



APPROVALS PROCESS

Exploration work for the Bylong Coal Project (the Project) has defined a mineable coal resource within Authorisations (A) 287 and A342. KEPCO Bylong Australia (KEPCO) is seeking development consent for a State Significant Development under the New South Wales (NSW) *Environmental Planning and Assessment Act 1979* (EP&A Act). The Project also requires Australian Government approval after being deemed a 'controlled action' under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

The first step in the approvals process was an independent assessment by the Mining and Petroleum Gateway Panel of the potential impacts of the Project on Strategic Agricultural Land and associated water resources. This resulted in the Project receiving a conditional Gateway Certificate on 15 April 2014. The outcomes of the gateway process guided the Secretary's Environmental Assessment Requirements (SEARs), issued by the NSW Department of Planning and Environment (DP&E) in June 2014.

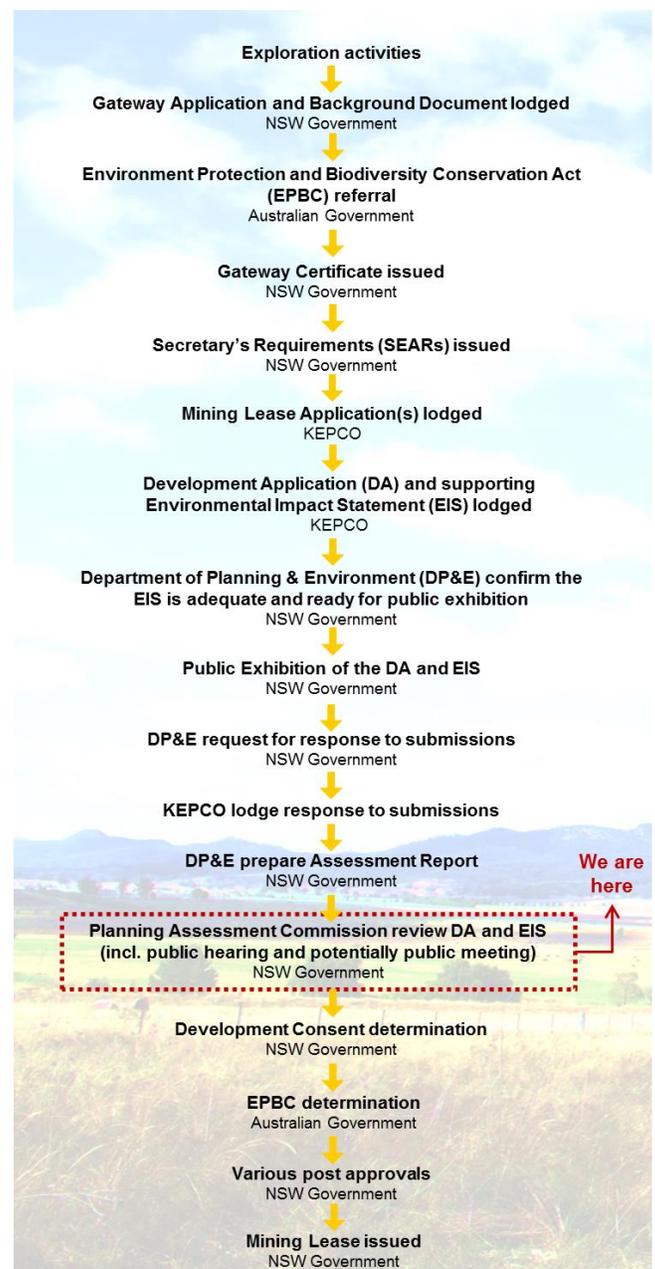
The SEARs define comprehensive environmental assessment requirements to be addressed by the Project's Environmental Impact Statement (EIS). The SEARs were revised in November 2014 to reflect minor changes to the mine plan.

ENVIRONMENTAL IMPACT STATEMENT

The purpose of the EIS was to provide a detailed description of the Project, understand the existing environment of the project area, identify potential environmental, economic and social impacts of the proposed development, and then manage these impacts through avoidance, mitigation and offsetting. The EIS also identifies actions to enhance the benefits and social opportunities of the Project for the local region.

