



Independent Environmental Audit 2023

Mt Arthur Coal Mine

13 December 2023

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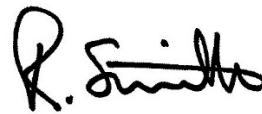
13 December 2023

Independent Environmental Audit 2023

Mt Arthur Coal Mine



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CONTENTS

EXECUTIVE SUMMARY	i
1. INTRODUCTION	1
1.1 Overview of Operations and Approvals	1
1.1.1 Description of primary processes undertaken during the audit period	1
1.2 Audit Objectives	4
1.3 Audit Scope	5
1.4 Audit Criteria	5
1.5 Limitations of this Report	6
2. AUDIT METHODOLOGY	7
2.1 Methodology and Process	7
2.2 Agency and Community Consultation	8
2.3 Classification of Audit Findings	10
3. AUDIT FINDINGS	11
3.1 Previous Audit Follow Up	11
3.2 Complaints Summary	25
3.3 Incident Summary	25
3.4 Environmental Monitoring Performance	27
3.4.1 Noise	27
3.4.2 Air quality	27
3.4.3 Blasting	27
3.4.4 Water management	27
3.5 Management Plan Adequacy	28
3.6 Environmental Protection Licence	28
3.7 Mining Lease	31
3.8 Compliance with Regulatory Instruments	31
4. CONCLUSION	42
 APPENDIX A CONDITIONS OF APPROVAL, ENVIRONMENTAL PROTECTION LICENCE AND MINING LEASE COMPLIANCE TABLES	
APPENDIX B AUDIT TEAM ENDORSEMENT	
APPENDIX C CONSULTATION	
APPENDIX D INDEPENDENT AUDIT DECLARATION FORM	

List of Tables

Table E.1 Summary of Audit Findings	i
Table 1.1 Product Coal Transport	2
Table 2.1 Agency and Stakeholder Consultation Summary	9
Table 3.1 Summary of 2020 Audit Findings	12
Table 3.2 Summary of 2023 Audit Findings	32
Table 4.1 Summary of Audit Findings	42

EXECUTIVE SUMMARY

Environmental Resources Management Australia Pty Ltd ('ERM') was commissioned to perform an Independent Environmental Audit (IEA) of the Mt Arthur Coal Mine ('MAC') on behalf of BHP. The mine is located approximately 5.5 km southeast of Muswellbrook, New South Wales (NSW). The primary purpose of the audit was to satisfy the Department of Planning, Industry and Environment (DPIE) – now the Department of Planning and Environment (DPE) Ministers' Conditions of Approval (CoA) Project Approval number PA 09_0062, which requires completion of an independent audit every three years from the date of the approval. The audit period assessed in this IEA is 7th October 2020 through 5th October 2023 (the date the site visit was completed as part of the audit).

The audit included a review of:

- DPIE, Ministers Conditions of Approval PA 09_0062 (Modification 1);
- Consolidated Coal Lease 744;
- Mining Leases 1358, 1548, 1593, 1655, 1739, 1757, 1487;
- Mining Purpose Lease (MPL) 263;
- Environment Protection Licence (EPL) 11457; and
- Implementation of Management Plans developed as part of the Ministers' Conditions of Approval.

MAC has established the control systems generally required for the stage of development i.e. operational. All staff interviewed demonstrated a high level of understanding of requirements and a commitment to the application of the requisite management systems and plans.

The number of non-conformances with the statutory conditions and implementation of the management plans is summarised in *Table E.1* below.

Table E.1 Summary of Audit Findings

Review	Non-compliances (NC)	Observations (Obs NC)	Observations (Obs C)	Recommendations
Statutory Instruments	13 (+5 duplicates)	Nil	1	7
Implementation of Plans	3	Nil	Nil	1

The assessment determined there were 13 instances of non-compliance with the Project approvals and 5 additional duplicate non-compliances. 3 non-compliances as relates to the implementation and adequacy of management plans were also identified.

Note: A duplicate finding is defined as where an incident has led to a non-compliance against more than one condition of the Project approvals.

An action table addressing all findings of the audit has been developed by MAC and will be issued separately to this report.

1. INTRODUCTION

Environmental Resources Management Australia Pty Ltd ('ERM') was commissioned to perform an Independent Environmental Audit (IEA) of the Mt Arthur Coal Mine ('MAC') on behalf of BHP. The mine is located approximately 5.5 km southeast of Muswellbrook, New South Wales (NSW). The primary purpose of the audit was to satisfy the Department of Planning, Industry and Environment (DPIE) – now the Department of Planning and Environment (DPE) Ministers' Conditions of Approval (CoA) Project Approval number PA 09_0062, which requires completion of an independent audit every three years from the date of the approval. The audit period assessed as advised by MAC in this IEA is 7th October 2020 through 5th October 2023 (the date the site visit was completed as part of the audit).

According to the CoA the audit must:

- be conducted by suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Secretary;
- include consultation with the relevant agencies;
- assess the environmental performance of the project and assess whether it is complying with the relevant requirements of this approval and any relevant mining lease or EPL (including any strategy, plan or program required under these approvals);
- review the adequacy of strategies, plans or programs required under these approvals; and, if appropriate; and
- recommend measures or actions to improve the environmental performance of the project, and/or any strategy, plan or program required under these approvals.

The Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.

1.1 Overview of Operations and Approvals

MAC is an open cut coal mine which was originally approved by the Minister for Planning under Project Approval PA 09_0062 on 14 September 2011 issued to Hunter Valley Energy Coal Pty Ltd (HVEC). PA 09_0062 MOD 1 was approved on 26 September 2014.

MAC lies within the Mining Leases (ML) 1358, 1548, 1593, 1655, 1739, 1757, 1487, Mining Purpose Lease (MPL) 263, and Consolidated Coal Lease (CCL) 744. MAC is wholly owned by HVEC. The site holds Environmental Protection Licence (EPL) 11457, which was last varied in June 2023.

1.1.1 Description of primary processes undertaken during the audit period

Current activities at the site include the following:

- Exploration;
- Land Preparation;
- Mining Operations;
- Coal Processing and Transport;
- Maintenance Activities;
- Waste Management;
- Water Management; and
- Rehabilitation.

A more detailed description of site operations is provided over the following sections.

1.1.1.1 Construction and demolition

MAC reported that one new structure was constructed during the audit period. MAC completed upgrades to the Bayswater Mining Industrial Area (MIA) workshops during the audit period for a new two bay workshop and ancillary structures. GHD certified the works were completed in accordance with the relevant Australian Standards and Buildings codes.

MAC conducted two demolitions of structures during the audit period of the Bayswater coal bin and the Orica silo. Both were carried out in accordance with AS 2601-2001.

1.1.1.2 Exploration

Exploration drilling was conducted during the audit period with actual exploration ceasing in 2020 although further drilling in advance of mining operations continued to occur through to 2023 for coal quality, geotechnical and/or hydrogeological evaluation purposes.

1.1.1.3 Land preparation

During the audit period, clearing of vegetation was conducted to prepare the surface in advance of mining operations. Prior to the commencement of any clearing activities, flora and fauna pre-clearing surveys are conducted in accordance with the Biodiversity Management Plan. Once cleared, soil stripping and stockpiling is conducted in the cleared areas in order to facilitate required works.

No vegetation clearing Non-Compliances were noted during the audit period.

1.1.1.4 Mining operations

MAC is approved to extract 32 M tonnes of Run of Mine (ROM) coal per annum. During the audit period coal extraction has not exceeded the tonnage limit.

- FY20 – 21.3 Mt;
- FY21 – 21.3 Mt;
- FY22 – 19.8 Mt; and
- FY23 – 20.8 (estimate).

Open cut mining activities, including processing of coal, generally occur 24 hours a day, seven days a week.

1.1.1.5 Coal processing and transport

Run of Mine (ROM) coal is processed at the onsite Coal Handling Preparation Plant (CHPP) and the product coal is then transport to the Port of Newcastle for export by rail with a limit of 27Mt. During the audit period MAC has transported less than the stipulated maximum tonnes of product coal each year (summarised in Table 1.1 below).

Table 1.1 Product Coal Transport

	Transport by rail
FY20	16.0 Mt
FY21	14.9 Mt
FY22	13.7 Mt
FY23	14.5 Mt (Estimated)

1.1.1.6 Maintenance activities

Maintenance of non-fixed plant and equipment primarily occurs within the maintenance workshop which is utilised and managed by MAC maintenance staff and contractors. MAC maintains records of all plant maintenance activities undertaken within the digital management system.

Thiess (contractors) maintain their own plant and equipment at their own facility and also maintains records of maintenance undertaken.

1.1.1.7 Waste management

Wastes generated at the Site include:

- General waste;
- Tyres;
- Batteries;
- Waste oil and filters;
- Hydraulic hoses;
- Coolant
- Scrap metal;
- Cardboard;
- Timber;
- Septic waste; and
- Paper, plastic, aluminium cans etc.

All wastes (with the exception of heavy plant tyres which are disposed of in-pit in accordance with the EPL) are collected by JR Richards (MAC) and Remondis (Thiess) for off-site disposal. Waste segregation was noted to be good during the audit. Used heavy plant tyres are disposed of in-pit in accordance with the EPL.

Coal rejects from the CHPP and waste overburden are disposed to the pit in accordance with approval conditions.

1.1.1.8 Air Quality management

Air quality management at MAC is undertaken in accordance with the approved Air Quality Management Plan.

During the audit period it was determined that there were times when the TEOM data capture rate was less than 90% which was noted to affect the ability to accurately determine the annual averages.

1.1.1.9 Noise management

Noise management at MAC is generally undertaken in accordance with the approved Noise Management Plan, with the exception of the incident noted below.

It was noted during the audit that a potential exceedance at monitoring site NP04 on the evening of 18 October 2021 triggered the activation of the noise Trigger Action Response Plan (TARP). The incident was notified to the DPE who following an investigation determined that the MAC Supervisors / Open Cut Examiner's (OCE) decision to not attend the location of the level 2 TARP alarms and instead to 'monitor noise levels' in this instance, to not be an appropriate response to the level 2 TARP alarms, nor satisfy the requirements of the NMP. The DPE issued an official caution relating to this incident.

1.1.1.10 *Water management*

Water management at MAC is undertaken in accordance with the approved Water Management Plan. The main components of water-related infrastructure include:

- sediment dams to capture sediment in sediment-laden runoff from emplacement areas;
- surface water drains to divert sediment-laden runoff from emplacement areas to sediment dams;
- surface water drains to divert runoff from undisturbed catchments around areas disturbed by mining; and
- a mine water system to store water pumped out of the mine pit area and to collect runoff from coal stockpile areas.

MAC experienced two surface water unplanned discharge events during the audit period which were reported as non-compliances.

A mine dam (SW23 – Export Sediment Dam) overflowed (after a period of heavy rainfall) draining offsite toward Ramrod Creek on 8 March 2022. Sampling was undertaken which determined that the impact was negligible.

A pipeline break incident occurred on 5 June 2021 which discharged water to the Hunter River. Sampling was undertaken until clean up actions had been completed which showed minimal impact to the river as pH and EC levels were measured at similar concentrations upstream and downstream of the discharge. A Pollution Reduction Program under EPL 11457 was undertaken focused on reducing risk of water discharges from pipeline failures, scheduled to be completed by 30 September 2023.

1.1.1.11 *Rehabilitation*

Progressive rehabilitation activities have occurred during the audit period and generally comprise contouring of landforms, planting and maintenance of vegetated areas.

Erosion and sediment control was observed to be well managed on the site rehabilitation.

The geomorphic landform design is being implemented across the site, with rock lined drainage lines.

Recommendations from previous ecological and soil reports are being progressively implemented across the site with evidence of tree thinning, supplemental plantings/seeding, and soil amelioration. Enhancement of rehabilitation to align with closure criteria and target vegetation communities was evident on site.

Rehabilitation trials were implemented on site with regard to surface amendments including: straw; organic matter (compost); and direct seeding on to overburden.

1.2 **Audit Objectives**

The primary objectives of the audit included:

- assess the environmental performance of the project and assess whether it is complying with the requirements in the CoA and any relevant EPL or Mining Leases (including any assessment, plan or program required under these approvals);
- review the adequacy of any approved strategy, plan, or program required under the abovementioned consents/approvals; and
- recommend appropriate measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program required under the abovementioned approvals.

1.3 Audit Scope

The scope of works in order to complete the Audit includes the following:

- the audit to be carried out in accordance with DPE's Guidelines for Independent Audits and AS/NZS ISO 19011:2018: Guidelines for auditing management systems;
- review of compliance against the documentation identified in CoA (as it relates to the current activities at the Mt Arthur Coal Mine) which included;
 - document review of compliance against the CoA, statement of commitments, and any other relevant consents/approvals;
 - a site inspection to assess compliance against field implementation of the active CoA;
 - review of supporting plans developed as part of the CoA and assessment of their adequacy towards effective environmental performance;
- review of monitoring results and trends with comparison of monitoring results against regulatory limits and CoA limits (where applicable);
- confirmation if any additional monitoring required for identified trends;
- community complaints with review completed for any trends and identifying the source of an established trend;
- review of any regulatory actions including any letters, penalty notices and prosecutions;
- review of previous Independent Environment Report audit report to verify close-out of actions;
- consultation with the Department of Planning and Environment (DPE) – ERM was not directed by the DPE to conduct consultation with other agencies or departments;
- draft report with results of compliance assessment to be issued for comment to BHP; and
- final report issued for submission to the DPE.

The audit covers the period 7th October 2020 through 5th October 2023 as advised by MAC and is limited to assessing the activities completed during the audit period.

1.4 Audit Criteria

The audit covered the following specifications and standards, with a particular focus on activities associated with the current stages of operation. The documents relevant to this audit included:

- Conditions of Approval PA 09_0062 (Modification 1);
- Mining Leases 1358, 1548, 1593, 1655, 1739, 1757, 1487, Mining Purpose Lease 263 and Consolidated Coal Lease 744;
 - MLs, MPL and CCL assessed against original conditions from 1 July 2020 to 1 July 2022;
 - MLs, MPL and CCL assessed against Standard Conditions of Part 2, Schedule 8A of *Mining Regulations 2016* from 2 July 2022 to 5 October 2023;
- EPL 12365;
- Implementation of approved Management Plans:
 - Noise Management Plan;
 - Air Quality Management Plan;
 - Aboriginal Heritage Management Plan;
 - Biodiversity Management Plan;
 - Conservation Management Plan;

- Heritage Management Program;
- Water Management Plan;
- Environmental Management Strategy;
- Blast Management Plan;
- Erosion and Sediment Control Plan; and
- Pollution Incident Response Management Plan.

1.5 Limitations of this Report

This disclaimer, together with any limitations specified in the report, applies to this report and its use.

This report was prepared in accordance with the contracted scope of services for the specific purpose stated and subject to the applicable cost, time and other constraints. In preparing this report, ERM relied on:

- a. client/third party information which was not verified by ERM except to the extent required by the scope of services, and ERM do not accept responsibility for omissions or inaccuracies in the client/third party information; and
- b. information taken at or under the particular times and conditions specified, and ERM do not accept responsibility for any subsequent changes.

This report has been prepared solely for use by, and is confidential to, the client and ERM accepts no responsibility for its use by other persons. This report is subject to copyright protection and the copyright owner reserves its rights. This report does not constitute legal or financial advice.

2. AUDIT METHODOLOGY

2.1 Methodology and Process

The audit comprised a site inspection during the dates 3 to 4 October 2023, interviews with key personnel, and review of records and other related documentation.

The audit process included the following primary components:

- development of a Terms of Reference developed which included:
 - audit scope and objectives;
 - date and location of audit;
 - members of audit team;
 - list of people to be audited; and
 - list of reference documents and audit criteria.
- a project inception meeting was held on 22 August 2023 to confirm details of the Terms of Reference, site inspection, logistics and request for documentation required prior to the site inspection component of the audit;
- an opening meeting was held on 3 October 2023 at site to confirm the audit objectives and scope for the site inspection. Attendees included:
 - Andrew Lewis (ERM Lead Auditor);
 - Leanne Lee (ERM Support Auditor);
 - Grant Coultan (MAC General Manager);
 - James Nixon (MAC Superintendent Environment);
 - Chloe Christensen (MAC Principal Environment);
 - Leeanne Pattinson (MAC Principal Environment);
 - Clayton Richards (Rehabilitation Specialist, Minesoils Principal);
 - Monica Esposito (MAC Specialist Environment);
 - Michelle Eckersley (MAC Specialist Environment);
 - Kathrine Skeen (MAC Specialist Environment);
 - Claire Killeen (MAC Specialist Community); and
 - Amanda Walker (MAC Manager Corporate Affairs).
- Site inspections were undertaken between 3 and 4 October 2023;
- A debrief / closeout meeting was held at the site on 4 October 2023 to discuss initial findings and recommendations. Attendees were:
 - Andrew Lewis (ERM Lead Auditor);
 - Leanne Lee (ERM Support Auditor);
 - Hannah Farr (MAC Manager HSE);
 - James Nixon (MAC Superintendent Environment);
 - Chloe Christensen (MAC Principal Environment);
 - Leeanne Pattinson (MAC Principal Environment);
 - Monica Esposito (MAC Specialist Environment);
 - Michelle Eckersley (MAC Specialist Environment);

- Kathrine Skeen (MAC Specialist Environment);
- Claire Killeen (MAC Specialist Community);
- Amanda Walker (MAC Manager Corporate Affairs);
- Preparation of the draft audit report; and
- Preparation of the final audit report.

2.2 Agency and Community Consultation

As per DPE's Guidelines for Independent Audits ERM consulted with the Department of Planning and Environment (DPE) by email on 19 September 2023. The DPE did not direct ERM to undertake any consultation with other agencies or departments. Responses are outlined in *Table 2.1*.

Table 2.1 Agency and Stakeholder Consultation Summary

Agency/Stakeholder	Method	Consultation summary	Response	Location Addressed in Report
Department of Planning and Environment (DPE)	Email on 19 September 2023	Provision of Audit Terms of Reference, introduction to team, outline date of audit and provide opportunity to comment.	The DPE requested a focus on the following items: • Implementation of the Air Quality Management Plan, including responses to alarms and complaints; • Implementation of the Blast Management Plan, including the completion of pre-blasting requirements and checklists; • Implementation of the Noise Management Plan, including responses to alarms and complaints; • Implementation of the Water Management Plan, specifically during heavy rainfall events; and • Adequacy of measures undertaken at the mine to reduce greenhouse gas emissions.	Items within the scope of the audit are addressed within the audit report and audit tables within Appendix A. The audit noted that MAC has experienced a limited number of issues with the implementation of each of the listed Management Plans during the audit period as detailed in the audit report and Appendix A.

An email was sent to the DPE representative requesting feedback on those issues considered most relevant by the Department at the time of the audit. The consultation outlining the terms of reference was provided prior to the site inspection to obtain feedback and draw attention to any key issues, within the agreed scope of the audit. The request for feedback also requested the DPE to advise of other departments, agencies, committees and councils that they wanted the audit to consult with. The DPE did not advise of any other consultation requirements. The DPE correspondence is provided in Appendix C.

Responses received required the audit to focus on compliance against CoA as well as the implementation of the Air Quality, Blast, Noise and Water Management Plans. These areas are captured in the audit findings.

2.3 Classification of Audit Findings

Findings resulting from an assessment of audit evidence were divided into six categories as follows:

- **Compliant (C):** the intent and all elements of the audit criteria requirements have been complied with within the scope of the audit.
- **Non-compliant (NC):** Failure to meet the audit requirements, failure to achieve the field performance outcomes identified in documentation, or ineffective environmental management of the activity.
- **Not Triggered (NT):** A regulatory approval requirement has an activation or timing trigger that had not been met at the time of the audit inspection, and therefore a determination of compliance could not be made.
- **Note:** A statement or fact, where no assessment of compliance is required.
- **Obs:** 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.

3. AUDIT FINDINGS

3.1 Previous Audit Follow Up

The last audit was conducted by Integrated Environmental Management Australia Pty Ltd for the period 1 July 2017 to 30 July 2020. A summary of the 2020 audit findings and their status is summarised below in *Table 3.1*.

Table 3.1 Summary of 2020 Audit Findings

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
<i>Minister's Conditions of Approval PA 09-0062</i>					
S2 C12	Operation of Plant and Equipment The Proponent shall ensure that all plant and equipment used at the site, and equipment used offsite to monitor the performance of the Mt Arthur mine complex, is: (a) maintained in a proper and efficient condition; and (b) operated in a proper and efficient manner.	a) Evidence of numerous maintenance certificates for environmental monitoring equipment including air quality, water monitoring and meteorological stations. b) The dust issues and Penalty Notices from the EPA during the IEA period (see Schedule 3 Condition 24) indicate the site was not operating in a proper and efficient manner during the times of those PIN's. MAC received 2 penalty notices for dust in the FY 2019. It was determined that MAC was non - compliant with Condition O1.1, O2.1, O3.1 and O3.2 of the EPL, which includes conditions such as "Licensed activities must be carried out in a competent manner". Therefore, MAC is also non - compliant with this condition. There are no further recommendations relating to this specific condition.	Non - Compliant (Low Risk)	No further recommendation.	Deemed as Compliant during this audit.
S3 C16	Operating Conditions During mining operations on site, the Proponent shall: (a) implement best blasting practice to: - protect the safety of people and livestock in the area surrounding blasting operations; - protect public or private infrastructure/property in the area surrounding blasting operations from blasting damage; and - minimise the dust and fume emissions from blasting at the Mt Arthur mine complex; (b) ensure that blasting on the site does not damage heritage sites, including Edinglassie, Rous Lench, and Balmoral; (c) co-ordinate the timing of blasting on site with the timing of blasting at the Drayton and Bengalla coal mines to minimise the potential cumulative blasting impacts of the three mines; and (d) (d) operate a suitable system to enable the general public and surrounding landowners and tenants to get up-to-date information on the proposed blasting schedule on site, to the satisfaction of the Secretary.	a) There was a reportable blast fume event that occurred at 10:37am on 17 April 2019. See Schedule 3 Condition 18 for further details about this event. MAC are therefore non - compliant with this part of the condition. Further mitigation measures have been put in place regarding blast fume management therefore there are no further recommendations regarding this aspect. 'Minimise the dust and fume emissions from blasting at the Mt Arthur mine complex'.	Non - Compliant (Low Risk)	No further recommendation.	Deemed as Compliant during this audit.
S3 C17	Blast Management Plan The Proponent shall prepare and implement a Blast Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the blast criteria and operating conditions of this approval, including: detailed demonstration that blasting within the blast control area shown in Appendix 5 can be undertaken in a manner that will meet the blast impact assessment criteria in Table 5 at all times; and	<u>Preparation:</u> It was resubmitted for approval in March and April 2018. Updated 2018 version is available on the website. (a) Section 5. (b) Section 4. (c) Section 6. (d) Section 2.4. <u>Implementation:</u> - Evidence of blast notification and road closures; - Blasts recorded in the Annual Review; - Evidence of blasting recorded on the portal.	Non - Compliant (Low Risk)	No further recommendation.	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
	- a detailed blast fume management strategy minimise and manage blast fumes; (b) include a road closure management plan, prepared in consultation with the applicable roads authority, that includes provisions for: - minimising the duration of closures, both on a per event basis and weekly basis; - avoiding peak traffic periods as far as practicable; and - coordinating with neighbouring mines to minimise the cumulative effect of road closures; (c) include a blast monitoring program for evaluating and reporting on compliance with the blasting criteria and operating conditions of this approval; and (d) Include the requirement for Mt Arthur Coal to actively participate in Muswellbrook Council's online blasting portal.	- Evidence of fume management being recorded in blasts on blast recording spreadsheet. Blasting completed by training specialists. Figure 3 outlines the Blast Fume Management Strategy; <i>Blast Fume Event</i> Key aspects of the incident: - Blasting occurred at 10:40am on 17 April 2019; - This was completed by as contractor; - The EPA contacted MAC at 11:24am on 17 April to outline a complaint has been received and required an incident report by 24 April 2019. MAC provided some information by email (not an official report) on 19 April 2019. - MAC notified DPIE at 9:26am on 19 April 2019. Additional information was provided to DPIE by email on 11:13am on 24 April 2019. A further incident report was provided to DPIE on 10 May 2019. This original incident report to DPIE was brief and didn't contain any photos of the flume incident. The report stated that 'Upon firing the blast at 10:30am on 17 April 2019 NOx fume was generated and given a 4C rating by the BHP appointed shotfirer'. The Incident report to DPIE dated 10 May 2020 stated: The following key findings were identified upon investigation: <i>Pre blast checklist did not identify level of fume as a risk;</i> <i>Product selection in the area was not designed specifically for blasting in pre-strip and clay materials;</i> <i>The blast was located in a pre-strip area with high clay content, resulting in an incomplete combustion reaction in the blast column upon firing.</i> Additional training was completed for blast contractors. The incident report stated that the pre - blast checklist did not identify the level of blast fume as a risk. Based on the fact that the shot had been sleeping for 10 days and there was clay material in the blasting area, the blast fume risk should have been high. It is noted that the initial blast fume rating in the email to DPIE on 19 April stated the blast was a 4A. The 10 May 2020 incident report stated the shot had a fume rating of 4C, with the original 4A rating being incorrect. Based on the incident report the fume dissipated and did not leave the mining lease. The Blast Flume rating system (ratings and example photos) from the Code of Good Practice: Prevention and Management of Blast Generated			

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		NOx Gases in Surface Blasting, Edition 2, (AEISG, August 2011). is included in the internal PRP-PRO 106 Pre Blasting Approval. Based on the information within the Blast Management Plan and the blast fume incident report, this was preventable. Therefore non - compliant for implementation of the Blast Management Plan. Further mitigation measures have been put in place regarding blast fume management therefore there are no further recommendations regarding this aspect.			
S3 C20	Impact Assessment Criteria The Proponent shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the project do not cause exceedances of the criteria listed in Tables 6, 7 and 8 at any residence on privately-owned land (except for air quality affected land listed in Table 1).	The has been non - compliances relating to data collection and one exceedance of short term criteria not being reported. It should be noted that the Annual Reviews recorded times where the data capture for the TEOM's was not 100%. Although the capture rate was high this still is a non - compliance, as this affects the annual average and some short term results for PM10. DC09 had a data capture of 85% during the FY 2019 period. This triggers a non - compliance in relation to data collection. 1 July 2017 - 30 June 2018 - Table 15 (pg 34) from the FY 2018 Annual Review had the MAC contribution for the TEOM - DC09 (27 September 2017) as 51µg/m3), which is above the short term criteria for PM10. This was not recorded as a non - compliance in the FY 2018 Annual Review in the Incident Section, however information was provided outlining that DPIE were notified at the time of the exceedance. The AQMP was updated during the Audit period (approved on 25 January 2019). For the TEOM's, the criteria applies to DC02, DC04, DC05, DC06, DC07 and DC09. The site no longer monitors using HVAS and use TEOMs as per the approved AQMP. Evidence of air quality monitoring in monthly reports and Annual Reviews which cover financial years. Evidence of MAC assessing the contribution of the site towards air quality criteria. This involves a review of results and wind direction. 1 July 2018 - 30 June 2019 - Based on the information provided, including a review of contributions from MAC, the site was within criteria. There were some days of extraordinary events. 1 July 2019 - 30 June 2020 - Based on the information provided, including a review of contributions from MAC, the site was within criteria. There were some days of extraordinary events.	Admin Non - Compliance	NC REC 1: The evidence referenced in the audit report identified specifically that the Non-compliance related to; 1. "The Annual Reviews recorded times where the data capture for the TEOM's was not 100%. Although the capture rate was high this still is a non - compliance, as this affects the annual average and some short term results for PM10. DC09 had a data capture of 85% during the FY 2019 period. This triggers a non - compliance in relation to data collection." MAC will access and report data capture compliance in the Annual Review consistent with the accepted approach for EPA Annual Return reporting, which includes consideration for scheduled maintenance and calibrations which are in place to ensure compliant operation of the monitoring equipment.	Deemed as Compliant within this audit period. It was noted that TEOM data capture was at times below 90% during the audit period which can affect the annual average and short-term results. MAC have within the audit period undertaken remedial measures to enable adequate data capture.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		Notes from Air Quality Specialist: It appears that the air quality impact assessment criteria may have been misinterpreted by MAC in their Annual Reviews. The Annual Reviews estimate MAC's contribution to measured PM10 results and compare the estimated incremental impact against the cumulative PM10 24-hour average criterion. Refer to: Table 12 to Table 15 of FY 2018 Annual Review; Table 12 to Table 15 of FY 2019 Annual Review; and Table 12 and Table 14 of FY 2020 Annual Review. The audit found that on a number of occasions the background contribution to the measured PM10 concentrations were below the criterion and MAC's contribution led to an exceedance of the criteria. These events should be reported as exceedances. For example, on 27 September 2017, DF05 recorded a 24-hour average PM10 concentration of 66 µg/m3, MAC estimates that its contribution to the reading was 43 µg/m3 on that day which means the background concentration was approximately 23 µg/m3 on that day (well below the criteria) and MAC's contribution caused an exceedance of the applicable criteria. In all it is estimated that 65 exceedances were not reported due to this misinterpretation of the criteria these 65 exceedances occurred on 48 unique days which were not noted by the annual reviews to be Declared Extraordinary days and where background pollutant concentrations were estimated to be below the relevant criteria.			
S3 C23	Operating Conditions The Proponent shall: (a) implement best practice air quality management, including all reasonable and feasible measures to minimise offsite odour, fume and dust emissions of the Mt Arthur mine complex; (b) implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site; (c) minimise any visible air pollution generated by the Mt Arthur mine complex; (d) minimise the surface disturbance on the site; (e) operate a comprehensive air quality management system that uses a combination of predictive meteorological forecasting and real-time air quality monitoring data to guide the day to day planning of mining operations and the implementation of both proactive and reactive air quality mitigation measures to ensure compliance with the relevant conditions of this approval; (f) minimise the air quality impacts of the project during adverse meteorological conditions and extraordinary events (see Note d above under Table 8); and (g) co-ordinate air quality management at the Mt Arthur mine complex with air quality management at the Drayton, Mangoola	(a) Evidence of air quality monitoring system and actions in place during the field visit. It should be noted that: - MAC received a penalty notice for excessive wheel generated dust on 14 November 2017 based on an EPA inspection. A Penalty Notice of \$15,000 and an Official Caution were issued by the EPA for the alleged breach of 64(1) of the POEO Act, being failure to comply with condition O3.1 of the MAC EPL that occurred on 17 November 2017. - The DPIE provided a show cause notice to MAC for inadequate response to real - time air quality alarms on 14-15 December 2017. - Reporting of HVAS Exceedances - HVAS exceedance results from December 2018 were not individually investigated and reported to the DPIE. The reason for not reporting was based on the ongoing liaison with DP&E regarding the planned removal of HVAS equipment from the AQMP. - MAC received a Penalty Notice from the EPA for 'Dust over Denman and Edderton Roads on 26 October 2018'. The letter was dated 23 July 2019.	Non - Compliant (Low Risk)	No further recommendation.	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
	and Bengalla mines to minimise cumulative air quality impacts, to the satisfaction of the Secretary.	- Air quality investigation reports were submitted to DPIE for 10 and 11 of December 2019. The reports showed that there were no recorded actions in response to a level 3 alarm from the dust monitoring system. (b) Evidence of recording energy usage. No issues identified; (c) The site inspection during the IEA noted effective dust management. Looking into two of the pits, evidence was seen of water trucks being used and speeds being minimised to reduce dust. In the afternoon some higher levels of dust were seen along the haul road near the CHPP workshop. It was noted and the MAC 'Specialist Environment' called up on the UHF radio and a water truck was already on its way to water the haul road. This was a very quick action and immediately reduced dust. Dust was being managed effectively at the Mt Arthur South area at the time of the site inspection. There were times during the IEA period where the site did not effectively minimise visual air pollution effectively. See sub condition a). This has resulted in a Non - compliance for this condition. (d) Evidence from the Annual Reviews and field inspection indicates surface disturbance has generally been minimised. (e) Evidence of real time and predictive system. This system that came in two years ago appears to have assisted in improving dust management at MAC. (f) See sub condition a) (g) Evidence of co-ordination through meetings with other sites. MAC are non - compliant for this condition based on the PINS and show cause notices from the EPA and DPIE.			
S3 C24	Air Quality Management Plan The Proponent shall prepare and implement an Air Quality Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the relevant air quality criteria and operating conditions of this approval; (b) describe the air quality management system; (c) include an air quality monitoring program that: - adequately supports the air quality management system; - evaluates and reports on the: - the effectiveness of the air quality management system; - compliance with the air quality criteria; - compliance with the air quality operating conditions; and - defines what constitutes an air quality incident, and includes a protocol for identifying and notifying the Department and relevant stakeholders of any air quality incidents.	<u>Preparation:</u> The most recent AQMP was approved on 25/1/2019 by DPIE. The prior version was approved on 27/5/2013 and covered over half of this IEA period. The assessment of preparation requirements has been completed against the 2019 document. a) Section 3. b) Section 2 and 3. c) Section 4. <u>Implementation:</u> - Field evidence - The site inspection during the IEA noted effective dust management at the time of the site inspection. - Evidence of air quality monitoring - results and Annual Reviews; - Evidence of predictive system; - Evidence of changing operations based on the real time system. This system that came in two years ago appears to have assisted in improving dust management at MAC. This system enables MAC to determine the contribution of dust from the site, with this being a manual system prior to the current system. Evidence of predicting areas where dust would be an issue during a shift. It is noted that a company	Non - Compliant (Low Risk)	Engage an air quality specialist to complete a quality check and review of the real time air quality management system.	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		has been engaged to assist with incorporating data validation. The IEA team also notes that an air quality specialist was involved with the initial establishment of the system. However it would be preferable if an air specialist was engaged for a quality check of the real time system and dust contributions from site. However there is evidence of the site not effectively implementing the AQMP as per the incidents identified in Schedule 3 Condition 23. Therefore, MAC is non – compliant for implementing the AQMP.			
S3 C33	Groundwater Monitoring Program The Groundwater Monitoring Program must include: (a) detailed baseline data of groundwater levels, yield and quality in the region, and privately-owned groundwater bores, that could be affected by the project; (b) groundwater impact assessment criteria; (c) a program to monitor: - groundwater inflows to the mining operations; - impacts on regional aquifers; - impacts on the groundwater supply of potentially affected landowners; - impacts on the Hunter River and Saddlers Creek alluvial aquifers; and - impacts on any groundwater dependent ecosystems and riparian vegetation; (d) procedures for the verification of the groundwater model; and (e) reporting procedures for the results of the monitoring program and model verification.	<u>Preparation:</u> a) Appendix 1. b) Section 2.1. c) Section 2 and Appendix 3. d) Section 2.1 states - "The groundwater model will be reviewed every five years and, if required, updated and recalibrated to reflect operational or water management changes". e) Section 2.3. <u>Implementation:</u> Groundwater monitoring program (2015) requires the proponent to monitor water quality every 6 months, for a full suite of metals and major ions and bimonthly and continuously with a datalogger for almost all bores. Full water quality is reported for a small number of bores only in Annual review FY18, a lot of bores have been missed. The water monitoring records, both on a two monthly basis and continuous datalogger readings are presented for 4 bores and one VWP only. None of the other hydrographs or results are presented in FY18 and FY19. Annual review FY2019 reports a number of conditions which are not met and discusses the outcome and the reason behind this. Annual report FY20 reports all monitoring both level and quality and presents the results of those. Monitoring is not in compliance with the requirements of Groundwater monitoring program for FY18 and FY19. Section 6.2.1 and 6.2.2 of the Review of Groundwater interim monitoring program 2018 recommended revision of water level and quality trigger levels and change in monitoring frequency and sampling points. A number of bores exceeded trigger levels set in the approved GMP. Section 3.2 of the 2018/2019 Groundwater annual review uses trigger values in the approved GWMP 2015 and states a number of bores including the ones installed in the alluvium to have exceeded trigger levels for mainly water level and to minor extent for water quality. The recommendations made in the previous report were not fully followed through. The 2018 Groundwater	Non - Compliant (Low Risk)	NC REC 2: MAC submitted a new Water Management Plan to DPIE for approval in April 2020, which includes a revised groundwater monitoring program. As at December 2020 MAC has responded to all Requests for Information relating to the assessment of the Water Management Plan and is awaiting approval of the plan by DPIE. Once approved MAC will ensure that all further groundwater monitoring is conducted in accordance with the new Water Management Plan. A new scope of works will be issued to the groundwater monitoring contractor to commence monitoring in accordance with the revised groundwater monitoring program approved in the Water Management Plan. NC REC 3: Assess and develop an action plan of all monitoring protocols recommended in the 2018/2019 Groundwater Annual Review and the more recent 2019/2020 reports.	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		interim monitoring program report states that new groundwater model is being prepared for trigger level review, however there is no mention of the outcomes in 2018/2019 Groundwater annual review. Groundwater monitoring protocols were not followed from previous report and following a number of improvements recommended by the consultant. Section 11 of the 2019 Annual Review reported that Groundwater monitoring not undertaken in accordance with the approved Plan. A number of exceedances were reported and details provided. The 2019 Annual Review stated: <i>Although the FY18 Annual Review stated that groundwater trigger values were revised following the completion of the interim monitoring program and would be applied for the FY19 monitoring period, instead the currently approved GWMP dated 28 April 2015 is applicable for the FY19 monitoring period. The revised trigger values will not be applied until further review and subsequent approval by the DPIE.</i> In anticipation of moving to the revised site Water Management Plan in FY19, Mt Arthur Coal adjusted the sampling frequency to quarterly instead of bi-monthly and also adjusted the sampling requirements at some of the sites as recommended by the independent consultant. This premature implementation of the revised site Water Management Plan resulted in a number of non - compliances with regards to collection of manual water level data and collection of water quality sample data. Water level and quality exceedances were reported to DPIE in April 2020 and new Site Water Management plan incl Groundwater monitoring program submitted for approval. <u>Groundwater model verification</u> Model verification was undertaken and is reported in Annual Review 2020 (Annual groundwater review 2019/2020). There were no model updates since the issue of the EA in 2013, therefore it has been over 5 years since the groundwater model was verification. Impacts to groundwater inflow- GMP 2015 states that as no measurement of volumes can be taken, the modelled values are considered most appropriate method of estimates , unless the trigger values are exceeded. Given that trigger values were exceeded in 2018, 2019 and 2020 the impacts also need to be assessed. <u>Impacts to private landholders</u> Annual review 2019 and 2018/2019 does not mention the impacts to private landholders . Annual review FY20 indicates		NC REC 4: An investigation has been triggered in relation to exceedances that were reported for Hunter River and Saddlers Creek alluvium. The results of the Investigation will be reported to DPIE and included in the next Annual Ground Water Review. NC REC 5: The groundwater model was under revision in 2020 but had not been completed at the time of the Audit. The model revision was completed in November 2020. All inflow predictions have been assessed as complaint against EA predictions and the Project Approval. New Trigger levels resulting from this review have been included within the revised Water Management Plan currently with DPIE for approval. No further action is proposed. NC REC 6: Future annual reports will make a record of no complaints from the private bore owners following a similar format to the most recent 2019/2020 Annual Review that was assessed with this condition. The annual review process document has been updated to include a task to ensure that all independent environmental audit actions relating to annual review content are reviewed and included in the Annual Review.	

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		that the 'alluvial monitoring shows no adverse impact on the alluvial groundwater conditions and beneficial use of groundwater'.			
S3 C34	Surface and Ground Water Response Plan The Surface and Ground Water Response Plan must describe the measures and/or procedures that would be implemented to: (a) investigate, notify and mitigate any exceedances of the surface water, stream health and groundwater impact assessment criteria; (b) compensate landowners of privately-owned land whose water supply is adversely affected by the project, including provision of an alternative supply of water to the affected landowner that is equivalent to the loss attributed to the project; (c) minimise, prevent or offset potential groundwater leakage from the Hunter River and Saddlers Creek alluvial aquifers; and (d) mitigate and/or offset any adverse impacts on groundwater dependent ecosystems or riparian vegetation.	Preparation: a) Section 2.1 outlines the exceedance protocol. b) Section 2.3 outlines management of nearby users. c) Section 2.4 outlines management of aquifer leakage. The Stream health protocol provides information of managing impacts to riparian vegetation. <u>Implementation:</u> Surface Water • Evidence of reporting of the exceedance of trigger levels from the Surface Water Monitoring Program. Reporting is completed as per the Surface and Groundwater Response Plan. • Evidence of pipeline leakage with details provided on 23 January 2020, with details provided in Section 11 of the Annual Review. The IEA Team understands there will be a Pollution Reduction Program in place in consultation with the EPA. • Evidence of a discharge of water across the mine water pipeline across the old conveyor access road, with details provided in Section 11 of the Annual Review. Groundwater • Evidence of reporting and investigating groundwater level and quality trigger levels in 2018 and 2018/2019 report. No communication with DPI was sighted except reported trigger level exceedance in 2020. • There is no discussion on landholder bores or impact on those bores in the Annual reports 2018, 2018/2019 and 2019. • Groundwater monitoring is discussed which relates to leakage from alluvium and the cut-off wall effectiveness. The effectiveness of the wall is discussed in Annual report 2019 indicating it was performing satisfactorily. • No GDE s were identified therefore no impact can be assessed. • As the site has been operating under an unapproved Surface Water and Groundwater Response Plan then it is not possible to deem compliance with this condition.	Non - Compliant (Low Risk)	Surface Water: As per EPL recommendation relating to Pollution Reduction Program. Groundwater: NC REC 6: Annual reporting needs to make a record of no complaints from the private bore owners.	Deemed as Compliant during this audit.
S3 C40	Biodiversity Management Plan The Proponent shall prepare and implement a Biodiversity Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with OEH and Council, and be submitted to the Secretary for approval by the end of March 2015, unless otherwise agreed with the Secretary;	<u>Preparation:</u> a) Most recent version of the Biodiversity Management Plan approved in May 2019. Section 12.5 and Appendix 4 outline consultation. b) Section 7 and 9.3. c) i-Sections 7 - 12 has some information but no specific short, medium and long term measures for all biodiversity areas eg.	Non - Compliant (Low Risk)	No further recommendation	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
	(b) describe how the implementation of the offset strategy would be integrated with the overall rehabilitation of the site (see below); (c) include: (i) a description of the short, medium, and long term measures that would be implemented to: • implement the offset strategy; and • manage the remnant vegetation and habitat on the site and in the offset areas; (ii) detailed performance and completion criteria for the implementation of the offset strategy; (iii) a detailed description of the measures that would be implemented over the next 3 years, including the procedures to be implemented for: • implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata; • protecting vegetation and soil outside the disturbance areas; • rehabilitating creeks and drainage lines that occur on the site, • both inside and outside the disturbance areas (such as the White's Creek Diversion), to ensure no net loss of aquatic habitat; • managing salinity; • conserving and reusing topsoil; • undertaking pre-clearance surveys; • managing impacts on fauna; • landscaping the site and along public roads (including Thomas Mitchell Drive, Denman Road, Edderton Road and Roxburgh Road) to minimise visual and lighting impacts; • collecting and propagating seed; • salvaging and reusing material from the site for habitat enhancement; • salvaging, transplanting and/or propagating threatened flora and native grassland, in accordance with the Guidelines for the Translocation of Threatened Plants in Australia (Vallee et al., 2004); • controlling weeds and feral pests; managing grazing and agriculture; • controlling access; and bushfire management; (iv) a program to monitor the effectiveness of these measures, and progress against the performance and completion criteria; (v) a description of the potential risks to successful revegetation, and a description of the contingency	remnant vegetation within the Project Approval area. It is noted that Appendix C outlines management actions within conservation areas 'for a period of 10 years, therefore this meets the requirements. ii -Section 12.1, Section 13 and Appendix 2. iii- Sections 8,9, 11 & Appendix 2. iv - Sections 12 and 13 and Appendix 2. v - Section 13.1. vi - Section 12.1 & 12.4. <u>Implementation:</u> • Evidence of reporting on biodiversity in the Annual Review. Evidence of annual ecological development monitoring program, consisting of vegetation community assessment and fauna surveys. • Some evidence provided for collection of seed from the conservation and offset areas. • Evidence of weed management - field evidence and site records. Evidence of Weed Mapping Reports including offset areas and rehabilitation areas. Increase in funding for weed management. • Evidence of vertebrate pest management. • It should be noted that the IEA team assessed compliance based on the reports provided to the IEA team. A brief inspection was completed by the IEA Rehabilitation Specialist in one of the onsite offset areas. <u>Clearing Incident:</u> The FY 2020 Annual Review provided details on an incident for clearing outside the disturbance boundary. In early January 2020, a contractor undertaking clearing at MAC cleared an area of approximately 250m2 beyond the pegged disturbance limit, which was also beyond the approved MAC disturbance boundary. This has been assessed to be a failure to comply with Schedule 3, Condition 40 of Project Approval MP 09_0062 by failing to implement the approved Biodiversity Management Plan to the satisfaction of the Secretary. Section 11.3.1 of the approved BMP refers to the MAC Land Management Procedure, which details control measures to be implemented during vegetation clearing. DPIE have issued an official caution in relation to this matter. Since then hard fences have been established to eliminate clearing outside the boundary. Equipment used for clearing has GPS site boundaries. Incident investigation was			

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
	measures that would be implemented to mitigate these risks; and (vi) details of who would be responsible for monitoring, reviewing, and implementing the plan.	undertaken. There is a new fencing program in place for 2020, with these including fencing within the conservation areas. No further recommendation.			
S3 C45	Aboriginal Cultural Heritage Management Plan The Proponent shall prepare and implement an Aboriginal Heritage Management Plan for the project to the satisfaction of the Secretary. This plan must: - be prepared in consultation with OEH, the Aboriginal community, Council and relevant landowners; - include the following for the management of Aboriginal heritage on-site: - a plan of management for the Thomas Mitchell Drive Offsite Offset Area (identified in Condition 36); and - a program/procedures for: - salvage, excavation and/or management of Aboriginal sites - and potential archaeological deposits within the project disturbance area; - protection and monitoring of Aboriginal sites outside the project disturbance area, including the scarred trees and axe grinding grooves identified on the site; - managing the discovery of any new Aboriginal objects or skeletal remains during the project; - maintaining and managing access to archaeological sites by the Aboriginal community; - ongoing consultation and involvement of the Aboriginal communities in the conservation and management of Aboriginal cultural heritage on the site; and - management of the "Fairford 1" site in situ, including reasonable and feasible measures to mitigate impacts on this site, until an agreement can be reached with relevant Aboriginal stakeholders and OEH, for its salvage and relocation.	<u>Preparation:</u> a) Most recent version of the ACHMP was approved in August 2012. Evidence of consultation in Appendix 5. b) Evidence of Thomas Mitchell Drive plan. Covers other requirements of this condition with mostly in Section 5. Appendix 1 also illustrates the All Management Plan 'requirements of Schedule 5 Condition 2. <u>Implementation:</u> The previous IEA noted there were administrative non - compliances. These related to implementing the ACHMP. It is noted that the Thomas Mitchell Drive offset area has been fenced in accordance with the AHMP but the access protocols were not determined through consultation with the Aboriginal Stakeholders. This still appears to be the case, therefore this is a non - compliance. The ACHMP has not been updated since 2012 to cover administrative non compliances and does not meet the review timeframes outlined in Schedule 5 Condition 4 of the Development Consent. It is noted in Section 10 of the 2019 Annual Review that: 'AHMP is currently being reviewed and revised by Mt Arthur Coal, in consultation with OEH, the Aboriginal community, MSC and relevant landowners. The DPIE have requested that the revised management plans for review be submitted sequentially to avoid overloading the reviewers'. Evidence of salvage reports, collections and storage of artefacts from the Annual Review. 2018 Annual Review states: during March 2018, salvage works were undertaken in the Edderton Road realignment area in collaboration with Gillian Goode from RPS archaeologists with the assistance of the registered Aboriginal parties. During January and February 2019, salvage works were undertaken to relocate the 'Fairford 1' grinding groove site from the Roxburgh pit area in collaboration with RPS archaeologists and with the assistance of the registered Aboriginal parties. There is little information in the ACHMP regarding the Keeping Place (Section 5.4.4). This is an important part of the ACHMP, with further information required.	Admin Non - Compliance	NC REC 7: The Aboriginal Cultural Heritage Management Plan was being revised in 2019/2020. However due to Covid-19 restrictions through 2020 consultation with the Aboriginal Community has not been possible. DPIE have been consulted in relation to the delay in finalising the Management Plan due to consultation restrictions. NC REC 8: Submit the Aboriginal Cultural Heritage Management Plan incorporating the requirement of NC REC7 and NC REC 8.	Deemed as Compliant during this audit.

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status
		Based on the information provided to the Audit team there is no evidence of any incidents associated with Aboriginal Cultural Heritage.			
S5 C4	Revision of Strategies, Plans and Programs Within 3 months of: (a) the submission of an annual review under condition 3 above; (b) the submission of an incident report under condition 7 below; (c) the submission of an audit under condition 9 below; or (d) any modification to the conditions of this approval, the Proponent shall review, and if necessary revise, the strategies, plans, and programs required under this approval to the satisfaction of the Secretary. Where this review leads to revisions in any such document, then within four weeks of the review the revised document must be submitted to the Secretary for approval.	Management Plans have not been updated to meet this condition. Many of the approved management plans are from 2012 and 2013. The IEA team has reviewed evidence illustrating consultation with DPIE regarding management plans, however there is no formal feedback outlining that DPIE were satisfied with the delay in reviewing and submitting management plans.	Admin Non - Compliance	NC REC 9: All management plans will be reviewed within 3 months of the submission of the IEA Report. Where this review identifies revisions are required, the revision will be undertaken within four weeks of the review. The revised document will then be submitted to the Secretary for approval.	Deemed as Compliant during this audit.
S5 C10	Within 6 weeks of the completion of this audit, or as otherwise agreed by the Secretary, the Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.	The previous IEA was submitted on 1 February 2018. This site component was commenced on 13th October 2017. This is outside the six weeks. Historical non - compliance, therefore no further recommendation.	Admin Non - Compliance	No further recommendation.	Deemed as Compliant during this audit. Note: An extension to the submission deadline was granted within which the audit was submitted.

Statement of Commitments

No non-compliances have been identified.

