p> <p>2) The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of:-</p> <p>a) the accepted Mining Operations Plan;</p> <p>b) development consent requirements and conditions;</p> <p>c) Environment Protection Authority and Department of Land and Water Conservation licences and approvals;</p> <p>d) any other statutory environmental requirements</p> <p>e) details of any variations to environmental approvals applicable to the lease area and</p> <p>f) where relevant, progress towards final rehabilitation objectives</p> <p>3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.</p> <p>4) The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies.</p>	Administrative Non-Compliance	<p>1) 2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively.</p> <p>* Dates on 2015, 2016 &amp; 2017 AEMRs indicate that the documents were submitted within the required period.</p> <p>2) The 2015, 2016 &amp; 2017 AEMRs have been prepared generally in accordance with the DPE guidelines except:</p> <p>* <u>Admin non-compliant: 2015 AEMR</u>: Missing a Statement of Compliance, section numbering is not in accordance with the guideline &amp; missing a figure showing disturbance, rehabilitation, active mining and offset areas;</p> <p>* In correspondence dated 31 May 2016 DPE advised AngloAmerican the 2015 AEMR did not meet the Annual Review guideline, dated 2015.</p> <p>* 2016 AEMR: In correspondence dated 24 May 2016 DPE advised AngloAmerican the 2016 AEMR was missing a Statement of Compliance. A Statement of Compliance is now included in the latest version of the 2016 AEMR.</p> <p>* Contain a review and forecast of performance for the preceding and ensuing;</p> <p>a) The accepted MOP: 2015 AEMR (Sections 1, 2.6.4 &amp; 5.2), 2016 AEMR (Sections 8.1 &amp; 8.2) &amp; 2017 AEMR (Sections 1 &amp; 8.1);</p> <p>b), c) &amp; d) Requirements and conditions: 2015 AEMR (Section 3), 2016 &amp; 2017 AEMR (Section 1);</p> <p>e) Variations to environmental approvals: 2015 AEMR (Section 7.1), 2016 AEMR (Section 4.1.1) &amp; 2017 AEMR (Section 4.6.1).</p> <p>f) Progress towards final rehabilitation objectives: 2015 AEMR (Section 5), 2016 &amp; 2017 AEMR (Section 8).</p> <p>3) Resources Regulator (formerly DRE) letter dated 15 July 2016 requests key performance issues that require active monitoring and maintenance are reported in the next AEMR (the 2016 AEMR).</p> <p>* Section 8.2 &amp; 12.1.1 of the 2016 AEMR describes these performance issues that required active monitoring and maintenance.</p> <p>4) The AEMR is reviewed by the DPE.</p> <p>- DPE Approval letters dated 31 May 2016, 13 July 2017 and 28 August 2018.</p>	Recommendation as per Schedule 5, Condition 5 of PA 06_020
<b>Shafts, Drifts, Adits</b>				
14	Operations shall be conducted in such a manner as not to cause any danger to persons or stock and the lease holder shall provide and maintain adequate protection to the satisfaction of the Minister around each shaft or excavation opened up or used by the lease holder.	Not Triggered		
<b>Dumps</b>				
15	The lease holder shall comply with any direction, given or which may be given by the Inspector regarding the dumping, depositing or removal of material extracted as well as the stabilisation and revegetation of any dumps of coal, minerals, mine residues, tailings or overburden situated on the subject area or the associated colliery holding.	Compliant	<p>* Letter dated 15 July 2016 from Resources Regulator (formerly DPI Resources &amp; Energy) regarding requirements for the 2015 AEMR.</p> <p>- The requirements were incorporated in the 2016 AEMR.</p> <p>* Due to the pending acquisition with Malabar, in June 2017 DRG requested some further information from Drayton regarding the site in a letter dated 1 June 2017.</p> <p>- Drayton provided a letter to DRG on 21 June 2017, responding to the information request.</p>	
16	The lease holder shall comply with any direction given, or which may be given by the Minister regarding the spraying of coal dumps on the subject area.	Not Triggered	<p>* According to site communications Resources Regulator did not provide any directions regarding spraying of coal dumps.</p> <p>* 2015 &amp; 2016 AEMRs (which cover the period when coal was stored at the site) do not mention spraying of coal.</p>	



Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Dust</b>				
17	The lease holder shall take such precautions as are necessary to abate any dust nuisance.	Compliant	* Dust mitigation measures and monitoring program included in the AQMP, dated 18 October 2017, and the AQGHGMP, dated 10 October 2018. * When the site was operational, controls for dust management included real time air quality monitoring, water carts ect. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit inspection.	
<b>Management and Rehabilitation of Lands (General)</b>				
18	The lease holder shall not interfere in any way with any fences on or adjacent to the subject area unless with the prior written approval of the owner thereof or the Minister and subject to such conditions as the Minister may stipulate.	Compliant	Based on the information provided to SLR there has been no impact	
19	The lease holder shall observe any instruction given or which may be given by the Minister with a view to minimising or preventing public inconvenience or damage to the public or private property.	Not Triggered	* According to site communications no instruction given by the Resources Regulator to minimise or prevent public inconvenience or damage * 2015-2017 AEMRs do not mention any such instructions.	
20	If required to do so by the Minister and within such time as may be stipulated by the Minister the lease holder shall carry out to the satisfaction of the Minister surveys of structures, buildings and pipelines on adjacent landholdings to determine the effect of operations on any such structures, buildings and pipelines.	Not Triggered	According to site communications no instruction given by the Resources Regulator to undertake surveys of structures, buildings and pipelines on adjacent landholdings . * 2015-2017 AEMRs do not mention any such requirement.	
21	If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister any lands within the subject area which may have been disturbed by the lease holder.	Compliant	* Due to the pending acquisition with Malabar, in June 2017 DRG requested some further information around rehabilitation from Drayton regarding the site in a letter dated 1 June 2017. - Drayton provided a letter to DRG on 21 June 2017, responding to the information request and provided details about the awarding of a rehabilitation contract and a revised rehabilitation schedule. * According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets. The site is still compliant with this condition as there has been no evidence provided of direction from the Resources Regulator regarding rehabilitation progress.	
22	Upon completion of operations on the surface of the subject area or upon the expiry or sooner determination of this authority or any renewal thereof, the lease holder shall remove from such surface such buildings, machinery, plant, equipment, constructions and works as may be directed by the Minister and such surface shall be rehabilitated and left in a clean, tidy and safe condition to the satisfaction of the Minister	Not Triggered	* Site is in care and maintenance, and not yet designated for closure or decommissioning.	
23	If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister and within such time as may be allowed by the Minister any lands within the subject area which may have been disturbed by mining or prospecting operations whether such operations were or were not carried out by the lease holder.	Compliant	* Due to the pending acquisition with Malabar, in June 2017 Resource Regulator requested some further information around rehabilitation from Drayton regarding the site in a letter dated 1 June 2017. - Drayton provided a letter to Resource Regulator on 21 June 2017, responding to the information request and provided details about the awarding of a rehabilitation contract and a revised rehabilitation schedule. * Malabar Coal continues to liaise with the Resource Regulator regarding rehabilitation.	
24	The lease holder shall take all precautions against causing outbreak of fire on the subject area.	Compliant	* Site inspection verified fire fighting equipment maintained on-site and slashing being undertaken on-site. * According to site comms. the site is undertaking slashing and other proactive fire management measures. * Bushfire Management Procedure outlines how Malabar Coal manages and responds to bushfire events.	
25	The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to prevent contamination, pollution, erosion or siltation of any river, stream, creek tributary lake, dam, reservoir, watercourse, groundwater or catchment area or any undue interference to fish or their environment and shall observe any instruction given or which may be given by the Minister with a view to preventing or minimising the contamination, pollution, erosion or siltation of any river, stream, creek, tributary, lake, dam, reservoir, watercourse, groundwater or catchment area or any undue interference to fish or their environment.	Non-Compliant (Low Risk)	* Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program. * On-site water management (and pollution control) system in place, seen during the site inspection. * Non-compliant: Two uncontrolled discharges during the audit period. - Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance. - Discharge 2 - Information from initial incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.	
<b>Blasting</b>				
26	The lease holder shall monitor noise and vibration and institute controls, generally in accordance with the recommendations of Australian Standard AS-2187-1993 and ANZEC Guidelines <b>a) Ground Vibration</b> The lease holder shall design all blasts on the basis that the ground vibration peak particle velocity generated by any blasting within the subject are, shall not exceed the levels in or conditions of the EPA Licence for the mine, at any dwelling or occupied premises not owned by the lease holder, the holder of an authority under the Mining Act, or not subject to a valid agreement with the lease holder, with respect to the effects of blasting. <b>b) Blast Overpressure</b> The lease holder shall design all blasts on the basis that the blast overpressure noise level generated by any blasting within the subject area, shall not exceed the levels in or conditions of the EPA licence for the mine, at any dwelling or occupied premises not owned by the lease holder, the holder of an authority under the Mining Act, or not subject to a valid agreement with the lease holder, with respect to the effects of blasting.	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that (within audit period) met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.	
<b>Trees (Planting and Protection of) Flora and Fauna and Arboreal Screens</b>				
27	If so directed by the Minister, the lease holder shall ensure that operations are carried out in such manner so as to minimise disturbance to flora and fauna within the subject area.	Compliant	* No request to minimise disturbance. * 2015-2017 AEMRs did not mention that DRG required operations to be carried out in such manner so as to minimise disturbance to flora and fauna within the subject area. * Flora and Fauna Management Plan, dated 14 August 2013 * Ground Disturbance Permit Procedure, dated 27 April 2018.	
29	The lease holder shall maintain an arboreal screen to the satisfaction of the Minister within such parts of the subject area as may be specified by the Minister and shall plant such trees or shrubs as may be required by the Minister to preserve the arboreal screen in a condition satisfactory to the Minister.	Compliant	2017 Annual Review states: <i>During 2007, some 2,060 native tree seedlings were planted along Thomas Mitchell Drive to act as visual barrier for future mining developments. The seedlings were successfully established and now provide a screened barrier for travellers along Thomas Mitchell Drive. Further tree plantings occurred throughout 2012, 2014 and 2015. Trees were planted in areas that are visible to both the New England Highway and Thomas Mitchell Drive to provide future relief from linear rehabilitated contours.</i> Evidence of tree screens sighted during field inspection.	
<b>Soil Erosion</b>				
30	The lease holder shall conduct operations in such a manner as not to cause or aggravate soil erosion and the lease holder shall observe and perform any instructions given or which may be given by the Minister with a view to minimising or preventing soil erosion.	Compliant	* Erosion and Sediment Control Plan (Section 7.3 of the WMP). * Evidence of erosion control in the field. There are recommendations relating to erosion control within rehabilitated areas, with these covered under specific rehabilitation conditions	
<b>Roads</b>				
31	The lease holder shall pay to <b>Muswellbrook Shire Council</b> , Department of Land and Water Conservation or the Chief Executive, Roads and Traffic Authority the cost incurred by such Council or Department or Chief Executive of making good any damage caused by operations carried on by or under the authority of the lease holder to any road adjoining or traversing the surface or the excepted surface, as the case may be of the subject area.  PROVIDED HOWEVER, that the amount to be paid by the lease holder as aforesaid shall be reduced by such sum of money if any as may be paid to the said Council the Department of Land and Water Conservation or the Chief Executive, Roads and Traffic Authority as the case may be from the Mine Subsidence Compensation Fund constituted under the Mine Subsidence Compensations Act, 1961, in settlement of a claim for compensation for the same damage.	Not Triggered	* Thomas Mitchell Road upgrade was outside the audit period	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
32	In the event of operations being conducted on the surface of any road, track or firetrail traversing the subject area or in the event of such operations causing damage to or interference with any such road, track or firetrail the lease holder, at his own expense, shall if directed to do so by the Minister provide to the satisfaction of the Minister an alternate road, track or firetrail in a position as required by the Minister and shall allow free and uninterrupted access along such alternate road, track or firetrail and, if required to do so by the Minister, the lease holder shall upon completion of operations rehabilitate the surface of the original road, track or firetrail to a condition satisfactory to the Minister.	Compliant	* Based on discussions with site no direction for repair. * Site is no longer in operation. Rehabilitation is the focus of the site. During site inspection sighted a track that had been rehabilitated in the audit period.	
<b>Catchment Areas</b>				
33	a) Operations shall be carried out in such a way as not cause any pollution of the Hunter Catchment Area. b) If the lease holder is using or about to use any process which in the opinion of the Minister is likely to cause contamination of the waters of the said Catchment Area the lease holder shall refrain from using or cease using the case may require such process within twenty four (24) hours of the receipt by the lease holder of a notice in writing under the hand of the Minister requiring the lease holder to do so. c) The lease holder shall comply with any regulations now in force or hereafter to be in force for the protection from pollution of the said Catchment Area.	Non-Compliant (Low Risk)	a) * Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program. * On-site water management (and pollution control) system in place, seen during the site inspection. * Non-compliant: Two uncontrolled discharges during the audit period. Potential for pollution of Hunter River catchment based on discharge events. - Discharge 1 - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance. - Discharge 2 - Information from initial incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken b) Based on site discussions there was no direction. Not triggered. c) Noted.  No further recommendation.	
<b>Transmission Lines, Communication Lines and Pipelines</b>				
41	The lease holder shall as far as is practicable so conduct operations as not to interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area and shall comply with any direction given or which may be given by the Minister in this regard.	Compliant	* According to sites comms operations did not interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area & Malabar Coal did not receive any direction from Resources Regulator regarding such a matter. * AEMRs do not mention site interfering with or impairing the stability or efficiency of any transmission line, communication line or pipeline traversing the surface.	
<b>Aboriginal Place or Aboriginal Object</b>				
43	The lease holder shall not knowingly destroy, deface or damage any Aboriginal object or Aboriginal place or within the subject area except in accordance with an authority issued under the National Parks and Wildlife Act, 1974, and shall take every precaution in drilling, excavating or disturbing the land against any such destruction, defacement or damage.	Compliant	Based on the information provided to SLR the previous salvage occurred in 2009. No information provided to SLR relating to incidents for heritage.	
<b>Labour/Expenditure</b>				
44	The lease holder shall during each year of the term of the authority: a) ensure that at least 8 workers are efficiently employed on the subject area; or b) expend on operations carried out in the course of prospecting or mining the subject area, an amount of not less than \$140,000.  The Minister may, at any time after a period of two (2) years from the date on which this authority has effect or from the date on which the renewal of this authority has effect, increase or decrease the amount of expenditure or labour required.	Compliant	a) 2015 & 2016 AEMRs and site inspection confirm 8 workers are efficiently employed on the subject area; b) Greater than \$140,000 spent.	
<b>Additional Information</b>				
45	The lease holder shall if directed by the Minister and within such time as the Minister may stipulate furnish to the Minister: a) information regarding the ownership of the land within the subject area; b) information regarding the ownership of the coal within the subject area prior to 1st January, 1982; c) an indemnity in a form approved by the Minister indemnifying the Crown and the Minister against any wrong payment effected as a result of incorrect information furnished by the lease holder. d) information regarding the financial viability of the lease holder and operations within and associated with the subject area; and e) information regarding shareholdings in the lease holder.	Not Triggered	Based on site discussions there has been a large amount of consultation during the audit period with the Resources Regulator, but none specially relating to the items in this condition.	
<b>Service of Notices</b>				
46	Within a period of three (3) months from the date of this authority or a period of three (3) months from the date of service of the notice of renewal, or within such further time as the Director-General may allow, the lease holder shall serve on each landholder within the subject area a notice in writing indicating that this authority has been granted or renewed and whether the authority includes the surface. The notice shall be accompanied by an adequate plan and description of the subject area.  If there are ten (10) or more landholders affected the lease holder may serve the notice by publication in a newspaper circulating in the region where the subject area is situated. The notice shall indicate that this authority has been granted or renewed, state where the authority includes the surface and shall contain an adequate plan and description of the subject area.	Not Triggered	* Outside of the audit period	
<b>Inspectors</b>				
47	a) Where an inspector under the Mining Act 1992 is of the opinion that any condition of this authority relating to operations within the subject area, or any provision of the Mining Act, 1992, relating to operations within the subject area, are not being complied with by the lease holder, the Inspector may serve on the lease holder a notice stating that and give particulars of the reason why, and may in such notice direct the lease holder: i) to cease operations within the subject area in contravention of that Condition or Act; and ii) to carry out within the specified time works necessary to rectify or remedy the situation. b) the lease holder shall comply with the directions contained in any notice served pursuant to sub paragraph (a) of this condition. The Director General may confirm, vary or revoke any such direction. c) A notice referred to in his condition may be served on the Colliery Manager.	Not Triggered	* No such notice has been issued to Malabar Coal. * The site is now in care and maintenance	

