

Notice of decision - Permit¹ transfer or amendment

This notice is issued by the Environmental Protection Agency to advise of a statutory decision made under environmental or conservation legislation for an application to transfer or amend a permit.

BHP Coal Pty Ltd
Level 23, RIPARIAN PLAZA
71 EAGLE STREET
BRISBANE QLD 4000

Our reference: 210950

Dear Sir/Madam

Re: Decision made in relation to your application under legislation administered by the Environmental Protection Agency (EPA).

The EPA has assessed your application received on 13-DEC-2007 relating to EPC889 and wishes to advise you of the following decision:

Permit Applied For	Permit Number	Decision
Environmental Authority (Exploration or Mineral Development) Non Code Compliant Level 2 Mining Project under <i>Environmental Protection Act 1994</i>	MIN200669408	Granted

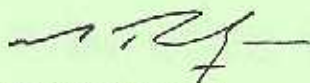
Where the application has been granted, the permit has been re-issued and is attached. Where the application has been refused a Statement of Reasons is attached. Please note that for each approval, this Notice of Decision and the relevant attachments constitute the new permit documentation. Please retain this approval documentation for your records.

Please be aware that the granting of this amendment application initiates the requirement for the lodgement of a revised financial assurance amount. The required amount of financial assurance required to be lodged for EA MIN200669408 is **\$40,000.00** according to *Guideline 17: Financial Assurance for Mining Activities*.

If you require more information, please contact Tim Southwell, the Project Manager, on the telephone number listed below.

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

Yours sincerely



Michael Rodgerson

Environmental Protection Agency

Date: 4/2/08

Enquiries:

Central West District Office (EPA) Emerald
PO Box 906

EMERALD QLD 4720

Phone: (07) 4982 4555

Fax: (07) 4982 2568

Permit

S258 Environmental Protection Act 1994
Environmental Authority (Exploration) Non-Code Compliant Level 2 Mining Project

Permit number: MIN200669408

This environmental authority is granted under the Environmental Protection Act 1994 and includes conditions to minimise environmental harm caused, or likely to be caused, by the authorised mining activities. An environmental authority (mining activities) may be for mining activities authorised (under the Mineral Resources Act 1989) to occur under one of the following mining tenements: a prospecting permit; mining claim; exploration permit; mineral development licence; or mining lease. In general, a mining activity means: prospecting, exploring, mining; or processing minerals; remediation, rehabilitation; and includes facilitation and supporting activities and any action taken to prevent environmental harm.

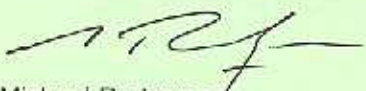
Under the provisions of the *Environmental Protection Act 1994* this environmental authority is issued to:

Permit Holder(s)	Name	Address
Principal Holder	BHP Coal Pty Ltd	GPO Box 1389 BRISBANE QLD 4001 Level 23 Riparian Plaza 71 Eagle St BRISBANE QLD 4000

Activity(s)	Location(s)
Exploration	EPC889

This Environmental Authority takes effect from: 4 February 2008.

The Environmental Authority is subject to the attached conditions of approval.


 Michael Rodgers
 Delegate of the Administering Authority
 Environmental Protection Act 1994
 4 February 2008

Schedule of conditions

Schedule A – General

- (A1-1) For exploration activities 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*, except Condition 13, which is replaced by Schedule B conditions.
- (A1-2) The conditions of this environmental authority are in force until surrender of the authority is accepted pursuant to the *Environmental Protection Act 1994*. The conditions apply unless an amendment is approved pursuant to the *Environmental Protection Act 1994*.
- (A1-3) If there is any inconsistency between a standard environmental condition referred and an additional condition in this environmental authority, the additional condition prevails to the extent of any inconsistency.

