

Mount Pleasant Operation Modification 8

Modification Assessment Report (DA92/97-Mod-8)

August 2026





Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Mount Pleasant Operation Modification 8 (DA92/97-Mod-8) Assessment Report

Published: August 2026

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Executive Summary

MACH Mount Pleasant Operations Pty Limited (MACH) owns and operates the Mount Pleasant Coal Mine (Mount Pleasant), an open cut coal mine located north-west of Muswellbrook in the Upper Hunter Valley.

Mount Pleasant was originally approved by the then Minister for Urban Affairs and Planning in December 1999, although mining operations only commenced in 2018. The consent has been modified on six occasions, with the most recent modification being approved on 8 November 2023.

The mine is currently approved to extract up to 10.5 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal until 22 December 2026. Approved mining operations comprise four open cut pits, three out-of-pit waste rock emplacements, fines emplacement areas and three final voids.

The mine includes a range of ancillary infrastructure, including a coal handling and preparation plant (CHPP), rail loop and spur, conveyor and load-out facilities to enable the transport of coal to the Port of Newcastle and domestic customers.

Modification

MACH is seeking approval to extend the timeframe of permitted mining operations at Mount Pleasant by six years (from 22 December 2026 to 31 December 2032) and increase the approved ROM coal extraction rate from 10.5 Mtpa to 12.5 Mtpa.

Other key aspects of the approved Mount Pleasant operations including mining methods and operational hours would remain unchanged, other than to remove the currently approved use of a dragline excavator during the modification period.

Statutory context

The modification application was lodged under Section 4.55 (2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Minister for Planning and Public Spaces (the Minister) is the consent authority for the modification application. However, under the Minister's delegation dated 9 March 2022, the Deputy Secretary may determine the application because more than 50 submissions objecting to the proposal were received and MACH has not disclosed any reportable political donations.

Strategic context

The modification has been considered in accordance with key relevant Commonwealth, State and regional strategies including the Commonwealth Government emissions reduction targets, the NSW State Government climate change policy framework and the *NSW Coal Industry 2026-50*.

Engagement

The Department exhibited the modification application from 17 February 2026 until 9 March 2026. During the exhibition period, the Department received 817 unique public submissions including 190 objections and 621 supportive submissions from members of the public and special interest groups.

Key issues raised include impacts of greenhouse gas (GHG) emissions and associated climate change impacts, socio-economic and intergenerational equality concerns, the modification pathway and consent authority for the modification, and High Court proceedings related to the Mount Pleasant Optimisation Project (SSD-10418).

The Department received advice from four government agencies and Muswellbrook Shire Council. Issues raised in agency advice were generally addressed by MACH in its submission report and additional information, and the Department has considered residual matters as part of its assessment.

Assessment

Greenhouse gas emissions

The proposed modification would generate around 1.5 million tonnes of carbon dioxide equivalent (Mt CO₂-e) of Scope 1 and Scope 2 emissions and 111 Mt CO₂-e of Scope 3 emissions. The Department considers that GHG emissions have been minimised to the greatest extent practicable given the project has met the relevant NSW Government guidance for emissions avoidance, mitigation and offsetting.

As outlined in the *NSW Coal Industry 2026–50*, with regard to GHG emissions, extensions to coal mines are required to meet the emissions requirements prescribed in key policy frameworks including the Australian Government’s Safeguard Mechanism and the EPA’s *NSW Guide for Large Emitters*. The GHG assessment for the modification has been completed in accordance with the *NSW Guide for Large Emitters* and MACH have demonstrated their obligations under the Safeguard Mechanism.

The emissions intensity for mining operations for the proposed modification is significantly lower than compared to the wider coal mining industry and mining operations would cease under the

modification prior to 2035. Given the low emissions intensity of the mine, it is projected that MACH would comply with its obligations under the Safeguard Mechanism without the need for offsetting.

The net contribution of the modification to statewide emissions would be around 0.38% in 2030 compared to the DCCEEW current policy scenario. As mining operations would cease by the end of 2032, by 2035 the contribution of the proposed modification to statewide emissions would be 0.005%.

Overall, the NSW Government expects that net emissions from the coal mining sector will decline consistent with NSW's targets from 2030 in line with forecast production declines and the implementation of mitigation technologies, which is supported by net emissions projections by DCCEEW.

The additional GHG emissions from the project, including Scope 3 emissions from the burning of the coal resource, would contribute to climate change impacts at the global level (in terms of increases to global GHG emissions) and would contribute to environmental, social and economic impacts (including climate changes impacts) in the locality. Climate change projections for the Hunter region (including the modification area and locality) indicate rising temperatures and increases in sea levels, increased fire risk, and more frequent extreme weather events.

The Department has recommended conditions intended to complement the NSW EPA's regulation of GHG emissions in the NSW coal mining sector which is being progressively implemented at the time of writing.

Water resources

The modification would generally involve the continuation of existing and approved potential impacts to water resources within the approved surface disturbance area for six years to 2032.

Impacts due to catchment excision and reduction in streamflow in the Hunter River would be negligible as a result of the modification, and overflows from sediment dams are only predicted during high rainfall events with the contribution of water quality contaminants estimated at less than 1% to the Hunter River and negligible overflows to Sandy Creek.

The groundwater model predicted maximum inflows to the open cut of 148 megalitres per year (ML/year), which is less than the maximum inflows predicted for the original project.

MACH holds sufficient Water Access Licences (WALs) under the *Water Management Act 2000* (WM Act) to account for all direct and indirect groundwater take consistent with the NSW Aquifer Interference Policy (AIP). Groundwater-dependent ecosystems (GDEs) are predicted not to experience measurable drawdown impacts.

Two private bores are predicted to experience drawdown greater than two metres due to the modification, and owners would be provided compensatory water to the owners of the bores if requested consistent with the make good provision requirements of the AIP.

The Department considers the existing conditions of consent including the preparation of a water management plan are appropriate to manage the potential surface and ground water impacts associated with the modification.

Air quality

Air quality impacts associated with the modification would be generated from construction activities, extraction and processing of coal, blasting, material handling, and vehicle movements.

The modification would result in exceedances of the annual average cumulative PM₁₀ criteria at two private residential receivers and total suspended particulates (TSP) criteria at one receiver, largely driven by background conditions and emissions from other regional sources, rather than the proposed modification itself. Both receptors are located within an established mining precinct that is already subject to air quality impacts from existing mining operations and have existing mitigation and acquisition rights under the Department's *Voluntary Land Acquisition and Mitigation Policy* (VLAMP).

The Department considers that the existing conditions of consent including the preparation of an air quality management plan are appropriate to manage the potential air quality impacts associated with the modification.

Noise and blasting

Key noise impacts associated with the modification relate to operational noise impacts, cumulative noise impacts, maximum noise level events, road traffic noise, rail noise and blasting impacts.

Noise generated by the modification was assessed to comply with the existing consent criteria and project noise trigger levels during all assessment periods under the assessed meteorological conditions.

The modification would comply with the relevant sleep disturbance noise criteria at all privately-owned receptors and cumulative noise is also predicted to comply with the applicable cumulative noise criteria without the implementation of proactive noise management measures.

The modification would result in minor exceedances of road traffic and rail noise at receivers with existing mitigation and/or acquisition rights.

Blasting is predicted to continue to comply with the applicable blasting criteria with the implementation of existing management and mitigation measures.

The modification would generally extend the duration over which existing approved impacts would occur.

The Department therefore considers that the existing conditions of consent including the preparation of a noise management plan are appropriate to manage the potential noise and blasting impacts associated with the modification.

Other

The Department has assessed the impacts of the modification for a range of other matters, including traffic, visual amenity, social and economic, Aboriginal and non-Aboriginal heritage, biodiversity and rehabilitation. The Department has prepared modified conditions of consent where required to manage these impacts to acceptable levels.

Conclusion

The Department has carefully considered the likely environmental, social, and economic impacts of the project in accordance with the requirements of section 4.15 of the EP&A Act.

The Department's consideration of the impacts and benefits the project is guided by NSW Government policy including the *NSW Coal Industry 2026-50* which describes that the NSW Government will continue to allow approvals for extensions to existing mining operations between 2026 to 2050 where it can be demonstrated that the environmental impacts of the project can be managed, in order to support ongoing job and energy security in the short to medium term.

The Department's assessment concludes that the project would result in benefits to the State of NSW including economic benefits through continuing employment, royalties and flow-on social and economic effects. However, the project would also result in a range of impacts including greenhouse gas emissions and incremental and cumulative impacts to amenity and water resources. The Department considers that the impacts from the project can be managed in accordance with NSW Government policy.

On balance, the Department considers that the benefits of the proposed modification outweigh its residual impacts and that it is in the public interest.

Accordingly, the Department recommends that the proposed modification be approved, subject to the recommended conditions.

Contents

Executive Summary	i
1 Introduction.....	1
1.1 Background	1
1.2 Approval history	3
2 Proposed modification	4
3 Statutory context.....	6
3.1 Scope of modification and assessment pathway	6
3.2 Mandatory matters for consideration	7
4 Strategic context	8
4.1 Greenhouse gas emissions and climate change.....	8
4.2 NSW Coal Industry 2026-50	14
5 Engagement.....	16
5.1 Exhibition of the modification.....	16
5.2 Advice from government agencies.....	16
5.3 Summary of submissions	18
5.4 Public submissions.....	20
5.5 Representations	21
5.6 Response to submissions.....	22
5.7 Residual matters.....	22
6 Assessment.....	23
6.1 Greenhouse Gas Emissions.....	23
6.2 Water	37
6.3 Air quality	40
6.4 Noise and blasting.....	43
6.5 Other issues.....	47
7 Evaluation.....	53

8	Determination	57
	Appendices.....	A1
	Appendix A – List of referenced documents	A1
	Appendix B – Statutory considerations.....	A2
	Appendix C - Recommended instrument of modification	A10
	Appendix D – Consolidated Consent.....	A10

1 Introduction

1.1 Background

MACH Mount Pleasant Operation Pty Limited (MACH) owns the Mount Pleasant Coal Mine (Mount Pleasant) located on Wonnarua land in the Upper Hunter Valley of New South Wales (NSW), approximately 3 kilometres (km) north-west of Muswellbrook (see **Figure 1**).

On 22 December 1999, the then Minister for Urban Affairs and Planning approved the Mount Pleasant Operation (DA92/97) under the *Environmental Planning and Assessment Act 1979* (EP&A Act). MACH purchased the mine from Coal and Allied in 2016, and mining operations commenced in 2018.

Under the existing approval (as modified), MACH is authorised to:

- extract up to 10.5 million tonnes per annum (Mtpa) of run-of-mine (ROM) per year until 22 December 2026;
- develop and operate a range of ancillary infrastructure, including a coal handling and preparation plant (CHPP), rail loop and spur, conveyor and load-out facility; and
- transport product coal by rail 24 hours per day, 7 days per week, at a rate of up to 18 train movements (arrival and dispatch) per day and an average of six per day over a calendar year.

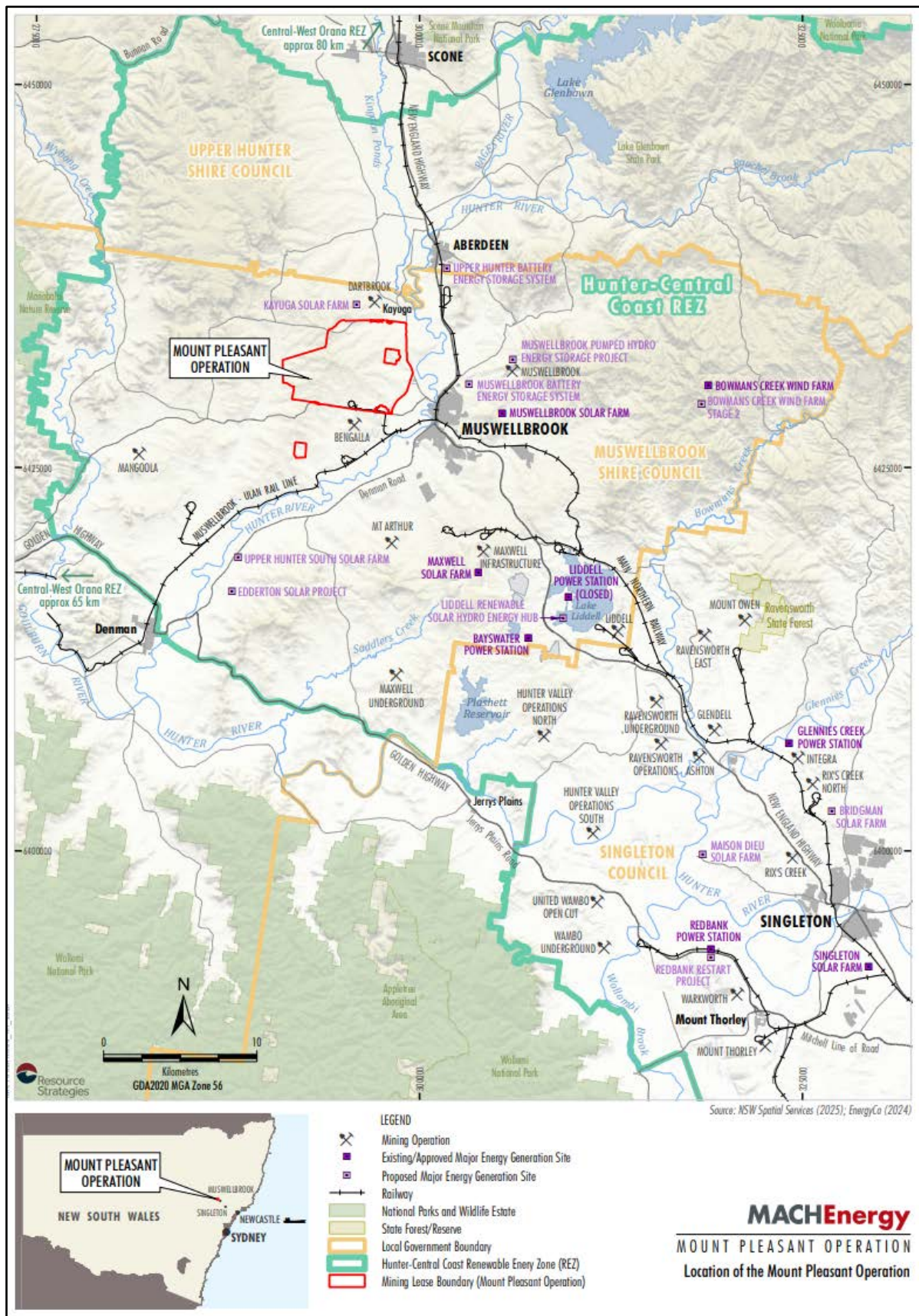


Figure 1 | Local context map

1.2 Approval history

DA92/97 has been modified on six occasions, with the most recent modification (Mod-6) being approved on 8 November 2023. The approval history is summarised in **Table 1** below.

Table 1 | Summary of modifications to DA92/97

Modification	Approval Date	Key modifications
Mod 1	19 September 2011	Construction of a conveyor and service corridor and relocation of approved mine infrastructure.
Mod 2	29 March 2017	Relocation of the South Pit haul road.
Mod 3	24 August 2018	Extension of time for open cut mining by six years to 22 December 2026 and extension of the Eastern Out of Pit Emplacement Area (OEA).
Mod 4	16 November 2018	Construction of coal transport infrastructure (rail spur, rail loop, coal conveyor and rail loading facility) and water supply infrastructure (pipeline, pump station and electrical supply) and demolition of redundant rail and water supply infrastructure.
Mod 5	29 June 2022	Rectification of administrative error in consent condition to permit the operation of controlled discharge dam.
Mod 6	8 November 2023	Construction and operation of a transmission tower and associated infrastructure.
Mod 7	Withdrawn	Similar scope to Modification 8, noting the application was withdrawn.

Mount Pleasant Optimisation Project

On 6 September 2022, the NSW Independent Planning Commission (IPC) approved the development application for the Mount Pleasant Optimisation Project (SSD-10418) under Part 4 of the EP&A Act. The Mount Pleasant Optimisation Project involves an increase to the extraction rate up to 21 Mtpa and would permit mining operations until 2048.

The Denman, Aberdeen, Muswellbrook and Scone Healthy Environment Group Inc applied for a judicial review of the IPC's decision in the NSW Land and Environment Court (LEC). The LEC dismissed the judicial review application on all grounds in August 2024.

On 24 July 2025, the NSW Court of Appeal upheld one ground of appeal relied on by Denman, Aberdeen, Muswellbrook and Scone Healthy Environment Group Inc and remitted the matter to the LEC to determine whether to make orders pursuant to the *NSW Land and Environment Court Act 1979*. In December 2025, the High Court granted special leave to appeal against the Court of Appeal's judgement.

In the absence of certainty regarding the Mount Pleasant Optimisation Project, MACH is seeking a modification to development consent DA 92/97 to continue permitted mining operations to 2032. The proposed modification is described in the following section.