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Indemnities</b>				
48	The lease holder shall indemnify and keep indemnified the Crown from and against all actions suits and claims and demands of whatsoever nature and all costs charges and expense which may be brought against the lease holder or which the lease holder may incur respect of any accident or injury to any person or property which may arise out of the construction maintenance or working of any workings now existing or to be made by the lease holder within the boundaries of the subject area or in connection with any of the operations notwithstanding that all other conditions of this authority shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do hereunder.	Noted		
49	The lease holder shall save harmless the Crown from payment of compensation and from and against all claims, actions, suits or demands whatsoever in the event of any damage resulting from mining operations under or near the subject area.	Noted		
<b>Prospecting (General)</b>				
50	a) Where the lease holder desires to commence prospecting operations in the subject area the lease holder shall notify the Director-General in writing and shall comply with such additional conditions as the Minister may impose including any condition requiring the lodgement of an additional bond or other form of security for rehabilitation of the area affected by such operations. b) Where the lease holder notifies the Director-General pursuant to sub paragraph (a) of this condition the lease holder shall furnish with that notification details of the type of prospecting methods that would be adopted and the extent and location of the area that would be affected by them.	Not Triggered	* Malabar Coal did not undertake prospecting during the audit period (according to 2015-2017 AEMRs). * The site is in care and maintenance.	
<b>Single Deposit</b>				
51	<b>Single Security (extended)</b> The joint security of <b>\$8,827,600</b> lodged with the Minister by the lease holder for the purpose of ensuring fulfilment by the lease holder of its obligations under Coal Lease 229 (Act 1973) and Coal Lease 395 (Act 1973) is extended to apply to this lease.	Compliant	The current approved bond provided to SLR as a balance summary was \$2,317,000.	
<b>Royalty at Additional Rate</b>				
54	The lease holder shall during the term of this authority pay to the Minister royalty at the additional rate as prescribed by the Regulations for coal recovered by open cut mining methods from the area.	Compliant	* 2016 & 2017 AEMR states "\$146M in Royalties over 5 years (2009 –2013 prior to downsizing in 2014)"	

# Coal Lease No. 229 (Mining Act, 1992)

Anglo Coal (Drayton Management) Pty Limited  
 Date of Lease: 28 May, 2003  
 Expiry Date of Lease: 27 May 2024

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
1	The lease holder shall extract as large a percentage of the coal in the subject area as is practicable consistent with the provisions of the Coal Mines Regulations Act 1982 and the Regulations thereunder and shall comply with any direction given or which may be given in this regard by the Minister.	Compliant	* 2015-2016 AEMRs indicate amount of coal extracted from the site * Coal extraction ceased on 31 October 2016 after all remaining viable coal reserves were extracted.	
2	1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:- a) ongoing mining operations and environmental management; and b) ongoing monitoring of the project. 2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement. 3) A plan must be lodged with the Director-General:- a) prior to the commencement of operations; b) subsequently as appropriate prior to the expiry of any current Plan; and c) in accordance with any direction issued by the Director-General. 4) The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:- a) area(s) proposed to be disturbed under the Plan; b) mining and rehabilitation method(s) to be used and their sequence; c) areas to be used for disposal of tailings/waste; d) existing and proposed surface infrastructure; e) progressive rehabilitation schedules; f) areas of particular environmental sensitivity; g) water management systems (including erosion and sediment controls); h) proposed resource recovery; and i) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation 5) The Plan when lodged will be reviewed by the Department of Mineral Resources. 6) The Director-General may within two (2) months of the lodgement of a Plan, require modification and relodgement. 7) If a requirement in accordance with clause (6) is not issued within two months of the lodgement of a Plan, lease holder may proceed with implementation of the Plan submitted subject to the lodgement of the required security deposit within the specific time. 8) During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.	Administrative Non-Compliance	Mining Operations Plan (MOP), dated December 2016: Evidence of approval. a) Ongoing mining operations (Section 2.4) and environmental management (Section 3); and b) Ongoing monitoring (Section 8.1); 2) Generally prepared in accordance with the Director-General's guidelines (entire MOP). 3) A plan must be lodged with the Director-General: a) N/A - Condition outside of audit period; b) and c) Evidence of MOP lodgement and consultation. 4) A schedule of proposed mine development: Table 10. Diagrams and documentation: a) Area(s) proposed to be disturbed under the Plan: Section 11. b) Mining and rehabilitation method(s) (Sections 2.4) to be used and their sequence: Section 11; c) Areas to be used for disposal of tailings/waste: Section 2.4.2; d) Existing and proposed surface infrastructure: Section 2.3.2; e) Progressive rehabilitation schedules: Table 28; f) Areas of particular environmental sensitivity: Sections 3.2.7 & 3.2.8; g) Water management systems (including erosion and sediment controls): Sections 2.4.5 & 3.2.15; h) Proposed resource recovery: Section 2.4; and i) A closure plan is incorporated into the MOP. * Final rehabilitation objectives/methods: Section 4.3. * Post mining landuse/vegetation: Section 4.2 5) Evidence of lodgement letters and consultation with the DRG. 6) and 7) Evidence of consultation with DRG throughout the audit period regarding the MOP. This is still ongoing. 8) Noted.	Recommendation as per Schedule 3, Condition 39 of PA 06_0202.
3	1) Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General. 2) The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuring twelve months in terms of: a) the accepted Mining Operations Plan; b) development consent requirements and conditions c) Environmental Protection Authority and Department of Land and Water Conservation Licences and approvals; d) any other statutory environmental requirements; e) details of any variations to environmental approvals applicable to the lease area and f) where relevant, progress towards final rehabilitation objectives. 3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice. 4) The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies.	Administrative Non-Compliance	<u>Implementation:</u> Final overall landform shaping has been designed as per the current approved MOP. Therefore compliant with implementation for overall shaping. Section 7.2.1 outlines the requirement to complete deep ripping in rehabilitation. Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile. For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Admin non-compliance:</u> Erosion is greater in areas where shaped material has not been deep ripped. <u>Admin Non - Compliance:</u> According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets.	As per recommendation from Schedule 5, Condition 5 of Project Approval 06_0202.
14	Operations shall be conducted in such a manner as not to cause any danger to persons or stock and the lease holder shall provide and maintain adequate protection to the satisfaction of the Minister around each shaft or excavation opened up or used by the lease holder.	Not Triggered	The field inspection did not indicate any damage.	
15	The lease holder shall comply with any direction, given or which may be given by the Inspector regarding the dumping, depositing or removal of material extracted as well as the stabilisation and revegetation of any dumps of coal, minerals, mine residues, tailings or overburden situated on the subject area or the associated colliery holding.	Compliant	* Letter dated 15 July 2016 from Resources Regulator (formerly DPI Resources & Energy) regarding requirements for the 2015 AEMR. - The requirements were incorporated in the 2016 AEMR. * Due to the pending acquisition with Malabar, in June 2017 DRG requested some further information from Drayton regarding the site in a letter dated 1 June 2017. - Drayton provided a letter to DRG on 21 June 2017, responding to the information request.	
16	The lease holder shall comply with any direction given or which may be given by the Minister regarding the spraying of coal dumps on the subject area.	Not Triggered	* According to site communications Resources Regulator did not provide any directions regarding spraying of coal dumps. * 2015 & 2016 AEMRs (which cover the period when coal was stored at the site) do not mention spraying of coal.	
17	The lease holder shall take such precautions as are necessary to abate any dust nuisance.	Compliant	* Dust mitigation measures and monitoring program included in the AQMP, dated 18 October 2017, and the AQGHGMP, dated 10 October 2018. * When the site was operational, controls for dust management included real time air quality monitoring, water carts ect. Site is now not operational, hence dust impacts have reduced, however real time monitoring is still used. It was noted that during the site inspection a haul truck drove past with dust well above the height of the truck. No dust was seen leaving site. Evidence of operators using the water cart earlier in the day was sighted by the audit team. The audit did not identify other sources of higher wheel dust indicating this was likely an isolated issue during the audit inspection.	
18	The lease holder shall not interfere in any way with any fences on or adjacent to the subject area unless with the prior written approval of the owner thereof or the Minister and subject to such conditions as the Minister may stipulate.	Compliant	Based on the information provided to SLR there has been no impact	
19	The lease holder shall observe any instruction given or which may be given by the Minister with a view to minimising or preventing public inconvenience or damage to public or private property.	Not Triggered	* According to site communications no instruction given by the Resources Regulator to minimise or prevent public inconvenience or damage * 2015-2017 AEMRs do not mention any such instructions.	

