

MINING LEASE

MINING ACT 1992

NO 1787

DATED 05 JUNE 2019

THE MINISTER FOR REGIONAL
NEW SOUTH WALES, INDUSTRY
AND TRADE

OF THE STATE

OF NEW SOUTH WALES

TO

CIM Stratford Pty Ltd
ACN 070 387 914

and

Gloucester Coal Ltd
ACN 008 881 712

Mining Lease

Section 63 of the *Mining Act 1992*

I, THE HON JOHN BARILARO MP, DEPUTY PREMIER, MINISTER FOR REGIONAL NEW SOUTH WALES, INDUSTRY AND TRADE, pursuant to section 63 of the *Mining Act 1992*, determine **Mining Lease Application No 552 (Act 1992)** by granting a Mining Lease as described in Schedule 1 to **CIM Stratford Pty Ltd, ACN 070 387 914**, and **Gloucester Coal Ltd, ACN 008 881 712**, 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.

SIGNED



John Barilaro MP
Deputy Premier

Minister for Regional New South Wales, Industry and Trade

Date:

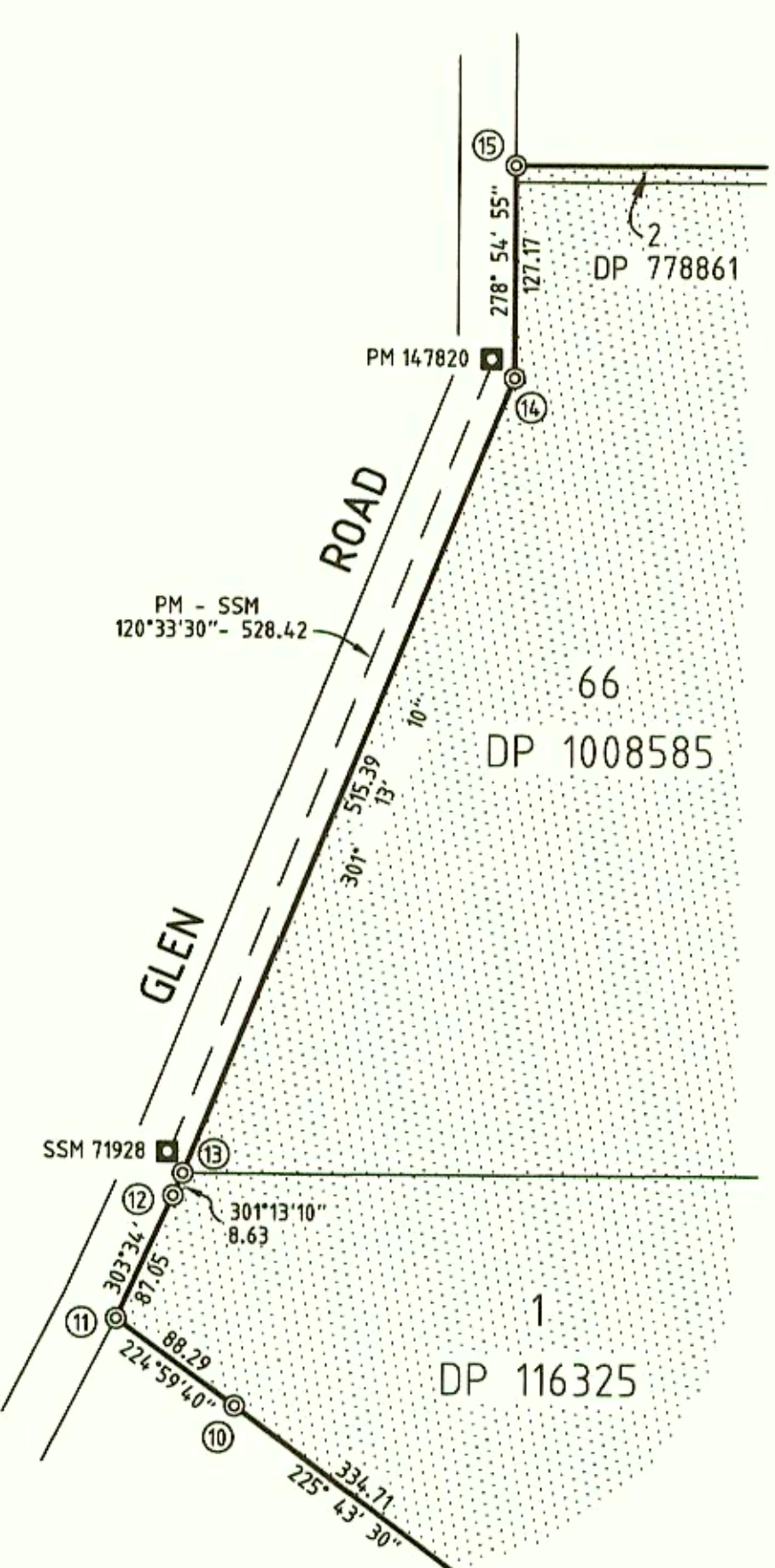
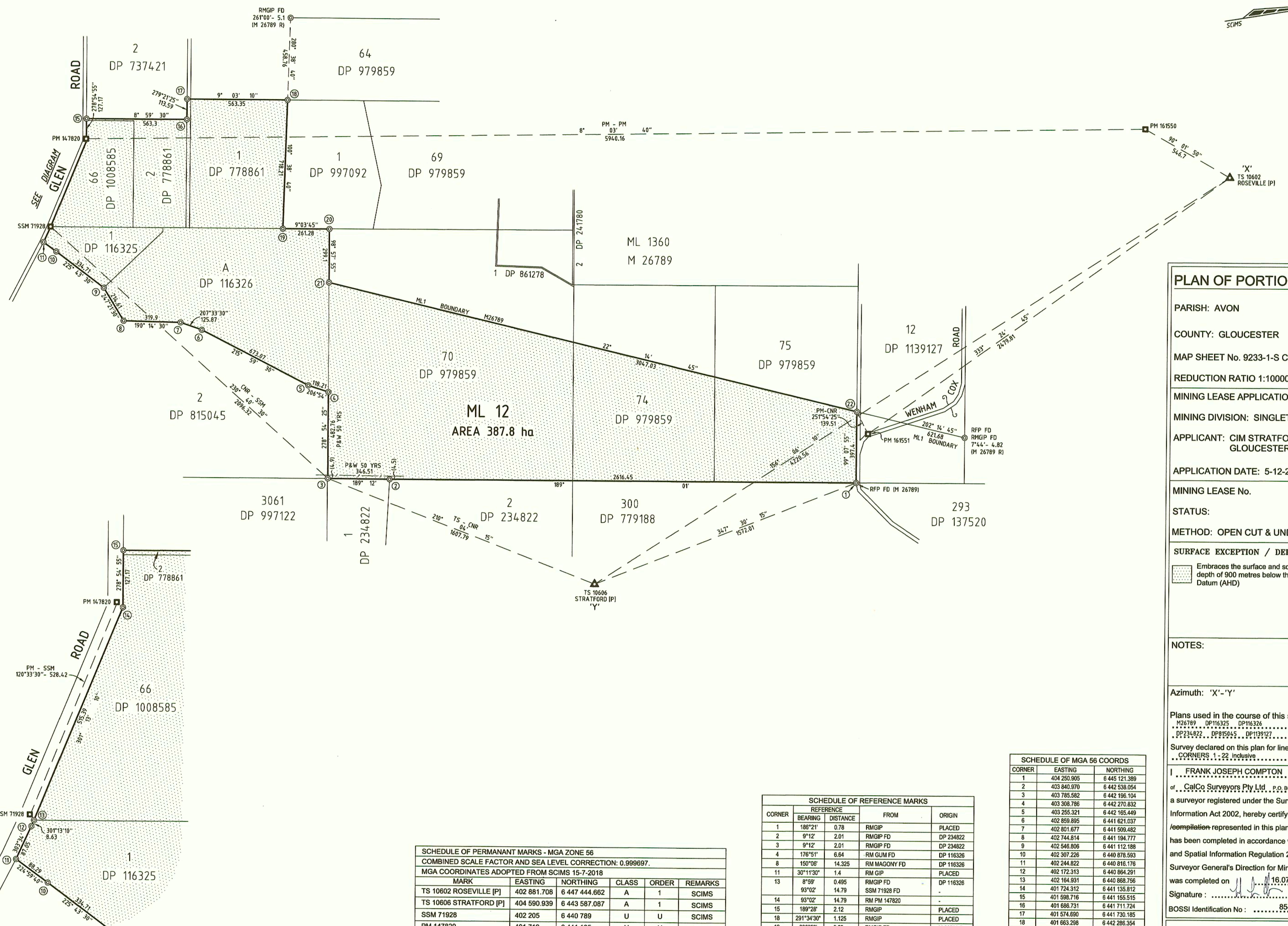
5 JUN 2019

