

## Appendix 3

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### COMPLIANCE REVIEWS

PA 05\_0102 (Table A3-1)

EPL 12789 (Table A3-2)

ML 1609 (Table A3-3)

**TABLE A3-1 – PROJECT APPROVAL 05\_0102**

| Condition                                    | Conditional Requirement   | Compliance | Comments   |
|--|---|------------|--|
| <b>Schedule 2: Administrative Conditions</b> |   |            |  |
| 1.   | The Applicant 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 project.   | Yes        | All measures take to reduce impact of operation.   |
| 2.   | The Applicant shall carry out the development generally in accordance with the:<br><br>(a) EA;<br>(b) statement of Commitments (see Appendix 3); and<br>(c) conditions of this approval.  | Yes        | The activities on site were generally being undertaken in accordance with the nominated documents. |
| 3.   | If there is any inconsistency between the above documents, that later document shall prevail to the extent of the inconsistency. However, the conditions of this approval shall prevail to the extent of any inconsistency.   | Yes        | No determined inconsistency.   |
| 4.   | The proponent shall comply with any reasonable and feasible requirements of the Director General arising from the Department's assessment of:<br><br>(a) any reports, plans, programs, strategies or correspondence that are submitted in accordance with the conditions of this approval; and<br><br>(b) the implementation of any actions or measures contained in these reports, plans, programs strategies or correspondence. | Yes        | All requests complied with.  |
| 5.   | Mining Operations may take place on the site for 21 years from the grant of the mining lease for the project.   | Yes        | Mining Lease granted in January 2008.  |
| 6.   | The proponent shall not extract more than 2.5 million tonnes of ROM coal a year from the site.  | Yes        | No coal produced over the Reporting Period.  |
| 7.   | The proponent shall transport all coal from the site by rail.   | N/A        | No coal transported from the site over the Reporting Period.                                       |
| 8.   | With the approval of the Director General, the Proponent may submit any management plan or monitoring program required by this approval on a progressive basis.   | Yes        |  |
| 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 relevant requirements of the BCA.  | Yes        | All buildings on site constructed in accordance with Council certification.                        |

| Condition  | Conditional Requirement  | Compliance | Comments                                       |
|--|--|------------|--|
| 10.  | The proponent shall ensure that all demolition work is carried out in accordance with <i>Australian Standards AS 2601-2001: The Demolition of Structures</i> , or its latest version.  | N/A        | No demolition works required.                  |
| 11.  | The proponent shall ensure that all plant and equipment used on site is:<br><br>(a) maintained in a proper and efficient condition; and<br>(b) operated in a proper and efficient manner.  | Yes        | All equipment used subject to pre-start check. |
| 12.  | Within 12 months of this approval, the Proponent shall enter into a planning agreement with Narrabri Shire Council, Gunnedah Shire Council and the Minister in accordance with:<br><br>(a) Division 6 of Part 4 of the EP&A Act; and<br>(b) the terms of the Proponents offer to the Minister on 7 September 2007, which includes the matters set out in Appendix 4. | Yes        | As per condition.                              |
| <b>Schedule 3: Specific Environmental Conditions</b> |  |            |  |
| 1.   | Within 5 years of the date of this approval, the proponent shall ensure that any loss of water flow into the Great Artesian Basin aquifers (equal to the maximum predicted impact, or the measured impact of the project, whichever is the greater), is managed, licensed or offset to the satisfaction of the DWE.  | N/A        | Not yet triggered                              |
| 2.   | Within 12 months of the commencement of mining operations, the Proponent shall undertake a transient calibration of the groundwater model presented in the EA, in consultation with DWE and DECC, and to the satisfaction of the Director-General.   | N/A        | Mining not yet commenced                       |
| 3.   | Following the completion of the transient calibration of the groundwater model.....  | N/A        | Calibration not yet required.                  |
| 4.   | The proponent must commence construction of the water conditioning plant identified in condition 10(d) when daily mine dewatering volumes exceed 0.88 megalitres, or an alternative trigger point based on review of the water balance and model and established in consultation with DWE and DECC, and approved by the Director General.                            | N/A        | Not yet triggered.                             |