Environmental Protection Licence 11457

P1.3	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. <table><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><tr><td>5</td><td>Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring</td><td>Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring</td><td>At outlet pipe from storage dam E298475 N6424784 marked as point 10 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No.322403" dated 17/10/16 EPA ref DOC16/527575</td></tr><tr><td>6</td><td colspan="2">Water quality and volume monitoring for discharges under the Hunter River Salinity Trading Scheme.</td><td>At weir structure downstream of outlet pipe from storage dam E298190 N6424890 marked as point 11 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No.322403" dated 17/10/16 EPA ref DOC16/527575</td></tr><tr><td>15</td><td>Volumetric monitoring, water quality monitoring, discharge to utilisation area</td><td>Volumetric monitoring, water quality monitoring, discharge to utilisation area</td><td>STP discharge to effluent pond utilisation area E301257 N6420449 defined as point 22 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No. 322403" dated 17/10/2016 EPA Ref DOC16/527575</td></tr></table>	Water and land				EPA Identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description	5	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring	At outlet pipe from storage dam E298475 N6424784 marked as point 10 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No.322403" dated 17/10/16 EPA ref DOC16/527575	6	Water quality and volume monitoring for discharges under the Hunter River Salinity Trading Scheme.		At weir structure downstream of outlet pipe from storage dam E298190 N6424890 marked as point 11 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No.322403" dated 17/10/16 EPA ref DOC16/527575	15	Volumetric monitoring, water quality monitoring, discharge to utilisation area	Volumetric monitoring, water quality monitoring, discharge to utilisation area	STP discharge to effluent pond utilisation area E301257 N6420449 defined as point 22 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No. 322403" dated 17/10/2016 EPA Ref DOC16/527575	Surface Water Monitoring Program refers to monitoring at the HRSTS discharge point SW28 (being EPL Point 6). Monitoring is only required during discharge. 2018, 2019 and 2020 Annual Reviews and Annual Returns state that there were no HRSTS discharges during the audit period. As reported in the 2018 Annual Review, the EPL point 15 flow meter and continuous logger were identified to have been inactive for an unknown period of time. As there was no evidence of discharge this has been called an administrative NC. Note - point 5 is the HRSTS discharge point and not a monitoring point. <u>Observation:</u> EPL has been varied 3 times in the audit period. No updates have been made to the Surface Water Management Plan or Surface Water Monitoring Program in this time. This should have been completed for each update. <u>Observation:</u> EPL Point 15 not referred to in Surface Water Management Plan or Monitoring Program. However, this is managed under a separate onsite procedure. <u>Observation:</u> The 2019 Annual Return reports non - compliance due to only 3 quarterly samples being collected for EPL point 15	Admin Non - Compliance	Review and update Surface Water Management Plan and Monitoring Program to reflect the EPL variation.	Deemed as Compliant during this audit
Water and land																									
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5	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS) Discharge Quality Volume Monitoring	At outlet pipe from storage dam E298475 N6424784 marked as point 10 on plan titled "EPA - Plan of Premises Monitoring Points Drawing No.322403" dated 17/10/16 EPA ref DOC16/527575																						
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Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status												
O3.1	Dust The premises must be maintained in a condition which minimises or prevents the emission of dust from the premises	MAC were issued with a show cause notice from the EPA with regard to excessive wheel dust generation on 14 November 2017. Following receipt of comments the EPA issued an Official Caution for failure to comply with condition O3.1 of the EPL. Non - compliance was self - reported in the FY2018 Annual Review. Refer condition 24 of PA 09_0062 for further recommendations	Non - Compliant (Low)	No further recommendation.	Deemed as Compliant during this audit.												
M2.2	Air Monitoring Requirements POINT 11,12,13,14 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling Method</th></tr><tr><td>PM10</td><td>micrograms per cubic metre</td><td>Continuous</td><td>AM-22</td></tr></table>	Pollutant	Units of measure	Frequency	Sampling Method	PM10	micrograms per cubic metre	Continuous	AM-22	As reported in the 2018 and 2019 Annual Returns due to instrument faults data capture was less than 90% at: Monitoring point 13 (86%) and 11 (85%) in 2018 and Monitoring point 12 (86%) and 14 (78%) in 2019. Based on site discussions and interviews, it is understood that MAC are working on procedures, including triggers and alerts when monitoring equipment goes off - line to decrease the time for instrument faults to be identified and to increase the data capture.	Admin Non - Compliance	NC REC 10: In December 2020 MAC has implemented a series of alerts to provide early warning when sites go offline. Reports are also distributed daily that provide information on the data capture for the reporting period. This allows for immediate diagnosis of equipment errors and system faults. MAC believes that this new system satisfies NC REC 10. No further action is proposed.	Deemed as Non-Compliant during this audit. The Annual Reviews recorded times where the data capture for the TEOM's was less than 90%. Environmental Superintendent advised that condition M9.6 was added in June 2022 to consider necessary downtime due to regular maintenance.				
Pollutant	Units of measure	Frequency	Sampling Method														
PM10	micrograms per cubic metre	Continuous	AM-22														
M2.3	POINT 15 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling Method</th></tr><tr><td>Faecal Coliforms</td><td>colony forming units per 100 millilitres</td><td>Quarterly</td><td>Grab sample</td></tr></table>	Pollutant	Units of measure	Frequency	Sampling Method	Faecal Coliforms	colony forming units per 100 millilitres	Quarterly	Grab sample	As reported in the 2019 Annual Return, only 3 quarterly samples were taken in 2019 with no sample collected for the fourth quarterly (July 2019).	Admin Non - compliance	NC REC 11: Develop a compliance action management system (SAP) work management strategy for sampling to ensure sampling is planned and executed in accordance with requirements.	Deemed as Compliant during this audit.				
Pollutant	Units of measure	Frequency	Sampling Method														
Faecal Coliforms	colony forming units per 100 millilitres	Quarterly	Grab sample														
M8.1	For each discharge point or utilisation area specified below, the licensee must monitor: a) the volume of liquids discharged to water or applied to the area; b) the mass of solids applied to the area; c) the mass of pollutants emitted to the air; at the frequency and using the method and units of measure, specified below. POINT 6 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>megalitres per day</td><td>Weir structure and level sensor</td></tr></table> POINT 15 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>kilolitres per day</td><td>Flow meter and continuous logger</td></tr></table>	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	megalitres per day	Weir structure and level sensor	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	kilolitres per day	Flow meter and continuous logger	As reported in the 2018 Annual Review, the EPL point 15 flow meter and continuous logger were identified to have been inactive for an unknown period of time. Based on discussions with MAC there is a process in place now to ensure the meter is being checked. No further recommendation.	Admin Non - compliance	No further recommendation.	Deemed as Compliant during this audit.
Frequency	Unit of Measure	Sampling Method															
Continuous during discharge	megalitres per day	Weir structure and level sensor															
Frequency	Unit of Measure	Sampling Method															
Continuous during discharge	kilolitres per day	Flow meter and continuous logger															
M9.1	To determine compliance with conditions L6.2 and L6.3:	On 12 February and 5 March 2019 airblast overpressure and ground vibration results were not recorded at the Denman Road	Non - Compliant	No further recommendation.	Deemed as Compliant during this audit.												

Item No	Assessment Requirement	Comment	2020 Audit Classification	Response/Action	2023 Status												
	a) Airblast overpressure and ground vibration levels must be measured and electronically recorded for monitoring points 7, 8, 9 and 10 for the parameters specified in Column 1 of the table below; and b) The licensee must use the units of measure, sampling method, and sample at the frequency specified opposite in the other columns. <table><tr><th>Parameter</th><th>Units of Measure</th><th>Frequency</th><th>Sampling Method</th></tr><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></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	West (BP09) or Yammanie North (BP10) monitors for two blast events. The non - compliance was self - reported in the FY2019 Annual Review. This has since been rectified, therefore no further recommendation.	(Low Risk)		
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														
R5.1	HRSTS Reporting The licensee must compile a written report of the activities under the Scheme for each scheme year. The scheme year shall run from 1 July to 30 June each year. The written report must be submitted to the EPA's regional office within 60 days after the end of each scheme year and be in a form and manner approved by the EPA. The information will be used by the EPA to compile an annual scheme report.	Evidence of submission of 2018, 2019 and 2020 sighted. 2018 Submission not completed until 2 October 2018, outside of required 60 day reporting period (required by end August 2018). No further recommendation as it has since been completed.	Admin Non - compliance	No further recommendation.	Deemed as Compliant during this audit.												
Mining Leases																	
No non – compliances identified in any mining leases.																	

3.2 Complaints Summary

Complaints registers for the auditing period were available online and/or for review. Complaints over the reporting period include:

- 12 complaints were lodged during 2020;
- 48 complaints were lodged during 2021;
- 26 complaints were lodged during 2022; and
- 33 complaints were received in 2023 up until end of July (the last month complaints were published at time of the audit).

Complaints were largely related to lighting, with others related to vibration, dust, noise. The detailed summaries as prepared by MAC are provided on the BHP website.

MAC was issued with a Warning Letter by the DPE on 7 February 2022 for failing to respond to a complainant (complaint made on 2 January 2022) within the 48-hour window (as required by Schedule 5 Condition 1 of MP 09_0062) due to a service interruption. MAC has since implemented routine service verification task to prevent future incidents.

3.3 Incident Summary

A review of the incidents was undertaken through a review the MAC incident register, MAC Annual Returns and Annual Reviews. Below outlines the incidents recorded during the audit period:

- Service Cart Fire PIRMP Activation on 28 August 2023 for a minor event was reported on same day to DPE and EPA with the 7-day event report provided to EPA on 30 August 2023 and to DPE on 1 September 2023. No action was concluded by EPA or DPE within the audit period;
- Exceedance during routine attended noise monitoring at NP04 (18 October 2021)
On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. EPL Point 16) identified mining continuum from the site operations responsible for a site LAeq of 37dB. An additional 2dB low frequency correction factor was applicable to the reading with the resulting LAeq of 39dB, exceeding the night criterion of 38dB by 1dB. Impact noise preceded by horn and impact sound was responsible for the site LA1minute of 45dB. Reverse alarms were also noted.
The Environmental Superintendent advised that the site notified the DPE after the incident but did not notify EPA until the Annual Return Submission. This was because the EPL meteorological condition L5.3 at the time was not aligned with the Project Approval. The site then lodged an EPL variation to remove condition L5.3e.
- Four non-compliances for potentially polluting water were recorded during the audit period as below:
 - Pipeline break (5 June 2021)
Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3;
 - Overflow of Mine Water Dam (8 March 2022)
The mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken at four chosen locations in the Creek the result so which led the site to determine that the impact was negligible;
 - GW investigation (26 May 2022)
A Groundwater exceedance on 26 May 2022 was reported to the EPA on 26 May 2022 by

email, but not by telephoning the Environment Line as required by this condition. A follow up notification by telephone was made on 30 May 2022. This was a non-compliance triggering R2.1 and R4.3 in relation to notification requirements; and

- Volume measure error (13 July 2022)

The site reported a non-compliance in the annual return that during the licenced discharge (from licenced discharge point) on 12 July 2022, the communication device providing discharge rate was giving error message. The EPA was notified on 13 July 2022. The flow meter was replaced following the incident.

- Two blast related incidents were recorded during the audit period as below:

- Blast dust complaint (30 November 2020)

A complaint from the community was received by EPA on 30 November 2020, reporting dust and black cloud from the mine after a blast. The EPA Officer emailed the site on 2 December 2020 requesting a report within seven days (by 9 December 2020). An investigation was undertaken and subsequent report submitted within the 7 day timeframe. The investigation reported there were no emissions from site and no potential for emissions from the blast to impact the township of Muswellbrook; and

- BP09 Vibration exceedance (23 July 2021)

Annual Return 2021 reported a non-compliance on 23 July 2021, with a peak particle velocity ground vibration of 13.5 mm/s at EPL monitoring point 9. The likely cause was due to the timing sequence of the hole by hole initiation of the blast, causing uncharacteristic amplification of the ground vibration at the blast monitor point 9. Regression analysis using all monitored blast vibration levels resulted in a calculated maximum ground vibration level of 6 mm/s at the nearest private residence to blast monitor 9. The calculated result is less than the 10mm/s EPL limit. Following consultation with the Department of Planning Industry and Environment it is proposed to relocate Point 9 to a location more representative of the nearest private residence. Environmental Superintendent advised that Point 9 has been replaced by Point 25 in April 2022. Environmental Superintendent also advised that the site is communicating with the EPA on moving this monitoring point at the time of the audit. The auditor reviewed the monthly blast monitoring record and did not identify other exceedances.

- BP07 Overpressure Exceedance (26 July 2022)

An overpressure exceedance of 120.6dB (Lin Peak) was recorded at EPL Point 8 (BP07) on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses; and

- Complaint line interruption (24 December 2021 to 26 January 2022)

The site reported that DPE contacted MAC with an informal RFI regarding a complaint that had been made on 2 January 2022. It was found that there had been a system interruption to the complaint system between 24 December 2021 to 26 January 2022 preventing complaints coming through to MAC. MAC immediately repaired the service disruption which was a low likelihood of recurrence. MAC had implemented a routine service verification task to assist in identifying and preceding future service interruptions in a timely manner and that MAC had subsequently requested that the service provider inform them of all future system upgrades; and

- The DPE on 16 September 2021 contacted MAC to inform that the CCC documentation on the website was out of date. They determined a breach of Schedule 5 Condition 5 – Community Consultative Committee. MAC uploaded the missing information once notified and have continued to maintain the required information, up to date on the website since the incident.

The DPE assessed the breach in accordance with the Departments Compliance Policy, with the Department on this occasion, determined to record the breach with no further enforcement action.

3.4 Environmental Monitoring Performance

3.4.1 Noise

Quarterly acoustic monitoring was undertaken between 2020 to 2023 by qualified third party contractors (Global Acoustics, who became part of EMM in 2022. Monitoring was then undertaken as EMM). In the audit period, one noise exceedance was recorded during the attended monitoring (Exceedance during routine attended noise monitoring at NP04 (18 October 2021)).

An Official Warning was issued by DPE on 26 May 2022 related to an 18 October 2021 noise exceedance. Following an investigation, it was determined that the MAC Supervisors/OCE's decision to not attend the location of the level 2 TARP alarms and instead to 'monitor noise levels' in this instance was not an appropriate response to the level 2 TARP alarms, nor did it satisfy the requirements of the NMP. The DPE issued an official caution relating to this incident.

3.4.2 Air quality

Monthly air quality monitoring (PM₁₀ and dust) was conducted during the audit period. Three exceedances for PM₁₀ were recorded during the audit period.

The three exceedances of PM₁₀ were recorded on 16 November 2020, 17 December 2021 and 6 December 2022, which were determined as not being mine-related. The exceedance, following investigation, was attributed to farming activities around the monitoring locations. As these exceedances were due to farming activities, they have not been deemed non-compliances.

The auditor sighted the weather station onsite which provides the site's meteorological data. Meteorological data from the onsite weather station was provided for the audit period.

During the audit period, a non-compliance was determined as there were times when the TEOM data capture rate was less than 90% which was noted to affect the ability to accurately determine the annual averages.

3.4.3 Blasting

Blasting has generally been conducted during the audit period in accordance with the Conditions of Approval. One blast overpressure exceedance was recorded at BP07 on 26 July 2022, as outlined in section 3.3 of this report.

3.4.4 Water management

3.4.4.1 Surface water

Surface water management comprising a series of water storage dams used to collect, store and dispose of pumped out mine water and dirty water run-off; sediment basins; and clean / dirty surface water drains were in place and established as per the Water Management Plan.

MAC experienced two surface water unplanned discharge events during the audit period which were reported as non-compliances.

A mine dam overflowed (after a period of heavy rainfall) draining offsite toward Ramrod Creek on 8 March 2022. Sampling was undertaken which determined that the impact was negligible.

A pipeline break incident occurred on 5 June 2021 which discharged water to the Hunter River. Sampling was undertaken until clean up actions had been completed which showed minimal impact to the river as pH and EC levels were measured at similar concentrations upstream and downstream of the discharge.

3.4.4.2 Groundwater

The groundwater monitoring program is stipulated in Section 5.4 of the approved Site Water Management Plan (SWMP). Neither the CoA nor EPL stipulates the frequency of groundwater monitoring to be undertaken. Under the SWMP, groundwater bores are required to be monitored on a quarterly basis and also provides analytes to be assessed along with quality trigger values. Groundwater monitoring data provided showed that monitoring is typically completed within the SWMP timeframes.

A number (12) of groundwater exceedances were noted during the audit period. Following investigation, they were noted to not have caused harm to the environment.

Following a review of FY 2021 groundwater monitoring trends, MAC proposed to undertake a review of the groundwater monitoring program be rationalised based on recent findings and additional newly installed bores. Also, to review the condition and instrumentation of groundwater bores based on the recommendations the of the annual review assessment report.

Noted in the FY 2022 Annual Review, the following Electrical Conductivity (EC) trigger exceedances occurred during 2021. A trigger investigation was undertaken in response to these events.

Following the investigation MAC determined to undertake a review of the Water Management Plan including triggers and groundwater bore locations; to review the condition and instrumentation of groundwater bores; and to complete project to restore and remediate bores where required.

3.5 Management Plan Adequacy

The Management Plans for the site were reviewed and the adequacy in meeting the relevant approval requirements was assessed in view of current operations at the site. It was noted that a number of management plans have been updated since the original approvals issued under the Project Approval and where Secretary approval has been received the revised management plan has been implemented at the site. Most of the management plans have been revised and submitted to the Secretary at various times between 2020 and 2023 for which MAC has received the required approvals.

A limited number of issues related to the implementation of the Management Plans were noted during the audit as follows:

- Air Quality Management Plan, insufficient TEOM data capture rate (see 3.4.2);
- Noise Management Plan, incorrect application of the noise TARP by the OCE (see 3.4.1); and
- Water Management Plan, mine water discharge events (see 3.4.4).

In general, Management Plans were considered to be appropriate for the site's operations at the time of the site visit. The findings of the Management Plan review are outlined in *Table 3.2* and *Appendix A*.

3.6 Environmental Protection Licence

The site operates under Environment Protection Licence (EPL) 11457 issued to Hunter Valley Energy Coal Pty Ltd. The EPL has been varied six times during the audit period on 1 March 2021, 26 April 2021, 18 October 2021, 7 April 2022, 13 April 2022 and 8 December 2022.

The site submitted Annual Returns to the EPA, as required for the audit period.

The following non-compliances EPL during the audit period were noted:

2020-2021 Reporting period

L6.5 - Blasting

Annual Return 2021 reported a non-compliance with this condition on 23 July 2021, with a peak particle velocity ground vibration of 13.5 mm/s at monitoring point 9, exceeding the licenced limit of 10mm/s. The likely cause was due to the timing sequence of the hole by hole initiation of the blast, causing uncharacteristic amplification of the ground vibration at the blast monitor point 9. Regression analysis using all monitored blast vibration levels resulted in a calculated maximum ground vibration level of 6 mm/s at the nearest private residence to blast monitor 9. The calculated result is less than the 10mm/s EPL limit. Following consultation with the Department of Planning Industry and Environment it is proposed to relocate Point 9 to a location more representative of the nearest private residence. Environmental Superintendent advised that Point 9 has been replaced by Point 25 in April 2022. Environmental Superintendent also advised that the site is communicating with the EPA on moving this monitoring point at the time of the audit.

M8.1 - Blasting

The site reported a blast on 10 September 2020 was not recorded for the airblast overpressure and ground vibration results at Point 9. The memory card was corrupted hence the data could not be downloaded from the logger.

R1.1, R5.4, R5.5 – Reporting Conditions

The auditor noted that EPA issued a letter (no date, assume 19 November 2021) regarding the Annual Return did not include waste oil report, sewage treatment system records, and report on non-compliances regarding the number of samples required for monitoring. The site resubmitted the Annual Return on 1 December 2021. The non-compliances triggered condition R5.4, R5.5.

Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021 which was not reported in the Annual Return due to administrative oversight.

2021-2022 Reporting period

L1.1 – Pollution of Waters

A mine water dam (SW23 – Export Sediment Dam) was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible.

The Email from the DPE acknowledged the site has reported the incident to the EPA. Site Environmental team advised that the site did not receive any correspondences from the EPA.

Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under condition R3. A Pollution Reduction Program under EPL 11457 was undertaken focused on reducing risk of water discharges from pipeline failures.

All Pollution Reduction Programs have been closed out and the related conditions have been removed in the October 2023 version of the Licence.

L5.1 - Noise

The site reported a non-compliance under this condition in the Annual Return 2021-2022. On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified mining continuum from the site operations responsible for a site LAeq of 37dB. An additional 2dB low frequency correction factor was applicable to the reading with the resulting LAeq of 39dB, exceeding the night criterion of 38dB by 1dB. Impact noise preceded by horn and impact sound was responsible for the site LA1minute of 45dB. Reverse alarms were also noted.

The Environmental Superintendent advised that the site notified the DPE after the incident but did not notify EPA until the Annual Return Submission. This was because the EPL meteorological condition L5.3 at the time was not aligned with the Project Approval. The site then lodged an EPL variation to remove L5.3e.

O1.1, O7.1 – Operating Conditions

Management of hydrocarbon storage was observed not to be well managed in the southern part of the site which is operated by sub-contractors, Thiess. Evidence of continued hydrocarbon contamination (from spills / drips) was observed around the hydrocarbon storage areas and no evidence of clean up or other remedial works was observed.

O2.5, O2.6 – Sewage Treatment

The site reported that the maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition.

M2.2 – Air Monitoring

The Annual Review for FY2022 recorded times where the data capture for the TEOM's was less than 90% (for example, due to access issues after rainfall). This results in a non-compliance since the lower data capture affects the annual average.

M6.1 – Telephone Complaints Line

The site reported that DPE contacted MAC with an informal RFI regarding a complaint that had been made on 2 January 2022. It was found that there had been a system interruption to the complaint system between 24 December 2021 to 26 January 2022 preventing complaints coming through to MAC. MAC immediately repaired the service disruption which was a low likelihood of recurrence. MAC had implemented a routine service verification task to assist in identifying and preceding future service interruptions in a timely manner and that MAC had subsequently requested that the service provider inform them of all future system upgrades.

M7.1 - Requirement to monitor volume or mass

The site reported a non-compliance in the annual return that during licenced discharge (from licenced discharge point) on 12 July 2022, the communication device providing discharge rate was giving error message. The EPA was notified on 13 July 2022. The flow meter was replaced following the incident.

R2.1, R4.3 – Notification

A groundwater exceedance on 26 May 2022 was reported to the EPA on 26 May 2022 by email, but not by telephoning the Environment Line as required by this condition. A follow up notification by telephone was made on 30 May 2022. This was a non-compliance triggering R2.1 and R4.3 related to notification requirements.

R4.2 – Noise Exceedance Notification

On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified an exceedance in noise limit. The exceedance was reported to DPE on 19 October 2021 but not notified to the EPA until the annual return because of the conflict in conditions between the EPL and PA, as described in L5.1.

R5.5 - Sewage Treatment System Records

The site reported that the sewage treatment system maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition.

2022-2023 Reporting period (Annual Return not ready at the time of audit)

No non-compliance was identified for this period.

Throughout the audit period:

M2.2

The Annual Review (FY 2022 only) recorded times where the data capture for the TEOM's was less than 90% (for example, due to access issues after rainfall). This results in a non-compliance since the lower data capture affects the annual average.

Environmental Superintendent advised that condition M9.6 was added in June 2022 to consider necessary downtime due to regular maintenance.

Findings identified against the site's EPL are outlined in *Table 3.2* and *Appendix A*.

3.7 Mining Lease

MAC lies within the mining leases (ML) 1358, 1548, 1593, 1655, 1739, 1757, 1487, Mining Purpose Lease (MPL) 263, and Consolidated Coal Lease 744 issued to Hunter Valley Energy Coal Pty Ltd.

Two duplicated non-conformances were noted in relation with CCL 744 condition 18, ML 1548 condition 16, ML 1593 condition 16, ML 1655 condition 12, ML 1487 condition 25, and ML 1487 condition 33 - not to cause erosion or pollution, or cause any pollution of the Hunter River Catchment Area. Due to reported incidents including a mine water dam overflowing into a creek and a pipeline break discharged into the Hunter River catchment, the site is deemed non-compliant with these conditions.

Mining Lease conditions and the summary of audit findings are provided in *Table 3.2* and *Appendix A*.

3.8 Compliance with Regulatory Instruments

A compliance check of the CoA, EPL and ML conditions as well as management plan review has been completed and is provided in *Appendix A*. Non-compliances and observations for each component are summarised in *Table 3.2*.

Table 3.2 Summary of 2023 Audit Findings

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action																																								
Environmental Protection Licence 11457																																												
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.	The site reported a non-compliance with this condition. A mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. The Email from the DPE acknowledged the site has reported the incident to the EPA. Site Environmental team advised that the site did not receive any correspondences from the EPA. Site also reported a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under condition R3. A Pollution Reduction Program under EPL 11457 was undertaken focused on reducing risk of water discharges from pipeline failures. All Pollution Reduction Programs have been closed out and the related conditions have been removed in the October 2023 version of the Licence. The Site has implemented weekly inspections of the dams (MAC-STE-FRM-098) to ensure the dam capacity and infrastructures are well maintained. Environmental Superintendent advised that the Site has implemented post rainfall field inspection schedule as well to prevent overflowing after heavy weather events.	NC	Corrective actions have been implemented. No further action is required.																																								
L5.1	Noise generated at the premises must not exceed the noise limits presented in the table below. Residences referenced in this table are from Project Approval 09_0062 and summarised in EPA Re DOC19/1103289.	The Site reported a non-compliance under this condition in the Annual Return 2021-2022. On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified mining continuum from the site operations responsible for a site LAeq of 37dB. An additional 2dB low frequency correction factor was applicable to the reading with the resulting LAeq of 39dB, exceeding the night criterion of 38dB by 1dB. Impact noise preceded by horn and impact sound was responsible for the site LA1minute of 45dB. Reverse alarms were also noted. The Environmental Superintendent advised that the site notified the DPE after the incident but did not notify EPA until the Annual Return Submission. This was because the EPL meteorological condition L5.3 at the time was not aligned with the Project Approval. The site then lodged an EPL variation to remove L5.3e.	NC	Implement requirements of the Noise Management Plan to prevent the noise generated by the site exceeding the noise limit.																																								
<table><tr><th>Location</th><th>Day LAeq (15 minute) dBA</th><th>Evening LAeq (15 minute) dBA</th><th>Night LAeq (15 minute) dBA</th><th>Night LA1 (1 minute) dBA</th></tr><tr><td>EPA Point 16</td><td>37</td><td>40</td><td>38</td><td>45</td></tr><tr><td>EPA Point 17</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>EPA Point 18</td><td>39</td><td>39</td><td>39</td><td>45</td></tr><tr><td>EPA Point 19</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>EPA Point 20</td><td>35</td><td>35</td><td>35</td><td>45</td></tr><tr><td>EPA Point 21</td><td>37</td><td>36</td><td>35</td><td>45</td></tr><tr><td>EPA Point 22</td><td>37</td><td>36</td><td>35</td><td>45</td></tr></table>					Location	Day LAeq (15 minute) dBA	Evening LAeq (15 minute) dBA	Night LAeq (15 minute) dBA	Night LA1 (1 minute) dBA	EPA Point 16	37	40	38	45	EPA Point 17	41	40	39	45	EPA Point 18	39	39	39	45	EPA Point 19	41	40	39	45	EPA Point 20	35	35	35	45	EPA Point 21	37	36	35	45	EPA Point 22	37	36	35	45
Location	Day LAeq (15 minute) dBA	Evening LAeq (15 minute) dBA	Night LAeq (15 minute) dBA	Night LA1 (1 minute) dBA																																								
EPA Point 16	37	40	38	45																																								
EPA Point 17	41	40	39	45																																								
EPA Point 18	39	39	39	45																																								
EPA Point 19	41	40	39	45																																								
EPA Point 20	35	35	35	45																																								
EPA Point 21	37	36	35	45																																								
EPA Point 22	37	36	35	45																																								

Item No	Assessment Requirement					Comment	Audit Classification	Response/Action
	EPA Point 23	39	38	37	45	The auditor reviewed the monthly noise monitoring record and found a record on 21 July 2020 with a measurement of 39 dB (night time limit of 38dB) at Point 16 which was then remeasured to be 38dB. The auditor reviewed the July 2020 monitoring report which stated that road traffic contributed to the first measurement. This occurrence was not considered as non-compliance.		
L6.5	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 7, 8, 10 or 25 in Condition P1 .4.					Annual Return 2021 reported a non-compliance with this condition on 23 July 2021, with a peak particle velocity ground vibration of 13.5 mm/s at monitoring point 9. The likely cause was reportedly due to the timing sequence of the hole by hole initiation of the blast, causing uncharacteristic amplification of the ground vibration at the blast monitor point 9. Regression analysis using all monitored blast vibration levels resulted in a calculated maximum ground vibration level of 6 mm/s at the nearest private residence to blast monitor 9. The calculated result is less than the 10mm/s EPL limit. Following consultation with the Department of Planning Industry and Environment it was proposed to relocate Point 9 to a location more representative of the nearest private residence. The Environmental Superintendent advised that Point 9 has been replaced by Point 25 in April 2022. The auditor reviewed the monthly blast monitoring record and did not identify other exceedances.	NC	Since the monitoring point has been relocated, no further action is recommended.
O1.1	Licenced 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.					General good housekeeping was observed throughout the MAC site to maintain environmental compliance. Materials appeared to be appropriately stored and secondary containment was provided as required. The waste storage area appeared well maintained. However, environmental management in terms of stormwater and material storage was less maintained in a competent manner in the southern part of the site which is operated by sub-contractors, Thiess (Bayswater No.2 area). Storage is not on a hardstand area at the Thiess site. Evidence of hydrocarbon contamination (from spills / drips) was observed around the hydrocarbon storage areas and no evidence of clean up or other remedial works was observed. It was noted that the contamination didn't appear to be migrating to stormwater. MAC has previously engaged WSP to develop a Remedial Action Plan in 2013. The results from the investigation shows that most portion of the Bayswater No.2 area (hydrocarbon and waste oil storage area) were identified with TPH, volatile organic compounds, polycyclic aromatic hydrocarbons, phenol and heavy metals.	NC	Identify measures to prevent hydrocarbon contamination migrating to stormwater or groundwater based on the Remedial Action Plan. Consider updating the Plan if required. The Site should consult with subcontractor Thiess on such measures. Undertake periodic inspections to assess the performance of contamination prevention measures.

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action								
O2.5 O2.6	O2.5 The licensee must record each inspection and any actions required or recommended by the technician including all results of tests performed on the sewage treatment system by the technician as required in Condition O2.4. O2.6 The licensee must prepare a sewage treatment system maintenance program. The program must include: a) Certification from the system provider that the sewage treatment system is operating within its capacity; b) Date, time and results of all routine maintenance procedures undertaken to the sewage treatment system; and c) Provide written records or an electronic confirmation of each quarterly inspection	The auditor reviewed the 2020-2022 maintenance program report. The site reported that the maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition. The site has implemented a process to review completed work orders on a three-monthly basis and incorporated mandatory upload of completed work orders to SAP.	NC	No further actions required.								
O7.1	All above-ground tanks containing material that is likely to cause environmental harm must be bunded or have an alternative spill containment system in place.	Good management practices were observed in MAC North with good house-keeping and raincover for IBCs. The auditor observed all above ground tanks containing materials (hydrocarbons / chemicals) that are likely to cause environmental harm are bunded or stored in double-skinned tanks. However, environmental management in terms of stormwater and material storage was less maintained in the southern part of the site which is operated by sub-contractors, Thiess. Storage is not on a hardstand area at the Thiess site. Evidence of hydrocarbon contamination (from spills / drips) was observed around the hydrocarbon storage areas and no evidence of clean up or other remedial works was observed. It was noted that the contamination didn't appears to be migrating to stormwater. The Site engaged WSP to develop a Remedial Action Plan in 2013. The results from the investigation shows that most portion of the Baywater No.2 area (hydrocarbon and waste storage area) were identified with TPH, volatile organic compounds, polycyclic aromatic hydrocarbons, phenol and heavy metals.	NC (Duplicate with EPL O1.1)	As per O1.1								
M2.2	Air monitoring requirements Point 11, 12, 13, 14 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling method</th></tr><tr><td>PM10</td><td>Micrograms per cubic metre</td><td>Continuous</td><td>AM-22</td></tr></table>	Pollutant	Units of measure	Frequency	Sampling method	PM10	Micrograms per cubic metre	Continuous	AM-22	Data from the air quality monitoring network were reviewed. In combination with the AQMP, these data identify the sampling method, units of measure, and sampling frequency. Example calibration certificates were inspected. The Annual Reviews (FY 2022) recorded times where the data capture for the TEOM's was less than 90% (for example, due to access issues after rainfall). This results in a non-compliance since the lower data capture affects the annual average.	NC	No further action is required.
Pollutant	Units of measure	Frequency	Sampling method									
PM10	Micrograms per cubic metre	Continuous	AM-22									

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action												
		The Environmental Superintendent advised that condition M9.6 was added in June 2022 to consider necessary downtime due to regular maintenance. The site also stated in the 2022 Annual Return that new equipment has been installed to avoid downtime due to equipment failure. The Environmental Superintendent further advised that alerts have been put in place to provide early warning when monitoring network go offline meaning the Site is able to react immediately to errors and failures.														
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.	The auditor tested the number displayed on website. The Environmental Principal confirmed that the testing record was received by the environmental team. The site reported that DPE contacted MAC with an informal RFI regarding a complaint that had been made on 2 January 2022. It was found that there had been a system interruption to the complaint system between 24 December 2021 to 26 January 2022 preventing complaints coming through to MAC. MAC immediately repaired the service disruption which was a low likelihood of recurrence. MAC had implemented a routine service verification task to assist in identifying and preceding future service interruptions in a timely manner and that MAC had subsequently requested that the service provider inform them of all future system upgrades.	NC	The Warning Letter identifies that measures aimed at preventing a recurrence have already been enacted to the satisfaction of the DPE. Therefore, no further action is recommended.												
M7.1	For each discharge point or utilisation area specified below, the licensee must monitor: a) the volume of liquids discharged to water or applied to the area; b) the mass of solids applied to the area; c) the mass of pollutants emitted to the air; at the frequency and using the method and units of measure, specified below. POINT 6 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>Megalitres per day</td><td>Weir structure and level sensor</td></tr></table> POINT 15 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>Kilolitres per day</td><td>Flow meter and continuous logger</td></tr></table>	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	Megalitres per day	Weir structure and level sensor	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	Kilolitres per day	Flow meter and continuous logger	Point 6: The auditor reviewed the monthly environmental monitoring data published on the site website. No water discharge was recorded except July to November 2022. The records show that the monitoring was generally according to the units of measure and frequency listed in this condition. The Water Management Plan stated that surface water monitoring, sampling collection, storage and transportation are in accordance with AS/NZS 5667.1. The site reported a non-compliance in the annual return that during the discharge on 12 July 2022, the communication device providing discharge rate was giving an error message. The EPA was notified on 13 July 2022. The flow meter was replaced following the incident. Point 15: The auditor reviewed a sample of the weekly working order log sheet of the pump at point 15 for 21 March 2023 and a record of the meter reading for 5 October 2022 to 29 August 2023. The records and interview with	NC - Point 6 finding + C(Obs) – Point 15 finding	NC at Point 6: Since the flow meter was in working order during the discharge in July to November 2022, no further action is required. C(Obs) at Point 15: Auditors noted that the measurement at Point 15 is continuous but the records are not saved automatically. It is recommended that the site investigate a logging system where at least daily measurement is recorded. Alternatively, ensure manual record of reading is logged regularly, at a reasonable frequency.
Frequency	Unit of Measure	Sampling Method														
Continuous during discharge	Megalitres per day	Weir structure and level sensor														
Frequency	Unit of Measure	Sampling Method														
Continuous during discharge	Kilolitres per day	Flow meter and continuous logger														

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
		the environmental superintendent show that the flow meter operates constantly but the measurement require manual reading. The site takes readings every 7-26 days.		
R1.1	R1.1 The licensee must complete and supply to the EPA an Annual Return in the approved form comprising: - a Statement of Compliance, - a Monitoring and Complaints Summary, - a Statement of Compliance - Licence Conditions, - a Statement of Compliance - Load based Fee, - a Statement of Compliance - Requirement to Prepare Pollution Incident Response Management Plan, - a Statement of Compliance - Requirement to Publish Pollution Monitoring Data; and - a Statement of Compliance - Environmental Management Systems and Practices. At the end of each reporting period, the EPA will provide to the licensee notification that the Annual Return is due.	The auditor reviewed the Annual Returns submitted during the audit period and verified the details listed in this condition were completed. The eConnect submission receipts were also provided and showed that the Annual Returns were submitted. Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021 which was not reported in the Annual Return due to administrative oversight.	NC	Complete the Annual Returns as required.
R2.1	R2.1 Notifications must be made by telephoning the Environment Line service on 131 555. R4.3 The Licensee must notify the EPA by telephoning the Environment Line service on 131 555 immediately after the Licensee becomes aware of any contravention or potential contravention of Condition L1 of the Licence.	Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021. The EPA provided the phone notification reference in the email and requested a R3 report, replacing a R2 report. An export dam overtopping event on 8 March 2022 was notified to EPA on the same day as required by this condition. A Service Cart fire PIRMP activation event occurred on 28 August 2023 and was notified to the EPA on the same day as required by this condition.	NC	Notify all incidents to the EPA Environment Line as required by this condition.
R4.2	The Licensee must report any exceedance of licence noise limits to the EPA Regulatory Operations Metro North at info@epa.nsw.gov.au as soon as practicable after the exceedance becomes know to the Licensee or to one of the Licensee's employees or agents	On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified an exceedance in noise limit. The exceedance was reported to DPE on 19 October 2021 but not notified to the EPA until the annual return because of the conflict in conditions between the EPL and PA, as described in L5.1. MAC was of the understanding that the meteorological conditions from Appendix 10 of the PA and Condition L5.3 of the EPL were the same as Condition L5.3 states 'The noise limits set out in condition L5.1 apply under all meteorological conditions except for the following as noted in Appendix 10 of Project Approval 09_0062'. However, it was identified later that there is an	NC	Since the misalignment between EPL and Project Approval has been resolved, no further action is required.

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
		inconsistency between Appendix 10 of the Project Approval and Condition L5.3 in terms of item d - which is not included in Appendix 10.		
R5.5	The sewage treatment system maintenance program required by Condition O2.6 must be submitted annually to the EPA with the Annual Return.	The site reported that the maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition. In addition, as stated in condition R1.1 and R1.5, the EPA issued a letter (no date, assume 19 November 2021) regarding the Annual Return did not include sewage treatment system records. The site resubmitted the Annual Return on 1 December 2021.	NC	No further action required.

Minister's Conditions of Approval PA 11_0047

Sch 3 - 9	The Proponent shall prepare and implement a Noise Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the noise criteria and operating conditions in this approval; (b) describe the proposed noise management system in detail; and (c) include a monitoring program that: • evaluates and reports on: - the effectiveness of the noise management system; - compliance against the noise criteria in this approval; - and compliance against the noise operating conditions; • includes a program to calibrate and validate the real-time noise monitoring results with the attended monitoring results over time (so the real-time noise monitoring program can be used as a better indicator of compliance with the noise criteria in this approval and trigger for further attended monitoring); and • defines what constitutes a noise incident, and includes a protocol for identifying and notifying the Department and relevant stakeholders of any noise incidents.	The Noise Management Plan includes required noise mitigation measures, including the TARP. Meteorological data is collected and used for noise prediction. As part of routine attended noise monitoring, independent consultants identified a potential exceedance at monitoring site NP04 when conducting routine monitoring on the evening of 18 October 2021. MAC was made aware of the potential exceedance on the morning of 19 October 2021 and subsequently reported the event to DPE. Following this, meteorological data was analysed indicating that at the time of the remeasure, the criteria in PA09_0062 was not applicable as per Appendix 10. The event was investigated by DPE with a Show Cause notice issued on 26 May 2022. The result of the Show Cause was the issuing of an Official Caution alleging a breach of Section 4.2 of the Environmental Planning and Assessment Act 1979, failing to comply with Schedule 3 Condition 9 of MP09_0062 by failing to implement the Noise Management Plan. The DPE stated, they did not consider the MAC Supervisors/OCE's decision to not attend the location of the level 2 TARP alarms, but to instead 'monitor noise levels' to be an appropriate response to the level 2 TARP alarms, nor satisfy the requirements of the NMP. The DPE determined MAC have failed to comply with Schedule 3, Condition 9 of MP09_0062 as modified (the approval) by failing to implement the approved Noise Management Plan (NMP) at the Mt Arthur Coal (MAC) mine on 18 October 2021. Following the incident MAC has provided additional adequate training to the OCE to make them aware of	NC	MAC has addressed the issue through additional training to the OCE. No further action is required.
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Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
		the requirements of the noise TARP so that it is implemented in accordance with the NMP.		
Sch 3 - 27	Unless an EPL or the EPA authorises otherwise, the Proponent shall comply with Section 120 of the POEO Act and the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.	Two mine water discharge incidents occurred during the audit period as reported by MAC. On 5 June 2021, it was identified that a pipeline failure had occurred which led to water and sediment travelling offsite to an adjoining property owned by Mt Arthur Coal. The potential for the spill to have entered the Hunter River was identified. The majority of the water discharged from the line was contained on site or within Mt Arthur Coal owned land where it was cleaned up and removed. Water sampling and monitoring was undertaken immediately after the event was identified and continued until all clean up actions had been completed. The results showed that the pH and EC levels for the locations within the Hunter River, upstream and downstream of the entry point were substantially similar. All clean-up actions have been completed. The incident was reported to the EPA and DPIE (now DPE). An overtopping event of a mine water dam occurred on 08 March 2022 that was preceded by significant rainfall. The overflow drained offsite into Ramrod Creek. Immediately after the event occurred inspections were undertaken to determine the location of the water flow. Sampling was undertaken in four chosen locations the sample results demonstrated that the impact to the Creek downstream of the culvert compared to upstream was negligible. As the water left site and passed through the culvert the salinity levels lowered significantly, causing no material harm to the creek. Further investigation determined that no clean-up of the Creek was required. An ongoing improvement project has been underway to manage this mine water dam with de-silting of the dam currently being undertaken. DPE noted the event and determined to take no further action. MAC completed a Pollution Reduction Program under the EPL which have been closed out and the related conditions have been removed in the October 2023 version of the Licence. The Site has implemented weekly inspections of the dams (MAC-STE-FRM-098) to ensure the dam capacity and infrastructures are well maintained. The Environmental Superintendent advised that the Site has implemented post rainfall field inspection schedule as well to prevent overflowing after heavy weather events.	NC (Duplicate with EPL L1.1)	Remedial actions have already been undertaken and completed. No further action is recommended.

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
Sch 3 - 29	The Proponent shall prepare and implement a Water Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with NOW and the EPA; and (b) include a: • Site Water Balance; • Erosion and Sediment Control Plan; • Surface Water Monitoring Program; • Groundwater Monitoring Program; and • Surface and Ground Water Response Plan.	It was noted during the audit that a pipeline failure on 5 June 2021, had occurred which led to water and sediment travelling offsite to an adjoining property owned by Mt Arthur Coal. While a Pollution Reduction Program under the EPL has been enacted to focused on reducing risk of water discharges from pipeline failures, the WMP doesn't include specific measure for routine inspection of pipelines (or other facilities) to determine the risk failure to pre-empt mine water releases from occurring. It was noted during the audit that the overtopping event of a mine water dam (SW23 Export Sediment Dam) occurred on 08 March 2022 that was preceded by significant rainfall. The overflow drained offsite into Ramrod Creek. The WMP doesn't include specific measures for inspecting the water storages (dams) to ensure they have sufficient capacity (especially at times of heavy rainfall) to pre-empt potential overflow events from occurring. These events constitute a deficiency in the implementation of the WMP's water management strategy and system that states it is to maintain a low risk of uncontrolled discharge occurring from the water management system.	NC	Implement an inspection and maintenance program so that dam capacities and pipeline infrastructure are maintained.
Sch 5 - 1	The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Secretary. The strategy must: (a) provide the strategic framework for environmental management of the project; (b) identify the statutory approvals that apply to the project; (c) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project; (d) describe the procedures that would be implemented to: • keep the local community and relevant agencies informed about the operation and environmental performance of the project; • receive, handle, respond to, and record complaints; • resolve any disputes that may arise during the course of the project; • respond to any non-compliance; • respond to emergencies; and (e) include: • copies of the various strategies, plans and programs that are required under the conditions of this approval once they have been approved; and • a clear plan depicting all the monitoring to be carried out in relation to the project.	MAC has prepared the required Environmental Management Strategy which includes requirements of (a) to (e). On 24/01/2022 the DPE received a complaint that they made a complaint through the complaint line but did not receive a reply within the stipulated 48 hours. Following a request for information it was determined the mine's complaints hotline was interrupted by a service upgrade by the service provider of which MAC was unaware. The DPE determined MAC did not respond to the complainant within 48 hours and has therefore failed to implement the approved EMS, breaching Schedule 5 Condition 1 of the approval and issued a warning letter. The warning letter notes: The issue with the service disruption has been rectified with a low likelihood of reoccurrence. MAC has implemented a routine service verification task which will assist in identifying and preventing future service interruptions in a timely manner. MAC has requested that the service provider inform them of all future system upgrades.	NC	The Warning Letter identifies that measures aimed preventing a recurrence have already been enacted to the satisfaction of the DPE. Therefore, no further action is recommended.

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
Sch 5 - 5	The Proponent shall establish and operate a CCC for the project to the satisfaction of the Secretary. This CCC must be established by the end of March 2011 and be operated in general accordance with the Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects (Department of Planning, 2007, or its latest version). Notes: - The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval. - In accordance with the Guideline, the Committee should comprise an independent chair and appropriate representation from the Proponent, affected councils and the general community.	Evidence of CCC minutes as per the guideline requirements are included on the MAC website. It was noted that on 16 September 2021 the DPE contacted MAC to inform that the CCC documentation on the website was out of date. This is a breach of Schedule 5 Condition 5 – Community Consultative Committee. The DPE assessed the breach in accordance with the Departments Compliance Policy, with the Department on this occasion, determined to record the breach with no further enforcement action.	NC	MAC uploaded the missing information once notified and have continued to maintain the required information, up to date on the website since the incident. Therefore, no further action is recommended.
Sch 5 - 11	From the end of December 2010, the Proponent shall: (a) make the following information publicly available on its website: - a copy of all current statutory approvals for the project; - a copy of the current environmental management strategy and associated plans and programs; - a summary of the monitoring results of the project, which have been reported in accordance with the various plans and programs approved under the conditions of this approval; - a complaints register, which is to be updated on a monthly basis; - a copy of the minutes of CCC meetings; - a copy of any Annual Reviews (over the last 5 years); - a copy of any Independent Environmental Audit, and the Proponent's response to the recommendations in any audit; - any other matter required by the Secretary; and (b) keep this information up to date, to the satisfaction of the Secretary. (b) place a copy of the document/s on its website; and (c) remove superseded copies of strategies/plans/programs from its website.	MAC generally makes all required information under this approval available publicly on its website. It was noted that (as per Sch 5- 5) on 16 September 2021 DPE contacted MAC to inform that the CCC documentation on the BHP website was out of date. Upon checking on this day, the documentation was only up to date to 7 May 2020. This is a breach of Schedule 5, Condition 11 – Access to Information. The DPE assessed the breach in accordance with the Departments Compliance Policy, with the Department on this occasion, determined to record the breach with no further enforcement action.	NC (Duplicate with Sch 5 – 5)	As Sch 5 - 5
Consolidated Coal Lease 744, Mining Leases 1358, 1548, 1593, 1655, 1739, 1757, 1487, Mining Purpose Lease 263 (7 October 2020 to 1 July 2022)				
CCL 744 (18)	<u>CCL 744 (18), ML 1548 (16), ML 1593 (16)</u> 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.	The auditor reviewed the evidence and inspected the site with reference to the EPL as described in Appendix A2. During the time period that this version of the ML is valid, the site had two incidents of non-compliance under the EPL related to water pollution: The site reported a non-compliance on this condition. The mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken at four	NC (Duplicate with EPL L1.1)	N/A, refer to EPL L1.1
ML 1548 (16)				
ML 1593 (16)	<u>ML 1655 (12)</u> Prospecting 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. <u>ML 1487 (25)</u> The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to			

Item No	Assessment Requirement	Comment	Audit Classification	Response/Action
	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.	chosen locations which the site determined that the impact was negligible; and Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3. The Environmental Superintendent advised that these events did not trigger any Notices and Cautions from the EPA.		
ML1487 (33a)	Operations shall be carried out in such a way as not to cause any pollution of the Hunter River Catchment Area.	The site reported a non-compliance on this condition. A mine water dam (SW23 Export Sediment Dam) was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. The Email from the DPE acknowledged the site has reported the incident to the EPA. Site Environmental team advised that the site did not receive any correspondences from the EPA. The Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under condition R3.	NC (duplicate NC, EPL L1.1)	N/A, refer to EPL L1.1

Mining Licence 1570, 1693, 1685, 1749 (2 July 2022 to 26 July 2023)

No non-compliances have been identified.

4. CONCLUSION

An audit of CoA, Mining Lease and Environmental Protection Licence conditions has been completed as well as a check against commitments made in the management plans developed as part of CoA conditions for the site.

Overall, compliance was generally achieved with the audit documents that were reviewed. The number of non-compliances with the statutory conditions and implementation of the management plans is summarised in *Table 4.1* below.

Table 4.1 Summary of Audit Findings

Review	Non-compliances (NC)	Observations (Obs NC)	Observations (Obs C)	Recommendations
Statutory Instruments	13 (+5 duplicates)	Nil	1	7
Implementation of Plans	3	Nil	Nil	1

The assessment determined there were 13 instances of non-compliance with the Project approvals and 5 additional duplicate non-compliances. 3 non-compliances as relates to the implementation and adequacy of management plans were also identified.

Note: A duplicate finding is defined as where an incident has led to a non-compliance against more than one condition of the Project approvals.

An action response table has been developed by MAC addressing all audit findings and will be submitted separately to this report.

