

GLENCORE

ROLLESTON COAL EXPANSION PROJECT



Regional Interests Development Application
Supporting Information Report

March 2016

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Executive summary

This Report supports the application by Glencore Coal Queensland Pty Ltd, Sumisho Coal Australia Pty Ltd and ICRA Rolleston Pty Ltd for a Regional Interest Development Approval (**RIDA**) to authorise the impacts of the Rolleston Coal Expansion Project (**RCEP**) on Priority Agricultural Land Uses (**PALU**) within a Priority Agricultural Area (**PAA**) designated under the Central Queensland Regional Plan and on Strategic Cropping Area (**SCA**). This application is made under the *Regional Planning Interests Act 2014* (Qld) (**RPI Act**).

The Applicant, Glencore Coal Queensland Pty Ltd (**Glencore**) (75%); Sumisho Coal Australia Pty Ltd (12.5%) and ICRA Rolleston Pty Ltd (12.5%), are all participants in the Rolleston Joint Venture (**RJV**). Glencore also manages the existing Rolleston Coal Mine (and the RCEP) on behalf of the RJV. For the purposes of this application a reference to Applicant means together all three of the Rolleston Joint Venturers.

The RCEP is an expansion of the Applicant's existing Rolleston Open Cut Coal Mine, and includes three (3) new mining lease areas, as well as some additional disturbance in the existing ML70307. As an expansion, the RCEP causes significantly less surface impacts than the development of a greenfield mine, including through opportunities for the use of existing infrastructure. The RCEP is expected to bring additional benefits to local and regional communities in addition to ensuring the ongoing viability of the existing mine.

The RCEP was the subject of an Environmental Impact Statement (**EIS**) process under the *Environmental Protection Act 1994* (**EP Act**). The RCEP was also determined to be controlled action requiring assessment under the *Environment Protection and Biodiversity Conservation Act 1999* (**EPBC Act**). Public notification of the EIS was undertaken from 7 April 2014 until 21 May 2014. The EIS Assessment Report was released by the Department of Environment and Heritage Protection (**DEHP**) in February 2015. Relevant chapters of the EIS are annexed to this Report.

The RCEP's Certificate of Public Notice and its proposed environmental authority amendment were also publicly notified over the period 26 June 2015 to 7 August 2015, as required provisions of the *Mineral Resources Act 1989* (**MR Act**) and the EP Act. The Project has not changed materially since that time, other than a revision to the proposed Springwood Road realignment, and abandonment of a small area (41.9 ha) to the north-east of ML70415.

The amended environmental authority for the Project was approved and issued by DEHP on 8 October 2015; and the 3 new mining leases (ML70415, ML70416 and ML70458) were granted by the Minister for Natural Resources and Mines in February 2016. The EPBC Act approval was issued on 18 March 2016.

The RCEP has been designed to minimise its disturbance footprint, and to avoid existing environmental values constraints. In particular, the realignment of Springwood Road (including power infrastructure within the same construction corridor) has been refined during the detailed design phase following the EIS process to avoid areas of impact on the SCA such that the overall impact to that area of regional interest has been further minimised. The location of components of the RCEP has been selected to maximise the benefits of an expansion project, including utilisation of existing infrastructure and maximising resource recovery. Accordingly, the RCEP as proposed cannot be carried out on other land within the region which is not used for a PALU.

An assessment of the RCEP against the required outcomes and prescribed solutions for impacts on PAA and the SCA as prescribed under the *Regional Planning Interests Regulation 2014 (Qld) (RPI Reg)* has been undertaken in preparing this application (refer Assessment Table 1 and Assessment Table 2).

The extent of the proposed impact on SCA in the RCEP area has been assessed as 115.29 ha, which also fully contains 74.68 ha of (non-contiguous) PALU area. The areas identified as PALU and SCA and proposed to be impacted are shown in Figure 5 and Figure 8 respectively of this Report.

For PAA, the Applicant has assessed the RCEP against Required Outcome 2 (that is, managing impacts on a region in relation to use of an area in the region for a PALU, as per RPI Reg Schedule 2, Part 2). Required Outcome 2 is directed towards the avoidance of a material impact on the region because of the activity's impact on the use of the land in the PAA for 1 or more PALUs. In other words, the required outcome is that the activity's impact does not result in a material impact on the region (rather than the absence of any impact on a PALU).

Regional impacts on PALU from the Project are required to be assessed against dryland cropping spatial data from the Queensland Land Use Mapping Program (**QLUMP**) spatial system. Using QLUMP, approximately 17,436 ha of cropping has been identified by the Applicant within a 20km (sub-region) of the RCEP project area (refer Figure 6 in the Report). On the basis of this data, the extent of loss of PALU from RCEP activities represents approximately 0.4% of potential PALU within the sub-region around the RCEP. A map showing the significance of the loss of PALU within 100km (regional) of the RCEP area site has also been included for reference (refer Figure 7 in the Report). It is clear that the regional impact arising from the loss of PALU associated with the RCEP is negligible and will not result in a material impact on the use of land in the region.

The Applicant submits that the Required Outcome 2 has been satisfied, as the RCEP will not result in a material impact on PALU in the region.

For SCA, the Applicant or Glencore owns the lots of land on which the RCEP is to be carried out, and those lots form a single discrete area as they are adjacent (other than for any road or watercourse between the lots). Therefore, there is a single 'property (SCL)' and the Applicant has assessed the RCEP against the elements of Required Outcome 2 (that is, managing impacts on strategic cropping land on property (SCL) in the SCA, as per RPI Reg Schedule 2, Part 4).

The Applicant has demonstrated its compliance with each element of the Prescribed Solution for Required Outcome 2, including with reference to the 2% impact threshold at Schedule 2 Part 4 section 11(d) of the RPI Reg – that is, the RCEP will have a 1.22% impact on total SCA on the Applicant's property. The Applicant anticipates a mitigation measure will be a condition in the RIDA where impacts to SCA cannot be avoided (per Part 4 of the RPI Act). Mitigation measures may include either a payment to the mitigation fund, the entering into a mitigation deed, or a combination of both.

The Applicant has flagged its preparedness to consider, in consultation with the Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a deed to direct a mitigation measure towards (for example) development of research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness.

Accordingly, based on the assessment of RCEP impacts on PALU and SCA against the RPI Reg, the Applicant considers that its application meets the criteria for a RIDA to be granted.

Introduction

1 Application

Purpose of Regional Interest Development Assessment Supporting Information Report

- 1.1 The purpose of this Report is to provide Supporting Information for a RIDA Application seeking approval under section 53 of the RPI Act to undertake a resource activity, specifically coal mining, as part of the RCEP, within areas of regional interest under the Central Queensland Regional Plan (**CQ Regional Plan**).
- 1.2 This Supporting Information Report satisfies the requirements of section 29(b) of the RPI Act which requires an assessment application to be accompanied by a report:
- (a) assessing the impacts of the resource activity on the area of regional interest; and
 - (b) identifying any constraints on the configuration or operation of the activity.
- 1.3 The RCEP will be assessed against relevant criteria set out in the RPI Reg.
- 1.4 The areas of regional interest relevant for the RCEP are the Priority Agricultural Area (**PAA**) and the Strategic Cropping Area (**SCA**).

Applicant

- 1.5 The Applicant for the RCEP is the Rolleston Joint Venture (**RJV**), which comprises:
- Glencore Coal Queensland Pty Ltd, ACN 163 821 298 (**Glencore**)
 - Sumisho Coal Australia Pty Ltd, ACN 061 524 249 (**Sumisho**)
 - ICRA Rolleston Pty Ltd, ACN 106 260 600 (**Itochu**).
- 1.6 Glencore is the majority participant (75%) and is also manager of the existing Rolleston Coal Mine and the RCEP on behalf of the RJV. Sumisho and Itochu each have a 12.5% share in the RJV. Glencore's registered office is:
- Level 44
1 Macquarie Place
SYDNEY NSW 2000

Project Location

- 1.7 As shown in Figure 1.1 of the EIS, the RCEP is located approximately 275 kilometers (**km**) west of Gladstone in the Bowen Basin, approximately 16 km west of the town of Rolleston and 58 km south-east of Springsure, in the Central Highlands Regional Council local government area.

Approvals history

- 1.8 The existing Rolleston Coal Mine is currently approved to produce 14 million tonnes per annum (**Mtpa**) run of mine (**ROM**) coal, on existing mining lease (**ML**) 70307 and ML 70418. The RCEP will increase production at the Rolleston Coal Mine to 19 Mtpa ROM coal.

- 1.9 As the RCEP involves an increase in production of greater than 2 Mtpa, an EIS was triggered in accordance with the Department of Environment and Heritage Protection's (DEHP) Triggers for Environmental Impact Statements under the *Environmental Protection Act 1994* (Qld) (**EP Act**) (as they applied at the time). The EIS was prepared in response to Terms of Reference (**ToR**) issued by DEHP on 14 January 2012.
- 1.10 The RCEP involves approval of three (3) new mining leases as well additional disturbance on identified areas within the existing ML 70307.
- 1.11 On 14 March 2014, DEHP decided under section 49 of the EP Act that the EIS could proceed to public notification. The submission period started on 7 April 2014 and ended on 21 May 2014. A report was prepared by the proponent for DEHP to address issues raised by submitters to the EIS.
- 1.12 DEHP was satisfied that the proponent had met the terms of reference and completed an EIS Assessment Report for the RCEP. Subsequently, the RCEP's amended environmental authority was approved and issued by DEHP on 8 October 2015; and its three new mining leases granted by the Minister for Natural Resources and Mines in February 2016.
- 1.13 On the basis that the RCEP has been the subject of a recent EIS that required public notification, followed by the public notification of the Certificate of Public Notice for the mining leases and draft environmental authority (**EA**) under provisions of the *Mineral Resources Act 1989* (**MR Act**) and the *Environmental Protection Act 1994* (**EP Act**) respectively, over the period of 26 June 2015 to 7 August 2015, the Applicant requests that the RIDA be exempt from further notification under section 34(3) of the RPI Act. Persons whose interest may be affected, and who want to make comment on the RCEP and its proposed activities, including agricultural land users, have already been provided opportunity to make comment.
- 1.14 This is consistent with both the RPI Act Guideline 06/14 Public Notification of Assessment Applications which allows exceptions where a notification process has occurred in the previous 12 months and the Applicant's understanding of the manner in which similar applications have been treated to date.

Commonwealth assessment

- 1.15 On 22 June 2011, the RCEP was determined to be a controlled action requiring assessment under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (**EPBC Act**). On 18 March 2016, the Project was approved with conditions by the Commonwealth Department of the Environment [Referral 2011/5965].
- 1.16 The potential impacts of the RCEP on Matters of National Environmental Significance protected by the EPBC Act have been assessed via the EIS process under the assessment bilateral agreement (section 45 of the EPBC Act) between the Commonwealth and Queensland governments.

Additional information

- 1.17 For ease of reference, the following chapters of the EIS most relevant to this application are annexed to this application:

(a) Chapter 1 – Introduction;

- (b) Chapter 2 – Project Need and Alternatives;
 - (c) Chapter 3 – Description of the Project;
 - (d) Chapter 6 – Land;
 - (e) Chapter 19 – Economic Values; and
 - (f) Appendix D-1 – Soil Survey Technical Report.
- 1.18 A full version of the RCEP EIS can be accessed at <http://www.rollestoncoalexpansion.com.au>. A full version of the DEHP Assessment report for the RCEP is available at the government’s website at <https://www.ehp.qld.gov.au/management/impact-assessment/eis-processes/rolleston-coal-expansion-project.html>. A copy of the Project’s approved EA can be also obtained by contacting the Permit and Licensing Management Unit (PALM) of DEHP.
- 1.19 A copy of the Commonwealth approval under the EPBC Act is available at http://www.environment.gov.au/cgi-bin/epbc/epbc_ap.pl?name=current_referral_detail&proposal_id=5965

Context

2 Description of project

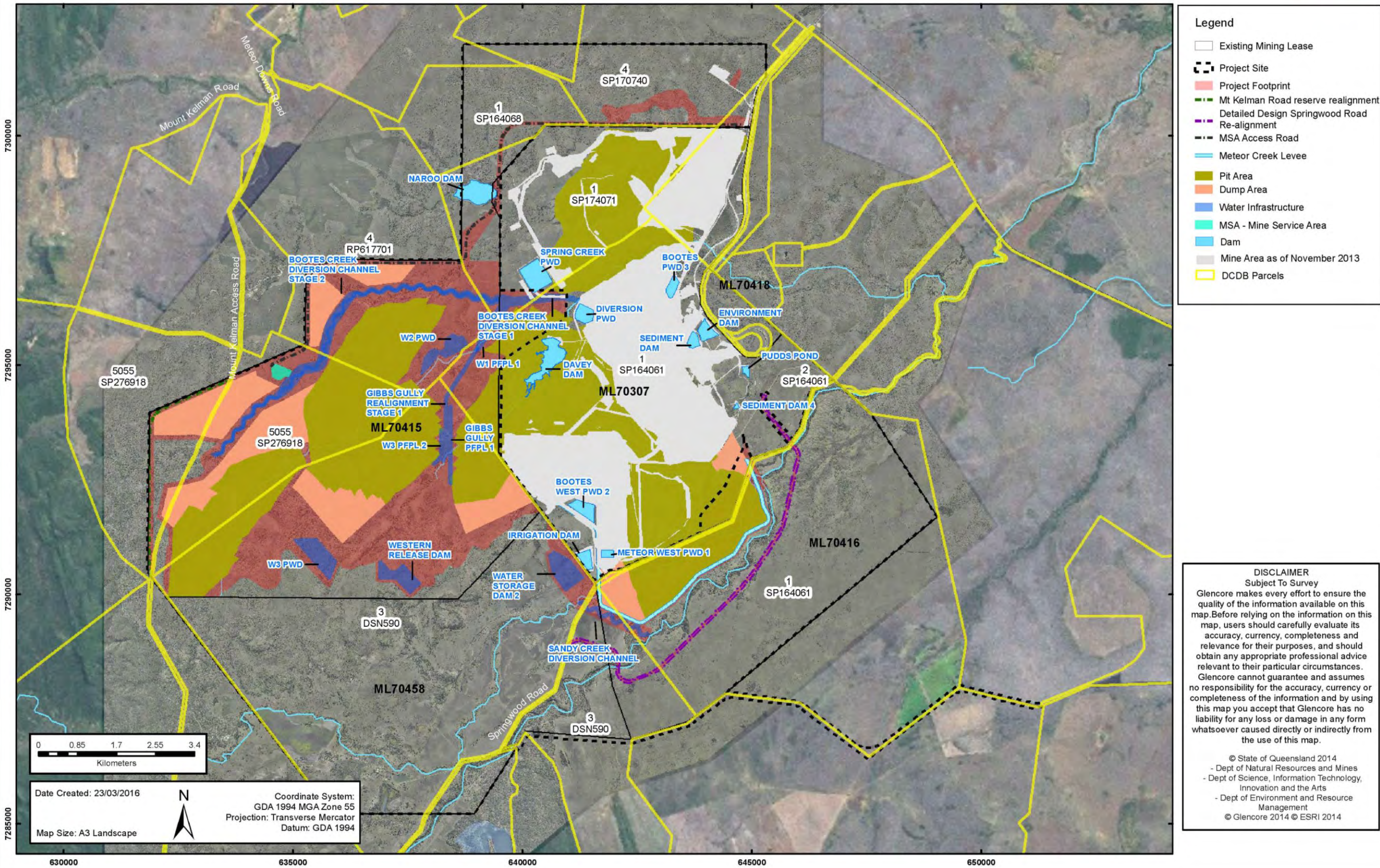
- 2.1 The following is a summary of the RCEP and a detailed project description is set out in Chapter 3 of the EIS (refer Annexure F).
- 2.2 The RCEP provides for the continuation and expansion of an existing open-cut thermal coal operation that commenced in 2005 and is currently approved to mine up to 14 Mtpa ROM coal. To facilitate the proposed increase in production to 19 Mtpa ROM coal, the RCEP requires some additional disturbance on ML70307, as well inclusion of one western and one southern mining lease ML 70415 and ML 70416. ML 70458 is also part of the RCEP for the primary purpose of constructing a water storage dam and a creek diversion between Meteor Creek and Sandy Creek.
- 2.3 Figure 1 provides an overview of the Project Site and the Project Footprint.

