

**E12/2241 : Document Comparison Matrix and copies of
relevant Documents that are not contained within Return to
Order**

CONFIDENTIAL

E12/2241 Document Comparison Matrix

Call for papers 12 November 2009 : All documents in the possession, custody or Control of the Premier, the Department of Premier and Cabinet, the Minister for Mineral Resources and Minister for Primary Industries, the Department of Industry and Investment, the Treasurer, NSW Treasury in relation to Exploration Licence 3771 (now Exploration Licence 7406) - My Penny, including any document relating to the tender process, and any document which records or refers to the production of documents as a result of this order of the House.

Index Ref	Call for Papers	Privileged	Relevant documents from ICAC EOI Brief not in Call for Papers	ICAC Exhibit / Page number
A40	Undated 2001 - The Western Coalfield Narrative : 2001 (GS2001/204)	No		
A39	Mt Penny Boreholes : Drilling and Geological Data	No		
			9/05/2008 12:00:59 email from Graham Hawkes to Jamie Gibson forwarding Mt Penny information provided by Larkings. Attaches Mt Penny Area Map 9 May 2008	J-9 Pp 41 - 42
			9/05/2008 12:06:09 email from Jamie Gibson to Graham Hawkes asking for Mt Penny brief that he can provide to "boss"	J-9 Pp 43 - 44
			9/05/2008 12:57:52 email Graham Hawkes to Jamie Gibson attaching "Mt Penny - Bylong Valley" briefing and Mt Penny Area Map 9 May 2008 for Minister	J-9 Pp 45 - 49
			14/05/2008 11:02 AM email from Jamie Gibson to Craig Munnings requesting more information on the Mt penny area of the Bylong Valley. Gibson asks if it is possible for DPI to open it's holdings for tender	J-9 Pp 62 - 64
			14/05/2008 13:39:36 email from Graham Hawkes to Brad Mullard re Gibson's inquiry and forwarding "Mt Penny - Bylong Valley" briefing and Mt Penny Area Map 9 May 2008	J-9 Pp 65 - 68
			14/05/2008 14:43:12 email from Graham Hawkes to Craig Munnings seeking more information about Mt Penny as per Gibson's request	J-9 Pp 69 - 72
			14/05/2008 15:51:27 email from Alan Coutts to Graham Hawkes re Mt Penny as a potential allocation area	J-9 Pp 73 - 74
			1/06/2008 00:28:18 email from Alan Coutts to Brad Mullard re Minister's request on future allocations	J-9 Pg 77
			2/06/2008 14:13:22 email from Shirley Hibbs to Brad Mullard containing 'Small Areas in the Western Coalfield.doc'	J-9 Pp 80 - 84
			2/06/2008 14:13:47 email from Shirley Hibbs to Brad Mullard containing 'Potential Coal Tender Areas.doc'	J-9 Pp 85 - 90
			2/06/2008 16:11:03 email from Leslie Wiles to Brad Mullard containing three maps - Benelabri, North Bylong and Ridglands.	J-9 Pp 91 - 94
			2/06/2008 16:54:08 email from Brad Mullard to Harriet Skinner with "Small Areas in the Western Coalfield.doc" attached	J-9 Pp 95 - 99
			3/06/2008 Ministerial briefing BN08/1229 prepared by Brad Mullard titled 'Potential Coal Allocation Areas in Western NSW' provided by L Wiles	J-9 Pp 100 - 108
			4/06/2008 10:01:58 email from Brad Mullard to Harriet Skinner containing 'EOI_Areas.doc'	J-9 Pp 109 - 115
			4/06/2008 12:37:24 email from Shirley Hibbs to Leslie Wiles containing 'Potential Coal Allocation Areas in Western NSW.doc'	J-9 Pp 117 - 126
			4/06/2008 16:26:35 email from Jamie Gibson to Brad Mullard re follow up meeting with GMT regarding drilling rig/crew purchase	J-9 Pp 127 - 128
			4/06/2008 17:06:32 email from Jamie Gibson to Brad Mullard re request for maps shown to Macdonald to be enlarged and sent up	J-9 Pp 129 - 130
			5/06/2008 07:19:00 email from Richard Sheldrake to Brad Mullard regarding extra resources required for drilling.	J-9 Pg 131

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Index Ref	Call for Papers	Privileged	Relevant documents from ICAC EOI Brief not in Call for Papers	ICAC Exhibit / Page number
			5/06/2008 09:59:29 email from Robert Larkings to Brad Mullard attaching "Drill Rig Indicative Cost summary.xls"	J-9 Pp 132 - 133
			5/06/2008 16:32:06 email from Jamie Gibson to Mullard and Munnings confirming receipt of the maps and requesting full list of resource deposits across NSW	J-9 Pp 134 - 135
			5/06/2008 16:41:36 email from Brad Mullard to Robert Larkings attaching "Copy of Drill Rig Indicative Cost summary.xls"	J-9 Pp 136 - 137
			5/06/2008 16:54:33 email to Brad Mullard from Julie Moloney attaching version of 'Potential Coal Allocation Areas in Western NSW' provided by Wiles	J-9 Pp 138 - 144
			5/06/2008 18:02:15 email from Jamie Gibson to Brad Mullard requesting the full list of resource deposits across NSW in one week	J-9 Pp 145 - 146
			5/06/2008 18:06:49 email from Robert Larkings to Brad Mullard, Harriet Skinner and Patricia Madden attaching 'MB Drill Rig Costs.doc'	J-9 Pp 147 - 151
			5/06/2008 18:38:10 email from Brad Mullard to Julie Moloney re full list of resource deposits across NSW	J-9 Pp 152 - 153
			5/06/2008 18:39:11 email from Brad Mullard to Julie Moloney re full list of resource deposits across NSW	J-9 Pp 154 - 156
			6/06/2008 15:04:08 email from Jamie Gibson to Craig Munnings requesting a copy of the latest Bylong Valley (Mt Penny) map.	J-9 Pg 158
			6/06/2008 15:25:20 email from Brad Mullard to Craig Munnings containing four maps - Benelabri, North Bylong, Ridglands and Western Allocation.	J-9 Pp 159 - 163
			6/06/ 2008 15:59:01 email from Craig Munnings to Jamie Gibson containing four maps - Benelabri, North Bylong, Ridglands and Western Allocation.	J-9 Pp 164 - 168
			16/06/2008 10:22:34 email from Patricia Madden to Brad Mullard containing 'Coal Exploration & tender areas.doc'	J-9 Pp 171 - 175
			16/06/2008 11:28:23 email from Brad Mullard to Richard Sheldrake, Jamie Gibson and Craig Munnings attaching "EOI Areas.doc"	J-9 Pp 176 - 182
			16/06/11:34:10 email from Julie Moloney to Brad Mullard containing 'West Allocation 16 June 2008.jpg'	J-9 Pp 183 - 184
			17/06/2008 9:22:11 email from Karen Inglis to Mullard containing a pdf and jpg version of 'Future Exploration Tender Areas'	J-9 Pp 188 - 189
			19/06/2008 13:07:03 email from Julie Moloney to Brad Mullard containing list of Western Coalfield companies document	J-9 Pp 193 - 193.1
			19/06/2008 13:46:24 email from Julie Moloney to Brad Mullard containing revised list of Western Coalfield companies document	J-9 Pp 194 - 195
			25/06/2008 10:24:34 email from Julie Moloney re Western Coalfield Areas	J-9 Pp 218 - 219
A1	26/06/2008 - Coal Exploration Licence Application / Renewal Identification Sheet : Fred Schiavo	No		J-9 Pg 216
			27/06/2008 14:32:43 email from Julie Moloney to Fred Schiavo and Melanie Brown regarding shapes files for 5 areas in Western Coalfield with potential EOI's	J-9 Pp 221 - 222
			2/07/2008 17:49:55 email to from Julie Moloney to Brad Mullard with list of companies to be invited	J-9 Pp 225 - 226
			4/07/2008 15:27:39 email from Allan Coutts to Sheldrake re meeting with Minister on 7 July 2008	J-9 Pg 227
			7 /07/2008 13:32:13 email from Julie Moloney to Kevin Ruming re Mt Penny	J-9 Pg 231
A2	7/07/2008 - Mt Penny ID Diagram : Fred Schiavo	No		J-9 Pg 217
			18/07/2008 15:44:16 email from Julie Moloney to Brad Mullard attaching 3 documents re briefing re potential EOI areas	J-9 Pp 237 - 241.1

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			23/07/2008 Ministerial briefing BN08/1589 'Coal Allocation Proposal' BN08/1589 prepared by Patricia Madden	J-9 Pp 254 - 264
			23/07/2008 11:04:15 email from Brad Mullard to Julie Moloney attaching draft of "NSW Coal Allocation Strategy.doc"	J-9 Pp 265 - 272
			23/07/2008 11:17:58 email Brad Mullard to Julie Moloney with attachment 'Company EOI July 2008.doc'	J-9 Pp 273 - 274
			23/07/2008 11:33:05 email Brad Mullard to Patricia Madden email with attachment 'Company EOI July 2008'.	J-9 Pp 275 - 276
			23/07/2008 11:35:48 Email Patricia Madden to Craig Munnings and Brad Mullard with attachment 'Company EOI July 2008'.	J-9 Pp 277 - 278
			23/07/2008 12:05:08 email from Julie Moloney to Brad Mullard with track changes on "NSW Coal Allocation Strategy.doc"	J-9 Pp 279 - 289
			30/07/2008 13:48:37 email from Shirley Hibbs (on behalf of Brad Mullard) to Jamie Gibson regarding his request for more information on the areas	J-12 Pp 294 - 296
			30/07/ 2008 14:35:32 email from Jamie Gibson to Craig Munnings re TRIM Briefing: BN08/1229 : Potential Coal Allocation Areas in Western NSW'	J-12 Pp 297 - 307
			30/07/2008 16:12:39 email from Patricia Madden to Craig Munnings	J-12 Pp 308 - 312
			31/07/2008 16:21:38 email from Patricia Madden to Jamie Gibson titled 'Coal Allocation Proposal' attaching 3 documents re coal tender areas	J-12 Pp 313 - 331
			3/09/2008 9:37:25 Email from Brad Mullard to Alan Coutts attaching "Remnant Release Areas Inform Pack Text Fig 1 August 2008 2008.doc"	J-12 Pp 380 - 395
A3	August 2008 - Coal Release Areas : Gunnedah Coalfield; Hunter Coalfield and Western Coalfield - Expression of Interest Information	No		J-12 Pp 332 - 356
A4	9/09/2008 - Director General Briefing - Coal Allocation Proposal prepared by Patricia Madden, Manager Operations, Mineral Resources, Industry & Investment NSW	No		J-12 Pp 403 - 405
			12/09/2008 letter from Amerod (White Energy) to DPI re EOI	J-12 Pg 414
			17/09/2008 16:10:35 Email Jenny Ward to Lyndall Derrig regarding response to Newcastle Herald	J-12 Pp 415 - 418
			17/09/2008 16:33:16 email Tracey Godwin to Jenny Ward containing list of coal release areas	J-12 Pp 419 - 420
			18/09/2008 letter from White Energy re Expression of Interest in NSW Coal Deposits	J-12 Pg 421
			18/09/2008 letter from Arthur Phillip re Arthur Phillip NSW Coal Program	J-12 Pg 422
			19/09/2008 letter from Griffin Coal re Expression of Interest for the Gunnedah, Hunter and Western Coalfields	J-12 Pg 423 - 424
			19/09/2008 letter from Cascade Coal re Interest in NSW Coal Deposits	J-12 Pg 425
			20/09/ 2008 letter from Redman Mining re Pursuit of NSW Coal Deposits	J-12 Pg 426
			25/09/2008 Letter from NSW Minerals Council to Macdonald	J-12 Pg 427
			1/10/2008 16:43:13 email Craig Munnings to Jamie Gibson and Graham Hawkes	J-12 Pg 428
			3/10/2008 letter from Julie Moloney to Richard Poole, Cascade Coal re letter 19/09/2008	J-50 2471
			3/10/2008 letter from Tiaro Coal re Expression of Interest -Coal Release Areas August 2008	J-12 Pg 429
			3/10/2008 14:20:37 email Lindsay Karathanassis to Julie Moloney - expression of interest from Indian companies	J-12 Pg 430 - 431
			13/10/2008 Ministerial briefing note prepared by Patricia Madden titled 'Extension of Coal Allocation Areas Expression of Interest' - version 1	J-12 Pp 432 - 434

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			13/10/2008 Ministerial briefing note prepared by Patricia Madden titled 'Extension of Coal Allocation Areas Expression of Interest' - version 2	J-12 Pp 435 - 437
A5	13/10/2008 - Mineral Briefing - Coal Allocation Areas Expressions of Interest prepared by Patricia Madden, Manager Operations, Mineral Resources, Industry & Investment NSW	No		J-12 Pp 438 - 440
			13/10/2008 11:21:49 email Graham Hawkes to Craig Munnings with list of companies	J-12 Pp 441 - 449
			28/10/2008 letter from Real Brand Holdings re EOI	J-12 Pg 450 - 452
			28/10/ 2008 MOC08/1547 Briefing and draft letters re NSW Minerals Council and Tiaro Coal	J-12 Pp 453 - 456
			6/11/ 2008 11:24:44 email from Tracey Godwin to Tony Vankeulen et al re media enquiries for EOI areas	J-12 Pg 457
			1/11/2008 12:16:45 email Jamie Gibson to Alan Coutts re discussion this morning sending names of companies who have contacted DPI	J-12 Pp 458 - 459
			12/11/2008 12:16:45 email from Jamie Gibson to Alan Coutts regarding list of companies	J-12 Pg 467
			13/11/2008 1:42:20 email from Patricia Madden to Brad Mullard with list of companies	J-12 Pp 460
			13/11/2008 16:07:38 email from Alan Coutts to Jamie Gibson containing list of companies	J-12 Pp 461 - 462
Nil	14/11/2008 - Email from Garth Holmes to Alan Coutts re "Coal Release Areas" EOI Evaluation Process dated	No		J-12 Pg 468
			14/11/2008 17:06:36 email to Zanella, Mullard and Hughes from Garth Holmes	J-12 Pp 469 - 470
			20/11/ 2008 copy of signed letter from Brad Mullard to Kevin Fennell confirming his engagement	J-12 Pg 475
A7	20/11/2008 - Expression of Interest - Jain Group	Yes		
			21/11/2008 12:29:25 email from Garth Holmes to Brad Mullard attaching draft "Coal Release Areas ED letter to KFennell 21Nov2008.doc"	J-12 Pp 463 - 465
			21/11/2008 copy of signed letter from Brad Mullard to Kevin Fennell regarding proposed re-opening of EOI process	J-12 Pp 476 - 477
A8	21/11/2008 - Expression of Interest Monaro Mining	Yes		J-20 Pp 1196 - 1315
			23/11/2008 18:23:47 email correspondence between Brad Mullard and Garth Holmes re Fennell letters	J-12 Pp 478 - 481
			24/11/2008 letter to Kevin Fennell from Lindsay Gilligan	J-12 Pg 482
			24/11/2008 14:51:12 email from Garth Holmes to Brad Mullard re Declaration of Expressions of Interest	J-12 Pp 483 - 485
			24/11/2008 16:42:46 email Patricia Madden to Jamie Gibson	J-12 Pp 486 - 489
			25/11/2008 Fax cover sheet and letter from Brad Mullard to Kevin Fennell replacing letter dated 21/11/08 re re:-opening	J-12 Pg 490 - 492
			25/11/2008 09:11:28 Email Sheldrake to Brad Mullard regarding letter to Kevin Fennell	J-12 Pp 493 - 497
			25/11/2008 10:05:49 Email Jenny Ward to Julie Moloney and Brad Mullard regarding media enquiries on EOI's	J-12 Pp 498 - 501
			25/11/2008 11:44:26 email from Garth Holmes to Zanella, Mullard and Hughes re evaluation process	J-12 Pp 502 - 503
			25/11/2008 14:54:43 Email Patricia Madden to Garth Holmes attaching Kevin Fennell letter	J-12 Pp 504 - 506
			25/11/2008 15:16:02 Email Brad Mullard to Garth Holmes attaching Fennell letter	J-12 Pp 507 -509
			25/11/2008 15:32:55 Garth Holmes to Brad Mullard cc Patricia Madden attaching revised Fennell letter	J-12 Pp 510 - 513

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			25/11/ 2008 15:39:59 Email Madden to Holmes cc Mullard attaching revised Fennell letter	J-12 Pp 514 - 516
			25/11/2008 16:46:20 Email Garth Holmes to Patricia Madden cc Mullard	J-12 Pp 517 - 518
			26/11/2008 letter from Kevin Fennell to Garth Holmes re engagement	J-12 Pg 520
			26/11/2008 08:26:11 email from Brad Mullard to Richard Sheldrake advising of meeting with Fennell re change to EOI process	J-12 Pg 521
			26/11/2008 08:28:39 email from Brad Mullard to Jamie Gibson advising of meeting with Fennell re change to EOI process	J-12 Pg 522
			27/11/2008 17:18:15 email from Brad Mullard to Richard Sheldrake re outcome of meeting with Fennell	J-12 Pp 523 - 525
			27 /11/ 2008 17:44:41 email from Brad Mullard to Jamie Gibson re meeting with Fennell	J-12 Pg 526
			28/11/2008 15:40:47 Email Patricia Madden to Julie Moloney attaching letter to Fennell	J-12 Pp 527 - 529
			28/11/2008 16:40:55 Email Garth Holmes to Brad Mullard cc Julie Moloney attaching Letter from Kevin Fennell 28/11/2008	J-12 Pp 530 - 533
			28/11/2008 Letter from Richard Poole, Cascade Coal to Julie Moloney, DPI re Expression of Interest in Specific NSW Coal Deposits	J-48 Pp 10 - 15
			3/12/2008 Unsigned ministerial brief reopening EOI	J-12 Pp 534 - 536
			5/12/2008 15:39:33 email from Brad Mullard to Richard Sheldrake containing documents re re-opening of EOI process	J-12 Pp 537 - 575
			5/12/2008 15:46:44 Email from Brad Mullard to Jamie Gibson re re-opening of EOI process (attachments same as email 5/12/2008 15:39:33)	J-12 Pp 577 - 578
			8/12/2008 12:47:28 email from Brad Mullard to Kevin Fennell re re-opening of EOI (attachments same as email 5/12/2008 15:39:33)	J-12 Pp 579 - 580
			10 December 2008 letter from Fennell to Mullard	J-12 Pg 581
			12/12/2008 12:07:00 email from Patricia Madden to Graham Hawkes, Brad Mullard et al attaching correspondence with draft briefing and information package re re-opening of EOI process (attachments same as email 5/12/2008 15:39:33)	J-12 Pp 582 - 584
			16 December 2008 14:46:02 Email Brad Mullard to Jamie Gibson re delegation of Ministerial functions	J-12 Pg 585
			18/12/2008 17:08:24 Email from David Agnew to Joy Agnew and Tracey Godwin re delegation of Ministerial functions	J-12 Pg 587
			22/12/2008 16:33:47 Email from Adrian Delany to Pam Joyce re ministerial delegation	J-12 Pp 588 - 594
			23/12/2008 Signed instrument of delegation	J-13 Pg 596
			23/12/2008 15:47:41 Email Graham Hawkes to Jamie Gibson re Ministerial delegation attaching relevant documents	J-13 Pp 597 - 601
			6/01/2009 14:05:00 Ministerial briefing V1 reopening EOI	J-13 Pp 628 -630
			6/01/2009 151600 Ministerial briefing V2 reopening EOI with attachments	J-13 Pp 631 - 640
			8/01/2009 Signed ministerial briefing reopening EOI	J-13 Pp 641 - 649
A6	January 2009 Expression of Interest Package for Re-opening of Expressions of Interest as per email from William Hughes to Ron Taylor on 19/11/2009	No		J-13 Pp 602 - 627
			9/01/2009 Letter to from Brad Mullard to Monaro Mining re reopening of EOI	J-13 Pp 650 - 651
			16/02/2009 Letter Lindsay Gilligan to Kevin Fennell re declaration process for new EOI applicants	J-13 Pg 652
			16/02/2009 Letter from John McGuigan. Cascade Coal to Brad Mullard, DPI regarding Expression of Interest Mt Penny	J-48 Pp 47 - 48