APPENDIX A CONDITIONS OF APPROVAL, ENVIRONMENTAL PROTECTION LICENCE AND MINING LEASE COMPLIANCE TABLES

Document details	
Document title	Mt Arthur Project Approval
Document subtitle	PA_090062
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis
Client Name	Hunter Valley Energy Coal Pty Ltd

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
SCHEDULE 2 – ADMINISTRATIVE CONDITIONS					
OBLIGATION TO MINIMISE HARM TO THE ENVIRONMENT					
1.	In addition to meeting the specific performance criteria established under this approval, the Proponent shall implement all reasonable and feasible measures to prevent and/or minimise any material harm to the environment that may result from the construction, operation, or rehabilitation of the project.	This Audit	In general, the proponent implemented controls to meet criteria and minimise environmental harm.	C	N/A
Terms of Approval					
2.	The Proponent shall carry out the project generally in accordance with the: (a) EA; and (b) conditions of this approval. <i>Note: The general layout of the project is shown in Appendix 2.</i>	Note	Noted	Note	N/A
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 approval shall prevail to the extent of any inconsistency.	Note	Noted	Note	N/A
4.	The Proponent shall comply with any reasonable requirement/s of the Secretary arising from: (b) any reports, strategies, plans, programs, reviews, audits or correspondence that are submitted in accordance with this approval; (b) any reports, reviews or audits commissioned by the Department regarding compliance with this approval; and (c) the implementation of any actions or measures contained in these documents.	- Management Plan consultation records and communications. - Management Plan Register - Independent Environment Audits (IEA's)	Evidence was provided that MAC complies with all requests made by the Secretary arising out of plan, strategies, reports submission and review, audits of actions.	C	N/A
Limits On Approval					
5.	Mining operations for the project may take place until 30 June 2026. <i>Note: Under this approval, the Proponent is required to rehabilitate the site and perform additional undertakings to the satisfaction of the Secretary and DRE. Consequently this approval will continue to apply in all other respects other than the right to conduct mining operations until the rehabilitation of the site and these additional undertakings have been carried out satisfactorily.</i>	This Audit	The stated end date for mining has not been reached during this audit period.	C	N/A
6.	The Proponent shall not extract more than: (a) 32 million tonnes of ROM coal from the open cut mining operations on the site in a financial year; and (b) 36 million tonnes of ROM coal from the Mt Arthur mine complex in a financial year.	- Annual Reviews, FY 2021 and 2022 - Coal Extraction and Haulage Records - Interview with Environment Superintendent	Data provided in the annual reviews, haulage records and by the Environment Superintendent reports that the extracted tonnes are as below. 2023: 20.8 (estimated) 2022: 19.8 Mt 2021: 21.3 Mt 2020: 21.3 Mt	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
7.	<p>The Proponent shall:</p> <p class="list-item-l1">(a) not transport coal from the site by road (except in an emergency situation and with the prior approval of the Secretary in consultation with Council); and</p> <p class="list-item-l1">(b) restrict coal transport on the Antiene rail spur to a maximum of:</p> 27 million tonnes of product coal in a financial year; and 30 train movements a day, <p>for the Mt Arthur mine complex, except under an agreement with the Drayton Mine to use some of its approved capacity, and where a copy of this agreement has been provided to the Secretary.</p> <p><i>Note: For the avoidance of doubt, each train entering and exiting the site is classified as 2 train movements, and a day refers to the 24 hours from midnight to midnight the next day.</i></p>	- Annual Reviews, FY 2021 and 2022 - Coal haulage records - Interview with Environment Superintendent	Data provided confirms that coal transported by rail (confirmed as less than 30 trains per day) is as follows: 2023: 14.5 Mt (estimated) 2022: 13.7 Mt 2021: 14.9 Mt 2020: 16.0 Mt	C	

Surrender of Consents

8.	By the end of September 2011, or as otherwise agreed by the Secretary, the Proponent shall surrender all existing development consents/approvals for the project in accordance with sections 75YA and 104A of the EP&A Act, and to the satisfaction of the Secretary. <i>Notes:</i> <i>This approval will apply to all components of the Mt Arthur mine complex's open cut operations from the date of approval. The existing management and monitoring plans/strategies/programs/protocols/ committees for the project will continue to apply until the approval of the comparable plan/strategy/program/ protocol/committee under this approval;</i> <i>The existing approvals are identified in Appendix 3.</i>	Previous Audits	Completed outside audit period. Closed by previous audits.	NT	N/A
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Structural Adequacy

9.	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 and MSB <i>Notes:</i> <i>Under Part 4A of the EP&A Act, the Proponent is required to obtain construction and occupation certificates for the proposed building works.</i> <i>Part 8 of the EP&A Regulation sets out the requirements for the certification of the project.</i> <i>The project is located in the Muswellbrook Mine Subsidence District. Under Section 15 of the Mine Subsidence Compensation Act 1961, the Proponent is required to obtain the MSB's approval before constructing any improvements on the site.</i>	- Interview with Environment Superintendent - GHD - Compliance Certificate for Building Design and Construction, 23 February 2023	MAC completed upgrades to the Bayswater MIA workshops during the audit period for a new two bay workshop and ancillary structures. GHD certified the works were completed in accordance with the relevant Australian Standards and Buildings codes.	C	N/A
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Demolition

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
10.	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.	- CO208 BHP MAC Bayswater Coal Bin Demolition - Project Close Out Report 17/07/20 - CO215 BHP MAC Orica Compound Demolition - Close Out Report 3/05/21 - WMS001 - BHP MAC Infrastructure Demolition - Rev 1 - WMS001 - BHP MAC Orica Silo Demolition - Rev 2	MAC conducted 2 demolitions of structures during the audit period of the Baywater coal bin and the Orica silo. Both were carried out in accordance with AS 2601-2001.	C	N/A

Protection of Public Infrastructure

11.	Unless the Proponent and the applicable authority agree otherwise, the Proponent shall: (a) repair, or pay the full costs associated with repairing, any public infrastructure that is damaged by the project; and (b) relocate, or pay the full costs associated with relocating, any public infrastructure that needs to be relocated as a result of the project, except where such works have been compensated through the Mining Act 1992 or the planning agreement referred to in condition 14 below. <i>Note: This condition does not apply to any damage to public infrastructure subject to compensation payable under the Mine Subsidence Compensation Act 1961, or to damage to roads caused as a result of general road usage.</i>	- Interview with Environment Superintendent - Road Maintenance Invoices, FY21, 22 and 23 - Notices of Practical Completion	MAC undertakes annual road maintenance funding as evidenced by notices of practical completion and funding invoices.	C	N/A
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Operation Of Plant And Equipment

12.	The Proponent shall ensure that all plant and equipment used at the site, and equipment used offsite to monitor the performance of the Mt Arthur mine complex, is: (a) maintained in a proper and efficient condition; and (b) operated in a proper and efficient manner.	- TEOM, dust and weather station Annual Calibration reports - Maintenance registers - Operator training records	MAC undertakes regular scheduled maintenance of plant and equipment and as identified unplanned repairs of defects. Operators are trained to operate equipment in line with operator manuals. Monitoring equipment is also serviced and calibrated in line with scheduled requirements	C	N/A
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Stage Submission of Strategies, Plans and Programs

13.	With the approval of the Secretary, the Proponent may: (a) submit any strategy, plan or program required by this approval on a progressive basis; and (b) combine any strategy, plan or program required by this approval with any similar strategy, plan or program for the Mt Arthur Underground Project. <i>Note: For the avoidance of doubt, existing approved management plans, strategies or monitoring programs for the open cut operations of the Mt Arthur mine complex will continue to apply until the approval of a similar plan, strategy or program under this approval, or until the surrender of existing approvals (see condition 8 above).</i>	- Interview with Environmental Superintendent - Management Plan Register	Refer to Sch.5 – Condition 5 for details of Management Plans and Strategies status.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Planning Agreement					
14.	The Proponent shall comply with the planning agreement with Council executed on 24 June 2011 for the life of the Mt Arthur mine complex, as summarised in Appendix 9. If there is any dispute between the Proponent and Council about the implementation of the planning agreement, then either of the parties may refer the matter to the Secretary for resolution.	- Community Fund payment invoices, 2020 – 2023 - Council Environmental Assessment payment invoices, 2020 – 2023 - Thomas Mitchell Drive Upgrade - funding invoices and practical completion notices - Thomas Mitchell Drive Maintenance, 2020 - 2023	MAC complies with planning agreement for community funding and road maintenance requirements with payments adjusted annually by 2% for CPI increases.	C	N/A
Access to Land					
15.	If any mining company in the area is investigating the potential to use infrastructure associated with the project, such as the Antiene rail spur, on commercial terms in order to avoid the costs and environmental impacts of constructing new infrastructure for its project, the Proponent shall consult with the company about the potential to reach a mutually acceptable agreement to the satisfaction of the Secretary.	Interview with Environmental Superintendent	MAC has a mutual agreement with Melba Underground Mine for rail access.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations																																				
SCHEDULE 3 – ENVIRONMENTAL PERFORMANCE CONDITIONS																																									
Acquisition Upon Request																																									
1.	Upon receiving a written request for acquisition from an owner of the land listed in Table 1, the Proponent shall acquire the land in accordance with the procedures in conditions 7-8 of schedule 4. Table 1: Land subject to acquisition upon request <table><tr><th>Receiver No.</th><th>Receiver</th><th>Acquisition Basis</th></tr><tr><td>6</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>28</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>29</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>101</td><td>Private landholder</td><td>Noise</td></tr><tr><td>102</td><td>Private landholder</td><td>Noise</td></tr><tr><td>203,204</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>206</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>209,210,211</td><td>Private landholder</td><td>Air quality, Noise</td></tr><tr><td>226</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>241</td><td>Private landholder</td><td>Air quality</td></tr><tr><td>264</td><td>Private landholder</td><td>Air quality</td></tr></table> Notes: 1 To interpret the locations referred to in Table 1, see the applicable figure in Appendix 4. 2 These receivers shall maintain their rights to acquisition upon request until 31 December 2016, when the EA predicts that the project will comply with the relevant acquisition criteria at these properties. 3 The Proponent is only required to acquire this property if acquisition is no longer reasonably achievable under the approval for the Drayton mine. 4 The Proponent is only required to acquire this property if acquisition is not reasonably achievable under a separate approval for the Bengal/a mine.	Receiver No.	Receiver	Acquisition Basis	6	Private landholder	Air quality	28	Private landholder	Air quality	29	Private landholder	Air quality	101	Private landholder	Noise	102	Private landholder	Noise	203,204	Private landholder	Air quality	206	Private landholder	Air quality	209,210,211	Private landholder	Air quality, Noise	226	Private landholder	Air quality	241	Private landholder	Air quality	264	Private landholder	Air quality	- Acquisition request letters - Independent market valuation reports - Offer acceptance letters	Four properties requested acquisition within the audit period on air quality and noise basis. MAC in accordance with Sch 4 – condition 7 & 8 commissioned independent market valuations and made offers of acquisition which were accepted.	C	N/A
Receiver No.	Receiver	Acquisition Basis																																							
6	Private landholder	Air quality																																							
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29	Private landholder	Air quality																																							
101	Private landholder	Noise																																							
102	Private landholder	Noise																																							
203,204	Private landholder	Air quality																																							
206	Private landholder	Air quality																																							
209,210,211	Private landholder	Air quality, Noise																																							
226	Private landholder	Air quality																																							
241	Private landholder	Air quality																																							
264	Private landholder	Air quality																																							
Noise																																									
Impact Assessment Criteria																																									
2.	The Proponent shall ensure that the noise generated by the Mt Arthur mine complex does not exceed the criteria in Table 2 at any residence on privately-owned land, except where such exceedances were predicted in the EA. Table 2: Noise Impact Assessment Criteria dB A)	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022	Based on monitoring information presented in the Annual Reviews, MAC reported they have not exceeded the project noise limits during the audit period.	C	N/A																																				

No	Assessment Requirement					Reference/ Evidence	Comments	Compliance Status	Recommendations																																									
	<table><thead><tr><th>Location</th><th>Day <i>(LAeq (1Smin))</i></th><th>Evening<i>(LAeq (1Smin))</i></th><th>Night <i>(LAeq (1Smin))</i></th><th>Night <i>(LAI (1 min))</i></th></tr></thead><tbody><tr><td>A – Antiene Estate</td><td>37</td><td>40</td><td>38</td><td>45</td></tr><tr><td>B – Skellatar Stock Route, Thomas Mitchell Drive, Denman Road East</td><td>39</td><td>38</td><td>37</td><td>45</td></tr><tr><td>C - Racecourse Road</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>D - Denman Road North-west, Roxburgh Vineyard (north-east), Roxburgh Road</td><td>37</td><td>36</td><td>35</td><td>45</td></tr><tr><td>E - South Muswellbrook</td><td>39</td><td>39</td><td>39</td><td>45</td></tr><tr><td>F - Denman Road West, Roxburgh Vineyard (west)</td><td>37</td><td>36</td><td>35</td><td>45</td></tr><tr><td>G - East Antiene</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>H - South of Mine</td><td>35</td><td>35</td><td>35</td><td>45</td></tr></tbody></table> <i>Note: To interpret the locations referred to Table 2, see the applicable figures in Appendix 4 and Appendix 5.</i> Noise generated by the Mt Arthur mine complex is to be measured in accordance with the relevant requirements of the NSW Industrial Noise Policy. Appendix 10 sets out the meteorological conditions under which these criteria apply and the requirements for evaluating compliance with these criteria. However, these criteria do not apply if the Proponent has an agreement with the owner/s of the relevant residence or land to generate higher noise levels, and the Proponent has advised the Department in writing of the terms of this agreement.	Location	Day <i>(LAeq (1Smin))</i>	Evening <i>(LAeq (1Smin))</i>	Night <i>(LAeq (1Smin))</i>	Night <i>(LAI (1 min))</i>	A – Antiene Estate	37	40	38	45	B – Skellatar Stock Route, Thomas Mitchell Drive, Denman Road East	39	38	37	45	C - Racecourse Road	41	40	39	45	D - Denman Road North-west, Roxburgh Vineyard (north-east), Roxburgh Road	37	36	35	45	E - South Muswellbrook	39	39	39	45	F - Denman Road West, Roxburgh Vineyard (west)	37	36	35	45	G - East Antiene	41	40	39	45	H - South of Mine	35	35	35	45	Noise Monitoring reports	As part of routine attended noise monitoring, independent consultants identified a potential exceedance at monitoring site NP04 (A – Antiene Estate) when conducting routine monitoring on the evening of 18 October 2021. A remeasure was undertaken resulting in the determination that Mt Arthur Coal responsible for a site LAeq of 36dB with the additional low frequency modifying factor resulting in an LAeq of 38dB, complying with the criteria. MAC Supervisors/OCE’s upon being notified took the decision to not attend the location of the level 2 TARP alarms and instead ‘monitor noise levels’. MAC was made aware of the potential exceedance on the morning of 19 October 2021 and subsequently reported the event to DPE. No other noise exceedances were noted during the audit period.		
Location	Day <i>(LAeq (1Smin))</i>	Evening <i>(LAeq (1Smin))</i>	Night <i>(LAeq (1Smin))</i>	Night <i>(LAI (1 min))</i>																																														
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F - Denman Road West, Roxburgh Vineyard (west)	37	36	35	45																																														
G - East Antiene	41	40	39	45																																														
H - South of Mine	35	35	35	45																																														
Traffic Noise Criteria																																																		
6.	The Proponent shall take all reasonable and feasible measures to ensure that the traffic noise generated by the Mt Arthur mine complex does not exceed the traffic noise impact assessment criteria in Table 3.					Annual Reviews, FY 2021 and 2022	In line with the Section 4 of the Noise Management Plan, an expert third party consultant was engaged to complete the three yearly traffic noise assessment in	C	N/A																																									

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations									
	Table 3: Traffic noise criteria dB(A) <table><tr><th>Road</th><th>Day/Evening LAeq (1 hour/</th><th>Night LAeq (1 hour/</th></tr><tr><td>Thomas Mitchell Drive, Denman Road (east of Thomas Mitchell Drive)</td><td>60</td><td>55</td></tr><tr><td>Denman Road (west of Thomas Mitchell Drive)</td><td>55</td><td>50</td></tr></table> Note: Traffic noise generated by the Mt Arthur mine complex is to be measured in accordance with the relevant procedures in the EPA’s Road Noise Policy (2011), or its latest version.	Road	Day/Evening LAeq (1 hour/	Night LAeq (1 hour/	Thomas Mitchell Drive, Denman Road (east of Thomas Mitchell Drive)	60	55	Denman Road (west of Thomas Mitchell Drive)	55	50	Interview with Environment Superintendent	November 2020. The purpose being to predict the current traffic noise generated by Mt Arthur Coal vehicles along Thomas Mitchell Drive and Denman Roads and compare the results from attended monitoring against the criteria. The expert assessment could not identify an appropriate methodology to accurately evaluate compliance with Project Approval criteria. This outcome was consistent with the previous assessment completed in 2015 which also identified that Mt Arthur Coal's contribution to total road traffic noise levels could not be measured directly. MAC stated they will continue to review available methodology in consultation with expert third parties on a three yearly basis to comply with this obligation.		
Road	Day/Evening LAeq (1 hour/	Night LAeq (1 hour/												
Thomas Mitchell Drive, Denman Road (east of Thomas Mitchell Drive)	60	55												
Denman Road (west of Thomas Mitchell Drive)	55	50												

Additional Noise Mitigation Measures

7.	Upon receiving a written request from the owner of any residence: (a) on the noise affected land listed in Table 1 (unless the landowner has requested acquisition under this approval); and (b) on the land listed in Table 4, the Proponent shall implement reasonable and feasible noise mitigation measures (such as double glazing, insulation, and/or air conditioning) at any residence in consultation with the owner. 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 Secretary for resolution. Table 4: Land subject to additional noise mitigation upon request <table><tr><th>Receiver No.¹</th><th>Receiver</th></tr><tr><td>6²</td><td>Private landholder</td></tr><tr><td>94</td><td>Private landholder</td></tr><tr><td>97²</td><td>Private landholder</td></tr><tr><td>98²</td><td>Private landholder</td></tr><tr><td>99²</td><td>Private landholder (2 residences)</td></tr><tr><td>100</td><td>Private landholder</td></tr><tr><td>204</td><td>Private landholder</td></tr><tr><td>206</td><td>Private landholder</td></tr><tr><td>226</td><td>Private landholder</td></tr></table> Notes: 1. To interpret the locations referred to in Table 4, see the applicable figure in Appendix 4. 2. These receivers shall maintain their rights to mitigation upon request until 31 December 2016, when the EA predicts that the project will comply with the relevant criteria at these properties	Receiver No. ¹	Receiver	6 ²	Private landholder	94	Private landholder	97 ²	Private landholder	98 ²	Private landholder	99 ²	Private landholder (2 residences)	100	Private landholder	204	Private landholder	206	Private landholder	226	Private landholder	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022	MAC stated no written requests for additional noise mitigation measures.	NT	N/A
Receiver No. ¹	Receiver																								
6 ²	Private landholder																								
94	Private landholder																								
97 ²	Private landholder																								
98 ²	Private landholder																								
99 ²	Private landholder (2 residences)																								
100	Private landholder																								
204	Private landholder																								
206	Private landholder																								
226	Private landholder																								

Operating Conditions

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
8.	The Proponent shall: (a) implement best noise management practice, which includes implementing all reasonable and feasible noise mitigation measures to minimise the operational, road and rail noise of the Mt Arthur mine complex; (b) operate a comprehensive noise management system on site that uses a combination of predictive meteorological forecasting and real-time noise monitoring data to guide the day to day planning of mining operations, and the implementation of both proactive and reactive noise mitigation measures to ensure compliance with the relevant conditions of this approval; (c) minimise the noise impacts of the project during meteorological conditions when the noise limits in this approval do not apply (see Appendix 10); (d) co-ordinate noise management at the Mt Arthur mine complex with the noise management at the Drayton and Bengalla mines to minimise cumulative noise impacts; and (e) carry out monthly attended monitoring in accordance with Appendix 10 (unless otherwise agreed with the Secretary), to determine whether the Mt Arthur mine complex is complying with the relevant conditions of this approval, to the satisfaction of the Secretary.	▪ MAC-ENC-MTP-032 Noise Management Plan, 17/05/2023 (Release date). ▪ Noise Management Plan DPE Approval, 28/04/2023 ▪ Annual Reviews, FY 2021 and 2022 ▪ Noise Monitoring reports ▪ Site Observations	MAC has generally implemented best noise management practices and management system at site that fulfills the criteria of (a) to (e).	C	N/A

Noise Management Plan

9.	The Proponent shall prepare and implement a Noise Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the noise criteria and operating conditions in this approval; (b) describe the proposed noise management system in detail; and (c) include a monitoring program that: • evaluates and reports on: - the effectiveness of the noise management system; - compliance against the noise criteria in this approval; - and compliance against the noise operating conditions; • includes a program to calibrate and validate the real-time noise monitoring results with the attended monitoring results over time (so the real-time noise monitoring program can be used as a better indicator of compliance with the noise criteria in this approval and trigger for further attended monitoring); and • defines what constitutes a noise incident, and includes a protocol for identifying and notifying the Department and relevant stakeholders of any noise incidents.	▪ MAC-ENC-MTP-032 Noise Management Plan, 17/05/2023 (release date) ▪ Noise Management Plan DPE Approval, 28/04/2023 ▪ Annual Reviews, FY 2021 and 2022 ▪ Noise Monitoring reports ▪ DPE Show Cause Notice, 17/11/2021 ▪ DPE Official Caution, 26-05-2022	The Noise Management Plan includes required noise mitigation measures, including the TARP. Meteorological data is collected and used for noise prediction. As part of routine attended noise monitoring, independent consultants identified a potential exceedance at monitoring site NP04 when conducting routine monitoring on the evening of 18 October. MAC was made aware of the potential exceedance on the morning of 19 October 2021 and subsequently reported the event to DPE. Following this, meteorological data was analysed indicating that at the time of the remeasure, the criteria in PA09_0062 was not applicable as per Appendix 10. The event was investigated by DPE with a Show Cause notice issued on 26 May 2022. The result of the Show Cause was the issuing of an Official Caution alleging a breach of Section 4.2 of the Environmental Planning and Assessment Act 1979, failing to comply with Schedule 3 Condition 9 of MP09_0062 by failing to implement the Noise Management Plan. The DPE did not consider the MAC Supervisors/OCE's decision to not attend the location of the level 2 TARP alarms and instead 'monitor noise levels' in this instance to be an appropriate response to the level 2 TARP alarms, nor satisfy the requirements of the NMP. The DPE determined MAC have failed to comply with Schedule 3, Condition 9 of MP09_0062 as modified	NC	MAC has addressed the issue through additional training to the OCE. No further action is recommended.
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			(the approval) by failing to implement the approved Noise Management Plan (NMP) at the Mt Arthur Coal (MAC) mine on 18 October 2021. Following the incident MAC has provided additional adequate training to the OCE to make them aware of the requirements of the noise TARP so that it is implemented in accordance with the NMP.		

Blasting

Impact Assessment Criteria

10.	The Proponent shall ensure that blasts on site do not cause exceedances of the criteria in Table 5. <i>Table 5: Blasting impact assessment criteria</i> <table><tr><th>Location</th><th>Airblast overpressure (dB(Lin Peak))</th><th>Ground vibrations (mm/s)</th><th>Allowable exceedance</th></tr><tr><td rowspan="2">Residence on privately owned land</td><td>120</td><td>10</td><td>0%</td></tr><tr><td>115</td><td>5</td><td>5% of the total number of blasts in a financial year</td></tr><tr><td></td><td>-</td><td>50</td><td>0%</td></tr></table> However, these criteria do not apply if the Proponent has a written agreement with the relevant owner to exceed these criteria, and has advised the Department in writing of the terms of this agreement. Note: An alternative limit for public infrastructure may be determined by the Secretary In accordance with the structural design methodology in AS 2187.2-2006, or another methodology acceptable to the Secretary.	Location	Airblast overpressure (dB(Lin Peak))	Ground vibrations (mm/s)	Allowable exceedance	Residence on privately owned land	120	10	0%	115	5	5% of the total number of blasts in a financial year		-	50	0%	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022 - MAC-ENC-MTP-015, Blast Management Plan, 06/12/2021 - Blast Master - Ausgrid – MAC Deed of Consent, 22/12/2015 - Roads & Maritime Services – MAC Deed of Consent, 28/04/2015 - Telstra – MAC Deed of Consent, 23/12/2015	Written agreements with Roads and Maritime Services (RMS), Telstra and Ausgrid are in place allowing increases in the ground vibration blast impact assessment criteria as follows: 150 mm/s with no allowable exceedances (RMS, Ausgrid); 10 per cent of the total number of blasts over a period of 12 months are allowed to exceed 100 mm/s (Telstra, Ausgrid); and - Notification prior to blasting for blasts predicted to exceed 100 mm/s at Denman Road (RMS). FY 2021 - During the reporting period 204 blasts were undertaken. Blast data capture rates for the reporting period were 100% at all statutory sites with the exception of BP09 Denman Rd West which was 99.5% as one blast event was not recorded at this logger due to memory card corruption. No blast ground vibration monitoring results above the maximum 10 mm/s limit were recorded at any of the statutory blast monitors during the reporting period. No blast recorded an airblast overpressure result above the maximum 120 dBL limit. Of the 204 blast events fired during the reporting period, four (2%) exceeded the airblast overpressure criteria of 115 dBL and six (2.9%) exceeded the ground vibration criteria of 5 mm/s, remaining below the five per cent allowable exceedance limits. In accordance with the Blast Management Plan, potential impacts to public infrastructure were calculated for blasts in Windmill, Roxburgh and Saddlers pits. FY 2022 - During the reporting period 185 blasts were undertaken. Blast data capture rates for the reporting period were 100 per cent at all statutory sites. One blast resulted in blast ground vibration monitoring results above the maximum 10 mm/s limit of 13.5mm/s	C	N/A
Location	Airblast overpressure (dB(Lin Peak))	Ground vibrations (mm/s)	Allowable exceedance																	
Residence on privately owned land	120	10	0%																	
	115	5	5% of the total number of blasts in a financial year																	
	-	50	0%																	

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			at Denman Rd West on 23 July 2021. Investigations determined that there was no impact above the compliance criteria at the nearest private residence. No blasts recorded an airblast overpressure result above the maximum 120 dBL limit. Of the 185 blast events fired during the reporting period, three (1.62 per cent) exceeded the airblast overpressure criteria of 115 dBL and four (2.16 per cent) exceeded the ground vibration criteria of 5 mm/s, hence remaining below the five per cent allowable exceedance limits. FY 2023 – During the audit period for FY 2023 there were 5 blasts that registered between 115 and 120 dBL. No blast recorded greater than 120dBL and none were greater than 5 mm/s.		

Blasting Hours

11.	The Proponent shall only carry out blasting on site between 8am and 5pm Monday to Saturday inclusive. No blasting is allowed on Sundays, public holidays, or at any other time without the written approval of the Secretary.	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022 - Blast Master	Review of blast records shows all blasting was undertaken between 8 am and 5 pm Monday to Saturday, with no blasts being undertaken on Sundays or public holidays.	C	N/A
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Blasting Frequency

12.	The Proponent may carry out a maximum of: (a) 3 blasts a day. (b) 4 blasts a day, on a maximum of 12 days each financial year; and (c) 12 blasts a week, averaged over a financial year, on the site. This condition does not apply to blasts that generate ground vibration of 0.5 mm/s or less at any residence on privately-owned land, blast misfires or blasts required to ensure the safety of the mine, its workers or the general public. Notes: - For the purposes of this condition, a blast refers to a single blast event, which may involve a number of individual blasts fired in quick succession in a discrete area of the mine. - For the avoidance of doubt, should an additional blast be required after a blast misfire, this additional blast and the blast misfire are counted as a single blast. - In circumstances of recurring unfavourable weather conditions (following planned but not completed blast events), to avoid excess explosive sleep times and minimise any potential environmental impacts, the Proponent may seek agreement from the Secretary for additional blasts to be fired on a given day.	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022 - Blast Master	Based on review of the Annual Reviews and Blast Master over the audit period blasting frequency was in line with requirements of (a) to (c).	C	N/A
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Property Inspection

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
14.	If the Proponent receives a written request from the owner of any privately-owned land within 3 kilometres of any approved open cut mining pit on site for a property inspection to establish the baseline condition of any buildings and/or structures on his/her land, or to have a previous property inspection updated, then within 2 months of receiving this request the Proponent shall: (a) commission a suitably qualified, experienced and independent person, whose appointment is acceptable to both parties to: - establish the baseline condition of any buildings and other structures on the land, or update the previous property inspection report; and - identify measures that should be implemented to minimise the potential blasting impacts of the project on these buildings and/or structures; and (b) give the landowner a copy of the new or updated property inspection report. If there is a dispute over the selection of the suitably qualified, experienced and independent person, or the Proponent or the landowner disagrees with the findings of the property inspection report, either party may refer the matter to the Secretary for resolution.	Interview with Environment Superintendent	MAC stated there have been no requests for property inspections under this condition.	NT	N/A
Property Investigations					
15.	If any landowner of privately-owned land within 3 kilometres of any approved open cut mining pit on site (including the whole of the Racecourse Road area and the area southwest of Skellatar Stock Route), or on any other land where the Secretary agrees that a property inspection is warranted claims that buildings and/or structures on his/her land have been damaged as a result of blasting on the site, then the Proponent shall within 3 months of receiving this claim: (a) commission a suitably qualified, experienced and independent person, whose appointment is acceptable to both parties, to investigate the claim; and (b) give the landowner a copy of the property investigation report. If this independent property investigation confirms the landowner's claim, and both parties agree with these findings, then the Proponent shall repair the damage to the satisfaction of the Secretary. If there is a dispute over the selection of the suitably qualified, experienced and independent person, or the Proponent or the landowner disagrees with the findings of the independent property investigation, then either party may refer the matter to the Secretary for resolution.	Interview with Environment Superintendent	As above	NT	N/A
Operating Conditions					
16.	During mining operations on site, the Proponent shall: (a) implement best blasting practice to: - protect the safety of people and livestock in the area surrounding blasting operations; - protect public or private infrastructure/property in the area surrounding blasting operations from blasting damage; and - minimise the dust and fume emissions from blasting at the Mt Arthur mine complex; (b) ensure that blasting on the site does not damage heritage sites, including Edinglassie, Rous Lench, and Balmoral;	- MAC-ENC-MTP-015 Blast Management Plan, 06/12/2021 - Annual Reviews, FY 2021 and 2022 - Blast Master	Evidence of Blast Management Plan and other MAC Blasting Procedures. Details of blasting results are outlined in the Annual Review. There has been no evidence or reports of damage to the listed heritage sites from blasting. Blasting is coordinated by weekly scheduling and notices issued for specific details on the council website.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(c) co-ordinate the timing of blasting on site with the timing of blasting at the Drayton and Bengalla coal mines to minimise the potential cumulative blasting impacts of the three mines; and (d) operate a suitable system to enable the general public and surrounding landowners and tenants to get up-to-date information on the proposed blasting schedule on site, to the satisfaction of the Secretary.				
16A.	The Proponent shall not undertake blasting on site within 500 metres of any public road or any land outside the site not owned by the Proponent unless the Proponent has: (a) demonstrated to the satisfaction of the Secretary that the blasting can be carried out closer to the infrastructure or land without compromising the safety of people or livestock or damaging the infrastructure and/or other buildings and structures; and (b) updated the Blast Management Plan to include the specific measures that would be implemented while blasting is being carried out within 500 metres of the infrastructure or land; or (c) a written agreement with the relevant infrastructure owner or landowner to allow blasting to be carried out closer to the infrastructure or land, and the Proponent has advised the Department in writing of the terms of this agreement.	- MAC-ENC-MTP-015 Blast Management Plan, 06/12/2021 - DPE approval, 21/02/2022 - Ausgrid – MAC Deed of Consent 22/12/2015 - Roads & Maritime Services – MAC Deed of Consent, 28/04/2015 - Telstra – MAC Deed of Consent, 23/12/2015	Section 14 of the Blast Management Plan includes the required measures for blasting within 500m of a public road or land outside the site. Refer to agreements with Telstra, Ausgrid etc	C	N/A

Blast Management Plan

17.	The Proponent shall prepare and implement a Blast Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the blast criteria and operating conditions of this approval, including: - detailed demonstration that blasting within the blast control area shown in Appendix 5 can be undertaken in a manner that will meet the blast impact assessment criteria in Table 5 at all times; and - a detailed blast fume management strategy to minimise and manage blast fumes; (b) include a road closure management plan, prepared in consultation with the applicable roads authority, that includes provisions for: - minimising the duration of closures, both on a per event basis and weekly basis; - avoiding peak traffic periods as far as practicable; and - coordinating with neighbouring mines to minimise the cumulative effect of road closures; (c) include a blast monitoring program for evaluating and reporting on compliance with the blasting criteria and operating conditions of this approval; and (d) Include the requirement for Mt Arthur Coal to actively participate in Muswellbrook Council's online blasting portal.	- MAC-ENC-MTP-015 Blast Management Plan, 06/12/2021 - DPE letter of approval of the plan, 21/02/2022	MAC has prepared the required Blast Management Plan which includes requirements of (a) to (d) that has been prepared to the satisfaction of the Secretary.	C	N/A
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AIR QUALITY

Odour

18.	The Proponent shall ensure that no offensive odours are emitted from the site, as defined under the POEO Act.	- Site inspection - Complaints records	MAC has published monthly complaints records on their website. All monthly reports relating to the audit	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		- MAC-ENC-PRG-002 Spontaneous Combustion Control Program, 23/06/2023 - MAC-ENC-MTP-015 Blast Management Plan, 06/12/2021 - MAC-ENC-MTP-040 Air Quality Management Plan, 25/01/2019	period have been reviewed. There were no odour-related complaints in the audit period. MAC's approved Air Quality Management Plan identified the primary sources of odour at Mt Arthur Coal as spontaneous combustion and blast fume. Management measures are identified in the Spontaneous Combustion Control Program and Blast Management Plan. No areas of coal self-heating were observed in the site inspection, indicating that overburden and coal stockpile prone to spontaneous combustion was being appropriately managed to reduce the risk of spontaneous combustion, as per the Spontaneous Combustion Control Program and Blast Management Plan.		

Impact Assessment Criteria

20.

The Proponent shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the project do not cause exceedances of the criteria listed in Tables 6, 7 and 8 at any residence on privately-owned land (except for air quality affected land listed in Table 1).

Table 6: Long term impact assessment criteria for particulate matter

Pollutant	Averaging period	Criterion
Total suspended particulate (TSP) matter	Annual	90 µg/m³
Particulate matter < 10 µm (PM10)	Annual	30 µg/m³

Table 7: Short term impact assessment criteria for particulate matter

Pollutant	Averaging period	Criterion
Particulate matter < 10 µm (PM10)	24 hour	50 µg/m³

Table 8: Long term impact assessment criteria for deposited dust

Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level
Deposited dust	Annual	2g/m²/month	4g/m²/month

Notes to Tables 6-8:

- MAC-ENC-MTP-040 Air Quality Management Plan, 25/01/2019
- Annual Reviews, FY 2021 and 2022

Information the Annual Reviews has been reviewed. Key outcomes from this review were as follows:

- Annual average TSP concentrations did not exceed the impact assessment criteria at monitors representative of residences on privately-owned land.
- Annual average PM₁₀ concentrations did not exceed the impact assessment criteria at monitors representative of residences on privately-owned land.
- All 24-hour average PM₁₀ concentrations above 50 µg/m³ were investigated. Some results were identified as being influenced by extraordinary events and agreed with the Secretary. One result (50.2 µg/m³ on 12/9/21) was influenced by a contribution from MAC. Evidence of reasonable and feasible avoidance and mitigation measures was available. These included watercarts, speed limits, and water sprays. This was completed under a Schedule 4 audit.
- Annual average deposited dust levels did not exceed the impact assessment criteria at monitors representative of residences on privately-owned land.
- The Annual Reviews (FY 2022) recorded times where the data capture for the TEOM's was less than 90% (for example, due to access issues after rainfall). This result was listed as an improvement observation to prevent a potential non-compliance

C

NA

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<i>a Total impact (i.e. incremental increase in concentrations due to the project plus background concentrations due to all other sources);</i> <i>b Incremental impact (i.e. incremental increase in concentrations due to the project on its own);</i> <i>c Deposited dust is to be assessed as insoluble solids as defined by Standards Australia, ASINZS 3580.10.1:2003: Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter -Deposited Matter - Gravimetric Method; and</i> <i>d Excludes extraordinary events such as bushfires, prescribed burning, dust storms, fire incidents or any other activity agreed by the Secretary.</i>		since the lower data capture can affect the annual average and short term-results. MAC reported in the 2022 Annual Return that new equipment has been installed to avoid downtime due to equipment failure. The Environmental Superintendent further advised that alerts have been put in place to provide early warning when monitoring network go offline. The Site would be able to react immediate to errors and failures. The monitoring has shown that operations at MAC have not caused additional exceedances of the criteria listed in Tables 6 to 8 at locations representative of residences on privately owned land. Note: The three exceedances of PM10 were recorded on 16 November 2020, 17 December 2021 and 6 December 2022, which were determined as not being mine-related, the exceedance following investigation being attributed to farming activities around the monitoring locations. As these exceedances were due to farming activities, they have not been deemed non-compliances.		

Air Quality Acquisition Criteria

21.

If particulate matter emissions generated by the Mt Arthur mine complex exceed the criteria or contribute to the exceedances of the relevant cumulative criteria, in Tables 9, 10 and 11 at any residence on privately-owned land then upon receiving a written request for acquisition from the landowner, the Proponent shall acquire the land in accordance with the procedures in conditions 7-8 of schedule 4.

Table 9: Long term land acquisition criteria for articulate matter

Pollutant	Averaging period	Criterion
Total suspended particulate (TSP) matter	Annual	90 µg/m³
Particulate matter < 10 µm (PM10)	Annual	30 µg/m³

Table 10: Short term land acquisition criteria for articulate matter

Pollutant	Averaging period	Criterion
Particulate matter < 10 µm (PM10)	24 hour	150 µg/m³

- Interview with Environment Superintendent
- Acquisition request letters
- Independent market valuation reports
- Offer acceptance letters.

There have been four requests for acquisition within the audit period all of which properties were noted to be acquired in accordance with the procedures listed in Sch 4 – 7 & 8.

C

N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations											
	<table><tr><td>Particulate matter < 10 µm (PM10)</td><td>24 hour</td><td>50 µg/m³</td></tr></table> <i>Table 11: Long term land acquisition criteria for deposited dust</i> <table><tr><th>Pollutant</th><th>Averaging period</th><th>Maximum increase in deposited dust level</th><th>Maximum total deposited dust level</th></tr><tr><td>Deposited dust</td><td>Annual</td><td>2g/m²/month</td><td>4g/m²/month</td></tr></table> Notes to Tables 9-11 a Total impact (i.e. incremental increase in concentrations due to the project plus background concentrations due to all other sources); b Incremental impact (i.e. incremental increase in concentrations due to the project on its own); c Deposited dust is to be assessed as insoluble solids as defined by Standards Australia, ASINZS 3580.10.1:2003: Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method; and d Excludes extraordinary events such as bushfires, prescribed burning, dust storms, fire incidents or any other activity agreed by the Secretary. If the air quality acquisition criteria in Tables 9, 10 and 11 are being exceeded, and more than one mine is responsible for this non-compliance, then the Proponent shall, together with the relevant mine/s acquire the land on as equitable a basis as possible with the relevant mine/s, in accordance with the procedures in conditions 7-8 of schedule 4. If the Proponent cannot agree on the arrangements for the acquisition of the land with the relevant mine/s within 3 months of the written request from the landowner, then the Proponent must refer the matter to the Secretary for resolution.	Particulate matter < 10 µm (PM10)	24 hour	50 µg/m³	Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level	Deposited dust	Annual	2g/m²/month	4g/m²/month				
Particulate matter < 10 µm (PM10)	24 hour	50 µg/m³														
Pollutant	Averaging period	Maximum increase in deposited dust level	Maximum total deposited dust level													
Deposited dust	Annual	2g/m²/month	4g/m²/month													
Additional Air Quality Mitigation Measures																
22.	Upon receiving a written request from the owner of any residences: (a) on the air quality affected land listed in Table 1; and (b) on the land listed in Table 12, the Proponent shall implement reasonable and feasible dust mitigation measures (such as a first-flush roof system, internal or external air filters and/or air conditioning) at the residence in consultation with the owner. If within 3 months of receiving this request from the owner, the Proponent and the owner 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 Secretary for resolution <i>Table 12: Land subject to additional air quality mitigation upon request</i>	- Interview with Environment Superintendent - Annual Reviews, FY 2021 and 2022	Based on the information provided by MAC this has not been triggered.	NT	N/A											

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations												
	<table><tr><th>Receiver No.¹</th><th>Receiver</th></tr><tr><td>91²</td><td>Private landholder</td></tr><tr><td>94²</td><td>Private landholder</td></tr><tr><td>187</td><td>Private landholder</td></tr><tr><td>200</td><td>Private landholder</td></tr><tr><td>201</td><td>Private landholder</td></tr></table> Notes: 1 <i>To interpret the locations referred to in Table 12, see the applicable figure in Appendix 4.</i> 2 <i>These receivers shall maintain their rights to mitigation upon request until 31 December 2016, when the EA predicts that the project will comply with the relevant criteria at these properties.</i>	Receiver No. ¹	Receiver	91 ²	Private landholder	94 ²	Private landholder	187	Private landholder	200	Private landholder	201	Private landholder				
Receiver No. ¹	Receiver																
91 ²	Private landholder																
94 ²	Private landholder																
187	Private landholder																
200	Private landholder																
201	Private landholder																
Mine-owned Land																	
22A.	The Proponent shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the Mt Arthur mine complex do not cause exceedances of the criteria listed in Tables 9, 10 and 11 at any occupied residence on mine-owned land (including land owned by another mining company) unless: (a) the tenant and landowner (if the residence is owned by another mining company) have been notified of any health risks associated with such exceedances in accordance with the notification requirements under schedule 4 of this approval; (b) the tenant of any land owned by the Proponent can terminate their tenancy agreement without penalty at any time, subject to giving reasonable notice and cause; (c) air quality monitoring is regularly undertaken to inform the tenant or landowner (if the residence is owned by another mining company) of the particulate emissions at the residence; and (d) data from this monitoring is presented to the tenant and landowner in an appropriate format for a medical practitioner to assist the tenant and landowner in making informed decisions on the health risks associated with occupying the property, to the satisfaction of the Secretary.	▪ Interview with Environment Superintendent ▪ Emails to mine-owned property tenants from Warburton Estate Agent. ▪ Email list for notifying of dust exceedances	MAC operates under the Air Quality Management Plan which has been prepared to ensure reasonable and feasible avoidance and mitigation measures for dust management are in place. A number of properties on mine-owned land are tenanted out through Warburton Estate Agents. Emails with the “Mine Dust and You” fact sheet were sent to residents as required by this condition. MAC maintains an email list for notifying of dust exceedances in accordance with notification requirements under schedule 4. Air quality monitoring is regularly undertaken in accordance with project approvals.	C	N/A												
Operating Conditions																	
23.	The Proponent shall: (a) implement best practice air quality management, including all reasonable and feasible measures to minimise offsite odour, fume and dust emissions of the Mt Arthur mine complex; (b) implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site;	▪ Site inspection ▪ Complaints records ▪ Records of employee training (ENV & DUST LMS FY21-FY23.xlsx) ▪ Annual Reviews FY 2021 and 2022	(a) The air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW. These systems include a combination of visual triggers, off-site air quality monitoring, alerts, and a trigger action response plan. Approved management plans have been developed and implemented, as observed during the site inspection. There is evidence of training to operators.	C	N/A												

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(c) minimise any visible air pollution generated by the Mt Arthur mine complex; (d) minimise the surface disturbance on the site; (e) operate a comprehensive air quality management system that uses a combination of predictive meteorological forecasting and real-time air quality monitoring data to guide the day to day planning of mining operations and the implementation of both proactive and reactive air quality mitigation measures to ensure compliance with the relevant conditions of this approval; (f) minimise the air quality impacts of the project during adverse meteorological conditions and extraordinary events (see Note d above under Table 8); and (g) co-ordinate air quality management at the Mt Arthur mine complex with air quality management at the Drayton, Mangoola and Bengalla mines to minimise cumulative air quality impacts, to the satisfaction of the Secretary.	- Email communications with Bengalla and Mt Pleasant mines - Operating weather station, air quality monitors and daily air quality forecast system	(b) The Annual Reviews confirm that energy and fuel usage data are collected and reported. The Annual Reviews confirm that MAC is being operated to achieve emission reduction targets set by BHP. The site inspection indicated that haul distances are minimised. No issues identified. (c) The site inspection did not identify any significant visible air pollution generated by the Mt Arthur mine complex. Water trucks were being used for road dust suppression and vehicle speeds were minimised. Watercart fill points were appropriately positioned for efficient access to haul roads. There were times during the IEA period where visual air pollution was noted, as evident by 10 complaints relating to dust (dates included 30/09/2020, 5/6/2023, 19/2/2021, 7/8/2022, 7/11/2022, 6/4/2021, 13/4/2021, 21/6/2021, 13/3/2023, 30/10/2021). All complaints were investigated and actioned. It was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW (as per (a) above) and there is evidence of training to operators. On this basis the condition of “minimises” is satisfied. (d) Evidence from the Annual Reviews and field inspection indicated that surface disturbance was generally minimised. (e) Evidence of a real time air quality and meteorological monitoring system in place. Evidence of a predictive air quality and meteorological system. Evidence of information communicated to staff. (f) As per (a). There was evidence of operations being modified in adverse weather conditions, for example response to compliant record 30/10/2021. (g) Evidence of co-ordination through meetings and email communications with Bengalla and Mt Pleasant mines.		

Air Quality Management Plan

24.	The Proponent shall prepare and implement an Air Quality Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) describe the measures that would be implemented to ensure compliance with the relevant air quality criteria and operating conditions of this approval; (b) describe the air quality management system; (c) include an air quality monitoring program that: - adequately supports the air quality management system; - evaluates and reports on the: - the effectiveness of the air quality management system;	- MAC-ENC-MTP-040 Air Quality Management Plan, 25/01/2019 - DPE approval, 25/01/2019 - Records of employee training (ENV & DUST LMS FY21-FY23.xlsx)	The Air Quality Management Plan (AQMP) (MAC, 2019) is available on the MAC website. The most recent AQMP was approved on 25/1/2019 by the DPE (then DPIE). The assessment of preparation requirements has been completed against the 2019 document. Evaluation of the AQMP preparation was as follows: (a) Section 3 of the AQMP. (b) Section 2 and 3 of the AQMP.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- compliance with the air quality criteria; - compliance with the air quality operating conditions; and • defines what constitutes an air quality incident, and includes a protocol for identifying and notifying the Department and relevant stakeholders of any air quality incidents.		(c) Section 4 of the AQMP. • Evaluation of the implementation was as follows: • Employee training records showed that the information in the AQMP has been communicated to relevant staff. • The site inspection during the IEA noted effective dust management at the time of the site inspection. • Data from the air quality monitoring were available and inspected. These data were reported in the Annual Reviews. • Examples of the daily forecast system were available. • Examples of operations being modified in response to conditions were available. • Complaint records (10 during the audit period from Schedule 3 Condition 23) suggest that MAC had not effectively prevented visible dust at all times. However, it was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW and, on this basis, visible is minimised. The following procedures and programs are additionally in place to enable best practice management and minimisation of dust at site: MAC-ENC-PRG-002 Spontaneous Combustion Control Program MAC-ENC-PRO-001 Air Quality, Dust and Other Airborne Contaminants Principal Hazard Management Plan MAC-ENC-PRO-012 Land Management Procedure (Publicly available) MAC-ENC-PRO-042 Community Complaints Handling, Response and Reporting procedure MAC-PRD-PRO-120 Water Cart Operations Procedure MAC-STE-MTP-027 Surface Transport Management Plan MAC-STE-PRO-005 Risk Management Procedure NEC-STE-PRO-030 Management of Change procedure MAC-STE-STD-002 Mine Haul Road Standard NEC-STE-STD-016 Risk Management Standard		

METEOROLOGICAL MONITORING

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
25.	During the life of the project, the Proponent shall ensure that there is a suitable meteorological station in the vicinity of the site that: (a) complies with the requirements in the Approved Methods for Sampling of Air Pollutants in New South Wales guideline; and (b) is capable of continuous real-time measurement of temperature lapse rate in accordance with the NSW Industrial Noise Policy, unless a suitable alternative is approved by the Secretary following consultation with the EPA.	- Site inspection - Meteorological records	One of the meteorological stations was inspected during the site inspection and samples of meteorological data (FY 2023) were reviewed. This showed: - There is a suitable meteorological station which complies with the Approved Methods for the Sampling and Analysis of Air Pollutants in NSW. - The meteorological stations collect relevant data to assist with evaluating air quality monitoring results. The data includes wind speed, wind direction, temperature at two height, solar radiation, and rainfall, collected at 1-minute intervals. MAC operates a suitable meteorological station in the vicinity of the site which complies with the requirements of the Approved Methods for the Sampling and Analysis of Air Pollutants in NSW, and collects data to allow for continuous measurement of temperature lapse rate in accordance with the NSW Industrial Noise Policy.	C	N/A

Soil and Water

Water Supply

26.	The Proponent shall ensure that it has sufficient water for all stages of the project, and if necessary, adjust the scale of mining operations to match its available water supply, to the satisfaction of the Secretary. Note: The Proponent is required to obtain all necessary water licences and approvals for the project under the Water Act 1912 and/or Water Management Act 2000.	2022 Final Model Run Summary 121154-37.M01 Rev0 (Water Balance Model)	The Water balance model predicts sufficient water from on-site collection for the majority of scenarios, with only externally sourced water expected to be required under very dry situations. The Mt Arthur water management system includes licensed extraction of water to the Environmental Dam from the regulated Hunter River. Water is also sourced from the Muswellbrook Shire Council treated effluent scheme to reduce the demand from other external sources. On-site water storages include: - CHPP Dirty Water Dam 500 ML - Environmental Dam 1,296 ML - Drayton Void 2,955 ML - Belmont Pit 5,853 ML - McDonalds Pit 13,432 ML	C	N/A
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Water Pollution

27.	Unless an EPL or the EPA authorises otherwise, the Proponent shall comply with Section 120 of the POEO Act and the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.	- Annual Reviews, FY 2021 - 2022 - Incident Register	Two mine water discharge incidents occurred during the audit period as reported by MAC. On 5 June 2021, it was identified that a pipeline failure had occurred which led to water and sediment travelling offsite to an adjoining property owned by Mt	NC	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			Arthur Coal. The potential for the spill to have entered the Hunter River was identified. The majority of the water discharged from the line was contained on site or within Mt Arthur Coal owned land where it was cleaned up and removed. Water sampling and monitoring was undertaken immediately after the event was identified and continued until all clean up actions had been completed. The results showed that the pH and EC levels for the locations within the Hunter River, upstream and downstream of the entry point were substantially similar. All clean-up actions have been completed. The incident was reported to the EPA and DPIE (now DPE). A Pollution Reduction Program under EPL 11457 was undertaken focused on reducing risk of water discharges from pipeline failures, scheduled to be completed on 30 September 2023. An overtopping event of a mine water dam (SW23 Export Sediment Dam) occurred on 08 March 2022 that was preceded by significant rainfall. The overflow drained offsite into Ramrod Creek. Immediately after the event occurred inspections were undertaken to determine the location of the water flow. Sampling was undertaken which determined that the impact was negligible. HVEC reported, as the water left site and passed through the culvert the salinity levels lowered significantly, causing no material harm to the creek. Further investigation determined that no clean-up of the creek was required. An ongoing improvement project has been underway to manage this mine water dam with de-silting of the dam currently being undertaken. DPE noted the event and determined to take no further action. MAC completed a Pollution Reduction Program under the EPL which have been closed out and the related conditions have been removed in the October 2023 version of the Licence. The Site has implemented weekly inspections of the dams (MAC-STE-FRM-098) to ensure the dam capacity and infrastructures are well maintained. The Environmental Superintendent advised that the Site has implemented post rainfall field inspection schedule as well to prevent overflowing after heavy weather events.		

