OUT14/23237



Mr Thomas Watt Planner Offer Mining Project Department of Planning & Environment GPO Box 39 SYDNEY NSW 2001

Dear Mr Watt

Duralie Coal Mine Modification 2 (08_0203 MOD 2)

I refer to your email dated 14 July 2014 regarding Duralie Coal Pty Ltd's application to modify its existing Duralie Coal Mine consent to increase the maximum depth of the Clareval pit, increase the extent of surface development of the mine and associated relocation of the upstream diversion to the west of the Clareval pit, revising the mining sequence in the Clareval and Weismantel pits and increasing the height of the waste emplacement by approximately 25m.

NSW Trade & Investment, Regional Infrastructure & Services, Division of Resources & Energy (DRE) has reviewed the *Duralie Open Pit Modification Environmental Assessment 2014* (EA)and provides the following comments which are directed at specific areas of DRE responsibility for this proposal.

MINING TITLE

As coal is a prescribed mineral under the *Mining Act 1992*, the proponent is required to hold appropriate mining titles from DRE in order to mine this mineral. DRE understands the proposed mining activities are within Mining Leases 1427 and 1646.

Under the *Mining Act 1992*, mining and rehabilitation are regulated by conditions included in the mining lease, including requirements for the submission of a Mining Operations Plan (MOP) and prior to the commencement of operations, and subsequent Annual Environmental Management Reports (AEMR).

The proponent should be aware that ESG3: Mining Operations Plan (MOP) Guidelines dated September 2013 are available on the DRE website at: http://www.resources.nsw.gov.au/environment/pgf

COAL RESOURCES

Mine development exploration completed by DCPL necessitated a revised geological model to reflect an increased understanding of geological structures within the mine area. Revised geological modelling identified the target Clareval seam up to 70 m deeper than previously modelled. Geological structures associated with coal operations in the Gloucester basin are known to be complex with steep dips and intense fault patterns.

Department of Trade & Investment, Regional Infrastructure & Services Division of Resources and Energy PO Box 344 Hunter Region Mail Centre NSW 2310 516 High St Maitland NSW 2323 Tel: 02 4931 6666 Fax: 02 4931 6776 ABN 72 189 919 072 www.industry.nsw.gov.au After incorporating changes in the geological model, adjustments to pit designs and scheduling were made. These changes resulted in the modification which proposes to reduce low wall angles and increase waste rock emplacement heights necessary to allow for increased overburden removal associated with increased pit depth. A revision of waste rock swell factor also contributes to the proposed increase in waste rock emplacement height.

DRE considers the proposed modification maximises coal resource recovery.

REHABILITATION

Information on rehabilitation provided in the EA is limited to a series of conceptual objectives without demonstrating how they have been incorporated in the design of the Modification.

DRE cannot assess the potential impacts of the Modification until the following information is provided:

- Justification/alternatives to the preferred emplacement arrangement;
- Staged mining and rehabilitation plans (up to 2019);
- Demonstration that the proposed landform of this Modification has been designed to integrate with the surrounding landscape. In particular it must address the following concerns:
 - Final landform plan and cross sections have not been provided at a usable scale, clear topographic contours of the waste emplacements and forecasted slope angles are required to demonstrate DCM commitments to final natural landform;
 - Dump is very geometric in appearance and does not appear to blend in with the existing landform,
 - Final rehabilitated landform Grassland on the pre-existing waste emplacement might not be suitable and sustainable for grazing cattle.

DRE is unable to administer its regulatory functions in accordance with a Mining Operation Plan with the limited mining and rehabilitation plans provided.

DRE is available to meet with the Proponent to assist in developing the above documents for their operation.

Should you have any enquires regarding this matter please contact Julie Moloney, Principal Adviser, Industry Coordination on (02) 4931 6549.

Yours sincerely

Adrian Delany A/Director Industry Coordination

30.7.14