

OUT12/4909
6 March 2012

Mr Stephen O'Donoghue
Senior Planner – Mining Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention Mr Paul Freeman

Dear Mr O'Donoghue

**Tarrawonga Mine Extension Project (11_0047)
Environmental Assessment**

I refer to your letter of the 16 January 2012 regarding the Tarrawonga Coal Pty Limited application to extend open cut mining operations at the Tarrawonga Mine.

NSW Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS), Division of Resources and Energy (DRE) has reviewed the EA for the Tarrawonga Mine Extension Project dated January 2012 and makes the following comments:

MINING TITLE

DRE requires that all mining and mining purpose activities are contained within mining leases for this project. The project is within Mining Lease 1579 and Exploration Licence 5967 held by Whitehaven Coal Mining Pty Limited.

REQUIREMENTS PRIOR TO APPROVAL

DRE requires further information in relation to the following areas:

1. Post Mining Land Use

A discussion of the benefits of the post mining land use to a subsequent landowner, the local community and the state of NSW.

Further discussion of the post mining land use for areas unsuitable for low intensity grazing (e.g. the open cut void) is required, including a discussion of alternative post mining land uses considered for this site.

2. Available rehabilitation resources

Consideration of alternative off site sources of rehabilitation resources (e.g. top soil) should be demonstrated.

3. Rehabilitation Methodology

Detailed justification of rehabilitation methodologies and outcomes are required (e.g. justification of proposed slopes of batters)

CONDITIONS OF CONSENT

The Proponent must prepare and implement a Rehabilitation Plan to the satisfaction of the Deputy Director General of DRE. The Rehabilitation Plan must:

1. Be prepared in accordance with any relevant DRE guidelines and in consultation with relevant agencies and stakeholders;
2. Be submitted and approved by the Deputy Director General of DRE prior to the commencement of mining or mining related activities;
3. Address all aspects of rehabilitation and mine closure, including final land use assessment, rehabilitation objectives, domain objectives, completion criteria and rehabilitation monitoring, in particular:
 - Include an evaluation of end land use options for final void/s
 - Include life of mine tailings management strategy, including an environmental risk assessment in order to demonstrate that the emplacements can be designed, managed and rehabilitated appropriately
 - Describe how rehabilitation will be carried out progressively to the extent that is practicable.

In addition to the above points the following management plans should be incorporated in the final EA:

- Biodiversity Management Plan
- Erosion and Sediment Control Plan

Provision of the management plans for approval must occur before any disturbance of the Leard State Forest outside the existing approval is undertaken.

MINING OPERATIONS PLAN

As per Title conditions, the Proponent will be required to conduct operations in accordance with an accepted Mining Operations Plan (MOP). Accordingly, the proponent is required to seek the approval of DRE for a MOP for the development. The Proponent must not commence mining or mining related activities prior to receiving approval of the MOP from DRE.

In conclusion, DRE notes that the EA generally addresses the DGRs for final land use and final landform commitments.

Conditional upon the above issues being addressed by the Proponent, DRE supports the EA.

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

Yours sincerely


William Hughes
A/Director Minerals Operations


6/3/12