

23 June 2020

Stephen O'Donoghue  
Director  
NSW Department of Planning, Industry and Environment  
12 Darcy Street  
Parramatta NSW 2150

Dear Stephen,

**RE: MOOLARBEN COAL COMPLEX – PROVISION OF POSITIVE AND RESTRICTIVE COVENANTS TO SECURE BIODIVERSITY OFFSETS AND HERITAGE CONSERVATION AREAS**

In February 2020, the NSW Department of Planning, Industry and Environment (DPIE) provided approval to Moolarben Coal Operations (MCO) for an extension of time to 31 August 2020 to secure:

- the Biodiversity Offset Areas required under Condition 35 of Schedule 3 of the Moolarben Stage 1 Project Approval (05\_0117) (as modified) and Condition 38 of Schedule 3 of the Moolarben Stage 2 Project Approval (08\_0135) (as modified); and
- Heritage Conservation Areas (HCA) requiring in perpetuity protection under Condition 45 of schedule 3 of the Stage 2 Project Approval (08\_0135) (as modified).

At the time of this extension, MCO had secured 12 of 19 biodiversity offset areas in perpetuity. The remaining 7 biodiversity offsets areas were in the process of also being secured by Positive and Restrictive Covenants on the Use of Land in accordance with the *NSW Conveyancing Act 1919* with MCO and the DPIE liaising to finalise the covenant terms and securing of the biodiversity offset areas.

The positive and restrictive covenants (the Covenants) as required for the remaining 7 biodiversity offset areas, are currently being executed by the following joint venture entities:

1. Moolarben Coal Mines Pty Limited ACN 108 601 672;
2. Kores Australia Moolarben Coal Pty Limited ACN 129 132 501; and
3. Yancoal Moolarben Pty Ltd ACN 638 942 588 (Yancoal Moolarben);

together **Moolarben JV Entities**.

As you may be aware, Yancoal Moolarben's interest in the land covered by the Covenants has been transferred from a previous Moolarben JV Entity, Sojitz Moolarben Resources Pty Ltd ACN 126 287 027 (Sojitz). However, the transfer of the relevant titles from Sojitz to Yancoal Moolarben (Moolarben JV Transfer) has not yet been registered at NSW Land Registry Services (LRS), and will require stamping by the Office of State Revenue prior to registration occurring.

In consideration of this, it is noted that:

1. registration of the Covenants cannot occur until after the Moolarben JV Transfer is registered; and
2. registration of the Moolarben JV Transfer may not occur before 31 August 2020.

Notwithstanding the above, MCO will provide the Covenants executed by the Moolarben JV Entities to the DPIE, for execution by the Minister. It is proposed that following the Minister's execution the Covenants are return to MCO. Following the registration of the Moolarben JV Transfer, DPIE will be notified and MCO will lodge the covenants with the NSW LRS for registration.

It would be appreciated if the DPIE could confirm that the execution of the Covenants by the Moolarben JV Entities and the Minister satisfies the requirements of Condition 35, Schedule 3 of Stage 1 Project Approval (05\_0117) (as modified) and Conditions 38 and 45, Schedule 3 of Stage 2 Project Approval (08\_0135) (as modified).

Please do not hesitate to contact me on (02) 6376 1407 should you wish to discuss further.

Yours sincerely

**MOOLARBEN COAL OPERATIONS PTY LTD**

A handwritten signature in cursive script that reads "GChase".

**Graham Chase**

Environmental and Community Manager