

SHENHUA WATERMARK COAL PTY LTD
368-370 Conadilly Street
GUNNDAH NSW 2380
Attn: SHENHUA WATERMARK COAL PTY LTD

Dear SHENHUA WATERMARK COAL PTY LTD

Watermark Coal Mine SSD-4975, Shenhua Watermark Coal Pty Ltd, Rehabilitation Management Plan

We refer to your Rehabilitation Management Plan (RMP) for Shenhua Watermark Coal Pty Ltd's (Shenhua) Watermark Coal Mine that was received by the Resources Regulator within the NSW Department of Regional New South Wales (Regulator) on 22 April 2020 (MAAG0006804). The RMP was submitted to the Regulator pursuant to the requirements of SSD-4975, Schedule 3, Condition 55.

The Regulator has determined that the RMP generally satisfies the requirements of Schedule 3, Condition 55 of the development consent (SSD-4975).

Shenhua has outlined that the RMP has also been submitted in accordance with requirements of the anticipated mining lease(s) conditions. The Regulator notes at the time of submission and assessment of the RMP that there is no mining lease nor has there been a mining lease application submitted by Shenhua for the project. As such, this letter does not represent an approval of a RMP under the *Mining Act 1992*.

The RMP has been prepared generally in accordance with the Regulator's *Consultation Draft Code of Practice: Rehabilitation Management Plan for Large Mines (July 2018)*. The Regulator notes that this guideline is draft only and does not reflect current requirements under the *Mining Act 1992*. As such, a RMP will need to be prepared in accordance with the requirements of the *Mining Act 1992* should a mining lease be granted for the project. The current guideline for satisfying the requirements of the RMP condition is the *Mining Operations Plan (MOP) Guidelines* available on the Regulator's website: https://www.resourcesregulator.nsw.gov.au/_data/assets/pdf_file/0009/475434/ESG3-Mining-Operations-Plan-MOP-Guidelines-September-2013.pdf

Following the grant of a mining lease, it is recommended that Shenhua consult with the Regulator as part of the preparation of a RMP (or equivalent) document under the provisions of the *Mining Act 1992* prior to carrying out any significant surface disturbing activities, including mining operations and ancillary mining activities. Based on the Regulator's review of the RMP submitted in accordance with the development consent, the following issues will need to be addressed.

1. Provide further information in regards to risks to achieving sustainable rehabilitation outcomes, including:

- a. Control measures for hydrocarbon contamination - Further specificity in relation to definition of 'small spills' as well as proposing control measures for 'large spills'.
 - b. Control measures for geochemical hazards, potentially acid forming material (PAF) and spontaneous combustion are currently administrative in nature - Further justification will need to be provided to demonstrate that the handling, treatment and encapsulating strategies will be adequate to ensure effective rehabilitation outcomes.
 - c. Control measures for instability of highwalls and lowwalls - further justification will be required to demonstrate that these features will be stable in the long term as part of the final landform.
2. Further development and refinement of the Rehabilitation Objectives and Completion Criteria in consideration of baseline monitoring as well as characteristics of target Plant Community Types including ecosystem resilience and sustainability attributes.
 3. Table 21 Soil Balance for Land Capability Targets - confirm that the soil balance accounts for the rehabilitation of the infrastructure areas, rail loop and access roads
 4. Section 7.2 Rehabilitation Validation Methodologies - further detail on roles and responsibilities; salvage of biological resources other than soils; management of materials potentially prone to PAF and spontaneous combustion; and processes to ensure that buildings that are to be retained are fit for purpose for the intended final land use.
 5. Section 8 Rehabilitation Monitoring - further details on monitoring to be undertaken for areas to be returned to pasture as well as the inspection program to be implemented following disturbance events such as intense rainfall, drought, fire etc.
 6. Section 9.2 Analogue Sites - further information is required to validate the suitability of analogue sites (for example, consideration of topography etc), the number of analogue sites to be developed per vegetative type and frequency of monitoring.
 7. Table 37 Trigger Action Response Plan (TARP) - expand program to cover the range of risks that may impact on the ability to achieve sustainable rehabilitation outcomes.

It is noted that Section 6.2.11 Exploration Activities describes that exploration areas where mining is to imminently occur will not be rehabilitated whilst areas that are 'a considerable time away' from mining will be temporarily rehabilitated. The Regulator reminds Shenhua that any explorations activities including rehabilitation must be undertaken in accordance with the conditions of the exploration licence (EL 7332) and any associated activity approvals.

If you require additional information, please contact the Resources Regulator on 1300 814 609 (Option 2, then 5), or via email at nswresourcesregulator@service-now.com.

Yours sincerely,

Peter Ainsworth
Manager Environmental Operations

**Mining Act Inspectorate
Resources Regulator**

14 May 2020

Other copies provided by email to: John Trotter