| Condition | Conditional Requirement   | Compliance               | Comments  |
|-----------|---|--------------------------|---|
| 5.        | Except as may be expressly provided for by an EPL, the Proponent shall not discharge any surface waters from the site. However, product water from the water conditioning plant may be transferred to water users in accordance with an approved Water Management Plan.   | Yes                      | Water retained on site and pumped to retention pond in rail loop. No transfer of water to date.   |
| 6.        | The Proponent shall:<br>(a) construct evaporation/storage ponds incorporating the use of low permeability layers to manage minewater generated by the project.<br>(b) prior to commencement of construction, submit pond designs and a construction QA/QC program to DECC; and<br>(c) prior to commissioning the ponds, submit an "as constructed" report, produced by an experienced and qualified engineer, to DECC;<br>to the satisfaction of the Director General.  | Yes<br><br>Yes<br><br>No | Ponds constructed to design criteria as approved by DECC.   |
| 7.        | The proponent shall prepare and implement a Water Management Plan for the project to the satisfaction of the Director General. This plan must be submitted to the Director General for approval prior to the commencement of construction activities (not including the construction of the Kamilaroi Highway intersection) in consultation with DECC and DWE by suitably qualified expert/s whose appointments have been approved by the Director General and include a:<br>(a) site water balance;<br>(b) Erosion and Sediment Control Plan<br>(c) Surface Water Monitoring Program; and<br>(d) Surface and Groundwater Response Plan, setting out procedures for:..... | Yes                      | Director General approved the implementation of a Construction Phase Surface Water Management Plan (CPSWMP) on 20 <sup>th</sup> February 2008 conditional on a full Site Water Management Plan (SWMP) being submitted prior to commencement of mining operations.<br><br>The SWMP for the operational phase was submitted to DECCW, DoP and NOW on the 17 <sup>th</sup> March 2010 and approval is pending. |
| 8.        | The Site Water Balance must....   | Yes                      | As per condition. A site water balance has been included in the SWMP currently awaiting approval.   |
| 9.        | The Erosion and Sediment Control Plan must....  | Yes                      | As per condition. The CPSWMP included erosion and sediment control that has been further developed in the SWMP.   |
| 10.       | The Surface Water Monitoring Plan must....  | Yes                      | As per above – included in the CPSWMP and further enhanced through development of SWMP.   |
| 11.       | The Groundwater monitoring program must.....  | Yes                      | As per above – included in the CPSWMP and further enhanced through development of SWMP.   |

| Condition | Conditional Requirement  | Compliance | Comments  |
|-----------|--|------------|---|
| 12.       | The proponent shall ensure that the noise generated by the project does not exceed the levels set out in Table 1 at any privately owned residence.   | Yes        | No noise exceedances recorded during the Reporting Period.  |
| 13.       | The Proponent shall:<br>(a)implement all reasonable and feasible best practice noise mitigation measures;<br>(b)investigate ways to reduce the noise generated by the project, including off-site road and rail noise and maximum noise levels which may result in sleep disturbance; and<br>(c)report on these investigations and the implementation and effectiveness of these measures in the AEMR; to the satisfaction of the Director General.  | Yes        | Access road sealed. Rail loop and loading point cut below surface level to assist noise reduction. Barn Owl monitor established at boundary of "Claremont" and "Kurrajong" property to assess real time noise levels over monthly period. |
| 14.       | The Proponent shall prepare and implement a Noise Monitoring Program for the project to the satisfaction of the Director-General. This program must:<br>(a)be submitted to the Director-General for approval prior to the commencement of construction activities;<br>(b)be prepared in consultation with the DECC;<br>(c)use attended noise monitoring measures to monitor the performance of the project;<br>(d)include a protocol to establish whether the project is complying with the noise impact assessment criteria in Table 1. | Yes        | Noise monitoring program conducted in accordance with the Noise Monitoring Program approved by DG on 15 <sup>th</sup> January 2008.   |
| 15.       | The proponent shall ensure that the airblast overpressure level from blasting at the project does not exceed the criteria in Table 2 at any residence on privately owned land.   | Yes        | See Section 3.9.2.  |
| 16.       | The proponent shall ensure that the ground vibration level from blasting, or any other activity at the project does not exceed the criteria in Table 3 at any residence on privately owned land.   | Yes        | See Section 3.9.2.  |
| 17.       | The proponent shall only carry out blasting associated with construction activities on site between 10am and 4pm Monday to Friday.   | Yes        | See Section 3.9.2.  |
| 18.       | The proponent may carry out:<br>(a)a maximum of 2 blasts a day associated with construction activities; and<br>(b)5 blasts a week associated with construction activities, average over a 12 month period;<br>on site without the written approval of the Director General.  | Yes        | See Section 3.9.2.  |

