Partial Transfer Approval Document – New Authority

Reference: 15/1200#2

TRANSFER APPROVAL OF COAL LEASE NO. 368 (ACT 1973) (PARTIAL TRANSFER)

I, THE HON DON HARWIN MLC, MINISTER FOR RESOURCES for the State of New South Wales pursuant to Section 121(1)(a) of the Mining Act 1992, determine to approve the transfer of part of the area within Coal Lease No. 368 described as the Transfer Area in this Approval;

From

Boggabri Coal Limited
(ACN 122 087 398)

Chugoku Electric Power Australia Resources Pty. Ltd.
(ACN 600 294 068)

NS Boggabri Pty Limited
(ACN 113 447 313)

To

Whitehaven Coal Mining Limited
(ACN 086 426 253)

Boggabri Coal Pty Limited
(ACN 122 087 398)

In approving the partial transfer of this authority, I have determined the conditions of the new authority over the Transfer Area, Mining Lease No. 1749 which will be taken to have been granted upon registration of this partial transfer under Section 122(5) of the Mining Act 1992. A copy of Mining Lease No. 1749 and the approved work program are attached to this approval.

The partial transfer does not take effect until the partial transfer is registered in accordance with section 122(5) of the Mining Act 1992.

Transfer Area: The new authority embraces an area of 20.41 hectares as shown on the attached diagram M27433.

SIGNED BY

[Signature]
Don Harwin MLC
Minister for Resources
MINING LEASE

MINING ACT 1992

NO 1749

DATED 17 NOVEMBER 2017

THE MINISTER RESOURCES

OF THE STATE

OF NEW SOUTH WALES

TO

WHITEHAVEN COAL MINING LIMITED
ACN 086 426 253

BOGGABRI COAL PTY LIMITED
ACN 122 087 398
Mining Lease

Section 63 of the Mining Act 1992

I, Kevin Ruming, Director Strategic Resources Assessment and Advice for the State of New South Wales, pursuant to Division 2 of Part 7 of the Mining Act 1992, grant a Mining Lease as described in Schedule 1 to Whitehaven Coal Mining Limited, ACN 086 426 253 and Boggabri Coal Pty Limited, ACN 122 087 398, in satisfaction of the partial transfer of Coal Lease 368 (Act 1973) held by Boggabri Coal Limited, ACN 122 087 398, Chugoku Electric Power Australia Resources Pty. Ltd., ACN 600 294 068 and NS Boggabri Pty Limited, ACN 113 447 313, subject to the conditions set out in Schedule 2.

The conditions set out in Schedule 2 are required to:
- ensure optimal resource recovery;
- prevent, minimise, and offset adverse environmental impacts;
- provide for the ongoing environmental management of the project; and
- ensure that the areas disturbed by mineral production and exploration activities are appropriately rehabilitated.

The rights and duties of a Lease Holder are those prescribed by the Mining Act 1992, subject to the terms and conditions of this Lease. This lease does not override any obligation on the Lease Holder to comply with the requirements of other legislation and regulatory instruments which may apply to the Lease Holder (including all relevant development approvals) unless specifically provided in the Mining Act 1992 or other legislation or regulatory instruments.

The partial transfer was approved by the Hon. Don Harwin, Minister for Resources on 4 September 2017.

This Mining Lease is effective from the date of registration of the partial transfer.

SIGNED

Kevin Ruming
Director Strategic Resources Assessment and Advice
As delegate of the Minister for Resources
Delegation dated: 1 May 2017

Dated: 17 November 2017
SCHEDULE 1

Description of Lease

Land:  The lease area embraces all land described in the attached lease plan M27433 and approved on 28 March 2017.

Area:  20.41 hectares

Surface Exception:  Nil

Depth Restriction:  900 metres below Australian Height Datum

Minerals:  Coal

Method:  Open Cutting, Underground Methods

Due expiry date:  14 November 2032
Definitions

1. Notice to Landholders
2. Rehabilitation
4. Compliance Report
5. Environmental Incident Report
6. Extraction Plan
7. Resource Recovery
8. Group Security
9. Cooperation Agreement

Note: Exploration Reports (Geological and Geophysical)
Definitions:

Words used in this mining lease have the same meaning as defined in the *Mining Act 1992* except where otherwise defined below:

**Act** means the *Mining Act 1992*.

**Department** means the Division of Resources & Geoscience within the Department of Planning and Environment.

**Environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Harm to the environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Landholder** for the purposes of these conditions does not include a secondary landholder and includes, in the case of exempted areas, the controlling body for the exempted area.