Hunter River and Saddlers Creek Alluvials

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
28.	The Proponent shall not undertake any open cut mining operations within 150 metres of the Hunter River alluvials and Saddlers Creek alluvials that has not been granted approval under previous consents/approvals for Mt Arthur mine complex without the prior written approval of the Secretary. In seeking this approval the Proponent shall demonstrate, to the satisfaction of the Secretary in consultation with NOW, that adequate safeguards have been incorporated into the Surface and Ground Water Response Plan (see condition 34 below) to minimise, prevent or offset groundwater leakage from the alluvial aquifers. Note: The alluvial aquifers and 150 metre buffers are shown conceptually in Appendix 6.	- Interview with Environment Superintendent	MAC stated they have not undertaken open cut mining operations within 150m of the stated alluvials, therefore condition is not triggered.	NT	N/A
Site Water Management Plan					
29.	The Proponent shall prepare and implement a Water Management Plan for the Mt Arthur mine complex to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with NOW and the EPA; and (b) include a: - Site Water Balance; - Erosion and Sediment Control Plan; - Surface Water Monitoring Program; - Groundwater Monitoring Program; and - Surface and Ground Water Response Plan.	- MAC-ENC-MTP-034 Site Water Management Plan, 29/03/2023 - DPE Approval, 29/03/2023 - MAC-ENC-PRO-060 Erosion and Sediment Control Plan, 03/12/2021 (Release Date) - DPIE (now DPE) Approval, 17/11/2021	MAC have prepared the required Water Management Plan to the satisfaction of the Secretary, in consultation with NOW and the EPA as required by (a) and that includes the requirements listed in (b) Note, the Erosion and Sediment Control Plan, is a standalone plan from the WMP. It was noted during the audit that a pipeline failure on 5 June 2021, had occurred which led to water and sediment travelling offsite to an adjoining property owned by Mt Arthur Coal. While a Pollution Reduction Program under the EPL has been enacted to focused on reducing risk of water discharges from pipeline failures, the WMP doesn't include specific measure for routine inspection of pipelines (or other facilities) to determine the risk failure to pre-empt mine water releases from occurring. It was noted during the audit that the overtopping event of a mine water dam (SW23 Export Sediment Dam) occurred on 08 March 2022 that was preceded by significant rainfall. The overflow drained offsite into Ramrod Creek. The WMP doesn't include specific measures for inspecting the water storages (dams) to ensure they have sufficient capacity (especially at times of heavy rainfall) to pre-empt potential overflow events from occurring. These events constitute a deficiency in the implementation of the WMP's water management strategy and system that states it is to maintain a low risk of uncontrolled discharge occurring from the water management system.	NC	Include an inspection and maintenance program so that dam capacities and pipeline infrastructure are maintained.
30.	The Site Water Balance must: (a) include details of: - sources and security of water supply; - water use on site; - water management on site; - any off-site water transfers;	2022 Final Model Run Summary 121154-37.M01 Rev0 (Water Balance Model)	MAC has prepared the required Site Water balance that includes the requirements of (a) and (b)	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	reporting procedures; and (b) investigate and implement all reasonable and feasible measures to minimise water use by the Mt Arthur mine complex.				
31.	The Erosion and Sediment Control Plan must: (a) be consistent with the requirements of Managing Urban Stormwater: Soils and Construction, Volume 1, 4th Edition, 2004 (Landcom), or its latest version; (b) identify activities that could cause soil erosion, generate sediment or affect flooding; (c) describe measures to minimise soil erosion and the potential for the transport of sediment to downstream waters, and manage flood risk; (d) describe the location, function, and capacity of erosion and sediment control structures and flood management structures; and (e) describe what measures would be implemented to maintain the structures over time.	MAC-ENC-PRO-060 Erosion and Sediment Control Plan, 03/12/2021	MAC has prepared the required Erosion and Sediment Control Plan that includes the requirements of (a) to (e).	C	N/A
32.	The Surface Water Monitoring Program must include: (a) detailed baseline data on surface water flows and quality in creeks and other waterbodies that could potentially be affected by the project; (b) surface water and stream health impact assessment criteria; (c) a program to monitor and assess: - surface water flows and quality; - impacts on water users; - stream health; - channel stability, in Quarry Creek, Fairford Creek, Whites Creek (and the Whites Creek diversion), Saddlers Creek, Ramrod Creek and other unnamed creeks; and (d) reporting procedures for the results of the monitoring program.	MAC-ENC-MTP-034 Site Water Management Plan, 29/03/2023 (Includes Surface Water Monitoring Program)	The required Surface Water Monitoring Program is included in the Site Water Management Plan and adequately covers the requires of (a) to (d).	C	N/A
33.	The Groundwater Monitoring Program must include: (a) detailed baseline data of groundwater levels, yield and quality in the region, and privately-owned groundwater bores, that could be affected by the project; (b) groundwater impact assessment criteria; (c) a program to monitor: - groundwater inflows to the mining operations; - impacts on regional aquifers; - impacts on the groundwater supply of potentially affected landowners; - impacts on the Hunter River and Saddlers Creek alluvial aquifers; and - impacts on any groundwater dependent ecosystems and riparian vegetation; (d) procedures for the verification of the groundwater model; and (e) reporting procedures for the results of the monitoring program and model verification.	MAC-ENC-MTP-034 Site Water Management Plan, 29/03/2023 (Includes Ground Water Monitoring Program)	The required Groundwater Monitoring Program is included in the Site Water Management Plan and adequately covers the requires of (a) to (e). A number (12) of groundwater exceedances were noted during the audit period. Following investigation, they were noted to not have caused harm. Following a review of FY 2021 groundwater monitoring trends MAC proposed to undertake a review of the groundwater monitoring program be rationalised based on recent findings and additional newly installed bores. To review the condition and instrumentation of groundwater bores based on the recommendations the of the annual review assessment report. Noted in the FY 2022 Annual Review following Electrical Conductivity (EC) trigger exceedances during 2021 a trigger investigation was undertaken in response to these events. These included to undertake a review of the Water Management Plan including triggers and groundwater	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			bore locations and to review the condition and instrumentation of groundwater bores and complete project to restore and remediate bores where required.		
34.	The Surface and Ground Water Response Plan must describe the measures and/or procedures that would be implemented to: (a) investigate, notify and mitigate any exceedances of the surface water, stream health and groundwater impact assessment criteria; (b) compensate landowners of privately-owned land whose water supply is adversely affected by the project, including provision of an alternative supply of water to the affected landowner that is equivalent to the loss attributed to the project; (c) minimise, prevent or offset potential groundwater leakage from the Hunter River and Saddlers Creek alluvial aquifers; and (d) mitigate and/or offset any adverse impacts on groundwater dependent ecosystems or riparian vegetation.	MAC-ENC-MTP-034 Site Water Management Plan, 29/03/2023 (Includes Surface and Ground Water Response Plan)	The required Surface and Ground Water Response Plan is included in the Site Water Management Plan and adequately covers the requires of (a) to (e). The requirement of (b) for procedure to compensate landowners is included separately in the Site Water Management Plan, Appendix 7 – Landholder Consultation and Investigation Process	C	N/A

Site Contamination

35.	The Proponent shall prepare and implement a Remedial Action Plan for the former Bayswater No. 2 infrastructure area to the satisfaction of the Secretary. The Remedial Action Plan shall be prepared by a suitably qualified consultant, in accordance with the Contaminated Land Management Act 1997 and applicable EPA guidelines, and be submitted to the Secretary for approval prior to undertaking any overburden placement in this area.	- REMEDIAL ACTION PLAN Bayswater No. 2 Infrastructure, Mt Arthur Coal Complex, Muswellbrook, NSW, 14/05/2014. Prepared by WSP - NSW Planning & Environment approval letter, 19/05/2014	Completed outside audit period.	NT	N/A
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Biodiversity

36.	The Proponent shall implement the biodiversity offset strategy as outlined in Table 13 and as generally described in the EA (and shown in Appendix 7), to the satisfaction of the Secretary. Table 13: Biodiversity Offset Strategy <table><tr><th>Area</th><th>Offset Type</th><th>Minimum Size (hectares)</th></tr><tr><td>Mt Arthur Conservation Area</td><td>Existing vegetation</td><td>105</td></tr><tr><td>Saddlers Creek Conservation Area</td><td>Existing vegetation and vegetation to be established</td><td>131</td></tr><tr><td>Thomas Mitchell Drive Off-site Offset Area</td><td>Existing vegetation and vegetation to be established</td><td>495</td></tr><tr><td>Thomas Mitchell Drive Off-site Offset Area</td><td>Existing vegetation and vegetation to be established</td><td>222</td></tr><tr><td>Roxburgh Road 'Constable' Offset Area</td><td>Existing vegetation and vegetation to be established</td><td>110</td></tr><tr><td>Additional Off-site Offset Area¹</td><td>Existing vegetation and vegetation to be established</td><td>250</td></tr><tr><td>Middle Deep Creek Offset Area</td><td>Existing vegetation and vegetation to be established</td><td>410</td></tr><tr><td>Rehabilitation Area²</td><td>Vegetation to be established</td><td>2,642</td></tr></table>	Area	Offset Type	Minimum Size (hectares)	Mt Arthur Conservation Area	Existing vegetation	105	Saddlers Creek Conservation Area	Existing vegetation and vegetation to be established	131	Thomas Mitchell Drive Off-site Offset Area	Existing vegetation and vegetation to be established	495	Thomas Mitchell Drive Off-site Offset Area	Existing vegetation and vegetation to be established	222	Roxburgh Road 'Constable' Offset Area	Existing vegetation and vegetation to be established	110	Additional Off-site Offset Area ¹	Existing vegetation and vegetation to be established	250	Middle Deep Creek Offset Area	Existing vegetation and vegetation to be established	410	Rehabilitation Area ²	Vegetation to be established	2,642	- MAC-ENC-MTP-050 Biodiversity Management Plan, 23/07/2019 (release date, prepared April 2019) - Includes Biodiversity Offset Strategy - DPE Approval, 22/05/2019 - Annual Reviews, FY 2021 and 2022	The requirements of this condition are covered within the Biodiversity Management Plan document (approved 22/05/2019). Current version online, under review to bring into line with RMP recently approved. Evidence of general reporting of offset areas is reported with each Annual Review, including details on weed management, pest control and ecological monitoring. The Biodiversity Management Plan document outlines: Revegetation activities will involve natural and active regeneration. Natural regeneration is the development of native vegetation without any specific management actions besides livestock exclusion and preventing unwanted vehicle access. Active regeneration is the planting or seeding of indigenous vegetation and management of weeds. Active regeneration will be used in areas where the ability to regenerate naturally within a reasonable time frame has been lost, or to prevent soil erosion. Biodiversity Offset Areas that were inspected during the audit (Thomas Mitchell Drive Offsets (Offsite & Onsite))	C	N/A
Area	Offset Type	Minimum Size (hectares)																														
Mt Arthur Conservation Area	Existing vegetation	105																														
Saddlers Creek Conservation Area	Existing vegetation and vegetation to be established	131																														
Thomas Mitchell Drive Off-site Offset Area	Existing vegetation and vegetation to be established	495																														
Thomas Mitchell Drive Off-site Offset Area	Existing vegetation and vegetation to be established	222																														
Roxburgh Road 'Constable' Offset Area	Existing vegetation and vegetation to be established	110																														
Additional Off-site Offset Area ¹	Existing vegetation and vegetation to be established	250																														
Middle Deep Creek Offset Area	Existing vegetation and vegetation to be established	410																														
Rehabilitation Area ²	Vegetation to be established	2,642																														

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations			
	<table><tr><td>Total</td><td></td><td>4,365</td></tr></table> ¹ Refer to condition 37. ² Refer to the rehabilitation plan in Appendix 7. ³ In accordance with Condition 13 of Schedule 2, the Proponent may manage the 4,365 ha of offsets for the Project, in conjunction with the 449 ha of additional offsets required under the separate Mt Arthur Underground Project.	Total		4,365		were being managed well with evidence of weed management (Spraying) and supplemental plantings to enhance the species diversity and tree density within old grazing areas.		
Total		4,365						
37.	By the end of 31 December 2014, unless otherwise agreed by the Secretary, the Proponent shall revise the offset strategy to identify the Additional Off-site Offset Area presented in Table 13 above. The revised strategy shall be prepared in consultation with OEH, and to the satisfaction of the Secretary. Note: The 250 hectare size for the Additional Off-site Offset Area identified in Table 13 above is to be taken as a minimum only. The actual size of the offset shall: - be determined in consultation with OEH, and together with the other offset areas listed in Table 13, shall fully offset the biodiversity impacts of the project; and - be adjusted to fully offset the biodiversity values that would be lost if any land within the biodiversity offset strategy identified in Table 13 is excised for the provision of public utilities or services, such as the Muswellbrook Sewage Treatment Plant.	Previous IEA's	Outside audit period. Confirmed by previous audits	NT	N/A			
38.	The Proponent shall ensure that the offset strategy and/or rehabilitation strategy is focused on the re- establishment of: (a) significant and/or threatened plant communities, including: - Upper Hunter White Box - Ironbark Grassy Woodland; - Central Hunter Box - Ironbark Woodland; - Central Hunter Ironbark - Spotted Gum - Grey Box Forest; - Narrabeen Foothills Slaty Box Woodland; - Hunter Floodplain Red Gum Woodland Complex; - White Box Yellow Box Blakely's Red Gum Woodland; - Hunter Lowlands Red Gum Forest; and (b) significant and/or threatened plant species, including: - River Red Gum (Eucalyptus camaldulensis); - Pine Donkey Orchid (Diuris tricolor); - Tiger Orchid (Cymbidium canaliculatum); - Weeping Myall (Acacia pendula); and (c) habitat for significant and/or threatened animal species.	- MAC-ENC-MTP-050 Biodiversity Management Plan, 23/07/2019 - Rehabilitation Strategy, MTP-047 07/07/2023	Information on the management of offsets is included in the Biodiversity MP. There is a separate Rehabilitation Strategy MTP -047 7th July 2023 that focuses on the listed requirements. This condition does not detail implementation, with this covered by other conditions.	C	N/A			

Long Term Security of Offsets

39.	The Proponent shall make suitable arrangements to provide appropriate long term security for the: (a) biodiversity offset areas by 31 March 2015, unless otherwise agreed with the Secretary; and (b) re-established woodland in the Rehabilitation Area at least 2 years prior to the completion of open cut mining activities associated with the project, to the satisfaction of the Secretary and, with respect to the Thomas Mitchell Drive	Previous IEA's	(a) Outside audit period. (b) Condition not yet triggered	NT	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	off-site offset area identified in Table 13 above, consult with Council.				
Biodiversity Management Plan					
40.	The Proponent shall prepare and implement a Biodiversity Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with OEH and Council, and be submitted to the Secretary for approval by the end of March 2015, unless otherwise agreed with the Secretary; (b) describe how the implementation of the offset strategy would be integrated with the overall rehabilitation of the site (see below); (c) include: (i) a description of the short, medium, and long term measures that would be implemented to: • implement the offset strategy; and • manage the remnant vegetation and habitat on the site and in the offset areas; (ii) detailed performance and completion criteria for the implementation of the offset strategy; (iii) a detailed description of the measures that would be implemented over the next 3 years, including the procedures to be implemented for: • implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata; • protecting vegetation and soil outside the disturbance areas; • rehabilitating creeks and drainage lines that occur on the site, both inside and outside the disturbance areas (such as the White's Creek Diversion), to ensure no net loss of aquatic habitat; • managing salinity; • conserving and reusing topsoil; • undertaking pre-clearance surveys; • managing impacts on fauna; • landscaping the site and along public roads (including Thomas Mitchell Drive, Denman Road, Edderton Road and Roxburgh Road) to minimise visual and lighting impacts; • collecting and propagating seed; • salvaging and reusing material from the site for habitat enhancement; • salvaging, transplanting and/or propagating threatened flora and native grassland, in accordance with the Guidelines for the Translocation of Threatened Plants in Australia (Vallee et al., 2004); • controlling weeds and feral pests; • managing grazing and agriculture; • controlling access; and • bushfire management; (iv) a program to monitor the effectiveness of these measures, and progress against the performance and completion criteria;	▪ MAC-ENC-MTP-050 Biodiversity Management Plan, 23/07/2019 (release date, prepared April 2019) ▪ DPE Approval, 22/05/2019	Preparation: a) Most recent version of the Biodiversity Management Plan approved in May 2019. Section 12.5 and Appendix 4 outline consultation. Original approval requirement outside of audit period. b) Section 7 and 9.3; c) i - Sections 7 - 12 has some information but no specific short, medium and long term measures for all biodiversity areas eg. remnant vegetation within the Project Approval area. It is noted that Appendix C outlines management actions within conservation areas for a period of 10 years. ii - Section 12.1, Section 13 and Appendix 2. iii - Sections 8,9, 11 & Appendix 2 iv - Sections 12 and 13 and Appendix 2 v - Section 13.1 vi - Section 12.1 & 12.4 The following evidence of implementation was reviewed: - Evidence of reporting on biodiversity in the Annual Review. - implementation in offset reports. - Evidence of weed management - field evidence and site records - It should be noted that the Audit team assessed compliance based on the reports provided to the IEA team. Annexure C refers to propagation of tube stock. Usually sites collect and propagate the seed and then use that seed in rehabilitation. Annual weed and feral animal program considered adequate.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(v) a description of the potential risks to successful revegetation, and a description of the contingency measures that would be implemented to mitigate these risks; and (vi) details of who would be responsible for monitoring, reviewing, and implementing the plan.				

Conservation Bond

41.	Within 6 months of the approval of the Biodiversity Management Plan, the Proponent shall lodge a conservation and biodiversity bond with the Department to ensure that the biodiversity offset strategy is implemented in accordance with the performance and completion criteria of the Biodiversity Management Plan. The sum of the bond shall be determined by: (a) calculating the full cost of implementing the biodiversity offset strategy (other than land acquisition costs); and (b) employing a suitably qualified quantity surveyor to verify the calculated costs, to the satisfaction of the Secretary. The calculation of the Conservation Bond must be submitted to the Department for approval at least 1 month prior to lodgement of the final bond. If the offset strategy is completed generally in accordance with the completion criteria in the Biodiversity Management Plan to the satisfaction of the Secretary, the Secretary will release the bond. If the offset strategy is not completed generally in accordance with the completion criteria in the Biodiversity Management Plan, the Secretary will call in all, or part of, the conservation bond, and arrange for the satisfactory completion of the relevant works. Notes: • Alternative funding arrangements for long term management of the biodiversity offset strategy, such as provision of capital and management funding as agreed by OEH as part of a Biobanking Agreement or transfer to conservation reserve estate (or any other mechanism agreed with OEH) can be used to reduce the liability of the conservation and biodiversity bond. • The sum of the bond may be reviewed in conjunction with any revision to the biodiversity offset strategy or the completion of major milestones within the approved plan.	▪ Previous IEA's	Condition requirements were confirmed by the previous audit. No update within current audit period, therefore not triggered.	NT	N/A
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Rehabilitation

Rehabilitation Objectives

41A	The Proponent shall rehabilitate the site to the satisfaction of the DRE. The rehabilitation must comply with the objectives in Table 14, and be consistent with the rehabilitation plan shown in Appendix 7 and the final landform plan shown in Appendix 8. Table 14: Rehabilitation Objectives <table><tr><th>Feature</th><th>Objective</th></tr><tr><td>Mine site (as a whole)</td><td> • Safe, stable and non-polluting </td></tr></table>	Feature	Objective	Mine site (as a whole)	• Safe, stable and non-polluting	▪ Rehabilitation Strategy MTP-047, 07/07/2023	Included within Rehabilitation Strategy (Section 4.3) and includes performance indicators. Rehabilitation is still ongoing therefore the site would only be compliant following successful mine closure and final rehabilitation. Therefore, not yet triggered.	NT	N/A
Feature	Objective								
Mine site (as a whole)	• Safe, stable and non-polluting								

No	Assessment Requirement		Reference/ Evidence	Comments	Compliance Status	Recommendations
		Final landforms designed to incorporate natural micro-relief and natural drainage lines to integrate with surrounding landforms				
	Final voids	- Designed as long term groundwater sinks and to maximise groundwater flows across back-filled pits to the final void - Minimise to the greatest extent practicable: - the size and depth of final voids - the drainage catchment of final voids - any high wall instability risk - risk of flood interaction				
	Agricultural land	- Rehabilitate at least 33 hectares of Class II agricultural capability land in the area identified in the rehabilitation plan (see Appendix 7) - Rehabilitate other areas identified for agricultural use in the rehabilitation plan to sufficient agricultural capability to support grazing				
	Revegetation areas	Restore at least 2,642 hectares of self-sustaining woodland ecosystems in accordance with the rehabilitation plan, including at least 500 hectares of White Box Yellow Box Blakely's Red Gum Woodland.				
	Creek diversions and realignments	- Flows to mimic pre-development flows for all flood events up to and including the 1 in 100 year ARI - Incorporate erosion control measures based on vegetation and engineering revetments - Incorporate structures for aquatic habitat - Revegetate with suitable native species				
	Surface infrastructure	To be decommissioned and removed, unless DRE agrees otherwise.				
	Community	- Ensure public safety - Minimise the adverse socio-economic effects associated with mine closure.				
Note: The rehabilitation plan for the site is shown in Appendix 7.						

Rehabilitation Strategy

42.	The Proponent shall prepare a revised Rehabilitation Strategy for the Mt Arthur mine complex to the satisfaction of the Secretary. This strategy must: (a) be prepared in consultation with the DRE and Council, and be submitted to the Secretary for approval by the end of September 2015, unless otherwise agreed with the Secretary; {b) investigate options for: - increasing the area to be rehabilitated to woodland on the site; - reducing the size of final voids on site; and - beneficial future land use of disturbed areas, including voids; (c) describe and justify the proposed rehabilitation plan for the site, including the final landform and land use; and (d) include detailed rehabilitation objectives for the site that comply with and build on the objectives in Table 14. Note: The strategy should build on the rehabilitation plan in Appendix 7.	Previous IEA's	Confirmed by previous IEA and outside this audit period.	NT	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Progressive Rehabilitation					
43.	The Proponent shall carry out rehabilitation progressively, that is, as soon as reasonably practicable following disturbance (particularly on the face of emplacements that are visible off-site). Interim stabilisation measures must be implemented where reasonable and feasible to control dust emissions in disturbed areas that are not active and which are not ready for final rehabilitation. Note: It is accepted that parts of the site that are progressively rehabilitated may be subject to further disturbance in future.	- Site Observations - Interview with Site Environmental team	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below: - Current structure of rehabilitation management within a large dedicated team. Led by BHP team with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. - Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. - Trials with Organic matter compost vs hay mulch vs control no treatment. - Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. - Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. - Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.	C	NA
Rehabilitation Management Plan					
44.	The Proponent shall prepare and implement a Rehabilitation Management Plan for the Mt Arthur mine complex to the satisfaction of the DRE. This plan must: - submitted to DRE for approval by 30 September 2015; - be prepared in consultation with the Department, NOW, OEH and Council; - be prepared in accordance with relevant DRE guidelines; - describe how the rehabilitation of the site would be integrated with the implementation of the biodiversity offset strategy; - include detailed performance and completion criteria for evaluating the performance of the rehabilitation of the site, and triggering remedial action (if necessary); - describe the measures that would be implemented to ensure compliance with the relevant conditions of this approval, and address all aspects of rehabilitation including mine closure, final landform including final voids, and final land use; - include interim rehabilitation where necessary to minimise the area exposed for dust generation; - include a research program that seeks to improve the understanding and application of rehabilitation techniques and methods in the Hunter Valley;	- MAC-ENC-MTP-055 Mt Arthur Coal Rehabilitation Management Plan, 21/06/2021 - Rehabilitation Management Plan, 06/09/2023 - NSW RR approval, 08/02/2022	Original RMP and approval as required by (a) verified by previous audits, outside this audit period. <u>New Version</u> 6th September 2023 Rehab Management Plan with consulted with council, and departments (with new rehab reforms requirements) DPE, Water Council, (process – received feedback from DPE Water, awaiting council then will be finalised. Table 4-2 Stakeholder Consultation 2019-2023. Rehabilitation Management Plan (June 2021) approved February 2022 by Resources Regulator. <u>Old version</u> Rehabilitation Management Plan under Schedule 3 Condition 44 of the Mt Arthur Coal Modification Project Approval (PA 09_0062 MOD 1).;	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(i) include a program to monitor, independently audit and report on the effectiveness of the measures, and progress against the detailed performance and completion criteria; and j) build to the maximum extent practicable on other management plans required under this approval.		b) Evidence of consultation, but no evidence of consultation for the 2019 document update with the OEH; c) Meets Guidelines; d) Covers requirements of the condition. See separate management plan; e) Section 5 and 10; f) Across several sections; g) Covered in MOP Plans. Also Section 2.4 h) Section 11. i) Section 10.2 j) The MOP does include details of some management plans. The sub conditions are included but there is no specific cross referencing table outlining where the conditions have been covered by the RMP. Evidence of implementation was reviewed as follows: Erosion and sediment control was observed to be well managed on the site rehabilitation. The geomorphic landform design is being implemented across site, with rock lined drainage lines. The recommendations from previous ecological and soil reports are being progressively implemented across site with evidence of tree thinning, supplemental plantings/seeding, and soil amelioration. Enhancement of rehabilitation to align with closure criteria and target vegetation communities was evident on site. Rehabilitation trials were implemented on site with regard to surface amendments including: straw; Organic matter (compost); and control direct overburden. The results of these trials should be assessed and written up for future reference and consideration for topsoil shortage. GIS tracking of soil and rehabilitation management. Soil balance report SLR – now with BHP transition team. Dated September 2022 There are tracks being implemented along ridgelines for access to rehabilitation with light vehicle as well as to be used for future inspections and agricultural use when grazing becomes final land-use. Important to consider watering points for stock within the rehabilitated landform. Including dams, access to tanks/pipes etc.		

Heritage

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Aboriginal Heritage Management Plan					
45.	The Proponent shall prepare and implement an Aboriginal Heritage Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with OEH, the Aboriginal community, Council and relevant landowners; (b) include the following for the management of Aboriginal heritage on-site: - a plan of management for the Thomas Mitchell Drive Offsite Offset Area (identified in Condition 36); and - a program/procedures for: - salvage, excavation and/or management of Aboriginal sites and potential archaeological deposits within the project disturbance area; - protection and monitoring of Aboriginal sites outside the project disturbance area, including the scarred trees and axe grinding grooves identified on the site; - managing the discovery of any new Aboriginal objects or skeletal remains during the project; - maintaining and managing access to archaeological sites by the Aboriginal community; - ongoing consultation and involvement of the Aboriginal communities in the conservation and management of Aboriginal cultural heritage on the site; and - management of the "Fairford 1" site in situ, including reasonable and feasible measures to mitigate impacts on this site, until an agreement can be reached with relevant Aboriginal stakeholders and OEH, for its salvage and relocation.	- Aboriginal Heritage Management Plan FINAL, 24/02/2022 (date of document release post approval) - DPIE Approval, 21/02/2022	MAC has prepared the required Aboriginal Heritage Management Plan that includes the requirements of consultation for (a) and plan of management and procedures for (b).	C	N/A
Historic Heritage Management Plan					
45A.	The Proponent shall prepare and implement a Historic Heritage Management Plan for the project to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with the Heritage Branch, Council, local historical organisations and relevant landowners; (b) include the following for the management of other historic heritage on site: - conservation management plans for the Edinglassie and Rous Lench homesteads; - a detailed plan for the relocation of the Beer Homestead, including provision for a landscape study to determine the most appropriate location and an architectural report to determine the most sympathetic method for relocation; and - a program/procedures for: - photographic and archival recording of potentially affected heritage items; - protection and monitoring of heritage items outside the project disturbance area;	- Historic Heritage Management Plan Final, 24/02/2022 - DPE Approval, 24/02/2022 - Edinglassie and Rous Lench Conservation Management Plan Volume 1, 18/9/2012 - DPI (now DPE) Approval, 18/09/2012 - Edinglassie and Rous Lench Conservation Management Plan Volume 2, 18/9/2012 - DPI (now DPE) Approval, 18/09/2012	MAC has prepared the required Historic Heritage Management Plan that includes the requirements of consultation for (a) and plan of management for other historic sites (b). Edinglassie and Rous Lench Conservation Management Plan and Edinglassie and Rous Lench Heritage Management Program have been prepared as standalone plans.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- monitoring, notifying and managing the effects of blasting on potentially affected heritage items; and - additional archaeological excavation and/or recording of any significant heritage items requiring demolition.	▪ Edinglassie and Rous Lench Heritage Management Program, 18/9/2012 ▪ DPI (now DPE) Approval, 18/09/2012			

TRANSPORT

Monitoring of Coal Transport

46.	46. The Proponent shall keep records of the: (a) amount of coal transported from the site in each financial year; (b) number of coal haulage train movements generated by the Mt Arthur mine complex (on a daily basis); and (c) make these records available on its website at the end of each financial year.	▪ Coal Haulage records ▪ Annual Reviews, FY 2021 and 2022	MAC maintains the required records for (a) and (b) and annual records are reported in Annual Reviews which are available on the company website.	C	N/A
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Road Upgrades and Maintenance

47.	The Proponent shall: (a) contribute to the upgrade and maintenance of Thomas Mitchell Drive, proportionate to its impact {based on usage) on that infrastructure, in accordance with the Contributions Study prepared by GHD titled, "Thomas Mitchell Drive Contributions Study, June 2014" (or its latest version), unless otherwise agreed by the Secretary; (b) upgrade the Thomas Mitchell Drive/New England Highway intersection to the satisfaction of the applicable roads authority, by the end of June 2011 unless otherwise agreed by the roads authority; (c) upgrade the Thomas Mitchell Drive/Denman Road intersection to the satisfaction of the applicable roads authority, by the end of December 2017, unless otherwise agreed by the Secretary; (d) realign Edderton Road and its intersection with Denman Road prior to mining within 200 metres of the road, to the satisfaction of Council and the RMS; (e) upgrade the intersection of Edderton Road and the secondary site access road to the satisfaction of Council prior to using this road for deliveries to the relocated explosives facility; and (f) maintain reasonable access to the summit of Mt Arthur for emergency services and legitimate users on a 24 hour per day basis, except for temporary closures as required for blasting. The road or intersection upgrades referred to in this condition may be satisfied through funding the required upgrades, subject to the agreement of the applicable roads authority, and subject to providing the funding such that the upgrades can be completed within the stated timeframe. For Thomas Mitchell Drive, the contributions must: (a) be paid to Council within three months of the GHD contributions study being issued by the Department for the upgrade works; and	▪ Practical Completion Notice from Transport for NSW (for Thomas Mithcell Drive / Denman Rd intersection), 01/12/2022. ▪ Road Maintenance invoices FY21, FY22, FY23 ▪ GHD contribution report ▪ Previous IEA	a) Outside IEA period but completed. b) Outside IEA period but completed. c) Previous IEA reported a Letter from DPIE dated 16 April 2020 outlined an extension was granted to 31 December 2022. Practical Completion was confirmed by Transport for NSW on 01/12/2022. d) Previous IEA reported evidence of completed road upgrade with deed between MAC and Muswellbrook Shire Council dated 3 July 2018. Outside this IEA period. MAC stated they continue to liaise with Council regarding the longterm management of the newly realigned Edderton Road. e) Previous IEA reported road upgrade completed. Outside this IEA period. f) Observed during site visit that access is still being maintained.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(b) be paid to Council in accordance with the maintenance schedule established in accordance with the Contributions Study during the life of the project, unless otherwise agreed with Council. If there is any dispute between the Proponent and Council or the RMS in relation to the funding or completion of the upgrades, then any of the parties may refer the matter to the Secretary for resolution. Note: - In making a determination about the applicable upgrade and maintenance contributions for Thomas Mitchell Drive, the Secretary shall take into account the contributions already paid and currently required to be paid towards the upgrade and maintenance of the local road network surrounding Muswellbrook under this approval and the planning agreement executed on 24 June 2011, and summarised in Appendix 9. - For clarity it is noted that while the Proponent is required to upgrade the Thomas Mitchell Drive/Denman Road intersection in accordance with Condition 47 (c), it may receive contributions from other mining companies toward the cost of accelerating this upgrade, in proportion to the respective impacts of these other minerals on this intersection, as identified in the Contributions Study prepared by GHD titled "Thomas Mitchell Drive Contributions Study, June 2014" (or its latest version), unless otherwise agreed with the Secretary.				
Railway Crossing					
48.	The Proponent shall implement all reasonable and feasible measures to minimise blocking the railway crossing on Antiene Railway Station Road, to the satisfaction of the Secretary.	- Site Observations - Interview with Environment Superintendent	No evidence was observed on the Antiene Railway Station road being blocked during the site visit.	NT	N/A
Rail Loop Duplication					
48A.	The Proponent shall ensure that the rail loop duplication is undertaken in consultation with the ARTC and relevant infrastructure/land owners (including Council), and constructed to meet relevant standards and network interface requirements, to the satisfaction of ARTC.	Interview with Environment Superintendent	MAC stated this has not occurred during the audit period, therefore the condition is not triggered	NT	N/A
48B.	The Proponent shall ensure that the rail loop duplication is undertaken in consultation with the ARTC and relevant infrastructure/land owners (including Council), and constructed to meet relevant standards and network interface requirements, to the satisfaction of ARTC.	Interview with Environment Superintendent	As above.	NT	N/A
Visual					
Mining Operations Additional Visual Impact Mitigation					
49.	By the end of December 2014, the Proponent shall revise the Visual Impacts Management Report prepared by AECOM in May 2011, to the satisfaction of the Secretary. The revised report must: (a) identify the privately-owned land that is likely to experience significant visual impacts during the project; and (b) describe (in general terms) the additional mitigation measures that could be implemented to reduce the visibility of the mine from these properties.	Previous IEA's	Confirmed by previous IEA's. Outside audit period.	NT	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Notes: - The additional visual impact mitigation measures should be aimed at reducing the visibility of the mine from significantly affected residences or areas on privately-owned land subject to tourist and/or general public access or areas on the Woodlands thoroughbred horse stud with views of the project, and do not necessarily require measures to reduce visibility of the mine from other locations on affected properties. The additional visual impact mitigation measures do not necessarily have to include measures on the affected property itself (i.e. the additional measures may consist of measures outside the affected property boundary that provide an effective reduction in visual impacts). - Except in exceptional circumstances, the Secretary will not require additional visual impact mitigation to be undertaken for residences that are more than 5 kilometres from the mining operations.				
50.	Within 3 months of the Secretary approving this report, the Proponent shall advise all owners of privately-owned land identified in the report that they are entitled to additional mitigation measures to reduce the visibility of the mine from their properties.	Previous IEA's	Outside audit period.	NT	N/A
51.	Upon receiving a written request from an owner of privately-owned land identified in this report, or upon receiving a direction from the Secretary regarding any other privately-owned land, the Proponent shall implement additional visual impact mitigation measures (such as landscaping treatments or vegetation screens) in consultation with the landowner, and to the satisfaction of the Secretary. These mitigation measures must be reasonable and feasible, and must be implemented within a reasonable timeframe. If within 3 months of receiving this request from the owner, the Proponent and the owner 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 Secretary for resolution.	Interview with Environment Superintendent	MAC stated there have been no requests under this condition during the audit period.	NT	N/A

Visual Amenity and Lighting

52.	The Proponent shall: (a) implement all reasonable and feasible measures to mitigate visual and off-site lighting impacts of the project; (b) ensure no outdoor lights shine above the horizontal; and (c) ensure that all external lighting associated with the project complies with relevant Australian Standards, including Australian Standard AS4282 (INT) 1997 - Control of Obtrusive Effects of Outdoor Lighting, to the satisfaction of the Secretary.	- MAC-PRD-PRO-073 Procedure for Lighting Plant Movement and Setup. - MAC-ENC-PRO-077 Light Management Procedure. - MAC-ENC-PRO-071 Visual Assessment Procedure. - Mt Arthur Coal Complex Lighting Audit (EMM), April 2022	MAC commissioned EMM to undertake a lighting audit that determined, "The qualitative daytime inspection of MAC and a review of MAC procedures relating to the installation of lighting and complaints process found that various measures to reduce external light spill from mine lighting have been, and are implemented at MAC" and "The quantitative assessment undertaken found that illuminance at all viewpoints were within the allowable criteria set out by AS 4282. The qualitative night-time assessment of lighting at MAC found that measures to reduce offsite lighting impacts are currently effective, and no further improvements are recommended to improve the reduction of offsite lighting impacts from the project". MAC stated, every night site personnel drive around the site to visible points as part of the OCE Run'.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			2020 - During the reporting period, 18 lighting complaints were received from three complainants, which is lower than FY19 (23 complaints). On notification of the complaints, immediate action was taken to locate and redirect the offending lights, in response to addressing the complainant's concerns. 2021 - During the reporting period, 14 lighting complaints were received from four complainants, which is lower than FY20 (18 from three complainants). 2022 - During the reporting period, 18 lighting complaints were received, which is higher than FY21 (14 complaints). MAC follow to procedure to respond to lighting complaints as set out in the lighting audit.		
Waste					
53.	The Proponent shall: (a) minimise and monitor the waste generated by the project; (b) ensure that the waste generated by the project is appropriately stored, handled and disposed of; (c) manage on-site sewage treatment and disposal in accordance with the requirements of Council; and (d) report on waste management and minimisation in the Annual Review, to the satisfaction of the Secretary.	▪ MAC-ENC-PRO-033 Waste Handling and Disposal Procedure, 25/07/2023 ▪ Sewage Treatment System Maintenance Program Reports, 2020 – 2022 ▪ BHP JR Richards Monthly Summary Report, June 2023 ▪ Thiess Remondis Summary Report, June 2023 ▪ Annual Reviews, FY 2021 and 2022	Waste generated from the project is summarised in the Annual Reviews. This includes a comparison of totals for disposal and recycling. Evidence of waste database which provides waste volumes by waste streams. JR Richards is contracted for waste disposal from the MAC operations and Remondis is contracted for the Thiess operations waste disposal. Sewage was noted to be generally managed in accordance with council requirements. The following things observations were made during the site inspection: • The main MAC storage area was well arranged and managed on hardstand area, with internal drainage to sumps. The Thiess area was not on hardstand area, with no drainage collection system. • Segregation of waste was generally completed as per requirements. • In the Thiess workshop area at Mount Arthur South it was noted that there was no spoon drain to sump system to collect runoff from within the workshop.	C	N/A
Bushfire Management					
54.	The Proponent shall: (a) ensure that the project is suitably equipped to respond to any fires on site; and (b) assist the RFS and emergency services as much as practicable if there is a fire in the vicinity of the site.	▪ MAC-ENC-PRO-076 Bushfire Prevention Procedure, 07/09/2023	MAC has prepared a bushfire prevention procedure to respond to fires on site and has suitable equipment on site to respond to fires. The procedure also includes integrating response with RFS as required.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
SCHEDULE 4 – ADDITIONAL PROCEDURES					
Notification of Landowners					
1.	By the end of September 2014, the Proponent shall ensure that the owners of the land listed in: Table 1 of schedule 3 have been notified in writing that they have the right to require the Proponent to acquire their land at any stage during the project; Table 1 (noise affected land) and Table 4 of schedule 3 have been notified in writing that they are entitled to ask the Proponent to install additional noise mitigation measures at their residence at any stage during the project; and Table 1 (air quality affected land) and Table 12 of schedule 3 have been notified in writing that they are entitled to ask the Proponent to install additional air quality mitigation measures at their residence at any stage during the project.	Previous IEA's	Outside audit period	NT	N/A
2.	If the results of the monitoring required in schedule 3 identify that impacts generated by the project are greater than the relevant impact assessment criteria, except where a negotiated agreement has been entered into in relation to that impact, then the Proponent shall, within 2 weeks of obtaining the monitoring results notify the Secretary, the affected landowners and tenants (including tenants of mine- owned properties) accordingly, and provide regular monitoring results to each of these parties until the results show that the project is complying with the criteria in schedule 3.	- Annual Reviews, FY 2021 and 2022 - Notifications of exceedance - Monthly Monitoring Results	The evidence provided indicates MAC undertake notifications to the DPE and landowners / tenants as required by this condition.	C	N/A
3.	The Proponent shall send a copy of the NSW Health fact sheet entitled "Mine Dust and You" (as may be updated from time to time) to all landowners and/or existing or future tenants (including tenants of mine owned properties) of properties where: (a) the predictions in the EA identify that the dust emissions generated by the project are likely to be greater than the air quality land acquisition criteria in schedule 3; and (b) monitoring results identify that the mine is exceeding the air quality land acquisition criteria in schedule 3, with such notice to be provided within 2 weeks of identifying the exceedance.	- Interview with Environment Superintendent - Emails to mine-owned property tenants from Warburton Estate Agent. - Email list for notifying of dust exceedances	A number of properties on mine-owned land are tenanted out through Warburton Estate Agents. Emails with the "Mine Dust and You" fact sheet were sent to residents as required by this condition. MAC maintains an email list for notifying of dust exceedances in accordance with notification requirements under schedule 4. No exceedances of air quality criteria were noted during the audit period.	C	N/A
3A.	The Proponent shall ensure that any receiver identified in condition 1 of schedule 4 is notified in writing of any change in the status of their acquisition or mitigation rights, at least 12 months prior to this change occurring, to the satisfaction of the Secretary.	Interview with Environment Superintendent	MAC stated, there has been no change to acquisition or mitigation rights of receivers identified in Sch 4 – 1.	NT	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Independent Review					
4.	If a landowner of privately-owned land considers the project to be exceeding the impact assessment criteria in schedule 3, then he/she may ask the Secretary in writing for an independent review of the impacts of the project on his/her land. If the Secretary is satisfied that an independent review is warranted, the Proponent shall within 2 months of the Secretary's decision: (a) Commission and fund a suitably qualified, experienced and independent expert, whose appointment has been approved by the Secretary, to: - consult with the landowner to determine his/her concerns; - conduct monitoring to determine whether the project is complying with the relevant impact assessment criteria in schedule 3; and - if the project is not complying with these criteria then: - determine if the more than one mine is responsible for the exceedance, and if so the relative share of each mine regarding the impact on the land; - identify the measures that could be implemented to ensure compliance with the relevant criteria; and (b) give the Secretary and landowner a copy of the independent review.	- Interview with Environment Superintendent - Request letters for Independent Review - Consultation letters with DPE - Independent Review Assessment Proposal Scopes - DPE Finalisation of Independent Air Quality Review (for the 2 properties) letter, 29/04/2022	Two properties that had requested an independent review to review air quality (dust) compliance with the relevant assessment criteria at their properties were undertaken within the audit period. MAC commissioned the required independent reviews in accordance with this condition and undertook required mitigation measures. The DPE issued a notice advising the independent air quality review process was considered finalised on 29/04/2022.	C	N/A
5.	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 Secretary. 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: (a) implement all reasonable and feasible mitigation measures, in consultation with the landowner and appointed independent expert, and conduct further monitoring until the project complies with the relevant criteria; or (b) secure a written agreement with the landowner to allow exceedances of the relevant impact assessment criteria, to the satisfaction of the Secretary. If the measures referred to in (a) do not achieve compliance with the air quality acquisition criteria in schedule 3, and the Proponent cannot secure a written agreement with the landowner to allow these exceedances within 3 months, then upon receiving a written request from the landowner, the Proponent shall acquire all or part of the landowner's land in accordance with the procedures in conditions 7-8 below.	- Interview with Environment Superintendent - Consultation letters with DPE - DPE Finalisation of Independent Air Quality Review (for the 2 properties) letter, 29/04/2022	MAC implemented mitigation measures for the properties to the satisfaction of the Secretary. Further monitoring was undertaken showing reasonable and feasible measures completed and compliant after 3 months.	C	N/A
6.	If the independent review determines that the relevant impact assessment 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: (a) implement all reasonable and feasible mitigation measures, in consultation with the landowner and appointed independent expert, and conduct further monitoring until there is compliance with the relevant criteria; or	Interview with Site Environmental Superintendent	MAC stated independent review not undertaken in conjunction with other mines and therefore, this condition is not triggered.	NT	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(b) secure a written agreement with the landowner and other relevant mines to allow exceedances of the relevant impact assessment criteria in schedule 3, to the satisfaction of the Secretary. If the measures referred to in (a) do not achieve compliance with the air quality acquisition criteria in schedule 3, and the Proponent together with the relevant mine/s cannot secure a written agreement with the landowner to allow these exceedances within 3 months, then upon receiving a written request from the landowner, the Proponent shall acquire all or part of the landowner's land on as equitable a basis as possible with the relevant mine/s, in accordance with the procedures in conditions 7-8 below.				

Land Acquisition

7.	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: (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, having regard to the: - existing and permissible use of the land, in accordance with the applicable planning instruments at the date of the written request; and - 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 condition 7 of schedule 3, or 'additional air quality mitigation measures' in condition 22 of schedule 3; (b) the reasonable costs associated with: - relocating within the Muswellbrook, Singleton or Scone local government area, or to any other local government area determined by the Secretary; and - obtaining legal advice and expert advice for determining the acquisition price of the land, and the terms upon which it is to be acquired; and (c) reasonable compensation for any disturbance caused by the land acquisition process. 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 Secretary for resolution. Upon receiving such a request, the Secretary shall request the President of the NSW Division of the Australian Property Institute to appoint a qualified independent valuer to: - consider submissions from both parties;	- Interview with Environment Superintendent - Acquisition request letters - Independent market valuation reports - Offer acceptance letters.	There have been four requests for acquisition within the audit period all of which properties were noted to be acquired in accordance with the procedures listed in Sch 4 – 7 & 8.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- determine a fair and reasonable acquisition price for the land and/or the terms upon which the land is to be acquired, having regard to the matters referred to in paragraphs (a)-(c) above; - prepare a detailed report setting out the reasons for any determination; and - provide a copy of the report to both parties. Within 14 days of receiving the independent valuer's report, the Proponent shall make a binding written offer to the landowner to purchase the land at a price not less than the independent valuer's determination. However, if either party disputes the independent valuer's determination, then within 14 days of receiving the independent valuer's report, they may refer the matter to the Secretary for review. Any request for a review must be accompanied by a detailed report setting out the reasons why the party disputes the independent valuer's determination. Following consultation with the independent valuer and both parties, the Secretary shall determine a fair and reasonable acquisition price for the land, having regard to the matters referred to in paragraphs (a)-(c) above, the independent valuer's report, and the detailed report of the party that disputes the independent valuer's determination. Within 14 days of this determination, the Proponent shall make a binding written offer to the landowner to purchase the land at a price not less than the Secretary's determination. If the landowner refuses to accept the Proponent's binding written offer under this condition within 6 months of the offer being made, then the Proponent's obligations to acquire the land shall cease, unless the Secretary determines otherwise.				
8.	The Proponent shall pay all reasonable costs associated with the land acquisition process described in condition 7 above, including the costs associated with obtaining Council approval for any plan of subdivision (where permissible), and registration of this plan at the Office of the Registrar-General.	As above	As above	C	N/A

SCHEDULE 5 – ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING

Environmental Management

Environmental Management Strategy

1.	The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Secretary. The strategy must: (a) provide the strategic framework for environmental management of the project; (b) identify the statutory approvals that apply to the project; (c) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project; (d) describe the procedures that would be implemented to: - keep the local community and relevant agencies informed about the operation and environmental performance of the project; - receive, handle, respond to, and record complaints;	- MAC-ENC-MTP-041 - Environmental Management Strategy, 20/12/2021 Version 3.1 (version history change only). Version 3, dated 20/05/2021 - DPIE Approval, 20/05/2021 (for revision 3, dated April 2021) - DPE Warning Letter, 07/02/2022	MAC has prepared the required Environmental Management Strategy which includes requirements of (a) to (e). On 24/01/2022 the DPE received a complaint that they made a complaint through the complaint line but did not receive a reply within the stipulated 48 hours. Following a request for information it was determined the mine's complaints hotline was interrupted by a service upgrade by the service provider of which MAC was unaware. The DPE determined MAC did not respond to the complainant within 48 hours and has therefore failed to	NC	The Warning Letter identifies that measures aimed preventing a recurrence have already been enacted to the satisfaction of the DPE. Therefore, no further action is recommended.
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- resolve any disputes that may arise during the course of the project; - respond to any non-compliance; - respond to emergencies; and (e) include: - copies of the various strategies, plans and programs that are required under the conditions of this approval once they have been approved; and - a clear plan depicting all the monitoring to be carried out in relation to the project.		implement the approved EMS, breaching Schedule 5 Condition 1 of the approval and issued a warning letter. The warning letter notes: The issue with the service disruption has been rectified with a low likelihood of reoccurrence. MAC has implemented a routine service verification task which will assist in identifying and preventing future service interruptions in a timely manner. MAC has requested that the service provider inform them of all future system upgrades.		

Management Plan Requirements

2.	The Proponent shall ensure that the management plans required under this approval are prepared in accordance with any relevant guidelines, and include: (a) detailed baseline data; (b) a description of: - the relevant statutory requirements (including any relevant approval, licence or lease conditions); - any relevant limits or performance measures/criteria; - the specific performance indicators that are proposed to be used to judge the performance of, or guide the implementation of, the project or any management measures; (c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria; (d) a program to monitor and report on the: - impacts and environmental performance of the project; - effectiveness of any management measures (see c above); (e) a contingency plan to manage any unpredicted impacts and their consequences; (f) a program to investigate and implement ways to improve the environmental performance of the project over time; (g) a protocol for managing and reporting any: - incidents; - complaints; - non-compliances with statutory requirements; and - exceedances of the impact assessment criteria and/or performance criteria; and (h) a protocol for periodic review of the plan.	Project Management Plans (as listed in Sch 3)	The Management Plans required under this approval (as listed in Sch 3) have been prepared in accordance with relevant guidelines and include the requirements as listed in (a) to (h).	C	N/A
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Annual Review

3.	By the end of June each year, the Proponent shall review the environmental performance of the project to the satisfaction of the Secretary. This review must:	Annual Reviews, FY 2021 and 2022	The Annual Reviews include the required information as per criteria (a) to (f) of this condition.	C	N/A
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(a) describe the works that were carried out in the past year, and the works that are proposed to be carried out over the next year; (b) include a comprehensive review of the monitoring results and complaints records of the project over the past year, which includes a comparison of these results against the - the relevant statutory requirements, limits or performance measures/criteria; - the monitoring results of previous years; and - the relevant predictions in the EA; (c) identify any non-compliance over the last year, and describe what actions were (or are being) taken to ensure compliance; (d) identify any trends in the monitoring data over the life of the project; (e) identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies; and (f) describe what measures will be implemented over the next year to improve the environmental performance of the project.		The annual review for FY 2023 was not yet published at the time of this audit.		

