



Reference: 11/2853

John Maynard
Manager, Survey, Property & Titles
Locked Bag 1002
WALLERAWANG NSW 2845

Dear Sir

MINING LEASE NO 1303 (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.

The renewal took effect on 8 May 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 TASMAL system located on the Department's website (www.minerals.nsw.gov.au) will be of assistance in determining the presence of overlapping petroleum titles.

For further information, please contact the undersigned on 02 4931 6423.

Yours faithfully

Ian Elsholz
for Secretary
20 May 2014

INSTRUMENT OF RENEWAL

LEASE: MINING LEASE NO 1303 (ACT 1992)

HOLDER: CENTENNIAL SPRINGVALE PTY LIMITED
(ACN 052 096 812)
SPRINGVALE SK KORES PTY LIMITED
(ACN 051 015 402)

DATE OF LEASE: 15 DECEMBER 1992

EXPIRY DATE OF LEASE: 15 DECEMBER 2013

PERIOD OF RENEWAL UNTIL: 15 DECEMBER 2034

AREA: 713 HECTARES

AS SHOWN BY PLAN NO: D7266

SURFACE EXCEPTION: 20 METRES

DEPTH RESTRICTION: 900 METRES BELOW AHD

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: 1-11(Inclusive)

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

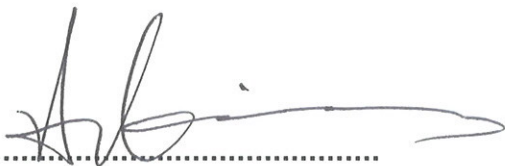
Note: Conditions 2 to 6 of this mining lease are imposed pursuant to sections 238 and 239 of the Mining Act 1992. Clause 7 of Schedule 12 of the Mining Regulation 2010 saves higher penalties for a breach of condition imposed by or under sections 238 or 239 of the Act.

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)



HYUNSOO KIM
DIRECTOR

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

Renewed this *Eighth* day of *May* 2014



.....
MINISTER FOR RESOURCES AND ENERGY

DIAGRAM

Papers C91-0217

CAT No. D 7266

CL Application 234 at H.O. appn. _____

by (LUTHA SPRINGVALE LIMITED AND SAMSUNG DEVELOPMENT (AUST) PTY. LTD.

PARISH LIDSDALE & MARANGAROO COUNTY COOK

Scale 1:25000 Lengths in metres. Purpose _____

Ref. map 8931-3-S Mineral COAL

Refused	Lease No.	State
	ML 1303 (Act 1992)	