**Material harm to the environment** has the same meaning as in the *Protection of the Environment Operations Act 1997*.

**Minister** means the Minister administering the *Act*.

**Pollution incident** has the same meaning as in the *Protection of the Environment Operations Act 1997*.
MINING LEASE CONDITIONS 2013

1. Notice to Landholders
   (a) Within a period of three months from the date of grant/renewal of this mining lease, the lease holder must serve on each landholder a notice in writing indicating that this mining lease has been granted/renewed and whether the lease includes the surface. A plan identifying each landholder and individual land parcel subject to the lease area, and a description of the lease area must accompany the notice.
   (b) If there are ten or more landholders, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this mining lease has been granted/renewed; state whether the lease includes the surface and must contain a plan and description of the lease area. If a notice is made under condition 1(b), compliance with condition 1(a) is not required.

2. Rehabilitation
   Any disturbance resulting from the activities carried out under this mining lease must be rehabilitated to the satisfaction of the Minister.

   (a) The lease holder must comply with an approved Mining Operations Plan (MOP) in carrying out any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The lease holder must apply to the Minister for approval of a MOP. An approved MOP must be in place prior to commencing any significant surface disturbing activities, including mining operations, mining purposes and prospecting.
   (b) The MOP must identify the post mining land use and set out a detailed rehabilitation strategy which:
      (i) identifies areas that will be disturbed;
      (ii) details the staging of specific mining operations, mining purposes and prospecting;
      (iii) identifies how the mine will be managed and rehabilitated to achieve the post mining land use;
      (iv) identifies how mining operations, mining purposes and prospecting will be carried out in order to prevent and or minimise harm to the environment; and
      (v) reflects the conditions of approval under:
          - the Environmental Planning and Assessment Act 1979;
          - the Protection of the Environment Operations Act 1997; and
• any other approvals relevant to the development including the conditions of this mining lease.


(d) The lease holder may apply to the Minister to amend an approved MOP at any time.

(e) It is not a breach of this condition if:

(i) the operations which, but for this condition 3(e) would be a breach of condition 3(a), were necessary to comply with a lawful order or direction given under the Environmental Planning and Assessment Act 1979, the Protection of the Environment Operations Act 1997, the Work Health and Safety (Mines and Petroleum Sites) Act 2013 and Work Health and Safety (Mines and Petroleum Sites) Regulation 2014 or the Work Health and Safety Act 2011; and Work Health and Safety Regulation 2011

(ii) the Minister had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.

(f) The lease holder must prepare a Rehabilitation Report to the satisfaction of the Minister. The report must:

(i) provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP;

(ii) be submitted annually on the grant anniversary date (or at such other times as agreed by the Minister); and


4. Compliance Report

(a) The lease holder must submit a Compliance Report to the satisfaction of the Minister. The report must be prepared in accordance with any relevant guidelines or requirements published by the Minister for compliance reporting.

(b) The Compliance Report must include:

(i) the extent to which the conditions of this mining lease or any provisions of the Act or the regulations applicable to activities under this mining lease, have or have not been complied with;
(ii) particulars of any non-compliance with any such conditions or provisions,
(iii) the reasons for any such non-compliance;
(iv) any action taken, or to be taken, to prevent any recurrence, or to mitigate the
effects, of that non-compliance.

(c) The Compliance Report must be lodged with the Department annually on the grant
anniversary date for the life of this mining lease.

(d) In addition to annual lodgement under condition 4(c) above, a Compliance Report:
(i) must accompany any application to renew this mining lease under the Act;
(ii) must accompany any application to transfer this mining lease under the Act; and
(iii) must accompany any application to cancel, or to partially cancel, this mining lease
under the Act.

(e) Despite the submission of any Compliance Report under (c) or (d) above, the titleholder
must lodge a Compliance Report with the Department at any date or dates otherwise
required by the Minister.

(f) A Compliance Report must be submitted one month prior to the expiry of this mining lease,
where the licence holder is not seeking to renew or cancel this mining lease.