Rolleston Coal Expansion Project

Figure 1 - Site Layout

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- 2.4 The area within ML 70415, ML 70416, ML 70458 and the part of (existing) ML 70307 and ML70418 associated with the RCEP encompasses approximately 12,758 ha of land (the Project Site). Mining is not proposed within the full extent of the Project Site, with direct impacts (the Project Footprint) constrained to a smaller area of some 5,411 ha. Table 1 below sets out the areas of disturbance for each area of regional interest under the RPI Act.

Table 1 – Location and Extent of the proposed activities

Area of Regional Interest	Resource activity	Location	Total area of disturbance PAA and SCA (ha) as applicable	Total area of disturbance PALU (ha)
Priority Agricultural Area	Open cut mining, creek diversion channel	18RP617697, 4RP617701	907.9	-
	Access road	18RP617697, 1SP164068	20.1	-
	Water infrastructure, access road	18RP617697, 4SP170740	103.0	-
	Open cut mining, creek diversion channel, access road	18RP617697, 1SP174071	162.2	-
	Open cut mining, creek diversion channel, road realignment	1SP164061	851.5	-
	Water infrastructure, access road	1SP174071	21.0	-
	Creek diversion channel, road realignment, water infrastructure	3DSN590	2,018.8	74.7
	Open cut mining, creek diversion channel, water infrastructure	5055SP276918	1,278.4	-
	Open cut mining, road realignment	Road Parcels	46.9	-
	Total		5,409.8	74.7
Strategic Cropping Area	Open cut mining	1SP164061	21.6	-
	Water infrastructure, road realignment	3DSN590	76.3	-
	Open cut mining March 2016 mapped SCA within ML70307 (Area 'A' on Figure 8)		17.4	-
	Total		115.3	-

- 2.5 Definitions of the proposed resource activities noted in Table 1 are provided in Annexure A.

- 2.6 Relevant land ownership and tenement holder information, including the proposed extent of operational land for the RCEP and adjoining lands is provided in Figure 2. Ownership of the land is also set out in Table 2 below. A current title search is included with the RIDA Application Form for each lot or part lot which is subject to the application.

Table 2 – Cadastral and underlying landowner information for the RCEP

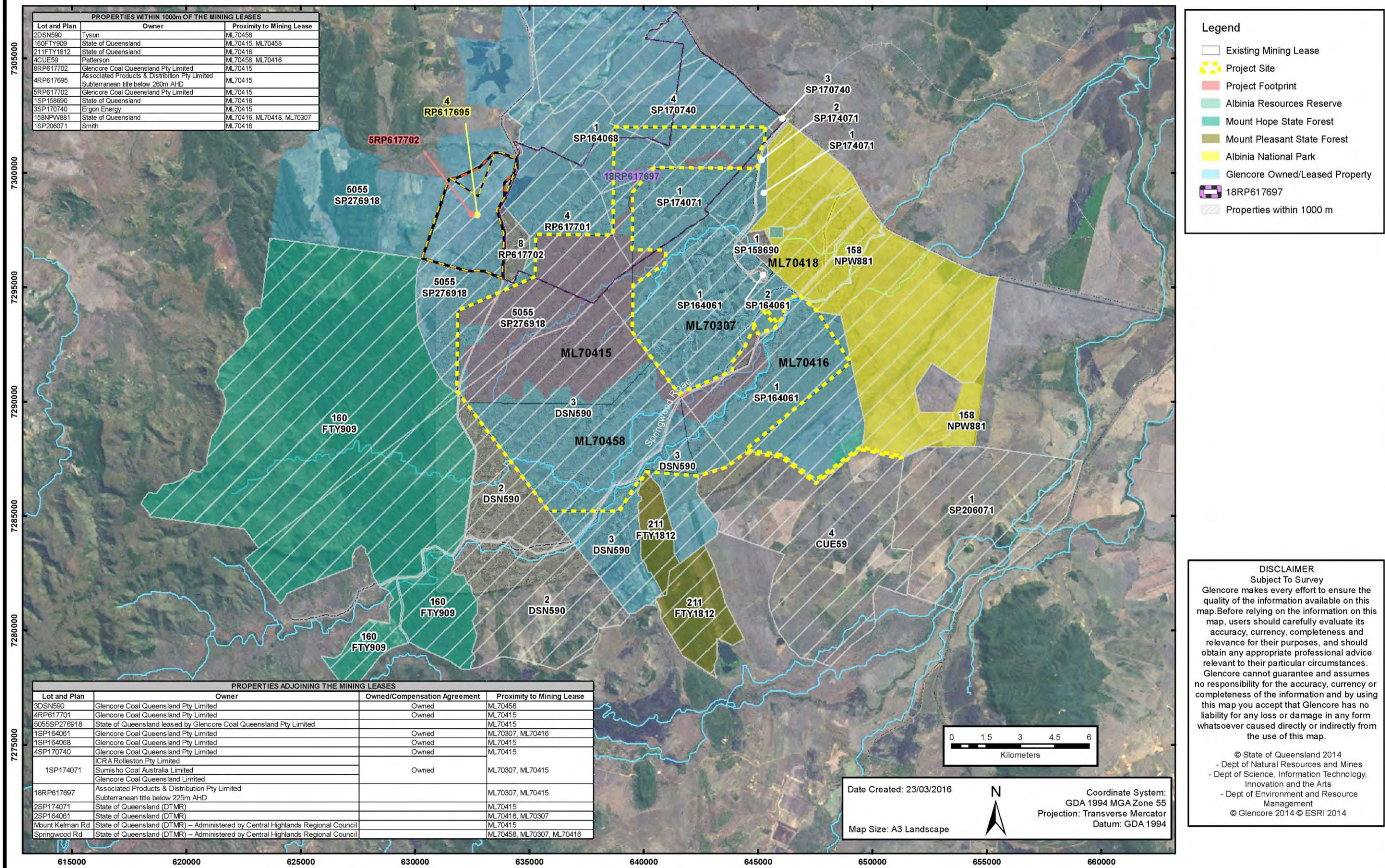
Lot on Plan	Owner
18 on RP 617697	Subterranean title below 225m Australian Height Datum (AHD) Associated Products & Distribution Pty Limited
1 on SP 164061	Glencore Coal Queensland Pty Limited
1 on SP 164068	Glencore Coal Queensland Pty Limited
1 on SP 174071	ICRA Rolleston Pty Limited; Sumisho Coal Australia Limited; Glencore Coal Queensland Pty Limited
3 on CP DSN 590	Glencore Coal Queensland Pty Limited
4 on RP 617701	Glencore Coal Queensland Pty Limited
4 on SP 170740	Glencore Coal Queensland Pty Limited
5055 on SP 276918	Glencore Coal Queensland Pty Limited
Mount Kelman Rd	Future Proposed Road – Department of Natural Resources and Mines
Springwood Rd	Road Reserve – Department of Natural Resources and Mines

Rolleston Coal Expansion Project

Figure 2 - Existing Land Use and Land Ownership

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- 2.7 As shown in Figure 3 and Figure 5, a proportion of the above land is used for the existing Rolleston Coal Mine operation. The balance land is currently used for rural and agricultural purposes. The agricultural industry in the immediate surrounds is predominantly pastoral. Small areas suitable for cropping have also been identified within the area proposed for mining activities. Post mining, the majority of this land will be rehabilitated so as to be suitable for grazing.
- 2.8 Other land within 1,000 m of the RCEP proposed mining leases is listed in Table 3 below.

Table 3 – Landholder and cadastral information for land surrounding the RCEP

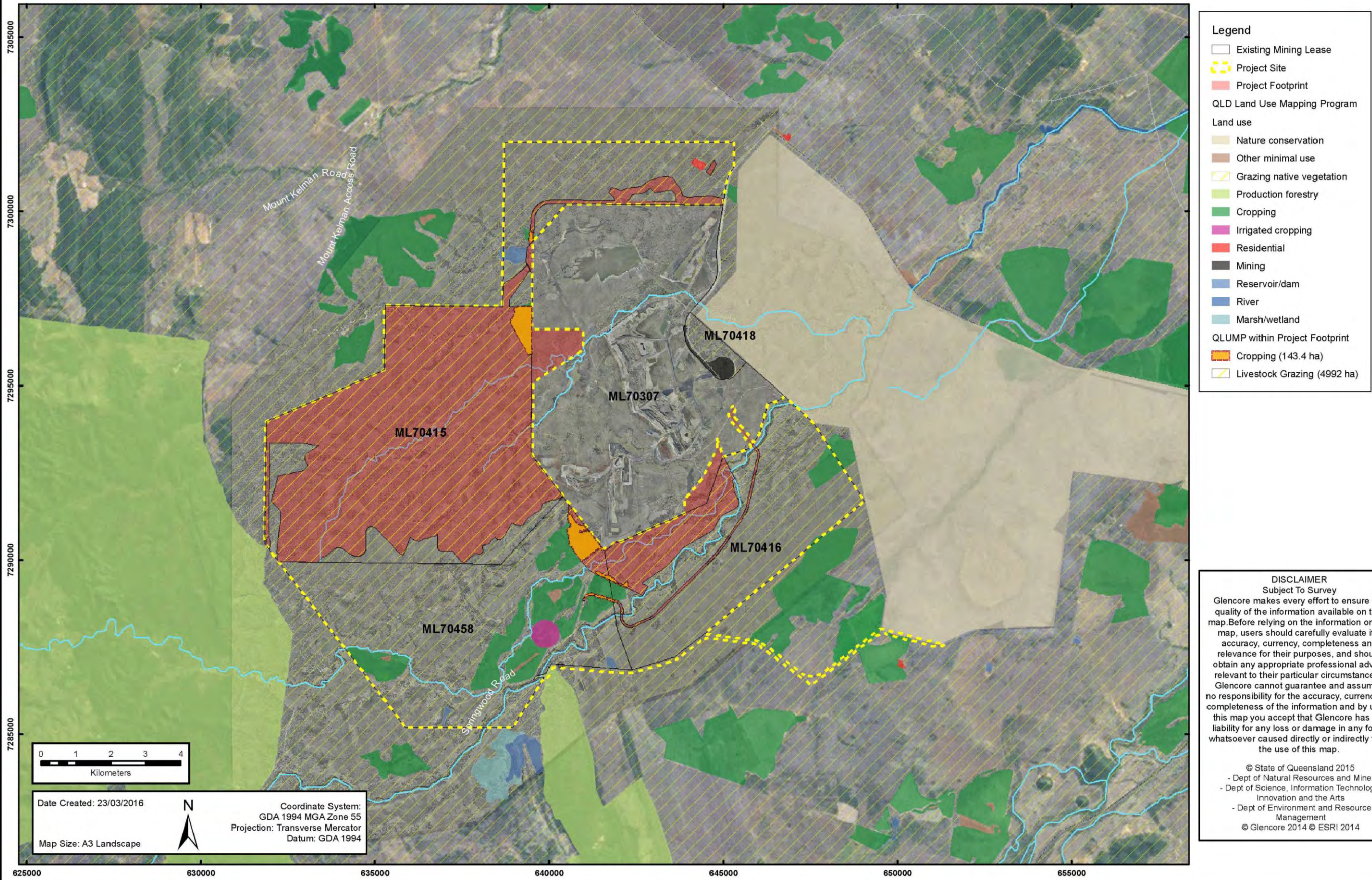
Lot on Plan	Owner
3 on SP 170740	Ergon Energy
158 on CP NPW 881	State of Queensland
1 on SP 158690	State of Queensland
4 on CP CUE 59	Private Landholder
2 on CP DSN 590	Private Landholder
1 on SP 206071	Private Landholder
211 on CP FTY 1812	State of Queensland
160 on CP FTY 909	State of Queensland
8 on RP 617702	Glencore Coal Queensland Pty Limited
4 on RP 617695	Subterranean title below 225m AHD Associated Products & Distribution Pty Limited
5 on RP 617702	Glencore Coal Queensland Pty Limited

Project Objectives

- 2.9 The RCEP aims to increase and extend the current life of the Rolleston Coal Mine to around 2045. In delivering this expansion sustainably, key objectives of the Project are to:
- (a) expand the existing open cut coal mining activities by increasing annual tonnage to peak at 19 Mtpa ROM coal;
 - (b) assess and manage environmental impacts associated with the RCEP so that they are avoided, minimised, mitigated or offset; and
 - (c) continue to support the growth of local and regional economies.
- 2.10 Figure 3 provides an illustration of the relationship between the RCEP and other land uses in the area.

Rolleston Coal Expansion Project

Figure 3 - Land Use (based on the Queensland Land Use Mapping Programs)



3 Project Justification

- 3.1 Project planning was conducted having regard to biophysical, economic and social considerations, including consideration of alternatives and the consistency of the RCEP with the objects of the EP Act and the MR Act.

Need for the RCEP

- 3.2 Exploration within the new ML areas indicated that the proposed expansion will increase the existing coal reserves to approximately 280 Mt. The coal is high moisture, low ash, low rank and high volatile bituminous C (ASTM classification). Due to the high quality, no washing is required to meet market specifications. Coal produced is 100% thermal and sold primarily into the export market.
- 3.3 The RCEP will help provide ongoing socio-economic benefits associated with mining for the Central Queensland Region, will utilise existing mine infrastructure, continue to utilise Aurizon's connecting rail network and the relevant coal export facility in Gladstone. This approach significantly reduces the capital investment and environmental impact from that usually required for a greenfield mining project.

