

Notice

Environmental Protection Act 1994

Decision to change the amount of financial assurance

This notice is issued by the administering authority¹, pursuant to section 306 of the Environmental Protection Act 1994 to advise the environmental authority holder of a decision to change the amount of financial assurance held.

To: HLM Coal Australia Pty Ltd
C/- Michael Hansel
HopgoodGanim
Level 8, Waterfront Place
1 Eagle Street, Brisbane QLD 4000

Email: jameszhu [redacted] (6) Personal information

Attention: Mr James Zhu

Your reference: EPC890

Our reference: MIN200899109

Decision to change the amount of financial assurance

1. Environmental authority details

Environmental authority number MIN200899109 (EPVX00447013) dated 2004 issued to HLM Coal Australia Pty Ltd.

Property/location description(s):

EPC890

2. Submissions

On 11 April 2013 the administering authority issued you with a *Notice of proposal to change the amount of financial assurance* under section 306 of the *Environmental Protection Act 1994*. This notice advised that you could make written representations in relation to the proposed change.

The administering authority did not receive any written representations.

3. Decision

The administering authority has decided to increase the amount of financial assurance required to be held.

The change to financial assurance is as follows:

Current financial assurance:	\$2500.00
New amount of financial assurance:	\$600,000.00
Adjustment required:	\$597,500.00
Form of financial assurance to be lodged:	Bank guarantee or cash

¹ The Department of Environment and Heritage Protection is the administering authority under the *Environmental Protection Act 1994*.

Decision to change the amount of financial assurance

This decision takes effect on 27 May 2013.

4. Grounds

The administering authority is increasing the financial assurance for Environmental Authority (EA) MIN200899109 based on the fact that the current FA is not reflective of the level of disturbance currently on the EA or the type of EA. The EA currently has FA associated with a standard level 2 EA of \$2500, but the EA is a variation Level 2, and the FA needs to be increased accordingly.

The determination to increase the FA is based on the level of disturbance currently on EPC890 ascertained from on-site inspections generated by landowner complaints against EPC890. Current and continued noncompliance requires the administering authority to increase FA to \$600,000.

5. Review and appeal rights

You may apply to the administering authority for a review of this decision within 10 business days after receiving this notice. You may also appeal against this decision to the Land Court. Information about your review and appeal rights is attached to this notice. This information is guidance only and you may have other legal rights and obligations.

sch4-Signature

Signature

27 May 2013

Date

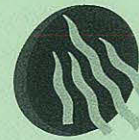
Christopher Loveday
Department of Environment and Heritage Protection
Delegate of the administering authority
Environmental Protection Act 1994

Enquiries:

Linda Hughes
PO Box 3028
Phone: 07 4987 9345
Fax: 07 4987 9399
Email: linda.hughes@ehp.qld.gov.au

Attachments

Information sheet: Internal review and appeal to Land Court



5 March 2012

HLM Coal Australia Pty Ltd
c/- Geos Mining
310/68 Alfred St
Milsons Point NSW 2061

cc. Mr & Mrs Jack Mayne
"Penrose"
12 Penrose Road
Comet Q 4702

Attention Mr Mark Dowd

Site inspection on EPC890

The Department of Environment and Resource Management (the department) has been investigating concerns received regarding the consequences of mining activities on Exploration Permit Coal (EPC) 890. On 24 October 2011 departmental officers conducted an Reactive Compliance inspection of EPC890 pertaining to rehabilitation carried out to date by you as tenure holder and Geos Mining as your current contractors.

HLM Coal Australia Pty Ltd is the principal holder of **MIM500254404**, a non-code compliant Standard Environmental Authority (mining activities) that authorises mining activities on EPC890, which came into effect on 20 May 2004 and is still current. During 2007 and 2011 mining activities were carried out on this tenure by contractors acting on your behalf.