5. Environmental Incident Report

(a) The lease holder must notify the Department of all:
(i) breaches of the conditions of this mining lease or breaches of the Act causing or
threatening material harm to the environment; and
(ii) breaches of environmental protection legislation causing or threatening material
harm to the environment (as defined in the Protection of the Environment
Operations Act 1997),
arising in connection with significant surface disturbing activities, including mining
operations, mining purposes and prospecting operations, under this mining lease. The
notification must be given immediately after the lease holder becomes aware of the breach.

forms/pgf/environmental-guidelines for notification contact details.

(b) The lease holder must submit an Environmental Incident Report to the Department within
seven (7) days of all breaches referred to in condition 5(a)(i) and (ii). The Environmental
Incident Report must include:
(i) the details of the mining lease;
(ii) contact details for the lease holder;

(iii) a map identifying the location of the incident and where material harm to the environment has or is likely to occur;

(iv) a description of the nature of the incident or breach, likely causes and consequences;

(v) a timetable showing actions taken or planned to address the incident and to prevent future incidents or breaches referred to in 5(a).

(vi) a summary of all previous incidents or breaches which have occurred in the previous 12 months relating to significant surface disturbing activities, including mining operations, mining purposes and prospecting operations under this mining lease.


(c) In addition to the requirements set out in conditions 5(a) and (b), the lease holder must immediately advise the Department of any notification made under section 148 of the Protection of the Environment Operations Act 1997 arising in connection with significant surface disturbing activities including mining operations, mining purposes and prospecting operations, under this mining lease.

6. Extraction Plan

(a) In this condition:

(i) approved Extraction Plan means a plan, being:

A. an extraction plan or subsidence management plan approved in accordance with the conditions of a relevant development consent and provided to the Secretary; or

B. a subsidence management plan relating to the mining operations subject to this lease:

   I. submitted to the Secretary on or before 31 December 2014; and

   II. approved by the Secretary.
(ii) **relevant development consent** means a development consent or project approval issued under the Environmental Planning & Assessment Act 1979 relating to the mining operations subject to this lease.

(b) The lease holder must not undertake any underground mining operations that may cause subsidence except in accordance with an approved Extraction Plan.

(c) The lease holder must ensure that the approved Extraction Plan provides for the effective management of risks associated with any subsidence resulting from mining operations carried out under this lease.

(d) The lease holder must notify the Secretary within 48 hours of any:

(i) incident caused by subsidence which has a potential to expose any person to health and safety risks;

(ii) significant deviation from the predicted nature, magnitude, distribution, timing and duration of subsidence effects, and of the potential impacts and consequences of those deviations on built features and the health and safety of any person; or

(iii) significant failure or malfunction of a monitoring device or risk control measure set out in the approved Extraction Plan addressing:

A. built features;

B. public safety; or

C. subsidence monitoring.

7. **Resource Recovery**

The lease holder must optimise recovery of the minerals that are the subject of this mining lease to the extent economically feasible.

8. **Group Security**

The lease holder is required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all or any kind under the mining lease, including obligations of all or any kind under the mining lease that may arise in the future.

The amount of the security deposit to be provided as a group security has been assessed by the Minister at $21,150,000.

The leases covered by the group security include:

**Mining Lease 1579, Mining Lease 1685 and Mining Lease 1693 (Act 1992)**

This group security is extended to apply to this lease.
9. **Cooperation Agreement**

The lease holder must make every reasonable attempt, and be able to demonstrate its attempts, to enter into a cooperation agreement with the holder(s) of any overlapping title(s). The cooperation agreement should address but not be limited to issues such as:

- access arrangements
- operational interaction procedures
- dispute resolution
- information exchange
- well location
- timing of drilling
- potential resource extraction conflicts; and
- rehabilitation issues.

**Exploration Reporting**

*Note: Exploration Reports (Geological and Geophysical)*

The lease holder must lodge reports to the satisfaction of the Minister in accordance with section 163C of the Mining Act 1992 and in accordance with clause 59 of the Mining Regulation 2016.

*Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales.*

**SPECIAL CONDITIONS**

Note: The standard conditions apply to all mining leases. The Division of Resources & Geoscience (DRG) reserves the right to impose special conditions, based on individual circumstances, where appropriate.