

Correspondence with DNRM re
MLA 70454 on 27 Aug 2015.

Callum Lamont

From: Nui Harris
Sent: Friday, 28 August 2015 7:49 AM
To: MACDONALD Debbie-Jo (debbie-Jo.Macdonald@dnrm.qld.gov.au)
Cc: Callum Lamont
Subject: Waratah Coal - Progression of mining lease application 70454
Attachments: 20150827 Request for DNRM Extension DRAFT Ver02.pdf; Attachment 1 - 20150819 EMP 20150819 Pre-lodgement review comments EPML00571313 China First Coal Mine Waratah Coal Pty Ltd.pdf

Good morning Debbie-Jo,

I refer to the notice to Waratah Coal Pty Ltd (Waratah) pursuant to s.386L of the Mineral Resources Act 1989 (MRA) to progress Mining Lease 70454 (ML 70454) and allow the application to be decided.

Waratah Coal are currently working with the department of Environment Heritage and Protection to have approved a draft Environmental Authority, to progress ML 70454.

After four rounds of pre-lodgement, further requests for information and amendments are required by the department which go against the spirit of the Coordinator Generals Report for this Project.

Waratah Coal now endeavours to continue working with the department on these matters, cognisant of the fact the department have no legal basis for these requests.

Waratah Coal consequently and in accordance with Section 386L of the Mineral Resources Act 1989, requests a further extension to the period for complying with the Notice to Progress to 31 December 2015. This extension is necessary to allow sufficient time to address EHP's requirements for the EMP.

Please see the attached letter and accompanying Attachment 1, for further information.

Kind regards,

Nui Harris
Managing Director



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Waratah Coal

THE NEW ENERGY IN COAL

28 August 2015

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Coal Assessment Hub
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Department of Natural Resources & Mines
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Dear Debbie-Jo

RE: Mining Lease 70454 – Request for extension to Notice to Progress under Section 386L of the Mineral Resources Act 1989

Thank you for your letter dated 20 May 2015 regarding a notice to Waratah Coal Pty Ltd (Waratah) pursuant to s.386L of the Mineral Resources Act 1989 (MRA) to progress Mining Lease 70454 (ML 70454) and allow the application to be decided.

Pursuant to section 391A(3) of the MRA, ML 70454 require a draft Environmental Authority (EA) under the Environmental Protection Act 1994 (EP Act). Waratah are currently working with Department of Environment and Heritage Protection (EHP), Emerald for approval of a draft EA for ML 70454. Upon receipt of an approved draft EA from EHP, Waratah will be in a position to progress ML 70454.

In order for Waratah comply with the Act and s386L, Waratah submits further information for your department's review and consideration.

Background

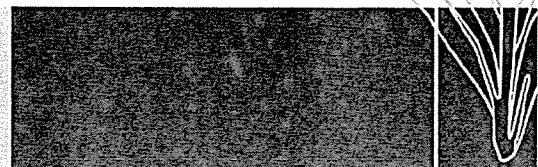
ML 70454 is a mining lease application supporting the future mining activities of the Galilee Coal Project (Northern Export Facility) (GCPNEF).

The GCPNEF is a vertically integrated project requiring coordination and approval of each of their mine, railway corridor and port/export facilities. Currently Waratah have mine and rail approvals and are seeking a port approval. This project involves developing a thermal coal mine combined with a heavy haul standard gauge railway corridor to transport the coal to a coal export facility at the Port of Abbot Point. The GCPNEF is expected to cost in the order of \$8.5 to \$10 billion to develop, and will involve up to 6,000 workers, and in operation will produce for export approximately 40 million tonnes of coal per year.

On 30 May 2011, Waratah lodged an application for Mining Lease 70454.

On 9 August 2013, Waratah received a State approval of the Environmental Impact Statement for the GCPNEF Mine and Rail.

On 19 December 2013, Waratah received a Commonwealth approval of the Environmental Impact Statement for the GCPNEF Mine and Rail.



Correspondence – Waratah and Department of Natural Resources and Mines and Department of Environment Heritage and Protection

On 16 March 2015, Waratah received a “Notice to progress” mining lease application 70454.

On 18 March 2015, Waratah communicated with the EHP, Emerald informing the department that a draft Environmental Management Plan (EMP) would be lodged with the department to obtain a draft EA for ML 70454. EHP informed Waratah the best approach would be to unofficially submit latest EMP version from EIS and obtain feedback as to any edits necessary to finalise EM Plan.

On 18 March 2015, Waratah submitted a draft EMP with EHP’s Wayne Boyde for their review.

