

INSTRUMENT OF RENEWAL

LEASE: **COAL LEASE No 357 (ACT 1973)**

HOLDER: **CAMBERWELL COAL PTY LIMITED
(ACN 003 825 018)**

DATE OF LEASE: **27 MARCH 1990**

EXPIRY DATE OF LEASE: **27 MARCH 2011**

PERIOD OF RENEWAL UNTIL: **27 MARCH 2032**

AREA: **1583 HECTARES**

AS SHOWN BY PLAN NO M27198

SURFACE EXCEPTION: **PART 20 METRES**

DEPTH RESTRICTION: **900 METRES BELOW AHD**

MINERALS: **COAL**

ROYALTY PAYABLE: **At the rate which, from time to time, may be prescribed.**

AMENDMENTS TO THE CONDITIONS OF THE LEASE:

- (a) All the Conditions contained in the lease prior to the renewal have been deleted.
- (b) The lease is now subject to the attached Mining Lease Conditions 2010 numbered:

1-15(inclusive), 17, 18, 21-25(inclusive)

Conditions 2 to 8 and 12 to 16 (if included in the mining lease) are identified as conditions relating to environmental management for the purposes of Section 378D of the *Mining Act 1992*.

Note: Conditions 2 to 8 and 12 to 15 of this mining lease are imposed pursuant to sections 238 and 239 of the Mining Act 1992. Clause 7 of Schedule 12 of the Mining Regulation 2010 saves higher penalties for a breach of condition imposed by or under sections 238 or 239 of the Act.

We, Camberwell Coal Pty Limited (ACN 003 825 018), hereby accept the renewal of this Lease and agree to be bound by the conditions specified.



.....
**Camberwell Coal Pty Limited
(ACN 003 825 018)**

Renewed this

18

day of

JUNE

2013.



.....
Minister for Resources and Energy.

MINING LEASE CONDITIONS 2010

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Definition:

"Director-General" means the Director-General of the Department of Trade and Investment; Regional Infrastructure and Services

1. Notice to Landholders

- (a) Within a period of three months from the date of grant/renewal of this lease or within such further time as the Minister may allow, the lease holder must serve on each landholder of the land a notice in writing indicating that this lease has been granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice.
- (b) If there are ten or more landholders affected, 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 lease has been granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.

2. Environmental Harm

- (a) The lease holder must implement all practicable measures to prevent and/or minimise any harm to the environment that may result from the construction, operation or rehabilitation of any activities under this lease.
- (b) For the purposes of this condition:
 - (i) environment means components of the earth, including:
 - (A) land, air and water, and
 - (B) any layer of the atmosphere, and
 - (C) any organic or inorganic matter and any living organism, and
 - (D) human-made or modified structures and areas,and includes interacting natural ecosystems that include components referred to in paragraphs (A)–(C).
 - (ii) harm to the environment includes any direct or indirect alteration of the environment that has the effect of degrading the environment and, without limiting the generality of the above, includes any act or omission that results in pollution, contributes to the extinction or degradation of any threatened species, populations or ecological communities and their habitats and causes impacts to places, objects and features of significance to Aboriginal people.

3. Mining Operations Plan

- (a) Mining operations must not be carried out otherwise than in accordance with a Mining Operations Plan (MOP) which has been approved by the Director-General.
- (b) The MOP must:
- (i) identify areas that will be disturbed by mining operations;
 - (ii) detail the staging of specific mining operations;
 - (iii) identify how the mine will be managed to allow mine closure;
 - (iv) identify how mining operations will be carried out in order to prevent and or minimise harm to the environment;
 - (v) reflect 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 lease; and
 - have regard to any relevant guidelines adopted by the Director-General.
- (c) The leaseholder may apply to the Director-General to amend an approved MOP at any time.
- (d) It is not a breach of this condition if:
- (i) the operations constituting the breach were necessary to comply with a lawful order or direction given under the *Mining Act 1992*, the *Environmental Planning and Assessment Act 1979*, *Protection of the Environment Operations Act 1997*, *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 *Occupational Health and Safety Act 2000*; and
 - (ii) the Director-General had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.
- (e) A MOP ceases to have effect 7 years after date of approval or other such period as identified by the Director-General.