Revision of Strategies, Plans and Programs

4.	Within 3 months of: (a) the submission of an annual review under condition 3 above; (b) the submission of an incident report under condition 7 below; (c) the submission of an audit under condition 9 below; or (d) any modification to the conditions of this approval, the Proponent shall review, and if necessary revise, the strategies, plans, and programs required under this approval to the satisfaction of the Secretary. Where this review leads to revisions in any such document, then within four weeks of the review the revised document must be submitted to the Secretary for approval. Note: This is to ensure the strategies, plans and programs are updated on a regular basis, and incorporate any recommended measures to improve the environmental performance of the project.	- Project Management Plans (as listed in Sch 3) - Management Plan Register	MAC have undertaken revisions of management plans as required when triggered by the criteria listed in (a) to (d) and submitted for approval by the Secretary.	C	N/A
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Community Consultative Committee

5.	The Proponent shall establish and operate a CCC for the project to the satisfaction of the Secretary. This CCC must be established by the end of March 2011 and be operated in general accordance with the Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects (Department of Planning, 2007, or its latest version). Notes: The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval.	- CCC Meeting Agendas and Minutes - Annual Review, FY 2022 - DPE record of Breach Letter, 16/09/2021	Evidence of CCC minutes as per the guideline requirements are included on the MAC website. It was noted that on 16 September 2021 the DPE contacted MAC to inform that the CCC documentation on the website was out of date. This is a breach of Schedule 5 Condition 5 – Community Consultative Committee. The DPE assessed the breach in accordance with the Departments Compliance Policy, with the Department	NC	MAC uploaded the missing information once notified and have continued to maintain the required information, up to date on the website since the incident. Therefore, no further action is recommended.
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	In accordance with the Guideline, the Committee should comprise an independent chair and appropriate representation from the Proponent, affected councils and the general community.		on this occasion, determined to record the breach with no further enforcement action.		
Management of Cumulative Impacts					
6.	In conjunction with the owners of the nearby Drayton and Bengalla mines, the Proponent shall use its best endeavours to minimise the cumulative impacts of the project on the surrounding area to the satisfaction of the Secretary. Note: Nothing in this approval is to be construed as requiring the Proponent to act in a manner which is contrary to the Trade Practices Act 1974.	- Interview with Environment Superintendent - Sample Cumulative Framework Meeting Minutes (25/11/2021, 23/03/2022, 23/05/2022, 15/12/2022)	MAC undertakes regular cumulative framework meetings to discuss management measures to minimise cumulative impacts as required by this condition.	C	N/A
Reporting					
Incident Reporting					
7.	The Proponent shall immediately notify the Secretary and any other relevant agencies of any incident. Within 7 days of the date of the incident, the Proponent shall provide the Secretary and any relevant agencies with a detailed report on the incident, and such further reports as may be requested.	Annual Reviews, FY 2021 and 2022	MAC generally makes all required notifications as per the requirements of this condition.	C	N/A
Regular Reporting					
8.	The Proponent shall provide regular reporting on the environmental performance of the project on its website, in accordance with the reporting arrangements in any plans or programs approved under the conditions of this approval, and to the satisfaction of the Secretary.	Website information	Evidence of annual reporting, monthly reporting and complaints summary on company website.	C	N/A
Independent Environmental Audit					
9.	By the end of June 2014, and every 3 years thereafter, unless the Secretary 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 Secretary; (b) include consultation with the relevant agencies; (c) assess the environmental performance of the project and assess whether it is complying with the requirements in this approval and any relevant EPL or Mining Lease (including any assessment, plan or program required under these approvals); (d) review the adequacy of strategies, plans or programs required under the abovementioned approvals; and (e) recommend appropriate measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program required under the abovementioned approvals. Notes:	Previous IEA's	Previous IEA's that fulfil criteria (a) to (e) of this condition are published to the company website.	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- This audit team must be Led by a suitably qualified auditor and include experts in surface water, groundwater and any other fields specified by the Secretary. - The audits should be coordinated with similar auditing requirements for the Mt Arthur Underground Project.				
10.	10. Within 6 weeks of the completion of this audit, or as otherwise agreed by the Secretary, the Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.	Previous MAC Responses to IEA's	Previous MAC responses to IEA's published to company website in accordance with this condition.	C	N/A

ACCESS TO INFORMATION

11.	From the end of December 2010, the Proponent shall: (a) make the following information publicly available on its website: - a copy of all current statutory approvals for the project; - a copy of the current environmental management strategy and associated plans and programs; - a summary of the monitoring results of the project, which have been reported in accordance with the various plans and programs approved under the conditions of this approval; - a complaints register, which is to be updated on a monthly basis; - a copy of the minutes of CCC meetings; - a copy of any Annual Reviews (over the last 5 years); - a copy of any Independent Environmental Audit, and the Proponent's response to the recommendations in any audit; - any other matter required by the Secretary; and (b) keep this information up to date, to the satisfaction of the Secretary. (b) place a copy of the document/s on its website; and (c) remove superseded copies of strategies/plans/programs from its website.	- Website information - Annual Reviews, FY 2021 and 2022	MAC generally makes all required information under this approval available publicly on its website. It was noted that (as per Sch 5- 5) on 16 September 2021 DPE contacted MAC to inform that the CCC documentation on the BHP website was out of date. Upon checking on this day, the documentation was only up to date to 7 May 2020. This is a breach of Schedule 5, Condition 11 – Access to Information. The DPE assessed the breach in accordance with the Departments Compliance Policy, with the Department on this occasion, determined to record the breach with no further enforcement action.	NC (Duplicate with Sch 5 -5)	As per Sch 5 -5.
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Document details	
Document title	Hunter Valley Energy Coal EPL
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Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Leanne Lee, Andrew Lewis
Client Name	Hunter Valley Energy Coal Pty Ltd

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations									
1 ADMINISTRATIVE CONDITIONS														
A1 What the licence authorises and regulates														
A1.1	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. 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. <table><tr><th>Scheduled Activity</th><th>Fee Based Activity</th><th>Scale</th></tr><tr><td>Coal works</td><td>Coal works</td><td>> 5,000,000 T annual handing capacity</td></tr><tr><td>Mining for coal</td><td>Mining for coal</td><td>> 5,000,000 T annual production capacity</td></tr></table> Note: In relation to this licence, the licensee must comply with: a) the activity scale limits imposed by this licence; b) the activity scale limits which apply for the reporting period specified in this licence; and c) the activity scale limits imposed by other legal instruments, such as approvals currently in force under the Environmental Planning and Assessment Act 1979.	Scheduled Activity	Fee Based Activity	Scale	Coal works	Coal works	> 5,000,000 T annual handing capacity	Mining for coal	Mining for coal	> 5,000,000 T annual production capacity	Annual Reviews 2020, 2021 and 2022	Data provided in the annual reviews, reports that the extracted tonnes are as below. Run-of-mine coal: 2022: 19.8M 2021: 21.3M 2020: 21.3M	C	N/A
Scheduled Activity	Fee Based Activity	Scale												
Coal works	Coal works	> 5,000,000 T annual handing capacity												
Mining for coal	Mining for coal	> 5,000,000 T annual production capacity												
A2 Premises or plant to which this licence applies														
A2.1	The licence applies to the following premises: Premises Details MT ARTHUR COAL THOMAS MITCHELL DRIVE MUSWELLBROOK NSW 2333 PREMISED DEFINED BY PLAN TITLED "EPA - PLAN OF PREMISES" DRAWING NO. ENV-0021 DATED 5/12/22 (DOC22/1061844-2) AND SHAPE FILES (DOC21/91573-1).	Note	Noted	Note	N/A									
A3 Information supplied to the EPA														
A3.1	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. In this condition the reference to "the licence application" includes a reference to: 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 b) the licence information form provided by the licensee to the EPA to assist the EPA in connection with the issuing of this licence.	Note	Noted	Note	N/A									

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations																				
2 DISCHARGES TO AIR AND WATER AND APPLICATIONS TO LAND																									
P1 Location of monitoring/discharge points and areas																									
P1.1	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. Air <table><tr><th>EPA ID no.</th><th>Type of monitoring point</th><th>Type of discharge point</th><th>Location description</th></tr><tr><td>11</td><td>Particulate Matter Monitoring – PM₁₀</td><td></td><td>Air quality monitoring at coordinates 294417, 6423492 (Easting, Northing) shown as DC10 on Figure 1</td></tr><tr><td>12</td><td>Particulate Matter Monitoring – PM₁₀</td><td></td><td>Air quality monitoring at coordinates 297087, 6424919 (Easting, Northing) shown as DC11 on Figure 1</td></tr><tr><td>13</td><td>Particulate Matter Monitoring – PM₁₀</td><td></td><td>Air quality monitoring at coordinates 300874, 6415288 (Easting, Northing) shown as DC12 on Figure 1</td></tr><tr><td>14</td><td>Particulate Matter Monitoring – PM₁₀</td><td></td><td>Air quality monitoring at coordinates 303158, 6419088 (Easting, Northing) shown as DC13 on Figure 1</td></tr></table>	EPA ID no.	Type of monitoring point	Type of discharge point	Location description	11	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 294417, 6423492 (Easting, Northing) shown as DC10 on Figure 1	12	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 297087, 6424919 (Easting, Northing) shown as DC11 on Figure 1	13	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 300874, 6415288 (Easting, Northing) shown as DC12 on Figure 1	14	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 303158, 6419088 (Easting, Northing) shown as DC13 on Figure 1	- Site Observations - Air Quality Management Plan - Air Quality Monitoring Data - Annual Reviews FY 2021 and 2022	The Auditor observed the air quality monitoring station while on site. MAC monitors PM₁₀ at the points identified as Point 11, 12, 13 and 14. Data from these monitors have been obtained and reviewed. These data are kept in spreadsheet form. Monitoring locations shown on Figure 1 of AQMP and on appropriate figures of the Annual Returns. The three exceedances of PM10 were recorded on 16 November 2020, 17 December 2021 and 6 December 2022, which were determined as not being mine-related, the exceedance following investigation being attributed to farming activities around the monitoring locations. As these exceedances were due to farming activities, they have not been deemed non-compliances. Monitoring results are published on the MAC website. No issues have been identified.	C	N/A
EPA ID no.	Type of monitoring point	Type of discharge point	Location description																						
11	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 294417, 6423492 (Easting, Northing) shown as DC10 on Figure 1																						
12	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 297087, 6424919 (Easting, Northing) shown as DC11 on Figure 1																						
13	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 300874, 6415288 (Easting, Northing) shown as DC12 on Figure 1																						
14	Particulate Matter Monitoring – PM ₁₀		Air quality monitoring at coordinates 303158, 6419088 (Easting, Northing) shown as DC13 on Figure 1																						
P1.2	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.	Site Observations	The Auditor observed a sample of EPA ID locations while on site and reviewed monitoring records.	C	N/A																				
P1.3	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. Water and land <table><tr><th>EPA ID no.</th><th>Type of monitoring point</th><th>Type of discharge point</th><th>Location description</th></tr><tr><td>6</td><td>Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)</td><td>Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)</td><td>Discharge and monitoring at weir structure downstream of outlet pipe from storage dam at coordinates 298191, 6424891 (Easting, Northing), shown as SW28 on Figure 1.</td></tr><tr><td>15</td><td>Volumetric monitoring Water quality monitoring</td><td>Volumetric monitoring Water quality monitoring</td><td>Discharge and monitoring of STP discharge to</td></tr></table>	EPA ID no.	Type of monitoring point	Type of discharge point	Location description	6	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)	Discharge and monitoring at weir structure downstream of outlet pipe from storage dam at coordinates 298191, 6424891 (Easting, Northing), shown as SW28 on Figure 1.	15	Volumetric monitoring Water quality monitoring	Volumetric monitoring Water quality monitoring	Discharge and monitoring of STP discharge to	Site Observations Annual Reviews FY 2021 and 2022 Mt Arthur Coal Environmental Monitoring Data (August 2020 – July 2023)	Auditor observed a sample of EPA ID locations while on site and reviewed the annual returns for the audit period, confirmed that the monitoring points were listed. ERM reviewed the monthly reports prepared by MAC to document compliance with EPL monitoring requirements throughout each calendar year. Each month MAC collates and reviews water usage across the site and discharge water quality. The monthly reports from the audit period included the monitoring points listed in this licence condition.	C	N/A								
EPA ID no.	Type of monitoring point	Type of discharge point	Location description																						
6	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)	Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)	Discharge and monitoring at weir structure downstream of outlet pipe from storage dam at coordinates 298191, 6424891 (Easting, Northing), shown as SW28 on Figure 1.																						
15	Volumetric monitoring Water quality monitoring	Volumetric monitoring Water quality monitoring	Discharge and monitoring of STP discharge to																						

Item	Assessment Requirement				Reference/ Evidence	Comments	Compliance	Recommendations
		Discharge to utilisation area	Discharge to utilisation area	effluent pond utilisation area at coordinates 301258, 6420450 (Easting, Northing), shown as LP15 on Figure 1.				
	26	Mine Water Storage		Mine water storage dam at coordinates 298709, 6424746 (Easting, Northing).				
P1.4	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.				Site Observations Mt Arthur Coal Environmental Monitoring Data (August 2020 – July 2023) Air Quality Management Plan Meteorological Monitoring Data Annual Reviews FY 2021 and 2022	The Auditor observed a sample of EPA ID locations while on site and reviewed monitoring records published on the website and provided by the site. MAC monitors meteorology at the point identified as Point 24. The monitoring location is shown on Figure 1 of AQMP and on appropriate figures of the Annual Reviews. Data from this station have been obtained and reviewed. These data are kept in spreadsheet form. No issues have been identified.	C	N/A
	EPA ID no.	Type of monitoring point	Location description					
	7	Air blast overpressure & ground vibration peak particle velocity monitoring	Blast monitoring at coordinates 301609, 6426026 (Easting, Northing), shown as BP04 on Figure 1.					
	8	Air blast overpressure & ground vibration peak particle velocity monitoring	Blast monitoring at coordinates 299170, 6426438 (Easting, Northing), shown as BP07 on Figure 1.					
	10	Air blast overpressure & ground vibration peak particle velocity monitoring	Blast monitoring at coordinates 304234, 6422345 (Easting, Northing), shown as BP11 on Figure 1.					
	16	Noise monitoring	Noise monitoring at coordinates 304286, 6421977 (Easting, Northing), shown as NP04 on Figure 1.					
	17	Noise monitoring	Noise monitoring at coordinates 299169, 6426452 (Easting, Northing), shown as NP07 on Figure 1.					
	18	Noise monitoring	Noise monitoring at coordinates 301592, 6425957 (Easting, Northing), shown as NP10 on Figure 1.					
	19	Noise monitoring	Noise monitoring at coordinates 305526, 6422261 (Casting, Northing), shown as NP12 on Figure 1.					
	20	Noise monitoring	Noise monitoring at coordinates 292410, 6409176 (Easting, Northing), shown as NP13 on Figure 1.					
	21	Noise monitoring	Noise monitoring at coordinates 289306, 6423366 (Easting, Northing), shown as NP14 on Figure 1.					

Item	Assessment Requirement			Reference/ Evidence	Comments	Compliance	Recommendations
	22	Noise monitoring	Noise monitoring at coordinates 290286, 6422257 (Casting, Northing), shown as NP15 on Figure 1.				
	23	Noise monitoring	Noise monitoring at coordinates 299747, 6426811 (Easting, Northing), shown as NP16 on Figure 1.				
	24	Meteorological Station	Meteorological monitoring at coordinates 301203, 6420155 (Easting, Northing), shown as WS09 on Figure 1.				
	25	Air blast overpressure & ground vibration peak particle velocity monitoring	Blast monitoring at coordinates 293042, 6421799 (Easting, Northing), shown as BP09B on Figure 1.				

3 LIMIT CONDITIONS

L1 Pollution of Waters

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.	Annual Return 2021-2022 Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	The site reported a non-compliance of this condition on 8 March 2022. A mine water dam (SW23 Export Sediment Dam) was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. DPE acknowledged in an email dated 22 April 2022 that the site has reported the incident to the EPA. The site Environmental team advised that the site did not receive any correspondences from the EPA in relation to the notification. The Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under condition R3. A Pollution Reduction Program under EPL 11457 was undertaken focused on reducing risk of water discharges from pipeline failures. All Pollution Reduction Programs have been closed out and the related conditions have been removed in the October 2023 version of the Licence.	NC	Corrective actions have been implemented. No further action is required.
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Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			The Site has implemented weekly inspections of the dams (MAC-STE-FRM-098) to ensure the dam capacity and infrastructures are well maintained. Environmental Superintendent advised that the Site has implemented post rainfall field inspection schedule as well to prevent overflowing after heavy weather events.		

L2 Concentration Limits

L2.1	For each monitoring/discharge point or utilisation area specified in the table/s below (by a point number), the concentration of a pollutant discharged at that point, or applied to that area, must not exceed the concentration limits specified for that pollutant in the table (in L2.4).	Mt Arthur Coal Environmental Monitoring Data (August 2020 - September 2023) Annual Return (2020-2021, 2021-2022)	The Auditors reviewed the monthly environmental monitoring data published on the site website. No water discharge was recorded except July to November 2022. The data shows no exceedances under the limits set in L2.6.	C	N/A																		
L2.2	Where a pH quality limit is specified in the table, the specified percentage of samples must be within the specified ranges.	Mt Arthur Coal Environmental Monitoring Data (July 2020 - September 2023) Annual Return (2020 -2021, 2021-2022)	Refer to L2.1 above.	C	N/A																		
L2.3	To avoid any doubt, this condition does not authorise the pollution of waters by any pollutant other than those specified in the table/s.	Note	Noted	Note	N/A																		
L2.4	Water and/or Land Concentration Limits Point 6 <table border="1"> <thead> <tr> <th>Pollutant</th><th>Unit of measure</th><th>50 percentile concentration limit</th><th>90 percentile concentration limit</th><th>3DGM concentration limit</th><th>100 percentile concentration limit</th></tr> </thead> <tbody> <tr> <td>pH</td><td>pH</td><td></td><td></td><td></td><td>6.5 – 9.0</td></tr> <tr> <td>Total suspended solids</td><td>Milligrams per litre</td><td></td><td></td><td></td><td>120</td></tr> </tbody> </table>	Pollutant	Unit of measure	50 percentile concentration limit	90 percentile concentration limit	3DGM concentration limit	100 percentile concentration limit	pH	pH				6.5 – 9.0	Total suspended solids	Milligrams per litre				120	Note	Noted	Note	N/A
Pollutant	Unit of measure	50 percentile concentration limit	90 percentile concentration limit	3DGM concentration limit	100 percentile concentration limit																		
pH	pH				6.5 – 9.0																		
Total suspended solids	Milligrams per litre				120																		

L3 Volume and mass limits

L3.1	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><tr><th>Point</th><th>Unit of Measure</th><th>Volume/Mass Limit</th></tr><tr><td>6</td><td>Megalitres per day</td><td>450</td></tr></table>	Point	Unit of Measure	Volume/Mass Limit	6	Megalitres per day	450	Mt Arthur Coal Environmental Monitoring Data (July 2020 - September 2023) Annual Return (2020 -2021, 2021-2022)	The Auditors reviewed the monthly environmental monitoring data published on the site website. No water discharge was recorded except July to November 2022. The data shows no exceedances under this condition was identified.	C	N/A
Point	Unit of Measure	Volume/Mass Limit									
6	Megalitres per day	450									

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations																				
L4 Waste																									
L4.1	The licensee must not cause, permit or allow any waste to be received at the premises, except the wastes expressly referred to in the column titled "Waste" and meeting the definition, if any, in the column titled "Description" in the table below. Any waste received at the premises must only be used for the activities referred to in relation to that waste in the column titled "Activity" in the table below. Any waste received at the premises is subject to those limits or conditions, if any, referred to in relation to that waste contained in the column titled "Other Limits" in the table below. This condition does not limit any other conditions in this licence. <table><tr><th>Code</th><th>Waste</th><th>Description</th><th>Activity</th><th>Other Limits</th></tr><tr><td>NA</td><td>Treated Effluent</td><td>Receipt of treated effluent from Muswellbrook Sewage Treatment Plant</td><td>As specified in each particular resource recovery exemption</td><td>The Licensee must comply with the Effluent Exemption 2014</td></tr><tr><td>NA</td><td>General or Specific exempted waste</td><td></td><td></td><td>NA</td></tr><tr><td>J120</td><td>Waste oil/hydrocarbons mixtures/emulsions in water</td><td></td><td></td><td>No more than 68,000 Litres to be stored at the premises at any time</td></tr></table>	Code	Waste	Description	Activity	Other Limits	NA	Treated Effluent	Receipt of treated effluent from Muswellbrook Sewage Treatment Plant	As specified in each particular resource recovery exemption	The Licensee must comply with the Effluent Exemption 2014	NA	General or Specific exempted waste			NA	J120	Waste oil/hydrocarbons mixtures/emulsions in water			No more than 68,000 Litres to be stored at the premises at any time	Interview with Environmental Principal and Superintendent	The Environmental Principal and Superintendent advised that the site has never received waste oil or general waste to their knowledge. Treated Effluent is received through the water dam (as known as the Dirty Water Dam). The treated effluent is irrigated to land onsite.	C	N/A
Code	Waste	Description	Activity	Other Limits																					
NA	Treated Effluent	Receipt of treated effluent from Muswellbrook Sewage Treatment Plant	As specified in each particular resource recovery exemption	The Licensee must comply with the Effluent Exemption 2014																					
NA	General or Specific exempted waste			NA																					
J120	Waste oil/hydrocarbons mixtures/emulsions in water			No more than 68,000 Litres to be stored at the premises at any time																					
L4.2	The licensee must not cause, permit or allow the disposal of more than 1,100 heavy-plant waste tyres within any Annual Return reporting period.	N/A	This condition does not apply in the audit period. (Refer to the note in L4.3)	NT	N/A																				
L4.3	The licensee is permitted to stockpile up to 300 heavy-plant waste tyres at any one time. Note: The limits at condition L4.2 and condition L4.3 do not come into effect until 1 January 2025.	N/A	This condition does not apply in the audit period.	NT	N/A																				
L4.4	The licensee must not cause, permit or allow any waste generated outside the premises to be received at the premises for storage, treatment, processing, reprocessing or disposal or any waste generated at the premises to be disposed of at the premises, except as expressly permitted by the licence.	Interview with Environmental Principal and Superintendent MAC-ENC-PRO-033 - Waste Handling and Disposal Procedure (dated 25 July 2023)	The Environmental Superintendent advised that only treated effluent as permitted by L4.1 is received onsite. No other waste is received onsite. The Waste Handling and Disposal Procedure also stated that no waste generated outside of the site can be brought onto site.	C	N/A																				
L4.5	This condition only applies to the storage, treatment, processing, reprocessing or disposal of waste at the premises if those activities require an environment protection licence.	Note	Noted	Note	N/A																				
L4.6	All waste oil used in blasting operations at the premises must meet the following quality limits: <table><tr><th>Parameter</th><th>Units of Measure</th><th>Limit</th><th>Test Method</th></tr><tr><td>Flash Point</td><td>Deg C</td><td>Not less than 65</td><td>EPA1010 or ASTM D93-11</td></tr><tr><td>Polychlorinated biphenyls</td><td>Ppm</td><td>Less than 2</td><td>ASTM 06160-98(2009) or EPA 8082.A</td></tr></table>	Parameter	Units of Measure	Limit	Test Method	Flash Point	Deg C	Not less than 65	EPA1010 or ASTM D93-11	Polychlorinated biphenyls	Ppm	Less than 2	ASTM 06160-98(2009) or EPA 8082.A	Interview with Environmental Principal	The Environmental Principal advised that the site has never received Waste oil to their knowledge.	NT	N/A								
Parameter	Units of Measure	Limit	Test Method																						
Flash Point	Deg C	Not less than 65	EPA1010 or ASTM D93-11																						
Polychlorinated biphenyls	Ppm	Less than 2	ASTM 06160-98(2009) or EPA 8082.A																						

Item	Assessment Requirement				Reference/ Evidence	Comments	Compliance	Recommendations
	Lead	Ppm	Less than 100	ASTM D5185 US EPA method 3031, 3051 A or 3052 (digestion method) and 601 OC (analysis method)				
	Moisture	%/L	Less than 2	EPA Method 9000 or ASTM D4928-11				
	Chromium	Ppm	Less than 10	ASTM D5185 US EPA method 3031, 3051A or 3052 (digestion method) and 601 OC (analysis method)				
	Glycol	%/L	Less than 0.2%	ASTM D4291				
	Polyaromatic hydrocarbons	Ppm	Less than 1000	US EPA 3580A (Extraction method); US EPA 8270D (Analysis method)				
	Cadmium	Ppm	Less than 2	ASTM D5185 US EPA method 3031, 3051 A or 3052 (digestion method) and 601 OC (analysis method)				
	Arsenic	Ppm	Less than 5	ASTM D5185 US EPA method 3031, 3051 A or 3052 (digestion method) and 6010C (analysis method)				
	Particulate diameter	micrometres	Less than 25	ASTM D4055-04 (2009) and substitute 0. micrometre membrane filter for a 25 micrometre membrane filter.				

L5 Noise Limits

L5.1	Noise generated at the premises must not exceed the noise limits presented in the table below.				Annual Return (2021- 2022)	The site reported a non-compliance under this condition in the Annual Return 2021-2022. On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified mining continuum from the site operations responsible for a site LAeq of 37dB. An additional 2dB low frequency correction factor was applicable to the reading with the resulting	NC	Implement requirements of the Noise Management Plan to prevent the noise generated by the site exceeding the noise limit.						
	Residences referenced in this table are from Project Approval 09_0062 and summarised in EPA Re DOC19/1103289.				Monitoring Data (July 2020 - September 2023)									
	<table><tr><th>Location</th><th>Day LAeq (15 minute) dBA</th><th>Evening LAeq (15 minute) dBA</th><th>Night LAeq (15 minute) dBA</th><th>Night LA1 (1 minute) dBA</th></tr><tr><td>EPA Point 16</td><td>37</td><td>40</td><td>38</td><td>45</td></tr></table>				Location				Day LAeq (15 minute) dBA	Evening LAeq (15 minute) dBA	Night LAeq (15 minute) dBA	Night LA1 (1 minute) dBA	EPA Point 16	37
Location	Day LAeq (15 minute) dBA	Evening LAeq (15 minute) dBA	Night LAeq (15 minute) dBA	Night LA1 (1 minute) dBA										
EPA Point 16	37	40	38	45										
				Environmental Noise Monitoring July 2020										

Item	Assessment Requirement					Reference/ Evidence	Comments	Compliance	Recommendations																																			
	<table><tr><td>EPA Point 17</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>EPA Point 18</td><td>39</td><td>39</td><td>39</td><td>45</td></tr><tr><td>EPA Point 19</td><td>41</td><td>40</td><td>39</td><td>45</td></tr><tr><td>EPA Point 20</td><td>35</td><td>35</td><td>35</td><td>45</td></tr><tr><td>EPA Point 21</td><td>37</td><td>36</td><td>35</td><td>45</td></tr><tr><td>EPA Point 22</td><td>37</td><td>36</td><td>35</td><td>45</td></tr><tr><td>EPA Point 23</td><td>39</td><td>38</td><td>37</td><td>45</td></tr></table>					EPA Point 17	41	40	39	45	EPA Point 18	39	39	39	45	EPA Point 19	41	40	39	45	EPA Point 20	35	35	35	45	EPA Point 21	37	36	35	45	EPA Point 22	37	36	35	45	EPA Point 23	39	38	37	45		LAeq of 39dB, exceeding the night criterion of 38dB by 1dB. Impact noise preceded by horn and impact sound was responsible for the site LA1minute of 45dB. Reverse alarms were also noted. MAC Supervisors/OCE's upon being notified took the decision to not attend the location of the level 2 TARP alarms and instead 'monitor noise levels'. The Environmental Superintendent advised that the site notified the DPE after the incident but did not notify EPA until the Annual Return Submission. This was because the EPL meteorological condition L5.3 at the time was not aligned with the Project Approval. The site then lodged an EPL variation to remove L5.3e. The Auditor reviewed the monthly noise monitoring record and found a record on 21 July 2020 with a measurement of 39 dB (night time limit of 38dB) at Point 16 which was then remeasured to be 38dB. Auditor reviewed the July 2020 monitoring report which stated that road traffic contributed to the first measurement. This occurrence was not considered as non-compliance.		
EPA Point 17	41	40	39	45																																								
EPA Point 18	39	39	39	45																																								
EPA Point 19	41	40	39	45																																								
EPA Point 20	35	35	35	45																																								
EPA Point 21	37	36	35	45																																								
EPA Point 22	37	36	35	45																																								
EPA Point 23	39	38	37	45																																								
L5.2	For the purposes of Condition L5.1: a) Day is defined as the period from 7am to 6pm Monday to Saturday and Sam to 6pm Sundays and Public Holidays, b) Evening is defined as the period from 6pm to 10pm, and c) Night is defined as the period from 10pm to 7am Monday to Saturday and 10pm to Sam Sundays and Public Holidays					Note	Noted	Note	N/A																																			
L5.3	The noise limits set out in condition L5.1 apply under all meteorological conditions except for the following as noted in Appendix 10 of Project Approval 09_0062: a) during periods of rain or hail; b) average wind speed at microphone height greater than 5 m/s; c) wind speeds greater than 3 m/s at 10 metres above the ground level; or d) temperature inversion conditions greater than 3 degrees Celsius/100 m, or alternatively stability class F and G. e) stability category G temperature inversion conditions. [Auditor's note: condition L5.3e was removed in the EPL issued on 8 December 2022]					Note	Noted	Note	N/A																																			
L5.4	For the purposes of condition L5.3, data recorded by the meteorological station at EPA Identification Point 24 must be used to determine meteorological conditions with the exception of calculating temperature differential for stability category which may use data from alternative sources.					N/A	Refer to L5.3	NT	N/A																																			

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
L6 Blasting					
L6.1	Blasting in or on the premises must only be carried out between 8am and 5pm, Monday to Saturday inclusive. Blasting in or on the premises must not take place on Sundays or Public Holidays, or at any other time without the prior approval of the Secretary.	Monitoring Data (July 2020 - September 2023)	The Auditor reviewed blast monitoring records, no blasts occurred on Sunday. Time of blast was found missing for all blast events in September to October 2021. The Site has published an updated record to show that all blast were carried out between 8am and 5pm.	C	N/A
L6.2	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 7,8,10 or 25 in Condition P1 .4.	Monitoring Data (August 2020, August 2021, August 2022, August 2023) Interview with Environmental Superintendent	The Auditor reviewed blast monitoring summary records reported at the end of each reporting period. The airblast overpressure level from blasting operations recorded did not exceed 115 dB for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7,9, 10 – 0.0%, Point 8 – 0.5% - 2020-2021: Point 7,10 – 0.0%, Point 8, 9 – 1.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The Auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.	C	N/A
L6.3	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 7, 8, 10 or 25 in Condition P1 .4	Annual Return (2021- 2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled "REF-NO-14683 Report to NSW EPA 28/07/2022"	The site reported a non-compliance under this condition in the Annual Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust interference on the recorded air pressure. It was not due to the airblast overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis. The Auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			spreadsheet). The site environmental team advised that the website data has been updated. Auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
L6.4	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 7,8,10 or 25 in Condition P1 .4.	Monitoring Data (August 2020, August 2021, August 2022, August 2023)	The Auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from blasting operations recorded did not exceed 5 mm/s for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5% - 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The Auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.	C	N/A
L6.5	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 7, 8, 10 or 25 in Condition P1 .4.	Monitoring Data (July 2020 - September 2023) Annual Return 2020-2021 Interview with Environmental Superintendent	Annual Return 2021 reported a non-compliance with this condition on 23 July 2021, with a peak particle velocity ground vibration of 13.5 mm/s at monitoring point 9. The likely cause was reportedly due to the timing sequence of the hole by hole initiation of the blast, causing uncharacteristic amplification of the ground vibration at the blast monitor point 9. Regression analysis using all monitored blast vibration levels resulted in a calculated maximum ground vibration level of 6 mm/s at the nearest private residence to blast monitor 9. The calculated result is less than the 10mm/s EPL limit. Following consultation with the Department of Planning Industry and Environment it was proposed to relocate Point 9 to a location more representative of the nearest private residence. The Environmental Superintendent advised that Point 9 has been replaced by Point 25 in April 2022. The Auditor reviewed the monthly blast monitoring record and did not identify other exceedances.	NC	Since the monitoring point has been relocated, no further action is required.
L6.6	Offensive blast fume must not be emitted from the premises. Definition:	Annual Return (2019-2020, 2020 - 2021, 2021- 2022) Interview with Environmental Superintendent	The Environmental Superintendent advised that the site did not emit offensive fume during the audit period.	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	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.	Monthly Complaint Report (July 2020- July 2023) Blast Management Plan Air Quality Management Plan	The Auditor reviewed the Annual Reviews and the monthly complaint reports and did not identify any non-compliances or complaints related to offensive blast fume or odour. MAC's approved Air Quality Management Plan identified the primary sources of odour at Mt Arthur Coal as spontaneous combustion and blast fume. Management measures for blast fume are identified in the Blast Management Plan.		
4 Operating Conditions					
O1	Activities must be carried out in a competent manner				
O1.1	Licenced 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.	Site Observations Interview with Environmental Superintendent	General good housekeeping was observed throughout the site to maintain environmental compliance. Materials appeared to be appropriately stored and secondary containment was provided as required. The waste storage area appeared well maintained. However, environmental management in terms of stormwater and material storage was less well managed in the southern part of the site which is operated by sub-contractors, Thiess (Bayswater No.2 area). Evidence of continued hydrocarbon contamination (from spills / drips) was observed around the hydrocarbon storage areas and no evidence of clean up or other remedial works was observed. MAC has previously engaged WSP to develop a Remedial Action Plan in 2013. The results from the investigation shows that most portion of the Bayswater No.2 area (hydrocarbon and waste oil storage area) were identified with TPH, volatile organic compounds, polycyclic aromatic hydrocarbons, phenol and heavy metals.	NC	Identify measures to prevent hydrocarbon contamination migrating to stormwater or groundwater based on the Remedial Action Plan. Consider updating the Plan if required. The Site should consult with subcontractor Thiess on such measures. Undertake periodic inspections to assess the performance of contamination prevention measures.
O2	Maintenance of plant and equipment				
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.	Site Observations Sample of Maintenance Items for Environmental Monitoring Stations Sample of Work Orders for Environmental Monitoring Stations	During the site inspection, no observations were made of unmaintained or inappropriately operated equipment. Work order records were sampled on site. The site also provided a sample of records of monitoring equipment calibration and maintenance conducted by third-party contractors and site personnel. These records	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
		TEOM Maintenance and Calibration records	show that the equipment are regularly maintained.		
O2.2	The licensee is responsible for the correct operation of the sewage treatment system on their premises.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022)	Maintenance reports show that the site engages onsite plumbers to supervise and maintain the system.	C	N/A
O2.3	Correct operation involves regular supervision and system maintenance. The licensee must be aware of the system management requirements and must ensure that the necessary service contracts are in place.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022)	Refer to O2.2	C	N/A
O2.4	The sewage treatment system must be serviced by a suitably qualified and experienced wastewater technician at least once in each quarterly period and a minimum of four times per year.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022) Interview with Environmental Superintendent Annual Return 2021-2022	Both maintenance program report and interview with the Environmental Superintendent indicates that the sewage treatment system is maintained by onsite qualified plumber. Program reports show that the system is serviced at least once a quarter. The site reported that in 2021-2022 reporting period, all maintenance tasks were completed but the maintenance records were misplaced, which triggers a non-compliance for condition O2.6.	C	N/A
O2.5	The licensee must record each inspection and any actions required or recommended by the technician including all results of tests performed on the sewage treatment system by the technician as required in Condition O2.4.	Annual Return 2021-2022	Refer to O2.4 and O2.6	NC	No further action required.
O2.6	The licensee must prepare a sewage treatment system maintenance program. The program must include: a) Certification from the system provider that the sewage treatment system is operating within its capacity; b) Date, time and results of all routine maintenance procedures undertaken to the sewage treatment system; and c) Provide written records or an electronic confirmation of each quarterly inspection.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022) Annual Return 2021-2022	The Auditor reviewed the 2020-2022 program report. The site reported that the maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition. The site has implemented a process to review completed work orders on a three-monthly basis and incorporated mandatory upload of completed work orders to SAP.	NC (Duplicate with 2.5)	No further actions required.
O3	Dust				
O3.1	The premises must be maintained in a condition which minimises or prevents the emission of dust from the premises.	Site Observations Monthly Complaint Report (July 2020- July 2023)	The site inspection did not identify any significant visible air pollution generated by the Mt Arthur mine complex. Water trucks were being used for road dust suppression and vehicle speeds were minimised. Watercart fill points were appropriately positioned for efficient access to haul roads. There were times during	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			the IEA period where the site did not effectively prevent visual air pollution effectively, as evident by 10 complaints relating to dust (dates included 30/09/2020, 5/6/2023, 19/2/2021, 7/8/2022, 7/11/2022, 6/4/2021, 13/4/2021, 21/6/2021, 13/3/2023, 30/10/2021). All complaints were investigated and actioned. It was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW. These systems include a combination of visual triggers, off-site air quality monitoring, alerts, and a trigger action response plan. Approved management plans have been developed and implemented, as observed during the site inspection. There is evidence of training to operators. On this basis the condition of "minimises" is satisfied.		
O3.2	All operations and activities occurring at the premises must be carried out in a manner that will minimise the emission of dust from the premises.	Site Observations Monthly Complaint Report (July 2020- July 2023)	The site inspection did not identify any significant visible air pollution generated by the Mt Arthur mine complex. Water trucks were being used for road dust suppression and vehicle speeds were minimised. Watercart fill points were appropriately positioned for efficient access to haul roads. There were times during the IEA period where the site did not effectively prevent visual air pollution effectively, as evident by 10 complaints relating to dust (dates included 30/09/2020, 5/6/2023, 19/2/2021, 7/8/2022, 7/11/2022, 6/4/2021, 13/4/2021, 21/6/2021, 13/3/2023, 30/10/2021). All complaints were investigated and actioned. It was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW. These systems include a combination of visual triggers, off-site air quality monitoring, alerts, and a trigger action response plan. Approved management plans have been developed and implemented, as observed during the site inspection. There is evidence of training to operators. On this basis the condition of "minimises" is satisfied.	C	N/A
O3.3	All trafficable areas, coal storage areas and vehicle manoeuvring areas in or on the premises must be maintained, at all times, in a condition that will minimise the generation, or emission from the premises, of wind-blown or traffic generated dust.	Site Observations Monthly Complaint Report (July 2020- July 2023)	The site inspection did not identify any significant visible dust generation from trafficable areas, coal storage areas and vehicle manoeuvring areas. There were times during the IEA period where the site did not effectively prevent visual air pollution effectively, as evident by 10 complaints relating to dust (dates included	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			30/09/2020, 5/6/2023, 19/2/2021, 7/8/2022, 7/11/2022, 6/4/2021, 13/4/2021, 21/6/2021, 13/3/2023, 30/10/2021). All complaints were investigated and actioned. It was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW. These systems include a combination of visual triggers, off-site air quality monitoring, alerts, and a trigger action response plan. Approved management plans have been developed and implemented, as observed during the site inspection. There is evidence of training to operators. On this basis the condition of "minimises" is satisfied.		
O4	Effluent application to land				
O4.1	Waste water utilisation areas must effectively utilise the waste water applied to those areas. This includes the use for pasture or crop production, as well as ensuring the soil is able to absorb the nutrients, salts, hydraulic load and organic materials in the solids or liquids. Monitoring of land and receiving waters to determine the impact of waste water application may be required by the EPA.	Interview with Environmental Superintendent Monthly Complaint Report (July 2020- July 2023) Annual Return (2019-2020, 2020 - 2021, 2021- 2022)	The Environmental Superintendent advised that the site only apply effluent to the land when the soil is dry to ensure the land is able to absorb the water effectively. No non-compliance has been identified in Annual Returns or complaint register.	C	N/A
O4.2	The licensee must ensure that sprays or mists from irrigation do not drift beyond the boundary of the effluent discharge utilisation area and that no ponding occurs.	Refer to O4.1	Refer to O4.1	C	N/A
O5	Processes and management				
O5.1	The licensee must ensure that any liquid and/or non liquid waste generated at the premises is assessed and classified in accordance with the EPA Waste Classification Guidelines as in force from time to time.	Interview with Environmental Superintendent	The Environmental Superintendent advised that the site engages two waste contractors: JR Richard (MAC north) and Remondis (MAC south). The auditor reviewed a sample of tracking reports and waste report excel while onsite.	C	N/A
O5.2	The licensee must ensure that waste identified for recycling is stored separately from other waste.	Site Observations	The Auditor observed waste for recycling to be stored separately from other waste onsite, as per this condition.	C	N/A
O6	Waste Management				
O6.1	The licensee is authorised to dispose of heavy-plant tyre waste generated on the premises in overburden emplacement areas. The licensee must: a) Ensure that heavy-plant waste tyres are re-used on the premises as much as practical; b) Ensure that any surplus heavy-plant waste tyres can be emplaced by being spread out within the overburden emplacement areas and buried as deep as practical, but, covered by at least 20 metres of inert material beneath any final rehabilitated surfaces;	Interview with Environmental Superintendent and heavy-plant tyre waste management team MAC-ENC-PRO-033 Waste Handling and Disposal Plan, 25/07/2023	From the site observation, the storage of tyres for disposal was stored isolated to the other operational areas. Tyre handling and disposal practices are provided in the Waste Handling and Disposal Plan. Temporary tyre storage practices and disposal practices were observed to be compliant with this condition during the audit period.	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	c) Place heavy-plant waste tyres at least 10 metres away from coarse reject material or tailings emplacement area; d) Ensure that any heavy-plant waste tyres are place above the existing water table; e) Not emplace any heavy-plant waste tyres in a position that compromises the stability of the final rehabilitated landform; f) Not place any heavy-plant waste tyres near heated material or potentially acid forming materials; and g) Not place any heavy-plant waste tyres in an area likely to leach to any watercourse.	Site Observations			
O6.2	Stockpiles of any heavy-plant waste tyres stored at the premises awaiting disposal must: a) Be less than 4.2 metres in height; b) Not cover an area of more than 200 square metres; and c) Not be located within 10 metres of any other flammable or combustible materials.	Interview with Environmental Superintendent and heavy-plant tyre waste management team Site Observations	The Auditor observed heavy plant-tyres waste stockpiles onsite are limited to 3 tyres per stack which is below 4.2m height. The stockpile area was isolated and determined compliant to this condition. Tyre handling and disposal practices are provided in the Waste Handling and Disposal Plan.	C	N/A
O7	Other operating conditions				
O7.1	All above-ground tanks containing material that is likely to cause environmental harm must be bunded or have an alternative spill containment system in place.	Interview with Environmental Superintendent Site Observations	The Auditor observed all aboveground tanks containing materials that are likely to cause environmental harm are bunded or stored in double-skinned tanks. Good management practices were observed in MAC North with good house keeping and raincover for IBCs. However, environmental management in terms of stormwater and material storage was less maintained in the southern part of the site which is operated by sub-contractors, Thiess (Bayswater No.2 area). Evidence of continued hydrocarbon contamination (from spills / drips) was observed around the hydrocarbon storage areas and no evidence of clean up or other remedial works was observed. MAC has previously engaged WSP to develop a Remedial Action Plan in 2013. The results from the investigation shows that most portion of the Bayswater No.2 area (hydrocarbon and waste oil storage area) were identified with TPH, volatile organic compounds, polycyclic aromatic hydrocarbons, phenol and heavy metals.	NC	As per O1.1

5 Monitoring and Recording Conditions

M1	Monitoring records				
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.	Mt Arthur Coal Environmental Monitoring Data on	The Auditor reviewed the web address below and determined that it demonstrates all recorded	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations								
		https://www.bhp.com/sustainability/environment/regulatory-information	monthly monitoring data from August 2018 to August 2023 (assessed on 30 September 2023). https://www.bhp.com/sustainability/environment/regulatory-information										
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.	Mt Arthur Coal Environmental Monitoring Data on https://www.bhp.com/sustainability/environment/regulatory-information	The monthly monitoring data recorded on the BHP website demonstrated the four-year retaining of information requirement (records available from 2018) and was in legible form.	C	N/A								
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.	BHP Mt Arthur Coal Environmental Monitoring - August 2020 - February, August, November 2021 - February, November 2022 - June 2023 Quarterly Noise Compliance Monitoring (2020-2023) Samples of COC (2020-2023)	The Auditor reviewed a sample of noise monitoring reports and chain of custody (COC) for depositional dust, TEOM, surface water, groundwater, meteorological stations and HRSTS discharge sampling. The review identified that a record of the sample date, sample time, sample point, and name of the person who collected the sample are kept.	C	N/A								
M2	Requirement to monitor concentration of pollutants discharged												
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:	Refer to M2.2, M2.3	Refer to M2.2, M2.3	Note	N/A								
M2.2	Air monitoring requirements Point 11, 12, 13, 14 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling method</th></tr><tr><td>PM10</td><td>Micrograms per cubic metre</td><td>Continuous</td><td>AM-22</td></tr></table>	Pollutant	Units of measure	Frequency	Sampling method	PM10	Micrograms per cubic metre	Continuous	AM-22	Annual Return (2019-2020, 2020 - 2021, 2021- 2022) Air Quality Monitoring Data Calibration Certificates Interview with Environmental Superintendent	Data from the air quality monitoring network were reviewed. In combination with the AQMP, these data identify the sampling method, units of measure, and sampling frequency. Example calibration certificates were inspected. The Annual Reviews recorded times where the data capture for the TEOM's was less than 90% (for example, due to access issues after rainfall). This results in a non-compliance since the lower data capture affects the annual average. The Environmental Superintendent advised that condition M9.6 was added in June 2022 to consider necessary downtime due to regular maintenance. The Site also stated in the 2022 Annual Return that new equipment has been installed to avoid downtime due to equipment failure.	NC	No further action is required.
Pollutant	Units of measure	Frequency	Sampling method										
PM10	Micrograms per cubic metre	Continuous	AM-22										

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations																																																												
			The Environmental Superintendent further advised that alerts have been put in place to provide early warning when monitoring network go offline meaning the Site is able to react immediately to errors and failures.																																																														
M2.3	Water and/or Land Monitoring Requirements Point 6 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling method</th></tr><tr><td>Conductivity</td><td>Microsiemens per centimetre</td><td>Continuous during discharge</td><td>A probe designed to measure the range 0 to 10,000 uS/cm</td></tr><tr><td>pH</td><td>pH</td><td>Daily during any discharge</td><td>Representative sample</td></tr><tr><td>Total suspended solids</td><td>Milligrams per litre</td><td>Daily during any discharge</td><td>Representative sample</td></tr></table> Point 15 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling method</th></tr><tr><td>Faecal Coliforms</td><td>Colony forming units per 100 millilitres</td><td>Quarterly</td><td>Grab sample</td></tr></table> Point 26 <table><tr><th>Pollutant</th><th>Units of measure</th><th>Frequency</th><th>Sampling method</th></tr><tr><td>Aluminium</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Benzene</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Cadmium</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Iron</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Lead</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Manganese</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Mercury</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr><tr><td>Zinc</td><td>Micrograms per litre</td><td>Quarterly</td><td>Grab sample</td></tr></table>	Pollutant	Units of measure	Frequency	Sampling method	Conductivity	Microsiemens per centimetre	Continuous during discharge	A probe designed to measure the range 0 to 10,000 uS/cm	pH	pH	Daily during any discharge	Representative sample	Total suspended solids	Milligrams per litre	Daily during any discharge	Representative sample	Pollutant	Units of measure	Frequency	Sampling method	Faecal Coliforms	Colony forming units per 100 millilitres	Quarterly	Grab sample	Pollutant	Units of measure	Frequency	Sampling method	Aluminium	Micrograms per litre	Quarterly	Grab sample	Benzene	Micrograms per litre	Quarterly	Grab sample	Cadmium	Micrograms per litre	Quarterly	Grab sample	Iron	Micrograms per litre	Quarterly	Grab sample	Lead	Micrograms per litre	Quarterly	Grab sample	Manganese	Micrograms per litre	Quarterly	Grab sample	Mercury	Micrograms per litre	Quarterly	Grab sample	Zinc	Micrograms per litre	Quarterly	Grab sample	Monitoring Data (July 2020 - September 2023) Water Management Plan (MAC-ENC-MTP-034, dated 29 March 2023) Interview with Environmental Superintendent Certificate of Analysis (ALS, 19 April 2023 and 26 July 2023) Admin Final Effluent (EPL Point 15) Monitoring record (October 2020-August 2023)	Point 6: The auditors reviewed the monthly environmental monitoring data published on the site website. No water discharge was recorded except July to November 2022. The records show that the monitoring was generally according to the units of measure and frequency listed in the condition. The Water Management Plan stated that surface water monitoring, sampling collection, storage and transportation are in accordance with AS/NZS 5667.1. Laboratory analysis is undertaken by National Association of Testing Authorities (NATA) accredited laboratories. Point 15: The auditors reviewed the monthly sampling data from admin final effluent. Faecal coliforms are measured at least once per quarter. Point 26: The Environmental Superintendent advised that Point 26 was added in the 8 December 2022 version of the EPL. The auditor reviewed the sampling reports from April and July 2023, confirmed that samples were taken quarterly and tested with the pollutants listed in this condition.	C	N/A
Pollutant	Units of measure	Frequency	Sampling method																																																														
Conductivity	Microsiemens per centimetre	Continuous during discharge	A probe designed to measure the range 0 to 10,000 uS/cm																																																														
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Mercury	Micrograms per litre	Quarterly	Grab sample																																																														
Zinc	Micrograms per litre	Quarterly	Grab sample																																																														
M3 Testing Methods – Concentration Limits																																																																	
M3.1	Monitoring for the concentration of a pollutant emitted to the air required to be conducted by this licence must be done in accordance with: a) any methodology which is required by or under the Act to be used for the testing of the concentration of the pollutant; or 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	Calibration Certificates	Equipment (TEOM) calibration certificates were reviewed. Air quality monitoring is conducted in conducted in accordance with test methods from the "Approved Methods for the Sampling and Analysis of Air Pollutants in NSW".	C	N/A																																																												

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	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. Note: The <i>Protection of the Environment Operations (Clean Air) Regulation 2010</i> 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".				
M3.2	Subject to any express provision to the contrary in this licence, monitoring for the concentration of a pollutant discharged to waters or applied to a utilisation area must be done in accordance with the Approved Methods Publication unless another method has been approved by the EPA in writing before any tests are conducted.	Water Management Plan (MAC-ENC-MTP-034, dated 29 March 2023)	Surface water quality monitoring and sample collection, storage and transportation is undertaken in accordance with the procedures outlined in the relevant sections of the Australian Standard for Water Quality Sampling AS/NZS 5667.1:1998. Laboratory analysis is undertaken by a laboratory which has relevant accreditation by the National Association of Testing Authorities (NATA), Australia.	C	N/A

M4 Weather Monitoring

M4.1	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. Point 24 <table><tr><th>Parameter</th><th>Sampling method</th><th>Units of measure</th><th>Averaging period</th><th>Frequency</th></tr><tr><td>Sigma Theta</td><td>AM-2 & AM-4</td><td>Degrees</td><td>15 minutes</td><td>Continuous</td></tr><tr><td>Rainfall</td><td>AM-4</td><td>Millimetres</td><td>15 minutes</td><td>Continuous</td></tr><tr><td>Temperature at 10 metres</td><td>AM-4</td><td>Degrees Celsius</td><td>15 minutes</td><td>Continuous</td></tr><tr><td>Wind Direction at 10 metres</td><td>AM-2 &AM-4</td><td>Degrees</td><td>15 minutes</td><td>Continuous</td></tr><tr><td>Wind Speed at 10 metres</td><td>AM-2 & AM-4</td><td>Metres per second</td><td>15 minutes</td><td>Continuous</td></tr><tr><td>Relative humidity</td><td>AM-4</td><td>percent</td><td>15 minutes</td><td>Continuous</td></tr></table>	Parameter	Sampling method	Units of measure	Averaging period	Frequency	Sigma Theta	AM-2 & AM-4	Degrees	15 minutes	Continuous	Rainfall	AM-4	Millimetres	15 minutes	Continuous	Temperature at 10 metres	AM-4	Degrees Celsius	15 minutes	Continuous	Wind Direction at 10 metres	AM-2 &AM-4	Degrees	15 minutes	Continuous	Wind Speed at 10 metres	AM-2 & AM-4	Metres per second	15 minutes	Continuous	Relative humidity	AM-4	percent	15 minutes	Continuous	Meteorological Monitoring Data Calibration Certificates	Data from the meteorological monitoring network were reviewed. In combination with the AQMP, these data identify the parameters, sampling method, units of measure, averaging period and sampling frequency. Example calibration certificates were inspected. No issues identified.	C	N/A
Parameter	Sampling method	Units of measure	Averaging period	Frequency																																				
Sigma Theta	AM-2 & AM-4	Degrees	15 minutes	Continuous																																				
Rainfall	AM-4	Millimetres	15 minutes	Continuous																																				
Temperature at 10 metres	AM-4	Degrees Celsius	15 minutes	Continuous																																				
Wind Direction at 10 metres	AM-2 &AM-4	Degrees	15 minutes	Continuous																																				
Wind Speed at 10 metres	AM-2 & AM-4	Metres per second	15 minutes	Continuous																																				
Relative humidity	AM-4	percent	15 minutes	Continuous																																				

M5 Recording of pollution complaints

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.	Monthly Complaints Summary (published online)	The site publishes monthly complaints summary on the online dating back to 2014. The records are legible.	C	N/A
M5.2	The record must include details of the following: a) the date and time of the complaint;	Monthly Complaints Summary (published online)	The site publishes monthly complaints summary on the online which includes the date, time,	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	b) the method by which the complaint was made; 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; d) the nature of the complaint; e) the action taken by the licensee in relation to the complaint, including any follow-up contact with the complainant; and f) if no action was taken by the licensee, the reasons why no action was taken.	Interview with Environmental Superintendent.	approximate location of the complainant, method by which the complaint was made, the nature of the complaint and site's response. The personal details of the complainant were recorded in the internal register, sighted by the auditor during the management interview.		
M5.3	The record of a complaint must be kept for at least 4 years after the complaint was made.	Monthly Complaints Summary (published online)	Complaints Register held online dates back to 2014.	C	N/A
M5.4	The record must be produced to any authorised officer of the EPA who asks to see them.	Interview with Environmental Superintendent.	The Environmental Superintendent advised that the no request has been made under this condition.	NT	N/A

M6 Telephone complaints line

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.	Interview with Environmental Superintendent. https://www.bhp.com/sustainability/environment/regulatory-information Annual Return (2021- 2022)	The Auditor tested the number displayed on website. The Environmental Principal confirmed that the testing record was received by the environmental team. The site reported that DPE contacted MAC with an informal RFI regarding a complaint that had been made on 2 January 2022. It was found that there had been a system interruption to the complaint system between 24 December 2021 to 26 January 2022 preventing complaints coming through to MAC. MAC immediately repaired the service disruption which was a low likelihood of recurrence. MAC had implemented a routine service verification task to assist in identifying and preceding future service interruptions in a timely manner and that MAC had subsequently requested that the service provider inform them of all future system upgrades.	NC	The Warning Letter Identifies that measures aimed preventing a recurrence have already been enacted to the satisfaction of the DPE. Therefore, no further action is recommended.
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.	https://www.bhp.com/sustainability/environment/regulatory-information	Number displayed on website.	C	N/A
M6.3	The preceding two conditions do not apply until 3 months after: the date of the issue of this licence.	Note	Noted	Note	N/A
M7	Requirement to monitor volume or mass				
M7.1	For each discharge point or utilisation area specified below, the licensee must monitor: a) the volume of liquids discharged to water or applied to the area; b) the mass of solids applied to the area; c) the mass of pollutants emitted to the air;	Monitoring Data (July 2020—September 2023) Annual Return (2021- 2022)	Point 6: The auditors reviewed the monthly environmental monitoring data published on the site website. No water discharge was recorded except July to November 2022. The records show that the monitoring was according to the	NC – finding for Point 6 +	NC at Point 6: Since the flow meter was in working order during the discharge in July to November 2022, no further action is required.