2 Proposed modification

MACH is seeking approval to extend the timeframe of permitted (ROM coal) mining operations at the Mount Pleasant mining operations by six years (from 22 December 2026 to 31 December 2032) and increase the approved ROM coal extraction rate from 10.5 Mtpa to 12.5 Mtpa.

The proposed modification does not seek to change other key aspects of the approved Mount Pleasant operations including mining methods and operational hours, other than to remove the currently approved use of a dragline excavator during the modification period. MACH is seeking to increase the annual average rail movements from six to eight however the maximum approved daily movements would remain unchanged.

Key aspects of the proposed modification are provided in **Table 2** below, and a detailed description is provided in the Modification Report (see **Appendix A**).

The 'original project' in **Table 2** is the approved operations for Mount Pleasant under Modification 4, which was the last modification approved under the former section 75W of the EP&A Act.

Construction activities would occur to support mining operations during the modification period including raises of the fines emplacement area, construction of water management structures and access tracks and the construction of the approved Northern Link Road.

Table 2 | Key aspects of the modification

Project element	Original project	Modified project
Life of mine	Mining operations to 22 December 2026.	Mining operations to 31 December 2032.
Extraction rate	10.5 Mtpa of ROM coal.	12.5 Mtpa of ROM coal.
Mining method	Open cut mining, including truck and shovel and dragline operations.	Open cut mining with truck and shovel operations only.
Coal transport	Up to 18 rail movements (nine laden departures). Maximum of six daily movements averaged over a calendar year	Up to 18 rail movements (nine laden departures). Maximum of eight daily movements averaged over a calendar year
Coal processing	On-site CHPP.	Unchanged.
Waste rock management	Waste rock emplaced in the Eastern Out-of-Pit emplacement area and in-pit.	Unchanged.
Reject management	Coarse rejects placed in the Eastern Out-of-Pit emplacement or in-pit.	Unchanged.
Operating hours	24 hours per day, 7 days per week.	Unchanged.
Workforce	Up to 380 full time equivalent (FTE) personnel.	Up to 575 ¹ FTE personnel.

¹ The modification application includes a workforce of up to 575 FTE personnel, however 555 FTE personnel is used as a conservative average in the calculation of economic benefits for the project.

3 Statutory context

3.1 Scope of modification and assessment pathway

Details of the legal pathway under which modification is sought and are provided in **Table 3** below.

Table 3 | Permissibility and assessment pathway

Consideration	Description
Scope of modification	Under section 4.55(2) of the EP&A Act, DA92/97 cannot be modified unless the consent authority is satisfied that the proposed modification is substantially the same as the development for which consent was originally granted. The development for which consent was originally granted is the approved operations at Modification 4, which was the last modification approved under the former section 75W of the EP&A Act. The proposed modification seeks to extend the timeframe of permitted (ROM coal) mining operations by six years (from 22 December 2026 to 31 December 2032) and increase the approved ROM coal extraction rate from 10.5 Mtpa to 12.5 Mtpa. As shown in Table 2, the other key aspects of the approved development would generally remain unchanged. The increase in extraction rate would require additional mobile fleet, such as haul trucks, however the impacts of this increase has been carefully assessed and considered in the revised air and noise assessments as outlined in Section 6. The Department has considered the public submissions concerning the proposed modification in Section 5, Section 6 and as part of its evaluation of the modification in Section 7. Accordingly, the Department considers that the modification is within the scope of section 4.55(2) of the EP&A Act and may be determined accordingly.
Consent authority	The Minister for Planning and Public Spaces is the consent authority for the application. However, the Deputy Secretary, Development Assessment and Sustainability may determine the application under the Minister's delegations of 9 March 2022, as more than 50 public objections were received, and MACH has not disclosed any reportable political donations.

3.2 Mandatory matters for consideration

3.2.1 Matters of consideration required by the EP&A Act

In determining the modification, the consent authority must take into consideration such of the matters referred to in section 4.15(1) of the EP&A Act as are of relevance to the development the subject of the application. The consent authority must also take into consideration the reasons given by the consent authority for the grant of the original consent, but only to the extent that those reasons are relevant to the modification application. The Department's consideration of these matters is shown in **Table 4** below.

Table 4 | Matters for consideration

Matter for consideration	Department's assessment
Environmental planning instruments, proposed instruments, development control plans & planning agreements	Appendix B
EP&A Regulation	Appendix B
Significant likely impacts	Section 6 - Assessment
Suitability of the site	Section 1.1 - Modification background, Section 3 - Strategic Context and Section 6 - Assessment
Public submissions	Section 5 - Engagement & Section 6 - Assessment
Public interest	Section 5 - Engagement, Section 6 - Assessment and Section 7 - Evaluation
The reasons for granting consent for the original application	In accordance with section 4.55(3) of the EP&A Act, in determining this modification, the Department has taken into consideration the reasons for the decision for granting Development Consent DA 92/97. The original decision considered that the benefits of the application outweighed the potential impacts, subject to the adherence to strict conditions.

3.2.2 Objects of the EP&A Act

In determining whether or not to modify the consent, the consent authority should take a proportionate and risk based approach and consider whether the modified project is consistent with

the relevant objects of the EP&A Act (section 1.3) including the principles of ecologically sustainable development. Consideration of those factors is described in **Appendix B**.

The Department is satisfied that the development is consistent with the objectives of the EP&A Act.

3.2.3 Biodiversity development assessment report

Section 7.17(2) of the *Biodiversity Conservation Act 2016* (BC Act) requires all SSD modifications to be accompanied by a Biodiversity Development Assessment Report (BDAR) unless the authority or person determining the application is satisfied that the modification will not increase the impact on biodiversity values (as identified in the BC Act and in the Biodiversity Conservation Regulation 2017).

The proposed modification does not involve additional surface disturbance or mining activities beyond those already approved. Therefore, the Department is satisfied that the proposed modification would not increase the impact on biodiversity values and consequently a BDAR is not required as part of the modification application.

4 Strategic context

4.1 Greenhouse gas emissions and climate change

The framework for the regulation and assessment of greenhouse gas (GHG) emissions by the NSW Government and Commonwealth Government continues to be established to support key legislation and reforms including the *Climate Change Act 2022* and Safeguard Mechanism reforms in 2023 (Commonwealth) and the *Climate Change (Net Zero Future) Act 2023* (NSW).

4.1.1 International

The United Nations Framework Convention on Climate Change (UNFCCC) Paris Agreement 2015 (Paris Agreement) is a binding international agreement made by parties to the United Nations Framework Convention on Climate Change to limit global temperature increases.

Under the United Nations Framework Convention on Climate Change (UNFCCC) Paris Agreement 2015 (Paris Agreement), each signatory must identify its own post-2020 climate actions to achieve a balance between anthropogenic emissions and removal by GHG sinks. These actions are referred to as Nationally Determined Contributions (NDCs).

Australia's NDC adopts a target of net zero emissions by 2050 by committing to seven low emissions technology stretch goals. These include clean hydrogen production, ultra-low-cost solar, energy storage, low emissions steel production, low emissions aluminium production, carbon capture and storage and soil carbon measurements.

4.1.2 Commonwealth Government

The *Climate Change Act 2022* (Commonwealth) legislates Australia's commitment to achieving emissions reductions targets under the Paris Agreement which are:

- reducing Australia's net GHG emissions to 43% below 2005 levels by 2030; and
- reducing Australia's net GHG emissions to zero by 2050.

In September 2025, the Commonwealth Government committed to a 2035 target to reduce emissions by 62–70% below 2005 levels by 2035.

Emissions are regulated by the Commonwealth Government under the Safeguard Mechanism. Reforms to the existing safeguard mechanism took effect from 1 July 2023. Under these reforms, new baseline numbers for Scope 1 emissions ('baselines') emitted by designated large facilities are set on a declining trajectory aligned with achieving Australia's emissions reduction targets. The decline rate for safeguard baselines is currently as follows:

- 4.9% per year to 2030; and
- 3.285% per year after 2030.

GHG emissions are reported under the *Commonwealth National Greenhouse and Energy Reporting Act 2007* (NGER Act) and National Greenhouse and Energy Reporting Scheme (NGERS).

4.1.3 NSW State Government

4.1.3.1 Climate Change Net Zero Future Act 2023

The *Climate Change (Net Zero Future) Act 2023* (Net Zero Future Act) legislates the NSW approach to addressing climate change and delivering net zero GHG emissions by 2050. The Net Zero Future Act sets a path to 2050 with emissions reduction targets and legislates:

- guiding principles for action to address climate change that consider the impacts, opportunities and need for action in NSW;
- net emissions reduction targets for NSW (50% reduction on 2005 levels by 2030, 70% reduction on 2005 levels by 2035, and net zero by 2050);
- an objective for NSW to be more resilient to a changing climate; and
- establishing an independent, expert Net Zero Commission to monitor, review, report on and advise on progress towards these targets.

The Net Zero Future Act identifies the NSW Government is responsible for developing and implementing strategies, policies and programs to address climate change. The NSW Government has developed a range of policies as described in the sections below.

The Department must have regard to NSW Government emissions reduction targets and the guiding principles of the Net Zero Future Act, consistent with the correspondence to the Planning Secretary from the Minister for Planning and Public Spaces and the Minister for Climate Change, Energy, Environment and Heritage.

Net Zero Commission and NSW Government response to advice

The Department has had regard to material produced by the Net Zero Commission including but not limited to the 2026 Annual Progress Report (July 2026), Letter to Department of Planning, Housing and Infrastructure (September 2025) and Coal Mining Emissions Spotlight Report (Spotlight Report, December 2025).

In the Spotlight Report, the Net Zero Commission advised that NSW consent authorities need to meaningfully consider how the direct and indirect upstream emissions (Scope 1 and Scope 2) from coal mining projects would affect progress towards NSW legislated emissions reduction targets, and coal mining projects' indirect downstream emissions (Scope 3) and their climate change impacts. Additionally, it was recommended that significant weight be given to these matters in making determinations.

The Spotlight Report forms advice from the Net Zero Commission which is provided to the Minister for Climate Change. The advice in the report is not NSW Government policy. The Minister for Climate Change is required to publish a response to the report including the action to be taken to implement the advice, and this response and proposed action form NSW Government policy.

The NSW Government published its response to the Spotlight Report in June 2026. The NSW Government accepted the findings regarding the need to support on-site abatement at existing mines, improve the accuracy of fugitive emissions reporting, meaningfully consider GHG emissions in planning decisions and prioritise consideration of policies that prepare for the decline of coal extraction and provide for a just and orderly transition.

The NSW Government identified the existing and proposed actions taken to address these findings including:

- the assessment and regulatory requirements developed by the NSW EPA (refer to **Section 4.1.3.2**) including guidance on how to consider GHG emissions for development applications and requirements for avoidance and onsite abatement;
- the implementation of a GHG monitoring and verification program commencing in the Upper Hunter Valley; and

- the establishment of the Future Jobs and Investment Authority and Future Jobs and Investment Fund (subject to the passage of legislation).

The NSW Government noted the finding regarding the consistency of continued extensions and expansions for coal mining with emissions reduction targets. The response outlines that:

- the NSW Government has taken a balanced approach to coal mining in NSW (refer to the *NSW Coal Industry 2026-2050* in **Section 4.2**);
- the NSW EPA is requiring the coal industry to further reduce on-site emissions and prioritise avoiding and mitigating emissions ahead of offsetting and expects all coal mine proposals to avoid or abate emissions on-site;
- the NSW coal industry generates export revenue for the state and economic stability in coal mining communities at present while demand for coal remains, but is preparing for demand to decline in the future; and
- the NSW Government expects that the coal mining industry will contribute to NSW's emissions reductions targets through the implementation of mitigation technologies, forecast production declines and the offsetting of residual emissions in line with an emissions mitigation hierarchy.

The 2026 Annual Progress Report has been delivered to the Minister for Climate Change as of July 2026. The Minister is required to publish a response to the report within six months.

4.1.3.2 NSW EPA Climate Change Policy

The NSW Environment Protection Authority (NSW EPA) is the lead regulator of GHG emissions for the state and provides advice to the Department regarding GHG emissions for the assessment of state significant development applications.

The NSW EPA's *Climate Change Policy (2023)* and *Climate Change Action Plan 2023-26* have been developed based on the guiding principles in the Net Zero Future Act to support the state's climate objectives, helping industries decarbonise and build resilience to climate change risks.

The key NSW EPA policy and guidance for development applications and coal mining operations delivering the objectives of the *Climate Change Action Plan 2023-26* includes:

- ***NSW Guide for Large Emitters:*** The guide requires proponents of proposals with large projected GHG emissions to assess their development's emissions and mitigation opportunities. A draft version of the guide was published in May 2024 and the final version of the guide was published in January 2025;
- ***Climate Change requirements for licensees:*** This document was published in March 2026 and outlines the NSW EPA's approach to introducing climate change-related requirements for EPLs. Climate Change Mitigation and Adaptation Plans (CCMAPs) will be progressively required under

existing and new EPLs. CCMAPs will require licensees to demonstrate how they can minimise their GHG emissions and exposure to climate risk, with specific guidance for key sector (refer below). The NSW EPA published the *Emissions Reporting and Climate Change Mitigation and Adaptation Plans* guideline in March 2026. CCMAPs are due for publication for premises by 31 March 2027 or 31 August 2027, depending on licensee type; and

- **Greenhouse Gas Mitigation Guide for NSW Coal Mines:** The guide provides state-specific guidance on opportunities for existing NSW coal mines or for proposed extensions to coal mines to reduce GHG emissions. A draft version of the guide was provided for consultation in July 2025. The final version of the guide was published in March 2026. The guide notes that the EPA expects all coal mine proposals seeking extensions or modifications through the planning system need to commit to reducing emissions in line with NSW legislated targets and include avoiding or abating GHG emissions onsite. The EPA will be supportive of longer consent durations for proposals that include material onsite abatement.

NSW emissions trajectory

Emissions projections are published by the NSW Government. The most recent projections are published in the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *NSW greenhouse gas emissions projections 2025 – Methods paper* (2025 Methods Paper, July 2026).

The 2025 Methods paper identifies that under the current policy scenario, more work is needed to meet the emission reduction targets, with NSW projected to be 37-44% below 2005 levels by 2030 and 54-56% by 2035, short of the reduction targets of 50% and 70% respectively.

The 2025 Methods paper noted the gap to the targets has widened since the 2024 update, the main reasons being changes to assumptions including higher emissions in the electricity sector, slower electric vehicle uptake and higher vehicle kilometres travelled, higher emissions in the agricultural sector, less assumed abatement in industry due to uncertainty and a reduction in the assumptions for gas capture at landfills.

The 2025 Methods paper models a range of emissions projections under the following scenarios for the coal sector:

- Scenario 1 – production forecasts for all currently approved coal mine operations only;
- Scenario 2 – scenario 1 plus production forecasts for all coal mine extension applications that are currently under assessment (11 applications); and
- Scenario 3 – scenario 2 plus production forecasts for all coal mine extension proposals for which scoping reports have been submitted to the Department (six applications).

The 2025 Methods paper also acknowledges that 26 coal mines in NSW are facilities covered under the Safeguard Mechanism which are subject to declining emissions baselines. The paper modelled scenarios which projects net emissions from coal mining considering the legal obligations under the Safeguard Mechanism, which is shown in the dashed black line in **Figure 2** for Scenario 2 and presented numerically for each Scenario 1, 2 and 3 in **Table 5**.

