



**MOUNT PLEASANT OPERATION
(EPBC 2011/5795)
2018 ANNUAL COMPLIANCE REPORT
FEBRUARY 2019**

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Company:	MACH Energy Australia Pty Ltd		
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In accordance with Condition 28 of the EPBC (2011/5795) Approval:

*“Within three months of every 12 month anniversary of **the commencement of construction**, the person taking the action must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of any management plans as specified in the conditions. Documentary evidence providing proof of the date of publication and non-compliance with any of the conditions of this approval must be provided to the **department** at the same time as the compliance report is published”.*

Commencement of construction began on 25 November 2016 at the Mount Pleasant Operation, this Annual Compliance Report addresses compliance between 25 November 2017 and 25 November 2018.

Mount Pleasant Operation 2018 EPBC (2011/5795) Annual Compliance Report

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
Disturbance Areas			
1	<p><i>The person taking the action must not clear more than 2,591 ha of the EPBC listed “White Box – Yellow Box – Blakely’s Red Gum Grassy Woodland and Derived Native Grassland” critically endangered ecological community (572 ha) of woodland and 2019 ha derived native grasslands) within the Mount Pleasant Project Area identified in Appendix A of these conditions.</i></p>	Compliant	10 hectares of EPBC listed “White Box – Yellow Box – Blakely’s Red Gum Grassy Woodland and Derived Native Grassland” was cleared between 25 November 2017 and 25 November 2018. The cumulative area of “White Box – Yellow Box – Blakely’s Red Gum Grassy Woodland and Derived Native Grassland” cleared as at 25 November 2018 is 302 ha ¹ .
Offset Areas			
2	<p><i>Mechanisms to secure offsets</i></p> <p><i>“The person taking the action must register a legally binding conservation covenant over the Biodiversity Management Areas identified in the map at Appendix B no later than 25 November 2019. The mechanism/s must provide enduring protection of no less than:</i></p> <ul style="list-style-type: none"> <i>a) 12 875 ha of White Box - Yellow Box - Blakely’s Red Gum Grassy Woodland and Derived Native Grassland Ecological Community</i> <i>b) 8475 ha of suitable habitat for Anthochaera Phrygia (regent honeyeater) and Lathamus discolour (Swift Parrot)</i> <i>c) 8475 ha of suitable habitat for Dasyurus maculatus (Spotted-tail Quoll)</i> <i>d) 8475 ha of suitable habitat for Nyctophilus corbeni (Greater-long-eared Bat).</i> <p><i>Note: Offsetting requirements for some species’ habitat may be accommodated within the White Box - Yellow Box - Blakely’s Red Gum Grassy Woodland and Derived Native Grassland Ecological Community components if this habitat is verified as present and includes specific habitat requirements for each relevant species.”</i></p>	Compliant	MACH Energy has been in discussions with the Department (since mid-2018) regarding available and suitable security mechanisms for the Biodiversity Management Areas. These discussions follow NSW government agencies advising that the relevant NSW security mechanisms are not suitable for the Biodiversity Management Areas as the security is not required by any NSW approval, only the EPBC Approval. The outcomes of discussions with the Department regarding security will be reported in subsequent Annual Compliance Reports.

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
Offset Management Plan			
3-10	<p>Conditions 3-10 of the Consolidated Approval Notice EPBC 2011/5795 require the development and implementation of an Offset Management Plan for the Biodiversity Offset Areas.</p> <p><i>"The person taking the action must submit to the Minister for approval an Offset Management Plan for the Biodiversity Management Areas by no later than 31 May 2013, or as otherwise agreed to in writing by the Minister".</i></p>	Compliant	<p>The Offset Management Plan (OMP) was submitted to the Minister for approval in May 2013.</p> <p>The OMP was approved by the Minister on 18 June 2015.</p> <p>Example activities undertaken since 2015 to satisfy the requirements of Conditions 3-10 of Consolidated Approval Notice EPBC 2011/5795 and the requirements of the approved OMP, include:</p> <ul style="list-style-type: none"> • Undertake management actions to improve the baseline condition of vegetation within the Biodiversity Management Areas. • Annual and biennial monitoring of MNES within the Biodiversity Management Areas. The monitoring is undertaken by a suitably qualified ecologist that has been endorsed by the Minister. • Reports and data collecting during monitoring are available at the request of the Department. • Cropping and grazing activities within the Biodiversity Management Areas comply with the Conditions of the Approval and are subject to quarterly Agricultural Audits.
11-14	<p><i>Re-establishment of Woodland in the Biodiversity Management Areas</i></p> <p>Conditions 11-14 pertain to the details of the Re-establishment Plan for the Biodiversity Management Areas.</p> <p><i>"Within 3 years of the commencement of construction the person undertaking the action must provide, for the approval of the Minister, a Re-establishment Plan for the Biodiversity Management Areas secured under condition 2. The approved Re-establishment Plan must be implemented".</i></p>	Compliant	<p>Construction commenced 25 November 2016. The Re-establishment Plan is due for lodgement on 25 November 2019.</p>
Indirect Offsets			
15	<p><i>Indirect offsets security</i></p> <p><i>"To compensate for the loss of the White Box - Yellow Box -Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community the person taking the action must provide 1,000,000 over the life of the project to fund high priority weed activities that are consistent with the recovery actions identified in the National Recovery Plans for the White Box - Yellow Box -Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community. A detailed Weed Project Plan governing the provision and timing of the 1,000,000 funding for the activities and outcomes must be developed. The Weed Project Plan must be provided to the Minister for approval, within 12 months of the commencement of construction or otherwise agreed in writing by the Minister".</i></p>	Compliant	<p>The Weed Project Plan was submitted to the Department on 24 November 2017 and approved on 1 June 2018.</p>

