

Notice

Environmental Protection Act 1994

Proposal 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 proposed change to the amount of financial assurance required

HLM Coal Australia Pty Ltd
15 Lyall Street
South Perth WA 6151

Your reference: EPC890
Our reference: MIN200899109

Proposal to change the amount of financial assurance required

1. Environmental authority details

Environmental authority number MIN200899109 dated 14 July 2009 issued to HLM Coal Australia Pty Ltd.

Property/location description(s):

Exploration Permit Coal 890

2. Proposed action

The administering authority proposes to increase the amount of financial assurance held for the above environmental authority from \$2500 to \$600000.

3. Grounds

The administering authority wishes to increase the financial assurance for Environmental Authority (EA) MIN200899109 based the fact that the current FA is not reflective of the EA. The EA currently has standard FA associated with a code compliant level 2 EA of \$2500, this is now a non-code level 2 EA and the FA should have been increased accordingly when the amendment was approved.

Based on site inspections generated by landowner complaints against EPC890 and the current and continued noncompliance, the administering authority intends to increase FA to \$600,000.

4. Representations

You may make written representations about the proposed change to financial assurance. Your representation must be submitted to the administering authority by 01 May 2013. Please submit all representations to Linda Hughes at the address shown below:

Department of Environment and Heritage Protection
PO Box 3028
Emerald QLD 7420

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

Proposal to change the amount of financial assurance

	sch4-Signature	
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11 / 4 / 2013

sch4-Signature Signature

Date

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

Enquiries:
 Linda Hughes
 PO Box 3028
 Emerald QLD 4720
 Phone: 07 4987 9320
 Fax: 07 4987 9399
 Email: linda.hughes@ehp.qld.gov.au

RTI DL RELEASE - EHP

Request for Statutory Approval

NOTICE TO PREPARE A DRAFT TRANSITIONAL ENVIRONMENTAL PROGRAM (TEP) SECTION 332 OF THE *ENVIRONMENTAL PROTECTION ACT 1994*

CLIENT: HLM Coal Australia Pty Ltd
REGISTERED OFFICE ADDRESS: 15 Lyall Street,
South Perth WA 6151
TENEMENT: EPC890
ENV AUTHORITY NO.: MIN200899109
FILE NO.: EMD1798
PROGRAM NOTICE/REQUIRED: TEP
REASON FOR TEP: Non-compliance - Rehabilitation
DATE SUBMITTED: 03 April 2013
DECISION DUE DATE: 03 April 2013
(if approval required)
TIME SPENT: 6 hours

1.0 SUMMARY

The department wishes for HLM Coal Australia Pty Ltd (HLM) to provide a draft Transitional Environmental Program (TEP) to address and rectify the outstanding rehabilitation on EPC890 currently in non-compliance with the issued environmental authority (EA) MIN200899109 (formally MIM500254404).

(HLM) is the tenure holder of EPC890 with a non-code compliant level 2 EA MIN200899109. EPC890 was originally granted in 2004, renewed in 2007 and 2010 and due for renewal again on **18 October 2013** and has a standard FA of **\$2500**. EPC890 covers six adjoining properties, s78B(2) - Confidential complaints to the department about unrehabilitated mining activities. The EA holder is now in non-compliance due to outstanding rehabilitation. The supporting information for a TEP is as follows:

EA HISTORY:

Exploration activities were carried out in 2007 but the tenure holder failed to meet its obligations under legislative requirements and rehabilitate. Since 2007, HLM have been in non-compliance against the EA specifically condition G4:

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*.

And subsequently conditions 29, 37, 38, 39, 42 and 44 of the *Code of Environmental Compliance for Exploration and Mineral Development Projects* (the Code) with outstanding rehabilitation on two properties.

Since the department was made aware of the non-compliance there have been the three consultants assigned to address the outstanding rehabilitation:

Tenement Administration Services (TAS);
Geos Mining; and
Moultrie Geology Pty Ltd.

Refer: Attachment 1 – 120725_EPC890_supplementary information

DEPARTMENTAL ACTION TO DATE:

1. The non-compliance was first brought to the department's attention through s78B(2) - Confidential complaint from confidential source in October 2011 and a site inspection on "Penrose" followed within a week on 24 October 2011.

Refer: Attachment2_EPC890_Compliance Letter_Penrose

2.

s.73 irrelevant information

3. Letter to DNRM highlighting departments concerns and requesting no further tenures or extension be granted to HLM Coal until rehab is satisfactorily completed.

Refer: Attachment4_EPC890_DNRMLetter_NonCompliance

REHABILITATION TO DATE:

No rehabilitation was carried out under the administration of TAS although different people contacted the landholders to discuss it.

Penrose

Geos Mining has effectively finished all outstanding rehabilitation works on Penrose, in consultation with the landowner throughout the whole process. The final Rehabilitation Report is due 31 April 2013 (the department has received the initial and interim rehabilitation reports for Penrose). As Geos Mining are no longer acting on behalf of HLM their access agreement may not be valid therefore it is now unclear if Geos Mining will be able to access the site to take the required comparison photographs for this report.

s.73 irrelevant information

OUTSTANDING REHABILITATION TO DATE:

s.73 irrelevant information

ISSUE:

The department has the following concerns:

- The department was advised in a phone call in March 2013 from a Geos Mining representative that HLM is potentially intending to use EPC890 as a prerequisite for a Mineral Development Lease application, and therefore were considering not rehabilitating as they could not see the need.

s.73 irrelevant information

The Moultrie Geology representative emailed a letter dated 19 March 2013 outlining they are now acting for HLM Coal Australia Pty Ltd in relation to rehabilitation on EPC890. The original letter was meant to have been posted to the department but as yet it has not been received.

s.73

- The current financial assurance (FA) of \$2500 is grossly inadequately based on the current quotes for rehabilitation. And the assessing officer recommends the implementation of section 306 of the Environmental Protection Act 1994 to increase the FA to a more realistic amount based on the quotes.

s.73 irrelevant information

PROPOSED COURSE OF ACTION:

- s332 Notice to prepare a TEP with clearly defined completion date for rehab;
- Under s 306 of the EP Act increase the FA to a realistic amount relevant for current activities on EPC890; and
- Engage the compliance division to investigate HLM Coal

Has the TEP been entered in EcoTrack:

EcoTrack Compliance Reference (if applicable): -

CAXXXXX

EcoTrack TEP Reference Number: -

MANXXXX

If Approving the TEP

Has a notice approving the TEP been completed:

XXXX

Has a certificate of approval been developed:

XXXX

Were additional conditions set on the certificate of approval:

XXXX

2.0 ADDITIONAL CONDITIONS

Not applicable.

3.0 STATUTORY REQUIREMENTS

306 Power to require a change to financial assurance

(1) The administering authority may, at any time, require the holder of an environmental authority or small scale mining tenure for which financial assurance has been given to change the amount of the financial assurance.

The administering authority wishes to increase the FA for EA MIN200899109 based on current non-compliance with EA and the fact that the current FA is not reflective of the EA. The EA currently has standard FA allocated to code compliant level 2 EA of \$2500, this is now a non-code level 2 EA and the FA should have been increased accordingly when the amendment was approved. Based on noncompliance history the administering authority intends to increase FA to \$600,000.

(2) However, a requirement to change the financial assurance for a small scale mining tenure may only be made to ensure the amount of the financial assurance is in compliance with a prescribed condition about financial assurance for the tenure.

EA MIN200899109 condition G3 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.

- (3) Before making a requirement under this section, the administering authority must give written notice to the holder of the environmental authority or small scale mining tenure.
- (4) The notice must—
- (a) state details of the proposed requirement; and
 - (b) invite the holder to make, within a stated period, submissions about the proposed requirement.
- (5) The stated period must end at least 20 business days after the holder is given the notice.
- (6) The administering authority must, before deciding to make the requirement, consider any written submissions made by the holder within the stated period.
- (7) The requirement does not take effect until—
- (a) the holder is given an information notice about the decision; or
 - (b) if the information notice states a later day of effect—the later day.
- (8) In this section—
- change**, financial assurance, includes to decrease or increase its amount.
- financial assurance**, given, includes financial assurance changed because of a requirement previously made under this section.

332 Administering authority may require draft program

- (1) The administering authority may require a person or public authority to prepare and submit to it for approval a draft transitional environmental program—

- (a) as a condition of an environmental authority; or
- (b) as a development condition of a development approval.

Not applicable

- (2) The administering authority may also require a person or public authority to prepare and submit to it for approval a draft transitional environmental program if it is satisfied—

- (a) an activity carried out, or proposed to be carried out, by the person or authority is causing, or may cause, unlawful environmental harm; or
- (b) it is not practicable for the person or public authority to comply with an environmental protection policy or regulation on its commencement; or
- (c) that a condition of an environmental authority held by the person or public authority is, or has been, contravened; or

HLM Coal Australia Pty Ltd is the holder of MIN200899109 has contravened condition G4 by not rehabilitating mining activities on EPC890.

- (ca) that a prescribed condition for carrying out a small scale mining activity is, or has been, contravened by the person or public authority carrying out the activity; or
- (d) a development condition of a development approval is, or has been, contravened and the person or public authority is—

- (i) an owner of the land for which the approval is granted; or
- (ii) another person in whom the benefit of the approval vests.

- (3) A requirement under subsection (1) or (2) must be made by written notice given to the person or public authority.

- (4) The notice must state—

- (a) the grounds on which the requirement is made; and
- (b) the matters to be addressed by the program; and
- (c) the period over which the program is to be carried out; and

(d) the day (at least a reasonable period after the notice is given) by which the program must be prepared and submitted to the administering authority; and

(e) the review or appeal details.

(5) A person of whom a requirement under subsection (1) or (2) has been made must comply with the requirement unless the person has a reasonable excuse.

Maximum penalty for subsection (5)—100 penalty units.

4.0 RECOMMENDATION

The assessing officer recommends:

1. s332 Notice to prepare a TEP with clearly defined completion date for rehabilitation and reporting requirements;
2. s306 Notice – Proposal to change amount of financial assurance issued to increase the FA to a realistic amount relevant for current activities on EPC890; and
3. Engage the compliance division to investigate HLM Coal

Linda Hughes

Environmental Officer

Ph – 4987 9345

sch4-Signature

Signed

sch4-Signature

Date -

3/4/2013

Reviewed & Endorsed By	
<p>Kylie Dunlop Senior Environmental Officer</p> <p>Signed – sch4-Signature</p> <p>Date: 3 APR 2013</p>	<p>Delegate Christopher Loveday Manager - Emerald</p> <p>Sig sch4-Signature</p> <p>Date: 11/4/13</p>

Request for Statutory Approval

NOTICE TO INCREASE FINANCIAL ASSURANCE SECTION 306 OF THE ENVIRONMENTAL PROTECTION ACT 1994

CLIENT: HLM Coal Australia Pty Ltd

REGISTERED OFFICE ADDRESS: C/- Michael Hansel
HopgoodGamin
Level 8 Waterfront Place
1 Eagle Street
Brisbane QLD 4000

TENEMENT: EPC890

ENV AUTHORITY NO.: MIN200899109 (EPVX00447013)

FILE NO.: EMD1798

DATE COMMENCED: 03 April 2013

DECISION DUE DATE: 28 May 2013
(if approval required)

TIME SPENT: 6 hours

1.0 SUMMARY

(HLM) is the tenure holder of Exploration Permit Coal (EPC) 890 with a "variation" EA MIN200899109. EPC890 was originally granted in 2004, renewed in 2007 and 2010 and due for renewal again on **18 October 2013** and has a standard FA of **\$2500**. EPC890 covers six adjoining properties, **s78B(2) - Confidential** complaints to the department about unrehabilitated mining activities. The EA holder is now in non-compliance due to outstanding rehabilitation. The supporting information for an increase in FA is as follows:

DEPARTMENTAL ACTION TO DATE:

1. The non-compliance was first brought to the department's attention through **s78B(2) - Confidential** complaint from **s78B(2) - Confidential** in October 2011 and a site inspection on "Penrose" followed within a week on 24 October 2011.
2. **s.73 irrelevant information**
3. Letter to DNRM highlighting departments concerns and requesting no further tenures or extension be granted to HLM Coal until rehab is satisfactorily completed.
4. Notice - requiring a draft transitional environmental program issued to HLM Coal Australia Pty Ltd on 11 April 2013
5. Notice - proposal to change amount of financial assurance issued to HLM Coal Australia Pty Ltd on 11 April 2013.

