

Major Projects AssessmentMining & IndustryContact: Howard ReedPhone: (02) 9228 6308Fax: (02) 9228 6466Email: howard.reed@planning.nsw.gov.au

Mr Michael Moore Approvals Manager Ashton Coal Operations Pty Ltd PO Box 699 SINGLETON NSW 2330

Dear Michael

Ashton Coal Project (DA 309-11-2001-i) – Upper Liddell Seam Longwalls 1-8 Extraction Plan

I refer to the draft Extraction Plan for the Ashton Coal Project titled Ashton Coal Extraction Plan – Upper Liddell Seam Longwall Panels 1-8, including revisions up to and including that dated 17 July 2012.

The Department has reviewed the draft Extraction Plan as required under condition 3.12 of the development consent for the mine, including the separate management plans provided in the appendices which include the:

- Coal Resource Recovery Plan (condition 3.12(g));
- Subsidence Monitoring Program (condition 3.12 (g));
- Built Features Management Plan (condition 3.12 (g));
- Public Safety Management Plan (condition 3.12(g));
- Rehabilitation Management Plan (condition 3.12(g));
- Water Management Plan (condition 3.12(h));
- Biodiversity Management Plan (condition 3.12(h));
- Land Management Plan (condition 3.12(h)); and
- Heritage Management Plan (condition 3.12(h)).

The Department notes that Ashton Coal is only seeking approval for Longwalls 1-4 in the Extraction Plan at this time, and will seek further approval for Longwalls 5-8 at a subsequent date.

The Department is satisfied that the Extraction Plan meets the requirements of conditions 3.12 and 3.13 of the development consent, insofar as it relates to Longwalls 1-4. Consequently I hereby approve the plan, for the purposes of Longwalls 1-4 only, on behalf of the Director-General.

However, the Department takes this opportunity to remind Ashton Coal of its requirement to comply with the subsidence performance criteria in the development consent which, amongst other things, require no greater subsidence impacts or environmental consequences on Bowmans Creek and its alluvium than that predicted in the Bowmans Creek Diversion Environmental Assessment (EA). Whilst the revised subsidence modelling undertaken for the Extraction Plan indicates an increase in subsidence effects above that in the EA, the Department accepts that Longwalls 1-4 are able to be managed to avoid increased subsidence

impacts or environmental consequences on the creek. The Department will be monitoring this issue closely as mining progresses through Longwalls 1-4 and when approval is sought to extend the Extraction Plan's coverage to include Longwalls 5-8.

The Department also notes that Ashton Coal is yet to receive final written feedback on the Extraction Plan from the NSW Office of Water (NOW). However, the Department is satisfied that Ashton Coal has adequately consulted with NOW for the purposes of condition 3.12 of the development consent, and acknowledges Ashton Coal's commitment to reviewing and if necessary revising the Extraction Plan once any feedback from NOW is received.

Should you have any enquiries in relation to the above, please contact Phil Jones on 9228 6331.

Yours sincerely

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Howard Reed 27.7.12/ Manager Mining Projects as nominee of the Director-General