| Condition | Conditional Requirement  | Compliance | Comments   |
|-----------|--|------------|--|
| 19.       | Before carrying out any blasting, the Proponent shall advise all landowners within 2km of proposed blasting activities, and any other landowner nominated by the Director-General, that they are entitled to a property inspection.  | Yes        | Letters sent to nominated landholders advising of rights to an inspection, with inspections completed by Kelley Covey Pty Ltd. |
| 20.       | If the proponent receives a written request for a property inspection from any landowner with 2km of proposed blasting activities, or any other landowner nominated by the Director General, the proponent shall within 3 months of receiving this request:<br><br>(a) commission a suitably qualified person, whose appointment has been approved by the Director General, to inspect the condition of any building or structure on the land, and recommend measures to mitigate any potential blasting impacts; and<br><br>(b) give the landowner a copy of this property inspection report. | Yes        | All reports provided to landowners.  |
| 21.       | If any landowner within 2km of proposed blasting activities or any other landowner as nominated by the Director General claims that his/her property, including vibration sensitive infrastructure.....  | N/A        | Not triggered.   |
| 22.       | Prior to the commencement of blasting, the proponent shall prepare and implement a detailed Blasting Monitoring Program for the project to the satisfaction of the Director General.   | Yes        | Blast Monitoring Program approved by DG 15 <sup>th</sup> January 2008.   |
| 23.       | The proponent shall ensure that dust emissions generated by the project does not cause additional exceedances of the criteria listed in Tables 4 to 6 at any residence on privately owned land, or on more than 25% of privately owned land.   | No         | Annual average deposited dust criteria exceeded at ND-1 "Turrabaa" and ND-4 "Matoppo".<br>See AEMR Section 3.1.3 for details.  |
| 24.       | The proponent shall prepare and implement an Air Quality Monitoring Program for the project to the satisfaction of the Director General. This program must:<br><br>(a) be submitted to the Director-General prior to the commencement of construction activities;<br><br>(b) be prepared in consultation with the DECC; and<br><br>(c) use a combination of high volume air samplers and dust deposition gauges to monitor the performance of the project.   | Yes        | Air Quality Monitoring program in place and approved by the DG on 15 <sup>th</sup> January 2008.                               |
| 25.       | During the project, the Proponent shall ensure there is a suitable meteorological station on site that complies with the requirements in <i>Approved Methods for Sampling of Air Pollutants in New South Wales (DECC, 2007)</i> , or its latest version.   | Yes        | Meteorological Station is in place and functioning to required standards specified in the Narrabri EPL.                        |
| 26.       | The proponent shall ensure that the project does not result in subsidence impacts of greater than 20mm vertical subsidence on any land.  | Yes        | No subsidence impacts to date.   |

| Condition | Conditional Requirement   | Compliance | Comments   |
|-----------|---|------------|--|
| 27.       | Six months prior to mining occurring under each privately owned property, the proponent shall notify the relevant landowners of the extent of planned mining operations under their property.   | Yes        | No mining under privately owned property at this stage.                          |
| 28.       | The Proponent shall rehabilitate the site to the satisfaction of the Director General.  | N/A        | Only minor works undertaken to date to pit top area.                             |
| 29.       | The proponent shall prepare and implement a detailed Landscape Management Plan for the site to the satisfaction of the Director-General and DPI. This plan must:<br>(a) be submitted to the Director-General for approval within 12 months of this approval;<br>(b) be prepared by suitably qualified expert/s whose appointment have been endorsed by the Director General;<br>(c) be prepared in consultation with DWE, DECC and NSC; and<br>(d) include a Rehabilitation Management Plan and Mine Closure Plan.  | Yes        | Landscape Management Plan approved in March 2010.                                |
| 30.       | The Rehabilitation Management Plan must.....  | No         | See response to 29 above.  |
| 31.       | The mine closure plan must.....   | No         | See response to 29 above.  |
| 32.       | The proponent shall not destroy any known Aboriginal objects (as defined in the NPWA 1974) without the written approval of the Director General.  | Yes        | No known objects destroyed.  |
| 33.       | The proponent shall prepare and implement an Aboriginal Cultural Heritage Management Plan to the satisfaction of the Director General. This plan must:<br>(a) be submitted to the Director General prior to the commencement of construction activities;<br>(b) be prepared in consultation with DECC and the Narrabri Local Aboriginal Land Council;<br>(c) include a protocol for the ongoing consultation and involvement of Aboriginal communities in the conservation and management of Aboriginal heritage on site;<br>(d) describe the measures that would be implemented to protect Aboriginal sites on site, or if any new Aboriginal objects or skeletal remains are discovered during the project. | Yes        | ACHMP prepared and implemented, approved by DG on 4 <sup>th</sup> February 2008. |