20	If required to do so by the Minister and within such time as may be stipulated by the Minister the lease holder shall carry out to the satisfaction of the Minister surveys of structures, buildings and pipelines on adjacent landholdings to determine the effect of operations on any such structures, buildings and pipelines.	Not Triggered	According to site communications no instruction given by the Resources Regulator to undertake surveys of structures, buildings and pipelines on adjacent landholdings. * 2015-2017 AEMRs do not mention any such requirement.
21	If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister any lands within the subject area which may have been disturbed by the lease holder.	Compliant	* Due to the pending acquisition with Malabar, in June 2017 DRG requested some further information around rehabilitation from Drayton regarding the site in a letter dated 1 June 2017. - Drayton provided a letter to DRG on 21 June 2017, responding to the information request and provided details about the awarding of a rehabilitation contract and a revised rehabilitation schedule. * According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets. The site is still compliant with this condition as there has been no evidence provided of direction from the Resources Regulator regarding rehabilitation progress.
22	Upon completion of operations on the surface of the subject area or upon the expiry or sooner determination of this authority or any renewal thereof, the lease holder shall remove from such surface such buildings, machinery, plant, equipment, constructions and works as may be directed by the Minister and such surface shall be rehabilitated and left in a clean, tidy and safe condition to the satisfaction of the Minister.	Not Triggered	* Site is in care and maintenance, and not yet designated for closure or decommissioning.
23	If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister and within such time as may be allowed by the Minister any lands within the subject area which may have been disturbed by mining or prospecting operations whether such operations were or were not carried out by the lease holder	Compliant	* Due to the pending acquisition with Malabar, in June 2017 Resource Regulator requested some further information around rehabilitation from Drayton regarding the site in a letter dated 1 June 2017. - Drayton provided a letter to Resource Regulator on 21 June 2017, responding to the information request and provided details about the awarding of a rehabilitation contract and a revised rehabilitation schedule. * Malabar Coal continues to liaise with the Resource Regulator regarding rehabilitation.
24	The lease holder shall take all precautions against causing outbreak of fire on the subject area.	Compliant	* Site inspection verified fire fighting equipment maintained on-site and slashing being undertaken on-site. * According to site comms. the site is undertaking slashing and other proactive fire management measures. * Bushfire Management Procedure outlines how Malabar Coal manages and responds to bushfire events.
25	The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to prevent contamination, pollution, erosion or siltation of any river, stream, creek, tributary, lake, dam, reservoir, watercourse or catchment area or any undue interference to fish or their environment.	Non-Compliant (Low Risk)	* Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program. * On-site water management (and pollution control) system in place, seen during the site inspection. * <b>Non-compliant</b> Two uncontrolled discharges during the audit period. - <b>Discharge 1</b> - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance. - <b>Discharge 2</b> - Information from initial incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken.  No further recommendation.
26	The lease holder shall monitor noise and vibration and institute controls, generally in accordance with the recommendations of Australian Standard AS-2187-1993 and ANZE Guidelines  a) Ground Vibration The lease holder shall design all blasts on the basis that the ground vibration peak particle velocity generated by any blasting within the subject area, shall not exceed the levels in or conditions of the EPA Licence for the mine, at any dwelling or occupied premises not owned by the leaser holder, the holder of an authority under the Mining Act, or not subject to a valid agreement with the lease holder, with respect to the effects of blasting.  b) Blast Overpressure The lease holder shall design all blasts on the basis that the blast overpressure noise level generated by any blasting within the subject area, shall not exceed the levels in or conditions of the EPA Licence for the mine, at any dwelling or occupied premises not owned by the lease holder, the holder of an authority under the Mining Act, or not subject to a valid agreement with the lease holder with respect to the effects of blasting.	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that (within audit period) met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.
27	If so directed by the Minister, the lease holder shall ensure that operations are carried out in such manner so as to minimise disturbance to flora and fauna within the subject area.	Compliant	* No request to minimise disturbance. * 2015-2017 AEMRs did not mention that DRG required operations to be carried out in such manner so as to minimise disturbance to flora and fauna within the subject area. * Flora and Fauna Management Plan, dated 14 August 2013 * Ground Disturbance Permit Procedure, dated 27 April 2018.
29	The lease holder shall maintain an arboreal screen to the satisfaction of the Minister within such parts of the subject area as may be specified by the Minister and shall plant such trees or shrubs as may be required by the Minister to preserve the arboreal screen in a condition satisfactory to the Minister.	Compliant	2017 Annual Review states:  <i>During 2007, some 2,060 native tree seedlings were planted along Thomas Mitchell Drive to act as visual barrier for future mining developments. The seedlings were successfully established and now provide a screened barrier for travellers along Thomas Mitchell Drive. Further tree plantings occurred throughout 2012, 2014 and 2015. Trees were planted in areas that are visible to both the New England Highway and Thomas Mitchell Drive to provide future relief from linear rehabilitated contours.</i>  Evidence of tree screens sighted during field inspection.
30	The lease holder shall conduct operations in such a manner as not to cause or aggravate soil erosion and the lease holder shall observe and perform any instructions given or which may be given by the Minister with a view to minimising or preventing soil erosion.	Compliant	* Erosion and Sediment Control Plan (Section 7.3 of the WMP). * Evidence of erosion control in the field. There are recommendations relating to erosion control within rehabilitated areas, with these covered under specific rehabilitation conditions
31	The lease holder shall pay to Muswellbrook Shire Council, Department of Land and Water Conservation or the Chief Executive, Roads and Traffic Authority the cost incurred by such Council or Department or Chief Executive of making good any damage caused by operations carried on by or under the authority of the lease holder to any road adjoining or traversing the surface or the excepted surface, as the case may be of the subject area.  PROVIDED HOWEVER, that the amount to be paid by the lease holder as aforesaid shall be reduced by such sum of money if any as may be paid to the said Council the Department of Land Water Conservation or the Chief Executive, Roads and Traffic Authority as the case may be from the Mine Subsidence Compensation Fund constituted under the Mine Subsidence Compensation Act, 1961, in settlement of a claim for compensation for the same damage.	Not Triggered	* Thomas Mitchell Road upgrade was outside the audit period
32	In the event of operations being conducted on the surface of any road, track or firetrail traversing the subject area or in the event of such operations causing damage to or interference with any such road, track or firetrail the lease holder, at this own expense, shall if directed to so by the Minister provide to the satisfaction of the Minister an alternate road, track or firetrail in a position as required by the Minister and shall allow free and uninterrupted access along such alternate road, track or firetrail and if required to so by the Minister, the lease holder shall upon completion of operations rehabilitate the surface of the original road, track or firetrail to a condition satisfactory to the Minister.	Compliant	* Based on discussions with site no direction for repair. * Site is no longer in operation. Rehabilitation is the focus of the site. During site inspection sighted a track that had been rehabilitated in the audit period.
33	a) Operations shall be carried out in such a way as not to cause any pollution of the <b>Hunter Catchment Area</b> .  b) If the lease holder is using or about to use any process which in the opinion of the Minister is likely to cause contamination of the waters of the said Catchment Area the lease holder shall refrain from using or cease using as the case may require such process within twenty four (24) hours of the receipt by the lease holder of a notice in writing under the hand of the Minister requiring the lease holder to so .  c) The lease holder shall comply with any regulations now in force or hereafter to be in force for the protection from pollution of the said Catchment Area.	Non-Compliant (Low Risk)	a) * Water Management Plan (WMP), dated 29 November 2017, details management measures to minimise water contamination, pollution, erosion and siltation and a water monitoring program. * On-site water management (and pollution control) system in place, seen during the site inspection. * <b>Non-compliant</b> Two uncontrolled discharges during the audit period. Potential for pollution of Hunter River catchment based on discharge events. - <b>Discharge 1</b> - The EPL Annual Return and Annual Review state that a small volume of water flowed over the v-notch weir following a rainfall event. The electrical system that controls the pump had been damaged due to lightning or a power surge and therefore the automated pump did not switch on when the water level increased due to rainfall runoff. The water that was released from the sump was below the naturally occurring pre-mining salinity level. It is not anticipated that any adverse effects occurred as a result of this non-compliance. - <b>Discharge 2</b> - Information from initial incident notification report to DPE on 30 October 2018 states mine water being pumped to a dam (for stock water) has overflowed and left the premises boundary. The incident occurred at approximately 4.15pm on Monday 29 October 2018. The water travelled off site (in a southerly direction) and onto land owned by AGL. AGL were notified of incident and water samples were taken b) Based on site discussions there was no direction. Not triggered. c) Noted.  No further recommendations.
41	The lease holder shall as far as is practicable so conduct operations as not to interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area and shall comply with any direction given or which may be given by the Minister in this regard.	Compliant	* According to sites comms operations did not interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area & Malabar Coal did not receive any direction from Resources Regulator regarding such a matter. * AEMRs do not mention site interfering with or impairing the stability or efficiency of any transmission line, communication line or pipeline traversing the surface.
43	The lease holder shall not knowingly destroy, deface or damage any Aboriginal object or Aboriginal place or within the subject area except in accordance with an authority issued under the National Parks and Wildlife Act, 1974, and shall take every precaution in drilling, excavating or disturbing the land against any such destruction, defacement or damage.	Compliant	Based on the information provided to SLR the previous salvage occurred in 2009. No information provided to SLR relating to incidents for heritage.

