



Reference: 13/2632

Mr John Maynard
Manager: Survey Property & Titles Western Region
Locked Bag 1002
WALLERAWANG NSW 2845

Dear Sir

MINING LEASE 1323 (ACT 1992)

In accordance with the provisions of Section 114(1) (a) of the *Mining Act 1992*, the Minister renewed the lease subject to the terms and conditions set out in the attached Instrument of Renewal document and Instrument of Amendment to Condition 6 – Extraction Plan Condition.

The renewal took effect on 28 June 2014.

Please note prior to any mining activities being undertaken on the lease, a current Mining Operations Plan must be approved by the Secretary. The holder of the lease may also be required to hold a current development consent/project approval before commencing activities in accordance with the *Environmental Planning & Assessment Act 1979*.

An overview of the environmental assessment and approval requirements for mining, in addition to guidelines regarding the preparation of a Mining Operations Plan are available from the Environment section of the Department's website: www.resourcesandenergy.nsw.gov.au.

In regard to Condition 9 (Cooperation Agreement) -- the TASMAR system located on the Department's website (www.minerals.nsw.gov.au) will be of assistance in determining the presence of overlapping petroleum titles.

Enclosed is a copy of the letter dated 30 June 2014 regarding

For further information, please contact the undersigned on 02 4931 6439.

Yours faithfully

Lisa Keevill
for Secretary
15 August 2014

INSTRUMENT OF RENEWAL

LEASE: Mining Lease No 1323 (Act 1992)

HOLDER: Centennial Springvale Pty Limited
(ACN 052 096 812)

Springvale SK Kores Pty Limited
(ACN 051 015 402)

DATE OF LEASE: 3 August 1993

EXPIRY DATE OF LEASE: 3 August 2014

PERIOD OF RENEWAL UNTIL: 3 August 2035

AREA: 30.24 hectares

AS SHOWN BY PLAN NO: Catalogue No: D7347

SURFACE EXCEPTION: Nil

DEPTH RESTRICTION: Part 5 metres remainder 20 metres

MINERALS: Coal

ROYALTY PAYABLE: At the rate which, from time to time, may
be prescribed.

AMENDMENTS TO THE CONDITIONS OF THE LEASE:

- (a) All the Conditions contained in the lease prior to the renewal have been deleted.
- (b) The lease is now subject to the attached Mining Lease Conditions 2013 (Coal) numbered:

1-9(inclusive)

Conditions 2 to 6 are identified as conditions relating to environmental management for the purposes of Section 378D of the *Mining Act 1992*.

Note: Conditions 2 to 6 of this mining lease are imposed pursuant to sections 238 and 239 of the Mining Act 1992. Clause 7 of Schedule 12 of the Mining Regulation 2010 saves higher penalties for a breach of condition imposed by or under sections 238 or 239 of the Act.

We, Centennial Springvale Pty Limited (ACN 052 096 812) and Springvale SK Kores Pty Limited (ACN 051 015 402) hereby accept the renewal of this Lease and agree to be bound by the conditions specified.



Tony Macko
Company Secretary

.....
CENTENNIAL SPRINGVALE PTY LIMITED
(ACN 052 096 812)



Dae Hoon Kim
Director

.....
SPRINGVALE SK KORES PTY LIMITED
(ACN 051 015 402)

Renewed this

28th

day of

JUNE

20 14



.....
MINISTER FOR RESOURCES AND ENERGY

DIAGRAM

Papers C92 / 0815

ML Application 2 at ORANGE
 by CLUTHA SPRINGVALE LIMITED & SAMSUNG DEVELOPMENT (AUST) PTY. LIMITED
 poss'n 13.193 State; LEASE NO. ML 1323 (ACT 1992)
 PARISH LIDSDALE, MARANGAROO

COUNTY COOK

Mineral VENTILATION SHAFTS, ROAD, TRANSMISSION LINE, DAM, CONVEYOR SYSTEM, ETC.
 Purpose

Surface Exception:

Depth Restriction:

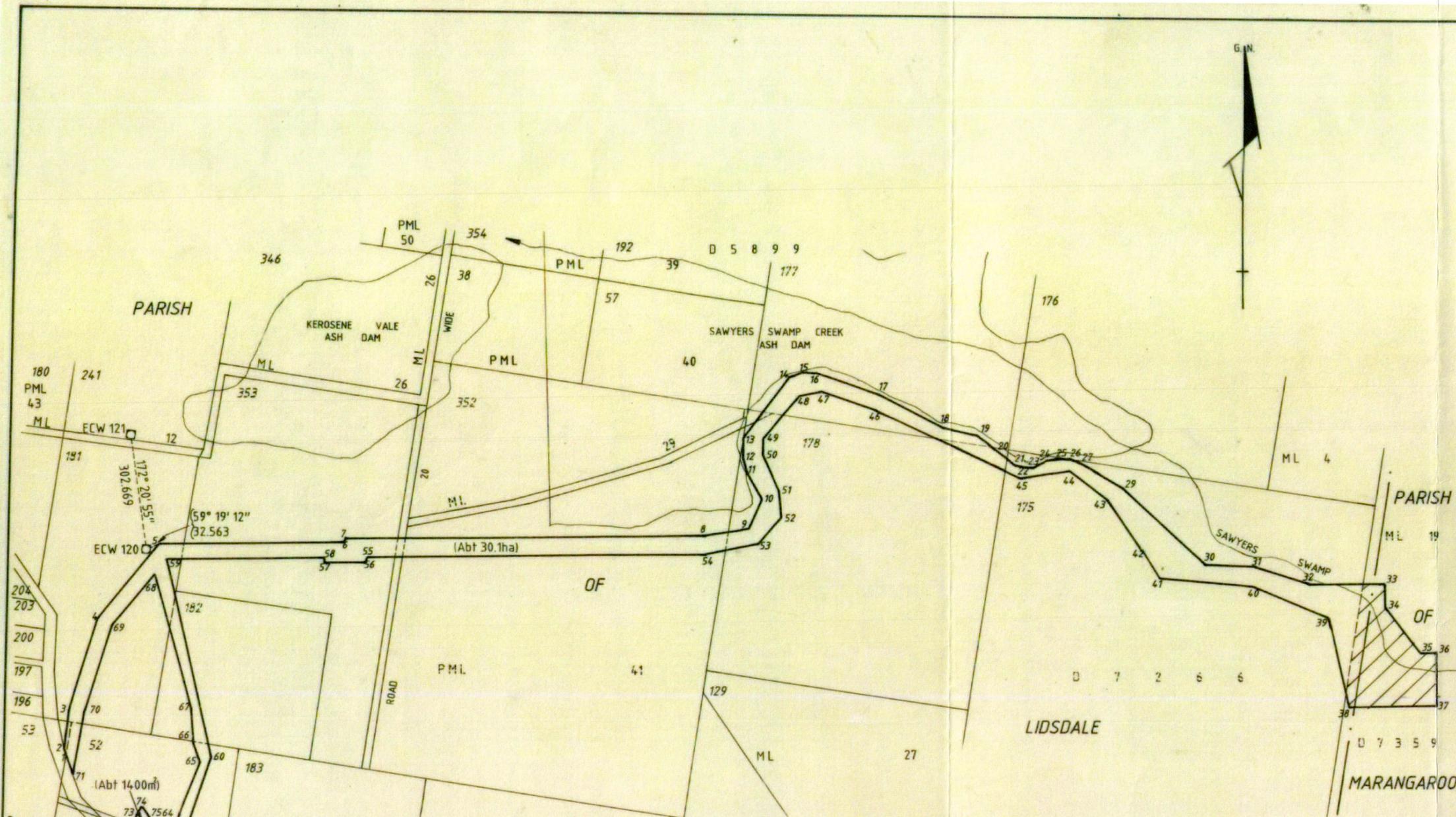
-  EMBRACES THE SURFACE AND LAND BELOW THEREOF TO A DEPTH OF 20.0 METRES.
-  EMBRACES THE SURFACE AND LAND BELOW THEREOF TO A DEPTH OF 5.0 METRES.

SCALE 1:10000 --- Lengths in metres

NOTES:

COMPILED FROM APPLICANTS PLAN No. C.L.-5100-G-01 AND FROM PARISH MAPS.

REFERENCE MAP 8931-3-S.



