

10 November 2023

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**Re: Confirmation of Approvals Pathway for Proposed Modification 2 to Russell Vale Colliery
Development Consent MP 09_0013**

Dear Jessie,

Following commencement of approved mining operations at Russell Vale Colliery under MP 09_0013 Wollongong Resources Pty Ltd. (WRPL) (formerly Wollongong Coal Limited (WCL)) have undertaken a detailed review of the approved Underground Expansion Project (UEP) mine plans and identified areas where mine plan revisions and refinements are required to the alignment of the approved workings in order to improve the efficiency of mining operations and access additional coal resources.

The proposed modification involves a realignment of the approved bord and pillar panels in the north-western and south-eastern portion of the Russell Vale UEP Mine Plan, and small changes to the length and width of the approved panels as well as additional mining in the south-west (new Mains) and to the north (PC26, PC26a, PC27 and PC27a) representing an increase in mining area of about 10%. The additional workings in the south-west of the mine plan will extend into a mining lease (CCL 768) currently held by South32. WRPL is negotiating terms for access to this area of the mining lease. If suitable terms cannot be arranged, WRPL would access the south-western panels through PC08 (consistent with current approvals) and would not mine the additional panels which extend into the separate mining lease.

The revision also includes additional workings in the south-east to connect panels 1 to 8 (also referred to Place Changes (PC) 1 to 8) and provide improved accessibility to these panels by avoiding the Dyke Intrusion (D8) which runs through the mining area (refer **Figure 1**).

The changes in panel alignment and sizing and the additional panels will result in an increase in total resource extracted from 3.7 Mt to 5.5 Mt and extend the approved mine life by 18 months to 31 March 2028. It is also proposed to seek an increase in production rate from 1.2 Mtpa to 1.8 Mtpa of Run of Mine (ROM) coal to facilitate mining at an accelerated rate. There will be no change to maximum hourly truck movements however this maximum rate may be met more frequently due to the increased production rate.

In summary, the proposed modification comprises:

- realignment and refinement of approved bord and pillar areas with additional workings
- additional bord and pillar workings to access additional coal reserves
- subject to commercial arrangements with South32, mining of additional coal reserves within part of CCL 768
- extension to the approved mine life by 18 months (until 31 March 2028)
- an increase in the total resource extracted from 3.7 Mt of ROM coal to 5.5 Mt of ROM coal
- an increase in peak annual extraction rate from 1.2 Mtpa to 1.8 Mtpa of ROM coal
- processing of up to 1.8 Mtpa of ROM coal
- increase in workforce to approximately 360 full-time equivalent employees and contractors
- relocation of approved product stockpile adjacent to the approved Coal Processing Plant (CPP) and truck load out area with a capacity of 8,000 t
- consolidation of existing approved stockpiling capacity within the ROM Coal Stockpile and Handling Area, with no change to the overall stockpiling capacity (i.e., up to 45,500 t, including temporary stockpiles).

A comparison between the approved development under MP 09_0013 and the Proposed Modification is provided in **Table 1**.

Table 1 Summary of Proposed Modification

Aspect	Approved UEP Project – MP 09_0013	Proposed Modification
Mine Life	5 years (to September 2026)	6.5 years (to 31 March 2028)
Total Resource	3.7 Mt of ROM coal	5.5 Mt of ROM coal
Maximum Annual Extraction Rate	1.2 Mt of ROM coal per year; 1 Mt of product coal per year	Extract and process up to 1.8 Mtpa ROM coal
Land	As described in Appendix 1 of MP09_0013	No change
Mining Method	Long-Term Stable Bord and Pillar Workings (plus extraction of final 25 metres of LW6)	No change
Mine Plan	As shown in Appendix 2 of MP09_0013	Realignment and refinement of approved bord and pillar areas, with additional workings (see Figure 1). Additional bord and pillar workings proximal to approved activities (see Figure 1).
Surface Infrastructure	The surface infrastructure area (referred to as the Pit Top), as shown in Appendix 2 of MP09_0013	Minor layout changes to location of product stockpile, rejects stockpile, truck loading bin and some realigned conveyors to facilitate access to the CPP.
Coal Handling and Processing	Coal is transported from underground workings via conveyor to the surface where it is screened and delivered to the ROM stockpile located at the Pit Top. Some ROM coal is transferred by conveyor to the coal processing plant (CPP) which will remove rejects through a dry separation process.	No change

