

17 April 2019

s22

Director
Environmental Audit Section
Office of Compliance
Department of Environment and Energy
GPO Box 787
Canberra, ACT 2601

Seq No: 29 /19

Dear s22

Re: Environmental Audit Site Visit: Ulan Coal Continued Operations Project EPBC2009/5252

I refer to your letter of 3 April 2019 seeking an update on Ulan Coal Mines Limited's (UCML) progress in securing the Bobadeen Offset Area and Bobadeen East Offset Area. Ulan provides the following response:

- UCML's directors signed the two Conservation Agreements on 11 January 2019;
- the signatures of the lessee, which were required to finalise the Bobadeen Conservation Agreement, were obtained on 9 April 2019;
- the Conservation Agreements for the Bobadeen Offset Area and Bobadeen East Offset Area were couriered to NSW Biodiversity Conservation Trust (BCT) on 9 April 2019 and the BCT has confirmed that the agreements are now in the process of being finalised by the BCT; and
- in terms of that finalisation process, the NSW Minister for Energy and Environment must also now sign the documents and then they need to be registered on the property title.

UCML understands that, following the recent NSW election, it may take some time for the new ministers to be briefed fully on their portfolios and relevant matters. As such, UCML is not aware of the likely timing for the agreements to be signed by the minister. Once this does occur, UCML will act promptly to register the agreements on the property title.

If you require any further information regarding the Bobadeen Offset Area and the Bobadeen East Offset Area, please contact me on (02) 6372 53^{s22} or s22

Yours Sincerely,

s22

Environment and Community Manager
Ulan Coal Mines Limited



Our reference: EPBC 2009/5252

s22

Environment and Community Manager
Ulan Coal Mines

s22

Dear s22

Environmental Audit Site Visit – Ulan Coal Continued Operations Project 2009/5252

I write in relation to the site inspection of the Ulan Coal Continued Operations Project, undertaken by the Department of the Environment and Energy on 15 March 2019.

Officers of the Department conducted a site inspection of the project area and reviewed compliance with:

- Condition 2 – Legal security over offset sites - Bobadeen Offset Area and Bobadeen East Offset Area
- Condition 3 - Offset Management Plan - Bobadeen Offset Area and Bobadeen East Offset Area
- Condition 4 - Legal security over offset sites - Brokenback Conservation Area and Spring Gully Cliff Line Management Area
- Condition 5 - Offset Management Plan - Brokenback Conservation Area and Spring Gully Cliff Line Management Area

During the site inspection, officers observed that rehabilitation and revegetation is occurring at the mine site and at proposed offset areas. I also understand that the Brokenback Conservation Area and Spring Gully Cliff Line Management Area are not yet secured but the due date of Condition 5 is 31 December 2021.

Officers determined that Ulan are not compliant with securing the Bobadeen Offset Area and Bobadeen East Offset Area required under Condition 2. These offset areas were meant to be secured by 31 December 2018 according to the varied condition of the approval. You explained that these offsets were due to have conservation agreements signed in a few days post the site inspection to legally secure the sites.

Section 142 of the EPBC Act requires a proponent to comply with conditions attached to an approval, with penalties for contravening conditions of approval up to \$2,100,000. As an alternative to prosecution, the Department may choose to pursue a range of civil or administrative measures such as Infringement Notices of up to \$12,600 for each contravention, directed variations to conditions, or directed audits.

I would appreciate you responding to this letter providing an update on progress of securing the Bobadeen Offset Area and Bobadeen East Offset Area.

We appreciate the opportunity to meet with you and would like to thank you for your time and assistance in facilitating the site visit.

Please continue to maintain accurate records of all activities associated with, or relevant to, the conditions of the approval so that they can be made available to the Department on request. Such documents may be subject to audit and be used to verify compliance.

If you would like to discuss this matter further please contact **s22** on (02) 6274 **s22** or email **s22** [@environment.gov.au](mailto:s22@environment.gov.au).

Yours sincerely



s22

s22

Director

Environmental Audit Section

Office of Compliance

3 April 2019



Our reference: EPBC 2009/5252

s22

Environment and Community Manager
Ulan Coal Mines

s22

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Yours sincerely

s22 [REDACTED]
Director
Environmental Audit Section
Office of Compliance
April 2019