The department has not received any representations from HLM Coal Australia Pty Ltd in relation to the two notices issued on 11 April 2013. Company is now in non-compliance in relation to the Notice requiring a draft TEP and a Formal Investigation Report is been prepared to address this.

EA HISTORY:

Exploration activities were carried out in 2007 but the tenure holder failed to meet its obligations under legislative requirements and rehabilitate. Since 2007, HLM have been in non-compliance against the EA specifically condition G4:

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*.

And subsequently conditions 29, 37, 38, 39, 42 and 44 of the *Code of Environmental Compliance for Exploration and Mineral Development Projects* (the Code) with outstanding rehabilitation on two properties.

Since the department was made aware of the non-compliance there have been the three consultants assigned to address the outstanding rehabilitation:

Tenement Administration Services (TAS);
Geos Mining; and
Moultrie Geology Pty Ltd.

REHABILITATION TO DATE SINCE DEPARTMENTAL INVOLVEMENT:

No rehabilitation was carried out under the administration of TAS although different people contacted the landholders to discuss it.

Penrose

Geos Mining has effectively finished all outstanding rehabilitation works on Penrose, in consultation with the landowner throughout the whole process. The final Rehabilitation Report is due 31 April 2013 (the department has received the initial and interim rehabilitation reports for Penrose). As Geos Mining are no longer acting on behalf of HLM their access agreement may not be valid therefore it is now unclear if Geos Mining will be able to access the site to take the required comparison photographs for this report.

s.73 irrelevant information

ISSUE:

The department has the following concerns:

- The department was advised in a phone call in March 2013 from a Geos Mining representative that HLM is potentially intending to use EPC890 as a prerequisite for a Mineral Development Lease application, and therefore were considering not rehabilitating as they could not see the need.

s.73 irrelevant information

The Moultrie Geology representative emailed a letter dated 19 March 2013 outlining they are now acting for HLM Coal Australia Pty Ltd in relation to rehabilitation on EPC890. The original letter was meant to have been posted to the department but as yet it has not being received.

s.73 irrelevant information

- The current financial assurance (FA) of \$2500 is grossly inadequately based on the current quotes for rehabilitation. And the assessing officer recommends the implementation of section 306 of the Environmental Protection Act 1994 to increase the FA to a more realistic amount based on the quotes.

Has EcoTrack been updated:

will do once approved

2.0 STATUTORY REQUIREMENTS**306 Power to require a change to financial assurance**

(1) The administering authority may, at any time, require the holder of an environmental authority or small scale mining tenure for which financial assurance has been given to change the amount of the financial assurance.

The administering authority wishes to increase the FA for EA MIN200899109 based on current non-compliance with EA and the fact that the current FA is not reflective of the EA. The EA currently has standard FA allocated to code compliant level 2 EA of \$2500, this is now a non-code level 2 EA and the FA should have been increased accordingly when the amendment was approved. Based on noncompliance history the administering authority intends to increase FA to \$600,000.

(2) However, a requirement to change the financial assurance for a small scale mining tenure may only be made to ensure the amount of the financial assurance is in compliance with a prescribed condition about financial assurance for the tenure.

EA MIN200899109 condition G3 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.

(3) Before making a requirement under this section, the administering authority must give written notice to the holder of the environmental authority or small scale mining tenure.

(4) The notice must—

- (a) state details of the proposed requirement; and
- (b) invite the holder to make, within a stated period, submissions about the proposed requirement.

(5) The stated period must end at least 20 business days after the holder is given the notice.

(6) The administering authority must, before deciding to make the requirement, consider any written submissions made by the holder within the stated period.

(7) The requirement does not take effect until—

- (a) the holder is given an information notice about the decision; or
- (b) if the information notice states a later day of effect—the later day.

(8) In this section—

change, financial assurance, includes to decrease or increase its amount.

financial assurance, given, includes financial assurance changed because of a requirement previously made under this section.

3.0 RECOMMENDATION

The assessing officer recommends to issue the following to the client:

1. s306 Notice – decision to change amount of financial assurance; and
2. Supplementary covering letter explaining all.

Linda Hughes
Environmental Officer
Ph – 4987 93

Signed –

sch4-Signature

Date -

28 May 2013

Reviewed & Endorsed By	
Leonie Crane Senior Environmental Officer	Delegate Christopher Loveday Manager - Emerald
Signed sch4-Signature	Signed –
Date: 28 May 2013	Date:

RTI DL RELEASE - EHP



Department of
Environment and
Heritage Protection

Your Ref: EPC890
Our Reference: MIN200899109

28 May 2013

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

cc. Peter Donaghy
Regional Director Mines - Central
Department of Natural Resources and
Mines
PO Box 3679
Red Hill QLD 4701

Attention James Zhu,

RE: Increase to Financial Assurance for Exploration Permit Coal (EPC)890

HLM Coal Australia Pty Ltd is the tenure holder for EPC890 which has an associated Environmental Authority (variation). The Department of Environment and Heritage Protection (the department) would like to advise that as part of the Greentape Reduction the environmental authority number and terminology has changed from a standard authority with the permit number MIN200899109 to a variation environmental authority with the permit number of **EPVX00447013**. A variation environmental authority is the new Greentape terminology for the old level 2 non-code compliant/standard Environmental Authority under which HLM Coal Australia Pty Ltd has been operating. Please note that any reference to the old environmental authority number is still valid and will be accepted by the department.

The department refers to the *Notice – Proposal to change the amount of financial assurance* issued to HLM Coal Australia Pty Ltd as the tenure and environmental authority holder for EPC890 on the 11 April 2013 and advises that the department is progressing to the next stage of the process for increasing Financial Assurance. Please find attached the *Notice – Decision to change the amount of financial assurance* which is effective 28 May 2013.

Section 292 of the *Environmental Protection Act 1994* stipulates the requirement to give financial assurance in accordance with a condition of an environmental authority, in the case of **MIN200899109 (EPVX00447013)** it is condition G3

G3 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.

Dept. Environment and Heritage Protection
99 Hospital Road
PO Box 19
EMERALD QLD 4720
Telephone + 61 7 49879320
Facsimile + 61 7 49879399
Website www.ehp.qld.gov.au
ABN 46 642 063 485

Mining activities in any form are not to be undertaken on EPC890 until the department has received confirmation from the Department of Natural Resources and Mines that the financial assurance for EPC890 has been increased to \$600,000.00.

Should you have any further enquiries, please do not hesitate to contact Linda Hughes, Environmental Officer of the department on telephone (07) 4987 9345.

Yours sincerely,

sch4-Signature

Christopher Loveday
Manager
Environmental Services – Mining

RTI DL RELEASE - EHP

EMD2013/509.....



Ref EPC809 / MIN200899109

5 March 2013

 Department of
**Environment and
 Heritage Protection**

Fergus O'Brien
 Manager
 Exploration Management Unit
 Mining and Petroleum Operations
 Department of Natural Resources and Mines
 PO Box 15216
 CITY EAST QLD 4002

Dear Mr O'Brien

EPC890 – Non Compliance

The Department of Environment and Heritage Protection (the department) would like to bring to the attention of the Department of Natural Resources and Mines, Exploration unit that EPC890 is currently under investigation for non-compliance with the conditions of Environmental Authority MIN200899109. Rehabilitation is outstanding from exploration activities carried out in 2007/2008.

It has been brought to the department's attention that the environmental authority holders for EPC890 wish to further expand the exploration activities on this tenure and potentially use this tenure to meet the prerequisite requirements for lodging a Mineral Development License. The consultants have also unofficially advised they are having trouble getting authorisation and funding from HLM Coal Australia Pty Ltd to finalise the remaining rehabilitation activities on EPC890.

Environmental Authority / Tenure holder:
 HLM Coal Australia Pty Ltd
 Registered address: 15 Lyall Street, South Perth WA 6151

Consultants:
 Geos Mining, Suite 301, 68 Alfred Street, Milsons Point NSW 2061

The department respectfully requests that the Department of Natural Resources and Mines take this current compliance activity into consideration before reaching a decision regarding the granting of additional tenure to HLM Coal Australia Pty Ltd. It is the department's view that until this compliance investigation is finalised and rehabilitation completed, an Environmental Authority for further activities could not be granted to HLM Coal Australia Pty Ltd. Attached for your records are copies of two departmental letters relating to the outstanding rehabilitation.

Should you have any further enquiries, please do not hesitate to contact Linda Hughes, Environmental Officer for the department on telephone 07 4987 9345.

Yours sincerely

sch4-Signature

Christopher Loveday
 Manager
 Environmental Services(Mining) –Central Region
 Department of Environment and Heritage Protection

Enc Compliance letters

Environmental Services - Mining
 Central Region - Emerald
 PO Box 19
 99 Hospital Rd
 Emerald QLD 4720
 Ph. (07) 4987 9320
 Fax. (07) 4987 9399
 Website www.ehp.qld.gov.au
 ABN 46 640 294 485 of 53

Notice

Assessment level and EIS decision for application to amend an Environmental Authority (Mining Activities) Non Code Compliant Level 2 Mining Project

This statutory notice is issued by the administering authority pursuant to sections 246, 248 and 249 of the Environmental Protection Act 1994 to advise an applicant of the assessment level and EIS decision regarding an application to amend an environmental authority (mining activities).

HLM Coal Australia Pty Ltd
Owen Huang
C/- Tenement Administration Services
PO Box 8045
WOOLLOONGABBA QLD 4102

The Mining Registrar
Department of Natural Resources and Mines
PO Box 245
EMERALD QLD 4720

Our Reference: 211084

Dear Mr Huang

Re: Application for amendment of Environmental Authority MIN200899109 (EPC 890) Non Code Compliant Level 2 Mining Project

The Department of Environment and Heritage Protection (EHP) has assessed the application received on 29 August 2012 to amend environmental authority MIN200910809 and advises that the assessment level decision for the amendment application is significant increase in environmental harm is likely.

EHP has also decided that an Environmental Impact Statement (EIS) is not required for the proposed amendment. The EIS decision was made by EHP in accordance with section 246 of the *Environmental Protection Act 1994*.

Your application has been forwarded to the Mt Isa office of EHP for assessment. If you require further information please contact Linda Hughes, the Project Manager, on 07 4987 9345.

Yours sincerely

Anthony Schmid
Delegate
Department of Environment and Heritage Protection
14 September 2012

Enquiries:
Department of Environment and Heritage Protection
PO Box 19
EMERALD QLD 4720
Phone: 07 4987 9345
Fax: 07 4987 9399

Ref: 211084 /EPC890

27 September 2012

Mr Owen P. Huang
c/- Tenement Administration Services
PO Box 8045
Woolloongabba QLD 4102

cc Mr Mark Dowd
Geos Mining
Suite 301, 68 Alfred Street
Milsons Point NSW 2061

Dear Mr Huang

RE: Application to amend Environmental Authority for Exploration Permit Coal (EPC) 890

The Department of Environment and Heritage Protection has assessed the application received on 29 August 2012 to amend environmental authority MIN200899109 and in accordance with section 246 of the *Environmental Protection Act 1994* (EP Act), made an Assessment Level Decision (ALD) of 'significant increase in environmental likely, no environmental impact statement required' on 14 September 2012.

As a result of the ALD, an Environmental Management Plan (EM Plan) is required to be lodged in accordance with section 187 and the content requirements of section 189 of the EP Act.

Please be aware that the timeframes associated with undertaking an EM Plan assessment commences upon receipt of the EM Plan.

