

Mount Pleasant Operations Coal Mine Conditions of Approval Independent Environmental Audit

MACH Energy Pty Ltd

May 2018

0433097

www.erm.com



MACH Energy Australia Pty Ltd
GPO Box 94
BRISBANE QLD 4001

Contact: Heidi Watters
Phone: 02 6575 3401
Email: compliance@planning.nsw.gov.au
Our Ref: DA 92/97 (#12298)

Attention: Klay Marchant – Environmental Superintendent – MACH Energy

Dear Mr Marchant

DA 92/97 – Mt Pleasant Open Cut Coal Mine – 2017 Independent Environmental Audit

Reference is made to the revised Independent Environmental Audit (IEA) report prepared for the Mt Pleasant Operation (the project) by Environmental Resources Management Australia Pty Ltd (ERM), as required by Schedule 5 Condition 11 of Development Consent DA92/97, as modified (the consent) and submitted to the Department of Planning and Environment (the Department) on 18 May 2018.

The Department has reviewed the revised IEA report and considers it to generally satisfy the requirements of Schedule 3 condition 9 of the consent and the Department's *Independent Audit Guideline* (October 2015). Please note that acceptance of the IEA report is not an endorsement of the compliance status of the project.

The 2017 IEA covered the period 1 January 2014 to 25 November 2017 (inclusive) and identified two non-compliances with the consent which have previously been addressed by the Department and as such, no further action will be undertaken at this stage. The IEA also identified several non-compliances with the Environmental Protection Licence (EPL) 20850, Mining Lease 1645 and Water Access Licences. Copies of the IEA report will be sent to the relevant agencies for their information and action.

A total of 15 recommendations to address the identified non-compliances and improve environmental performance of the project were made by the audit team. The Department has reviewed and accepts MACH Energy's Response to Audit Recommendations (RAR) for actions relating to the consent. As per email correspondence from MACH dated 28 May 2018, the Department agrees to extend the forecast completion date for the revision of the Landscape Management Plan to 30 September 2018. Please include a status update on all RAR actions in future Annual Reviews, until each action is completed.

Finally, in accordance with Schedule 5 condition 11 of the consent, please make a copy of the IEA report and RAR publicly available on the project website by **30 July 2018**.

Should you need to discuss the above, please contact Heidi Watters, Senior Compliance Officer as per the details provided above.

Yours sincerely



10/7/18

Leah Cook
Team Leader – Compliance
As nominee for the Secretary

MACH Energy Pty Ltd

Mount Pleasant Operations
Coal Mine Conditions of
Approval Independent
Environmental Audit



May 2018

Reference: 0433097

**Environmental Resources Management
Australia Pty Ltd**
Level 15, 309 Kent Street
Sydney, NSW 2000
www.erm.com

Document Control:					
0433097 – Mt Pleasant Operations Coal Mine: Conditions of Approval Independent Environmental Audit					
Version	Revision	Author	Reviewed by	ERM Approval to Issue	
				Name	Date
Draft	A	Oliver Moore	Michael Gaggin	DRAFT	19 January 2018
Final	B	Oliver Moore	Michael Gaggin	FINAL	16 February 2018
Final	C	Oliver Moore	Michael Gaggin	FINAL (DP&E Response)	18 May 2018

Mount Pleasant Operations Coal Mine Conditions of Approval Independent Environmental Audit

Prepared by:	Oliver Moore
Position:	Project Manager
Signed:	
Date:	18 May 2018
Approved by:	Michael Gaggin
Position:	Partner
Signed:	
Date:	18 May 2018

MACH Energy Pty Ltd


May 2018

0433097

www.erm.com

This disclaimer, together with any limitations specified in the report, apply to use of this report. This report was prepared in accordance with the contracted scope of services for the specific purpose stated and subject to the applicable cost, time and other constraints. In preparing this report, ERM relied on: (a) client/third party information which was not verified by ERM except to the extent required by the scope of services, and ERM does not accept responsibility for omissions or inaccuracies in the client/third party information; and (b) information taken at or under the particular times and conditions specified, and ERM does not accept responsibility for any subsequent changes. This report has been prepared solely for use by, and is confidential to, the client and ERM accepts no responsibility for its use by other persons. This report is subject to copyright protection and the copyright owner reserves its rights. This report does not constitute legal advice.

Independent Audit Certification Form

Independent Audit Certification Form	
Development Name	Mt Pleasant Operations
Development Consent No.	DA 92/97 (Mod 2, March 2017)
Description of Development	Mt Pleasant Coal Mine is a conventional open-cut operation. Mining commenced at Mt Pleasant Coal Mine in 2017
Development Address	1100 Wybong Road, Muswellbrook, NSW 2333, Australia
Operator	MACH Energy Pty Ltd (TCPL)
Operator Address	St Georges Terrace, Perth WA 6000
Independent Audit	
Title of Audit	Mt Pleasant Operations Conditions of Approval Independent Environmental Audit
<p>I certify that I have undertaken the independent audit and prepared the contents of the attached independent audit report and to the best of my knowledge:</p> <ul style="list-style-type: none"> • The audit has been undertaken in accordance with relevant approval condition(s) and in accordance with the auditing standard AS/NZS ISO 19011:2014 and Post Approval Guidelines – Independent Audits • The findings of the audit are reported truthfully, accurately and completely; • I have exercised due diligence and professional judgement in conducting the audit; • I have acted professionally, in an unbiased manner and did not allow undue influence to limit or over-ride objectivity in conducting the audit; • I am not related to any owner or operator of the development as an employer, business partner, employee, sharing a common employer, having a contractual arrangement outside the audit, spouse, partner, sibling, parent, or child; • I do not have any pecuniary interest in the audited development, including where there is a reasonable likelihood or expectation of financial gain or loss to me or to a person to whom I am closely related (i.e. immediate family); • Neither I nor my employer have provided consultancy services for the audited development that were subject to this audit except as otherwise declared to the lead regulator prior to the audit; and • I have not accepted, nor intend to accept any inducement, commission, gift or any other benefit (apart from fair payment) from any owner or operator of the development, their employees or any interested party. I have not knowingly allowed, nor intend to allow my colleagues to do so. <p>Note.</p> <p>a) The Independent Audit is an 'environmental audit' for the purposes of section 122B(2) of the Environmental Planning and Assessment Act 1979. Section 122E provides that a person must not include false or misleading information (or provide information for inclusion in) an audit report produced to the Minister in connection with an environmental audit if the person knows that the information is false or misleading in a material respect. The maximum penalty is, in the case of a corporation, \$1 million and for an individual, \$250,000.</p> <p>b) The Crimes Act 1900 contains other offences relating to false and misleading information: section 192G (Intention to defraud by false or misleading statement – maximum penalty 5 years imprisonment); sections 307A, 307B and 307C (False or misleading applications/information/documents – maximum penalty 2 years imprisonment or \$22,000, or both).</p>	
Signature	
Name of Lead / Principal Auditor	Oliver Moore
Address	Level 15, 309 Kent Street, Sydney NSW 2000
Email Address	oliver.moore@erm.com
Auditor Certification (if relevant)	N/A
Date	18/05/2018

CONTENTS

EXECUTIVE SUMMARY

1	INTRODUCTION	
1.1	MINE HISTORY & APPROVALS	4
1.2	OVERVIEW OF OPERATIONS	5
1.2.1	DESCRIPTION OF PRIMARY PROCESSES UNDERTAKEN DURING THE AUDIT PERIOD	6
1.3	AUDIT OBJECTIVES	7
1.4	AUDIT SCOPE	7
1.5	AUDIT CRITERIA	8
1.6	LIMITATIONS OF THIS REPORT	9
2	AUDIT METHODOLOGY	
2.1	METHODOLOGY AND PROCESS	10
2.2	AGENCY AND COMMUNITY CONSULTATION	11
2.3	CLASSIFICATION OF AUDIT FINDINGS	12
3	AUDIT FINDINGS	
3.1	PREVIOUS AUDIT FOLLOW – UP	14
3.2	COMPLAINTS SUMMARY	14
3.3	INCIDENT SUMMARY	17
3.4	ENVIRONMENTAL MONITORING PERFORMANCE	18
3.4.1	NOISE	18
3.4.2	AIR QUALITY AND BLASTING	18
3.4.3	WATER MANAGEMENT	20
3.5	MANAGEMENT PLAN ADEQUACY	22
3.6	MINING LEASES	27
3.7	WATER ACCESS LICENCES	27
3.8	COMPLIANCE WITH REGULATORY INSTRUMENTS	29
4	CONCLUSION	

ANNEXURES

ANNEX A	MINISTERS CONDITIONS OF APPROVAL, EPL AND MINING LEASE COMPLIANCE TABLES
ANNEX B	DEPARTMENTAL CORRESPONDENCE

EXECUTIVE SUMMARY

Environmental Resources Management Australia Pty Ltd (ERM) was commissioned to perform an independent environmental audit (IEA) of the Mount Pleasant Operation (MPO) coal mine. The mine is located in the Upper Hunter Valley, New South Wales (NSW), 3 km northwest of Muswellbrook and approximately 50 km northwest of Singleton, NSW on behalf of MACH Energy (herein referred to as MACH). The primary purpose of the audit was to satisfy the Department of Planning and Environment (DP&E) Ministers' Conditions of Approval (MCoA) number 9, Schedule 5 (IEA) of the Mount Pleasant Operation Development Approval (DA) 92/97 (Modification 2). This condition requires completion of an independent audit by the end of March 2014, commissioning of an independent audit within twelve months of commencing construction at MPO, and every 3 years thereafter, unless the Secretary directs otherwise.

The audit included a review of:

- DP&E, Ministers Conditions of Approval MCoA DA 92/97 (Modification 2), including Statement of Commitments;*
- Environment Protection Licence (EPL) 20805;*
- Mining Lease (ML) 1645, ML 1708, ML 1709, ML 1713 and ML 1750;*
- Water Access Licences (WALs) WAL 879, WAL 880, WAL 41438 and WAL 1113; and*
- implementation of Management Plans developed as part of the Ministers Conditions of Approval.*

Overall, compliance was achieved with the audit documents that were reviewed. A qualitative risk assessment was also completed on the findings, consistent with AS/NZS 4360:2004 Risk management and HB 436:2004 Risk Management Guidelines Companion to AS/NZS 4360:2004 and as described in the DP&E publication "Independent Audit Guidelines" issued October 2015. The number of non-compliances with the statutory conditions and implementation of the management plans is summarised in Table below:

Summary of Audit Findings

Non compliance	Administrative Non - compliance	Observations	Total Conditions
Statutory Instruments			
6	2	7	169
High (0), Medium (4), Low (2)			

An action response table has been developed by MACH addressing all audit findings and will be submitted separately to this report.

ABBREVIATIONS AND GLOSSARY

Term	Description
AEMR (AR)	Annual Environmental Management Report (Annual Review)
ANC	Administrative Non Compliance – audit finding
C	Compliant - audit finding
CCC	Community Consultative Committee
CHPP	Coal handling and preparation plant
DP&E	Department of Planning and Environment (formerly Department of Planning & Infrastructure)
DP&I	Department of Planning and Infrastructure (now Department of Planning & Environment)
DPI (Water)	Department of Primary Industries (Water) formerly NSW Office of Water
DRE	Department of Industry (Division of Resources and Energy)
DSEWPac (now DoEE)	Department of Sustainability, Environment, Water, Population and Communities (now Department of Environment and Energy)
EMS	Environment Management Strategy
EP&A Act	Environment & Planning Act
EPA	Environment Protection Authority
EPL	Environment Protection Licence
ERM	Environmental Resources Management Australia Pty Ltd
IEA	Independent Environmental Audit
MCoA	Ministers Conditions of Approval
mAHD	metres Above Height Datum
ML	Mining Lease
MOP	Mining Operations Plan
NC	Non-compliant - audit finding
NSW	New South Wales
NOW	New South Wales Office of Water
NT	Not triggered – audit finding
NV	Not Verified – audit finding
O	Observation – audit finding
ROM	Run of Mine

Environmental Resources Management Australia Pty Ltd (ERM) was commissioned to perform an independent environmental audit (IEA) of the Mount Pleasant Operation (MPO) coal mine. The mine is located in the Upper Hunter Valley, New South Wales (NSW), 3 km northwest of Muswellbrook and approximately 50 km northwest of Singleton, NSW on behalf of MACH Energy (herein referred to as MACH). The primary purpose of the audit was to satisfy the Department of Planning and Environment (DP&E) Ministers' Conditions of Approval (MCoA) number 9, Schedule 5 (IEA) of the Mt Pleasant Operation Development Approval (DA) 92/97 (Modification 2). This condition requires completion of an independent audit by the end of March 2014, commissioning of an independent audit within twelve months of commencing construction at MPO, and every 3 years thereafter, unless the Secretary directs otherwise. The audit period assessed in this IEA is 1 January 2014 through 25 November 2017. The audit must:

- (a) be conducted by a suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Secretary of the DP&E;
- (b) include consultation with the relevant agencies;
- (c) assess the environmental performance of the project and assess whether it is complying with the requirements in this approval and any relevant EPL or Mining Lease (including any assessment, plan or program required under these approvals);
- (d) review the adequacy of strategies, plans or programs required under the abovementioned approvals; and
- (e) recommend appropriate measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program required under the abovementioned approvals.

Within twelve weeks of the completion of this audit, or as otherwise agreed by the Secretary of the DP&E (i.e. 28 February 2018), the Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.

1.1**MINE HISTORY & APPROVALS**

The development application for MPO was made in 1997, supported by an Environmental Impact Statement (EIS). The Minister for Urban Affairs and Planning granted Development Consent DA 92/97 to Coal and Allied Operations Pty Ltd on 22 December 1999. This consent allowed for the "construction and operation of an open cut coal mine, coal preparation plant, transport and rail loading facilities and associated facilities" at Mount Pleasant.

The consent allowed for the extraction of 197 million tonnes of run-of-mine (ROM) coal over a 21-year period, at a rate of up to 10.5 million tonnes of ROM coal per year.

An application to modify DA 92/97 was submitted on 19 May 2010, with a supporting Environmental Assessment (EA). The following changes were proposed:

- provision of further infrastructure envelope for siting mine infrastructure;
- provision of an optional conveyor / service corridor linking MPO facilities with the Muswellbrook-Ulan Rail Line;
- modification of the existing development consent boundaries to accommodate the optional conveyor / service corridor; and
- minor administrative boundary changes.

Modification 1 (MOD 1) was approved 19 September 2011.

The proponent of MPO is MACH Energy Pty Ltd. MACH purchased MPO from Coal & Allied on 26 January 2016 and the acquisition was completed in August 2016.

The MPO South Pit Haul Road Modification (MOD 2) was submitted for approval on 30 January 2017 with a supporting EA prepared by MACH Energy Australia Pty Ltd (MACH Energy) (MACH Energy, 2017).

MOD 2 proposed to realign an indicative internal haul road to enable more efficient access to the South Pit open cut, with no other material changes to the approved MPO.

MOD 2 was approved on 29 March 2017.

The most recent audit against the conditions of approval was completed in March 2014 in accordance with Condition of Consent 9 (Schedule 5) of the Development Consent.

1.2 OVERVIEW OF OPERATIONS

Construction commenced at MPO on 25 November 2016, during the first twelve months of construction there has been no extraction of coal and no blasting activities.

On commencement of mining operations, the Development Consent (DA 92/97) approves the extraction 10.5 million tonnes of run of mine (ROM) coal per year. The consent allows for the crushing and screening of ROM coal onsite prior to being transported by rail via the Muswellbrook-Ulan Rail Line.

MPO is located within Mining Lease (ML) 1645, ML 1708, ML 1709 and ML 1713, all of which expire 2 February 2036 with the exception of ML 1645, which expires 17 December 2031.

1.2.1 *Description of primary processes undertaken during the audit period*

Current activities at the site include the following:

Mining Operations

MPO has not commenced coal extraction during the audit period, however MPO has undertaken associated activities in preparation of the mine site for operations. MPO is currently in the construction phase, having commenced construction activities on 25 November 2016. Operations relating to coal extraction are anticipated to commence by the second quarter 2018. During the audit period monitoring as required in the CoA has been undertaken.

MPO commenced the following primary construction projects during the audit period: Mine Infrastructure Area (MIA) envelope; Coal Handling and Preparation Plant (CHPP); ROM pad; explosive magazine; rail loop corridor and rail line; water retention dams; light vehicle and haul roads; clearing and ground preparation within the initial void; and temporary and permanent erosion and sediment controls. In addition, MPO has conducted major upgrades to Wybong Road.

All works have been conducted within standard hours as defined by the EPA's Interim Construction Noise Guideline (7am-6pm Mon-Fri and 8am-1pm Saturday).

No mining, coal extraction, coal transport, coal processing, blasting or rehabilitation has been undertaken during the reporting period.

Wastes produced at the site include:

- general domestic wastes from on-site buildings and routine maintenance;
- oils and other hydrocarbons; and
- steel/scrap metal.

Waste is segregated and stored at the various construction areas and is managed by third party licenced contractor Remondis.

1.3

AUDIT OBJECTIVES

The primary objectives of the audit included:

- assessment of the environmental performance of the site, and its effects on the surrounding environment and sensitive receivers;
- assess the environmental performance of the project and assess whether it is complying with the requirements in the consolidated Condition of the Development Approval 92/97 (Mod 2, March 2017) and Environmental Protection Licence (No 20850) (including any assessment, plan or program required under these approvals);
- review the adequacy of MACH Energy Environmental Management Strategy and Environmental Monitoring Program required under the abovementioned consents/approvals; and
- identify opportunities for improved environmental management and recommend appropriate measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program required under the abovementioned approvals.

1.4

AUDIT SCOPE

The scope of works in order to complete the Audit included the following:

- the audit was carried out in accordance with DP&E's Guidelines for Independent Audits;
- the audit was carried out in accordance with AS/NZS ISO 19011:2003: Guidelines for quality and/or environmental management systems auditing;
- review of compliance against the documentation identified in the MCoA (as it relates to the current activities of MPO) which will include:
 - document review of compliance against the MCoA, statement of commitments, and any other relevant consents/approvals;
 - site inspection to assess compliance against field implementation of active MCoA;
 - review of supporting plans developed as part of the MCoA and assessment of their adequacy towards effective environmental performance;
 - review of monitoring results and trends with comparison of monitoring results against regulatory limits and MCoA limits (where applicable);

- confirmation if any additional monitoring required for identified trends;
- community complaints with review completed for any trends and identifying the source of an established trend;
- review of any regulatory actions including any letters, penalty notices and prosecutions;
- review of previous Independent Environment Report (March 2014) audit report to verify close-out of actions;
- consultation with the relevant agencies such as Department of Planning and Environment (DP&E), Environment Protection Agency (EPA), NSW Department of Industry (Division of Resources and Energy (DRE)), Department of Primary Industry (DPI), Muswellbrook Shire Council and CCC;
- draft report with results of compliance assessment to be issued for comment to MACH Energy; and
- final report issued for submission to the DP&E.

The audit covers the period 1 January 2014 to 25 November 2017. The Site inspection was conducted Tuesday 5 to Wednesday 6 December 2017.

1.5

AUDIT CRITERIA

The audit covered the following specifications and standards, with a particular focus on activities associated with the current stages of operation. The documents relevant to this audit included:

- Conditions of consent 92/97 (Mod 2, March 2017)
- EPL 20805
- Environmental Management Strategy and Environmental Monitoring Program
- Mining Lease (ML) 1645, ML 1708, ML 1709 and ML 1713
- Water Access Licences (WALs) WAL 879; WAL 880; WAL 41438 and WAL 1113
- Management plans - the commitments in the management plans developed as part of the MCoA have been implemented
 - Environment Strategy (Sch5 C1)
 - Noise Management Plan (Sch3 C9)
 - Blast Management Plan (Sch3 C17)

- Air Quality and Greenhouse Gas Management Plan (Sch3 C23)
- Biodiversity Management Plan (Sch3 C32)
- Aboriginal Heritage Management Plan (Sch3 C36)
- Landscape Management Plan (Sch3 C47)
- Bushfire Management Plan (Sch3 C48)
- Waste Management Plan (Sch3 C52)
- Rehabilitation Management Plan (Sch3 C56)

1.6 *LIMITATIONS OF THIS REPORT*

This disclaimer, together with any limitations specified in the report, applies to this report and its use.

This report was prepared in accordance with the contracted scope of services for the specific purpose stated and subject to the applicable cost, time and other constraints. In preparing this report, ERM relied on:

- a) client/third party information which was not verified by ERM except to the extent required by the scope of services, and ERM do not accept responsibility for omissions or inaccuracies in the client/third party information; and
- b) information taken at or under the particular times and conditions specified, and ERM do not accept responsibility for any subsequent changes.

This report is subject to copyright protection and the copyright owner reserves its rights. This report does not constitute legal or financial advice.

2.1

METHODOLOGY AND PROCESS

The audit comprised a site inspection, interviews with key personnel and review of records and other related documentation over the period 5 – 6 December 2017. The audit process included the following primary components:

- development of a Terms of Reference developed which included:
 - audit scope and objectives;
 - date and location of audit;
 - members of audit team;
 - list of people to be audited; and
 - list of reference documents and audit criteria.
- a project inception meeting was held in November 2017 to confirm details of the Terms of Reference, site inspection logistics and request for documentation required prior to the site inspection component of the audit;
- an opening meeting was held on 5 December 2017 at site to confirm the audit objectives and scope for the site inspection. Attendees included:
 - Oliver Moore (ERM Lead Auditor);
 - Tim Haydon (ERM Support Auditor and Water Specialist);
 - Klay Marchant (Environmental Superintendent);
 - Stephen Bragg (Environmental consultant [assistant site Environmental Superintendent]);
 - Philip Price (General Manager Operations);
 - Justin Gray (Senior Construction Manager);
 - John Kosanovic (Construction Manager);
 - Peter York (Environment and Community Superintendent- Thiess);
 - Richard Bailey (Manager Enabling Services);
 - Heather Parry (Project Manager - Thiess);
 - Grace Haslam (Environment and Community Graduate – Thiess);
 - Bruce Birchall (Construction Manager);
 - Paul O'Loughlin (Principal Mining Engineer); and

- Shane Downer (Manager – Health, Safety & Environment).
- site inspections were undertaken between 5 and 6 December 2017;
- any identified gaps/issues were documented and followed up with site personnel and additional information was requested as required;
- a closeout meeting was held on 6 December 2017 to discuss initial findings and recommendations;
- preparation of draft audit report (this report);
- response to comments developed by MACH Energy MPO; and
- preparation of a final audit report.

2.2 AGENCY AND COMMUNITY CONSULTATION

ERM consulted with the agencies and stakeholders outlined in *Table 2.1*.

Table 2.1 Agency and Stakeholder Consultation Summary

Agency/Stakeholder	Method	Consultation summary	Response
Department of Planning and Environment (DP&E)	Email to Assessments and Compliance on 19 November 2017.	Provision of Audit Terms of Reference, introduction to team, outline date of audit and provide opportunity to comment.	DP&E confirmed the audit team and Terms of Reference met the requirements of the IEA. .
Environment Protection Agency (EPA)	Email on 19 November 2017.	Provision of Audit Terms of Reference, introduction to team, outline date of audit and provide opportunity to comment.	DP&E confirmed the audit team and Terms of Reference met the requirements of the IEA. .
NSW Department of Industry (Division of Resources and Geoscience (DRG))	Phone calls in November 2017	Numerous attempt made to contact with no success.	No response
Department of Primary Industry (DPI) – Lands and Water	No contact made – existing contact was on extended leave	No contact made	No contact made
Muswellbrook Shire Council	Phone calls in November 2017	Numerous attempt made to contact with no success.	No response
Community Consultative Committee (CCC).	Phone calls in November 2017	Numerous attempt made to contact with no success	No specific requests for the audit. It is recommended that the final audit report is tabled at the next CCC.

In each case, an email was sent to representatives of each agency requesting feedback on those issues considered most relevant by their Department at the time of the audit. The consultation outlining the terms of reference was provided prior to the site inspection to obtain feedback and draw attention to any key issues, within the agreed scope of the audit.

Responses received required the audit to focus on compliance against CoA as well as sediment and erosion control.

2.3

CLASSIFICATION OF AUDIT FINDINGS

Findings resulting from an assessment of audit evidence were divided into six categories as follows:

- **Compliant (C):** the intent and all elements of the audit criteria requirements have been complied with within the scope of the audit.
- **Not Verified (NV):** insufficient verifiable evidence to demonstrate that the intent and all elements of the audit criteria have been complied with within the scope of the audit.
- **Non-compliant (NC):** the intent of one or more specific elements of the regulatory approval have not been complied with within the scope of the audit.
- **Administrative Non-compliance (ANC):** technical non-compliance with audit requirements that would not impact on performance and is considered minor in nature (e.g. report submitted but not on the due date, failed monitor or late monitoring session). This would not apply to performance-related aspects (e.g. exceedance of a noise limit) or where a requirement had not been met at all (e.g. noise management plan not prepared and submitted for approval).
- **Observation (O):** observations are recorded where the audit identified issues of concern which do not strictly relate to the scope of the audit or assessment of compliance.
- **Not Triggered (NT):** a regulatory approval requirement has an activation or timing trigger that had not been met at the time of the audit inspection, and therefore a determination of compliance could not be made.
- **Note:** a statement or fact, where no assessment of compliance is required.

A qualitative risk assessment was also completed on the findings, consistent with AS/NZS 4360:2004 Risk management and HB 436:2004 Risk Management Guidelines Companion to AS/NZS 4360:2004 and as described in the DP&E publication "Independent Audit Guidelines" October 2015.

The overall level of risk was estimated by combining the likelihood of harm occurring with the estimated level of harm associated with each finding. Risk levels have been assigned as follows:

- **High:** Non-compliance with potential for significant environmental consequences, regardless of the likelihood of occurrence;
- **Medium:** Non-compliance with:
 - potential for serious environmental consequences, but is unlikely to occur; or
 - potential for moderate environmental consequences, but is likely to occur;
- **Low:** Non-compliance with:
 - potential for moderate environmental consequences, but is unlikely to occur; or
 - potential for low environmental consequences, but is likely to occur
- **Administrative non-compliance:** Only to be applied where the non-compliance does not result in any risk of environmental harm (e.g. submitting a report to government later than required under approval conditions).

3.1 PREVIOUS AUDIT FOLLOW – UP

Coal & Allied issued a letter to the Minister for Planning & Infrastructure, dated 13 March 2014, regarding the requirement for an independent audit against the Conditions of Approval to meet Schedule 5, Condition 9 of the Mount Pleasant Operation development consent. The correspondence confirms that in order to fulfil the requirements of the condition a compliance review was completed between Coal & Allied and DPI. All conditions reviewed at that time by Coal & Allied and DPI were found to be compliant with seven observations.

3.2 COMPLAINTS SUMMARY

Complaints received over the auditing period include:

2014: The Annual Environmental Review 2014 prepared by Coal & Allied for MPO confirms no complaints were received during 2014.

2015: The Annual Environmental Review 2015 prepared by Coal & Allied for MPO confirms no complaints were received during 2015.

Complaints began to be received from 2016 through to the end of the audit reporting period. Details of complaints received over this period and the responses provided are outlined in *Table 3.1* and *Table 3.2*.

Table 3.1 Complaint Summary 2016

Date	Complaint	Complaint Details	Action Taken
2016			
5 October 2016 and follow up again on 10 October 2016	Cultural Heritage	Complaint raised regarding the selection process for allocating aboriginal parties to clearance work	Email back to complainant that existing approach would continue and that a new co-ordinator would be appointed for next scope of works, to share cultural heritage work within the community. The approach used by Coal & Allied during previous archaeological studies at site was adopted during the nine-week clearance work. This methodology was described in the Terms of Reference and posted to all RAPs prior to work commencing. Later email regarding the same issues was

Date	Complaint	Complaint Details	Action Taken
			addressed via email explaining the approach sent to complainant. Response email from client thanking respondent.
10 October 2016	Community disruption	complaint regarding timing of road closures	Face to face discussions regarding the closure of roads was undertaken, to a point until the complainant became disrespectful and was requested to leave the premises.
11 October 2016	Business Supplier	Complainant identified that they did not want to quote on future works at the site and questioned MACHs commitment to using local suppliers.	Email response identified why the original quote supplied by the complainant was not selected and that the successful contractor was locally based.
19 December 2016	Property purchase	Complainant requested property acquisition outside of zone of acquisition	Letter sent detailing that approval conditions did not require the complainant's property be purchased.
1. Summarised from MACH community consultation database.			

Table 3.2 *Environmental Complaint Summary 2017*

Date	Complaint	Complaint Details	Action Taken
12 April 2017	Noise	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding noise from Wybong Road works.	The External Relations Manager (ERM) advised the complainant the noise was from clear and grub activities associated with Wybong Road. The mulcher was shut down in response to the complaint. The ERM committed to informing the complainant in advance of the next stage of clear and grub works along Wybong Road. Monitoring results indicated acceptable Noise levels. No further actions required. Complainant advised of investigation, results and actions.
30 May 2017	Noise	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding noise at 16:36.	The ERM called the complainant at 17:06. The noise was associated with clear and grub activities for the 66kV powerline. The activity had since ceased and was a one off task. No further clear and grub activities were planned in that area. Monitoring results indicated acceptable noise levels. No

Date	Complaint	Complaint Details	Action Taken
24 June 2017	Noise	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding noise from Wybong Road works.	actions required. Complainant advised of investigation, results and actions. The ERM and Project Director (PD) called the complainant on 25/6/2017. The noise was associated with construction activities for Wybong Road. Monitoring results indicated acceptable noise levels. The complainant was advised of investigation, results and actions.
1 July 2017	Wybong Road condition	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding the condition of road works on Wybong Road.	The ERM called the complainant and advised that repairs to Wybong Road has been scheduled between 3 - 4 July 2017.
21 July 2017	Noise	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding noise.	The ERM called the complainant. Monitoring results indicated acceptable noise levels. No actions required. Complainant advised of investigation, results and actions.
25 July 2017	Dust	EPA contacted MACH Energy at 3:07pm on 25 July 2017 in relation to dust complaint received by EPA	MACH Energy provided EPA with requested information on 28 July 2017 and discussed a range of activities undertaken to reduce and mitigate dust levels.
28 July 2017	Dust	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding dust on Wybong Road.	The Environmental Superintendent (ES) advised the caller MACH reviewed operations and the real time monitoring network. A review of activities was undertaken in following areas (Rail Loop, Site Wide Earthwork areas and Wybong Road). Activities on Wybong Road were modified to reduce dust.
31 July 2017	Dust	EPA contacted MACH Energy at 5:15pm on 31/7/17 to discuss a complaint received by EPA regarding dust coming from MPO.	EPA requested information from MACH relating to water cart usage, activities undertaken to reduce dust. MACH provided this information via email following an investigation.
6 September 2017	Dust	The complainant phoned the MACH Energy 24 hour hotline to make a complaint regarding dust on Wybong Road.	The ES reviewed the real time monitoring network and activities on site. Activities had been modified to reduce dust and a number of water carts were operating to control dust. Monitoring results indicated acceptable levels.
1. Sourced from MACH Energy (2017) Mount Pleasant Operation – 2017 Annual Review and Community Consultation Database.			

MPO responds to all complaints and where appropriate the Environmental Superintendent follows up directly with the complainant. As required the Environment Superintendent will provide response to the EPA or DP&E in the instances where they are contacted. Authorities have taken no action in direct response to complaints during the audit period. The responses undertaken by MACH were considered appropriate and occurred in a timely fashion.

3.3 *INCIDENT SUMMARY*

The only reportable incident identified within the reporting period was in late October 2017. Other non-reportable incidents are recorded on-site in an incident register and include minor incidents typical to construction activities such as minor hydrocarbon spills, unintentional removal/impaired function of erosion and sediment controls (that were rectified upon identification) and management of concrete washouts. MACH classify the incidents according to an Event Classification Matrix/Environmental Incident and Classification and Reporting Procedure.

MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overfilling the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by BGC on its adjoining mining lease. No discharges are permitted within the EPL.

DP&E issued a Show Cause (17/11/2017) relating to the clean water discharge incident. Although MPO submitted the incident report within 7 days of the incident, MPO had not notified the DP&E immediately (MPO immediately notified the EPA but failed to notify the DP&E until the report was submitted). MPO responded to show cause letter on 29 November 2017.

In response to the internal review of this incident, the MPO has:

- reminded employees of obligation to immediately report environmental incidents;
- clarified roles and responsibilities;
- revised the Pollution Incident Response Management Plan (PIRMP), under the EPL;
- addition of an automated system for water diversion to limit human error; and
- development of internal surface water management procedure.

The DP&E has since issued a warning letter on 8 December 2017 and the EPA issued a caution letter on the 6 March 2018.

3.4

ENVIRONMENTAL MONITORING PERFORMANCE

3.4.1

Noise

The Noise Management Plan was submitted to the NSW DP&E on 7 June 2017 and was approved by the Secretary on 14 June 2017, having considered that it meets the relevant conditions of consent.

Mount Pleasant Project Annual Review 2014 and Mount Pleasant Project Annual Environmental Review 2015 identified that there was no noise generating activity on Site during these reporting periods. No activity within the site boundaries was under way in Q1, Q2 and Q3 of 2016. Works commenced on 25 November 2016 and Global Acoustics Pty Ltd in accordance with the approved Construction Noise Management Plan undertook operator-attended noise monitoring for the construction period. Noise monitoring on the site is also undertaken using real time monitors. Construction noise levels complied with LAeq 15-minute criteria at all monitoring locations during January through September 2017 monthly monitoring periods.

So far, construction works have been compliant with relevant noise criteria. Some Out of Hours Work (OoHW) activities have been undertaken during the construction period. Attended noise monitoring was undertaken during these activities and no exceedances recorded.

The first blast on the site was undertaken on Friday 1 December 2017 at 12:15pm. The monitoring report identified that the blast was in accordance with all relevant acoustic criteria. Blast data will be reported to the NSW EPA, under the requirements of the EPL, upon the completion of the annual reporting period. This blast event was outside the current audit period, however it demonstrates process are in place as developed during the audit period.

