Reference: V17/3145

Austar Coal Mine
c/ Mr Mick Campbell
Assistant Mine Surveyor
Locked Bag 806
CESSNOCK NSW  2325

Email: mick.campbell@yancoal.com.au

Dear Sir

MINING PURPOSES LEASE 217 (ACT 1906)

In accordance with the provisions of Section 114(1) (a) of the Mining Act 1992, the Minister renewed the lease subject to the terms and conditions set out in the attached Instrument of Renewal document.

The renewal was determined on 5 December 2017.

Please note prior to any mining activities being undertaken on the lease, a current Mining Operations Plan must be approved by the Secretary. The holder of the lease may also be required to hold a current development consent/project approval before commencing activities in accordance with the Environmental Planning & Assessment Act 1979.

An overview of the environmental assessment and approval requirements for mining, in addition to guidelines regarding the preparation of a Mining Operations Plan are available from the Environment section of the Department’s website: www.resourcesandenergy.nsw.gov.au.

In regard to Condition 9 (Cooperation Agreement) -- the MinView system located on the Department’s website (www.resourcesandenergy.nsw.gov.au) will be of assistance in determining the presence of overlapping petroleum titles.

For further information, please contact Titles Services on 02 4931 6500.

Yours faithfully

Julia Crowe
for Secretary
16 February 2018
RENEWAL OF MINING PURPOSES LEASE 217 (ACT 1906)  
HELD BY AUSTAR COAL MINE PTY LIMITED ACN 111 910 822

Section 114 of the *Mining Act 1992*

The Hon Don Harwin MLC, Minister for Resources has on 5 December 2017, pursuant to section 114 of the *Mining Act 1992*, renewed Mining Purposes Lease 217 (Act 1906) subject to the following:

1. The renewed Lease is as described in Schedule 1 of this document.

2. The Lease conditions are amended upon renewal and are set out in Schedule 2 of this document.

3. For the avoidance of doubt, Schedules 1 and 2 of the Lease are amended by deleting the details set out in those Schedules prior to the date of this renewal, and inserting the details set out in Schedules 1 and 2 of this document.

The conditions set out in Schedule 2 are imposed pursuant to provisions of the *Mining Act 1992* and are required to:
- ensure optimal resource recovery;
- prevent, minimise, and/or offset adverse environmental impacts;
- provide for the ongoing environmental management of the project; and
- ensure the areas disturbed by mineral production and exploration activities are appropriately rehabilitated.

The rights and duties of a Lease Holder are those prescribed by the *Mining Act 1992* and the *Mining Regulation 2016*, subject to the terms and conditions of this Lease. This lease does not override any obligation on the Lease Holder to comply with the requirements of other legislation and regulatory instruments which may apply to the Lease Holder (including all relevant development approvals), unless specifically provided in the *Mining Act 1992* or other legislation or regulatory instruments.

Signed this 2\textsuperscript{nd} day of February 2018

Kevin Ruming  
Director Strategic Resource Assessment & Advice  
As delegate for the Minister for Resources  
Delegation dated: 1 May 2017
SCHEDULE 1

Description of Lease

**Land:** The lease area embraces all land described in the attached lease plan titled *M15900* approved on 07 December 1915 and attached lease plan titled *M15901* approved on 07 December 1915.

**Area:** 6298 square metres

**Surface Exception:** Nil

**Depth Restriction:** 15.24 metres

**Ancillary Mining Activities:** The construction, maintenance or use (in or in connection with mining operations) of any road, railway, tramway, bridge or jetty.

**Term ending:** 3 February 2039
INSTRUMENT OF VARIATION

I, David Blackmore, Acting Executive Director Resource Operations, 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 MPL 217 (1906) as follows:

Conditions 4 and 5 are varied by deleting the existing conditions and inserting instead the conditions set out below:

4. Non-Compliance Reporting

(a) The lease holder must notify the Department upon becoming aware of any breaches of the conditions of this mining lease or breaches of the Mining Act or Regulations;

(b) Notifications under condition 4(a) must be provided in the form specified on the Department's website within seven (7) days of the mining lease holder becoming aware of the breach.

5. Environmental Incident Report

The lease holder must provide environmental incident notifications and reports to the Secretary no later than seven (7) days after those environmental incident notifications and reports are provided to the relevant authorities under the *Protection of the Environment Operations Act 1997*.

Definitions

*Environmental incident notifications and reports* means any notifications and reports required to be provided to relevant authorities under Part 5.7 or Part 5.7A of the *Protection of the Environment Operations Act 1997*.

This variation is effective from 22 June 2018.