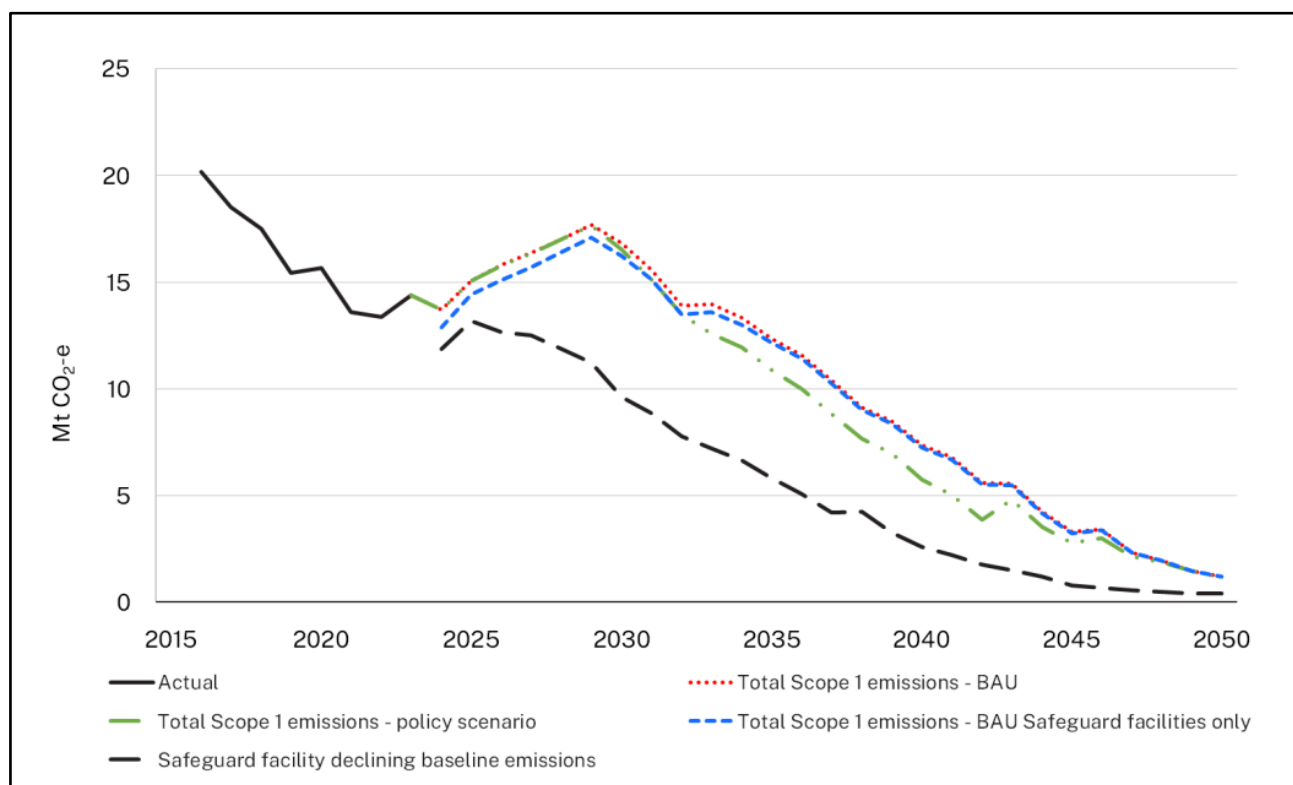


Figure 2 | Projected Scope 1 emissions for coal mining (Source: 2025 Methods paper, DCCEEW)

Table 5 | Projected Scope 1 emissions for coal mining and change in emissions relative to 2005 levels for Safeguard Mechanism scenarios (Source 2025 Methods paper, DCCEEW)

Inventoried and projected emissions (kt CO ₂ -e)							% change relative to 2005		
Scenario	Source	2005	2024	2030	2035	2050	2030	2035	2050
Safeguard mechanism Scenario 1	Scope 1	20,394	13,707	9,224	4,742	410	-55%	-77%	-98%
Safeguard mechanism Scenario 2	Scope 1	20,394	13,707	10,202	5,992	411	-50%	-71%	-98%
Safeguard mechanism Scenario 3	Scope 1	20,394	13,707	10,525	6,415	520	-48%	-69%	-97%

As shown in **Table 5**, with the application of the Safeguard Mechanism, the net emissions trajectory of the coal mining sector is consistent with the required trajectory for NSW to decrease emissions towards its targets in 2030, 2035 for Scenario 1 and Scenario 2, with the latter scenario assuming applications to extend mining operations in the planning system are approved as described above. For Scenario 3, there is a projected shortfall of 2% and 1% respectively for the 2030 and 2035 targets.

The 2025 Methods Paper noted that should the coal sector meet its obligations under the Safeguard Mechanism in all future years going forward, the sector's emissions reduction trend would generally be consistent with its historical declining trend.

The contribution of the proposed modification to emissions in this context is assessed in detail in **Section 6.1**.

4.2 NSW Coal Industry 2026-50

NSW Coal Industry 2026-50 was published in March 2026 and provides the NSW Government position on the intended future of the coal mining sector in New South Wales. The intent of the policy is to provide certainty for the coal sector and consent authorities. The NSW Government intends that coal will continue to play an important part in supporting regional jobs, investment and communities in the short to medium term, within NSW legislated emissions reduction targets. It serves as a statement of the NSW Government's policy towards coal, to be drawn upon by regulators, planning authorities, and other decision-makers.

The *NSW Coal Industry 2026-50* is an update to the former Strategic Statement on Coal Exploration and Mining in NSW (June 2020). The new policy has been updated based on the contemporary policy framework for climate change established by the NSW Government following the Net Zero Future Act in 2023.

The policy outlines the economic benefits of the coal mining sector to NSW and coal producing regions including the Hunter where the coal sector contributes 58% of economic output from the region and directly employs around 14,400 workers.

There is likely to be ongoing demand for export coal in the short to medium term as some of NSW's key trading partners do not have the same opportunity as NSW for local coal or renewable energy supply and rely on these exports to support their energy security as they work towards their own emissions targets. NSW will continue to be a reliable trading partner and supply its high-quality coal where there is demand and consistent with emissions reductions targets. Thermal coal exports are expected to decline over time with more significant shifts anticipated closer to 2040 and 2050. The policy notes this position complements other regulatory mechanisms to reduce emissions including NSW's net zero targets and the Paris Agreement.

The policy prohibits greenfield coal development. It identifies that approvals for extensions to existing mining operations will continue to be allowed to support ongoing job and energy security where it can be demonstrated that the emissions requirements can be met and environmental impacts of the project can be managed. The policy notes that proposals to extend existing coal mining operations can support continuation of economic benefits and industry job security in the short to medium term and that the impact of mine closures on the NSW economy should be considered when assessing proposed extensions.

The Department notes that the *NSW Coal Industry 2026–2050* is consistent with the guiding principles in section 8 of the Net Zero Future Act, including the principles that action to address climate change should be taken in a way that promotes sustainable economic growth and considers the impact on rural, regional, and remote communities in NSW, and take into account the need to support local communities, including by considering the impact on local employment and industries and optimising job creation and employment transition opportunities.

The policy reiterates that Scope 1 and Scope 2 emissions and the local impacts of Scope 3 emissions will continue to be considered in the assessment of coal proposals through the planning framework.

The policy notes that economy-wide tools like the Australian Government’s Safeguard Mechanism and the EPA’s *NSW Guide for Large Emitters* provide the primary basis for assessment of proposed extensions, with additional emissions reductions to be delivered through the EPA’s requirements on the coal sector to implement abatement technologies onsite through the *Greenhouse Gas Mitigation Guide for NSW Coal Mines*.

The *NSW Coal Industry 2026–50* notes the NSW Government’s commitments to achieving its legislated emission reduction targets. The NSW Government expects that overall emissions from the coal mining sector will decline consistent with NSW’s targets from 2030 in line with forecast production declines and the implementation of mitigation technologies.

This is consistent with the analysis above which demonstrates the trajectory of the sector is consistent with the required trajectory for NSW, even assuming extensions in the planning system are approved (under Scenario 2). The policy identifies that while the sector is reducing its emissions to support meeting NSW and Commonwealth emissions targets, it should not be expected to commit to deeper reductions than other sectors of the economy, or anything that is not technically feasible.

In the context of the above, the *NSW Coal Industry 2026–50* identifies that coal mining expansions can be permitted where they are consistent with the economy wide tools for the regulation of emissions, and where the other environmental impacts of expansions can be managed in accordance with the approvals framework under the EP&A Act.

The NSW Government will continue to guide and assist the coal mining sector to further reduce emissions, and ongoing abatement will be supported through NSW’s forthcoming Net Zero Plan (2026) and the proposed resources sector decarbonisation plan.

5 Engagement

5.1 Exhibition of the modification

5.1.1 Public exhibition of the modification application

After accepting the modification request and report, the Department:

- publicly exhibited the proposed modification from 17 February 2026 until 9 March 2026 on the NSW planning portal;
- notified landowners in the vicinity of the site about the public exhibition;
- notified each person who made a submission in relation to MOD 1²; and
- notified and invited comment from relevant government agencies and Muswellbrook Shire Council.

5.2 Advice from government agencies

The Department received advice from four government agencies and Muswellbrook Shire Council. A summary of the agency advice is provided in **Table 6**. A link to the full copy of the advice is provided in **Appendix A**.

Table 6 | Summary of agency advice

Agency	Advice summary
Environment Protection Authority (EPA) including the Net Zero Emissions Modelling (NZEM) team	- Requested further information regarding air quality criteria exceedances and proposed mitigation measures and the application of standard versus noise enhancing meteorological conditions within the noise assessment. - The NZEM team requested clarification on commitments to alternative fuel/electric haul trucks and gas drainage options for the site.

² Contact details for the submitters on the original development application is not available.

Agency	Advice summary
	• MACH provided additional information on these matters in the submissions report, and the EPA requested further information regarding the air quality assessment. • MACH provided a supplementary response to these residual matters to the satisfaction of the EPA. • EPA provided recommended conditions of consent. • Requested further information on emissions goals in supplementary advice.
Department of Climate Change, Energy, the Environment and Water (Water Group)	• Requested further information on the make good status for the private bores predicted to exceed the drawdown threshold and provided recommended conditions of consent to update the water management plan (WMP). • MACH provided additional information on this matter in the submissions report to the satisfaction of Water Group.
Transport for NSW	• Requested further information relating to the validation of traffic count data used in the assessment and exclusion of the Thomas Mitchel Drive/New England Highway intersection from intersection analysis. • MACH provided additional information on this matter in the submissions report to the satisfaction of TfNSW.
Department of Primary Industries and Regional Development – NSW Resources, including the Resources Regulator	• Considers the modification to be an efficient use of resources that would provide an appropriate return to NSW. • Requested further information on rehabilitation timeframes and assumptions, and final land use rehabilitation objectives including tree establishment. • Requested clarification on a number of matters associated with the final landform including surface water management and TSF/FEA closure. • MACH provided additional information on this matter in the submissions report to the satisfaction of NSW Resources.
Muswellbrook Shire Council	• Supported the modification, subject to issues raised regarding the appropriate planning pathway. • Requested conditions of consent for a Closure Social Impact Management Plan and the review and update of the existing Planning Agreement and contributions, and further consultation regarding the use of recycled water for construction projects and the potential for river riparian rehabilitation works along the Hunter River corridor.

Agency	Advice summary
	• Requested clarification on shuttle bus commitments, details of the proposed temporary noise bund and details of the deepest seam proposed to be mined. • Raised concerns regarding the final landform and final void and spontaneous combustion impact and assessment. • MACH provided additional information on these matters in the submissions report, with Council maintaining views regarding substantially the same development (see Section 3.1), conditioning a contemporised rehabilitation strategy and review and update of the existing Planning Agreement and contribution (see Section 6.5), concerns around the final landform and spontaneous combustion. • The Department has considered the residual issues raised by Council in Section 5.7 and Section 6.

5.3 Summary of submissions

The Department received a total of 817 unique submissions³ (75 submissions from special interest groups and 742 submissions from individuals) during the public exhibition period. Of the submissions received:

- 621 (76%) were in support the modification;
- 190 (23%) objected to the modification; and
- 6 (1%) provided comments on the modification.

For submitters located within the Hunter region 89% of submitters were supportive of the modification.

For submitters located outside of the Hunter Region 68% of submitters were supportive of the modification.

A list of the special interest groups that made submissions on the modification are summarised in **Table 7** below.

³ Each petition or submission that contains the same or substantially the same text is counted as one submission in accordance with section 2.7(6) of the Planning System SEPP.

Table 7 | Special interest group submissions

Position	Special Interest Group	
Support	- Newcastle Coal Infrastructure Group - Liebherr Australia - Quarry Mining & Construction Equipment Pty Ltd - Coal Port Services - KCE Pty Ltd - Quensor Pty Ltd (Bernie Wood Singleton Earthmoving) - McElroy Bryan Geological Services - Muswellbrook Pistol Club - Projence Pty Ltd - Merriwa Junior Rugby League Football Club - Fyfe Pty Ltd - Two Rivers Wines - Thiess - Denman Rugby League Football Club - Komatsu Mount Thorley - National Plastics & Rubber Pty Ltd - Mt Pleasant - The Chop Shop Butchery - Hunter Mining Club - NQHF - Aberdeen And Scone Lions Club Inc - Mach Energy - Farrelly Construction Services Pty Ltd - Custom Fluidpower - Sedgman - WIMnet NSW - GDW Engineering	- Upper Hunter Show, Muswellbrook Rugby, Muswellbrook Race Club Hunter Valley Angus Breeders - Clontarf Foundation - Muswellbrook Junior Cricket Club - J-Power Australia Pty Ltd - Cummins Asia Pacific - Mining And Energy Union - Northern Mining and NSW Energy District - Belltrees Cricket Club - Ditchfield Contracting - Merriwa Polocrosse Club - Merriwa Pony Club - Merriwa PAH&I Association - Maddison Safety - Finn Valley Pty Ltd - ATC Williams Pty Limited - St James' Primary School - Scone Public School P&C - Olympic Park Tennis Club (Muswellbrook) - Ramesys Global Pty Ltd - Wonnarua Nation Aboriginal Corporation - Thiess My Pleasant - Breathalyser Sales & Service Pty Ltd - R.G.A. Mining Services Pty Ltd - V2 Mining Services Pty Ltd - Scone Football Club Inc - Scone Rugby Union Club
Object	- Kyogle Environment Group - Hunter Knitting Nannas - Climate Change Balmain-Rozelle - Dark Side Masks - Wando Conservation And Cultural Centre Inc - Godolphin Australia Pty Ltd - Shire Climate Action Network (Campaign Group Of Sutherland Shire Environment Centre) - Hunter Environment Lobby Inc - Bushfire Survivors For Climate Action - Hunter Thoroughbred Breeders' Association Inc - New England Greens - CANsign Inc - Nature Conservation Council NSW	- Illawarra Knitting Nannas Against Greed - Yarraman Park Stud - National Parks Association of NSW - UNSW Australian Human Rights Institute - Hunter Waterkeepers - Scone Equine Hospital - Codds Flat Bloodstock Pty Ltd - Newgate Group - EcoNetwork Port Stephens - Our Sustainable Goulburn Mulwaree - Bathurst Community Climate Action Network - Peoples Climate Action Coalition T/A Peoples Climate Assembly - Lock the Gate Alliance
Comment	- Hunter Valley Printing - AGL Energy - JCDA	

A link to all submissions in full is provided in **Appendix A**.

5.4 Public submissions

Supporting submissions

Public submissions received in support of the modification were based on employment and economic benefits, including sustained job security and employment opportunities, increased economic opportunities for local businesses and service providers, and associated social benefits for the local and regional community.

Objecting submissions

The key issues raised in the objecting public submissions modification relate to climate change, socio-economic impacts on the surrounding and wider community in the Hunter region, the modification pathway, requests that the IPC should determine the modification, and current court proceedings for the Mount Pleasant Optimisation Project (SSD-10418). These issues are shown in **Figure 3** and summarised in **Table 8**.

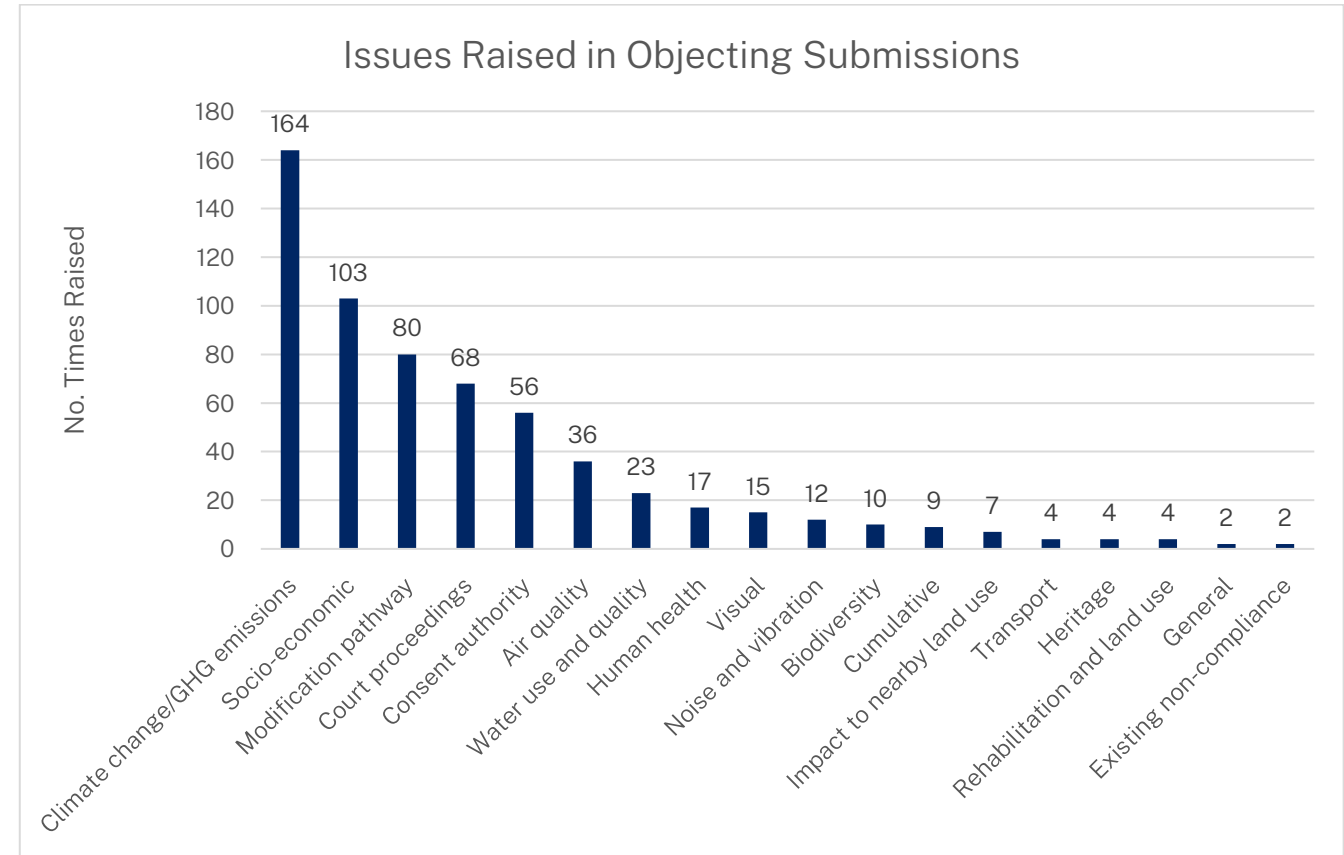


Figure 3 | Key issues raised in objecting submissions

Table 8 | Key issues raised in objecting submissions

Issue	Description
Climate change/GHG emissions	Impacts of increasing GHG emissions and the modification's contribution to climate change (see Section 6.1), including concern regarding the consistency of emissions with NSW emissions reduction targets and climate change policies.
Socio-economic	Social and economic impacts from global climate change, impacts on quality of living in local and regional communities and intergeneration equity (see Sections 6.1 and 6.5).
Modification pathway	Concern regarding whether a modification is the appropriate planning pathway for the extension to mining operations (see Section 3.1)
High Court proceedings	Concern regarding the consideration of the modification application during High Court proceedings for the Mount Pleasant Optimisation Project.
Consent authority	Request that the modification be determined by the Independent Planning Commission (see Section 3.1)
Amenity	Air quality, noise, visual and light impacts (see Sections 6.3, 6.4 and 6.5).
Water use and quality	Impacts on surface and groundwater resources and surrounding water users (see Section 6.2).
Human health	Impacts on air quality, exposure to dust, noise, and impacts on mental health (see Sections 6.3, 6.4 and 6.5).