| Condition | Conditional Requirement   | Compliance | Comments  |
|-----------|---|------------|---|
| 34.       | <p>The Proponent shall construct the Kamilaroi Highway intersection in consultation with NSC and to the satisfaction of RTA. This intersection must:</p> <p>(a) be completed, other than for items listed in (c) below, prior to the commencement of construction activities on site;</p> <p>(b) be constructed in accordance with a Traffic Management Plan approved by NSC and RTA;</p> <p>(c) include boom gates, flashing lights and warning bells for the Kurrajong Creek Road level crossing, to the satisfaction of ARTC and NSC;</p> <p>(d) include illumination of the Kurrajong Creek Road level crossing during construction of the intersection;</p> <p>(e) provide a information sign on Kurrajong Creek Road to inform road users of likely delays due to train traffic; and</p> <p>(f) maintain permanent access for the "Bow Hills" quarry.</p> | Yes        | As per condition.   |
| 35.       | <p>Within 12 months of commencement of mining operations, the proponent shall bitumen seal Kurrajong Creek Road for a distance of 7km south of the Kamilaroi Highway intersection, to the satisfaction of the NSC.</p>  | Yes        | Kurrajong Creek Road sealed. Currently seeking final sign-off from NSC (request sent to NSC in February 2010).  |
| 36.       | <p>The proponent shall minimise the visual impacts of the project to the satisfaction of the Director-General.</p>  | Yes        | Pit Top Area managed to reduce visual impact with completed areas rehabilitated to extent practicable.  |
| 37.       | <p>The proponent shall ensure that:</p> <p>(a) no outdoor lights shine above the horizontal; and</p> <p>(b) all external lighting associated with the project complies with <i>Australian Standard AS4282(INT) 1995 – Control of Obtrusive Effects of Outdoor Lighting</i>.</p>   | Yes        | Lighting maintained in accordance with these provisions.  |
| 38.       | <p>The proponent shall prepare and implement an Energy Savings Action Plan for the project to the satisfaction of the Director General. This plan must:</p> <p>(a) be prepared in consultation with DECC;</p> <p>(b) be prepared in accordance with the <i>Guidelines for Energy Savings Action Plans (DEUS, 2005)</i>, or its latest version;</p> <p>(c) be submitted to the Director-General for approval within 3 months of this approval; and</p> <p>(d) include a program to monitor the effectiveness of measures to reduce energy on site.</p>   | Yes        | Energy Savings Action Plan developed and approved by DG on 13 <sup>th</sup> October 2008.   |
| 39.       | <p>The proponent shall implement all reasonable and feasible measures to minimise the greenhouse gas emissions from the underground mining operations to the satisfaction of the Director General.</p>  | Yes        | Gas drainage measures being thoroughly investigated to determine most feasible method to reduce impact. Composition of gas significantly minimizes options. |