SCHEDULE 1

Description of Lease

Land: The lease area embraces all land described in the attached lease plan titled **M27500** and approved on **25 September 2018**.

Area:	387.8 hectares
Surface Exception:	Nil
Depth Restriction:	900 metres below Australian Height Datum
Minerals:	Coal
Method:	Open Cut Underground
Term:	21 years
Due expiry date:	05 June 2040



PLAN OF PORTION ML 12

PARISH: AVON
 COUNTY: GLOUCESTER
 MAP SHEET No. 9233-1-S CRAVEN
 REDUCTION RATIO 1:10000
 MINING LEASE APPLICATION No.552 (Act 1992)
 MINING DIVISION: SINGLETON
 APPLICANT: CIM STRATFORD PTY LTD
 GLOUCESTER COAL LTD
 APPLICATION DATE: 5-12-2017

MINING LEASE No. _____
 STATUS: _____
 METHOD: OPEN CUT & UNDERGROUND

SURFACE EXCEPTION / DEPTH RESTRICTION

Embraces the surface and soil below thereof to a depth of 900 metres below the Australian Height Datum (AHD)

NOTES:

Azimuth: 'X'-'Y'

Plans used in the course of this survey/compilation:
 M26789 DP116325 DP116326
 DP234822 DP815045 DP1139127

Survey declared on this plan for lines
 CORNERS 1 - 22 inclusive

I, **FRANK JOSEPH COMPTON**
 of CalCo Surveyors Pty Ltd, P.O. BOX 194, GLOUCESTER, 2422
 a surveyor registered under the Surveying and Spatial
 Information Act 2002, hereby certify that the survey
 / compilation represented in this plan is accurate and
 has been completed in accordance with the Surveying
 and Spatial Information Regulation 2017 and the
 Surveyor General's Direction for Mining Surveys and
 was completed on 16.07.2018
 Signature: *[Signature]*
 BOSSI Identification No: 8548

Survey Calcs: _____
 Plan Investigated: 16.07.2018
 Plan Approved: 25.09.2018
 Paper No: V17/12429/DOI

SCHEDULE OF PERMANANT MARKS - MGA ZONE 56
 COMBINED SCALE FACTOR AND SEA LEVEL CORRECTION: 0.999697.
 MGA COORDINATES ADOPTED FROM SCIMS 15-7-2018

MARK	EASTING	NORTHING	CLASS	ORDER	REMARKS
TS 10602 ROSEVILLE [P]	402 881.708	6 447 444.662	A	1	SCIMS
TS 10606 STRATFORD [P]	404 590.939	6 443 587.087	A	1	SCIMS
SSM 71928	402 205	6 440 789	U	U	SCIMS
PM 147820	401 719	6 441 135	U	U	SCIMS
PM 161550	402 542.342	6 447 016.287	B	2	SCIMS
PM 161551	403 993	6 445 222	U	U	SCIMS