5.5 Representations

The Department received representations from the community outside of the exhibition period for the proposed modification. The Department received representations from eight community members and two special interest groups. The matters in the representations have been considered as part of the Department's assessment of the proposed modification.

5.6 Response to submissions

Following the public exhibition period, the Department requested that MACH respond to the issues raised in submissions and the advice received from government agencies. MACH provided a Submissions Report to the Department on 7 May 2026 (see **Appendix A**).

The Department published the Submissions Report on the NSW Planning Portal and forwarded the submissions report to the government agencies and Muswellbrook Shire Council for comment.

5.7 Residual matters

All matters raised in the advice were resolved during the assessment of the modification through clarifications and commitments from MACH and/or conditioning in the recommended modified conditions of consent (refer to **Section 6**), with the exception of some matters raised by Council that relate to conditions of consent for the consideration of the Department.

These residual matters are summarised below and have been considered by the Department in its assessment in **Section 6**. Council requested:

- contemporary rehabilitation conditions of consent that address socio-economic effects of mine closure and post-mining transition opportunities;
- that the final landform be designed to improve rehabilitation, visual integration and landscape outcomes where practicable;
- updates to the existing planning agreement in accordance with the Muswellbrook Shire Community Benefit Fund Policy;
- requirements to monitor and assess hydrogen sulfide and sulfur dioxide emissions from spontaneous combustion; and
- a monetary contribution for Council to investigate the beneficial reuse of waste tyres.

6 Assessment

The Department considers the key issues in the section below to be the significant likely impacts of the proposed modification.

The key components of the modification involve the extension of the life of the mine by six years and an increase to the maximum extraction rate. In this context the environmental impacts of the modification would generally comprise the continuation of existing approved impacts over a longer duration and potential incremental increases to existing approved impacts during this period.

DA92/97 was approved in 1999 and while preliminary works commenced in 2004, mining operations did not commence until 2018. Consequently, some of the impacts of the modification, like those associated with surface disturbance comprise approved impacts that would occur later than previously assessed. These impacts have been assessed accordingly, including updated cumulative assessments where required.

6.1 Greenhouse Gas Emissions

The burning and extracting of fossil fuels (such as coal) emit GHG emissions and other climate pollutants which build up in the atmosphere, contributing to climate change. GHG emissions are divided into three categories:

- Scope 1: emissions released to the atmosphere as a direct result of an activity;
- Scope 2: emissions released to the atmosphere from the indirect consumption of energy; and
- Scope 3: indirect emissions (other than Scope 2 emissions) generated in the wider economy, which occur as a consequence of the activities of a facility, but from sources not controlled by that facility.

As an extension to the life of the mine, the modification would result in direct GHG emissions from fugitive emissions from the depressurisation of the coal seam from open cut mining and from diesel emissions from the operation of vehicles and plant required for mining.

The majority of the emissions associated with the application are Scope 3 emissions from the burning of coal to generate electricity, which would primarily occur in coal fired power stations overseas who would receive the coal material.

The *NSW Coal Industry 2026-2050* identifies that approvals for extensions to existing mining operations can be allowed where it can be demonstrated that the emissions requirements can be met and environmental impacts of the project can be managed.

The primary guidance for emissions requirements and the assessment of GHG impacts for development applications for high-emitting projects is the NSW EPA's *NSW Guide for Large Emitters* (2025). The guide has been developed as one action to support and build on the Net Zero Future Act. The GHG assessment for the proposed modification has been prepared in accordance with the guide to the satisfaction of the NSW EPA.

The draft version of the *Greenhouse Gas Mitigation Guide for NSW Coal Mines* was published in July 2025 and the final version was published in March 2026, after the modification application was lodged in January 2026. MACH provided consideration of the draft version of the guide in the modification report. The Department has had regard to the final guide notwithstanding that it was released after the modification was lodged, including on the basis that the guidance it contains may assist in the application of the guiding principles in the Net Zero Future Act.

The Department has considered the GHG impacts from the modification below, in Appendix B and as part of its evaluation of the merits of the modification in Section 7.

6.1.1 Avoidance and mitigation of emissions

The *NSW Guide for Large Emitters* requires applicants to apply the mitigation hierarchy, which involves making genuine efforts to first avoid then reduce emissions. MACH identified the existing mitigation measures it implements onsite including:

- maintaining fleet and plant to maximise efficiency to avoid unnecessary fuel burning;
- optimising and monitoring haulage routes and equipment to minimise unnecessary diesel consumption; and
- prioritising fuel efficient, lower emissions machinery in procurement decisions.

Where emissions cannot be avoided or reduced, MACH would offset emissions if required to comply with the Safeguard obligations for the site.

MACH also identified additional mitigation opportunities it would investigate over a three year review period including alternative fuels, gas pre-drainage and hybrid and electric equipment.

MACH engaged an independent expert reviewer of the mitigation approach as required by the *NSW Guide for Large Emitters*. The reviewer noted that a comprehensive range of mitigation opportunities is presented and that the analysis appropriately considers operational, geological and commercial realities, particularly the limited mine life to 2032.

The NSW EPA noted the proposed modification considered the GHG mitigation hierarchy by avoiding, reducing, substituting, and offsetting and acknowledged the findings of the independent expert peer reviewer. The NSW EPA also advised that the GHG report presented reasonable abatement opportunities, and a three-yearly review cycle of alternative technologies. The trials of

hybrid diesel/electric trucks and renewable diesel and gathering of more data in relation to the gas reservoir characteristics appear to be reasonable steps in consideration of the timeframes relating to Mod 8.

The *Greenhouse Gas Mitigation Guide for NSW Coal Mines* notes that it is difficult for coal mining companies to reduce Scope 3 emissions from the downstream use of coal as the end result is always combustion. The guide identifies opportunities to reduce Scope 3 emissions including selling coal to buyers that have strong climate policies and emission reduction targets and selling coal to buyers with lower emissions intensities.

MACH provided information regarding the key potential export customer countries and their NDCs. Further information is provided in **Section 6.1.4**. The Department considers that the proposed modification is generally consistent with the NSW EPA's recommendation in the *Greenhouse Gas Mitigation Guide for NSW Coal Mines* that coal mining companies take opportunities to reduce scope 3 emissions by selling coal to buyers in countries that have strong climate policies and emissions reduction targets.

6.1.2 Estimate of emissions

The gross GHG emissions for the proposed modification are summarised in **Table 9**. GHG emissions from the proposed modification have been assessed to occur from financial year (FY) 2026 to FY2036, with the period FY2033 to FY2036 comprising decommissioning years with lower emissions compared to years with higher levels of active mining operations.

The Department notes that the estimated emissions for the modification scenario in the table would not occur for FY2026 as it is now FY2027.

Table 9 | Estimate of GHG emissions for the modification

Greenhouse gas emissions (Mt CO _{2-e}) ¹			
	Scope 1	Scope 2	Scope 3
Annual average²	0.18	0.008	13.93
Total	1.45	0.067	111.41

1 Estimates are for the modification-only (or 'project-only') scenario calculated under the *NSW Large Emitters Guide*

2 The annual average excludes the decommissioning years FY33-FY36

A summary of the contribution to direct emissions is shown in **Figure 4**. The primary contribution is from diesel use (around 45% of direct emissions) and fugitive emissions (around 42% of direct emissions).

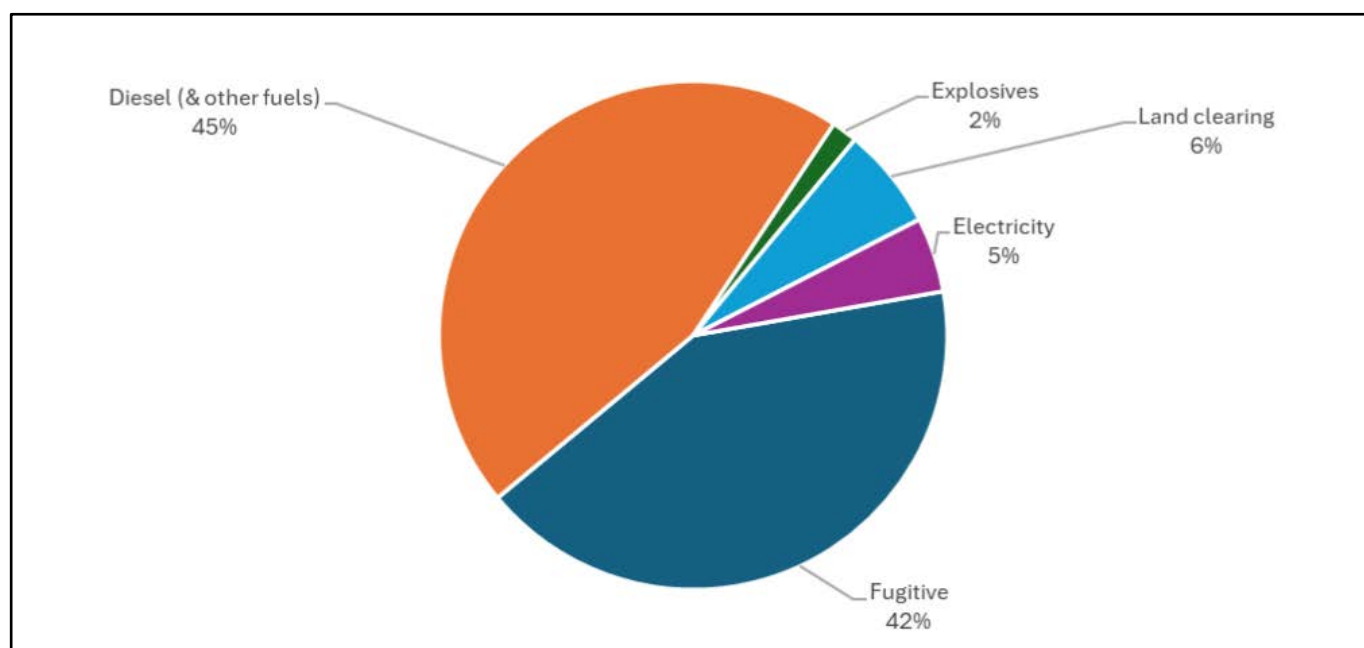


Figure 4 | Summary of Scope 1 and 2 emissions for the modification (Source: Modification Report)

As demonstrated in **Table 9**, approximately 99% of the total GHG emissions from the proposed modification are those associated with the downstream burning of product coal (i.e. Scope 3 indirect emissions). These emissions are considered further in **Section 6.1.5**.

Mining operations at Mount Pleasant are significantly lower emissions intensity compared to the wider coal mining industry both for existing operations and the proposed modification. The average emissions intensity for the proposed modification is around 0.021 t CO_{2-e} / t ROM coal which is around the 10th lowest intensity for the 68 coal mine facilities in Australia (based on historical data determinations) and significantly lower than the Safeguard Mechanism industry default value of 0.0653 t CO_{2-e} / t ROM coal.

Given the low emissions intensity of the mine, it is projected that MACH would comply with its obligations under the Safeguard Mechanism without the need for offsetting as shown in **Figure 5**. It is estimated the mine would generate around 280,000 tonnes of safeguard mechanism credits (SMCs) over the modification period. If the mine did exceed its obligations under the Safeguard Mechanism, MACH would be required to retire Australian Carbon Credit Units (ACCUs) or SMCs.

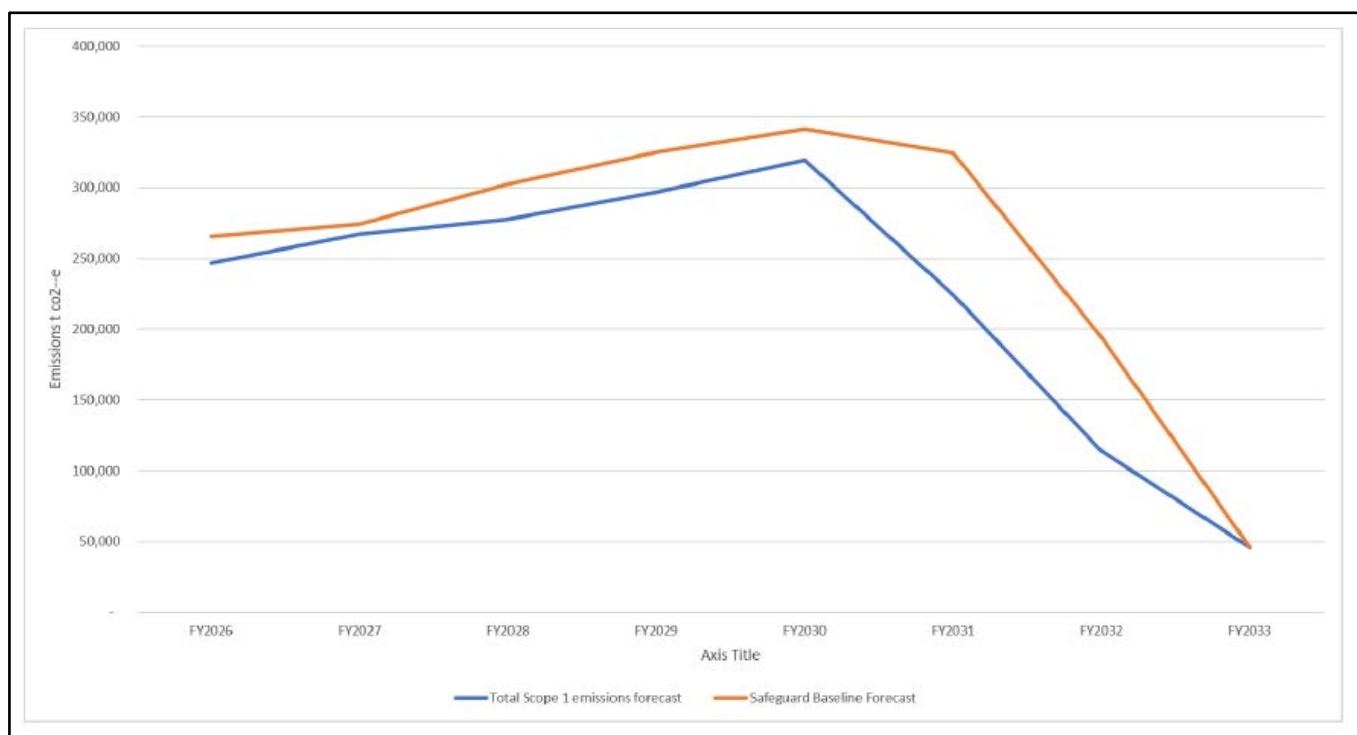


Figure 5 | Modification Scenario Forecast Emissions and Safeguard Baseline Forecast (Source: Additional Information dated August 2026)

The NSW EPA provided supplementary advice at the request of the Department in August 2026 to clarify the appropriate emissions goals for the scenario where a coal mine is predicted to emit under its Safeguard baseline. The NSW EPA advised that where a mining operation is expected to operate below its baseline, its emissions goals are expected to avoid increases in net operational emissions over the life of the proposal.

The Department requested that MACH clarify the emissions goals with regard to the NSW EPA advice. While MACH considered adopting the safeguard baseline forecast as the emissions goals for the modification was reasonable, MACH noted it was prepared to accept the approach of adopting the annual emissions forecast as the emissions goals for the modification if this is the preferred approach of the Department and the NSW EPA.

