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22 December 2020

Ms Ann Hagerthy  
Department of Planning, Industry and Environment - Compliance  
PO Box 3145  
SINGLETON NSW 2330

Dear Ann,

### **INDEPENDENT ENVIRONMENTAL AUDIT 2020**

Austar Coal Mine Pty Ltd (Austar) commissioned an Independent Environmental Audit of the Austar Mine Complex in accordance with Schedule 5, Condition 6 of DA 29/95 and Schedule 7, Condition 7 of Project Approval 08\_0111.

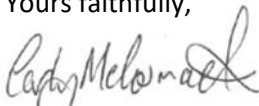
The Independent Environmental Audit for Austar was undertaken by SLR Consulting Australia Pty Ltd between October and December 2020. This site inspection was conducted from the 21 to 23 October 2020. Further information requests were completed following the site inspection and a close out meeting held on 26 November 2020. The audit report was finalised on 21 December 2020. The Independent Environmental Audit indicates Austar Coal operations have generally demonstrated a high degree of compliance with Development Consent DA29/95, Project Approval 08\_0111, Environment Protection Licence No. 416, and mining lease conditions.

In accordance with Schedule 5, Condition 7 of DA 29/95 and Schedule 7, Condition 8 of Project Approval 08\_0111, please find **enclosed** a copy of the Audit Report and Austar's responses to recommendations in the Audit Report (Attachment 1).

In accordance with Schedule 5, Condition 12 of DA29/95 and Schedule 7, Condition 9 of Project Approval 08\_0111, a copy of the Audit Report and the responses to recommendations in the Audit Report will be placed on the Austar Coal Mine website ([www.austarcoalmine.com.au](http://www.austarcoalmine.com.au)). A copy of the Audit Report will be forwarded to relevant agencies and Cessnock City Council as well as the Community Consultative Committee members. In accordance with Yancoal procedures, the audit report will not be distributed further until it has been accepted by the DPIE. Please let me know if this does not meet the departments requirements.

If you have any queries in relation to this matter, please do not hesitate to contact me on (02) 4993 7334.

Yours faithfully,



Carly McCormack  
Environment & Community Superintendent  
**Austar Coal Mine**

Encl: Attachment 1 - Austar Responses to 2020 Independent Environmental Audit Recommendations  
Independent Environmental Audit (SLR Consulting Australia Pty Ltd, 21 December 2020)

**TABLE 1 RECOMMENDATIONS AND RESPONSES**

Rec #.	Aspect	Recommendation	Austar Response
<b>Non-compliance recommendations</b>			
NC REC 1	Air quality monitoring	Update AQGHGMP to reflect the NEPM guidelines to reflect compliance requirements of minimum 75% data capture.	The Air Quality and Greenhouse Gas Management Plan will be updated to reflect NEPM guidelines.
NC REC 2	Rehabilitation and surface water management	Consider the status of rehabilitated areas within the Kitchener SIS area. If rehabilitation can be signed off as complete clean water runoff from the rehabilitated areas above the sediment dams may be diverted and the catchment reporting to the dams reduced. This may reduce overtopping during rainfall events.	Austar will investigate the diversion of runoff from vegetated areas of Kitchener SIS to reduce stormwater reporting to the sediment dams, and divert runoff away from the sedimentation dams if achievable and within budgets.
NC REC 3	Annual Review	Future Annual Reviews should present an assessment of long-term trends in data to assess the impacts over the life of the mine (eg. over a five-year period).	Long term data trends will be considered where possible and relevant in future Annual Reviews.
NC REC 4	Management Plans	Review and update all Management Plans following the IEA (or as agreed with DPIE) to reflect the transition to Care and Maintenance and any appropriate changes to environmental management measures. Consider including document control to state when MPs are reviewed and what triggered the review.	While the operation has transitioned to Care and Maintenance, all Management Plans have been fully complied with. Management plans will be revised and updated as required within four months of the submission of this audit as agreed with DPIE (Lauren Evans, pers comm. 17/12/2020) in accordance with the requirements of PA 08_0111 and DA 29/95 and will reflect the transition to care and maintenance.
NC REC 5	Groundwater reporting	In the Annual Reviews - comments regarding trends are generally limited to the 12-month reporting period only. Suggest longer term discussion is included future reviews. Include discussions around predictions as practicable, or include note in the Annual Reviews as to why this is not actioned.	Groundwater reporting will be compared to longer term results in future Annual Reviews.
NC REC 6	Exploration report submission	Update document management system of personnel accountable for the preparation of the reports so that reminders reflect the reporting requirement of 28 days rather than 30 days.	Personnel will be notified to amend corporate document management systems to reflect correct due date.
<b>Improvement Recommendations</b>			
Improvement REC 1	Surface water management	With regard to potential leakage from pipelines it is recommended that Austar carry out a risk assessment considering potential failure modes, and the adequacy of current arrangements.	Austar will <ul style="list-style-type: none"> <li>- review water management risk assessments and procedures, and</li> <li>- assess the need for further risk assessment or controls in relation to pipeline management.</li> </ul>
Improvement REC 2	Noise	Continue to negotiate with the EPA with regard to appropriate noise limits or goals for the site. It is recommended that consideration be given to setting noise goals for the site based on the noise levels achievable by the site with the implementation of reasonable and feasible noise mitigation measures.	Austar will continue to negotiate with EPA to suspend the Noise PRP while in care and maintenance, or agree on noise goals for the CHPP that would be achievable when production resumes, based on current PRP reports.

Rec #.	Aspect	Recommendation	Austar Response
Improvement REC 3	Noise	Negotiate with EPA regarding suspension of PRP during Care and Maintenance phase.	
Improvement REC 4	Groundwater reporting	Remove data from when a logger was pulled out, which is evident on the graphs with large 'reverse or downward' spikes from the lines.	Future groundwater reports will be reviewed and inaccurate data removed from graphs.
Improvement REC 5	Groundwater reporting	Add trigger criteria to groundwater graphs for easy identification of variance from background levels similar to that of the surface water hydrographs	During review of the SWMP, the addition of trigger values to all groundwater graphs will be considered. Triggers due to mining are unlikely in a stable care and maintenance operation. This recommendation would be more closely considered upon a return to production.
Improvement REC 6	Surface water management	With concurrence of EPA develop suitable TARPS for management of staining under the Water Management Plan.	Austar will continue to negotiate adequate outcomes with the EPA regarding the clean water drainage line PRP.
Improvement REC 7	Surface water management	Ensure remote pumps and equipment have appropriate spill management in place to prevent hydrocarbon spills to water ways. ie pump at orange stain clean water drain containment area.	Austar will conduct an audit of remote pumps and equipment to ensure adequate bunding or spill control is available.
Improvement REC 8	Hydrocarbon management	Ensure empty drums at the CHPP laydown area are stored in the bunded empty drum area	Noted.