Fiona Plesman

From:

Sent:

Monday, 8 April 2019 8:32 AM

To:

Cc:

Subject:

RE: Dartbrook Modification 7

Follow Up Flag:

Follow up Completed

Flag Status:

Hi Martin

Per your discussion with John this morning (copied to this email), AQC confirms acceptance of the VPA terms and the draft minute provided below.

Regards

Andrew Roach | Chief Financial Officer & Company Secretary
Australian Pacific Coal Limited ASX Code: AQC



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From: Martin Rush

Sent: Saturday, 6 April 2019 14:30

To: Andrew Roach Cc: Fiona Plesman

Subject: Dartbrook Modification 7

Dear Mr Robinson,

Please find attached:

- 1. Letter of today addressing the issues raised by you this morning; and
- 2. Draft Minute of Proposed Amendments.

You will note that the Draft Minute contains relatively minor submissions to the IPC with respect to the proposed conditions of Planning Consent. If all is in order, I don't anticipate our submissions having a broader scope than what is set out in the Draft Minute.

Again, Council apologises for the short timeframe in which these negotiations have progressed and we look forward to receiving confirmation of a revised Appendix 5 before midday Monday.

Yours faithfully,

Martin

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OFFICE OF THE MAYOR

6 April 2019

Mr John Robinson Chief Executive Officer, Australian Pacific Coal Limited

Dear Mr Robinson,

I refer to our recent meetings regarding the terms of a Voluntary Planning Agreement which the Department's recommended conditions of consent anticipate between the Applicant and MSC.

I note that the terms of the VPA agreed upon in principle by the Applicant and MSC are as follows.

| Description of Contribution | Quantity | Purpose of Contribution |
|---|---|--|
| Dartbrook Community Contribution | \$408,000.00 per annum payable in 12 equal monthly instalments commencing from the date of the approval of Modification 7 to DA 231-7-2000. This amount will be indexed annually according to the Consumer Price Index (CPI). | Funding for the provision of public infrastructure and services within the Muswellbrook LGA. The figure is arrived at consistently with other Shire approvals, at 6.8c multiplied by the maximum approved ROM rate of 6mtpa. |
| Contribution of Funding toward an Environmental Officer | \$10,000 per annum. This amount will be indexed annually according to the Consumer Price Index (CPI). | Funding toward an Environmental Officer, who will be responsible for environmental matters associated with development in the Muswellbrook LGA. Noting that the same condition is inserted in proposed UHSC VPA. |
| Training of Apprentices | Target of two apprentices at any given time with preference given to residents of Muswellbrook & Upper Hunter Shire LGAs | To assist in building a skilled labour force within the Muswellbrook & Upper Hunter Shire LGAs. Same condition proposed in UHSC VPA. |
| Revision of the Mine Affected Roads Study | Consultant or contractor costs of reviewing and revising the Mining Affected Road Network Plan (or equivalent) as it relates to or is impacted | To reimburse MSC for a revision to the relevant aspects of the Mining Affected Road Network Plan (as is relevant to the proposed Modification to DA 231-7-2000 to incorporate the traffic generated by the Modification). |

upon by the project together with the proportional contribution, reasonably assessed, payable pursuant to the Mining Affected Road Network Plan (as amended) including the associated Contributions Plan, to MSC for the construction, renewal, upgrade or maintenance of road infrastructure.

Contribute to road upgrades relevant to the modification's traffic contribution.

I also confirm a commitment from Australian Pacific Coal Limited and/or by the person entitled to act on the consent, to lodge a new State Significant Development (SSD) Application within 5 years after the date on which approval for Modification 7 is granted. The SSD application must encompass all operations on the site.

Kindly confirm by written reply that the Applicant agrees in principle to those terms, including agreeing to the insertion of these terms in Appendix 5 of the Department's Recommended Conditions of Consent for Modification 7.

Please note that a Voluntary Planning Agreement is governed by the relevant provisions of the *Environmental Planning and Assessment Act 1979* (and the regulations made thereunder). Any VPA between the Applicant and Council is subject to the statutory public process. No binding agreement between the parties arises by or under this letter.

Yours faithfully,

MARTIN RUSH Mayor of Muswellbrook



DARTBROOK COAL MINE MODIFICATION 7

APPLICATION NUMBER: DA 231-7-2000 MOD 7

MINUTE OF PROPOSED AMENDMENTS

DEFINITIONS

Natural micro-relief

Engineered micro-relief that emulates pre-mining small-scale topography variation encountered on surrounding pre-mining disturbance landforms.

OPERATIVE CONDITIONS

Condition 3.2 Environmental Management Strategies and Plans

Insert a new Condition 3.2(b)(vi) as follows:

(vi) be prepared in consultation with MSC.

Condition 3.5 Flora and Fauna Assessment, Management and Monitoring

Deletion of the words: 'where necessary' as follows:

- "(g) The Applicant must during the life of the mine and until the revegetated areas are established to the satisfaction of the Resources Regulator, maintain revegetated areas. Maintenance must include, where necessary, but not be limited to:
 - replanting failed or unsatisfactory areas
 - · repairing erosion problems
 - fire management fire suppression or fire encouragement
 - · pest and weed control
 - · control of feral animal populations
 - · maintain and repair fencing
 - fertiliser application
 - application of lime or gypsum to control pH and improve soil structure.

Condition 3.7 Site Rehabilitation Management

Delete the word 'generally' and add the words 'and natural micro-relief' as follows:

"(a) The Applicant must rehabilitate the site to the satisfaction of Resources Regulator. This rehabilitation must be generally consistent with the proposed rehabilitation activities described in the documents referred to in Condition 1.1 (a) and comply with the objectives in Table 3.

Table 3: Rehabilitation objectives
Feature Objective

Final Landform

- Consistent with surrounding topography to minimise visual impacts
- Incorporate relief patterns and design principles consistent with natural drainage and natural micro-relief.

Clause 9.2 Environmental Reporting

Addition of Upper Hunter Shire Council to the list of persons to whom the Annual Review must be submitted as follows:

"(b) Copies of the Annual Review must be submitted to the Department, MSC, UHSC Council and made available to the CCC and any interested person upon request."

VOLUNTARY PLANNING AGREEMENT

Appendix 5 – General Terms of Applicant's VPA Offer

Components of Proposed Planning Agreement with MSC

Substitution of a new table.

* * :