Aspect	Approved UEP Project – MP 09_0013	Proposed Modification
Stockpiling	<p>The Pit Top operates three coal stockpiles:</p> <ul style="list-style-type: none"> • ROM Stockpile (approximately 30,000 t capacity) • Product Stockpile (approximately 14,000 t capacity) • Temporary Rejects Stockpile (approximately 1,500 t capacity) 	<p>No increase in overall stockpiling capacity (i.e., up to 45,500 t capacity).</p> <p>Two stockpiles adjacent to the CPP:</p> <ul style="list-style-type: none"> • product stockpile (8,000 t) • temporary rejects stockpile (1,500 t) (no change from existing). <p>Remaining capacity (i.e., 36,000 t) stockpiled within ROM Coal Stockpile and Handling Area.</p>
Product Transportation	Coal (ROM or Product Coal) is transported by truck to Port Kembla Coal Terminal (PKCT).	<p>No change as part of Modification 2.</p> <p>A separate Modification is currently seeking approval for the transport of coal from the PKCT to Illawarra Coal's Dendrobium CPP via private roads.</p>
Operating hours	<p>Underground operations, including the primary sizer building, decline conveyor and tripper system located at the surface:</p> <ul style="list-style-type: none"> • 24 hours a day, 7 days a week <p>Other surface facilities:</p> <ul style="list-style-type: none"> • Monday to Friday: 7 am to 6 pm • Saturday: 8 am to 6 pm 	No change
Transportation hours	<p>Maximum of 17 laden trucks leaving the site per hour between:</p> <ul style="list-style-type: none"> • Monday to Friday: 7 am to 6 pm • Saturday: 8 am to 6 pm <p>No transportation is permitted on Sundays or Public Holidays</p>	No change
Mine Waste	Coarse rejects from the processing plant were proposed to be trucked off site and used as fill (if it meets requirements for virgin excavated natural material [VENM]), or stockpiled for emplacement underground, or used for rehabilitation of the site.	<p>Coarse rejects that meet the requirement for ENM or NSW EPA Resource Recovery Order/Exemption may also be trucked off site and used as fill.</p> <p>No other changes to management of mine waste.</p>
Rehabilitation	Progressive rehabilitation over the life of the project, with surface facilities rehabilitated following the completion of mining.	No change
Workforce Numbers	Operating workforce of approximately 205 employees and contractors	Increase to approximately 360 full time equivalent employees and contractors.

