INSTRUMENT OF RENEWAL

CONSOLIDATED COAL LEASE 728 (Act 1973)

HOLDER: SOUTHLAND COAL PTY LTD
A.B.N. 39 000 077 225

DATE OF LEASE: 10 October 1989  EXPIRY DATE OF LEASE: 30 December 2002

PERIOD OF RENEWAL UNTIL: 30 December 2023

AREA: approximately 3251 Hectares

DEPTH RESTRICTION: Various as shown on Plan Catalogue No. D6145

SURFACE EXCEPTION: Various as shown on Plan Catalogue No. D6145

ROYALTY PAYABLE at the rates which, from time to time, may be prescribed.

MINERALS: COAL

AMENDMENTS TO THE CONDITIONS OF THE LEASE:
(a) All conditions contained in the lease prior to the renewal have been deleted.
(b) The lease is now subject to the attached Conditions of Authority - 1999 (COAL) MINING LEASES numbered:-

1 to 3 inclusive, 9, 13 to 25 inclusive, 27, 29 to 33 inclusive, 41,
43 to 51 inclusive, 54 to 55 inclusive. 56 and 57 are special conditions. Annexure A-1 and
Annexure A-2 are consequential on the Pelton/Ellalong lease transfer dated

We, Southland Coal Pty Ltd hereby accept the renewal of this lease and agree to be
bound by the conditions specified.

SOUTHLAND COAL PTY LTD
Date

WITNESS

Renewed this 16th day of September 2003

Director-General

KERRY HICKBY

MINISTER FOR MINERAL RESOURCES
INSTRUMENT OF VARIATION

I, as delegate of the Minister for Resources for the State of New South Wales, under delegation dated 1 May 2017, and pursuant to Clause 12 of Schedule 1B of the Mining Act 1992, vary CCL 728 (1973) as follows:

Condition 44 is omitted from the conditions of CCL 728 (1973).

This variation is effective from 8 October 2018.

SIGNED

[Signature]

As delegate for the Minister for Resources

David Humphris
Acting Director Titles Assessment | Resource Operations
Dated: 10 September 2018
SCHEDULE OF
CONDITIONS OF AUTHORITY (COAL) (1999)

EXTRACTION OF COAL

1 The lease holder shall extract as large a percentage of the coal in the subject area as is practicable consistent with the provisions of the Coal Mines Regulations Act 1982 and the Regulations thereunder and shall comply with any direction given or which may be given in this regard by the Minister.

MINING, REHABILITATION, ENVIRONMENTAL MANAGEMENT PROCESS (MREMP)

MINING OPERATIONS PLAN (MOP)

2 (1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for:-

(a) ongoing mining operations and environmental management; and

(b) ongoing monitoring of the project.

(2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgment.

(3) A Plan must be lodged with the Director-General:-

(a) prior to the commencement of operations;

(b) subsequently as appropriate prior to the expiry of any current Plan; and

(c) in accordance with any direction issued by the Director-General.

(4) The Plan must present a schedule of proposed mine development for a period of up to seven (7) years and contain diagrams and documentation which identify:-

(a) area(s) proposed to be disturbed under the Plan;

(b) mining and rehabilitation method(s) to be used and their sequence;

(c) areas to be used for disposal of tailings/waste;

(d) existing and proposed surface infrastructure;

(e) progressive rehabilitation schedules;

(f) areas of particular environmental sensitivity;

(g) water management systems (including erosion and sediment controls);

(h) proposed resource recovery; and
(i) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation

(5) The Plan when lodged will be reviewed by the Department of Mineral Resources.

(6) The Director-General may within two (2) months of the lodgement of a Plan, require modification and relodgement.

(7) If a requirement in accordance with clause (6) is not issued within two months of the lodgement of a Plan, lease holder may proceed with implementation of the Plan submitted subject to the lodgement of the required security deposit within the specified time.

(8) During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlined in clauses (5) - (7) above.

ANNUAL ENVIRONMENTAL MANAGEMENT REPORT (AEMR)

3 (1) Within 12 months of the commencement of mining operations and thereafter annually or, at such other times as may be allowed by the Director-General, the lease holder must lodge an Annual Environmental Management Report (AEMR) with the Director-General.