Economic impacts

- 3.4 An Economic Assessment of the RCEP was also presented in Chapter 19 Economic Values of the EIS (refer Annexure H).
- 3.5 Since the grant of ML 70307 in 2003, and the commencement of operations in 2005, the Rolleston Coal Mine has contributed to employment opportunities within the Central Queensland region and, more broadly, the State of Queensland. The Rolleston Coal Mine has also provided other economic and social benefits, making contributions such as local community grants and the payment of coal royalties to the State of Queensland.
- 3.6 The RCEP economic assessment was conducted at three different scales to assess the potential impact on the regional, state and national economies.
- 3.7 The total output impact of the RCEP at the national and state levels in a typical year of construction is estimated to be \$120 million. The total output impact of the RCEP at the national and state levels in a typical year of operation is estimated to be \$530 million.
- 3.8 At full development, employment at the expanded Rolleston Coal Mine would be approximately 1,030 workers full-time equivalent, with 170 jobs being a direct result of the expansion. The RCEP provides for the continuation and extension of open cut coal mining activities at the Rolleston Coal Mine to approximately 2045.
- 3.9 RCEP coal production would contribute to Queensland's export income, local government income, State royalties and Commonwealth tax revenue.
- 3.10 The region's residents will benefit from increased direct and indirect employment opportunities and business owners will benefit by supplying construction materials, contracting construction activities and the expenditure from construction workers.

- 3.11 These benefits are in addition to avoiding the negative economic impacts that would arise if the existing mine were to close as a result of the RCEP not proceeding.

4 Constraints analysis

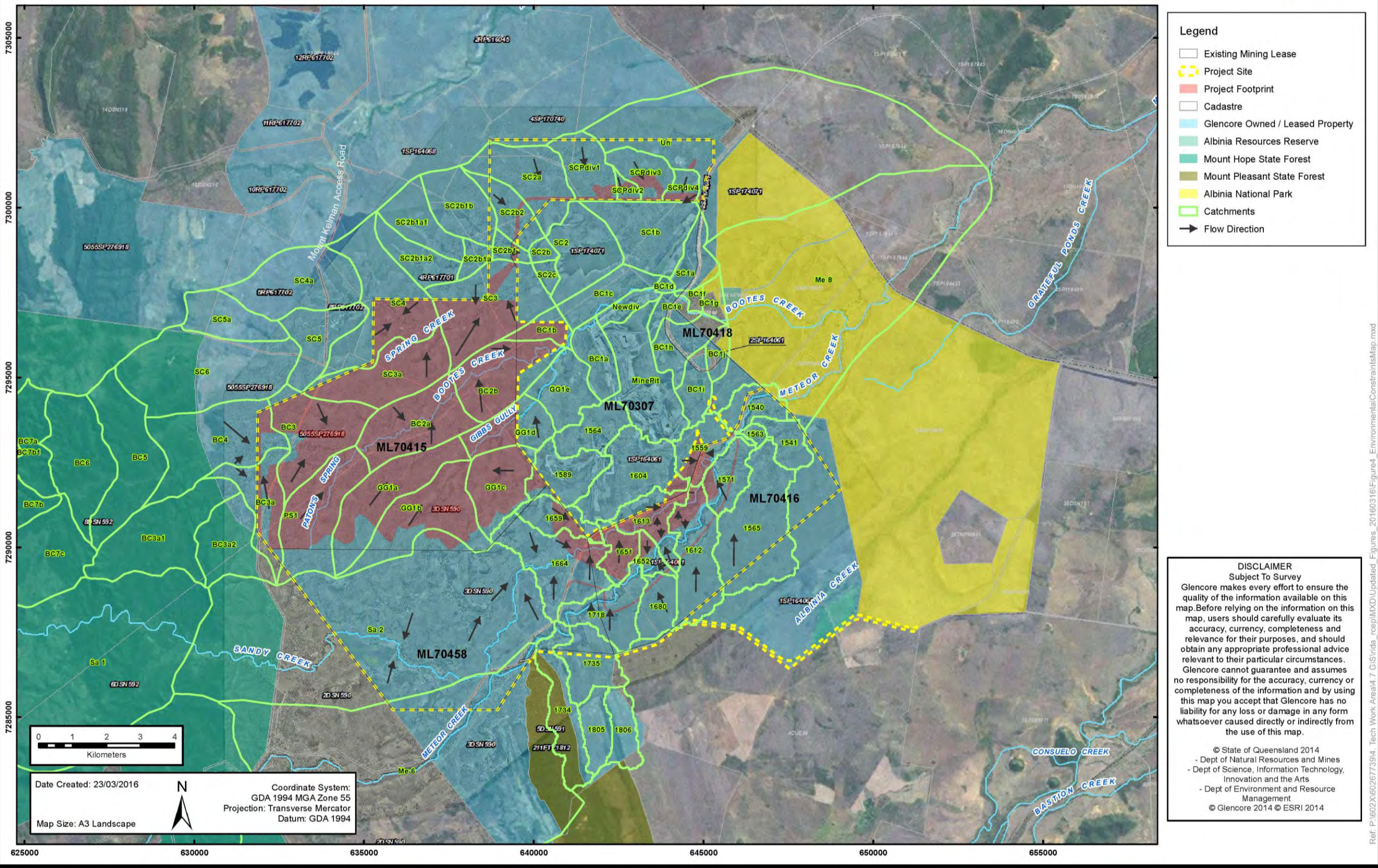
- 4.1 The RCEP involves an extension to an existing open cut coal mine in the Rolleston Coal Measures. Accordingly, the location for the RCEP is determined by the presence of coal seams that are able to be economically mined in the vicinity of the existing Rolleston Coal Mine.
- 4.2 Mine planning is a process that takes into account a range of key variables that may influence a potential mining operation and its viability. Aspects considered in the mine planning process include safety, resource recovery, potential environmental impacts (e.g. noise, air quality, water), community issues, risks to the operation, mining methods and rates, equipment requirements, infrastructure capacity, development timeframes and economics (i.e. capital and operating costs).
- 4.3 The relative scale, rate and nature of the proposed mining operations is determined by the optimum resource recovery and production rate that maximises value to the Applicant and demonstrates ongoing viability in consideration of mine planning constraints.
- 4.4 The key alternatives with respect to the proposed mining operations are:
- (a) underground methods (whereby the coal is accessed via a small surface opening leading to sub-surface excavations which expose the coal); or
 - (b) open cut methods (whereby mining occurs from the surface downwards to progressively expose the coal).
- 4.5 Underground mining was considered in planning for the RCEP. Underground mining was not considered viable as approximately 90% of the coal resource within the Project Footprint occur above a depth of 100 m. The depth of the resources and the number of seams targeted means that underground mining is not a viable option for the RCEP.
- 4.6 Greater capital would also be required to operate the expansion as an underground operation given that the machinery currently used at the existing mine, which is suited to open cut mining methods, could not be used. In addition, open cut mining methods are more efficient in terms of resource utilisation.
- 4.7 Figure 4 shows the relevant environmental constraints surrounding the RCEP.

Rolleston Coal Expansion Project

Figure 4 - Environmental Constraints Map

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Minimising the Additional Project Surface Development Area

- 4.8 As outlined in the **Assessment Table 1 - Priority Agricultural Area** and **Assessment Table 2 – Strategic Cropping Area** attached to this Report, the Applicant has evaluated alternative methods for reducing the additional disturbance area associated with the RCEP. This review identified ways to significantly reduce the direct and indirect impact of the project on SCA and PALU. A key outcome has been the reduction in impacts through the realignment of Springwood Road (and power infrastructure within the same construction corridor) which was able to be achieved as part of the detailed design phase (undertaken post the EIS).
- 4.9 Under the revised road realignment, the RCEP will only have a direct impact on 115.29 ha of SCA, down from a potential 445 ha (of then mapped Strategic Cropping Land (SCL)) as outlined in Chapter 6 of the EIS (refer Annexure G). These revisions also reduced the impact on PALU within the SCA.
- 4.10 As an expansion of the Rolleston Coal Mine, the RCEP location also allows for the continued use of existing ancillary infrastructure in the wider region. The current mine is connected to an existing rail network which leads from the site to coal export terminals in Gladstone. The continued development of coal resources in close proximity to the Applicant's existing facilities allows utilisation of existing infrastructure and associated returns on existing financial investments. It also provides opportunities to minimise the additional disturbance area associated with the RCEP.
- 4.11 Accordingly, the mining method, pit layout and associated infrastructure have been designed to minimise the impact upon environmental values within the locality, where feasible and practicable. Further detail of the constraints considered when determining placement of particular components within the Project Footprint is described in addressing the prescribed solutions below, and in the relevant chapters of the EIS (refer attached Annexures).

Regional Planning Interests

5 Central Queensland Regional Plan

- 5.1 The CQ Regional Plan has a strong focus on resolving land use competition between the agricultural and resource sectors, as well as driving economic development.
- 5.2 The RCEP is wholly contained within the CQ Regional Plan boundaries.
- 5.3 The policies contained in the CQ Regional Plan contribute to the protection of strategic areas of Priority Agricultural Land Use (PALU) from potentially incompatible resource activities and maximise opportunities for the co-existence of resources and agricultural land uses.
- 5.4 The CQ Regional Plan also safeguards areas required for the growth of towns in the region through the establishment of Priority Living Areas (PLAs). Resource activities may only locate within these areas marked for residential expansion where doing so meets communities' expectations as determined by the relevant local government.

5.5 The regional outcomes and policies contained in Chapter 4 of the CQ Regional Plan align with and advance the achievement of the State's interest in relation to:

- (a) supporting the long-term viability and growth of the agricultural sector;
- (b) maximising the productive use of key mining resources; and
- (c) providing for liveable communities.

5.6 The CQ Regional Plan supports both the region's highly productive agricultural uses and towns by providing regional outcomes and policies which aim to:

- (a) protect PALUs while supporting co-existence opportunities for the resources sector; and
- (b) provide certainty for future growth of towns.

- 5.7 The CQ Regional Plan's outcomes and policies are listed in Table 4 and Table 5 below.

Table 4 Central Queensland Regional Plan PALU

Protecting Priority Agricultural Land Uses while supporting co-existence opportunities for the resources sector
Regional Outcome Agriculture and resources industries within the Central Queensland region continue to grow with certainty and investor confidence.
Regional policy 1 Protect Priority Agricultural Land Uses within Priority Agricultural Areas.
Regional policy 2 Maximise opportunities for co-existence of resource and agricultural land uses within Priority Agricultural Areas.

Table 5 Central Queensland Regional Plan future towns

Providing certainty for the future of towns
Regional outcome The growth potential of towns within the Central Queensland region is enabled through the establishment of Priority Living Areas. Compatible resource activities within these areas which are in the communities' interest can be supported by local governments.
Regional policy 3 Safeguard the areas required for the growth of towns through the establishment of Priority Living Areas.
Regional policy 4 Provide for resource activities to locate within a Priority Living Area where it meets the communities' expectations as determined by the relevant local government.

- 5.8 The first of these relates to coexistence between the agricultural and resource sectors. As discussed above, the land surrounding Rolleston Coal Mine and the RCEP is predominantly used for grazing purposes. The Applicant supports these land uses. In instances where the Applicant has obtained land for the Rolleston Coal Mine, the land has been typically maintained for grazing until the land is needed for operational purposes. The Applicant also supports agriculture within the region more broadly, including by contributing to scholarships and similar projects aimed at the continuation of agricultural industries.
- 5.9 For example, in line with the Applicant's approach of supporting the communities in which it operates and co-existing with other landholders, the Glencore Agricultural Scholarships project supports Emerald Agricultural College students undertaking studies that will enhance their future career opportunities in agriculture.
- 5.10 Commencing in 2015, Glencore, as the manager of the Rolleston Coal Mine, has allowed for five students to enrol in the 2 year Australian Primary Industries Program at Emerald Agricultural College. This has provided the opportunity for the students to be supported through the

contribution of \$10,000 each to go towards the costs of tuition and/or residential accommodation fees while studying for their two year Diploma.

- 5.11 As part of its long term rehabilitation strategy at Rolleston Coal Mine, the Applicant will also be returning the majority of land (at the end of mining) to an end use suitable for grazing. In the meantime, the RCEP also provides certainty and investor confidence for the resource industry and its employees in the Central Queensland Region.
- 5.12 The second regional outcome relates to certainty for future towns. As noted above, the RCEP will not encroach or otherwise disturb an existing or proposed town area. However, the RCEP would provide for the continued prosperity of existing nearby townships into the future, which is less certain if the RCEP does not proceed and the Rolleston Coal Mine ceases operation. The direct and indirect benefits of the RCEP have been described at 3.4 to 3.11 above, and assessed more fully in the EIS (refer Annexure H).
- 5.13 The Applicant considers that RCEP achieves the above two key regional outcomes of the CQ Regional Plan.