CURVED BOUNDARIES				
BDY	CHORD		ARC	RADIUS
	BEARING	DISTANCE		
62-63	291° 15' 17"	19.98	19.988	2994

I. S. G. COORDINATE ZONE 56/1											
COR.	EASTING	NORTHING	COR.	EASTING	NORTHING	COR.	EASTING	NORTHING	COR.	EASTING	NORTHING
1	215006.661	1302901.101	20	217480.000	1303696.000	39	218350.000	1303240.000	58	215689.000	1303423.500
2	215001.739	1302919.037	21	217525.000	1303658.000	40	218154.000	1303326.000	59	215275.000	1303423.000
3	215017.000	1303019.500	22	217550.000	1303652.000	41	217906.000	1303352.000	60	215388.423	1302888.102
4	215092.500	1303263.500	23	217573.000	1303650.000	42	217859.000	1303429.000	61	215309.386	1302661.077
5	215257.000	1303465.500	24	217602.000	1303666.000	43	217770.000	1303563.000	62	215290.758	1302668.323
6	215744.500	1303467.000	25	217640.000	1303673.000	44	217665.500	1303643.500	63	215281.543	1302671.943
7	215746.000	1303476.000	26	217662.000	1303675.000	45	217534.000	1303624.000	64	215299.491	1302722.200
8	216696.000	1303475.500	27	217675.000	1303673.000	46	217153.000	1303810.000	65	215362.369	1302877.094
9	216817.000	1303495.000	28	217691.000	1303667.000	47	217009.000	1303862.000	66	215343.012	1302924.553
10	216852.500	1303572.500	29	217810.000	1303594.000	48	216952.000	1303848.500	67	215336.590	1302718.713
11	216816.000	1303638.000	30	218028.000	1303386.000	49	216854.000	1303735.000	68	215243.220	1303384.305
12	216799.000	1303689.000	31	218159.000	1303378.500	50	216854.000	1303693.500	69	215130.000	1303244.000
13	216802.000	1303737.000	32	218305.000	1303330.000	51	216896.000	1303598.000	70	215056.000	1302713.800
14	216927.000	1303902.000	33	218500.000	1303330.000	52	216904.000	1303523.000	71	215025.240	1302844.580
15	216960.000	1303913.000	34	218500.000	1303266.000	53	216840.000	1303452.000	72	215185.930	1302713.800
16	216995.000	1303913.000	35	218595.000	1303142.000	54	216695.000	1303424.000	73	215192.900	1302735.060
17	217159.000	1303854.500	36	218638.000	1303142.000	55	215801.000	1303424.500	74	215209.330	1302757.070
18	217334.000	1303760.500	37	218638.000	1303000.000	56	215798.000	1303409.500	75	215228.090	1302729.110
19	217424.000	1303739.000	38	218400.000	1303000.000	57	215690.000	1303409.500	76	215223.160	1302699.180

PERMANENT MARK		
I. S. G. COORDINATE ZONE 56/1		
REF.	EASTING	NORTHING
ECW 120	215228.995	1303448.885
ECW 121	215188.696	1303748.859



AREA: Abt. 30.24ha (in 2 parts)

SURVEYED BY:
 DATE:
 DATUM LINE OF AZIMUTH: ECW120 to ECW121

Prepared & Charted by M. J. Dewell 2/15/93
 Examined by J. R. Elsholtz 2-6-93
 APPROVED: [Signature] Authorised Officer 10-6-93

CATALOGUE NO: D7347

MINING LEASE CONDITIONS 2013

Definitions

1. Notice to Landholders
2. Rehabilitation
3. Mining Operations Plan and Annual Rehabilitation Report
4. Compliance Report
5. Environmental Incident Report
6. Subsidence Management
7. Resource Recovery
8. 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 & Energy within the Department of Trade and Investment, Regional Infrastructure and Services.

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.

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.resources.nsw.gov.au/environment
- (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 *Mine Health and Safety Act 2004 / Coal Mine Health and Safety Act 2002* and *Mine Health and Safety Regulation 2007 / Coal Mine Health and Safety Regulation 2006* or the *Work Health and Safety Act 2011*; and
 - (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.resources.nsw.gov.au/environment.

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

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 Administration Act 1991*),

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.

Note. Refer to www.resources.nsw.gov.au/environment 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.

Note. The lease holder should have regard to any relevant Director General's guidelines in the preparation of an Environmental Incident Report. Refer to www.resources.nsw.gov.au/environment for further details.

- (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. Subsidence Management

The lease holder must not commence or undertake underground mining operations that may cause subsidence of the surface other than in accordance with an Eligible Subsidence Management Plan approved by the Director-General.

For the purposes of this condition, an 'Eligible Subsidence Management Plan' means:

- (i) A Subsidence Management Plan prepared in accordance with current government guidelines for the preparation of Subsidence Management Plans; or
- (ii) Those parts of an Extraction Plan or another type of plan:
 - prepared, either in whole or in part, with reference to current government guidelines for the preparation of a Subsidence Management Plan; and
 - approved for the purposes of the *Environmental Planning and Assessment Act 1979* (or any planning legislation which replaces that Act) by the Minister or Director-General of the Department of Planning & Infrastructure, or another officer of that Department authorised to approve such a plan,
 which relate to issues of subsidence.

