



Mr Micheal Alexander
Director Projects and Technical Services
Wambo Coal Pty Ltd
PMB 1
SINGLETON NSW 2330

Our ref: 10/16005-11

Michael
Dear Mr Alexander

**South Bates Underground Mine
Extraction Plan Approval
Longwalls 11 - 13**

I refer to the Extraction Plan, dated October 2015 and as revised in December 2015, for Longwalls 11 - 13 at the South Bates Underground Mine, submitted in accordance with condition 22C of Schedule 4 of the Wambo Coal Mine (Wambo) consent (DA 305-7-2003).

The Extraction Plan includes the following components:

- Water Management Plan;
- Biodiversity Management Plan;
- Land Management Plan;
- Heritage Management Plan;
- Built Features Management Plan;
- Public Safety Management Plan;
- Subsidence Monitoring Program;
- Coal Resource Recovery Plan; and
- Revised Rehabilitation Management Plan.

The Department has reviewed the Extraction Plan and has consulted with a number of other relevant agencies regarding its content. I note that under condition 22C(g) of Schedule 4 of the consent, the last five of the above components must be prepared to the satisfaction of the Division of Resources and Energy (DRE) of the Department of Industry. DRE has advised the Department the above documents, with the exception of the revised Rehabilitation Management Plan, meet the requirements of the consent subject to Wambo's compliance with Work Health and Safety laws. The Department notes that the Rehabilitation Management Plan component of the Extraction Plan is currently being finalised by Peabody, in consultation with the Environmental Sustainability Unit within DRE. The Department understands that this

matter is ongoing and is being managed by DRE under its Mining Operations Plan requirements.

The Department also notes that the NSW Department of Primary Industries Water (DPI-Water) raised concerns with the Ground Water Monitoring Program required under condition 34 of Schedule 4 of the consent, upon which the Water Management Plan component of the Extraction Plan is reliant. DPI-Water also identified that the groundwater conceptualisation and numerical models require updating to acknowledge the recent identification of increased hydraulic connection in the North Wambo Creek and connected alluvial aquifer systems and provide a more accurate estimate of the take of water.

The Department notes your correspondence of 22 January 2016 stating that the residual matters raised by DPI-Water are unrelated to the Extraction Plan for Longwalls 11 to 13 and notes Wambo's commitments to reviewing the groundwater monitoring network and the groundwater models for South Wambo Underground Mine Modification 12 in response to DPI-Water's comments. The Department also considers that these issues should be finalised prior to the lodgement of an Environmental Assessment for Modification 12. The Department requests that the Ground Water Monitoring Program is resubmitted for review and approval should significant changes to any component of the Water Management Plan be required, as also requested in previous Departmental correspondence from Scott Brooks, dated 27 November 2015.

The Department also notes Wambo's intention to revise the Flora and Fauna Management Plan in 2016 following OEH's review of the Extraction Plan. The Department requests that the Flora and Fauna Management Plan is revised in consultation with OEH.

Subject to the above requirements being satisfactorily met, the Secretary grants approval for the Extraction Plan as revised in December 2015 and you may commence activity under the plan.

Please note the requirement under condition 12 of Schedule 6 to make copies of all approved plans, programs and strategies publicly available. If you require any more information, please call Hamish Aiken on 9228 6373.

Yours sincerely



Howard Reed

Director

Resource Assessments

As nominee for the Secretary

9.2.16