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Index Ref	Call for Papers	Privileged	Relevant documents from ICAC EOI Brief not in Call for Papers	ICAC Exhibit / Page number
A9	16/02/2009 - Expression of Interest Cascade Coal	Yes		J-21 Pp 1603 - 1633
A10	February 2009 - Expression of Interest Breakspeare Coal Mines Ltd	Yes		
			16/02/2009 14:03:00 Email Julie Moloney to William Hughes re new EOI applicants	J-13 Pp 653 - 655
			16/02/2009 14:31:36 Email William Hughes to Brad Mullard et al re new EOIs received	J-13 Pp 656 - 658
			16/02/2009 14:36:00 Email William Hughes to Kevin Fennell re new EOI applicants	J-13 Pp 659 - 661
A11	18/02/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by Kevin Fennell	No		J-13 Pg 853
A11	18/02/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by William Hughes	No		J-13 Pg 854
A11	18/02/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by Ado Zanella	No		J-13 Pg 855
A11	18/02/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by Julie Moloney	No		J-13 Pg 856
			29/04/2009 17:12: 00 Email William Hughes to Kevin Fennell re evaluation panel	J-13 Pp 662
A11	1/05/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by Brad Mullard	No		J-13 Pg 858
A11	7/05/2009 - Declaration of Conflict of Interest and Non-Disclosure of Confidential Information signed by Richard Sheldrake	No		J-13 Pg 857
Nil	May 2009 - Exploration Licence Conditions 2009 pages 11 - 18	No		
			6/05/2009 Coal Release Areas : Evaluation of Expressions of Interest Prepared by William Hughes May 2009	J-13 Pp 663 - 686
			6/05/2009 Ministerial Submission Coal Release Exploration Areas Recommendations	J-13 Pp 687 - 734
A11	15/05/2009 - Letter from Kevin Fennell to William Hughes, Director, Development Coordination Mineral Resources with audit opinion			J-13 Pp 735 - 736
			21/05/2009 16:58:49 Email Damian Jeffree to Brad Mullard and William Hughes re 11 coal release areas	J-13 Pg 748
			26/05/2009 11:36:47 Email Selina Rainger to Lynnette Sisson and Shirley Hibbs re meeting with the Minister	J-13 Pp 756 - 757
A11	June 2009 - Evaluation of Expressions of Interest by Evaluation Team, Industry and Investment NSW	Yes	<i>The corresponding document in the Return to Orders appears to be an abridged version of this document.</i>	J-13 Pp 759 - 858
			1/06/2009 10:02:57 Email William Hughes to Brad Mullard attaching meeting notes Macdonald.pdf	J-13 Pp 859 - 860
			1/06/2009 16:35:38 Email Mart Rampe to William Hughes cc Gardner Brook attaching Monaro letter 1Jun09	J-13 Pp 861 - 864
			2/06/2009 16:16:52 Email Mart Rampe to William Hughes attaching Monaro letter 2Jun09	J-13 Pp 867 - 870
A12	9/06/2009 - Letter from Loyal Coal Pty Ltd to William Hughes regarding EOI for Monaro Mining from Gardner Brook	No		J-13 Pg 872
			10/06/2009 10:30:15 Email William Hughes to Ado Zanella and Julie Moloney regarding reconvening re Monaro Mining	J-13 Pg 873
			10/06/2009 11:25:26 Email William Hughes to Ado Zanella and Julie Moloney reconvening re Monaro Mining	J-13 Pp 874 - 875
			10/06/2009 11:36:36 Email William Hughes to Mart Rampe re Loyal Coal	J-13 Pp 876 - 877

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			10/06/2009 11:45:43 Email William Hughes to Kevin Fennell regarding reconvening re Monaro Mining	J-13 Pg 878
			10/06/2009 17:20:34 Email from Gardner Brook to William Hughes re Loyal Coal	J-13 Pp 879 -883
			10/06/2009 20:19:46 Email William Hughes to Gardner Brook re Loyal Coal	J-13 Pg 884 - 887
			15/06/2009 11:36:38 Email William Hughes to Julie Moloney cc Ado Zanella re regarding reconvening evaluation panel	J-13 Pp 889 - 891
			17/06/2009 16:55:58 Email William Hughes to Marte Rampe attaching Change name re Monaro, share certificates Voope	J-19 Pp 892 - 900
A13	18/06/2009 - EOI Recommendation - Approved by Director General I & I NSW 19/06/2009	Yes		J-19 Pp 903 - 907
A13	19/06/2009 - Letter from Kevin Fennel to William Hughes regarding Evaluation Panel deliberations about withdrawal of Monaro Mining NL	No		J-19 Pg 908
A14	19/06/2009 - Letter from Richard Sheldrake, DPI to John McGuigan, Cascade Coal Pty Ltd notifying they are the successful EOI applicant for Mt Penny	No		J-19 Pp 911 - 912
A15	19/06/2009 - Letter from Richard Sheldrake, DPI to Robert McLennan, Breakspeare Coal Mines Pty Ltd notifying they are were unsuccessful in their EOI application for Mt Penny	No		J-19 Pg 937
A15	19/06/2009 - Letter from Richard Sheldrake, DPI to Sumit Kumar Khetan, Jain Group notifying they are were unsuccessful in their EOI application for Mt Penny	No		J-19 Pg 935
			19/06/2009 15:40:17 Email William Hughes to Jenny Ward re EOI process and recommendations	J-19 Pp 958 - 962
			19/06/2009 16:05:32 Email William Hughes to Gardner Brook re Monaro Mining EOI	J-19 Pp 963 - 965
A16	8/07/2009 - Letter from David Agnew, DPI to John McGuigan, Cascade Coal Pty Ltd regarding exploration licence conditions	No		J-48 Pg 256
			20/07/2009 Signed DPI submission re consent to apply prepared by William Hughes, signed by Richard Sheldrake	J-19 Pg 966
A17	10/08/2009 - Letter from David Agnew, DPI to John McGuigan, Cascade Coal Pty Ltd regarding consent to make application for Mt Penny EL	No		J-19 Pp 973 - 974
A18	23/08/2009 - Document from Cascade Coal Pty Ltd listing Mt Penny ELA 3771 Co-ordinates	No		
A19	24/08/2009 - Arthur Phillip Funding Underwriting Agreement	Yes		J-48 Pp 267 - 280
A20	25/08/2009 - Nomination Letter plus supporting information - ELA 3771 - Cascade Coal Pty Ltd	Yes		J-48 Pg 281
A21	25/08/2009 - Receipt / Tax Invoice from DPI for \$1 million payment - contribution to Coal Development Fund from Cascade Coal Pty Ltd	No		
A22	25/08/2009 - Receipt / Tax Invoice from DPI for \$10,000.00 payment - Reassessment Fee (Mt Penny) from Cascade Coal Pty Ltd	No		
A23	25/08/2009 - Receipt / Tax Invoice from DPI for \$50,820.00 payment - ELA Application Fee (Mt Penny) from Cascade Coal Pty Ltd	No		
A24	28/08/2009 - Letter from Director General DPI to James McGuigan, Cascade Coal Pty Ltd acknowledging receipt of application for Mt Penny EL	No		
A25	2/09/2009 - Exploration Licence Applications Newspaper Guidelines by Gary Walker	No		
A25	2/09/2009 - Example of coal and mineral advertisement diagrams prepared by Gary Walker	No		
A25	2/09/2009 - ELA 3771 Diagram X prepared by Gary Walker	No		

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A26	2/09/2009 - Coal Exploration Licence Application Identification Sheet prepared by Gary Walker	No		
A27	8/09/2009 - Diagram of Exploration Licence No ELA 3771 held by Mt Penny Coal Pty Ltd prepared by Gary Walker	No		
A28	11/09/2009 - Memorandum re ELA 3771 Cascade Coal Pty Ltd to Peter Johannessen, Titles from Sarah Jardine, Coal Advice	No		
A29	26/09/2009 - Email from Jeannine Biviano, DPI to Conan Yuen, Treasury re Financial Review Article	Yes		
A30	30/09/2009 - Email between David Agnew and David Holmes re EOI conditions	No		
A31	6/10/2009 - Exploration Licence Conditions 2009 prepared by Peta Johannessen - May 2009 version	No		
A32	6/10/2009 - ELA 3771 Exploration Licence Document for EL 7406 for Mt Penny Coal Pty Ltd dated 21 October 2009 (unsigned)	No		
A33	8/10/2009 - Letter from Peta Johannessen, DPI to James McGuigan, Cascade Coal Pty Ltd re intention to Grant Exploration Licence Application No 3771	No		J-48 Pp 282 - 291
A34	14/10/2009 - Parliamentary House Folder Note - Mt Penny prepared by William Hughes	No		
A35	21/10/2009 - Recommendation to Grant ELA 3771 to Mt Penny Coal Pty Ltd nominated by Cascade Coal Pty Ltd prepared by Peta Johannessen	No		
A36	21/10/2009 - Executed Exploration Licence for EL No 7406 to Mt Penny	No		J-19 Pp 971 - 1001
A37	27/10/2009 - Letter to James McGuigan, Mt Penny Coal Pty Ltd from DPI - Grant of EL 7406	No		J-48 Pg 292
A38	11/11/2009 - Response to Notice of Motion regarding the request for granting of exploration licences for 11 areas including Mt Penny approved by Brad Mullard	No		
B1	12/11/2009 - Letter to John Lee, Director General, Dept Premier and Cabinet from Lynn Lovelock, Clerk of the Parliament re Order for Papers - Exploration Licence - Mt Penny	No		
B1	13/11/2009 - Letter to Dr Richard Sheldrake from Leigh Sanderson - Deputy Director General (General Counsel) re Standing order 52 - Exploration - Mt Penny	No		
B2	19/11/2009 11:18AM - Email from Ron Taylor, Manager Corporate Projects, Industry & Investment NSW to Mark Duffy re Standing Order 52 - Exploration Licence - Mt Penny noting the Director General must certify that all documents held by Industry and Investment NSW and covered by the terms of the resolution have now been provided	No		
B3	19/11/2009 11:45AM - Email from David Agnew, Industry & Investment NSW to Ron Taylor noting geological data is available on CD.	No		
B4	19/11/2009 3:44PM - Email from William Hughes, Principal Adviser Coal and Strategic Projects, Industry & Investment NSW to Ron Taylor attaching "Release Areas Inform Pack August 2008" and "2nd Release Inform Pack January 2009"	No		
B5	19/11/2009 11:54AM - Email from William Hughes, Principal Adviser Coal and Strategic Projects, Industry & Investment NSW to Ron Taylor attaching TRIM number re DDG Approval for 11 Coal Release Areas EOI. TRIM INTO08/62117	No		
B6	23/11/2009 - Letter to Leigh Sanderson, General Counsel, Dept Premier and Cabinet from Richard Sheldrake, Director General of Industry & Investment NSW certifying all documents have been provided	No		

Fw: Coal Reserves in Mt Penny area of Bylong Valley

From: graham.hawkes@dpi.nsw.gov.au
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Fri, 09 May 2008 12:00:59 +1000

Jamie

Is this adequate.

Graham

----- Forwarded by Graham Hawkes/DPI/NSW on 09/05/2008 11:54 AM -----

Robert Larkings/DPI/NSW

ToGraham Hawkes/DPI/NSW@NSW

09/05/2008 11:29 AM

ccBrad Mullard/DPI/NSW@NSW

SubjectCoal Reserves in Mt Penny area of Bylong Valley

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We are unsure of the exact area of interest, however there are a number of coal titles in the area including Exploration Licence (EL) 6676, held by the Department of Primary Industries (shown by blue shading on the attached diagram) and Authorisation 287 held by Anglo Coal (shown by yellow shading). There is also a Petroleum Exploration Licence, PEL 456, held by Macquarie Energy (shown by blue cross hatch)

The Department holds the EL so that it can carry out drilling and it is expected that this program will include some drilling in the vicinity of Mount Penny to further delineate the resource, which is expected to consist mainly of thermal coal. This exploration may identify an area suitable for tender.

The closest mining lease to Mt Penny is at Wilpinjong.

Regards

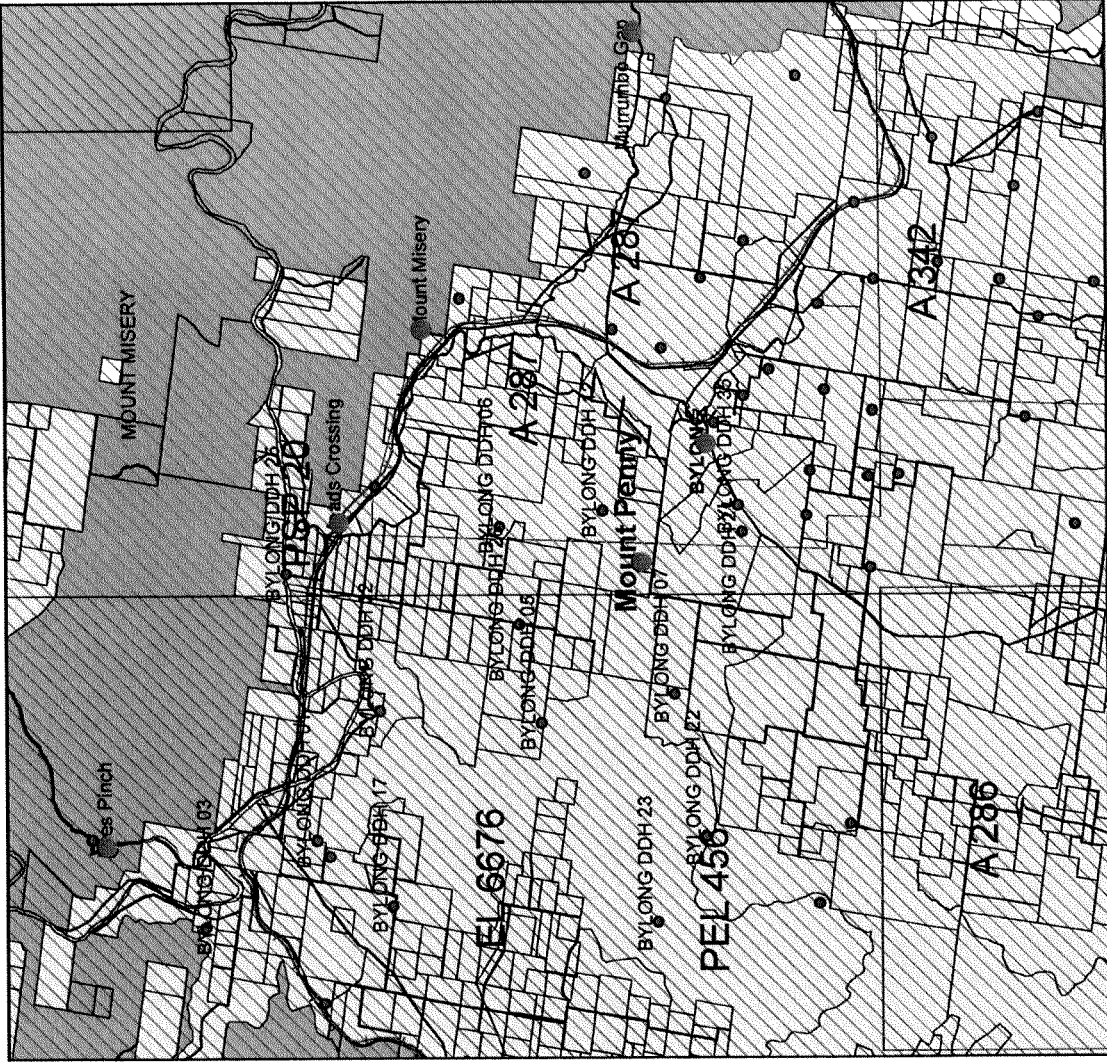
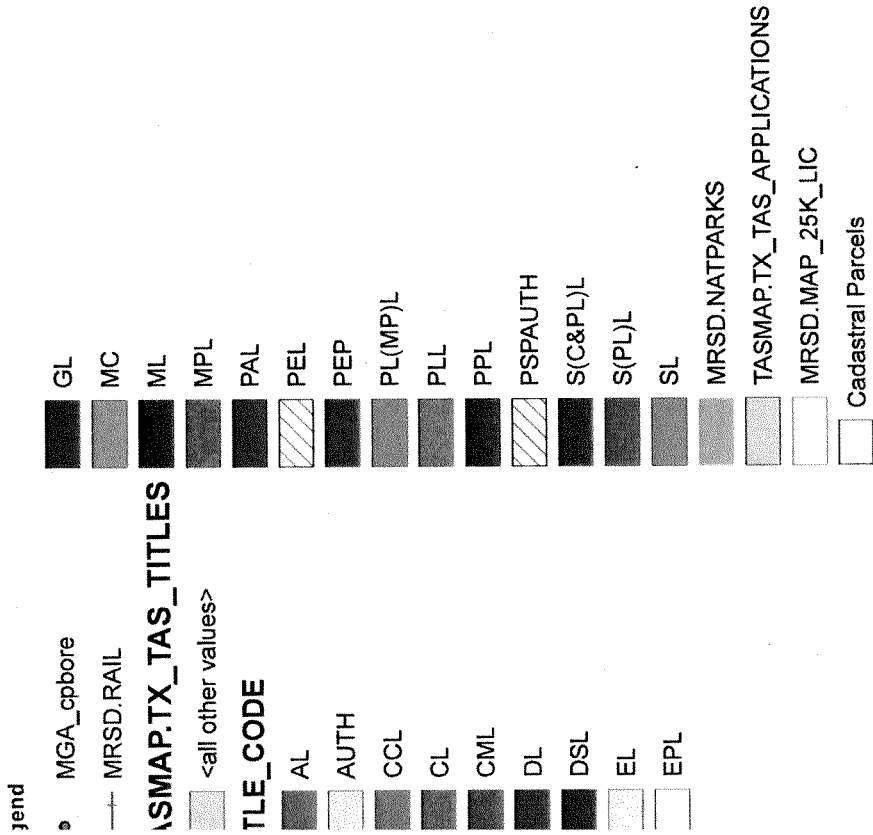
Rob

(See attached file: Mt Penny Area.pdf)

ROBERT LARKINGS
Manager, Coal Resource Assessment
Department of Primary Industries, Mineral Resources
516 High Street Maitland
NSW 2320
ph. 02 4931 6526

Mt Penny Area

Map 1



RE: Coal Reserves in Mt Penny area of Bylong Valley

From: Jamie Gibson </o=minister/ou=first administrative group/cn=recipients/cn=jgibson">
 To: graham.hawkes@dpi.nsw.gov.au
 Date: Fri, 09 May 2008 12:06:09 +1000

Hi Graham, map is great, can I just get the email details in brief form? I've got to fax it to the boss – I've bought us another hour.

