



Conditional Gateway Certificate

West Muswellbrook Project

Part 4AA, Division 4 of State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007

Pursuant to clause 17H of State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007, we determine the application made by Muswellbrook Coal Company MCC, a wholly owned subsidiary of Idemitsu Australia Resources, by issuing this certificate.

We certify that in the opinion of the Mining and Petroleum Gateway Panel, with regards to the relevant criteria in clause 17H(4) of State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007, the proposed development described in Schedule 1:

- Meets the following relevant criteria:
 - 17H(4)(b) (iii)
 - 17H(4)(b) (iv)

- Does not meet the following relevant criteria:
 - 17H(4)(a)(i)
 - 17H(4)(a)(ii)
 - 17H(4)(a)(iii)
 - 17H(4)(a)(iv)
 - 17H(4)(a)(v)
 - 17H(4)(a)(vi)
 - 17H(4)(b) (i)
 - 17H(4)(b) (ii)
 - 17H(4)(b) (v)

The reasons for forming the opinion on each of the relevant criteria, together with recommendations of the Gateway Panel, are contained in Schedule 2.

Professor Snow Barlow
Chairperson

George Gates PSM
Member of the Gateway Panel

Alice Clark FAusIMM CP
Member of the Gateway Panel

Date certificate issued: 25 May 2015

This certificate will remain current for 5 years from the date of issue.

SCHEDULE 1

The West Muswellbrook Project is a proposed new open-cut coal mine, straddling the Muswellbrook and Upper Hunter Local Government Areas, about 12 kilometers (km) northwest of the town of Muswellbrook.

Development description:

The West Muswellbrook Mine Project proposes to undertake open cut mining activities proposes to within EL5460 with production of up to 450 million tonnes of run-of-mine coal over the mine life of approximately 30 years.

Applicant:

Muswellbrook Coal Company Limited (MCC), a wholly owned subsidiary of Idemitsu Australia Resources Pty Limited (Idemitsu).

SCHEDULE 2

Relevant Criteria	Consideration	Recommendations
17H4(a) (i), (ii), (iii), (v), (vi)	Open cut mining is expected to significantly impact the agricultural productivity of identified BSAL, however relevant Project information lacks relevant detail and/or is conflicting	<ol style="list-style-type: none"> 1. Provide a detailed program for proposed stripping and restoration of BSAL soil. 2. Provide a detailed program for the rehabilitation of the post-mining landform and the proposed land use. 3. Construct a post-mining BSAL verification survey program where BSAL restoration is proposed.
17H4(a) (vi)	Insufficient data and analysis	<ol style="list-style-type: none"> 1. Provide data and calculations for salinity and metal toxicity determinations of soil sites M2, M32 and M32 2. Provide soil survey data for site M34 to determine whether contiguous BSAL exists immediately outside the PAA that will enable the greater than 20ha criteria to be fulfilled.
17H4(a)(iv)	<p>Significant impacts are anticipated on the shallow highly productive alluvial groundwater within the PAA. The connection between surface flow and groundwater flow requires more detailed evaluation.</p> <p>The geological complexity of the site has not been adequately represented in the groundwater model to date.</p> <p>The cumulative impacts of nearby mines has not been adequately demonstrated.</p>	<ol style="list-style-type: none"> 1. Develop a more complex transient 3D numerical model for the EIS stage of the Development Application which includes improved time variant input data, more details on alluvial recharge, geological imperfections (faults, dykes, sills), and include a detailed a sensitivity/uncertainty analysis. 2. Complete baseline studies for the project area to improve knowledge on water levels, water chemistry, hydraulic parameters and groundwater dependent ecosystems. 3. Provide an assessment of the hydrochemistry of each model layer and spoil materials and determine the potential impact on nearby water sources. 4. Provide a strategy for complying with the rules of the Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources. In particular the implication of reduced available water determinations (AWDs) and the cease to pump rule. 5. Supply a plan for monitoring actual water take and how any changes from the predictions will be accounted for with water licenses and remediation.
17H(4)b (i), (ii), (v)	Open cut mining is expected to have significantly impact on CIC land located on the PAA.	Provide a detailed program for the rehabilitation of the affected CIC land to full productivity, post mining

Note: Further information on the Gateway Panel's reasoning in relation to the relevant criteria is contained in the Gateway Panel Report available at: www.mpgp.nsw.gov.au