| Condition  | Conditional Requirement  | Compliance | Comments   |
|--|--|------------|--|
| 40.  | <p>Prior to carrying out underground coal mining operations, the Proponent shall submit a Greenhouse Gas Minimisation Plan to the Director General. This plan must:</p> <p>(a) identify options for minimizing greenhouse gas emissions from underground mining operations, with a particular focus on capturing and/or using these emissions;</p> <p>(b) investigate the feasibility of implementing each option;</p> <p>(c) propose the measures that would be implemented in the short to medium term on site; and</p> <p>(d) include a research program to inform the continuous improvement of the greenhouse gas minimization measures on site.</p>  | Yes        | Submitted to DG in November 2009 and currently awaiting approval.                  |
| 41.  | <p>The proponent shall prepare and implement a Waste Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be submitted to the Director General for approval prior to commencing construction;</p> <p>(b) identify the various waste streams for the project;</p> <p>(c) describe what measures would be implemented to reuse, recycle or minimize the waste generated by the project;</p> <p>(d) ensure irrigation of treated wastewater is undertaken in accordance with <i>Environmental Guidelines: Use of Effluent by Irrigation (DEC, 2004)</i>, or its latest version; and</p> <p>(e) include a program to monitor the effectiveness of these measures,</p>   | Yes        | Waste Management Plan approved by DG on 15 <sup>th</sup> January 2008.             |
| Schedule 4: Environmental Management, Monitoring, Auditing and Reporting |  |            |  |
| 1.   | <p>The proponent shall prepare and implement and Environmental Management Strategy for the project to the satisfaction of the Director General. This strategy must be submitted to the Director General prior to the commencement of construction activities and:</p> <p>(a) provide the strategic context for environmental management of the project;</p> <p>(b) identify the statutory requirements that apply to the project;</p> <p>(c) describe in general how the environmental performance of the project would be monitored and managed;</p> <p>(d) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> <li>- keep the local community and relevant agencies informed about the operation and environmental performance of the project;</li> <li>- receive, handle, respond to and record complaints;</li> <li>- resolve any disputes that may arise during the course of the project;</li> <li>- respond to any non compliance;</li> <li>- manage cumulative impacts; and</li> <li>- respond to emergencies; and</li> </ul> <p>(e) describe the role, responsibility, authority and accountability of all key personnel in the environmental management of the project.</p> | Yes        | Environmental Management Strategy approved by DG on 15 <sup>th</sup> January 2008. |

| Condition | Conditional Requirement   | Compliance | Comments  |
|-----------|---|------------|---|
| 2.        | The proponent shall prepare and implement an Environmental Monitoring Program for the project to the satisfaction of the Director General. This program must be submitted to the Director General within 6 months of this approval and consolidate the various monitoring requirements in Schedule 3 of this approval into a single document.   | No         | To be submitted during next Reporting Period.   |
| 3.        | As soon as practicable, and in any event within 24 hours of detecting an exceedance of the limits/performance criteria in the approval, or the occurrence of an incident that causes (or may cause) material harm to the environment, the proponent shall notify the Department and other relevant agencies of the exceedance/incident.   | Yes        | All occurrences reported, as required.  |
| 4.        | Within 6 days of notifying the Department and other relevant agencies....   | Yes        | Advice documented as required.  |
| 5.        | <p>Within 12 months of this approval, and annually thereafter, the proponent shall submit an AEMR to the Director General and to all relevant agencies. This report must:</p> <ul style="list-style-type: none"> <li>(a) identify the standards and performance measures that apply to the project;</li> <li>(b) describe works carried out in last 12 months;</li> <li>(c) describe the works that would be carried out in the next 12 months;</li> <li>(d) include a summary of complaints received during the past year, and compare this to complaints from previous years;</li> <li>(e) include a summary of the monitoring results for the project during the past year;</li> <li>(f) include an analysis of these monitoring results against the relevant: <ul style="list-style-type: none"> <li>- impact assessment criteria/limits;</li> <li>- monitoring results from previous years; and</li> <li>- predictions in the EA;</li> </ul> </li> <li>(g) identify any trends in the monitoring results over the life of the project;</li> <li>(h) identify any non-compliance during the previous year; and</li> <li>(i) describe what actions were, or are being taken to ensure compliance.</li> </ul> | Yes        | As per condition.   |
| 6.        | Within 2 years of this approval, and every 3 years thereafter, unless the Director General directs otherwise, the proponent shall commission and pay the full cost of an Independent Environmental Audit of the project   | No         | NCOPL requested in early February 2010 that the Independent Environmental Audit be postponed until 12 months after the commencement of mining (ie. audit due in June 2011). Awaiting advice from DoP. |