Thanks heaps

Jamie Gibson
 Deputy Chief of Staff
 Office of the Minister for Primary Industries
 Minister for Energy
 Minister for Mineral Resources
 Minister for State Development
 Ph (02) 9228 3344
 Fax (02) 9228 3452

From: graham.hawkes@dpi.nsw.gov.au [mailto:graham.hawkes@dpi.nsw.gov.au]
Sent: Friday, 9 May 2008 12:01 PM
To: Jamie Gibson
Subject: Fw: Coal Reserves in Mt Penny area of Bylong Valley

Jamie

Is this adequate.

Graham

----- Forwarded by Graham Hawkes/DPI/NSW on 09/05/2008 11:54 AM -----

Robert
 Larkings/DPI/NSW

ToGraham Hawkes/DPI/NSW@NSW

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From: graham.hawkes@dpi.nsw.gov.au
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Cc: alan.coutts@dpi.nsw.gov.au
Date: Fri, 09 May 2008 12:57:52 +1000
Attachments: Brief - Mt Penny Coal Reserves.doc (33.28 kB); Mt Penny Area.pdf (185.48 kB)

Jamie

Brief and diagram attached. Information approved by Brad Mullard, Director Coal and Petroleum Resources. Alan is not around to approve.

Please ring me on my mobile (0438213131) if you require further.

regards
Graham

"Jamie Gibson"
<Jamie.Gibson@macdonald.minister.nsw.gov.au>

To <graham.hawkes@dpi.nsw.gov.au>

cc

09/05/2008 12:06 PM

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Deputy Chief of Staff
Office of the Minister for Primary Industries
Minister for Energy
Minister for Mineral Resources
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Fax (02) 9228 3452

Sent: Friday, 9 May 2008 12:01 PM
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Robert Larkings/DPI/NSW

09/05/2008 11:29 AM

Graham Hawkes/DPI/NSW@NSW

To

Brad Mullard/DPI/NSW@NSW

cc

Coal Reserves in Mt Penny area of Bylong Valley

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DPI – MINERAL RESOURCES

Ministerial Briefing

Mt Penny – Bylong Valley

Issue:

Coal reserves and titles at Mount Penny.

Current Position::

Mount Penny is located approximately 3 km west north west of the town of Bylong.

There are significant coal resources within the general region of Bylong.

Mount Penny is located within coal Exploration Licence (EL) 6676 held by the Department of Primary Industries and shown by blue shading on the attached diagram.

There are a number of coal titles in the region including Authorisation 287 held by Anglo Coal located to the east of Mt Penny and shown by yellow shading on the attached diagram.

There is also a petroleum exploration licence, PEL 456, held by Macquarie Energy and shown by blue cross hatch covering the whole of this region.

DPI holds EL 6676 so that it can carry out exploration drilling to assess the coal reserves within the area of the title. It is expected that the drilling program will include some drilling in the vicinity of Mt Penny to further delineate the resource. The resource is expected to consist of mainly thermal coal. The exploration may identify an area suitable for tender.

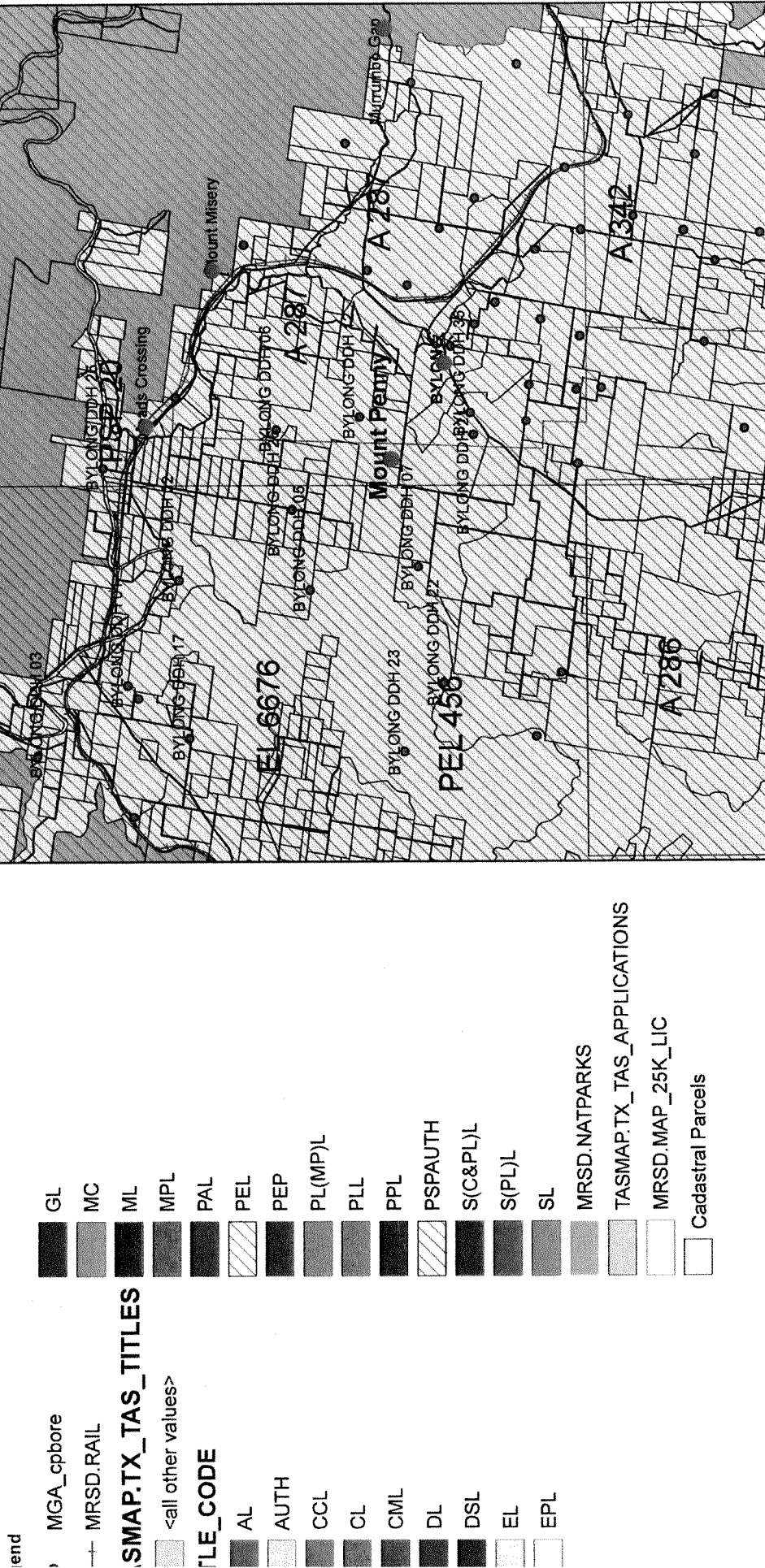
The closest mining lease/mine is Wilpinjong.

Recommendation:

The Minister notes this Brief.

Mt Penny Area

Map 1



From: Jamie Gibson
Sent: Wednesday, 14 May 2008 11:02 AM
To: Craig Munnings
Subject: FW: Coal Reserves in Mt Penny area of Bylong Valley
Importance: High

Mate – is there any possible way that we can get more detail on this area? For example is it possible for DPI to open its holdings for tender? You'll see from the map the area that DPI has, and are there any better assessments on how much coal might be there? We need it asap.

Thanks again

Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452



Brief - Mt Penny Coal Reserves.doc



Mt Penny Area.pdf

DPI – MINERAL RESOURCES**Ministerial Briefing****Mt Penny – Bylong Valley**

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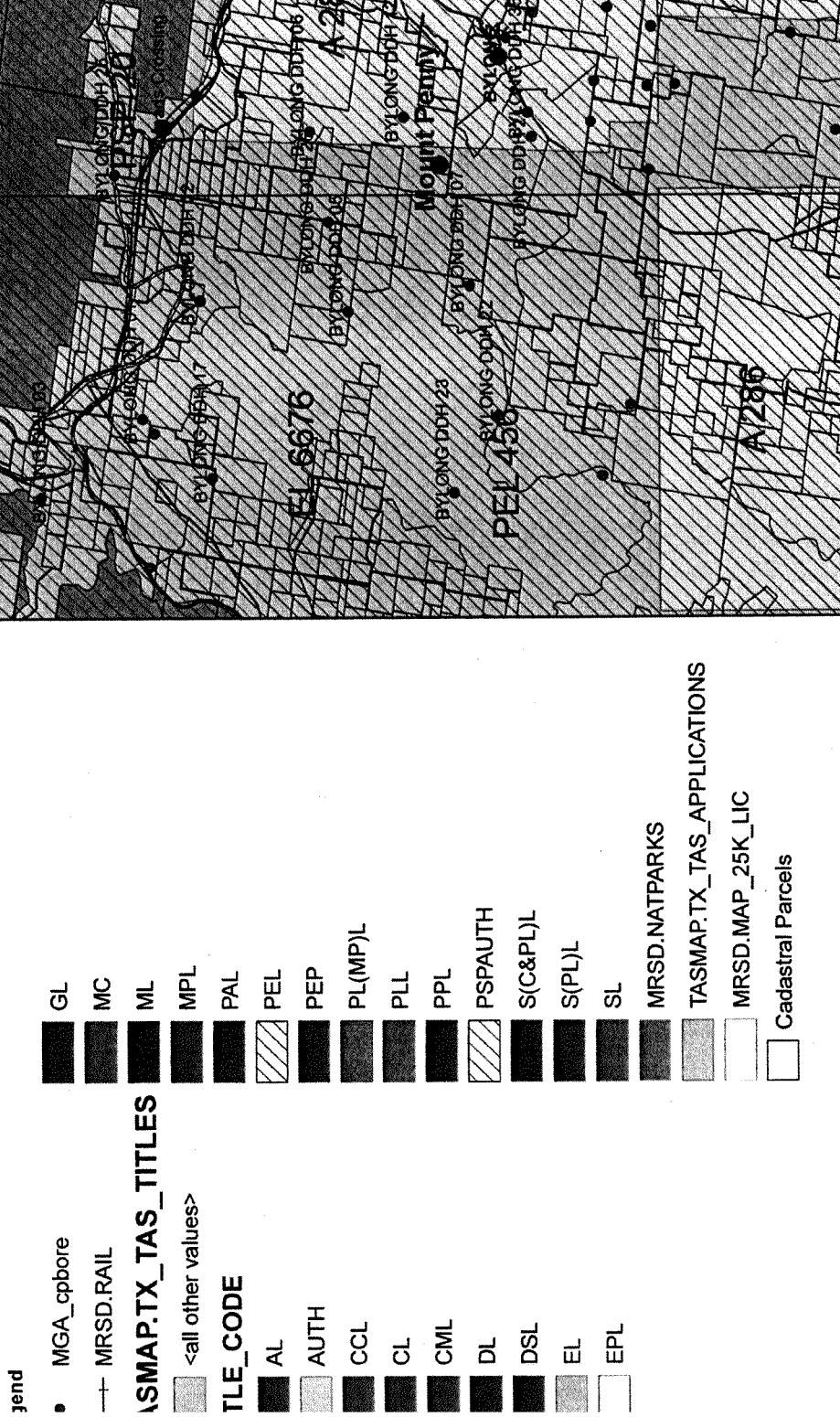
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Recommendation:

The Minister notes this Brief.

Mt Penny Area

Map 1



Fw: Coal Reserves in Mt Penny area of Bylong Valley

From: graham.hawkes@dpi.nsw.gov.au
 To: brad.mullard@dpi.nsw.gov.au
 Cc: Alan Coutts <"cn=alan.coutts/ou=dpi/o=nsw">, Patricia Madden <"cn=patricia.madden/ou=dpi/o=nsw@nsw">
 Date: Wed, 14 May 2008 13:39:36 +1000
 Attachments: Brief - Mt Penny Coal Reserves.doc (33.28 kB); Mt Penny Area.pdf (185.48 kB)

Brad

Please see Jamie Gibson's request below. I don't know what all this is about. He seemed happy when we sent this initial info to him on Friday.

Graham

----- Forwarded by Graham Hawkes/DPI/NSW on 14/05/2008 01:35 PM -----

"Craig Munnings" <Craig.Munnings@macdonald.minister.nsw.gov.au>

14/05/2008 01:33 PM

To

cc

Subject

Graham,

I am just back at my computer.

Could this be actioned asap

Thanks

Craig

Craig Munnings

Departmental Liaison Officer (Minerals)

Office of the Minister for Primary Industries, Minister for Mineral Resources, Minister for Energy and
Minister for State Development

Phone 02 9228 3344 Facsimile 02 9228 3452

Mobile Phone 0439 604 606

From: Jamie Gibson

Sent: Wednesday, 14 May 2008 11:02 AM

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Subject: FW: Coal Reserves in Mt Penny area of Bylong Valley

Importance: High

Mate – is there any possible way that we can get more detail on this area? For example is it possible for DPI to open its holdings for tender? You'll see from the map the area that DPI has, and are there any better assessments on how much coal might be there? We need it asap.

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Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452



Brief - Mt Penny Coal Reserves.doc



Mt Penny Area.pdf

DPI – MINERAL RESOURCES**Ministerial Briefing****Mt Penny – Bylong Valley**

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There is also a petroleum exploration licence, PEL 456, held by Macquarie Energy and shown by blue cross hatch covering the whole of this region.

DPI holds EL 6676 so that it can carry out exploration drilling to assess the coal reserves within the area of the title. It is expected that the drilling program will include some drilling in the vicinity of Mt Penny to further delineate the resource. The resource is expected to consist of mainly thermal coal. The exploration may identify an area suitable for tender.