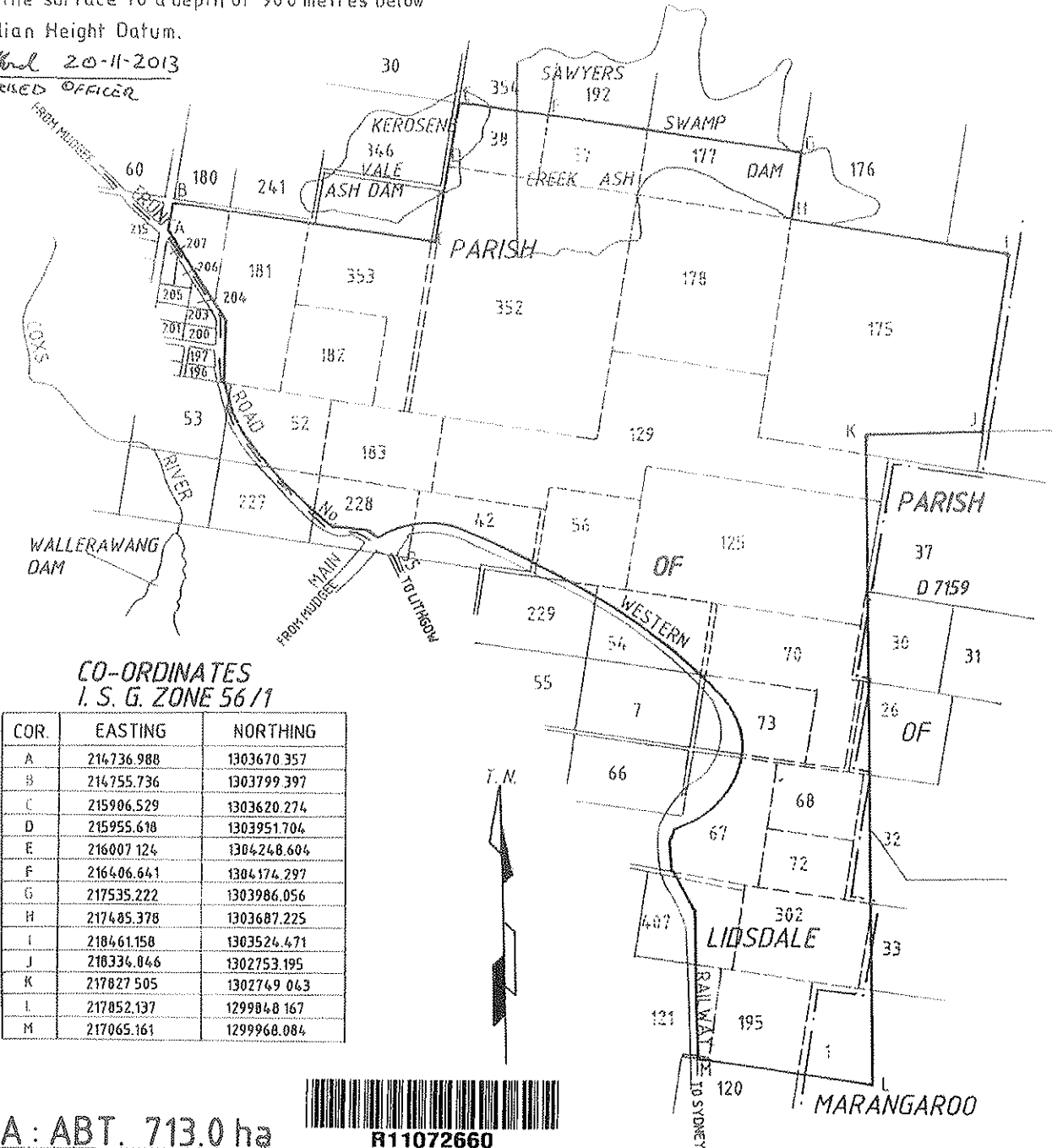
SURFACE EXCEPTION / DEPTH RESTRICTION

COMPILED FROM 1:25000 MAP No. 8931-3-S AND COORDINATES SUPPLIED BY THE APPLICANT

~~EXCEPTS THE SURFACE AND LAND BELOW TO A DEPTH OF 20.0 METRES.~~

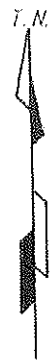
Embraces the strata between a depth of 20 metres below the surface to a depth of 900 metres below Australian Height Datum.

Paul 20-11-2013
Authorised Officer



CO-ORDINATES I. S. G. ZONE 56/11

COR.	EASTING	NORTHING
A	214736.988	1303670.357
B	214755.736	1303799.397
C	215906.529	1303620.274
D	215955.618	1303951.704
E	216007.124	1304248.604
F	216406.641	1304174.297
G	217535.222	1303986.056
H	217485.378	1303687.225
I	218461.158	1303526.471
J	218334.046	1302753.195
K	217827.505	1302749.063
L	217852.137	1299848.167
M	217065.161	1299968.084



AREA: ABT. 713.0 ha



R11072660

Prepared

M. Sewell 19/10/92

Examined

20-10-92

A. R. Elsholy

Approved

2-11-92

A. R. Elsholy



D101072660

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
10. Prescribed Dam
11. Barriers

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. 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 No's 204, 564 and Private Lands Lease No.133 (Act 1906), Consolidated Coal Lease No.733, Coal Lease No's 361, 377,394 and Mining Purposes Lease No.314 (Act 1973), Mining Lease No's 1303, 1319, 1323, 1326, 1352, 1448, 1537, 1588 and 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.

10. Prescribed Dam

- (a) Notwithstanding any Mining Operations Plan, the lease holder must not mine within any part of the lease area which is within the notification area of the **Sawyers Swamp Creek Ash Dam** without the prior written approval of the Minister and subject to any conditions stipulated.
- (b) Where the lease holder desires to mine within the notification area he or she must:
- (i) at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and
 - (ii) provide such information as the Minister may direct.
- (c) The Minister must not, except in the circumstances set out in sub-paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with.
- This sub-paragraph is complied with if:
- (i) the Dams Safety Committee as constituted by Section 7 of the *Dams Safety Act 1978* and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (b).
 - (ii) the notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined.
 - (iii) the Director-General has complied with any reasonable request made by the Dams Safety Committee or the owner of the dam for further information in connection with the mining proposal.
 - (iv) the Dams Safety Committee has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and
 - (v) where the Dams Safety Committee has made recommendations the approval is in terms that are:
 - in accordance with those recommendations; or

- where the Minister does not accept those recommendations or any of them - in accordance with a determination under sub-paragraph (ii) of this paragraph.
- (vi) Where the Minister does not accept the recommendations of the Dams Safety Committee or where the Dams Safety Committee has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam:
 - as determined by agreement between the Minister and the Minister administering the *Dams Safety Act 1978*; or
 - in the event of failure to reach such agreement - as determined by the Premier.
- (d) The Minister, on notice from the Dams Safety Committee, may at any time or times:
 - (i) cancel any approval given where a notice pursuant to Section 18 of the *Dams Safety Act 1978* is given.
 - (ii) suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.

11. Barriers

- (a) Unless with the consent of the Minister first had and obtained and subject to such conditions as he may impose the lease holder shall not work or cause to be worked any seam of coal by underground methods within the subject area within the barrier defined as follows:-

The land within the zone beneath and adjacent to the Main Western Line of the Railway enclosed by an angle of draw of 35° from the vertical plane of the boundary parallel to and thirty (30) metres horizontally distant from either side of the railway lands, such angle of draw being measured outwards from the point on the vertical plane of the said boundary at the surface or at the level of the horizontal plane of the railway track, whichever may be the higher, to the floor of the coal seam in which mining operations are being carried out.
- (b) The lease holder shall maintain a barrier fifty (50) metres wide against any old abandoned workings of the Fernbrook, Steelworks and/or Lithgow State Collieries.

- (c) When approaching within one hundred (100) metres of the old workings of the Fernbrook, Steelworks and/or Lithgow State Collieries the lease holder shall carry out pre-drilling underground exploration, to the satisfaction of the District Inspector of Coal Mines, to prove the existence or non-existence of such old workings.