6 Regional Planning Legislative Framework

RPI Act

- 6.1 The purposes of the RPI Act as defined under section 3(1) are to:
 - (a) identify areas of Queensland that are of regional interest because they contribute, or are likely to contribute, to Queensland's economic, social and environmental prosperity;
 - (b) give effect to the policies about matters of state interest stated in regional plans; and
 - (c) manage, including in ways identified in regional plans –
 - (i) the impact of resource activities and other regulated activities on areas of regional interest; and
 - (ii) the coexistence, in areas of regional interest, of resource activities and other regulated activities including, for example, highly productive agricultural activities.
- 6.2 Section 7 of the RPI Act provides that each of the following is an area of regional interest:
 - (a) a PAA;
 - (b) a PLA;
 - (c) the SCA;
 - (d) a strategic environmental area (SEA).
- 6.3 Section 12(2) of the RPI Act defines a resource activity as –
 - (a) an activity for which a resource authority is required to lawfully carry out; or

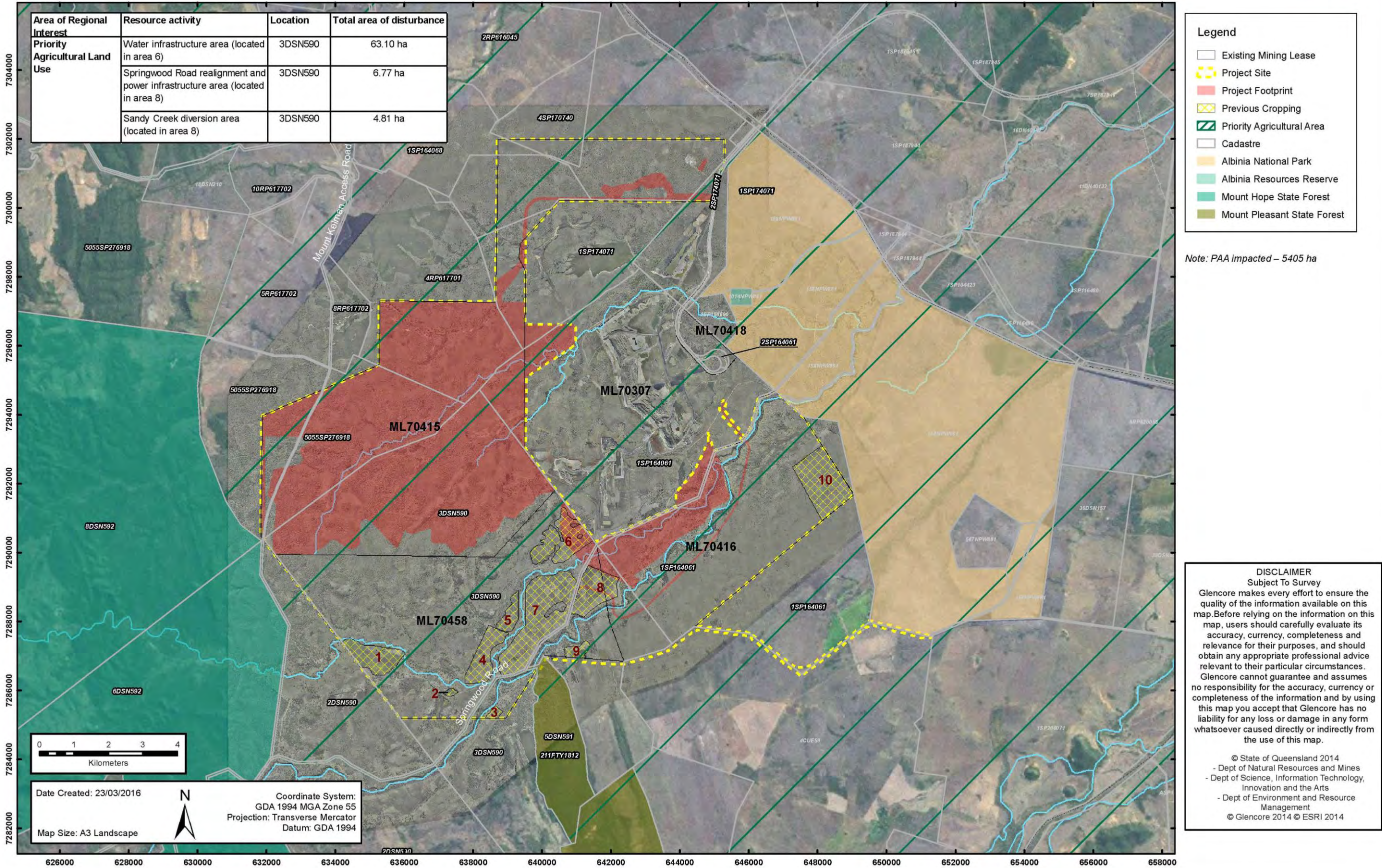
- (b) for a provision about a resource authority or proposed resource authority – an authorised activity for the authority or proposed authority (if granted) under the relevant resource act.
- 6.4 Under section 12(1) of the RPI Act, a Resource Act includes the MR Act. Section 13 of the RPI Act provides that a resource authority includes a mining tenement granted under than Act.
- 6.5 The RCEP falls within the definition of a resource activity as the RCEP MLAs are made under the MR Act, a Resource Act for the RPI Act.
- 6.6 The following sections explore the four areas of regional interest as relevant to the RCEP.

Priority Agricultural Areas

- 6.7 Under section 8(1) of the RPI Act, a PAA is an area that:
 - (a) includes 1 or more areas used for a PALU, whether it also includes other areas or features, including, for example, a regionally significant water source; and
 - (b) is either –
 - (i) shown on a map in a regional plan as a PAA; or
 - (ii) prescribed under a regulation.
- 6.8 Figure 5 identifies the regional extent of PAA (relative to the Project) based on current government mapping. Approximately 74.68 ha of PALU have been identified as being directly impacted by the RCEP, which will require assessment under PAA provisions of the RPI Reg (Schedule 2, Part 2).

Rolleston Coal Expansion Project

Figure 5 - Potential PALU Identified in the Study



- 6.9 Figure 5 also illustrates the location of land identified by the Applicant as containing PALU. The PALU areas shown in Figure 5 have been identified by the Applicant using the methodology outlined in the following sections within and surrounding the RCEP operational land:
- (a) PALU areas were identified and mapped by a combination of desktop analysis of aerial imagery and visual inspection from within the existing Rolleston Coal Mine site. In particular, aerial photography was obtained from Rolleston Coal for the past 10 years.
 - (b) After reviewing this imagery, maps were prepared of the RCEP locality showing areas which could potentially be, or may have been, used for PALU- as defined for the purposes of the CQ Regional Plan.
 - (c) Operational staff at the existing Rolleston Mine then visually inspected the identified areas. Many of the Rolleston Mine's operational staff are experienced in identifying or dealing with land which is used for various agricultural purposes.
 - (d) Given the long history of the operational coal mine, input was also sought from the Rolleston Mine's operational staff who have been at the site for many years. Due to the proximity of the relevant areas to ongoing operations, some staff were able to provide historical knowledge of relevant land uses.
 - (e) The Applicant cross-referenced the areas of potential PALU with the soils assessment carried out for Chapter 6 of the EIS. This assessment primarily verified mapped SCL (as it was then) and discounted large areas as not being suitable for cropping, while other confined areas in the locality were confirmed as being used or suitable for cropping.
 - (f) Ten areas of potential PALU were identified as a result of the above process, identified as Areas 1-10, in Figure 5.
 - (g) A map of the areas of potential PALU was provided to the previous owners of the land (Lot 3 on DSN590), who currently occupy a large area of the land under license with the Applicant, for confirmation against cropping records.
 - (h) Areas 1, 2, 4, and 5 in Figure 5 are confirmed as being used for a PALU, but have been avoided in the final design of the RCEP.
 - (i) Communications with the previous owner of the land confirmed that Area 3 was not used for a PALU.
 - (j) The Applicant's investigation indicates that Areas 6 and 8 were used for a PALU. A part of each of these Areas will be impacted by the footprint of the RCEP.
 - (k) The former owner of the land identified that Area 9 has been cropped historically (the property has been cropped in various parts since 1963) but had not been planted since 2010. As no confirmation of dates was available, the Applicant has adopted a conservative approach and defined Area 9 as being used for PALU.
 - (l) To Glencore's knowledge, the Area 10 has not been cropped in the last 10 years. Accordingly, Area 10 has not been used for a PALU as defined in Schedule 2, Part 1, and section 1(1) of the RPI Reg. A Statutory Declaration has been made by the Manager,

Environment and Community, Rolleston Open Cut (refer Annexure C) in relation to the historical cropping status of this land.

- 6.10 The RCEP will impact on small areas of PAA which the Applicant has identified as both PALU and SCA. 74.68 ha of PALU will be impacted by the RCEP. While non-contiguous, the impacted area of PALU is fully contained within 115.29 ha of SCA proposed to be impacted (refer paragraphs 6.23 – 6.36).
- 6.11 Figure 3 identifies the regional extent of potential cropping (relative to the RCEP) based on the Queensland Land Use Mapping Program (**QLUMP**). The assessments completed for the RCEP's EIS show that indirect impacts to the areas beyond the RCEP are not anticipated. Further details are included in **Assessment Table 1 - Priority Agricultural Area** (specifically, PAA Required Outcome 2, at Prescribed Solution paragraph 1(e)).
- 6.12 The Applicants have assessed the impact on PALU against Required Outcome 2 for PAA, as described in Part 2 of Schedule 2 of the RPI Reg. This is because the RCEP is to be carried out on 2 or more properties in a PAA in the region.
- 6.13 The application area covers several lots within a PAA. Those lots are not managed as a single agricultural enterprise, so constitute more than one property. For this application, these properties are:
- Meteor Park - property currently managed by Colinta Holdings Pty Limited (**Colinta**)¹ and Glencore with mining and agricultural uses.
 - Meteor Downs - property currently managed by Colinta and Glencore with mining potential and agricultural uses
 - Mount Kelman - property currently managed by Colinta and Glencore with mining potential and agricultural uses.
 - Part of Springwood (Lot 3 on DSN590) - Glencore owns this property with future elements of RCEP to be developed on the property, and part of the property is currently under licence to a third party.
- 6.14 The application area is not a 'single agricultural enterprise', as (i) there is a significant active coal mine interrupting the patches of agricultural uses within the land; and (ii) those parts of the land which are the subject of agricultural undertakings are not managed as a single enterprise.
- 6.15 Required Outcome 2 is directed towards the avoidance of a material impact on the region because of the activity's impact on the use of the land in the PAA for 1 or more PALUs. In other words, the required outcome is that the activity's impact does not result in a material impact on the region (rather than the absence of any impact on a PALU).
- 6.16 Using QLUMP, approximately 17,436 ha of cropping has been identified by the Applicant within a 20km (sub-region) of the RCEP project area (refer Figure 6 in the Report). On the basis of this data, the extent of loss of PALU from RCEP activities represents approximately 0.4% of potential PALU within the sub-region around the RCEP.
- 6.17 A map showing the significance of the loss of PALU within 100km (regional) of the RCEP area has also been included for reference (refer Figure 7 in the Report). It is clear that the regional

¹ A wholly owned subsidiary of Glencore

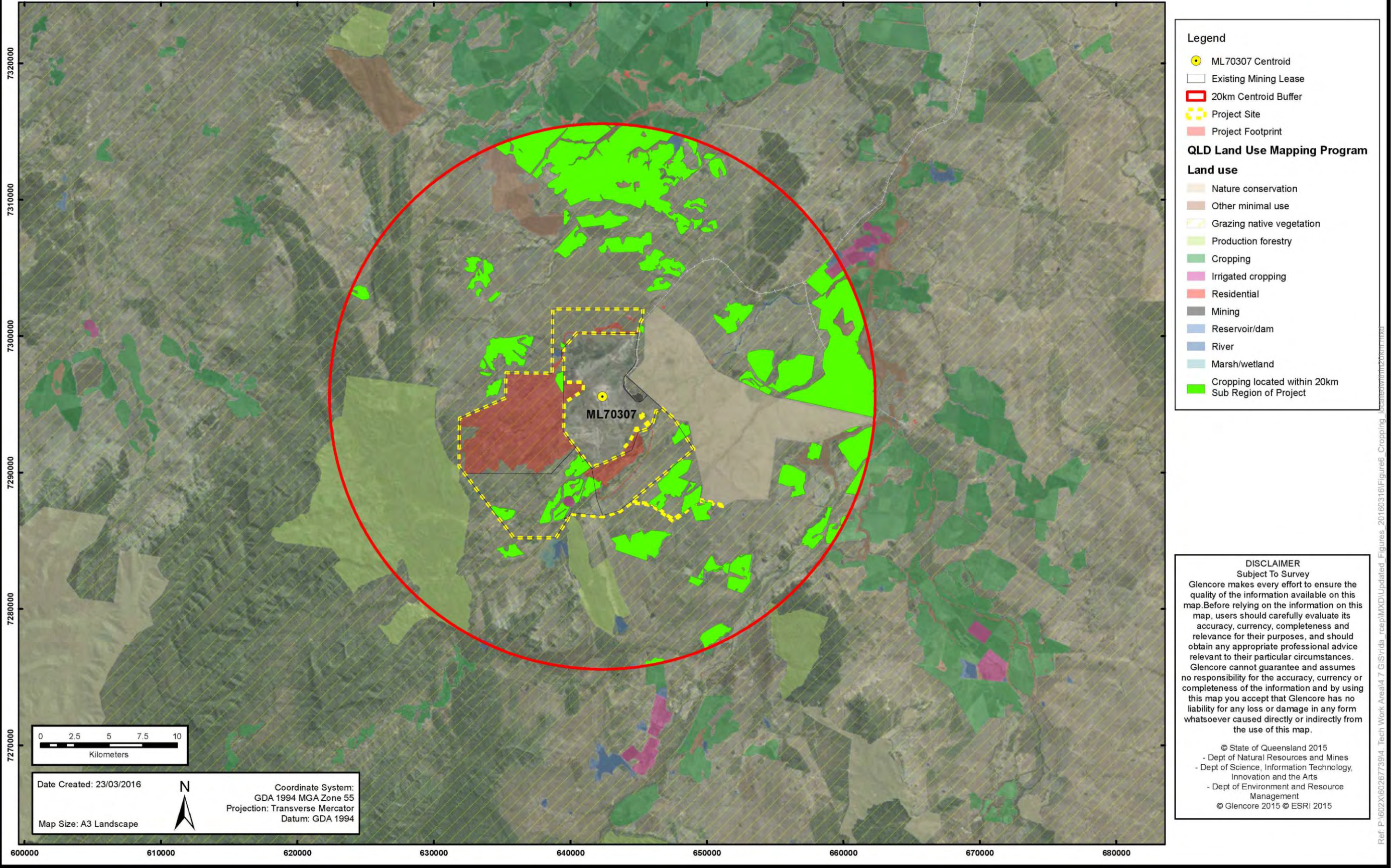
impact arising from the loss of PALU associated with the RCEP is negligible and will not result in a material impact on the use of land in the region.

- 6.18 Also, there are no impacts on infrastructure essential to the operation of a PALU (transport, power, water) within either the sub-region or region identified in Figure 6 and Figure 7 (noting that the Springwood Road is to be re-aligned but with no loss of continuity or reduction in service).
- 6.19 The Applicant considers that Required Outcome 2 has been satisfied: the RCEP will not result in a material impact on the region because of the RCEP's impact on the use of land in the PAA for one or more PALUs. The Applicant does not consider that any further measure is required to address the impact on PALU. The Applicant has reached this conclusion on the basis that:
- (a) the PALU relating to this application is opportunistic fodder cropping. The Applicant has no evidence to support any operational value attached to this use. This accords with findings in the report by the Department of Agriculture and Fisheries (March 2015) entitled "Feeding forages in the Fitzroy" (the **Fitzroy Report**). The current use does not add any real value to the land beyond its inherent ability to be cropped (especially where falling within SCA);
 - (b) the RCEP's flow-on impact is negligible on PALU within the region (the assessment using the criteria and required outcomes as prescribed in the RPI Reg has demonstrated no material impact on the region resulting from the activity's impact on the use of land in the PAA);
 - (c) the RCEP activity will not constrain, restrict or prevent the ongoing use of those areas in the region for PALU, including any infrastructure, essential to the operation of PALU;
 - (d) the area impacted is wholly within the SCA identified impact area and therefore it is anticipated that the impacted PALU land will be subject to the mitigation measures (and payments) made under provisions of Part 4 of the RPI Act (refer paragraphs 6.24 – 6.38); and
 - (e) the area of PALU impacted by the RCEP is negligible in the context of the total area subject to cropping and potential PALU in the region.