The Department confirms the preferred approach in this circumstance is that the annual emissions forecast for the modification are the appropriate numerical emissions goals. This is consistent with the advice from the NSW EPA and the requirements of the *NSW Guide for Large Emitters* for a low emissions intensity coal mine.

The Department notes the goals are based on a projected emissions intensity applied to assumptions and projections regarding coal production each year. Actual emissions may vary with coal production and the sequencing of mining. This is consistent with the operation of the production-adjusted baselines that apply under the Safeguard mechanism. Notwithstanding MACH

is required to implement the GHG avoidance and mitigation measures outlined in its GHG assessment for the proposed modification.

6.1.3 NSW emissions reduction targets and policy

NSW Government emissions reduction targets

Details regarding NSW emissions projections and progress towards the legislated reductions targets are outlined in **Section 4.1.3**.

The emissions projections from DCCEEW in the 2025 Methods Paper show that with the application of the Safeguard Mechanism, the net emissions trajectory of the NSW coal mining sector is consistent with the required trajectory for NSW to decrease emissions towards its targets in 2030, 2035 for Scenario 1 and Scenario 2, with the latter scenario assuming applications to extend mining operations in the planning system are approved. For Scenario 3, there is a projected shortfall of 1% for both the 2030 and 2035 targets. The Department notes the proposed modification would cease active mining operations prior to 2035.

The modelling does not include emissions from the proposed modification but does include emissions from SSD-10418 for each of the three scenarios. The projected emissions from SSD-10418 are significantly higher than those for the proposed modification, given the maximum extraction rate in SSD-10418 is 21 Mtpa. As noted by the NSW EPA in its advice on the project, for the analysis of the impacts of the proposed modification, it can be assumed that the projected SSD-10418 emissions are replaced by the emissions from the proposed modification. The projections are therefore conservative with regard to the proposed modification.

The Department acknowledges that the proposed modification would result in an increase to emissions through to the end of 2032. Advice from NSW EPA indicates that the net contribution of the modification to statewide emissions would be around 0.38% in 2030 compared to the DCCEEW current policy scenario. As mining operations would cease by the end of 2032, by 2035 the contribution of the proposed modification to statewide emissions would be 0.005%.

The Department acknowledges that under the development assessment regime in NSW, new or expanded coal mines would involve incremental, cumulative contributions to GHG emissions along with the contribution of other new projects and activities commencing in the state in other sectors. The modelling by DCCEEW in the 2025 Methods Paper allows the Department to consider the cumulative impact of the project with approved mines and other coal mining applications in the planning system.

The modelling demonstrates that even if the proposed modification and the other applications for mining extensions are approved under Scenario 2, the net emissions trajectory of the coal mining

sector when considering the Safeguard Mechanism remains consistent with the required trajectory for NSW to decrease emissions towards its targets in 2030 and 2035.

The above analysis is consistent with the *NSW Coal Industry 2026–50* which notes that NSW Government expects that overall emissions from the coal mining sector will decline consistent with NSW’s targets from 2030 in line with forecast production declines and the implementation of mitigation technologies.

The position of the NSW Government identifies that while the coal mining sector is reducing its emissions, it should not be expected to commit to deeper reductions than other sectors of the economy, or anything that is not technically feasible. The *NSW Coal Industry 2026–50* contemplates that coal mining expansions can be permitted where they are consistent with the economy wide tools for the regulation of emissions, and where the other environmental impacts of expansions can be managed in accordance with the approvals framework under the EP&A Act.

If approved, the mine would be subject to the EPL licensee requirements developed by the NSW EPA as part of the *Climate Change Action Plan 2023-26*.

The Department has considered the impact of the modification on the environment in the relevant locality in its evaluation of the merits of the modification summarised in **Section 7**, in line with the requirements of section 4.15 of the EP&A Act.

Guiding principles of the Net Zero Future Act

The Net Zero Future Act includes a number of guiding principles. The Department has considered each principle to the extent relevant in **Appendix B**.

The Department considers the proposed modification to be consistent with the guiding principles, which are broad in scope and require urgent action to address climate change while considering the impact on regional communities in New South Wales and the impact on local employment and industries.

The Department notes the principles apply to ‘action to address climate change’ and apply to NSW Government’s development of the relevant strategies, policies and programs as identified in Principle 10(a).

The Department has considered these relevant climate change strategies and policies that have been developed in consideration of the guiding principles. The Department considers the *NSW Guide for Large Emitters* to be an important guidance document that operationalises those principles in the context of development assessments for high GHG-emitting projects. MACH addressed all advice from NSW EPA regarding the application of the guide.

The Department has considered other aspects of the policy framework developed by the *NSW EPA in the Climate Change Action Plan 2023-26* and has had regard to the fact that there are now requirements for coal mines to prepare CCMAPs and be consistent with the *Greenhouse Gas Mitigation Guide for NSW Coal Mines*.

The *NSW Coal Industry 2026–50* represents an update to the NSW Government position on coal mining in light of the Net Zero Future Act including its guiding principles. The Department considers the policy balances the guiding principles that require urgent action to address climate change while considering the impact on regional communities in New South Wales and the impact on local employment and industries.

6.1.4 Scope 3 emissions

MACH has assessed Scope 3 emissions as required by the *NSW Guide for Large Emitters* and these emissions are summarised in **Table 9**. These emissions comprise the majority of emissions from the project and are primarily from the downstream burning of product coal overseas.

MACH provided information regarding the key potential coal export customer countries and their NDCs. Coal would continue to be exported primarily to countries that are signatories to the Paris Agreement and that have their own 2030, 2035 and/or 2050 emissions reductions targets as outlined in **Table 10**.

Table 10 | Emissions reduction commitments of key coal export countries

Export country	Summary of NDC
Japan	- reduce emissions by 60% in 2035 and by 73% in 2040 from 2013 levels; and - net-zero by 2050.
South Korea	- reduce emissions by 40% from the 2018 level by 2030 - net-zero by 2050.
Malaysia	- reduce economy-wide carbon intensity (against GDP) by 45% in 2030 compared to 2005 levels; and - net-zero by 2050.
Taiwan ¹	50% reduction in GHG emissions compared to the business as usual projection for 2030 by 2030; and - net-zero by 2050.

Export country	Summary of NDC
China	• reduce emissions by 7% to 10% below its peak emission level by 2035; and • net-zero by 2060.
Vietnam	• reduce emissions by 15.8% compared to the business as usual projection for 2030 (with domestic resources); or • reduce emissions by 43.5% compared to the business as usual projection for 2030 (with international support); and • net-zero by 2050.

1 Taiwan is not recognised as an independent sovereign nation and therefore is not a member of the United Nations and consequently cannot be a Party to the Paris Agreement. Nonetheless it has put forward an intended NDC.

The primary export markets have made the following commitments regarding the projected reliance on coal fired power:

- Japan: aims to reduce to around 19% of coal power by 2030. Japan's 7th Strategic Energy Plan projects a continued reliance on coal into the 2040s through a thermal power mix of 30–40%;
- South Korea: Coal to supply 10% of power generation by 2038. Pledged to close 40 of its 61 coal fired power plants by 2040;
- China: overall coal consumption is rising and remains dominant in the medium term;
- Taiwan: plans to fully phase out coal-fired power generation by 2034;
- Malaysia: has made a long-term commitment to phase out coal fired power by 2050; and
- Vietnam: cease coal imports by 2050.

Coal supplied to the domestic market would be combusted at domestic power stations subject to NSW and Commonwealth policies for the decarbonisation of the electricity sector including the *NSW Electricity Strategy* sector wide targets for the electricity sector under the Safeguard Mechanism.

Coal production from the project would therefore occur during periods relevant countries anticipate that they would still rely on coal fired power while meeting the commitments of the relevant NDCs.

Based on the information provided, the Department considers that the project is generally consistent with the NSW EPA's recommendation in the *Greenhouse Gas Mitigation Guide for NSW Coal Mines* that coal mining companies take opportunities to reduce scope 3 emissions by selling coal to buyers in countries that have strong climate policies and emissions reduction targets.

6.1.5 Contribution of the modification to global emissions and global temperature increases

The Department has considered the potential impact of the contribution of all emissions from the modification, including Scope 3 emissions, to global climate change and the impacts of global climate change in the locality, which the Department has identified as the Hunter Region.

The community raised the impacts of climate change to the area surrounding the project in submission during the exhibition of the modification application.

The *NSW Coal Industry 2026–50* notes that there is likely to be ongoing demand for export coal in the short to medium term as some of NSW's key trading partners do not have the same opportunity as NSW for local coal or renewable energy supply and rely on these exports to support their energy and industrial needs. The intention is that NSW will continue to be a reliable trading partner and supply its high quality coal where there is demand in these countries.

Contribution to global emissions

As described above, coal production from the modification would occur during periods that the relevant countries of export anticipate that they would still rely on coal fired power while meeting the commitments of relevant NDCs (or other voluntary commitments). That is, coal from the modification may be combusted in countries where net country-wide emissions are declining, if they meet their NDCs.

There is therefore uncertainty regarding the net contribution of the modification to global emissions.

Given the limitations in calculating the exact contribution of the modification to global emissions, the Department taken a conservative approach by assuming that all emissions from the modification would lead to a net increase in global emissions. The annual average emissions from the modification would comprise 0.03% of the total anthropogenic GHG emissions globally in 2024 (United Nations Environment Programme, 2025).

In the context of the global demand for coal, the peak production year for the modification represents approximately 0.099% of the current estimated annual coal demand (International Energy Agency, 2025).

Contribution to global temperature change

In the GHG assessment, MACH provided an analysis of the contribution of the modification to global temperatures changes. The analysis is based on Intergovernmental Panel on Climate Change (IPPC) reporting that every 1,000 gigatonnes of cumulative global CO_{2-e} emissions are likely to increase

global mean surface temperature by between 0.27 and 0.63 °C, with a central estimate of 0.45°C (IPCC, 2021).

Applying the central estimate to the lifetime Scope 1, 2 and 3 emissions from the modification, this would represent a global surface temperature change of 0.0000628°C or 0.63 ten thousandths of a degree. This analysis is provided to contextualise global emissions and is not provided to quantify localised effects or to attribute temperature change to any single emissions source. As above, the analysis conservatively assumes all emissions would lead to a net increase in global emissions.

The position of MACH is that there is limited evidence to demonstrate that the modification would cause any net increase in global GHG emissions or global average temperature as:

- all emissions scenarios developed by the IPCC (and considered in NSW and Australian Regional Climate Modelling) include coal as part of the global primary energy mix during the life of the modification (i.e. to 2032) and continuing through to at least 2050; and
- in 2024 estimated global production and consumption of coal was approximately 8,688 Mt of coal (IEA, 2025), whereas the modification would produce an annual financial year peak of approximately 8.6 Mt of product coal. In this context, if the modification does not proceed, it is likely that customers would purchase an equivalent amount of coal from an alternate supplier to meet their demand.

The Department notes the position of MACH. Notwithstanding as part of its assessment the Department has made a conservative assumption that the emissions from the proposed modification would wholly lead to the net increases in global emissions and global temperature increases described above. The contribution of these increases to global climate change and the impacts of global climate change in the locality are considered in the section below.

6.1.6 Climate change impacts in the locality

The effects of climate change manifest differently across different regional and localities. The Department recognises that the contribution of the project to global emissions would in turn contribute to climate change impacts in the locality, regardless of the difficulties inherent in quantifying the precise extent or nature of that contribution. The Department also recognises that the notional 0.03%⁴ contribution of the proposed modification to global emissions in 2030 will translate into an impact in the locality that is “of relevance” to the development under consideration for the purposes of s 4.15 of the EP&A Act.

⁴ This contribution is conservatively based on the ‘modified-business’ scenario which includes all emissions from approved operations and the proposed modification over the application period.

The NSW and Australian Regional Climate Modelling (NARClIM) project delivers high-resolution climate change projections for NSW and south-east Australia based on a low and high emissions scenario.

As noted by AdaptNSW, NARClIM projections capture a range of plausible future climates. Plausible means that these future scenarios are well within the bounds of possibility, given the uncertainties that exist. Plausible futures are different to probable futures, which are scenarios that are likely to happen. Because of uncertainty, climate projections cannot say what will probably happen.

For the period 2020-2039 in the Hunter region the following are some of the changes that are predicted under the low and high emissions scenarios:

- change in rainfall from -5.8% to -3.1%;
- average temperature increases of 0.8°C for both scenarios;
- increase in the number of additional hot days per year of 4.1 and 3.9;
- number of additional severe fire weather days per year of 0.4 to 0.5.

MACH provided further detailed analysis of the NARClIM projections within the 32 km² area around the mine. For the period 2020-2039 the following are some of the changes that are predicted under the low and high emissions scenarios in this area:

- change in rainfall from -6.24% to -3.41%;
- average temperature increases of 0.85°C for both scenarios;
- increase in the number of additional hot days per year of 8.43 and 8.91;
- number of additional severe fire weather days per year of 1.08 to 1.31.

The above changes are projections that reflect global GHG emissions and temperature scenarios and are not related to any specific development.

The environmental assessments prepared to support the application include scenarios that take into account the projected effects of climate change in the locality, including in the surface water and groundwater assessments.

The Hunter region exhibits a number of environmental, social and economic characteristics that are likely to increase its vulnerability to these predicted climate change impacts including extensive vegetated areas susceptible to bushfire, coastal and estuarine zones at risk of sea level rise, the sensitivity of the agricultural sector and pressure on water resources like the Hunter River that are subject to existing demands from industry.

Different areas within the Hunter would be more susceptible to climate change than others due to the factors above. Larger increases to the number of hot days are projected to occur in the Upper

Hunter, and there are higher projected reductions to average rainfall for the Barrington Tops and southern hinterland areas of the region including Wollemi National Park.

The analysis above shows compared to the Hunter region as a whole, the area immediately around the mine is projected to have a higher average temperature increase, a higher rate of additional hot days per year and a higher rate of additional severe fire weather days per year as a result of climate change.

Potential environmental impacts from climate change would result in flow on social and economic impacts. As reported by AdaptNSW and the Net Zero Commission, climate change presents a range of risks and impacts that are expected to negatively impact the economy. These include property loss and damage, infrastructure and service costs, risks to financial stability and the cost of food and insurance. The impacts of climate can also impact health and wellbeing affecting livelihoods and productivity.

The GHG emissions from the project would contribute to climate change where there is a net increase to global emissions and increase to global temperatures. This contribution has been conservatively assumed to be up to around 0.03% of global emissions in 2030 or a contribution to global surface temperature change of 0.0000628°C or 0.63 ten thousandths of a degree. This would contribute to the environmental, social and economic climate change impacts on the locality as described above.

The Department has considered these impacts along with the views of the local community as part of its evaluation of the merits of the project summarised in Section 7 in line with the requirements of section 4.15 of the EP&A Act.

6.1.7 Recommended conditions and ongoing regulation

The Department has recommended modified conditions to manage GHG emissions in consultation with the NSW EPA.

As the GHG assessment was prepared in accordance with the *NSW Guide for Large Emitters*, the mitigation approach described in the assessment would form the basis of a GHG mitigation plan for the ongoing operation of the project, if approved. The Department has recommended a condition that requires the preparation of a GHG mitigation plan including the requirement to prepare a three year action plan. This is consistent with the commitments made by MACH for the ongoing review into the feasibility of mitigation technologies that could be implemented at the mine. The plan must be prepared in accordance with the *Greenhouse Gas Mitigation Guide for NSW Coal Mines and Emissions Reporting and Climate Change Mitigation and Adaptation Plans – Guidance for Environment Protection Licensees*.

The ongoing regulation of GHG emissions will primarily be the responsibility of the NSW EPA. If approved, the operation of the project would be subject to the EPL licensee requirements developed by the NSW EPA as part of the *Climate Change Action Plan 2023-26*. The Department considers the recommended conditions would complement the regulation of emissions by the NSW EPA consistent with the policy approach of the NSW Government for coal mining.

6.1.8 Conclusion

The Department considers the proposed modification is consistent with NSW Government policy regarding GHG emissions. The *NSW Coal Industry 2026-50* outlines the policy of the NSW Government on the matters of both coal mining expansions and how they relate to GHG impacts including the NSW net zero emissions reductions targets.

As outlined in the *NSW Coal Industry 2026-50*, with regard to GHG, extensions to coal mines are required to meet the emissions requirements prescribed in key policy frameworks including the Australian Government's Safeguard Mechanism and the EPA's *NSW Guide for Large Emitters*. The GHG assessment for the modification has been completed in accordance with the *NSW Guide for Large Emitters* and MACH have demonstrated their obligations under the Safeguard Mechanism.

The Department considers that GHG emissions have been minimised to the greatest extent practicable given the proposed modification has met the relevant NSW Government guidance for emissions avoidance, mitigation and offsetting.

The emissions intensity for mining operations for the proposed modification is significantly lower than compared to the wider coal mining industry and mining operations would cease under the modification prior to 2035. Given the low emissions intensity of the mine, it is projected that MACH would comply with its obligations under the Safeguard Mechanism without the need for offsetting.