It has been brought to my attention that the old environmental authority number was inadvertently used on previous correspondence in relation to EPC890, this does not make the correspondence invalid. Please note the correct and current environmental authority number is MIN200899109.

Should you have any further enquiries, please contact Linda Hughes, Environmental Officer of the department on telephone 07 4987 9345.

Yours sincerely

sch4-Signature

Christopher Loveday
Manager, Environmental Services - Mining

Request for Statutory Approval

s187 of the *Environmental Protection Act 1994* REQUIREMENT FOR ENVIRONMENTAL MANAGEMENT PLAN

CLIENT: HLM Coal Australia Pty Ltd
REGISTERED OFFICE ADDRESS: 15 Lyall Street
South Perth WA 6151
POSTAL ADDRESS: C/- Tenement Administration Services
PO Box 8045
Woolloongabba QLD 4102
TENEMENT: EPC890
ENV AUTHORITY NO.: MIN200899109
FILE NO.: EMD1798
ECOTRACK PROJECT REFERENCE: 211084
APPLICATION DATE: 29 August 2012

1.0 SUMMARY

The administering authority has assessed the application received on 29 August 2012 to amend environmental authority MIN204120412 for HLM Coal Australia Pty Ltd and made an Assessment Level Decision (ALD) of 'significant increase in environmental harm likely, no environmental impact statement required' on 14 September 2012.

As such, the application is required to be processed in accordance with Chapter 5, Part 5 of the *Environmental Protection Act 1994*. Section 187 of the *Environmental Protection Act 1994* requires an environmental management plan to be lodged for the project.

Has the Application been 'stop clocked' in EcoTrack: Yes

2.0 STATUTORY REQUIREMENTS

Chapter 5, Part 8 – Amendment of authorities by application

Division 3 Processing application

Subdivision 1 Assessment level decision

246 Assessment level and EIS decisions for application

- (1) The administering authority must, within the period prescribed under a regulation, decide—
- (a) whether, were the amendment to be made, the level of environmental harm caused by any relevant mining activity is likely to be significantly increased; and
 - (b) if the decision under paragraph (a) is that the level is likely to be significantly increased—whether an EIS is required for the proposed amendment.
- (2) The authority must, in making a decision under subsection (1), comply with any relevant regulatory requirement and consider the standard criteria and whether section 247A applies.
- (3) The decision under subsection (1)(a) is called the **assessment level decision** for the amendment application.
- (4) The decision under subsection (1)(b) is called the **EIS decision** for the amendment application.

The time period prescribed under s41 of the *Environmental Protection Regulation 2008* is 10 business days. This time period was extended under s555 of the *Environmental Protection Act 1994* to 17 August 2012 on 13 August 2012.

The Assessment Level Decision was determined to be: Significant Increase in Environmental Harm Likely.

The EIS decision was determined to be: no EIS required.

Subdivision 2 Process if decision is significant increase in environmental harm likely and EIS not required.

251 Relevant application process applies.

- (1) If the environmental authority is an environmental authority (exploration) or an environmental authority (mineral development), part 5 applies as if the application were an application for that type of environmental authority.
- (2) If the environmental authority is an environmental authority (mining claim) or environmental authority (mining lease) the following provisions apply, with necessary changes, as if the application were an application for the authority—
- (a) for a code compliant authority or a non-code compliant authority for a level 2 mining project—part 3, division 2, subdivision 2;
 - (b) for a non-code compliant authority for a level 1 mining project—part 6, divisions 3 to 8.
- (3) The provisions applied under this section apply—
- (a) with any other necessary changes; and
 - (b) subject to subsections (4) and (5) and sections 252 to 255.
- (4) To remove any doubt, it is declared that an objection made under section 216, as applied under subsection (2)—
- (a) may be made about an existing provision of the environmental authority only to the extent the provision is proposed to be amended under the application; and
 - (b) can not be made about mining activities carried out under the environmental authority before the deciding of the application.
- (5) For part 6, division 7, as applied under subsection (2), the Land Court, in making the objections decision, or the EPA Minister, in making a decision under section 225, may have regard to—
- (a) an existing provision of the environmental authority, whether or not the provision is proposed to be amended under the application; and
 - (b) all or any mining activities carried out under the environmental authority before the deciding of the application.

As the application for amendment is for an exploration activity, in accordance with s251(1) of the *Environmental Protection Act 1994*, the relevant process to apply is Chapter 5 Part 5.

Chapter 5, Part 5 – Processing non-code compliant applications for environmental authority (exploration) or environmental authority (mineral development) for level 1 mining project

187 Environmental management plan required

- (1) The applicant must submit to the administering authority an environmental management plan for all relevant mining activities.
- (2) The plan must comply with section 189.
- (3) If an EIS requirement has been made for the application, the plan may be submitted whether or not the EIS process has been completed.

Section 187 of the *Environmental Protection Act 1994* states that the applicant must submit an environmental management plan that meets the content requirements of section 189. No environmental management plan was submitted with the application, and therefore for the application to proceed an environmental management plan is required.

3.0 APPLICATION TIME FRAME

No timeframes currently apply to the application.

Chapter 5, Part 5 – Processing non-code compliant applications for environmental authority (exploration) or environmental authority (mineral development) for level 1 mining project

193 Deciding application

- (1) *The administering authority must, within the period prescribed under a regulation, consider the application and decide either to grant or refuse it.*
- (2) *The authority may, in granting the application, impose the conditions on the environmental authority it considers necessary or desirable.*
- (3) *In deciding whether to grant or refuse the application or to impose a condition the authority must—*
- (a) comply with any relevant regulatory requirement; and*
 - (b) subject to paragraph (a), consider the following—*
 - (i) the application documents for the application;*
 - (ii) the standard criteria;*
 - (iii) to the extent the application relates to mining activities in a wild river area—the wild river declaration for the area;*
 - (iv) any suitability report obtained for the application;*
 - (v) the status of any application under the Mineral Resources Act for each relevant mining tenement.*

The time period prescribed under s38 of the *Environmental Protection Regulation 2008* to make a decision on an application is 10 business days after the later of the following events:

- a) if an EIS requirement has been made for the application – the completion of the EIS process
- b) the end of the assessment period under section 191(2) of the *Environmental Protection Act 1994*.

As there is no EIS requirement for the application, the decision period commences following the assessment period under section 191(2) of the *Environmental Protection Act 1994*.

191 EM plan assessment report may be prepared

- (1) *The administering authority may give the applicant an assessment report (an **EM plan assessment report**) about the submitted EM plan.*
- (2) *However, an EM plan assessment report may be given only within the period prescribed under a regulation (the **assessment period**).*
- (3) *An EM plan assessment report may be included in an EIS assessment report for a project that includes a relevant mining activity.*

The time period prescribed under s37 of the *Environmental Protection Regulation 2008* to give an environmental management plan assessment report is:

- a) 30 business days after the environmental management plan is submitted;
- b) if the applicant has amended the environmental management plan, 30 business days after the environmental management plan amendment notice has been given to the administering authority; or
- c) if the applicant has agreed to a shorter time period with the administering authority in writing – that time.

The applicant has not submitted an environmental management plan, amended an environmental management plan, nor has the applicant agreed to a shorter assessment period with the administering authority in writing. As such, the assessment period for the environmental management plan cannot commence until an environmental management plan is submitted.

As the assessment period for the environmental management plan has not been finalised, the decision period for the application cannot commence.

4.0 FURTHER INFORMATION

Environmental Services (Mining) requested further information from the Regulatory Support and Practice Unit on 3 September 2012, however as at 28 September 2012 had been unable to obtain a formal response regarding the processing of Level 2 Environmental Authority amendment applications under Chapter 5, Part 5 of the *Environmental Protection Act 1994*, including the requirement for an environmental management plan to be submitted.

5.0 RECOMMENDATION

It is recommended that a letter be sent to the applicant, HLM Coal Australia Pty Ltd to advise the client that an environmental management plan is required to be submitted in accordance with section 187 of the *Environmental Protection Act 1994* to allow the amendment application to proceed.

Linda Hughes
Environmental Officer
Ph – 4987 9345

Signed –

sch4-Signature

Date -

28/9/2012

Reviewed & Endorsed By	
Rebecca Swan Principal Environmental Officer	Delegate Chris Loveday Manager - Emerald
Signed – sch4-Signature	Signed – sch4-Signature
Date: 28/9/2012	Date: 28/9/2012



Department of
**Environment and
Heritage Protection**

Ref MIN200899109 (EPVX00447013)

3 December 2013

Mr James Zhu
HLM Coal Australia Pty Ltd
C/o HopgoodGanim
PO Box 7822
BRISBANE QLD 4001

Dear Mr Zhu

Environmental Management Plan for EPC890

The Department of Environment and Heritage Protection (the department) has assessed the Environmental Management Plan (EM Plan) titled *Environmental Management Plan EPC890 EPVX00447013; HLM Coal Australia Pty Ltd; A.C.N. 109020126; Date 22 October 2013*.

The EM Plan was submitted on 22 October 2013 under section 187 of the *Environmental Protection Act 1994* (EP Act) as part of the application, lodged on 29 August 2012, to amend the level 2 non-code compliant Environmental Authority (EA) MIN200899109 (EPVX00447013) for EPC890.

The department wishes to advise that the EM Plan meets the content requirement as per section 189 of the EP Act and contains adequate information to allow the application to be decided and conditions to be imposed on the EA.

Should you have any further enquiries, please do not hesitate to contact the departmental Project Officer Linda Hughes on 07 4987 9345.

Yours sincerely

sch4-Signature

Sam Tarlinton
Manager
Environmental Services - Mining

Notice of decision - permit¹ application

This notice is issued by the administering authority to advise of a statutory decision on a permit application.

HLM Coal Australia Pty. Ltd.
C/- Tenement Administration Services Pty Ltd
po bOX 15589
CITY EAST QLD 4002

Our reference: 211084

Dear Sir/Madam

Re: Decision made in relation to your application

Your application received on 29-AUG-2012 has been assessed and the decision in regard to your application is specified below:

Permit applied for	Permit Number	Decision
Environmental Authority (Variation) under Environmental Protection Act 1994	EPVX00447013	Granted

For the permit applied for that has been granted, the conditions of approval are attached. Where applicable, a Statement of Reasons is provided in relation to the decision. Please note that for the approval, this Notice of Decision and the relevant attachments constitute the permit documentation. Please retain this approval documentation for your records.

Included with this notice is advice on review and appeal processes that may be available to you. Should you seek a review or appeal, you are advised to seek independent advice before taking such action.

If you require more information, please contact Tanya Lavender on the telephone number listed below.

Yours sincerely

Christopher Loveday
Department of Environment and Heritage Protection
Date

Enquiries:

ES - Reg Serv - Central West -Mining - Emerald
Office
PO Box 906
99 Hospital Road
EMERALD QLD 4720
Phone: (07)4890 6200
Fax: (07)4982 2568

Attachment - Permit/Statement of Reasons

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation.