The Applicant has flagged its preparedness to consider, in consultation with the Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a mitigation deed to direct a SCA mitigation measure towards (for example) development of research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness. This provides material benefit to agricultural land users within the region, of note, whether on SCA or PALU.

Rolleston Coal Expansion Project

Figure 6 - QLUMP Cropping Areas within 20km of Project

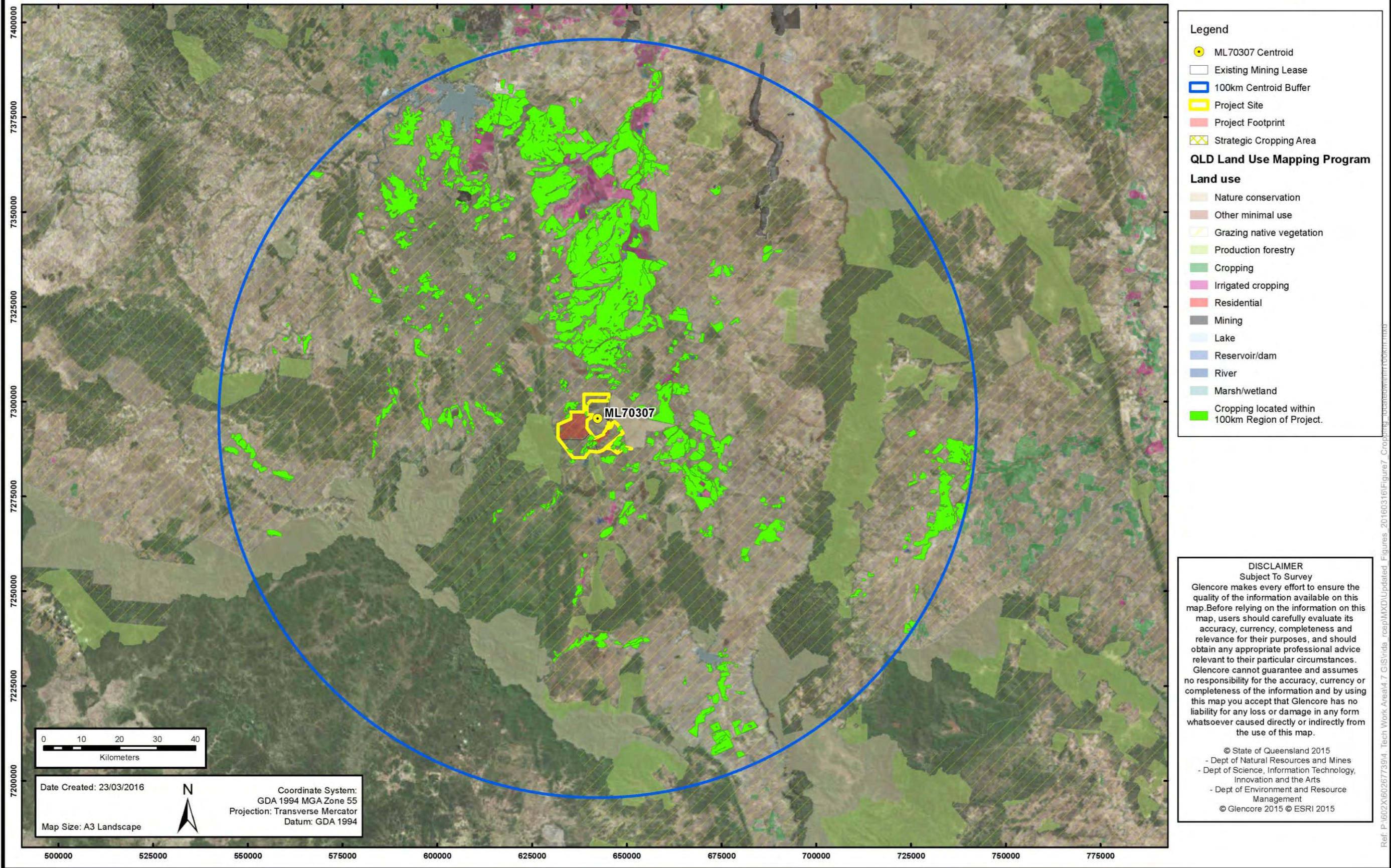


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Figure 7 - QLUMP Cropping Areas within 100km of Project

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Priority Living Areas

- 6.20 Under section 9 of the RPI Act a PLA is an area –
- (a) shown on a map in a regional plan as a PLA; and
 - (b) includes the existing settled area of a city, town or other community and other areas necessary or desirable –
 - (i) for the future growth of the existing settled area; and
 - (ii) as a buffer between the existing or a future settled area and resource activity.
- 6.21 The RCEP is not located within a PLA or within the 2km buffer zone which forms the basis of a PLA. As such, this area of regional interest is not relevant to the RCEP.

Strategic Cropping Area

- 6.22 Under section 10(1) of the RPI Act the SCA consists of the areas shown on the SCL trigger map as SCL. Section 10(2) states –
- Strategic cropping land means land that is, or is likely to be, highly suitable for cropping because of a combination of the lands soil, climate and landscape features.*
- 6.23 The RCEP footprint includes patches of land mapped as falling within the SCA. SCA is a concept similar to SCL under the former *Strategic Cropping Land Act 2011 (SCL Act)* which was repealed in line with the government's policy underpinning the RPI Act.
- 6.24 Approximately 115.29 ha of the footprint are classified as SCA and the subject of direct impact from the RCEP, as set out in Table 6 below and Figure 8.

Table 6 – Location and Extent of the SCA Disturbance

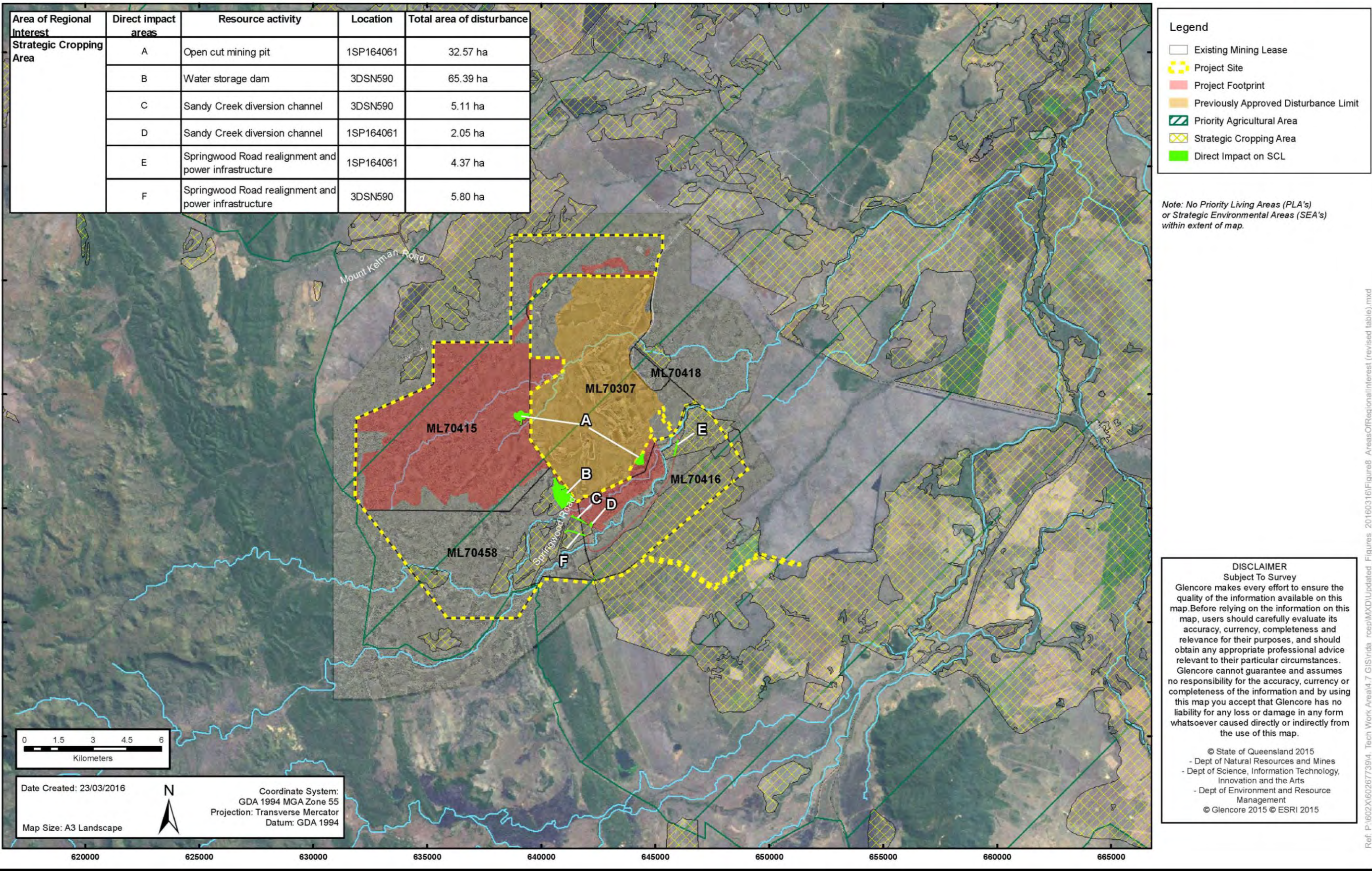
Direct Impact Areas	Resource Activity	Location	Total Area of Disturbance (ha)
A	Open Cut Mining Pit	1SP164061	32.57
B	Water storage dam	3DSN590	65.39
C	Sandy Creek diversion channel	3DSN590	5.11
D	Sandy Creek diversion channel	1SP164061	2.05
E	Springwood Road re-alignment and power infrastructure	1SP164061	4.37
F	Springwood Road re-alignment and power infrastructure	3DSN590	5.80
Total			115.29 ha

Rolleston Coal Expansion Project

Figure 8 - Areas of Regional Interest (Strategic Cropping)

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- 6.25 As outlined in **Assessment Table 2 – Strategic Cropping Land**, impact on the SCA has been avoided to the extent possible in the design planning process and the final design adopted for the RCEP.
- 6.26 As noted in paragraph 4.8, the proposed Springwood Road realignment has been significantly refined in detailed design undertaken following the EIS process. The original options for the realignment as assessed in the EIS involved a minimum impact on SCA from the RCEP of 445 ha. As the Manager of the RCEP, Glencore has subsequently worked with its design team to reduce this impact on SCA (which also includes 74.68 ha PALU) to 115.29 ha.
- 6.27 The Applicant anticipates a mitigation measure will be a condition in the RIDA where impacts to SCA cannot be avoided.
- 6.28 For the purposes of the RPI Reg, 'Property (SCL)' in the SCA means—
- (a) *a single lot; or*
 - (b) *otherwise—all the lots that are owned by the same person or have 1 or more common owners and —*
 - (i) *are managed as a single agricultural enterprise; or*
 - (ii) *form a single discrete area because 1 lot is adjacent, in whole or part, to another lot in that single discrete area (other than for any road or watercourse between any of the lots).*
- 6.29 As per Figure 9, the Applicant or Glencore own the lots of land on which the RCEP is to be carried out, and those lots form a single discrete area as they are adjacent (other than for any road or watercourse between the lots). Therefore, this application involves a single 'property (SCL)' as defined in the RPI Reg. As a result, the RCEP has been assessed against Required Outcome 2 for the SCA (that is, as per Item 10 in Part 4 of Schedule 2 of the RPI Reg, the activity being carried out on a property (SCL) in the SCA).
- 6.30 With regards to impacts on SCA, the Applicant can demonstrate its compliance with each element of the prescribed solution for Required Outcome 2, including with reference to the 2% impact threshold at Schedule 2 Part 4 Item 11(d) of the RPI Regs (with 1.22% of total SCA on contiguous Glencore/Joint Venture owned property to be impacted).
- 6.31 The Applicant is willing to accept a condition to mitigate for the impact on SCL land in accordance with Part 4 of the RPI Act. Under the RPI Act mitigation measures may include either a payment to the mitigation fund, the entering into a mitigation deed, or a combination of both.
- 6.32 The Applicant has flagged is preparedness to consider, in consultation with the Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a mitigation deed to direct a mitigation measure towards (for example) development of research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness.
- 6.33 It is noted that in pre-lodgement discussions, there was a view expressed that Required Outcome 3 may also apply for RCEP, and not Regional Outcome 2. While it remains the Applicant's interpretation that Regional Outcome 2 applies in this instance, an assessment of the RCEP

against Regional Outcome 3 is included within Annexure C. For noting, the criteria in Required Outcome 3 are also able to be met by the Applicant.