(2) The AEMR must be prepared in accordance with the Director-General's guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuing twelve months in terms of:-

(a) the accepted Mining Operations Plan;

(b) development consent requirements and conditions;

(c) Environment Protection Authority and Department of Land and Water Conservation licences and approvals;

(d) any other statutory environmental requirements;

(e) details of any variations to environmental approvals applicable to the lease area and

(f) where relevant, progress towards final rehabilitation objectives.

(3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.

(4) The lease holder shall, as and when directed by the Minister, co-operate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies.
9 The lease holder shall not work or cause to be worked any seam of coal within the subject area without leaving, if the Minister, so directs, a barrier of such width or a protective pillar or pillars of such size or sizes against any surface improvements of any feature whether natural or artificial.

13 The lease holder shall not prospect or mine for coal within the area(s) shown on the plan annexed hereto and marked “B” insofar as such area(s) relate(s) to the surface and land below the surface to the depth(s) specified on that plan, other than the mining of coal for the purpose of a shaft in the green coloured area and for the purposes of a shaft and drift in the areas shown by yellow, red and blue colours.

SHAFTS, DRIFTS, ADITS

14 Operations shall be conducted in such a manner as not to cause any danger to persons or stock and the lease holder shall provide and maintain adequate protection to the satisfaction of the Minister around each shaft or excavation opened up or used by the lease holder.

DUMPS

15 The lease holder shall comply with any direction, given or which may be given by the Inspector regarding the dumping, depositing or removal of material extracted as well as the stabilisation and revegetation of any dumps of coal, minerals, mine residues, tailings or overburden situated on the subject area or the associated colliery holding.

16 The lease holder shall comply with any direction given or which may be given by the Minister regarding the spraying of coal dumps on the subject area.

DUST

17 The lease holder shall take such precautions as are necessary to abate any dust nuisance.

MANAGEMENT AND REHABILITATION OF LANDS (GENERAL)

18 The lease holder shall not interfere in any way with any fences on or adjacent to the subject area unless with the prior written approval of the owner thereof or the Minister and subject to such conditions as the Minister may stipulate.

19 The lease holder shall observe any instruction given or which may be given by the Minister with a view to minimising or preventing public inconvenience or damage to public or private property.

20 If required to do so by the Minister and within such time as may be stipulated by the Minister the lease holder shall carry out to the satisfaction of the Minister surveys of structures, buildings and pipelines on adjacent landholdings to determine the effect of operations on any such structures, buildings and pipelines.

21 If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister any lands within the subject area which may have been disturbed by the lease holder.
22 Upon completion of operations on the surface of the subject area or upon the expiry or sooner determination of this authority or any renewal thereof, the lease holder shall remove from such surface such buildings, machinery, plant, equipment, constructions and works as may be directed by the Minister and such surface shall be rehabilitated and left in a clean, tidy and safe condition to the satisfaction of the Minister.

23 If so directed by the Minister the lease holder shall rehabilitate to the satisfaction of the Minister and within such time as may be allowed by the Minister any lands within the subject area which may have been disturbed by mining or prospecting operations whether such operations were or were not carried out by the lease holder.

24 The lease holder shall take all precautions against causing outbreak of fire on the subject area.

25 The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to prevent contamination, pollution, erosion or siltation of any river, stream, creek, tributary, lake, dam, reservoir, watercourse or catchment area or any undue interference to fish or their environment and shall observe any instruction given or which may be given by the Minister with a view to preventing or minimising the contamination, pollution, erosion or siltation of any river, stream, creek, tributary, lake, dam, reservoir, watercourse or catchment area or any undue interference to fish or their environment.

TREES (PLANTING AND PROTECTION OF) FLORA AND FAUNA AND ARBOREAL SCREENS

27 If so directed by the Minister, the lease holder shall ensure that operations are carried out in such manner so as to minimise disturbance to flora and fauna within the subject area.

29 The lease holder shall maintain an arboreal screen to the satisfaction of the Minister within such parts of the subject area as may be specified by the Minister and shall plant such trees or shrubs as may be required by the Minister to preserve the arboreal screen in a condition satisfactory to the Minister.

SOIL EROSION

30 The lease holder shall conduct operations in such a manner as not to cause or aggravate soil erosion and the lease holder shall observe and perform any instructions given or which may be given by the Minister with a view to minimising or preventing soil erosion.

