

## **INSTRUMENT OF RENEWAL**

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<b>LEASE:</b>	<b>Mining Purposes Lease No 271 (ACT 1973)</b>
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<b>HOLDER:</b>	<b>Gujarat NRE Coking Coal Limited (ACN 111 244 896)</b>
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<b>DATE OF LEASE:</b>	<b>9 May 1991</b>
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<b>EXPIRY DATE OF LEASE:</b>	<b>9 May 2012</b>
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<b>PERIOD OF RENEWAL UNTIL:</b>	<b>9 May 2033</b>
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<b>AREA:</b>	<b>8.75 hectares</b>
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<b>AS SHOWN BY PLAN NO</b>	<b>D7001</b>
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<b>SURFACE EXCEPTION:</b>	<b>Nil</b>
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<b>DEPTH RESTRICTION:</b>	<b>Whole to 152.4 metres</b>
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<b>PURPOSES:</b>	<p>The construction, maintenance and use (in or in connection with mining operations) of:</p> <ul style="list-style-type: none"><li>- any building or mining plant,</li><li>- any road, railway, tramway, bridge or jetty,</li><li>- any reservoir, dam, drain or water race,</li><li>- any cable, conveyor, pipeline, telephone line or signalling system.</li></ul>
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The construction, maintenance and use (in or in connection with mining operations) of any drillhole or shaft for:

- drainage of gas,
- ventilation.

The generation and transmission of electricity for use in or in connection with mining operations.

The removal, stockpiling, management or depositing of overburden, ore or tailings to the extent that it is associated with mineral extraction or mineral beneficiation.

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**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:

**1-7 (inclusive), 10-15 (inclusive), 18, 21 and 23-25 (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 7 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.*

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**We, Gujarat NRE Coking Coal Limited (ACN 111 244 896), hereby accept the renewal of this Lease and agree to be bound by the conditions specified.**



.....  
**Gujarat NRE Coking Coal Limited  
(ACN 111 244 896)**

Renewed this

28<sup>th</sup>

day of

February

2012



.....  
by delegation from the Minister.

# **MINING LEASE CONDITIONS 2010**

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### **Definition**

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## **Note: Exploration Reports (Geological and Geophysical)**

### **Definition:**

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

# MINING LEASE CONDITIONS 2010

## 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.

## **7. Rehabilitation**

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

## **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.*

## 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. Security

The single security in the sum of **\$5,657,000** 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 **Consolidated Coal Lease 745 (Act 1973)** , **Mining Purposes Lease 271 (Act 1973)** and **Mining Lease 1575 (Act 1992)**.

## 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.

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

## 25. Sydney Catchment Area

- (a) The lease holder must carry out mining operations in such a manner as to conform strictly to all the provisions of the Sydney Water Catchment Management Act 1998 and regulations made under this Act as replaced or amended from time to time applying to the protection of catchment areas within the Sydney drinking water **Upper Nepean River Catchment Area and Metropolitan Special Area**.
- (b) The lease holder must have been granted a current consent by the Sydney Catchment Authority under the Sydney Water Catchment Management Regulation 2008 prior to entering or undertaking any mining operations in the **Upper Nepean River Catchment Area and Metropolitan Special Area**.
- (c) The lease holder must enter into and hold a current agreement or agreements with the Sydney Catchment Authority whilst undertaking mining operations within the **Upper Nepean River Catchment Area and Metropolitan Special Area** that addresses but is not limited to the following:
  - (i) Compensation
  - (ii) Land holder consent
  - (iii) Protection of SCA assets and infrastructure
  - (iv) Indemnity for loss and damage
  - (v) Protection of the surface of catchment area
  - (vi) Giving and maintaining of security

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*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 Industry and Investment, 2010).*

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