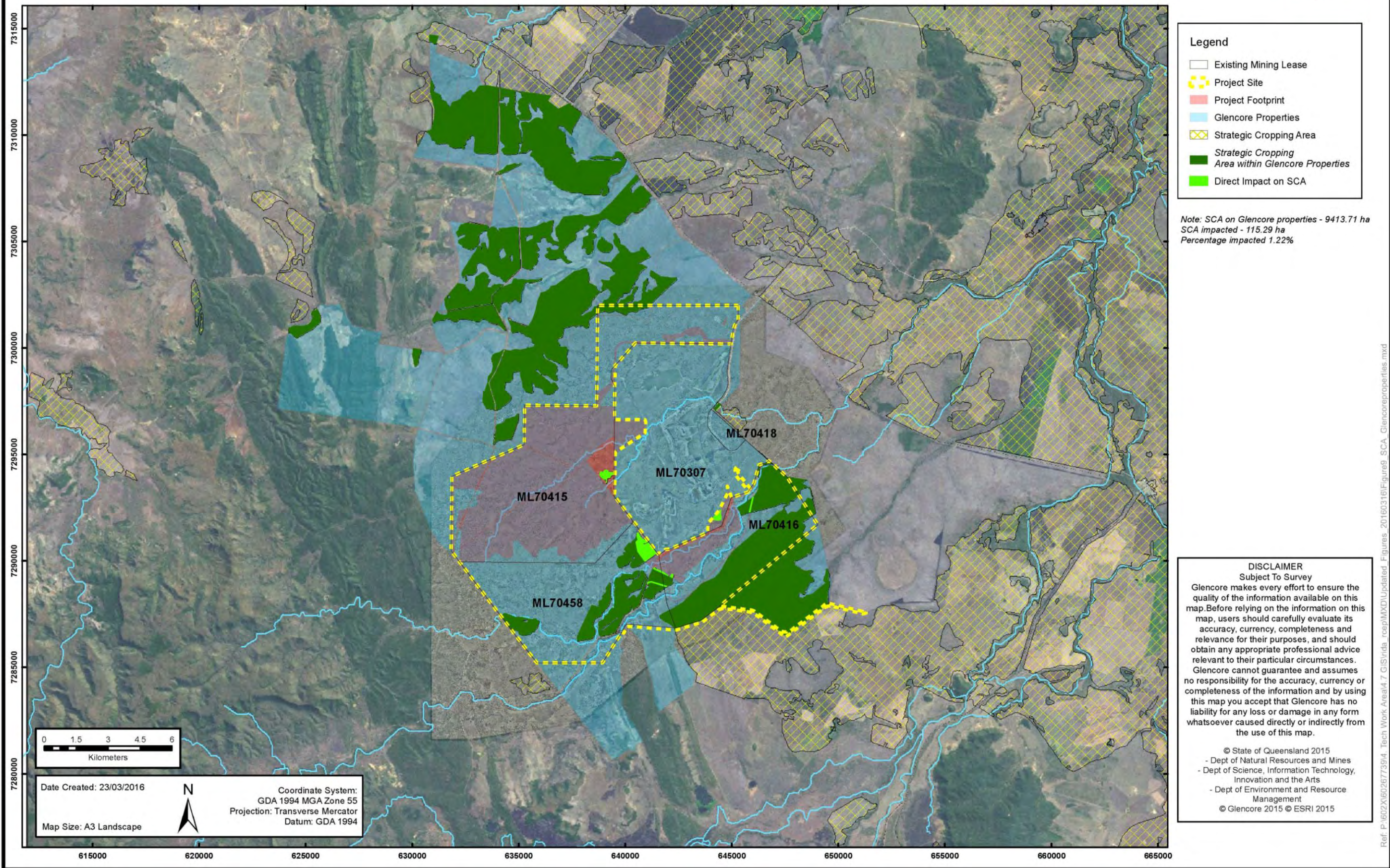
- 6.34 It is submitted that any mitigation measures that apply would be the same in either circumstance.
- 6.35 For the purpose of clarity, the Applicant confirms that a small area within the existing ML70307 (17.36ha), required for the RCEP, is mapped as SCA and has been incorporated into this application. The extent of proposed impacts on SCA in that lease is shown on Figure 8. The 17.36ha of SCA within ML 70307 forms part of, and is not additional to, the total mapped area of SCA identified in area "A" (namely the 32.57 ha total area of "A").

Rolleston Coal Expansion Project

Figure 9 - Strategic Cropping Area Located within Properties

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Strategic Environmental Areas

- 6.36 An SEA is defined under section 11(1) of the RPI Act as an area that –
- (a) Contains 1 or more environmental attributes for the area; and
 - (b) Is either –
 - (i) shown on a map in a regional plan as an SEA; or
 - (ii) prescribed under a regulation.
- 6.37 The RCEP is not located within or near an SEA. As such, this area of regional interest is not relevant to the RCEP.

7 Regional Planning Interests Regulation 2014

- 7.1 An assessment of the RCEP against the required outcomes and prescribed solutions for PAAs and the SCA as prescribed under the RPI Reg is set out in the Assessment Tables below.
- 7.2 The RCEP does not impact on an SEA or PLA.
- 7.3 For PAA, the RCEP's activities have been assessed against Required Outcome 2 for the PAA.
- 7.4 For SCA, the RCEP's activities have been assessed against Required Outcome 2. However, it has also been demonstrated that the RCEP also meets the prescribed solution for Required Outcome 3 for the SCA (refer Annexure D).

8 Conclusion

- 8.1 The RCEP has been the subject of an EIS for which an Assessment Report was released by DEHP in February 2015. The RCEP's amended environmental authority was approved and issued by DEHP on 8 October 2015; and its three (3) new mining leases granted by the Minister for Natural Resources and Mines in February 2016. Commonwealth approval for the RCEP was provided on 18 March 2016. Several iterations of the mine planning process have been carried out to date to reduce potential impacts on areas of regional interest.
- 8.2 Despite the steps taken towards impact minimisation, the RCEP will have some limited impacts on areas of regional interest. In particular, a water storage dam is proposed to be constructed on an area of land currently used for opportunistic dryland fodder cropping to provide fodder/forage in association with the broader cattle grazing land use. This area of land is both a PALU within a PAA under the CQ Regional Plan and within the SCA. The Springwood Road realignment (and incorporated power line realignment in the same construction corridor), having been further refined following the EIS process, will also impact on a small area of SCA.
- 8.3 The Applicants acknowledge that there will be a total 74.68 ha of PALU directly impacted within the RCEP area. This area of PALU is wholly contained within the 115.29 ha of SCA which is proposed to be impacted.

- 8.4 The Applicant is willing to accept a condition to mitigate for the impact on SCA, in accordance with the Part 4 of the RPI Act.
- 8.5 It is noted that the mitigation measures for impacts of SCA may include either a payment to the mitigation fund, the entering into a mitigation deed, or a combination of both. The Applicant has flagged is preparedness to consider, in consultation with the Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a mitigation deed to direct a mitigation measure towards (for example) development of research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness.
- 8.6 The assessment carried out by the Applicant as outlined in this Report and the following Assessment Tables demonstrates that the RCEP meets the applicable Required Outcomes in relation to this activity.

Assessment Table 1 – Priority Agricultural Area

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
<p>(1) The application demonstrates all of the following—</p> <p>(a) if the activity is to be carried out in a priority agricultural area identified in a regional plan—the activity will contribute to the regional outcomes, and be consistent with the regional policies, stated in the regional plan;</p>	<p>This criteria is satisfied.</p> <p>Some of the activities associated with the RCEP will be carried out in a PAA as identified in the CQ Regional Plan. The RCEP cannot feasibly develop by avoiding the PAA. The regional policies in the CQ Regional Plan aim to protect PALUs while supporting co-existence opportunities for the resources sector, and providing certainty for the future of towns. Glencore believes that the RCEP is consistent with these policies.</p> <p>The RCEP will contribute to the regional outcome that 'agriculture and resource industries within the Central Queensland Region continue to grow with certainty and investor confidence'. The discussion above highlights the reasons the RCEP needs to proceed – namely to allow the development of resources in the area economically and with investor confidence. Failure to undertake the RCEP would ultimately lead to sterilisation of an identified resource in the area, contrary to the best interests of the State and the Region. In addition, if the RCEP does not proceed, ongoing operations at the Rolleston Coal Mine will be limited with an early closure (the RCEP extends mining by 30 years). This will be damaging to the regional economy which supplies many of the goods and services for the current mining operations and its staff. The early closure of the existing operations would also likely lead to a decline in prosperity of the region as a number of local employees would lose their jobs. The Applicant's ongoing operations at its existing and approved mine are fundamental to the growth and vitality of the Rolleston and Springsure townships. In its various undertakings, the Applicant (through Glencore) has already made substantial contributions to these townships including infrastructure investment and local community grants; for example the recent establishment of five \$10,000 scholarships and a further \$10,000 in student prizes at the Emerald Agricultural College. The RCEP will continue this pattern of investment for the benefit of all residents.</p> <p>To the greatest extent possible, the RCEP has been designed to avoid and protect PALUs within the region (as discussed below), with 5 of the 8 areas identified as used for PALU not being impacted. The RCEP will maximise opportunities for the co-existence of resource and agricultural land uses, including by the establishment of mutually beneficial infrastructure.</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
(b) the activity cannot be carried out on other land in the region that is not used for a priority agricultural land use, including, for example, land elsewhere on a property, on an adjacent property or at another nearby location;	<p>This criteria is satisfied.</p> <p>The RCEP, as a brownfield expansion of an existing operation, is constrained by its nature in needing to effectively 'co-locate' with the existing operation. However, this also brings benefit in minimizing the overall disturbance area required because of the utilization existing of infrastructure and facilities.</p> <p>Mining activities are also constrained in their operation by the location of the resource deposit and economically feasible methods for its extraction. The RCEP has been designed to allow economic extraction of an identified coal reserve and prevent resource sterilisation.</p> <p>The specific aspects of the activity which will impact on land used for a PALU are:</p> <ul style="list-style-type: none"> (a) limited aspects of the proposed Sandy Creek diversion channel; (b) the establishment of a water storage dam; and (c) the re-alignment of Springwood Road and powerline (in the same construction corridor). <p>The location of these items is also constrained by their nature (refer response to Prescribed Solution (c) below). That is, the creek diversion must be located where topography allows for a suitable grade and where the inlet from Sandy Creek and discharge to Meteor Creek will cause minimum disturbance to natural flows and turbulence. Also, the storage facility needs to be constructed sufficiently close to the mine to minimize disturbance through construction of connecting infrastructure, while having regard to the topography and flow direction over the land to minimise the footprint and disruption to overland flow.</p> <p>Alternative locations were considered by the Applicants but proved to be either unviable for economic or operational purposes, or required greater levels of environmental disturbance than the RCEP as proposed.</p> <p>Finally, Springwood Road must be realigned to facilitate development of the mine, and to give safe and effective access. Its location has been designed to account for all user needs while taking account of grade, radius of curves and susceptibility to flooding.</p>
(c) the construction and operation footprint of the activity on the area in the region used for a priority agricultural land use is minimised	<p>This criteria is satisfied.</p> <p>The disturbance footprint for the RCEP has been minimised to the greatest extent possible while allowing for safe and feasible mining of the identified coal seams.</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
to the greatest extent possible;	<p>The RCEP has been designed to allow the extraction of further coal reserves based largely around the use of existing infrastructure, thereby minimizing the overall requirements for land disturbance when compared with an undertaking proposing to construct new infrastructure.</p> <p>The RCEP's Water Management System for the Project has been subject to design considerations since 2011 and has been developed to avoid areas of environmental significance, including SCA (SCL as it was known at the time), in the first instance. Where avoidance was not possible, mitigation and management measures were developed.</p> <p>The water infrastructure proposed for the project that impact on PALU involves the development of a water storage dam (ID water storage dam 2) and a diversion of a portion of the Sandy Creek. Detailed design has been completed for both aspects which have considered both environmental constraints as well as technical and economic aspects.</p> <p>The proposed loss of PALU from the construction of water infrastructure in PALU would neither be expected to have any impact on adjacent PALU nor make the areas of adjacent PALU unviable in the future.</p> <p>Chapter 2 of the RCEP's EIS includes project justification and design considerations in Section 2.2.2.1 for the Water Management and Supply associated with the project and section 2.2.4 describes locality alternatives. This includes justification for the location of water infrastructure and why certain locations were chosen.</p> <p>Chapter 9 of the EIS and Appendix G-1 Surface Water Assessment contain the technical detail around the design justification for the location.</p> <p>In summary, the key reasons associated with the decision to locate this infrastructure in this area (based on detailed hydrological work) included:</p> <ul style="list-style-type: none"> • minimising the number of creek diversions required for the project • reducing the impact of the project on existing creek systems during modelled flood events (related to existing topography) • ensuring an appropriate water management system for the project, including minimising the spatial extent of land required to be impacted by additional water management infrastructure. • Efficiently linking infrastructure to the existing water management system in place in ML70307 with environmental, geological and topographical constraints.