☐ Regional Information and Filing

☐ PALM – Mining Co-ordinator to File

☒ Regional - Action Required

DNRM Office:

Emerald

AR #: *030967* Admin. Office: *Emerald*

Project #: *211084* Permit # *MIN2 00899109*

Application #: *502721* New Permit Reference#:



Permit and Licence Management Mining Environmental Authority Validation Checklist

TENURE TYPE:	APPLICATION FOR:	ASSESSMENT TYPE
☐ EPM ☒ EPC	☐ New EA ☒ Amend EA	☐ L2 Code Compliant
☐ MDL ☐ ML	☐ Transfer: ☐ Full ☐ Partial	☒ L2 Non-code Compliant
☐ MC	☐ Surrender: ☐ Full EA ☐ Full Tenure ☐ Partial	☐ L1 Non-code Compliant
No/s <i>890</i>		

Applicant Name: *HCM Coal Australia PLC*

Co-ordinator: *Roslyn Horie* Processing Officer: *Nick Mullins*

Outstanding Fees ☒ Outstanding Returns ☒ Return Tab updated ☐ Annual Return Date:

Indicate by Yes ☒ No ☒ or N/A ☐

All Applications	
Application form completed	☒
Form Signed and Dated	☒
Correct fees paid	☒
Fee paid \$ <i>276</i>	
Rec No. <i>4149657</i>	
Date <i>30/8/12</i>	
Application for New EA	
Copy of completed DNRM Application form	☐
DNRM Map	☐
DNRM Public Enquiry Report	☐
Have any tenures been granted by DNRM	☐
If NO – tick Fee Exempt box in Application screen	
Application to Transfer	
Signed by both parties	☐
Old EA checked for conditions and tenures	☐
Application to Surrender	
Final Rehab Report	☐
Audit Statement	☐
Application for discharge of FA	☐
Land Owners Consent for ML's	☐
Application for EPM/EPC/MDL/MC	
Financial Assurance Amount: \$ <i>2000</i>	
Amount of financial assurance checked with DME before discharge	☒

Application Received: *29/8/2012*

Application Date: *29/8/2012*

CAC Applications:	
EM Plan Attached ☐	
CAC Review date: <i>...../...../20.....</i>	Extended Date: <i>...../...../20.....</i>
ALD Date: <i>...../...../20.....</i>	Extension Date: <i>...../...../20.....</i>

Strategic Cropping Land	
Indicate Yes ☒ No ☒ or N/A ☐	
Does the land contain SCL or Potential SCL?	☒ Stop Ecotrack Clock? ☐
If yes, has the applicant applied to operate under a SCL quarantine condition?	☒ Quarantine condition granted? ☐
Is an SCL determination required?	☒ EA cannot be granted until SCL Determination has been granted
Has an SCL determination previously been granted for this EA application?	☒ Compliance Certificate ☐ Protection Decision ☐
Has an SCL application been received?	☒ Compliance Certificate ☒ Protection Decision ☐
	SCL Application No: <i>SCL.RP.2012.000062</i>
SCL Protection Decision	
Protection Decision issued (date: <i>...../...../20.....</i>)	☐ Compliance certificate issued (date: <i>...../...../20.....</i>) ☐
Protection Decision rejected as incomplete (date: <i>...../...../20.....</i>)	☐ Compliance certificate rejected as incomplete (date: <i>...../...../20.....</i>) ☐
SCL Assessment Contact Officer: <i>.....</i> Phone no: <i>.....</i>	

APPLICATION PROCESSINGIndicate Yes ☒ No ☒ or N/A ☐**Is the Application Valid**☒ if ☒, proceed with Notice of Invalid Application**Other Agency Interests**

(Applies to applications for new EPM/EPC/MDL)
if ☒, list the features identified from Ecomaps

☒ Indigenous Heritage ☐Other: *ERRORS;***Is tenure located within Wild Rivers**☒if ☒, undertake following tasks**Is the tenure located within a
Proposed National Park**

(Applies to applications for new EPM/EPC/MDL)

☒ Grid Reference: *8094*..... Latitude:
☐ Send notification to Tim Ellis, Tenure Action Group
☐ Send notification to Buzz Symonds, Cape York Penn

Decision Notice and Permit Sent☐ Entered on Ecotrack ☒ Fee exempt box ticked ☐

Ecotrack Clock stopped (SCL)
(Date/...../20.....) ☐

Ecotrack Clock re-started (SCL)
(Date/...../20.....) ☐

Biodiversity Offset Policy☒ Email sent to BOO ☐

State significant biodiversity values may be impacted by the grant of this application and offset may be required.
These values should be considered when undertaking the assessment of the application.

CCL2 Draft ML☐

☐ Stop clock in Ecotrack
☐ Create file
☐ Enter file details into spreadsheet
☐ Important note in Ecotrack

Approved by Delegate

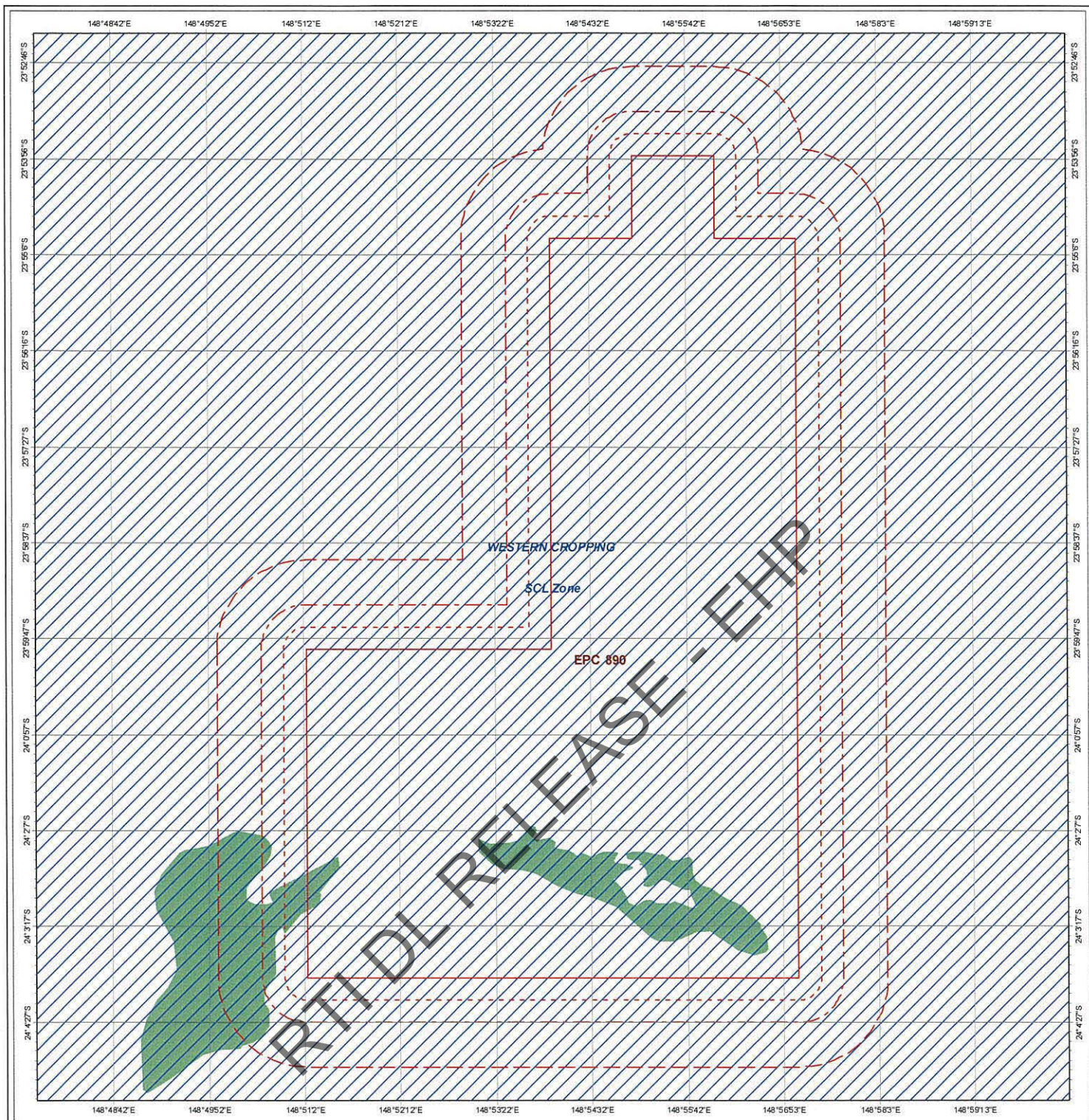
(Applies to applications for new EPM/EPC/MDL)

☐.....
Signature.....
Date**Record of consultation**

Applicant Name:

Date	Contact:	Phone #:
	Information Requested:	
	Response:	
	PaLM Staff:	

Release



Map 2 - MINING LAYERS - Strategic Cropping Land

Reference No: 201208311003208922

Reference No: 201208311003208922

Highlighted features found

EPC 890

Legend

Area of Interest:

- Searched area
- 500 metre buffer
- 1 kilometre buffer
- 2 kilometre buffer

Strategic Cropping Land:

- Strategic Cropping Land Protection Area
- Strategic Cropping Land Zone (within the SCL Management Area)
- Decided Non-Strategic Cropping Land
- Potential Strategic Cropping Land



0 850 1,700 3,400 5,100 6,800 m

This product is projected into GCS GDA 1994

This map has been prepared with all due diligence and care based on the best available information at the time of publication. The department holds no responsibility for any errors or omissions within this document. Any decisions made by other parties based on this document are solely the responsibility of those parties. Information contained in this document is from a number of sources and, as such, does not necessarily represent government or departmental policy.

The user should be aware that this map must be used in conjunction with the accompanying maps and report:
 - Not all layers relevant to assessment for Mining are shown on the map.
 - Due to multiple overlapping themes and layers present, some themes and layers may be obscured by others.

Prepared by: Environmental Information Systems Unit, Queensland Government
 © State of Queensland 2012

Location Layers - within found features (i.e. no buffer)

DERM Regions

DERM Region
CENTRAL WEST

Local Government Boundaries (DCDB)

LGA Name
CENTRAL HIGHLANDS REGIONAL

Mining Districts

Mining District Name	REGISTRAR	ADDRESS	WEB EMAIL	PHONE	FAX
ROCKHAMPTON					
EMERALD					

Mining Interests - within found features (i.e. no buffer)

Trigger for ECSU

Grid Number
8094

Indigenous Cultural Heritage ** No Data Found **

Category A - within found features (i.e. no buffer)

National Parks ** No Data Found **

Conservation Parks ** No Data Found **

Forest Reserves ** No Data Found **

Wet Tropics World Heritage Area ** No Data Found **

Great Barrier Reef Marine Park Authority Boundary Management Areas ** No Data Found **

State Marine Parks other than General Use Zones ** No Data Found **

Category B - within found features (i.e. no buffer)

Endangered Remnant Regional Ecosystems Biodiversity Status

Regional Ecosystem	RE Percents	Biodiversity Status
11.4.9a/11.5.15	95/5	E/E
11.4.9a	100	E
11.4.9b/11.7.2	70/30	E/NC
11.4.8/11.4.9a	80/20	E/E
11.7.2/11.4.9b/11.5.15	75/20/5	NC/E/E
11.4.8	100	E

Koala Plan 2006 to 2016 for ECSU ** No Data Found **

Queensland Heritage Register Boundaries ** No Data Found **

Fish Habitat Areas (QLD Fisheries Act 1994) ** No Data Found **

Marine Plants ** No Data Found **

Forest Special Management Areas (SMA) ** No Data Found **

Cultural Heritage Registered Areas ** No Data Found **

Designated Landscape Areas other than Stanbroke ** No Data Found **

General Use Zones of Marine Parks ** No Data Found **

World Heritage Areas (QLD) ** No Data Found **

Ramsar Sites (QLD) ** No Data Found **

Coordinated Conservation Areas ** No Data Found **

Category C - within found features (i.e. no buffer)

Palmer River Historic Mining Sites ** No Data Found **

Dams, Weirs, Barrages - QLD 100k (NRM) ** No Data Found **

Drainage Areas ** No Data Found **

Erosion Prone Area Plans ** No Data Found **

State Forests and Timber Reserves ** No Data Found **

Stanbroke Designated Landscape Area ** No Data Found **

River Improvement Trust Areas ** No Data Found **

Declared Irrigation Areas (boundaries) ** No Data Found **

Declared Catchments of Dams of QLD (NRM) ** No Data Found **

Resources Reserves ** No Data Found **

Nature Refuges ** No Data Found **

Coastal Management Districts (from 3 Feb 2012) ** No Data Found **

Wild Rivers Layers - within found features (i.e. no buffer)

Wild River Nominated Waterways Proposed ** No Data Found **

Wild River Nominated Waterways - Declared ** No Data Found **

Wild River Preservation Area Boundaries Proposed ** No Data Found **

Wild River Preservation Area Boundaries - Declared ** No Data Found **

Strategic Cropping Land Layers - within found features (i.e. no buffer)