4. Environment Management Report

- (a) The lease holder must lodge Environmental Management Reports (EMR) with the Director-General annually or at dates otherwise directed by the Director-General.
- (b) The EMR must:
 - (i) report against compliance with the MOP;
 - (ii) report on progress in respect of rehabilitation completion criteria;
 - (iii) report on the extent of compliance with regulatory requirements; and
 - (iv) have regard to any relevant guidelines adopted by the Director-General;

5. Environmental Incident Report

- (a) The lease holder must report any environmental incidents. The report must:
 - (i) be prepared according to any relevant Departmental guidelines;
 - (ii) be submitted within 24 hours of the environmental incident occurring;
- (b) For the purposes of this condition, environmental incident includes:
 - (i) any incident causing or threatening material harm to the environment
 - (ii) any breach of Conditions 1 to 9 and 11 to 24;
 - (iii) any breach of environment protection legislation; or,
 - (iv) a serious complaint from landholders or the public.
- (c) For the purposes of this condition, harm to the environment is material if:
 - (i) it involves actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial, or
 - (ii) it results in actual or potential loss or property damage of an amount, or amounts in aggregate, exceeding \$10,000, where loss includes the reasonable costs and expenses that would be incurred in taking all reasonable and practicable measures to prevent, mitigate or make good harm to the environment.

6. Additional Environmental Reports

Additional environmental reports may be required from time to time as directed in writing by the Director-General and must be lodged as instructed.

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7. Rehabilitation

Any disturbance as a result of activities under this lease must be rehabilitated to the satisfaction of the Director-General.

8. Subsidence Management

- (a) The lease holder shall prepare a Subsidence Management Plan prior to commencing any underground mining operations which will potentially lead to subsidence of the land surface.
- (b) Underground mining operations which will potentially lead to subsidence include secondary extraction panels such as longwalls or miniwalls, associated first workings (gateroads, installation roads and associated main headings, etc), and pillar extractions, and are otherwise defined by the Applications for Subsidence Management Approvals guidelines (EDG17)
- (c) The lease holder must not commence or undertake underground mining operations that will potentially lead to subsidence other than in accordance with a Subsidence Management Plan approved by the Director-General, an approval under the *Coal Mine Health & Safety Act 2002*, or the document New Subsidence Management Plan Approval Process – Transitional Provisions (EDP09).
- (d) Subsidence Management Plans are to be prepared in accordance with the Guideline for Applications for Subsidence Management Approvals.
- (e) Subsidence Management Plans as approved shall form part of the Mining Operations Plan required under Condition 3 and will be subject to the Environmental Management Report process as set out under Condition 4. The SMP is also subject to the requirements for subsidence monitoring and reporting set out in the document New Approval Process for Management of Coal Mining Subsidence - Policy.

9. Working Requirement

The lease holder must:

- (a) ensure that at least **64** competent people are efficiently employed in relation to the mining process or mining operations on the lease area

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- (b) expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$1,120,000 per annum whilst the lease is in force. The Minister may at any time or times, by instrument in writing served on the lease holder, increase or decrease the expenditure required or the number of people to be employed.

10. **Blasting**

(a) Ground Vibration

The lease holder must ensure that the ground vibration peak particle velocity generated by any blasting within the lease area does not exceed 10 mm/second and does not exceed 5 mm/second in more than 5% of the total number of blasts over a period of 12 months at any dwelling or occupied premises as the case may be, unless determined otherwise by the Department of Environment, Climate Change and Water.

(b) Blast Overpressure

The lease holder must ensure that the blast overpressure noise level generated by any blasting within the lease area does not exceed 120 dB (linear) and does not exceed 115 dB (linear) in more than 5% of the total number of blasts over a period of 12 months, at any dwelling or occupied premises, as the case may be, unless determined otherwise by the Department of Environment, Climate Change and Water.

11. **Safety**

Operations must be carried out in a manner that ensures the safety of persons or stock in the vicinity of the operations. All drill holes shafts and excavations must be appropriately protected, to the satisfaction of the Director-General, to ensure that access to them by persons and stock is restricted. Abandoned shafts and excavations opened up or used by the lease holder must be notified in writing to the Department and filled in or otherwise rendered safe to a standard acceptable to the Director-General.

12. Prevention of soil erosion and pollution

Prospecting operations must be carried out in a manner that does not cause or aggravate air pollution, water (including groundwater) pollution, soil contamination or erosion, unless otherwise authorised by a relevant approval, and in accordance with an accepted Mining Operations Plan.