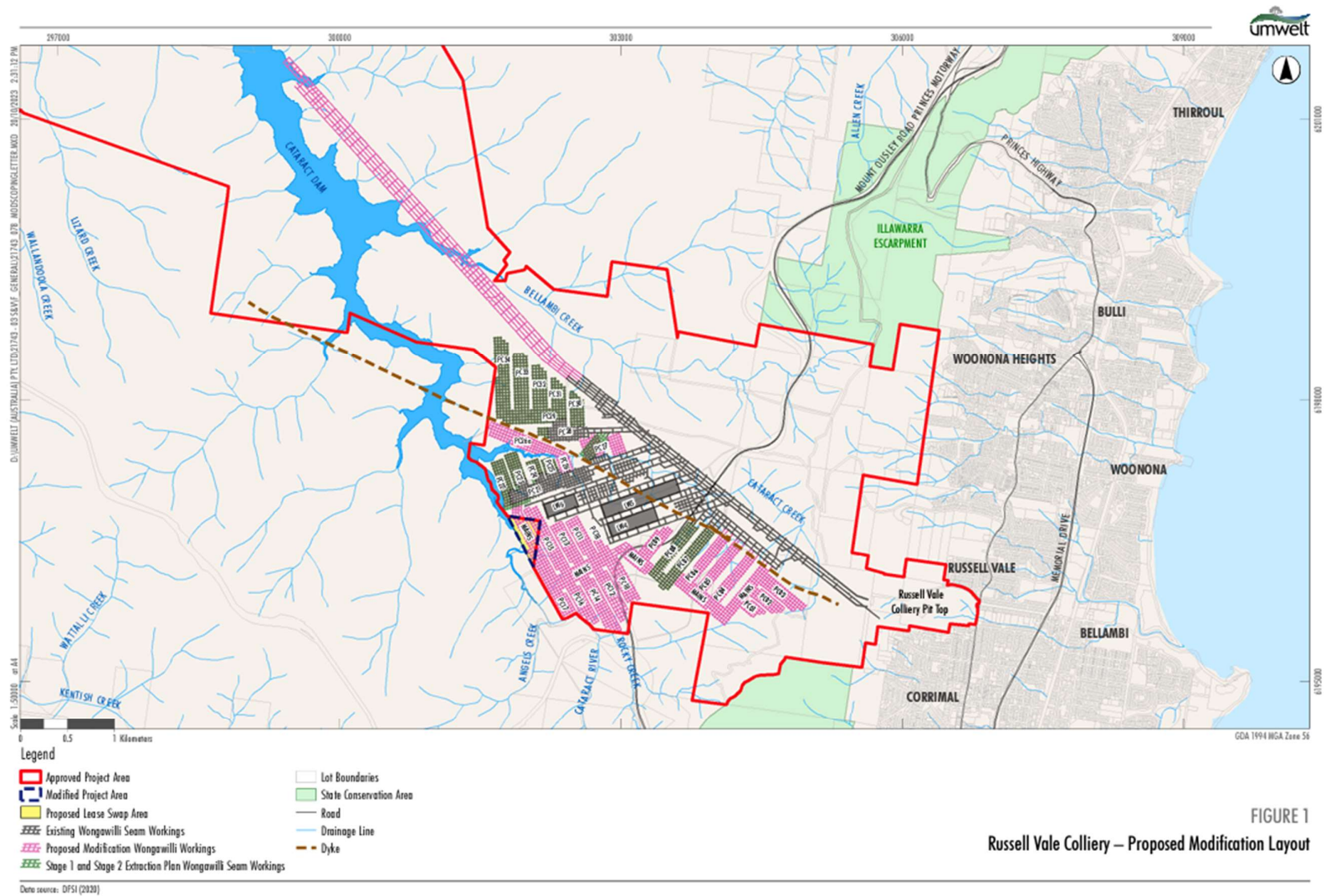


Figure 1 Proposed Modification Layout

To facilitate this, it is proposed to modify the Russell Vale Colliery Development Consent (MP 09_0013) in accordance with the *Environmental Planning & Assessment Act 1979* (EP&A Act) Part 4, Section 4.55(2). Modifications sought under Section 4.55(2) must be substantially the same development for which the original consent was granted and must result in minimal impacts.

The proposed modification to MP 09_0013 is considered to be suitable for assessment under Section 4.55(2) as:

- The overall nature of the development as originally approved remains unchanged. All other aspects of the operation i.e., types of products, hours of operation, mining method, and coal transportation arrangements remain unchanged by the proposed modification
- The modified mine plan remains within the general footprint of the area originally assessed and approved and the additional mining in the south-west (new Mains) and to the north (PC26, PC26a, PC27 and PC27a) represents an increase in mining area of only about 10%
- Minimal changes to the arrangement of surface facilities (retaining two stockpiles adjacent to the CPP and relocating the remaining approved permanent stockpile capacity to the ROM Coal Stockpile and Handling Area (further from sensitive receivers), with no change to the overall stockpiling capacity), and
- No change to maximum hourly truck movements (however this maximum rate may be met more frequently due to the increased tonnages).

To support the modification application under Section 4.55(2) WRPL have engaged Umwelt Australia Pty Limited (Umwelt) to prepare a Modification Report to assess the environmental impacts of the modification. The modification report will be prepared in accordance with the Environmental Planning & Assessment Regulations and *SSD Guidelines – preparing a modification report* (DPIE, 2022). As relevant to the scope of the proposed modification WRPL and Umwelt have reviewed key aspects of the proposed modification to identify potential impacts.

In this regard to consider and assess the potential impacts of the proposed Modification, the following specialist studies have been scoped and commissioned for inclusion in the modification report.

Quantitative Assessments:

- Subsidence
- Groundwater
- Surface Water (including recalibrating the site water balance)
- Noise (surface operations and traffic)
- Air Quality (surface operations) including Greenhouse Gas and Energy
- Traffic and Transport

Qualitative Assessments:

- Biodiversity
- Aboriginal Cultural Heritage
- Historic Heritage
- Economics

Peer Reviews:

- Subsidence
- Groundwater

The proposed modification is predicted to have minimal environmental impacts and this will be confirmed following the completion of the relevant assessments as part of the Modification Report.

WRPL have also completed a pre-referral meeting with the Commonwealth Department of Climate Change, Energy, Environment, and Water (DCCEEW) to brief them on the proposed modification. Following this meeting, DCCEEW have advised WRPL that the modification will need to be referred under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). If the modification is determined to be a Controlled Action under the EPBC Act, then WRPL will be seeking DPE's acceptance that the modification can be assessed under the bilateral agreement between the Commonwealth and NSW Governments.

Following review of the above it would be appreciated if DPE could respond to WRPL to:

- confirm that Section 4.55(2) is the appropriate approval pathway for the proposed modification
- advise of any further assessment requirements in addition to the proposed assessment approach outlined above, and
- confirm that, if the referral under the EPBC Act is deemed to be a Controlled Action by DCCEEW, the modification can be assessed by the bilateral agreement under the EP&A Act.

Should you wish to discuss any aspects of this letter or require any further information please do not hesitate to contact the undersigned.

Yours sincerely

WOLLONGONG RESOURCES PTY LTD

Dianne Jolley

Dianne Jolley
Manager Environment, Community and Sustainability