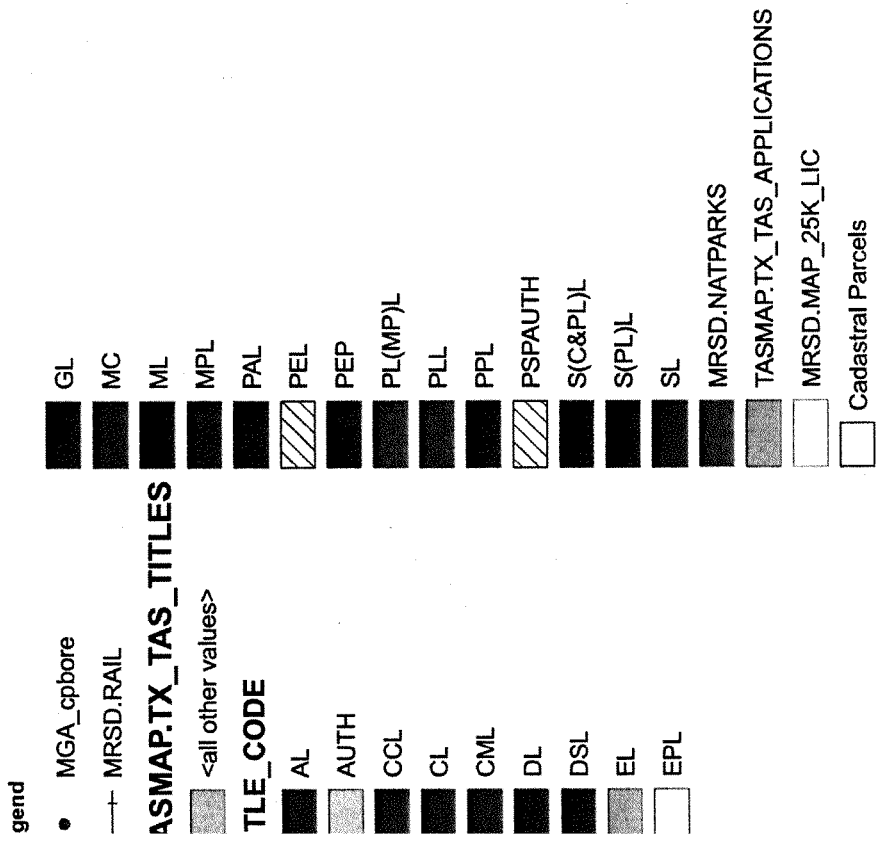
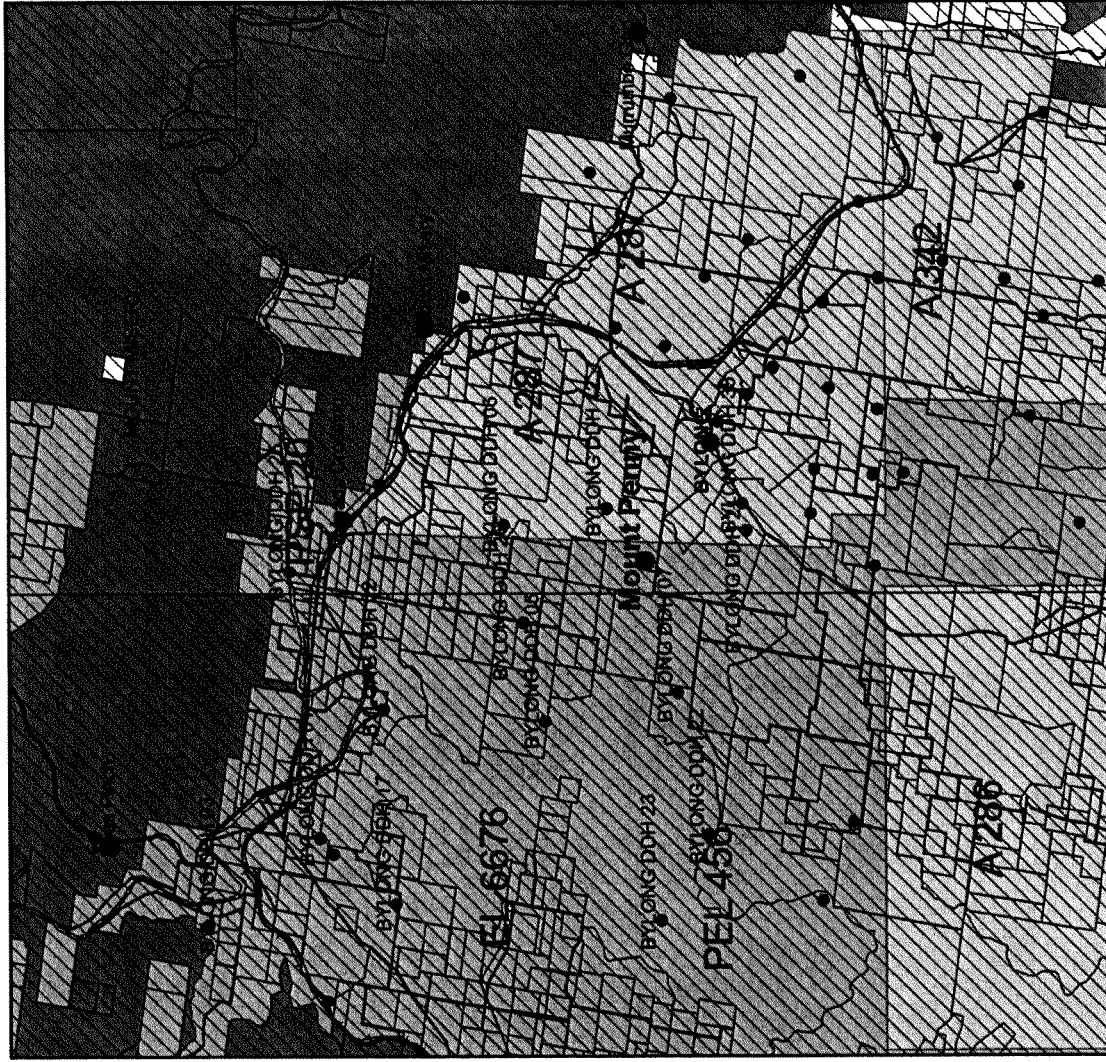
The closest mining lease/mine is Wilpinjong.

Recommendation:

The Minister notes this Brief.

Mt Penny Area

Map 1



Re: FW: Coal Reserves in Mt Penny area of Bylong Valley

From: graham.hawkes@dpi.nsw.gov.au
To: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>
Cc: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Wed, 14 May 2008 14:43:12 +1000

Craig

Can we get more information on the background/reason for this information request.

The department hasn't done sufficient exploration drilling in the Mt Penny area to give a definitive estimate of the coal reserves.

If it was desired that the area be open to tender what time frame may we be looking at.

thanks

Graham

"Craig Munnings" <Craig.Munnings@macdonald.minister.nsw.gov.au>

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14/05/2008 01:33 PM

cc

SubjectFW: Coal Reserves in Mt Penny area of Bylong Valley

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Phone 02 9228 3344 Facsimile 02 9228 3452

Mobile Phone 0439 604 606

From: Jamie Gibson

Sent: Wednesday, 14 May 2008 11:02 AM

To: Craig Munnings

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Importance: High

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Jamie Gibson
Deputy Chief of Staff
Office of the Minister for Primary Industries
Minister for Energy
Minister for Mineral Resources
Minister for State Development
Ph (02) 9228 3344
Fax (02) 9228 3452

(See attached file: Brief - Mt Penny Coal Reserves.doc)(See attached file: Mt Penny Area.pdf)

DPI – MINERAL RESOURCES

Ministerial Briefing

Mt Penny – Bylong Valley

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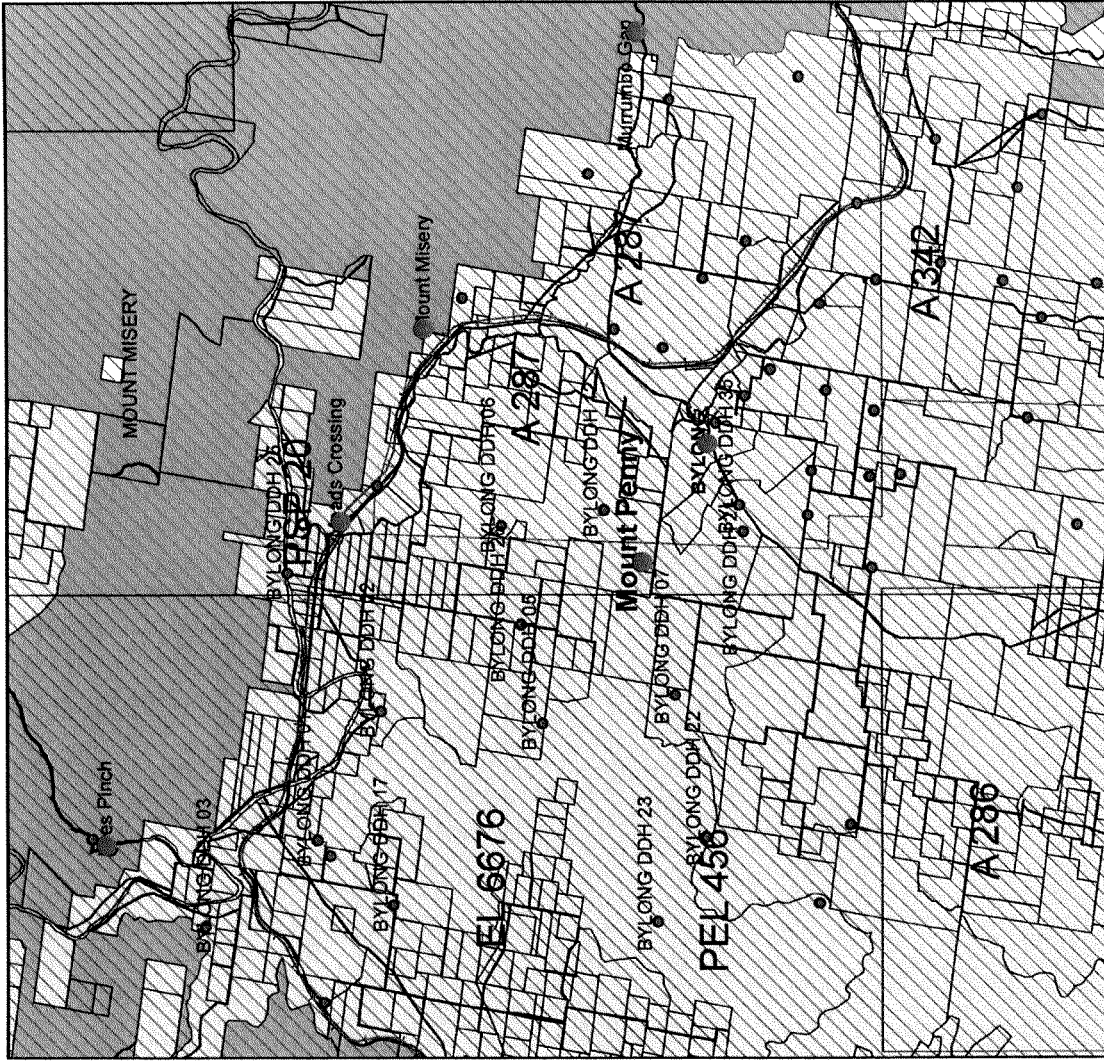
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Mt Penny Area

Map 1



end	GL	MC	ML	MPL	PAL	PEL	PEP	PL(MP)L	PLL	PPL	PSPAUTH	S(C&P)L	S(PL)L	SL	MRSD.NATPARKS	TASMAP.TX_TAS_APPLICATIONS	MRSD.MAP_25K_LIC	Cadastral Parcels								
MGA_cpore	MRSD.RAIL	SMAP.TX_TAS_TITLES																								
<all other values>	LE_CODE																									
AL	AUTH	CCL	CL	CML	DL	DSL	EL	EPL	GL	MC	ML	MPL	PAL	PEL	PEP	PL(MP)L	PLL	PPL	PSPAUTH	S(C&P)L	S(PL)L	SL	MRSD.NATPARKS	TASMAP.TX_TAS_APPLICATIONS	MRSD.MAP_25K_LIC	Cadastral Parcels



Re: FW: Coal Reserves in Mt Penny area of Bylong Valley

From: alan.coutts@dpi.nsw.gov.au
 To: graham.hawkes@dpi.nsw.gov.au
 Cc: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>, jamie.gibson@macdonald.minister.nsw.gov.au
 Date: Wed, 14 May 2008 15:51:27 +1000
 Attachments: Brief - Mt Penny Coal Reserves.doc (33.28 kB); Mt Penny Area.pdf (185.48 kB)

We also need a bit more info on what is the area we are looking at-- What do you mean by Mt Penny--it is not an area we recognise by that name as a potential allocation area

Alan Coutts
 Deputy Director-General
 NSW Department of Primary Industries
 Level 6, 201 Elizabeth Street
 SYDNEY NSW 2000
 Ph: (02) 8289 3944
 Fx: (02) 9286 3208

Graham Hawkes/DPI/NSW

To

cc

Graham Hawkes/DPI/NSW

14/05/2008 02:43 PM

Subject {doclink :
 'CA2571

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To

"Craig Munnings" <Craig.Munnings@macdonald.minister.nsw.gov.au>

cc

14/05/2008 01:33 PM

Subject

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Thanks

Craig

Craig Munnings

Departmental Liaison Officer (Minerals)

Office of the Minister for Primary Industries, Minister for Mineral Resources, Minister for Energy and Minister for State Development

Phone 02 9228 3344 Facsimile 02 9228 3452

Mobile Phone 0439 604 606

Allocations

From: Alan Coutts <"cn=alan coutts/ou=dpi/o=nsw">
To: Brad Mullard <brad.mullard@dpi.nsw.gov.au>
Date: Sun, 01 Jun 2008 00:28:18 +1000

Hi Brad

Minister rang this morning to ask about future allocations. I said you would have something to him early next week. He indicated Watermark might go next week so don't be surprised if it all happens

Good Luck

Alan

Fw: Western Coalfield EOI

From: Shirley Hibbs <"cn=shirley hibbs/ou=dpi/o=nsw">
To: brad.mullard@dpi.nsw.gov.au
Date: Mon, 02 Jun 2008 14:13:22 +1000
Attachments: Small Areas in the Western Coalfield.doc (29.7 kB); West Allocation.jpg (2.3 MB)

Regards

Shirley Hibbs
Program Assistant to
Brad Mullard
Director Coal & Petroleum Development
Ph: 02 4931 6422
Fx: 02 49 31 6793
Email: shirley.hibbs@dpi.nsw.gov.au

----- Forwarded by Shirley Hibbs/DPI/NSW on 02/06/2008 02:12 PM -----

To Shirley Hibbs/DPI/NSW@NSW

Julie Moloney/DPI/NSW cc _____

02/06/2008 01:28 PM

Subject Western Coalfield EOI

Hi Shirley as requested.



Small Areas in the Western Coalfield.doc



West Allocation.jpg

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310

Fw: Western Coalfield EOI

From: Shirley Hibbs <"cn=shirley hibbs/ou=dpi/o=nsw">
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To Shirley Hibbs/DPI/NSW@NSW

Julie Moloney/DPI/NSW cc _____

02/06/2008 01:28 PM

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Small Areas in the Western Coalfield.doc West Allocation.jpg

Julie Moloney
 Senior Project Officer
 Development Co-Ordination
 Department of Primary Industries
 516 High St Maitland NSW 2320
 PO Box 344 Hunter Regional Mail Centre NSW 2310

T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

**Small Areas in the Western Coalfield
Which May be suitable for a Competitive Expression of Interest**

30 May 2008

Areas have been identified using the Coal Allocation Expression of Interest Register and not conflicting with existing Titles.

6 areas have been identified. Plan attached. **All areas require formal titles identification.**

All are speculative, have no or limited existing coal exploration and are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal market with some potential for export market.

Area 1

- Approximately 20 sq km
- No existing boreholes
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50-150 Million insitu

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- If future exploration successfully identified a resource, the order may be 50-100 Million insitu
- Includes part of Airly State Forest.

Area 4

- Approximately 12 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30-50 Million insitu
- Includes part of Ben Bullen State Forest.

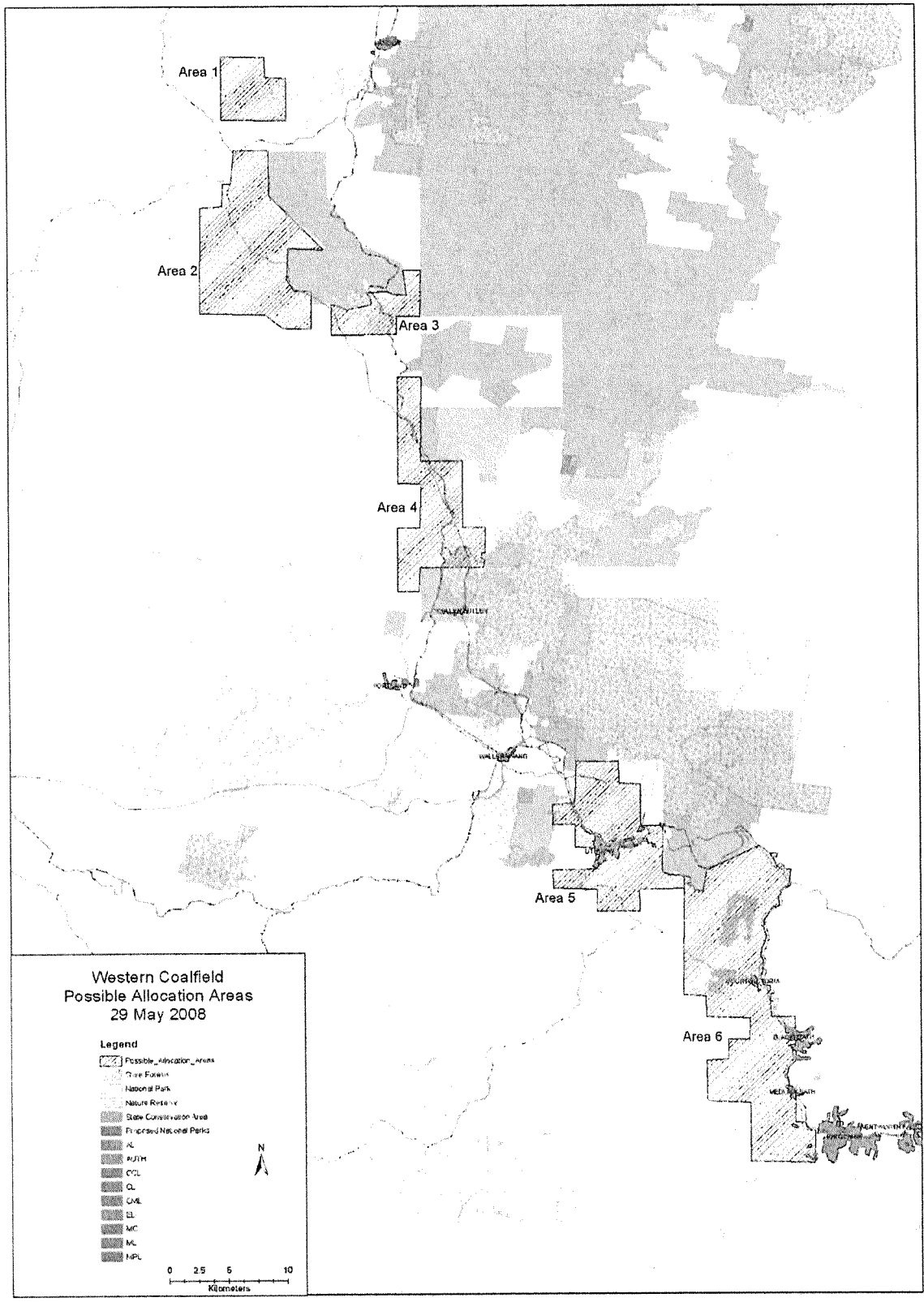
Area 5

- Approximately 65 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6

- Approximately 140 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

All areas could be reduced in size however this requires some detail modelling/interpretation based on the current available information.



Fw: Exploration_Tender Areas

From: Shirley Hibbs <"cn=shirley hibbs/ou=dpi/o=nsw">
To: brad.mullard@dpi.nsw.gov.au
Date: Mon, 02 Jun 2008 14:13:47 +1000
Attachments: Potential Coal Tender Areas.doc (71.17 kB)

Regards

Shirley Hibbs
Program Assistant to
Brad Mullard
Director Coal & Petroleum Development
Ph: 02 4931 6422
Fx: 02 49 31 6793
Email: shirley.hibbs@dpi.nsw.gov.au

----- Forwarded by Shirley Hibbs/DPI/NSW on 02/06/2008 02:13 PM -----

To [Shirley Hibbs/DPI/NSW@NSW](mailto:Shirley.Hibbs/DPI/NSW@NSW)

Leslie Wiles/DPI/NSW cc [Coal Geology/DPI/NSW@NSW](mailto:Coal.Geology/DPI/NSW@NSW)

02/06/2008 12:18 PM

Subject [Exploration_Tender Areas](#)

FYI



Potential Coal Tender Areas.doc

Regards,

Leslie Wiles
Manager
Coal Advice
DPI - Mineral Resources
Maitland

Potential Coal Tender Areas

Ridgелands: Area approximately 80km²

Exploration at Ridgелands has established the presence of significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams is slightly lower in rank than most Hunter Valley coals, but would be suitable for the domestic and possibly export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- the narrow interburden thickness between the Great Northern and Fassifern seams probably means that only one of the seams could be practically mined,
- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The current level of drilling is considered sufficient to reasonably delineate the resource potential of the Ridgелands area. No further exploration is recommended within the area at this stage. The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Similarly, there is potential for resources in both seams to continue to the south-west of Ridgелands as a down dip extension of the Anvil Hill deposit. Access to this area for exploration would be restricted by extensive vineyard development adjacent to Wybong Creek, and rugged, elevated country.

