ecoaccess
environmental licences & permits

Environmental Authority (Exploration)
Non Code Compliant Level 2 Mining Project
Permit[1] Number: MIN201219810 – MCG Exploration

Section 299 — *Environmental Protection Act 1994*

Takes Effect From: 11 May 2011

Details

Permit Holder(s)	Name	Address
Principal Holder	MCG Exploration Pty Ltd	3A/61 Southgate Avenue, Cannon Hill Qld 4170

Activity(s)	Location(s)
Exploration Permit for Coal (EPC)	EPC1401

The anniversary date of the environmental authority is **23 June.**

The environmental authority is subject to the attached conditions of approval.

Christopher Loveday
Delegate of administering authority
Environmental Protection Act 1994
11 May 2011

[1] Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Department of Environment and Resource Management

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Schedule of conditions

Department Interest – General

A1 Provide a financial assurance in the amount and form required by the administering authority prior to the commencement of activities proposed under this environmental authority.

A2 The financial assurance is to remain in force until the administering authority is satisfied that no claim on the assurance is likely.

Note: Where progressive rehabilitation is completed and acceptable to the administering authority, progressive reductions to the amount of financial assurance will be applicable where rehabilitation has been completed in accordance with the rehabilitation conditions specified in this environmental authority.

A3 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 the conditions of this authority.

A4 If there is any inconsistency between a standard environmental condition and an additional condition in this environmental authority, the additional condition prevails to the extent of any inconsistency.

A5 The conditions of this environmental authority are in force until surrender of the authority is accepted pursuant to the *Environmental Protection Act 1994* (EP Act). The conditions apply unless an amendment is approved pursuant to the EP Act.

A6 Words and phrases used throughout this environmental authority are defined in the Definitions section of this authority. Where a definition for a term used in this environmental authority is sought and the term is not defined within this environmental authority, the definitions in the *Code of Environmental Compliance for Exploration and Mineral Development Projects* and the definitions in the EP Act, its regulations and policies must be used.

Department Interest – Land

General

B1 The holder of this environmental authority is not authorised to undertake mining or exploration activities within the Endangered Regional Ecosystem (ERE) of EPC1401.

Drilling grid and drill sites

B2 This environmental authority authorises the construction of 29 drill holes within the ERE buffer zone of EPC1401 in accordance with the locations shown in *Attachment 1 (EPC1401 Regional Ecosystems & Proposed Northern Drill Holes)*.

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B3 Drill holes constructed in accordance with condition B2 must be constructed in a manner consistent with *MCG Resources Pty Ltd, EPC1401 Exploration Program, Environmental Management Program, 15 March 2010 (McCollum Environmental Management Services).*

B4 Spacing of gridlines within the ERE buffer zone may only be undertaken at no less than 500m apart.

B5 Spacing of gridlines within the ERE buffer zone may be reduced to 100m only with the approval of the administering authority.

B6 Drill holes are to be located as far as practicable in previously cleared areas of the ERE buffer zone.

B7 The operational area of individual drill sites must not exceed 1000m^2.

B8 Drill holes are limited to less than 250mm in diameter.

B9 The construction of sumps must not exceed 10m^2.

B10 Topsoil stripping must be limited to the sump area. Where topsoil is removed it must be stockpiled for respreading at the completion of use.

B11 No clearing of mature trees with visible hollows or evidence of arboreal mammal scars is authorised.

B12 Trees or shrubs with nests of birds of prey (raptors) whether active or not, or visibly active non-raptor bird nests must be protected.

B13 The edge of a drill site should not be within 20m of any raptor nest, whether active or not.

B14 No dead trees are to be removed unless they are a safety risk.

Seismic Lines

B15 The holder of this environmental authority must provide the administering authority with details on the location, length and extent of proposed 2D seismic line surveying for EPC1401 at least 30 days before surveying activities commence within the ERE buffer zone.

B16 The holder of this environmental authority is not authorised to undertake 3D seismic survey tracks within the ERE buffer zone.

Tracks

B17 Existing access and fence line tracks must be used wherever possible. The holder of the environmental authority must consult with the landowner prior to establishing any new tracks within the ERE buffer zone. Any new tracks are to be constructed by linking naturally cleared or disturbed areas.

B18 Construction of new crossings over watercourses must be avoided and is only permitted when no reasonable alternative is available.

B19 Constructed tracks must be less than 5m in width, including shoulder width.

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B20 Track construction involving blade clearing of established ground cover vegetation and/or clearing of mature trees is to be minimised and undertaken in accordance with Conditions B11, B12 and B14 of this environmental authority.

B21 Tracks should not be used when soil is saturated and prone to displacement or erosion by vehicle movement.

B22 All new tracks are to be recorded with GPS and records kept of their location and made available to the administering authority on request.

Other Land Disturbance

B23 Activities must not include costeaning or bulk sampling.

B24 All equipment such as earthmoving and drilling equipment must be used in a manner which prevents the spread of weeds and minimises unnecessary disturbance of topsoil and ground cover vegetation.

B25 Prior to entering the ERE buffer zone all vehicles, machinery and equipment must be washed down in accordance with the latest Queensland Department of Environment and Resource Management (DERM) checklist for clean down procedures.

B26 Campsites must not be established within the ERE buffer zone.

B27 All waste must be removed and disposed of offsite.

B28 Burning of vegetation is not permitted.

B29 Sediment control barriers installed on EPC1401 should be made of non-organic material to prevent the spread of weeds.

B30 The environmental authority holder must control buffel grass and other weeds as far as practicable (e.g. targeted herbicide spraying) to promote the establishment of native plant species endemic to the area.

Rehabilitation & Reporting

B31 Rehabilitation of areas disturbed within the ERE buffer zone must commence as soon as practicable to the extent that erosion impacts are minimised, and be completed as soon as practicable but no longer than three (3) months after completion of the disturbance activity.

B32 Rehabilitation must be undertaken in accordance with requirements of the *Code of Environmental Compliance for Exploration and Mineral Development Projects*, and to the satisfaction of the administering authority.

B33 An annual report must be prepared each year and submitted with each annual return. The report must include a map showing the location of completed drill holes authorised by this environmental authority, as well as details of progressive rehabilitation works completed to demonstrate compliance with Conditions B31 and B32 of this environmental authority.

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Definitions

"administering authority" means the Department of Environment and Resource Management or its successor.

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

"campsite" means 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.

"category B environmentally sensitive area" means any of the areas mentioned in section 26 of the *Environmental Protection Regulation 2009.*

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

"disturbed" means 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 an environmental authority (exploration) issued by the administrating authority under the *Environmental Protection Act 1994.*

"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 the *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 administrating 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 12 of the *Environmental Protection Regulation 2008* defines general waste as meaning ".... 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.

"landowner" is as per the definition in the *Code of Environmental Compliance for Exploration and Mineral Development Projects.*

"mature trees" means any tree that is 70% or greater of the predominant canopy height.

"native vegetation" means 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" means 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 administering authority, 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 administering authority;
- disturbances that pre-existed the grant of the tenure unless those areas are disturbed during the term of

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the tenure.

"tracks" means roads, tracks or paths, greater than ten (10) metres in length, that has been fully stripped of all vegetation to enable the progress of vehicles, equipment or pedestrians.

"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

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Attachment 1