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. Security

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 **\$6,750,000**.

The leases covered by the group security include:

Mining Lease 204 (Act 1906)

Mining Lease 564 (Act 1906)

Private Lands Lease 133 (Act 1906)

Consolidated Coal Lease 733 (Act 1973)

Coal Lease 361 (Act 1973)

Coal Lease 377 (Act 1973)

Coal Lease 394 (Act 1973)

Mining Purposes Lease 314 (Act 1973)

Mining Lease 1303 (Act 1992)

Mining Lease 1319 (Act 1992)

Mining Lease 1323 (Act 1992)

Mining Lease 1326 (Act 1992)

Mining Lease 1352 (Act 1992)

Mining Lease 1448 (Act 1992)

Mining Lease 1537 (Act 1992)

Mining Lease 1588 (Act 1992)

Mining Lease 1670 (Act 1992)

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 57 of the Mining Regulation 2010.

Reports must be prepared in accordance with Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales (Department of Trade and Investment; Regional Infrastructure and Services 2010).

SPECIAL CONDITIONS

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



File No. 14/1985

CENTENNIAL SPRINGVALE PTY LIMITED
PO BOX 1002
WALLERAWANG
NSW 2845

Dear Sir/Madam

**Mining Lease 1323 (Act 1992)
AMENDMENT OF THE SUBSIDENCE MANAGEMENT PLAN CONDITION**

In accordance with the provisions of Section 239(2) of the *Mining Act 1992*, the Minister has amended the Subsidence Management Plan (SMP) condition on this lease by imposing an alternative Extraction Plan condition.

The new condition supports the unification of the Department of Planning & Environment (DPE) Extraction Plan with the Division of Resources and Energy (DRE) Subsidence Management Plan process. This will result in one plan and one approval and is a significant reduction in red tape. The new process is also consistent with, and will facilitate an orderly transition to the new *Work Health and Safety (Mines) Act 2013* regulatory framework.

The new condition requires the lease holder to have an approved Extraction Plan in place which provides for the effective management of subsidence risks prior to undertaking underground mining operations that may cause subsidence. Importantly, the condition:

- Recognises Extraction Plans approved by the Minister for Planning as an approved Extraction Plan for the purposes of the Mining Lease
- Saves existing Subsidence Management Plans and recognises them as Extraction Plans for the purpose of the Mining Lease
- Allows lease holders time to transition to the new requirements by providing for the approval of Subsidence Management Plans submitted on or before 31 December 2014 as Extraction Plans for the purposes of the Mining Lease

The amendment takes effect from 1 July 2014.

Rather than approving future Extraction Plans, DRE will advise DPE in their approval process. DRE will also be able to direct or take other compliance actions to require lease holders to amend deficient plans. Any compliance actions undertaken by DRE will be in the context of mining and safety legislative requirements only and are subject to procedural fairness.

The existing DRE Subsidence Management Plan and draft DPE Extraction Plan guidelines are intended to be replaced with a single revised Extraction Plan guideline covering the regulatory requirements of both DPE and DRE. These guidelines will provide further clarity as to the approval process and regulatory responsibilities of each agency.

Further information can be found at www.resourcesandenergy.nsw.gov.au/miners-and-explorers/applications-and-approvals/environmental-assessment/subsidence-management or by contacting Paul Langley, DRE Subsidence Executive Officer on 4931 6448 or at paul.langley@trade.nsw.gov.au.

The enclosed Instrument of Amendment should be placed with the original documents for this authority.

Thank you for your assistance in implementing this important reduction in red tape.

Yours sincerely

A handwritten signature in black ink, appearing to read "B. W. Mullard". The signature is written in a cursive, flowing style.

Brad Mullard
Executive Director

Encl.

INSTRUMENT OF AMENDMENT

I, as delegate of the Minister for Resources and Energy for the State of New South Wales, under delegation dated 30 November 2010, and pursuant to section 239(2) of the Mining Act 1992, amend Mining Lease 1323 (Act 1992) as follows:

Condition 6 is amended by deleting the existing condition and replacing it with the condition set out below.

Extraction Plan Condition

- (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.

This amendment is effective from 1 July 2014.

SIGNED

A handwritten signature in black ink, appearing to read "B. W. Mullard". The signature is written in a cursive style with a large, sweeping initial "B".

Under delegation
Brad Mullard
Executive Director, Mineral Resources
Dated: 30 June 2014

Insert Endorsement Here