SCL - Zones (within the SCL Management Area)

SCL Zone Name (Within the SCL Management Area)
WESTERN CROPPING

SCL - Potential Strategic Cropping Land

Potential Strategic Cropping Land
Strategic Cropping Land

SCL - Strategic Cropping Land Decisions ** No Data Found **

SCL - Pending Validation Applications ** No Data Found **

SCL - Protection Areas ** No Data Found **

Category A - 500m Buffer

National Parks ** No Data Found **

Conservation Parks ** No Data Found **

Forest Reserves ** No Data Found **

Wet Tropics World Heritage Area ** No Data Found **

Great Barrier Reef Marine Park Authority Boundary Management Areas ** No Data Found **

State Marine Parks other than General Use Zones ** No Data Found **

Category B - 500m Buffer

Endangered Remnant Regional Ecosystems Biodiversity Status

Regional Ecosystem	RE Percents	Biodiversity Status
11.4.9a/11.5.15	95/5	E/E
11.7.2/11.4.9b	90/10	NC/E
11.4.9a	100	E
11.4.9b/11.7.2	70/30	E/NC
11.4.8/11.4.9a	80/20	E/E
11.7.2/11.4.9b/11.5.15	75/20/5	NC/E/E
11.4.8	100	E

Koala Plan 2006 to 2016 for ECSU ** No Data Found **

Queensland Heritage Register Boundaries ** No Data Found **

Fish Habitat Areas (QLD Fisheries Act 1994) ** No Data Found **

Marine Plants ** No Data Found **

Forest Special Management Areas (SMA) ** No Data Found **

Cultural Heritage Registered Areas ** No Data Found **

Designated Landscape Areas other than Stanbroke ** No Data Found **

General Use Zones of Marine Parks ** No Data Found **

World Heritage Areas (QLD) ** No Data Found **

Ramsar Sites (QLD) ** No Data Found **

Coordinated Conservation Areas ** No Data Found **

Category C - 500m Buffer

Palmer River Historic Mining Sites ** No Data Found **

Dams, Weirs, Barrages - QLD 100k (NRM) ** No Data Found **

Drainage Areas ** No Data Found **

Erosion Prone Area Plans ** No Data Found **

State Forests and Timber Reserves ** No Data Found **

Stanbroke Designated Landscape Area ** No Data Found **

River Improvement Trust Areas ** No Data Found **

Declared Irrigation Areas (boundaries) ** No Data Found **

Declared Catchments of Dams of QLD (NRM) ** No Data Found **

Resources Reserves ** No Data Found **

Nature Refuges ** No Data Found **

Coastal Management Districts (from 3 Feb 2012) ** No Data Found **

Wild Rivers Layers - 500m Buffer

Wild River Nominated Waterways Proposed ** No Data Found **

Wild River Nominated Waterways - Declared ** No Data Found **

Wild River Preservation Area Boundaries Proposed ** No Data Found **

Wild River Preservation Area Boundaries - Declared ** No Data Found **

Category A - 1000m Buffer

National Parks ** No Data Found **

Conservation Parks ** No Data Found **

Forest Reserves ** No Data Found **

Wet Tropics World Heritage Area ** No Data Found **

Great Barrier Reef Marine Park Authority Boundary Management Areas ** No Data Found **

State Marine Parks other than General Use Zones ** No Data Found **

Category B - 1000m Buffer

Endangered Remnant Regional Ecosystems Biodiversity Status

Regional Ecosystem	RE Percents	Biodiversity Status
11.4.9a/11.5.15	95/5	E/E
11.7.2/11.4.9b	90/10	NC/E
11.4.9a	100	E
11.4.9b/11.7.2	70/30	E/NC
11.4.8/11.4.9a	80/20	E/E
11.7.2/11.4.9b/11.5.15	75/20/5	NC/E/E
11.4.8	100	E

Koala Plan 2006 to 2016 for ECSU ** No Data Found **

Queensland Heritage Register Boundaries ** No Data Found **

Fish Habitat Areas (QLD Fisheries Act 1994) ** No Data Found **

Marine Plants ** No Data Found **

Forest Special Management Areas (SMA) ** No Data Found **

Cultural Heritage Registered Areas ** No Data Found **

Designated Landscape Areas other than Stanbroke ** No Data Found **

General Use Zones of Marine Parks ** No Data Found **

World Heritage Areas (QLD) ** No Data Found **

Ramsar Sites (QLD) ** No Data Found **

Coordinated Conservation Areas ** No Data Found **

Category C - 1000m Buffer

Palmer River Historic Mining Sites ** No Data Found **

Dams, Weirs, Barrages - QLD 100k (NRM) ** No Data Found **

Drainage Areas ** No Data Found **

Erosion Prone Area Plans ** No Data Found **

State Forests and Timber Reserves ** No Data Found **

Stanbroke Designated Landscape Area ** No Data Found **

River Improvement Trust Areas ** No Data Found **

Declared Irrigation Areas (boundaries) ** No Data Found **

Declared Catchments of Dams of QLD (NRM) ** No Data Found **

Resources Reserves ** No Data Found **

Nature Refuges ** No Data Found **

Coastal Management Districts (from 3 Feb 2012) ** No Data Found **

Wild Rivers Layers - 1000m Buffer

Wild River Nominated Waterways Proposed ** No Data Found **

Wild River Nominated Waterways - Declared ** No Data Found **

Wild River Preservation Area Boundaries Proposed ** No Data Found **

Wild River Preservation Area Boundaries - Declared ** No Data Found **

Category A - 2000m Buffer

National Parks ** No Data Found **

Conservation Parks ** No Data Found **

Forest Reserves ** No Data Found **

Wet Tropics World Heritage Area ** No Data Found **

Great Barrier Reef Marine Park Authority Boundary Management Areas ** No Data Found **

State Marine Parks other than General Use Zones ** No Data Found **

Category B - 2000m Buffer**Endangered Remnant Regional Ecosystems Biodiversity Status**

Regional Ecosystem	RE Percents	Biodiversity Status
11.4.9a/11.5.15	95/5	E/E
11.7.2/11.4.9b	90/10	NC/E
11.4.9a	100	E
11.4.8	100	E
11.4.9b/11.7.2	70/30	E/NC
11.3.2/11.3.1	95/5	OC/E
11.4.8/11.4.9a	80/20	E/E
11.9.5a	100	E
11.3.4/11.3.2/11.4.9a/11.3.25	50/30/10/10	OC/OC/E/OC
11.7.2/11.4.9b/11.5.15	75/20/5	NC/E/E

Koala Plan 2006 to 2016 for ECSU ** No Data Found **

Queensland Heritage Register Boundaries ** No Data Found **

Fish Habitat Areas (QLD Fisheries Act 1994) ** No Data Found **

Marine Plants ** No Data Found **

Forest Special Management Areas (SMA) ** No Data Found **

Cultural Heritage Registered Areas ** No Data Found **

Designated Landscape Areas other than Stanbroke ** No Data Found **

General Use Zones of Marine Parks ** No Data Found **

World Heritage Areas (QLD) ** No Data Found **

Ramsar Sites (QLD) ** No Data Found **

Coordinated Conservation Areas ** No Data Found **

Category C - 2000m Buffer

Palmer River Historic Mining Sites ** No Data Found **

Dams, Weirs, Barrages - QLD 100k (NRM) ** No Data Found **

Drainage Areas ** No Data Found **

Erosion Prone Area Plans ** No Data Found **

State Forests and Timber Reserves ** No Data Found **

Stanbroke Designated Landscape Area ** No Data Found **

River Improvement Trust Areas ** No Data Found **

Declared Irrigation Areas (boundaries) ** No Data Found **

Declared Catchments of Dams of QLD (NRM) ** No Data Found **

Resources Reserves ** No Data Found **

Nature Refuges ** No Data Found **

Coastal Management Districts (from 3 Feb 2012) ** No Data Found **

Wild Rivers Layers - 2000m Buffer

Wild River Nominated Waterways Proposed ** No Data Found **

Wild River Nominated Waterways - Declared ** No Data Found **

Wild River Preservation Area Boundaries Proposed ** No Data Found **

Wild River Preservation Area Boundaries - Declared ** No Data Found **

Lot and Plan List (Note, where there are a large number, a maximum of 500 will be listed) - within found features (i.e. no buffer)

Cadastre - Lot and Plan list (Note, where there are a large number, a maximum of 500 will be listed)

LOT	PLAN	LOTPLAN	Lot Tenure
14	HT431	14HT431	LL
8	HT219	8HT219	FH
4	WNA103	4WNA103	FH
11	HT526	11HT526	FH
12	WNA120	12WNA120	FH
14	WNA112	14WNA112	FH

28th August 2012

Carl Porter
Permit and Licence Management
Department of Environment and Resource Management
GPO Box 2454
Brisbane, Qld, 4001

RECEIVED
29 AUG 2012
PaLM

Dear Carl,

Geos Mining is acting as operator for HLM Coal Australia Pty Ltd in the management of a proposed program of borehole drilling and seismic surveying on EPC890 (Rocklands) near Blackwater in central-eastern Queensland.

Geos Mining wishes to lodge an application to vary the relevant Environmental Authority # MIM500254404, which is held by HLM Coal Australia Pty Ltd, to allow drilling of four bore holes in ERE buffer or ERE area. For another hole (A-06) which is not in ERE or buffer we would like to put 278m of access track through ERE buffer.

Please find attached:-

- an application form;
- a Summary Statement of Works; and
- an aerial view of the proposed bore hole and access track locations.

I prefer to pay by credit card as soon as possible and welcome your call for my card details. Please do not hesitate to contact me if you have any queries or need any more information.

Regards,

sch4-Signature

Mark Dowd

Senior Consultant (Project Management)
Geos Mining
310/68 Alfred St, Milsons Point, NSW, 2061
www.geosmining.com

Ph +61 2 9929 6868
Fax +61 2 9923 1112
Mob +61 2 9923 1112
mdowd@mineralgeos.com

RECEIVED

29 AUG 2012

P8LM

Application form

Environmental Protection Act 1994

Amendment of environmental authority (mining activities)

OFFICIAL USE ONLY

DATE RECEIVED:

FILE REF:

PROJECT REF:

COMPLETE FORM

☐

CORRECT AA

☐

COMPLETE FEE

☐

ADMINISTERING REGION:

ENTERED BY [SIGNATURE]:

DATE:

GUIDE

The 'applicant' is the holder of the existing EA, or, in the case of an application to transfer an EA, the proposed transferee.

Where there are joint holders/transferees, list each by providing the full legal names.

Where there is more than one applicant, joint applicants may appoint a principal holder, refer to page 12. The administering authority can then make its dealings with all applicants/holders by dealing with the principal applicant/holder.

This is the approved form for making an application for amendment of an environmental authority (mining activities) under section 240 of the *Environmental Protection Act 1994*.

To correct a clerical or formal error, an amendment application is not needed. Simply advise or discuss the issue with the administering authority and the correction may be made as long as the proposed amendment does not adversely affect the interests of the environmental authority (EA) holder, or anyone else.

Please note however that:

- an environmental authority (prospecting) can not be amended;
- if you wish to apply to amend a financial assurance, without any amendment to your EA, do not use this form. You must use the 'Application for amendment or discharge of financial assurance for an environmental authority (mining activities)' form;
- if you wish to apply to amend your EA as part of a partial surrender of the authority, you must also complete the form 'Application for surrender or partial surrender of an environmental authority (mining activities)'.

If you are applying for a new mining tenement, or requesting additional surface area for an EA, please lodge this form at the office of the Mining Registrar, Queensland Mines and Energy, Department of Employment, Economic Development and Innovation (DEEDI).

For all other applications, please submit the completed form, together with the required fee, to Permit and Licence Management, Department of Environment and Resource Management (DERM).