Blasts are co-ordinated with adjacent mining operations (as guided by the Cumulative air quality and noise management protocol) to limit acoustic impacts to adjacent residents. Assessment of cumulative noise thus far has demonstrated compliance with criteria.

There have been no requests from adjacent residences for acquisition due to noise exceedance.

3.4.2

Air Quality and Blasting

The Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DP&E on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.

Site observations included progressive stabilisation, sealed access roads, limiting disturbance where practicable with current stage of works and water cart wetting down haul roads.

MACH operates a network of depositional dust gauges, fine dust monitoring and ambient air monitoring system (Palas Fidas units) and High Volume Air Sampler (HVAS). During 2014 and 2015, air quality was monitored using 13 depositional dust gauges, sited around the MPO boundary, to establish baseline dust levels prior to commencement of mining activities. One gauge (D7) recorded results above the annual average dust deposition criterion during these reporting periods. The annual average at this location was 12.32 g/m²/month in 2014 and 5.8 g/m²/month in 2015. D7 gauge is located in close proximity to the northern boundary of the Bengalla Coal Mine and is identified within Bengalla Coal Mine's area of predicted impact. Dust monitoring continued throughout 2016 and only location D7 resulted in deposited dust levels above the criterion with the result of <7g/m²/month.

Monthly Environmental Monitoring Reports for January to September 2017 also identified location D7 above annual average dust deposition criterion. February to September 2017 reports also identified annual average dust deposition levels above the criterion at D8 location, which were attributed to road construction activities in the local area. D7 has demonstrated exceedances throughout baseline monitoring. The approved AQMP states the following with regard to the monitoring site:

Site D7 is located in close proximity to the northern boundary of the Bengalla Mine main pit and is heavily influenced by Bengalla operations. Additionally, there are no privately-owned receivers in the vicinity of the site. As such, this site will continue to be monitored but will not be used to assess compliance or to represent residential receivers in the area.

Given that it is positioned within the MPO development consent area and is directly adjacent to the Bengalla Mine site a more appropriate location for a gauge may be considered to determine impacts to adjacent residents.

TSP emissions were not measured in 2014, 2015, 2016 and January and February 2017. TSP emissions, measured using high volume sampler gravimetric method during March to September 2017, were below the annual average criterion.

PM10 emissions were not measured in 2014, 2015 and January to October 2016 as works had not yet commenced. Fine dust monitoring and ambient air monitoring system (Palas Fidas units) were installed at three locations on 11 November 2016. Both 24-hour average and annual average results in 2016 were below the relevant criteria. In January 2017, both 24-hour average and annual average results were below the relevant criteria. On 12/02/17, 24-hour average exceedance was detected at site APF2 – EPA ID 1, attributed to regional bushfires. In March to June, August and September 2017 both 24-hour average and annual average results were below the relevant criteria. On 26 July 2017, 24-hour average exceedance was detected at site APF2 – EPA ID 1, this was compliant as it is within MACH operated land and not at a residence on privately owned land.

The site Community Complaints Register 2017 identified two dust-related complaints in 2017, with one complaint in July and September. Community consultation database identifies actions taken following receipt of complaint. Actions included toolbox talks regarding dust management and environmental superintendent indicating that work activities were modified to prevent dust generation.

It is recommended to move an existing or install an additional fine dust monitoring and ambient air monitoring system, towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge. This will to remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible mine shutdown if the NSW EPA monitor malfunctions. Note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating to dust management.

No works were undertaken that would generate offensive odours (No spontaneous combustions and only one blast at time of audit that identified no fume generated). Odour on the site is considered compliant based on no complaints being received.

The Blast Management Plan was submitted to NSW DP&E on 1 August 2017 and was approved by the Secretary on 3 August 2017, having considered that the plan meets the relevant conditions of consent

The first blast on the site was undertaken on Friday 1 December 2017 at 12:15pm (outside audit period). The monitoring report identified that the blast was in accordance with all relevant air quality criteria. Blast data will be reported to the NSW EPA, under the requirements of the EPL, upon the completion of the annual reporting period.

Cumulative Blast impacts were managed by a Blasting Protocol, and information on the Muswellbrook Shire Council website assisted with co-ordination of blasting across different mines and informing community members.

3.4.3 Water Management

Surface Water

The Water Management Plan was submitted to the NSW DP&E on 24 July 2017 and was approved by the Secretary on 3 August 2017, having considered that it meets the relevant conditions of consent.

The Site inspection identified temporary and permanent sediment basins that were either constructed or in the process of being constructed. These basins provide sediment control for site runoff and provide surface water for use in site activities such as dust suppression. It is noted that no basins on the site are

listed on the EPL and the site is currently a 'no discharge' site. It is recommended to provide an additional regulatory protection, that the sediment basins be added to the licence. Basin markers (and marking of sediment storage zone) are to be installed as soon as practicable. Upon implementation, photographs of these points can assist in demonstrating compliance with discharge criteria. No basins at the time of inspection had volumes of water that would be considered close to breaching capacity (most were empty during inspection).

The basins within the Rail Loop area did not have spillways and did not appear to be constructed in accordance with Landcom (2004) Standards, with walls seemingly too narrow and with too steep batter slopes. Clean and dirty water separation in the rail loop area could be improved. Strategies should be developed to manage clean and dirty water confluence points, such as cleanwater diversions, coffer dam and pumping systems. Regularly updated Progressive Erosion and Sediment Control Plans are recommended for Rail Loop area as observation of controls in the area, and discussion with Environmental Superintendent are indicative of improvements that could be made in the area. Clean and dirty catchment confluence points should be a high priority for development of management strategy. An audit of sediment basins by a soil conservationist have been undertaken; recommendations for improvement should be implemented as soon as practicable.

A non-compliance was reported against water management at the site. MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overflowing the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by contractors on its adjoining mining lease. No discharges are permitted within the EPL. The EPA have issued a show cause letter inviting MACH Energy to explain why the EPA should not take regulatory action in response to contravention of Section 64 and Section 120 of the Protection of the Environment Operations Act 1997. All future incidents are to be reported to regulatory agencies within required timeframes.

No releases under the Hunter River Salinity Trading Scheme have occurred yet as the dam that is being developed to discharge under the scheme has not yet been constructed, and mining has not yet commenced.

The MACH Environmental Superintendent identified that the project will be in deficit for water supply during first few years given construction and not produce water as a result of intersecting groundwater. Drawing from the Hunter River will be undertaken during these stages, WALs were observed demonstrating that relevant permits are in place for current required extraction and water orders were noted. Water supply for the remainder of the mine life should be sufficient upon intersection of groundwater.

Surface water monitoring has been undertaken, as reported in Annual Environmental Reviews.

The implementation of management measures relation groundwater conditions were not triggered, due to significant earthworks not having commenced that would intersect the groundwater aquifer. The Groundwater Management Plan as an annexure to the broader Mount Pleasant Operation Water Management Plan was approved by the Secretary on 3 August 2017. Compensatory water supply has not been triggered, as aquifers have not yet been impacted. It was noted that a bore census has been undertaken in 2017 to understand background conditions.

Groundwater monitoring has continued to gain understanding of background conditions, as reported in Annual Environmental Reviews.

3.5 MANAGEMENT PLAN ADEQUACY

The Management Plans for the site were reviewed and the adequacy in meeting the relevant approval requirements was assessed. The effectiveness of the plan implementation was also audited, predominately through assessment of compliance monitoring data, site inspection and interview of the Environmental Superintendent. Table 3.3 outlines the management plans applicable to the site and the findings of the audit in terms of adequacy and effectiveness.

Table 3.3 Management Plan Adequacy and Effectiveness Summary

Management Plan	Date Approved by DP&E	Adequacy	Effectiveness of Implementation
Noise Management Plan	Approved by the Secretary on 14 June 2017	As required, the Plan included: <ul style="list-style-type: none"> mitigation measures for proactive and reactive management to comply with consent conditions; details of the real-time and attended noise monitoring program; a cumulative noise management protocol. 	Real time noise monitors were observed during site inspection. Global Acoustics - consultants responsible for attended noise monitoring (this was done on a monthly basis and is now quarterly in accordance with the Environmental Protection Licence [EPL]). Construction being undertaken in accordance with Rio Tinto Construction Noise management plan. Implementation of Plan was considered effective.
Blast Management Plan	Approved by the Secretary on 3 August 2017	As required, the Plan included: Mount Pleasant Operation Road Closure Management Plan (approval from	Blasting had not commenced during the reporting period. The first blast on the site was undertaken on Friday 1 December 2017 at 12:15pm. The monitoring report identified that the blast was in accordance with all relevant acoustic

Management Plan	Date Approved by DP&E	Adequacy	Effectiveness of Implementation
		Council on 16 May 2017 under delegated authority for blasting within 500m of public road)	<p>criteria. Blast data will be reported to the NSW EPA, under the requirements of the EPL, upon the completion of the annual reporting period. This blast event was outside the current audit period, however it demonstrates process are in place as developed during the audit period.</p> <p>Blasts are co-ordinated with adjacent mining operations (as guided by the Cumulative air quality and noise management protocol) to limit acoustic impacts to adjacent residents. Assessment of cumulative noise thus far has demonstrated compliance with criteria.</p>
Air Quality Management Plan	Approved by the Secretary on 15 June 2017	Real time air quality management system included allowing for proactive (via weather forecast system) and reactive management.	<p>Real time air monitors observed in the field during site inspection. As were the depositional dust gauges and hi-volume monitoring (supplementary to real time monitors).</p> <p>Ecotech MACH Energy Mt Pleasant Real Time Data - provides PM10/PM2.5 data.</p> <p>Reactive management was identified through interview of Environmental Superintendent identifying real time monitoring data review following complaints.</p> <p>Effectiveness of plan could be improved by moving an existing or installing an additional fine dust monitoring and ambient air monitoring system (Palas Fidas unit) towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge. This will remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible project shutdown if EPA monitor goes down. Note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating to dust management.</p> <p>ERM notes that MACH Energy have gained approval from the DPE to relocate dust monitor A-PF2</p>

Management Plan	Date Approved by DP&E	Adequacy	Effectiveness of Implementation
			following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue as outlined above.
Water Management Plan	Approved by the Secretary on 3 August 2017	As required by the conditions of consent, WMP includes appendices: <ul style="list-style-type: none"> • Site water balance. • Erosion and Sediment Control Plan. • Surface Water Management Plan. • Groundwater Management Plan. • Surface and Groundwater Response Plan. Progressive Erosion and Sediment Control Plans are required to improve the adequacy of the plan	Identified as an observation of concern. Improvement on plan effectiveness included: Regularly updating/developing Progressive Erosion and Sediment Control Plans for Rail Loop area as observation of controls in the area, and discussion with Environmental Superintendent are indicative of improvements that could be made in the area. Clean and dirty catchment confluence points should be a high priority for development of management strategy. Basin construction was not in accordance with Landcom (2004) guidelines.
Biodiversity Management Plan	Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. Management	Identified as an observation of concern.	Identified as an observation of concern. Environmental Superintendent identified that the Plan is to be updated in 2018.

Management Plan	Date Approved by DP&E	Adequacy	Effectiveness of Implementation
Aboriginal Heritage Management Plan	plan to be update 2018. Approved by the Secretary on 5 July 2017	Plan considered adequate as it addresses condition requirements including: <ul style="list-style-type: none"> • Aboriginal Heritage Conservation Strategy; • Storage of salvaged heritage items; • Induction requirements; • Aboriginal community access; • Permit requirements and copies of the permits; • Previously unrecorded item management protocol; • Aboriginal community involvement and • Blast monitoring. 	Website details the Aboriginal Community Development Fund. Environmental superintendent interview identified the cultural heritage salvage operation had taken place. Thiess site induction identified cultural heritage management. Audit revealed that Plan was being effectively implemented.
Landscape Management Plan	Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. Plans to be update 2018.	The management plan was considered adequate as it met conditions of approval by including: <ul style="list-style-type: none"> • indicative building treatments; • dam; fine storage and road screening treatments; and • details the establishment of trees and bunds. 	Identified as an observation of concern. Environmental Superintendent identified that the plan is to be updated in 2018. Visual screening observed on-site.
Bushfire Management Plan	Bushfire Management Plan prepared by Hunter Land Management January 2012.	Listed as an Observation of Concern until updated plan is approved.	Listed as an Observation of Concern until updated plan is approved.

Management Plan	Date Approved by DP&E	Adequacy	Effectiveness of Implementation
Waste Management Plan	Further, a third party consultant was engaged in November 2017 to update Bushfire Management Plan, to be submitted January 2018. Approved by the Secretary on 29 September 2017	The Plan considered to be adequate as it addresses: <ul style="list-style-type: none"> Fines emplacement methodology and review, with a progressive goal of placement in the active mining areas; and waste management measures to avoid, minimise and reuse and recycle likely waste streams. 	No fines emplaced during audit reporting period. No coal reject generated from site during audit period. Waste management is contracted to Remondis and undertaken in accordance with the MPO Waste Management Plan. For where stage or works was up to the Plan was considered to be effectively implemented.
Rehabilitation Management Plan	MPO Mining Operations Plan and Rehabilitation Management Plan (Amendment C) meets the requirements for a Rehabilitation Management Plan (RMP). DPE approval letter for MOP (Amendment C) dated 13 June sighted by auditor.	The plan is considered to meet the conditions of approval given that it includes: <ul style="list-style-type: none"> An approved rehabilitation strategy; Performance targets and indicators to meet rehabilitation requirements. 	No mine rehabilitation was undertaken or required during the audit reporting period. Progressive rehabilitation of construction areas to present erosion and sedimentation was observed. Environmental Superintendent identified that the plan is to be updated in mid-2018, when approval for MOP C expires.

3.6

MINING LEASES

The Department on the 13 June 2017 approved the Mining Operations Plan for all mining leases applicable to the site. The group security for these leases was paid for at the time and up to date.

Mining activities had not yet commenced on the site, hence conditions relating to the issues below on all licences were not triggered:

- spontaneous combustion;
- Extraction Plan (open cut mining voids the requirement for an Extraction/Subsidence Management Plan;
- compliance reporting where required prior to the renewal or cancellation of the lease and where requested outside of normal reporting periods by the minister; and
- rehabilitation.

Non-verifications were recorded for the two conditions of notice to landholders for leases ML1708, 1709 and 1713. These leases were granted on 2 February 2015. The three-month consultation period would have elapsed prior to 13 September 2016 when the registration of transfer to MACH Energy occurred. The notification associated with the mining lease would have been the responsibility of the previous owners Coal and Allied. MACH Energy do not have Coal and Allied records of the landholder notifications for the periods prior to them purchasing Mount Pleasant.

Mining Lease 1645 (ML 1645) had two non-compliances associated with the previously described uncontrolled water release from the Rail Loop area. The lack of immediate notification to the Department is the cause of the non-compliances against Schedule 2 Condition 5a and Condition 5c.

The Mining Lease conditions and the summary of audit findings is provided in *Annex A*.

3.7

WATER ACCESS LICENCES

Water Access Licences were reviewed as part of the audit. *Table 3.4* identifies the primary details of the WALs.

Table 3.4 Water Access Licence Details

Category [Subcategory]	WAL	Reference	Mgmt. Zone	Share Component (units or ML)	Location	Works Approval	Water Order 20 October 2017	Water Order Amendment 17 November 2017
Regulated River (High Security)	879	20AL201050	HR Zone 1A	224	Hunter River Access Point (south of Bengalla)	20WA212269	224.64	224
Regulated River (High Security)	1113	20AL201612	HR Zone 1A	366	Hunter River Access Point (south of Bengalla)	20WA212269	362.88	363.3
Regulated River (High Security)	880	20AL201052	HR Zone 1A	124	Hunter River Access Point (south of Bengalla)	20WA212269	120.96	No amendment
General Security	41438	20AL219053	HR Zone 1A	420	Hunter River Access Point (south of Bengalla)	20WA212269	414.72	No amendment

Evidence was provided of water orders being placed with, and approved by email from WaterNSW. The water orders identified that the water is extracted using a 200L/second centrifugal pump that is metered and recorded on order sheets. An administrative non-compliance was identified, relating to the water take tracking sheet used must be updated to strictly comply with the condition MW2337-00001, including the water take against each individual licence and the approval number under which the water is taken (at present the tracking sheet only records cumulative total).

The WALs have the same conditions and as such where the ANC was noted it was carried across all licences, and has thus been consolidated as a single record across all WALs. It is noted that following the audit evidence of a tracking sheet was provided that was created prior to the first order approval on the 17 October 2017.

No breaches of the conditions of the access licence were identified or reported to the Minister by MACH Energy.

A compliance check of the MCoA, EPL, and MLs conditions has been completed. Non-compliances and observations for each component are summarised in *Table 3.5*. A full review and audit findings against CoA 92/97, Statement of Commitments (SoC) and EPL20805 is located in *Annex A*.

As discussed in *Section 2.3*, a qualitative risk assessment was also completed on the findings as follows:

- non-compliance assessed as 'high' have been colour coded red;
- non-compliance assessed as 'moderate' have been colour coded orange;
- non-compliance assessed as 'low' have been colour coded yellow; and
- administrative non-compliance have been colour coded blue.

Table 3.5 Summary of Audit Findings

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action																							
Development Approval (DA) 92/97 (Modification 2)																											
3.20	<p>Except for the air quality-affected land referred to in Table 1, the Applicant must ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the development do not exceed the criteria listed in Tables 8, 9 or 10 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.</p> <p><i>Table 8: Long term criteria for particulate matter</i></p> <table><tr><th>Pollutant</th><th>Averaging Period</th><th>^dCriterion</th></tr><tr><td>Total suspended particulate (TSP) matter</td><td>Annual</td><td>^a90 µg/m³</td></tr><tr><td>Particulate matter < 10 µm (PM₁₀)</td><td>Annual</td><td>^a30 µg/m³</td></tr></table> <p><i>Table 9: Short term criterion for particulate matter</i></p> <table><tr><th>Pollutant</th><th>Averaging Period</th><th>^d Criterion</th></tr><tr><td>Particulate matter < 10 µm (PM₁₀)</td><td>24 hour</td><td>^b 50 µg/m³</td></tr></table> <p><i>Table 10: Long term criteria for deposited dust</i></p> <table><tr><th>Pollutant</th><th>Averaging Period</th><th>Maximum increase in deposited dust level</th><th>Maximum total deposited dust level</th></tr><tr><td>^c Deposited dust</td><td>Annual</td><td>^b 2 g/m²/month</td><td>^a 4 g/m²/month</td></tr></table> <p><i>Notes to Tables 8-10:</i> ^a Total impact (i.e. incremental increase in concentrations due to the development plus background concentrations due to all other sources); ^b Incremental impact (i.e. incremental increase in concentrations due to the development on its own); ^c Deposited dust is to be assessed as insoluble solids as defined by Standards Australia, AS/NZS 3580.10.1:2003: Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method; and ^d Excludes extraordinary events such as bushfires, prescribed burning, dust storms, sea fog, fire incidents or any other activity agreed by the Secretary.</p>	Pollutant	Averaging Period	^d Criterion	Total suspended particulate (TSP) matter	Annual	^a 90 µg/m ³	Particulate matter < 10 µm (PM ₁₀)	Annual	^a 30 µg/m ³	Pollutant	Averaging Period	^d Criterion	Particulate matter < 10 µm (PM ₁₀)	24 hour	^b 50 µg/m ³	Pollutant	Averaging Period	Maximum increase in deposited dust level	Maximum total deposited dust level	^c Deposited dust	Annual	^b 2 g/m ² /month	^a 4 g/m ² /month	<p>MPO Community Complaints Register 2017 identified 2 dust-related complaints in 2017, with one complaint in July and September. Community consultation database identifies actions taken following receipt of complaint.</p> <p>During 2014 and 2015 air quality was monitored using 13 depositional dust gauges, sited around the MPO boundary, to establish baseline dust levels prior to commencement of mining activities. Only one gauge (D7) recorded results above the annual average dust deposition criterion during these reporting periods. The annual average at this location was 12.32 g/m2/month in 2014 and 5.8 g/m2/month in 2015. D7 gauge is located in close proximity to the northern boundary of the Bengalla Coal Mine and is identified within Bengalla Coal Mine’s area of predicted impact. Dust gauge D7 also exceeded the criterion in 2012 and 2013.</p> <p>Dust monitoring continued throughout 2016 and only location D7 resulted in deposited dust levels above the criterion with the result of <7g/m2/month.</p> <p>Dust monitoring continued throughout 2016 and only location D7 resulted in deposited dust levels above the criterion with the result of <7g/m2/month. Monthly Environmental Monitoring Reports for January – September 2017 also identified location D7 above annual average dust deposition criterion. February – September 2017 reports also identified annual average dust deposition levels above the criterion at D8 location, which were attributed to road construction activities in the local area. D7 has demonstrated exceedances</p>	O	<p>D7 has demonstrated exceedances throughout baseline monitoring. Given that it is positioned within the MPO development consent area and is directly adjacent to the Bengalla Mine site a more appropriate location for a gauge may be considered to determine impacts to adjacent residents.</p> <p>It is recommended to move an existing or install an additional fine dust monitoring and ambient air monitoring system (Palas Fidas unit) towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge. This will remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible project shutdown if EPA monitor goes down. (note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating to dust management.</p> <p>ERM notes that MACH Energy have gained approval from the DP&E to</p>
Pollutant	Averaging Period	^d Criterion																									
Total suspended particulate (TSP) matter	Annual	^a 90 µg/m ³																									
Particulate matter < 10 µm (PM ₁₀)	Annual	^a 30 µg/m ³																									
Pollutant	Averaging Period	^d Criterion																									
Particulate matter < 10 µm (PM ₁₀)	24 hour	^b 50 µg/m ³																									
Pollutant	Averaging Period	Maximum increase in deposited dust level	Maximum total deposited dust level																								
^c Deposited dust	Annual	^b 2 g/m ² /month	^a 4 g/m ² /month																								

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
		<p>throughout baseline monitoring. The approved AQMP states the following with regard to the monitoring site:</p> <p><i>Site D7 is located in close proximity to the northern boundary of the Bengalla Mine main pit and is heavily influenced by Bengalla operations. Additionally, there are no privately owned receivers in the vicinity of the site. As such, this site will continue to be monitored but will not be used to assess compliance or to represent residential receivers in the area.</i> Given that it is positioned within the MPO development consent area and is directly adjacent to the Bengalla Mine site a more appropriate location for a gauge may be considered to determine impacts to adjacent residents.</p> <p>TSP emissions were not measured in 2014, 2015, 2016 and January and February 2017. TSP emissions, measured using high volume sampler gravimetric method during March - September 2017, were below the annual average criterion.</p> <p>PM10 emissions were not measured in 2014, 2015 and January – October 2016. Fine dust monitoring and ambient air monitoring system (Palas Fidas units) monitoring systems were installed at three locations on 11 November 2016. Both 24-hour average and annual average results in 2016 were below the relevant criteria. In January 2017, both 24-hour average and annual average results were below the relevant criteria. On 12/02/17 24-hour average exceedance was detected at site APF2 – EPA ID 1, attributed to regional bushfires. In March- June, August and September 2017 both 24-hour average and annual average results were below the relevant criteria. On 26/07/17 24-hour average exceedance was detected at site APF2 – EPA ID 1, this was</p>		<p>relocate dust monitor A-PF2 following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue as outlined above.</p>

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
		compliant as it is within MACH operated land and not at a residence on privately owned land.		
		Discussed the relocation of an existing, or implementing an additional gauge, towards privately owned land near the EPA's Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge as mining activities commence to capture potential dust inputs in this location (and to potentially address the possible delays associated with the current EPL requirement to stop project activities entirely if this monitor goes down).		
3.26	<p>The Applicant must ensure that any surface water discharges from the site comply with the:</p> <p>(a) discharge limits (both volume and quality) set for the development in any EPL; or</p> <p>(b) relevant provisions of the POEO Act or Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.</p>	<p>MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overfilling the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by BGC on its adjoining mining lease. No discharges are permitted within the EPL. The EPA have issued a show cause letter inviting MACH Energy to explain why the EPA should not take regulatory action in response to contravention of Section 64 and Section 120 of the Protection of the Environment Operations Act 1997.</p> <p>No releases with under the Hunter River Salinity Trading Scheme have occurred yet as the dam that is being developed to discharge under the scheme has not yet been constructed, and mining has not yet commenced.</p>	NC	<p>MACH Energy has provided a response to the show cause letter and awaits the action to be taken by the EPA.</p> <p>The Department of Planning and environment issued a warning letter in relation to this incident (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER)</p> <p>All future incidents to be reported to regulatory agencies within required timeframes.</p>
3.28	The Applicant must prepare a Water Management Plan for the development to the satisfaction of the Secretary. This plan must be prepared in consultation with DPI Water and EPA, and be submitted to the Secretary for approval prior	Water Management Plan was submitted to the NSW DP&E on 24 July 2017 and was approved by the Secretary on 3 August 2017, having considered that it meets the relevant conditions of consent.	O	Progressive Erosion and Sediment Control Plans recommended for Rail Loop area as observation of controls in the area (and discussion with Environmental Superintendent) identified that improvements could

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	to carrying out any development on site. The plan must include:	Observations of Rail Loop site identified areas for improvement of management of erosion and sediment controls. Basins on site did not have spillways, did not appear to be constructed to Landcom 2004 standards		be made in the area. Clean and dirty catchment confluence points should be a high priority for development of management strategy.
	(a) a Site Water Balance, which must:			
	- include details of:	It is noted that it was recognised by MACH Energy that contractor in this location was not achieving required standards under Landcom (2004) and were in the process of assisting the contractor with bringing the location to standard. This involved provision of contractual letters enforcing requirements to ensure effective erosion and sediment control management.		Audit of sediment basins by soil conservationist is believed to have been undertaken; recommendations for improvement should be implemented as soon as practicable.
	o sources and security of water supply;			
	o water use on site;			
	o water management on site;			
	o any off-site water transfers; and	Clean and dirty water separation in the rail loop area could be improved. Strategies should be developed to manage clean and dirty water confluence points, such as cleanwater diversions, coffer dam and pumping systems etc.		The Environmental Superintendent identified that Sediment Basins 1 and 3 are in the process of having piping infrastructure installed to manage water levels. Ultimately, these are planned to be added to the EPL. ERM concurs with plan to have licences added to the EPL to provide extra protection against discharge. The protection of having registered discharge points as included in the licence will be additional to the dams being designed in accordance with Landcom (2004).
	- investigate and implement all reasonable and feasible measures to minimise water use by the development;			
	(b) an Erosion and Sediment Control Plan, which must:			
	- identify activities that could cause soil erosion, generate sediment or affect flooding;	Sediment basins appeared to be inappropriately located and/or not constructed to Landcom (2004) Managing Urban Stormwater: soils and construction standard (spillways, outlets and walls were confirmed by environmental superintendent as being a concern)		
	- describe measures to minimise soil erosion and the potential for the transport of sediment to downstream waters, and manage any flood risk;			
	- describe the location, function, and capacity of erosion and sediment control structures;	Sediment markers within basins not yet established. Site management identified that this is work in progress and survey markers were present.		Basin markers (and marking of sediment storage zone) to be installed as soon as is practicable.
	- describe what measures would be implemented to maintain the structures over time;			
	(c) a Surface Water Management Plan, which must include:			

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	<ul style="list-style-type: none"> - detailed baseline data on surface water flows and quality in creeks and other waterbodies that could potentially be affected by the development; - surface water and stream health impact assessment criteria including trigger levels for investigating any potentially adverse surface water impacts; - a program to monitor surface water flows and quality in the watercourses that could be affected by the project; and - reporting procedures for the results of the monitoring program; <p>(d) a Groundwater Management Plan, which must include:</p> <ul style="list-style-type: none"> - detailed plans, including design objectives and performance criteria, for the design and management of the proposed final voids; - detailed baseline data of groundwater levels, yield and quality in the region, and privately-owned groundwater bores, that could be affected by the development; - groundwater impact assessment criteria including trigger levels for investigating any potentially adverse groundwater impacts; - a program to monitor and assess: <ul style="list-style-type: none"> o groundwater inflows to the mining operations; o impacts on regional and local (including alluvial) aquifers; 			

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	<p>o impacts on the groundwater supply of potentially affected landowners;</p> <p>o impacts on groundwater dependent ecosystems and riparian vegetation;</p> <p>(e) a Surface and Ground Water Response Plan, which must include:</p> <ul style="list-style-type: none"> - a response protocol for any exceedances of the surface water and groundwater assessment criteria; - measures to offset the loss of any baseflow to watercourses caused by the development; - measures to prevent, minimise or offset groundwater leakage from alluvial aquifers caused by the development; - measures to compensate landowners of privately-owned land whose water supply is adversely affected by the development; and - measures to mitigate and/or offset any adverse impacts on groundwater dependent ecosystems or riparian vegetation. <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>			
3.32	<p>The Applicant must prepare a Biodiversity Management Plan for the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be prepared in consultation with OEH and Council, and be submitted to the Secretary for approval prior to carrying out any development on site;</p>	<p>Biodiversity and Rehabilitation Management Plan dated 07 May 2012.</p> <p>Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. Management plan to be update 2018.</p>	O	Update Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan in line with stated requirements.

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	<p>(b) include:</p> <ul style="list-style-type: none"> - a description of the short, medium, and long term measures that would be implemented to: <ul style="list-style-type: none"> o manage the remnant vegetation and habitat on the site and in the offset area/s (if and when applicable); and o implement the offset strategy (if and when applicable), including detailed performance and completion criteria; - a detailed description of the measures that would be implemented over the next 3 years, including the procedures to be implemented for: <ul style="list-style-type: none"> o implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata; <p>NSW Government 16 Department of Planning and Environment</p> <ul style="list-style-type: none"> o maximising salvage and beneficial use of resources in areas that are to be impacted, including vegetative, soil and cultural heritage resources; o protecting vegetation and soil outside the disturbance areas; o rehabilitating creeks and drainage lines on the site, to minimise net loss of stream length and aquatic habitat; o managing salinity; 			

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	<ul style="list-style-type: none"> o conserving and reusing topsoil; o undertaking pre-clearance surveys; o managing impacts on fauna; o landscaping the site and along public roads to minimise visual and lighting impacts; o collecting and propagating seed; o salvaging and reusing material from the site for habitat enhancement; o salvaging, transplanting and/or propagating threatened flora and native grassland; o controlling weeds and feral pests; o managing grazing and agriculture on site; o controlling access; and o bushfire management; - a program to monitor and report on the effectiveness of these measures, and progress against the performance and completion criteria; - a description of the potential risks to successful revegetation, and a description of the contingency measures that would be implemented to mitigate these risks; and 			

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	<p>- details of who would be responsible for monitoring, reviewing, and implementing the plan.</p> <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>			
3.47	<p>The Applicant must prepare a Landscape Management Plan to mitigate the visual impacts of the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be prepared in consultation with Council, and submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>NSW Government 19 Department of Planning and Environment</p> <p>(b) provide for the establishment of trees and shrubs and/or the construction of mounding or bunding:</p> <p>- along the access road to the mine site;</p> <p>- around the water storage dams and coal preparation plant;</p> <p>- at other areas identified as necessary for the maintenance of satisfactory visual amenity;</p> <p>And (c) include details of the visual appearance of all buildings, structures, facilities or works (including paint colours and specifications), aimed at blending as far as possible with the surrounding landscape.</p>	<p>Landscape Management Plan provided on the website is dated 20 July 2012.</p> <p>Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. To be update 2018.</p> <p>Visual screening observed.</p>	O	Landscape Management Plan to be update 2018.

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	The Applicant must implement the approved management plan as approved from time to time by the Secretary.			
3.48	<p>The Applicant must:</p> <p>(a) ensure that the development is suitably equipped to respond to any fires on site; and</p> <p>(b) assist the Rural Fire Service and emergency services as much as possible if there is a fire in the vicinity of the site.</p>	Bushfire Management Plan prepared by Hunter Land Management January 2012. Further, a third party consultant was engaged in November 2017 to update Bushfire Management Plan, to be submitted January 2018.	O	Ensure Bushfire Management Plan details sites ability to respond to fires on site.
5.4	<p>Within 3 months of:</p> <p>(a) the submission of an annual review under condition 3 above;</p> <p>(b) the submission of an incident report under condition 7 below;</p> <p>(c) the submission of an audit under condition 9 below; and</p> <p>(d) any modification to the conditions of this consent, the Applicant must review, and if necessary revise, the strategies, plans, and programs required under this consent to the satisfaction of the Secretary.</p> <p>Within 4 weeks of conducting any such review, the Applicant must advise the Secretary of the outcomes of the review, and submit any revised documents for the approval of the Secretary. Note: This is to ensure the strategies, plans and programs are updated on a regular basis, and incorporate any recommended measures to improve the environmental performance of the development.</p>	Letter to Department dated 26 May 2017 following approval of Modification 2 outlines the review and revision of strategies, plans and programs within 3 months of the modification.	O	Communicate review of plans following incidents and audits.

