

13 December 2023

Ms Heidi Watters
Team Leader – Northern
Department of Planning and Environment – Compliance
PO Box 3145
SINGLETON NSW 2330

Dear Heidi,

INDEPENDENT ENVIRONMENTAL AUDIT 2023

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 audit period is from 24 October 2020 to 1 November 2023. Austar has been in Care and Maintenance or Closure Planning phases for the duration of the audit, with minor decommissioning activities occurring throughout the period.

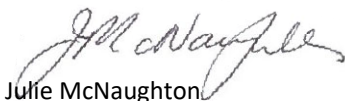
The Independent Environmental Audit for Austar was undertaken by RPS AAP Consulting (RPS), with the site inspection undertaken on 31st October and 1st November 2023. The audit team was led by Dianne Munro and included Jessica Robinson (Assistant Auditor), and specialists in the fields of Air Quality, Subsidence, Surface and Groundwater, Acoustics and Rehabilitation. The audit report was finalised on 11 December 2023. 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). 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 made available on the Austar website or distributed further until it has been accepted by DPE. 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 0417 076 012.

Yours faithfully,



Julie McNaughton
Environment & Community Senior Advisor
Austar Coal Mine

ATTACHMENT 1 – AUSTAR RESPONSES TO 2023 INDEPENDENT ENVIRONMENTAL AUDIT RECOMMENDATIONS

Ref	Audit Finding	Austar Response
Non-Compliances		
DA 29/95 Sch 3 Cond 5	<ul style="list-style-type: none"> • The 2022 – 2023 Annual Review reported an overflow at the Aberdare Extended Emplacement Area on 7 July 2022 due to heavy rainfall. • Results demonstrated that the event did not result in material harm. Written incident reports were sent to the EPA and DPE on 13 July 2022 with no further actions required. • No further actions are therefore required. 	<p>Noted. As detailed in the report to the DPE on 13 July 2022, the overflow at the Aberdare Extended Emplacement Area occurred in a period of very heavy rainfall. A Disaster Declaration which included the Cessnock Local Government Area was made by the NSW Government in response to the severe weather and flooding from 27 June 2022 onwards. On Tuesday 5 July 2022 following several days of heavy rainfall, the Cessnock local area began to flood, including the Black Creek catchment which receives water from the clean water diversion drain to the southeast of the Aberdare Extended Emplacement Area.</p> <p>The investigation of this incident identified the following contributing factors:</p> <ul style="list-style-type: none"> - Heavy rainfall within the emplacement area catchment - Clean water (from heavy rainfall) entering the emplacement area from the clean water diversion drain breaches. - Water in Black Creek flowing back towards and into the emplacement area. <p>The incident resulted in a number of actions, including the installation of vandal proof flood markers in Aberdare Extended Emplacement Area, and a slight increase in bund height along the clean water drain to the southeast of the Emplacement area.</p> <p>No further actions have been identified in relation to this non-compliance.</p>
PA 08_0111 Sch 4 Cond 4	<ul style="list-style-type: none"> • Monitoring for the July and August 2021 monitoring periods at gauge D9 was missed due to landowner denying access to property. • Austar worked in conjunction with DPE to resolve the issue. The gauge was relocated and the updated AQGHGMP was lodged. • No further action required. 	<p>Noted.</p> <p>This event resulted in establishing monitoring agreements with most landholders where land access is required to meet the requirements of Austar’s Environmental Monitoring Program.</p> <p>No further actions have been identified in relation to this non-compliance.</p>