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations												
	at the frequency and using the method and units of measure, specified below. POINT 6 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>Megalitres per day</td><td>Weir structure and level sensor</td></tr></table> POINT 15 <table><tr><th>Frequency</th><th>Unit of Measure</th><th>Sampling Method</th></tr><tr><td>Continuous during discharge</td><td>Kilolitres per day</td><td>Flow meter and continuous logger</td></tr></table>	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	Megalitres per day	Weir structure and level sensor	Frequency	Unit of Measure	Sampling Method	Continuous during discharge	Kilolitres per day	Flow meter and continuous logger	Water Management Plan (MAC-ENC-MTP-034, dated 29 March 2023) STP Flow Meter Reading (5 October 2022- 29 August 2023)	units of measure and frequency listed in this condition. The Water Management Plan stated that surface water monitoring, sampling collection, storage and transportation are in accordance with AS/NZS 5667.1. The site reported a non-compliance in the annual return that during the discharge on 12 July 2022, the communication device providing discharge rate was giving error message. The EPA was notified on 13 July 2022. The flow meter was replaced following the incident. Point 15: The Auditors reviewed a sample of the weekly working order log sheet of the pump at point 15 for 21 March 2023 and a record of the meter reading for 5 October 2022 to 29 August 2023. The records and interview with the environmental superintendent show that the flow meter operates constantly but the measurement require manual reading. The site takes reading every 7-26 days.	C(Obs) – finding for Point 15	C(Obs) at Point 15: Auditors noted that the measurement at Point 15 is continuous but the records are not saved automatically. It is recommended that the site investigate a logging system where at least daily measurement is recorded. Alternatively, ensure manual record of reading is logged regularly, at a reasonable frequency.
Frequency	Unit of Measure	Sampling Method															
Continuous during discharge	Megalitres per day	Weir structure and level sensor															
Frequency	Unit of Measure	Sampling Method															
Continuous during discharge	Kilolitres per day	Flow meter and continuous logger															
M8	Blasting																
M8.1	To determine compliance with conditions L6.2 and L6.3: a) Airblast overpressure and ground vibration levels must be measured and electronically recorded for b) monitoring points 7, 8, 10 and 25 for the parameters specified in Column 1 of the table below; and c) The licensee must use the units of measure, sampling method, and sample at the frequency specified opposite in the other columns. <table><tr><th>Parameter</th><th>Units of Measure</th><th>Frequency</th><th>Sampling Method</th></tr><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></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	Monitoring Data (July 2020—September 2023) Annual Return (2020 -2021) Blast Management Plan (MAC-ENC-MTP-015, dated 6 December 2021)	The site recorded the blast noise in dBL and vibration in mm/s as per the condition in the monthly monitoring data. The Blast Management Plan described the blast monitoring program and system that measures the airblast overpressure and ground vibration required by this condition. Monitoring for both parameters are stated to be accordance with this licence, with monitors calibrated in accordance with AS 2187.2-2006.	C	N/A
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														
M9 Other noise monitoring and recording conditions																	
HRSTS monitoring																	
M9.1	The Licensee must continuously operate and maintain communication equipment which makes the conductivity and flow measurements, taken at Point 6 available to the “Service Coordinator” within one hour of those measurements being taken and makes them available in the format specified in the report titled “Hunter River Salinity Trading Scheme Discharge Point Telemetry Specification— Rev V1.0 Released 4 October 2018” as published by WaterNSW.	Interview with Environmental Superintendent Provisional Water Information (sighted onsite on	The Environmental Superintendent advised that the measurement system for Point 6 was set up with WaterNSW which is connected to the WaterNSW system. The site has no control of the measurement being taken and the format the data is generated.	C	N/A												

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
		https://hydrotel.watersw.com.au/hrsts.html)	The Auditor sighted the real time monitoring record during the site visit and noted that there was no discharge during the time of visit. The record was observed to be live updated without any error.		
M9.2	The licensee must ensure that all monitoring data is within a margin of error of 5% for conductivity measurements and 10% for discharge flow measurement.	Water Monitor Calibration Check (cBased Environmental Pty Limited, 14 March 2022, 8 November 2022)	The Auditor reviewed the calibration check record sheet. March 2022 calibration report showed that the electro conductivity sensor reading was high with an error of +11%, and the radar depth sensor was found to be out by 3cm and progressively greater at higher levels. The calibration report provided the required adjustment levels prior to recalibration. No discharge occurred until July, so monitoring data was not affected. The November 2022 record showed that all measurement passed, with conductivity within 2% error and water depth below 1% error.	C	N/A
M9.3	The licensee must mark monitoring point 6 with a sign which clearly indicates the name of the licensee, whether the monitoring point is up or down stream of the discharge point(s) and that it is a monitoring point for the Hunter River Salinity Trading Scheme.	Photos provided by site	The Auditor reviewed the photos provided by site of the sign at the monitoring point with the details required by this condition.	C	N/A
Waste Oil Monitoring Requirements					
M9.4	The Licensee must ensure that each delivery of waste oil received at the premises is subject to statistically valid sampling and analysis to assess whether the waste oil complies with the limits detailed in Condition L4.4 of this Licence. The analysis of waste oil must be conducted strictly in accordance with the testing methods specified in Condition L4.4 of this Licence.	Interview with Environmental Principal	The Environmental Principal advised that the site has never received waste oil to their knowledge.	NT	N/A
Requirements to Monitor Particulate Matter					
M9.5	The Licensee must record the average PM ₁₀ concentration at Monitoring Points 11, 12, 13 and 14 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.	Air Quality Management Plan Air Quality Monitoring Data Annual Reviews 2020, 2021, 2022	MAC monitors PM ₁₀ at the points identified as Point 11, 12, 13 and 14, at 10-minute intervals. Data from these monitors have been obtained and reviewed. These data are kept in spreadsheet form. Monitoring locations shown on Figure 1 of AQMP and on appropriate figures of the Annual Reviews. Monitoring results are published on the MAC website. No issues have been identified.	C	N/A
M9.6	All air monitoring points listed in Condition M2.2 will be monitored on a continuous basis. Continuous monitoring allows for a 95% availability target after allowing sufficient down time for routine maintenance and calibrations.	Air Quality Management Plan Air Quality Monitoring Data	The site Environmental Superintendent advised that this condition was added in June 2022 and that capture rates so far have been in line with this condition. Data availability percentage for 2022-2023 annual return period was in	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations								
			preparation during the time of audit and therefore not available for review.										
M10	Noise Monitoring												
M10.1	To assess compliance with the noise limits specified within this licence, the licensee must undertake operator attended noise monitoring at each specified noise monitoring point in accordance with the table below. POINT 16,17,18,19,20,21,22,23 <table><tr><th>Assessment period</th><th>Minimum frequency in a reporting period</th><th>Minimum duration within assessment period</th><th>Minimum number of assessment period</th></tr><tr><td>Night</td><td>Monthly</td><td>15 minutes</td><td>1 operation day</td></tr></table>	Assessment period	Minimum frequency in a reporting period	Minimum duration within assessment period	Minimum number of assessment period	Night	Monthly	15 minutes	1 operation day	Monitoring Data (July 2020 – September 2023) Sample of monthly noise monitoring reports	The Auditor reviewed the monthly noise monitoring record and a sample of noise monitoring reports from third party contractor. The record shows that the site has engaged an operator for attended noise monitoring as listed in the condition.	C	N/A
Assessment period	Minimum frequency in a reporting period	Minimum duration within assessment period	Minimum number of assessment period										
Night	Monthly	15 minutes	1 operation day										
M10.2	To assess compliance with condition L5.1, attended noise monitoring must be undertaken in accordance with Conditions L5.2 to L5.4: a) at the EPA points identified in P1.4; b) occur every calendar month in a reporting period; and c) occur during one night time period for a minimum of 15 minutes at each location from a).	Monitoring Data (July 2020—September 2023)	The Auditor reviewed the monthly noise monitoring record. The monitoring was conducted every calendar month during the audit period, at eight monitoring points listed in P1.4, during night time period for minimum 15 minutes, as listed in this condition.	C	N/A								
M10.3	For the purposes of compliance monitoring and determining the noise generated at the premises the modification factors in section 4 of the Industrial Noise Policy (EPA, 2000) must be applied, as appropriate, to the noise levels measured by noise monitoring equipment.	Sample of monthly noise monitoring reports	The NSW EPA ‘Industrial Noise Policy’ (INP, 2000) was replaced by the ‘Noise Policy for Industry’ (NPfI) in October 2017. The Auditor reviewed a sample of monthly noise monitoring reports which outlined that the modifying factors outlined the EPA document “Implementation and transitional arrangements for the Noise Policy for Industry’ (2017) was used.	C	N/A								
M10.4	Where required in writing by the EPA, the Licensee must carry out attended monitoring at sensitive receivers in addition the monitoring required by Condition M10.2.	Interview with Environmental Principal	The Environmental Principal advised that the EPA did not request any noise monitoring under this condition.	NT	N/A								

6 Reporting Conditions

R1 Annual return documents

R1.1	The licensee must complete and supply to the EPA an Annual Return in the approved form comprising: - a Statement of Compliance, - a Monitoring and Complaints Summary, - a Statement of Compliance – Licence Conditions, - a Statement of Compliance – Load based Fee, - a Statement of Compliance – Requirement to Prepare Pollution Incident Response Management Plan,	eConnect EPA email confirming the submission of annual returns: 26 October 2020 28 October 2021, 1 December 2021 26 October 2022	The Auditor reviewed the Annual Returns submitted during the audit period and verified the details listed in this condition were completed. The eConnect submission receipts were also provided and showed that the Annual Returns were submitted. The Auditor noted that EPA issued a letter (no date, assume 19 November 2021) regarding the	NC	Complete the Annual Returns as required.
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Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	6. a Statement of Compliance – Requirement to Publish Pollution Monitoring Data; and 7. a Statement of Compliance – Environmental Management Systems and Practices. At the end of each reporting period, the EPA will provide to the licensee notification that the Annual Return is due.	Annual Return (2020 -2021, 2021-2022, 2022-2023) EPA letter (no date) Interview with Environmental Superintendent	Annual Return did not include waste oil report, sewage treatment system records, and report on non-compliances regarding the number of samples required for monitoring. The site resubmitted the Annual Return on 1 December 2021. The non-compliances are reported in condition R5.4, R5.5, M2.1 of this Appendix. The Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021 which was not reported in the Annual Return due to administrative oversight.		
R1.2	An Annual Return must be prepared in respect of each reporting period, except as provided below. Note: 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.	Note	Noted	Note	N/A
R1.3	Where this licence is transferred from the licensee to a new licensee: 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 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. Note: An application to transfer a licence must be made in the approved form for this purpose.	Interview with Environmental Superintendent	This Licence was not transferred during the audit period.	NT	N/A
R1.4	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: a) in relation to the surrender of a licence - the date when notice in writing of approval of the surrender is given; or b) in relation to the revocation of the licence - the date from which notice revoking the licence operates.	Interview with Environmental Superintendent	This Licence was not surrendered or revoked by the EPA or Minister during the audit period.	NT	N/A
R1.5	The Annual Return for the reporting period must be supplied to the EPA via eConnect <i>EPA</i> 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').	eConnect EPA email confirming the submission of annual returns: - 26 October 2020 - 28 October 2021, 1 December 2021 - 26 October 2022 EPA letter (no date)	The Auditor reviewed the eConnect submission receipt, verified the Annual Returns were received not later than 60 days after the end of each reporting period. As stated in R1.1, EPA issued a letter (no date, assume 19 November 2021) regarding the Annual Return did not include various records. The site resubmitted the Annual Return on 1 December 2021. The non-compliances are reported in condition R5.4, R5.5, M2.1 of this Appendix.	C	N/A
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.	Annual Return (2018-2019, 2019-2020, 2020 -2021, 2021- 2022)	Copies of Annual Returns from 2019-2021 were available for review. Copy of Annual Return from 2018-2019 was sighted by the auditor on the site file system during interview. The site was in the	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			process of compiling information for 2022-2023 Annual Return.		
R1.7	Within the Annual Return, the Statements of Compliance must be certified and the Monitoring and Complaints Summary must be signed by: a) the licence holder; or b) by a person approved in writing by the EPA to sign on behalf of the licence holder.	eConnect EPA email confirming the submission of annual returns: - 26 October 2020 - 28 October 2021, 1 December 2021 - 26 October 2022 Annual Return (2019-2020, 2020 - 2021, 2021- 2022)	The auto generated summary of the annual returns were provided. The summary generates when the EPA approved persons certify the Annual Return via eConnect EPA.	C	N/A
R1.8	The licensee must supply annually a Blast Monitoring Report with the Annual Return, which must include the following information relating to each blast carried out within the premises during the respective reporting period: a) the date and time of the blast; b) the location of the blast; c) the blast monitoring results at each blast monitoring station; and d) an explanation for any missing blast monitoring readings.	Blast Monitoring Report (2021, 2022, 2023 draft)	The Auditor reviewed two annual blast monitoring reports and the 2023 draft report. All reports recorded the required information listed in this condition. Only one blast monitoring reading was missing on 10 August 2020 which was explained in the annual return of the year and triggered a non-compliance in condition M8.1	C	N/A
R2 Notification of environmental harm					
R2.1	Notifications must be made by telephoning the Environment Line service on 131 555.	Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021 Annual Returns 2020-2021, 2021-2022 MAC Incident and Exceedance Spreadsheet.	The Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021. The EPA provided the phone notification reference in the email and requested a R3 report, replacing a R2 report. An export dam overtopping event on 8 March 2022 was notified to EPA on the same day as required by this condition. A Groundwater exceedance on 26 May 2022 was reported to the EPA on 26 May 2022 by email, but not by telephoning the Environment Line as required by this condition. A follow up notification by telephone was made on 30 May 2022. A Service Cart fire PIRMP activation event occurred on 28 August 2023 and was notified to the EPA on the same day as required by this condition.	NC	Notify all incidents to the EPA Environment Line as required by this condition.
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. Note: 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.	Email chain titled "RE: Hunter Valley Energy Coal: GW Incident Notification Reference Id 01061813", dated 26 May 2022 – 7 June 2022	The site self-reported the export dam overtopping event on 8 March 2022 and provided the 7 day written notification on 15 March 2022 as per this condition.	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
		Annual Returns 2020-2021, 2021-2022 MAC Incident and Exceedance Spreadsheet.	The site self-reported an incident to the EPA on 26 May 2022 for a groundwater incident on the day. EPA responded on 6 June 2022 that the incident was suspected to be an incident likely to cause material harm to the environment. The EPA requested a report under this condition to be submitted by 5pm 14 June 2022. The site self-reported the Service Cart fire PIRMP activation event that occurred on 28 August 2023 and provided the 7 day written notification as required on 30 August 2023.		
R3 Written Report					
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.	Email chain titled "FW: Incident Allocated I17721-2020 100 AIR PARTICULATES - 101 MINE MUSWELLBROOK", dated 2 December 2020 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021 Email titled "Request for R3 Incident Report - MAC EPL 11457" dated 18 June 2021 Email chain titled "RE: Hunter Valley Energy Coal: GW Incident Notification Reference Id 01061813", dated 26 May 2022 – 7 June 2022 Email titled "Hunter Valley Energy Coal GW Incident Notification Reference Id 01061813" dated 14 June 2023 Interview with Environmental Superintendent	EPA requested written reports as follows: - A complaint from the community was received by EPA on 30 November 2020, reporting dust and black cloud from the mine after a blast. The EPA Officer emailed the site on 2 December 2020 requesting a report within seven days (by 9 December 2020). An investigation was undertaken and subsequent report submitted within the 7 day timeframe. - The Environmental Superintendent advised that there was a pipeline break incident on 5 June 2021. The EPA requested a written report under condition R3 (replacing that of R2) on 6 June 2021 which the site submitted on 18 June 2021 as per extension granted by EPA. - The site self-reported an incident to the EPA on 26 May 2022 for a groundwater incident on the day. EPA responded on 6 June 2022 that the incident was suspected to be an incident likely to cause material harm to the environment. The site submitted a report under this condition on 14 June 2022 as per EPA's request.	C	N/A
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.	As per R3.1	The site submitted the requested information and reports within the time requested by the EPA.	C	N/A
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;	Noted	Noted	Note	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	c) the name, address and business hours telephone number of employees or agents of the licensee, or a 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.				
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.	Interview with Environmental Superintendent	The Environmental superintendent advised that EPA did not request further information in addition to the requests stated in R3.1.	NT	N/A
R4 Other reporting conditions					
Blast Exceedance Notification					
R4.1	The Licensee must report any exceedance of licence blasting limits to the EPA Regulatory Operations Metro North at info@epa.nsw.gov.au as soon as practicable after the exceedance becomes known to the Licensee or to one of the Licensee's employees or agents.	Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled "REF-NO-14683 Report to NSW EPA 28/07/2022" Email chain titled "Exceedance of Blast Vibration Limit" dated 23 July 2021 to 11 August 2021	An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses. The site reported a non-compliance on 23 July 2021 to the EPA for a peak particle velocity ground vibration of 13.5 mm/s at monitoring point 9. The site provided detailed information on 11 August as informally requested by the EPA on 2 August.	C	N/A
Noise Exceedance Notification					
R4.2	The Licensee must report any exceedance of licence noise limits to the EPA Regulatory Operations Metro North at info@epa.nsw.gov.au as soon as practicable after the exceedance becomes know to the Licensee or to one of the Licensee's employees or agents	Annual Return 2021-2022 Interview with Environmental Superintendent	On 18 October 2021, the routine attended noise monitoring at NP04 (i.e. Point 16) identified an exceedance in noise limit. The exceedance was reported to DPE on 19 October 2021 but not notified to the EPA until the annual return because of the conflict in conditions between the EPL and PA, as described in L5.1.	NC	Since the misalignment between EPL and Project Approval has been resolved, no further action is required
Notification of Pollution of Waters					
R4.3	The Licensee must notify the EPA by telephoning the Environment Line service on 131 555 immediately after the Licensee becomes aware of any contravention or potential contravention of Condition L1 of the Licence.	Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension	The Email from the DPE acknowledged the site has reported the export dam overtopping incident that occurred on 8 March 2022 to the EPA. The site Environmental team advised that	NC (Duplicate with R2.1)	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
		(MP09_0062) Water Discharge", dated 22 April 2022 Annual Returns 2020-2021, 2021-2022 MAC Incident and Exceedance Spreadsheet.	the site did not receive any responses correspondences from the EPA. A Groundwater exceedance on 26 May 2022 was reported to the EPA on 26 May 2022 by email, but not by telephoning the Environment Line as required by this condition. A follow up notification by telephone was made on 30 May 2022.		
R4.4	The Licensee must provide written details of the notification required by conditions R.1 to R.3 to the EPA Director Regulatory Operations Metro North at info@epa.nsw.gov.au within 7 days of the date of the notification.	Note	As per R1 to R3	Note	N/A
R5 Other reporting conditions					
HRSTS Reporting					
R5.1	The licensee must compile a written report of the activities under the Scheme for each scheme year. The scheme year shall run from 1 July to 30 June each year. The written report must be submitted to the EPA's regional office within 60 days after the end of each scheme year and be in a form and manner approved by the EPA. The information will be used by the EPA to compile an annual scheme report.	Email submission of annual report dated 17 August 2021, 11 August 2022, 16 August 2023 Hunter Valley Energy Coal - Hunter River Salinity Trading Scheme Report FY21, FY22 HRSTS Discharge record sheet FY23	The Auditor reviewed copies of email submission of the annual report and confirmed that the site submitted the reports within 60 days after the end each scheme year during the audit period. The report also shows that no discharge occurred in FY21 and FY22. FY23 record sheet shows the details of each discharge as per condition E1 of this licence.	C	N/A
Spontaneous Combustion Control Program Reporting					
R5.2	The monthly summaries, monthly assessments and maps prepared under the spontaneous combustion control program must be submitted to the EPA in the form of a 6 monthly report. The licensee must forward a copy of each 6 monthly report to the regional office of the EPA no later than two (2) months after the 6 monthly period being reported.	Spontaneous Combustion Report (July to December 2020, January to June 2021, July to December 2021, January to June 2022, July to December 2022, January to June 2023)	The Auditor reviewed the 6 monthly reports within the audit period and confirmed that the information requested by this condition was included in the report.	C	N/A
R5.3	The monthly summaries, assessments and maps must be retained by the licensee for not less than four (4) years following the month 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.	Spontaneous Combustion Report (July to December 2019, January to June 2020, July to December 2020, January to June 2021, July to December 2021, January to June 2022, July to December 2022, January to June 2023)	Evidence of long-term MAC data retention sighted	C	N/A
Waste Oil Reporting					
R5.4	The Licensee must supply the following information with the Annual Return: a) The number of deliveries and the total quantity of waste oil received at the premises during the reporting period;	Interview with Environmental Principal Waste Oil Report (2021, 2022)	The Environmental Principal advised that the site has never received Waste oil to their knowledge.	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	b) The results of all waste oil testing conducted in accordance with the conditions of this licence during the reporting period; c) The total amount of waste oil used in blasting operations during the reporting period.	EPA letter (no date)	The EPA issued a letter (no date) indicate that the waste oil report was not included in the Annual Return. Site Environmental Superintendent advised that the site never received waste oil and therefore never reported under this condition prior to the letter was issued in 2021. The site submitted the 2021 report which reported no deliveries and no waste oil used, therefore no testing was required. Similar report for 2022 was also reviewed.		
Sewage Treatment System Records					
R5.5	The sewage treatment system maintenance program required by Condition O2.6 must be submitted annually to the EPA with the Annual Return.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022) Annual Return 2021-2022	The Auditor reviewed the 2020-2022 program report. The site reported that the maintenance records were misplaced for 2021-2022 reporting period and therefore not all records were provided as per this condition. In addition, as stated in condition R1.1 and R1.5, the EPA issued a letter (no date, assume 19 November 2021) regarding the Annual Return did not include sewage treatment system records. The site resubmitted the Annual Return on 1 December 2021.	NC	As per condition O2.5 and O2.6
R5.6	The licensee must retain a copy of each report required by Condition O2.5 for 3 years from the date each record is made.	Sewage Treatment System Maintenance Program Report (2020, 2021, 2022)	The auditor reviewed reports from three years from provided by the site.	C	N/A
Heavy-Plant Waste Tyre Disposal Report					
R5.7	[Auditor's note: condition R5.7 was added in the EPL issued in 8 December 2022] The Licensee must provide the EPA with an Annual Heavy-Plant Waste Tyre Disposal Report. The Report must be submitted with the licence Annual Return each year and must include a plan of the disposed heavy-plant waste tyres on the premises for the period that includes: 1. Each tyre serial number; 2. Supplier of each tyre; 3. Date tyre delivered to site; 4. Disposal date of each tyre; 5. Co-ordinates (easting and northings) of the location of each tyre emplacement burial extent; 6. The Real Level (RL) in metres AMD of each tyre emplacement location; 7. The number of tyres buried in/within each emplacement location; and 8. The cumulative total number of tyres disposed of at the premises each year	Interview with Environmental Principal 2023 Heavy Plant Waste Tyre Disposal Report Draft Tyres in final resting location CD4-180 31/08/2022-31/08/2023 (Dated 3/10/2023)	The Environmental Principal advised that this condition was added in December 2022, and therefore the condition has not been triggered as the Annual Return had not been submitted at the time of the audit. The draft version of the first annual report was provided for review. The draft report shows a total of 1642 tyres has been disposed in seven locations marked on the map. The draft report listed all the details required in the condition for most tyres, with some gaps. The draft report stated that the information pre-dates the current tyre contractor onsite and the records are not available.	NT	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
7 General Conditions					
G1	Copy of licence kept at the premises or plant				
G.1.1	A copy of this licence must be kept at the premises to which the licence applies.	Site Observations	A copy of the licence is kept on the intranet "Tempo", accessible by all staff.	C	N/A
G1.2	The licence must be produced to any authorised officer of the EPA who asks to see it.	Note	Noted	Note	N/A
G1.3	The licence must be available for inspection by any employee or agent of the licensee working at the premises.	Note	Noted	Note	N/A

Item	Assessment Requirement			Reference/ Evidence	Comments	Compliance	Recommendations
G2	Other general conditions						
G2.1	Completed programs						
	Program	Description	Completed date	Note	Noted	Note	N/A
	Coal Mine Particulate Matter Control Best Practice	Site specific determination of particulate matter control against best management practice.	13-February-2012				
	Particulate Matter Control Best Practice Implementation -Wheel Generated Dust	Implementation of particulate matter best management practices to address wheel-generated dust.	15-August-2014				
	Particulate Matter Control Best Practice Implementation - Disturbing and Handling Overburden Under Adverse Weather Conditions	Implementation of particulate matter best management practices to address the handling of overburden during adverse weather.	15-August-2014				
	Particulate Matter Control Best Practice Implementation - Trial of Best Practice Measures for Disturbing and Handling Overburden	Investigation to establish best practice measures for the handling of overburden.	SO-July-2014				
	Coal Mine Wind Erosion of Exposed Land Assessment	Assessment of predicted vs actual exposed land	23-January-2017				
	Review of mine water transfer pipelines	The Licensee must undertake a review of mine water transfer pipelines at the premises to assess the risk of pollution of waters and identify any actions or works that can be implemented as reasonable and feasible to reduce the risk.	24-September-2021				
	Enviro Dam Upgrade	Decommission and tag out redundant lines. - Relocate pipelines to within Enviro Dam catchment where possible - pipelines to be floated over / sunk across water storage. Potential Pipeline sleeving, bunding or similar controls over clean water diversion. West of clean water diversions, pipelines	07-December-2022				

Item	Assessment Requirement			Reference/ Evidence	Comments	Compliance	Recommendations
		are to be fully contained within a bunded trace.					
Main Dam Upgrade	Relocate pipelines inside of Main Dam catchment (south of bund or through base of storage). Pipeline hydraulics to confirm impacts due to changes in head, an allowance has been made for upgrades pumping if required.	07-December-2022					
Entrance Road Upgrade	Construct bunding to the downstream (eastern) side of the pipeline to direct burst flows to an existing small, adjacent dam. Note: the dam will be assessed against the proposed design criteria and expanded if required. An alternative option would be to decommission the line and install a new replacement to the west within the catchment of the existing mine water management system	28-March-2023					
Whites Creek Upgrade	Divert a portion of the upper reaches of Whites Creek Diversion to MAC 'Dirty Water Dam' north of where the diversion is culverted through the noise bund. The realignment will consist of blocking-off the existing diversion channel, and construction a new 300m length of channel reporting west to the Dirty Water Dam.	20-March-2023					
Saddlers Creek Area Upgrade	Relocate all pipelines (3 in total) in stretch from Drayton Void to Saddler's South Pit Catchment. to ensure secondary containment of the line is achieved. The final route for the pipelines is to be determined during the detailed design phase and any other viable alternatives will also be considered. Should a crossing of Saddlers Creek be required, the pipelines may require sleeving across the creek with burst flows directed to	29-March-2023					

Item	Assessment Requirement			Reference/ Evidence	Comments	Compliance	Recommendations
		dedicated storage(s), to be determined during detailed design through hydraulic modelling.					
8 Pollution Studies and Reduction Programs							
U1	McDonald Pit Upgrade						
U1.1	By no later than 30 September 2023 the licensee must in accordance with the recommendations of the Report entitled "Mt Arthur Coal - Mine Water Pipeline Pollution Risk Study - Mine Water Pipeline Containment Risk" dated 22 September 2021 authored by Tim Evans of Engeny Water Management Consultants, in the area defined as the McDonald's Pit area in Figure 5.1: a) Construct a new sediment control facility to control sediment laden runoff from the out of pit dump on the Premises. b) The facility referenced in a) above is to be constructed so as to act as a secondary containment for the pipelines in this area. c) If required following completion of the works in a) above, realignment of all high risk pipelines (2 in total) to ensure they are situated north of the drainage controls is to be completed, or d) Implement effective alternative controls to achieve pipeline burst containment ensuring that the same target risk level following the improvement is achieved.			Interview with Environmental Principal	The Environmental Principal advised that the site has taken an alternate approach to reduce pollution risk by relocating the pipe into managed catchment for offsite discharge with low pollution risk. The Auditor reviewed the written notice from the site to the EPA requesting a variation of the licence, including the removal of this condition. The notice includes the memorandum from Tim Evans, consider the proposed controls as an effective alternative solution.	C	N/A
9 Special Conditions							
E1	Hunter River Salinity Trading Scheme						
E1.1	This licence authorises the discharge of saline water into the Hunter River Catchment from an authorised discharge point (or points), in accordance with the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2009.			Note	Noted	Note	N/A
E1.2	For the purposes of Clauses 23 and 29 of the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002 the licensee must apply the conversion factor of 0.6.			HRSTS Water Discharge Calculation (MAC-ENC-FRM-006, dated 19 August 2022)	The Auditor reviewed the calculation form the site uses and confirmed that the conversion factor is used in the calculation.	C	N/A
E1.3	The licensee must not exceed the hourly volume discharge limit calculated using the following formula, at all discharge point(s) on this licence titled "Discharge of saline water under the Hunter River Salinity Trading Scheme (HRSTS)": H = V / RRT Where: H is the hourly volume discharge limit (in megalitres per hour);			HRSTS Water Discharge Calculation (MAC-ENC-FRM-006, dated 19 August 2022) Hunter Valley Energy Coal - Hunter River Salinity Trading Scheme Report FY21, FY22 HRSTS Discharge record sheet FY23	The auditor reviewed the calculation form the site uses and confirmed that hourly volume discharge limit is calculated with the formula listed in this condition. The auditor reviewed the annual reports which show that no discharge occurred in FY21 and FY22. FY23 record sheet shows the details of each discharge which includes the actual volume discharged, calculated total allowable	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
	V is the licence holder's volume discharge limit for the block (in megalitres) calculated in accordance with clause 23 of the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation (2002); and RRT is the difference between the discharge stop and start times shown on the river register for that block (in hours) Note 1: The intent of this condition is to prevent spikes of saline water in the Hunter River as a result of discharges of less than the duration permitted by the river register. Note 2: A river register is issued by the Service Co-ordinator and allows participants of the Hunter River Salinity Trading Scheme (HRSTS) to discharge saline to the Hunter River during a discharge period.		discharge volume, credits used and credits borrowed.		
E1.4	If the Services Coordinator provides an updated river register while the licensee is actively discharging, the licensee will react to any changes required in a reasonably practicable timeframe.	Interview with Environmental Superintendent Mt Arthur Coal Environmental Monitoring Data (July 2022 – November 2022) HRSTS Discharge record sheet FY23	The Auditor reviewed the monitoring data for when the site discharged under the condition (July 2022 to November 2022). The site recorded the monitoring data with reference to the River Register. The discharge record sheet also shows that the site has recorded the changes in limit and changes in discharge base on the direction from the service coordinator.	C	N/A
E2	Spontaneous Combustion Control Program				
E2.1	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.	Spontaneous Combustion Report (July to December 2020, January to June 2021, July to December 2021, January to June 2022, July to December 2022, January to June 2023)	Six monthly reports have been sighted including the summary of monthly results including selective handling and management of spontaneous combustion.	C	N/A
E2.2	The licensee must implement a Spontaneous Combustion Control Program which must include but not be limited to the following: (a) A monthly summary of actions and procedures undertaken to prevent the development or to control the spread of spontaneous combustion at the premises; (b) An assessment of the effectiveness of the actions and procedures undertaken each month in preventing the development and control of the spread of spontaneous combustion at the premises; (c) Mapping of the approximate location of the areas subject to spontaneous combustion at the premises. Mapping may be completed by either, monthly ground survey, monthly aerial survey or 6 monthly aerial thermal imagery. 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	Spontaneous Combustion Report (July to December 2020, January to June 2021, July to December 2021, January to June 2022, July to December 2022, January to June 2023) Mining Operation Plan, 14/05/2020	As detailed in the MOP, management of spontaneous combustion includes: - Monitoring for signs spontaneous combustion - Remedial action of spontaneous combustion - Overburden emplacement and coal stockpile designed to minimise Spontaneous combustion potential Relevant BHP and Mt Arthur Coal documents providing detailed management of spontaneous combustion include the MAC-ENC-PRG-002 Spontaneous Combustion Control Program. As detailed in the 6 monthly reports, as part of monthly inspections, plans are updated with the location, size and intensity of areas affected by spontaneous combustion. The 6 monthly report	C	N/A

Item	Assessment Requirement	Reference/ Evidence	Comments	Compliance	Recommendations
			also summarises the actions undertaken during the reporting period		
E3	Waste Tyre Recycling Review				
E3.1	[Auditor's note: condition E3.1 was added in the EPL issued in 8 December 2022] The licensee must undertake a review of available recycling options for end-of-life heavy-plant waste tyres at least every 2 years and provide a report to the EPA that contains, but is not limited to, the following: a) Analysis of the current capacity of recycling facilities that can accept end-of-life heavy-plant waste tyres for processing in NSW and other neighbouring states; b) Evidence of enquiries made by the licensee in the previous 24 months to actively seek recycling options for end-of-life heavy-plant waste tyres generated at the premises; c) Analysis of any pre-treatment options that can be performed at the premises to reduce the costs associated with the transporting and recycling of end-of-life heavy-plant waste tyres; d) Analysis of the specific costs to the licensee associated with the transport and delivery/acceptance of site generated end-of-life heavy-plant waste tyres at the nearest capable recycling facilities; e) The current costs associated with the continued on-site burial of end-of-life heavy-plant waste tyres; and f) A full cost benefit analysis of continued on-site burial of end-of-life heavy-plant waste tyres compared to their transport from the Premises and their recycling/processing.	Interview with Environmental Principal	The Environmental Principal advised that this condition was added in 2022, and therefore the condition has not been triggered.	NT	N/A
E3.2	The licensee is required to submit the Waste Tyre Recycling Review by 31 December 2023 to the EPA at info@epa.nsw.gov.au.	Note	The due date of submission is not within the audit period.	NT	N/A
E4	Heavy-Plant Waste Tyre Reduction Program				
E4.1	The licensee is permitted to undertake a two-year heavy-plant waste tyre reduction program to dispose of surplus heavy-plant waste tyres stored at the premises. - Disposal of surplus heavy-plant waste tyres must be undertaken in accordance with condition O6.1; - Stockpiles of surplus heavy-plant waste tyres must be managed in accordance with condition O6.2; and - Reporting of surplus heavy-plant waste tyres must be undertaken in accordance with condition R5.7. All surplus heavy-plant waste tyres must be disposed by 31 December 2024.	Note	Noted. Refer to conditions O6.1, O6.2, R5.7.	Note	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744

Consolidated Coal Lease No 744

Document details	
Document title	Table A3 – Consolidated Coal Lease No 744
Document subtitle	Consolidated Coal Lease No 744
Project No.	069311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Mining Lease Conditions					
Notice to Landholders					
1.	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. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Environmental Harm					
2.	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 development.	Interview with Environmental Superintendent Site observations Annual Review FY21 Annual Review FY22 EPL Annual returns 2019-2022	Multiple environmental incidents and exceedances have been identified during the audit period, many of which were determined following investigation not to be attributable to MAC and were determined not to have caused harm to the environment. Incidents for which MAC was responsible appeared to be non-repetitive, and the site has	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			implemented various measures to minimise environmental harm and reoccurrence of such events, as reported in the annual returns and annual reviews document.		
Mining Operations Plan					
3 (a)	Mining operations must not be carried out otherwise than in accordance with a Mining Operations Plan (MOP) which has been approved by the Director General of the Department of Primary industries	Mining Operations Plan (MOP) (2020-2023), 14/05/2020 MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews). The Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.	C	N/A
3 (b)	The MOP must: - Identify areas that will be disturbed by mining operations. - Detail the staging of specific mining operations. - Identify how the mine will be managed to allow mine closure.	Mining Operations Plan (MOP) (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the 1 July 2022 (when the Standard Conditions replaced these). This includes: Areas being disturbed in each financial year described by Plan	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- Identify how mining operations will be carried out on site in order to prevent and or minimise harm to the environment. - Reflect the conditions of approval under: - The <i>Environmental Planning and Assessment Act 1979</i> - The <i>Protection of the Environment Operations Act 1997</i> - and any other approvals relevant to the development including the conditions-of this lease; and - have regard to any relevant guidelines adopted by the Director-General.		2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the PA and EPL - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP. From the review of the MOP, the auditor notes that the document has presented information required by this condition.		

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
3 (c)	The titleholder may apply to the Director-General to amend an approved MOP at any time.	Noted	Noted	Note	N/A
3 (d)	It is not a breach of this condition if: i. The operations constituting the breach were necessary to comply with a lawful order or direction given under the <i>Mining Act 1992</i> , the <i>Environmental Planning and Assessment Act 1979</i> , <i>Protection of the Environment Operations Act 1997</i> or the <i>Occupational Health and Safety Act 2000</i> ; and ii. The Director-General had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out	Noted	Noted	Note	N/A
3(e)	A MOP ceases to have affect 7 years after date of approval or other such period as identified by the Director- General. An approved amendment to the MOP under condition 5 does not constitute an approval for the purpose of this paragraph unless otherwise identified by the Director-General.	Noted	Noted	Note	N/A
Environmental Management Reporting					
4	The lease holder must lodge Environmental Management Reports (EMR) with The Director-General annually or at dates otherwise directed by the Director-General.	Resource Regulator FY21 AEMR receipt confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation	The auditor reviewed evidence of reports and emails demonstrating satisfaction of the Minister.	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		email (17 November 2022) Annual Review FY21 Annual Review FY22			
5	The EMR must - Report against compliance with the MOP. - Report on progress in respect of rehabilitation completion criteria; report on the extent of compliance with regulatory requirements; and - Have regard to any relevant guidelines adopted by the Director-General	Annual Review FY21 Annual Review FY22	- Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP. - Section 8 of both Annual Reviews reported on the progress of the rehabilitation, which includes reporting on completion criteria	C	N/A
6	Additional environmental reports may be required on specific surface disturbing operations or environmental incidents from time to time as directed in writing by the Director-General and must be lodged as instructed.	Interview: Site Environmental Superintendent	No additional environmental reports were required during the audit period.	NT	N/A
Rehabilitation					
7	Disturbed land must be rehabilitated to a sustainable/agreed end land use to the satisfaction of the Director-General,	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors.	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below: 1. Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. 2. Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. 3. Trials with Organic matter compost vs hay mulch vs control no treatment. 4. Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. 5. Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
Subsidence Manager					

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
8 (a)	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.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
8 (b)	Underground mining operations which will potentially lead to subsidence include secondary extraction panels such as longwalls or miniwalls, associated first workings (gate roads, installation roads and associated main headings, etc.), and pillar extractions, and are otherwise defined by the Applications for Subsidence Management Approvals guidelines (EDG17)	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
8 (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 <i>Coal Mine Health and Safety Act 2002</i> , or the document New Subsidence Management Plan Approval Process - Transitional Provisions (EDP09).	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
8 (d)	Subsidence Management Plans are to be prepared in accordance with the Guideline for Applications for Subsidence Management Approvals.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
8 (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	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	reporting set out in the document New Approval Process for Management of Coal Mining Subsidence - Policy.				
Working Requirement					
9	The lease holder must: a) Ensure that at least 23 competent people are efficiently employed on the lease area on each weekday except Sunday or any weekday that is a public holiday, OR b) Expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$402,500 per annum whilst the lease is in force. 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.	Annual Review FY21 Annual Review FY22	The annual reviews reported that the site employed 971 (875 in 2022) permanent and fixed-term contract employees, and 1225 (1265 in 2022) contractors on a full-time equivalent basis as of 30 June 2021. The number is significantly higher than that required by the condition.	C	N/A
Control of Operations					
10 (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: i. Cease working the lease; Or ii. Cease that part of the operation not complying with the Act or conditions;	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that there has not been any related direction.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	until in the opinion of the Environmental Officer the situation is rectified.				
10 (b)	The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.	Interview: Site Environmental Superintendent	The site representative advised that the Director General did not give any direction under this condition.	C	N/A
10 (c)	A direction referred to in this condition may be served on the Mine Manager.	Noted	Noted	Note	N/A
Reports					
11	The lease holder must provide an exploration report, within a period of twenty-eight days after each anniversary of the date this cease 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: a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period. b) Details of expenditure incurred in conducting that exploration.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023) Interview: Site Environmental Superintendent	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps and plans were included for interpretation of the report. The details of expenditure for 2020-2021 was reported in the annual report. In 2021-2022 report, it stated that approximately 594k was spent and no details were recorded. In	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	c) A summary of all geological findings acquired through mining or development evaluation activities. d) Particulars of exploration proposed to be conducted in the next twelve months period. e) All plans, maps, sections and other data necessary to satisfactorily interpret the report.		2022-2023 report, there is no record of expenditure. The Environmental Superintendent advised that the expenditure has incorporated into operation costs.		
Licence to Use Reports					
12	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. b) The non-exclusive licence will operate as a consent for the purposes of section 365 of the <i>Mining Act 1992</i> .	Noted	Noted	Note	N/A
Confidentiality					
13 (a)	AU-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: (i) the lease holder has agreed that- specified reports may be made nonconfidential. (ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease.	Noted	Noted	Note	N/A
13 (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	Noted	Noted	Note	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	lease. The confidentiality will last until that flow-on title or any subsequent flow-on title has terminated.				
13 (c)	The Director-General may extend the period of confidentiality.	Noted	Noted	Note	N/A
Terms of the non-exclusive licence					
14	The terms of the non-exclusive copyright licence granted under condition 12 are:	Noted	Noted	Note	N/A
14 (a)	The Minister may sub-licence others to publish, print, adapt and reproduce but not on-licence reports.	Noted	Noted	Note	N/A
14 (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.	Noted	Noted	Note	N/A
14 (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.	Noted	Noted	Note	N/A
14 (d)	There is no royalty payable by the Minister for the licence.	Noted	Noted	Note	N/A
14 (e)	If the lease holder has reasonable grounds to believe that the Minister has exercised his rights under the nonexclusive copyright licence in a manner which adversely affects the operations of the lease holder, that	Noted	Noted	Note	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	licence is revocable on the giving of a period of not less than three months' notice.				
Blasting					
15 (a)	Ground Vibration 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 Climate Change.	Monitoring Data (August 2020, August 2021, August 2022, August 2023)	The auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from blasting operations recorded did not exceed 5 mm/s for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5% - 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% Auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.	C	N/A
15 (b)	Blast Overpressure 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	Annual Return (2021-2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team	The site reported a non-compliance with this condition in the Annual Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	premises, as the case may be, unless determined otherwise by the Department of Environment and Climate Change.	Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled “REF-NO-14683 Report to NSW EPA 28/07/2022” Blast Master Spreadsheet	and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust interference on the recorded air pressure. It was not due to the airblast overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis. The Auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master spreadsheet). The site environmental team advised that the website data has been updated. The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
Safety					

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
16	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.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Exploration Reports noted that the drill holes were logged, and rehabilitations were ongoing.	C	N/A
Exploratory Drilling					
17 (1)	At least twenty-eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Water and Energy regional hydrogeologist of the intention to drill exploratory drill holes together with information in the location of the proposed holes.	Interview with Environmental Principal	The Environmental Principal advised that notification of drilling has been conducted as required by this condition.	C	N/A
17 (2)	If the lease holder drills exploratory drill holes, he must satisfy the Director-General that: a) All cored holes are accurately surveyed and permanently marked in accordance with departmental guidelines so that their location can be easily established. b) All holes cored or otherwise are sealed to prevent the collapse of the surrounding surface. c) All drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The drill holes were recorded in the annual exploration reports. The Exploration Reports also noted that the drill holes rehabilitations were ongoing.	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	d) If any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape. e) If any drill hole meets an artesian or sub-artesian flow, it is effectively sealed to prevent contamination of aquifers. 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. g) Once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.				
Prevention of Soil Erosion and Pollution					
18	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.	(Details outlined in Appendix A2) Annual Return 2021-2022 Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022	The auditor reviewed the evidence and inspected the site with reference to the EPL as described in Appendix A2. During the time period that this version of the ML is valid, the site had two incidents of non-compliance under the EPL related to water pollution: The site reported a non-compliance on this condition. The mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment	NC (Duplicate with EPL L1.1)	Duplicate NC. Refer to conditions of EPL (L1.1).

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Email chain titled “EPL 11457 - Request for Incident Report” dated 6 and 11 June 2021	including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. ■ The Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3. The Environmental Superintendent advised that these events did not trigger any Notices and Cautions from the EPA.		
Transmission lines, communication lines and pipelines					
19	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.	Interview: Site Environmental Superintendent Drill and Blast Design Standard (MAC-PRD-STD-014)	The Auditor sighted the Drill and Blast Design Standard while onsite. Appendix 1 of the Standard listed the air blast overpressure and ground vibration limits of the following infrastructures: • Telstra and Ausgrid Public Infrastructure	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			- Telstra Public Infrastructure - Substations - Transgrid 500kV Transmission Line - Ausgrid 11kV, 66kV and 132kV Transmission Line The limits of these infrastructure on blast are higher than that listed in condition 15 of this licence and the EPL. The Environmental Superintendent advised that the site has signed agreement with the utility companies to ensure the site operations do not interfere the stability or efficiency of their infrastructure. He also advised that the site did not receive and complaint from the utility companies and maintain a good relationship with them.		
Fences & Gates					
20	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.	Noted	Noted	Note	N/A
Roads & Tracks					

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
21 (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.	Funding Deed (28 January 2015) Tax invoice for roads maintenance from Muswellbrook Shire Council (2020,2021,2022) Notification of Practical Completion Edderton Rd Stages 1 and 2 (27 October 2021)	The site signed a deed with the Muswellbrook Shire Council in 2015 that the site will pay refundable contribution and additional contribution to the Council for the Thomas Mitchell Drive upgrade and the Council will repay the refundable Contribution to the site. The site also provided tax invoices which shows that the site has been attributing to the maintenance. The site also provided the Notification of Practical Completion Edderton Rd Stages 1 and 2 to Muswellbrook Shire Council for review which shows that the site has completed the work to practical completion according to the Edderton Road Realignment Deed in July 2018.	C	N/A
21 (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.	As above	As above	C	N/A
22	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, top soiled and revegetated as soon as possible after they are no	Site observations	Access tracks were observed to be kept to minimum and cause minimal damage to the surroundings. Rehabilitation is planned once no longer required for mining operations.	C	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	longer required for mining operations.				
Trees & Timber					
23 (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.	Interview: Site Environmental Superintendent	MAC stated they are the landowner; therefore no other landowner consent is required.	C	N/A
23 (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.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that all clearing is due to direct obstructs that prevents the carrying out of operations.	C	N/A
23 (c)	The leases holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.	Interview: Site Environmental Superintendent	The site representative advised that there is no crown land within the ML boundaries.	C	N/A
Resource Recovery					
25 (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	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.				
25 (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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
25 (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.	Interview: Site Environmental Superintendent	No information has been requested during the audit period.	NT	N/A
25 (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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
25 (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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
25 (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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Indemnity					
26	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	Noted	Note	N/A
Single Security (extended)					
28 (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 396 (Act 1973) and Mining Purposes Lease 263 (Act 1973) is extended to apply to this lease.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond	Auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	Note	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Dated 5 November 2020, 15 December 2021			
28 (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.	Noted	Noted	Note	N/A
Prescribed Dam					
29 (a)	Notwithstanding any Mining Operations Plan, the lease holder must not mine within any Part of the lease area which is within the notification area of the Bays water 2 Main Dam without the prior written approval of the Minister and subject to any conditions he may stipulate.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that no active mining activities were conducted in the described area during the audit period.	C	N/A
29 (b)	Where the lease holder desires to mine within the notification area he must: (i) At least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that no active mining activities were conducted in the described area during the audit period.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(ii) Provide such information as the Minister may direct.				
29 (c)	The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with. i. This is sub-paragraph is complied with if: a) The Dams Safety Committee as constituted by Section 7 of the <i>Dams Safety Act 1978</i> and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (B). b) The notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined. c) The Director-General has complied with any reasonable request made by the Dams Safety Committee or the owner of the dam for further information in connection with the mining proposal. d) The Dams Safety Committee has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and e) here the Dams Safety Committee has made recommendations the approval is in terms that are: i. In accordance with those recommendations; or	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that no active mining activities were conducted in the described area during the audit period.	NT	N/A

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	ii. Where the Minister does not accept those recommendations or any of them- in accordance with a determination under subparagraph (ii) of this paragraph. ii. Where the Minister does not accept the recommendations of the Dams Safety Committee or where the Dams Safety Committee has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam: a) As determined by agreement between the minister and the minister administering the <i>Dams Safety Act 1978</i> or b) In the event of failure to reach such agreement – as determined by the Premier				
29 (d)	The Minister, on notice from the Dams Safety Committee, may at any time or times: i) cancel any approval given where a notice pursuant to Section 18 of the <i>Dams Safety Act 1978</i> is given. j) Suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that no active mining activities were conducted in the described area during the audit period.	NT	N/A
Suspension of Mining Operations					

TABLE A3 – CONSOLIDATED COAL LEASE NO 744
CONSOLIDATED COAL LEASE NO 744

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
30	The holder of a consolidated mining lease may not suspend mining operations in the mining area other than in accordance with the consent of the Minister.	Noted	Noted	Note	N/A
Special Conditions					
31	The registered holder shall not work or cause to be worked any seam of coal within the subject area without leaving, if the Minister by order given in writing to the registered holder so directs, a barrier of such width or a protective pillar or pillars of such size or sizes as is specified in the order, against any surface improvements or any feature whether natural or artificial.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so condition is not triggered.	NT	N/A
32	The registered holder shall permit the free and uninterrupted passage of stock through that part of the lease area covered by a Travelling Stock Reserve and must conduct operations in a manner that does not cause danger to travelling stock.	Noted	Noted	Note	N/A
33	The leases holder shall be limited to the following purposes and conditions within the specified areas described on the plan annexed hereto and marked "B":	Interview: Site Environmental Superintendent	The work in the indicated area were completed prior to this audit period.	NT	N/A

Document details	
Document title	Table A4 – Mining Lease 1358
Document subtitle	Mining Lease 1358
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Schedule of Conditions					
Notice to Landholders					
1	(a) Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice. (b) If there are ten or more landholders, 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 mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Rehabilitation					
2	Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			MOP / Forward Program over the audit period as assessed below: 1. Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. 2. Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. 3. Trials with Organic matter compost vs hay mulch vs control no treatment. 4. Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. 5. Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
Mining Operations Plan and Annual rehabilitation Report					
3 (a)	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and	Mining Operations Plan (2020-2023), 14/05/2020	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews).	C	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.		