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
5.7	<p>The Applicant must immediately notify the Secretary and any other relevant agencies of any incident.</p> <p>Within 7 days of the date of the incident, the Applicant shall provide the Secretary and any relevant agencies with a detailed report on the incident, and such further reports as may be requested.</p>	<p>DP&E issued a Show Cause (17/11/2017) relating to the clean water discharge incident 31 October 2017. Although MPO submitted incident report within 7 days of the incident MPO had not notified the Department immediately. MPO immediately notified the EPA but failed to notify the Department until the report was submitted. The Department has since issued a Warning Letter on 8 December 2017.</p> <p>In response to the internal review of this incident, MPO has: reminded employees of obligation to immediately report environmental incidents; clarified roles and responsibilities; updated the MPO incident response manual.</p>	NC	Awaiting further correspondence from the EPA to determine if further action is required.
Statement of Commitments (Air Quality)	<p>Air quality management for the Mount Pleasant Project will be undertaken in accordance with the Air Quality Management Plan which is a requirement under the existing development consent.</p>	<p>Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DP&E on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.</p> <p>Discussed the relocation of an existing, or implementing an additional gauge, towards privately owned land near the EPA's Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge as mining activities commence. This is to capture potential dust inputs in this location (and to potentially address the possible delays associated with the current EPL requirement to stop project activities entirely if this monitor goes down).</p>	O	<p>Move an existing or install an additional TEOM (or equivalent PM10 monitoring unit) towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge to remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible project shutdown if EPA monitor goes down. (Note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating to dust management.</p> <p>ERM notes that MACH Energy have gained approval from the DP&E to</p>

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
				relocate dust monitor A-PF2 following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue as outlined above.
<i>EPL 20850 (Mt Pleasant)</i>				
L1.1	(Pollution of Waters) Except as may be expressly provided in any other condition of this licence, the licensee must comply with section 120 of the Protection of the Environment Operations Act 1997.	<p>MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overfilling the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by BGC on its adjoining mining lease. No discharges are permitted within the EPL.</p> <p>The Department of Planning and environment issued a warning letter in relation to this incident (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER)</p>	NC	<p>The Environmental Superintendent identified that an updated method of management for pump operation has been implemented to assist the prevention of operator errors that lead to this incident.</p> <p>MACH Energy have provided a response to the show cause letter. To await the action to be taken by the EPA.</p>

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
O1.1	Licensed activities must be carried out in a competent manner. This includes: a. the processing, handling, movement and storage of materials and substances used to carry out the activity; and b. the treatment, storage, processing, reprocessing, transport and disposal of waste generated by the activity.	Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period all plant and equipment in use at the MPO was regularly serviced in accordance with the relevant Industry & Investment NSW Mining Design Guidelines to ensure plant and equipment was maintained in a suitable condition. As outlined in the document, all plant and equipment was operated in a proper and efficient manner with exception of the incident event 31 October show cause. The show cause referred to this condition as pump remained open and as such was not operated in a competent manner.	NC	Refer L1.1
M6.3	The record of a complaint must be kept for at least 4 years after the complaint was made.	Detailed complaints held dating back to MACH Energy taking over operations at MPO, Jan 2016. No records held by Coal and Allied prior to this date.	ANC	No action to be taken.
<i>Mining Lease (ML 1645)</i>				
Schedule 2 Condition 5a)	The lease holder must notify the Department of all: (i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and (ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the leaseholder becomes aware of the breach.	DP&E issued a Show Cause (17/11/2017) relating to the clean water discharge incident 31 October 2017. Although MPO submitted incident report within 7 days of the incident MPO had not notified the Department immediately. MPO immediately notified the EPA but failed to notify the Department until the report was submitted. The Department has since issued a Warning Letter on 8 December 2017. In response to the internal review of this incident, MPO has: reminded employees of	NC	Awaiting further correspondence from the EPA to determine if further action is required.

Item No	Assessment Requirement	Comment	Audit Classification	MPO Response / Action
	Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.	obligation to immediately report environmental incidents; clarified roles and responsibilities; updated the MPO incident response manual.		
Schedule 2 Condition 5c)	In addition to the requirements set out in conditions 5(a) and (b), the leaseholder must immediately advise the Department of any notification made under section 148 of the Protection of the Environment Operations Act 1997 arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.	As above	NC	Awaiting further correspondence from the EPA to determine if further action is required.
Water Access Licences				
MW2337-00001	<p>The following information must be recorded in the logbook for each period of time that water is taken:</p> <p>A. date, volume of water, start and end time when water was taken as well as the pump capacity per unit of time, and</p> <p>B. the access licence number under which the water is taken, and</p> <p>C. the approval number under which the water is taken, and</p> <p>D. the volume of water taken for domestic consumption and/or stock watering.</p>	<p>Logbook was provided for the auditor to review following the site inspection.</p> <p>The tracking sheet provided (Licenced water usage spreadsheet) tracks volumes and calculates total remaining allocation on a cumulative basis rather than against each individual licence. iWAS system is available and being utilised by MACH for tracking of Water Orders.</p>	ANC	The tracking sheet tracks the cumulative total so that volumes taken will not exceed the cumulative total allowed by all licences/orders. To strictly meet the conditions of the approval the tracking sheet is to be updated to state address requirements that are currently missing (i.e. approval number under which water is taken, volume against individual licences).

An audit of MCoA conditions has been completed as well as a check against commitments made in the management plans developed as part of MCoA conditions for the site.

Overall, compliance was achieved with the audit documents that were reviewed. The number of non-compliances with the statutory conditions and implementation of the management plans is summarised in *Table 4.1* below:

Table 4.1 *Summary of Audit Findings*

Non compliance	Administrative Non - compliance	Observations	Total Conditions
<i>Statutory Instruments</i>			
6	2	7	169
High (0), Medium (4), Low (2)			

An action response table has been developed by MACH addressing all audit findings and will be submitted separately to this report.

Conditions of Approval, EPL and Mining Lease Compliance Tables

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Mt Pleasant PA 92/97					
OBLIGATION TO MINIMISE HARM TO THE ENVIRONMENT					
2.1	The Applicant must implement all reasonable and feasible measures to prevent and/or minimise any material harm to the environment that may result from the construction, operation, or rehabilitation of the development.	Note	Noted – Refer to detailed compliance review.	Note	
TERMS OF CONSENT					
2.2	<p>The Applicant must carry out the development:</p> <p>(a) generally in accordance with the EIS, EA (MOD 1), EA (MOD 2) and project layout plan; and</p> <p>(b) in accordance with the Statement of Commitments and conditions of this consent.</p> <p>Notes:</p> <ul style="list-style-type: none"> - The project layout plan is shown in Appendix 2. - The Statement of Commitments is reproduced in Appendix 3. 	Note	Noted – Refer to detailed compliance review.	Note	
2.3	If there is any inconsistency between the documents listed in condition 2(a) of Schedule 2, the most recent document shall prevail to the extent of the inconsistency. However, the conditions of this consent shall prevail to the extent of any inconsistency with the documents listed in condition 2(a) of Schedule 2 or the Statement of Commitments.	Note	Noted	Note	
2.4	<p>The Applicant must comply with any reasonable requirement/s of the Secretary arising from the Department's assessment of:</p> <p>(a) any reports, strategies, plans, programs, reviews, audits or correspondence that are submitted by the Applicant in accordance with this consent (including any stages of these documents);</p> <p>(aa) any reviews, reports or audits commissioned by the Department regarding compliance with this consent; and</p> <p>(b) the implementation of any actions or measures contained in these documents.</p>	Note	Noted	Note	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
LIMITS ON CONSENT					
Mining Operations					
2.5	<p>The Applicant may carry out mining operations on the site until 22 December 2020.</p> <p><i>Note: Under this consent, the Applicant is required to rehabilitate the site and carry out additional undertakings to the satisfaction of both the Secretary and RMD. Consequently this consent will continue to apply in all other respects - other than the right to conduct mining operations - until the rehabilitation of the site and these additional undertakings have been carried out satisfactorily.</i></p>	Mining Operations Plan/ Rehabilitation Management Plan (Amendment C 2016)	MOP Amendment C effective 15/9/2016 through to 30/6/2018. Amendment D required through to 2020 to include final landform information in a rehabilitation plan. No mining commenced at this stage.	C	-
Coal Extraction and Transportation					
2.6	The Applicant must not extract more than 10.5 million tonnes of ROM coal from the site in a calendar year.	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p>	<p>No coal extracted during audit period, first coal extraction anticipated Q2 2018.</p> <p>Mount Pleasant Project Annual Review 2014 identified that there was no site activity during 2014.</p> <p>Mount Pleasant Operation 2016 Annual Review identified that no mining was undertaken in 2015 and 2016 reporting periods. The 2016 review forecasted 0.02 Mt to be extracted in 2017 calendar year, which is below the threshold identified in this condition.</p>	C	-
2.7	<p>The Applicant must transport all coal from the site by either (but not both):</p> <p>(a) conveyor to the Bengalla mine; or</p> <p>(b) rail via an on-site rail loop.</p> <p>Prior to the construction of the coal transport infrastructure on site, the Applicant must notify the Secretary of the coal transport option chosen.</p>	<p>Mount Pleasant Operation 2016 Annual Review</p> <p>Notification of Coal Transport Option</p>	<p>No coal extracted or transported during audit period, anticipated Q2 2018.</p> <p>Notification of Coal Transport Option to DPE date 20 January 2017 notifying of to transport via rail loop as opposed to conveyor option.</p> <p>Mount Pleasant Operation 2016 Annual Review identified that construction of coal transport infrastructure on-site has not commenced yet. The Annual Review also identified that off-site coal transport using the conveyor/rail infrastructure is due to commence in 2017 reporting period. It is unclear whether the construction of the infrastructure has commenced to date and whether the Secretary has been notified of the coal transport option chosen prior to construction.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
2.8	<p>If the Applicant decides to develop the conveyor/service corridor to the Bengalla mine, then the Applicant must:</p> <p>(a) ensure that the final design of the conveyor/service corridor includes all reasonable and feasible measures to avoid and/or minimise the impacts on threatened species, endangered ecological communities, and Aboriginal objects with medium to high significance; and</p> <p>(b) submit detailed plans of the development in the conveyor/service corridor to the Secretary for approval.</p> <p>Following approval, the Applicant must implement the detailed plans to the satisfaction of the Secretary.</p>	<p>Interview with Environmental Superintendent</p> <p>Observations</p>	<p>Option for rail loop taken construction underway. Conveyor not triggered</p>	NT	
STRUCTURAL ADEQUACY					
2.9	<p>The Applicant must ensure that all new buildings and structures, and any alterations or additions to existing buildings and structures, are constructed in accordance with the relevant requirements of the BCA and SANSW.</p> <p>Notes:</p> <p>NSW Government 6 Department of Planning and Environment</p> <ul style="list-style-type: none"> - Under Part 4A of the EP&A Act, the Applicant is required to obtain construction and occupation certificates for the proposed building works; - Part 8 of the EP&A Regulation sets out the requirements for the certification of the development; - The development is located in the Muswellbrook Mine Subsidence District. Under Section 15 of the Mine Subsidence Compensation Act 1961, the Applicant is required to obtain the SANSW's approval before constructing any improvements on the site. 	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>Construction Certificate (August 2017)</p>	<p>Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period no buildings or structures were constructed and no alterations or improvements were undertaken on-site.</p> <p>Mount Pleasant Project Annual Review 2014 and Mount Pleasant Project Annual Environmental Review 2015 identified that the construction had not commenced on site.</p> <p>Mount Pleasant Operation 2016 Annual Review identified that the construction of various infrastructure elements were scheduled for 2017.</p> <p>All construction since 25 November 2016. No occupation certificates in place as construction underway. Construction certificates issued by Buildcert, sample sited for MIA (16 August 2017) and Admin and Workshop Building (1 June 2017).</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
DEMOLITION					
2.10	The Applicant must ensure that all demolition work undertaken in relation to the development is carried out in accordance with <i>AS 2601-2001: The Demolition of Structures</i> , or its latest version.	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>Work Area Package and Final Inspection Certificate (May 2017).</p>	<p>Mount Pleasant Project Annual Review 2014 and Mount Pleasant Operation 2016 Annual Review identified that during 2014 and 2016 reporting period no demolition was undertaken on-site. Mount Pleasant Project Annual Environmental Review 2015 did not identify any demolition works.</p> <p>Pit A demolition of six residential properties, residents provided 90- day notice period. Hawkins SP Pty Ltd conducted demolition, Work Area Package report details requirements and Final Inspection Certificate dated 8/5/2017.</p>	C	
PROTECTION OF PUBLIC INFRASTRUCTURE					
2.11	<p>Unless the Applicant and the applicable authority agree otherwise, the Applicant must:</p> <p>(a) repair, or pay the full costs associated with repairing, any public infrastructure that is damaged by the development; and</p> <p>(b) relocate, or pay the full costs associated with relocating, any public infrastructure that needs to be relocated as a result of the development,</p> <p>Note: This condition does not include matters that are expressly provided for in the conditions of this consent, such as the maintenance of public roads.</p>	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016</p>	<p>Mount Pleasant Project Annual Review 2014 and Mount Pleasant Project Annual Environmental Review 2015 identified that the construction has not commenced on site. Further, the Mount Pleasant Project Annual Review 2014 identified that this condition has not been triggered. Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period, no repair or relocation of public infrastructure was undertaken and there was no damage to public infrastructure.</p> <p>Realignment of powerlines east of Pit A complete awaiting energising by Ausgrid. At expense of MPO.</p> <p>Realignment of Wybong Rd near completion, due for</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Annual Review	completion 31 December 2017. At the expense of MPO.		
OPERATION OF PLANT AND EQUIPMENT					
2.12	The Applicant must ensure that all plant and equipment used on site, or to monitor the performance of the development, is: (a) Maintained in a proper and efficient condition; and (b) Operated in a proper and efficient manner.	Annual Environmental Monitoring Review – 2014 – Final Annual Environmental Monitoring Review – 2015 – Final Mount Pleasant Operation 2016 Annual Review Principle Contractors planning and scheduling system and outputs.	Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period all plant and equipment in use at the MPO was regularly serviced in accordance with the relevant Industry & Investment NSW Mining Design Guidelines to ensure plant and equipment was maintained in a suitable condition. As outlined in the document, all plant and equipment was operated in a proper and efficient manner. Mount Pleasant Operation 2016 Annual Review identified that the construction of various infrastructure elements were scheduled for 2017. Nine principle contractors (PC) on site during the construction period, each maintain their own preventative maintenance schedule. Sighted a sample of records of the maintenance work planning and scheduling process and information management system for each of the PCs reviewed during audit. During the site inspection, no observations were made of unmaintained or inappropriately operated equipment.	C	
2.13	DELETED	DELETED	DELETED	DELETED	
PLANNING AGREEMENT					
2.14	By the end of March 2012, unless otherwise agreed by the Secretary, the Applicant must enter into a planning agreement with Council in accordance with: (a) Division 6 of Part 4 of the EP&A Act; and (b) the terms of the Applicant's offer dated 14 February 2011, which is summarised in Appendix 4.	Annual Environmental Monitoring Review – 2014 – Final	MPO Development Consent (DA 92/97) identified that the Voluntary Planning Agreement went on Public Exhibition in February 2012 and was endorsed by Council following Exhibition.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	This agreement must provide for annual payments to be made to Council with the first period for payment commencing upon the commencement of development on the site.	Deed of Novation between Coal & Allied Operations, MACH Energy and Minister of Resources (July 2016)	Original voluntary planning agreement dated 9/12/11 sited. Deed of novation (voluntary planning agreement) between Coal & Allied, MACH Energy Australia Pty Ltd and Muswellbrook Shire Council dated 31/3/17 and reviewed during audit.		
SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS					
ACQUISITION UPON REQUEST					
3.1	Upon receiving a written request from the owner of any land listed in Table 1, the Applicant must acquire the land in accordance with the procedures in conditions 6 and 7 of Schedule 4.	Annual Environmental Monitoring Review – 2014 – Final MPO correspondence with Land Owners	Compliance Summary _ MPO Development Consent (DA 92/97) identified that written requests from some landholders listed in Table 1 were received in 2013 and actioned in accordance with the procedures in Schedule 4. The summary also identified that negotiations with some residents were ongoing at the time of the Review (March 2014). During the audit, site auditor sighted evidence of trigger requests, negotiation and purchase agreements.	C	
ADDITIONAL MITIGATION UPON REQUEST					
3.2	Upon receiving a written request from the owner of any residence on the land listed in Table 1 or Table 2, the Applicant must implement additional noise and/or dust mitigation measures (such as doubleglazing, insulation, air filters, first flush roof water drainage system and/or air conditioning) at the residence in consultation with the landowner. These measures must be reasonable and feasible and related to the noise and/or dust impacts on the residence. If within 3 months of receiving this request from the owner, the Applicant and the owner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Secretary for resolution.	MPO correspondence with Land Owners	During the audit, site auditor sighted evidence of trigger requests, negotiation and purchase agreements. Receiver 259 (Peel), acceptance of mitigation (Feb 2017). Mitigation process letters for a number of other receivers sited but not yet acted upon by receiving party.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
NOISE					
Noise Criteria					
3.3	Except for the noise-affected land referred to in Table 1, the Applicant must ensure that the noise generated by the development does not exceed the criteria in Table 3 at any residence on privately owned land or on more than 25 percent of any privately-owned land.	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>MPO Community Complaints Register 2017</p> <p>Monthly Environmental Monitoring Reports for January – September 2017</p> <p>EPL noise monitoring - Quarter 1-4 2017 (Global Acoustic)</p> <p>Supplementary</p>	<p>Mount Pleasant Project Annual Review 2014 and Mount Pleasant Project Annual Environmental Review 2015 identified that there was no activity on Site during these reporting periods.</p> <p>No activity within the site boundaries was under way in Q1, Q2 and Q3 of 2016. Works commenced on 25 November 2016 and operator-attended noise monitoring was undertaken by Global Acoustics Pty Ltd in accordance with the approved Noise Management Plan for the construction period of the MPO (CNMP) on 19 December 2016 at six representative monitoring locations. Two consecutive 15-minute measurements were taken during scheduled construction hours. All applicable measured noise levels attributable to the MPO were compliant with the relevant noise criteria. As no recorded measurements were within 5dB of the relevant criterion, no further assessment of low-frequency noise levels was required to be undertaken.</p> <p>Construction noise levels complied with LAeq 15-minute criteria at all monitoring locations during January, February, March, April, May, June, July, August and September 2017 monitoring periods.</p> <p>No exceedances recorded for any reports.</p> <p>Noise monitoring program has been rationalised. This was outlined in the Management Plan and was approved by the Secretary.</p> <p>MPO Community Complaints Register 2017 identified 4 noise complaints in 2017, with one complaint in April, May, June and July. All were in relation to Mulching activities that the Environmental Superintendent detailed as occurring within approved hours of work and are now complete in areas adjacent to complainants.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		evidence in Monthly noise compliance reports (Global Acoustics)	Measures were implemented such as ceasing works temporarily, a commitment for enhanced communication, and standard noise monitoring requirements were met.		
3.4	If the noise generated by the development exceeds the criteria in Table 4 at any residence on privately-owned land or on more than 25 percent of any privately-owned land, then upon receiving a written request for acquisition from the landowner, the Applicant must acquire the land in accordance with the procedures in conditions 6-7 of Schedule 4.	Environmental Superintendent interview MPO Community Complaints Register 2017	No exceedances Two complaints received regarding noise during mulching (Moore's) both are under voluntary acquisition. No requests from any other residences within Table 4.	NT	
Cumulative Noise Criteria					
3.5	Except for the noise-affected land referred to in Table 1, the Applicant must implement all reasonable and feasible measures to ensure that the noise generated by the development combined with the noise generated by other mines in the area does not exceed the criteria in Table 5 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.	Mount Pleasant Operation – Noise Management Plan Blast notification – week commencing 20 November 2017 Global acoustics report (Q4) Cumulative assessment (Table 4.5 of report)	The Noise Management Plan contains planning and construction and operational controls for noise generation during both construction and operation. The Secretary on 14.06.2017 has approved this plan. Blast notification letter identified that the MPO blast on 24.11.2017 was to be coordinated with Bengalla and Mangoola coal mines to minimise potential cumulative blasting impacts. Nil/Non applicable for cumulative noise, determined in noise assessment reports.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Cumulative Noise Acquisition Criteria					
3.6	If the noise generated by the development combined with the noise generated by other mines in the area exceeds the criteria in Table 6 at any residence on privately-owned land or on more than 25 percent of privately-owned land, then upon receiving a written request for acquisition from the landowner, the Applicant must acquire the land on as equitable basis as possible with the relevant mines in accordance with the procedures in conditions 6-7 of Schedule 4.	Environmental Superintendent interview	No exceedances No requests	NT	
Rail Noise					
3.7	The Applicant must ensure that its rail spur is only accessed by locomotives that are approved to operate on the NSW rail network in accordance with the noise limits in RailCorp's EPL (No. 12208) and ARTC's EPL (No. 3142).	-	Rail loop not completed at time of audit.	NT	
Noise operating conditions					
3.8	<p>The Applicant must:</p> <p>(a) implement best practice noise management, including all reasonable and feasible noise mitigation measures to minimise the construction, operational, low frequency, and rail noise generated by the development;</p> <p>(b) minimise the noise impacts of the development during temperature inversions;</p> <p>(c) regularly assess the real-time noise monitoring and meteorological forecasting data and relocate, modify, and/or stop operations on site to ensure compliance with the relevant conditions of this consent; and</p> <p>(d) co-ordinate the noise management on site with the noise management at nearby mines (including the Bengalla mine) to minimise the cumulative noise impacts of the mines, to the satisfaction of the Secretary.</p> <p>Note: Monitoring under this consent is not required at all residences and the use of representative monitoring locations can be used to demonstrate compliance with criteria, if agreed to by the Secretary.</p>	<p>Mount Pleasant Operation – Noise Management Plan</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>Blast notification – week commencing 20 November 2017</p> <p>A-PF4 real time monitoring reviewed.</p>	<p>a) The Noise Management Plan contains planning and construction and operational controls for noise generation during both construction and operation. This plan has been approved by the Secretary on 14.06.2017 and considered to meet the relevant conditions of consent</p> <p>b) Mach Energy Mount Pleasant real time data provides information that can determine temperature inversions. This temperature data is provided to Global Acoustics for their noise compliance monitoring reports</p> <p>c) Real-time noise monitoring system was installed in November 2016 prior to work commencing on-site. The real-time noise monitoring was not used to assess compliance with noise criteria, rather for ongoing performance assessment and to assist in avoiding potential non-compliances.</p> <p>d) Within Noise Management Plan cumulative impacts noise management is discussed. Blast notification letter identified that the MPO blast on 24.11.2017 was coordinated with Bengalla and Mangoola coalmines to minimise potential cumulative blasting impacts.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Noise Management Plan					
3.9	<p>The Applicant must prepare a Noise Management Plan for the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>(b) describe the noise mitigation measures that would be implemented to ensure compliance with the relevant conditions of this consent, including a real-time noise management system that employs both reactive and proactive mitigation measures;</p> <p>(c) include a noise monitoring program that:</p> <ul style="list-style-type: none"> - uses a combination of real-time and supplementary attended monitoring to evaluate the performance of the development; - includes a protocol for determining exceedances of the relevant conditions of this consent; and <p>(d) include a protocol that has been prepared in consultation with the owners of the nearby mines (including the Bengalla mine) to minimise the cumulative noise impacts of the mines.</p> <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>	<p>Mount Pleasant Operation – Noise Management Plan</p> <p>Construction Management Noise Plan (Rio Tinto)</p> <p>Evidence of consultation provided by letter (real time protocol)</p> <p>Cumulative air quality and noise management protocol.</p>	<p>The Noise Management Plan was provided to the NSW DEP on 7 June 2017 was approved by the Secretary on 14.06.2017 and considered to meet the relevant conditions of consent.</p> <p>Real time noise monitors were observed during site inspection. Global acoustic consultants responsible for attended noise monitoring (this was done on a monthly basis and is now quarterly in accordance with the Environmental Protection Licence [EPL]).</p> <p>Construction being undertaken in accordance with Rio Tinto Construction Noise management plan.</p>	C	
BLASTING					
Blasting Criteria					
3.10	<p>The Applicant must ensure that blasting on site does not cause exceedances of the criteria in Table 7.</p> <p>However, these criteria do not apply if the Applicant has a written agreement with the relevant owner or infrastructure provider/owner, and the Applicant has advised the Department in writing of the terms of this agreement.</p>	<p>Monthly Environmental Monitoring Report – September 2017</p>	<p>Monitoring evidence from first blast undertaken on 1 December 2017 demonstrated compliance (outside audit period)</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>Blast notification – week commencing 20 November 2017</p> <p>Ecotech undertakes monitoring and results were emailed on 12.15pm (1 December 2017)</p>			
Blasting Hours					
3.11	The Applicant must only carry out blasting on site between 9am and 5pm Monday to Saturday inclusive. No blasting is allowed on Sundays, public holidays, or at any other time without the written approval of the Secretary.	<p>Blast notification – week commencing 20 November 2017</p> <p>Ecotech undertakes monitoring and results were emailed on 12.15pm (1 December 2017)</p>	Blast undertaken on Friday 1 December 2017 at 12.15pm. Ecotech email demonstrated compliance by time stamp of blast event.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Blasting Frequency					
3.12	<p>Unless otherwise agreed by the Secretary, the Applicant may carry out a maximum of:</p> <p>(a) 1 blast a day; and</p> <p>(b) 5 blasts a week, averaged over any calendar year; for the development.</p> <p>This condition does not apply to blasts that generate ground vibration of 0.5 mm/s or less at any residence on privately-owned land, or to blasts required to ensure the safety of the mine or its workers.</p> <p><i>Note: For the purposes of this condition, a blast refers to a single blast event, which may involve a number of individual blasts fired in quick succession in a discrete area of the mine.</i></p>	Blast notification – week commencing 20 November 2017	Only one blast undertaken during audit period to date. Classed as not yet triggered, as on-going regime of blasting is yet to be undertaken.	NT	
Property Inspections					
3.13	<p>If the Applicant receives a written request from the owner of any privately-owned land within 2 kilometres of the approved open cut mining pit/s on site, for a property inspection to establish the baseline condition of any buildings and/or structures on his/her land, or to have a previous property inspection report updated, then within 2 months of receiving this request the Applicant must:</p> <p>(a) commission a suitably qualified, experienced and independent person, whose appointment is acceptable to both parties, to:</p> <ul style="list-style-type: none"> - establish the baseline condition of the buildings and/or structures on the land, or update the previous property inspection report; - identify any measures that should be implemented to minimise the potential blasting impacts of the development on these buildings and/or structures; and <p>(b) give the landowner a copy of the new or updated property inspection report.</p> <p>If there is a dispute over the selection of the suitably qualified, experienced and independent person, or the Applicant or the landowner disagrees with the findings of the property inspection report, either party may refer the matter to the Secretary for resolution.</p>	MPO correspondence with residents.	<p>MPO issued letter to all residences within 2km 22/9/2017 notifying of commencement of blasting and invitation for request of baseline condition assessment.</p> <p>Baseline condition assessment requested by five residences. WSP completed assessments 5/10/2017. Report not finalised but to be issued to residents.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Property Investigations					
3.14	<p>If the owner of any privately-owned land claims that the buildings and/or structures on his/her land have been damaged as a result of blasting on site, then within 2 months of receiving this claim the Applicant must:</p> <p>(a) commission a suitably qualified, experienced and independent person, whose appointment is acceptable to both parties, to investigate the claim; and</p> <p>(b) give the landowner a copy of the property investigation report.</p> <p>If there is a dispute over the selection of the suitably qualified, experienced and independent person, or the Applicant or the landowner disagrees with the findings of the property investigation report, either party may refer the matter to the Secretary for resolution.</p> <p>If this independent property investigation confirms the landowner's claim, and both parties agree with these findings, then the Applicant must repair the damages to the satisfaction of the Secretary.</p> <p>If the Applicant or landowner disagrees with the findings of the independent property investigation, then either party may refer the matter to the Secretary for resolution.</p>	Interview with Environment Superintendent	No claims of building damage during audit period.	NT	
Blast Operating Conditions					
3.15	<p>The Applicant must:</p> <p>(a) implement best blasting management practice on site to:</p> <ul style="list-style-type: none"> - protect the safety of people and livestock in the surrounding area; - protect public or private infrastructure/property in the surrounding area; - minimise the dust and fume emissions of the blasting on site; and - minimise blasting impacts on heritage items in the vicinity of the site; <p>(b) co-ordinate the blasting on site with the blasting at nearby mines (including the Bengalla mine) to minimise the cumulative blasting impacts of the mines; and</p> <p>(c) operate a suitable system to enable the public to get up-to-date information on the proposed blasting schedule on site, to the satisfaction of the Secretary.</p>	<p>Mount Pleasant Operation – Blast Management Plan</p> <p>Blast notification – week commencing 20 November 2017</p> <p>Blast execution/interface management plan (BEIMP)</p>	<p>a) Blast Management Plan was submitted to NSW DEP on 1 August 2017 and was approved by the Secretary on 3 August 2017, having considered that the plan meets the relevant conditions of consent</p> <p>b) Blast notification letter identified that the MPO blast on 24.11.2017 was to be coordinated with Bengalla and Mangoola coal mines to minimise potential cumulative blasting impacts.</p> <p>c) Blasting notification was posted on MACH Energy website (machenergyaustralia.com.au), emailed to distribution list comprised of local residents and posted on Muswellbrook Council blasting portal (a publically accessible website). Also available on the Mach Energy hotline</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>MACH and Bengalla agreement</p> <p>Blasting in Muswellbrook Shire Council (Council website). https://www.muswellbrook.nsw.gov.au/index.php/blasting/blasting-announcements</p>			
3.16	<p>The Applicant must not undertake blasting within 500 metres of:</p> <p>(a) a public road without the approval of Council; and</p> <p>(b) any land outside the site not owned by the Applicant, unless:</p> <ul style="list-style-type: none"> - the Applicant has a written agreement with the relevant landowner to allow blasting to be carried out closer to the land, and the Applicant has advised the Department in writing of the terms of this agreement, or - the Applicant has: <p>demonstrated to the satisfaction of the Secretary that the blasting can be carried out closer to the land without compromising the safety of the people or livestock on the land, or damaging the buildings and/or structures on the land; and</p> <p>updated the Blast Management Plan to include the specific measures that would be implemented while blasting is being carried out within 500 metres of the land.</p>	<p>16 May 2017 MACH Energy Mount Pleasant Operation Road Closure Management Plan (Annex of Blast Management Plan (approval from Council under delegated authority for blasting within 500m of public road)</p>	Not triggered	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Blast Management Plan					
3.17	<p>The Applicant must prepare a Blast Management Plan for the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be submitted to the Secretary for approval prior to carrying out any blasting on site;</p> <p>(b) describe the measures that would be implemented to ensure compliance with the relevant conditions of this consent;</p> <p>(c) include a road closure management plan, prepared in consultation with Council;</p> <p>(d) include a blast monitoring program for evaluating compliance with the relevant conditions of approval; and</p> <p>(e) include a protocol that has been prepared in consultation with the owners of nearby mines (including the Bengalla mine) for minimising and managing cumulative blasting impacts of the mines.</p> <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>	<p>Mount Pleasant Operation – Blast Management Plan</p> <p>16 May 2017 MACH Energy Mount Pleasant Operation Road Closure Management Plan (approval from Council under delegated authority for blasting within 500m of public road)</p>	Blast Management Plan was submitted to NSW DEP on 1 August 2017 and was approved by the Secretary on 3 August 2017, having considered that the plan meets the relevant conditions of consent	C	
AIR QUALITY AND GREENHOUSE GAS					
Odour					
3.18	<p>The Applicant must ensure that no offensive odours are emitted from the site, as defined under the POEO Act, unless otherwise authorised by an EPL.</p>	<p>MPO Community Complaints Register 2017</p> <p>Environmental Superintendent Interview</p>	<p>No works undertaken that would generate offensive odours (No spontaneous combustions or fume). Compliant based on no complaints.</p>	C	No recommendations

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Green House Gas Emissions					
3.19	The Applicant must implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site.	<p>Mount Pleasant Operation – Air Quality and Greenhouse Gas Management Plan</p> <p>Principle Contractors planning and scheduling system and outputs.</p>	<p>Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DPE on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.</p> <p>Contract with PCs include conditions to minimise GHG emissions, requires preventative maintenance of plant to ensure efficient running of plant. Maintenance records observed.</p>	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations																							
Air Quality Criteria																												
3.20	<p>Except for the air quality-affected land referred to in Table 1, the Applicant must ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the development do not exceed the criteria listed in Tables 8, 9 or 10 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.</p> <div><p>Table 8: Long term criteria for particulate matter</p><table><tr><th>Pollutant</th><th>Averaging Period</th><th>^a Criterion</th></tr><tr><td>Total suspended particulate (TSP) matter</td><td>Annual</td><td>^b 90 µg/m³</td></tr><tr><td>Particulate matter < 10 µm (PM₁₀)</td><td>Annual</td><td>^b 50 µg/m³</td></tr></table><p>Table 9: Short term criterion for particulate matter</p><table><tr><th>Pollutant</th><th>Averaging Period</th><th>^a Criterion</th></tr><tr><td>Particulate matter < 10 µm (PM₁₀)</td><td>24 hour</td><td>^b 50 µg/m³</td></tr></table><p>Table 10: Long term criteria for deposited dust</p><table><tr><th>Pollutant</th><th>Averaging Period</th><th>Maximum increase in deposited dust level</th><th>Maximum total deposited dust level</th></tr><tr><td>^c Deposited dust</td><td>Annual</td><td>^b 2 g/m²/month</td><td>^a 4 g/m²/month</td></tr></table><p>Notes to Tables 8-10: ^a Total impact (i.e. incremental increase in concentrations due to the development plus background concentrations due to all other sources); ^b Incremental impact (i.e. incremental increase in concentrations due to the development on its own); ^c Deposited dust is to be assessed as insoluble solids as defined by Standards Australia, AS/NZS 3566-10:2003 Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method; and ^d Excludes extraordinary events such as bushfires, prescribed burning, dust storms, sea fog, fire incidents or any other activity agreed by the Secretary.</p></div>	Pollutant	Averaging Period	^a Criterion	Total suspended particulate (TSP) matter	Annual	^b 90 µg/m ³	Particulate matter < 10 µm (PM ₁₀)	Annual	^b 50 µg/m ³	Pollutant	Averaging Period	^a Criterion	Particulate matter < 10 µm (PM ₁₀)	24 hour	^b 50 µg/m ³	Pollutant	Averaging Period	Maximum increase in deposited dust level	Maximum total deposited dust level	^c Deposited dust	Annual	^b 2 g/m ² /month	^a 4 g/m ² /month	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>MPO Community Complaints Register 2017</p> <p>Monthly Environmental Monitoring Reports for January – September 2017</p>	<p>MPO Community Complaints Register 2017 identified 2 dust-related complaints in 2017, with one complaint in July and September. Community consultation database identifies actions taken following receipt of complaint. During 2014 and 2015 air quality was monitored using 13 depositional dust gauges, sited around the MPO boundary, to establish baseline dust levels prior to commencement of mining activities. Only one gauge (D7) recorded results above the annual average dust deposition criterion during these reporting periods. The annual average at this location was 12.32 g/m²/month in 2014 and 5.8 g/m²/month in 2015. D7 gauge is located in close proximity to the northern boundary of the Bengalla Coal Mine and is identified within Bengalla Coal Mine’s area of predicted impact. Dust gauge D7 also exceeded the criterion in 2012 and 2013.</p> <p>Dust monitoring continued throughout 2016 and only location D7 resulted in deposited dust levels above the criterion with the result of <7g/m²/month.</p> <p>Dust monitoring continued throughout 2016 and only location D7 resulted in deposited dust levels above the criterion with the result of <7g/m²/month. Monthly Environmental Monitoring Reports for January – September 2017 also identified location D7 above annual average dust deposition criterion. February – September 2017 reports also identified annual average dust deposition levels above the criterion at D8 location, which were attributed to road construction activities in the local area. D7 has demonstrated exceedances throughout baseline monitoring. The approved AQMP states the following with regard to the monitoring site: <i>Site D7 is located in close proximity to the northern boundary of the Bengalla Mine main pit and is heavily influenced by Bengalla operations. Additionally, there are no privately-owned receivers in the vicinity of the site.</i></p>	O	<p>D7 has demonstrated exceedances throughout baseline monitoring. Given that it is positioned within the MPO development consent area and is directly adjacent to the Bengalla Mine site a more appropriate location for a gauge may be considered to determine impacts to adjacent residents. It is recommended to move an existing or install an additional fine dust monitoring and ambient air monitoring system (Palas Fidas unit) towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge.</p>
Pollutant	Averaging Period	^a Criterion																										
Total suspended particulate (TSP) matter	Annual	^b 90 µg/m ³																										
Particulate matter < 10 µm (PM ₁₀)	Annual	^b 50 µg/m ³																										
Pollutant	Averaging Period	^a Criterion																										
Particulate matter < 10 µm (PM ₁₀)	24 hour	^b 50 µg/m ³																										
Pollutant	Averaging Period	Maximum increase in deposited dust level	Maximum total deposited dust level																									
^c Deposited dust	Annual	^b 2 g/m ² /month	^a 4 g/m ² /month																									