The inspection was not a complete audit of your site and does not relieve you of your obligations to ensure compliance with MIM500254404, and all other requirements of the *Environmental Protection Act 1994* (the Act). During the inspection departmental officers observed the following environmental issues:

1. *Parthenium hysterophorus* (Parthenium) has established along the access track to drill pad #2 and on drill pad #2. Drill Pad #2 is referenced on the attached map provided by the landowner. It was identified that on 14 August 2011 the contractors cleared a pre-existing access track through Endangered Regional Ecosystems (ERE) to rehabilitate drill pad #2. As a consequence of these mining activities the declared pest (plant) Parthenium is now prevalent only in the cleared area. The control of the movement of declared pests is regulated under the *Land Protection (Pest and Stock Route Management) Act 2002*, and administered by Local Government. Please be advised that the department has referred this matter to Central Highlands Regional Council.

2. The rehabilitation carried out on 14 August 2011 by the contractors on drill pad #2 and on the cleared access track mentioned above, does not comply with condition 41 of the Code of Environmental Compliance for Exploration and Mineral Development Projects (the Code).

The Code requires drill sites to be rehabilitated back to a stable landform similar to that of surrounding undisturbed areas. Attachment 9 on page 11 of the enclosed EPC890 Reactive Compliance Inspection Report identifies the unsatisfactory rehabilitation on drill pad #2. (Please note that declared pests (plants) are not acceptable within rehabilitation outcomes and will not allow the surrendering of the Environmental Authority to occur).

The department requests the above two issues be readdressed and rectified. Please provide within 15 business days from date of this letter, a statement of works as to how the rehabilitation requirements will be met.

If you require further information, please contact Linda Hughes (Project Manager) on 07 4987 9345.

Yours sincerely

s78B(2) - Privacy

Chris Loveday
Manager
Environmental Services - Mining

enc

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ecoaccess

environmental licences and permits

COPY**Permit¹**

s183 Environmental Protection Act 1994

Standard Environmental Authority (mining activities)

Permit number: MIM500254404

Valid From: 20-MAY-2004

Details

Permit Holder(s)	Name	Address
Principal Holder	HLM Coal Australia Pty. Ltd.	48 Power Street NORMAN PARK QLD 4170
Activity(s)	Activity Location(s)	
Coal Exploration	EPC890	

Conditions of Approval**Permit details:**

Authorised Mining Tenements

Tenure Type	Tenure Number
EPC	890

Agency interest: General

- G1 The environmental authority does not take effect until the grant of the tenure to the environmental authority holder, or until each environmental authority holder has become a holder, under the Mineral Resources Act 1989, of each of relevant mining tenements.
- G2 The conditions of this environmental authority are in force until a surrender of the authority is accepted pursuant to the Environmental Protection Act 1994. The conditions apply unless an amendment is approved pursuant to the Environmental Protection Act 1994.
- G3 Financial assurance
- The environmental authority holder is to give the administering authority a financial assurance in the amount and form and at a time required by the administering authority.
- G4 The environmental authority holder must comply with each of the Standard Environmental Conditions contained in the Code of Environmental Compliance for Exploration and Mineral Development Projects January 2001.

Agency interest: Heritage

- H1 Important Note: In the event that any historical, archaeological or ethnographic sites, items, places or remains are identified, located or exposed during the course of the activities approved under this Environmental Authority, the holder of this Environmental Authority must cease work and contact the authorities listed below:

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service.

**Permit¹***s183 Environmental Protection Act 1994**Permit number: MIM500254404*

(a) if the items are of indigenous origin, contact Director, Cultural Heritage Coordination Unit, Department of natural Resources, Mines and Energy, Locked Bag 40, Coorparoo Delivery Centre, Qld 4151 (Phone 3238 3835)

(b) if the items are of non-indigenous origin, contact Regional Manager, Cultural Heritage Unit, EPA Northern Region (Phone 4722 5338).