ROADS

31 The lease holder shall pay to Cessnock City Council, Department of Land and Water Conservation or the Chief Executive, Roads and Traffic Authority the cost incurred by such Council or Department or Chief Executive of making good any damage caused by operations carried on by or under the authority of the lease holder to any road adjoining or traversing the surface or the excepted surface, as the case may be of the subject area.
PROVIDED HOWEVER that the amount to be paid by the lease holder as aforesaid shall be reduced by such sum of money if any as may be paid to the said Council the Department of Land and Water Conservation or the Chief Executive, Roads and Traffic Authority as the case may be from the Mine Subsidence Compensation Fund constituted under the Mine Subsidence Compensation Act, 1961, in settlement of a claim for compensation for the same damage.

32 In the event of operations being conducted on the surface of any road, track or firetrail traversing the subject area or in the event of such operations causing damage to or interference with any such road, track or firetrail the lease holder, at his own expense, shall if directed to do so by the Minister provide to the satisfaction of the Minister an alternate road, track or firetrail in a position as required by the Minister and shall allow free and uninterrupted access along such alternate road, track or firetrail and, if required to do so by the Minister, the lease holder shall upon completion of operations rehabilitate the surface of the original road, track or firetrail to a condition satisfactory to the Minister.

CATCHMENT AREAS

33 (a) Operations shall be carried out in such a way as not to cause any pollution of the Hunter Catchment Area.

(b) If the lease holder is using or about to use any process which in the opinion of the Minister is likely to cause contamination of the waters of the said Catchment Area the lease holder shall refrain from using or cease using as the case may require such process within twenty four (24) hours of the receipt by the lease holder of a notice in writing under the hand of the Minister requiring the lease holder to do so.

(c) The lease holder shall comply with any regulations now in force or hereafter to be in force for the protection from pollution of the said Catchment Area.

TRANSMISSION LINES, COMMUNICATION LINES AND PIPELINES

41 The lease holder shall as far as is practicable so conduct operations as not to interfere with or impair the stability or efficiency of any transmission line, communication line or pipeline traversing the surface or the excepted surface of the subject area and shall comply with any direction given or which may be given by the Minister in this regard.

ABORIGINAL PLACE OR RELIC

43 The lease holder shall not knowingly destroy, deface or damage any Aboriginal object or Aboriginal place within the subject area except in accordance with an authority issued under the National Parks and Wildlife Act, 1974, and shall take every precaution in drilling, excavating or disturbing the land against any such destruction, defacement or damage.

LABOUR/EXPENDITURE

44 The lease holder shall during each year of the term of the authority:

(a) ensure that at least 131 workers are efficiently employed on the subject area; or
(b) expend on operations carried out in the course of prospecting or mining the subject area, an amount of not less than $2,292,500.00.
The Minister may, at any time after a period of two (2) years from the date on which this authority has effect or from the date on which the renewal of this authority has effect, increase or decrease the amount of expenditure or labour required.

ADDITIONAL INFORMATION

45 The lease holder shall if directed by the Minister and within such time as the Minister may stipulate furnish to the Minister:

(a) information regarding the ownership of the land within the subject area;

(b) information regarding the ownership of the coal within the subject area prior to 1st January, 1982;

(c) an indemnity in a form approved by the Minister indemnifying the Crown and the Minister against any wrong payment effected as a result of incorrect information furnished by the lease holder;

(d) information regarding the financial viability of the lease holder and operations within and associated with the subject area; and

(e) information regarding shareholdings in the lease holder.

SERVICE OF NOTICES

46 Within a period of three (3) months from the date of this authority or a period of three (3) months from the date of service of the notice of renewal, or within such further time as the Director General may allow, the lease holder shall serve on each landholder within the subject area a notice in writing indicating that this authority has been granted or renewed and whether the authority includes the surface. The notice shall be accompanied by an adequate plan and description of the subject area.

If there are ten (10) or more landholders affected the lease holder may serve the notice by publication in a newspaper circulating in the region where the subject area is situated. The notice shall indicate that this authority has been granted or renewed, state whether the authority includes the surface and shall contain an adequate plan and description of the subject area.

INSPECTORS

47 (a) Where an Inspector under the Mining Act 1992 is of the opinion that any condition of this authority relating to operations within the subject area, or any provision of the Mining Act, 1992, relating to operations within the subject area, are not being complied with by the lease holder, the Inspector may serve on the lease holder a notice stating that and give particulars of the reason why, and may in such notice direct the lease holder:

(i) to cease operations within the subject area in contravention of that condition or Act; and
(ii) to carry out within the specified time works necessary to rectify or remedy the situation.