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>(ACOEM – physical data collection Ecotech – real time monitoring) MACH Energy then utilizes this data in a monthly report that is published on web site.</p> <p>Community consultation database.</p> <p>Monthly Data checklist (DDG Groundwater, surface water and TEOM) internal MACH Energy check.</p> <p>RE: Cessation of activities due to high dust levels email</p>	<p><i>As such, this site will continue to be monitored but will not be used to assess compliance or to represent residential receivers in the area.</i> Given that it is positioned within the MPO development consent area and is directly adjacent to the Bengalla Mine site a more appropriate location for a gauge may be considered to determine impacts to adjacent residents.</p> <p>TSP emissions were not measured in 2014, 2015, 2016 and January and February 2017. TSP emissions, measured using high volume sampler gravimetric method during March - September 2017, were below the annual average criterion.</p> <p>PM10 emissions were not measured in 2014, 2015 and January – October 2016. Fine dust monitoring and ambient air monitoring system (Palas Fidas units) monitoring systems were installed at three locations on 11 November 2016. Both 24-hour average and annual average results in 2016 were below the relevant criteria. In January 2017, both 24-hour average and annual average results were below the relevant criteria. On 12/02/17 24-hour average exceedance was detected at site APF2 – EPA ID 1, attributed to regional bushfires. In March- June, August and September 2017, both 24-hour average and annual average results were below the relevant criteria. On 26/07/17 24-hour, average exceedance was detected at site APF2 – EPA ID 1. This was not considered non-compliant as it is within MACH operated land and not at a residence on privately owned land.</p> <p>Discussed the relocation of an existing, or implementing an additional gauge, towards privately owned land near the EPA's Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge as mining activities commence to capture potential dust inputs in this location (and to potentially address the possible delays associated with the current EPL requirement to stop project activities entirely if this monitor goes down).</p>		<p>This will remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible project shutdown if EPA monitor goes down. Note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating to dust management.</p> <p>ERM notes that MACH Energy have gained approval from the DPE to relocate dust monitor A-PF2 following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
					air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue as outlined above.
3.21	Deleted	Deleted	Deleted		
Air Quality Operating Conditions					
3.22	<p>(a) implement best practice air quality management, including all reasonable and feasible measures to minimise the odour, fume and dust emissions of the development;</p> <p>(b) minimise visible air pollution generated by the development;</p> <p>(c) minimise, where reasonable and feasible, the extent of potential dust generating surfaces exposed on the site at any given point in time;</p> <p>(d) minimise the air quality impacts of the development during adverse meteorological conditions and extraordinary events (see Noted above under Tables 8-10);</p> <p>(e) regularly assess the real-time air quality monitoring and meteorological forecasting data and relocate, modify and/or stop operations on site to ensure compliance with the relevant conditions of this consent; and</p> <p>(f) co-ordinate the air quality management on site with the air quality management at nearby mines (including the Bengalla mine) to minimise cumulative air quality impacts from the mines, to the satisfaction of the Secretary.</p>	<p>Mount Pleasant Operation – Air Quality and Greenhouse Gas Management Plan</p> <p>Jacobs Environmental Forecast system</p> <p>Thiess training programs for dust management (PowerPoint presentation)</p> <p>Upper Hunter Air Quality Monitoring Network (EPA provided data) checked on a three hourly</p>	<p>Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DPE on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.</p> <p>Impacts on air quality are minimised through implementation of the Air Quality and Greenhouse Gas Management Plan.</p> <p>Real time air monitors observed in the field during site inspection.</p> <p>Water cart was observed in operation at the Rail Loop Dam. Attempts at hydromulching to stabilise batters in road construction areas were observed, though strike was limited given dry weather conditions.</p> <p>Jacobs forecast system provides meteorological forecasting to allow for planning of activities to avoid dust generation during adverse conditions.</p> <p>Toolbox talks and training programs discussing dust management were observed.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>basis.</p> <p>Daily summary of previous 24 hour dust</p> <p>Daily meeting (5/9/2017) provided evidence of discussion around dust mitigation to be implemented due to inclement wind conditions</p> <p>Toolbox talks on dust management (8/11/17) – held with DoPE with Thiess and all PCs on site.</p> <p>Blast execution/interface management plan (BEIMP) MACH and Bengalla agreement</p> <p>Environmental Superintendent interview.</p>	Protocol submitted in plan and approved.		

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Air Quality Management Plan					
3.23	<p>The Applicant must prepare an Air Quality and Greenhouse Gas Management Plan for the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>(b) describe the measures that would be implemented to ensure compliance with the relevant conditions of this consent, including a real-time air quality management system that employs reactive and proactive mitigation measures;</p> <p>(c) include an air quality monitoring program that:</p> <ul style="list-style-type: none"> - uses a combination of real-time monitors and supplementary monitors to evaluate the performance of the development; - includes PM2.5 monitoring (although this obligation could be satisfied by the regional air quality monitoring network if sufficient justification is provided); - includes a protocol for determining exceedances of the relevant conditions of this consent; and (d) include a protocol that has been prepared in consultation with the owners of nearby mines to minimise the cumulative air quality impacts of the mines. <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>	<p>Mount Pleasant Operation – Air Quality and Greenhouse Gas Management Plan</p> <p>Ecotech Mach Energy Mt Pleasant Real Time Data</p> <p>Blast execution/interference management plan (BEIMP) MACH and Bengalla agreement</p>	<p>Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DPE on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.</p> <p>Real time air monitors observed in the field during site inspection. As were the depositional dust gauges and hi-volume monitoring (supplementary to real time monitors).</p> <p>Ecotech Mach Energy Mt Pleasant Real Time Data – provides PM2.5 data.</p>	C	
METEOROLOGICAL MONITORING					
3.24	<p>For the life of the development, the Applicant must ensure that there is a meteorological station operating in the vicinity of the site that:</p> <p>(a) complies with the requirements in the Approved Methods for Sampling of Air Pollutants in NSW guideline; and</p> <p>(b) is capable of continuous real-time measurement of temperature lapse rate in accordance with the NSW Industrial Noise Policy, or as otherwise approved by the Secretary.</p>	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Ecotech Ambient Air Quality Monitoring (Feb 2017)</p>	<p>A new meteorological station located off Kayuga road was constructed in 2011 and brought online in April 2012. Compliance Summary _ MTP Development Consent (DA 92/97) deemed the meteorological station as being compliant. Meteorological station sighted by auditor. Ecotech Ambient Air Quality Monitoring report dated 21/02/17 indicates NATA approved monitoring to relevant Australian Standards.</p>	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
WATER					
Water Supply					
3.25	<p>The Applicant must ensure that it has sufficient water for all stages of the development, and if necessary, adjust the scale of operations on site to match its available water supply.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>Under the Water Act 1912 and/or the Water Management Act 2000, the Applicant is required to obtain all necessary water licences for the development.</i> 	<p>Mount Pleasant Operation – Water Management Plan</p> <p>Maximum harvestable right calculator – NSW Office of Water</p> <p>ME-EMS – PRO-XX Water Monitoring and Accounting.doc x (Surface Water Management Procedure)</p> <p>Mount Pleasant Operation – Site Water Balance (Mach Energy April 2017)</p> <p>HEC (January 2017) Mount Pleasant Project Site water balance and Water Management System Design – operational</p>	<p>Water Management Plan was submitted to the NSW DPE on 24 July 2017 and was approved by the Secretary in August 2017, having considered that it meets the relevant conditions of consent.</p> <p>Site water balance is in an annexure of the Water Management Plan. Outlines supply and demand of operations and details scenarios for extraction from the Hunter River.</p> <p>WALs were observed for water extraction. All locations are metered and recorded every Monday.</p> <p>If the volume of the MWD is less than 504 ML water will be pumped into the MWD from the Hunter River, and when the volume of the dam rises above 782 ML, pumping will cease. A peak pumping rate of 200 L/s has been assumed for this extraction. 714 ML/yr of Hunter River High Security Entitlement WALs and 829 ML/yr of MACH Energy's Hunter River General Security WALs are assumed to be available for the MPO.</p> <p>Environmental Superintendent indicated that based on land holdings all dams (beyond the sediment basins and the mine water dams which are excluded from maximum harvestable rights calculations) are under harvestable rights allowance. This was demonstrated in harvestable right calculator (NOW online tool)</p> <p>Environmental Superintendent identified that the project will be in deficit for water supply during first few years given construction and not producing water as a result of intersecting groundwater. Drawing from the Hunter River will be undertaken during these stages. Water supply for the remainder of the mine life should be more than sufficient upon intersection of groundwater</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>water balance</p> <p>Short-term water balance model (HEC developed, and managed by MACH Energy). Short term balance has been prepared by Mach Energy during construction phase</p> <p>WAL 880, 1113, 879, 41438 – Hunter River Bores – WAL 18253 and 18266</p> <p>Environmental Superintendent interview</p>			
Water Discharges					
3.26	<p>The Applicant must ensure that any surface water discharges from the site comply with the:</p> <p>(a) discharge limits (both volume and quality) set for the development in any EPL; or</p> <p>(b) relevant provisions of the POEO Act or Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002.</p>	<p>Environmental Superintendent identified that no discharge to the Hunter River has occurred.</p> <p>Mount Pleasant Operation – Water</p>	<p>MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overfilling the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by BGC on its adjoining mining lease. No discharges are warranted within the EPL.</p>	NC	<p>MACH Energy have provided a response to the show cause letter. To await the action to be taken by the EPA.</p> <p>The Department of Planning and environment issued a warning letter in relation to this</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>Discharge Event 31 October 2017 (7 November 2017) EF16/11941 Show Cause Letter EPA (21 November 2017) Invitation to show cause – Suspected breaches of environmental legislation on 31 October 2017.</p> <p>- (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER) Department of Planning and Environment (8/12/17)</p>	<p>The EPA have issued a show cause letter inviting MACH Energy to explain why the EPA should not take regulatory action in response to contravention of Section 64 and Section 120 of the Protection of the Environment Operations Act 1997.</p> <p>No releases under the Hunter River Salinity Trading Scheme have occurred yet as the dam that is being developed to discharge under the scheme has not yet been constructed, and mining has not yet commenced.</p>		<p>incident (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER)</p> <p>All future incidents are to be reported to regulatory agencies within required timeframes.</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Compensatory Water Supply					
3.27	<p>The Applicant must provide compensatory water supply to any landowner of privately-owned land whose water entitlements are adversely and directly impacted (other than an impact that is negligible) as a result of the development, in consultation with DPI Water, and to the satisfaction of the Secretary.</p> <p>The compensatory water supply measures must provide an alternative long-term supply of water that is equivalent, in quality and volume, to the loss attributed to the development. Equivalent water supply.</p> <p>NSW Government 14 Department of Planning and Environment should be provided (at least on an interim basis) as soon as practicable after the loss is identified, unless otherwise agreed with the landowner. If the Applicant and the landowner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Secretary for resolution.</p> <p>If the Applicant is unable to provide an alternative long-term supply of water, then the Applicant must provide alternative compensation to the satisfaction of the Secretary.</p>	<p>Mount Pleasant Operation Bore Census Results (March 2017)</p> <p>Environmental Superintendent interview</p> <p>Site Inspection</p>	<p>Not triggered – only construction activities have commenced thus far that have not impacted groundwater or surface water resources to the extent that compensatory water supply is required.</p> <p>It is however noted that bore census has been undertaken to understand background conditions.</p>	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Water Management Plan					
3.28	<p>The Applicant must prepare a Water Management Plan for the development to the satisfaction of the Secretary. This plan must be prepared in consultation with DPI Water and EPA, and be submitted to the Secretary for approval prior to carrying out any development on site. The plan must include:</p> <p>(a) a Site Water Balance, which must:</p> <ul style="list-style-type: none"> - include details of: <ul style="list-style-type: none"> o sources and security of water supply; o water use on site; o water management on site; o any off-site water transfers; and - investigate and implement all reasonable and feasible measures to minimise water use by the development; <p>(b) an Erosion and Sediment Control Plan, which must:</p> <ul style="list-style-type: none"> - identify activities that could cause soil erosion, generate sediment or affect flooding; - describe measures to minimise soil erosion and the potential for the transport of sediment to downstream waters, and manage any flood risk; - describe the location, function, and capacity of erosion and sediment control structures; - describe what measures would be implemented to maintain the structures over time; <p>(c) a Surface Water Management Plan, which must include:</p> <ul style="list-style-type: none"> - detailed baseline data on surface water flows and quality in creeks and other waterbodies that could potentially be affected by the development; - surface water and stream health impact assessment criteria including trigger levels for investigating any potentially adverse surface water impacts; - a program to monitor surface water flows and quality in the watercourses that could be affected by the project; and - reporting procedures for the results of the monitoring program; <p>(d) a Groundwater Management Plan, which must include:</p> <ul style="list-style-type: none"> - detailed plans, including design objectives and performance criteria, for the design and management of the proposed final voids; 	<p>Mount Pleasant Operation – Water Management Plan</p> <p>(WMP includes appendices:</p> <ol style="list-style-type: none"> 1. Site water balance 2. Erosion and Sediment Control Plan 3. Surface Water Management Plan 4. Groundwater Management Plan 5. Surface and Groundwater Response Plan) <p>Annual Environmental Monitoring Review – 2015 – Final</p>	<p>Water Management Plan was submitted to the NSW DPE on 24 July 2017 and was approved by the Secretary on 3 August 2017, having considered that it meets the relevant conditions of consent.</p> <p>Annual Environmental Monitoring Review – 2015 – Final identified groundwater and surface water monitoring records.</p> <p>Observations of Rail Loop site identified areas for improvement of management of erosion and sediment controls. Basins on site did not have spillways, did not appear to be constructed to Landcom (2004) standards, with walls seemingly too narrow and with too steep batter slopes.</p> <p>It is noted that it was recognised by MACH Energy that contractor in this location was not achieving required standards under Landcom (2004) and were in the process of assisting the contractor with bringing the location to standard. This involved provision of contractual letters enforcing requirements to ensure effective erosion and sediment control management.</p> <p>Clean and dirty water separation in the rail loop area could be improved. Strategies should be developed to manage clean and dirty water confluence points, such as cleanwater diversions, coffer dam and pumping systems.</p> <p>Sediment markers within basins not yet established. EO identified that this is work in progress and survey markers were present.</p>	O	<p>Regularly updated Progressive Erosion and Sediment Control Plans are recommended for Rail Loop area as observation of controls in the area, and discussion with Environmental Superintendent are indicative of improvements that could be made in the area. Clean and dirty catchment confluence points should be a high priority for development of management strategy.</p> <p>An audit of sediment basins by a soil conservationist is believed to have been undertaken; recommendations for improvement should be implemented as soon as practicable.</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<ul style="list-style-type: none"> - detailed baseline data of groundwater levels, yield and quality in the region, and privately-owned groundwater bores, that could be affected by the development; - groundwater impact assessment criteria including trigger levels for investigating any potentially adverse groundwater impacts; - a program to monitor and assess: <ul style="list-style-type: none"> o groundwater inflows to the mining operations; o impacts on regional and local (including alluvial) aquifers; o impacts on the groundwater supply of potentially affected landowners; o impacts on groundwater dependent ecosystems and riparian vegetation; <p>(e) a Surface and Ground Water Response Plan, which must include:</p> <ul style="list-style-type: none"> - a response protocol for any exceedances of the surface water and groundwater assessment criteria; - measures to offset the loss of any baseflow to watercourses caused by the development; - measures to prevent, minimise or offset groundwater leakage from alluvial aquifers caused by the development; - measures to compensate landowners of privately-owned land whose water supply is adversely affected by the development; and - measures to mitigate and/or offset any adverse impacts on groundwater dependent ecosystems or riparian vegetation. <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>	<p>23/11/2017 Geolink CPESC developed PESCP. PESCP Mount Pleasant Rail Loop Bridge (Bengalla Road) 298km 900m through to Turnout 297km 500m Rev 0</p> <p>CHPP Zone GDP/Establishment Sequencing</p> <p>Plan 3 – Rail Loop Access Road Overview Erosion & Sediment Control Plan (10/5/2017)</p> <p>PESCP-002 HB16047-Mt Pleasant Bulk Earthworks – Package 2 (15/12/2017)</p> <p>HB16047- PESCP-006-Rev0 (7/3/17)</p>			<p>Environmental Superintendent identified that Sediment Basins 1 and 3 are in the process of having piping infrastructure installed to manage water levels. Ultimately, these are planned to be added to the EPL. ERM concurs with plan to have licences added to the EPL to provide extra protection against discharge. The protection of having registered discharge points as included in the licence will be additional to the dams being designed in accordance with Landcom (2004).</p> <p>Basin markers (and marking of sediment storage zone) to be installed as soon as is practicable. Upon implementation, photographs of these points can assist in demonstrating compliance with discharge criteria.</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		HB16047-Mt Pleasant Bulk Earthworks-package 2 PESCP003 Rev0 (15/12/16) Environmental Superintendent Interview Site Inspection			
BIODIVERSITY					
Offset Strategy					
3.29	<p>The Applicant must prepare an offset strategy for the development to the satisfaction of the Secretary. This strategy must:</p> <ul style="list-style-type: none"> (a) be prepared in consultation with OEH; NSW Government 15 Department of Planning and Environment (b) be submitted to the Secretary for approval prior to carrying out any development in the conveyor/service corridor; (c) offset the biodiversity impacts of the development in the conveyor/service corridor; and (d) focus on the re-establishment of: <ul style="list-style-type: none"> - significant and/or threatened flora communities and/or species; and - habitat for significant and/or threatened fauna species. <p>This offset strategy is not required if the Applicant does not carry out any development in the conveyor/service corridor. The Applicant must implement the approved strategy as approved from time to time by the Secretary.</p> <p>Note: The offset strategy may be combined with any similar offset strategy required for the development under Commonwealth legislation, or the Aboriginal cultural heritage conservation area/s described in condition 33 below, subject to suitably offsetting the impacts of the conveyor/service corridor.</p>	EPBC Offset Management Plan (2015) Interview with Environment Superintendent	MPO does have an Offset Management Plan for the Mount Pleasant Project, NSW (Version 3) prepared on 23 April 2015. Federal approval dated 18 June 2015. However, no state level offset management plane as no development in the conveyor/service corridor. As such, the condition is not triggered.	NT	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Long Term Security of Offsets					
3.30	Within 2 years of the approval of the offset strategy, the Applicant must demonstrate to the satisfaction of the Secretary that it has made suitable arrangements to provide appropriate long term security for the offset area/s in the offset strategy.	Interview with Environment Superintendent	No development in the conveyor/service corridor. As such, the condition is not triggered.	NT	-
Conservation Bond					
3.31	<p>Within 6 months of the approval of the offset strategy, the Applicant must lodge a conservation bond with the Department to ensure that the offset strategy is implemented in accordance with the performance and completion criteria of the Biodiversity Management Plan (see below). The sum of the bond must be determined by:</p> <p>(a) calculating the full cost of implementing the offset strategy (other than land acquisition costs); and</p> <p>(b) employing a suitably qualified, independent and experienced person to verify the calculated costs.</p> <p>The calculation of the Conservation Bond must be submitted to the Department for approval at least 1 month prior to the lodgement of the bond. The Conservation Bond must be reviewed and if required, an updated bond must be lodged with the Department within 3 months following:</p> <p>(a) an update or revision to the Biodiversity Management Plan;</p> <p>(b) the completion of an Independent Environmental Audit in which recommendations relating to the implementation of the Biodiversity Offset Strategy have been made; or</p> <p>(c) in response to a request by the Secretary.</p> <p>If the offset strategy is completed generally in accordance with the completion criteria in the Biodiversity Management Plan to the satisfaction of the Secretary, the Secretary will release the bond.</p> <p>If the offset strategy is not completed generally in accordance with the completion criteria in the Biodiversity Management Plan, the Secretary will call in all or part of the conservation bond, and arrange for the satisfactory completion of the relevant works. With the agreement of the Secretary, this bond may be combined with rehabilitation security deposit administered by the Minister for Resources.</p>	Interview with Environment Superintendent	No development in the conveyor/service corridor. As such, the condition is not triggered.	NT	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Biodiversity Management Plan					
3.32	<p>The Applicant must prepare a Biodiversity Management Plan for the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be prepared in consultation with OEH and Council, and be submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>(b) include:</p> <ul style="list-style-type: none"> - a description of the short, medium, and long term measures that would be implemented to: <ul style="list-style-type: none"> o manage the remnant vegetation and habitat on the site and in the offset area/s (if and when applicable); and o implement the offset strategy (if and when applicable), including detailed performance and completion criteria; - a detailed description of the measures that would be implemented over the next 3 years, including the procedures to be implemented for: <ul style="list-style-type: none"> o implementing revegetation and regeneration within the disturbance areas and offset areas, including establishment of canopy, sub-canopy (if relevant), understorey and ground strata; <p>NSW Government 16 Department of Planning and Environment</p> <ul style="list-style-type: none"> o maximising salvage and beneficial use of resources in areas that are to be impacted, including vegetative, soil and cultural heritage resources; o protecting vegetation and soil outside the disturbance areas; o rehabilitating creeks and drainage lines on the site, to minimise net loss of stream length and aquatic habitat; o managing salinity; o conserving and reusing topsoil; o undertaking pre-clearance surveys; o managing impacts on fauna; o landscaping the site and along public roads to minimise visual and lighting impacts; o collecting and propagating seed; o salvaging and reusing material from the site for habitat enhancement; o salvaging, transplanting and/or propagating threatened flora and native grassland; o controlling weeds and feral pests; o managing grazing and agriculture on site; o controlling access; and 	<p>Biodiversity and Rehab Management Plan</p> <p>Correspondence with DPI</p>	<p>Biodiversity and Rehabilitation Management Plan dated 07 May 2012.</p> <p>Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012.</p> <p>Management plan to be update 2018.</p>	O	Update Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan in line with stated requirements.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<p>o bushfire management;</p> <ul style="list-style-type: none"> - a program to monitor and report on the effectiveness of these measures, and progress against the performance and completion criteria; - a description of the potential risks to successful revegetation, and a description of the contingency measures that would be implemented to mitigate these risks; and - details of who would be responsible for monitoring, reviewing, and implementing the plan. <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>				
HERITAGE					
Aboriginal Heritage Conservation Strategy					
3.33	<p>The Applicant must prepare an Aboriginal Heritage Conservation Strategy for the development to the satisfaction of the Secretary. This strategy must:</p> <ul style="list-style-type: none"> (a) be prepared by suitably qualified and experienced persons whose appointment has been endorsed by the Secretary; (b) be prepared in consultation with OEH and the Aboriginal stakeholders; (c) be submitted to the Secretary for approval prior to carrying out any development on site; (d) provide for the establishment and conservation of an off-site Aboriginal cultural heritage conservation area/s that has comparable Aboriginal cultural heritage values (both cultural and archaeological) to the areas that would be developed on site; (e) describe the measures that would be implemented to provide appropriate long term security for the proposed Aboriginal cultural heritage conservation areas; and (f) include an action plan for the implementation of the strategy. <p>The detailed measures for the implementation of the strategy are to be outlined in the Heritage Management Plan (see condition 36). The Applicant must implement the approved strategy as approved from time to time by the Secretary.</p> <p>Note: The Aboriginal cultural heritage conservation area/s may be combined with any similar offset/conservation area required for the development under Commonwealth legislation, subject to suitably offsetting the cultural heritage impacts of the development.</p>	Mount Pleasant Operation – Aboriginal Heritage Management Plan	MPO Aboriginal Cultural Heritage Management Plan, which contains Aboriginal Heritage Conservation Strategy, was submitted to the NSW DPE and approved by the Secretary on 5 July 2017, having considered that it meets the relevant conditions of consent.	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
3.34	Within 2 years of the approval of the Aboriginal Heritage Conservation Strategy, the Applicant must demonstrate to the satisfaction of the Secretary, that it has made suitable arrangements to provide appropriate long term security for the Aboriginal cultural heritage conservation area/s in the Aboriginal Heritage Conservation Strategy.	Mount Pleasant Operation – Aboriginal Heritage Management Plan	The strategy was approved on 5 July 2017 and therefore 2 years have not passed at the time of the audit.	NT	-
Oral History					
3.35	By the end of December 2013, the Applicant must prepare a detailed history of the Mount Pleasant locality to the satisfaction of the Secretary. This history must: (a) be prepared by suitably qualified and experienced persons whose appointment has been endorsed by the Secretary; (b) be prepared in consultation with the OEH, the local history society, local community (including former residents as far as is practicable), and Aboriginal stakeholders; NSW Government 17 Department of Planning and Environment (c) be prepared in accordance with the relevant the relevant Heritage Council of NSW guidelines; And (d) include detailed historical research as well as an oral history.	Mount Pleasant Operation – Aboriginal Heritage Management Plan DPI letter dated 21/1/2017	MPO Aboriginal Heritage Management Plan states that the Oral History Report was prepared in 2004 and subsequently reviewed in 2014. The NSW DPE approved the report on 20 January 2014 and advised that Condition 35, Schedule 3 of the Development Consent had been satisfied.	C	-
Aboriginal Heritage Management Plan					
3.36	The Applicant must prepare an Aboriginal Heritage Management Plan for the development to the satisfaction of the Secretary. This plan must: (a) be prepared in consultation with OEH and the Aboriginal stakeholders by suitably qualified and experienced persons whose appointment has been endorsed by the Secretary; (b) be submitted to the Secretary for approval prior to carrying out any development on site; (c) include: ☐ a detailed plan for the implementation of the approved Aboriginal Heritage Conservation Strategy (required under condition 34); ☐ a description of the measures that would be implemented to: o comply with the requirements of any Aboriginal Heritage Impact Permit issued for the development, including any approved archaeological testing and salvage program; o store the Aboriginal objects salvaged, both during construction and in the long term;	Mount Pleasant Operation – Aboriginal Heritage Management Plan	MPO Aboriginal Cultural Heritage Management Plan was submitted to the NSW DPE and approved by the Secretary on 5 July 2017, having considered that it meets the relevant conditions of consent.	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<p>To protect, monitor and/or manage all Aboriginal objects on site until the impacts of the development on these objects is unavoidable;</p> <ul style="list-style-type: none"> o minimise the blasting impacts of the development on Aboriginal objects in the vicinity of the site; o manage the discovery of any human remains or previously unidentified Aboriginal objects on site; o enable Aboriginal stakeholders to get reasonable access to the site during the development; o ensure Aboriginal stakeholders are consulted about the conservation and management of Aboriginal cultural heritage on site; and o ensure construction personnel receive suitable heritage inductions prior to carrying out any development on site, and that suitable records are kept of these inductions. <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>				
TRANSPORT					
<i>Relocation of Rail Loop or Conveyor/Service Corridor</i>					
3.37	<p>Prior to carrying out any development on site, the Applicant must enter into an agreement with the Minister for Resources, in consultation with the operators of the Bengalla Mine, so that if in the future the Bengalla mining operation is to extend further to the west, the Applicant must undertake to relocate the Mount Pleasant rail loop or the conveyor/service corridor. Any relocation may require a further approval.</p>	<p>Deed of Undertaking 7 July 2016</p> <p>Deed of Novation between Coal & Allied Operations, MACH Energy and Minister of Resources (July 2016)</p>	<p>Deed of Undertaking between Coal & Allied and Minister of Industry Resources and Energy, Relocation of Mt Pleasant Rail Loop, dated 7 July 2016.</p> <p>Deed of Novation between Coal & Allied Operations, MACH Energy and Minister of Resources dated 7 July 2016 confirming relocation of rail loop agreement.</p>	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Road Works					
3.38	<p>The Applicant must, at its own expense:</p> <p>(a) construct a bridge to carry the Bengalla Link Road over the proposed Mount Pleasant rail loop, in consultation with the operators of the Bengalla Mine;</p> <p>(b) construct the Mount Pleasant Northern Link Road to Dorset Road, prior to the closure of Castlerock Road;</p> <p>(c) construct the Mount Pleasant Western Link Road (generally in accordance with Council's Western Roads Strategy) from the intersection of the Bengalla Link Road to the intersection of the Mount Pleasant Northern Link Road, prior to the closure of Wybong Road;</p> <p>(d) construct the Mount Pleasant Mine Access Road;</p> <p>(e) upgrade the Wybong Road from the Bengalla Link Road to the Mount Pleasant Mine Access Road; and</p> <p>(f) construct an overpass or underpass across Wybong Road, or other means of crossing Wybong Road, should a construction road be proposed, to the satisfaction of Council.</p>	<p>Construction Plans</p> <p>Observations</p>	<p>Bridge, Mine Access and Wybong upgrade construction work underway at expense of MPO and plans observed during audit.</p> <p>Castlerock and Wybong roads not closed to date.</p>	C	
3.39	<p>Should the following intersections be required, the Applicant must undertake construction works at:</p> <p>(a) the intersection of the Western Link Road and access to the mine site;</p> <p>(b) the intersection of the Bengalla Link Road and the Western Link Road;</p> <p>(c) the intersection of the Castlerock/Mount Pleasant Northern Link Road and the Western Link Road; and</p> <p>(d) the intersection of the Mount Pleasant Northern Link Road and Kayuga Road, to the satisfaction of Council and/or RMS.</p> <p>If there is any dispute between the Applicant and Council or RMS in relation to the funding or upgrade works, then any of the parties may refer the matter to the Secretary for resolution.</p>	Interview with Environment Superintendent	Requirement not triggered during audit period	NT	-
3.40	<p>The Applicant must:</p> <p>(a) prepare a detailed schedule outlining the timing of the road construction works required by conditions 38 and 39 by the end of December 2011; and</p> <p>(b) update this schedule annually, to the satisfaction of Council.</p>	Email Correspondence with Council	MPO provided Council with a construction schedule (Wybong Road Schedule and MTP Overall Schedule) October 2016.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Road Maintenance					
3.41	During the development, the Applicant must maintain the roads and intersections between the Bengalla Mine main entrance and the Mt Pleasant Mine main entrance, including: (a) part of the Bengalla Link Road; (b) part of the Wybong Road; and (c) part of the Mount Pleasant Western Link Road. The Applicant must develop a Maintenance Management Plan in respect of these roads, to the satisfaction of Council.	Correspondence with Council	Section 138 and Road Maintenance Plan submitted to Council for approval 9 November 2017. Awaiting approval.	C	
Road Access and Signage					
3.42	The Applicant must ensure that as far as possible the preferred mine access road route, as described in the EIS, is the only route used by employees and contractors travelling to the mine site from Muswellbrook.	Site Access Management Plan (August 2016) Observations	Signage observed on public roads plus internal Site Access Management Plan and employee inductions reviewed during audit restricting access to Kayuga Bridge.	C	
3.43	The Applicant must maintain signs and give at least 24 hours notice of temporary road closures. The location and wording of the signs are to be approved by Council. A protocol is to be established, in consultation with the emergency service providers and Council, to permit the passage of emergency vehicles during road closures.	Interview with Environment Superintendent	No temporary road closures during audit period	NT	
Monitoring of Coal Transport					
3.44	The Applicant must: (a) keep records of the: - amount of coal transported from the site (on a monthly basis); and - date and time of each train movement generated by the development; and (b) make these records available on its website at the end of each calendar year.	Interview with Environment Superintendent	No coal extraction or transport from site to date.	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Visual					
Visual Amenity Lighting					
3.45	<p>The Applicant must:</p> <p>(a) implement all reasonable and feasible measures to minimise the visual and off-site lighting impacts of the development;</p> <p>(b) ensure no outdoor lights shine above the horizontal; and</p> <p>(c) ensure that all external lighting associated with the development complies with Australian Standard AS4282 (INT) 1997 – Control of Obtrusive Effects of Outdoor Lighting or its latest version, to the satisfaction of the Secretary.</p>	<p>Interview with Environment Superintendent</p> <p>Construction Lighting Design for MIA and CHPP</p>	<p>No night works during audit period.</p> <p>Construction Lighting Design for MIA and CHPP details requirement to meet Australian Standard.</p>	NT	
Additional Visual Mitigation Measures					
3.46	<p>Upon receiving a written request from the owner of any residence on privately-owned land which has, or would have, significant direct view of the mining operations on site, the Applicant must implement visual mitigation measures (such as landscaping treatments or vegetation screens) on the land in consultation with the landowner. These measures must be reasonable and feasible, and directed toward minimising the visibility of the mining operations from the residence. If within 3 months of receiving this request from the owner, the Applicant and the owner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Secretary for resolution.</p> <p>Note: Except in exceptional circumstances, the Secretary will not require additional visual impact mitigation to be undertaken for residences that are more than 3 kilometres from the mining operations.</p>	Interview with Environment Superintendent	No written requests made with regard to this condition.	NT	
Landscape Management Plan					
3.47	<p>The Applicant must prepare a Landscape Management Plan to mitigate the visual impacts of the development to the satisfaction of the Secretary. This plan must:</p> <p>(a) be prepared in consultation with Council, and submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>NSW Government 19 Department of Planning and Environment</p> <p>(b) provide for the establishment of trees and shrubs and/or the construction of mounding or bunding:</p> <p>- along the access road to the mine site;</p>	<p>Landscape Management Plan</p> <p>Correspondence with DPI</p> <p>Observation</p>	<p>Landscape Management Plan provided on the website is dated 20 July 2012.</p> <p>Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. Plans to be update 2018.</p> <p>Visual screening observed.</p>	O	Landscape Management Plan to be update 2018.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<p>- around the water storage dams and coal preparation plant;</p> <p>- at other areas identified as necessary for the maintenance of satisfactory visual amenity;</p> <p>And (c) include details of the visual appearance of all buildings, structures, facilities or works (including paint colours and specifications), aimed at blending as far as possible with the surrounding landscape.</p> <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>				
Bushfire Management					
3.48	<p>The Applicant must:</p> <p>(a) ensure that the development is suitably equipped to respond to any fires on site; and</p> <p>(b) assist the Rural Fire Service and emergency services as much as possible if there is a fire in the vicinity of the site.</p>	Bushfire Management Plan (2012)	Bushfire Management Plan prepared by Hunter Land Management January 2012. Further, a third party consultant was engaged in November 2017 to update Bushfire Management Plan, to be submitted January 2018.	O	Ensure Bushfire Management Plan details sites ability to respond to fires on site.
Waste Minimisation & Disposal					
3.49	<p>The Applicant must:</p> <p>(a) minimise the waste (including coal reject) generated by the development;</p> <p>(b) ensure that the waste generated by the development is appropriately stored, handled and disposed of in a lawful manner.</p>	Mount Pleasant Operation – Waste Management Plan	<p>Waste management is contracted to Remondis and undertaken in accordance with the MPO Waste Management Plan approved by the Secretary.</p> <p>No coal reject generated from site during audit period.</p>	C	-
Onsite Sewage					
3.50	The Applicant must ensure that all sewage generated on site is treated and disposed of to the satisfaction of Council.	Mount Pleasant Operation – Waste Management Plan	MPO Waste Management Plan approved by the Secretary provides management of sewage on Site.	C	-
Disposal of the fine rejects					
3.51	The Applicant must not emplace fine rejects in the southern catchment without the written approval of the Secretary	Mount Pleasant Operation – Waste Management Plan	MPO Waste Management Plan approved by the Secretary details constraints on fine reject emplacement (Fines Emplacement Plan). No fines emplaced during audit period.	NT	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations										
Waste Management Plan															
3.52	<p>The Applicant must prepare a Waste Management Plan for the development to the satisfaction of the Secretary.</p> <p>This plan must:</p> <p>(a) be prepared in consultation with DPI Water and RMD, and submitted to the Secretary for approval prior to carrying any development on site;</p> <p>(b) describe the measures that would be implemented to avoid, minimise, reuse and recycle all waste streams generated by the development;</p> <p>(c) include a fines emplacement plan; and</p> <p>(d) a program to evaluate the fines emplacement plan and methods, with a view to emplacing fines within active mining areas.</p> <p>The Applicant must implement the approved management plan as approved from time to time by the Secretary.</p>	Mount Pleasant Operation – Waste Management Plan	MPO Waste Management Plan was submitted to the NSW DPE on 19 September 2017 and was approved by the Secretary on 29 September 2017, having considered that it meets the relevant conditions of consent.	C	-										
REHABILITATION															
Rehabilitation objectives															
3.53	<p>The Applicant must rehabilitate the site to the satisfaction of RMD. This rehabilitation must be generally be consistent with the proposed rehabilitation strategy depicted conceptually in the figure in Appendix 7, and comply with the objectives in Table 14.</p> <p>Table 14: Rehabilitation Objectives</p> <table><tr><th>Feature</th><th>Objective</th></tr><tr><td>Mine site (as a whole), including the final void</td><td>Safe, stable & non-polluting</td></tr><tr><td>Surface infrastructure</td><td>To be decommissioned and removed, unless RMD agrees otherwise</td></tr><tr><td>Land forms</td><td>To be set under condition 54 below</td></tr><tr><td>Land use</td><td>To be set under condition 54 below</td></tr></table>	Feature	Objective	Mine site (as a whole), including the final void	Safe, stable & non-polluting	Surface infrastructure	To be decommissioned and removed, unless RMD agrees otherwise	Land forms	To be set under condition 54 below	Land use	To be set under condition 54 below	Mining Operations Plan/ Rehabilitation Management Plan (Amendment C 2016)	<p>No mining conducted during the audit period. In line with MOP C, no rehabilitation was undertaken or required during the audit period.</p> <p>Progressive rehabilitation of construction areas was observed.</p>	NT	
Feature	Objective														
Mine site (as a whole), including the final void	Safe, stable & non-polluting														
Surface infrastructure	To be decommissioned and removed, unless RMD agrees otherwise														
Land forms	To be set under condition 54 below														
Land use	To be set under condition 54 below														