Agency interest: Impacts on surrounds

- 11 Condition 13 of the Code of Environmental Compliance for Exploration and Mineral Development Projects (January 2001), imposes certain restrictions on mining activities within or adjacent to Category B environmentally sensitive areas. Category B environmentally sensitive areas identified in relation to EPC890 include: Endangered Remnant Regional Ecosystems. Please refer to the attached map, which shows the areas. More detailed information can be obtained by contacting the EPA District Manager in Emerald District Office at the following address: Environmental Protection Agency, PO Box 906, Emerald QLD 4720 (Phone: 4982 4555, Fax: 4982 2568).

sch4-Signature

Signed

Stuart Cameron
Environmental Protection Agency

Date *21 May 2004*

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Additional information for applicants

1. This approval pursuant to the *Environmental Protection Act 1994* (EP Act) does not remove the need to obtain any additional approval(s) for this activity that might be required by other state and/or commonwealth legislation. Other legislation administered by government for which a permit may be required includes but is not limited to the:

- *Environment Protection and Biodiversity Conservation Act 1999 (Commonwealth)*;
- *Vegetation Management Act 1999*;
- *Strategic Cropping Land Act 2011*;
- *Nature Conservation Act 1992*;
- *Mineral Resources Act 1989*;
- *Water Act 2000*;
- *Aboriginal Cultural Heritage Act 2003*;
- *Forestry Act 1959*,
- *Stock Act 1915*; and
- *Land Protection (Pest & Stock Route Management) Act 2002*.

2. Obligations under the Environmental Protection Act 1994

In addition to the requirements found in the conditions of this environmental authority, the holder must also meet their obligations under the EP Act, and the regulations made under the EP Act. For example, the holder must comply with the following provisions of the EP Act:

- *general environmental duty (section 319)*
- *duty to notify environmental harm (section 320-320G)*
- *offence of causing serious or material environmental harm (sections 437-439)*
- *offence of causing environmental nuisance (section 440)*
- *offence of depositing prescribed water contaminants in waters and related matters (section 440ZG)*
- *offence to place contaminant where environmental harm or nuisance may be caused (section 443)*

3. Contravention of a condition of an environmental authority

It is a legal requirement for you to comply with the conditions in your environmental authority. You must also ensure that anyone operating under the environmental authority also complies with the conditions. This might include contractors visiting the site temporarily or transport operators loading and unloading materials on site, and all staff employed at the site. Multiple people may be prosecuted if an offence is committed. If you think that you have breached a condition of your environmental authority, it is your responsibility to fix the problem and bring yourself back into compliance with the condition. You should not wait for the administering authority to tell you what to do. You may be required to contact the administering authority by the conditions in your environmental authority and the duty to notify.

Penalties for a breach of a condition of an environmental authority vary from penalty infringement notices (PIN) for one-off offences that are easily rectified to the issuing of statutory notices such as an environmental evaluation, transitional environmental program or an environmental protection order. In serious cases the administering authority may initiate court proceedings to have a court order issued or may prosecute those responsible for the breach.

4. Environmentally relevant activities

The description of any environmentally relevant activity (ERA) for which an environmental authority is issued is a restatement of the ERA as defined by legislation at the time the approval is issued. Where there is any inconsistency between that description of an ERA and the conditions stated by an environmental authority as to the scale, intensity or manner of carrying out an ERA, then the conditions prevail to the extent of the inconsistency.

An environmental authority authorises the carrying out of an ERA and does not authorise any environmental harm unless a condition stated by the authority specifically authorises environmental harm.

A person carrying out an ERA must also be a registered suitable operator under the EP Act.

5. Contaminated land

It is a requirement of the EP Act that if an owner or occupier of land becomes aware a notifiable activity (as defined in Schedule 3 and Schedule 4) is being carried out on the land, or that the land has been, or is being, contaminated by a hazardous contaminant, the owner or occupier must, within 22 business days after becoming so aware, give written notice to the chief executive.

sch4-Signature

Date

Christopher Loveday
Department of Environment and Heritage Protection
Delegate of the administering authority
Environmental Protection Act 1994

Enquiries:

Linda Hughes
Environmental Services –Mining, Central Region
PO Box 3028
99 Hospital Road
EMERALD QLD 4720
Phone: (07) 4987 9345
Fax: (07) 4987 9399
Email: linda.hughes@ehp.qld.gov.au

Conditions of environmental authority

With the exception of any variations, the conditions of approval for this environmental authority include standard conditions contained within the attached document(s) entitled:

- *Code of Environmental Compliance for Exploration and Mineral Development Projects* Variations to the standard conditions include:

Agency interest: General	
Condition number	Condition
A1	Financial Assurance Provide financial assurance in the amount and form required by the administering authority prior to the commencement of activities authorised under this Environmental Authority.
A2	The financial assurance is to remain in force until the administering authority is satisfied that no claim on the assurance is likely.
A3	Activity The holder of this environmental authority must comply with each of the environmental conditions contained in the <i>Code of Environmental Compliance for Exploration and Mineral Development Projects</i> except conditions 3, 4, 7, 13, 18, 21, 38 and 39 which are replaced by the conditions within this authority.
A4	The environmental authority holder must develop and implement during the continuation of this environmental authority, a program to ensure that all employees and contractors on site are aware of and comply with the relevant requirements of this authority.
A5	Monitoring, reporting and emergency response procedures Any breach of a condition of this environmental authority must be reported to the administering authority within 24 hours of becoming aware of the breach and record full details of the breach and any subsequent actions.
A6	The notification in condition A5 must include, but not be limited to, the following: a) The environmental authority number and name of the holder; b) The name and telephone number of the designated contact person; c) The location of the emergency or incident; d) The date and time of the emergency or incident; e) The time the holder of the environmental authority became aware of the emergency or incident; f) Where known: i. the estimated quantity and type of substances involved in the emergency or incident; ii. the actual or potential cause of the emergency or incident; iii. a description of the nature and effects of the emergency or incident including environmental risks, and any risks to public health or livestock; g) Any sampling conducted or proposed, relevant to the emergency or incident; h) Immediate actions taken to prevent or mitigate any further environmental harm caused by the emergency or incident; and i) What notification of stakeholders who may be affected by the emergency or incident has occurred or is being undertaken.

Agency Interest: Air	
Condition number	Condition
B1	The release of odours or airborne contaminants (including dust) resulting from the activity must not cause a nuisance at a sensitive place.
Agency Interest: Noise	
Condition number	Condition
C1	Noise nuisance Noise resulting from the activity must not cause an environmental nuisance at any sensitive place.
Agency interest: Waste	
Condition number	Condition
D1	All waste must be removed and disposed of offsite.
Agency interest: Land	
Condition number	Condition
E1	Land Disturbance Contaminants must not be released to land.
E2	The environmental authority holder is authorised to undertake the 84 drill sites, in accordance with Attachment 1: Location of proposed Drill Sites on EPC890.
E3	The environmental authority holder is not authorised to undertake any mining activities within any Category A or B Environmentally Sensitive Area.
E4	Drilling, Excavation and Sampling The operational area of the individual drill site must not exceed 1000m².
E5	Drill sites constructed in accordance with condition E2 are to be located as far as practicable in previously cleared areas.
E6	Drill holes are limited to less than 250mm in diameter.
E7	The construction of sumps must not exceed 10m ² .
E8	This environmental authority does not authorise costeaning or bulk sampling.
E9	Burning of vegetation is not permitted.
E10	Habitat trees must be protected.

E10	Topsoil and Overburden Management Topsoil stripping is limited to the sump area of 10m2. Where topsoil is removed it must be stockpiled for re-spreading during rehabilitation.
E11	Campsites This environmental authority does not authorise a camp on EPC890.
E12	Rehabilitation Rehabilitation of disturbance within the 500m buffer zone and in Category B Environmentally Sensitive Area areas must be completed as soon as practicable, but no longer than three (3) months after completion of the disturbance activity.
E13	All other land subject to mining activities must be rehabilitated within six (6) months of concluding exploration activities at each drill site to a non-polluting, safe, stable and self-sustaining landform.
F14	Reporting An annual report must be prepared each year and submitted with the annual return. The report must include a map identifying all exploration activities undertaken to date on EPC 1949. The map is to clearly distinguish between proposed, completed and rehabilitated mining activities to demonstrate compliance with this environmental authority.

END OF CONDITIONS

Definitions

Words and phrases used throughout this environmental authority are defined below. Where a definition for a term used in this environmental authority is not provided within this environmental authority, but is provided in the EP Act 1994 or subordinate legislation, the definition in the EP Act or subordinate legislation must be used.

Activity means the environmentally relevant activities, whether resource activities or prescribed activities, to which the environmental authority relates.

Administering authority means the Department of Environment and Heritage Protection or its successor.