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
16	<p><i>"To compensate for the loss of habitat for the regent honeyeater and swift parrot the person taking the action must provide 2,000,000 over the life of the project to deliver activities that implement the priority recovery actions identified in the National Recovery Plans for the regent honeyeater and swift parrot. A detailed Woodland Birds Project Plan governing the provision and timing of the 2,000,000 funding for the activities and outcomes must be developed. The Woodland Birds Project Plan must be provided to the Minister for approval, within 18 months, of the commencement of construction, or otherwise agreed in writing by the Minister".</i></p>	Compliant	The Woodland Birds Project Plan was submitted to the Department on 27 April 2018 and approved on 1 June 2018.
17	<p><i>"The approved Weed and Woodland Birds Project Plan must be implemented".</i></p>	Compliant	Initial payments have been made by MACH Energy to the participating entities, consistent with the approved Weed and Woodland Birds Project Plans. Progress against established performance indicators (as described in the project plans) are due to be reported against during 2019. The progress will be reported in subsequent Annual Compliance Reports.
18	<p><i>Project plans for the listed species and ecological communities</i></p> <p><i>"The Weed and Woodland Birds Project Plans must include, at a minimum, the following information:</i></p> <ul style="list-style-type: none"> <i>a) details of governance arrangements for an independent Trust, which may include representatives of Coal and Allied or similar organisation to oversee the implementation of the funded activities, including:</i> <ul style="list-style-type: none"> <i>i. roles and responsibilities of individuals or organisations involved with implementation of the Project Plan</i> <i>ii. measures to account for recovery actions identified as priorities by the White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community, regent honeyeater and swift parrot recovery teams</i> <i>iii. consultation with organisations aiming to facilitate the conservation of the White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community, regent honeyeater and swift parrot.</i> <i>b) the specific activities that will be funded and the aims and objectives of the activities</i> <i>c) the timing of commencement and duration of activities;</i> <i>d) the mechanisms to monitor and assess the effectiveness of the activities undertaken</i> <i>e) the mechanisms to demonstrate the benefit to the White Box - Yellow Box- Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community, regent honeyeater and swift parrot</i> <i>f) the mechanisms to ensure that new or different activities will be funded, from within the agreed funding package of 1,000,000 over the life of the project for White Box - Yellow Box Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community and 2,000,000 over the life of the project for regent honeyeater and swift parrot, on the basis of monitoring information, advances in knowledge of species ecology, or the changing priorities as identified by recovery teams</i> 	Compliant	<p>The Weed Project Plan was developed in consultation with the Hunter – Local Land Service to support research into high priority weed activities and aid the recovery of the "White Box – Yellow Box – Blakely's Red Gum Grassy Woodland and Derived Native Grassland".</p> <p>The Woodland Birds Project Plan was developed in consultation with the Australian National University, the NSW Office of Environment and Heritage, Birdlife Australia, Taronga (Sydney and Western Plains Zoo's), the Swift Parrot Recovery Team and the Regent Honeyeater Recovery Team.</p> <p>The Weed Project Plan was submitted to the Department on 24 November 2017 and approved on 1 June 2018.</p> <p>The Woodland Birds Project Plan was submitted to the Department on 27 April 2018 and approved on 1 June 2018.</p>