44	<p>The lease holder shall during each year of the term of authority:</p> <p>a) ensure that at least 63 workers are efficiently employed on the subject area; or</p> <p>b) expand on operations carried out in the course of prospecting or mining the subject area, an amount of not less than <b>\$1,102,500</b>.</p> <p>The Minister may, at any time after a period of two (2) years from the date on which this authority has effect or from the date on which the renewal of this authority has effect, increase or decrease the amount of expenditure or labour required.</p>	Compliant	<p>a) 2015 &amp; 2016 AEMRs and site inspection confirm 8 workers are efficiently employed on the subject area;</p> <p>b) Greater than \$140,000 spent.</p>	
45	<p>The lease holder shall if directed by the Minister and within such time as the Minister may stipulate furnish to the Minister:</p> <p>a) information regarding the ownership of the land within the subject area;</p> <p>b) information regarding the ownership of the coal within the subject area prior to 1st January, 1982;</p> <p>c) an indemnity in a form approved by the Minister indemnifying the Crown and the Minister against any wrong payment effected as a result of incorrect information furnished by the lease holder;</p> <p>d) information regarding the financial viability of the lease holder and operations within and associated with the subject area and</p> <p>e) information regarding shareholdings in the lease holder.</p>	Not Triggered	<p>Based on site discussions there has been a large amount of consultation during the audit period with the Resources Regulator, but none specially relating to the items in this condition.</p>	
46	<p>Within a period of three (3) months from the date of this authority or a period of three (3) months from the date of service of the notice of renewal, or within such further time as the Director-General may allow, the lease holder shall serve on each landholder within the subject area a notice in writing indicating that this authority has been granted or renewed and whether the authority includes the surface. The notice shall be accompanied by an adequate plan and description of the subject area.</p> <p>If there are ten (10) or more landholders affected the lease holder may serve the notice by publication in a newspaper circulating in the region where the subject area is situated. The notice shall indicate that this authority has been granted or renewed, state whether the authority includes the surface and shall contain an adequate plan and description of the subject area.</p>	Not Triggered	<p>* Outside of the audit period</p>	
47	<p>a) Where an Inspector under the Mining Act 1992 is of the opinion that any condition of this authority relating to operations within the subject area, or any provision of the Mining Act, 1992, relating to operations within the subject area, are not being complied with by the lease holder, the Inspector may serve on the lease holder a notice stating that and give particulars of the reason why, and may in such notice direct the lease holder:</p> <p>(i) to cease operations within the subject area in contravention of that condition or Act; and</p> <p>(ii) to carry out within the specified time works necessary to rectify or remedy the situation.</p> <p>b) The lease holder shall comply with the directions contained in any notice served pursuant to sub paragraph (a) of this condition. The Director General may confirm, vary or revoke any such direction.</p> <p>c) A notice referred to in his condition may be served on the Colliery Manager.</p>	Not Triggered	<p>* No such notice has been issued to Malabar Coal.</p> <p>* The site is now in care and maintenance</p>	
48	<p>The lease holder shall indemnify and keep indemnified the Crown from and against all actions suits and claims and demands of whatsoever nature and all costs charges and expense which may be brought against the lease holder or which the lease holder may incur respect of any accident or injury to any person or property which may arise out of the construction maintenance or working of any workings now existing or to be made by the lease holder within the boundaries of the subject area or in connection with any of the operations notwithstanding that all other conditions of this authority shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do hereunder.</p>	Noted		
49	<p>The lease holder shall save harmless the Crown from payment of compensation and from and against all claims, actions, suits or demands whatsoever in the event of any damage resulting from mining operations under or near the subject area.</p>	Noted		
50	<p>a) Where the lease holder desires to commence prospecting operations in the subject area with the lease holder shall notify the Director-General in writing and shall comply with such additional conditions as the Minister may impose including any condition requiring the lodgement of an additional bond or other form of security for rehabilitation of the area affected by such operations.</p> <p>b) Where the lease holder notifies the Director-General pursuant to sub paragraph (a) of this condition the lease holder shall furnish with that notification details of the type of prospecting methods that would be adopted and the extent and location of the area that would be affected by them.</p>	Not Triggered	<p>* Malabar Coal did not undertake prospecting during the audit period (according to 2015-2017 AEMRs).</p> <p>* The site is in care and maintenance.</p>	
51	<p>a) The joint security of <b>\$15,286,000.00 (Fifteen Million, Two Hundred and Eighty Six Thousand Dollars)</b> lodged with the Minister by the Lease holder for the purpose of ensuring the fulfilment by the leaseholder of its obligations under <b>Coal Lease 395 (Act 1973) and Mining Lease 1531 (Act 1992)</b>, includes the obligations of this lease. In the event that the lease holder fails to fulfil any of the lease holder's obligations under these authorities the said sum may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purposes of the clause a lease holder shall be deemed to have failed to fulfil the lease holder's obligations under these authorities, if the lease holder fails to comply with any condition or provision of these authorities, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision of these authorities or of any provision of the Act or regulations made thereunder.</p> <p>b) The lease holder must provide the security required by sub-clause (a) hereof in one of the following forms:</p> <p>(i) cash, or</p> <p>(ii) a security certificate in such form and given by such surety as may from time to time be approved by the Minister</p> <p>c) The Minister may at any time, vary the amount of security required in accordance with this condition.</p>	Compliant	<p>Evidence of overall Security for the site of \$62,919,009. Based on letter from the Resources Regulator on 21 October 2018.</p>	
54	<p>The lease holder shall during the term of this authority pay to the Minister royalty at the additional rate as prescribed by the Regulations for coal recovered by open cut mining methods from the area.</p>	Compliant	<p>* 2016 &amp; 2017 AEMR states "\$146M in Royalties over 5 years (2009 –2013 prior to downsizing in 2014)".</p>	

# Coal Lease No. 395 (Act 1973)

Anglo Coal (Drayton Management) Pty Limited  
Date of Lease: 23 June 1992  
Expiry Date of Lease: 21 January 2029