13. Transmission lines, Communication lines and Pipelines

Operations must not interfere with or impair the stability or efficiency of any transmission line, communication line, pipeline or any other utility on the lease area without the prior written approval of the Director-General and subject to any conditions stipulated.

14. Roads and Tracks

- (a) The lease holder must pay to the relevant roads authority in control of the road or track the reasonable costs incurred by the roads authority in making good any damage to roads or tracks caused by operations carried out under this lease less any amount paid or payable from the Mine Subsidence Compensation Fund.
- (b) During wet weather the use of any road or track must be restricted so as to prevent damage to the road or track.
- (c) Existing access tracks should be used for all operations where reasonably practicable. New access tracks must be kept to a minimum and be positioned in order to minimise damage to the land, watercourses or vegetation.
- (d) Temporary access tracks must be rehabilitated and revegetated to the satisfaction of the Director-General as soon as reasonably practicable after they are no longer required under this lease.

15. Trees and Vegetation

- (a) The lease holder must not fell trees, strip bark or cut timber on any land subject of this lease without the consent of the landholder who is entitled to the use of the timber.
- (b) The lease holder must contact Forests NSW and obtain any required permit, licence or approval before taking timber from any Crown land within the lease area.

Note: Any clearing not authorised under the Act must comply with the requirements of the Native Vegetation Act 2003. Any clearing or taking of timber on Crown land is subject to the requirements of the Forestry Act 1916.

17. Resource Recovery

- (a) Notwithstanding any description of mining methods and their sequence or of proposed resource recovery contained within the Mining Operations Plan, if at any time the Director-General is of the opinion that minerals which the lease entitles the lease holder to mine and which are economically recoverable at the time are not being recovered from the lease area, or that any such minerals which are being recovered are not being recovered to the extent which should be economically possible or which for environmental reasons are necessary to be recovered, notice in writing to the lease holder may be given requiring the holder to recover such minerals.
- (b) The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.
- (c) The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area.

18. Indemnity

The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever nature and all costs, charges and expenses which may be brought against the lease holder or which the lease holder may incur in 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 lease area or in connection with any of the operations notwithstanding that all other conditions of this lease 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 holder may be licensed or compelled to do.

21. Single Security

The single security in the sum of \$20,836,000 must be given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under **Coal Lease No.357 (Act 1973) and Mining Lease No's 1648, 1649, 1650, 1651 (Act 1992).**

22. Prescribed Dam

- (a) Notwithstanding any Mining Operations Plan, the lease holder must not mine within any part of the lease area which is within the notification area of the **Possum Skin Dam and the Camberwell Tailings Dam No.2** without the prior written approval of the Minister and subject to any conditions stipulated.
- (b) Where the lease holder desires to mine within the notification area he or she must:
- (i) at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and
 - (ii) provide such information as the Minister may direct.
- (c) The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with. This sub-paragraph is complied with if:
- (i) the Dams Safety Committee as constituted by Section 7 of *the Dams Safety Act 1978* and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (b).
 - (ii) the notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined.
 - (iii) the Director-General has complied with any reasonable request made by the Dams Safety Committee or the owner of the dam for further information in connection with the mining proposal.
 - (iv) the Dams Safety Committee has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and
 - (v) where the Dams Safety Committee has made recommendations the approval is in terms that are:
 - in accordance with those recommendations; or

- where the Minister does not accept those recommendations or any of them -in accordance with a determination under subparagraph (ii) of this paragraph.
- (vi) Where the Minister does not accept the recommendations of the Dams Safety Committee or where the Dams Safety Committee has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam:
- as determined by agreement between the Minister and the Minister administering the *Dams Safety Act 1978*; or
 - in the event of failure to reach such agreement - as determined by the Premier.
- (d) The Minister, on notice from the Dams Safety Committee, may at any time or times:
- (i) cancel any approval given where a notice pursuant to Section 18 of the *Dams Safety Act 1978* is given.
 - (ii) suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.

23. Suspension of Mining Operations

The holder of a mining lease may not suspend mining operations in the mining area other than in accordance with the consent of the Minister.

24. Cooperation Agreement

The lease holder must make every reasonable attempt, and be able to demonstrate their 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

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- timing of drilling
- potential resource extraction conflicts and
- rehabilitation issues.