SIGNED

[Signature]

As delegate for the Minister for Resources

David Blackmore
A/Executive Director Resource Operations
Dated 22 June 2018
**Plan of Portion ML 56**

**County of Northumberland**

**Parish of Cessenick**

Ref. No. of Papers:

Situated within: Gold Field

Do: H.R.M. Mining District

To mine for Mining Purposes

Within per '20' (see map)

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### Reference to Traverses

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### Reference to Corners

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**Scale: 4**

Approximate path shown (see map)

Assistance taken from A.E.

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Examination of Field Notes: 23/6 1915

Checked and Charted: 6. 11. 15

Calculation Book No. 26: Foliol 37

Voucher passed: J.L. Survey Fee £10.00

Do: £10.00 per cent. on Fee £12

Survey Fee lodged by assignee: £10.00

Examined: T. C. O.

Plan approved: T. C. O.

I hereby certify that I have personally and on the 23/6 1915 inspected the survey represented on this plan, on which are written the bearings and lengths of the lines measured by me, and I declare that the survey has been executed in accordance with the specifications published for the guidance of Licensed Surveyors, as adopted by the Department of Mines.

T. C. O.

Mining Surveyor

Transmitted to the Chief Mining Surveyor with my letter of the 21/10/1915

Letter No. 73
Schedule 2

MINING LEASE CONDITIONS 2013

Definitions

1. Notice to Landholders
2. Rehabilitation
4. Compliance Report
5. Environmental Incident Report
6. NOT USED
7. NOT USED
8. Security
9. Cooperation Agreement

Note: Exploration Reports (Geological and Geophysical)
Definitions:

Words used in this mining lease have the same meaning as defined in the *Mining Act 1992* except where otherwise defined below:

**Act** means the *Mining Act 1992*.

**Department** means the Division of Resources & Energy within the Department of Industry, Skills and Regional Development.

**Environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Harm to the environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Landholder** for the purposes of these conditions does not include a secondary landholder and includes, in the case of exempted areas, the controlling body for the exempted area.

**Material harm to the environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Minister** means the Minister administering the Act.

**Pollution incident** has the same meaning as in the *Protection of the Environment Operations Act 1997*. 
1. Notice to Landholders
   (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.
   
   (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.

2. Rehabilitation
   Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.

   (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.
   
   (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
      (v) reflects the conditions of approval under:
          • the Environmental Planning and Assessment Act 1979;
          • the Protection of the Environment Operations Act 1997; and
• any other approvals relevant to the development including the conditions of this mining lease.

(c) The MOP must be prepared in accordance with the *ESG3: Mining Operations Plan (MOP) Guidelines September 2013* published on the Department’s website at

(d) The lease holder may apply to the Minister to amend an approved MOP at any time.

(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 *Work Health and Safety (Mines and Petroleum Sites) Act 2013* and *Work Health and Safety (Mines and Petroleum Sites) Regulation 2014* 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.

(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


4. Compliance Report

(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.

(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.

(c) The Compliance Report must be lodged with the Department annually on the grant
anniversary date for the life of this mining lease.

(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.

(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.

(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.

5. Environmental Incident Report

(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.

forms/pgf/environmental-guidelines for notification contact details.

(b) 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:
(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.


(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 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.

6. Extraction Plan

NOT USED

7. Resource Recovery

NOT USED

8. Group Security

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.

The amount of the security deposit to be provided as a group security has been assessed by the Minister at $16,585,000.
The leases covered by the group security include:

**Dam Site Lease (Mining Purposes) 89 (Act 1901)**

**Mineral Lease 1157 (C&S Act 1906)**

**Mineral Lease 1283 (C&S Act 1906)**

**Mining Purposes Lease 23 (Act 1906)**

**Mining Purposes Lease 204 (Act 1906)**

**Mining Purposes Lease 217 (Act 1906)**

**Mining Purposes Lease 233 (Act 1906)**

**Mining Purposes Lease 269 (Act 1906)**

**Mining Purposes Lease 1364 (Act 1906)**

**Consolidated Coal Lease 728 (Act 1973)**

**Consolidated Coal Lease 752 (Act 1973)**

**Consolidated Mining Lease 2 (Act 1992)**

**Mining Lease 1345 (Act 1992)**

**Mining Lease 1388 (Act 1992)**

**Mining Lease 1550 (Act 1992)**

**Mining Lease 1661 (Act 1992)**

**Mining Lease 1666 (Act 1992)**

**Mining Lease 1677 (Act 1992)**

### 9. Cooperation Agreement

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:

- access arrangements
- operational interaction procedures
- dispute resolution
- information exchange
- well location
• timing of drilling
• potential resource extraction conflicts; and
• rehabilitation issues.

Exploration Reporting

Note: Exploration Reports (Geological and Geophysical)

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 59 of the Mining Regulation 2016.

Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales.
SPECIAL CONDITIONS

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.