Condition Number	Condition	Compliance Status	Evidence	Recommended Action
<b>Notice to Landholders</b>				
1	<p>Within a period of three months from the date of renewal of this lease or within such further time as the Minister may allow, the lease holder must serve on each landholder of the land a notice in writing indicating that this lease has been renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice.</p> <p>If there are ten or more landholders affected, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this lease has been renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.</p>	Not Triggered	Outside of audit period.	
<b>Mining, Rehabilitation, Environmental Management Process (MREMP)</b>				
<b>Mining Operations Plan (MOP)</b>				
2	<p>(1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-</p> <p>(a) ongoing mining operations and environmental management; and (b) ongoing monitoring of the project.</p> <p>(2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement.</p> <p>(3) A Plan must be lodged with the Director-General:-</p> <p>(a) prior to the commencement of mining operations (including mining purposes); (b) subsequently as appropriate prior to the expiry of any current Plan; and (c) in accordance with any direction issued by the Director-General.</p> <p>(4) The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-</p> <p>(a) area(s) proposed to be disturbed under the Plan; (b) mining and rehabilitation method(s) to be used and their sequence; (c) areas to be used for disposal of tailings/waste; (d) existing and proposed surface infrastructure; (e) existing flora and fauna on the site; (f) progressive rehabilitation schedules; (g) areas of particular environmental, ecological and cultural sensitivity and measures to protect these areas; (h) water management systems (including erosion and sediment controls); (i) proposed resource recovery; and</p> <p>U) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation</p> <p>(5) The Plan when lodged will be reviewed by the Department.</p> <p>(6) The Director-General may within two (2) months of the lodgement of a Plan, require modification and re-lodgement.</p> <p>(7) If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgement of a Plan, the lease holder may proceed with implementation of the Plan.</p> <p>(8) . During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.</p>	Administrative Non-Compliance	<p><u>Preparation:</u></p> <p>Mining Operations Plan (MOP), dated December 2016: Evidence of approval.</p> <p>Evidence of meeting requirement 1-4 of this condition. MOP has been prepared to cover the MOP Guideline requirement.</p> <p><u>Implementation:</u></p> <p>Final overall landform shaping has been designed as per the current approved MOP. Therefore compliant with implementation for overall shaping.</p> <p>Section 7.2.1 outlines the requirement to complete deep ripping in rehabilitation.</p> <p>Erosion control measures must be undertaken on all areas of rehabilitation to ensure stability of slopes. Ripping to a depth of at least 400 millimetres (mm) along the contour will limit compaction and encourage water infiltration into the soil profile.</p> <p>For some areas the chisel plow has been used, which does not meet the requirement of this commitment. <u>Admin non-compliance</u>. Erosion is greater in areas where shaped material has not been deep ripped.</p> <p><u>Admin Non-Compliance</u> - According to the 2017 AEMR rehabilitation target in 2017 (included in the MOP) was not met. Based on discussions with Malabar Coal the site is tracking well against the 2018 targets.</p>	Recommendation as per Schedule 3, Condition 39 of PA 06_0202.
<b>Annual Environmental Management Report (AEMR)</b>				
3	<p>(1) Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General.</p> <p>(2) The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of:</p> <p>(a) the accepted Mining Operations Plan; (b) development consent requirements and conditions; (c) Department of Environment and Conservation and Department of Planning licences and approvals; (d) any other statutory environmental requirements; (e) details of any variations to environmental approvals applicable to the lease area; and (f) where relevant, progress towards final rehabilitation objectives.</p> <p>(3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.</p> <p>(4) The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies and the local council.</p>	Administrative Non-Compliance	<p>1) 2015, 2016 &amp; 2017 AEMRs dated 31 March 2016, 9 March 2017 &amp; 28 February 2018, respectively.</p> <p>* Dates on 2015, 2016 &amp; 2017 AEMRs indicate that the documents were submitted within the required period.</p> <p>2) The 2015, 2016 &amp; 2017 AEMRs have been prepared generally in accordance with the DPE guidelines except:</p> <p>* <u>Admin non-compliant</u>: 2015 AEMR: Missing a Statement of Compliance, section numbering is not in accordance with the guideline &amp; missing a figure showing disturbance, rehabilitation, active mining and offset areas;</p> <p>* In correspondence dated 31 May 2016 DPE advised AngloAmerican the 2015 AEMR did not meet the Annual Review guideline, dated 2015.</p> <p>* 2016 AEMR: In correspondence dated 24 May 2016 DPE advised AngloAmerican the 2016 AEMR was missing a Statement of Compliance. A Statement of Compliance is now included in the latest version of the 2016 AEMR.</p> <p>* Contain a review and forecast of performance for the preceding and ensuing:</p> <p>a) The accepted MOP: 2015 AEMR (Sections 1, 2.6.4 &amp; 5.2), 2016 AEMR (Sections 8.1 &amp; 8.2) &amp; 2017 AEMR (Sections 1 &amp; 8.1); b), c) &amp; d) Requirements and conditions: 2015 AEMR (Section 3), 2016 &amp; 2017 AEMR (Section 1); e) Variations to environmental approvals: 2015 AEMR (Section 7.1), 2016 AEMR (Section 4.1.1) &amp; 2017 AEMR (Section 4.6.1). f) Progress towards final rehabilitation objectives: 2015 AEMR (Section 5), 2016 &amp; 2017 AEMR (Section 8).</p> <p>3) Resources Regulator (formerly DRE) letter dated 15 July 2016 requests key performance issues that require active monitoring and maintenance are reported in the next AEMR (the 2016 AEMR).</p> <p>* Section 8.2 &amp; 12.1.1 of the 2016 AEMR describes these performance issues that required active monitoring and maintenance.</p> <p>4) The AEMR is reviewed by the DPE.</p> <p>- DPE Approval letters dated 31 May 2016, 13 July 2017 and 28 August 2018.</p>	As per recommendation from Schedule 5, Condition 5 of Project Approval 06_0202.
<b>Subsidence Management</b>				

4	<p>The lease holder shall prepare a Subsidence Management Plan prior to commencing any underground mining operations which will potentially lead to subsidence of the land surface.</p> <p>(b) Underground mining operations which will potentially lead to subsidence include secondary extraction panels such as longwalls or miniwalls, associated first workings (gateroads, installation roads and associated main headings, etc), and pillar extractions, and are otherwise defined by the Applications for Subsidence Management Approvals guidelines (EDG17)</p> <p>(c) The lease holder must not commence or undertake underground mining operations that will potentially lead to subsidence other than in accordance with a Subsidence Management Plan approved by the Director-General, an approval under the Coal Mine Health and Safety Act 2002, or the document New Subsidence Management Plan Approval Process - Transitional Provisions (EDP09).</p> <p>(d) Subsidence Management Plans are to be prepared in accordance with the Guideline for Applications for Subsidence Management Approvals.</p> <p>(e) Subsidence Management Plans as approved shall form part of the Mining Operations Plan required under Condition 2 and will be subject to the Annual Environmental Management Report process as set out under Condition 3. The SMP is also subject to the requirements for subsidence monitoring and reporting set out in the document New Approval Process for Management of Coal Mining Subsidence - Policy.</p>	Not triggered	There is no underground mining associated with the Project.	
<b>Working Requirement</b>				
5	<p>The lease holder must:</p> <p>(a) ensure that at least 1 competent person is efficiently employed on the lease area on each week day except Sunday or any week day that is a public holiday,</p> <p>OR</p> <p>(b) expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$17,500 per annum whilst the lease is in force.</p> <p>The Minister may at any time or times, by instrument in writing served on the lease holder, increase or decrease the expenditure required or the number of people to be employed.</p>	Compliant	Rehabilitation contractor works Monday - Friday as a minimum. Capital well above this value.	
<b>Control of Operations</b>				
6	<p>(a) If an Environmental Officer of the Department believes that the lease holder is not complying with any provision of the Act or any condition of this lease relating to the working of the lease, he may direct the lease holder to:-</p> <p>(i) cease working the lease; or</p> <p>(ii) cease that part of the operation not complying with the Act or conditions;</p> <p>until in the opinion of the Environmental Officer the situation is rectified.</p> <p>(b) The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.</p> <p>(c) A direction referred to in this condition may be served on the Mine Manager.</p>	Not triggered	Based on information provided to SLR, this has not been triggered.	
<b>Reports</b>				
7	<p>The lease holder must provide an exploration report, within a period of twenty-eight days after each anniversary of the date this lease has effect or at such other date as the Director-General may stipulate, of each year. The report must be to the satisfaction of the Director-General and contain the following:</p> <p>(a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period;</p> <p>(b) Details of expenditure incurred in conducting that exploration;</p> <p>(c) A summary of all geological findings acquired through mining or development evaluation activities;</p> <p>(d) Particulars of exploration proposed to be conducted in the next twelve months period;</p> <p>(e) All plans, maps, sections and other data necessary to satisfactorily interpret the report.</p>	Compliant	Evidence provided of Annual Group Reports across the period. Anniversary date of 26 February - 25 February. Reports dated within the desired period. Reports cover the three mining leases and meet the requirements of this condition.	
<b>Licence to Use Reports</b>				
8	<p>(a) The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print, adapt and reproduce all exploration reports lodged in any form and for the full duration of copyright.</p> <p>(b) The non-exclusive licence will operate as a consent for the purposes of section 365 of the Mining Act 1992.</p>	Noted	Noted	