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
18 Cont.	<p>g) the mechanisms to ensure that knowledge and information gained from these activities is easily available and useable to the department, to the general public and the scientific community, including website details</p> <p>h) measures to ensure that funds are spent in accordance with the uses specified in these conditions of approval</p> <p>i) a mechanism for proof of payment to agreed parties to undertake agreed activities</p> <p>j) measures to incorporate and integrate with any relevant separately funded activities (if any) for the conservation of the White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community, regent honeyeater and swift parrot and associated habitat for EPBC-listed species and communities at the landscape level, consistent with priorities identified by recovery teams for the relevant species or communities".</p>	Cont.	Cont.
Mine Site Rehabilitation			
19-21	<p>Conditions 19-21 of the Consolidated Approval Notice EPBC 2011/5795 require the development and implementation of a Mine Site Rehabilitation Plan.</p> <p><i>"The person taking the action must, within 3 years of the commencement of construction, submit to the Minister for approval a Mine Site Rehabilitation Plan for the progressive rehabilitation and revegetation of no less than 1,000ha of White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland Ecological Community on the project area (as identified in Appendix A)".</i></p>	Compliant	Not triggered. Construction commenced 25 November 2016. The Mine Site Rehabilitation Plan is required by 25 November 2019.
Advisory Committee			
22	<i>"The person undertaking the action must, within 6 months of this approval, establish an advisory committee to review and provide advice on the management activities of the Biodiversity Management Areas".</i>	Compliant	<p>The Offset Advisory Committee was established within the 6 month period in accordance with Condition 22. Terms of reference were established and submitted to the Department.</p> <p>The OMP, Weed Project Plan and Woodland Birds Project Plan were submitted to the Offset Advisory Committee for review and were subsequently endorsed.</p> <p>MACH Energy financed the establishment of the Offset Advisory Committee and will continue to finance activities incurred by the function of it.</p>
23	<p><i>"Within 3 months of establishing the advisory committee, the person undertaking the action must provide to the Minister for approval the terms of reference for the advisory committee. The terms of reference must include:</i></p> <p>a) Purpose</p> <p>b) membership including the roles and responsibilities of members</p> <p>c) timeframes</p> <p>d) governance (operating guidelines)</p> <p>e) describe how the committee will consult with relevant stakeholders (e.g. recovery planning teams, Catchment Management Authority</p> <p>f) reporting</p> <p>g) resources and funding".</p>		

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
24	<i>"The person taking the action will be required to submit all plans referred to in the conditions, (with the exception of the mine closure plan referred to in Condition 21), to the advisory committee for review. Once reviewed the plans must be submitted to the Minister for approval as specified in the conditions".</i>	Cont.	Cont.
25	<i>"All expenses incurred by the establishment and ongoing function of the advisory committee will be at the funding of the person undertaking the action".</i>		
Survey Data			
26	<i>"All survey data collected for the project must be collected and recorded so as to conform to data standards notified from time to time by the department. When requested by the department, the proponent must provide to the department all species and ecological survey data and related survey information from ecological surveys undertaken for MNES. This survey data must be provided within 30 business days of request, or in a timeframe agreed to by the department in writing. The department may use the survey data for other purposes".</i>	Compliant	Survey data from Mount Pleasant is recorded to the MACH Energy Portal. The Department has access to the portal and can retrieve information at any time.
Reporting and Auditing			
27	<i>"Within 14 days after the commencement of construction, the person taking the action must advise the department in writing of the actual date of commencement of construction".</i>	Compliant	MACH Energy informed the Department of commencement of construction on 25 November 2016.
28	<i>"Within three months of every 12 month anniversary of the commencement of construction, the person taking the action must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of any management plans as specified in the conditions. Documentary evidence providing proof of the date of publication and non-compliance with any of the conditions of this approval must be provided to the department at the same time as the compliance report is published. The person taking the action must also notify any non-compliance with this approval to the department in writing within two business days of becoming aware of the non-compliance".</i>	Compliant	MACH Energy will submit the EPBC Annual Compliance Report before 25 February 2018.
29	<i>"Upon the direction of the Minister, the person taking the action must ensure that an independent audit of compliance with the conditions of approval is conducted and a report submitted to the Minister. The independent auditor must be approved by the Minister prior to the commencement of the audit. Audit criteria must be agreed to by the Minister and the audit report must address the criteria to the satisfaction of the Minister".</i>	Compliant	Not triggered. The Minister has not requested an independent audit of compliance.
30	<i>"Where the conditions require the person undertaking the action to submit a plan for the Ministers approval, the person undertaking the action must maintain a register recording: a) the date on which each plan was approved by the Minister b) if a plan has not been approved, the date on which it was, or is expected to be, submitted to the Minister c) the dates on which reports on the outcomes of reviews have been approved by the Minister d) the dates on which the subsequent reviews are due".</i>	Compliant	MACH Energy maintains a register recording the details of submission and approval dates in accordance with the Condition.