3 (b)	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: - identifies areas that will be disturbed. - details the staging of specific mining operations, mining purposes and prospecting. - identifies how the mine will be managed and rehabilitated to achieve the post mining land use. - identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and - reflects the conditions of approval under: - The <i>Environmental Planning and Assessment Act 1979</i>. - The <i>Protection of the Environment Operations Act 1997</i>; and - Any other approvals relevant to the development including the conditions of this mining lease.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: - Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the PA and EPL - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP. From the review of the MOP, the auditor confirms that the document	C	N/A
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TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			has presented information required by this condition.		
3 (c)	The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment	Noted	Noted	Note	N/A
3 (d)	The lease holder may apply to the Minister to amend an approved MOP at any time.	Noted	Noted	Note	N/A
3 (e)	It is not a breach of this condition if: i. The operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the <i>Environmental Planning and Assessment Act 1979</i> , the <i>Protection of the Environment Operations Act 1997</i> , the <i>Mine Health and Safety Act 2004</i> / <i>Coal Mine Health and Safety Act 2002</i> and <i>Mine Health and Safety Regulation 2007</i> / <i>Coal Mine Health and Safety Regulation 2006</i> or the <i>Work Health and Safety Act 2011</i> ; and ii. The Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.	Noted	Noted	Note	N/A
3 (f)	The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP.	C	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	i. Provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP; i. Be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and i. Be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment. <i>Note: The Rehabilitation Report replaces the Annual Environmental Management Report.</i>		Section 8 of both Annual Reviews reported on the progress of the rehabilitation, which includes reporting on completion criteria.		
Compliance Report					
4 (a)	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP.	C	N/A
4 (b)	The Compliance Report must include: i. The extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with; i. Particulars of any non-compliance with any such conditions or provisions i. The reasons for any such non-compliance. ✓. Any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported that all conditions within the MLs were complied with. No non-compliance to report.	C	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4 (c)	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	Resource Regulator FY21 AEMR receipt confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022)	The auditor reviewed evidence of reports and letters demonstrating satisfaction of the Minister.	C	N/A
4 (d)	In addition to annual lodgement under condition 4(c) above, a Compliance Report: i. Must accompany any application to renew this mining lease under the Act; i. Must accompany any application to transfer this mining lease under the Act; and i. Must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	Interview with Environmental Superintendent	This mining lease was last renewed in 2015. This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
4 (e)	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	Interview with Environmental Superintendent	The site was not requested to submit compliance reports at any other dates.	NT	N/A
4 (f)	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	Interview with Environmental Superintendent	This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
Environmental Incident Report					
5 (a)	The lease holder must notify the Department of all:	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	i. Breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and ii. Breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the <i>Protection of the Environment Operations Act 1997</i>), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. <i>Note. Refer to www.resources.nsw.gov.au/environment for notification contact details.</i>				
5 (b)	The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include: a) The details of the mining lease. b) Contact details for the lease holder. c) A map identifying the location of the incident and where material harm to the environment has or is likely to occur.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	d) A description of the nature of the incident or breach, likely causes and consequences. e) A timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a). f) A summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease. <i>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</i>				
5(c)	In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
Extraction Plan					
6 (a)	In this condition: i. Approved Extraction Plan means a plan, being:	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so	NT	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	a) an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or b) A subsidence management plan relating to the mining operations subject to this lease: I. Submitted to the Secretary on or before 31 December 2014; and II. Approved by the Secretary. i. relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease.		subsidence management is not an issue requiring management.		
6 (b)	The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
6 (c)	The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
6 (d)	The lease holder must notify the Secretary within 48 hours of any: i. Incident caused by subsidence which has a potential to expose any person to health and safety risks; i. Significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
i.	Significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing: a) built features. b) public safety; or c) subsidence monitoring.				
Resource Recovery					
7	The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.	Site Observation	The auditor observed the rock dump and production area onsite which shows that the site optimises the recovery of the minerals.	C	N/A
Group Security					
8	The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future. The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$113,520,000 . The leases covered by the group security include: Mining Lease 1358 (Act 1992), Mining Lease 1487 (Act 1992), Mining Lease 1548 (Act 1992), Mining Lease 1593 (Act 1992) and Mining Lease 1655 (Act 1992) .	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A
Cooperation Agreement					
9	The lease holder must make every reasonable attempt, and be able to demonstrate its	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there are no overlapping authorisations under the Mining Act or	NT	N/A

TABLE A4 – MINING LEASE 1358
MINING Lease 1358

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as: • Access arrangements • Operational interaction procedures • Dispute resolution • Information exchange • Well location • Timing of drilling • Potential resource extraction conflicts; and • Rehabilitation issues.		Petroleum Act. Therefore, no cooperation agreement is required.		
Exploration Reporting					
	<i>Note: Exploration Reports (Geological and Geophysical)</i> <i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010.</i> <i>Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i>	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	Exploration reports were provided for review, which reported on the status and plan for drilling activities.	C	N/A
Special Conditions					
	<i>Note: The Standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i>	Noted	Noted	Note	N/A

Document details	
Document title	Table A5 – Mining Lease 1548
Document subtitle	Compliance with Mining Lease 1548
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Mining, Rehabilitation, Environmental Management Process (MREMP)					
Mining Operations Plan (MOP)					
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.	Mining Operations Plan (MOP)(2020-2023), 14/05/2020 MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews). Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Annual Review FY21 Annual Review FY22			
2.2	The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.3	A Plan must be lodged with the Director-General: - (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.	Mining Operations Plan (2020-2023)	The notice of approval dated 26 June 2020 shows that the MOP was approved from the date of the approval until 30 June 2023, which covers the entire audit period.	C	N/A
2.4	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 their rehabilitation methods(s) to be used and their sequence. c) areas to be used for disposal of tailings/waste. d) existing proposed surface infrastructure. e) existing flora and fauna on the site. f) progressive rehabilitation schedules. g) areas of particular environment, ecological and cultural sensitivity and measures to protect these areas.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: - Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	h) water management systems (including erosion and sediment controls) i) proposed resource recovery; and j) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining land use/vegetation		- MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The mine did not cease extraction during the audit period or during the term of the Plan. Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted in accordingly. The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.		
2.5	The Plan when lodged will be reviewed by the Department.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2.6	The Director-General may within two (2) months of the lodgment of a Plan, require modification and re-lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.7	If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgment of a Plan, the lease holder may proceed with implementation of the Plan.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.8	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.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
Annual Environmental Management Report (AEMR)					
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.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022) Annual Review FY21 Annual Review FY22	The auditor reviewed evidence of reports and emails demonstrating satisfaction of the Minister.	C	N/A
3.2a	The AEMR must be prepared in accordance with the Director-General's guidelines current at the	Annual Review FY21 Annual Review FY22	The FY21 and FY21 Annual Reviews reported on the:	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of: - the accepted Mining Operations Plan. - development consent requirements and conditions. - Department of Environment and Conservation and Department of Planning licences and approvals. - any other statutory environmental requirements. - details of any variations to environmental approvals applicable to the lease area; and where relevant, progress towards final rehabilitation objectives.		- statement of compliance against all the approvals (Section 1) within the MOP and the environmental performance (Section 6), - the environmental performance per topic as required by the development consent, EPL and EPBC (Section 6) - Rehabilitation performance is outlined in section 8.		
3.3	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
3.4	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

Subsidence Management

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4a	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.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4b	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 <i>Applications for Subsidence Management Approvals guidelines (EDG17)</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4c	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 <i>Coal Mines Regulation Act 1982</i> , or the document <i>New Subsidence Management Plan Approval Process - Transitional Provisions (EDP09)</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4d	Subsidence Management Plans are to be prepared in accordance with the <i>Guideline for Applications for Subsidence Management Approvals</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4e	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 <i>New Approval</i>	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<i>Process for Management of Coal Mining Subsidence - Policy.</i>				
Working Requirement					
5a	The lease holder must: a) Ensure that at least 27 competent people are efficiently employed on the lease area on each weekday except Sunday or any weekday that is a public holiday, Or b) Expand on operations carried in the course of prospecting or mining the lease area, an amount of not less than \$472,500 per annum whilst the lease is in force. 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.	Annual Review FY21 Annual Review FY22	The annual reviews reported that the site employed 971 (875 in 2022) permanent and fixed-term contract employees, and 1225 (1265 in 2022) contractors on a full-time equivalent basis as of 30 June 2021. The number is significantly higher than that required by the condition.	C	N/A
Control of Operations					
6a	If an Environmental Superintendent 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: (i) cease working the lease; or (ii) cease that part of the operation not complying with the Act or conditions. until in the opinion of the Environmental Superintendent the situation is rectified.	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there has not been any related direction.	NT	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
6b	The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.	Interview: Site Environmental Superintendent	The site representative advised that the Director General did not give any direction under this condition.	C	N/A
6c	A direction referred to in this condition may be served on the Mine Manager.	Noted	Noted	Note	N/A

Reports

7	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 item the satisfaction of the Director-General and contain the following: a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period. b) Details of expenditure incurred in conducting that exploration. c) A summary of all geological findings acquired through mining or development evaluation activities. d) Particulars of exploration proposed to be conducted in the next twelve months period. e) All plans, maps, Sections and other data necessary to satisfactorily interpret the report.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023) Interview: Site Environmental Superintendent	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps and plans were included for interpretation of the report. The details of expenditure for 2020-2021 was reported in the annual report. In 2021-2022 report, it stated that approximately 594k was spent and no details were recorded. In 2022-2023 report, there is no record of expenditure. Environmental Superintendent advised that the expenditure has incorporated into operation costs.	C	N/A
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Licence to Use Reports

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
8a	The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print and reproduce all exploration reports lodged in any forms for the full duration of copyright.	Noted	Noted	Note	N/A
8b	The non-exclusive licence will operate as a consent for the purposes of Section 365 of the <i>Mining Act 1992</i> .	Noted	Noted	Note	N/A
Confidentiality					
9a	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: (i) the lease holder has agreed that specified reports may be made non-confidential. (ii) reports deal with exploration conducted exclusively on area that have ceased to be part of the lease.	Noted	Noted	Note	N/A
9b	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.	Noted	Noted	Note	N/A
9c	The Director-General may extend the period of confidentiality.	Noted	Noted	Note	N/A
Terms of the non-exclusive licence					
10a	The terms of the non-exclusive copyright licence granted under condition 8 (a) are:	Noted	Noted	Note	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	The Minister may sub-licence other to publish, print, adapt and reproduce but not on-licence reports.				
10b	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.	Noted	Noted	Note	N/A
10c	The lease holder does not warrant ownership of all copyright 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.	Noted	Noted	Note	N/A
10d	There is no royalty payable by the Minister for the licence.	Noted	Noted	Note	N/A
10e	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 not less than three months' notice.	Noted	Noted	Note	N/A
Blasting					
11a	Ground Vibration 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	Monitoring Data (August 2020, August 2021, August 2022, August 2023)	The auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from blasting operations recorded did not exceed 5 mm/s for more than 5% of	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	period of 12 months at any dwelling or occupied premises, unless determined otherwise by the Department of Environment and Conservation.		the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5% - 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
11b	Blast Overpressure 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 unless determined otherwise by the Department of Environment and Conservation	Annual Return (2021-2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled “REF-NO-14683 Report to NSW EPA 28/07/2022” Blast Master Spreadsheet	The site reported a non-compliance under this condition in the Annual Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July 2022 and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust interference on the recorded air pressure. It was not due to the airblast	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis. The auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master spreadsheet). Site environmental team advised that the website data has been updated. The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
Safety					
12	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.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Exploration Reports noted that the drill holes were logged, and rehabilitations were ongoing.	C	N/A
Rehabilitation					

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
13a	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: - - there is no adverse environmental effect outside the disturbed area and that the land is properly drained and protected from soil erosion. - the state of the land is compatible with the surrounding land and land use requirements. - the landforms, soils, hydrology and flora require no greater maintenance than that in the surrounding land. - 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. - The land does not pose a threat to public safety.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below: - Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. - Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. - Trials with Organic matter compost vs hay mulch vs control no treatment. - Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. - Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
13b	Any topsoil that is removed must be stored and maintained in a manner acceptable to the Director-General.	Refer to 13a.	Refer to 13a.	C	N/A
14	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.	Note	Noted	Note	N/A
Exploratory Drilling					
15.1	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.	Interview with Environmental Principal	The Environmental Principal advised that notification of drilling has been conducted as required by this condition.	C	N/A
15.2	If the lease holder drills exploratory drill holes, he must satisfy the Director- General that: a. All cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established. b. All holes cored or otherwise are sealed to prevent the collapse of the surrounding surface.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The drill holes were recorded in the annual exploration reports. The Exploration Reports also noted that the drill holes rehabilitations were ongoing.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	c. All drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters. d. If any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape. e. If any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers. 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. g. Once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.				
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.	(Details outlined in Appendix A2) Annual Return 2021-2022 Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal -	The auditor reviewed the evidence and inspected the site with reference to the EPL as described in Appendix A2. During the time period that this version of the ML is valid, the site had two incidents of non-compliance under the EPL related to water pollution: The site reported a non-compliance on this condition. The mine water dam was found	NC (Duplicate with EPL L1.1)	Duplicate NC. Refer to conditions of EPL (L1.1).

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken at four chosen locations which the site determined that the impact was negligible. Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3. Environmental Superintendent advised that these events did not trigger any Notices and Cautions from the EPA.		

Transmission lines, Communication lines and Pipelines

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
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.	Interview: Site Environmental Superintendent Drill and Blast Design Standard (MAC-PRD-STD-014)	The auditor sighted the Drill and Blast Design Standard while onsite. Appendix 1 of the Standard listed the air blast overpressure and ground vibration limits of the following infrastructures: • Denman Road Telstra and Ausgrid Public Infrastructure • Edderton Road and Thomas Mitchell Drive Telstra Public Infrastructure • Substations • Transgrid 500kV Transmission Line • Ausgrid 11kV, 66kV and 132kV Transmission Line The limits of these infrastructure on blast are higher than that listed in condition 15 of this licence and the EPL. The Environmental Superintendent advised that the site has signed agreement with the utility companies to ensure the site operations do not interfere the stability or efficiency of their infrastructure. He also advised that the site did not receive and complaint from the utility companies and maintain a good relationship with them.	C	N/A

Fences, Gates

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
18a	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.	Noted	Noted	Note	N/A
18b	Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.	Noted	Noted	Note	N/A
Roads and Tracks					
19a	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.	Funding Deed (28 January 2015) Tax invoice for roads maintenance from Muswellbrook Shire Council (2020,2021,2022) Notification of Practical Completion Edderton Rd Stages 1 and 2 (27 October 2021)	The site signed a deed with the Muswellbrook Shire Council in 2015 that the site will pay refundable contribution and additional contribution to the Council for the Thomas Mitchell Drive upgrade and the Council will repay the refundable Contribution to the site. The site also provided tax invoices which shows that the site has been attributing to the maintenance. The site also provided the Notification of Practical Completion Edderton Rd Stages 1 and 2 to Muswellbrook Shire Council for review which shows that the site has completed the work to practical completion according to the Edderton Road Realignment Deed in July 2018.	C	N/A
19b	The lease holder must pay to the designated authority in control of the road (generally the local	As above	As above	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.				
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.	Site observations	Access tracks were observed to be kept to minimum and cause minimal damage to the surroundings. Rehabilitation is planned once no longer required for mining operations.	C	N/A
Trees and Timber					
21a	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.	Interview: Site Environmental Superintendent	MAC reported they are the landowner, therefore no other landowner consent is required.	C	N/A
21b	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.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that all clearing is due to direct obstructs that prevents the carrying on of operations.	C	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
21c	The lease holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.	Interview: Site Environmental Superintendent	Site representative advised that there is no crown land within the ML boundaries.	C	N/A
Resource Recovery					
23a	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 are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23b	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23c	The lease holder must, when requested by the Director-General, provide such information as the	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Director-General may specify about the recovery of the mineral resources of the lease area.				
23d	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23e	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23f	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
Indemnity					
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	Noted	Noted	Note	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.				
Single Security (extended)					
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 Mining Lease No 1487 (Act 1992) is extended to apply to this lease.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A
26 (b)	If the lease holder fails to fulfill any one or more of the obligations under the leases, then the security held may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of the 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	Noted	Noted	Note	N/A

TABLE A5 – MINING LEASE 1548
COMPLIANCE WITH MINING LEASE 1548

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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				
Additional Royalty					
27	The lease holder must in respect of coal recovered by open cut mining methods pay additional royalty to the Minister at the rate prescribed by the Mining Regulation 2003.	Royalty online services summary (for period July 2020-June 2023)	The online records show the royalty amount for each lease.	C	N/A

Document details	
Document title	Table A6 – Mining Lease 1593
Document subtitle	Compliance with Mining Lease 1593
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Mining, Rehabilitation, Environmental Management Process (MREMP)					
Mining Operations Plan (MOP)					
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.	Mining Operations Plan (MOP)(2020-2023), 14/05/2020 MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews). Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22			
2.2	The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.3	A Plan must be lodged with the Director-General: - (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.	Mining Operations Plan (2020-2023)	The notice of approval dated 26 June 2020 shows that the MOP was approved from the date of the approval until 30 June 2023, which covers the entire audit period.	C	N/A
2.4	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 their rehabilitation methods(s) to be used and their sequence. c. areas to be used for disposal of tailings/waste. d. existing proposed surface infrastructure. e. existing flora and fauna on the site.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	f. progressive rehabilitation schedules. g. areas of environment, ecological and cultural sensitivity and measures to protect these areas. h. water management systems (including erosion and sediment controls) i. proposed resource recovery; and j. where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining land use/vegetation		- MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The mine did not cease extraction during the audit period or during the term of the Plan. Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted in accordingly. The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.		
2.5	The Plan when lodged will be reviewed by the Department.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2.6	The Director-General may within two (2) months of the lodgment of a Plan, require modification and re-lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.7	If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgment of a Plan, the lease holder may proceed with implementation of the Plan.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.8	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.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
Annual Environmental Management Report (AEMR)					
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.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022) Annual Review FY21 Annual Review FY22	The auditor reviewed evidence of reports and emails demonstrating satisfaction of the Minister.	C	N/A
3.2a	The AEMR must be prepared in accordance with the Director-General's guidelines current at the	Annual Review FY21 Annual Review FY22	The FY21 and FY21 Annual Reviews reported on the:	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of: - the accepted Mining Operations Plan. - development consent requirements and conditions. - Department of Environment and Conservation and Department of Planning licences and approvals. - any other statutory environmental requirements. - details of any variations to environmental approvals applicable to the lease area; and - where relevant, progress towards final rehabilitation objectives.		- statement of compliance against all the approvals (Section 1) within the MOP and the environmental performance (Section 6), - the environmental performance per topic as required by the development consent, EPL and EPBC (Section 6) - Rehabilitation performance is outlined in section 8.		
3.3	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
3.4	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

Subsidence Management

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4a	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.	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4b	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 <i>Applications for Subsidence Management Approvals guidelines (EDG17)</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4c	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 <i>Coal Mines Regulation Act 1982</i> , or the document <i>New Subsidence Management Plan Approval Process - Transitional Provisions (EDP09)</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4d	Subsidence Management Plans are to be prepared in accordance with the <i>Guideline for Applications for Subsidence Management Approvals</i> .	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A
4e	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 <i>New Approval</i>	Interview: Site Environmental Superintendent	No underground mining has commenced on the site, so subsidence management is not an issue requiring management.	NT	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<i>Process for Management of Coal Mining Subsidence - Policy.</i>				
Working Requirement					
5a	The lease holder must: a) Ensure that at least 27 competent people are efficiently employed on the lease area on each weekday except Sunday or any weekday that is a public holiday, Or b) Expand on operations carried in the course of prospecting or mining the lease area, an amount of not less than \$472,500 per annum whilst the lease is in force. 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.	Annual Review FY21 Annual Review FY22	The annual reviews reported that the site employed 971 (875 in 2022) permanent and fixed-term contract employees, and 1225 (1265 in 2022) contractors on a full-time equivalent basis as of 30 June 2021. The number is significantly higher than that required by the condition.	C	N/A
Control of Operations					
6a	If an Environmental Superintendent 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: (i) cease working the lease; or (ii) cease that part of the operation not complying with the Act or conditions. until in the opinion of the Environmental Superintendent the situation is rectified.	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there has not been any related direction.	NT	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
6b	The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.	Interview: Site Environmental Superintendent	The site representative advised that the Director General did not give any direction under this condition.	C	N/A
6c	A direction referred to in this condition may be served on the Mine Manager.	Noted	Noted	Note	N/A

Reports

7a	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 item the satisfaction of the Director-General and contain the following: a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period; b) Details of expenditure incurred in conducting that exploration; c) A summary of all geological findings acquired through mining or development evaluation activities; d) Particulars of exploration proposed to be conducted in the next twelve months period; e) All plans, maps, Sections and other data necessary to satisfactorily interpret the report.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023) Interview: Site Environmental Superintendent	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps and plans were included for interpretation of the report. The details of expenditure for 2020-2021 was reported in the annual report. In 2021-2022 report, it stated that approximately 594k was spent and no details were recorded. In 2022-2023 report, there is no record of expenditure. Environmental Superintendent advised that the expenditure has incorporated into operation costs.	C	N/A
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Licence to Use Reports

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
8a	The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print and reproduce all exploration reports lodged in any forms for the full duration of copyright.	Noted	Noted	Note	N/A
8b	The non-exclusive licence will operate as a consent for the purposes of Section 365 of the <i>Mining Act 1992</i> .	Noted	Noted	Note	N/A
Confidentiality					
9a	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: (i) the lease holder has agreed that specified reports may be made non-confidential. (ii) reports deal with exploration conducted exclusively on area that have ceased to be part of the lease.	Noted	Noted	Note	N/A
9b	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.	Noted	Noted	Note	N/A
9c	The Director-General may extend the period of confidentiality.	Noted	Noted	Note	N/A
Terms of the non-exclusive licence					

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
10a	The terms of the non-exclusive copyright licence granted under condition 8 (a) are: The Minister may sub-licence other to publish, print, adapt and reproduce but not on-licence reports.	Noted	Noted	Note	N/A
10b	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.	Noted	Noted	Note	N/A
10c	The lease holder does not warrant ownership of all copyright 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.	Noted	Noted	Note	N/A
10d	There is no royalty payable by the Minister for the licence.	Noted	Noted	Note	N/A
10e	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 not less than three months' notice.	Noted	Noted	Note	N/A
Blasting					
11a	Ground Vibration The lease holder must ensure that the ground vibration peak particle velocity generated by any blasting within the lease area does not exceed 10	Monitoring Data (August 2020, August	The auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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, unless determined otherwise by the Department of Environment and Conservation.	2021, August 2022, August 2023)	blasting operations recorded did not exceed 5 mm/s for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5% - 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
11b	Blast Overpressure 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	Annual Return (2021-2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled “REF-NO-14683 Report to NSW EPA 28/07/2022” Blast Master Spreadsheet	The site reported a non-compliance under this condition in the Annual Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			interference on the recorded air pressure. It was not due to the airblast overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis. The auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master spreadsheet). Site environmental team advised that the website data has been updated. The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
Safety					
12	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.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Exploration Reports noted that the drill holes were logged, and rehabilitations were ongoing.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Rehabilitation					
13a	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: - - there is no adverse environmental effect outside the disturbed area and that the land is properly drained and protected from soil erosion. - the state of the land is compatible with the surrounding land and land use requirements. - the landforms, soils, hydrology and flora require no greater maintenance than that in the surrounding land. - 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. - The land does not pose a threat to public safety.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below: - Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. - Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. - Trials with Organic matter compost vs hay mulch vs control no treatment. - Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. - Competent rock is being sourced for drainage lines, through dedicated blasting and crushing	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
13b	Any topsoil that is removed must be stored and maintained in a manner acceptable to the Director-General.	Refer to 13a.	Refer to 13a.	NT	N/A
14	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.	Note	Noted	Note	N/A
Exploratory Drilling					
15.1	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.	Interview with Environmental Principal	The Environmental Principal advised that notification of drilling has been conducted as required by this condition.	C	N/A
15.2	If the lease holder drills exploratory drill holes, he must satisfy the Director- General that a. all cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The drill holes were recorded in the annual exploration reports. The Exploration Reports also noted that the drill holes rehabilitations were ongoing.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	b. all holes cored or otherwise are sealed to prevent the collapse of the surrounding surface. c. all drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters. d. if any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape. e. if any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers. 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. once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.				
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	(Details outlined in Appendix A2) Annual Return 2021-2022 Interview with Environmental	The auditor reviewed the evidence and inspected the site with reference to the PA and EPL as described in AppendixA1 and A2. During the time period that this version of the ML is valid, the site had two incidents of	NC (Duplicate with EPL L1.1)	Duplicate NC. Refer to conditions of EPL (L1.1).

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	groundwaters. The lease holder must observe and perform any instructions given by the Director-General in this regard.	Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	non-compliance under the EPL related to water pollution: ■ The site reported a non-compliance on this condition. The mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken at four chosen locations which the site determined that the impact was negligible. ■ Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3. Environmental Superintendent advised that these events did not		

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			trigger any Notices and Cautions from the EPA.		
Transmission lines, Communication lines and Pipelines					
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.	Interview: Site Environmental Superintendent Drill and Blast Design Standard (MAC-PRD-STD-014)	The auditor sighted the Drill and Blast Design Standard while onsite. Appendix 1 of the Standard listed the air blast overpressure and ground vibration limits of the following infrastructures: • Denman Road Telstra and Ausgrid Public Infrastructure • Edderton Road and Thomas Mitchell Drive Telstra Public Infrastructure • Substations • Transgrid 500kV Transmission Line • Ausgrid 11kV, 66kV and 132kV Transmission Line The limits of these infrastructure on blast are higher than that listed in condition 15 of this licence and the EPL. The Environmental Superintendent advised that the site has signed agreement with the utility companies to ensure the site operations do not interfere the stability or efficiency of their infrastructure. He also advised that the site did not receive and complaint from the utility companies	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			and maintain a good relationship with them.		
Fences, Gates					
18a	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.	Noted	Noted	Note	N/A
18b	Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.	Noted	Noted	Note	N/A
Roads and Tracks					
19a	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.	Funding Deed (28 January 2015) Tax invoice for roads maintenance from Muswellbrook Shire Council (2020,2021,2022) Notification of Practical Completion Edderton Rd Stages 1 and 2 (27 October 2021)	The site signed a deed with the Muswellbrook Shire Council in 2015 that the site will pay refundable contribution and additional contribution to the Council for the Thomas Mitchell Drive upgrade and the Council will repay the refundable Contribution to the site. The site also provided tax invoices which shows that the site has been attributing to the maintenance. The site also provided the Notification of Practical Completion Edderton Rd Stages 1 and 2 to Muswellbrook Shire Council for review which shows that the site has completed the work to practical completion according to the	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			Edderton Road Realignment Deed in July 2018.		
19b	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.	As above	As above	C	N/A
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.	Site observations	Access tracks were observed to be kept to minimum and cause minimal damage to the surroundings. Rehabilitation is planned once no longer required for mining operations.	C	N/A
Trees and Timber					
21a	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.	Interview: Site Environmental Superintendent	MAC stated they are the landowner; therefore no other landowner consent is required.	C	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
21b	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.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that all clearing is due to direct obstructs or prevents the carrying on operations.	C	N/A
21c	The lease holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.	Interview: Site Environmental Superintendent	Site representative advised that there is no crown land within the ML boundaries.	C	N/A
Resource Recovery					
23a	(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 are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23b	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	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.				
23c	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23d	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23e	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
23f	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.	Interview: Site Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
Indemnity					
24.	The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever	Noted	Noted	Note	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.				
Single Security (extended)					
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 Mining Lease No 1487 (Act 1992 (is extended to apply to this lease.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A
26 (b)	If the lease holder fails to fulfill any one or more of the obligations under the leases, then the security	Noted	Noted	Note	N/A

TABLE A6 – MINING LEASE 1593
COMPLIANCE WITH MINING LEASE 1593

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	held may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of the 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				

Document details	
Document title	Table A7 – Mining Lease 1655
Document subtitle	Compliance with Mining Lease 1655
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Environmental Harm					
2 (a)	The lease holder must implement all practicable measures to prevent and/or minimise any harm to the environment that may result from the construction, operation or rehabilitation of any activities under this lease.	Interview with Environmental Superintendent Site observations Annual Review FY21 Annual Review FY22 EPL Annual returns 2019-2022	Multiple environmental incidents and exceedances have been identified during the audit period, many of which were determined following investigation not to be attributable to MAC and not result in material harm. Incidents for which MAC was responsible appeared to be non-repetitive, and the site has implemented various measures to minimise environmental harm and reoccurrence of such events, as reported in the annual returns and annual reviews document.	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2 (b)	For the purposes of this condition: i. Environment means components of the earth, including: a) Land, air and water, and b) any layer of the atmosphere, and c) any organic or inorganic matter and any living organism, and d) human-made or modified structures and areas and includes interacting natural ecosystems that include components referred to in paragraphs (A)-(C). ii. harm to the environment includes any direct or indirect alteration of the environment that has the effect of degrading the environment and, without limiting the generality of the above, includes any act or omission that results in pollution, contributes to the extinction or degradation of any threatened species, populations or ecological communities and their habitats and causes impacts to places, objects and features of significance to Aboriginal people.	Note	Noted	C	N/A
Mining Operations Plan (MOP)					
3 (a)	Mining operations must not be carried out otherwise than in accordance with a Mining Operations Plan (MOP) which has been approved by the Director-General.	Mining Operations Plan (MOP)(2020-2023, 14/05/2020) MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews). Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
3 (b)	The MOP must: - Identify areas that will be disturbed by mining operations. (Detail the staging of specific mining operations. - Identify how the mine will be managed to allow mine closure. - identify how mining operations will be carried out in order to prevent and or minimise harm to the environment. - reflect the conditions of approval under - the <i>Environmental Planning and Assessment Act 1979</i> - The <i>Protection of the Environment Operations Act 1997</i> - And any other approvals relevant to the development including the conditions of this lease; and - Have regard to any relevant guidelines adopted by the Director-General.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: - Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the PA and EPL. - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			From the review of the MOP, the auditor notes that the document has presented information required by this condition.		
3 (c)	The leaseholder may apply to the Director-General to amend an approved MOP at any time	Noted	Noted	Note	N/A
3 (d)	It is not a breach of this condition if: i. the operations constituting the breach were necessary to comply with a lawful order or direction given under the <i>Mining Act 1992</i> , the <i>Environmental Planning and Assessment Act 1979</i> , <i>Protection of the Environment Operations Act 1997</i> , <i>Mine Health and Safety Act 2004</i> / <i>Coal Mine Health and Safety Act 2002</i> and <i>Mine Health and Safety Regulation 2007</i> / <i>Coal Mine Health and Safety Regulation 2006</i> or the <i>Occupational Health and Safety Act 2000</i> ; and ii. The Director-General had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.	Noted	Noted	Note	N/A
3 (e)	A MOP ceases to have effect 7 years after date of approval or other such period as identified by the Director-General	Noted	Noted	Note	N/A
Environmental Management Report (EMR)					
4	a) The lease holder must lodge Environmental Management Reports (EMR) with the Director-General annually or at dates otherwise directed by the Director-General b) The EMR must:	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021)	The auditor reviewed evidence of reports and emails demonstrating satisfaction of the Minister. Both FY21 and FY22 Annual Reviews reported against	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	i. report against compliance with the MOP; ii. report on progress in respect of rehabilitation completion criteria; iii. report on the extent of compliance with regulatory requirements; and iv. have regard to any relevant guidelines adopted by the Director-General;	DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022) Annual Review FY21 Annual Review FY22	compliance with all the approvals within the MOP. Section 8 of both Annual Reviews reported on the progress of the rehabilitation, which includes reporting on completion criteria		
Environmental Incident Report					
5 (a)	The lease holder must report any environmental incidents. The report must: i. Be prepared according to any relevant Departmental guidelines. ii. Be submitted within 24 hours of the environmental incident occurring	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
5 (b)	For the purposes of this condition, environmental incident includes: i. Any incident causing or threatening material harm to the environment; ii. Any breach of Conditions 1 to 9 and 11 to 24; iii. Any breach of environment protection legislation; or, iv. A serious complaint from landholders or the public.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
5 (c)	For the purposes of this condition, harm to the environment is material if: i. It involves actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial, or ii. It results in actual or potential loss or property damage of an amount, or amounts in aggregate, exceeding	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	\$10,000, where loss includes the reasonable costs and expenses that would be incurred in taking all reasonable and practicable measures to prevent, mitigate or make good harm to the environment.				
Additional Environmental Reports					
6	Additional environmental reports may be required from time to time as directed in writing by the Director-General and must be lodged as instructed.	Interview: Site Environmental Superintendent	No additional environmental reports were required during the audit period.	NT	N/A
Rehabilitation					
7	Any disturbance as a result of activities under this lease must be rehabilitated to the satisfaction of the director-General	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below: 1. Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement.	C	N/A

TABLE A7 – MINING LEASE 1655
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			2. Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. 3. Trials with Organic matter compost vs hay mulch vs control no treatment. 4. Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. 5. Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
Blasting					
10a	<u>Ground Vibration</u> 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, unless determined otherwise by the Department of Environment and Conservation.	Monitoring Data (August 2020, August 2021, August 2022, August 2023)	The auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from blasting operations recorded did not exceed 5 mm/s for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5%	C	N/A

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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			- 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
10b	<u>Blast Overpressure</u> 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 unless determined otherwise by the Department of Environment and Conservation	Annual Return (2021-2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled “REF-NO-14683 Report to NSW EPA 28/07/2022” Master Blaster Spreadsheet	The site reported a non-compliance under this condition in the Annual Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust interference on the recorded air pressure. It was not due to the airblast overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis.	C	N/A

TABLE A7 – MINING LEASE 1655
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No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			The auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master spreadsheet). Site environmental team advised that the website data has been updated. The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
Safety					
12	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 or used by the lease holder must be filled in or otherwise rendered safe to a standard acceptable to the Director-General.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Exploration Reports noted that the drill holes were logged and rehabilitations were ongoing.	C	N/A
Prevention of Soil Erosion and Pollution					
12	Prospecting 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.	(Details outlined in Appendix A2) Annual Return 2021-2022	The auditor reviewed the evidence and inspected the site with reference to the EPL as described in Appendix A2. During the time period that this version of the ML is valid, the site had	NC (Duplicate with EPL L1.1)	Duplicate NC. Refer to conditions of EPL (L1.1).

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COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	two incidents of non-compliance under the EPL related to water pollution: ■ The site reported a non-compliance on this condition. A mine water dam (SW23 Export Sediment Dam) was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. ■ Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3.		

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			Environmental Superintendent advised that these events did not trigger any Notices and Cautions from the EPA.		
Transmission lines, Communication lines and Pipelines					
13	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.	Interview: Site Environmental Superintendent Drill and Blast Design Standard (MAC-PRD-STD-014)	The auditor sighted the Drill and Blast Design Standard while onsite. Appendix 1 of the Standard listed the air blast overpressure and ground vibration limits of the following infrastructures: • Denman Road Telstra and Ausgrid Public Infrastructure • Edderton Road and Thomas Mitchell Drive Telstra Public Infrastructure • Substations • Transgrid 500kV Transmission Line • Ausgrid 11kV, 66kV and 132kV Transmission Line The limits of these infrastructure on blast are higher than that listed in condition 15 of this licence and the EPL. The Environmental Superintendent advised that the site has signed agreement with the utility companies to ensure the site operations do not interfere the stability or efficiency of their infrastructure. He also advised that the site did not receive and	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			complaint from the utility companies and maintain a good relationship with them.		
Roads and Tracks					
14a	The lease holder must pay to the relevant road's authority in control of the road or track the reasonable costs incurred by the roads authority in making good any damage to roads or tracks caused by operations carried out under this lease less any amount paid or payable from the Mine Subsidence Compensation Fund.	Funding Deed (28 January 2015) Tax invoice for roads maintenance from Muswellbrook Shire Council (2020,2021,2022) Notification of Practical Completion Edderton Rd Stages 1 and 2 (27 October 2021)	The site signed a deed with the Muswellbrook Shire Council in 2015 that the site will pay refundable contribution and additional contribution to the Council for the Thomas Mitchell Drive upgrade and the Council will repay the refundable Contribution to the site. The site also provided tax invoices which shows that the site has been attributing to the maintenance. The site also provided the Notification of Practical Completion Edderton Rd Stages 1 and 2 to Muswellbrook Shire Council for review which shows that the site has completed the work to practical completion according to the Edderton Road Realignment Deed in July 2018.	C	N/A
14b	During wet weather, the use of any road or track must be restricted to prevent damage to the road or track.	Note	Noted	Note	N/A
14c	Existing access tracks should be used for all operations were reasonably practicable. New access tracks must be kept to a minimum and be positioned in order to minimise damage to the land, watercourses or vegetation.	Site observations	Access tracks were observed to be kept to minimum and cause minimal damage to the surroundings.	C	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
14d	Temporary access tracks must be rehabilitated and revegetated to the satisfaction of the Director-General as soon as reasonably practicable after they are no longer required under this lease.	Site observations	Rehabilitation is planned once no longer required for mining operations.	C	N/A
Trees and Vegetation					
15a	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.	Interview: Site Environmental Superintendent	BHP is the landowner, therefore no other landowner consent is required.	C	N/A
15b	The lease holder must contact Forests NSW and obtain any required permit, licence or approval before taking timber from any Crown land within the lease area.	Interview: Site Environmental Superintendent	Site representative advised that there is no crown land within the ML boundaries.	C	N/A
	<i>Note: any clearing not authorised under the Act must comply with the requirement of the Native Vegetation Act 2003. Any clearing or taking of timber on Crown land is subject to the requirement of the Forestry Act 1916.</i>	Note	Noted	Note	N/A
Indemnity					
18.	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	Noted	Noted	Note	N/A

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	which the lease holder may be licensed or compelled to do.				
Single Security (extended)					
21	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 Mining Lease No 1487 (Act 1992 and Mining Lease 1548 (Act 1992) is extended to apply to this lease.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A
Suspension of Mining Operations					
23	The holder of a mining lease may not suspend mining operations in the mining area other than in accordance with the consent of the Minister.	Noted	Noted	Note	N/A
Cooperation Agreement					

TABLE A7 – MINING LEASE 1655
COMPLIANCE WITH MINING LEASE 1655

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
24	The lease holder must make every reasonable attempt, and be able to demonstrate their attempts, to enter a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as: • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts and • rehabilitation issues.	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there are no overlapping authorisations under the Mining Act or Petroleum Act. Therefore, no cooperation agreement is required.	NT	N/A
	<i>Note: exploration Reports (Geological and Geophysical)</i> <i>The lease holder must lodge reports to the satisfaction of the Director-General in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010.</i> <i>Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Industry and Investment, 2010) .</i>	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps and plans were included for interpretation of the report.	C	N/A

Document details	
Document title	Table A8 – Mining Lease 1739
Document subtitle	Compliance with Mining Lease 1739
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Rehabilitation					
2	Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the MOP / Forward Program over the audit period as assessed below:	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			1. Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. 2. Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. 3. Trials with Organic matter compost vs hay mulch vs control no treatment. 4. Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. 5. Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years. Subsidence Manager		
Mining Operations Plan and Annual Rehabilitation Report					
3a	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the	Mining Operations Plan (MOP)(2020-2023), 14/05/2020	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews).	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.		
3b	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: - Identifies areas that will be disturbed. - Details the staging of specific mining operations, mining purposes and prospecting. - Identifies how the mine will be managed and rehabilitated to achieve the post mining land use. - Identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or - minimise harm to the environment; and - Reflects the conditions of approval under - The <i>Environmental Planning and Assessment Act 1979</i>. - The <i>Protection of the Environment Operations Act 1997</i>; and - Any other approvals relevant to the development including the conditions of this mining lease.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: - Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			forecast which includes waste management, water management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the PA and EPL . - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP. From the review of the MOP, the auditor notes that the document has presented information required by this condition.		
3c	The MOP must be prepared in accordance with the ESG3: <i>Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Departments website at www.resource.nsw.gov.au/environment	Interview with Environmental Superintendent Mining Operations Plan (MOP) (2020-2023)	Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted in accordingly.	C	N/A
3d	The lease holder may apply to the Minister to amend an approval MOP at any time.	Noted	Noted	Note	N/A
3e	It is not a breach of this condition if: i. The operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the <i>Environmental Planning and Assessment Act 1979</i> , the <i>Protection of the Environment Operations Act</i>	Noted	Noted	Note	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	1997, the <i>Mine Health and Safety Act 2004/Coal Mine Health and Safety Act 2002</i> and <i>Mine Health and Safety Regulation 2007/Coal Mine Health and Safety Regulation 2006</i> or the <i>Work Health and Safety Act 2011</i>; and i. The Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.				
3f	The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must: i. Provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP; ii. Be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and iii. Be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment Note: The Rehabilitation Report replaces the Annual Environmental Management Report.	Mining Operations Plan (2020-2023)	MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan.	C	N/A
Compliance Report					
4a	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP.	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4b	The Compliance Report must include: i. The extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with. ii. Particulars of any non-compliance with any such conditions or provisions, iii. The reasons for any such non-compliance. iv. Any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported that all conditions within the MLs were complied with. No non-compliance to report.	C	N/A
4c	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022)	The auditor reviewed evidence of reports and letters demonstrating satisfaction of the Minister.	C	N/A
4d	In addition to annual lodgement under Condition 4(c) above, a Compliance Report: i. Must accompany any application to renew this mining lease under the Act ii. Must accompany any application to transfer this mining lease under the Act; and iii. Must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	Interview with Environmental Superintendent	This mining lease was last renewed in 2015. This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
4e	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a	Interview with Environmental Superintendent	The site was not requested to submit compliance reports at any other dates.	NT	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Compliance Report with the Department at any date or dates otherwise required by the Minister.				
4f	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	Interview with Environmental Superintendent	This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
Environmental Incident Report					
5a	The lease holder must notify the Department of all: i. Breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and ii. Breaches of environmental protection legislation causing or threatening material harm to the environment (and defined in the <i>Protection of the Environment Operations Act 1997</i>), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. Note: Refer to www.resources.nsw.gov.au/environment for notification contact details.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
5b	The lease holder must submit an Environment Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include: i. The details of the mining lease. ii. Contact details for the lease holder. iii. A map identifying the location of the incident and where material harm to the environment has or is likely to occur.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	iv. A description of the nature of the incident or breach likely causes and consequences. v. A timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a). vi. A summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease. Note: The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environment Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.				
5c	In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the Protection of the Environment Operations Act 1997 arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations under this mining lease.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
Group Security					
8	The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.	Notification of assessment of security	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$113,520,000. The leases covered by the group security include: Mining Lease 1358, 1487, 1548, 1593 and 1655 (Act 1992). This group security is extended to apply to this lease.	deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021			
Cooperation Agreement					
9	The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as: • Access arrangements • Operational interaction procedures • Dispute resolution • Information exchange • Well location • Timing of drilling • Potential resource extraction conflicts; and • Rehabilitation issues	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there are no overlapping authorisations under the Mining Act or Petroleum Act. Therefore, no cooperation agreement is required.	NT	N/A
Exploration Reporting					
Note	The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the <i>Mining Act 1992</i> and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021,	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were	C	N/A

TABLE A8 – MINING LEASE 1739
COMPLIANCE WITH MINING LEASE 1739

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).	2021-2022, 2022-2023)	outlined in the reports. Various maps and plans were included for interpretation of the report.		
Special Conditions					
Note	The standard conditions apply to all mining leases. The Division of Resources and Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.	Noted	Noted	Note	N/A

Document details	
Document title	Table A9 – Mining Lease 1757
Document subtitle	Compliance with Mining Lease 1757
Project No.	0696311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area. If a notice is made under condition 19b), compliance with condition 1(a) is not required.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Rehabilitation					
2	Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the	C	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			MOP / Forward Program over the audit period as assessed below: - Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. - Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. - Trials with Organic matter compost vs hay mulch vs control no treatment. - Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. - Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. - Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
Mining Operations Plan and Annual Rehabilitation Report					
3a	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and	Mining Operations Plan (MOP)(2020-2023)	Mining in accordance with old MOP (Confirmation from Annual Reviews) and Forward program 2023. Approved September 2023 within 60 days.	C	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566) Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Previous years annual rehab report 20th Sept 2023. Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore the MOP was formatted in accordingly.		
3b	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: - Identifies areas that will be disturbed. - Details the staging of specific mining operations, mining purposes and prospecting. - Identifies how the mine will be managed and rehabilitated to achieve the post mining land use. - Identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or - minimise harm to the environment; and - Reflects the conditions of approval under - The <i>Environmental Planning and Assessment Act 1979</i>. - The <i>Protection of the Environment Operations Act 1997</i>; and - Any other approvals relevant to the development including the conditions of this mining lease.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022. This includes - Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. - MOP Section 1 described the activities in the three-year mining forecast. - MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management , water	C	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the EPL - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP. From the review of the MOP, auditor confirms that the document has presented information required by this condition.		
3c	The MOP must be prepared in accordance with the ESG3: <i>Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Departments website at www.resource.nsw.gov.au/environment	Interview with Environmental Superintendent	Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore the MOP was formatted in accordingly.	C	N/A
3d	The lease holder may apply to the Minister to amend an approval MOP at any time.	Noted	Noted	Note	N/A
3e	It is not a breach of this condition if: i. The operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the <i>Environmental Planning and Assessment Act 1979</i> , the <i>Protection of the Environment Operations Act 1997</i> , the <i>Work Health and Safety (Mines and Petroleum Sites) Act 2013</i> and <i>Work Health and Safety (Mines and Petroleum Sites)</i>	Noted	Noted	Note	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<i>Regulations 2014 or the Work Health and Safety Act 2001; and Work Health and Safety Regulation 2011.</i> i. The Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.				
3f	The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must: i. Provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP; ii. Be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and iii. Be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment Note: The Rehabilitation Report replaces the Annual Environmental Management Report.	Mining Operations Plan (2020-2023)	MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan.	C	N/A
Compliance Report					
4a	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP.	C	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4b	The Compliance Report must include: i. The extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with. ii. Particulars of any non-compliance with any such conditions or provisions, iii. The reasons for any such non-compliance. iv. Any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported that all conditions within the MLs were complied with. No non-compliance to report.	C	N/A
4c	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022)	Auditor reviewed evidence of reports and letters demonstrating satisfaction of the Minister.	C	N/A
4d	In addition to annual lodgement under Condition 4(c) above, a Compliance Report: i. Must accompany any application to renew this mining lease under the Act ii. Must accompany any application to transfer this mining lease under the Act; and iii. Must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	Interview with Environmental Superintendent	This mining lease was last renewed in 2015. This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4e	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	Interview with Environmental Superintendent	The site was not requested to submit compliance reports at any other dates.	NT	N/A
4f	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	Interview with Environmental Superintendent	This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
Environmental Incident Report					
5a	The lease holder must notify the Department of all: i. Breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and ii. Breaches of environmental protection legislation causing or threatening material harm to the environment (and defined in the <i>Protection of the Environment Operations Act 1997</i>), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. Note: Refer to www.resources.nsw.gov.au/environment for notification contact details.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
5b	The lease holder must submit an Environment Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include: i. The details of the mining lease. ii. Contact details for the lease holder.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	iii. A map identifying the location of the incident and where material harm to the environment has or is likely to occur. iv. A description of the nature of the incident or breach likely causes and consequences. v. A timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a). vi. A summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease. Note: The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environment Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.				
5c	In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations under this mining lease.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
Extraction Plan					
6	Not used	Noted	Noted	Note	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Resource Recovery					
7	Not used	Noted	Noted	Note	N/A
Group Security					
8	The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future. The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$113,520,000. The leases covered by the group security include: Mining Lease 1358, 1487, 1548, 1593 and 1655 (Act 1992). This group security is extended to apply to this lease.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A
Cooperation Agreement					
9	The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as: • Access arrangements • Operational interaction procedures • Dispute resolution • Information exchange • Well location • Timing of drilling • Potential resource extraction conflicts; and	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there are no overlapping authorisations under the Mining Act or Petroleum Act. Therefore, no cooperation agreement is required.	NT	N/A

TABLE A9 – MINING LEASE 1757
COMPLIANCE WITH MINING LEASE 1757

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Rehabilitation issues				
Exploration Reporting					
Note	<i>Note: Exploration Reports (Geological and Geophysical).</i> The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the <i>Mining Act 1992</i> and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).	BHP Coal Geoscience Mt Arthur Coal Mine annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps and plans were included for interpretation of the report.	C	N/A
Special Conditions					
Note	The standard conditions apply to all mining leases. The Division of Resources and Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.	Noted	Noted	Note	N/A

Document details	
Document title	Table A10 – Mining Lease 1487
Document subtitle	Compliance with Mining Lease 1487
Project No.	0696311
Date	13 December 2023
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Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Extraction of Coal					
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 <i>Coal Mines Regulations Act 1982</i> and the Regulations thereunder and shall comply with any direction given or which may be given in this regard by the minister.	Site Observation Interview: Site Environmental Superintendent	The auditor observed the rock dump and production area onsite which shows that the site optimises the extraction of coal. Environmental Superintendent advised that no direction related to coal extraction has been given to the site during the audit period.	C	N/A
Mining, Rehabilitation, Environmental Management Process (MREMP)					
Mining Operations Plan (MOP)					
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.	Mining Operations Plan (MOP)(2020-2023), 14/05/2020 MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews). Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2.2	The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.3	A Plan must be lodged with the Director-General: - 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.	Mining Operations Plan (2020-2023)	The notice of approval dated 26 June 2020 shows that the MOP was approved from the date of the approval until 30 June 2023, which covers the entire audit period.	C	N/A
2.4	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 their rehabilitation methods(s) to be used and their sequence. c. areas to be used for disposal of tailings/waste. d. existing proposed surface infrastructure. e. existing flora and fauna on the site. f. progressive rehabilitation schedules. g. areas of environment, ecological and cultural sensitivity and measures to protect these areas. h. water management systems (including erosion and sediment controls) i. proposed resource recovery; and j. where the mine will cease extraction during the	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022. This includes: • Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. • MOP Section 1 described the activities in the three-year mining forecast. • MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan.	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining land use/vegetation		- MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. - MOP Section 1 described the activities in the three-year mining forecast which includes waste management, water management and other environmental management systems. - The mine did not cease extraction during the audit period or during the term of the Plan. Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted in accordingly. The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.		
2.5	The Plan when lodged will be reviewed by the Department.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2.6	The Director-General may within two (2) months of the lodgment of a Plan, require modification and re-lodgment.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.7	If a requirement in accordance with clause (6) is not issued within two (2) months of the lodgment of a Plan, the lease holder may proceed with implementation of the Plan.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
2.8	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.	Mining Operations Plan (2020-2023)	The notice of approval from the Resources Regular confirmed that the Director general approved the MOP.	C	N/A
Annual Environmental Management Report (AEMR)					
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.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022) Annual Review FY21 Annual Review FY22	The auditor reviewed evidence of reports and emails demonstrating satisfaction of the Minister.	C	N/A
3.2a	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	Annual Review FY21 Annual Review FY22	The FY21 and FY21 Annual Reviews reported on the:	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	twelve months in terms of: - the accepted Mining Operations Plan. - development consent requirements and conditions. - Department of Environment and Conservation and Department of Planning licences and approvals. - any other statutory environmental requirements. - details of any variations to environmental approvals applicable to the lease area; and - where relevant, progress towards final rehabilitation objectives.		- statement of compliance against all the approvals (Section 1) within the MOP and the environmental performance (Section 6), - the environmental performance per topic as required by the development consent, EPL and EPBC (Section 6) - Rehabilitation performance is outlined in section 8		
3.3	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A
3.4	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.	Interview with Environmental Superintendent	No notice has been received during the audit period.	NT	N/A

Shafts, Drifts, Adits

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
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.	Site observation	No underground mining is performed onsite, therefore no shafts, drifts or adits onsite.	NT	N/A
Dumps					
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.	Interview with Environmental Superintendent	No direction was given to the site under this condition during the audit period	C	N/A
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.	Interview with Environmental Superintendent	No direction was given to the site under this condition during the audit period	C	N/A
Dust					
17	The lease holder shall take such precautions as are necessary to abate any dust nuisance	Site inspection Monthly Complaint Report (July 2020-July 2023)	The site inspection did not identify any significant visible air pollution generated by the Mt Arthur mine complex. Water trucks were being used for road dust suppression and vehicle speeds were minimised. Watercart fill points were appropriately positioned for efficient access to haul roads. There were times during the IEA period where the site did not effectively prevent visual air pollution effectively, as evident by 10 complaints relating to dust (dates	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			included 30/09/2020, 5/6/2023, 19/2/2021, 7/8/2022, 7/11/2022, 6/4/2021, 13/4/2021, 21/6/2021, 13/3/2023, 30/10/2021). All complaints were investigated and actioned. It was observed that the air quality management systems in place at MAC are consistent with best practice at open cut coal mines in NSW. These systems include a combination of visual triggers, off-site air quality monitoring, alerts, and a trigger action response plan. Approved management plans have been developed and implemented, as observed during the site inspection. There is evidence of training to operators.		
Management and Rehabilitation of Lands (General)					
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.	Noted	Noted	Note	N/A
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.	Interview: Site Environmental Superintendent	No instructions were given to the site under this condition during the audit period.	NT	N/A
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	Interview: Site Environmental Superintendent	No instructions were given to the site under this condition during the audit period.	NT	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	effect of operations on any such structures, buildings and pipelines.				
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.	Interview: Site Environmental Superintendent	No instructions were given to the site under this condition during the audit period.	NT	N/A
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.	Mining Operations Plan (2020-2023) Site observation	The lease area was still in operation during the audit period. Rehabilitation was conducted in accordance to the plan outlined in the MOP and Rehabilitation Management Plan (RMP)	NT	N/A
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.	Interview: Site Environmental Superintendent	No instructions were given to the site under this condition during the audit period.	NT	N/A
24	The lease holder shall take all precautions against causing outbreak of fire on the subject area	Spontaneous Combustion Control Program MAC-ENC-PRG-002	No incident of fire was reported within the audit period. Spontaneous combustion is currently managed under the Spontaneous Combustion Control Program (dated 23 June 2023).	C	N/A
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	(Details outlined in Appendix A2) Annual Return 2021-2022	The auditor reviewed the evidence and inspected the site with reference to the EPL as described in Appendix A2. During the time period that this version of the ML is valid, the site had two incidents of non-compliance	NC (Duplicate with EPL L1.1)	Duplicate NC. Refer to conditions of EPL (L1.1).

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.	Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	under the EPL related to water pollution: - The site reported a non-compliance on this condition. The mine water dam was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken at four chosen locations which the site determined that the impact was negligible. - Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under EPL condition R3. Environmental Superintendent advised that these events did not		

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			trigger any Notices and Cautions from the EPA.		
Blasting					
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.	Monitoring Data (July 2020 - September 2023) Site observations	The auditor reviewed the monitoring data from blasting and observed a sample of monitoring equipment while onsite. The noise and vibration monitoring and controls were identified to be generally in accordance with the standard and EPL conditions.	C	N/A
26 (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 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.	Annual Return (2021-2022) Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled "REF-NO-14683 Report to NSW EPA 28/07/2022" Blast Master Spreadsheet	The auditor reviewed blast monitoring summary records reported at the end of each reporting period. The ground vibration peak particle velocity from blasting operations recorded did not exceed 5 mm/s for more than 5% of the total number of blasts during each reporting period, as follows: - 2019-2020: Point 7, 8, 10 – 0.0%, Point 9 – 0.5% - 2020-2021: Point 7, 8, 10 – 0.0%, Point 9 – 2.5% - 2021-2022: 1.31% - 2022-2023: 0.0% The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.	C	N/A
26 (b)	Blast Overpressure	Annual Return (2021-2022)	The site reported a non-compliance under this condition in the Annual	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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.	Monitoring Data (July 2020 - September 2023) Interview with site Environmental team Reporting receipt from DPE and EPA (dated 26 July 2022) Email titled "REF-NO-14683 Report to NSW EPA 28/07/2022" Blast Master Spreadsheet	Return 2021-2022. An overpressure exceedance of 120.6dB (Lin Peak) was recorded at Point 8 on 26 July 2022. The site reported to the DPE and EPA on the same day. The EPA acknowledged the report on 28 July and did not follow up with other responses. MAC conducted an investigation that determined the total time of the delay sequence, it can be clearly seen that the exceedance level of 120.56dBL recorded at the Sheppard Ave monitor was recorded outside of the airblast arrival time and was due to wind gust interference on the recorded air pressure. It was not due to the airblast overpressure from the blast itself. The investigation showed that the airblast overpressure levels would have been below the criteria of 120dBL based on scaling analysis. The auditor reviewed the monitoring record and found a record of exceedance on 16 July 2021 at 122.9dB. The site environmental team advised that that was due to an error in the data published on the website. The record should be 117.7 dBL (as observed in the Blast Master spreadsheet). Site environmental team advised that the website data has been updated.		

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			The auditor noted that EPA Point 9 was replaced by Point 25 (BP09B) from the EPL in April 2022.		
Trees (Planting and Protection of) Flora and Fauna and arboreal screens					
27	If so, directed by the Minister, the lease holder shall ensure that operations are carried out in such manner to minimise disturbance to flora and fauna within the subject area.	Interview: Site Environmental Superintendent	The Environmental Superintendent advised that all clearing is due to direct obstructs or prevents the carrying on operations.	C	N/A
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.	Interview with Environmental Superintendent Site observation	The auditor observed arboreal screens was implemented onsite as required during the site visit. No notices or requests by the Minister was given to the site under this condition during the audit period.	C	N/A
Soil Erosion					
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.	Site observation Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22 Erosion and Sediment Control Plan	The auditor reviewed the site incident records and Annual Reviews. No incidents were identified in relation to soil erosion. The site was observed to be maintained to not cause or aggravate soil erosion. No direction was given to the site under this condition during the audit period. Soil erosion is currently managed under the Erosion and Sediment Control Plan (dated 3 December 2021).	C	N/A
Roads					

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
31	The lease holder shall pay to Muswellbrook 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 and Water Conservation or the Chief Executive, Roads and Traffic Authority 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.	Funding Deed (28 January 2015) Tax invoice for roads maintenance from Muswellbrook Shire Council (2020,2021,2022) Notification of Practical Completion Edderton Rd Stages 1 and 2 (27 October 2021)	The site signed a deed with the Musellbrook Shire Council in 2015 that the site will pay refundable contribution and additional contribution to the Council for the Thomas Mitchell Drive upgrade and the Council will repay the refundable Contribution to the site. The Site also provided tax invoices which shows that the site has been attributing to the maintenance. The site also provided the Notification of Practical Completion Edderton Rd Stages 1 and 2 to Muswellbrook Shire Council for review which shows that the site has completed the work to practical completion according to the Edderton Road Realignment Deed in July 2018.	C	N/A
32	In the event of operations being conducted on the surface of any road, track or firetail 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.	Note	Noted	Note	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Catchment Areas					
33a	Operations shall be carried out in such a way as not to cause any pollution of the Hunter River Catchment Area.	Annual Return 2021-2022 Interview with Environmental Principal and Superintendent Email from DPE titled "Mt Arthur Coal - Open Cut Extension (MP09_0062) Water Discharge", dated 22 April 2022 Email chain titled "EPL 11457 - Request for Incident Report" dated 6 and 11 June 2021	The site reported a non-compliance on this condition. A mine water dam (SW23 Export Sediment Dam) was found overflowing into a culvert and draining offsite towards Ramrod Creek on 8 March 2022. The water collected in the dam was from surrounding catchment including coal export area, roads, and a clean catchment zone. The event was caused by a high amount of rain (141mm) in the week leading up to the event. Sampling was undertaken which determined that the impact was negligible. The Email from the DPE acknowledged the site has reported the incident to the EPA. Site Environmental team advised that the site did not receive any correspondences from the EPA. Environmental Superintendent also advised that there was a pipeline break incident on 5 June 2021. EPA investigations show that the mine water discharge reached Hunter River the next day. The EPA requested a written report under condition R3.	NC (duplicate NC, EPL L1.1)	Ensure the onsite water dam has sufficient capacity when heavy rain events are predicted. Ensure pipeline and other water infrastructure onsite are in good conditions to prevent any unplanned discharge and overflows.