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
	<p>The EIS and associated submissions report (which addressed all comments raised by submitters on the EIS including those from government agencies) was assessed and recommended to proceed by DEHP subject to public notification processes under the <i>Mineral Resources Act 1989</i> and <i>Environmental Protection Act 1994</i>.</p> <p>The road and powerline realignment has been the subject of extensive assessment, and the option with the least proposed impact on PALU has been selected. The preferred alignment minimises the overall impacts on land used for a PALU while still allowing for safe and efficient access and travel for road users.</p> <p>It should be noted that EIS had 2 options in relation to the Springwood Road re-alignment; since completion of the EIS, Option 1 has been chosen as the final preferred route in consultation with stakeholders. The Project footprint in the RCEP RPI application accords with the footprint based on Option 1, following further detailed design post-EIS.</p>
(d) the activity will not result in widespread or irreversible impacts on the future use of an area in the region for 1 or more priority agricultural land uses;	<p>This criteria is satisfied.</p> <p>Widespread impacts on the future use of an area within the region for one or more PALUs will not occur as a result of the RCEP.</p> <p>As noted above, the RCEP has minimised impacts on a PALU. 74.68 ha of PALU in total will be impacted by the RCEP. The three areas of PALU which will be impacted by the Project will be developed for water storage dam, a creek diversion channel and a road/powerline realignment. These items are likely to remain <i>in situ</i> after mining has ceased. However the development which remains, particularly the water storage dam and realigned road, may be accessed post mining to assist the establishment of new adjoining areas for a PALU.</p> <p>Figure 3 identifies the regional extent of potential cropping (relative to the Project) based on government land use mapping. The EIS assessments show that indirect impacts to the areas beyond the Project are not anticipated.</p> <p>Figure 7 and Figure 8 show regional impacts on PALU from the Project have been assessed for significance using the cropping spatial data from the QLUMP spatial system. 17,436 ha of cropping has been identified within a 20km radius of the RCEP project area. Hence on the basis of this data, the RCEP will impact approximately 0.4% of potential PALU within a 20km radius of the RCEP.</p> <p>Therefore, there is no material impact on the region because of the RCEP's impact on the identified PALU.</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
	<p>Further, the PAA impact which Glencore has identified as PALU is fully contained within the 115.29 ha of SCA, which would be impacted by the project, and which RCEP anticipates will be subject to a mitigation payment made pursuant to provisions of the RPI Act for impact on SCA. Also, the Applicant has flagged its preparedness to consider, in consultation with Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a mitigation deed to direct mitigation measures towards (for example) research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness.</p> <p>Post-mining, the Applicant will otherwise rehabilitate the subject land such that it is fit for pastoral uses.</p> <p>As discussed in response to criteria (e) below, the potential impacts of the Project at a regional scale have been assessed as part of the EIS process. Those assessments have shown the RCEP is unlikely to have regional effects on air quality, groundwater, surface water and existing infrastructure.</p> <p>Critically, DEHP's Assessment Report for the EIS determined that 'Significant changes in land use outside the site as a result of the project area are not anticipated'. Accordingly, the Applicant does not believe that the activity will result in any off-site impacts on the future use of areas in the region for PALU.</p>
(e) the activity will not constrain, restrict or prevent the ongoing use of an area in the region for 1 or more priority agricultural land uses, including, for example, infrastructure essential to the operation of a priority agricultural land use.	<p>This criteria is satisfied.</p> <p>To date, where Glencore and its Joint Venture Partners hold the land to which the RCEP relates, care has been given to effect arrangements which allow agricultural uses to be ongoing until mining activities are ready to commence. During operation, areas of land will, for safety purposes, be restricted from ongoing agricultural use while being mined. The RCEP would however not impact on any infrastructure essential to the operation of a PALU. Conversely, once established, the RCEP would provide infrastructure off the lease area which may be of benefit to the potential future use of the area as PALU. The Queensland Agricultural Land Audit for Central Queensland identified the potential of additional irrigation development and infrastructure provision as key recommendations for the region.</p> <p>Regionally, the potential impacts of the project have been considered, primarily through the EIS process. The EIS included impact assessment associated with potential transport, land, surface water, groundwater, air, noise and vibration, ecology, social and economic. Impact assessments were completed and the residual risk considered once management and mitigation control has been developed. Key outcomes with respect to PALU are</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
	<p>considered below:</p> <ul style="list-style-type: none"> • Transport - The project will continue to utilize existing approved infrastructure for rail and shipping, which is contracted through other parties. The project will re-align a section of Springwood Road. The re-alignment will not impact future use of PALU in the region as it will provide a transport corridor and will be built in line with the expectations of CHRC including the provision for stock transport. The travelling stock route associated with the current Springwood Road will also be realigned to the new road location. The final design for this realignment is now complete and has been undertaken in consultation with CHRC and the DNRM stock route officer. • Traffic generation has also been considered with a road impact assessment completed. A Road User Management Plan has been developed and submitted to DTMR to determine the safety measures that may need to be in place during construction and operation. Traffic volumes will not impact the use of PALU in the region. • Land - Impact assessment with regard to land and land use has been included in other sections of this RIDA. Critically, DEHP's Assessment Report for the EIS determined that '<i>Significant changes in land use outside the site as a result of the project area are not anticipated</i>'. • Surface Water- Water quality release limits in the (approved) amended Rolleston Coal Mine environmental authority are consistent with the conditions allowed for under the existing operations. Mine affected water discharges are limited to set rates to ensure receiving waters' environmental values are protected, and are only permitted during times of significant flow in Meteor and Bootes Creek. This ensures acute effects are avoided and the natural, longer term qualities of receiving waters are managed and maintained. The quality (and quantity) of discharge water would also be maintained through an extension of the current water management systems operating at the existing mine. These systems have been implemented since 2005 and are proven to be effective. <p>After the completion of mining, final pit voids would remain. An assessment of the quantity and quality of water that may potentially accumulate in voids, post mining operations has been completed. To minimise the catchment areas to the voids and maximise clean water drainage to the receiving environment, mitigation measures such as diversions are proposed. There is expected to be significant storage available within the final voids (the equilibrium storage level is expected to occur 100 years after the completion of mining), as such no overflows from the storages are predicted. As water contained within the voids is not</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
	<p>expected to interact with surface water, the long term potential impact on the surface water environment is minimised. The water quality modelling also shows that the salinity of the voids is suitable as a stock water source post closure.</p> <ul style="list-style-type: none"> • Groundwater- Detailed assessment included field investigations and numerical modeling were undertaken to determine the potential impacts of the Project. The detailed assessment considered: <ul style="list-style-type: none"> ○ Groundwater levels and depressurisation. ○ Mine operation and pit seepage. ○ Subsequent impacts upon landholder bores. ○ Hydrological linkage to surface water (including wetlands). ○ Environmental values such as groundwater dependent ecosystems. <p>A total of 66 landholder bores are located on properties owned by Glencore and its Joint Venture Partners, with 37 bores predicted to be impacted by groundwater depressurisation at the end of the Project. A total of 19 landholder bores are located on properties not owned by Glencore and its Joint Venture Partners, these being "Bottle Tree Downs", and the Albinia National Park, with 3 bores predicted to be impacted by groundwater depressurisation at the end of the Project. Landholder bore mitigation strategies (including make good arrangements) have been or are close to finalised with a number of adjacent landholders, based on each separate circumstance, determined by the level of impact upon the bore's capacity and the suitability of the required mitigation. Mitigation measures include upgrading pumps, deepening bores and redrilling of bores as required. Though the bores used by the NPRS for firefighting are predicted to be impacted by the project, no environmental values within the National Park are predicted to be impacted by the project.</p> <ul style="list-style-type: none"> • Air - The air quality impact assessment concluded that there will be no exceedances outside properties owned by Glencore and its Joint Venture Partners. Studies determined that there is a low risk of any impacts associated with dust deposition on foliage arising. • Noise and Vibration- Impacts associated with noise and vibration have been assessed as limited to land owned by Glencore and its Joint Venture Partners. <p>The RCEP will therefore not constrain, restrict or prevent the ongoing use of an area in the region for one or more PALU's, outside the 74.68 ha which has been acknowledged to be directly impacted by the RCEP (see the comments on criteria (d) above). This conclusion was derived from the outcomes of the RCEP's EIS which detailed potential impacts on transport corridors, adjacent land, surface water for irrigation, groundwater for</p>

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
	<p>irrigation and impacts related to air, noise and vibration. Technical assessments contained with the EIS have shown that the RCEP will not have unacceptable impact on areas outside of the direct disturbance footprint.</p> <p>In addition, existing infrastructure has been avoided, the overland flow characteristics relevant to PALU will not be changed, and weed and pest management practices can continue. The Applicant does not consider that the application will in any way constrain, restrict or prevent the ongoing use of an area in the region for PALU, outside of the direct footprint of impact.</p>
<p>(2) Subsection (3) applies if the activity is to be carried out in a priority agricultural area that includes a regionally significant water source and—</p> <p>(a) if the activity is to be carried out under an authority to prospect or a petroleum lease under the Petroleum and Gas (Production and Safety) Act 2004—the activity is likely to produce CSG water; or</p> <p>(b) if the activity is to be carried out under a mineral development licence or a mining lease under the MRA—the activity is likely to produce associated water.</p>	<p>The RCEP is not proposed to be carried out in a priority agricultural area that includes a regionally significant water source and will not produce associated water. Accordingly, assessment against the criteria in subsection (3) is not required.</p>
(3) The application must demonstrate the applicant has in place a strategy or plan for managing the CSG water or associated water that provides for the net replenishment of the regionally significant water source.	

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
(4) For subsection (3), net replenishment of a regionally significant water source is the replacement to the water source, whether directly or indirectly, of all water that is no longer available for a priority agricultural land use in a priority agricultural area because carrying out a resource activity in the area produces CSG water or associated water.	
(5) Subsection (6) applies for each property on which the activity is to be carried out if the applicant is not the owner of the land and has not entered into a voluntary agreement with the owner. (6) The application must demonstrate the matters listed in this schedule, section 3 for a prescribed solution for required outcome 1 for the property.	Glencore and its Joint Venture Partners own each parcel of land on which the RCEP is to be carried out. As a result, it is not necessary for the RCEP to be assessed against the elements of Required Outcome 1 for the PAA for each parcel (RPI Reg Schedule 2, Part 2, Subsections 5(5) and 5(6)).
(7) In this section — associated water means underground water taken or interfered with, if the taking or interference happens during the course of, or results from, the carrying out of an activity authorised under a mineral development licence or mining lease. CSG water (see the Petroleum and Gas (Production and	n/a

PAA Required Outcome 2	The activity will not result in a material impact on the region because of the activity's impact on the use of land in the priority agricultural area for 1 or more priority agricultural land uses.
Prescribed Solution	Response
Safety) Act 2004, schedule 2. overland flow water see the Water Act 2000, schedule 4. Underground water see the Water Act 2000, schedule 4.)	

Assessment Table 2 – Strategic Cropping Area

SCA Required Outcome 2	The activity will not result in a material impact on strategic cropping land on the property SCL
Prescribed solution	Response
<p>the application demonstrates all of the following:</p> <p>(a) if the applicant is not the owner of the land and has not entered into a voluntary agreement with the owner—the applicant has taken all reasonable steps to consult and negotiate with the owner of the land about the expected impact of carrying out the activity on strategic cropping land;</p>	<p>Glencore and its Joint Venture partners own each parcel of land the subject of the RCEP.</p>
<p>(b) the activity cannot be carried out on land that is not strategic cropping land, including, for example, land elsewhere on the property (SCL), on adjacent land or at another nearby location;</p>	<p>This criteria is satisfied.</p> <p>The RCEP, as a brownfield expansion of an existing operation, is constrained by its nature in needing to effectively ‘co-locate’ with the existing operation. However, this also brings benefit in minimizing the overall disturbance area required because of the utilisation of existing of infrastructure and associated facilities. Mining activities are also constrained in their operation by the location of the resource deposit and economically feasible methods for its extraction. The RCEP has been designed to economically extract an identified coal reserve and prevent resource sterilisation.</p> <p>The specific aspects of the activity which will directly impact on land in the SCA as shown in SCL Trigger Mapping (as at March 2015) are:</p>

SCA Required Outcome 2	The activity will not result in a material impact on strategic cropping land on the property SCL																										
Prescribed solution	Response																										
	<table><tr><th>Identifier (Figure 8)</th><th>Description</th><th>Area (ha)</th></tr><tr><td>A</td><td>Open Cut Mining Pit</td><td>32.57</td></tr><tr><td>B</td><td>Water Storage Dam</td><td>65.39</td></tr><tr><td>C</td><td>Sandy Creek diversion channel</td><td>5.11</td></tr><tr><td>D</td><td>Sandy Creek diversion channel</td><td>2.05</td></tr><tr><td>E</td><td>Springwood Road and power infrastructure re-alignment</td><td>4.37</td></tr><tr><td>F</td><td>Springwood Road and power infrastructure re-alignment</td><td>5.80</td></tr><tr><td colspan="2">Total</td><td>115.29 ha</td></tr></table>			Identifier (Figure 8)	Description	Area (ha)	A	Open Cut Mining Pit	32.57	B	Water Storage Dam	65.39	C	Sandy Creek diversion channel	5.11	D	Sandy Creek diversion channel	2.05	E	Springwood Road and power infrastructure re-alignment	4.37	F	Springwood Road and power infrastructure re-alignment	5.80	Total		115.29 ha
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	A	Open Cut Mining Pit	32.57																								
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	Total		115.29 ha																								
<p>The location of these items is also constrained by a number of factors. The water storage dam is required to store water from mine operations for reuse and release to Sandy Creek under controlled conditions so it must be located near the pits it will serve and where water can be released to Sandy Creek upstream of the diversion. The Sandy Creek diversion must be close to the upstream limit of mine operations so it can effectively divert all flows around the mine. Also, its location is constrained by the need to have appropriate stream gradient, a stable exit point from Sandy Creek, and a stable discharge point to Meteor Creek. The Springwood Road realignment is required to maintain public access to areas to the south-west of the RCEP area. The route selected must adhere to recognised standards for safety and flood immunity as well as minimising impacts on overland flows.</p>																											
<p>Alternative locations were considered by Glencore but proved to be either unviable for economic or operational purposes, or required greater levels of environmental disturbance than the RCEP as proposed.</p>																											

SCA Required Outcome 2	The activity will not result in a material impact on strategic cropping land on the property SCL
Prescribed solution	Response
(c) the construction and operation footprint of the activity on strategic cropping land on the property (SCL) is minimised to the greatest extent possible;	<p>This criteria is satisfied.</p> <p>The location for the RCEP is determined by the presence of coal seams that are amenable for economic extraction in the vicinity of the existing Rolleston Coal Mine. The RCEP involves an extension to an existing open cut in the Rolleston Coal Measures.</p> <p>Underground mining was considered in planning for the RCEP and was not considered viable as approximately 90% of the coal resource within the Project Footprint occur above a depth of 100 m. The depth of the resources and the number of seams targeted means that underground mining is not a viable option for the RCEP. Greater capital would also be required to operate the expansion as an underground operation given that the machinery currently used at the existing mine, which is suited to open cut mining methods, could not be used. In addition, open cut mining methods are more efficient in terms of resource utilisation. The disturbance footprint for the RCEP has been minimised to the greatest extent possible while allowing for safe and feasible mining of the identified coal seams.</p> <p>Every effort has been made to minimise the disturbance footprint of the RCEP on areas of SCA. The RCEP's Water Management System for the Project has been subject to design considerations since 2011 and has been developed to avoid areas of environmental significance, including SCA (SCL as it was known at the time), in the first instance. Where avoidance was not possible, mitigation and management measures were developed.</p> <p>The water infrastructure proposed for the project that impact on SCA involves the development of a water storage dam (ID water storage dam 2) and a diversion of a portion of the Sandy Creek. Detailed design has been completed for both aspects which have considered both environmental constraints as well as technical and economic aspects.</p> <p>Chapter 2 of the RCEP's EIS includes project justification and design considerations in Section 2.2.2.1 for the Water Management and Supply associated with the project and section 2.2.4 describes locality alternatives. This includes justification for the location of water infrastructure and why certain locations were chosen.</p> <p>Chapter 9 of the EIS and Appendix G-1 Surface Water Assessment contain the technical detail around the design justification for the location.</p> <p>In summary, the key reasons associated with the decision to locate this infrastructure in this area (based on detailed hydrological work) included:</p> <ul style="list-style-type: none"> • minimising the number of creek diversions required for the project

SCA Required Outcome 2	The activity will not result in a material impact on strategic cropping land on the property SCL
Prescribed solution	Response
	<ul style="list-style-type: none"> • reducing the impact of the project on existing creek systems during modelled flood events (related to existing topography) • ensuring an appropriate water management system for the project, including minimising the spatial extent of land required to be impacted by additional water management infrastructure. • Efficiently linking infrastructure to the existing water management system in place in ML70307 with environmental, geological and topographical constraints. <p>The EIS and associated submissions report (which addressed all comments raised by submitters on the EIS including those from government agencies) was assessed and recommended to proceed by DEHP subject to public notification processes under the <i>Mineral Resources Act 1989</i> and <i>Environmental Protection Act 1994</i>.</p> <p>The road realignment has been the subject of extensive assessment, and the option with the least proposed impact on SCA has been selected. The preferred alignment minimises the overall impacts on land used for a SCA while still allowing for safe and efficient access and travel for road users.</p> <p>It should be noted that EIS had 2 options in relation to the Springwood Road re-alignment; since completion of the EIS, Option 1 has been chosen as the final preferred route in consultation with stakeholders. The Project footprint in the RCEP RPI application accords with the footprint based on Option 1, following further detailed design post-EIS.</p>
(d) if the activity will have a permanent impact on strategic cropping land on a property (SCL) – no more than 2% of the strategic cropping land on the property (SCL) will be impacted.	<p>This criteria is satisfied.</p> <p>The RCEP will have an impact on 1.22 % of SCL on the relevant property (SCL), as shown in Figure 9.</p>

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Annexures

- A Definitions of resource activities within RCEP Project Area
- B RCEP Impact Area – Statutory Declaration
- C RCEP Assessment Against SCA Regional Outcome 3
- D RCEP EIS Chapter 1 – Introduction
- E RCEP EIS Chapter 2 – Project Need and Alternatives
- F RCEP EIS Chapter 3 – Project Description
- G RCEP EIS Chapter 6 – Land
- H RCEP EIS Chapter 19 – Economic Values
- I RCEP EIS Appendix D-1: Soil Survey Technical Report

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ANNEXURE A - Definitions of resource activities proposed within the RCEP Project area

Resource activity	Definition of terms
Open cut mining	An open pit, trench, excavated overburden or rehabilitated area at the surface from which form the area where coal is extracted. This also includes ancillary activities and supporting infrastructure such as haul roads, bunding, soil stockpiles, hardstands, offices and services workshops.
Water Infrastructure	Water storage facilities, associated ancillary equipment and water management structures installed to separate mine affected water and open cut mining from the surrounding environment in accordance with approved environmental and technical specifications.
Creek diversion channel	Manmade channel to divert the flow of water in a creek to a defined alignment, in accordance with environmental and technical specifications, and includes associated infrastructure.
Access Road	Internal light vehicle access road to connect existing mine site access road the future open cut mining pit areas
Road realignment	The construction of a road and a powerline along a defined alignment and in accordance with approved environmental and technical specifications.