| Condition | Conditional Requirement  | Compliance | Comments   |
|-----------|--|------------|--|
| 7.        | Within 6 weeks of completing this audit....  | N/A        | See Condition 4(6) above.                        |
| 8.        | Within 3 months of submitting the audit....  | N/A        | Not yet triggered. See Condition 4(6) above.     |
| 9.        | Within 3 months of this approval, the Proponent shall establish a Community Consultative Committee (CCC) for the project to the satisfaction of the Director-General, in general accordance with the <i>Guideline for Establishing and Operating Community Consultative Committees for Mining Projects (Department of Planning, 2007)</i> or its latest version. | Yes        | CCC established and operating as per guidelines. |
| 10.       | Within 3 months of the approval of any strategy/plan/program required under this approval, or the completion of audits or AEMR's required under this approval, the Proponent shall:<br>(a) provide a copy of the relevant documents to the relevant agencies and CCC; and<br>(b) put a copy of the relevant documents on its website.                            | Yes        | As per requirements.                             |
| 11.       | During the project, the proponent shall:<br>(a) make a summary of monitoring results required under this approval publicly available at the mine and on its website; and<br>(b) update these results on a regular basis (at least every three months)  | Yes        | As per requirements.                             |

**TABLE A3-2**

**Compliance Review – Environment Protection Licence 12789**

| <b>Condition</b> | <b>Conditional Requirement</b>   | <b>Compliance</b> | <b>Comments</b>   |
|------------------|--|-------------------|---|
| A1.1             | Construction of surface infrastructure including but not limited to access roads....   | Yes               | Intersection and access roads completed prior to commencement of mining activity. |
| A1.2             | Carry out Coal Mining not exceeding 3 500 000T   | Yes               | No coal production within Reporting Period.                                       |
| A1.4             | The licensee must not commence scheduled activities on the premises without prior approval from DECC.  | Yes               | As per condition.   |
| P1.1             | Comply with monitoring/ discharge points and areas. Setting of limits for the emission of pollutants.  | Yes               | Monitoring of all dust sampling points undertaken throughout term.                |
| P2.1             | Comply with weather monitoring.  | Yes               | Weather station in place and logging data.  |
| L1.1             | Comply with Section 120 of the POEO Act 1997 (re water quality)  | Yes               | Discharge from site compliant with criteria. See Section 2.8.3.                   |
| L5.1             | Ensure no waste receipt or disposal at premises, except as permitted by licence  | Yes               | No receipt or disposal of waste at premises.                                      |
| L6.1             | Ensure noise compliance:<br>(a) 35 dB(A) LAeq(15 minute) during the day (7am to 6pm), evening (6pm to 10pm) and night (10pm to 7am) for construction activities.   | Yes               | As per condition.   |
| L6.2             | To determine compliance, measure noise within 30m of noise sensitive residences or receptors.  | Yes               | At all monitoring points except "Kurrajong" as there was no access.               |
| L7.1/2           | Do not exceed blasting overpressure levels:<br><ul style="list-style-type: none"> <li>• 115dB for more than 5% of total number of blasts over 12 months</li> <li>• 120dB at any time</li> </ul>  | N/A               | No blasting during Reporting Period.  |
| L7.4/5           | Do not exceed vibration particle velocity from blasting by:<br>(a) 5mm/s for more than 5% of total blasts during reporting period; and<br>(b) 10mm/s at any time;<br>At any point within 30m of any affected residential boundary or noise sensitive location. | Yes               | See Section 3.9.2.  |
| L7.7             | Carry out blasting between 10:00am-4:00pm Monday to Friday   | Yes               | See Section 3.9.2.  |

| <b>Condition</b> | <b>Conditional Requirement</b>  | <b>Compliance</b> | <b>Comments</b>   |
|------------------|---|-------------------|---|
| L7.8             | Blasting is limited to:<br>a) Maximum two (2) blasts per day<br>b) Five (5) blasts a week   | Yes               | See Section 3.9.2.  |
| O1.1             | Carry out licensed activities in a competent manner, i.e.<br>(a) Processing, handling, movement and storage of materials and substances; &<br>(b) Treatment, storage, processing, reprocessing, transport and disposal of generated waste.                                  | Yes               | All measures undertaken in competent manner   |
| O2.1             | Maintain and operate all plant and equipment at premises in proper and efficient condition.   | Yes               | Adequate maintenance scheduling.  |
| O3.1             | Minimise or prevent emission of dust  | Yes               | Dust lift off kept to minimum.  |
| M1.1             | Record and retain monitoring results required as per this licence.  | Yes               | Monitoring results recorded and retained.   |
| M1.2             | Keep all monitoring records associated with this licence:<br>(a) In a legible form;<br>(b) For at least 4 years; for production to any EPA authorized officer.  | Yes               | As above  |
| M1.3             | (a) Sampling date;<br>(b) Sampling time<br>(c) Sampling location<br>(d) Sample collectors name  | No                | Sample time for deposited dust not recorded during March – June 2009 sampling. This issue has been rectified and sample times are now recorded. |
| M2.1             | Monitor each monitoring point for pollutants as specified in licence  | Yes               | As per condition.   |
| M3.1             | Monitor air pollutants in accordance with the Approved Methods publication or as approved by EPA.   | Yes               | In accordance with guidelines   |
| M4.1             | Keep a legible record of all complaints re pollution arising from licenced activity.  | Yes               | Complaints record held  |
| M4.2             | Keep the following records of complaint.<br>(a) Date and time of complaint<br>(b) Method complaint made<br>(c) Any personal details of complaint<br>(d) Nature of complaint<br>(e) Licensee's action in response, any follow up contact; and<br>(f) If no action-reason why | Yes               | All details recorded.   |