Confidentiality				
9	<p>(a) All exploration reports submitted in accordance with the conditions of this lease will be kept confidential while the lease is in force, except in cases where:</p> <p>(i) the lease holder has agreed that specified reports may be made non- confidential.</p> <p>(ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease.</p> <p>(b) Confidentiality will be continued beyond the termination of a lease where an application for a flow-on title was lodged during the currency of the lease. The confidentiality will last until that flow-on title or any subsequent flow-on title, has terminated. .</p> <p>(c) The Director-General may extend the period of confidentiality.</p>	Noted	Noted	
Terms of the non-exclusive licence				
10	<p>The terms of the non-exclusive copyright licence granted under condition 8 (a) are:</p> <p>(a) the Minister may sub-licence others to publish, print, adapt and reproduce but not on-licence reports.</p> <p>(b) the Minister and any sub- licensee will acknowledge the lease holder's and any identifiable consultant's ownership of copyright in any reproduction of the reports, including storage of reports onto an electronic database.</p> <p>(c) the lease holder does not warrant ownership of all copyright works in any report and, the lease holder will use best endeavours to identify those parts of the report for which the lease holder owns the copyright.</p> <p>(d) there is no royalty payable by the Minister for the licence.</p> <p>(e) if the lease holder has reasonable grounds to believe that the Minister has exercised his rights under the non-exclusive copyright licence in a manner which adversely affects the operations of the lease holder, that licence is revocable on the giving of a period of not less than three months notice.</p>	Noted	Noted	
Blasting				
11	<p>(a) Ground Vibration</p> <p>The lease holder must ensure that the ground vibration peak particle velocity generated by any blasting within the lease area does not exceed 10 mm/second and does not exceed 5 mm/second in more than 5% of the total number of blasts over a period of 12 months at any dwelling or occupied premises as the case may be, unless determined otherwise by the Department of Environment and Conservation.</p> <p>(b) Blast Overpressure</p> <p>The lease holder must ensure that the blast overpressure noise level generated by any blasting within the lease area does not exceed 120 dB (linear) and does not exceed 115 dB (linear) in more than 5% of the total number of blasts over a period of 12 months, at any dwelling or occupied premises, as the case may be, unless determined otherwise by the Department of Environment and Conservation.</p>	Compliant	The last blast to occur at site was on 19 September 2016. Blasting prior to that (within audit period) met the criteria in this condition. Evidence of blasting results in Annual Reviews as well as monthly reports.	
Safety				
12	<p>Operations must be carried out in a manner that ensures the safety of persons or stock in the vicinity of the operations. All drill holes shafts and excavations must be appropriately protected, to the satisfaction of the Director-General, to ensure that access to them by persons and stock is restricted. Abandoned shafts and excavations opened up or used by the lease holder must be filled in or otherwise rendered safe to a standard acceptable to the Director-General.</p>	Compliant	This is an environmental audit. However no safety issues were identified as part of the audit.	
Rehabilitation				
13	<p>(a) Land disturbed must be rehabilitated to a stable and permanent form suitable for a subsequent land use acceptable to the Director-General and in accordance with the Mining Operations Plan so that:-</p> <ul style="list-style-type: none"> <li>there is no adverse environmental effect outside the disturbed area and that the land is properly drained and protected from soil erosion.</li> <li>the state of the land is compatible with the surrounding land and land use requirements.</li> <li>the landforms, soils, hydrology and flora require no greater maintenance than that in the surrounding land.</li> </ul> <p>• in cases where revegetation is required and native vegetation has been removed or damaged, the original species must be re- established with close reference to the flora survey included in the Mining Operations Plan. If the original vegetation was not native, any re-established vegetation must be appropriate to the area and at an acceptable density.</p> <ul style="list-style-type: none"> <li>the land does not pose a threat to public safety.</li> </ul> <p>(a) Any topsoil that is removed must be stored and maintained in a manner acceptable to the Director-General.</p>	Compliant	Rehabilitation is ongoing. Hence the site is still working towards final rehabilitation and the final landform.	
14	<p>The lease holder must comply with any direction given by the Director-General regarding the stabilisation and revegetation of any mine residues, tailings or overburden dumps situated on the lease area.</p>	Compliant	Malabar Coal has had regular consultation with the Resource Regulator. The site is still working on an updated MOP in consultation with this department.	
Exploratory Drilling				
15	<p>(1) At least twenty eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Natural Resources regional hydrogeologist of the intention to drill exploratory drill holes together with information on the location of the proposed holes.</p> <p>(2) If the lease holder drills exploratory drill holes he must satisfy the Director- General that:-</p> <p>(a) all cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established;</p> <p>b) all holes cored or otherwise are sealed to prevent the collapse of the surrounding surface;</p> <p>(c) all drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters;</p> <p>(d) if any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape;</p> <p>(e) if any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers.</p> <p>(f) once any drill hole ceases to be used the hole must be sealed in accordance with Departmental guidelines. Alternatively, the hole must be sealed as instructed by the Director-General.</p> <p>(g) once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.</p>	Not Triggered	Outside audit period.	
Prevention of Soil Erosion and Pollution				