Ref	Audit Finding	Austar Response
PA 08_0111 Sch 4 Cond 8	<ul style="list-style-type: none"> Annual Reviews stated there were five overflows of the Kitchener SIS dams during the audit period due to heavy rainfall. No overflow resulted in material harm. Adequate reporting to relevant regulators occurred with no further regulatory requests made. No further action required. 	<p>Noted. There was one overflow event in 2021 and four events in 2022. The ongoing overflow of sediment dams at Kitchener SIS due to greater than design rainfall received have not resulted in environmental harm to date. The site is predominantly stabilised with grass cover or gravel roads. Water will continue to be managed by dewatering these dams to the mine water system and keeping their levels low between rainfall events. If overflows occur (generally in accordance with the Blue Book) they will continue to be reported and water samples taken to ensure adequate background water quality results are gathered prior to reshaping and other closure activities.</p> <p>No further actions have been identified in relation to this non-compliance.</p>
PA 08_0111 Sch 4 Cond 9	<ul style="list-style-type: none"> No creek stability monitoring requirements for Black Creek are provided in the SWMP. However, stability monitoring for Black Creek commenced in 2023 to gather baseline data for rehabilitation. It is noted that groundwater monitoring bores AQD1073A and MB03A address water quality in Quorrobolong Creek. Mining has not progressed near Sandy Creek or Cony Creek. Recommend that Creek stability monitoring requirements for Black Creek are included in the next version of the SWMP. Updates to monitoring requirements for alluvial aquifers are included in the GWMP. 	<p>As mining has not occurred during this audit period, there will be no mining impacts upon Black Creek. The LWA7 - LWA10 Extraction Plan specifically states that:</p> <p><i>It should be noted that the Extraction Plan area does not extend to creeks or alluvial aquifers, therefore a Watercourse Management Plan is not included in the scope of this Extraction Plan. Subsequent Extraction Plans will include a Watercourse Management Plan where required.</i></p> <p>Mining in Longwalls A7 and A8 occurred over a minor ephemeral tributary of Black Creek. It is Austar's opinion that there is negligible impact on Black Creek from Stage 3 underground mining activities.</p> <p>In addition, mining in Black Creek catchment ceased in 2015 and subsidence was deemed substantially complete prior to this audit period. Any potential impacts have not been realised in this area.</p> <p>Creek stability monitoring commenced in 2023 on Black Creek to gather background data prior to rehabilitation works at Kitchener Surface Infrastructure Site. Monitoring conducted in 2023 has not identified any mining related impacts to creek stability or ecological function. This monitoring will continue until sufficient baseline data has been gathered, rehabilitation has been completed, and monitoring demonstrates no impacts on creek stability or stream health in Black Creek.</p>

Recommendations

Ref	Audit Finding	Austar Response
DA 29/95 Sch 3 Cond 7	<ul style="list-style-type: none"> Recommended that the Site prepare closure water balance and include in relevant documentation. The Applicant advised this is in progress. 	The water balance in the SWMP will be updated as conceptual final landform designs are developed and findings from closure studies become available.
DA 29/95 Sch 3 Cond 9	<ul style="list-style-type: none"> Recommended that specific wording relating to 'surface water assessment criteria' (i.e. trigger values based on historic data or ANZECC water quality guidelines where historic data isn't available) is included in the next revision of the site water management plan. Recommended that evidence/a statement of why monitoring the impact of subsidence to farms dams is no longer necessary is included in the next revision of the site water management plan. 	<p>The current SWMP uses 'baseline data' as the wording, however in the next review of the management plan, 'surface water assessment criteria' terminology could be adopted.</p> <p>Farm dams have not been monitored during the audit period as there has been no subsidence impacts. This will be outlined in the next version of the SWMP.</p>
DA 29/95 Sch 3 Cond 10	<ul style="list-style-type: none"> Recommended that specific wording relating to 'ground water impact assessment criteria' (i.e. trigger values based on historic data or ANZECC water quality guidelines where historic data isn't available) is included in the next revision of the site water management plan. 	The current SWMP uses 'baseline data' as the wording, however in the next review of the management plan, 'groundwater assessment criteria' terminology could be adopted.
DA 29/95 Sch 3 Cond 29	<ul style="list-style-type: none"> Recommend ongoing maintenance is required at Aberdare Emplacement Area to keep as a grassland (weed spraying and slashing of shrubs/trees regrowth. This is already occurring. Recommended to keep all weather track post decommissioning of surface infrastructure. 	Noted. Ongoing inspections and required maintenance at Aberdare Extended Emplacement area are conducted as required. The retention of the all-weather tracks is likely, but will be fully considered during the closure planning feasibility study.
EPL	<ul style="list-style-type: none"> A1.1 - Recommend consideration of whether limits can be reduced or scheduled activities should be updated going forward. 	Austar will consider a review of the EPL as closure planning progresses. If closure planning warrants a review of the EPL, the limits outlined in condition A1.1 will be considered in part of the EPL review.
EPL	<ul style="list-style-type: none"> U3.3 - Recommend to continue monitoring and proposed investigation works to ensure appropriately managed during closure. 	Monitoring and investigation works outlined in monthly Investigation Drainage Line reports have continued during the audit period, and will be considered during closure planning studies.
EPL	<ul style="list-style-type: none"> U3.2 – continue to undertake monthly water monitoring, amelioration and other investigations for the Austar Clean Water Drainage Line during closure to ensure this identified higher risk is adequately managed. 	Austar will continue to monitor the Investigation Drainage Line as outlined in the EPL and as informed by closure planning and climatic conditions.