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ANNEXURE B – RCEP Statutory Declaration on PALU

Statutory Declaration

QUEENSLAND
TO WIT

I, Ken Dixon,

of 80 South Calliope Street, Springsure

in the State of Queensland

do solemnly and sincerely declare that

I am the manager for the Environment and Community Department for the Rolleston Coal Mine, and have held that position for 5 years. Based upon the enquiries made by me or others under my supervision, I have formed the conclusions outlined below, in relation to the cropping history of the land subject to the RIDA associated with the Rolleston Coal Expansion Project (RCEP).

The areas reviewed are shown on the "draft for discussion" map (attached to this Statutory Declaration) prepared by the Department of Infrastructure, Local Government and Planning titled Glencore, 29 May 2015. Areas within ML70307 and which do not form part of the RCEP footprint have not been considered in this review as they are already the subject of an earlier SCL compliance certificate.

The map shows:

- QLUMP – Potential PALU areas,
- Strategic Cropping Areas, and
- the RCEP disturbance limits,
- Mining Lease boundaries.

The following areas of interest relevant to Glencore's RIDA application have not been the subject of cropping throughout the relevant 10 year period prior to the RIDA application.

Lot 1/SP164061

- The area of land mapped as strategic cropping area straddling the formed Springwood Road across to a low lying water impoundment;

Lot 1/SP174071

- None of this area

In relation to Lot 1/SP174071 and Lot 1/SP164061, the following enquiries regarding historical cropping activity of the Land were carried out by me or under my supervision:

- Review of SPOT satellite imagery from 2005/2006 and 2009; and
- Review of aerial imagery flown in 2010, 2012, 2013, 2014 and 2015.

There is no evidence of any cropping related activities within the areas of interest. Further, the area of land mapped as strategic cropping land straddling Springwood Road (note, the formed road is not on the gazetted road reserve) across to a low lying water impoundment has a road running through it which has been constructed and is maintained by the Central Highlands Regional Council. It also contains two gravel pits where the Council source gravel for road maintenance. The western portion of this same area is on a stony ridge with slopes >50%.

The following area of interest relevant to Glencore's RIDA application has been subject to cropping during the relevant 10 year period prior to the RIDA application.

Lot 3/ DSN590

- the area on the Western side of Meteor Creek through which the proposed relocated Springwood Road runs,
- the areas on either side of Springwood Road (current location) where water related infrastructure (a dam and a diversion) is proposed to be constructed.

In relation to Lot 3/DSN590, the following enquiries regarding cropping activity on the Land between 2005-2015 were carried out by me or under my supervision:

- Review of SPOT satellite imagery from 2005/2006 and 2009;
- Review of aerial imagery flown in 2010 and 2014.
- A review of records held by Glencore, which has owned this land since 2013.

In addition, Mining Lease 70307 covers approximately half of Lot 1/SP164061 and two thirds of Lot 1/SP174071. ML70307 has been held by the Rolleston Joint Venture (comprising Glencore Coal Queensland Pty Ltd (formerly Xstrata Coal Queensland Pty Ltd) ("Glencore"), Sumisho Coal Australia Pty Ltd and Itochu Coal Resources Australia Pty Ltd for the entire period 2005 - present. Lot 1/SP174071 has also been owned in freehold by Glencore during the entire period (2005-2015) whilst more recently, Lot 1/SP164061 (March 2015) and Lot 3/DSN590 (January 2014) have also been purchased in freehold by Glencore. Accordingly, I have personal knowledge of, and access to records documenting, the use of this land in recent history.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1867.

Signature of declarant/deponent

Taken and declared before me at

[Location]

ROLLESTON COAL

this

25th

day of

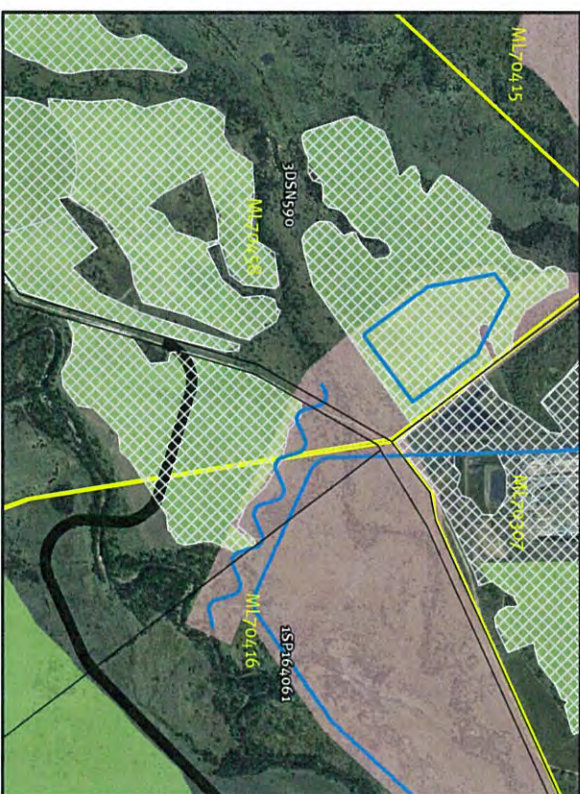
AUGUST 2015

A Justice of the
Peace/Commissioner for
Declarations.

CRISTIE ELLEN RODDA
Justice of the Peace (Qual)
Qld Reg No. 109536



Catada



CRISTIE ELLEN RODDA
Justice of the Peace (Qual)
Qld Reg No. 109536

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ANNEXURE C – RCEP Assessment of SCA against Required Outcome 3

SCA Required Outcome 3	The activity will not result in a material impact on strategic cropping land in an area in the strategic cropping area.
Prescribed solution	Response
<p>(1) The application demonstrates all of the following:</p> <p>(a) the activity cannot be carried out on other land in the area that is not strategic cropping land, including, for example, land elsewhere on the property (SCL), on adjacent land or at another nearby location;</p>	<p>This criteria is satisfied.</p> <p>The RCEP, as a brownfield expansion of an existing operation, is constrained by its nature in needing to effectively ‘co-locate’ with the existing operation. However, this also brings benefit in minimizing the overall disturbance area required because of the utilisation of existing infrastructure and associated facilities.</p> <p>Mining activities are also constrained in their operation by the location of the resource deposit and economically feasible methods for its extraction. The RCEP has been designed to economically extract an identified coal reserve and prevent resource sterilisation.</p>
<p>(b) if there is a regional plan for the area in which the activity is to be carried out – the activity will contribute to the regional outcomes, and be consistent with the regional policies, stated in the regional plan;</p>	<p>This criteria is satisfied.</p> <p>The regional policies in the CQ Regional Plan aim to protect PALUs while supporting co-existence opportunities for the resources sector, and provide certainty for the future of towns. Glencore believes that the RCEP is consistent with these policies. There are no regional outcomes in the CQ Regional Plan specific to the SCA (although there can be overlaps between PALUs and the SCA).</p> <p>As outlined in the application (see assessment against PAA RO 2, Item 1(a)), the RCEP will contribute to the regional outcome that ‘agriculture and resource industries within the Central Queensland Region continue to grow with certainty and investor confidence’. This highlights the reasons the RCEP needs to proceed – namely to allow the development of resources in the area economically and with investor confidence. Failure to undertake the RCEP would ultimately lead to sterilisation of an identified resource in the area, contrary to the best interests of the State and the Region. In addition, if the RCEP does not proceed, ongoing operations at the Rolleston Coal Mine will be limited with an early closure (the RCEP extends mining by 30 years). This will be damaging to the regional economy which supplies many of the goods and services for the current mining operations and its staff.</p> <p>The early closure of the existing operations would also likely lead to a decline in prosperity of the region as a</p>

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SCA Required Outcome 3	The activity will not result in a material impact on strategic cropping land in an area in the strategic cropping area.
Prescribed solution	Response
	<p>number of local employees would lose their jobs. The Applicant's ongoing operations at its existing and approved mine are fundamental to the growth and vitality of the Rolleston and Springsure townships. As the existing operator of the Rolleston Coal Mine, Glencore, in its various undertakings, has already made substantial contributions to these townships including infrastructure investment and local community grants; for example the recent establishment of five \$10,000 scholarships and a further \$10,000 in student prizes at the Emerald Agricultural College. The RCEP will continue this pattern of investment for the benefit of all residents.</p> <p>To the greatest extent possible, the RCEP has been designed to avoid and protect PALUs and SCL within the region (as discussed in the application). The RCEP will maximise opportunities for the co-existence of resource and agricultural land uses, including by the establishment of mutually beneficial infrastructure.</p>
(c) the construction and operation footprint of the activity on strategic cropping land is minimised to the greatest extent possible;	<p>This criteria is satisfied.</p> <p>The location for the RCEP is determined by the presence of coal seams that are amenable for economic extraction in the vicinity of the existing Rolleston Coal Mine. The RCEP involves an extension to an existing open cut in the Rolleston Coal Measures. Underground mining was considered in planning for the RCEP and was not considered viable as approximately 90% of the coal resource within the Project Footprint occur above a depth of 100 m. The depth of the resources and the number of seams targeted means that underground mining is not a viable option for the RCEP. Greater capital would also be required to operate the expansion as an underground operation given that the machinery currently used at the existing mine, which is suited to open cut mining methods, could not be used. In addition, open cut mining methods are more efficient in terms of resource utilisation. The disturbance footprint for the RCEP has been minimised to the greatest extent possible while allowing for safe and feasible mining of the identified coal seams.</p> <p>Every effort has been made to minimise the disturbance footprint of the RCEP on areas of SCA. Through detailed design of the Project, the area of SCA impact has been significantly reduced.</p> <p>Every effort has been made to minimise the disturbance footprint of the RCEP on areas of SCA. The RCEP's Water Management System for the Project has been subject to design considerations since 2011 and has been developed to avoid areas of environmental significance, including SCA (SCL as it was known at the time), in</p>

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SCA Required Outcome 3	The activity will not result in a material impact on strategic cropping land in an area in the strategic cropping area.
Prescribed solution	<p>Response</p> <p>the first instance. Where avoidance was not possible, mitigation and management measures were developed.</p> <p>The water infrastructure proposed for the project that impact on SCA involves the development of a water storage dam (ID water storage dam 2) and a diversion of a portion of the Sandy Creek. Detailed design has been completed for both aspects which have considered both environmental constraints as well as technical and economic aspects.</p> <p>Chapter 2 of the RCEP's EIS includes project justification and design considerations in Section 2.2.2.1 for the Water Management and Supply associated with the project and section 2.2.4 describes locality alternatives. This includes justification for the location of water infrastructure and why certain locations were chosen.</p> <p>Chapter 9 of the EIS and Appendix G-1 Surface Water Assessment contain the technical detail around the design justification for the location.</p> <p>In summary, the key reasons associated with the decision to locate this infrastructure in this area (based on detailed hydrological work) included:</p> <ul style="list-style-type: none"> • minimising the number of creek diversions required for the project • reducing the impact of the project on existing creek systems during modelled flood events (related to existing topography) • ensuring an appropriate water management system for the project, including minimising the spatial extent of land required to be impacted by additional water management infrastructure. • Efficiently linking infrastructure to the existing water management system in place in ML70307 with environmental, geological and topographical constraints. <p>The EIS and associated submissions report (which addressed all comments raised by submitters on the EIS including those from government agencies) was assessed and recommended to proceed by DEHP subject to public notification processes under the <i>Mineral Resources Act 1989</i> and <i>Environmental Protection Act 1994</i>.</p> <p>The road realignment has been the subject of extensive assessment, and the option with the least proposed impact on SCA has been selected. The preferred alignment minimises the overall impacts on land used for a SCA while still allowing for safe and efficient access and travel for road users.</p>

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SCA Required Outcome 3	The activity will not result in a material impact on strategic cropping land in an area in the strategic cropping area.
Prescribed solution	Response
	It should be noted that EIS had 2 options in relation to the Springwood Road re-alignment; since completion of the EIS, Option 1 has been chosen as the final preferred route in consultation with stakeholders. The Project footprint in the RCEP RPI application accords with the footprint based on Option 1, following further detailed design post-EIS.
<p>(d) either:</p> <p>(i) the activity will not have a permanent impact on the strategic cropping land in the area; or</p> <p>(ii) the mitigation measures proposed to be carried out if the chief executive decides to grant the approval and impose an SCL mitigation condition.</p>	<p>This criteria is satisfied.</p> <p>The RCEP will have a permanent impact on 1.22 % of SCA on the relevant property, as outlined in the application. This is not considered a material impact under the RPI Regulation.</p> <p>The Applicant anticipates that a mitigation measure will be a condition in the RIDA where impacts to SCA cannot be avoided, as per Part 4 of the RPI Act. Mitigation measures may include either a payment to the mitigation fund, the entering into a mitigation deed, or a combination of both. The Applicant has flagged is preparedness to consider, in consultation with the Department of Agriculture and Fisheries and other stakeholders including local landowners, entering into a mitigation deed to direct a mitigation measure towards (for example) development of research or action program/s directed towards improving cropping productivity or promote agriculture within the region to deliver tangible benefits to local agribusiness.</p> <p>It is noted that the permanent impact on SCA also encompasses the entire area of impact on PALU. Any mitigation measures for SCA will also mitigate impacts to PALU from the proposal.</p>
(2) Subsection (3) applies for each property (SCL) on which the activity is to be carried out if the applicant is not the owner of the land and has not entered into a voluntary agreement with the owner.	The RCEP will be carried out on a single property (SCL) (being lots owned by the same person and forming a single discrete area) owned by Glencore. Accordingly, assessment against subsection (3) is not required.
(3) The application must demonstrate the matters listed in this schedule, section 11 for a prescribed solution for required outcome 2 for the property (SCL).	Pursuant to subsection (2) above, assessment against subsection (3) is not required.

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ANNEXURE D: RCEP EIS Chapter - Introduction