(b) The lease holder shall comply with the directions contained in any notice served pursuant to sub paragraph (a) of this condition. The Director General may confirm, vary or revoke any such direction.

(c) A notice referred to in his condition may be served on the Colliery Manager.

INDEMNITIES

48 The lease holder shall indemnify and keep indemnified the Crown from and against all actions suits and claims and demands of whatsoever nature and all costs charges and expense which may be brought against the lease holder or which the lease holder may incur respect of any accident or injury to any person or property which may arise out of the construction maintenance or working of any workings now existing or to be made by the lease holder within the boundaries of the subject area or in connection with any of the operations notwithstanding that all other conditions of this authority shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease which the lease holder may be licensed or compelled to do hereunder.

49 The lease holder shall save harmless the Crown from payment of compensation and from and against all claims, actions, suits or demands whatsoever in the event of any damage resulting from mining operations under or near the subject area.

PROSPECTING (GENERAL)

50 (a) Where the lease holder desires to commence prospecting operations in the subject area the lease holder shall notify the Director General in writing and shall comply with such additional conditions as the Minister may impose including any condition requiring the lodgement of an additional bond or other form of security for rehabilitation of the area affected by such operations.

(b) Where the lease holder notifies the Director General pursuant to sub paragraph (a) of this condition the lease holder shall furnish with that notification details of the type of prospecting methods that would be adopted and the extent and location of the area that would be affected by them.
SECURITY

51  (a)  The joint security of $5,760,000.00 required to be lodged with the Minister by the
Lease holder for the purpose of ensuring the fulfilment by the leaseholder of its
obligations under DSL 89 (Act 1901), MPL 217 (Act 1906), MPL 23 (Act 1906),
MPL 233 (Act 1906), MPL 269 (Act 1906), MPL 1364 (Act 1906), MPL 204 (Act
1906), MPL 324 (Act 1973), CCL 752 (Act 1973), ML 1157 (C&S Act 1906), ML
1283 (C&S Act 1906), ML 1345 (Act 1992), ML 1347 (Act 1992), ML 1388 (Act
1992), CML 2 (Act 1992), and PLL 150 (Act 1906) includes the obligations of this
lease. In the event that the lease holder fails to fulfill any of the lease holder’s
obligations under these authorities the said sum may be applied at the discretion
of the Minister towards the cost of fulfilling such obligations. For the purposes of
the clause a lease holder shall be deemed to have failed to fulfill the lease
holder’s obligations under these authorities, if the lease holder fails to comply with
any condition or provision of these authorities, any provision of the Act or
regulations made thereunder or any condition or direction imposed or given
pursuant to a condition or provision of these authorities or of any provision of the
Act or regulations made thereunder.

(b)  The lease holder must provide the security required by sub-clause (a) hereof in
one of the following forms:-

(i)  cash, or

(ii) a security certificate in such form and given by such surety as may from
time to time be approved by the Minister.

(c)  The Minister may at any time, vary the amount of security required in accordance
with this condition.

ROYALTY AT ADDITIONAL RATE

54  The lease holder shall during the term of this authority pay to the Minister royalty at the
additional rate as prescribed by the Regulations for coal recovered by open cut mining
methods from the area.

PRIOR BARRIER & MINING APPROVALS

55.  Any approval or consent previously given by the Minister to the effect that the lease
holder may mine for, work, win or remove coal from any part of the subject area,
including any approval or consent given pursuant to any barrier condition contained in
leases consolidated into this lease, shall be deemed to be a consent given subject to the
same conditions of that approval or consent under this lease.
### DETAILS OF LANDS, PURPOSES AND ADDITIONAL CONDITIONS

56. The lease holder shall be limited to the following operations and conditions within the specified areas described on the plan annexed hereto and marked "B".

<table>
<thead>
<tr>
<th>COLUMN 1</th>
<th>COLUMN 2</th>
<th>COLUMN 3</th>
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<tbody>
<tr>
<td>Lands shown by green colour on the plan annexed hereto and marked &quot;B&quot;.</td>
<td>1. Construction, maintenance or use (in or in connection with mining operations) of: any building, road, ventilation shaft, telephone line, cable or pipeline.&lt;br&gt;2. The storage of fuel, machinery, timber or equipment for use in or in connection with mining operations.&lt;br&gt;3. The generation and transmission of electricity for use in or in connection with mining operations.</td>
<td>Condition No.57 of this Schedule.</td>
</tr>
<tr>
<td>Lands shown by yellow, red and blue colours on the plan annexed hereto and marked &quot;B&quot;.</td>
<td>1. Construction, maintenance or use (in or in connection with mining operations) of: any conveyor, road, ventilation shaft, telephone line, cable or pipeline, drift (as mentioned under the noun &quot;mine&quot; in the dictionary of the Mining Act 1992);&lt;br&gt;2. The storage of fuel, machinery, timber or equipment for use in or in connection with mining operations.&lt;br&gt;3. The generation and transmission of electricity for use in or in connection with mining operations.</td>
<td>NIL</td>
</tr>
</tbody>
</table>
57. In regard to Condition No. 56 and the plan annexed hereto and marked “B”, the lease holder:

a) shall not obstruct, divert or dam any watercourse or natural surface water drainage feature on the subject lands, unless by licence from the Department of Land and Water Conservation to construct a dam,

b) shall not erect or operate on the subject lands any building or machinery for the beneficiation of coal, unless with the consent of the Minister first had and obtained and subject to such conditions as he may impose,

c) shall not erect on the subject lands any plant for the purpose of generating electricity, unless with the consent of the Minister first had and obtained and subject to such conditions as he may impose,

d) shall not use any shaft on the subject lands for the purpose of transporting or bringing coal to the surface, unless with the consent of the Minister first had and obtained and subject to such conditions as he may impose.
PELTON/ELLALONG LEASE TRANSFER
SPECIAL CONDITIONS

ANNEXURE A-1

1 a) The leaseholder shall proceed with rehabilitation works at the Pelton Site (Coal Preparation Plant and Open Cut Mining Areas) and Aberdare Extended Site (Coal Washery Rejects Emplacement) in general accordance with those works documented in:

ELLALONG/PELTON COLLIERY
REHABILITATION PLAN
SOUTHLAND COAL
JUNE 1998

b) Rehabilitation works documented in 1(a) above are to be varied in accordance with the variations specified in Annexure A-2.

c) Rehabilitation works as documented in 1(a) above and as may be varied in 1(b) above are to be integrated and documented in the Mining Operations Plan referred to in 2 under.

MINING, REHABILITATION, ENVIRONMENTAL MANAGEMENT PROCESS (MREMP)

Mining Operations Plan (MOP)

2. (1) Mining operations, including mining purposes, must be conducted in accordance with a Mining Operations Plan (the Plan) satisfactory to the Director-General. The Plan together with environmental conditions of development consent and other approvals will form the basis for-

   a) ongoing mining operations and environmental management; and
   b) ongoing monitoring of the project.

(2) The Plan must be prepared in accordance with the Director-General's guidelines current at the time of lodgement.

(3) A plan must be lodged with the Director-General:

   a) within 60 days of the date of lease transfer
   b) subsequently as appropriate prior to the expiry of any current Plan; and
   c) in accordance with any direction issued by the Director-General
(4) The Plan must present a schedule of proposed mine development for a period of three (3) years contain diagrams and documentation which identify:

a) area(s) proposed to be disturbed under the Plan;
b) mining and rehabilitation method(s) to be used and their sequence;
c) areas to be used for disposal of tailings/waste;
d) existing and proposed surface infrastructure;
e) progressive rehabilitation schedules;
f) areas of particular environmental sensitivity;
g) water management systems (including erosion and sediment controls);
h) proposed resource recovery; and
i) where the mine will cease extraction during the term of the Plan, a closure plan including final rehabilitation objectives/methods and post mining landuse/vegetation.

(5) The Plan when lodged will be reviewed by the Department of Mineral Resources.

(6) The Director-General may within (2) months of the lodgement or a Plan, require modification and relodgement.

(7) If a requirement in accordance with clause (6) is not issued within two months of the lodgement or a Plan, leaseholder may proceed with implementation of the Plan submitted.

(8) During the life of the Mining Operations Plan, proposed modifications to the Plan must be lodged with the Director-General and will be subject to the review process outlines in (5) - (7) above.

3. ANNUAL ENVIRONMENTAL MANAGEMENT REPORT (AEMR)

(1) Within 12 months of the date of lease transfer and thereafter annually or, at such other times as maybe allowed by the Director-General, the leaseholder must lodge an Annual Environmental Management Report (AEMR) with the Director-General, the EPAs Director (Northern Region) and the Cessnock City Council; General Manager.