Resources

Exploration undertaken by DPI, Borehole spacing across the deposit ranges from 1-4 kilometres, and resources are considered to be at the Inferred level.

Parameters used for resources, Min seam thickness 1.5 metres, Max raw ash 35%, ARD 1.50 Great Northern & Fassifern lower split, 1.55 Fassifern. Upper split & Working section.

**INFERRED RESOURCES
GREAT NORTHERN SEAM AND WORKING SECTION**

Thickness Class (m)	Av. Seam Thickness (m)	Av. Raw Ash (% ad)	Av. CF1.60 Ash (% ad)	Av. CF1.60 Yield (%)	Inferred Resources (Mt)
1.5 - 2.0	1.76	21.8	13.3	84.7	4.7
2.0 - 3.0	2.49	21.1	13.3	85.2	33.1
3.0 - 4.0	3.62	18.4	12.0	87.7	105.2
4.0 - 5.0	4.37	16.8	11.5	88.6	96.8
Total:					239.8

INFERRED RESOURCES FASSIFERN SEAM

Thickness Class (m)	West Block		East Block	
	Full seam		Upper split	Lower split
	Inferred Resources (Mt)		Inferred Resources (Mt)	Inferred Resources (Mt)
1.5 - 2.0	0		5.9	7.0
2.0 - 3.0	0		24.0	30.8
3.0 - 4.0	0		6.5	<0.1
4.0 - 5.0	0		0	0
>5.0	340.4		0	0
Subtotal:	340.4		35.6	37.8
Total:	413.8			

**INFERRED RESOURCES - EAST BLOCK
FASSIFERN SEAM WORKING SECTIONS**

Thickness Class (m)	Upper Working Section				Lower Working Section			
	Av. Raw Ash (%ad)	Av. F1.60 Ash (% ad)	Av. F1.60 Yield (%)	Inferred Resources (Mt)	Av. Raw Ash (%ad)	Av. F1.60 Ash (% ad)	Av. F1.60 Yield (%)	Inferred Resources (Mt)
1.5 - 2.0	30.9	17.7	67.1	2.9	31.7	15.5	65.5	3.6
2.0 - 3.0	29.9	17.3	67.4	13.7	29.6	14.4	67.0	29.9
3.0 - 4.0	26.4	16.2	79.7	3.8	28.4	15.1	73.3	1.0
4.0 - 5.0	-	-	-	0	28.5	16.4	75.3	<0.1
Subtotal	20.4				34.5			

**INFERRED RESOURCES - WEST BLOCK
FASSIFERN SEAM WORKING SECTIONS**

Thickness Class (m)	Upper Working Section				Lower Working Section			
	Av. Raw Ash (%ad)	Av. F1.60 Ash (% ad)	Av. F1.60 Yield (%)	Inferred Resources (Mt)	Av. Raw Ash (%ad)	Av. F1.60 Ash (% ad)	Av. F1.60 Yield (%)	Inferred Resources (Mt)
1.5 - 2.0	-	-	-	0	32.9	16.2	66.0	<0.1
2.0 - 3.0	27.9	16.0	71.5	28.1	30.4	15.6	70.2	0.8
3.0 - 4.0	24.4	15.5	75.4	146.4	26.6	14.7	76.1	4.6
4.0 - 5.0	-	-	-	0	20.5	12.5	84.8	212.9
5.0 - 6.0	-	-	-	0	18.3	11.5	87.6	0.9

Total:	174.5	219.2
---------------	--------------	--------------

Further Exploration currently pending and/or recommended

Western Coalfield

North Bylong – Mt Penny Area

Currently undertaking exploration in the western coalfields, with exploration proposed in the area. Current estimates indicate open cut resources of ~200Mt in the Wollar – North Bylong area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%. Immediately to the south of the area (Map attached shown in pink hatch) there is an underground resource also in the Ulan seam.

This area should not be tendered until further exploration is completed in the area.

Gunnedah Coalfield

Benelabri

Further Exploration is recommended for the Benelabri Area.

The area is **not currently held under title** by the Department

An aero mag survey has recently been flown over the area (final results pending). Further drilling is required to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams. The area contains both open cut and underground resources.

Southern Coalfield

Removed until Southern Coalfield report signed off.

**Leslie Wiles
Manager Coal Advice
30/5/08**

3 maps as requested

From: leslie.wiles@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: coal.geology@dpi.nsw.gov.au
Date: Mon, 02 Jun 2008 16:11:03 +1000
Attachments: Benelabri Application Area.pdf (112.89 kB); Nth Bylong Area.pdf (98.41 kB); Ridgelands Area.pdf (208.38 kB)

Brad

Attached are the 3 maps as promised, Benelabri, Ridgelands & Bylong.



Benelabri Application Area.pdf



Nth Bylong Area.pdf



Ridgelands Area.pdf

Regards,

Leslie Wiles
Manager
Coal Advice
DPI - Mineral Resources
Maitland

Benebrabri Application Area

Map 1

gend

Coalfield Boundaries
 MRSD.RAIL

SMAP.TX_TAS_TITLES

<all other values>

LE_CODE

AL

AUTH

CCL

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CML

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PEL

PEP

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PLL

PPL

PSPAUTH

S(C&P)L

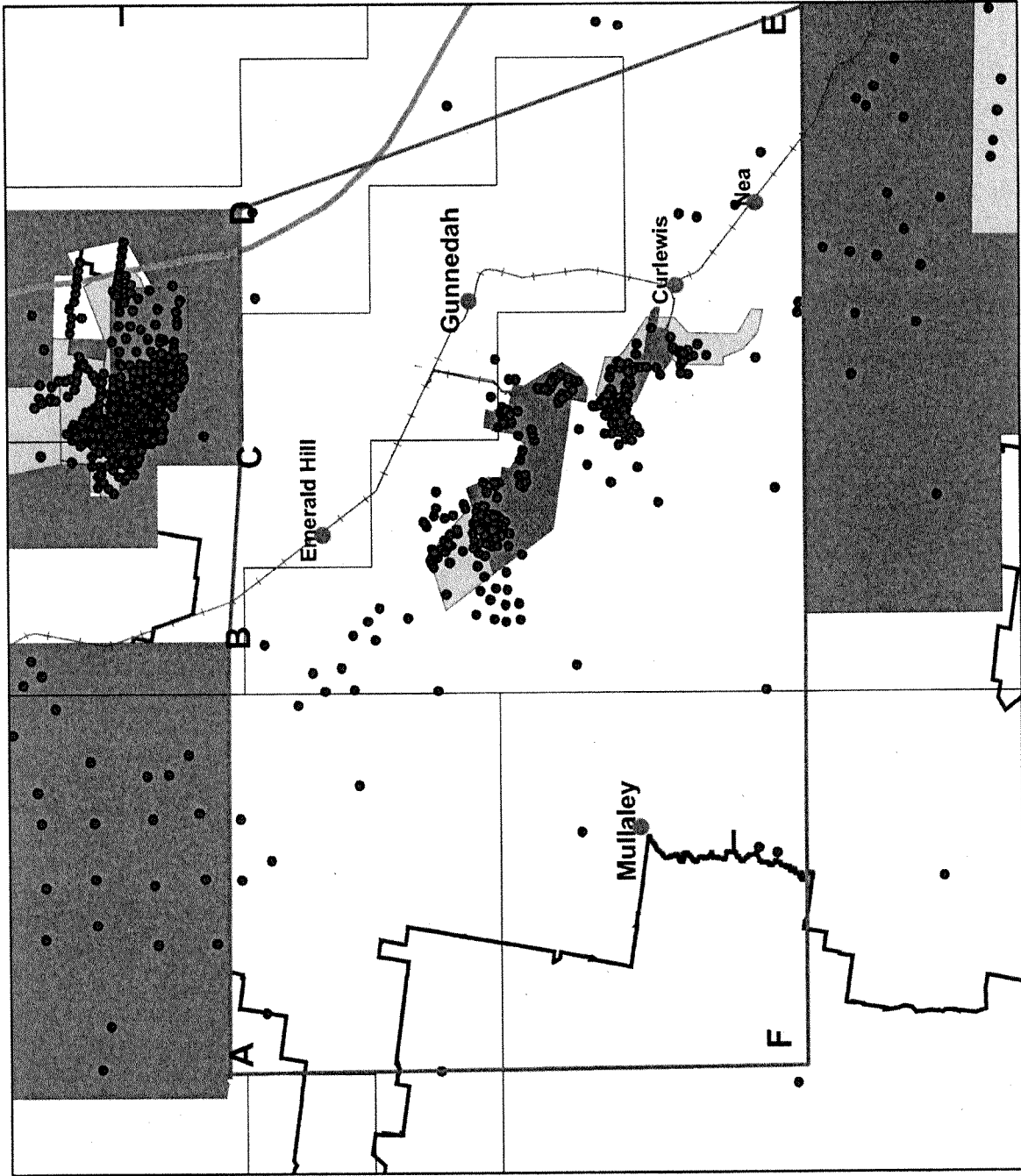
S(PL)L

SL

Local Government Areas

Towns

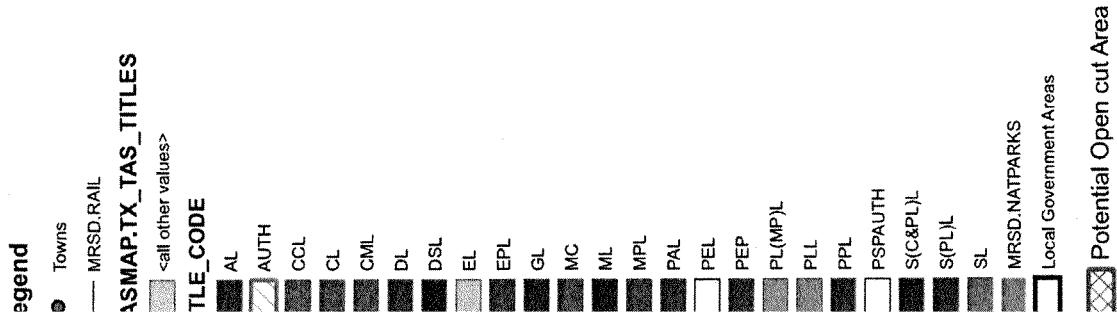
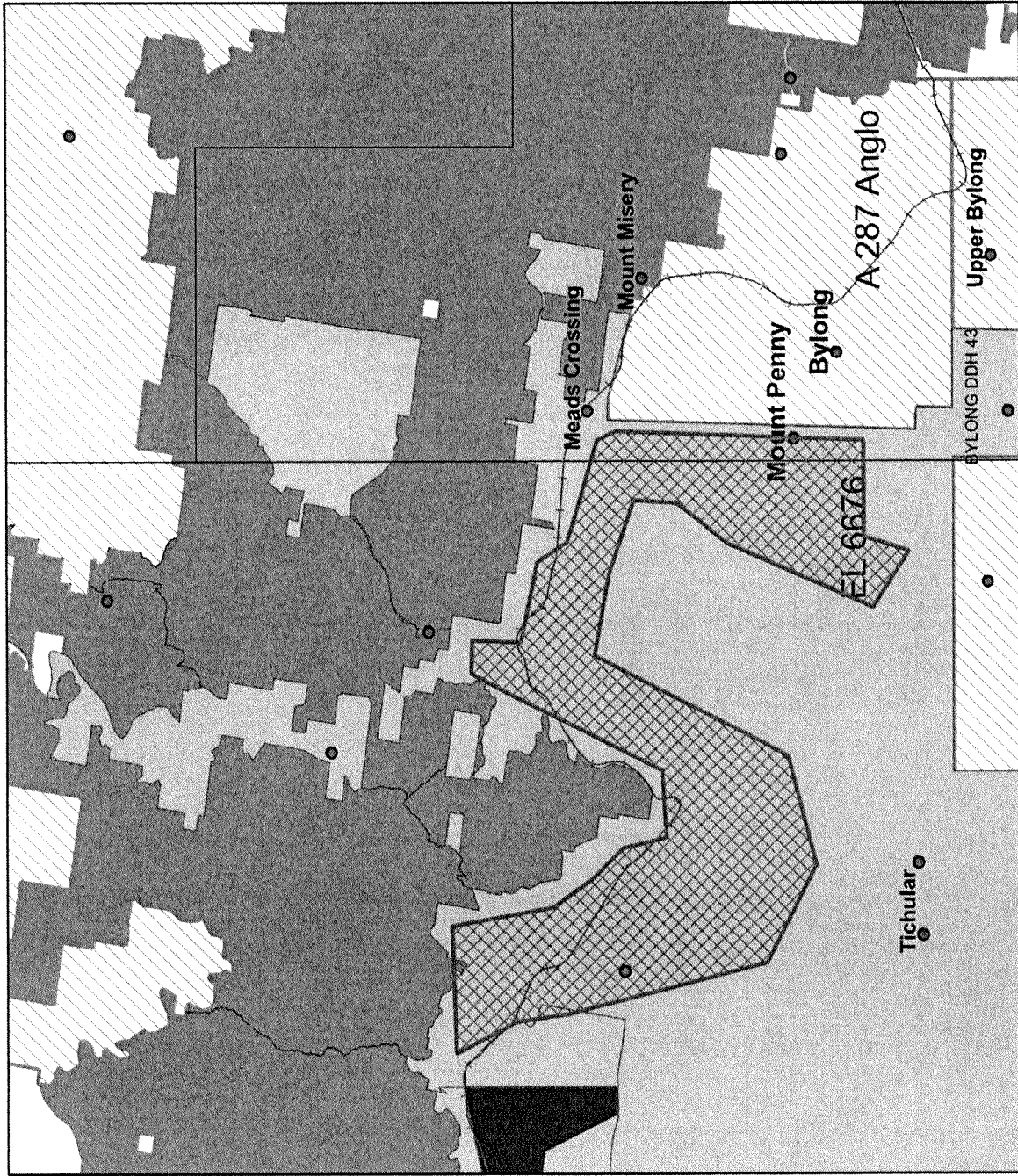
Benebrabri Area



MGA CO-ORDS BENEBRABRI AREA		
pt	Eastng	Northng
A	188685	6585677
B	216312	6586202
C	227500	6585569
D	243448	6585964
E	266500	6545807
F	188685	6544700

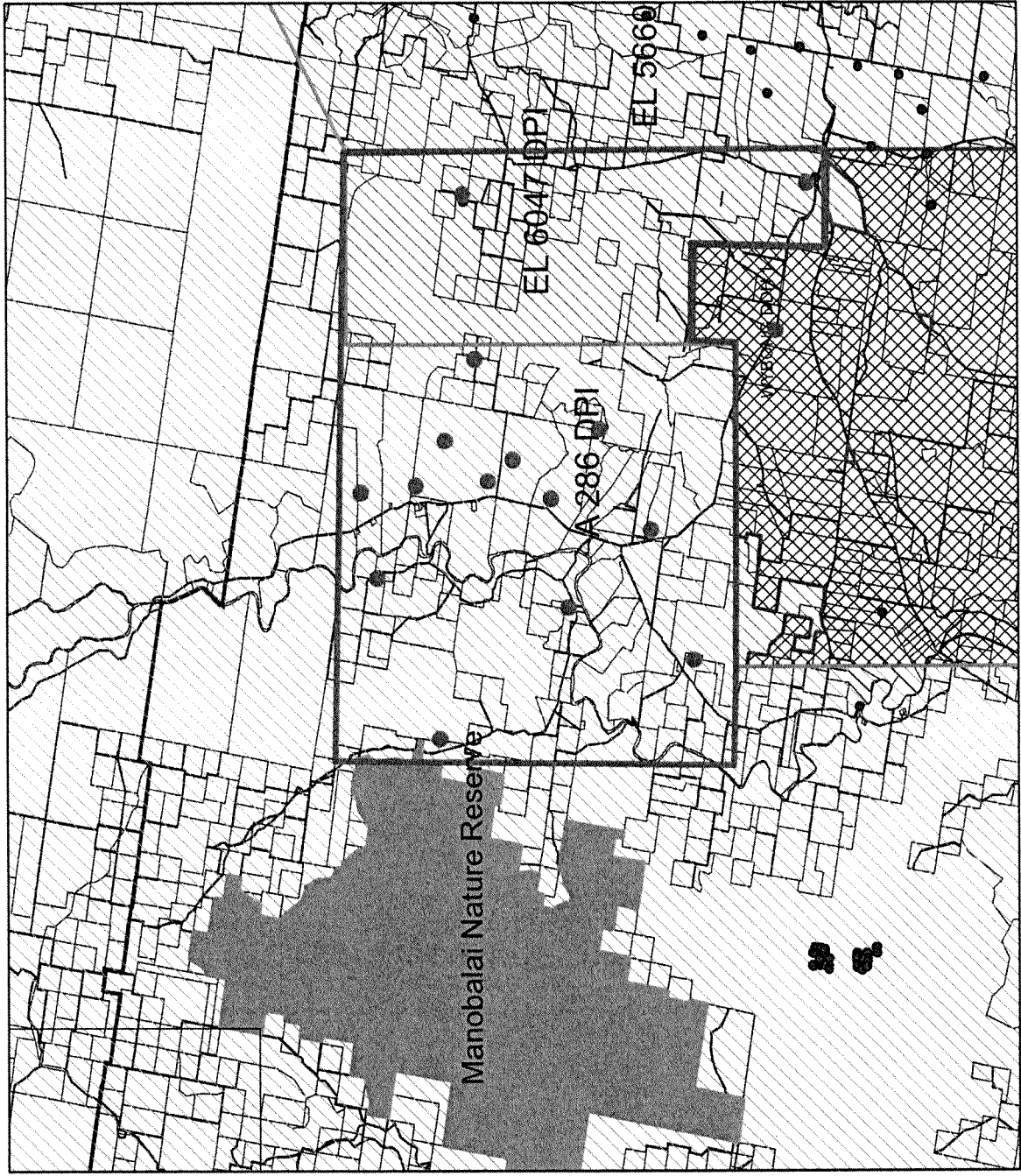
North Bylong - Mt Penny Area

Map 1



Ridgeland's Potential Tender Area

Map 1



legend

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- MRSD.RAIL
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TLE_CODE

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- CL
- CML
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- DSL
- EL
- EPL
- GL
- MC
- ML
- MPL
- PAL
- PEL
- PEP
- PL(MP)L
- PLL
- PPL
- PSPAETH
- S(C&P)L
- S(PL)L
- SL
- MRSD.NATPARKS
- Local Government Areas
- Potential Tender Area



Brief

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: Harriet Skinner <"cn=harriet skinner/ou=dpi/o=nsw@nsw">
Date: Mon, 02 Jun 2008 16:54:08 +1000
Attachments: Small Areas in the Western Coalfield.doc (2.35 MB)

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.