16	Operations must be carried out in a manner that does not cause or aggravate air pollution, water pollution (including sedimentation) or soil contamination or erosion, unless otherwise authorised by a relevant approval, and in accordance with an accepted Mining Operations Plan. For the purpose of this condition, water shall be taken to include any watercourse, waterbody or groundwaters. The lease holder must observe and perform any instructions given by the Director-General in this regard.	Compliant	There were two minor discharge events during the audit period. Based on the information provided to SLR it does not appear there was water pollution to a 'water course' as per the wording of this condition. Based on the wording of this condition the site is compliant.	
<b>Transmission lines, Communication lines and Pipelines</b>				
17	Operations must not interfere with or impair the stability or efficiency of any transmission line, communication line, pipeline or any other utility on the lease area without the prior written approval of the Director-General and subject to any conditions he may stipulate.	Compliant	* According to sites comms operations did not interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area & Malabar Coal did not receive any direction from Resources Regulator regarding such a matter. * AEMRs do not mention site interfering with or impairing the stability or efficiency of any transmission line, communication line or pipeline traversing the surface.	
<b>Fences/Gates</b>				
18	(a) Activities on the lease must not interfere with or damage fences without the prior written approval of the owner thereof or the Minister and subject to any conditions the Minister may stipulate. (b) Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.	Compliant	No evidence provided to SLR of impacts occurring.	
<b>Roads and Trucks</b>				
19	(a) Operations must not affect any road unless in accordance with an accepted Mining Operations Plan or with the prior written approval of the Director-General and subject to any conditions he may stipulate. (b) The lease holder must pay to the designated authority in control of the road (generally the local council or the Roads and Traffic Authority) the cost incurred in fixing any damage to roads caused by operations carried out under the lease, less any amount paid or payable from the Mine Subsidence Compensation Fund.	Compliant	No evidence provided to SLR of impacts occurring.	
20	Access tracks must be kept to a minimum and be positioned so that they do not cause any unnecessary damage to the land. Temporary access tracks must be ripped, topsoiled and revegetated as soon as possible after they are no longer required for mining operations. The design and construction of access tracks must be in accordance with specifications fixed by the Department of Natural Resources.	Compliant	No evidence provided to SLR of impacts occurring. Unwanted tracks to be rehabilitated at closure.	
<b>Trees and Timber</b>				
21	(a) The lease holder must not fell trees, strip bark or cut timber on the lease without the consent of the landholder who is entitled to the use of the timber, or if such a landholder refuses consent or attaches unreasonable conditions to the consent, without the approval of a warden. (b) The lease holder must not cut, destroy, ringbark or remove any timber or other vegetative cover on the lease area except such as directly obstructs or prevents the carrying on of operations. Any clearing not authorised under the Mining Act 1992 must comply with the provisions of the Native Vegetation Act 2003. (c) The lease holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.	Compliant	Based on the information provided to SLR there was no clearing during the audit period.	
<b>Resource Recovery</b>				
23	(a) Notwithstanding any description of mining methods and their sequence or of proposed resource recovery contained within the Mining Operations Plan, if at any time the Director-General is of the opinion that minerals which the lease entitles the lease holder to mine and which are economically recoverable at the time are not being recovered from the lease area, or that any such minerals which are being recovered are not being recovered to the extent which should be economically possible or which for environmental reasons are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals. (b) The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery. (c) The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area. (d) The Director-General shall issue no such notice unless the matter has firstly been thoroughly discussed with and a report to the Director-General has incorporated the views of the lease holder. (e) The lease holder may object to the requirements of any notice issued under this condition and on receipt of such an objection the Minister shall refer it to a Warden for inquiry and report under Section 334 of the Mining Act, 1992. (f) After considering the Warden's report the Minister shall decide whether to withdraw, modify or maintain the requirements specified in the original notice and shall give the lease holder written notice of the decision. The lease holder must comply with the requirements of this notice.	Not Triggered	No evidence of this being triggered. Site is now in a phase of rehabilitation.	
<b>Indemnity</b>				
24	The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever nature and all costs, charges and expenses which may be brought against the lease holder or which the lease holder may incur in respect of any accident or injury to any person or property which may arise out of the construction, maintenance or working of any workings now existing or to be made by the lease holder within the lease area or in connection with any of the operations notwithstanding that all other conditions of this lease shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do.	Noted		
<b>Single Security (extended)</b>				
26	(a) The single security given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under Coal Lease 229 (Act 1973) and Mining Lease 1531 (Act 1992) is extended to apply to this lease. (b) If the lease holder fails to fulfil any one or more of the obligations under this lease, then the security held may be applied at the discretion of the Minister, towards the cost of fulfilling such obligations. For the purpose of this clause the lease holder shall be deemed to have failed to fulfil the obligations of the lease if the lease holder fails to comply with any condition or provision hereof, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision hereof or of any provision of the Act or regulations made thereunder.	Compliant	Evidence of overall Security for the site of \$62,919,009. Based on letter from the Resources Regulator on 21 October 2018.	
<b>ENDORSEMENT SCHEDULE</b>				
	In accordance with the provisions of Section 239 (2) of the Mining Act 1992, the Minister on 20 April 2007 approved the amendment of the conditions of Coal Lease 395 (Act 1973) so as to include the following condition:	Noted		
27	The lease holder shall not work any seam of coal within the lease area without leaving, if the Minister, by order, given in writing to the lease holder, so directs, a barrier or such width or a protective pillar or pillars of such size or sizes as specified in the order, against any surface improvements or any feature whether natural or artificial.	Noted		

# APPENDIX C

## Audit Certification Form

Development Name	Maxwell Infrastructure Site
Development Consent No.	PA06_0202 and DA 106-04-04
Description of Development	Open Cut Mine in phase of rehabilitation
Development Address	Thomas Mitchell Drive, Muswellbrook, NSW
Operator	Malabar Coal
Operator Address	Thomas Mitchell Drive, Muswellbrook, NSW
Title of Audit	Maxwell Infrastructure Site 2018 Independent Environmental Audit
<p><i>I certify that I have undertaken the independent Audit and prepared the contents of the attached independent Audit report and to the best of my knowledge:</i></p> <p><i>The Audit has been undertaken in accordance with relevant approval condition(s) and in accordance with the Auditing standard AS/NZS ISO 19011:2014 and Post Approval Guidelines – Independent Audits</i></p> <p><i>The findings of the Audit are reported truthfully, accurately and completely;</i></p> <p><i>I have exercised due diligence and professional judgement in conducting the Audit;</i></p> <p><i>I have acted professionally, in an unbiased manner and did not allow undue influence to limit or over-ride objectivity in conducting the Audit;</i></p> <p><i>I am not related to any owner or operator of the development as an employer, business partner, employee, sharing a common employer, having a contractual arrangement outside the Audit, spouse, partner, sibling, parent, or child;</i></p> <p><i>I do not have any pecuniary interest in the Audited development, including where there is a reasonable likelihood or expectation of financial gain or loss to me or to a person to whom I am closely related (i.e. immediate family);</i></p> <p><i>Neither I nor my employer have provided consultancy services for the Audited development that were subject to this Audit except as otherwise declared to the lead regulator prior to the Audit; and</i></p> <p><i>I have not accepted, nor intend to accept any inducement, commission, gift or any other benefit (apart from fair payment) from any owner or operator of the development, their employees or any interested party. I have not knowingly allowed, nor intend to allow my colleagues to do so.</i></p> <p><i>Note.</i></p> <p><i>The Independent Audit is an ‘environmental Audit’ for the purposes of section 122B(2) of the Environmental Planning and Assessment Act 1979. Section 122E provides that a person must not include false or misleading information (or provide information for inclusion in) an Audit report produced to the Minister in connection with an environmental Audit if the person knows that the information is false or misleading in a material respect. The maximum penalty is, in the case of a corporation, \$1 million and for an individual, \$250,000.</i></p> <p><i>The Crimes Act 1900 contains other offences relating to false and misleading information: section 192G (Intention to defraud by false or misleading statement—maximum penalty 5 years imprisonment); sections 307A, 307B and 307C (False or misleading applications/information/documents—maximum penalty 2 years imprisonment or \$22,000, or both).</i></p>	
Signature	
Name of Lead / Principal Auditor	Chris Jones
Address	10 Kings Road, New Lambton NSW 2305, Australia
Email Address	cjones@slrconsulting.com
Auditor Certification (if relevant)	Principal Environmental Auditor
Date:	14 December 2018

# APPENDIX D

## Endorsement of SLR



Mr Glenn Cook  
Environmental Coordinator – Malabar Coal  
PMB 9  
MUSWELLBROOK NSW 2333

Contact: Heidi Watters  
Phone: 02 6575 3401  
Email: [compliance@planning.nsw.gov.au](mailto:compliance@planning.nsw.gov.au)  
Our Ref: PA 06\_0202 and DA 106-04-00

Dear Glenn

**Maxwell Infrastructure – Independent Environmental Audit 2018**

Reference is made to correspondence from Malabar Coal dated 22 August 2018 seeking approval of the audit team for the upcoming Independent Environmental Audit (IEA) required by Schedule 5 condition 6 of Project Approval 06\_0202 for the Maxwell Infrastructure site (formally Drayton Mine) and Condition 7.1(b) of development consent DA 106-04-00 for the Drayton Rail Spur and Antiene Rail Loop.

The Secretary has considered Malabar Coal's request and approves the following audit team for the 2018 IEA:

- Christopher Jones – Lead Auditor and Rehabilitation Specialist
- Tracey Ball – Assistant Auditor
- Martin Davenport – Noise Specialist

The IEA is to be conducted in accordance with the conditions of the approvals, and the Department's *Independent Audit Guideline* (October 2015). Further, prior to undertaking the IEA site inspection, the audit team shall consult with the following agencies:

- Department of Planning and Environment
- Department of Planning and Environment – Resources Regulator – Division of Resources and Geoscience
- Environmental Protection Authority
- Department of Industry – Crown Lands and Water
- Office of Environment and Heritage
- Muswellbrook Shire Council
- Community Consultative Committee Chairperson

All matters raised by agencies shall be clearly addressed in the IEA report.

Within six weeks of completing the IEA site inspection, or as otherwise agreed by the



## Planning & Environment

Secretary, Malabar Coal is to submit a copy of the IEA report to the Secretary, together with a response to any auditor recommendations (RAR), including timetable for implementation. Please submit the IEA report and RAR to [compliance@planning.nsw.gov.au](mailto:compliance@planning.nsw.gov.au)

Should you need to discuss the above, please contact Heidi Watters on (02) 6575 3401 or email to [compliance@planning.nsw.gov.au](mailto:compliance@planning.nsw.gov.au)

Yours sincerely,

A handwritten signature in black ink, appearing to be 'BH' followed by a long horizontal stroke.

27.8.18

Ben Harrison

**Director – Compliance Operations**

As nominee of the Secretary

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