On 18 March 2015, Waratah emailed DNRM indicating that an EMP would be lodged with EHP and that Waratah may require an extension of time to progress ML 70454.

On 19 March 2015, Waratah emailed EHP to track progress and set up proper communication lines between Waratah, their consultants (Hansen Baily) and EHP.

On 25 March 2015, EHP emailed Waratah indicating that a preliminary review of the EMP has identified areas requiring clarification and/or additional work. These areas included noise, biodiversity offsets, groundwater and general environmental protection conditions.

On 2 April 2015, Waratah sent a letter to DNRM, informing the department that an EMP had been submitted to EHP for consideration and review. It is anticipated that a revised EMP would be lodged subject to review requests around 15 April 2015. Waratah requested an extension from DNRM of thirty (30) days from the 15 April 2015, when it anticipates lodging a revised EMP.

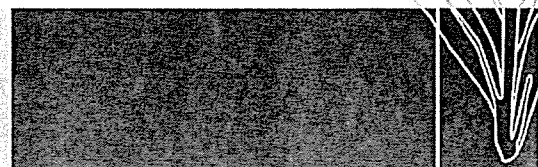
On 15 April 2015, Waratah formally lodged a revised draft EMP with EHP, accompanied by a detailed letter addressing each of EHPs specific requirements raised in its correspondence of 25 March 2015.

On 14 May 2015, Waratah received notice from EHP stating that the revised draft EMP did not meet the content requirements of the EP Act. EHP also issued a request for Waratah to provide further information on 28 specific issues including surface water, groundwater, creek diversions, construction phase noise and dust, biodiversity offsets, regulated structures, tailings management, environmentally relevant activities, notifiable activities, land rehabilitation, final voids, electricity generation, management plans and Waratah’s commitments and mitigation measures, and the Co-ordinator General’s stated EA conditions.

On 18 May 2015, Waratah emailed DNRM, informing the department that the content of the EMP for ML 70454 did not meet EHP’s requirements and the application would be suspended to 16 May 2016. Waratah then requested an extension of time to progress ML 70454 to 16 May 2016.

On 20 May 2015, Waratah received a “Notice to progress extension” from DNRM, informing Waratah that an extension of time to comply with notice 16 March 2015 had been extended to 12 June 2015.

On 21 July 2015, Waratah contacted EHP and was advised to submit a revised draft EMP and responses to EHP’s specific requirements for ‘pre-lodgement’ assessment in order to avoid the potential that EHP would find the EMP to be inadequate.



On 22 July 2015, Complying with EHP's advice, Waratah submitted a revised draft EMP and a detailed response to each of EHP's specific requirements for EHP's pre-lodgement assessment.

On 29 July, Waratah held a telephone meeting with EHP in order to seek clarification from of EHP in relation to the adequacy of the EMP.

On 4 August and 13 August 2015, Waratah held further telephone meetings with EHP in order to provide EHP with additional clarification on its specific requirements.

On 19 August, EHP issued the findings of the pre-lodgement assessment. The assessment concluded that 17 of the 28 issues raised in the EHP response of 14 May 2015 had been satisfactorily addressed and had no further comment. However, the assessment found that the revised draft EMP did not meet the necessary content requirements in relation to the remaining 11 issues. The key issue to be resolved is EHP's indication that it may be unwilling to accept certain stated conditions within the Coordinator General's evaluation report on the EIS. In addition, the assessment findings included four additional issues that had not been raised in the two previous rounds of feedback from EHP. This means that the total number of issues raised by EHP has increased from 4 to 32 over the three rounds of assessment to date. Please refer to **Attachment 1** for details of EHPs requests.

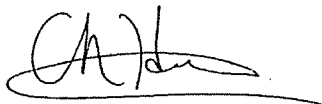
Waratah is currently gathering additional information to address EHP's further requirements in relation to the outstanding issues. It is our intent to submit a revised EMP at the earliest opportunity to ensure that we continue to progress towards obtaining EHP's approval of the EMP.

Request for Extension to the Notice to Progress

As indicated above, whilst we have diligently sought to clarify and address EHP's requirements for approval of the EMP, in close consultation with EHP and as expeditiously as possible, the delay to the EMP approval has occurred for reasons beyond Waratah Coals' control. Consequently, in accordance with Section 386L of the Mineral Resources Act 1989, Waratah requests a further extension to the period for complying with the Notice to Progress to 31 December 2015. This extension is necessary to allow sufficient time to address EHP's requirements for the EMP.

We would appreciate your consideration of this matter and if you have any queries regarding this matter please do not hesitate to call or email.

Kind regards



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