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Rehabilitation Strategy					
3.54	<p>Prior to commencing any development on the site, the Applicant must prepare a Rehabilitation Strategy for the development to the satisfaction of the Secretary. This strategy must:</p> <p>(a) be prepared in consultation with relevant stakeholders, including RMD, DPI Water, Council and the CCC;</p> <p>(b) investigate options for the future use of the site upon the completion of mining;</p> <p>(c) describe and justify the proposed rehabilitation strategy for the site; and</p> <p>(d) define the rehabilitation objectives for the area, as well as the proposed completion criteria for this rehabilitation.</p>	<p>Biodiversity and Rehab Management Plan</p> <p>Correspondence with DPI</p>	<p>Biodiversity and Rehabilitation Management Plan provided on the website is dated 07 May 2012.</p> <p>Letter from DPI approving the Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan, approved 23 July 2012. To be update 2018.</p>	C	-
Progressive Rehabilitation					
3.55	<p>The Applicant must carry out the rehabilitation of the site progressively, that is, as soon as reasonably practicable following disturbance. All reasonable and feasible measures must be taken to minimise the total area exposed for dust generation at any time. Interim stabilisation and temporary vegetation strategies must be employed when areas prone to dust generation cannot be permanently rehabilitated.</p> <p>Note: It is accepted that some parts of the site that are progressively rehabilitated may be subject to further disturbance at some later stage of the development.</p>	<p>Mining Operations Plan/ Rehabilitation Management Plan (Amendment C 2016)</p>	<p>No mining conducted during the audit period. In line with MOP C, no rehabilitation was undertaken or required during the audit period.</p> <p>Progressive rehabilitation of construction areas was observed.</p>	NT	-
Rehabilitation Management Plan					
3.56	<p>The Applicant must prepare a Rehabilitation Management Plan for the development to the satisfaction of RMD. This plan must:</p> <p>(a) be prepared in consultation with the Department, DPI Water, Council and the CCC;</p> <p>(b) be submitted to RMD for approval, within 3 months of approval of the Rehabilitation Strategy;</p> <p>(c) be prepared in accordance with any relevant RMD guideline;</p> <p>(d) describe the measures that would be implemented to rehabilitate the site and implement the rehabilitation strategy (see condition 54); and</p> <p>(e) build, to the maximum extent practicable, on the other management plans required under this consent.</p> <p>The Applicant must implement the approved management plan as approved from time to time by RMD.</p>	<p>Biodiversity and Rehab Management Plan</p> <p>Mining Operations Plan/ Rehabilitation Management Plan (Amendment C 2016)</p>	<p>MPO Mining Operations Plan and Rehabilitation Management Plan (Amendment C) meets the requirements for a Rehabilitation Management Plan (RMP). DPE approval letter for MOP (Amendment C) dated 13 June sighted by auditor.</p> <p>Correspondence with DPE, DPI Water, Council and the CCC sighted by auditor.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Schedule 4 – Additional Procedures					
Notification of Landholders					
4.1	By the end of December 2011, the Applicant must: (a) notify in writing the owners of: - the land listed in Table 1 of Schedule 3 that they have the right to require the Applicant to acquire their land at any stage of the development; - any residence on the noise-affected land in Table 1 or Table 2 of Schedule 3 that they are entitled to ask for additional noise mitigation measures to be installed at their residence at any stage of the development; - any residences on the air quality-affected land listed in Table 1 that they are entitled to ask for additional air quality mitigation measures to be installed at their residence at any stage of the development; - any privately-owned land within 2 kilometres of the approved open cut mining pit on the site that they are entitled to ask for an inspection to establish the baseline condition of any buildings and/or structures on their land, or to have a previous property inspection updated; and (b) send a copy of the NSW Health fact sheet entitled “Mine Dust and You” (as may be updated from time to time) to the owners and/or existing tenants of any land (including mine-owned land) where the predictions in the documents listed in condition 2(a) of Schedule 2 identify that dust emissions generated by the development are likely to be greater than the relevant air quality criteria in Schedule 3 at any time during the life of the development.	Annual Environmental Monitoring Review – 2014 – Final Correspondence with landowners.	March 2014 Audit states that letters were sent to all relevant owners by 23/12/2011. MPO sent acquisition and mitigation measures to all residencies listed in the consent (Table 1 Sch3) 14 March 2017 notifying of rights for acquisition and mitigation. MPO issued the revised version of “Mine Dust and You” to all parties on 14 November 2017.	C	
4.1A	Prior to entering into any tenancy agreement for any land owned by the Applicant that is predicted to experience exceedances of the recommended dust and/or noise criteria, the Applicant must: (a) advise the prospective tenants of the potential health and amenity impacts associated with living on the land, and give them a copy of the NSW Health fact sheet entitled “Mine Dust and You” (as may be updated from time to time); and (b) advise the prospective tenants of the rights they would have under this consent, to the satisfaction of the Secretary.	Correspondence with landowners.	MPO sent acquisition and mitigation measures to all residencies listed in the consent (Table 1 Sch3) 14 March 2017 notifying of rights for acquisition and mitigation. MPO issued the revised version of “Mine Dust and You” to all parties on 14 November 2017.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
4.2	As soon as practicable after obtaining monitoring results showing: (a) exceedance of the relevant criteria in Schedule 3, the Applicant must notify the affected landowner and tenants in writing of the exceedance, and provide regular monitoring results to each of these parties until the development is complying with the relevant criteria again; and/or (b) an exceedance of the relevant criteria of Schedule 3, the Applicant must send a copy of the NSW Health fact sheet entitled "Mine Dust and You" (as may be updated from time to time) to the affected landowners and/or existing tenants of the land (including the tenants of any mine-owned land).	Monitoring Data.	No exceedance of the relevant criteria on privately owned land	NT	
Independent Review					
4.3	If an owner of privately-owned land considers the development to be exceeding the criteria in Schedule 3, then he/she may ask the Secretary in writing for an independent review of the impacts of the development on his/her land. If the Secretary is not satisfied that an independent review is warranted, the Secretary will notify the landowner in writing of that decision, and the reasons for that decision, within 21 days of the request for a review. If the Secretary is satisfied that an independent review is warranted, then within 2 months of the Secretary's decision, the Applicant must: (a) commission a suitably qualified, experienced and independent expert, whose appointment has been approved by the Secretary, to: - consult with the landowner to determine his/her concerns; - conduct monitoring to determine whether the development is complying with the relevant criteria; and - if the development is not complying with these criteria then: o determine if the more than one mine is responsible for the exceedance, and if so the relative share of each mine towards the impact on the land; o identify the measures that could be implemented to ensure compliance with the relevant criteria; and (b) give the Secretary and landowner a copy of the independent review.	Interview with Environment Superintendent	No independent review requested	NT	-
4.4	Deleted				
4.5	Deleted				

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Land Acquisition					
4.6	<p>Within 3 months of receiving a written request from a landowner with acquisition rights, the Applicant must make a binding written offer to the landowner based on:</p> <p>(a) the current market value of the landowner's interest in the land at the date of this written request, as if the land was unaffected by the development, having regard to the:</p> <ul style="list-style-type: none"> - existing and permissible use of the land, in accordance with the applicable planning instruments at the date of the written request; and - presence of improvements on the land and/or any approved building or structure which has been physically commenced at the date of the landowner's written request, and is due to be completed subsequent to that date, but excluding any improvements that have resulted from the implementation of the additional mitigation measures required under condition 2 of Schedule 3; <p>(b) the reasonable costs associated with:</p> <ul style="list-style-type: none"> - relocating within the Muswellbrook, Singleton or Scone local government area, or to any other local government area determined by the Secretary; and - obtaining legal advice and expert advice for determining the acquisition price of the land, and the terms upon which it is to be acquired; and <p>(c) reasonable compensation for any disturbance caused by the land acquisition process.</p> <p>However, if at the end of this period, the Applicant and landowner cannot agree on the acquisition price of the land and/or the terms upon which the land is to be acquired, then either party may refer the matter to the Secretary for resolution.</p> <p>Upon receiving such a request, the Secretary shall request the President of the NSW Division of the Australian Property Institute to appoint a qualified independent valuer to:</p> <ul style="list-style-type: none"> - consider submissions from both parties; - determine a fair and reasonable acquisition price for the land and/or the terms upon which the land is to be acquired, having regard to the matters referred to in paragraphs (a)-(c) above; - prepare a detailed report setting out the reasons for any determination; and - provide a copy of the report to both parties. 	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Correspondence with Land Owners</p>	<p>Compliance Summary MPO Development Consent (DA 92/97) identified that written requests from some landholders listed in Table 1 were received in 2013 and actioned in accordance with the procedures in Schedule 4. The summary also identified that negotiations with some residents were ongoing at the time of the Review (March 2014).</p> <p>During the audit, site auditor sighted evidence of trigger requests, negotiation and purchase agreements.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<p>Within 14 days of receiving the independent valuer's report, the Applicant must make a binding written offer to the landowner to purchase the land at a price not less than the independent valuer's determination.</p> <p>However, if either party disputes the independent valuer's determination, then within 14 days of receiving the independent valuer's report, they may refer the matter to the Secretary for review. Any request for a review must be accompanied by a detailed report setting out the reasons why the party disputes the independent valuer's determination. Following consultation with the independent valuer and both parties, the Secretary will determine a fair and reasonable acquisition price for the land, having regard to the matters referred to in paragraphs (a)-(c) above, the independent valuer's report, the detailed report of the party that disputes the independent valuer's determination and any other relevant submissions.</p> <p>Within 14 days of this determination, the Applicant must make a binding written offer to the landowner to purchase the land at a price not less than the Secretary's determination.</p> <p>If the landowner refuses to accept the Applicant's binding written offer under this condition within 6 months of the offer being made, then the Applicant's obligations to acquire the land shall cease, unless the Secretary determines otherwise.</p>				
4.7	The Applicant must pay all reasonable costs associated with the land acquisition process described in condition 6 above, including the costs associated with obtaining Council approval for any plan of subdivision (where permissible), and registration of this plan at the Office of the Registrar-General.		Refer Sch 4 Condition 6	C	
SCHEDULE 5 - ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING					
Environmental Strategy					
5.1	<p>If the Secretary requires, the Applicant must prepare an Environmental Management Strategy for the development to the satisfaction of the Secretary. This strategy must:</p> <p>(a) be submitted to the Secretary for approval prior to carrying out any development on site;</p> <p>(b) provide the strategic framework for environmental management of the development;</p> <p>(c) identify the statutory approvals that apply to the development;</p>	Mount Pleasant Operation – Environmental Management Strategy	A revised Environmental Management Strategy for the Mount Pleasant Operation was submitted on 13/09/2017 and approved by the Secretary on 18/09/2017. The review of the Environmental Management Strategy established that the document meets all the relevant requirements.	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	<p>(d) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the development;</p> <p>(e) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> - keep the local community and relevant agencies informed about the operation and environmental performance of the development; - receive, handle, respond to, and record complaints; - resolve any disputes that may arise during the course of the development; - respond to any non-compliance; - respond to emergencies; and <p>(f) include:</p> <ul style="list-style-type: none"> - copies of any strategies, plans and programs approved under the conditions of this consent; and - a clear plan depicting all the monitoring to be carried out in relation to the development. <p>The Applicant must implement the approved strategy as approved from time to time by the Secretary.</p>				
Adaptive Management					
5.1A	<p>The Applicant must assess and manage development-related risks to ensure that there are no exceedances of the criteria and/or performance measures in Schedule 3. Any exceedance of these criteria and/or performance measures constitutes a breach of this consent and may be subject to penalty or offence provisions under the EP&A Act or EP&A Regulation.</p> <p>Where any exceedance of these criteria and/or performance measures has occurred, the Applicant must, at the earliest opportunity:</p> <ul style="list-style-type: none"> (a) take all reasonable and feasible steps to ensure that the exceedance ceases and does not recur; (b) consider all reasonable and feasible options for remediation (where relevant) and submit a report to the Department describing those options and any preferred remediation measures or other course of action; and (c) implement remediation measures as directed by the Secretary, to the satisfaction of the Secretary. 	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p>	<p>No exceedance of Schedule 3 criteria identified on privately owned land during the audit period.</p> <p>Correspondence with DPE accepting the Annual reviews for the audit period.</p>	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Monthly monitoring reports. Correspondence with DPE			
Management Plan Requirements					
5.2	<p>The Applicant must ensure that the management plans required under this consent are prepared in accordance with any relevant guidelines, and include:</p> <p>(a) detailed baseline data;</p> <p>(b) a description of:</p> <ul style="list-style-type: none"> - the relevant statutory requirements (including any relevant consent, licence or lease conditions); - any relevant limits or performance measures/criteria; - the specific performance indicators that are proposed to be used to judge the performance of, or guide the implementation of, the development or any management measures; <p>(c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria;</p> <p>(d) a program to monitor and report on the:</p> <ul style="list-style-type: none"> - impacts and environmental performance of the development; - effectiveness of any management measures (see c above); <p>(e) a contingency plan to manage any unpredicted impacts and their consequences;</p> <p>(f) a program to investigate and implement ways to improve the environmental performance of the development over time;</p> <p>(g) a protocol for managing and reporting any:</p> <ul style="list-style-type: none"> - incidents; - complaints; - non-compliances with statutory requirements; and - exceedances of the impact assessment criteria and/or performance criteria; and <p>NSW Government 24 Department of Planning and Environment</p> <p>(h) a protocol for periodic review of the plan.</p>	MPO Management Plans	Approval of management plans as detailed in this compliance review.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Annual Review					
5.3	<p>By the end of March each year (or other such timing as agreed by the Secretary), the Applicant must submit a report to the Department reviewing the environmental performance of the development to the satisfaction of the Secretary. This review must:</p> <p>(a) describe the development (including any rehabilitation) that was carried out in the past calendar year, and the development that is proposed to be carried out over the next calendar year;</p> <p>(b) include a comprehensive review of the monitoring results and complaints records of the development over the past calendar year, which includes a comparison of these results against the:</p> <ul style="list-style-type: none"> - relevant statutory requirements, limits or performance measures/criteria; - monitoring results of previous years; and - relevant predictions in the documents listed in condition 2(a) of Schedule 2; <p>(c) identify any non-compliance over the last year, and describe what actions were (or are being) taken to ensure compliance;</p> <p>(d) identify any trends in the monitoring data over the life of the development;</p> <p>(e) identify any discrepancies between the predicted and actual impacts of the development, and analyse the potential cause of any significant discrepancies; and</p> <p>(f) describe what measures will be implemented over the next year to improve the environmental performance of the development.</p>	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p>	<p>Mount Pleasant Operation 2016 Annual Review dated 28/02/2017 was reviewed. The reviewed document conformed to the relevant requirements.</p> <p>Mount Pleasant Project Annual Environmental Review 2015 dated 24/02/2016 was reviewed. The reviewed document generally conformed to the relevant requirements; however, it did not describe the development that is proposed to be carried out over the next calendar year. It is understood from the document that no activity within the site boundaries from associated Mount Pleasant Project works occurred in 2015.</p> <p>Mount Pleasant Project Annual Environmental Review 2014 dated 25/02/2014 (deemed 25.02.2015) was reviewed. The reviewed document conformed to the relevant requirements.</p>	C	It is recommended that every annual review provides an overview of the development proposed to be carried out over the next calendar year.
Revision of Strategies, Plans and Programs					
5.4	<p>Within 3 months of:</p> <p>(a) the submission of an annual review under condition 3 above;</p> <p>(b) the submission of an incident report under condition 7 below;</p> <p>(c) the submission of an audit under condition 9 below; and</p> <p>(d) any modification to the conditions of this consent, the Applicant must review, and if necessary revise, the strategies, plans, and programs required under this consent to the satisfaction of the Secretary.</p> <p>Within 4 weeks of conducting any such review, the Applicant must advise the Secretary of the outcomes of the review, and submit any revised documents for the approval of the Secretary.</p>	Correspondence with Department	Letter to department dated 26 May 2017 following approval of Modification 2 outlines the review and revision of strategies, plans and programs within 3 months of the modification.	O	Communicate review of plans following incidents and audits.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Note: This is to ensure the strategies, plans and programs are updated on a regular basis, and incorporate any recommended measures to improve the environmental performance of the development.				
Updating & Staging Strategies, Plans or Programs					
5.4A	<p>The Applicant may at any time submit revised strategies, plans or programs for the approval of the Secretary. With the agreement of the Secretary, the Applicant may also submit any strategy, plan or program required by this consent on a staged basis.</p> <p>With the agreement of the Secretary, the Applicant may prepare a revision or stage of any strategy, plan or program required under this consent without undertaking consultation with all parties nominated under the applicable condition in this consent.</p> <p>Notes:</p> <ul style="list-style-type: none"> • While any strategy, plan or program may be submitted on a staged basis, the Applicant must ensure that the existing operations on site are covered by suitable strategies, plans or programs at all times. • If the submission of any strategy, plan or program is to be staged, then the relevant strategy, plan or program must clearly describe the specific stage to which the strategy, plan or program applies, the relationship of this stage to any future stages, and the trigger for updating the strategy, plan or program. 	Note	Noted	Note	
Management of Cumulative Impacts					
5.5	<p>In conjunction with the owners of the nearby mines (including the Bengalla mine), the Applicant must use its best endeavours to minimise the cumulative impacts of the development on the surrounding area to the satisfaction of the Secretary.</p> <p>Note: Nothing in this consent is to be construed as requiring the Applicant to act in a manner which is contrary to the Trade Practices Act 1974.</p>	<p>Mount Pleasant Operation – Noise Management Plan</p> <p>Mount Pleasant Operation – Water Management Plan</p>	<p>Management of cumulative impacts is in accordance with the relevant management plans for each environmental subject, i.e. Noise Management Plan, Blast Management Plan, Air Quality and Greenhouse Gas Management Plan</p> <p>Blasting Protocol, and information on the Muswellbrook Council website with regard to co-ordination of blasting across different mines.</p> <p>Cumulative impacts are addressed in each Management Plan, which have been approved to the satisfaction of the secretary.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>Mount Pleasant Operation – Air Quality and Greenhouse Gas Management Plan</p> <p>Mount Pleasant Operation – Blast Management Plan</p>	In terms of water management, Water Access Licences WALs are held for extraction and are managed by government, hence cumulative impacts of multiple sources drawing from and discharging to the Hunter River is managed by government.		
Community Consultative Committee					
5.6	<p>The Applicant must operate a Community Consultative Committee (CCC) for the development to the satisfaction of the Secretary. This CCC must be operated in general accordance with the Department's NSW Government 25 Department of Planning and Environment Community Consultative Committee Guidelines State Significant Projects November 2016, or its latest version.</p> <p>Note: The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Applicant complies with this consent.</p>	<p>CCC Minutes – Sept 2017</p> <p>CCC Minutes – June 2017</p> <p>CCC Minutes – March 2017</p> <p>CCC Minutes – September 2016</p> <p>CCC Minutes – October 2016</p> <p>CCC Minutes – December 2016</p>	Minutes of six CCC meetings were reviewed – September, October and December 2016 and March June and September 2017. Minutes appear to be in general accordance with the Department's NSW Government 25 Department of Planning and Environment Community Consultative Committee Guidelines State Significant Projects November 2016.	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Reporting					
Incident Reporting					
5.7	The Applicant must immediately notify the Secretary and any other relevant agencies of any incident. Within 7 days of the date of the incident, the Applicant shall provide the Secretary and any relevant agencies with a detailed report on the incident, and such further reports as may be requested.	DPE Show Cause (17/11/2017) MPO Response (29/11/2017) DPE Warning Letter (8/12/2017)	DPE issued a Show Cause (17/11/2017) relating to the clean water discharge incident 31 October 2017. Although MPO submitted incident report within 7 days of the incident MPO had not notified the department immediately. MPO immediately notified the EPA but failed to notify the Department until the report was submitted. The Department has since issued a Warning Letter on 8 December 2017. In response to the internal review of this incident, MPO has: reminded employees of obligation to immediately report environmental incidents; clarified roles and responsibilities; updated the MPO incident response manual.	NC	Awaiting further correspondence from the EPA to determine if further action is required.
Regular Reporting					
5.8	The Applicant must provide regular reporting on the environmental performance of the development on its website, in accordance with the reporting arrangements in any plans or programs approved under the conditions of this consent, and to the satisfaction of the Secretary.	http://machene.rygaustralia.com.au/key-results-and-documents/	Monthly Environmental Monitoring Reports (up to September 2017) and Annual Environmental Monitoring Reviews for 2012, 2013, 2014, 2015 and 2016 are disclosed on the MPO website.	C	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Independent Environmental Audit					
5.9	<p>By the end of March 2014, and every 3 years thereafter, unless the Secretary directs otherwise, the Applicant must commission, commence and pay the full cost of an Independent Environmental Audit of the development. This audit must:</p> <p>(a) be conducted by a suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Secretary;</p> <p>(b) include consultation with the relevant agencies and the CCC;</p> <p>(c) assess the environmental performance of the development and whether it is complying with the requirements in this consent and any relevant EPL or Mining Lease or necessary water licences (including any assessment, plan or program required under these approvals);</p> <p>(d) review the adequacy of strategies, plans or programs required under the abovementioned approvals (including whether the development has met or is trended towards the progressive performance and completion criteria detailed in these strategies, plans or programs);</p> <p>(e) if necessary, recommend appropriate measures or actions to improve the environmental performance of the development, and/or any strategy, plan or program required under the abovementioned approvals; and</p> <p>(f) be conducted and reported to the satisfaction of the Secretary.</p> <p>Notes:</p> <p>- This audit team must be led by a suitably qualified auditor and include experts in any fields specified by the Secretary</p>	<p>This and previous IEAs</p> <p>Correspondence with DPE (7/7/17)</p>	<p>The details of the March 2014 audit are provided in the Appendix 1 – Compliance Summary _MTP Development Consent (DA 92/97) of the MPO Annual Review 2014. This audit is the first audit since March 2014.</p> <p>Correspondence with DPE (7/7/17) states a full scale IEA required within 12 months post commencement of construction (1 Jan 2017 – 25 November 2017)</p>	C	
5.10	<p>Within 12 weeks of commencing any audit, or as otherwise agreed by the Secretary, the Applicant must submit a copy of the audit report to the Secretary and any other NSW Government agency that requests it, together with its response to any recommendations contained in the audit report and a timetable for the implementation of these recommendations, as required. The Applicant must implement the audit report recommendations, to the satisfaction of the Secretary.</p>	Note	Noted	Note	-

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Access to information					
5.11	<p>The Applicant must:</p> <p>(a) make the following information publicly available on its website:</p> <ul style="list-style-type: none"> - the documents listed in condition 2(a) of Schedule 2; - all current statutory approvals for the development; - approved strategies, plans and programs required under the conditions of this consent; - a comprehensive summary of the monitoring results of the development, which have been reported in accordance with the various plans and programs approved under the conditions of this consent; - a complaints register, which is to be updated on a monthly basis; - minutes of CCC meetings; - the annual reviews (over the last 5 years); - any independent environmental audit, and the Applicant's response to the recommendations in any audit; - any other matter required by the Secretary; and <p>(b) keep this information up to date, to the satisfaction of the Secretary.</p>	Complaints Register	All the required documentation is publicly available on the MPO website.	C	No recommendations
Statement of Commitments – Appendix 3					
Noise and Vibration					
	<p>A NMP will be prepared in accordance with the development consent.</p> <p>- The NMP will be extended to include management of potential noise emissions associated with the construction of the conveyor. The plan will also consider pro-active and predictive modelling and management, and protocols for managing noise during adverse meteorological conditions.</p>	Mount Pleasant Operation – Noise Management Plan	<p>NPO Noise Management Plan was updated on 14/06/2017 and includes provision for an optional conveyor/service corridor linking the MPO facilities with the Muswellbrook-Ulan Rail Line</p> <p>Rail loop is to be utilised (that has conveyor delivering coal to it) however the conveyor service corridor was not triggered as it was not utilised, with the Rail loop to be utilised instead.</p>	NT	
	- Noise monitoring will continue to be undertaken in accordance with the development consent.	Monthly Environmental Monitoring Report – September 2017	As of monthly environmental monitoring report of September 2017, noise monitoring is undertaken monthly and quarterly. Real-time noise monitoring system installed in November 2016 for ongoing performance assessment and to assist in avoiding potential non-compliances.	C	
	- Implementation of the following feasible and reasonable mitigation measures:				

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	- a cover and a shield on the western side of the conveyor at locations where the conveyor would be at ground level. Where the conveyor is elevated, it will be completely enclosed;	Site Inspection Environmental Superintendent Interview.	Conveyor infrastructure is in the process of being constructed. Conveyor structural components were observed but implementation of cover and shield has not yet advanced. Discussion with Environmental Superintendent identified that it will be covered.	NT	
	- plant will operate in less exposed areas during the more sensitive night period;	Environmental Superintendent Interview.	No mining operation commenced	NT	
	- procurement of new and best available technology plant;	ME16-020 Mining Services Contract	Fully enclosed wash plant Fully enclosed conveyor All mining will be brand new as mine is in development Mining services contract with Thiess outlines noise management requirements around plant (attenuation and sound power level testing). Considered compliant for current state of site development.	C	
	- provision of noise suppression on all mobile plant. It anticipated that the noise suppression technology will require an outlay of capital expenditure of between \$15M and \$20M; and	ME16-020 Mining Services Contract	Mining services contract with Thiess outlines noise management requirements around plant (attenuation and sound power level testing).	NT	
	- updating the comprehensive operational noise management plan to include real-time back to base noise monitoring using the best available technology.	Sound Science Monitoring (3 real time directional noise monitors)	Real time Response Management Actions are part of NPO Noise Management Plan, updated on 14/06/2017. Real-time noise monitoring system installed in November 2016 for ongoing performance assessment and to assist in avoiding potential non-compliances.	C	
	- The Applicant is committed to working with its communities and extend the opportunity for upfront acquisition upon request to the additional 13 properties affected under adverse conditions.	Zone of acquisition rights – 175 Kayuga Road, Muswellbrook.	14 March 2017 letter sent to resident's subject acquisition and mitigation to remind them of their rights and continue consultation process.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Ecology					
	<p>During the construction phase pre-clearance surveys of relevant forest and woodland areas for threatened flora and fauna species will be undertaken.</p> <ul style="list-style-type: none"> - Details of the rehabilitation of the infrastructure area and conveyor/service corridor (should this option be pursued) upon decommissioning will be provided in the REMP. - Ecological management for the Mount Pleasant Project will be undertaken in accordance with the existing development consent. 	Pre-Clearance Surveys	Narla Environmental employed to conduct pre-clearance surveys for all activities.	C	
Air Quality					
	Air quality management for the Mount Pleasant Project will be undertaken in accordance with the Air Quality Management Plan which is a requirement under the existing development consent.	<p>Mount Pleasant Operation – Air Quality and Greenhouse Gas Management Plan</p> <p>Jacobs Environmental Forecast system</p> <p>Thiess training programs for dust management (PowerPoint presentation)</p> <p>Upper Hunter Air Quality Monitoring Network (EPA provided data) checked on a three hourly basis.</p>	<p>Air Quality and Greenhouse Gas Management Plan was submitted to the NSW DPE on 8 June 2017 and was approved by the Secretary on 15 June 2017, having considered that it meets the relevant conditions of consent.</p> <p>Discussed the relocation of an existing, or implementing an additional gauge, towards privately owned land near the EPA's Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge as mining activities commence. This will capture potential dust inputs in this location and address the possible delays associated with the current EPL requirement to stop project activities entirely if this monitor goes down.</p>	O	It is recommended to move an existing or install an additional dust gauge towards privately owned land near the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitoring gauge to remove ambiguity as to whether exceedance is occurring at private residences in this location and avoid possible project shutdown if EPA monitor goes down. Note that approval for using a site monitor instead of the EPA monitor would require concurrence from the NSW EPA for removal/adjustment of conditions O3 relating

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		<p>Daily summary of previous 24 hour dust</p> <p>Daily meeting (5/9/2017) provided evidence of discussion around dust mitigation to be implemented due to inclement wind conditions</p> <p>Toolbox talks on dust management (8/11/17) – held with DPE with Thiess and all PCs on site</p>			<p>to dust management.</p> <p>ERM notes that MACH Energy have gained approval from the DPE to relocate dust monitor A-PF2 following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue as outlined above.</p>