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31	<i>"The register must be submitted to the department, at the time the annual compliance report is published, but does not form part of the report".</i>	Compliant	The register will be submitted to the Department at the time of the Annual Compliance Report submission.
32	<i>"The person taking the action may choose to revise a Plan specified in conditions 11, 12, 13, 14, 15, 16, 18, 19, 20, 21 without submitting it for approval under section 143A of the EPBC Act, if the taking of the action in accordance with the revised Plan would not be likely to have a new or increased impact. If the person taking the action makes this choice they must notify the Department in writing that the approved Plan has been revised and provide the Department, at least four weeks before implementing the revised plan, with: a) an electronic copy of the revised Plan; b) an explanation of the differences between the revised Plan and the approved Plan; and c) the reasons the person taking the action considers that taking the action in accordance with the revised Plan would not be likely to have a new or increased impact."</i>	Compliant	Not triggered. MACH Energy has not revised a Plan specified in conditions 11, 12, 13, 14, 15, 16, 18, 19, 20, 21.
32A	<i>"The person taking the action may revoke their choice under condition 32 at any time by notice to the Department. If the person taking the action revokes the choice to implement a revised Plan, without approval under section 143A of the EPBC Act, the Plan approved by the Minister must be implemented."</i>	Compliant	
32B	<i>"If the Minister gives a notice to the person taking the action that the Minister is satisfied that the taking of the action in accordance with the revised Plan would be likely to have a new or increased impact, then: a) condition 32 does not apply, or ceases to apply, in relation to the revised Plan; and b) the person taking the action must implement the Plan approved by the Minister. To avoid any doubt, this condition does not affect any operations of conditions 32 and 32A in the period before the day the notice is given. At the time of giving the notice the Minister may also notify that, for a specified period of time, condition 32 does not apply for one or more specified Plans required under the approval."</i>	Compliant	
32C	<i>"Conditions 32, 32A and 32B are not intended to limit the operation of section 143A of the EPBC Act which allows the person taking the action to submit a revised Plan to the Minister for approval."</i>	Compliant	
32D	<i>"If, for the purposes of the Plan approved by the Minister under conditions 3, 4 and 8, the person taking the action wishes to carry out an activity otherwise than in accordance with the approved Offset Management Plan, the person taking the action must submit to the Department for the Minister's written approval a revised version of that Plan. The person taking the action must not commence the varied activity until the Minister has approved the varied Plan. If the Minister approved the revised Plan, the Plan must be implemented in place of the Plan originally approved."</i>	Compliant	

EPBC 2011/5795 Conditions		Status	MACH Energy Comment
33	<i>"If the Minister believes that it is necessary or convenient for the better protection of listed threatened species and communities or listed migratory species to do so, the Minister may request that the person taking the action make specified revisions to the management plan specified in the conditions and submit the revised plan for the Minister's written approval. The person taking the action must comply with any such request. The revised approved plan must be implemented. Unless the Minister has approved the revised plan then the person taking the action must continue to implement the originally approved plan, as specified in the conditions".</i>	Compliant	Not triggered. The Minister has not requested the revision of any management plans.
34	<i>"The person taking the action must substantially commence the action by December 2020. If the action has not substantially commenced by December 2020, the person taking the action must seek written agreement of the Minister".</i>	Compliant	Substantial commencement occurred in 2018. Offsite transport of coal commenced in December 2018, just outside the reporting period.
Publication of Plans			
35	<i>"The person taking the action must maintain accurate records substantiating all activities and outcomes associated with or relevant to the above conditions of approval, including measures taken to implement the management plans required by this approval, and make them available upon request to the department. Such records may be subject to audit by the department or an independent auditor in accordance with section 458 of the EPBC Act, or used to verify compliance with the conditions of approval. Summaries of audits will be posted on the department's website. The results of audits may also be publicised through the general media".</i>	Compliant	MACH Energy maintains comprehensive records comprising all activities and outcomes associated with the Approval Conditions. These records are available at the request of the Department.
36	<i>"Unless otherwise agreed to in writing by the Minister, the person taking the action must publish all management plans referred to in these conditions of approval on their website. Each management plan must be published on the website within 1 month of being approved".</i>	Compliant	Management Plans that have been developed and approved are available on the MACH Energy website http://machenergyaustralia.com.au/

¹ Based on the 2011 vegetation mapping undertaken for the EPBC Public Environment Report.