Category B Environmentally Sensitive Area as per the definitions within the *Environmental Protection Regulation 2008*.

Contaminate means to render impure by contact or mixture.

Contaminant A contaminant can be –

- a) a gas, liquid or solid; or
- b) an odour; or
- c) an organism (whether alive or dead), including a virus; or
- d) energy, including noise, heat, radioactivity and electromagnetic radiation; or
- e) a combination of contaminants.

Disturbed means any area that has had its natural state altered by the action or interference of carrying out an activity associated with the mining project.

Environmental authority means an environmental authority under chapter 5 of the *Environmental Protection Act 1994*.

Environmental authority holder means the holder of this environmental authority.

Financial assurance means a security required under the *Environmental Protection Act 1994* by the Administering Authority to cover the cost of rehabilitation or remediation of disturbance land or to secure compliance with the environmental authority.

Land in the 'land schedule' of this document means land excluding waters and the atmosphere, that is, the term has a different meaning from the term as defined in the *Environmental Protection Act 1994*. For the purposes of the *Acts Interpretation Act 1954*, it is expressly noted that the term 'land' in this environmental authority relates to physical land and not to interests in land.

Land use means the selected post mining use of the land, which is planned to occur after the cessation of mining operations.

Rehabilitation the process of reshaping and revegetating land to restore it to a stable landform.

Saline drainage means the movement of waters, contaminated with salts, as a result of the mining activity.

Sensitive place means:

- a) a dwelling, residential allotment, mobile home or caravan park, residential marina or other residential premises; or
- b) a motel, hotel or hostel; or
- c) an educational institution; or
- d) a medical centre or hospital; or
- e) a protected area under the Nature Conservation Act 1992, the Marine Parks Act 1992 or a World Heritage Area; or
- f) a public park or gardens.

Note: The definition of 'sensitive place' and 'commercial place' is based on Schedule 1 of EPP Noise. That is, a sensitive place is inside or outside on a dwelling, library & educational institution, childcare or kindergarten, school or playground, hospital, surgery or other medical institution, commercial & retail activity, protected area or an area identified under a conservation plan under Nature Conservation Act 1992 as a critical habitat or an area of major interest, marine park under Marine Parks Act 2004, park or garden that is outside of the mining lease and open to the public for the use other than for sport or organised entertainment. A commercial place is inside or outside a commercial or retail activity.

A mining camp (i.e., accommodation and ancillary facilities for mine employees or contractors or both, associated with the mine the subject of the environmental authority) is not a sensitive place for that mine or mining project, whether or not the mining camp is located within a mining tenement that is part of the mining project the subject of the environmental authority. For example, the mining camp might be located on neighbouring land owned or leased by the same company as one of the holders of the environmental authority for the mining project, or a related company. Accommodation for mine employees or contractors is a sensitive place if the land is held by a mining company or related company, and if occupation is restricted to the employees, contractors and their families for the particular mine or mines which are held by the same company or a related company.

For example, a township (occupied by the mine employees, contractors and their families for multiple mines that are held by different companies) would be a sensitive place, even if part or all of the township is constructed on land owned by one or more of the companies.

The Act means the *Environmental Protection Act 1994*.