| <b>Condition</b> | <b>Conditional Requirement</b>   | <b>Compliance</b> | <b>Comments</b>                                      |
|------------------|--|-------------------|--|
| M4.3             | Keep records of complaints for 4 years   | Yes               | Complaints retained on site.                         |
| M4.4             | Present records to EPA on request  | Yes               | All records will be provided on request.             |
| M5.1             | Operate telephone complaints line for receipt of complaints from the public  | Yes               | Complaints line operational.                         |
| M5.2             | Notify the public of the complaints telephone line   | Yes               | Complaints line advertised.                          |
| R1.1             | Complete and supply Annual Return to EPA comprising:<br>(a) Statement of Compliance<br>(b) Monitoring & Complaints Summary   | Yes               | Annual Return completed.                             |
| R1.5             | Provide EPA with Annual Return no later than 60 days after end of each reporting period.   | Yes               | Annual Return supplied.                              |
| R1.7             | Retain copy of Annual Return for 4 years.  | Yes               | Annual Return retained.                              |
| R1.8             | Certify the Statement of Compliance within the Annual Return and sign the Monitoring and Complaints Summary by:<br>(a) Licence holder; or<br>(b) Approved person   | Yes               | Return signed by authorised company representatives. |
| R2.1             | Notify EPA of threatening or harmful incidents as soon as practicable by phoning EPA's Pollution Line Service  | Yes               | All incidents will be reported                       |
| R2.2             | Provide written details of the incident to EPA within 7 days of incident   | Yes               | Written details will be supplied.                    |
| R3.1             | Upon an EPA officer suspecting that an event is causing or likely to cause environmental harm:<br>(a) At the premises; or<br>(b) In connection with vehicles or plant associated with the licenced activities;<br>A request may be made for a written report of the event. | Yes               | Any requests for information will be complied with.  |
| R3.2             | The licensee must make all reasonable inquiries in relation to the event and supply the report to the EPA within the time specified  | Yes               | Report will be supplied.                             |

| Condition | Conditional Requirement   | Compliance | Comments   |
|-----------|---|------------|--|
| R3.3      | The report may be required to include: <ul style="list-style-type: none"> <li>(a) Event cause, time and duration;</li> <li>(b) Type, volume and concentration of every pollutant discharged;</li> <li>(c) Contact details of employees or agents of licensee who witnessed event;</li> <li>(d) Contact details of any other persons witnessing the event;</li> <li>(e) The action taken and follow-up action with complainants in relation to event;</li> <li>(f) Mitigation measures proposed to prevent recurrence;</li> <li>(g) Ant other relevant matter</li> </ul> | Yes        | Reporting will supply with required information. |
| R3.4      | EPA may request further details-must be supplied within specified time  | Yes        | Timeframes will be met.                          |
| G1.1      | Retain a copy of this licence at premises to which the licence applies  | Yes        | Licence retained at site office.                 |
| G1.2      | Produce licence to EPA officer on request   | Yes        | Licence available at site office on request      |
| G1.3      | The licence must be available for inspection by any employee or agent of the licensee working at the premises.  | Yes        | As above   |
| E1.1      | Prior to the commissioning of the evaporation and storage ponds, the licensee must provide the DECC Armidale with an "as constructed" report  | No         | As constructed report not yet supplied to DECCW. |