END OF CONDITIONS FOR SCHEDULE A

Schedule B – Disturbance to Category B A Environmentally Sensitive Areas

Drill sites

- (B1-1) This environmental authority authorises the construction of 6 drill holes within the Endangered Regional Ecosystem buffer zone of EPC 889 in accordance with the submitted version of the 'EPC889 HUMBOLDT SUMMARY MAP'.
- (B1-2) Drill holes constructed in accordance with condition B1-1 must be constructed in existing disturbed areas of the Endangered Regional Ecosystem buffer zone.
- (B1-3) The operational area of the drill must not exceed 1000m².
- (B1-4) Drill holes are limited to less than 250mm in diameter.
- (B1-5) The construction of sumps must not exceed 10m².
- (B1-6) Topsoil stripping must be limited to sump area.
- (B1-7) The environmental authority holder must minimise disturbance and no clearing of mature trees is authorised.

Seismic Lines

- (B2-1) This environmental authority authorises 7 seismic exploration lines to traverse sections of the Endangered Regional Ecosystem buffer zone of EPC 889 in accordance with the submitted version of the 'EPC889 HUMBOLDT SUMMARY MAP'.

- (B2-2) Seismic traverses conducted in accordance with condition B2-1 must be conducted in a manner that minimises disturbance and no clearing of mature trees is authorised.

Tracks

- (B2-1) Existing access and fence line tracks must be used. New tracks may only be constructed with EPA Approval.
- (B2-2) Constructed tracks must be less than 5m in width.
- (B2-3) Track construction involving blade clearing of established ground cover vegetation and/or clearing of mature trees is to be minimised.
- (B2-4) All new tracks are to be recorded with GPS and records kept of their location and made available to the administering authority on request.
- (B2-5) All tracks, including water course crossings, must be commissioned and operated in accordance with the Code of Practice for Native Forest Timber Production.

Other Land Disturbance

- (B3-1) Activities must not include costeaning or bulk sampling.
- (B3-2) All equipment such as earthmoving and drilling equipment must be used in a manner which prevents the spread of weeds, minimises unnecessary disturbance of topsoil and ground cover vegetation.
- (B3-3) Prior to entering the Endangered Regional Ecosystem buffer zone all vehicles, machinery and equipment must be washed down in accordance with the latest Department of Natural Resources and Water (NRW) Queensland checklist for clean down procedures.
- (B3-4) Campsites must not be established within the Endangered Regional Ecosystem buffer zone.
- (B3-5) All waste must be removed and disposed offsite.
- (B3-6) Burning of vegetation is not permitted.
- (B3-7) Sediment controls barriers installed on the tenure should be made of non-organic material to prevent the spread of weeds.

Rehabilitation & Reporting

- (B4-1) Rehabilitation of areas disturbed within the Endangered Regional Ecosystem buffer zone must be completed as soon as practicable but no longer than 3 months after completion of the disturbance activity.
- (B4-2) The environmental authority holder must revegetate disturbed areas of the Endangered Regional Ecosystem buffer zone with native plant species endemic to the area that will promote the same vegetation type and density of cover to that of the surrounding undisturbed areas in the Endangered Regional Ecosystem buffer zone.

- (B4-3) An annual report must be prepared each year and submitted with each annual return. The report must include details of exploration activities undertaken and details of progressive rehabilitation works completed to demonstrate compliance with (B4 -1) and (B4-2).

END OF CONDITIONS FOR SCHEDULE B

Schedule C – Definitions

"authority" means environmental authority (mining activities) under the *Environmental Protection Act 1994*.

"campsite" - The area encompassing any dwelling, amenities (e.g. toilet block, power generator), sewage or general waste disposal facility and includes the office area and vehicle parking areas associated with a temporary or permanent mining camp.

"costeaning" - The digging of a trench or pit across the seam or ore body for exposing, sampling and mapping of the ore body.

"density of cover" - In reference to trees and/or shrubs, it means the number of trees or shrubs in a specified area (e.g. 50 trees per square kilometre). With reference to understorey plant species (e.g. grasses and forbs), it means the percentage of surface area covered by a particular species.