The NSW Government expects that overall net emissions from the coal mining sector will decline consistent with NSW's targets from 2030, in line with forecast production declines and the implementation of mitigation technologies and offsetting. Extensions will continue to be considered in this context.

This position is consistent with emissions forecasting, which demonstrates the required reductions could be achieved if the modification is approved. This emissions forecasting includes the emissions from SSD-10418 and so the forecasting is likely to be conservative insofar as it concerns the proposed modification. The *NSW Coal Industry 2026-50* notes the coal sector should not be expected to commit to deeper reductions than other sectors of the economy.

The Department consulted closely with the NSW EPA regarding the GHG impacts of the projects. MACH addressed all advice from the NSW EPA regarding the application of the *NSW Guide for Large Emitters*.

The Department has considered the GHG emissions in the context of relevant NSW and Commonwealth policies and guidelines, including the emissions reduction targets and guiding principles set out in the Net Zero Future Act.

The Department has also considered the environmental, social and economic effects of climate change impacts in the locality having regard to the views of the community. The Department acknowledges that additional GHG emissions generated by the project would contribute to climate change and therefore to climate impacts in the locality.

The Department has recommended conditions intended to complement the NSW EPA's regulation of GHG emissions in the NSW coal mining sector which is being progressively implemented at the time of writing.

The Department has carefully evaluated the merits of the project in **Section 7**, having regard to environmental, social and economic considerations as required under section 4.15 of the EP&A Act.

6.2 Water

The proposed modification would generally involve the continuation of existing and approved potential impacts to water resources for six years in the context of an existing framework to minimise, manage and monitor these impacts. Mining for the proposed modification would be limited to within the approved surface disturbance area however the modification would facilitate the disturbance of areas that would otherwise not be disturbed if mining operations ceased in 2026.

The Department considers the key impacts are the potential incremental impacts to key water surface water resources including the Hunter River and Sandy Creek and the associated alluvial aquifers which are classified as highly productive alluvial aquifers under the AIP.

6.2.1 Surface water

A surface water assessment was prepared for the proposed modification by ATC Williams and MACH addressed the relevant advice provided by NSW EPA and Water Group.

Surface water management and monitoring at the mine is currently undertaken in accordance with a site water balance, erosion and sediment control plan (ESCP) and surface water management and monitoring plan, which are components of the water management plan required under the consent.

Key surface water considerations relate to impacts to catchment areas from surface disturbance, managing the risk of uncontrolled discharges of mine water to the environment, managing erosion and clean water diversions and changes to the flooding regime at the site.

The surface water assessment identified that impacts to catchment excision and streamflow in the Hunter River would be negligible and there would be a reduction to the catchment area of Sandy Creek of around 0.3km² compared to the mine ceasing operations at the end of 2026.

The surface water assessment also identified that overflows from sediment dams are only predicted during high rainfall events and that the increase to water quality contaminants to the Hunter River from the proposed modification in these events would be less than 1%. Negligible overflows are predicted to Sandy Creek.

Controlled releases to the Hunter River are regulated under the Hunter River Salinity Trading Scheme. The surface water assessment identified that:

- discharges from the mine would contribute to a 4.3% increase in total nickel concentration under median flow conditions within the Hunter River with other contaminants estimated to increase by less than 2% under median conditions;
- Under 95th percentile (high flow) conditions the mine would contribute to an increase in contaminants of up to 7%;
- Under both conditions, the Australian and New Zealand Governments (ANZG) aquatic ecosystem criteria for total nickel (for the 95% level of species protection for slightly to moderately disturbed ecosystems) would not be exceeded;
- there would be no other exceedances of the default ANZG for other contaminants that do not already exceed under baseline conditions.

As the disturbance area associated with the modification is outside the 1% annual exceedance probability (AEP) for the Hunter River floodplain, changes to the flood depth, extent or velocity in the vicinity of the mine is considered to be negligible.

MACH committed to the revision of the water management plan for consistency with the proposed modification. The Department considers the existing conditions of consent including the preparation of a water management plan are appropriate to manage the potential surface water impacts associated with the proposed modification.

6.2.2 Groundwater

A groundwater impact assessment was prepared by Australasian Groundwater and Environmental Consultants Pty Ltd for the proposed modification and MACH addressed all relevant advice from the Water Group. The groundwater assessment was based on a numerical groundwater model that was independently peer reviewed. The peer reviewer noted the model is mature and robust and is fit for purpose.

The groundwater model predicted maximum inflows to the open cut of 148 megalitres per year (ML/year), which is less than the maximum inflows predicted in the original Environmental Impact Statement for the project.

The inflows into the open cut would result in changes to local groundwater flows including groundwater drawdown. The key impact for the Department's assessment is the incremental increase to drawdown levels from the proposed modification in the context of the minimal impact considerations under the AIP.

The groundwater assessment identified that:

- groundwater take from alluvial aquifers is predicted to be minimal at a maximum of 1.8ML/year for the Hunter River alluvium and less than 1ML/year for Sandy Creek;
- baseflow reduction to/from the Hunter River is predicted to peak at approximately 42 ML/year, which is <0.05% of mean annual flow and therefore hydrologically insignificant;
- groundwater-dependent ecosystems (GDEs) are predicted not to experience measurable drawdown impacts;
- groundwater quality impacts are expected to remain negligible, with seepage and salinity managed under the existing water management framework; and
- MACH Energy holds sufficient Water Access Licences (WALs) under the *Water Management Act 2000* (NSW) to account for all direct and indirect groundwater take consistent with the AIP.

Two private bores are predicted to experience drawdown greater than two metres due to the modification. Both bores have already experienced around 15 m of drawdown due to the operation of Dartbrook Mine. MACH would provide compensatory water to the owners of the bores if requested consistent with the make good provision requirements of the AIP. The Department notes that provision of compensatory water, if an impact occurs, is already a requirement under the existing development consents for both Mt Pleasant and Dartbrook, and that to date there has been no request to MACH for compensatory water for these two bores – one of which is identified as not being in use, and the other one as being dry.

Apart from the impacts on the 2 private bores, the groundwater impacts for the proposed modification are less than Level 1 minimal impact considerations under the AIP. The impact to the two private bores is acceptable subject to the make good provision requirements of the AIP.

MACH committed to the revision of the water management plan for consistency with the proposed modification. MACH considers the existing groundwater monitoring network is considered adequate to monitor the potential impacts from the modification. Given the magnitude of the proposed impacts and that residual comments were not raised by Water Group, the Department agrees with

this approach, noting future changes to the monitoring network could be identified as part of the iterative approach to groundwater modelling and management.

The Department considers the existing conditions of consent are appropriate to manage the potential groundwater impacts associated with the proposed modification, which include the implementation of the groundwater monitoring network and the implementation of a trigger action response plan to provide early warning for potential exceedances of approved groundwater impacts.

6.3 Air quality

6.3.1 Assessment methodology

An air quality impact assessment was prepared for the proposed modification by Todoroski Air Sciences, in accordance with the NSW EPA's *Approved Methods for the Modelling and Assessment of Air Pollutants in New South Wales* (2022) (NSW EPA's Approved Methods) and the Department's *Voluntary Land Acquisition and Mitigation Policy* (2018) (VLAMP). MACH addressed all relevant advice from the NSW EPA regarding the air quality impact assessment.

Air quality monitoring and management at the site is currently undertaken in accordance with an approved air quality management plan and a comprehensive air quality management framework incorporating both proactive (planned) and reactive (real-time) controls. The existing consent requires MACH to implement best practice management to minimise air quality emissions.

Key air quality considerations relate to the generation of particulate matter from mining operations and ancillary activities (including PM₁₀, PM_{2.5}, total suspended particles and deposited dust), as well as potential nitrogen dioxide emissions from blasting under certain meteorological conditions.

Emissions associated with the proposed modification would be generated from construction activities, extraction and processing of coal, blasting, material handling, and vehicle movements.

The Department considers that the assessment provides a robust and technically sound basis for evaluating potential air quality impacts of the proposed modification.

The assessment included three representative future scenarios (2027, 2029 and 2031), to represent periods of the highest predicted air quality impacts over the modification period. Each scenario considered incremental impacts attributable to the modification and cumulative impacts associated with surrounding mining operations and background air quality levels.

To characterise potential background dust levels and cumulative dust impacts, the modelling accounted for non-mining contributions and emissions from six surrounding approved existing coal mining operations including Bengalla, Mt Arthur, Mangoola, Maxwell, Muswellbrook Coal and Dartbrook mines.

To model worst case dust impacts, the assessment conservatively assumed all six mines would be operating during the modification period to 2032. The Department notes that this represents a conservative approach, as active mining at Muswellbrook Coal ceased in 2022 and Mt Arthur and Mangoola open cut mines are currently approved to operate until 2030.

Overall, this approach is considered consistent with contemporary best practice for assessing air quality impacts.

6.3.2 Air quality management measures

The modelling incorporated proactive dust management measures, including real-time monitoring and forecasting, routine dust suppression, road stabilisation, and optimisation of operational practices to minimise emissions and reduce dust generating activities.

Short term reactive measures (such as modifying activities in response to real-time monitoring, temporary shutdowns, or increased dust suppression during adverse weather conditions) were not directly incorporated in the predictive modelling due to their dynamic and site-specific nature.

Instead, separate dispersion modelling was undertaken to assess the effectiveness of real-time operational triggers currently implemented at the site. The results demonstrated that predicted exceedances could be prevented and incremental contributions to cumulative dust impacts significantly reduced with the implementation of reactive controls.

The Department therefore considers that the predicted impacts are likely to be conservative, particularly where both proactive and reactive controls are implemented.

The NSW EPA considered that MACHs current and proposed dust mitigation measures, including benchmarking against best management practices, is a reasonable and appropriate approach to minimising dust emissions as far as practical from the proposed modification. Following its review of the modelling inputs, methodology and assumptions, the EPA raised no residual concerns regarding the assessment.

6.3.3 Potential impacts

The assessment predicted exceedances of the annual average cumulative PM₁₀ criteria at two private residential receivers (43 and 249) and exceedances of the total suspended particulates (TSP) criteria at one receiver (43).

The predicted exceedances are largely driven by background conditions and emissions from other regional sources, rather than the proposed modification itself. The assessment predicted that the modification would make marginal contributions to the existing cumulative conditions, with incremental contributions for annual average PM₁₀ levels of between 0.8% and 4% of the existing

levels of particulates in the environment and incremental contributions to annual average TSP between 1.3% and 3.8%.

Both receptors are located south of the site, with receptor 43 adjoining the project boundary, while receptor 249 is located approximately 5 km away. Both receptors are located within an established mining precinct that is already subject to air quality impacts from existing mining operations.

Given the modification contributes to an exceedance of the VLAMP criteria, the affected receptors are eligible for mitigation under the VLAMP.

Both receptors are already subject to existing air quality mitigation or acquisition entitlements under existing approvals. Receptor 43 has acquisition rights under DA 92/97 and the Bengalla (SSD 5170) consents, and receptor 249 holds existing air quality acquisition rights under the Mt Arthur approval (MP 09_0062) and noise mitigation rights under the Bengalla consent.

The Department notes that these existing mitigation and acquisition rights would remain available for the duration of the proposed modification until the relevant consents are surrendered. Even if surrounding mining operations cease earlier than anticipated, the existing air quality mitigation and acquisition entitlements would remain valid, and rights could still be exercised under those approvals until the relevant consent(s) are surrendered. While mining operations at Mt Arthur and Mangoola are approved until 2030, the Department considers it is unlikely the respective consents would be surrendered before the end of 2032.

Given the modification's limited contribution to the predicted cumulative exceedances, and the existing mitigation and acquisition rights available to the affected receivers, the Department considers that additional air quality mitigation or acquisition rights are not warranted.

The assessment also considered potential short-term particulate matter impacts. With the application of the existing reactive dust mitigation strategy and real-time predictive management systems, no privately-owned receivers are predicted to exceed the NSW EPA's cumulative 24-hour average PM₁₀, PM_{2.5} and deposited dust criteria as a result of the modification. The EPA noted in its advice that the controls proposed by the Applicant were generally in line with, or close to, best practice control effectiveness and the EPA had no further comments in relation to air quality management.

The assessment identified that cumulative exceedances may occur at some locations under certain conditions. However, these predicted exceedances generally occur due to regional air quality patterns and are not driven primarily by the proposed modification. The modification's contribution to cumulative particulate matter levels would not materially alter the existing air quality environment in the surrounding area.

MACH committed to continuing to implement real-time monitoring and reactive control measures to minimise its contribution to ambient dust levels during adverse operating and meteorological conditions.

The vacant land assessment identified one vacant privately owned lot (receptor 143e), located north of the site, that exceeds the vacant land criteria under the VLAMP. Given this receptor already holds existing acquisition rights under the consent, no additional mitigation measures are required.

For mine-owned properties, non-residential or non-occupied receptors, the Department considers that mitigation is not warranted. Impacts at these receivers would continue to be managed through existing operational controls, monitoring and reporting obligations.

Regarding Council's comments on spontaneous combustion, the Department notes the existing conditions require that MACH take all reasonable and feasible steps to minimise odour and to eliminate or minimise the risk of spontaneous combustion.

6.3.4 Conclusion

The modification would contribute to air quality impacts within the surrounding established mining precinct, however impacts are broadly consistent with existing air quality conditions and approved impacts for the approved project.

The Department considers that the existing conditions of consent are appropriate to manage the potential air quality impacts associated with the proposed modification. These conditions require MACH to implement an Air Quality Management Plan, apply best-practice mitigation measures, operate real-time monitoring systems, minimise emissions through proactive and reactive controls, co-ordinate operational responses with nearby operations, respond to community feedback and transparently report on environmental performance.

The Department considers that, with the implementation of existing air quality management measures and the existing conditions of consent, the air quality impacts can be appropriately managed to an acceptable level consistent with NSW Government policy settings.

6.4 Noise and blasting

6.4.1 Assessment and management approach

A noise and blasting impact assessment was prepared for the proposed modification, by RWDI Australia Pty Ltd (2025) in accordance with the *NSW Noise Policy for Industry* (NPfI), the *Interim Construction Noise Guideline* (ICNG), the *NSW Road Noise Policy*, the *Rail Infrastructure Noise Guideline* and the VLAMP). MACH addressed all relevant advice from the NSW EPA regarding the noise and blasting impact assessment.

Noise impacts at the site are currently managed in accordance with an integrated noise management framework, including a Noise Management Plan, an extensive noise monitoring network, predictive noise modelling and meteorological forecasting systems. Management measures include the use of acoustically designed fixed plant and noise-suppressed mobile equipment, operating equipment in less exposed areas during sensitive periods, and implementing proactive and reactive management measures informed by real-time monitoring and predictive modelling.

Key noise considerations for the proposed modification relate to operational noise impacts, cumulative noise impacts, low frequency noise, maximum noise level events, road traffic noise, rail noise and blasting impacts.

The assessment included three representative future operational scenarios (2027, 2029 and 2031), selected to represent periods of the highest predicted noise impacts over the modified mine life. Each scenario considered both incremental impacts attributable to the modification and cumulative impacts associated with surrounding mining operations.

6.4.2 Potential impacts

Operational noise impacts

The noise assessment predicted exceedances of the night time noise criteria during meteorological conditions under the standard and noise-enhancing conditions defined by the NPfl at receiver 154, located north-northeast of the site. Consistent with existing operations, MACH committed to implementing proactive noise mitigation measures during these conditions, including temporary shut-down of equipment or mining activities where required. The assessment concluded that these measures would be feasible while maintaining the proposed production schedule.

The noise assessment concluded that noise generated by the modification would comply with the existing consent criteria and project noise trigger levels during all assessment periods under the assessed meteorological conditions.

The vacant land assessment predicts one privately owned lot (receptor 153a) would exceed the vacant land criteria under the VLAMP. As this receptor already has acquisition rights under the consent, no additional mitigation measures are required.

Low frequency noise and sleep disturbance

The low frequency noise assessment concluded that noise generated by the modification is unlikely to exhibit dominant low-frequency characteristics at surrounding receivers that would warrant the application of modifying factor corrections.

Maximum noise level events were also considered as part of the assessment, however the analysis concluded that the modification would comply with the relevant sleep disturbance noise criteria at all privately-owned receivers.

Cumulative noise impacts

Four surrounding mines were considered in the cumulative noise assessment, including Bengalla open cut, Mt Arthur open cut, Mangoola open cut and Dartbrook underground. The assessment accounted for the approved operational periods of these mines, with Mt Arthur only included in the 2027 and 2029 scenarios due to its approved closure in 2030.

Cumulative noise is predicted to comply with the applicable cumulative noise criteria during all assessment periods without implementation of proactive noise management measures.

The $L_{A1,1min}$ night-time noise criterion would be achieved at all privately-owned residential receptors.

Road traffic and rail noise

The road traffic noise assessment predicts exceedances of the applicable criteria at seven receivers on Wybong Road and Kayuga Road. However, these exceedances are predicted to occur irrespective of the modification, and therefore, the modification would not result in any new exceedances.

