

Planning Services Resource Assessments

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Adrian Moodie Senior Mining Engineer LakeCoal Pty Limited PO Box 7115 MANNERING PARK NSW 2269

Dear Mr Moodie

Chain Valley Colliery Extension Project (SSD 5465) Extraction Plan Chain Valley Bay Miniwalls (MW) 1-3 **Conditional Approval Miniwall CVB1**

I refer to your application for approval of LakeCoal's Extraction Plan for Miniwalls CVB1 to CVB3, as varied by changes to the subsidence monitoring frequencies provided in your email correspondence of 9 August 2017.

The Department has reviewed the revised Multi Seam Mining Feasibility Investigation (MSMFI) report previously provided by LakeCoal and the review of the MSMFI then provided by the Resource Regulator. It has also had careful regard to the independent review of the MSMFI and Extraction Plan commissioned by the Department from Emeritus Professor Jim Galvin.

In accordance with condition 6 of Schedule 4 of the consent for the Chain Valley Extension Project, the Secretary accepts the MSMFI report as being satisfactory. The Department also considers that the submitted Extraction Plan adequately addresses the matters required by condition 7 of Schedule 4 of the mine's development consent.

However, the Department considers that it is essential that approval of the extraction of second workings should be limited to a portion of Miniwall CVB1 until there is confirmation of the behaviour of the Teralba Conglomerate when undermined by CVB1. Should the Teralba Conglomerate not satisfactorily span CVB1, the width of the panel may have to be reduced outbye of 6 Cut-through.

Consequently, the Secretary has approved the submitted Extraction Plan for extraction of CVB1 only from its starting position up to 6 Cut-through. I will be in touch again shortly regarding the Department's specific requirements for additional investigations, monitoring and reporting regarding the integrity and strength of the Teralba Conglomerate and its behaviour during the approved extraction.

Should you have any enquiries in relation to this matter, please contact Colin Phillips.

Yours sincerely

Howard Reed

Director

Resource Assessments As nominee of the Secretary

Howard Reed