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
33b	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 do so.	Note	Noted	Note	N/A
33c	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.	Note	Noted	Note	N/A
Transmission Line, Communication Lines and Pipelines					
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.	Interview: Site Environmental Superintendent Drill and Blast Design Standard (MAC-PRD-STD-014)	The auditor sighted the Drill and Blast Design Standard while onsite. Appendix 1 of the Standard listed the air blast overpressure and ground vibration limits of the following infrastructures: - Denman Road Telstra and Ausgrid Public Infrastructure - Edderton Road and Thomas Mitchell Drive Telstra Public Infrastructure - Substations - Transgrid 500kV Transmission Line - Ausgrid 11kV, 66kV and 132kV Transmission Line The limits of these infrastructure on blast are higher than that listed in	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			condition 15 of this licence and the EPL. The Environmental Superintendent advised that the site has signed agreement with the utility companies to ensure the site operations do not interfere the stability or efficiency of their infrastructure. He also advised that the site did not receive and complaint from the utility companies and maintain a good relationship with them.		
Aboriginal Place of Relic					
43	The lease holder shall not knowingly destroy, deface or damage any aboriginal place or relic 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.	Interview with Environmental Superintendent Aboriginal Heritage Management Plan	Environmental Superintendent advised that no distortion or damage was reported within the lease area within the audit period. This condition is managed under the Aboriginal Heritage Management Plan (Dated 24 February 2022)	C	N/A
Labour/Expenditure					
44	The lease holder shall during each year of the term of the authority: a. ensure that at least 141 workers are efficiently employed on the subject area: or b. expend on operations carried out while prospecting or mining the subject area, an amount of not less than \$2,467,500.00. 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	Annual Review FY21 Annual Review FY22 Site observations	Annual Reviews reported that more than 800 permanent and fixed term employees and more than 1000 contractors on a full-time basis are employed onsite. From the site observation and review of production output from annual reviews, it is expected the site will	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	authority has effect, increase or decrease the amount of expenditure or labour required.		meet the expenditure amount stated in the condition. Site Environmental Superintendent advised that the site did not receive any request to change the amount of expenditure or labour required.		
Additional information					
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 e. with the subject area; and information regarding shareholdings in the lease holder.	Interview with Environmental Superintendent	No direction was given to the site under this condition during the audit period	NT	N/A
Service of Notices					
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	ML 1487	This condition was not triggered during the audit period.	NT	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	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 whether the authority includes the surface and shall contain an adequate plan and description of the subject area.				
Inspectors					
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: - to cease operations within the subject area in contravention of that condition or Act; and - 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.	Interview with Environmental Superintendent	No notices were given to the site under this condition within the audit period.	NT	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	c. A notice referred to in his condition may be served on the Colliery Manager.				
Indemnities					
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 which the lease holder may be licensed or compelled to do hereunder.	Noted	Noted	Note	N/A
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	Noted	Note	N/A
Prospecting (General)					
50a	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	N/A	This condition was not triggered during the audit period.	NT	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	rehabilitation of the area affected by such operations.				
50b	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.	N/A	This condition was not triggered during the audit period.	NT	N/A
Security Deposit					
51	a. The lease holder shall, upon request by the Director General, lodge with the Minister the sum of \$50,000 (Fifty thousand dollars), as security for the fulfillment of the obligations of the lease holder under this authority. In the event that the lease holder fails to fulfill any of the lease holder's obligations under this authority 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 fulfill the lease holder's obligations under this authority, if the lease holder fails to comply with any condition or provision of this authority, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision of this authority or of any provision of the Act or regulations made thereunder. b. The lease holder must provide the security required by sub-clause (a) hereof in one of the following forms:- i. cash, or ii. a security certificate in such form and given by such surety as may from time to time be approved by the Minister.	Notification of assessment of security deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December 2021	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A

TABLE A10 – MINING LEASE 1487
COMPLIANCE WITH MINING LEASE 1487

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	c. The Minister may at any time after the commencement of this authority or any renewal hereof, vary the amount of security required in accordance with this condition.				
Royalty Additional Rate					
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.	Royalty online services summary (for period July 2020-June 2023)	The online records show the royalty amount for each lease.	C	N/A
Additional Conditions					
55	The lease holder will supply coal to Macquarie Generation in accordance with Macquarie Generation Contract No 41, or any mutually agreed variations to that contract.	Interview with Environmental Superintendent	Macquarie Generation consisted of the Liddel Power station and Bayswater Power station. Liddle Power Station has ceased operation. Environmental Superintendent advised that the site continue supply coal to Bayswater Power station as required.	C	N/A
56	Prior to commencement of mining operations, the lease holder shall prepare a Spontaneous Combustion Management Plan to the satisfaction of the Director General.	Spontaneous Combustion Control Program MAC-ENC-PRG-002	This condition was not triggered during the audit period. The site has a current Management Plan dated 23 June 2023.	NT	N/A
57	As required in the tender document issued in March 1977, the lease holder is required to pay a grant fee of \$5,000,000.00 (Five million dollars) upon the grant of a mining lease. This fee is to be paid within 28 days of the granting of the lease.	N/A	This condition was not triggered during the audit period.	NT	N/A

Document details	
Document title	Table A12 – Mining Purpose Lease 263
Document subtitle	Compliance with Mining Purpose Lease 263
Project No.	069311
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee
Client Name	Hunter Valley Energy Coal Pty Ltd

NOTE: Compliance table period from 7 October 2020 to 1 July 2022

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Conditions of Authority (ML) (2004)					
Notice to Landholders					
1.	Within a period of three months from the date of grant/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 granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice. 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 granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area. If a notice is made under condition 19b), compliance with condition 1(a) is not required.	Interview with Environmental Superintendent	Not related to this audit period	NT	N/A
Rehabilitation					
2	Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	Interview: Site Environmental Superintendent Site observation	Site inspection assessed the structure of rehabilitation process as follows: Multi-year contract adequately resourced with machinery and staff. Three civils in-house responsible, Robsons project managers, engineers 20/30 staff plus staff contractors. The site has been progressively rehabilitated in accordance with the	NT	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			MOP / Forward Program over the audit period as assessed below: 1. Current structure of rehabilitation management within a large dedicated team. Led by BHP steam with long term contracts with Robsons, covering all aspects of rehab from stripping to soil placement including direct placement. 2. Re-working areas VD5 given poor tree establishment twice including scalping and re-seeding. 3. Trials with Organic matter compost vs hay mulch vs control no treatment. 4. Topsoil being dumped close to re-spread areas that are shaped and ready for finalisation. 5. Competent rock is being sourced for drainage lines, through dedicated blasting and crushing techniques to produce suitable grades. 6. Thinning program continuing on VD1 within dense treed areas. Recent lifts above VD1 have shown initial success, within last 3 years.		
Mining Operations Plan and Annual Rehabilitation Report					
3a	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and	Mining Operations Plan (2020-2023), 14/05/2020	Disturbance activities were conducted in accordance with MOP (Confirmation from Annual Reviews).	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	MOP (2020-2023) Notice of Approval (ref: MAAG0007113 LETT0004566), 26/06/2020 Interview with Environmental Superintendent Annual Review FY21 Annual Review FY22	Environmental Superintendent also advised that the site volunteered to trial the new format of forward program and Rehabilitation Management Plan (RMP) prior to the legislation change. Therefore, the MOP was formatted accordingly.		
3b	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: i. Identifies areas that will be disturbed. ii. Details the staging of specific mining operations, mining purposes and prospecting. iii. Identifies how the mine will be managed and rehabilitated to achieve the post mining land use. iv. Identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or v. minimise harm to the environment; and vi. Reflects the conditions of approval under • The <i>Environmental Planning and Assessment Act 1979</i>. • The <i>Protection of the Environment Operations Act 1997</i>; and • Any other approvals relevant to the development including the conditions of this mining lease.	Mining Operations Plan (2020-2023)	MOP (2020-2023) covers the schedule and diagrams of rehabilitation and disturbance until the end of MOP on 1 July 2022 (when the Standard Conditions replaced these). This includes: • Areas being disturbed in each financial year described by Plan 2A-2C, including active mining area, rehabilitation, overburden emplacement area. • MOP Section 1 described the activities in the three-year mining forecast. • MOP Section 2 described the three-year rehabilitation forecast, with details in the Rehabilitation Management Plan. • MOP Section 1 described the activities in the three-year mining	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			forecast which includes waste management, water management and other environmental management systems. - The RMP listed the rehabilitation objectives with reference to the PA and EPL. - The notice of approval from the Resources Regular confirmed that the Director general approved the MOP. From the review of the MOP, the auditor confirms that the document has presented information required by this condition.		
3c	The MOP must be prepared in accordance with the ESG3: <i>Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Departments website at www.resource.nsw.gov.au/environment	Noted	Noted	Note	N/A
3d	The lease holder may apply to the Minister to amend an approval MOP at any time.	Noted	Noted	Note	N/A
3e	It is not a breach of this condition if: i. The operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the <i>Environmental Planning and Assessment Act 1979</i>, the <i>Protection of the Environment Operations Act 1997</i>, the <i>Work Health and Safety (Mines and Petroleum Sites) Act 2013</i> and <i>Work Health and Safety (Mines and Petroleum Sites) Regulations 2014</i> or the <i>Work Health and Safety Act 2001</i>; and <i>Work Health and Safety Regulation 2011</i>.	Noted	Noted	Note	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	i. The Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.				
3f	The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must: i. Provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP; ii. Be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and iii. Be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment Note: The Rehabilitation Report replaces the Annual Environmental Management Report.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP. Section 8 of both Annual Reviews reported on the progress of the rehabilitation, which includes reporting on completion criteria	C	N/A
Compliance Report					
4a	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported against compliance with all the approvals within the MOP.	C	N/A
4b	The Compliance Report must include: i. The extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with. ii. Particulars of any non-compliance with any such conditions or provisions,	Annual Review FY21 Annual Review FY22	Both FY21 and FY22 Annual Reviews reported that all conditions within the MLs were complied with. No non-compliance to report.	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	iii. The reasons for any such non-compliance. iv. Any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.				
4c	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	Resource Regulator FY21 AEMR receive confirmation email (12 October 2021) DPE 2022 Annual Review resubmission receive confirmation email (17 November 2022)	The auditor reviewed evidence of reports and letters demonstrating satisfaction of the Minister.	C	N/A
4d	In addition to annual lodgement under Condition 4(c) above, a Compliance Report: i. Must accompany any application to renew this mining lease under the Act ii. Must accompany any application to transfer this mining lease under the Act; and iii. Must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	Interview with Environmental Superintendent	This mining lease was last renewed in 2015. This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
4e	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	Interview with Environmental Superintendent	The site was not requested to submit compliance reports at any other dates.	NT	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4f	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	Interview with Environmental Superintendent	This licence was not renewed, transfer or cancelled during the audit period.	NT	N/A
Environmental Incident Report					
5a	The lease holder must notify the Department of all: i. Breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and ii. Breaches of environmental protection legislation causing or threatening material harm to the environment (and defined in the <i>Protection of the Environment Operations Act 1997</i>), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. Note: Refer to www.resources.nsw.gov.au/environment for notification contact details.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
5b	The lease holder must submit an Environment Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include: i. The details of the mining lease. ii. Contact details for the lease holder. iii. A map identifying the location of the incident and where material harm to the environment has or is likely to occur.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	iv. A description of the nature of the incident or breach likely causes and consequences. v. A timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a). vi. A summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease. Note: The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environment Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.				
5c	In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations under this mining lease.	Interview with Environmental Superintendent	No incidents within the lease area triggered notification during the audit period.	C	N/A
Subsidence Management					
6	The lease holder must not commence or undertake underground mining operations that may cause subsidence of the surface other than in accordance with an Eligible Subsidence Management Plan approved by the Director-General.	Noted	Noted	Note	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	For the purposes Of this Condition, an 'Eligible Subsidence Management Plan' means: i. A Subsidence Management Plan prepared in accordance with current government guidelines for the preparation of Subsidence Management Plans; or ii. Those pans of an Extraction Plan or another type of plan: • prepared, either in whole or in part, with reference to current government guidelines for the preparation of a Subsidence Management Plan; and • approved for the purposes of the Environmental Planning and Assessment Act 1979 (or any planning legislation which replaces that Act) by the Minister or Director-General of the Department of Planning & Infrastructure, Or another officer of that Department authorised to approve such a plan , which relate to issues of subsidence.				
Resource Recovery					
7	The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.	Site Observation Interview: Site Environmental Superintendent	The auditor observed the rock dump and production area onsite which shows that the site optimises the recovery of minerals.	C	N/A
Group Security					
8	The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations Of	Notification of assessment of security	The auditor reviewed the required securities, variations of assessments across the audit period and deeds of security.	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	all or any kind under the mining lease that may arise in the future. The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$25,296,672. The leases covered by the group security include: Consolidated Coal Lease No.744, Coal Lease No.396 and Mining Purposes Lease No.263 (Act 1973).	deposit (Assessed Deposit) Dated 24 September 2020 Deed of Security Deposit Bond Dated 5 November 2020, 15 December			
Cooperation Agreement					
9	The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as: • Access arrangements • Operational interaction procedures • Dispute resolution • Information exchange • Well location • Timing of drilling • Potential resource extraction conflicts; and • Rehabilitation issues	Interview: Site Environmental Superintendent	Environmental Superintendent advised that there are no overlapping authorisations under the Mining Act or Petroleum Act. Therefore, no cooperation agreement is required.	NT	N/A
Exploration Reporting					
Note	<i>Note: Exploration Reports (Geological and Geophysical).</i> The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the <i>Mining Act 1992</i> and in accordance with clause 57 of the Mining Regulation 2010.	BHP Coal Geoscience Mt Arthur Coal Mine Annual Group Exploration Report (2020-2021, 2021-2022, 2022-2023)	The Annual Group Exploration Report covers the exploration for 10 mining leases of the site. The details of the explorations conducted during the reporting period and the explorations planned for the next period were outlined in the reports. Various maps	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).		and plans were included for interpretation of the report.		
Special Conditions					
Note	The standard conditions apply to all mining leases. The Division of Resources and Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.	Noted	Noted	Note	N/A
Prescribed Dam					
10.	a) Notwithstanding any Mining Operations Plan, the lease holder must not mine within any of the lease area which is within the notification area of the Bayswater Main Dam and Mt Arthur Tailings Storage Facility without the prior written approval of the Minister and subject to any conditions stipulated. b) Where the lease holder desires to mine within the notification area he or she must: i. at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and ii. provide such information as the Minister may direct. c) The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with. This sub-paragraph is complied with if: i. the Dams Safety Committee as constituted by Section 7 of the Dams	Interview with Environmental Superintendent	No mining operations were conducted within the specified area.	C	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Safety Act 1978 and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (b). ii. the notifications referred to in clause (a) are accompanied by a description or plan Of the area to be mined. iii. the Director-General has complied with any reasonable request made by the Dams Safety Committee or the owner of the dam for further information in connection with the mining proposal. iv. the Dams Safety Committee has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and v. where the Dams Safety Committee has made recommendations the approval is in terms that are: - in accordance with those recommendations; or - where the Minister does not accept those recommendations or any of them - in accordance with a determination under sub-paragraph (ii) of this paragraph. vi. Where the Minister does not accept the recommendations of the Dams Safety Committee or where the Dams Safety Committee has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam: - as determined by agreement between the Minister and the Minister				

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	administering the Dams Safety Act 1978, or - in the event of failure to reach such agreement - as determined by the Premier. d) The Minister, on notice from the Dams Safety Committee, may at any time or times: i. cancel any approval given where a notice pursuant to Section 18 of the Dams Safety Act 1978 is given. ii. suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.				
Special Condition					
11.	a) In the event that the lease holder does not purchase the lands occupied by the Denman-Singleton Pastures Protection Board as an alternative Travelling Stock Reserve, being part Lot 700, Parish of Brougham, County of Durham as shown on plan of Sub-division, Certificates of Title Volume 10800 Folio 226 and Volume 6984 Folio 34, the lease holder shall, at its own expense and within such time as may be specified by the Minister, provide an alternative Travelling Stock Reserve in a position and to a standard approved by the Minister and the lease holder shall comply with any further direction given by the Minister regarding an alternative Traveling Stock Reserve. b) Notwithstanding that the lease holder may have complied with the provisions of paragraph (a) of this condition, the lease holder shall not, except with the approval of the Minister first had and obtained and subject to such conditions as he may	Noted	Noted	Note	N/A

TABLE A12 – MINING PURPOSE LEASE 263
COMPLIANCE WITH MINING PURPOSE LEASE 263

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	impose, carry out any operations within any lands occupied by the Denman-Singleton Pastures Protection Board as an alternative Travelling Stock Reserve, within the subject area.				

Document details	
Document title	Table A12 –Mining Leases Standard Conditions
Document subtitle	Compliance with Mining Leases Standard Conditions – ML1358, ML1487, ML1548, ML1593, ML1655, ML1739, ML1757, CCL744 and MPL263.
Project No.	0692336
Date	13 December 2023
Version	Final V1.0
Author	Andrew Lewis, Leanne Lee, Clayton Richards
Client Name	Hunter Valley Energy Coal Pty Ltd

- NOTE 1 - Compliance table period from 2 July 2022 to 5 October 2023.
- NOTE 2 – Project Mining Leases are assessed against the Standard Conditions (Mining Regulation 2016, Schedule 8A, Part 2) together as the Mt Arthur Project - ML1358, ML1487, ML1548, ML1593, ML1655, ML1739, ML1757, CCL744 and MPL263.

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
SCHEDULE B – Standard Conditions					
DIVISION1 – PROTECTION OF THE ENVIRONMENT AND REHABILITATION					
4	Must prevent or minimise harm to environment (1) The holder of a mining lease must take all reasonable measures to prevent, or if that is not reasonably practicable, to minimise, harm to the environment caused by activities under the mining lease. (2) In this clause— harm to the environment has the same meaning as in the Protection of the Environment Operations Act 1997.	This audit	Refer to the findings of this audit.	C	N/A
5	Rehabilitation to occur as soon as reasonably practicable after disturbance The holder of a mining lease must rehabilitate land and water in the mining area that is disturbed by activities under the mining lease as soon as reasonably practicable after the disturbance occurs.	Site Observations Annual Reviews FY2021 and 2022	The rehabilitation at the mine is an ongoing process, which based on auditor observations and a review of relevant Annual Reviews from the audit period appears to be being undertaken generally in accordance with the approval rehabilitation strategy; the EA, and the Rehabilitation Management Plan and Forward Program.	C	N/A
6	Rehabilitation must achieve final land use	MAC-ENC-MTP-055 Rehabilitation	Item 1 – Not Triggered until final sign off however	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(1) The holder of a mining lease must ensure that rehabilitation of the mining area achieves the final land use for the mining area. (2) The holder of the mining lease must ensure any planning approval has been obtained that is necessary to enable the holder to comply with subclause (1). (3) The holder of the mining lease must identify and record any reasonably foreseeable hazard that presents a risk to the holder's ability to comply with subclause (1). Note— Clause 7 requires a rehabilitation risk assessment to be conducted whenever a hazard is identified under this subclause. (4) In this clause— final land use for the mining area means the final landform and land uses to be achieved for the mining area— (a) as set out in the rehabilitation objectives statement and rehabilitation completion criteria statement, and (b) for a large mine—as spatially depicted in the final landform and rehabilitation plan, and (c) if the final land use for the mining area is required by a condition of development consent for activities under the mining lease—as stated in the condition. planning approval means— (a) a development consent within the meaning of the Environmental Planning and Assessment Act 1979, or	Management Plan, 21/6/2021 FWP0001018 Forward Program, 24/1/2023 Rehabilitation Management Plan, 06/09/2023 Annual Reviews FY2021 and 2022 PA 09-0062	rehabilitation was noted as on track to achieve final land use commitments, with ongoing management. Item 2 – Planning approval current. Item 3 – Rehabilitation Risk Assessment completed and current.		

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(b) an approval under that Act, Division 5.1.				
DIVISION 2 – RISK ASSESSMENT					
7	Rehabilitation risk assessment (1) The holder of a mining lease must conduct a risk assessment (a rehabilitation risk assessment) that— (a) identifies, assesses and evaluates the risks that need to be addressed to achieve the following in relation to the mining lease— (i) the rehabilitation objectives, (ii) the rehabilitation completion criteria, (iii) for large mines—the final land use as spatially depicted in the final landform and rehabilitation plan, and (b) identifies the measures that need to be implemented to eliminate, minimise or mitigate the risks. (2) The holder of the mining lease must implement the measures identified. (3) The holder of a mining lease must conduct a rehabilitation risk assessment— (a) for a large mine—before preparing a rehabilitation management plan, and (b) for a small mine—before preparing the rehabilitation outcome documents for the mine, and	Site Observations Interviews with Environmental Team Rehabilitation Management Plan, 06/09/2023	Rehabilitation Risk Assessment completed and current. Signed off in the RMP Feb 2022 by Resources Regulator. Sited during Inspection and reviewed. Considered to meet the stated requirements and being implemented as required. Risk Assessment carried out prior to preparation of RMP as per (a) – large mine (Mt Arthur is classed as large mine) and will update as required as per (c) and (d).	C	N/A

No	Assessment Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	(c) whenever a hazard is identified under clause 6(3)—as soon as reasonably practicable after it is identified, and (d) whenever given a written direction to do so by the Secretary.				

DIVISION 3 – REHABILITATION DOCUMENTS

8	Application of Division This Division does not apply to a mining lease unless— (a) the security deposit required under the mining lease is greater than the minimum deposit prescribed under the Act, section 261BF in relation to that type of mining lease, or (b) the Secretary gives a written direction to the holder of the mining lease that this Division, or a provision of this Division, applies to the mining lease.	Security deposit calculations	Security deposits required under the mining leases are greater than minimum deposits prescribed under the Act, section 261BF. Therefore, the Division (for Rehabilitation documents) applies.	C	N/A
9	General requirements for documents A document required to be prepared under this Division must— (a) be in a form approved by the Secretary, and Note— The approved forms are available on the Department's website. (b) include any matter required to be included by the form,	Rehabilitation Management Plan, 06/09/2023 FWP0001018 Forward Program, 24/1/2023 Rehabilitation Outcome Documents	Documents observed to be in required format and submitted as required.	C	N/A

	and (c) if required to be given to the Secretary—be given in a way approved by the Secretary.	submitted via online portal			
10	Rehabilitation management plans for large mines (1) The holder of a mining lease relating to a large mine must prepare a plan (a <i>rehabilitation management plan</i>) for the mining lease that includes the following— (a) a description of how the holder proposes to manage all aspects of the rehabilitation of the mining area, (b) a description of the steps and actions the holder proposes to take to comply with the conditions of the mining lease that relate to rehabilitation, (c) a summary of rehabilitation risk assessments conducted by the holder, (d) the risk control measures identified in the rehabilitation risk assessments, (e) the rehabilitation outcome documents for the mining lease, (f) a statement of the performance outcomes for the matters addressed by the rehabilitation outcome documents and the ways in which those outcomes are to be measured and monitored. (2) If a rehabilitation outcome document has not been approved by the Secretary, the holder of the mining lease must include a proposed version of the document. (3) A rehabilitation management plan is not required to be given to the Secretary for approval. (4) The holder of the mining lease—	Rehabilitation Management Plan, 06/09/2023 FWP0001018 Forward Program, 24/1/2023 Rehabilitation Outcome Documents submitted via online portal	(1) Rehabilitation Management Plan covers the current listed requirements for (a) to (f). (2) MAC prepared a proposed version of the Rehabilitation Management Plan prior to submitting rehabilitation outcome documents for approval by the Secretary. Approval from the Secretary of the rehabilitation outcome documents has not yet been issued. (3) Noted (4) MAC is implementing the matters set out in the Rehabilitation Management Plan and Forward Program as per (a) and (b).	C	N/A

	(a) must implement the matters set out in the rehabilitation management plan, and (b) if the forward program specifies timeframes for the implementation of the matters—must implement the matters within those timeframes.				
11	Amendment of rehabilitation management plans The holder of a mining lease must amend the rehabilitation management plan for the mining lease as follows— (a) to substitute the proposed version of a rehabilitation outcome document with the version approved by the Secretary—within 30 days after the document is approved, (b) as a consequence of an amendment made under clause 14 to a rehabilitation outcome document—within 30 days after the amendment is made, (c) to reflect any changes to the risk control measures in the prepared plan that are identified in a rehabilitation risk assessment—as soon as practicable after the rehabilitation risk assessment is conducted, (d) whenever given a written direction to do so by the Secretary—in accordance with the direction.	Rehabilitation Management Plan, 06/09/2023 Interviews with Environmental Superintendent and Environmental Principle	(a) Not Triggered as rehabilitation outcome documents not yet approved by Secretary. (b) NT as no amendment made under Condition 14. (c) NT as MAC stated, no changes to risk control measures within audit period. (d) NT as not been directed to do so by Secretary.	NT	N/A
12	Rehabilitation outcome documents (1) The holder of a mining lease must prepare the following documents (the rehabilitation outcome documents) for the mining lease and give them to the Secretary for approval— (a) the rehabilitation objectives statement, which sets out the rehabilitation objectives required to achieve the final land use for the mining area, (b) the rehabilitation completion criteria statement, which	Rehabilitation Management Plan, 06/09/2023 Rehabilitation Objectives Statement (Submitted online)	(1a) Rehabilitation objectives statement was submitted online which sets out rehabilitation objectives. Not yet approved (at time of audit) by Secretary (1b) Not Triggered – Rehabilitation completion criteria statement not yet	C	N/A

	sets out criteria, the completion of which will demonstrate the achievement of the rehabilitation objectives, (c) for a large mine, the final landform and rehabilitation plan, showing a spatial depiction of the final land use. (2) If the final land use for the mining area is required by a condition of development consent for activities under the mining lease, the holder of the mining lease must ensure the rehabilitation outcome documents are consistent with that condition.		required as first need objectives statement to be approved by Secretary. (1c) included in RMP and submitted via online portal. (2) Final land use is consistent with conditions of development consent with spatial data submitted.		
13	Forward program and annual rehabilitation report (1) The holder of a mining lease must prepare a program (a forward program) for the mining lease that includes the following— (a) a schedule of mining activities for the mining area for the next 3 years, (b) a summary of the spatial progression of rehabilitation through its various phases for the next 3 years, (c) a requirement that the rehabilitation of land and water disturbed by mining activities under the mining lease must occur as soon as reasonably practicable after the disturbance occurs. (2) The holder of a mining lease must prepare a report (an annual rehabilitation report) for the mining lease that includes— (a) a description of the rehabilitation undertaken over the annual reporting period, (b) a report demonstrating the progress made through the phases of rehabilitation provided for in the forward program applying to the reporting period,	FWP0001018 Forward Program, 24/1/2023 Interview with Site Environmental Superintendent	(1) Forward Program includes 3-year schedule for mining activities (a), a summary of spatial progression for phases in the 3-year period (b) and the requirement for rehabilitation to occur as soon as reasonably practicable (c). (2) Annual Rehabilitation Report – date for first reporting period not reached during audit period. (3) Rehabilitation Outcome Document not yet approved by the Secretary so MAC relying upon proposed version. (4) Forward Program submitted to Secretary via online portal. (5) Noted.	C	N/A

	(c) a report demonstrating progress made towards the achievement of the following— (i) the objectives set out in the rehabilitation objectives statement, (ii) the criteria set out in the rehabilitation completion criteria statement, (iii) for large mines—the final land use as spatially depicted in the final landform and rehabilitation plan. (3) If a rehabilitation outcome document has not been approved by the Secretary, the holder of the mining lease must rely on a proposed version of the document. (4) The holder of the mining lease must give the forward program and annual rehabilitation report to the Secretary. (5) In this clause— annual reporting period means each period of 12 months commencing on— (a) the date on which the mining lease is granted, or (b) if the Secretary approves another date in relation to the mining lease—the other date.				
14	Amendment of rehabilitation outcome documents and forward program (1) This clause applies to— (a) a rehabilitation outcome document if it has been approved by the Secretary, and (b) a forward program if it has been given to the Secretary. (2) The holder of a mining lease must not amend a document to which this clause applies that relates to the	Interview with Site Environmental Superintendent	MAC stated it has not amended rehabilitation outcome documents within the audit period – still awaiting feedback on original submission from the Secretary. MAC stated it has not amended the approved	NT	N/A

	mining lease unless— (a) the Secretary gives the holder a written direction to do so, or (b) the Secretary, on written application by the holder, gives a written approval of the amendment. (3) The holder of the mining lease must amend the document in accordance with the Secretary's direction or approval. (4) Nothing in this clause prevents the holder of a mining lease preparing a draft amendment for submission to the Secretary for approval.		Forward Program during the audit period.		
15	Times at which documents must be prepared and given (1) The holder of a mining lease must do the following before the end of the initial period— (a) prepare a rehabilitation management plan, and (b) prepare rehabilitation outcome documents and give them, other than the rehabilitation completion criteria statement, to the Secretary for approval, and (c) prepare a forward program and give it to the Secretary. (2) The holder of the mining lease must prepare a forward program and annual rehabilitation report and give them to the Secretary before— (a) 60 days after the last day of each annual reporting period, commencing with the annual reporting period in which the forward program was given to Secretary under subclause (1)(c), or (b) a later date approved by the Secretary. (3) A rehabilitation completion criteria statement relating to	Rehabilitation Management Plan, 06/09/2023 FWP0001018 Forward Program, 24/1/2023 Rehabilitation Outcome Documents submitted via online portal	(1a) A proposed Rehabilitation Management Plan has been prepared as required. b) Rehabilitation outcome documents have been prepared and submitted to Secretary for approval. At this stage this comprises a rehabilitation objectives statement only. Once that is approved MAC will need to submit the rehabilitation completion criteria statement. c) Prepared Forward Program and submitted to Secretary. (2) Forward Program prepared and submitted within stated period.	C	N/A

completion of rehabilitation during a period covered by a forward program must be given to the Secretary for approval when the forward program is required to be given to the Secretary. (4) The holder of the mining lease must prepare updated rehabilitation outcome documents for the mining lease and give them to the Secretary for approval before— (a) 60 days after a development consent is modified following an application referred to in clause 20(1)(b), or (b) a later date approved by the Secretary. (5) A rehabilitation completion criteria statement is not required to be given to the Secretary under subclause (4) unless a rehabilitation completion criteria statement has already been given to the Secretary under subclause (3). (6) The Secretary may, by written notice, direct the holder of a mining lease to prepare, or give to the Secretary, a document required to be prepared under this Division at a time other than that specified in this clause. (7) The holder of the mining lease must comply with the direction. (8) In this clause— initial period means the period commencing when the mining lease is granted and ending— (a) 30 days, or other period approved by the Secretary, after this Division first applies to the mining lease, or (b) if this Division applies to the mining lease because of an increase in the required security deposit— (i) when the surface of the mining area is disturbed by activities under the mining lease, or		(3) Not yet triggered. Rehabilitation completion criteria to be submitted once Rehabilitation Objectives Statement is approved. (4-8) Noted		
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	(ii) at a later date approved by the Secretary.				
16	Certain documents to be publicly available (1) This clause applies to the following documents— (a) a rehabilitation management plan, (b) a forward program, (c) an annual rehabilitation report. (2) The holder of a mining lease must make a document to which this clause applies publicly available by— (a) publishing it on its website in a prominent position, or (b) if the holder does not have a website— providing a copy of it to a person— (i) on the written request of a person, and (ii) without charge, and (iii) within 14 days after the request is received. (3) If a document is published on the website of the holder of the mining lease, the holder must ensure that it is published— (a) for a rehabilitation management plan—within 14 days after it is prepared or amended, or (b) for a forward program or an annual rehabilitation report—within 14 days after it is given to the Secretary or amended, (4) Personal information within the meaning of the Privacy and Personal Information Protection Act 1998 is not required to be included in a document made available to a person under this clause.	Interviews with Site Environmental Superintendent and Principal Company Website – Regulatory information	The required information currently available at the time of the audit site visit was noted to be publicly available on the company website, regulatory information page.	C	N/A

DIVISION 4 – RECORDS, REPORTING AND NOTIFICATIONS

17	Records demonstrating compliance The holder of a mining lease must create and maintain records of all actions taken that demonstrate compliance with each of the conditions set out in this Part. Note— The Act, sections 163D and 163E provide for the form in which records must be kept and the period for which they must be retained.	Annual Reviews MAC Internal Business and Compliance Management Software Interviews with Site Environmental Superintendent and Principal	Internal business and compliance management software are used for creating and maintaining records of actions to demonstrate compliance. Compliance status is reported through Annual Reviews. The auditor reviewed the business and compliance management action records that demonstrate compliance during the audit.	C	N/A
18	Report on non-compliance (1)The holder of a mining lease must provide the Minister with a written report detailing any non-compliance with— (a)a condition of the mining lease, or Note— The Act, section 364A contains provisions relating to the use and disclosure of information provided under this condition. (b)a requirement of the Act or this Regulation relating to activities under the mining lease. (2)The holder of the mining lease must provide the report within 7 days after becoming aware of the non-compliance.	Interviews with Site Environmental Superintendent and Principal	Site personnel stated no non-compliances during the audit period that this ML with Standard Conditions was in force.	C	N/A

	(3)The holder of the mining lease must ensure the report— (a)identifies the condition of the mining lease, or the requirement of the Act or this Regulation, to which the non-compliance relates, and (b)describes the non-compliance and specifies the date or dates on which, or the period during which, the non-compliance occurred, and (c)describes the causes or likely causes of the non-compliance, and (d) describes the action that has been taken, or will be taken, to mitigate the effects, and to prevent any recurrence, of the non-compliance.				
19	Nominated contact person (1) The holder of a mining lease must nominate a natural person to be the contact person with whom the Secretary can communicate in relation to the mining lease for the purposes of the Act. Note— The Act, section 383 sets out the ways in which notices or other documents may be issued or given to, or served on, a person for the purposes of the Act. (2) The holder of the mining lease must give written notice to the Secretary of— (a) the full name and contact details of the nominated person—within 28 days after the date on which the	Interview with Site Environmental Superintendent	The site Environmental Superintendent (James Nixon) confirmed he is the nominated contact.	C	N/A

	standard conditions apply to the mining lease under clause 31A of this Regulation, and (b) any change in nomination or in the nominated person's contact details—within 28 days after the change occurs. (3) The holder of the mining lease must ensure that the contact details for the nominated person include the person's phone number and postal and email addresses.				
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DIVISION 5 – APPLICATIONS RELATING TO DEVELOPMENT CONSENT

20	Additional requirements—application for or to modify development consent (1) The holder of a mining lease must give written notice to the Secretary within 10 days after— (a) making an application for development consent that relates to the mining area, or (b) making an application for modification of a development consent— (i) under the Environmental Planning and Assessment Act 1979, section 4.55(2), and (ii) that proposes to modify a condition of the consent that relates to rehabilitation of the mining area in a way that may affect an obligation under the mining lease relating to rehabilitation of the mining area. (2) This clause does not apply if the development is State significant development.	PA 09_0062	The Project is a State Significant Development and as per sub-condition 2 this clause does not apply.	N/A	N/A
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GENERAL CONDITIONS

1	1. Notice to Landholders (a) Within 90 days from the date of grant or renewal of this mining lease, the lease holder must give each landholder notice in writing: (i) that this mining lease has been granted or renewed; and (ii) whether the lease includes the surface. The notice must include a plan identifying the lease area and each landholder and individual land parcel within the lease area. (b) If there are ten or more landholders to which notice must be given, the lease holder will be taken to have complied with condition 1(a) if a notice complying with condition 1(a) is published in a newspaper circulating in the region where the lease area is situated.	Interviews with Site Environmental Superintendent and Principal	MAC stated all land within these Mt Arthur Mining Leases is owned by the Mt Arthur operations and / or affiliated companies.	C	N/A
2	Group Security The security deposit to be provided and maintained for this mining lease is part of a group security deposit. The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations under the mining leases covered by the group security deposit, including obligations under each mining lease that may arise in the future. <u>Group Security 1</u> covers leases - CCL744 & MPL263. The amount of the security deposit to be provided as a group security deposit has been assessed at \$62,266,000. <u>Group Security 2</u> covers leases - ML1358, ML1487, ML1548, ML1593, ML1655, ML1739, ML1757.	NSW Resources Regulator Notification of Assessment for security deposits (for both Group 1 & 2) Deeds of Security Deposit Bond (for both Group 1 & 2)	The auditor reviewed NSW Resource Regulator notifications of assessment for the 2 required group securities along with the Deeds of security deposits for both.	C	N/A

	The amount of the security deposit to be provided as a group security deposit has been assessed at \$ 213,158,000.				
3	Cooperation Agreement The lease holder must make every reasonable attempt and be able to demonstrate its attempts to the satisfaction of the Secretary, to enter into a cooperation agreement with the holder(s) of any overlapping authorisations issued under the <i>Mining Act 1992</i> and petroleum titles issued under the <i>Petroleum (Onshore) Act 1991</i>. The cooperation agreement should address but not be limited to: • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues.	Interviews with Site Environmental Superintendent and Principal	MAC advised there are no overlapping tenements requiring cooperation agreements under this condition.	NT	N/A
4	Assessable Prospecting Operations <u>Note:</u> Excludes ML1655, ML1739, ML1757, MPL263 (a) The lease holder must not carry out any assessable prospecting operation on land over which this lease has been granted unless: (i) it is carried out in accordance with any necessary development consent; or (ii) if development consent is not required, the prior written	PA 09_0062	MAC has the required development consent to carry out prospecting operations.	C	N/A

	approval of the Minister has been obtained. (b) The Minister may require the lease holder to provide such information as required to assist the Minister to consider an application for approval. (c) An approval granted by the Minister under this condition may be granted subject to terms. (d) The lease holder must comply with the approval granted to the holder under this condition.				
SPECIAL CONDITIONS - ML1358, ML1487, ML1548, ML1593, ML1655, ML1739, ML1757					
	Nil				
SPECIAL CONDITIONS- CCL744					
	4. Dams Safety – Mining Leases (a) The lease holder must not mine within any part of the lease area which is within the notification area of the Bayswater Main Dam and Mt Arthur Tailings Storage Facility without the prior written approval of the Minister and subject to any conditions the Minister may stipulate. (b) Where the lease holder desires to mine within the notification area, the lease holder must: (i) at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and (ii) provide such information as the Minister may direct. (c) The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i)	Interviews with Site Environmental Superintendent and Principal Site Observations	MAC has not mined in either of these areas during the audit period.	NT	N/A

of this paragraph has been complied with. (i) This sub-paragraph is complied with if: (a) Dams Safety NSW as constituted by section 6 of the Dams Safety Act 2015 and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (b). (b) the notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined. (c) the Secretary has complied with any reasonable request made by Dams Safety NSW or the owner of the dam for further information in connection with the mining proposal. (d) Dams Safety NSW has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and (e) where Dams Safety NSW has made recommendations the approval is in terms that are: - in accordance with those recommendations; or - where the Minister does not accept those recommendations or any of them - in accordance with a determination under sub-paragraph (ii) of this paragraph. (ii) Where the Minister does not accept the recommendations of Dams Safety NSW or where Dams Safety NSW has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam: - as determined by agreement between the Minister and the Minister administering the Dams Safety Act 2015; or - in the event of failure to reach such agreement - as				
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	determined by the Premier. (d) The Minister, on notice from Dams Safety NSW, may at any time or times: (i) cancel any approval given where a notice pursuant to section 19 of the Dams Safety Act 2015 is given. (ii) suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.				
SPECIAL CONDITIONS – CCL744					
	5. Dams Safety – Mining Leases (a) The lease holder must not mine within any part of the lease area which is within the notification area of the Bayswater 2 Main Dam without the prior written approval of the Minister and subject to any conditions the Minister may stipulate. (b) Where the lease holder desires to mine within the notification area, the lease holder must: (i) at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and (ii) provide such information as the Minister may direct. (c) The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with. (i) This sub-paragraph is complied with if: (a) Dams Safety NSW as constituted by section 6 of the Dams Safety Act 2015 and the owner of the dam have been notified in writing of the desire to mine referred to in	Interviews with Site Environmental Superintendent and Principal Site Observations	MAC has not mined in this area within the audit period.	NT	N/A

paragraph (b). (b) the notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined. (c) the Secretary has complied with any reasonable request made by Dams Safety NSW or the owner of the dam for further information in connection with the mining proposal. (d) Dams Safety NSW has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and (e) where Dams Safety NSW has made recommendations, the approval is in terms that are: - in accordance with those recommendations; or - where the Minister does not accept those recommendations or any of them - in accordance with a determination under sub-paragraph (ii) of this paragraph. (ii) Where the Minister does not accept the recommendations of Dams Safety NSW or where Dams Safety NSW has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam: - as determined by agreement between the Minister and the Minister administering the Dams Safety Act 2015; or - in the event of failure to reach such agreement - as determined by the Premier. (d) The Minister, on notice from Dams Safety NSW, may at any time or times: (i) cancel any approval given where a notice pursuant to				
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	section 19 of the Dams Safety Act 2015 is given. (ii) suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.																			
	6. Details of Lands, Purposes and Additional Conditions The lease holder shall be limited to the following purposes and conditions within the specified areas described on the plan annexed hereto and marked "B": <table><tr><th>Column 1 - Areas</th><th>Column 2 - Purposes</th><th>Column 3 - Conditions</th></tr><tr><td>Lands shown by red colour.</td><td>1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.</td><td>Nil</td></tr><tr><td>Lands shown by yellow colour.</td><td>1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.</td><td>Nil</td></tr><tr><td>Lands shown by orange colour.</td><td>1. Constructing, maintaining or using in connection with mining any of the following, namely dam, machinery, road.</td><td>Nil</td></tr><tr><td></td><td>2. Erection, maintenance and use of standards, posts, wires and appliances for the transmission of electricity. 3. Laying, maintaining and using a pipeline in connection with mining.</td><td></td></tr></table>	Column 1 - Areas	Column 2 - Purposes	Column 3 - Conditions	Lands shown by red colour.	1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.	Nil	Lands shown by yellow colour.	1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.	Nil	Lands shown by orange colour.	1. Constructing, maintaining or using in connection with mining any of the following, namely dam, machinery, road.	Nil		2. Erection, maintenance and use of standards, posts, wires and appliances for the transmission of electricity. 3. Laying, maintaining and using a pipeline in connection with mining.		Note	Noted	Note	N/A
Column 1 - Areas	Column 2 - Purposes	Column 3 - Conditions																		
Lands shown by red colour.	1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.	Nil																		
Lands shown by yellow colour.	1. Removal of overburden to give access to any coal. 2. Constructing, maintaining or using in connection with mining any of the following, namely building, road, machinery.	Nil																		
Lands shown by orange colour.	1. Constructing, maintaining or using in connection with mining any of the following, namely dam, machinery, road.	Nil																		
	2. Erection, maintenance and use of standards, posts, wires and appliances for the transmission of electricity. 3. Laying, maintaining and using a pipeline in connection with mining.																			

APPENDIX B AUDIT TEAM ENDORSEMENT

Department of Planning and Environment

Chloe Christensen
Environment Specialist
Mt Arthur Coal / NSW Energy Coal
Wonnarua Country

13/06/2023

Dear Ms Christensen

**Mt Arthur Coal - Open Cut Extension (MP 09_0062)
Auditor Endorsement Request**

I refer to the request (MP09_0062-PA-139) submitted by Hunter Valley Energy Coal Pty Ltd (HVEC) in accordance with Schedule 5 Condition 9 on MP 09_0062 (the approval) for the Planning Secretary's endorsement of suitably qualified, experienced and independent team of experts to prepare the upcoming Independent Environmental Audit (IEA) for the Mt Arthur Coal Open Cut Extension project (MAC).

The Department of Planning and Environment (the department) has reviewed the nominations and information you have provided and is satisfied that these experts are suitably qualified and experienced. Consequently, I can advise that, in accordance with Schedule 5 Condition 9 of the approval and the Independent Audit Post Approval Requirements, the Secretary endorses the following audit team:

- Andrew Lewis – IEA Lead (ERM)
- Leanne Lee – IEA Assistant (ERM)
- Heather McKay – Project Manager (ERM)
- Robert Smith – Technical Oversight (ERM)
- Chris Gimber – Surface Water (ERM)
- Muller Retief – Groundwater (ERM)
- Keshav Dhayam – Blasting and Noise (ERM)
- Clayton Richards – Rehabilitation (Minesoils)
- Shane Lakmaker – Air Quality (Airen Consulting)

Please ensure this correspondence is appended to the IEA report.

The IEA report must be prepared, undertaken and finalised in accordance with the conditions of the consent and the Independent Audit Post Approval Requirements (2020). Failure to meet these requirements will require revision and resubmission.

The department has reviewed HVEC's request to extend the due date of submission of the IEA report to within eight weeks of completion of the audit. In accordance with Schedule 5 Condition 10 of the approval, the department has in this instance determined to extend the due date of the submission of the IEA report to **1 December 2023**.

Should you wish to discuss the matter further, please contact James Epstein, Senior Compliance Officer, on (02) 6575 3419 or email compliance@planning.nsw.gov.au

Department of Planning and Environment



Yours sincerely

A handwritten signature in black ink that reads "H Watters".

Heidi Watters
Team Leader Northern
Compliance

As nominee of the Planning Secretary

APPENDIX C CONSULTATION

From: [Heidi Watters](#)
To: [Andrew Lewis](#)
Subject: Re: Mt Arthur IEA Terms Of Reference for DPE Consultation
Date: Friday, 22 September 2023 8:51:00 AM
Attachments: [image001.png](#)
[Outlook-szs2rckd.png](#)

EXTERNAL MESSAGE

Good morning Andrew

Thank you for consulting with the department on the upcoming IEA of the Mt Arthur coal mine.

The department requests that the upcoming IEA pay particular focus to the following items:

- Implementation of the Air Quality Management Plan, including responses to alarms and complaints
- Implementation of the Blast Management Plan, including the completion of pre-blasting requirements and checklists
- Implementation of the Noise Management Plan, including responses to alarms and complaints
- Implementation of the Water Management Plan, specifically during heavy rainfall events
- Adequacy of measures undertaken at the mine to reduce greenhouse gas emissions

If you would like to discuss further I can be contacted on the details below.

Regards

Heidi Watters
A/Director Compliance

Development Assessment | Department of Planning and Environment
T 02 6575 3401 | **M** 0472 820 374 | **E** heidi.watters@planning.nsw.gov.au
Suite 14, Level 1, 1 Civic Avenue, Singleton NSW 2333
www.dpie.nsw.gov.au



*The Department of Planning and Environment acknowledges that it stands on Aboriginal land.
We acknowledge the traditional custodians of the land and we show our respect for elders past, present and emerging through
thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which
Aboriginal people are included socially, culturally and economically.*

From: andrew.lewis@erm.com <andrew.lewis@erm.com>
Sent: Tuesday, 19 September 2023 9:50 AM

To: Heidi Watters <Heidi.Watters@Planning.nsw.gov.au>
Cc: Christensen, Chloe <chloe.christensen@bhp.com>
Subject: FW: Mt Arthur IEA Terms Of Reference for DPE Consultation

Hi Heidi,

Just a note that in my email below the dates for the site visit are 3rd-4th of October as stated in the ToR.

Regards,

Andrew Lewis
Managing Consultant

ERM

Level 9, 260 Queen St | Brisbane | QLD 4000
T +61 (0) 7 3007 8477 **M** +61 488 166 325
E Andrew.Lewis@erm.com | **W** www.erm.com



From: Andrew Lewis
Sent: Tuesday, September 19, 2023 9:30 AM
To: heidi.watters@planning.nsw.gov.au
Cc: Christensen, Chloe <chloe.christensen@bhp.com>
Subject: Mt Arthur IEA Terms Of Reference for DPE Consultation

Hi Heidi,

I am currently preparing for the Independent Environmental Audit (IEA) on the Conditions of Approval issued to BHP – Hunter Valley Energy, Project Approval 09_0062 for the Mt Arthur project.

One of the requirements of the audit is that it is to be undertaken in consultation with the DPE. To that end, this email invites you to raise any questions or concerns regarding this project from an environmental management aspect.

The attached Terms of Reference outlines the audit process, and also introduces the approved team of suitably qualified, experienced and independent experts who will be undertaking the audit. The site inspection will be undertaken on 02 October 2023 to 04 October 2023, therefore it would be appreciated if there are any concerns, areas of focus etc., they are raised by 25 September 2023.

Also, if there are other relevant agencies that you would like us to consult with, please notify us of which agencies.

I can be contacted at the details outlined below to discuss further.

Kind regards,

Andrew Lewis
Managing Consultant

ERM

Level 9, 260 Queen St | Brisbane | QLD 4000

T +61 (0) 7 3007 8477 **M** +61 488 166 325

E Andrew.Lewis@erm.com | **W** www.erm.com



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APPENDIX D INDEPENDENT AUDIT DECLARATION FORM

Independent Audit Report Declaration Form

Independent Audit Report Declaration Form

Project Name	Mt Arthur Coal Mine
Consent Number	PA_090062
Description of Project	Open cut mine
Project Address	Thomas Mitchell Drive, Muswellbrook NSW 2333
Proponent	Hunter Valley Energy Coal Pty Ltd
Title of Audit	Mt Arthur Coal Mine Independent Environmental Audit 2023
Date	13 December 2023

I declare 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. the audit has been undertaken in accordance with relevant condition(s) of consent and the *Independent Audit Compliance Requirements (Department 2019)*;
- ii. the findings of the audit are reported truthfully, accurately and completely;
- iii. I have exercised due diligence and professional judgement in conducting the audit;
- iv. I have acted professionally, objectively and in an unbiased manner;
- v. I am not related to any proponent, owner or operator of the project neither as an employer, business partner, employee, or by sharing a common employer, having a contractual arrangement outside the audit, or by relationship as spouse, partner, sibling, parent, or child;
- vi. I do not have any pecuniary interest in the audited project, including where there is a reasonable likelihood or expectation of financial gain or loss to me or spouse, partner, sibling, parent, or child;
- vii. neither I nor my employer have provided consultancy services for the audited project that were subject to this audit except as otherwise declared to the Department prior to the audit; and
- viii. I have not accepted, nor intend to accept any inducement, commission, gift or any other benefit (apart from payment for auditing services) from any proponent, owner or operator of the project, their employees or any interested party. I have not knowingly allowed, nor intend to allow my colleagues to do so.

Notes:

- a) Under section 10.6 of the *Environmental Planning and Assessment Act 1979* a person must not include false or misleading information (or provide information for inclusion in) in a report of monitoring data or an audit report produced to the Minister in connection with an audit if the person knows that the information is false or misleading in a material respect. The proponent of an approved project must not fail to include information in (or provide information for inclusion in) a report of monitoring data or an audit report produced to the Minister in connection with an audit if the person knows that the information is materially relevant to the monitoring or audit. The maximum penalty is, in the case of a corporation, \$1 million and for an individual, \$250,000; and
- b) The *Crimes Act 1900* contains other offences relating to false and misleading information: section 307B (giving false or misleading information – maximum penalty 2 years imprisonment or 200 penalty units, or both)

Name of Auditor	Andrew Lewis
Signature	
Qualification	BSc – Environmental Science
Company	Environmental Resources Management - ERM
Company Address	Level 9, 260 Queen St, Brisbane, QLD 4000

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