



BULLI SEAM OPERATIONS

ATTACHMENT 6

**DHARAWAL STATE CONSERVATION AREA
MEMORANDUM OF UNDERSTANDING**

**MEMORANDUM OF UNDERSTANDING
WITH RESPECT TO CONTINUATION OF EXPLORATION AND MINING
AFTER RESERVATION OF THE DHARAWAL STATE RECREATION AREA**

This Memorandum of Understanding (“MoU”) is made between the Director-General of National Parks & Wildlife (“D-G NPW”), the Director-General of the Department of Mineral Resources (“D-G DMR”) and the Group General Manager of Collieries Division, BHP Coal (on behalf of BHP Steel (AIS) Pty Ltd), (“the parties”) and records the understanding and agreement between the parties with respect to the continuation of exploration and mining in the land now reserved as the Dharawal State Recreation Area (“the SRA”).

Introduction

The NSW Government has reserved the Dharawal State Recreation Area in the County of Cumberland east of Appin.

The SRA is of high natural and cultural conservation significance containing poorly conserved vegetation communities, threatened plant and animal species and nationally significant Aboriginal sites.

BHP Steel (AIS) Pty Ltd (“AIS”) holds Consolidated Coal Leases 724 and 767, containing large coal reserves within the SRA.

Continued mining of those coal reserves, particularly hard coking coal used in Port Kembla Steelworks and exported, will provide substantial benefits to the national, state and regional economies and to regional employment; and

The *National Parks and Wildlife Act 1974* (“the NPW Act”) permits mining on land which is reserved as an SRA.

Terms of agreement

1. In this MoU “exploration and mining” refers to any of the following;
 - exploration for coal
 - resource assessment of coal
 - mining of coal
 - exploration for seam gas
 - resource assessment of seam gas
 - extraction of seam gas

2. The D-G NPW will permit continued exploration and mining in accordance with this MoU and the legislation under which the National Parks and Wildlife Service (“NPWS”) operates.

3. The D-G DMR will facilitate and regulate continued exploration and mining within and adjacent to the SRA, in accordance with this MoU and within the terms and provisions of the legislation under which the Department of Mineral Resources (“DMR”) operates.
4. The parties will make decisions and conduct operations with respect to mining and exploration in the SRA in accordance with the principles of ecologically sustainable development and the effective integration of economic and environmental considerations in decision-making processes, as described in section 6(2) of the *Protection of the Environment Administration Act 1991*.
5. AIS will conduct exploration and mining within the SRA in a manner which recognises and respects the long term land use of the area for conservation, scientific, water quality and recreational purposes.
6. There will continue to be surface impacts associated with exploration and mining throughout the life of exploration activities and mining operations within the SRA.
7. Surface disturbing activities proposed within the SRA (other than those to be conducted under an existing approval under the *Environmental Planning and Assessment Act 1979* (“*EPA Act*”) will be preceded by environmental impact assessment in accordance with protocols to be established between the parties under Clause 12 of this MoU. Such environmental impact assessment will be determined under the provisions of Part V of the *EPA Act*, following consultation between the NPWS and the DMR.
8. Following completion of exploration and mining within the SRA, surface and underground access may continue to be required within the SRA in order to successfully conduct exploration and mining adjacent to the SRA.
9. All titles under the *Mining Act 1992* or the *Petroleum (Onshore) Act 1991* affecting the SRA and current and in force at the time of its reservation; all approvals, licences etc relating to exploration and mining issued pursuant to such titles and current and in force at the time of its reservation; and all other existing authorisations, permits, licences, approvals etc affecting the SRA, given by either the Crown or trustees of the land contained within the SRA, and current and in force at the time of its reservation will, for the purposes of the *NPW Act*, be considered as existing interests within the meaning of s. 47(H) of that Act.

10. Applications for new titles, approvals, licences, authorisations, permits etc relating to either currently-allocated or currently-unallocated coal reserves within or adjacent to the SRA, will be considered carefully and sympathetically and determined by the parties and their administrations to permit mining and exploration, subject to the requirements of the *EPA Act* and any protocols established under Clause 12 of this MoU.
11. A plan of management for the SRA will be prepared pursuant to s. 72 (1A) of the *NPW Act*; that Plan will include provisions for the management (including environmental management) of exploration and mining related activities within the SRA; and those provisions and any other provisions which may affect exploration and mining related activities will be developed by the NPWS in full consultation with the DMR, Sydney Water and AIS.
12. A consultative committee of four members, comprising representatives of AIS (1), the NPWS (1), the DMR (1), and Sydney Water (1) will be established to:
 - develop general conditions and protocols under which exploration and other surface disturbing activities related to exploration and mining, including rehabilitation, are to be conducted within the SRA;
 - develop protocols for assessment of environmental impact of proposed mining and exploration within and adjacent to the SRA;
 - consult and liaise over the development of the plan of management for the SRA; and
 - provide advice to the Minister for the Environment, the Minister for Mineral Resources, the Minister for Urban Affairs and Planning and AIS over the management of the SRA and activities under the exploration and mining titles thereon.
13. Where part or whole of either CCL 724 or CCL 767 is sold or transferred to an entity other than AIS or one of its associated entities, the transferee will be strongly encouraged by the D-G NPW and D-G DMR to become party to this MoU.
14. This MoU will be subject to review in the following circumstances:
 - five years from the date on which it is signed by the parties; or
 - earlier as may be agreed to by the parties; or
 - at the request of a transferee prior to it becoming a party to the MoU.

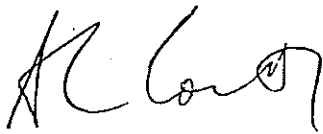
Signatories to the Memorandum of Understanding between BHP Steel (AIS) Pty Ltd, the National Parks and Wildlife Service and the Department of Mineral Resources on continuation of exploration and mining in the Dharawal State Recreation Area.



Robyn Kruk
Director-General
NSW National Parks and Wildlife

signature: _____

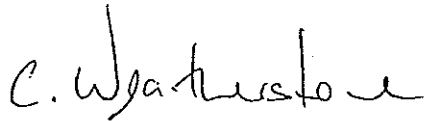
date: 16/2/98



Alan Coutts
Director-General
NSW Department of Mineral Resources

signature: _____

date: 16/2/98



Col Weatherstone
Group General Manager
Collieries Division, BHP Coal for
BHP Steel (AIS) Pty Ltd

signature: _____

date: 31.3.98