SCHEDULE OF REFERENCE MARKS

CORNER	REFERENCE		FROM	ORIGIN
	BEARING	DISTANCE		
1	186°21'	0.78	RMGIP	PLACED
2	9°12'	2.01	RMGIP FD	DP 234822
3	9°12'	2.01	RMGIP FD	DP 234822
4	176°51'	6.64	RM GUM FD	DP 116326
8	150°08'	14.325	RM MAGONY FD	DP 116326
11	30°11'30"	1.4	RM GIP	PLACED
13	8°59'	0.495	RMGIP FD	DP 116326
	93°02'	14.79	SSM 71928 FD	-
14	93°02'	14.79	RM PM 147820	-
15	189°28'	2.12	RMGIP	PLACED
18	291°34'30"	1.125	RMGIP	PLACED
19	336°59'	9.69	RMGIP FD	M 26789 R
20	104°20'	14.53	RMGIP FD	M 26789 R
21	190°42'	4.44	RMGIP FD	M 26789 R
22	57°01'	7.77	RM G.I IRON ST. PICKET.	PLACED

SCHEDULE OF MGA 56 COORDS

CORNER	EASTING	NORTHING
1	404 250.905	6 445 121.389
2	403 840.970	6 442 538.054
3	403 785.582	6 442 196.104
4	403 308.786	6 442 270.832
5	403 255.321	6 442 165.449
6	402 859.895	6 441 621.037
7	402 801.677	6 441 509.482
8	402 744.814	6 441 194.777
9	402 548.806	6 441 112.188
10	402 307.226	6 440 878.593
11	402 244.822	6 440 818.176
12	402 172.313	6 440 864.291
13	402 164.931	6 440 868.756
14	401 724.312	6 441 135.812
15	401 598.716	6 441 155.515
16	401 688.731	6 441 711.724
17	401 574.690	6 441 730.185
18	401 663.298	6 442 286.354
19	402 368.938	6 442 153.731
20	402 410.080	6 442 411.671
21	402 705.436	6 442 365.074
22	403 858.953	6 445 183.756

DIAGRAM
R.R.-N.T.S.

Schedule 2

MINING LEASE CONDITIONS 2013

Definitions

1. **Notice to Landholders**
2. **Rehabilitation**
3. **Mining Operations Plan and Annual Rehabilitation Report**
4. **Non-Compliance Reporting**
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 and Geoscience within the Department of Planning and Environment.

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

Environmental incident notifications and reports means any notifications and reports required to be provided to relevant authorities under Part 5.7 or Part 5.7A of 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.

Minister means the Minister administering the Act.

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.

3. Mining Operations Plan and Annual Rehabilitation Report

- (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.
- (c) The MOP must be prepared in accordance with the *ESG3: Mining Operations Plan (MOP) Guidelines September 2013* published on the Department's website at www.resourcesandenergy.nsw.gov.au/miners-and-explorers/rules-and-forms/pgf/environmental-guidelines
- (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
 - (iii) be prepared in accordance with any relevant annual reporting guidelines published on the Department's website at www.resourcesandenergy.nsw.gov.au/miners-and-explorers/rules-and-forms/pgf/environmental-guidelines

Note: The Rehabilitation Report replaces the Annual Environmental Management Report.

4. Non-Compliance Reporting

- (a) The lease holder must notify the Department upon becoming aware of any breaches of the conditions of this mining lease or breaches of the Mining Act or Regulations;
- (b) Notifications under condition 4(a) must be provided in the form specified on the Department's website within seven (7) days of the mining lease holder becoming aware of the breach.

5. Environmental Incident Report

The lease holder must provide environmental incident notifications and reports to the Secretary no later than seven (7) days after those environmental incident notifications and reports are provided to the relevant authorities under the Protection of the Environment Operations Act 1997.

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 **\$12,367,000**.

The leases covered by the group security include:

Mining Lease 1360 (Act 1992)

Mining Lease 1409 (Act 1992)

Mining Lease 1447 (Act 1992)

Mining Lease 1521 (Act 1992)

Mining Lease 1528 (Act 1992)

Mining Lease 1538 (Act 1992)

Mining Lease 1577 (Act 1992)

Mining Lease 1733 (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 and Geoscience (DRG) reserves the right to impose special conditions, based on individual circumstances, where appropriate.