25. Barriers

Unless with the consent of the Minister first had and obtained, and subject to such conditions as he may impose, the title holder shall not work or cause to be worked any seam of coal by underground methods within the subject area within the barrier defined as follows:

The land within the zone beneath and adjacent to the Main Northern Railway enclosed by an angle of draw of 35° from the vertical plane of the boundary parallel to and thirty (30) metres horizontally distant from either side of the railway lands, such angle of draw being measured outwards from the point on the vertical plane of the said boundary at the surface or at the level of the horizontal plant of the railway track, whichever may be the higher, to the floor of the coal seam in which mining operations are being carried out.

Note: Exploration Reports (Geological and Geophysical)

The lease holder must lodge reports to the satisfaction of the Director-General 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).

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PLAN OF PORTION ML 91

PARISH: AUCKLAND, BROUGHTON, VANE & DARLINGTON.
 COUNTY: DURHAM
 MAP SHEET No. 9133-3-S
 REDUCTION RATIO 1:15000
 MINING LEASE APPLICATION No.
 MINING DIVISION: SINGLETON
 APPLICANT: CAMBERWELL COAL PTY LIMITED
 APPLICATION DATE:
 MINING LEASE No. CL 357 (1973)
 STATUS:
 METHOD: OPEN CUT

SURFACE EXCEPTION / DEPTH RESTRICTION

EMBRACES THE STRATA BETWEEN 20 METRES BELOW THE SURFACE TO A DEPTH OF 900 METRES BELOW THE AUSTRALIAN HEIGHT DATUM (AHD).

EMBRACES THE SURFACE AND SOIL BELOW THERE OF TO A DEPTH OF 900 METRES BELOW AHD.

NOTES:
 THIS PLAN SUPERSEDES D6578.

Azimuth:

Plans used in the course of this compilation

D6578	M27180	DP234515	DP1148750
M26884R	M27181	DP624852	
M27001	M27182	DP1013180	
M27122	M27183	DP1083482	

I, David William Cant
 of David Cant Surveyors
 PO Box 418 Maitland 2320
 a surveyor registered under the Surveying and Spatial Information Act 2002, hereby certify that the compilation represented in this plan is accurate and has been completed in accordance with the Surveying and Spatial Information Regulation 2006 and the Surveyor General's Direction for Mining Surveys and was completed on 17th JANUARY 2012

Signature: *David Cant*
 Surveyors Reference : 11-42 INTEGRA

Survey Calcs :
 Plan Investigated : *Abulatah 21-6-2012*
 Plan Approved : *Abulatah 21-6-2012*
 Paper No : 10/1222