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Aboriginal Cultural Heritage					
	<p>Aboriginal cultural heritage management will continue to be undertaken in accordance with relevant Applicant procedures.</p> <ul style="list-style-type: none"> - Site avoidance will be considered as part of the detailed design process to determine the final location for the siting of the infrastructure within the infrastructure envelope and the alignment of the optional conveyor/service corridor. - Where site avoidance is impossible, cultural heritage management approaches that are set out in the CHMP for the Mount Pleasant Project area will be applied. <p>This will include lodging an application for the relevant AHIPs under section 90 of the NPW Act.</p> <ul style="list-style-type: none"> - A field inspection of both the infrastructure and conveyor/service corridor envelopes will be conducted with Aboriginal stakeholders to finalise the design, alignment and protective management measures and to identify any unavoidable impacts associated with the proposed modifications. - Aboriginal cultural heritage sites that cannot be avoided will be mitigated by standard salvage collection measures in accordance with the Aboriginal Heritage Management Plan, following the issue of an AHIP (section 90, NPW Act). - The Aboriginal Heritage Management Plan will be revised to include the proposed modifications and any requirements specified by the regulator. - Any mitigation salvage will be staged over time based upon mine operation plan requirements and the zoning regime of the CHMP. - All cultural materials collected will be stored in a storage facility to be established at the Mount Pleasant Project or VCA under an approved Care and Control Permit. - All cultural heritage sites not affected by the proposed development will be managed in situ in accordance with the Aboriginal Heritage Management Plan procedures for long-term protective management and to minimise future development disturbance. - Sites that are assessed as vulnerable to damage due to the proximity to roads and tracks or other operational infrastructure will be appropriately buffered and barricaded in accordance with existing site protection protocols including monitoring protocols. 	RPS Salvage Report (Dec 2016)	<p>MPO conducted salvage in accordance with AHIP and AHMP in September/ October 2016 as detailed in RPS Salvage Report, December 2016.</p> <p>De-registered scar trees have been identified demarcated and remain in situ. These are identified in the current MOP.</p> <p>Artefacts currently under third party analysis. Auditor observed the Broomfield Keeping Place, provided to store artefacts once returned to MPO.</p> <p>Auditor observed fenced and signed artefact sites with restricted access.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
Visual amenity					
	Visual amenity management will be undertaken in accordance with the development consent, which requires the preparation of a Landscape Management Plan. - Lighting management will be undertaken in accordance with the development consent, including preparation of an engineering report regarding light emissions.	Landscape Management Plan Construction Lighting Design	Landscape Management Plan provided on the website is dated 20 July 2012. Construction Lighting Design for MIA and CHPP details requirement to meet Australian Standard.	C	-
Surface Water					
	Water management for the proposed modifications will be incorporated into the Water Management System for the Mount Pleasant Project. These features will include the design of the catch drain and dam locations required for the final alignment of the optional conveyor/service corridor.	NT	The Conveyor service corridor will not be constructed, the alternative of the rail loop has been utilised.	NT	
Other environmental aspects					
	The final alignment of the optional conveyor/service corridor will be incorporated into the Soil Stripping Plan and the Erosion and Sediment Control Management Plan. All other aspects will be managed in accordance with Mount Pleasant Project environmental management system, and the relevant environmental licensing and development consent requirements.	NT	The Conveyor service corridor will not be constructed, the alternative of the rail loop has been utilised.	NT	
Operational Management					
	Should the conveyor/service corridor be pursued, a Plan of Management will be prepared in consultation with Bengalla Mine in order to manage activities associated with the facilities at Bengalla Rail Spur. The Plan of Management would include: - details of responsibilities for Bengalla Mine and Mount Pleasant Project; - commitments regarding compliance with relevant and respective development consents; and - details of management protocols to be performed by Bengalla Mine and Mount Pleasant Project ensuring compliance with consent conditions.	NT	The Conveyor service corridor will not be constructed, the alternative of the rail loop has been utilised.	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
EPL 20850 (Mt Pleasant)					
1. Administrative Conditions					
A1.1	<p>This licence authorises the carrying out of the scheduled activities listed below at the premises specified in A2. The activities are listed according to their scheduled activity classification, fee-based activity classification and the scale of the operation.</p> <p>Scheduled Activity – Coal Mines.</p> <p>Fee based Activity – Coal Mining - 5,000,000 T (Annual Handling Capacity & Annual Production Capacity).</p>	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p>	<p>Reporting states that works do not exceed the maximum scale specified.</p> <p>Production Figures: FY14/15: no production FY15/16: no production FY16/17: no production</p>	C	
A2.1	<p>This license applies to the following premises:</p> <p>MOUNT PLEASANT OPERATIONS 1100 WYBONG ROAD MUSWELLBROOK NSW, 2333</p> <p>AREA IDENTIFIED AS 'MACHENERGY AUSTRALIA, MOUNT PLEASANT OPERATION, ENVIRONMENT PROTECTION LICENCE PREMISES MAP' DATED 01/11/16. COPY ON EPA FILE EF16/11941. THIS LICENCE DOES NOT APPLY TO OR INCLUDE PUBLIC ROADS.</p>	Note	Noted	Note	
A3.1	<p>This licence applies to all other activities carried on at the premises, including:</p> <ul style="list-style-type: none"> Coal Works. Land Based Extractive Activity. Sewage Treatment Systems. 	Note	Noted	Note	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations																
A4.1	Works and activities must be carried out in accordance with the proposal contained in the licence application, except as expressly provided by a condition of this licence. In this condition the reference to "the licence application" includes a reference to: a. the applications for any licences (including former pollution control approvals) which this licence replaces under the Protection of the Environment Operations (Savings and Transitional) Regulation 1998; and b. the licence information form provided by the licensee to the EPA to assist the EPA in connection with the issuing of this licence.	Note	Noted – Refer to detailed compliance review.	Note																	
2. Discharges to air and water and applications to land.																					
P1.1	The following points referred to in the table (see licence for full details) are identified in this licence for the purposes of monitoring and/or the setting of limits for the emission of pollutants to the air from the point. <table><tr><th colspan="4">Air</th></tr><tr><th>EPA identification no.</th><th>Type of Monitoring Point</th><th>Type of Discharge Point</th><th>Location Description</th></tr><tr><td>1</td><td>Particulate Monitoring (PM10 network)</td><td></td><td>Air Quality - TEOM Particulate Monitor located in the South-Eastern corner of the premises and labelled "A-PF2" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)</td></tr><tr><td>2</td><td>Particulate Monitoring (PM10 network)</td><td></td><td>Air Quality - TEOM Particulate Monitor located in the North-Northwest corner of the premises and labelled "A-PF5" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)</td></tr></table>	Air				EPA identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description	1	Particulate Monitoring (PM10 network)		Air Quality - TEOM Particulate Monitor located in the South-Eastern corner of the premises and labelled "A-PF2" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)	2	Particulate Monitoring (PM10 network)		Air Quality - TEOM Particulate Monitor located in the North-Northwest corner of the premises and labelled "A-PF5" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)	EPA identification point 1 (A-PF2) was observed in the field. Photograph provided of TEOM monitor - EPA identification point 2 EPA identification point 1 (A-PF2) was observed in the field. Image 2989 – showed EPA identification 2 (A-PF5)		C	
Air																					
EPA identification no.	Type of Monitoring Point	Type of Discharge Point	Location Description																		
1	Particulate Monitoring (PM10 network)		Air Quality - TEOM Particulate Monitor located in the South-Eastern corner of the premises and labelled "A-PF2" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)																		
2	Particulate Monitoring (PM10 network)		Air Quality - TEOM Particulate Monitor located in the North-Northwest corner of the premises and labelled "A-PF5" on plan titled MACHEnergy Mount Pleasant Operations - Environmental Monitoring Sites, provided to the EPA on 8 November 2016 (DOC162568131)																		
P1.2	The following utilisation areas referred to in the table (see licence for full details) are identified in this licence for the purposes of the monitoring and/or the setting of limits for any application of solids or liquids to the utilisation area.	Field observations of: Point 1 Point 2 Point 4	Some of the sites were observed in the field. Results were observed in monitoring compliance reports	C																	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
P1.3	The following points referred to in the table (see licence for full details) are identified in this licence for the purposes of the monitoring and/or the setting of limits the emission of noise from the premises.	Field observations of: Point 1 Point 2 Point 4	Some of the sites were observed in the field. Results were observed in monitoring compliance reports	C	
3. Limit Conditions					
L1.1	(Pollution of Waters) Except as may be expressly provided in any other condition of this licence, the licensee must comply with section 120 of the Protection of the Environment Operations Act 1997.	<p>Environmental Superintendent identified that no discharge to the Hunter River has occurred.</p> <p>Mount Pleasant Operation – Water Discharge Event 31 October 2017 (7 November 2017) EF16/11941 Show Cause Letter EPA (21 November 2017) Invitation to show cause – Suspected breaches of environmental legislation on 31 October 2017.</p>	<p>MACH Energy self-reported an uncontrolled water discharge event from the Rail Loop area on the 31 October 2017. Approximately 0.3-0.4ML was released from site due to a pump erroneously being left running, overfilling the Rail Spur Dam, before overtopping through culvert 4 and through a number of erosion and sediment controls installed by BGC on its adjoining mining lease. No discharges are warranted within the EPL.</p> <p>MACH Energy have provided a response to the show cause letter. To await the action to be taken by the EPA.</p> <p>The Department of Planning and environment issued a warning letter in relation to this incident (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER)</p>	NC	The Environmental Superintendent identified that an updated method of management for pump operation has been implemented to prevent operator errors that lead to this incident.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		(DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER) Department of Planning and Environment (8/12/17)			
L2.1	Noise generated at the premises must not exceed the noise limits presented in the table (see licence for full details).	<p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p> <p>Mount Pleasant Operation 2016 Annual Review</p> <p>MPO Community Complaints Register 2017</p> <p>Monthly Environmental Monitoring Reports for January – September 2017</p>	<p>Mount Pleasant Project Annual Review 2014 and Mount Pleasant Project Annual Environmental Review 2015 identified that there was no activity on Site during these reporting periods.</p> <p>No activity within the site boundaries was under way in Q1, Q2 and Q3 of 2016. Works commenced on 25 November 2016 and operator-attended noise monitoring was undertaken by Global Acoustics Pty Ltd in accordance with the approved Noise Management Plan for the construction period of the MPO (CNMP) on 19 December 2016 at six representative monitoring locations. Two consecutive 15-minute measurements were taken during scheduled construction hours. All applicable measured noise levels attributable to the MPO were compliant with the relevant noise criteria. As no recorded measurements were within 5dB of the relevant criterion, no further assessment of low-frequency noise levels was required to be undertaken.</p> <p>Construction noise levels complied with LAeq 15-minute criteria at all monitoring locations during January, February, March, April, May, June, July, August and September 2017 monitoring periods.</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			So far, construction works have been compliant. Some OOHV activities have been undertaken with compliance monitoring being undertaken during these activities and no exceedances recorded.		
L2.2	<p>For the purpose of this licence the following definitions apply.</p> <p>NAG is to be read as 'Noise Assessment Group'.</p> <p>The locations of the Noise Assessment Groups are defined in Appendix 6 of the Determination of Development Application for the Mount Pleasant Coal Mine DA92/97, as modified on 19 September 2011.</p> <p>Day is defined as the period from 7am to 6pm Monday to Saturday and 8am to 6pm Sundays and Public Holidays. Evening is defined as the period from 6pm to 10pm. Night is defined as the period from 10pm to 7am Monday to Saturday and 10pm to 8am Sundays and Public Holidays.</p>		Noted	Noted	
L2.3	<p>The noise limits set out in this licence apply under all meteorological conditions except for the following:</p> <p>a) Wind speeds greater than 3 metres/second at 10 metres above ground level; or</p> <p>b) Stability category F temperature inversion conditions and wind speeds greater than 2 metres/second at 10 metres above ground level; or</p> <p>c) Stability category G temperature inversion conditions.</p> <p>For the purposes of this condition:</p> <p>i) Data recorded by the meteorological station within the licensed premises must be used to determine meteorological conditions; and</p> <p>ii) Temperature inversion conditions (stability category) are to be determined by the sigma-theta method referred to in Part E4 of Appendix E to the NSW Industrial Noise Policy.</p>	EPL Noise Monitoring Quarter 3 2017	The report provided, demonstrated that weather conditions from meteorological station (EPA point 4) were assessed in the measurement. Temperature inversions were identified and the applicability of the criteria determined based on conditions at time of measurement.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
L2.4	<p>To determine compliance:</p> <p>a) with the LAeq (15 minute) noise limits in this licence, the noise measurement equipment must be located:</p> <p>i) approximately on the property boundary, where any dwelling is situated 30 metres or less from the property boundary closest to the premises; or</p> <p>ii) within 30 metres of a dwelling façade, but not closer than 3m, where any dwelling on the property is situated more than 30 metres from the property boundary closest to the premises; or, where applicable</p> <p>iii) within approximately 50 metres of the boundary of a National Park or a Nature Reserve.</p> <p>b) with the LA1(1 minute) noise limits in this licence, the noise measurement equipment must be located within 1 metre of a dwelling façade.</p> <p>c) with the noise limits in this licence, the noise measurement equipment must be located:</p> <p>i) at the most affected point at a location where there is no dwelling at the location; or</p> <p>ii) at the most affected point within an area at a location prescribed by part (a) or part (b) of this condition.</p>	Letter provided – MACH Energy (2 November 2017) RE: Mount Pleasant Operation – Environmental Protection Licence 20850	Letter provided – MACH Energy (2 November 2017) RE: Mount Pleasant Operation – Environmental Protection Licence 20850. Licence was then provided to MACH Energy, following the receipt of letter, demonstrating EPA approval of the locations.	C	
L2.5	Where it can be demonstrated that direct measurement of noise from the premises is impractical, the EPA may accept alternative means of determining compliance. See Chapter 11 of the NSW Industrial Noise Policy.	Letter provided – MACH Energy (2 November 2017) RE: Mount Pleasant Operation – Environmental Protection Licence 20850	Letter provided – MACH Energy (2 November 2017) RE: Mount Pleasant Operation – Environmental Protection Licence 20850. Licence was then provided to MACH Energy, following the receipt of letter, demonstrating EPA approval of the locations.	C	
L2.6	<p>A non-compliance with the noise limits specified in this licence will still occur where noise generated from the premises in excess of the appropriate limit is measured:</p> <p>i) at a location other than an area prescribed in part (a) and part (b) of condition L2.4; or</p>	DC2-1-4 Attended Noise Monitoring May 17 (Mount Pleasant	<p>No non-compliances.</p> <p>All OOHW were monitored at EPL monitoring locations.</p>	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	ii) at a point other than the most affected point at a location.	Operation – Construction Noise Monitoring May 2017) Environmental Superintendent interview			
L2.7	For the purposes of determining the noise generated at the premises the modification factors in Section 4 of the NSW Industrial Noise Policy must be applied, as appropriate, to the noise levels measured by the noise monitoring equipment.	Chapter of quarterly noise compliance monitoring reports	Modifying factors are considered in the noise reports.	C	
L2.8	The ground vibration peak particle velocity from blasting operations carried out in or on the premises must not exceed: 5mm/s for more than 5% of the total number of blasts during each reporting period; at either monitoring point 6 or 7 in condition P1.3.	Ecotech undertakes monitoring and results are emailed on 12.15pm (1 December 2017)	Only one blast had been undertaken at time of audit, and the first blast met licence criteria.	C	
Blast					
L3.1	Offensive blast fume must not be emitted from the premises. Definition: Offensive blast fume means post-blast gases from the detonation of explosives at the premises that by reason of their nature, duration, character or quality, or the time at which they are emitted, or any other circumstances: 1. are harmful to (or likely to be harmful to) a person that is outside the premises from which it is emitted, Or	Blast notification – week commencing 20 November 2017 Thiess Pre- Blasting Checklist – completed 1/12/2017.	From the documents disclosed on the website it appears that the first blast was due to occur on 24 November 2017. Nil fume extent or intensity (from Pre-Blasting Checklist)	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	2. interferes unreasonably with (or is likely to interfere unreasonably with) the comfort or repose of a person who is outside the premises from which it is emitted.				
L3.2	Blasting in or on the premises must only be carried out between 0900 hours and 1700 hours, Monday to Saturday. Blasting in or on the premises must not take place on Sundays or Public Holidays without the prior approval of the EPA.	Ecotech undertakes monitoring and results were emailed on 12.15pm (1 December 2017)	The first blast met licence criteria.	C	
L3.3	The airblast overpressure level from blasting operations at the premises must not exceed 120dB (Lin Peak) at any time at any blast monitoring location specified in Condition P1.1.	Ecotech undertakes monitoring and results are emailed on 12.15pm (1 December 2017)	The first blast met licence criteria.	C	
L3.4	The airblast overpressure level from blasting operations at the premises must not exceed 115dB(Lin Peak) for more than 5% of the total number of blasts during each reporting period at any blast monitoring location specified in Condition P1.1.	Ecotech undertakes monitoring and results are emailed on 12.15pm (1 December 2017)	Only one blast had been undertaken at time of audit, and the first blast met licence criteria.	C	
L3.5	Ground vibration peak particle velocity from the blasting operations at the premises must not exceed 5mm/second at any blast monitoring location specified in Condition P1.1 for more than 5% of the total number of blasts during each reporting period.	Ecotech undertakes monitoring and results are emailed on 12.15pm (1 December 2017)	Only one blast had been undertaken at time of audit, and the first blast met licence criteria.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
L3.6	Ground vibration peak particle velocity from the blasting operations at the premises must not exceed 10mm/second at any time at any blast monitoring location specified in Condition P1.1.	Ecotech undertakes monitoring and results were emailed on 12.15pm (1 December 2017)	The first blast met licence criteria.	C	
L3.7	Error margins associated with any equipment used to measure airblast overpressure and/or ground vibration peak particle velocity are not to be taken into account in determining if the airblast overpressure or ground vibration peak particle velocity limits specified in conditions L3.3 to L3.6 inclusive, have been exceeded.	Ecotech undertakes monitoring and results were emailed on 12.15pm (1 December 2017)	The first blast met licence criteria.	C	
L3.8	Noise sensitive location includes any residence, hospital, school, childcare centre, theatre, place of worship, other similar building occupied by people, and any land within 30 metres of any afore-mentioned building. A noise sensitive location excludes: a) any of the afore-mentioned buildings or land that is the subject of a private agreement between the owner of the noise sensitive site and the licensee as to an alternative airblast overpressure or ground vibration level; or b) any premises owned by the licensee.		Noted	Noted	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
L4. Potentially Offensive Odour.					
L4.1	<p>No condition of this licence identifies a potentially offensive odour for the purposes of Section 129 of the Protection of the Environment Operations Act 1997.</p> <p>Note: Section 129 of the Protection of the Environment Operations Act 1997, provides that the licensee must not cause or permit the emission of any offensive odour from the premises but provides a defence if the emission is identified in the relevant environment protection licence as a potentially offensive odour and the odour was emitted in accordance with the conditions of a licence directed at minimising odour.</p>	<p>Interview with Environmental Superintendent</p> <p>.</p>	<p>No complaints relating to offensive odour occurred to date.</p> <p>During the audit period only construction activities and no mining operations as such no potential for offensive odour.</p>	C	-
4. Operating Conditions.					
O1.1	<p>Licensed activities must be carried out in a competent manner.</p> <p>This includes:</p> <ol style="list-style-type: none"> the processing, handling, movement and storage of materials and substances used to carry out the activity; and the treatment, storage, processing, reprocessing, transport and disposal of waste generated by the activity. 	<p>DPE Show Cause (17/11/2017)</p> <p>MPO Response (29/11/2017)</p> <p>DPE Warning Letter (8/12/2017)</p> <p>Annual Environmental Monitoring Review – 2014 – Final</p> <p>Annual Environmental Monitoring Review – 2015 – Final</p>	<p>Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period all plant and equipment in use at the MPO was regularly serviced in accordance with the relevant Industry & Investment NSW Mining Design Guidelines to ensure plant and equipment was maintained in a suitable condition.</p> <p>As outlined in the document, all plant and equipment was operated in a proper and efficient manner with exception of the incident event 31 October show cause. The show cause referred to this condition as pump remained open and as such was not operated in a competent manner.</p>	NC	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Mount Pleasant Operation 2016 Annual Review			
O2.1	All plant and equipment installed at the premises or used in connection with the licensed activity: <ul style="list-style-type: none"> a. must be maintained in a proper and efficient condition; and b. must be operated in a proper and efficient manner. 	Annual Environmental Monitoring Review – 2014 – Final Annual Environmental Monitoring Review – 2015 – Final Mount Pleasant Operation 2016 Annual Review Principle Contractors planning and scheduling system and outputs.	Mount Pleasant Operation 2016 Annual Review identified that during 2016 reporting period all plant and equipment in use at the MPO was regularly serviced in accordance with the relevant Industry & Investment NSW Mining Design Guidelines to ensure plant and equipment was maintained in a suitable condition. As outlined in the document, all plant and equipment was operated in a proper and efficient manner. Mount Pleasant Operation 2016 Annual Review identified that the construction of various infrastructure elements were scheduled for 2017. Nine principle contractors on site during the construction period, each maintain their own preventative maintenance schedule. Records of the maintenance work planning and scheduling process, and information management system for each of the PCs sited during audit, During the site inspection, no observations were made of unmaintained or inappropriately operated equipment.	C	
O3 Dust					
O3.1	The premises must be maintained in a condition which minimises or prevents the emission of dust from the premises.	Complaints Register Site inspection	Dust management plan Site observations included progressive stabilisation, sealed access, limiting disturbance where practicable with current stage of works and water cart wetting down haul roads. Two dust complaints from community members in July (and two to the EPA in the same month) and September 2017. Particularly windy during July, operations	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
			investigated. Limits were within compliance, activities where modified on Wybong Road and the Hardy Brothers work activities.		
O3.2	Activities occurring in or on the premises must be carried out in a manner that will minimise the generation, or emission from the premises, of wind-blown or traffic generated dust.	Site inspection Environmental Superintendent Interview Complaints Register	<p>Site observations:</p> <ul style="list-style-type: none"> • LVMV Road is sealed; • Unsealed roads maintained with water carts • Gravel sealed roads and carparks • Attempts at progressive stabilisation through application of hydromulch was observed; • Areas of disturbance on site are limited to smallest area practicable, with large areas not yet disturbed. <p>Environmental superintendent identified (and complaints register confirmed) that work practices have been modified when complaints relating to dust have been received during mulching and road construction activities.</p>	C	
O3.3	All trafficable areas, coal storage areas and vehicle manoeuvring areas in or on the premises must be maintained, at all times, in a condition that will minimise the generation, or emission from the premises, of wind-blown or traffic generated dust.	Site Inspection	<p>Site Observations:</p> <ul style="list-style-type: none"> • LVMV Road is sealed. • Unsealed roads maintained with water carts. • Gravel sealed roads and carparks. <p>Coal Storage area is not yet established.</p>	C	
O3.4	The licensee must cease all dust generating activities during adverse conditions being the occurrence of both the adverse wind conditions set out in Condition O3.5 (b) and the adverse PM 10 concentrations set out in Condition O3.5(c).	<p>28 September 2017 (email correspondence) Dust Shut Event 28/9/17 (Peter York of Thiess)</p> <p>28 September 2017 (email correspondence) Dust shut down event 28/09/17 (Ian</p>	<p>Upper Hunter Air Quality Monitoring Network –map demonstrated that regional dust event caused shut down.</p> <p>Demonstration of direction and response to direction to shut down</p>	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
		Lewis of MACH Energy)			
O3.5	<p>For the purpose of Condition O3.4 the following definitions apply.</p> <p>(a) 'dust generating activities' means drilling, blasting, earthworks, construction activities, all hauling activities on unsealed haul roads, all overburden and coal extraction operations including loading and dumping activities and grader, loader, dozer and dragline operations.</p> <p>(b) 'adverse wind conditions' means a rolling 1-hour average wind direction between 270 degrees and 360 degrees (inclusive) measured at the meteorological station (EPA Identification No.4). Australian Standard AS3580.14-2014 is to be used to calculate the rolling 1 hour average wind direction</p> <p>(c) 'adverse PM10 concentrations' means a rolling 24-hour average PM10 concentration of equal to or greater than 44 micrograms per cubic metre measured at the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitor.</p> <p>(d) Operation of watercarts is permitted at all times.</p>		Noted	Noted	
O3.6	Shutdown of dust generating activities required by Condition O3.4 must be completed within 1 hour of receiving data that triggers action required by Condition O3.4	<p>28 September 2017 (email correspondence) Dust Shut Event 28/9/17 (Peter York of Thiess)</p> <p>28 September 2017 (email correspondence) Dust shut down event 28/09/17 (Ian Lewis of MACH Energy)</p>	Demonstrated by time stamps in emails and correspondence indicates that shut occurred within 1 hour	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
O3.7	The licensee may resume dust generating activities at the premises when: (a) adverse wind conditions as defined in Condition O3.5(b); or (b) adverse PM10 concentrations as defined in Condition O3.5(c) are not measured for a minimum time period of 1 hour from the time that cessation of dust generation activities is completed.	Environmental Superintendent interview	Full day shutdown, works recommenced next day. Environmental Superintendent indicated that works did not recommence until next day.	C	
O3.8	The licensee must cease dust generating activities at the premises at any time when there is no access to the meteorological monitoring data required by Condition M5.1 and / or when there is no access to the PM10 monitoring data at the Muswellbrook NW Upper Hunter Air Quality Monitoring Network monitor. Note: An alternate PM10 monitor location and associated trigger value is to be negotiated with the EPA. This alternate monitor and PM10 trigger value is to be used for condition O3.5(c), in the event that there is no access to the PM10 monitoring data at the Muswellbrook NW Upper Hunter Air Quality Monitoring	Environmental Superintendent interview RE: Mining Leases and Water Access Licences LTR –EPA – EPL 20850 Dust Blast Monitoring Report http://www.environment.nsw.gov.au/aqms/uhunteraqmap.htm	Website is checked multiple times per day by MACH as there is currently no other warning system available to be provided by the NSW EPA. The Dust Monitoring report provides an Enclosure (2) that summarises the data at the Muswellbrook Gauge. This demonstrates that a daily average was not provided for 6 and 7 June 2017, however it could be demonstrated that reviews of the website were made during these days by MACH and the gauge was not down during the reviews. It is believed that the likely intermittent data provided during the day was assessed by the OEH/EPA after its collection and the disclaimer provided on the website was enacted. The disclaimer from the websites real time data display states: <i>The data used in the compilation of this page have undergone preliminary quality assurance checks. These data may require modification during final stages of validation as a result of calibration changes, power failures, instrument failures etc.</i>	C	ERM notes that MACH Energy have gained approval from the DPE to relocate dust monitor A-PF2 following the commencement of operations. The new monitoring location is situated approximately 400 metres from the nearest privately owned receiver (i.e. located between operations and privately owned receivers) and remains a conservative representation of the air quality at the nearest privately owned receivers. Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
O4 Emergency Response					
O4.1	<p>The licensee must prepare a Pollution Incident Response Management Plan (PIRMP) as per section 153A of the Protection of the Environment Operations Act 1997. The PIRMP must:</p> <ol style="list-style-type: none"> 1. Include the information detailed in section 153A of the Protection of the Environment Operations Act 1997, and to be in the form required by clause 98B in the Protection of the Environment Operations (General) Regulation. 2. Be kept at the premises to which the licence relates; and 3. Be tested in accordance with clause 98E of the Protection of the Environment Operations (General) Regulation. 	Pollution Incident Response Management Plan (2017)	The Pollution Incident Response Management Plan (PIRMP) was prepared in November 2017. The plan conforms to the requirements of this EPA Licence condition. Updated within one month of 31 October incident.	C	-
5. Monitoring and Recording Conditions.					
M1.1	The results of any monitoring required to be conducted by this licence or a load calculation protocol must be recorded and retained as set out in this condition.	Note	Noted	Note	
M1.2	<p>All records required to be kept by this licence must be:</p> <ol style="list-style-type: none"> a. in a legible form, or in a form that can readily be reduced to a legible form; b. kept for at least 4 years after the monitoring or event to which they relate took place; and c. produced in a legible form to any authorised officer of the EPA who asks to see them. 	Environmental Monitoring Data	Monitoring data held on record dating back to 2004 in electronic format.	C	
M1.3	<p>The following records must be kept in respect of any samples required to be collected for the purposes of this licence:</p> <ol style="list-style-type: none"> a. the date(s) on which the sample was taken; b. the time(s) at which the sample was collected; c. the point at which the sample was taken; and d. the name of the person who collected the sample. 	Environmental Monitoring Data	Monitoring data held on record dating back to 2004 in electronic format referred to above demonstrates compliance with this condition.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
M2.1 /2.2 /2.3	For each monitoring/discharge point or utilisation area specified below (by a point number), the licensee must monitor (by sampling and obtaining results by analysis) the concentration of each pollutant specified in Column 1. The licensee must use the sampling method, units of measure, and sample at the frequency, specified opposite in the other columns (see respective licences for sampling specifications). Monitoring of all parameters listed in condition M2.1 must commence prior to earthmoving activities being undertaken at the premises.	Monthly Environmental Monitoring Reports	Continuous real-time PM10 monitoring is conducted in accordance with this condition of EPA licence. Earth moving commenced 25 November 2016. Monitoring commenced on 11 November 2016. Sample of records reviewed by site auditor.	C	-
M3 Testing Methods – Concertation Limits					
M3.1	Monitoring for the concentration of a pollutant emitted to the air required to be conducted by this licence must be done in accordance with: a. any methodology which is required by or under the Act to be used for the testing of the concentration of the pollutant; or b. if no such requirement is imposed by or under the Act, any methodology which a condition of this licence requires to be used for that testing; or c. if no such requirement is imposed by or under the Act or by a condition of this licence, any methodology approved in writing by the EPA for the purposes of that testing prior to the testing taking place. <i>Note: The Protection of the Environment Operations (Clean Air) Regulation 2010 requires testing for certain purposes to be conducted in accordance with test methods contained in the publication "Approved Methods for the Sampling and Analysis of Air Pollutants in NSW".</i>	Monthly Environmental Monitoring Reports	Monitoring for the concentration of a pollutant emitted to the air is undertaken using sampling method « Special Method 1 » as required by the licence. Ecotech monthly report details testing methods and confirms these meet required standards.	C	-
M4 Environmental Monitoring					
M4.1	To assess compliance with condition L2.1, attended noise monitoring must be undertaken in accordance with condition L2.4 and: a) at each one of the locations or at a location representative of the most-affected locations listed in condition L2.1; and b) occur quarterly in a reporting period; and c) occur during each day, evening and night period as defined in the NSW Industrial Noise Policy for a minimum of:	Monthly Environmental Monitoring Report – September 2017	The quarterly monitoring in February, June and September 2017 was undertaken in accordance with the requirements of this condition. Refer L2.1	C	.