"disturbed" - Any area that has had its natural state altered by the action or interference of carrying out an activity associated with the exploration project.

"environmental authority" - Means a licence or approval issued by the administering authority under the *Environmental Protection Act 1994*.

"environmental authority holder" means the holder of this environmental authority.

"environmentally Sensitive Areas" refers to locations, however large or small, that have environmental values that contribute to maintaining biological diversity and integrity, have intrinsic or attributed scientific, historical or cultural heritage value, or are important in providing amenity, harmony or sense of community. Refer to Appendix A of Code of Environmental Compliance for Exploration and Mineral Development Projects.

"financial assurance" - Means a security deposit, either cash or a bank guarantee, that is held by the administering authority to cover the potential:

- (a) costs to rehabilitate areas disturbed by mining activities; and
- (b) costs to restore property improvements disturbed by mining activities; and
- (c) failure of the tenure holder to pay rents and royalties.

"general waste" - Schedule 9 of the *Environmental Protection Regulation 1998* defines general waste as "means waste other than regulated waste". Waste rock, overburden and the contents of tailings dams are not included in the definition of general waste for the purposes of these conditions.

"native vegetation" - Vegetation that occurs naturally in a certain area.

"progressive rehabilitation" means rehabilitation (defined below) undertaken progressively or a staged approach to rehabilitation as mining operations are ongoing.

"rehabilitation processes" - The measures and actions taken to achieve rehabilitation outcomes, including any or all of the following:

- removing all unwanted infrastructure;
- backfilling mine excavations (e.g. pits) and capping drill holes;
- reshaping the land surface to a stable landform similar to that of surrounding undisturbed areas;
- spreading of topsoil;
- spreading seed or planting seedlings to promote revegetation;
- benching ridge cuts and removing any overhanging material.

"significantly disturbed land" - Land is significantly disturbed if –

- (a) it is contaminated land; or
- (b) it has been disturbed and human intervention is needed to rehabilitate it.

Significantly disturbed land includes:

- areas where soil has been compacted, removed, covered, exposed or stockpiled;
- areas where vegetation has been removed or destroyed to an extent where the land has been made susceptible to erosion; (vegetation & topsoil)
- areas where land use suitability or capability has been diminished;
- areas within a watercourse, waterway, wetland or lake where mining project activities occur;
- areas submerged by tailings or hazardous contaminant storage and dam walls in all cases;
- areas under temporary infrastructure. Temporary infrastructure includes any infrastructure (roads, tracks, bridges, culverts, dams, bores, buildings, fixed machinery, hardstand areas, airstrips, helipads etc) which is to be removed after mining has ceased; or
- areas where land has been contaminated.

However, the following areas are not included:

- areas off lease (e.g. roads or tracks which provide access to the mining lease);
- areas previously significantly disturbed which have achieved the rehabilitation outcomes;
- by agreement with the EPA, areas previously significantly disturbed which have not achieved the rehabilitation objectives due to circumstances beyond the control of the mine operator (such as climatic conditions);
- areas under permanent infrastructure. Permanent infrastructure includes any infrastructure (roads, tracks, bridges, culverts, dams, bores, buildings, fixed machinery, hardstand areas, airstrips, helipads etc) which is to be left by agreement with the landowner. The agreement to leave permanent infrastructure must be
- recorded in the Landowner Agreement and lodged with the EPA;
- disturbances that pre-existed the grant of the tenure unless those areas are disturbed during the term of the tenure.

"standard environmental conditions" - For an environmental authority, means the standard environmental conditions approved for the authority under section 549 of the *Environmental Protection Act 1994*.

"watercourse" - Means a river, creek or stream in which water flows permanently or intermittently in a visibly defined channel (natural, artificial or artificially improved) with:

- (a) continuous bed and banks;
- (b) an extended period of flow for some months after rain ceases, and
- (c) an adequacy of flow that sustains basic ecological processes and maintains biodiversity

END OF CONDITIONS