**Small Areas in the Western Coalfield
Which may be suitable for a Competitive Expression of Interest**

Six areas have been identified as potential areas for Competitive expression of interest. See attached plan.

All are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal market with some potential for export market.

Area 1

- Approximately 20 sq km
- No existing boreholes
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50-150 Million insitu

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- If future exploration successfully identified a resource, the order may be 50-100 Million insitu
- Includes part of Airly State Forest.

Area 4

- Approximately 12 sq km
- Limited existing borehole data

- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30-50 Million insitu
- Includes part of Ben Bullen State Forest.

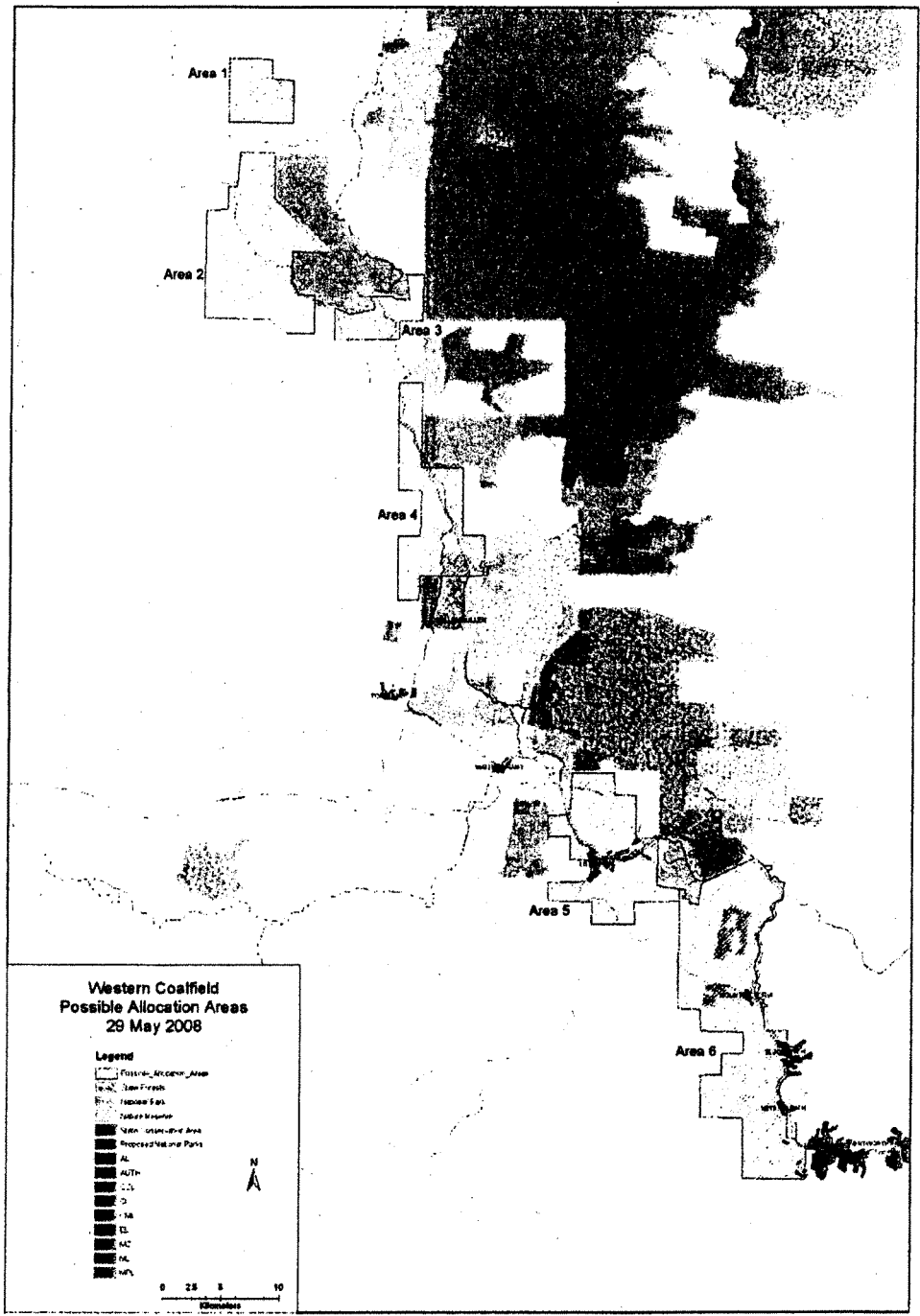
Area 5

- Approximately 65 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6

- Approximately 140 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
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- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

Potential Small Areas in the Western Coalfield



Potential Large Coal Expression of interest Areas

Ridglands: Area approximately 80km² Hunter Valley

Ridglands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

North Bylong (Has also been referred to as Mt Penny Area)

Currently the Department is planning a number of exploration wells for the area. However, the area is expected to contain substantial opencut resources.

Current estimates indicate open cut resources of ~200Mt in the Wollar – North Bylong area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Further exploration is required to define a potential tender area

Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

An aero mag survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Brief and talking points prepared by Brad Mullard, A/DDG MR
3 June 2008

Ministerial Liaison Unit

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Executive Contact: Brad Mullard, A/DDG MR
Secondary Contact:

4931 6404 Mob 0409 828 836

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Background:

A number of coal allocation areas have been identified across the state. These fall into two main groups:

1. Small areas in the Western Coalfield which would be suitable for smaller industry players.
2. Large Expression of Interest areas which would be expected to generate substantial return to the government

(see Attachment A).

Recommendation:

The Minister notes this Brief.

ATTACHMENT A**Potential Coal Allocation Areas****Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest**

Six areas have been identified as potential areas for Competitive expression of interest. See attached plan.

All are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal, domestic cement and export thermal markets.

Area 1

- Approximately 20 sq km
- Limited geological information
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50-150 Million insitu

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
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- Includes part of Airly State Forest.

ATTACHMENT A**Area 4**

- Approximately 12 sq km
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- May contain open cut and underground coal resources
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- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30-50 Million insitu
- Includes part of Ben Bullen State Forest.

Area 5

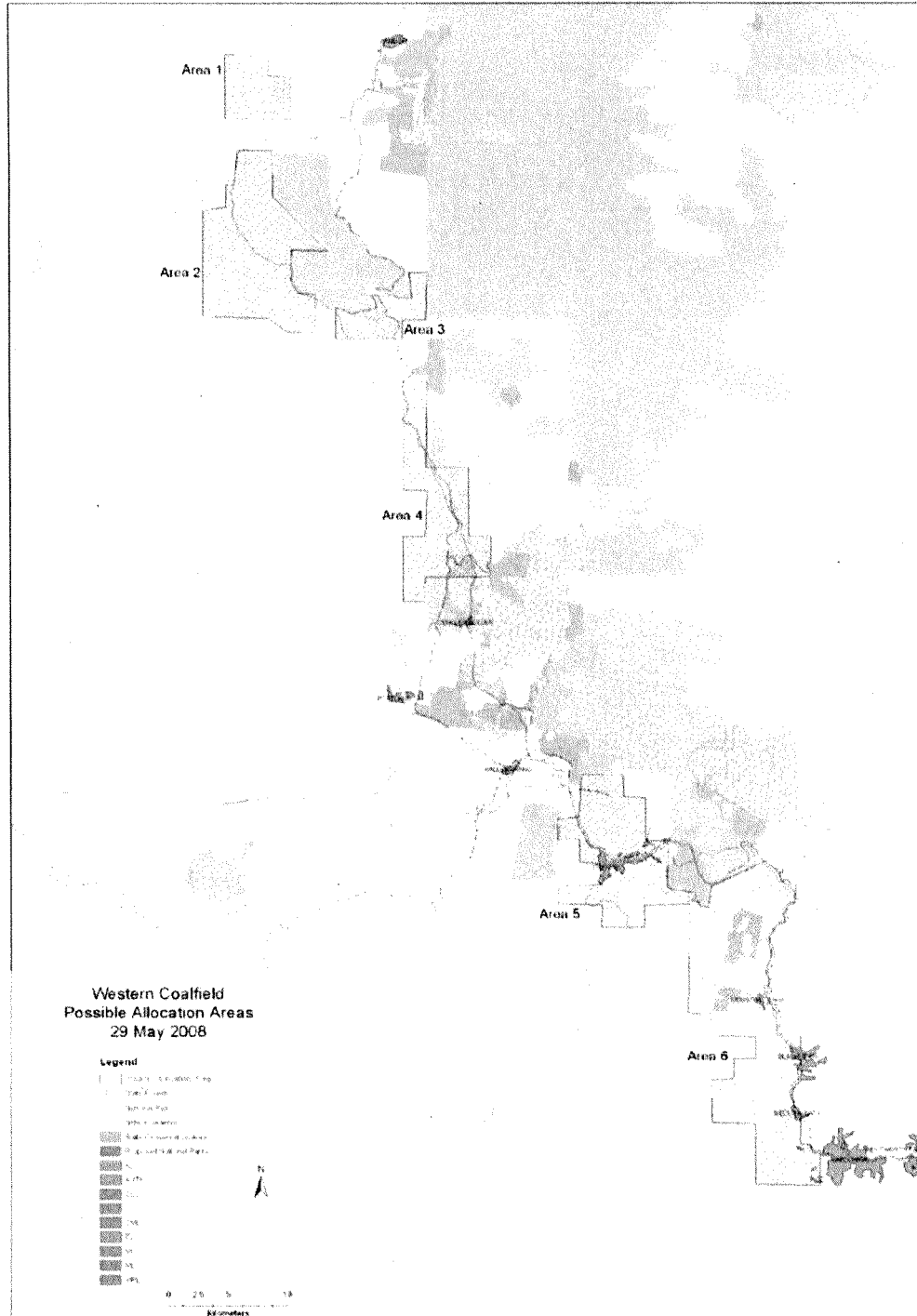
- Approximately 65 sq km
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- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6

- Approximately 140 sq km
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- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

ATTACHMENT A

Potential Small Allocation Areas in the Western Coalfield



ATTACHMENT A

Potential Large Coal Expression of interest Areas

Ridglands: Area approximately 80km² Hunter Valley

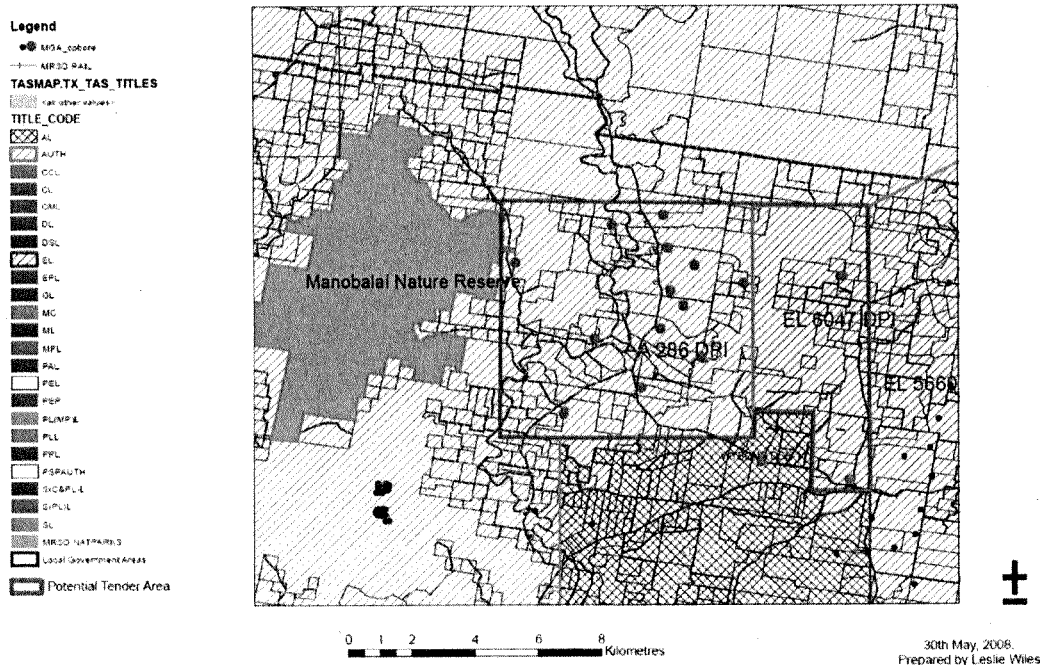
Ridglands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Ridglands Potential Tender Area

Map 1



ATTACHMENT A

North Bylong

The Department has contracted to drill a number of exploration wells for the area. The area is expected to contain substantial opencut resources close to existing rail facilities.

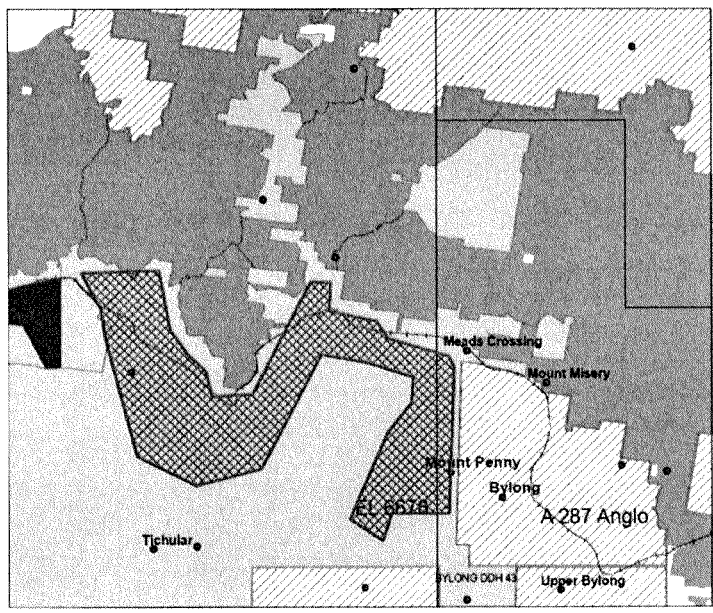
Current estimates indicate open cut resources greater than 200Mt in the Wollar – North Bylong area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Further exploration is required to define a potential tender area

map 1

- Legend**
- Towns
 - MRSO RAIL
 - TASMAP.TX_TAS_TITLES
 - “all other values”
 - TITLE_CODE
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 - AUTH
 - COL
 - CL
 - CM
 - DL
 - DSL
 - EL
 - EP
 - OL
 - MC
 - ML
 - NPL
 - PAL
 - PEL
 - PEP
 - PL/NPL
 - PLL
 - PPL
 - PPAL/TM
 - QCSPLE
 - SNPLE
 - SL
 - MRSO NATPARI
 - Local Government Areas
 - ⊠ Potential Open cut Area



30th May 2008
Prepared by Leslie Wiles

ATTACHMENT A

Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Legend

- Coalfield Boundaries
- MRSO RAIL
- TASMAP.TX_TAS_TITLES
- (other titles)

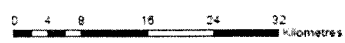
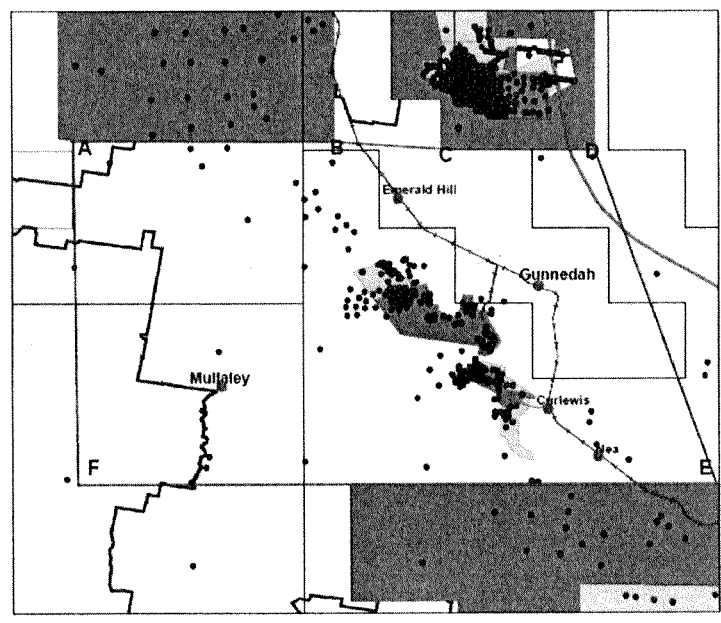
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- EPL
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- PEL
- PEP
- PLN/P.L
- PL
- PPL
- POP/ALTH
- DIC/P.L.L
- D/P.L.L
- SL
- Local Government Areas
- Towns
- Benelabri Area

MGA CO-ORDS BENELABRI AREA		
PK	Easting	Northing
A	186565	6563677
B	216312	6562202
C	227500	6565589
D	243448	6565664
E	246500	6565807
F	186665	6544700

Benelabri Application Area

Map 1



30th May 2005
Prepared by Leslie Wiles

[No Subject]

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: Harriet Skinner <"cn=harriet skinner/ou=dpi/o=nsw@nsw">
Date: Wed, 04 Jun 2008 10:01:58 +1000
Attachments: EOI_AREAS.doc (2.85 MB)

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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Potential Coal Allocation Areas

Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest

Six areas have been identified as potential areas for Competitive expression of interest. See attached plan.