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations																																																		
	<ul style="list-style-type: none">• 90 minutes during the day;• 30 minutes during the evening; and• 60 minutes during the night; and d) occur for three consecutive operating days.	Monthly Environmental Monitoring Report – June 2017 Monthly Environmental Monitoring Report – February 2017																																																					
M5 Weather Monitoring																																																							
M5.1	<p>At the point(s) identified below, the licensee must monitor (by sampling and obtaining results by analysis) the parameters specified in Column 1 of the table below, using the corresponding sampling method, units of measure, averaging period and sampling frequency, specified opposite in the Columns 2, 3, 4 and 5 respectively.</p> <p>POINT 4</p> <table><tr><th>Parameter</th><th>Sampling method</th><th>Units of measure</th><th>Averaging period</th><th>Frequency</th></tr><tr><td>Wind Direction at 10 metres</td><td>AM-2 & AM-4</td><td>Degrees</td><td>10 minutes</td><td>Continuous</td></tr><tr><td>Wind Speed at 10 metres</td><td>AM-2 & AM-4</td><td>metres per second</td><td>10 minutes</td><td>Continuous</td></tr><tr><td>Temperature at 2 metres</td><td>AM-4</td><td>degrees Celsius</td><td>10 minutes</td><td>Continuous</td></tr><tr><td>Sigma theta</td><td>AM-2 & AM-4</td><td>degrees Celsius</td><td>10 minutes</td><td>Continuous</td></tr><tr><td>Rainfall</td><td>AM-4</td><td>millimetres per hour</td><td>1 hour</td><td>Continuous</td></tr><tr><td>Relative humidity</td><td>AM-4</td><td>percent</td><td>1 hour</td><td>Continuous</td></tr><tr><td>Siting</td><td>AM-1</td><td>Note</td><td>-</td><td>-</td></tr><tr><td>Temperature at 10 metres</td><td>AM-4</td><td>degrees Celsius</td><td>10 minutes</td><td>Continuous</td></tr><tr><td>Total Solar Radiation</td><td>AM-4</td><td>Watts per square metre</td><td>10 minutes</td><td>Continuous</td></tr></table>	Parameter	Sampling method	Units of measure	Averaging period	Frequency	Wind Direction at 10 metres	AM-2 & AM-4	Degrees	10 minutes	Continuous	Wind Speed at 10 metres	AM-2 & AM-4	metres per second	10 minutes	Continuous	Temperature at 2 metres	AM-4	degrees Celsius	10 minutes	Continuous	Sigma theta	AM-2 & AM-4	degrees Celsius	10 minutes	Continuous	Rainfall	AM-4	millimetres per hour	1 hour	Continuous	Relative humidity	AM-4	percent	1 hour	Continuous	Siting	AM-1	Note	-	-	Temperature at 10 metres	AM-4	degrees Celsius	10 minutes	Continuous	Total Solar Radiation	AM-4	Watts per square metre	10 minutes	Continuous	Monthly Environmental Monitoring Reports	Licensed weather monitoring location sited during audit. Parameters recorded in Ecotech monthly reports.	C	
Parameter	Sampling method	Units of measure	Averaging period	Frequency																																																			
Wind Direction at 10 metres	AM-2 & AM-4	Degrees	10 minutes	Continuous																																																			
Wind Speed at 10 metres	AM-2 & AM-4	metres per second	10 minutes	Continuous																																																			
Temperature at 2 metres	AM-4	degrees Celsius	10 minutes	Continuous																																																			
Sigma theta	AM-2 & AM-4	degrees Celsius	10 minutes	Continuous																																																			
Rainfall	AM-4	millimetres per hour	1 hour	Continuous																																																			
Relative humidity	AM-4	percent	1 hour	Continuous																																																			
Siting	AM-1	Note	-	-																																																			
Temperature at 10 metres	AM-4	degrees Celsius	10 minutes	Continuous																																																			
Total Solar Radiation	AM-4	Watts per square metre	10 minutes	Continuous																																																			

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
M5.2	All methods specified in conditions M5.1 are specified in the Approved Methods for the Sampling and Analysis of Air Pollutants in New South Wales ('Approved Methods') and all monitoring must be conducted strictly in accordance with the requirements outlined the Approved Methods.	Monthly Environmental Monitoring Reports	Ecotech monthly report details testing methods and confirms these meet required standards.	C	
M5.3	Monitoring of all parameters listed in M5.1 must commence prior to earthmoving activities being undertaken at the site.	Monthly Environmental Monitoring Report	Earth moving commenced 25 November 2016. Monitoring commenced on 11 November 2016. Sample of records reviewed by site auditor.	C	
M6 Recording of pollution complaints					
M6.1	The licensee must keep a legible record of all complaints made to the licensee or any employee or agent of the licensee in relation to pollution arising from any activity to which this licence applies.	MPO Community Complaints Register 2017 Community Consultation Database	Community Complaints Register 2017 is provided on the MPO website. Detailed records held in MPO Community Consultation Database (not publically disclosed).	C	
M6.2	The record must include details of the following: a) the date and time of the complaint; b) the method by which the complaint was made; c) any personal details of the complainant which were provided by the complainant or, if no such details were provided, a note to that effect; d) the nature of the complaint; e) the action taken by the licensee in relation to the complaint, including any follow-up contact with the complainant; and f) if no action was taken by the licensee, the reasons why no action was taken.	Community Consultation Database	Detailed records held in MPO Community Consultation Database (not publically disclosed).	C	
M6.3	The record of a complaint must be kept for at least 4 years after the complaint was made.	Community Consultation Database	Detailed complaints held dating back to MACH Energy taking over operations at MPO, Jan 2016. No records held prior to this date.	ANC	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations															
M6.4	The record must be produced to any authorised officer of the EPA who asks to see them	Interview with Environmental Superintendent	No records requested by EPA	NT																
M7 Telephone complaints line																				
M7.1	The licensee must operate during its operating hours a telephone complaints line for the purpose of receiving any complaints from members of the public in relation to activities conducted at the premises or by the vehicle or mobile plant, unless otherwise specified in the licence.	Interview with Environmental Superintendent	Community complaints line published in Muswellbrook Chronicle (October 2017), displayed on the MACH Energy website and on community newsletter. Complaints line tested during site audit.	C																
M7.2	The licensee must notify the public of the complaints line telephone number and the fact that it is a complaints line so that the impacted community knows how to make a complaint.	Interview with Environmental Superintendent	Community complaints line published in Muswellbrook Chronicle (October 2017), displayed on the MACH Energy website and on community newsletter. Complaints line tested during site audit.	C																
M7.3	The preceding two conditions do not apply until two weeks from the date of the issue of this licence.	Note	Noted	Note																
M8 Blasting																				
M8.1	<p>To determine compliance with conditions L3.3, L3.4, L3.5 and L3.6:</p> <p>a) Airblast overpressure and ground vibration levels must be measured and electronically recorded for monitoring point 3 for the parameters specified in column 1 of the table below; and</p> <p>b) The licensee must use the units of measure, sampling method and sample at the frequency specified opposite in the other columns.</p> <table><tr><th>EPA identification number</th><th>Parameter</th><th>Unit of measure</th><th>Frequency</th><th>Sampling Method</th></tr><tr><td>3 (MACH ID B-VOC)</td><td>Ground vibration peak particle velocity</td><td>millimetres per second</td><td>Every blast at the premises</td><td>Australian Standard 2187.2:2006 or as amended by Standards Australia</td></tr><tr><td>3 (MACH ID B-VOC)</td><td>Airblast overpressure</td><td>Decibels (Linear Peak)</td><td>Every blast at the premises</td><td>Australian Standard 2187.2:2006 or as amended by Standards Australia</td></tr></table>	EPA identification number	Parameter	Unit of measure	Frequency	Sampling Method	3 (MACH ID B-VOC)	Ground vibration peak particle velocity	millimetres per second	Every blast at the premises	Australian Standard 2187.2:2006 or as amended by Standards Australia	3 (MACH ID B-VOC)	Airblast overpressure	Decibels (Linear Peak)	Every blast at the premises	Australian Standard 2187.2:2006 or as amended by Standards Australia	<p>Ecotech blast monitor</p> <p>Ecotech blast monitoring Specifications.pdf</p> <p>NATA Accreditation for Ecotech.pdf</p>	<p>The first blast occurred on 1 December 2017.</p> <p>Discussion with Environmental Superintendent identified that the machinery used is commonplace throughout the Hunter. Ecotech specifications document identifies NATA accreditation for Geophones and microphones. Accreditation document identifies that ‘site assets, test equipment and associated maintenance tasks’ are in accordance with Australian Standard.</p>	C	
EPA identification number	Parameter	Unit of measure	Frequency	Sampling Method																
3 (MACH ID B-VOC)	Ground vibration peak particle velocity	millimetres per second	Every blast at the premises	Australian Standard 2187.2:2006 or as amended by Standards Australia																
3 (MACH ID B-VOC)	Airblast overpressure	Decibels (Linear Peak)	Every blast at the premises	Australian Standard 2187.2:2006 or as amended by Standards Australia																

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
M9 Other monitoring and recording conditions					
M9.1	The Licensee must record the average PM10 concentration at Monitoring Points 1 and 2 at intervals of 10 minutes. This data must be made available upon request by any authorised officer of the EPA who asks to see them.	MACH Energy MTP04 Data.xls RE: EPA Dust Report 26/07/2017	Spreadsheet demonstrates that condition is met, with readings at 10-minute intervals. Discussion with the Environmental Supervisor identified that the EPA have not requested to see this data. However, Mach Energy have provided hourly dust data to the EPA when discussing issues regarding dust.	C	
6 Reporting Conditions					
R1.1	<p>The licensee must complete and supply to the EPA an Annual Return in the approved form comprising:</p> <ol style="list-style-type: none"> 1. a Statement of Compliance, 2. a Monitoring and Complaints Summary, 3. a Statement of Compliance - Licence Conditions, 4. a Statement of Compliance - Load based Fee, 5. a Statement of Compliance - Requirement to Prepare Pollution Incident Response Management Plan, 6. a Statement of Compliance - Requirement to Publish Pollution Monitoring Data; and 7. a Statement of Compliance - Environmental Management Systems and Practices. <p>At the end of each reporting period, the EPA will provide to the licensee a copy of the form that must be completed and returned to the EPA.</p>	Interview Environmental Superintendent	EPA Licence was issued on 24 November 2016. The first annual return is due after 24 November 2017. At the time of the audit, the annual return had not been produced. Not triggered during audit period.	NT	
R1.2	<p>An Annual Return must be prepared in respect of each reporting period, except as provided below.</p> <p>Note: The term "reporting period" is defined in the dictionary at the end of this licence. Do not complete the Annual Return until after the end of the reporting period.</p>	Note	Refer R1.1	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
R1.3	<p>Where this licence is transferred from the licensee to a new licensee:</p> <p>a) the transferring licensee must prepare an Annual Return for the period commencing on the first day of the reporting period and ending on the date the application for the transfer of the licence to the new licensee is granted; and</p> <p>b) the new licensee must prepare an Annual Return for the period commencing on the date the application for the transfer of the licence is granted and ending on the last day of the reporting period.</p> <p>Note: An application to transfer a licence must be made in the approved form for this purpose</p>	Interview Environmental Superintendent	New licence, no transfer requirements triggered.	NT	
R1.4	<p>Where this licence is surrendered by the licensee or revoked by the EPA or Minister, the licensee must prepare an Annual Return in respect of the period commencing on the first day of the reporting period and ending on:</p> <p>a) in relation to the surrender of a licence - the date when notice in writing of approval of the surrender is given; or</p> <p>b) in relation to the revocation of the licence - the date from which notice revoking the licence operates.</p>	Interview Environmental Superintendent	New licence, no surrender requirements triggered.	NT	
R1.5	The Annual Return for the reporting period must be supplied to the EPA via eConnect EPA or by registered post not later than 60 days after the end of each reporting period or in the case of a transferring licence not later than 60 days after the date the transfer was granted (the 'due date').	Interview Environmental Superintendent	EPA Licence was issued on 24 November 2016. The first annual return is due after 24 November 2017. At the time of the audit, the annual return had not been produced. Not triggered during audit period.	NT	
R1.6	The licensee must retain a copy of the Annual Return supplied to the EPA for a period of at least 4 years after the Annual Return was due to be supplied to the EPA.	Interview Environmental Superintendent	EPA Licence was issued on 24 November 2016. The first annual return is due after 24 November 2017. At the time of the audit, the annual return had not been produced. Not triggered during audit period.	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
R1.7	<p>Within the Annual Return, the Statements of Compliance must be certified and the Monitoring and Complaints Summary must be signed by:</p> <p>a) the licence holder; or</p> <p>b) by a person approved in writing by the EPA to sign on behalf of the licence holder.</p>	Interview Environmental Superintendent	EPA Licence was issued on 24 November 2016. The first annual return is due after 24 November 2017. At the time of the audit, the annual return had not been produced. Not triggered during audit period.	NT	
R2 Notification of Harm					
R2.1	<p>Notifications must be made by telephoning the Environment Line service on 131 555</p> <p>Note: The licensee or its employees must notify all relevant authorities of incidents causing or threatening material harm to the environment immediately after the person becomes aware of the incident in accordance with the requirements of Part 5.7 of the Act.</p>	Customer Feedback reference C16398-29017	Clean Water Discharge Incident: Customer Feedback reference C16398-29017 demonstrates notification the Environment Line on 31 October 2017.	C	
R2.2	The licensee must provide written details of the notification to the EPA within 7 days of the date on which the incident occurred.	Correspondence to EPA - MPO – Water Discharge Event 31 October 2017	MPO – Water Discharge Event 31 October 2017. Report detailing notification and response submitted within 7 days (7 November 2017)	C	
R3 Written Report					
R3.1	<p>Where an authorised officer of the EPA suspects on reasonable grounds that:</p> <p>a) where this licence applies to premises, an event has occurred at the premises; or</p> <p>b) where this licence applies to vehicles or mobile plant, an event has occurred in connection with the carrying out of the activities authorised by this licence, and the event has caused, is causing or is likely to cause material harm to the environment (whether the harm occurs on or off premises to which the licence applies), the authorised officer may request a written report of the event.</p>	MPO Response to Show Cause Letter dated 21 November 2017.	Regarding the show cause relating to Water Discharge Event 31 October 2017 EPA requested a response and written report from MPO. MPO issued written response to show cause on 5 December 2015. Response meets requirements of condition R3.1, 3.2 and 3.3	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
R3.2	The licensee must make all reasonable inquiries in relation to the event and supply the report to the EPA within such time as may be specified in the request.	Refer R3.1	Refer R3.1	C	
R3.3	<p>The request may require a report which includes any or all of the following information:</p> <p>a) the cause, time and duration of the event;</p> <p>b) the type, volume and concentration of every pollutant discharged as a result of the event;</p> <p>c) the name, address and business hours telephone number of employees or agents of the licensee, or a specified class of them, who witnessed the event;</p> <p>d) the name, address and business hours telephone number of every other person (of whom the licensee is aware) who witnessed the event, unless the licensee has been unable to obtain that information after making reasonable effort;</p> <p>e) action taken by the licensee in relation to the event, including any follow-up contact with any complainants;</p> <p>f) details of any measure taken or proposed to be taken to prevent or mitigate against a recurrence of such an event; and</p> <p>g) any other relevant matters.</p>	Refer R3.1	Refer R3.1	C	
R3.4	The EPA may make a written request for further details in relation to any of the above matters if it is not satisfied with the report provided by the licensee. The licensee must provide such further details to the EPA within the time specified in the request.	-	Not triggered at time of audit.	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
R4 Other Reporting Conditions					
R4.1	<u>Reporting of Blast Monitoring</u> The licensee must report any exceedance of the licence blasting limits identified in condition L3.3, L3.4, L3.5 and L3.6 by calling the EPA's Environment Line on 131 555 as soon as practicable after the exceedance becomes known to the licence or to one of the licensee's employees or agents. If the exceedance is likely to cause material harm to the environment, the notification requirements of Part 5.7 of the Act apply.	Ecotech undertakes monitoring and results are emailed on 12.15pm (1 December 2017)	Not Triggered – no exceedance during the first blast	NT	
R4.2	The results of the blast monitoring required by condition M8.1 must be submitted to the EPA at the end of each reporting period.	NT	Annual Return that will contain this information is due in late January 2018, hence is considered not yet triggered.	NT	
R4.3	<u>Noise Monitoring Report</u> A noise compliance assessment report must be submitted to the EPA within 30 days of the completion of the quarterly monitoring required by condition M4.1. The assessment must be prepared by a suitably qualified and experienced acoustical consultant and include: a) an assessment of compliance with noise limits presented in condition L2.1 b) measurement and reporting of C-weighted noise levels; and c) an outline of any management actions taken within the monitoring period to address any exceedances of the limits contained in condition L2.1.	Letters from MACH Energy (13 July 2017) – EPL Noise Monitoring Quarter 2 2017 (20 October 2017) – EPL Noise Monitoring Quarter 3 2017 (report date stated 20 October 2017) (4 December 2017) – EPL Noise Monitoring Quarter 4 2017 (report date stated 1 December)	Report date stamp and the letter prepared by MACH indicate that timeframes have been met.	C	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
R4.4	<p>Dust Monitoring Report</p> <p>The licensee must prepare a report containing the following information (as a minimum) for each reporting period:</p> <ul style="list-style-type: none"> a) Details of times, wind speeds and wind direction during 'adverse conditions'. b) The date and time when dust generating activities were ceased in accordance with condition O3.4; c) Weather conditions monitored at Monitoring Point 4: <ul style="list-style-type: none"> i. during the period when dust generating activities were ceased; ii. for the 24 hour period immediately prior to dust generating activities being ceased; and iii. for the 24 hour period immediately after dust generating activities resumed. d) PM10 monitoring data measured at Monitoring Points 1 and 2: <ul style="list-style-type: none"> i. during the period when dust generating activities were ceased; ii. for the 24 hour period immediately prior to dust generating activities being ceased; and iii. for the 24 hour period immediately after dust generating activities resumed. e) The date and time dust generating activities were resumed; f) A list of days when average 24 hour PM10 at the Muswellbrook Upper Hunter Air Quality Monitoring Network monitor exceeded 50µg/m3. g) 10 minute wind speed and direction data at Monitoring Point 4 on days recorded under condition R4.4 f). h) 10 minute PM10 data from monitoring points 1 and 2 for days recorded under condition R4.4 f). 		NT – Annual Return that will contain this information is due in late January 2018	NT	

No	Requirement	Reference/ Evidence	Comments	Compliance Status	Recommendations
	Note: This information is necessary for the EPA to review whether conditions O3.4 to O3.8 are achieving the objective of ensuring that activities carried on at the premises do not increase the number of days when average PM10 concentrations in Muswellbrook exceed 50ug/m3. The EPA may review these conditions if this objective is not being achieved.				
7. General Conditions					
G1 Copy of licence kept at the premises or plant					
G1.1	A copy of this licence must be kept at the premises to which the licence applies.	Observations	Copy of licence held on site in hard copy and held on internal intranet for all employees to access, Observed during audit.	C	
G1.2	The licence must be produced to any authorised officer of the EPA who asks to see it.	Interview Environmental Superintendent	Not triggered during audit period	NT	
G1.3	The licence must be available for inspection by any employee or agent of the licensee working at the premises.	Observations	Copy of licence held on site in hard copy and held on internal intranet for all employees to access, Observed during audit.	C	
G2 Contact number for incidents and responsible employees					
G2.1	The licensee is to inform the EPA of the contact number within 3 months of this condition taking effect	Letter to EPA (6 Jan 2017)	6 January 2017 MPO issued a letter to the EPA, which includes the MPO contact phone number.	C	

ML 1645

Schedule	Section	Condition Number	Element	Condition Description	Compliance Documentation	Status	Question Comment
2	Notice to Landholders	1	a.	Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.	N/A	NT	Condition not triggered during reporting period, Lease was issued on 17/12/2010.
2	Notice to Landholders	1	b.	If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	N/A	NT	Condition not triggered during reporting period. Lease was issued on 17/12/2010.
2	Rehabilitation	2		Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	N/A	NT	Activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	a.	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	ML16452-3-1	C	MOP approved by Minister. Significant surface disturbing activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	b.	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: (i) identifies areas that will be disturbed; (ii) details the staging of specific mining operations, mining purposes and prospecting; (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use; (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and reflects the conditions of approval under: - the <i>Environmental Planning and Assessment Act 1979</i> ; - the <i>Protection of the Environment Operations Act 1997</i> ; and - any other approvals relevant to the development including the conditions of this mining lease.	ML16452-3-1	C	MOP approved by Minister.

2	Mining Operations Plan and Annual Rehabilitation Report	3	c.	The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	d.	The lease holder may apply to the Minister to amend an approved MOP at any time.	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	e.	It is not a breach of this condition if: (i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and (ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	f.	The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must: (i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP; (ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and (iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.gov.au/environment . Note: The Rehabilitation Report replaces the Annual Environmental Management Report.	ML16452-3-2 ML16452-3-3	C	Annual Review Lodgement Cover Letter & Annual Review
2	Compliance Report	4	a.	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	ML16452-4-1	C	Compliance Report lodged 12 December 2016 (Department Reference INW16/66692)
2	Compliance Report	4	b.	The Compliance Report must include: (i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with; (ii) particulars of any non-compliance with any such conditions or provisions; (iii) the reasons for any such non-compliance; (iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.	ML16452-4-1	C	Compliance Report lodged 12 December 2016 (Department Reference INW16/66692)
2	Compliance Report	4	c.	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	ML16452-4-1	C	Compliance Report lodged 12 December 2016, and 2017 (Department Reference INW16/66692)

2	Compliance Report	4	d.	In addition to annual lodgement under condition 4(c) above, a Compliance Report: (i) must accompany any application to renew this mining lease under the Act; (ii) must accompany any application to transfer this mining lease under the Act; and (iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	N/A	NT	
2	Compliance Report	4	e.	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	N/A	NT	
2	Compliance Report	4	f.	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	N/A	NT	
2	Environmental Incident Report	5	a.	The lease holder must notify the Department of all: (i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and (ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.	Mount Pleasant Operation – Water Discharge Event 31 October 2017 (7 November 2017) EF16/11941 Show Cause Letter EPA (21 November 2017) Invitation to show cause – Suspected breaches of environmental legislation on 31 October 2017. (DA 92/97 – Mt Pleasant Open Cut Coal Mine – WARNING LETTER) Department of Planning and Environment (8/12/17)	NC	DPE issued a Show Cause (17/11/2017) relating to the clean water discharge incident 31 October 2017. Although MPO submitted incident report within 7 days of the incident MPO had not notified the department immediately. MPO immediately notified the EPA but failed to notify the Department until the report was submitted. The Department has since issued a Warning Letter on 8 December 2017. In response to the internal review of this incident MPO has: reminded employees of obligation to immediately report environmental incidents; clarified roles and responsibilities; updated the MPO incident response manual.

2	Environmental Incident Report	5	b.	<p>The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:</p> <p>(i) the details of the mining lease;</p> <p>(ii) contact details for the lease holder;</p> <p>(iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;</p> <p>(iv) a description of the nature of the incident or breach, likely causes and consequences;</p> <p>(v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a).</p> <p>(vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.</p> <p>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</p>	See 2-5-a. above.	C	See 2-5-a. above. Incident report was provided within 7 days.
2	Environmental Incident Report	5	c.	<p>In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.</p>	See 2-5-a. above	NC	See 2-5-a. above
2	Extraction Plan	6	a.	<p>In this condition:</p> <p>(i) approved Extraction Plan means a plan, being:</p> <p>A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or</p> <p>B. a subsidence management plan relating to the mining operations subject to this lease:</p> <p>i. submitted to the Secretary on or before 31 December 2014; and</p> <p>ii. approved by the Secretary.</p> <p>(ii) relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	b.	<p>The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	c.	<p>The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.

2	Extraction Plan	6	d.	<p>The lease holder must notify the Secretary within 48 hours of any:</p> <p>(i) incident caused by subsidence which has a potential to expose any person to health and safety risks;</p> <p>(ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or</p> <p>(iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing:</p> <p>A. built features;</p> <p>B. public safety; or</p> <p>C. subsidence monitoring.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Resource Recovery	7		<p>The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.</p>	N/A	C	Lease holder to adopt all measures available to optimise recovery of coal subject to ML 1645 to the extent economically feasible. MOP approved. Mining has commenced as of Jan 2018
2	Group Security	8		<p>The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.</p> <p>The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$50,000.</p> <p>The leases covered by the group security include:</p> <p>Mining Lease 1645, 1708, 1709 and 1713 (Act 1992)</p> <p>Endorsement Schedule</p> <p>In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1713, ML 1708 and ML 1709 so as to require a security in the amount of \$11,996,000 to be given and maintained.</p> <p>The amendment takes effect on and from 7 January 2017.</p> <p>Endorsement Schedule</p> <p>In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1708, ML 1709 and ML1713 so as to require a security in the amount of \$13,566,000 to be given and maintained.</p> <p>The amendment takes effect on and from 21 April 2017.</p> <p>Endorsement Schedule</p> <p>In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML1645, ML1708, ML1709, ML1713, ML1750 (1992) so as to require a security in the amount of \$17,956,000 to be given and maintained.</p> <p>The amendment takes effect on and from 3 August 2017.</p>	<p>ML16452-8-1</p> <p>ML16452-8-2</p> <p>ML16452-8-3</p> <p>ML16452-8-4</p> <p>ML1645 - TAS Full Details</p>	C	<p>Group Security increase from \$50,000 to \$11,996,000 on 7 January 2017 (see ML16452-8-2)</p> <p>Group Security increase from \$11,996,000 to \$13,566,000 on 21 April 2017 (see ML16452-8-3)</p> <p>Group Security increase from \$13,566,000 to \$17,956,000 on 3 August 2017 (see ML16452-8-4)</p> <p>ML1645 - TAS Full Details demonstrates that the required \$17,956,000 Group Security is currently held</p>

2	Cooperation Agreement	9		<p>The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:</p> <ul style="list-style-type: none"> • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues 	N/A	NT	No overlapping tenure identified
2	Spontaneous Combustion	10		The lease holder must review and submit a Spontaneous Combustion Management Plan. The implementation and scope of this plan will be to the satisfaction of NSW Department of Industry.	N/A	NT	Mining activities yet to commence during audit period
2	Spontaneous Combustion	11		Coal or acid forming material left exposed by mining operations in the final void shall be covered with non-acid forming and non-combustible materials so as to reduce the possibility of leaking acid fluids and the possibility of self-heating of coal seams.	N/A	NT	Mining activities yet to commence during audit period
2	Exploration Reporting	-		<p><i>Note: Exploration Reports (Geological and Geophysical)</i></p> <p><i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i></p>	ML16452-ER-1	C	Report lodged with the Department on 16 January 2017 - Reference: RP0016538
2	Special Conditions	-		<p><i>Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i></p>	N/A	N	

ML 1708

Schedule	Section	Condition Number	Element	Condition Description	Compliance Documentation	Status	Question Comment
2	Notice to Landholders	1	a.	Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.	N/A	NV	The lease was granted on 2 February 2015. The three month consultation period would have elapsed prior to 13 September when the registration of transfer to MACH Energy occurred. The notification associated with the mining lease would have been the responsibility of the previous owners Coal and Allied. MACH Energy do not have Coal and Allied records of the landholder notifications for the periods prior to them purchasing the mine site.
2	Notice to Landholders	1	b.	If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	N/A	NV	See 1-a above
2	Rehabilitation	2		Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	N/A	C	Activities yet to commence

2	Mining Operations Plan and Annual Rehabilitation Report	3	a.	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	ML16452-3-1	C	MOP approved by Minister. Significant surface disturbing activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	b.	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: (i) identifies areas that will be disturbed; (ii) details the staging of specific mining operations, mining purposes and prospecting; (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use; (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and reflects the conditions of approval under: - the <i>Environmental Planning and Assessment Act 1979</i> ; - the <i>Protection of the Environment Operations Act 1997</i> ; and - any other approvals relevant to the development including the conditions of this mining lease.	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	c.	The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	d.	The lease holder may apply to the Minister to amend an approved MOP at any time.	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	e.	It is not a breach of this condition if: (i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and (ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.	N/A	N	

2	Mining Operations Plan and Annual Rehabilitation Report	3	f.	<p>The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:</p> <p>(i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;</p> <p>(ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and</p> <p>(iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.crov.au/environment.</p> <p>Note: The Rehabilitation Report replaces the Annual Environmental Management Report.</p>	<p>ML16452-3-2</p> <p>ML16452-3-3</p>	C	Annual Review Lodgement Cover Letter & Annual Review
2	Compliance Report	4	a.	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	ML17082-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	b.	<p>The Compliance Report must include:</p> <p>(i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;</p> <p>(ii) particulars of any non-compliance with any such conditions or provisions;</p> <p>(iii) the reasons for any such non-compliance;</p> <p>(iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.</p>	ML17082-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	c.	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	ML17082-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	d.	<p>In addition to annual lodgement under condition 4(c) above, a Compliance Report:</p> <p>(i) must accompany any application to renew this mining lease under the Act;</p> <p>(ii) must accompany any application to transfer this mining lease under the Act; and</p> <p>(iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.</p>	N/A	NT	
2	Compliance Report	4	e.	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	N/A	NT	
2	Compliance Report	4	f.	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	N/A	NT	

2	Environmental Incident Report	5	a.	<p>The lease holder must notify the Department of all:</p> <p>(i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and</p> <p>(ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach.</p> <p>Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.</p>	N/A	NT	<p>No breaches of ML 1708 Conditions (see ML17082-4-1 above)</p> <p>No significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under ML 1708 conducted</p>
2	Environmental Incident Report	5	b.	<p>The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:</p> <p>(i) the details of the mining lease;</p> <p>(ii) contact details for the lease holder;</p> <p>(iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;</p> <p>(iv) a description of the nature of the incident or breach, likely causes and consequences;</p> <p>(v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a).</p> <p>(vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.</p> <p>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</p>	N/A	NT	See 2-5-a. above
2	Environmental Incident Report	5	c.	<p>In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.</p>	N/A	NT	See 2-5-a. above
2	Extraction Plan	6	a.	<p>In this condition:</p> <p>(i) approved Extraction Plan means a plan, being:</p> <p>A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or</p> <p>B. a subsidence management plan relating to the mining operations subject to this lease:</p> <p>i. submitted to the Secretary on or before 31 December 2014; and</p> <p>ii. approved by the Secretary.</p> <p>(ii) relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.

2	Extraction Plan	6	b.	The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	c.	The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	d.	The lease holder must notify the Secretary within 48 hours of any: (i) incident caused by subsidence which has a potential to expose any person to health and safety risks; (ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or (iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing: A. built features; B. public safety; or C. subsidence monitoring.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Resource Recovery	7		The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.	N/A	C	Lease holder to adopt all measures available to optimise recovery of coal subject to ML 1708 to the extent economically feasible. Mining commenced in 2018

2	Group Security	8	<p>The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.</p> <p>The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$50,000.</p> <p>The leases covered by the group security include: Mining Lease 1645, 1708, 1709 and 1713 (Act 1992)</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1713, ML 1708 and ML 1709 so as to require a security in the amount of \$11,996,000 to be given and maintained. The amendment takes effect on and from 7 January 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1708, ML 1709 and ML1713 so as to require a security in the amount of \$13,566,000 to be given and maintained. The amendment takes effect on and from 21 April 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML1645, ML1708, ML1709, ML1713, ML1750 (1992) so as to require a security in the amount of \$17,956,000 to be given and maintained. The amendment takes effect on and from 3 August 2017.</p>	<p>ML16452-8-1</p> <p>ML16452-8-2</p> <p>ML16452-8-3</p> <p>ML16452-8-4</p> <p>ML1645 - TAS Full Details</p>	C	<p>Group Security increase from \$50,000 to \$11,996,000 on 7 January 2017 (see ML16452-8-2)</p> <p>Group Security increase from \$11,996,000 to \$13,566,000 on 21 April 2017 (see ML16452-8-3)</p> <p>Group Security increase from \$13,566,000 to \$17,956,000 on 3 August 2017 (see ML16452-8-4)</p> <p>ML1645 - TAS Full Details demonstrates that the required \$17,956,000 Group Security is currently held</p>
2	Cooperation Agreement	9	<p>The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:</p> <ul style="list-style-type: none"> • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues 	N/A	NT	No overlapping tenure identified

2	Exploration Reporting	-		<p><i>Note: Exploration Reports (Geological and Geophysical)</i></p> <p><i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i></p>	ML16452-ER-1	C	Report lodged with the Department on 16 January 2017 - Reference: RP0016538
2	Special Conditions	-		<p><i>Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i></p>	N/A	N	

ML 1709

Schedule	Section	Condition Number	Element	Condition Description	Compliance Documentation	Status	Question Comment
2	Notice to Landholders	1	a.	Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.	N/A	NV	The lease was granted on 2 February 2015. The three month consultation period would have elapsed prior to 13 September when the registration of transfer to MACH Energy occurred. The notification associated with the mining lease would have been the responsibility of the previous owners Coal and Allied. MACH Energy do not have Coal and Allied records of the landholder notifications for the periods prior to them purchasing the mine site.
2	Notice to Landholders	1	b.	If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	N/A	NV	See 1-a above
2	Rehabilitation	2		Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	N/A	C	Activities yet to commence

2	Mining Operations Plan and Annual Rehabilitation Report	3	a.	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	ML16452-3-1	C	MOP approved by Minister. Significant surface disturbing activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	b.	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: (i) identifies areas that will be disturbed; (ii) details the staging of specific mining operations, mining purposes and prospecting; (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use; (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and reflects the conditions of approval under: - the <i>Environmental Planning and Assessment Act 1979</i> ; - the <i>Protection of the Environment Operations Act 1997</i> ; and - any other approvals relevant to the development including the conditions of this mining lease.	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	c.	The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	d.	The lease holder may apply to the Minister to amend an approved MOP at any time.	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	e.	It is not a breach of this condition if: (i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and (ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.	N/A	N	

2	Mining Operations Plan and Annual Rehabilitation Report	3	f.	<p>The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:</p> <p>(i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;</p> <p>(ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and</p> <p>(iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.crov.au/environment.</p> <p>Note: The Rehabilitation Report replaces the Annual Environmental Management Report.</p>	<p>ML16452-3-2</p> <p>ML16452-3-3</p>	C	Annual Review Lodgement Cover Letter & Annual Review
2	Compliance Report	4	a.	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	ML17092-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	b.	<p>The Compliance Report must include:</p> <p>(i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;</p> <p>(ii) particulars of any non-compliance with any such conditions or provisions;</p> <p>(iii) the reasons for any such non-compliance;</p> <p>(iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.</p>	ML17092-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	c.	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	ML17092-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	d.	<p>In addition to annual lodgement under condition 4(c) above, a Compliance Report:</p> <p>(i) must accompany any application to renew this mining lease under the Act;</p> <p>(ii) must accompany any application to transfer this mining lease under the Act; and</p> <p>(iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.</p>	N/A	NT	
2	Compliance Report	4	e.	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	N/A	NT	
2	Compliance Report	4	f.	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	N/A	NT	

2	Environmental Incident Report	5	a.	<p>The lease holder must notify the Department of all:</p> <p>(i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and</p> <p>(ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach.</p> <p>Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.</p>	N/A	NT	<p>No breaches of ML 1709 Conditions (see ML17092-4-1 above)</p> <p>No significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under ML 1709 conducted</p>
2	Environmental Incident Report	5	b.	<p>The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:</p> <p>(i) the details of the mining lease;</p> <p>(ii) contact details for the lease holder;</p> <p>(iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;</p> <p>(iv) a description of the nature of the incident or breach, likely causes and consequences;</p> <p>(v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a).</p> <p>(vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.</p> <p>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</p>	N/A	NT	See 2-5-a. above
2	Environmental Incident Report	5	c.	<p>In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.</p>	N/A	NT	See 2-5-a. above

2	Extraction Plan	6	a.	<p>In this condition:</p> <p>(i) approved Extraction Plan means a plan, being:</p> <p>A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or</p> <p>B. a subsidence management plan relating to the mining operations subject to this lease:</p> <p>i. submitted to the Secretary on or before 31 December 2014; and</p> <p>ii. approved by the Secretary.</p> <p>(ii) relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	b.	The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	c.	The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	d.	<p>The lease holder must notify the Secretary within 48 hours of any:</p> <p>(i) incident caused by subsidence which has a potential to expose any person to health and safety risks;</p> <p>(ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or</p> <p>(iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing:</p> <p>A. built features;</p> <p>B. public safety; or</p> <p>C. subsidence monitoring.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.