Specific information requirements

1. Name of applicant

PRINT FULL NAME OF APPLICANT:

HLM Coal Australia Pty Ltd

2. Principal applicant (where applicable)

NAME:

Amendment of environmental authority (mining activities)

Where the applicant or principal applicant is a company, identify a responsible person to act as signatory.

3. Responsible person (i.e. signatory) for applicant/principal applicant

NAME: Owen P. Huang	
POSITION (I.E. CEO, DIRECTOR ETC): Chief Operating Officer of Queensland Projects, Rocklands Richfield Ltd	
REGISTERED BUSINESS ADDRESS: 15 Lyall Street, South Perth, W.A., 6151	
FULL POSTAL ADDRESS: c/- Tenement Administration Services P.O. Box 8045, Woolloongabba, Qld, 4102	
TELEPHONE: (07) 3012 7503	FACSIMILE: 07 3211 0424
MOBILE TELEPHONE: sch4p4(6) Personal information	EMAIL: owen@rocklandsrichfield.com.au

Environmental authority to be amended

Details may be found on the existing EA, relevant tenement approval or quoted in other correspondence received from the administering authority. The EA number may be a previously issued EP Act approval number, a mining tenement number or another number as advised by the administering authority.

Where DEEDIME has previously issued a project number, provide that number.

4. Environmental authority details

PROJECT NUMBER (WHERE ISSUED):
PROJECT NAME: Rocklands
EA NUMBER: MIM500254404
TENEMENT TYPE AND NUMBER (E.G. ML1234): EPC890

The amendment is not limited to the existing conditions of the EA. Holders may apply to have additional conditions included in the EA.

To correct a clerical or formal error contained in your EA, you do not need to apply for an amendment, simply discuss this with the administering authority and the correction may be made as long as the proposed amendment does not adversely affect the interests of the EA holder or anyone else.

5. What is the purpose for seeking an amendment to the EA?

- ☐ To remove one or more existing holders of EA.
- ☐ As part of an application for the transfer of EA, the proposed transferee is seeking an amendment of the EA.
- ☐ To include additional activities or a change in the scale or type of activities.
- ☒ To amend conditions of an existing EA.
- ☐ To amend the EA to reflect a change in the relevant standard environmental conditions (SEC).

Application form

Amendment of environmental authority (mining activities)

This application form cannot be used to include a person as a new holder of the EA — use the form titled 'Application to transfer an environmental authority (mining activities)'.

If the person is the holder of a relevant mining tenement, it is likely that the administering authority may require that person to remain a holder of the EA.

If an amendment application is for an EA for a level 2 mining project, holders may apply to have additional conditions included in the EA. However, the administering authority may grant the application only if it considers the amendment necessary or desirable.

Any amendment of an EA for a code compliant level 2 mining project results in the EA becoming an EA for a non-code compliant project.

- ☐ To increase surface area.
- ☐ To add a new mining tenement to the existing EA.
- ☐ Other.

PLEASE SPECIFY:

6. If you wish to remove one or more existing holders, list the existing holders of the EA to be removed from the authority

HOLDER(S) NAME:

If this is the only purpose of the amendment application, no further information is required → go to certification

7. If you wish to amend conditions of an existing authority, tick the relevant box(es) to identify the type of environmental authority proposed for this mining project following the amendment process

- ☐ EA (mining claim) non-code compliant level 2 mining project.
- ☒ EA (exploration) non-code compliant level 2 mining project.
- ☐ EA (mineral development) non-code compliant level 2 mining project.
- ☐ EA (mining lease) non-code compliant level 2 mining project.
- ☒ EA (exploration) level 1 mining project.
- ☐ EA (mineral development) level 1 mining project.
- ☐ EA (mining lease) level 1 mining project.

Application form
Amendment of environmental authority (mining activities)

Please include information on any additional tenements, an increase in surface area, an increase in rate of production or disturbance, or the building of additional infrastructure.

The administering authority may refuse this application on the grounds that it would be more appropriate for the applicant to seek the amendment by replacement of the EA.

8. Briefly describe the additional activities and/or the change in the scale or type of activities for the project that necessitate an amendment.

PLEASE SPECIFY:

The exploration work planned to be undertaken on the tenement consists of ten drill holes and twelve kilometres of seismic survey line. We would like to drill three of the holes (A-08, A-09, A-10) proximal to a category B environmentally sensitive area - inside the 500-metre buffer zone. Additionally we would like to drill one of the holes (A-07) inside a category B environmentally sensitive area. For another hole (A-06) which is not in ERE or buffer we would like to put 278m of access track through ERE buffer. Our activities are of minimal disturbance and involve the preparation of small drill pads and creation of a total of 3,782m of access track. The holes will be drilled on a mixture of air and mud as dictated by the conditions and are planned to be a maximum of 450m deep. The drill pads and access tracks will be fully rehabilitated on completion of drilling with the replacement of any disturbed topsoil and vegetation. Please refer to the attached diagrams.

LIST ADDITIONAL TENEMENT(S):

PLEASE ATTACH MORE DETAILED INFORMATION

Tick to indicate attachments: ☒

9. Identify the environmental values that are likely to be affected to a greater extent by the proposed amendments and indicate whether the increase is likely to be small, medium or large.

ENVIRONMENTAL IMPACTS:

Whilst the proposed sites of the holes are considered to be in the ERE or buffer the landholder has cleared much of the land and has cropped some of it. The landholder believes that the ERE zoning has been lifted. All four holes the subject of this variation are sited on cleared land or land that is sparsely vegetated scrubland and are on or near existing tracks or fencelines. The landholder has approved the proposed new access tracks and is happy to leave them unrehabilitated. Minor grading to level the drill site and remove grass cover will be required. There will be minor disturbance to topsoil. If topsoil and vegetation is disturbed, this will be set aside and kept for re-installation, or replacement as necessary, at the completion of the work. Three 2mx3m sumps 1.5m deep are planned for each site. These will be allowed to dry out and then back-filled and re-vegetated. The increase in environmental values affected is likely to be small.

IF YOU REQUIRE ADDITIONAL SPACE, PLEASE ATTACH SEPARATE SHEET

Tick to indicate attachments: ☒

Application form
Amendment of environmental authority (mining activities)

An EIS will be required if an application for EA (mining activities) level 1 mining project meets any of the EIS trigger criteria in question 10.

An EIS may also be required if the administering authority considers that there could be a significant environmental impact, if there is a high level of uncertainty about the possible impacts or there is a high level of public interest in the proposal.

10. Will the mining project that is the subject of this application be likely to (please tick the relevant boxe(s)):

- ☐ have a significant impact on a category A or category B environmentally sensitive area;
- ☐ involve any mining in a marine area;
- ☐ involve any mining less than 500m landward from highest astronomical tide;
- ☐ require the construction of more than 150 new dwelling units;
- ☐ include an environmentally relevant activity with an aggregate environmental score of greater than 165;
- ☐ involve the mining of more than 2 million tonnes of mineral or run of mine ore per year;
- ☐ involve the abstraction of more than 2 million m³ of water per year from natural surface and/or groundwater sources;
- ☐ result in more than 25ha non-beneficial land remaining post mining where an acceptable alternative may be feasible;
- ☐ involve any level 1 mining activity less than 2km from a town;
- ☐ contain a dam which requires a dam failure assessment under the *Water Act 2000*;
- ☐ include mining for uranium or asbestos;

Amendment of environmental authority (mining activities)

Your amended planning document must describe how you propose to manage the likely environmental impacts.

The administering authority shall take this information into account when setting any necessary environmental conditions for the EA.

Note: A condition of an EA requiring a financial assurance cannot be amended or discharged using this form, or under the amendment provisions of chapter 5, part 8 of the EP Act.

DERM must decide for the proposed amendment, whether the level of environmental harm caused by any relevant mining activity is likely to be significantly increased, and if so whether an EIS is required for the proposed amendment.

11. Are you seeking to amend one or more conditions of your EA?

- ☒ Yes → For a proposed EA (mining activities) level 1 mining project, go to question 12.
- For a proposed EA (exploration or mineral development) non-code compliant level 2 mining project, go to question 15.
- For a proposed EA (mining lease) non-code compliant level 2 mining project go to question 15.
- For a proposed EA (mining claim) non-code compliant level 2 mining project go to question 15.
- ☐ No → For a proposed EA (mining activities) level 1 mining project, go to question 14.
- For a proposed EA (exploration or mineral development) code compliant level 2 mining project, go to question 15.
- For a proposed EA (mining lease) code compliant level 2 mining project, go to question 15.

12. Identify the EA condition(s) to be amended

CONDITION NUMBER(S):

13. Propose replacement condition(s)

NEW CONDITION(S):

14. Is a plan of operations or amended plan of operations submitted with this application?

- ☐ Yes, provide title and date below

TITLE:	DATE:
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- ☐ No

Application form
Amendment of environmental authority (mining activities)

Code compliant level 2 mining projects will be required to comply with the standard environmental conditions (SECs) in the relevant code of environmental compliance.

If an applicant is unable to comply with all SECs, the applicant can request DERM include additional conditions in the application for a non-code compliant level 2 EA. The administering authority must take into account the important note under question 15.

Additional conditions may override the SECs. An additional condition may be imposed even if the applicant does not request it.

For a proposed amendment of, or to result in, an EA (mining claim) code or non-code compliant level 2 mining activity only, please seek advice from the Mining Registrar on the applicable financial assurance.

Question 16:
As a result of the amendment process, the holder of the EA must provide financial assurance as required by the SECs.

For further details, see *Guideline 17: Financial Assurance for Mining Activities* and the relevant code of environmental compliance.

Question 17:
Where your plan of operations has not changed as a result of the proposed amendment, attach your current plan.

15. Is the holder(s) of the authority to be amended able to comply with the standard environmental conditions of the relevant code of environmental compliance?

☐ Yes

NAME OF CODE:

DATE:

→ Go to question 16.

☒ No

→ You will need to apply for an EA for a non-code compliant level 2 mining project. You will need to apply for additional conditions if you wish to remain eligible for a level 2 environmental authority. You can apply for additional conditions by filling in Table 1 (see page 10) or by submitting with this application the information required by table 1. Then go to question 16.

Important note:

The administering authority, as a matter of law, must not agree to or impose an additional condition that would result in the mining activity not being able to comply with the relevant criteria in Schedule 1A of the EP Regulation. The administering authority may grant the application only if it considers the amendment necessary or desirable.

Financial assurance for proposed environmental authorities

16. For a proposed amendment of, or to result in, an EA (exploration or mineral development) code or non-code compliant level 2 mining project only, indicate the amount of financial assurance proposed to be held for the EA by referring to the schedule of rehabilitation costs in the relevant code.

Total proposed to be held: \$ 2,500

17. For a proposed amendment of, or to result in, an EA (mining lease) for a code or non-code compliant level 2 mining project only:

- a) Complete and submit with this application a plan of operations.
- b) Indicate the amount of financial assurance proposed to be held for the EA (mining lease) for a code or non-code compliant level 2 mining project (i.e. calculated in the plan of operations).

Total proposed to be held: \$

Application form

Amendment of environmental authority (mining activities)

Where your plan of operations has not changed as a result of the proposed amendment, attach your current plan.

18. For a proposed amendment of, or to result in, an EA (mining lease) for a level 1 mining project only:

- a) Complete and submit with this application a plan of operations;
- b) Indicate the amount of financial assurance proposed to be held for the EA for a level 1 mining project (i.e. calculated in the plan of operations).

Total proposed to be held: \$

19. For a proposed amendment of, or to result in, an EA (exploration permit or mineral development lease) for a level 1 mining project only, indicate the amount of financial assurance to be held for the EA (calculated in the EM Plan).

Total proposed to be held: \$

Financial assurance for all environmental authorities

Where additional financial assurance is required to be submitted to the administering authority, please lodge the stated amount with this application.

Questions 20-22:
Include the GST component when stating the amount proposed to be held/lodged, and the amounts currently held where relevant (adding the GST component if it has not been previously submitted).