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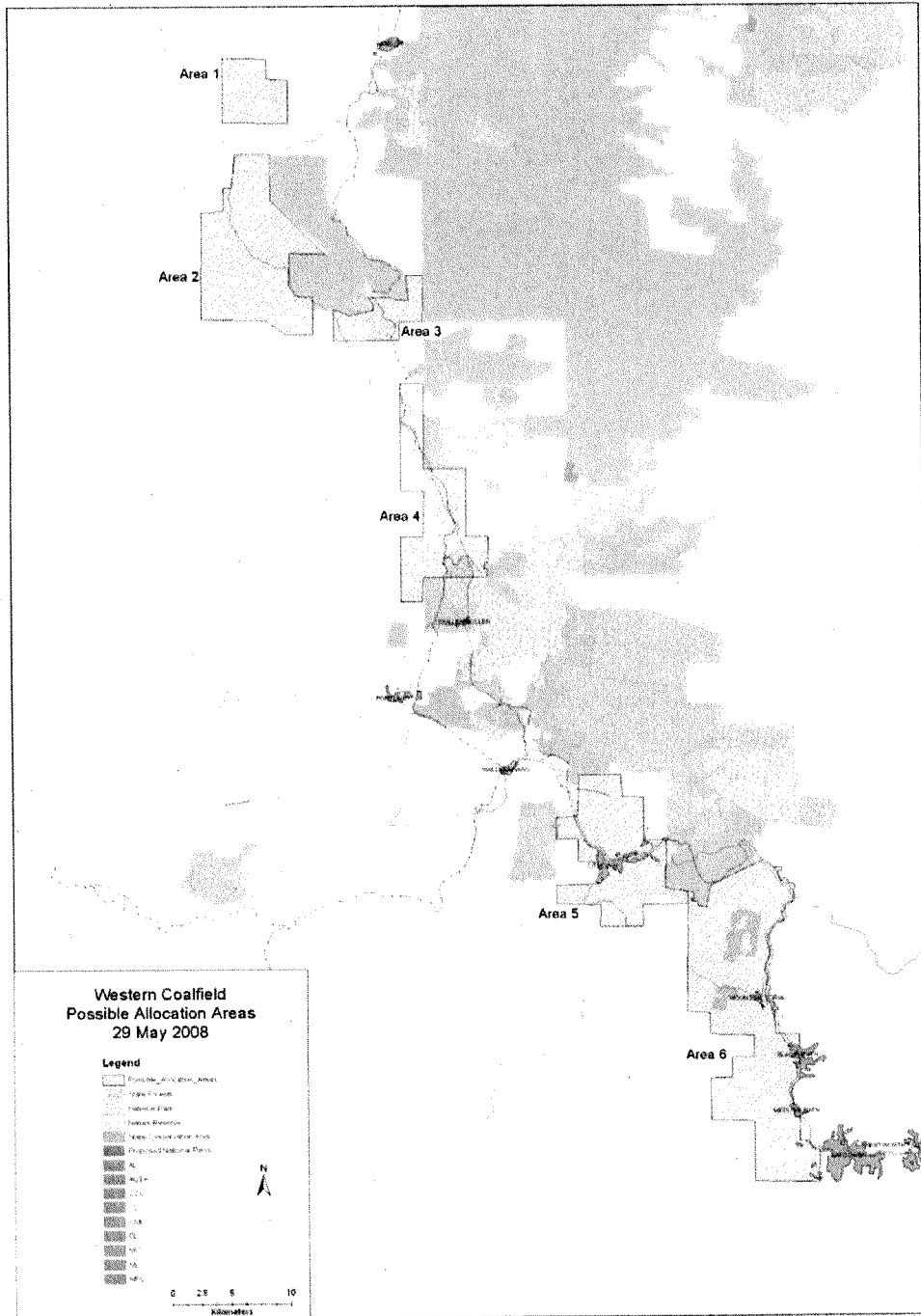
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- Includes significant cliff lines

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- Approximately 140 sq km
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- May contain open cut and underground coal resources
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- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

Potential Small Allocation Areas in the Western Coalfield



Potential Large Coal Expression of interest Areas

Ridgeland: Area approximately 80km² Hunter Valley

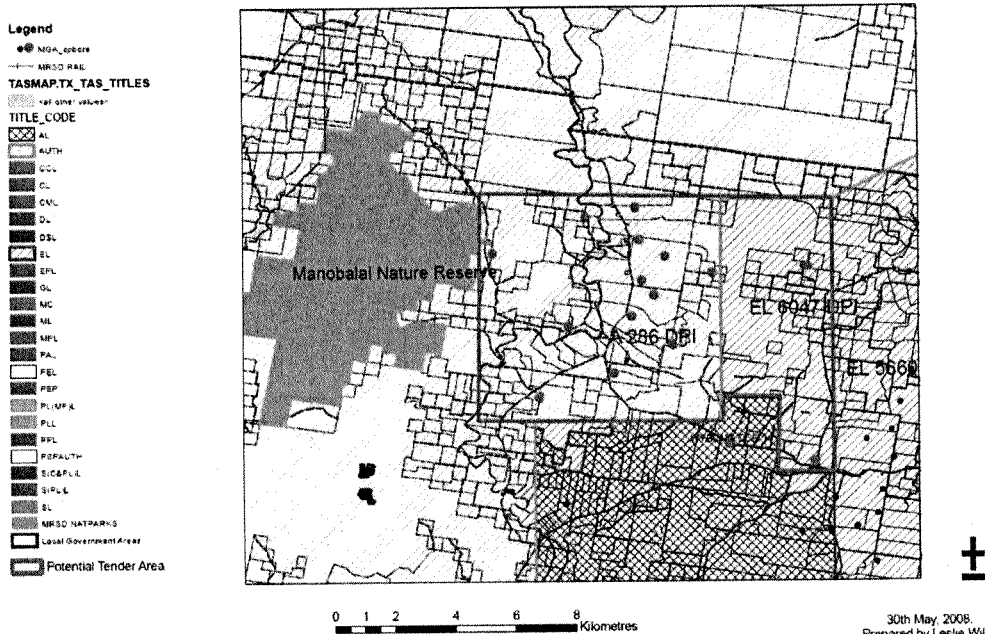
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Ridgeland Potential Tender Area

Map 1



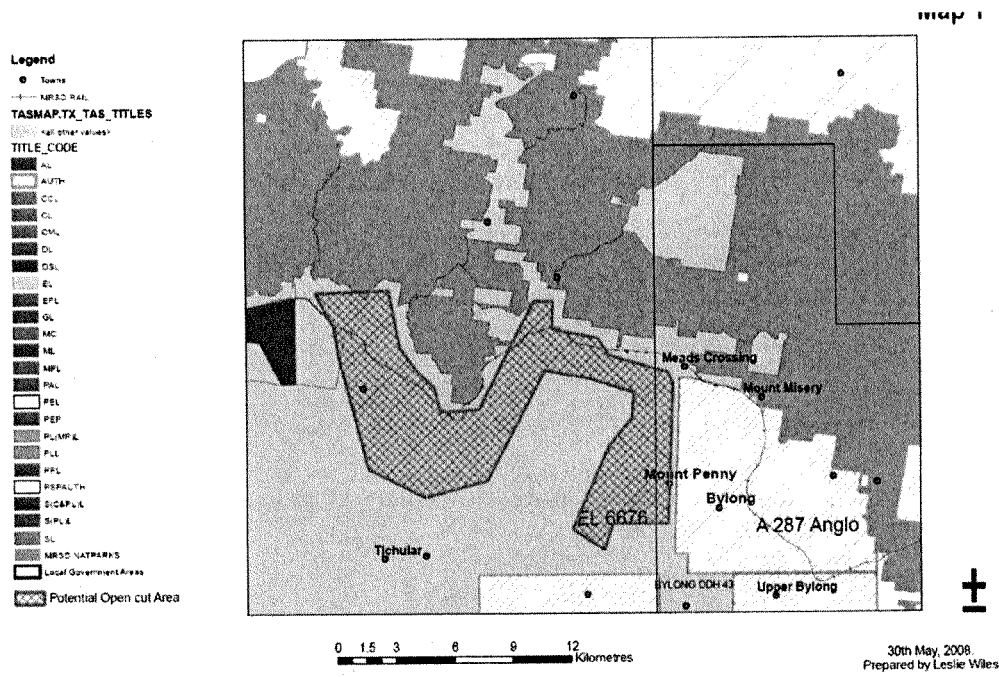
North Bylong

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Further exploration is required to define a potential tender area



Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

An magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Legend

--- Coalfield Boundary
 --- VASD PAUL
 --- TASMAR, TX, TAS, TITLES
 --- (as per status)

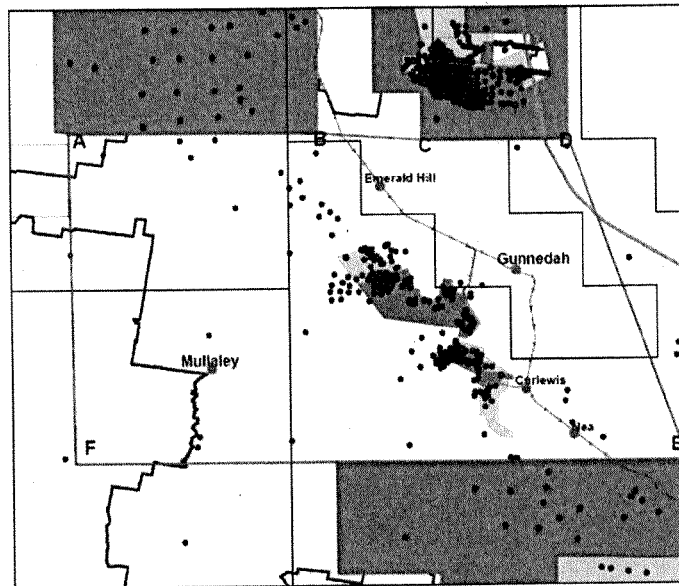
TITLE_CODE

- AL
- ALTH
- COL
- DL
- DML
- DL
- DML
- DL
- DML
- EL
- EPL
- PL
- MC
- ML
- MFL
- PA
- PEL
- PEP
- PLALPL
- PL
- PFL
- POPALTH
- DICAPLL
- DPLC
- DL
- Local Government Areas
- Towns
- Benelabri Area

MGA CO-ORDS BENELABRI AREA		
PT	Easting	Northing
A	185885	6382877
B	216312	6382002
C	237500	6382859
D	262648	6382004
E	286300	6382807
F	185568	6344700

Benelabri Application Area

Map 1



30th May, 2009.
 Prepared by Leslie Wiles

Future Coal Allocation areas

From: Shirley Hibbs <"cn=shirley hibbs/ou=dpi/o=nsw">
To: leslie.wiles@dpi.nsw.gov.au
Date: Wed, 04 Jun 2008 12:37:24 +1000
Attachments: Potential Coal Allocation Areas in Western NSW.DOC (2.87 MB)

Leslie

Could you please ring Brad ASAP regarding changes required to this document. Once changes are made please send back to me to reTrim.

Cheers

Shirley Hibbs for

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au



Potential Coal Allocation Areas in Western NSW.DOC

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
{ FILLIN "Insert Minister's Folder No (MFxx/xxxx)" * MERGEFORMAT }
{ FILLIN "Insert Divisional File No" * MERGEFORMAT }

DPI – { FILLIN "Insert Division in Capitals (e.g. AGRICULTURE AND FISHERIES, BCMS)" * MERGEFORMAT } Ministerial Briefing

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }.

Brief and talking points prepared by { FILLIN "Insert author's Name, Position and Division." * MERGEFORMAT }

3 June 2008

Ministerial Liaison Unit

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Executive Contact: Brad Mullard, A/DDG MR 4931 6404 Mob 0409 828 836
Secondary Contact:

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Background:

A number of coal allocation areas have been identified across the state. These fall into two main groups:

1. Small areas in the Western Coalfield which would be suitable for smaller industry players.
2. Large Expression of Interest areas which would be expected to generate substantial return to the government

(see Attachment A).

Recommendation:

The Minister notes this Brief.

ATTACHMENT A

Potential Coal Allocation Areas

Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest

Six areas have been identified as potential areas for Competitive expression of interest. See attached plan.

All are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal, domestic cement and export thermal markets.

Area 1

- Approximately 20 sq km
- Limited geological information
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50-150 Million insitu

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- If future exploration successfully identified a resource, the order may be 50-100 Million insitu
- Includes part of Airly State Forest.

ATTACHMENT A

Area 4

- Approximately 12 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30-50 Million insitu
- Includes part of Ben Bullen State Forest.

Area 5

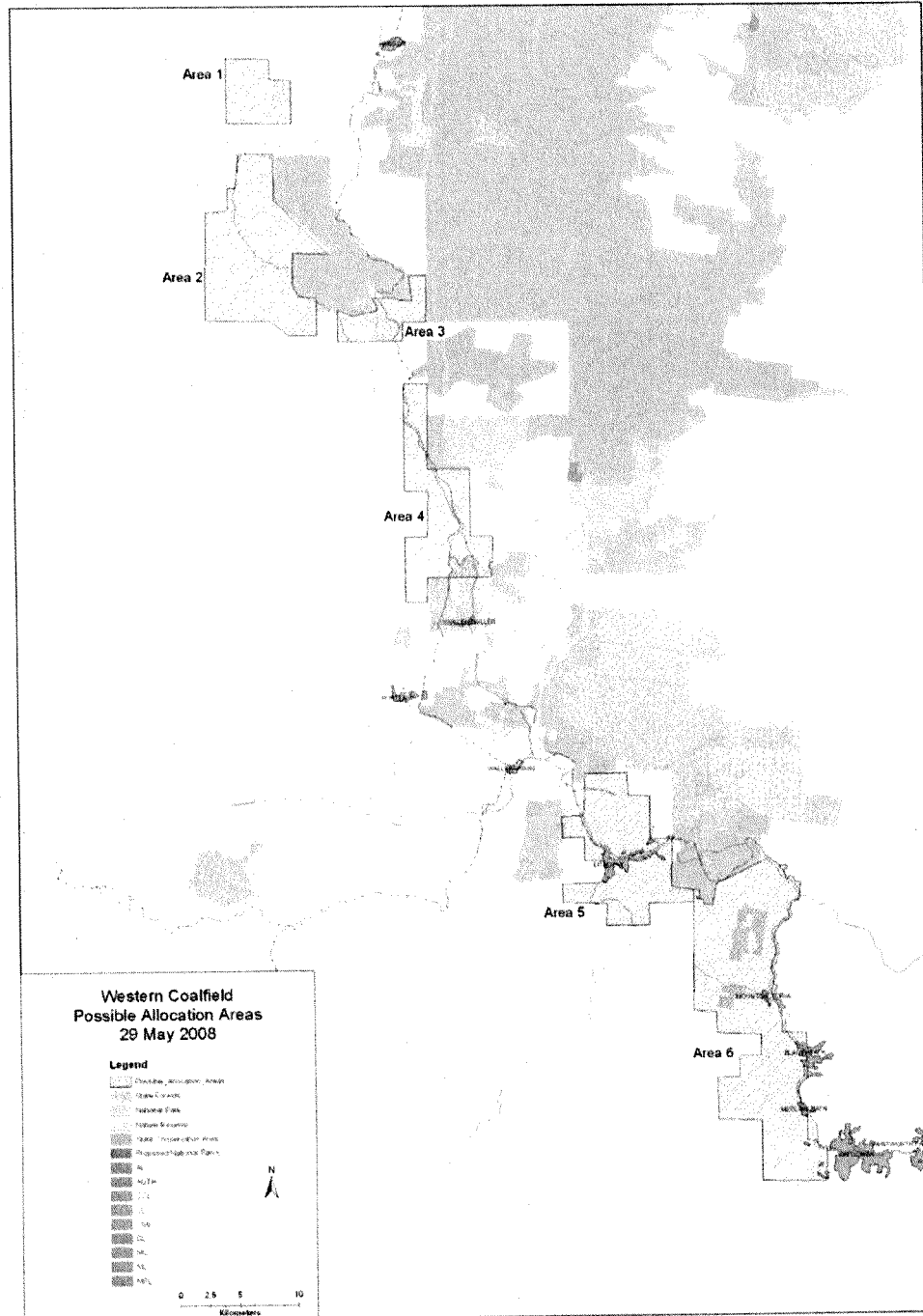
- Approximately 65 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6

- Approximately 140 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

ATTACHMENT A

Potential Small Allocation Areas in the Western Coalfield



ATTACHMENT A

Potential Large Coal Expression of interest Areas

Ridglands: Area approximately 80km² Hunter Valley

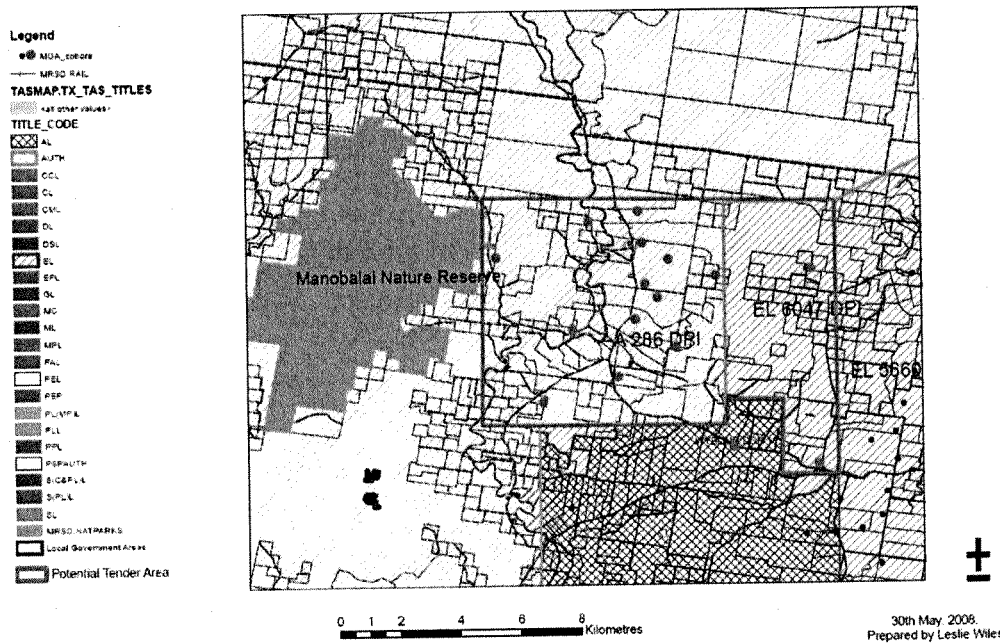
Ridglands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Ridglands Potential Tender Area

Map 1



ATTACHMENT A

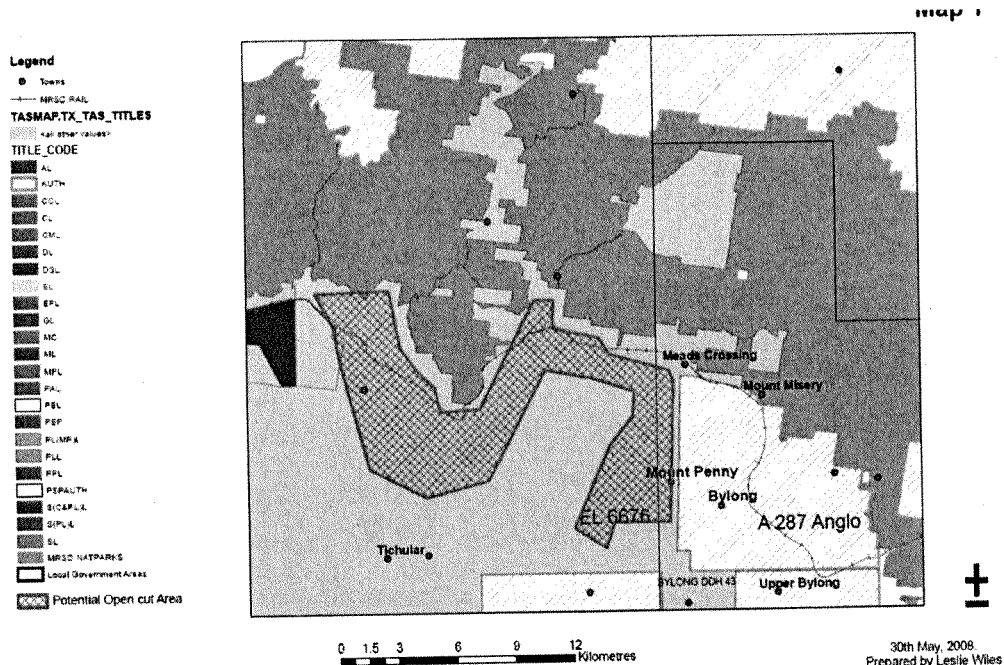
North Bylong

The Department has contracted to drill a number of exploration wells for the area. The area is expected to contain substantial opencut resources close to existing rail facilities.