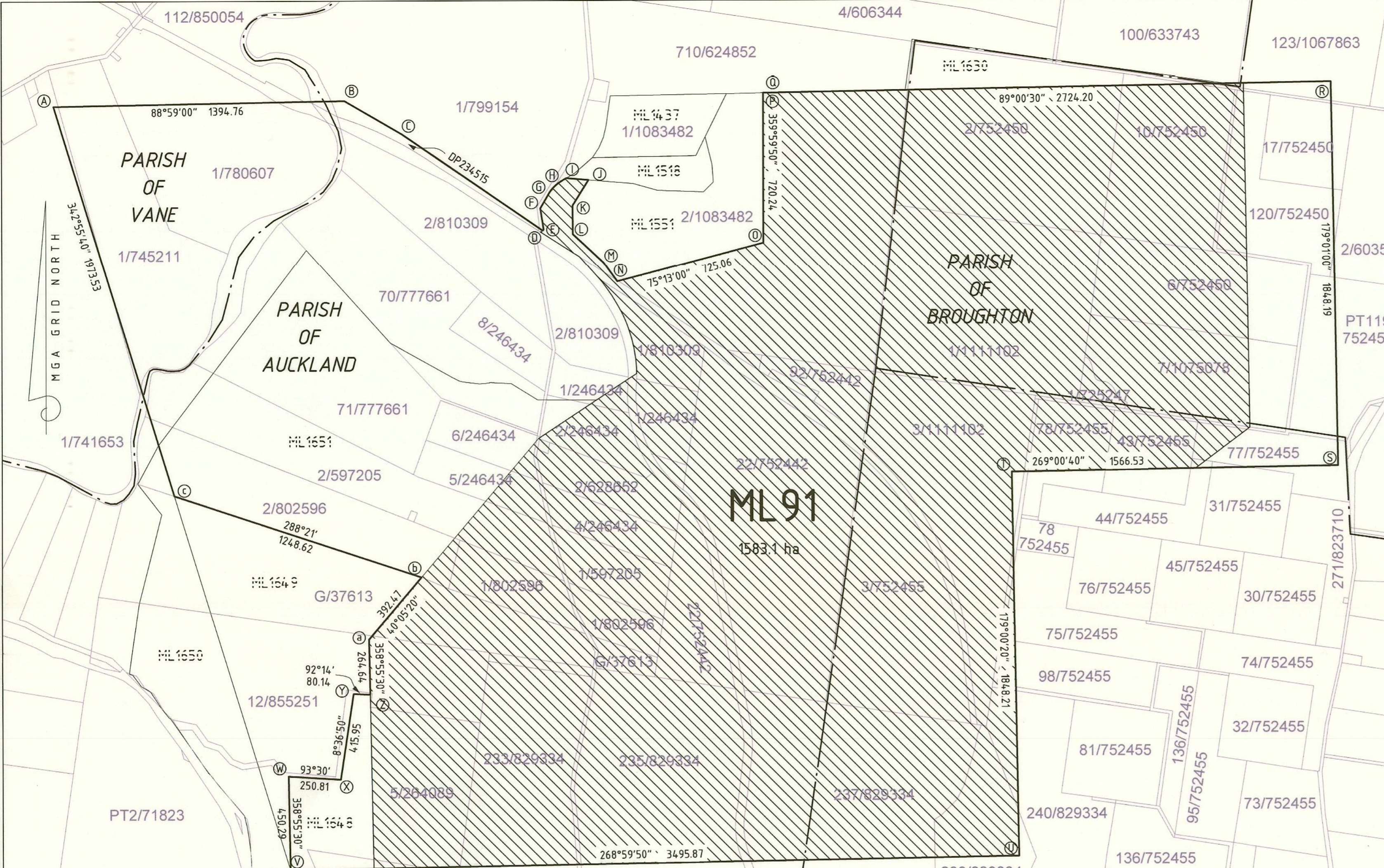


TABLE OF CORNERS
 MGA COORDINATES ZONE 56

Line	Easting	Northing	Line	Easting	Northing
A	321 679.513	6 406 425.725	P	325 082.750	6 406 484.400
B	323 074.053	6 406 450.437	Q	325 082.750	6 406 485.700
C	323 351.406	6 406 289.496	R	327 806.543	6 406 532.873
D	324 024.502	6 405 825.114	S	327 838.294	6 404 684.957
E	324 028.736	6 405 831.091	T	326 272.000	6 404 657.910
F	324 013.093	6 405 932.731	U	326 304.053	6 402 809.982
G	324 050.762	6 405 997.582	V	322 808.720	6 402 748.710
H	324 115.744	6 406 063.745	W	322 800.277	6 403 198.923
I	324 138.030	6 406 077.020	X	323 050.620	6 403 183.616
J	324 244.640	6 406 068.200	Y	323 112.922	6 403 594.873
K	324 167.720	6 405 945.140	Z	323 192.999	6 403 591.750
L	324 168.730	6 405 807.140	a	323 188.037	6 403 856.339
M	324 316.560	6 405 670.250	b	323 440.780	6 404 156.590
N	324 381.710	6 405 579.150	c	322 255.647	6 404 549.672
O	325 082.770	6 405 764.160			

TABLE OF SHORT LINES

Line	Bearing	Distance
B-C	120°07'30"	320.67
C-D	124°36'10"	817.75
D-E	35°18'40"	7.325
E-F	351°15'00"	102.84
F-G	30°09'00"	75.00
H-I	59°13'10"	25.94
I-J	94°43'50"	106.97
J-K	212°00'30"	145.12
K-L	179°34'50"	138.00
L-M	132°48'00"	201.48
M-N	144°25'50"	112.00
N-O	75°13'00"	725.06
O-P	359°59'50"	720.24
P-Q	0°00'00"	1.300

TABLE OF SHORT ARCS

Line	Chord		
	Bearing	Distance	Radius
G-H	44°29'00"	92.740	185.00

R11065780



M27198