20. In the table below, insert the appropriate amounts and form of financial assurance in relation to the EP Act

	Amount of financial assurance ⁴
Amount proposed to be held ¹	\$ 2,500
Amount currently held ²	\$ 2,500
Difference between the amount proposed and the amount currently held	\$ 0

¹ For EAs for code or non-code compliant level 2 mining projects, insert the amount proposed in the relevant question above (refer to question 16 or 17). For EAs for level 1 mining projects, insert the amount calculated in the plan of operations or amended plan of operations for the project (refer to question 18).

² Insert the amount that is currently held by the administering authority under the EP Act (i.e. not including tenement security required by DME under the *Mineral Resources Act 1989*).

³ A negative amount is the amount of financial assurance to be returned by the administering authority (question 21 applies). A positive amount is the additional financial assurance (including GST) to be submitted to the administering authority (question 22 applies).

⁴ DERM will require financial assurance either as cash or a bank guarantee.

Application form

Amendment of environmental authority (mining activities)

Where a financial assurance is to be returned to a company or financial institution, provide the Australian Business Number (ABN) for that company/institution.

21. Where a financial assurance is to be discharged and returned to a person(s), company/companies or financial institution, please identify the person, company or institution, nominate the amount to be returned and the manner in which the financial assurance is currently held.

NAME(S) AND ABN:	AMOUNT \$:	MANNER HELD: ☐ cash ☐ bank guarantee
------------------	------------	--

22. Where a financial assurance is to be amended and lodged with this application, please identify the person(s), company/companies or institution providing the financial assurance on behalf of the (proposed) EA holder(s), nominate the amount and the manner in which the financial assurance is being provided.

NAME(S):	AMOUNT \$:	MANNER PROVIDED: ☐ cash ☐ bank guarantee
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Applicant certification

- ☐ I/We, being the person(s)/entity identified at question 1, hereby apply to amend the environmental authority stated at question 4 as detailed in this application.
- ☐ I/we are able to comply with the standard environmental conditions of the code of environmental compliance, as detailed in question 15.

Please read carefully through the certification opposite before signing.

You may apply for exemption from disclosing information contained in this application (pursuant to section 564 of the EP Act) by completing the form 'Application for a disclosure exemption'.

23. Declaration

I/We:

- solemnly and sincerely declare that the information provided is true and correct to the best of my knowledge and I make this solemn declaration conscientiously believing the same to be true ;
- understand that all information supplied on or with this application form may be made available upon request, subject to the provisions of the *Right to Information Act 2009* and/or by DERM administrative access arrangements;
- understand that suitability inquiries may be made of any applicant;

Amendment of environmental authority (mining activities)

- enclose the required amendment application fee¹ of

\$ 276.00

- am/are authorised to sign on behalf of the applicant(s), and commit this person/entity in all matters relevant to this application;
- am/are aware that under Section 480 of the *Environmental Protection Act 1994*, it is an offence to give the administering authority information that I know is false, misleading or incomplete in any material particular. The maximum penalty for such action is 1665 penalty units for an individual, or 8325 penalty units where the applicant is a corporation (section 181B(3) of the *Penalties and Sentences Act 1992*).
- I understand that an incomplete application (including applications that do not include the fee) may be invalid. Invalid applications will be returned without processing and will only be processed if resubmitted with all invalidating issues addressed.

SIGNATURE :	sch4-Signature	
NAME AND POSITION OF SIGNATORY: Owen P. Huang Chief Operating Officer of Queensland Projects, Rocklands Richfield Ltd		DATE: 28-08-2012

Applicant checklist

- ☒ Application form completed and signed
- ☒ Fees paid or enclosed (if applicable)
- ☒ Supporting information or accreditation attached (if applicable)

¹ See the information sheet *Summary of fees — environmentally relevant activities (ERAs)*, available at www.derm.qld.gov.au or through Permit and Licence Management (phone 1300 130 372).

Please return your completed application kit to either:

Permit and Licence Management

Department of Environment and Resource
Management

GPO Box 2454

BRISBANE QLD 4001

Enquiries: 1300 130 372

Facsimile: (07) 3896 3342

Email: palm@derm.qld.gov.au

The relevant district office of:

Mining Registrar

Queensland Mines and Energy

**Department of Employment, Economic Development
and Innovation**

RTI DL RELEASE - EHP

Application form

Amendment of environmental authority (mining activities)

Table 1 — Additional conditions – non-code compliant level 2 mining projects (question 15)

<p><small>SPECIFY THE CONDITION OF THE CODE OR THE CONDITION OF THE ENVIRONMENTAL AUTHORITY THAT YOU WISH TO AMEND:</small></p> <p>Condition 13 ... Activities involving machinery must not be carried out ... within 500m of (a) category B environmentally sensitive area.</p>
<p><small>REASON FOR NOT BEING ABLE TO COMPLY WITH THE STANDARD ENVIRONMENTAL CONDITION:</small></p> <p>Without having the geological data that the proposed drill hole will provide, it is not possible to meet the requirements of the JORC specifications for the spacing of core holes. This may lead to the relinquishment of this part of the tenement and a subsequent reduction in the commercial viability of the project.</p>
<p><small>ADDITIONAL CONDITION YOU PROPOSE IN PLACE OF THE STANDARD ENVIRONMENTAL CONDITION OR TO MANAGE THE CRITERIA:</small></p> <p>No more than 3,782 metres of new/upgraded track is to be created and activities allowed to be limited to minor grading to level the drill site and remove grass cover and the excavation of three sumps 2m wide x 3m long x 1.5m deep per drillpad.</p>
<p><small>DESCRIPTION OF HOW THE PROPOSED CONDITION WILL ENSURE A LOW RISK OF SERIOUS ENVIRONMENTAL HARM FROM THE ACTIVITY COMPATIBLE WITH THE INTENT OF THE RELEVANT STANDARD ENVIRONMENTAL CONDITION OR THE CRITERIA:</small></p> <p>The proposed hole sites are all in regularly grazed or cropped areas criss-crossed by a number of active or old tracks and fencelines and the proposed condition limits the exploration works to a small amount of ground disturbance which is not that dissimilar to the farming and clearing activities frequently undertaken on the property. The risk of harm to the environment can be kept low by constraining the geographical extent and the type of exploration activities undertaken.</p>

Application form
Amendment of environmental authority (mining activities)

Appointment of principal holder

We, being joint applicants for the attached amendment application, hereby appoint

PRINT NAME OF PRINCIPAL APPLICANT:

as the principal applicant for this amendment application.

List all joint applicants

APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:
APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:
APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:
APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:

DERM may accept an application for EA made for all the joint holders by a person who is a joint holder if satisfied the person is authorised to make the application for each of the joint holders.

In deciding an application for EA, DERM must consider any suitability report obtained for the application.

24th August 2012

To whom it may concern

Re: Summary Statement of Works regarding a proposed program of borehole drilling and seismic surveying near Blackwater, Queensland

Dear Sir/Madam,

Geos Mining is acting as operator for HLM Coal Australia Pty Ltd in the management of a proposed program of borehole drilling and seismic surveying on EPC890 (Rocklands) near Blackwater in central-eastern Queensland. The holder of the relevant Environmental Authority # MIM500254404 is HLM Coal Australia Pty Ltd.

The program is a second phase exploratory program and is intended to confirm the stratigraphical sequence and presence of coal seams with a view to providing sufficient geological data to allow the estimation of a mineral resource. Drill holes will be geophysically surveyed and then back-filled, capped and rehabilitated upon completion of the survey.

HLM proposes to drill ten (10) bore holes and conduct seismic surveying along twelve (12) kilometres of line on EPC890 (see figure 1 below).

The bore holes will be of a nominal 100mm diameter and nominal depth of 450m but may go to 500 metres each. The bore holes will be a combination of chip and core.

The seismic surveying will use concussion impact trucks and remote receivers and will take place along two sections of Penrose Road and a section of boundary fence line on Kulla property.

The Project is located approximately one hour and twenty minutes, or seventy kilometres, by car south of Blackwater via the Blackwater-Rolleston Road then by Penrose Road (see figure 2 below).

Yours,

sch4-Signature

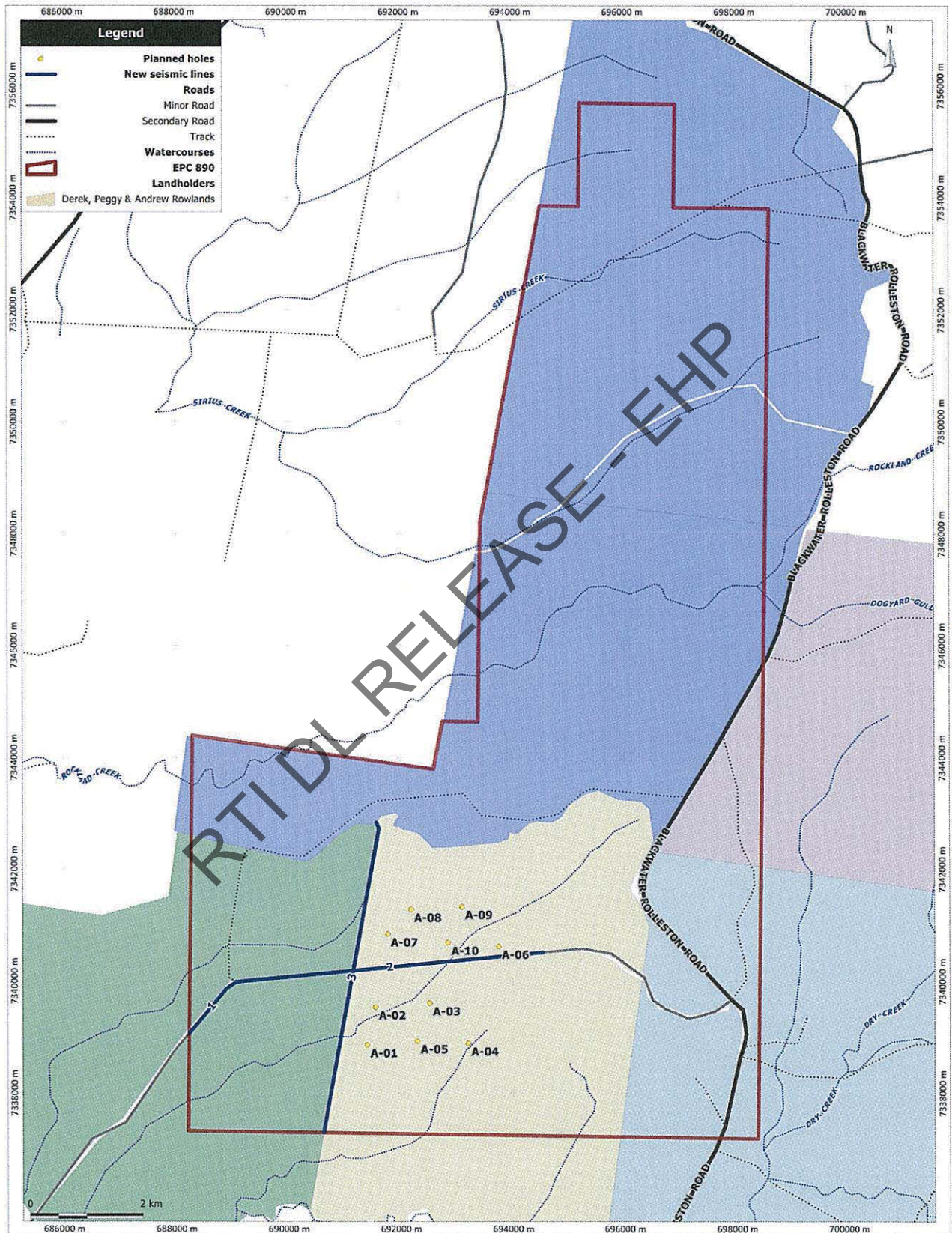
Mark Dowd

Senior Consultant (Project Management)
Geos Mining
301/68 Alfred St, Milsons Point, NSW,
2061
www.geosmining.com