The assessment concluded that the relative increase in traffic noise associated with the operation would generally be less than 2 dB outside construction periods and therefore barely perceptible to the average listener. Five of the affected receivers already hold acquisition upon request rights, and the remaining two receivers have mitigation upon request rights under the existing consent. MACH committed to continue implementing all feasible and reasonable road traffic noise mitigation measures.

The rail spur assessment predicts compliance with the applicable criteria at all receivers, except for receiver 21, where a 1 dB exceedance is predicted under conservative modelling assumptions (involving wheel defects). The exceedance is considered to be negligible and would not be discernible to the average listener. Receiver 21 already has additional mitigation upon request rights under the existing consent and therefore no additional mitigation measures are warranted.

The rail network noise assessment predicts three privately-owned residential receivers (630a, 631 and 632) within 112 m of the Muswellbrook-Ulan Rail Line to experience exceedances of the relevant rail noise criteria. However, the assessment concluded that these exceedances would occur irrespective of the modification and are not attributed to the modification. MACH committed to continue working with rail service providers in identifying wagons with audible wheel defects and facilitate their removal from the rail fleet.

Noise limits

The NSW EPA recommended revision of the operational noise limits and meteorological provisions in the consent, including:

- applying noise limits during the day under standard meteorological conditions, as defined in the NPfI;
- applying noise limits during the evening and night periods under NPfI noise-enhancing meteorological conditions;
- increasing evening noise limits by 1 dB for NAG 6 and NAG 7, NAG 8, receiver 140a and all other privately owned residences not assigned to a noise assessment group; and
- applying a noise limit 5 dB above the consent limits during meteorological conditions outside the relevant NPfI-defined assessment ranges for the day, evening and night periods.

The Department notes that a 1 dB increase is a minor change that would generally not be perceptible to the average listener and considers that the NSW EPA's recommendations would improve consistency between the development consent and the NPfI framework.

Blasting

A blasting assessment was undertaken to assess the proposed increase in maximum instantaneous charge (MIC)⁵ proposed to be used in the blast design. The assessment established revised minimum buffer distances where blast monitoring data would be required to inform blast design and confirmed that, with the implementation of existing management and mitigation measures, blasting would continue to comply with the applicable blasting criteria.

Conclusion

The Department acknowledges that the modification has the potential to result in minor increases in noise exposure at some receivers compared to the approved project. However, the assessment demonstrates that impacts could be effectively managed through the existing noise management framework and recommended conditions of consent. The modification would however extend the duration over which approved impacts would occur.

The Department considers the existing noise and blasting management measures, together with the proposed consent amendments and ongoing implementation of proactive noise mitigation measures,

⁵ The maximum mass of explosives to be detonated in any 8 millisecond interval and is a key factor influencing ground vibration and airblast impacts.

are appropriate to manage the potential noise and blasting impacts associated with the proposed modification.

6.5 Other issues

The Department's consideration of other issues is summarised in **Table 11** below.

Table 11 | Assessment of other issues

Issue	Findings and conclusions	Recommended conditions
Aboriginal heritage, non-Aboriginal heritage and biodiversity	- The proposed modification is wholly located within the existing approved disturbance areas and does not involve any additional disturbance. Therefore, there would not be any increase to approved direct impacts to Aboriginal heritage, non-Aboriginal heritage or biodiversity. - The Department considers that the impacts of the modification do not exceed those of the approved mine and therefore can be appropriately managed with existing and contemporised consent conditions.	None required.
Traffic and transport	- The modification would result in impacts to traffic from vehicle movements associated construction of the modification and the continuation of mining operations. - A Road Transport Assessment was prepared by The Transport Planning Partnership (TPPP) to assess the impacts of the modification on traffic and transport. - The assessment included traffic modelling which considered the modification-related traffic as well as cumulative traffic associated with other resource projects and background traffic growth in the region for the years 2026 (peak construction workforce) and 2032 (final year of proposed mining operations). - Construction trip generation is expected to peak in 2026 at a maximum of 220 light and heavy vehicles per day, reducing to a total of eight vehicles in 2032. Operational trip generation is expected to peak in 2026 at a maximum of 450 light and heavy vehicles per day, reducing to a total of 246 vehicles in 2032.	Prepare a Traffic Management Plan

Issue	Findings and conclusions	Recommended conditions
	• The Road Transport Assessment estimated that total trip generation resulting from the modification is expected to reach up to 1,338 in 2026 and 1,134 in 2032. • Intersection performance assessment indicated that the modification would result in negligible impact to the level of service (LoS) of all assessed intersections in both AM and PM peak across 2026 and 2032. • MACH provided additional information to address the advice from TfNSW as part of the submissions report to the satisfaction of TfNSW. • The Department has recommended the requirement for the preparation and implementation of a Traffic Management Plan consistent with contemporary mining consents, including for example measures to minimise traffic safety issues, temporary traffic controls, notifications to community, use of shuttle buses for construction workforce and a drivers code of conduct. • The Department considers that traffic related impacts of the modification would be similar to those of the approved mine and can be appropriately managed in accordance with the recommended conditions.	
Visual	• The modification would result in ongoing impacts to visual amenity from disturbance associated with the continuation of open cut mining within the existing approved surface disturbance area under DA 92/97. • A Landscape and Visual Impact Assessment was prepared by Resource Strategies to assess the impacts of the modification on visual amenity in accordance with the <i>Technical Supplement – Landscape and Visual Impact Assessment: Large-Scale Solar Energy Guideline</i> (DPE 2022). • The modified project would increase the duration of visual impacts at Mount Pleasant by six years, however it would continue to operate largely within existing and approved disturbance footprints.	• None required.

Issue	Findings and conclusions	Recommended conditions
	- Potential changes in visual impacts resulting from the modification were assessed at eight key viewpoints surrounding the project representative of views from the surrounding road network including residential. - The Landscape and Visual Impact Assessment concluded that the modification was likely to result in very low to low visual impact to five viewpoints and moderate impact to three viewpoints. Moderate visual impacts were associated with high viewpoint sensitivity where viewpoints were representative of town dwelling primary views. - Impacts from lighting resulting from the modification are expected to be consistent with existing approved operations at the site. - Visual impact is managed by the existing approved Visual Impact Management Plan (VIMP), which MACH has committed review and update as required for the modification. - The Department considers that visual amenity related impacts of the modification would be similar to those of the approved mine and can be appropriately managed in accordance with the existing conditions.	
Social	- The social impacts of the modification are generally a continuation of the existing social impacts associated with the approved operational mine, including both positive and negative impacts. - A Social Impact Assessment was prepared by Just Add Lime to assess the impacts of the modification on visual amenity in accordance with the <i>Social Impact Assessment Guideline for State Significant Projects</i> (DPHI 2025) and <i>Technical Supplement – Social Impact Assessment Guideline for State Significant Projects</i> (DPHI 2025). - The modification would allow for the employment of approximately 555 full time equivalent (FTE) operational positions, plus indirect employment through associated suppliers and contractors.	None required.

Issue	Findings and conclusions	Recommended conditions
	• The Social Impact Assessment identified that the modification would result in the continuation of existing negative impacts related to activities associated with traffic and impacts to amenity including noise, dust and lighting. • Positive impacts include the continuation of employment both at the site and for contractors, and existing community and Aboriginal cultural engagement and programs. • MACH has committed to the ongoing implementation of existing social management measures to mitigate negative social impacts, including stakeholder engagement, working with industry groups, targeting local employment and training, and supporting Aboriginal stakeholder groups. • The Department considers the existing Planning Agreement is the appropriate framework for ongoing development contributions to Council given the modification would generally involve the continuation of impacts associated with existing mining operations over a six year period. The Department considers that an additional monetary contribution to support investigations into waste tyre reuse is not justified for the modification and that waste tyres would continue to be managed in accordance with the existing consent and the EPL for the premises. • The Department considers that the positive and negative social impacts of the modification would be similar to those of the approved mine and can be appropriately managed.	
Economic	• An Economic Impact Assessment was prepared by AnalytEcon to assess the economic impacts of the modification including a cost-benefit analysis to evaluate the net benefit/cost of the modification to NSW, and a local effects analysis to assess flow-on effects in the region. • The <i>NSW Coal Industry 2026-50</i> describes that the NSW Government is to consider the impact of mine closures on the NSW economy and supporting industry job security when assessing proposed extensions to existing mines. The policy notes that coal mining is important in supporting the	• None required.

Issue	Findings and conclusions	Recommended conditions
	economy and local jobs and that proposals to extend coal mining can support continuation of these economic benefits in the short to medium term. • The cost-benefit analysis, which includes estimated costs from all environmental externalities, indicates that the modification would have a net benefit of \$776 million to the NSW economy in net present value (NPV) terms. The benefits include royalties of \$645 million and company tax of \$131 million. • Sensitivity analysis indicates that the modification would have a net positive benefit under a range of variables, including changes to: - o the discount rate (4% and 10% used in addition to the 7% base case); - o coal prices and exchange rates (coal prices dropping by 20% and AUD/USD exchange rates appreciating by 20% over the life of the mine would still result in \$386 million of royalties in NPV terms); and - o royalty payments and company tax rates. • The assessment indicates that the modification would have a range of economic benefits for the local area and region compared to the cessation of operations in 2026, including approximately: - o ongoing employment of approximately 555 FTE operational jobs; and - o an increase of \$128 million (NPV) in incremental disposable income in the SA3 region and \$169 million in the wider Hunter Valley. • The Economic Impact Assessment included additional analysis of GHG-related aspects of the cost-benefit analysis, including additional sensitivity analysis for a range of carbon prices, and consideration of attributing all	

Issue	Findings and conclusions	Recommended conditions
	externality costs associated with Scope 1 and 2 GHG emissions to NSW and Australia. - The GHG sensitivity analysis concluded that, depending on the GHG valuation and attribution method that is adopted, the costs of the modification's incremental Scope 1 and 2 emissions vary between \$0.07 million (allocation to NSW on the basis of NSW share of world population) and \$365 million (global carbon costs) in NPV terms, and the corresponding net benefit to NSW between \$776 million and \$411 million in NPV terms, respectively. - NSW Resources considers that the benefits of the modification represent an adequate recovery of resources and appropriate return to NSW. - The Department considers that the modification would have significant economic benefits for the region and NSW under a range of conservative assessment scenarios and is consistent with the <i>NSW Coal Industry 2026-50</i>.	
Rehabilitation	- MACH developed a revised conceptual final landform based on mining operations proceeding until 2032 for the proposed modification. - The proposed modification does not include changes to rehabilitation objectives and measures in the consent. - The Department considers the existing rehabilitation objectives are appropriate and require final landforms to incorporate micro-relief and drainage lines that are consistent with surrounding topography and for the size and depth of final voids to be minimised. - MACH addressed all residual issues raised by the NSW Resources Regulator regarding rehabilitation. - The Department has recommended contemporary conditions of consent including a rehabilitation strategy which requires consideration of the socio-economic effects of mine closure and post-mining transition opportunities.	The Department has recommended conditions to contemporise the consent regarding rehabilitation.

7 Evaluation

The Department's assessment has considered the relevant matters and objects of the EP&A Act, including the significant likely impacts of the proposed modification (**Section 6**), principles of ecologically sustainable development (**Sections 4**), advice from government agencies, Council and public submissions (**Section 5**), and strategic government policies and plans (**Section 3**).

Section 4.15 of the EP&A Act sets out the specific evaluation requirements for the project. In summary, evaluating the merits of the project involves weighing up the potential benefits against the potential impacts and considering its consistency with relevant statutory requirements, government policy and the public interest.

Benefits

If approved, the modification would facilitate the continuation of mining at an existing complex through the extraction of coal resources within existing mining lease areas. Being an established mine, the extension reflects an efficient and optimised approach to extract the resource where existing equipment, infrastructure, processing facilities and transport operations can be utilised.

The proposed modification would provide significant economic benefits to the state of NSW, the broader Hunter region and the locality. Sensitivity analysis indicates that economic benefits are likely to be realised even under a range of variables including the costs from GHG emissions.

The coal mining sector plays a vital role in the Hunter economy, accounting for 58% of all economic output and the project would contribute to these ongoing economic benefits in the medium term.

The proposed modification would provide up to around 575 jobs over the life of the project. The extension of mining operations would support the continuation of economic benefits and industry job security in the Hunter region in the short to medium term. The closure of the mine without the project would impact job security and the continuation of economic benefits to the Hunter and NSW.

The proposed modification would contribute to energy security where it supplies coal to domestic power stations including Eraring, Vales Point and Bayswater Power Stations.

Social benefits would include the benefits associated with the continuation of employment both at the site and for contractors, and existing community and Aboriginal cultural engagement and programs.

During the public exhibition period the Department received 621 submissions in support of the proposed modification (around 76% of all submissions) which primarily cited the economic and social benefits of the project.

Impacts

The modification would result in a range of direct and indirect environmental, social and economic impacts. The Department received 190 objections to the project (around 23% of all submissions) which cited impacts from the proposed modification related to GHG emissions and climate change and impacts to amenity, water resources and biodiversity.

GHG emissions and associated impacts on climate change were a key issue raised in submissions objecting to the project and is a key consideration for the Department.

The position of the NSW Government outlined in *NSW Coal Industry 2026–50* is that extensions to coal mines are required to meet the emissions requirements prescribed in key policy frameworks including the Australian Government’s Safeguard Mechanism and the EPA’s *NSW Guide for Large Emitters*. The GHG assessment for the modification has been completed in accordance with the *NSW Guide for Large Emitters* and MACH have demonstrated their obligations under the Safeguard Mechanism.

The proposed modification would generate around 1.5 Mt CO₂-e of Scope 1 and Scope 2 emissions. The Department considers that GHG emissions have been minimised to the greatest extent practicable given the project has met the relevant NSW Government guidance for emissions avoidance, mitigation and offsetting.

The emissions intensity for mining operations for the proposed modification is significantly lower than compared to the wider coal mining industry and mining operations would cease under the modification prior to 2035. Given the low emissions intensity of the mine, it is projected that MACH would comply with its obligations under the Safeguard Mechanism without the need for offsetting.

Advice from NSW EPA indicates that the net contribution of the modification to statewide emissions would be around 0.38% in 2030 compared to the DCCEEW current policy scenario. As mining operations would cease by the end of 2032, by 2035 the contribution of the proposed modification to statewide emissions would be 0.005%.

The additional GHG emissions from the project, including Scope 3 emissions from the burning of the coal resource, would contribute to climate change impacts at the global level (in terms of increases to global GHG emissions) and would contribute to environmental, social and economic impacts (including climate changes impacts) in the locality. Climate change projections for the Hunter region (including the modification area and locality) indicate rising temperatures and increases in sea levels, increased fire risk, and more frequent extreme weather events.

The Department has recommended conditions intended to complement the NSW EPA’s regulation of GHG emissions in the NSW coal mining sector.

Other environmental impacts of the modification including impacts to amenity, water resources, traffic and associated social impacts would generally comprise the continuation of existing approved impacts over a longer duration and potential incremental increases to existing approved impacts during this period.

Conclusion

The Department has carefully assessed the likely impacts and benefits of the project in accordance with the requirements of section 4.15 of the EP&A Act. These impacts have been considered having regard to relevant statutory requirements, policies, public submissions and agency advice received.

The Department's consideration of the impacts and benefits the modification is guided by NSW Government policy including the *NSW Coal Industry 2026-50* which states that the NSW Government will continue to allow approvals for extensions to existing mining operations between 2026 to 2050 where it can be demonstrated that the environmental impacts of the project can be managed, in order to support ongoing job and energy security.

The Department considers the GHG impacts of the project are consistent with the requirements under NSW Government policy for the following reasons:

- GHG avoidance and mitigation have been developed in accordance with the *NSW Guide for Large Emitters* and has been carefully reviewed by the NSW EPA;
- the mine would be subject to the Commonwealth Safeguard Mechanism and due to the low emissions intensity of the mine it is projected to comply with the Safeguard without the need for offsetting;
- the Department has recommended conditions of consent to ensure the GHG mitigation measures described in the modification report are implemented and the mine is regulated consistent with the NSW EPA's regulation of GHG emissions in the NSW coal mining sector;
- as outlined in the *NSW Coal Industry 2026-50* the NSW Government expects that net emissions from the coal mining sector will decline consistent with NSW's targets from 2030 and that the NSW coal sector should not be expected to commit to deeper reductions than other sectors of the economy;
- the project is consistent with NSW Government policy related to GHG and the coal mining sector, including as set out in the Net Zero Future Act and its guiding principles; and
- the project would export coal to countries that are signatories to the Paris Agreement or otherwise have their own 2030 and/or 2050 emissions reductions targets, such that Scope 3 emissions associated with the project can reasonably be expected to be mitigated in the

countries of combustion, and it is the intention of the NSW Government to continue to support the energy and industrial needs of international trading partners; and

The Department considers that the other impacts of the proposed modification can be appropriately managed and mitigated. Those impacts are generally of the scale of the existing mining operations and would occur at a complex with existing infrastructure and management practices to monitor and minimise impacts. The Department considers the existing conditions of consent are generally appropriate to manage the impacts assessed for the modification and has recommended conditions be contemporised where required.