An EIS was prepared to support the Development Application (DA) for the Project following comprehensive exploration, environmental monitoring and technical studies which commenced in 2011. The EIS was informed by extensive stakeholder engagement and rigorous scientific assessment of the Project's development plans.

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The DA and supporting EIS were submitted to DP&E in July 2015, and placed on extended public exhibition from 23 September to 6 November 2015. During the exhibition period, members of the public were invited to review the EIS and make a written submission to the DP&E.

DP&E received a total of 383 submissions on the EIS. KEPCO and its EIS consultant Hansen Bailey have since reviewed and prepared a response to these submissions in the form of a Response to Submissions (RTS) report.

KEPCO submitted the RTS report to DP&E on 23 March 2016. The report addresses issues raised during public exhibition and provides additional information and / or clarification of various aspects of the EIS.

KEPCO responded to supplementary submissions received by DP&E in the form of a Supplementary RTS report which was provided to DP&E on 19 August 2016 for consideration.

Following DP&E's consideration of the RTS and Supplementary RTS and its preparation of an Assessment Report, the application was referred to the NSW Planning Assessment Commission (PAC) for review and consideration, including a public hearing of submissions on the Project.

The PAC released its report to the Minister for Planning on 25 July 2017 and the Project has now been returned to DP&E for consideration of the PAC findings.

KEPCO has prepared a detailed response to address the issues raised by the PAC in relation to the benefits of the Project, to definitely quantify residual impacts and to illustrate how these residual impacts can be appropriately mitigated and managed in accordance with regulatory requirements and industry leading practice.

DP&E will now prepare a final Assessment Report considering the information provided in KEPCO's Response to the PAC Review Report. The Project is then delegated back to the PAC as the delegate of the NSW Minister for Planning for a final determination (this may or may not include a public meeting).

EPBC REFERRAL

The EPBC Act prescribes the Australian Government's role in environmental assessment, biodiversity conservation and the management of Matters of National Environmental Significance (MNES). The EPBC Act is administered by Australian Government's Department of the Environment and Energy (DoEE).

Under the EPBC Act, any action that is considered likely to have an impact on MNES must be referred to the Australian Minister for the Environment. The purpose of the referral is to determine if the Project constitutes a 'controlled action' requiring approval from the Australian Government.

A referral for the Project was submitted to the now DoEE in February 2014, and the Project was subsequently deemed a 'controlled action'. Australian Government approval of the Project is being sought concurrently with the state approvals process through the Bilateral Agreement process under the EPBC Act.

The SEARs for the Project include the DoE's environmental assessment requirements and an assessment of potential impacts on MNES has been completed as part of the EIS and associated material being considered by the NSW Government.

MINING LEASE APPLICATIONS

Mining Lease Applications for the Project have been lodged with the NSW DP&E – Division – of Resources and Energy (DRE).

The mining lease application process will continue in parallel with the DA process and conclude following the determination of development consent for the Project. For further information, please refer to the NSW Department of Industry - Resources and Energy website: www.resourcesandenergy.nsw.gov.au

ADDITIONAL APPROVALS AND LICENCES

KEPCO will be required to obtain a number of other licences and approvals under NSW legislation to enable the construction and operation of the Project. Relevant approvals will be sought under legislation including, but potentially not limited to:

- *Roads Act 1993*
- *Crown Lands Act 1989*
- *Protection of the Environment Operations Act 1997*
- *Forestry Act 2012*
- *Radiation Control Act 1990*
- *Mining Act 1992*
- *Water Management Act 2000*
- *Work Health and Safety Regulation 2017*
- *Work Health and Safety (Mines and Petroleum Sites) Regulation 2014*
- *Public Health Regulation 2012.*

Some of these approvals will be required prior to the commencement of construction activities, while others may only be required at various stages throughout construction and operation of the Project.

NEED MORE INFORMATION?

Please contact the Bylong Coal Project Team on 1800 BYLONG (1800 295 664) or email at bylong@worleyparsons.com.