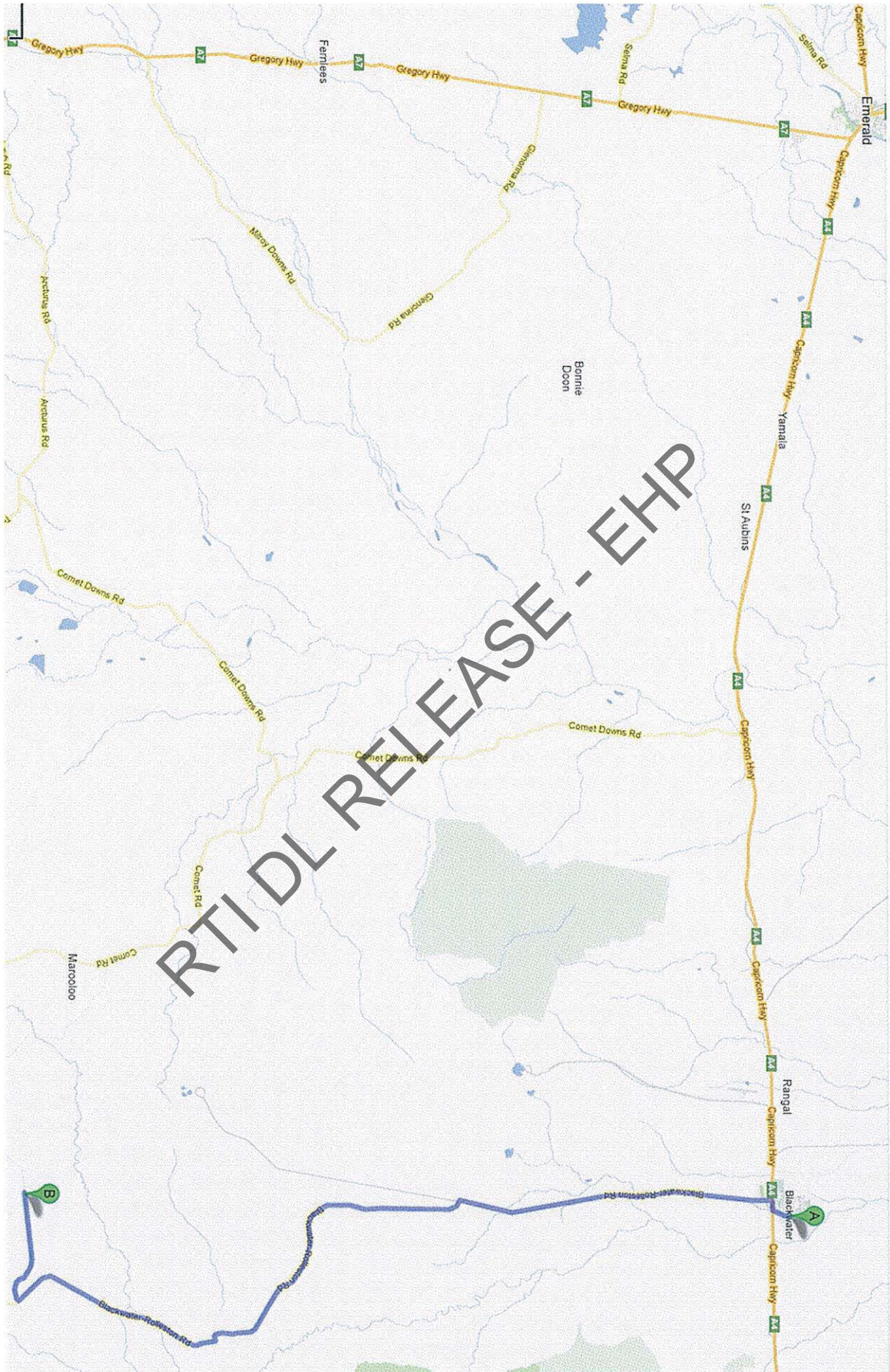
Ph +61 2 9929 6868
Fax +61 2 9923 1112
Mb sch4p4(6) Personal information
mdowd@mineralgeos.com

Rowlands: Planned Location

HLM Coal Australia Pty Ltd.



(Figure 1)



(Figure 2)

A-06

HLM Coal Australia Pty Ltd.



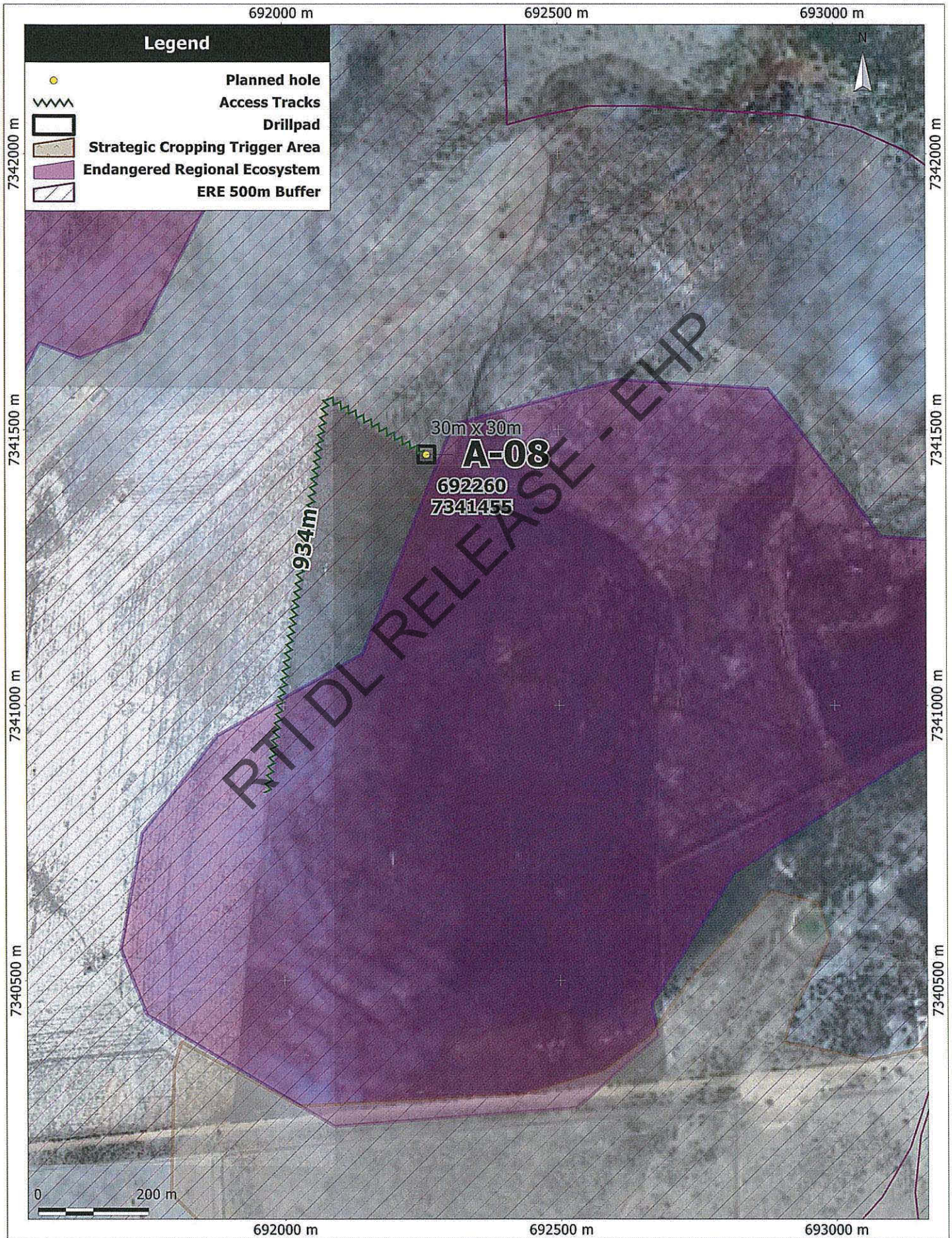
A-07

HLM Coal Australia Pty Ltd.



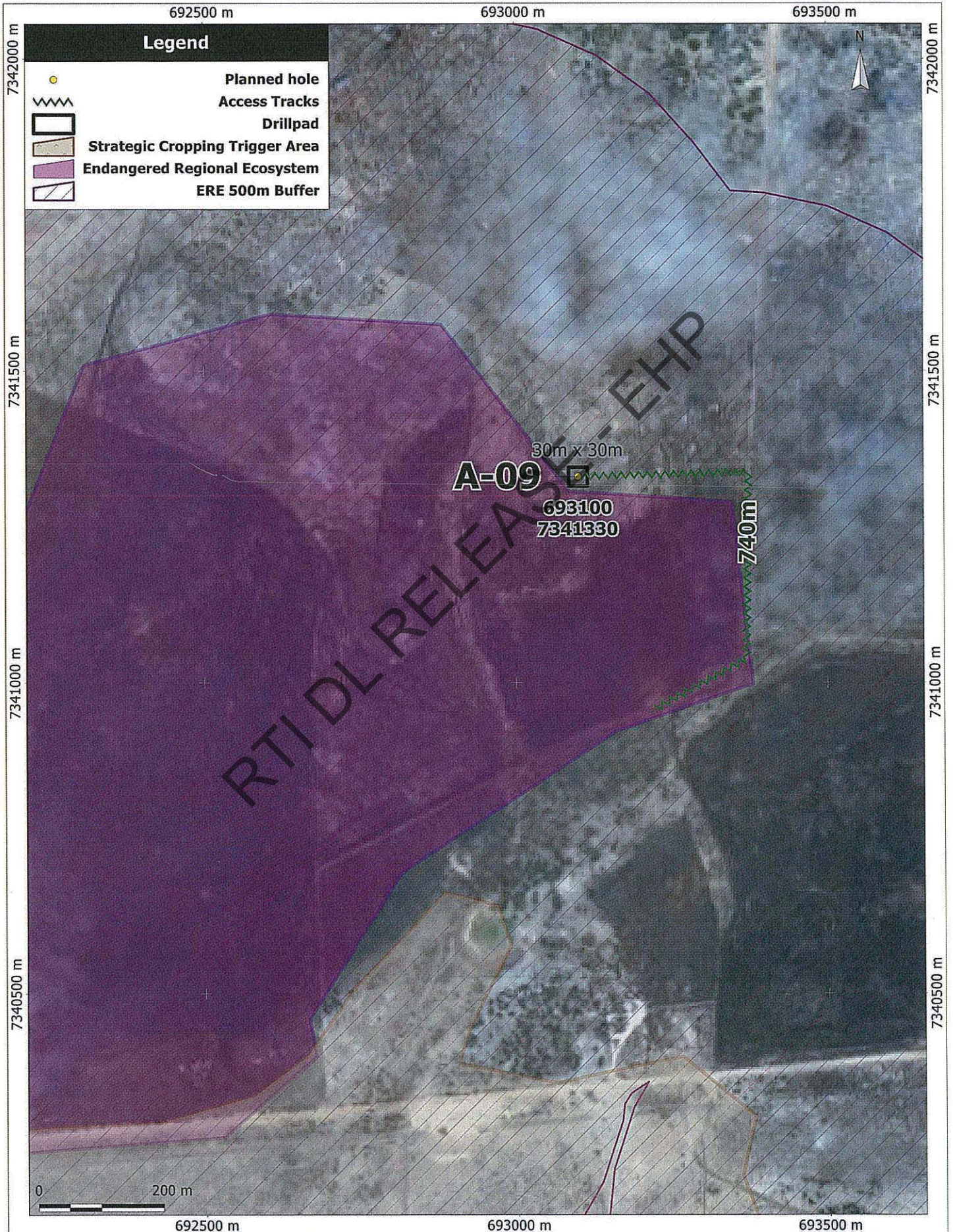
A-08

HLM Coal Australia Pty Ltd.



A-09

HLM Coal Australia Pty Ltd.



A-10

HLM Coal Australia Pty Ltd.