Approval of the proposed modification would be consistent with the position of the NSW Government for the coal sector to continue to be a reliable trading partner of high-quality coal while global demand for coal persists.

The project would provide ongoing employment security and economic benefits to the Hunter and NSW economy over the six year modification period as the sector continues to play its role in NSW meeting its legislated emissions reduction targets.

On balance, the Department considers that the benefits of the proposed modification outweigh its residual impacts and that it is in the public interest.

Accordingly, the Department recommends that the proposed modification be approved, subject to the recommended conditions.

The Department has drafted a recommended instrument of modification for DA92/97 (see **Appendix C**) and a consolidated version of the development consent, as proposed to be modified (see **Appendix D**).

8 Determination

It is recommended that the Deputy Secretary, Development Assessment and Sustainability, as delegate of the Minister for Planning and Public Spaces:

- **considers** the findings and recommendations of this report;
- **accepts and adopts** the findings and recommendations in this report as the reasons for making the decision to approve the modification;
- **forms the opinion** under section 7.17(2)(c) of the *Biodiversity Conservation Act 2016* that a biodiversity development assessment report is not required for this application as the modification would not increase the impacts on biodiversity values on the site;
- **modifies the consent** for the Mount Pleasant Operation (DA92/97) as amended, subject to the conditions in the attached instrument of modification; and
- signs the attached instrument of modification (**Appendix C**)

Recommended by:



13/08/2026

Steve O'Donoghue
Director Resource Assessments



13/08/2026

Chris Ritchie
A/Executive Director
Energy Resource, and Industry Assessments

The recommendation is **adopted/not adopted** by:



14/08/2026

Madeleine Thomas
A/Deputy Secretary Development Assessment and Sustainability

Appendices

Appendix A – List of referenced documents

A1 – Modification Report: Refer to folder “Modification Application” under the “Assessment” tab on the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

A2 – Submissions: Refer to the “Submissions” tab on the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

A3 – Submissions Report: Refer to the folder “Response to Submissions” under the “Assessment” tab on the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

A4 – Agency Advice: Refer to the folder “Agency Advice” under the “Assessment” tab on the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

A5 – Additional Information: Refer to the folder “Additional Information” under the “Assessment” tab on the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

Appendix B – Statutory considerations

This Appendix provides a summary of the Department’s consideration of relevant statutory obligations. The Department’s consideration of statutory obligations includes regard to the consideration of statutory requirements by MACH in the Modification Report.

Objects of the EP&A Act

A summary of the Department’s consideration of the relevant objects (found in section 1.3 of the EP&A Act) are provided in **Table B1** below.

Table B1 | Objects of the EP&A Act and how they have been considered

Object	Consideration
(a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State’s natural and other resources,	• The modification involves a permissible land use on the subject land. • The modification is wholly located within existing approved disturbance areas and mining lease areas and can be carried out using existing site infrastructure. • The modification would facilitate recovery of existing approved coal resources, which would provide considerable socio-economic benefits.
(c) to promote productivity through the development and management of the State and its resources,	• The modification involves mining previously approved coal reserves within the approved disturbance boundary using existing site infrastructure. Therefore, the Department considers this to represent a productive use of the land and State resources.
(d) to protect the environment, including the conservation of threatened species of native animals and plants and ecological communities and their habitats,	• The modification is wholly located within existing approved disturbed areas and utilising existing site infrastructure, with no new disturbance proposed. Therefore, the Department considers that the modification would not substantially increase environmental and biodiversity impacts.
(e) to promote resilience to climate change and natural disasters through adaptation, mitigation, preparedness and prevention,	• The Department has considered the guiding principles of the <i>Climate Change (Net Zero Future) Act 2023</i> (see Table B3 below) and has assessed the GHG impacts of the proposed modification in detail in Section 6.1). The Department notes the mine is required to prepare a Climate Change Mitigation and Adaptation Plan in accordance with NSW EPA requirements.

Object	Consideration
(f) to promote the sustainable management of built and cultural heritage, including Aboriginal cultural heritage,	The Department considers that the modification would result in a negligible impact to built and cultural heritage as there is no additional disturbance proposed and the modification area is located wholly within existing approved disturbance areas.
(h) to provide opportunities for participation in environmental planning and assessment,	- The Department publicly exhibited the modification application and made all relevant documents publicly available on its website. All public submissions have been considered by the applicant and the Department during the assessment process. - Council and other NSW government authorities were notified and consulted about the modification and all advice was considered in the Department's assessment.
(i) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,	- The Department considers that the modification can be carried out in a manner that is consistent with the principles of ecologically sustainable development as detailed below. Precautionary principle - The Department has assessed the impacts of the proposed modification and considers that there is sufficient scientific certainty regarding environmental impacts and residual risks to enable determination of the application. - The Department considers that the recommended conditions can provide an appropriate level of protection to environmental values in the region. Inter-generational equity - The Department considers that the proposed modification would allow for recovery of an existing approved coal resource and has considered matters relating to inter-generational equity including regarding climate change, - The Department has considered relevant Australian and NSW Government legislation and policy to address climate change in its assessment of the proposed modification. Conservation of biological diversity and ecological integrity

Object	Consideration
	- As the proposed modification is not proposing any additional disturbance beyond what is currently approved, the Department considers that impacts to biological diversity and ecological integrity are negligible. Improved valuation, pricing and incentive - The Department considers the modification to be fiscally responsible in extracting existing approved coal reserves within the existing approved development footprint, which maximises economic benefits whilst minimising environmental and social impacts subject to conditioning.
(j) to promote a proportionate and risk-based approach to environmental planning and assessment,	The Department's assessment of the modification has sought to integrate all significant environmental, social and economic considerations. The Department has assessed the impacts of the modification and considers that there is sufficient scientific certainty regarding environmental impacts and residual risks to enable determination of the application.
(k) to promote the orderly and economic use and development of land,	The modification involves mining previously approved coal reserves within the approved disturbance boundary using existing site infrastructure. The Department considers this to represent a productive and economic use of the land and its resources.

Environmental Planning Instruments (EPIs)

A summary of the Department's consideration of relevant Environmental Planning Instruments is provided in **Table B2**.

Table B2 | Matters for consideration under 4.15 of the EP&A Act

EPI	Consideration
State Environmental Planning Policy (Resources and Energy) 2021	Part 2.3 of the Resources and Energy SEPP lists a number of matters that a consent authority must consider before determining an application for consent for development for the purposes of mining. The Department has considered these matters in its assessment of the modification (throughout Section 6, as applicable) and has included a brief outline of key considerations below. Compatibility of the mine with other land uses (section 2.17)

- Potential impacts from the proposed modification on surrounding land uses have been assessed in **Section 6**. With the implementation of existing and proposed mitigation and management measures and the conditions of consent, the proposed modification would not compromise surrounding land uses.

Natural Resource Management and Environmental Management (section 2.20)

- Section 2.20 requires that, before granting consent for development for the purposes of mining, the consent authority must consider whether or not the consent should be issued subject to conditions aimed at ensuring that the development is undertaken in an environmentally responsible manner, including conditions to ensure that impacts on significant surface water and groundwater resources, threatened species and biodiversity are avoided or minimised to the greatest extent practicable and that GHG emissions are minimised to the greatest extent practicable.
- There would be no additional impacts to threatened species or biodiversity due to the proposed modification. Impacts to surface water and groundwater would represent a continuation of existing impacts for an additional six-year period.
- GHG emissions are addressed in detail in **Section 6.1**.
- The Department considers the existing conditions of consent, including conditions in relation to water management, threatened species and biodiversity are adequate to ensure that the proposed modification is undertaken in an environmentally responsible manner.

Resource Recovery (section 2.21)

- The Department has considered the recovery of coal resources in its assessment of the proposed modification. It considers that the modified project can be carried out in an efficient manner that optimises coal resource recovery while giving appropriate recognition and protection for environmental values.

Rehabilitation (section 2.23)

- There would be no additional land disturbance from the modification. Accordingly, the Department does not consider there would be any significant changes to rehabilitation requirements of the project, and the existing conditions are adequate to manage rehabilitation.

State Environmental Planning Policy (Biodiversity and Conservation) 2021

- There would be no additional land disturbance from the modification. Accordingly, the Department does not consider there would be any significant changes to the biodiversity impacts of the modified project, and the existing conditions are adequate to manage biodiversity impacts.

State Environmental Planning Policy

- Hazardous and offensive development (chapter 3) Chapter 3 of this SEPP requires persons proposing to carry out development for the purposes of potentially hazardous industry to prepare a Preliminary Hazard Analysis and to submit this with the development application.

EPI	• Consideration
(Resilience and Hazards) 2021	- The proposed modification is not considered a “potentially hazardous industry” or “potentially offensive industry” as described in this SEPP. Consequently, the applicant did not prepare a preliminary hazard analysis, and the Department considers that Section 3.11 of the SEPP does not apply to the determination of the modification application. - The Department is satisfied under Section 4.6 that the Applicant has demonstrated the land is suitable for the purposes of mining operations.
Muswellbrook Local Environmental Plan 2009	- The modification is located on land zoned as either RU1 Primary Production or C3 Environmental Management. The proposed modification represents efficient optimisation and continuation of existing mining operations on land zoned as RU1 Primary Production where mining is permissible with consent under the Muswellbrook Local Environmental Plan 2009 (LEP) and permissible with development consent on land within zone C3 Environmental Management under section 2.9(1)(b) of the Resources and Energy SEPP. - The Department has considered the relevant provisions of the LEP as they are applicable to the proposed modification and considers the modification report, this report and the Department’s recommended conditions address the relevant objectives and development requirements in the LEP.

Net Zero Principles

The guiding principles of the *Climate Change (Net Zero Future) Act 2023* relate to how action to address climate change should be undertaken and what should be taken into account. A summary of how the Department has considered these Guiding Principles is provided in **Table B3**.

Table B3 | Guiding principles of the NSW Climate Change Act

Guiding Principle	Consideration
1) <i>For this Act, the guiding principles are the principles set out in this section.</i>	Noted.
2) <i>There is a critical need to act to address climate change, which is a serious threat to the social, economic and environmental wellbeing of New South Wales.</i>	Noted.
3) <i>Action to address climate change should be taken as early as possible to minimise the cost and adverse impacts of climate change.</i>	- The NSW Government expects that overall net emissions from the coal mining sector will decline consistent with NSW’s targets from 2030, in line with forecast production declines and the implementation of mitigation technologies and offsetting. - It can be assumed that the projected SSD-10418 emissions are replaced by the emissions from the proposed modification in emissions projections modelling by the NSW Government. The projections are therefore conservative with regard to the proposed modification.

Guiding Principle	Consideration
	• MACH would be required to meet the requirements of the recommended Greenhouse Gas Mitigation Plan, to be prepared in accordance with EPA's Climate Change Policy framework. MACH would be subject to the Commonwealth Safeguard Mechanism, noting the emissions from proposed modification are predicted to be beneath the Safeguard baseline for the facility.
4) <i>Action to address climate change should be taken in a way that —</i> a) <i>is fiscally responsible, and</i> b) <i>promotes sustainable economic growth, and</i> c) <i>considers the economic risks of delaying action to address climate change, and</i> d) <i>considers the impact on rural, regional, and remote communities in New South Wales.</i>	• The proposed modification is an extension in time to an existing mine which would: - o provide economic benefits to NSW; - o have lesser environmental impacts than a new mining development; and - o be subject to a range of commitments made by MACH and recommended conditions which would appropriately manage environmental, social and economic impacts. • The Department has considered the relevant guidance in <i>NSW Coal Industry 2026-50</i> which notes the NSW Government intends that coal will continue to play an important part in supporting regional jobs, investment and communities in the short to medium term, within NSW legislated emissions reduction targets. The proposed modification would provide economic and employment benefits to NSW and the Hunter region. • The Department has considered the proposed modification in accordance with the requirements of the <i>NSW Guide for Large Emitters</i> and in the context of NSW legislated emission reductions targets. • MACH would be required to meet the requirements of Commonwealth Safeguard Mechanism, implement avoidance and mitigation measures in accordance with a Greenhouse Gas Mitigation Plan, and would be subject to requirements for EPL licensees developed by the NSW EPA under the Climate Change Policy framework. Climate change impacts in the locality were considered in Section 6.
5) <i>Action to address climate change should be consistent with the right to a clean, healthy and sustainable environment.</i>	• The Department has undertaken a comprehensive assessment of the impacts of the proposed modification as documented in Section 6.
6) <i>Action to address climate change should be consistent with the principles of ecologically sustainable development described in the Protection of the Environment Administration Act 1991, section 6(2).</i>	• Consideration of the principles of ESD is provided in Table B1.
7) <i>Action to address climate change should involve appropriate consultation with affected persons, communities and stakeholders.</i>	• The proposed modification was publicly exhibited, and the Department received 817 unique submissions (75 submissions from special interest groups and 742 submissions from individuals) from members of the public and special interest groups. Advice was also

Guiding Principle	Consideration
	received from government agencies and Council (see Section 5). All submissions were considered in the Department's assessment, including those that raised concerns about climate change.
8) Action to address climate change should take into account the following —	
a) the knowledge and perspectives of Aboriginal communities,	Noted.
b) the best available science,	- Estimation of greenhouse emissions associated with the proposed modification was undertaken in accordance with contemporary practises as required by the <i>NSW Guide for Large Emitters</i>. - Emissions estimates were reviewed by NSW EPA and Net Zero Emissions Modelling Team. - The GHG emissions of the proposed modification were considered in the context of the NSW emissions reduction trajectory. These projections were developed by the NSW Government's Net Zero Emissions Modelling Program.
c) the knowledge of rural, regional and remote communities in New South Wales,	The Department received submissions from members of the public and special interest groups during the exhibition of the proposed modification that informed the Department's assessment.
d) the need to support local communities, including Aboriginal communities, who may be affected by the action, including by— (i) considering the impact on local employment and industries, and (ii) diversifying local economies, and (iii) encouraging local procurement, and (iv) optimising job creation and employment transition opportunities, and (v) considering the impact on the amenity of local communities,	- The existing and revised conditions would appropriately manage amenity impacts on the local community. - The Department has considered the relevant guidance in <i>NSW Coal Industry 2026-50</i> which notes the NSW Government intends that coal will continue to play an important part in supporting regional jobs, investment and communities in the short to medium term, within NSW legislated emissions reduction targets. - The proposed modification would result in economic benefits including ongoing employment of approximately 555 FTE operational jobs.
e) the need for education and skills diversification,	Noted.
f) the need to ensure essential utilities and infrastructure are provided, including energy, water, telecommunications and transport,	In 2020, the NSW Government launched the Electricity Infrastructure Roadmap to coordinate the transition to a largely decarbonised electricity grid over two decades. Although trending downwards due to this transition, NSW is still reliant on coal-fired power for its electricity generation. The proposed modification would contribute
g) the impact of the action on consumer costs in New South Wales, including energy costs,	

Guiding Principle	Consideration
	to energy security where it supplies coal to domestic power stations including Eraring, Vales Point and Bayswater Power Stations. In 2023, the NSW Premier issued directions to coal mines in response to a coal market price emergency. Directions for coal mines included a cap on the price of thermal coal sold to power stations in NSW and a requirement to reserve a proportion of future coal production to supply NSW coal fired power stations.
h) <i>the need to reduce the risk climate change poses to human health,</i>	- The proposed modification has been developed consistent with the guidance in the <i>NSW Guide for Large Emitters</i> and has been assessed in the context of NSW legislated emission reductions targets. - MACH would be required to meet the requirements of Commonwealth Safeguard Mechanism, implement avoidance and mitigation measures in accordance with a Greenhouse Gas Mitigation Plan, and would be subject to requirements for EPL licensees developed by the NSW EPA under the Climate Change Policy framework. - Climate change impacts in the locality were considered in Section 6. - On this basis, the proposed modification is unlikely to significantly increase risk and impacts associated with human health, equity and social justice for disadvantaged/vulnerable groups and species survival.
i) <i>equity and social justice impacts on socially disadvantaged groups and economically vulnerable regions,</i>	
j) <i>the need to reduce the risk climate change poses to the survival of all species.</i>	
9) <i>Action to address climate change should take into account the impact on animals.</i>	Noted.
10) <i>The Government of New South Wales is responsible for —</i> a) <i>urgently developing and implementing strategies, policies and programs to address climate change, and</i> b) <i>ensuring the Government of New South Wales pursues best practice in addressing climate change.</i>	Noted. The EPA is developing these policies and plans under its <i>Climate Change Policy and Climate Change Action Plan</i> which have been considered in the assessment of this proposed modification, including the <i>NSW Guide for Large Emitters</i>.

Appendix C - Recommended instrument of modification

Refer to the “Recommendation” folder under the “Assessment” tab of the Department’s website at:
<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>

Appendix D – Consolidated Consent

Refer to the “Consolidated Consent” folder under the “Assessment” tab of the Department’s website at:

<https://www.planningportal.nsw.gov.au/major-projects/projects/mt-pleasant-mod-8-extension-mine-life>