

Upper Hunter Mining Dialogue

Final and Temporary Rehabilitation Principles and Commitments

2020 Results and Commentary

REPORT BY PEABODY ENERGY
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Final and Temporary Rehabilitation Principles and Commitments

Introduction

The nine coal producing companies of the Upper Hunter, through the Upper Hunter Mining Dialogue (the Dialogue), have agreed to this set of principles and commitments regarding final and temporary rehabilitation. The Rehabilitation Principles and Commitments have been developed with advice and guidance from the Dialogue's Joint Environment Working Group, which comprises industry, local and state government, interest groups, and community stakeholders.

The Upper Hunter Mining Dialogue has two goals regarding land management:

- *Goal 1 - To decrease the time that disturbed areas are left without final or temporary cover, recognising that different mining operations are at different points in rehabilitation.*
- *Goal 2 - To achieve a consistent level of best practice, quality, integrated rehabilitation – both within the industry and with future land uses - across the Upper Hunter and to be a responsible steward of the land.*

The primary focus of the Rehabilitation Principles and Commitments is to contribute to Goal 1. Several other projects are underway to progress Goal 1. The industry participants in the UHMD acknowledge the importance of clear goals for rehabilitation developed through consultation with community and regulators, continuing to improve rehabilitation techniques and sharing innovative and successful rehabilitation techniques within the industry. Projects under Goal 2 focus on continuous improvement of rehabilitation practices.

Principles and Commitments

The Upper Hunter coal producers will publicly report against the Principles and Commitments on an annual basis. The reporting will be aggregated by the NSW Minerals Council and shared with the community. Table 1 sets out the six principles and provides a description of how each will be reported against. Contextual information is also sought from industry regarding variations in their annual reporting, as well as an opportunity to provide commentary on their future rehabilitation targets for the years ahead.

Table 1 – Principles and Commitments

Principle	Reporting
<p>Principle 1 – Include rehabilitation planning in mine planning</p>	<p><i>Narrative</i> – how has this been done in the last period</p>
<p><i>Planning for rehabilitation should be integrated into the mine planning process and should include allocating adequate and dedicated resources to achieve the planned rehabilitation outcomes.</i></p>	<p>Short and medium term planning is undertaken with Mine Planners on a weekly basis which includes the discussion of future areas to be rehabilitated in accordance with the MOP.</p> <p>Wambo Coal utilises a specialist rehabilitation contractor.</p> <p>All rehabilitation activities undertaken during the reporting period were undertaken with consideration to the agreed post rehabilitation land use goals.</p>
<p>Principle 2 – Undertake progressive rehabilitation</p>	<p><i>Narrative</i> – how has this been implemented in the last twelve months</p>
<p><i>Companies should undertake rehabilitation progressively, with the objective of ensuring that rehabilitation is as close as possible to active mining.</i></p>	<p>Due to the transition to the United Wambo Joint Venture (UWJV) which occurred between August 2019 and November 2020, Wambo did not complete all planned rehabilitation activities as outlined in the MOP due to inconsistencies with the UWJV mine plan. Rehabilitation of the RL110 dump continued as this area was not likely to be impacted by the UWJV in the short term.</p>
<p>Principle 3 – Minimise time that disturbed areas are left without vegetation</p>	<p><i>Narrative</i> – how has this been implemented in the last twelve months</p>
<p><i>Companies should actively seek to minimise the time that land is left without cover during mining. This should include:</i></p> <ul style="list-style-type: none"> ▪ <i>Taking steps to ensure that rehabilitation is commenced within 12 months of land becoming available for rehabilitation</i> ▪ <i>Utilising methods of temporary rehabilitation¹, such as aerial seeding of over burden and other disturbed areas where permanent rehabilitation has not commenced.</i> 	<p>Medium and long term rehabilitation planning has been integrated in the Rehabilitation Management Plan process to allow rehabilitation to commence at the earliest possible operational time.</p>

¹ Temporary rehabilitation describes reshaping, revegetation and other rehabilitation techniques that are used for purposes other than final rehabilitation. This includes such initiatives as seeding overburden emplacement areas to reduce erosion, which are only temporary.

Principle	Reporting
<p>Principle 4 – Prioritise areas of rehabilitation and temporary cover to reduce impacts</p>	<p><i>Narrative</i> – how has this been implemented in the last twelve months</p>
<p><i>Companies should prioritise rehabilitation and temporary cover in those areas where leaving land exposed will have the most impact. The following areas should be considered to have priority:</i></p> <ul style="list-style-type: none"> ▪ <i>Areas that have the greatest impact on visual amenity, such as areas that face townships, residences, or the highway</i> ▪ <i>Areas that have the potential to generate dust leaving the site</i> ▪ <i>Areas that are important for biodiversity, such as rehabilitation adjoining or providing connectivity to remnant vegetation.</i> 	<p>Rehabilitation of the RL110 dump continued as this area was not likely to be impacted by the UWJV in the short term.</p>
<p>Principle 5 – Meet target for rehabilitation progress identified in the Mining Operations Plan</p>	<p><i>Quantitative</i> – report MOP target and actual rehabilitation</p> <p><i>Narrative</i> – explanation of performance</p>
<p><i>Each company should meet the annual target for rehabilitation quantity (area) set in the Mining Operations Plans for each of its mines.</i></p>	<p>MOP target 45.3 ha for 2020.</p> <p>Rehabilitation achieved was 5.0ha.</p> <p>Due to the transition to the United Wambo Joint Venture (UWJV) which occurred between August 2019 and November 2020, Wambo did not complete all planned rehabilitation activities as outlined in the MOP due to inconsistencies with the UWJV mine plan.</p>
<p>Principle 6 – Set quality targets for rehabilitation in the Mining Operations Plan and implement a monitoring program to measure performance</p>	<p><i>Narrative</i> – summary of quality targets for the various rehabilitation types; and summary of monitoring program scope and status.</p>
<p><i>Each company should include quality targets for the various types of rehabilitation in the Mining Operations Plan for each of its mines. A monitoring program to measure the performance of rehabilitation areas against the quality targets should be implemented at each of its mines.</i></p>	<p>Biodiversity Monitoring is undertaken on an annual basis during spring which includes monitoring of pasture, riparian and woodland rehabilitation. This is reported in the 2020 Annual Review.</p>

Contextual information

<p><i>This section provides an opportunity for each company to provide some commentary or contextual information regarding their reported results. Such information could include advice on:</i></p> <ul style="list-style-type: none">- <i>Any material changes to the site (i.e., expansions, acquisitions, or divested assets); or</i>- <i>Why any figures may have changed since the last reporting period?</i>	<p>On 29 August 2019, the UWJV (State Significant Development [SSD] 7142, DA305-7-2003 [Modification 16] and DA177-8-2004 [Modification 3]) was determined. As of 1st December 2020, Glencore operates all future open cut mining in the Project Area.</p> <p>Rehabilitation data has been provided for 2020 up to an including 30th November 2020 at which time the Wambo Open Cut area was operated by Wambo Coal Pty Ltd, a subsidiary of Peabody Energy Australia Pty Ltd. Data has also been provided as of 31st December 2020 at which time, Wambo Coal Pty Ltd no longer operates the previous Wambo Open Cut and the Wambo Operational Area has reduced significantly as per Attachment A.</p>
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Future rehabilitation priorities

<p><i>This section provides an opportunity for each company to provide details on rehabilitation activities at their site/s for the upcoming year.</i></p>	<p>Going forward, rehabilitation activities will be mostly associated with subsidence impacts from underground mining.</p>
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