**TABLE A3-3****Compliance Review – ML 1609**

| <b>Condition</b> | <b>Conditional Requirement</b>   | <b>Compliance</b> | <b>Comments</b>   |
|------------------|--|-------------------|---|
| 1                | Within a period of three months from the date of grant/renewal of the lease a notice in writing must be served on each landholder.                                     | Yes               | As per condition.   |
| 2                | All practicable measures to prevent and/or minimise any harm to the environment.   | Yes               | All measures taken to reduce impact.  |
| 3                | Conduct mining operations in accordance with a MOP.  | Yes               | MOP approved with all measures in accordance with MOP.                        |
| 4                | EMR to be lodged with the DG annually.   | Yes               | AEMR supplied annually  |
| 7                | Disturbed land must be rehabilitated to a sustainable/agreed end land use to the satisfaction of the DG.   | Yes               | Areas disturbed on pit top have been rehabilitated to the extent practicable. |
| 8(a)             | Prepare a Subsidence Management Plan prior to commencing any underground mining operations.  | N/A               | To be incorporated in Extraction Management Plan as part of Stage 2 Consent.  |
| 9(a)             | Ensure that at least 212 competent people are efficiently employed on the lease area on each week day except Sunday or Public Holiday; or                              | Yes               | Narrabri Coal satisfies Condition 9(b).                                       |
| 9(b)             | Expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$3,710,000 per annum whilst the lease is in force. | Yes               | Annual expenditure to date exceeds required minimum.                          |
| 11               | Exploration Report to be submitted to the DG each year within 28 days of the anniversary.  | Yes               | Submitted annually  |
| 15 (a)           | Monitor ground vibration generated by any blasting that it does not exceed 10mm/second in more than 5% of the total blasts over a period of 12 months.                 | N/A               | See Section 3.9.2.  |
| 15 (b)           | Overpressure noise level generated by any blast is not to exceed 120 dB (linear) and 115 dB (linear) in more than 5% of the total blasts over a period of 12 months.   | N/A               | See Section 3.9.2.  |
| 16               | Ensure the safety of persons or stock.   | Yes               | Safety measures a priority on site.   |

| <b>Condition</b> | <b>Conditional Requirement</b>   | <b>Compliance</b> | <b>Comments</b>                    |
|------------------|--|-------------------|------------------------------------|
| 17.2             | <p>Exploratory drill holes must satisfy the DG:</p> <ol style="list-style-type: none"> <li>1.Cored holes surveyed</li> <li>2.Cored Holes sealed to prevent collapse</li> <li>3.Drill holes permanently sealed with cement plugs</li> <li>4.If drill hole meets natural or noxious gases it is plugged or sealed.</li> <li>5.If drill hole meets an artesian or sub-artesian flow it is effectively sealed.</li> <li>6.Unused drill holes are to be sealed in accordance with Department guidelines.</li> <li>7.Once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.</li> </ol> | Yes               | As per requirements                |
| 18               | Operations must be carried out in a manner that does not cause or aggravate air pollution, water pollution or soil contamination or erosion.   | Yes               | As per requirement.                |
| 19               | Transmission line, communication line, pipeline or any other utility must not be interfered with.  | Yes               | As per requirement.                |
| 20               | Fences must not be damaged or interfered with. Gates must be closed or left open in accordance with the requirements of the landholder.  | Yes               | As per requirement.                |
| 21(a)            | Operations must not affect any road.   | Yes               | No roads affected.                 |
| 21(b)            | The cost incurred in fixing any damage to roads must be paid to the designated authority.  | Yes               | No costs incurred.                 |
| 22               | Access tracks must be kept to a minimum.   | Yes               | Access tracks are minimised.       |
| 23(a)            | The lease holder must not fell trees, strip bark or cut timber on the lease without the consent of the landholder.   | Yes               | As per requirement.                |
| 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.   | Yes               | As per requirement.                |
| 23(c)            | The lease holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.  | N/A               | No timber removed from Crown land. |
| 27(a)            | A security of \$100,000 must be given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfillment by the lease holder of obligations under this lease.  | Yes               | Security paid.                     |

| <b>Condition</b> | <b>Conditional Requirement</b>   | <b>Compliance</b> | <b>Comments</b>                |
|------------------|--|-------------------|--------------------------------|
| 27(b)            | Security:<br>Cash<br>Security Certificate  | Yes               | Security Certificate in place. |
| 28               | A person must not remove, damage, destroy, displace, obliterate or deface any marks in connection with any trigonometrical station, permanent mark or survey mark. | Yes               | No damage occurred.            |