James Ross

From: Brian.J.French@glencore.com.au
Sent: Sunday, 9 October 2016 7:58 PM

To: James Ross

Cc: Nick.Ogden@glencore.com.au

Subject: RIDA - draft conditions for discussion

Dear James

Further to our meeting last Wednesday 5 October 2016, and in particular our letter of 28 September 2016, RJV wishes to advise that it would be willing to accept approval conditions that provide for:

Condition 1 (SCA Mitigation)

- a) Prior to commencing any approved activities upon the area of permanently impacted strategic cropping land, the Rolleston Joint Venturers ("**RJV**") must pay the mitigation sum of \$182,500 to the Department of Natural Resources and Mines (DNRM).
- b) The mitigation value is determined by multiplying each hectare of permanently impacted strategic cropping land (not also subject to priority agricultural land use ("**PALU** (forage cropping")) (38 hectares) in the Central Highlands Isaac sub-zone in the Western Cropping zone.
- c) The number of hectares is rounded up to the nearest whole hectare, in accordance with the Regional Planning Interests Regulation 2014.

Condition 2 (PALU Mitigation)

- (a) Prior to commencing any approved activities upon the area of permanently impacted PALU (forage cropping) (11.58 hectares), RJV must undertake either of the following PALU Mitigation Measures:
 - i. provide for land based mitigation as follows:
 - A. identify 16 hectares of mitigation land:
 - 1. on part of Lot 2 in RP618664 (Meteor Downs), owned by Glencore Coal Queensland Pty Ltd ("GCQ"), within the area identified as the "Mitigation Area" in the report of Landline Consulting (Dr Gilbert) dated 8 July 2016 (the "Gilbert Report";) or
 - 2. on such other alternative mitigation land, owned by GCQ, approved by the Chief Executive,

("the Mitigation land"); and

B. provide for the Mitigation land to be maintained as land used for PALU (forage cropping) thereafter for the full term of the conduct of the approved activities by giving effect to the PALU (forage cropping) mitigation concepts presented in the Gilbert Report; or

pay the mitigation sum of \$55,000 to the Fitzroy Basin association ("FBA") as a contribution towards the Grains Best Practice Management Program (BMP) or such similar program agreed between RJV and FBA and approved by the Chief Executive.

- (b) The PALU Mitigation Measures must be implemented and maintained.
- (c) Annual records detailing the PALU Mitigation Measures (forage crops/area sown) and any events that have influenced the activities whether natural or otherwise, must be prepared and retained, and provided to the Chief Executive upon request.

These conditions are reflective of RJV's consistent view that its application meets the legislative requirements in particular Required Outcome 2. In particular, the package presents a mitigation on both SCA and PALU impacts that is in RJV's view more than reasonable.

We hope this clarifies RJV's position and we are happy to discuss with you these draft conditions but stress the need for finality in any approval conditioning.

Regards

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