2	Resource Recovery	7		The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.	N/A	C	Lease holder to adopt all measures available to optimise recovery of coal subject to ML 1709 to the extent economically feasible. Mining commenced in 2018
2	Group Security	8		<p>The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.</p> <p>The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$50,000.</p> <p>The leases covered by the group security include: Mining Lease 1645, 1708, 1709 and 1713 (Act 1992)</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1713, ML 1708 and ML 1709 so as to require a security in the amount of \$11,996,000 to be given and maintained. The amendment takes effect on and from 7 January 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1708, ML 1709 and ML1713 so as to require a security in the amount of \$13,566,000 to be given and maintained. The amendment takes effect on and from 21 April 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML1645, ML1708, ML1709, ML1713, ML1750 (1992) so as to require a security in the amount of \$17,956,000 to be given and maintained. The amendment takes effect on and from 3 August 2017.</p>	ML16452-8-1 ML16452-8-2 ML16452-8-3 ML16452-8-4 ML1645 - TAS Full Details	C	<p>Group Security increase from \$50,000 to \$11,996,000 on 7 January 2017 (see ML16452-8-2)</p> <p>Group Security increase from \$11,996,000 to \$13,566,000 on 21 April 2017 (see ML16452-8-3)</p> <p>Group Security increase from \$13,566,000 to \$17,956,000 on 3 August 2017 (see ML16452-8-4)</p> <p>ML1645 - TAS Full Details demonstrates that the required \$17,956,000 Group Security is currently held</p>

2	Cooperation Agreement	9		<p>The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:</p> <ul style="list-style-type: none"> • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues 	N/A	NT	No overlapping tenure identified
2	Exploration Reporting	-		<p><i>Note: Exploration Reports (Geological and Geophysical)</i></p> <p><i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i></p>	ML16452-ER-1	C	Report lodged with the Department on 16 January 2017 - Reference: RP0016538
2	Special Conditions	-		<p><i>Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i></p>	N/A	N	

ML 1713

Schedule	Section	Condition Number	Element	Condition Description	Compliance Documentation	Status	Question Comment
2	Notice to Landholders	1	a.	Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.	N/A	NV	The lease was granted on 2 February 2015. The three month consultation period would have elapsed prior to 13 September when the registration of transfer to MACH Energy occurred. The notification associated with the mining lease would have been the responsibility of the previous owners Coal and Allied. MACH Energy do not have Coal and Allied records of the landholder notifications for the periods prior to them purchasing the mine site.
2	Notice to Landholders	1	b.	If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	N/A	NV	See 1-a above
2	Rehabilitation	2		Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	N/A	C	Activities yet to commence

2	Mining Operations Plan and Annual Rehabilitation Report	3	a.	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	ML16452-3-1	C	MOP approved by Minister. Significant surface disturbing activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	b.	The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which: (i) identifies areas that will be disturbed; (ii) details the staging of specific mining operations, mining purposes and prospecting; (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use; (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and reflects the conditions of approval under: - the <i>Environmental Planning and Assessment Act 1979</i> ; - the <i>Protection of the Environment Operations Act 1997</i> ; and - any other approvals relevant to the development including the conditions of this mining lease.	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	c.	The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	d.	The lease holder may apply to the Minister to amend an approved MOP at any time.	N/A	N	

2	Mining Operations Plan and Annual Rehabilitation Report	3	e.	<p>It is not a breach of this condition if:</p> <p>(i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and</p> <p>(ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.</p>	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	f.	<p>The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:</p> <p>(i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;</p> <p>(ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and</p> <p>(iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.crov.au/environment.</p> <p>Note: The Rehabilitation Report replaces the Annual Environmental Management Report.</p>	<p>ML16452-3-2</p> <p>ML16452-3-3</p>	C	Annual Review Lodgement Cover Letter & Annual Review
2	Compliance Report	4	a.	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	ML17132-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	b.	<p>The Compliance Report must include:</p> <p>(i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;</p> <p>(ii) particulars of any non-compliance with any such conditions or provisions;</p> <p>(iii) the reasons for any such non-compliance;</p> <p>(iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.</p>	ML17132-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)

2	Compliance Report	4	c.	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	ML17132-4-1	C	Compliance Report lodged 1 February 2017 (Department Reference INW17/5027)
2	Compliance Report	4	d.	In addition to annual lodgement under condition 4(c) above, a Compliance Report: (i) must accompany any application to renew this mining lease under the Act; (ii) must accompany any application to transfer this mining lease under the Act; and (iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.	N/A	NT	
2	Compliance Report	4	e.	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	N/A	NT	
2	Compliance Report	4	f.	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	N/A	NT	
2	Environmental Incident Report	5	a.	The lease holder must notify the Department of all: (i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and (ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach. Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.	N/A	NT	No breaches of ML 1713 Conditions (see ML17132-4-1 above) No significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under ML 1713 conducted

2	Environmental Incident Report	5	b.	<p>The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:</p> <ul style="list-style-type: none"> (i) the details of the mining lease; (ii) contact details for the lease holder; (iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur; (iv) a description of the nature of the incident or breach, likely causes and consequences; (v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a). (vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease. <p>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</p>	N/A	NT	See 2-5-a. above
2	Environmental Incident Report	5	c.	<p>In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.</p>	N/A	NT	See 2-5-a. above
2	Extraction Plan	6	a.	<p>In this condition:</p> <ul style="list-style-type: none"> (i) approved Extraction Plan means a plan, being: <ul style="list-style-type: none"> A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or B. a subsidence management plan relating to the mining operations subject to this lease: i. submitted to the Secretary on or before 31 December 2014; and ii. approved by the Secretary. (ii) relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease. 	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.

2	Extraction Plan	6	b.	The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	c.	The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	d.	The lease holder must notify the Secretary within 48 hours of any: (i) incident caused by subsidence which has a potential to expose any person to health and safety risks; (ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or (iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing: A. built features; B. public safety; or C. subsidence monitoring.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Resource Recovery	7		The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.	N/A	C	Lease holder to adopt all measures available to optimise recovery of coal subject to ML 1713 to the extent economically feasible

2	Group Security	8	<p>The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.</p> <p>The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$50,000.</p> <p>The leases covered by the group security include: Mining Lease 1645, 1708, 1709 and 1713 (Act 1992)</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1713, ML 1708 and ML 1709 so as to require a security in the amount of \$11,996,000 to be given and maintained. The amendment takes effect on and from 7 January 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1708, ML 1709 and ML1713 so as to require a security in the amount of \$13,566,000 to be given and maintained. The amendment takes effect on and from 21 April 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML1645, ML1708, ML1709, ML1713, ML1750 (1992) so as to require a security in the amount of \$17,956,000 to be given and maintained. The amendment takes effect on and from 3 August 2017.</p>	<p>ML16452-8-1</p> <p>ML16452-8-2</p> <p>ML16452-8-3</p> <p>ML16452-8-4</p> <p>ML1645 - TAS Full Details</p>	C	<p>Group Security increase from \$50,000 to \$11,996,000 on 7 January 2017 (see ML16452-8-2)</p> <p>Group Security increase from \$11,996,000 to \$13,566,000 on 21 April 2017 (see ML16452-8-3)</p> <p>Group Security increase from \$13,566,000 to \$17,956,000 on 3 August 2017 (see ML16452-8-4)</p> <p>ML1645 - TAS Full Details demonstrates that the required \$17,956,000 Group Security is currently held</p>
2	Cooperation Agreement	9	<p>The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:</p> <ul style="list-style-type: none"> • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues 	N/A	NT	No overlapping tenure identified

2	Exploration Reporting	-		<p><i>Note: Exploration Reports (Geological and Geophysical)</i></p> <p><i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i></p>	ML16452-ER-1	C	Report lodged with the Department on 16 January 2017 - Reference: RP0016538
2	Special Conditions	-		<p><i>Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i></p>	N/A	N	

ML 1750

Schedule	Section	Condition Number	Element	Condition Description	Compliance Documentation	Status	Question Comment
2	Notice to Landholders	1	a.	Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.	20170324 MACH Energy Notification to MSC ML1750 20170324 MACH Energy Notification to Bengalla ML1750	C	Landholder notification letters provided.
2	Notice to Landholders	1	b.	If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.	N/A	C	See 2-1-a. above
2	Rehabilitation	2		Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.	N/A	C	Activities yet to commence
2	Mining Operations Plan and Annual Rehabilitation Report	3	a.	The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.	ML16452-3-1	C	MOP approved by Minister. Significant surface disturbing activities yet to commence

2	Mining Operations Plan and Annual Rehabilitation Report	3	b.	<p>The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which:</p> <ul style="list-style-type: none"> (i) identifies areas that will be disturbed; (ii) details the staging of specific mining operations, mining purposes and prospecting; (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use; (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and <p>reflects the conditions of approval under:</p> <ul style="list-style-type: none"> - the <i>Environmental Planning and Assessment Act 1979</i> ; - the <i>Protection of the Environment Operations Act 1997</i> ; and - any other approvals relevant to the development including the conditions of this mining lease. 	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	c.	<p>The MOP must be prepared in accordance with the <i>ESG3: Mining Operations Plan (MOP) Guidelines September 2013</i> published on the Department's website at www.resources.nsw.gov.au/environment</p>	ML16452-3-1	C	MOP approved by Minister.
2	Mining Operations Plan and Annual Rehabilitation Report	3	d.	The lease holder may apply to the Minister to amend an approved MOP at any time.	N/A	N	
2	Mining Operations Plan and Annual Rehabilitation Report	3	e.	<p>It is not a breach of this condition if:</p> <ul style="list-style-type: none"> (i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002 and Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006 or the Work Health and Safety Act 2011; and (ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out. 	N/A	N	

2	Mining Operations Plan and Annual Rehabilitation Report	3	f.	<p>The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:</p> <p>(i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;</p> <p>(ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and</p> <p>(iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resources.nsw.crov.au/environment.</p> <p>Note: The Rehabilitation Report replaces the Annual Environmental Management Report.</p>	N/A	NT	ML 1750 in first year of grant
2	Compliance Report	4	a.	The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.	N/A	NT	ML 1750 in first year of grant
2	Compliance Report	4	b.	<p>The Compliance Report must include:</p> <p>(i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;</p> <p>(ii) particulars of any non-compliance with any such conditions or provisions;</p> <p>(iii) the reasons for any such non-compliance;</p> <p>(iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the effects, of that non-compliance.</p>	N/A	NT	ML 1750 in first year of grant
2	Compliance Report	4	c.	The Compliance Report must be lodged with the Department annually on the grant anniversary date for the life of this mining lease.	N/A	NT	ML 1750 in first year of grant
2	Compliance Report	4	d.	<p>In addition to annual lodgement under condition 4(c) above, a Compliance Report:</p> <p>(i) must accompany any application to renew this mining lease under the Act;</p> <p>(ii) must accompany any application to transfer this mining lease under the Act; and</p> <p>(iii) must accompany any application to cancel, or to partially cancel, this mining lease under the Act.</p>	N/A	NT	

2	Compliance Report	4	e.	Despite the submission of any Compliance Report under (c) or (d) above, the titleholder must lodge a Compliance Report with the Department at any date or dates otherwise required by the Minister.	N/A	NT	
2	Compliance Report	4	f.	A Compliance Report must be submitted one month prior to the expiry of this mining lease, where the licence holder is not seeking to renew or cancel this mining lease.	N/A	NT	
2	Environmental Incident Report	5	a.	<p>The lease holder must notify the Department of all:</p> <p>(i) breaches of the conditions of this mining lease or breaches of the Act causing or threatening material harm to the environment; and</p> <p>(ii) breaches of environmental protection legislation causing or threatening material harm to the environment (as defined in the Protection of the Environment Operations Act 1997), arising in connection with significant surface disturbing activities, including mining operations, mining purposes and prospecting operations, under this mining lease. The notification must be given immediately after the lease holder becomes aware of the breach.</p> <p>Note. Refer to www.resources.nsw.uov.au/environment for notification contact details.</p>	N/A	NT	<p>ML 1750 in first year of grant</p> <p>No significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under ML 1750 conducted</p>
2	Environmental Incident Report	5	b.	<p>The lease holder must submit an Environmental Incident Report to the Department within seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental Incident Report must include:</p> <p>(i) the details of the mining lease;</p> <p>(ii) contact details for the lease holder;</p> <p>(iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;</p> <p>(iv) a description of the nature of the incident or breach, likely causes and consequences;</p> <p>(v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a).</p> <p>(vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.</p> <p>Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.</p>	N/A	NT	See 2-5-a. above

2	Environmental Incident Report	5	c.	In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the <i>Protection of the Environment Operations Act 1997</i> arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.	N/A	NT	See 2-5-a. above
2	Extraction Plan	6	a.	In this condition: (i) approved Extraction Plan means a plan, being: A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or B. a subsidence management plan relating to the mining operations subject to this lease: i. submitted to the Secretary on or before 31 December 2014; and ii. approved by the Secretary. (ii) relevant development consent means a development consent or project approval issued under the <i>Environmental Planning & Assessment Act 1979</i> relating to the mining operations subject to this lease.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	b.	The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Extraction Plan	6	c.	The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.

2	Extraction Plan	6	d.	<p>The lease holder must notify the Secretary within 48 hours of any:</p> <p>(i) incident caused by subsidence which has a potential to expose any person to health and safety risks;</p> <p>(ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or</p> <p>(iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing:</p> <p>A. built features;</p> <p>B. public safety; or</p> <p>C. subsidence monitoring.</p>	N/A	NT	Open cut mine - no underground coal mining to take place. Lease holder is yet to undertake any mining operations.
2	Resource Recovery	7		<p>The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.</p>	N/A	C	Lease holder to adopt all measures available to optimise recovery of coal subject to ML 1750 to the extent economically feasible

2	Group Security	8	<p>The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.</p> <p>The amount of the security deposit to be provided as a group security has been assessed by the Minister at \$11,966,000.</p> <p>The leases covered by the group security include: Mining Lease 1645, 1708, 1709 , 1713 and 1750 (Act 1992)</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML 1645, ML 1708, ML 1709 and ML1713 so as to require a security in the amount of \$13,566,000 to be given and maintained. The amendment takes effect on and from 21 April 2017.</p> <p>Endorsement Schedule In accordance with the provisions of Section 261B (3) & (4) of the Mining Act 1992, the decision-maker varied the security condition of ML1645, ML1708, ML1709, ML1713, ML1750 (1992) so as to require a security in the amount of \$17,956,000 to be given and maintained. The amendment takes effect on and from 3 August 2017.</p>	<p>ML16452-8-1</p> <p>ML16452-8-2</p> <p>ML16452-8-3</p> <p>ML16452-8-4</p> <p>ML1645 - TAS Full Details</p>	C	<p>Group Security increase from \$50,000 to \$11,996,000 on 7 January 2017 (see ML16452-8-2)</p> <p>Group Security increase from \$11,996,000 to \$13,566,000 on 21 April 2017 (see ML16452-8-3)</p> <p>Group Security increase from \$13,566,000 to \$17,956,000 on 3 August 2017 (see ML16452-8-4)</p> <p>ML1645 - TAS Full Details demonstrates that the required \$17,956,000 Group Security is currently held</p>
2	Cooperation Agreement	9	<p>The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:</p> <ul style="list-style-type: none"> • access arrangements • operational interaction procedures • dispute resolution • information exchange • well location • timing of drilling • potential resource extraction conflicts; and • rehabilitation issues 	N/A	NT	No overlapping tenure identified

2	Exploration Reporting	-		<p><i>Note: Exploration Reports (Geological and Geophysical)</i></p> <p><i>The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 57 of the Mining Regulation 2010. Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).</i></p>	N/A	NT	ML 1750 in first year of grant
2	Special Conditions	-		<p><i>Note: The standard conditions apply to all mining leases. The Division of Resources & Energy (DRE) reserves the right to impose special conditions, based on individual circumstances, where appropriate.</i></p>	N/A	N	

Water Access Licences

Plan Condition	Condition Description	Compliance Documentation	Comment	Status				Recommendation
				WAL 879 (Ref - 20AL201050)	WAL880 (Ref - 20AL201612)	WAL41438 (Ref - 20AL201053)	WAL1113 (Ref - 20AL201052)	
Take of water								
MW4270-00001	When the Minister announces that uncontrolled flows are available, water from those uncontrolled flows may be taken in accordance with the announcement.	Water Availability Report (WaterNSW) 16 October 2017. MACH Energy Water Order Amendment Forms 2017.pdf MACH Energy Water Order Application Forms 2017.pdf Re: [Request ID : ##229400##] : 20AL201612 (20WA212269) - Water Order.msg Re Request ID ##232204## 20AL201050 (20WA212269) - AMEND Water Order.msg Re Request ID ##232200## 20AL201612 (20WA212269) - AMEND Water Order - K Marchant.msg	WaterNSW Water Availability Report at 16 October 2017 stated that regulated releases were occurring. Hunter Valley had no supply issues in the days before water extraction by MPO commenced. The approval of the water orders by the Department is further evidence of compliance.	C	C	C	C	
MW3574-00001	Before water is taken under this access licence a water order must be placed and confirmed by WaterNSW.	20WA212269.PDF MACH Energy Water Order Amendment Forms 2017.pdf MACH Energy Water Order Application Forms 2017.pdf Re: [Request ID : ##229400##] : 20AL201612 (20WA212269) - Water Order.msg Re Request ID ##232204## 20AL201050 (20WA212269) - AMEND Water Order.msg RE: [Request ID:##230111##] : 20AL219053 - Rejected Water Order Re Request ID ##232200## 20AL201612 (20WA212269) - AMEND Water Order - K Marchant.msg	Water supply work approval provided in 20WA212269, though it is noted that the applicant is Coal and Allied Operations not MACH Energy. Order application forms and approval emails from WaterNSW were sighted by the auditor. This provided WaterNSW approval for water take from Work Approval 20WA212269. Evidence also provided of applications that made that were rejected, due to proposed take exceeding licence allowance. Amendment applications were provided to ensure that order take corresponded to licence allowance.	C	C	C	C	
Monitoring and recording								
MW2338-00001	The completed logbook must be retained for five (5) years from the last date recorded in the logbook.	MACH Energy Water Order Amendment Forms 2017.pdf MACH Energy Water Order Application Forms 2017.pdf Licenced Water Usage Rev 20184003.xlsm	Logbook was provided for the auditor to review following the site inspection. Order form identified that take was being recorded by a meter. The tracking sheet provided (Licenced water usage spreadsheet) tracks volumes and calculates total remaining allocation.	C	C	C	C	Log book/tracking sheet was provided as evidence following the audit - this is to be kept for five years from the date of the last take, to comply with this condition.

MW2337-00001	<p>The following information must be recorded in the logbook for each period of time that water is taken:</p> <p>A. date, volume of water, start and end time when water was taken as well as the pump capacity per unit of time, and</p> <p>B. the access licence number under which the water is taken, and</p> <p>C. the approval number under which the water is taken, and</p> <p>D. the volume of water taken for domestic consumption and/or stock watering.</p>	<p>20WA212269.PDF</p> <p>MACH Energy Water Order Amendment Forms 2017.pdf</p> <p>MACH Energy Water Order Application Forms 2017.pdf</p> <p>Re: [Request ID : ##229400##] : 20AL201612 (20WA212269) - Water Order.msg</p> <p>Re Request ID ##232204## 20AL201050 (20WA212269) - AMEND Water Order.msg</p> <p>Re Request ID ##232200## 20AL201612 (20WA212269) - AMEND Water Order - K Marchant.msg</p> <p>Licenced Water Usage Rev 20184003.xlsm</p>	<p>Logbook was provided for the auditor to review following the site inspection.</p> <p>The tracking sheet provided (Licenced water usage spreadsheet) tracks volumes and calculates total remaining allocation on a cumulative basis rather than against each individual licence.</p> <p>iWAS system is available and being utilised by MACH for tracking of Water Orders.</p>	ANC	ANC	ANC	ANC	<p>The tracking sheet tracks the cumulative total so that volumes taken will not exceed the cumulative total allowed by all licences/orders. To strictly meet the conditions of the approval the tracking sheet is to be updated to state address requirements that are currently missing (i.e. approval number under which water is taken, volume against individual licences).</p>
MW2339-00001	<p>A logbook must be kept, unless the work is metered and fitted with a data logger. The logbook must be produced for inspection when requested by the relevant licensor.</p>	<p>MACH Energy Water Order Amendment Forms 2017.pdf</p> <p>MACH Energy Water Order Application Forms 2017.pdf</p> <p>Licenced Water Usage Rev 20184003.xlsm</p> <p>Emflux Flowmeter Pattern Approval Commentary - May 2016.pdf</p> <p>FW:Hunter River Flow Meter Certificate of Approval NMI 14/3/32.PDF</p>	<p>Order forms identified that a meter was fitted to record take from the River.</p> <p>No logbook was provided for auditor review at the time of the audit. Order form identified that take was being recorded by a meter. At time of audit no tracking sheet was provided as evidence. However following audit, tracking sheet was provided (Licenced water usage spreadsheet) that tracked volumes and calculated total remaining allocation.</p> <p>The following evidence was provided to confirm that the meter meets the requirement for metering equipment that complies with Australian Standards AS4747 for those that take water from the Hunter regulated rivers:</p> <p>Emflux Flowmeter Pattern Approval Commentary - May 2016.pdf</p> <p>FW:Hunter River Flow Meter Certificate of Approval NMI 14/3/32.PDF</p>	C	C	C	C	
Reporting								
MW0051-00003	<p>Once the water access licence holder becomes aware of a breach of any condition on this water access licence, the water access licence holder must notify the Minister as soon as practicable. The Minister must be notified by:</p> <p>A. email: water.enquiries@dpi.nsw .gov.au, or</p> <p>B. telephone: 1800 353 104. Any notification by telephone must also be confirmed in writing within seven (7) business days of the telephone call.</p>	<p>Interview with Environmental Superintendent</p> <p>Licenced Water Usage Rev 20184003.xlsm</p>	<p>Interview with Environmental Superintendent identified that no breaches of water access licences had occurred.</p> <p>Orders have been accepted by WaterNSW and the tracking sheet determines that no breaches in cumulative take volume has occurred..</p>	C	C	C	C	

Annex B

Departmental Correspondence



Contact: Chris Knight
Phone: 6575 3404
Email: chris.knight@planning.nsw.gov.au

Our ref: DA 92/97

Klay Marchant
Specialist Environment
Mt Pleasant-MACH Energy
GPO Box 94
BRISBANE QLD 4001

Dear Klay

Mt Pleasant- Independent Environmental Audit 2017

Reference is made to your correspondence dated 31 July 2017 regarding the Mt Pleasant Independent Environmental Audit 2017, as required under Schedule 5, Condition 9 & 10 of Development Approval 92/97.

The Department endorses the proposed audit team as per your letter dated 31 July 2017, for the following personnel:

- Oliver Moore- Lead Auditor
- Tim Haydon- Erosion and Sediment Control
- Will Weir- Sectoral Advisor and Technical Oversight
- Nathan Lynch – Noise
- Iain Cowan- Air Quality
- Mathew Flower- Biodiversity
- Joanne Woodhouse- Heritage

The Department notes that the temporal scope of the audit will be from 1 January 2014 to 25 November 2017 and will audit against all requirements of the Consent, EPL, Mining Licences and Water Licences.

This audit scope must meet all requirements of the *Post-approval requirements for State significant development, Independent Audit Guidelines*, published October 2015, and Schedule 5, Condition 9 of DA 92/97, including consultation with other agencies.

This audit report together with responses to any recommendations contained in the audit should be submitted to the Department by **14 February 2018**.

Should you have any queries on this matter, please do not hesitate to contact Chris Knight, Senior Compliance Officer, on (02) 6570 3404 or christopher.knight@planning.nsw.com.au.

Yours sincerely



2/8/17

Leah Cook
Team Leader – Compliance
as the Secretary's Nominee

Tim Haydon

From: Oliver Moore
Sent: Sunday, 19 November 2017 6:21 PM
To: 'jenny.lange@epa.nsw.gov.au'
Cc: 'Klay Marchant'; Michael Gaggin; Tim Haydon
Subject: Mount Pleasant Operations IEA
Attachments: ERM Audit Terms of Reference (December 2017) - MACH Energy - Mount Pleasant.pdf

Hi Jenny,

ERM are currently completing an independent environmental audit on the Conditions of Approval issued to MACH Energy Pty Ltd for the Mount Pleasant Operations. The project also holds EPL20805.

One of the requirements of the audit is that it is to be undertaken in consultation with relevant agencies. To that end, this email invites you to raise any questions or concerns regarding this project from an environmental management perspective.

The attached Terms of Reference outlines the audit process, and also introduces the approved team of suitably qualified, experienced and independent experts who will be undertaking the audit. The site inspection will be completed over the period 5 – 6 December 2017, therefore it would be appreciated if there are any concerns, areas of focus etc, they are raised before this date.

I can be contacted at the details listed below to discuss further.

Kind regards

Olly

Oliver Moore
Principal Environmental Consultant

ERM
Level 15 | 309 Kent Street | Sydney NSW 2000
E Oliver.Moore@erm.com | **W** www.erm.com



Check out ERM's 2016 Sustainability Report: [Sustainability Report](#)

Tim Haydon

From: Oliver Moore
Sent: Sunday, 19 November 2017 6:18 PM
To: 'leah.cook@planning.nsw.gov.au'
Subject: Mount Pleasant Operations IEA
Attachments: ERM Audit Terms of Reference (December 2017) - MACH Energy - Mount Pleasant.pdf

Hi Leah,

ERM are currently completing an independent environmental audit on the Conditions of Approval issued to MACH Energy Pty Ltd for the Mount Pleasant Operations. The project also holds EPL20805.

One of the requirements of the audit is that it is to be undertaken in consultation with relevant agencies. To that end, this email invites you to raise any questions or concerns regarding this project from an environmental management perspective.

The attached Terms of Reference outlines the audit process, and also introduces the approved team of suitably qualified, experienced and independent experts who will be undertaking the audit. The site inspection will be completed over the period 5 – 6 December 2017, therefore it would be appreciated if there are any concerns, areas of focus etc, they are raised before this date.

I can be contacted at the details listed below to discuss further.

Kind regards

Olly

Oliver Moore
Principal Environmental Consultant

ERM
Level 15 | 309 Kent Street | Sydney NSW 2000
E Oliver.Moore@erm.com | W www.erm.com



Check out ERM's 2016 Sustainability Report: [Sustainability Report](#)

Tim Haydon

From: Oliver Moore
Sent: Sunday, 19 November 2017 6:10 PM
To: 'megan.dawson@planning.nsw.gov.au'
Cc: 'Klay Marchant'; Tim Haydon; Michael Gaggin
Subject: Mount Pleasant Operations IEA

Hi Megan,

ERM are currently completing an independent environmental audit on the Conditions of Approval issued to MACH Energy Pty Ltd for the Mount Pleasant Operations. The project also holds EPL20805.

One of the requirements of the audit is that it is to be undertaken in consultation with relevant agencies. To that end, this email invites you to raise any questions or concerns regarding this project from an environmental management perspective.

The attached Terms of Reference outlines the audit process, and also introduces the approved team of suitably qualified, experienced and independent experts who will be undertaking the audit. The site inspection will be completed over the period 5 – 6 December 2017, therefore it would be appreciated if there are any concerns, areas of focus etc, they are raised before this date.

I can be contacted at the details listed below to discuss further.

Kind regards

Olly

Oliver Moore
Principal Environmental Consultant

ERM
Level 15 | 309 Kent Street | Sydney NSW 2000
E Oliver.Moore@erm.com | W www.erm.com



Check out ERM's 2016 Sustainability Report: [Sustainability Report](#)

Tim Haydon

From: Oliver Moore
Sent: Sunday, 19 November 2017 6:19 PM
To: 'megan.dawson@planning.nsw.gov.au'
Cc: 'Klay Marchant'; Tim Haydon; Michael Gaggin
Subject: RE: Mount Pleasant Operations IEA
Attachments: ERM Audit Terms of Reference (December 2017) - MACH Energy - Mount Pleasant.pdf

Hi Megan,

Apologies – see attachment.

ERM are currently completing an independent environmental audit on the Conditions of Approval issued to MACH Energy Pty Ltd for the Mount Pleasant Operations. The project also holds EPL20805.

One of the requirements of the audit is that it is to be undertaken in consultation with relevant agencies. To that end, this email invites you to raise any questions or concerns regarding this project from an environmental management perspective.

The attached Terms of Reference outlines the audit process, and also introduces the approved team of suitably qualified, experienced and independent experts who will be undertaking the audit. The site inspection will be completed over the period 5 – 6 December 2017, therefore it would be appreciated if there are any concerns, areas of focus etc, they are raised before this date.

I can be contacted at the details listed below to discuss further.

Kind regards

Olly

Oliver Moore
Principal Environmental Consultant

ERM
Level 15 | 309 Kent Street | Sydney NSW 2000
E Oliver.Moore@erm.com | W www.erm.com



Check out ERM's 2016 Sustainability Report: [Sustainability Report](#)

ERM has over 100 offices
across the following
countries worldwide

Australia	Netherlands
Argentina	New Zealand
Belgium	Peru
Brazil	Poland
China	Portugal
France	Puerto Rico
Germany	Singapore
Hong Kong	Spain
Hungary	Sri Lanka
India	Sweden
Indonesia	Taiwan
Ireland	Thailand
Italy	UK
Japan	USA
Korea	Venezuela
Malaysia	Vietnam
Mexico	

Environmental Resources Management

Suite 3/ 146-148 Gordon Street
Port Macquarie
NSW 2444

T: +61 2 6584 7155
F: +61 2 6584 7160
www.erm.com



ENCLOSURE 2
SUMMARY OF INDEPENDENT ENVIRONMENTAL AUDIT RECOMMENDATIONS

Summary of Independent Environmental Audit Recommendations and MACH Energy Responses

Item No.	Recommendation	MACH Energy Response	Forecast Completion
Development Consent DA 92/97			
3.20	Air Quality Criteria Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue.	MACH Energy has applied to vary EPL 20850 to utilise monitoring gauge A-PF2 in place of the EPA Muswellbrook monitor. The Air Quality and Greenhouse Gas Management Plan has been updated (and approved by the Department of Planning and Environment) to move monitoring gauge A-PF2 closer to the EPA Muswellbrook monitor.	30 June 2018
3.26	Water Discharges All future incidents are to be reported to regulatory agencies within required timeframes.	MACH Energy will ensure that all future incidents are reported to regulatory agencies within required timeframes.	Ongoing
3.28	Water Management Plan Regularly updated Progressive Erosion and Sediment Control Plans are recommended for Rail Loop area as observation of controls in the area, and discussion with Environmental Superintendent are indicative of improvements that could be made in the area. Clean and dirty catchment confluence points should be a high priority for development of management strategy. An audit of sediment basins by a soil conservationist is believed to have been undertaken; recommendations for improvement should be implemented as soon as practicable. Basin markers (and marking of sediment storage zone) to be installed as soon as is practicable. Upon implementation, photographs of these points can assist in demonstrating compliance with discharge criteria.	As construction/improvement of the Rail Loop progresses, MACH Energy will prepare progressive erosion and sediment control plans to achieve <i>Managing Urban Stormwater - Soils and Construction</i> Landcom (2004) standards. Clean and dirty water confluence points will continue to be a high priority for the control plans and construction. Sediment basin audits are undertaken progressively on-site at least quarterly and triggered by the commencement of new areas of construction and rainfall events. Four sediment basin audits have been undertaken to date and the recommendations from these audits are being implemented progressively. Basin markers and marking of the sediment storage zones has been installed in completed construction areas. Basin markers and marking of the sediment storage zone areas in the Rail Loop has not yet been completed as construction has not been completed in this area. Following completion of the Rail Loop area, basin markers and sediment storage markings will be installed as soon as practicable.	Ongoing
3.32	Biodiversity Management Plan Update Rehabilitation Strategy, Landscape Management Plan, Biodiversity and Rehabilitation Management Plan in line with stated requirements.	MACH Energy currently operates under approved versions of the Landscape Management Plan, Biodiversity Management Plan and Mining Operations Plan (MOP) (incorporating a Rehabilitation Management Plan). Notwithstanding, MACH Energy will develop revised versions of the Landscape Management Plan and Biodiversity Management Plan for submission to the Department. In addition, an update of the MOP is planned to occur in 2018.	30 September 2018
3.47	Landscape Management Plan Landscape Management Plan to be update [sic] 2018.	MACH Energy is currently updating the Landscape Management Plan and anticipates submission to the Department for approval in 2018.	30 June 2018

Summary of Independent Environmental Audit Recommendations and MACH Energy Responses (Continued)

Item No.	Recommendation	MACH Energy Response	Forecast Completion
3.48	Bushfire Management Plan Ensure Bushfire Management Plan details sites ability to respond to fires on site.	MACH Energy is currently in the process of preparing the Bushfire Management Plan and will ensure the updated Bushfire Management Plan details provisions to respond to fires on-site. MACH Energy anticipates completion of the Bushfire Management Plan and internal circulation of the plan to be completed by June 30 2018.	30 June 2018
5.3	Annual Review Mount Pleasant Project Annual Environmental Review 2015 dated 24/02/2016 was reviewed. The reviewed document generally conformed to the relevant requirements; however, it did not describe the development that is proposed to be carried out over the next calendar year. It is recommended that every annual review provides an overview of the development proposed to be carried out over the next calendar year.	This recommendation was made in relation to the 2015 Annual Review, prior to acquisition of the project by MACH Energy. The Independent Environmental Audit found the 2016 Annual Review to be compliant. Future Annual Reviews will also comply with the <i>Annual Review Guideline</i> (NSW Government, 2015). This includes outlining a summary of forecast operations for the next reporting period.	Ongoing
5.4	Revision of Strategies, Plans and Programs Communicate review of plans following incidents and audits.	The Audit found that MACH Energy was compliant with this condition. MACH Energy will continue to communicate review of plans following incidents and audits.	Ongoing
SOC	Air Quality Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue.	See response to item 3.20.	30 June 2018
Environment Protection Licence 20850			
O3.8	O3 Dust Alteration of the EPL to utilise A-PF2 instead of the EPA Muswellbrook monitor would address the potential site shutdown issue.	See response to item 3.20.	30 June 2018
Water Access Licences			
MW2338-00001	Water Access Licences Log book/tracking sheet was provided as evidence following the audit. This is to be kept for five years from the date of the last take, to comply with this position.	The Audit found MACH Energy was compliant with this condition. MACH Energy will continue to track water taken from the Water Access Licences it holds.	Ongoing
MW2337-00001	Water Access Licences The tracking sheet tracks the cumulative total so that volumes taken will not exceed the cumulative total allowed by all licences/orders. To strictly meet the conditions of the approval the tracking sheet is to be updated to state address requirements that are currently missing (i.e. approval number under which water is taken, volume against individual licences).	MACH Energy will update the tracking sheet/log book to address the audit recommendation. Water extraction will be tracked from each individual WAL, as well as cumulatively. This will take effect from the new water year.	1 July 2018