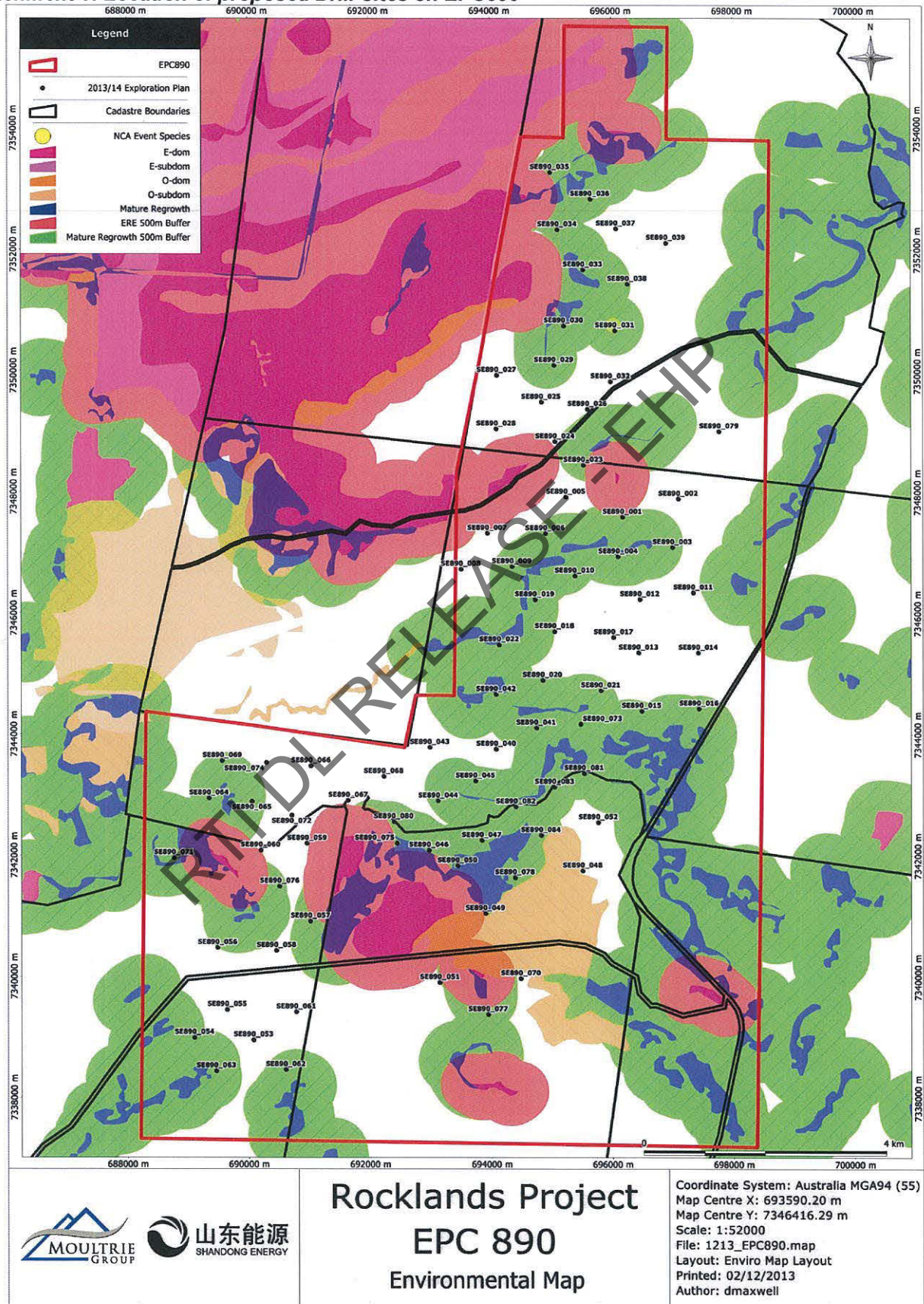
Waste as defined in section 13 of the *Environmental Protection Act 1994*.

Watercourse has the same meaning given in the *Water Act 2000*.

Water quality means the chemical, physical and biological condition of water.

Waters includes river, stream, lake, lagoon, pond, swamp, wetland, unconfined surface water, unconfined natural or artificial watercourse, bed and bank of any waters, dams, non-tidal or tidal waters (including the sea), storm water channel, storm water drain, and groundwater and any part thereof.

Attachment 1: Location of proposed Drill Sites on EPC890



Permit¹

s183 Environmental Protection Act 1994

Standard Environmental Authority (mining activities)

Permit number: MIM500254404

Valid From: 20-MAY-2004

Details

Permit Holder(s)	Name	Address
Principal Holder	HLM Coal Australia Pty. Ltd.	48 Power Street NORMAN PARK QLD 4170
Activity(s)		Activity Location(s)
Coal Exploration		EPC890

Conditions of Approval

Permit details:

Authorised Mining Tenements

Tenure Type	Tenure Number
EPC	890

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**Permit¹**

s183 Environmental Protection Act 1994

Permit number: MIM500254404

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sch4-Signature

Signed

Stuart Cameron
Environmental Protection Agency

Date 21 May 2004

RTI DL RELEASE - EPR

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