(2) The AEMR must be prepared in accordance with the Director-General’s guidelines current at the time of reporting and contain a review and forecast of performance for the preceding and ensuring twelve months in terms of:

   a) the accepted Mining Operations Plan;
   b) developments consent requirements and conditions;
   c) Environment Protection Authority and Department of Land and Water Conservation licences and approvals;
   d) any other statutory environmental requirements;
   e) details of any variations to environmental approvals applicable to the lease area and
   f) where relevant progress towards final rehabilitation objectives.
(3) After considering an AEMR the Director-General may, by notice in writing, direct the lease holder to undertake operations, remedial actions or supplementary studies in the manner and within the period specified in the notice to ensure that operations on the lease area are conducted in accordance with sound mining and environmental practice.

(4) The leaseholder shall, as and when directed by the Minister, cooperate with the Director-General to conduct and facilitate review of the AEMR involving other government agencies.

4 ENVIRONMENTAL OFFICER

A senior officer employed on site is to be nominated as the responsible and accountable person for all environmental and rehabilitation operating requirements pursuant to the lease. This officer is to have access to appropriately qualified environmental consultants, as required.

5 WATER MANAGEMENT

(1) Immediate upon the transfer of the lease, the leaseholder shall conduct an assessment of environmental risk of the water management system(s) for the operating mine, coal washing plant and coal washery reject emplacement.

(2) Within 30 days of the date of lease transfer the leaseholder shall prepare and lodge with the Department of Mineral Resources a Water Management Plan which is to address:

a) Risk assessment (in 5 (1) above),
b) Storage levels (at the time of reporting) and capacities, pumps, alarm settings and flow fines for contaminated waters,
c) Stability of clean water diversion structures,
d) Environmental monitoring of waters,
e) Management responsibilities and inspections procedures,
f) Operator training in emergency response.

6 REHABILITATION WORKS SCHEDULE

(1) The leaseholder shall prepare a rehabilitation schedule that lists all tasks required to be completed in the first 3 years after lease transfer, pursuant to Condition 1 above. The leaseholder shall let 80 per cent of the contracts necessary to complete this schedule within 6 months of registration of lease transfer, as provided in an Agreement made between the leaseholder and the Minister within twenty eight (28) days of the registration of the transfer of this lease.

(2) Progress of rehabilitation works as documented in the AEMR (3 (3) above) will be reviewed by the Department of Mineral Resources according to the agreed MOP sequence and completion criteria (2 (4) above). Should rehabilitation progress be deficient the Minister may, by written notice to the leaseholder, increase the Security Deposit, pursuant to the lease, each year up to $2,000,000 by the end of the third year of the MOP.
PELTON/ELLALONG LEASE TRANSFER
SPECIAL CONDITIONS

ANNEXURE A-2

1. Within 6 months of registration of lease transfer, contracts of work for the sealing of the West Shaft and West Drift mine entries shall be substantially let, unless it can be demonstrated to the Director-General that they are required for water disposal or ventilation purposes. If such demonstration is accepted, the Director-General will issue extensions of time as appropriate, to this condition. The work, when done, is to be completed and maintained to final criteria satisfactory to the Department of Mineral Resources.

2. The tailings ponds areas (1a, 1b, 1c) are to be cleaned out and kept for emergency use only until final rehabilitation is carried out according to final completion criteria satisfactory to the Department of Mineral Resources. The areas are not to be used to store acid water or acid forming materials except in the case of such emergency. In such event the water/material shall be treated as rapidly as is practical within sound treatment plant and minesite operational practice and the area dewatered.

3. The precipitate dam (area 9d) is to be mucked out and desilted. The desilted material is to be disposed of within open cut void areas.

4. All pollution control dams (areas 9a, 9b 9g and 91) are to be desilted and stabilised to maintain storage capacity.

5. The Aberdare Extended area (6ha) is to be rehabilitated with capping material and maintained, with work to be carried out as scheduled (or earlier) in the Rehabilitation Plan. Earthworks are to commence by the end of the first quarter 1999 and are to be completed by 1 July 2000.

6. Within 6 months of registration of lease transfer, contracts of work for rehabilitation of the South East rejects area (north of the Eastern Open Cut and adjacent to the railway) shall be substantially let, unless it can be demonstrated to the Director-General that the area is required to be used as a facility for storage of special product sized coal. If such demonstration is accepted, the Director-General will issue extensions of time as appropriate, to this condition. The work, when done, is to be completed and maintained to final criteria satisfactory to the Department of Mineral Resources.