Current estimates indicate open cut resources greater than 200Mt in the Wollar – North Bylong area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Further exploration is required to define a potential tender area

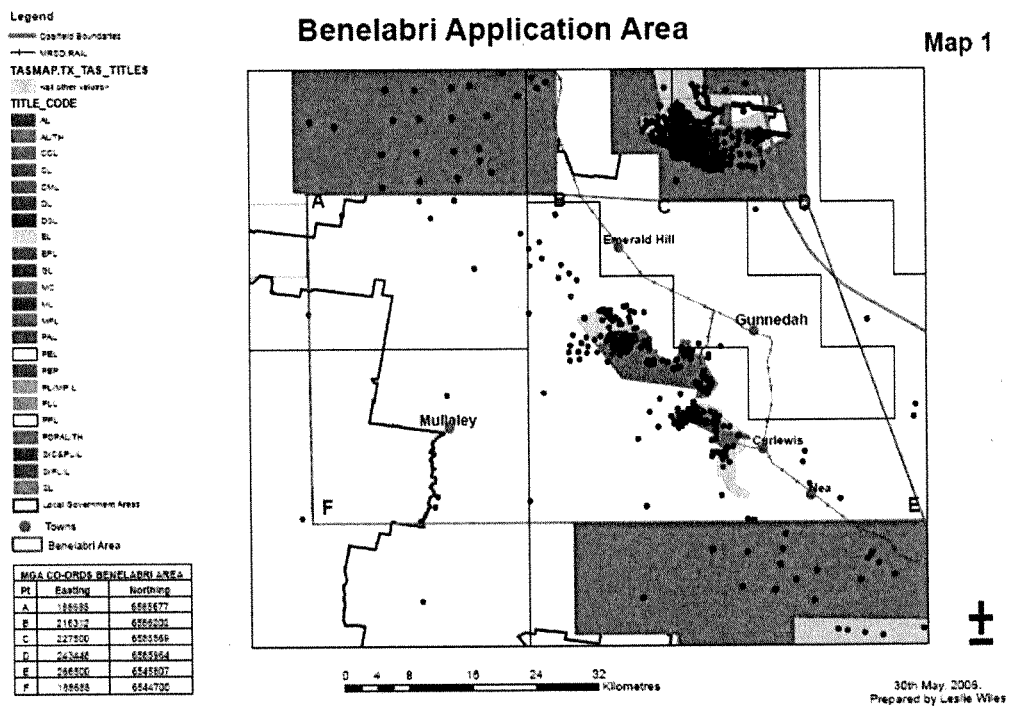


ATTACHMENT A

Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.



Follow up

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: brad.mullard@dpi.nsw.gov.au
Date: Wed, 04 Jun 2008 16:26:35 +1000

Hi Brad,

Thanks for coming in today. A couple of things:

12pm Friday at GMT is confirmed for the follow up meeting and we're really keen to see a proposal to Treasury on the drilling rig/crew purchase.

Thanks

Cheers

Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452

One more thing

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: brad.mullard@dpi.nsw.gov.au
Date: Wed, 04 Jun 2008 17:06:32 +1000

Hi Brad

● Sorry one more thing – could we please have all the maps that you showed Ian today blown up as big as you can and sent up tomorrow.

Thanks so much

Cheers

●
Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452

New coal areas

From: Richard Sheldrake <"cn=richard sheldrake/ou=dpi/o=nsw">

To: "Mr. Brad Mullard" <brad.mullard@dpi.nsw.gov.au>, "Ms. Carmel Romano" <carmel.romano@dpi.nsw.gov.au>

Date: Thu, 05 Jun 2008 07:19:00 +1000

B given mins comments to u yesterday u better give me an idea of extra resources required for drilling etc to fast track. Just rough ish will do but it would be good to have something to go back with in the next few days. Then we can talk strategicly R

Drill Rig indicative costs

From: robert.larkings@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: patricia.madden@dpi.nsw.gov.au, harriet.skinner@dpi.nsw.gov.au
Date: Thu, 05 Jun 2008 09:59:29 +1000
Attachments: Drill Rig Indicative Cost summary.xls (16.9 kB)

FYI attached.



● Drill Rig Indicative Cost summary.xls

ROBERT LARKINGS
Manager, Coal Resource Assessment
Department of Primary Industries, Mineral Resources
516 High Street Maitland
NSW 2320
ph. 02 4931 6526

	A	B	C
1	Indicative Costs for Drill Rig - Coal Exploration: Ex Mitchell Drilling		
2			
3	Rig Type: UDR 650 or equivalent		
4			
5	Specifications: Max Depth 600m HQ size fully cored.		
6			
7	Item		Cost
8			
9	UDR 650 Rig		\$1,100,000
10	Transport Truck		\$250,000
11	Support Truck		\$250,000
12	Pipe plus Downhole Tools		\$100,000
13	Toyota Landcruiser personnel vehicle		\$60,000
14	Ancillary Support Equipment (safety gear etc)		\$100,000
15	Sub Total		\$1,860,000
16	Contingency @ 20%		\$372,000
17			
18	Grand Total		\$2,232,000
19			
20	Yearly maintenance and repair cost:		\$ 150,000
21			
22			
23	Mitchells could operate the rig and provide crew plus support services, and cover these costs in a reduced drilling rate. A buy back or lease back arrangement could also be negotiated after a specified time if required, depending on the Department's drilling program requirements.		
24			
25	Delivery time for such a rig would be at least six months due to current high demand.		

Mining

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: brad.mullard@dpi.nsw.gov.au
Cc: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>
Date: Thu, 05 Jun 2008 16:32:06 +1000

Hi Brad,

Thanks for the maps this morning, they were very much appreciated. Just following on a little further from yesterday's discussions – if we aren't already doing it could we please have a full list of both big and small resource deposits across NSW and the potential timeframes for when we may be able to open them to a tender process.

Also we need to give absolute priority to getting the Benalabri area ready for competitive tender by February 2009. I'll also talk to Alan about this when he is back.

Thanks again

Cheers

Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452

Re: Drill Rig indicative costs

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: Robert Larkings <"cn=robert larkings/ou=dpi/o=nsw@nsw">
Date: Thu, 05 Jun 2008 16:41:36 +1000
Attachments: Copy of Drill Rig Indicative Cost summary.xls (16.9 kB)

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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	A	B	C
1	Indicative Costs for Drill Rig - Coal Exploration: Ex Mitchell Drilling		
2			
3	Rig Type: UDR 650 or equivalent		
4			
5	Specifications: Max Depth 600m HQ size fully cored.		
6			
7	Item		Cost
8			
9	UDR 650 Rig		\$1,500,000.00
10	Transport Truck		\$275,000.00
11	Support Truck		\$275,000.00
12	Pipe plus Downhole Tools		\$200,000.00
13	Toyota Landcruiser personnel vehicle		\$60,000.00
14	Ancilliary Support Equipment (safety gear etc)		\$150,000.00
15	Workshop Storage facilities		\$200,000.00
16	Sub Total		\$2,660,000.00
17	Contingency @ 20%		\$532,000.00
18			
19	Total Capital Costs		\$3,192,000.00
20			
21	Operating Costs		
22	Yearly maintenance and repair cost:		\$200,000.00
23	Running costs drilling, cementing, casing, diamond drill bits		\$1,000,000.00
24	Drilling Superintendent		\$200,000.00
25	2xDriller		\$300,000.00
26	2XDriller Offsider		\$200,000.00
27	Annual Operating Costs		\$1,900,000.00
28			
29			
30			
31	Mitchells could operate the rig and provide crew plus support services, and cover these costs in a reduced drilling rate. A buy back or lease back arrangement could also be negotiated after a specified time if required, depending on the Department's drilling program requirements.		
32			
33	Delivery time for such a rig would be at least six months due to current high demand.		

EOI Areas Western Coalfield

From: garth.holmes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Thu, 05 Jun 2008 16:54:33 +1000
Attachments: Additional data Potential Coal Allocation Areas in Western NSW 5 July 2008.DOC (2.37 MB)

Hi Brad

As requested.

Regards

Julie Moloney



Additional data Potential Coal Allocation Areas in Western NSW 5 July 2008.DOC

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
{ FILLIN "Insert Minister's Folder No (MFxx/xxxx)" * MERGEFORMAT }
{ FILLIN "Insert Divisional File No" * MERGEFORMAT }

DPI – { FILLIN "Insert Division in Capitals (e.g. AGRICULTURE AND FISHERIES, BCMS)" * MERGEFORMAT } Ministerial Briefing

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }.

Brief and talking points prepared by { FILLIN "Insert author's Name, Position and Division." * MERGEFORMAT }
5 June 2008

Ministerial Liaison Unit

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Executive Contact: Brad Mullard, A/DDG MR
Secondary Contact:

4931 6404 Mob 0409 828 836

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Background:

Small areas have been identified in the Western Coalfield which would be suitable for smaller industry players and which would be expected to generate limited return to the government. A number of companies have expressed an interest in an allocation in these areas.

These areas are speculative, have no or limited information available on the quantity or quality of the coal resources, and are generally considered as remnant resources.

These areas may be released concurrently or separately allowing companies to submit an Expression of Interest (EOI) for one or more areas.

Invitations to submit an EOI for these areas could be limited to those companies currently operating in the Western Coalfield and/or having previously expressed an interest in an allocation in the Western Coalfield. Alternatively invitations to submit an EOI for these areas could be opened to any interested party.

EOI financial contributions are suggested as follows:

- Lodgement fee of \$5,000
- Assessment fee of \$50,000
- A minimum financial contribution would be based on the Guidelines for Allocation of Future Coal Exploration Areas (March 2006) but could include a further financial bid beyond the minimum

(see Attachment A).

Recommendation:

The Minister notes this Brief.

ATTACHMENT A

Potential Coal Allocation Areas

Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest.

A number of companies have expressed an interest in an allocation in these areas. Based on this interest, six areas have been identified as potential areas for competitive expression of interest. See attached plan.

All areas require formal titles identification together with a brief review of the known geology to better target the potential resource.

All areas are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal, domestic cement and export thermal markets.

Area 1

- Area is highly speculative and in fact may not have any economic coal. However a number of companies have expressed interest in evaluating the area.
- If a resource is identified it is expected to be less than 50 Mt saleable
- Approximately 20 sq km in area and may contain open cut and some underground resources
- Includes part of Clandulla State Forest
- The area is within Mid-Western Regional Local Government Area.

Area 2

- Approximately 85 sq km in area. Limited existing borehole data
- If future exploration successfully identified a resource, it is expected to be in the order of 50 Mt saleable
- May contain open cut and underground coal resources.
- Includes the town of Ilford
- Area adjoins the western boundary of coal exploration titles held by Centennial Coal and Genders Mining (Oakbridge)
- The area is within Mid-Western Regional Local Government Area.

Area 3

- Approximately 18 sq km in area. Limited existing borehole data
- If future exploration successfully identified a resource, it is expected to be in the order of 50 Mt saleable
- May contain open cut and underground coal resources
- Includes part of Airly State Forest
- Area adjoins coal exploration titles held by Genders Mining (Oakbridge)
- The area is mostly within the Lithgow Local Government Area; however a small portion falls within the Mid-Western Regional Local Government Area.

ATTACHMENT A

Area 4

- Approximately 12 sq km in area. Limited existing borehole data
- If a resource is identified it is expected to be less than 20 Mt saleable
- May contain open cut and underground coal resources.
- Includes part of Ben Bullen State Forest.
- Includes the township of Ben Bullen
- Part of the eastern boundary adjoins The Gardens of Stone National Park
- To the south the area adjoins Lithgow Coal Company's Cullen Valley mine and Coalex Holding's Baal Bone mine.
- The area is within Lithgow Local Government Area.

Area 5

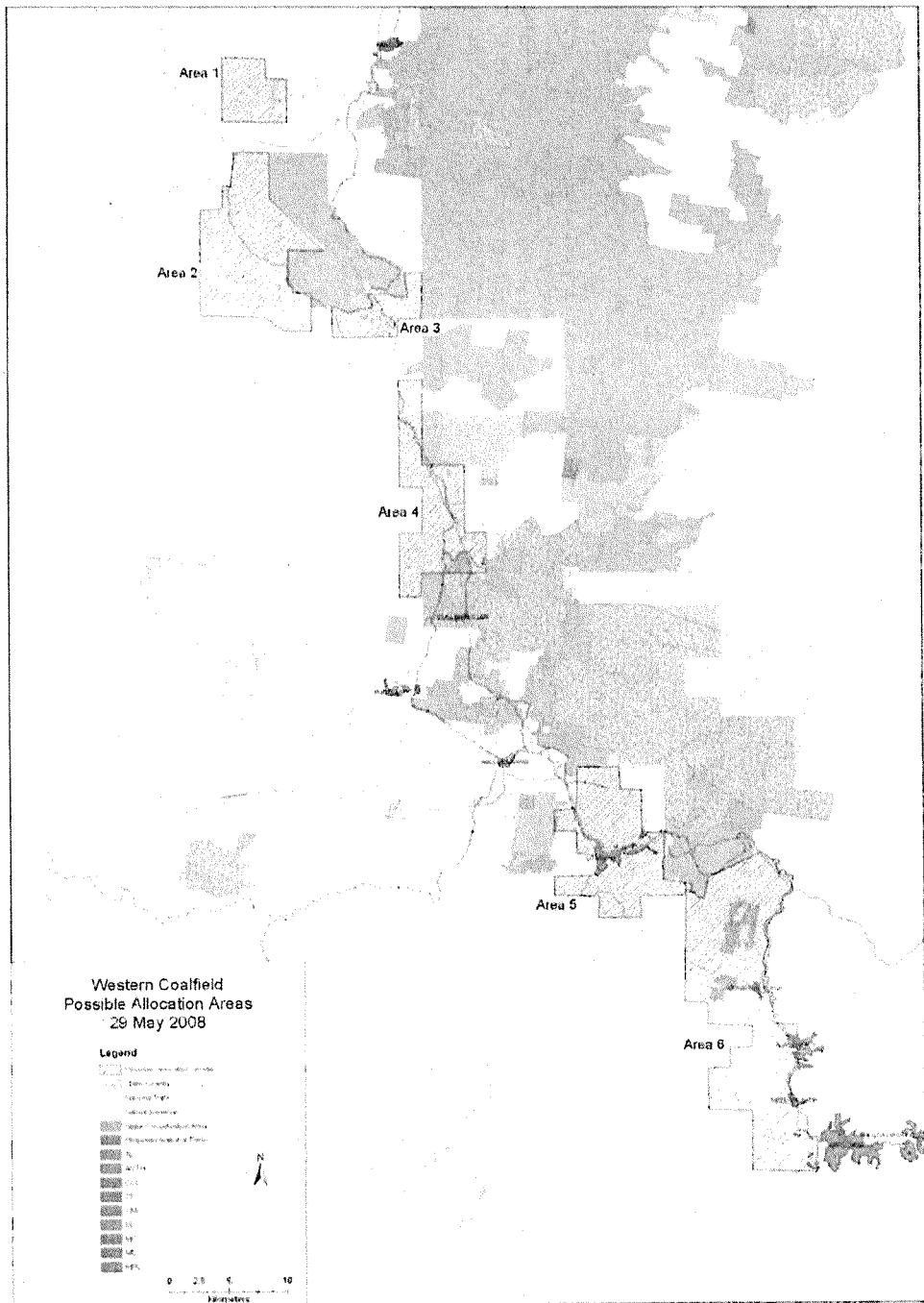
- Approximately 65 sq km in area. Limited existing borehole data
- If a resource is identified it is expected to be less than 30-50 Mt saleable
- May contain open cut and underground coal resources.
- Includes the town and suburbs of Lithgow and includes significant cliff lines and other topographical features
- **An allocation in this area is likely to raise a very high level of community concern**
- To the north the area adjoins Centennial Coal's Springvale mine and to the west adjoins Clarence mine (Clarence Joint Venture)
- The area is within Lithgow Local Government Area.

Area 6

- Approximately 140 sq km in area. Limited existing borehole data
- If a resource is identified it is expected to be less than 30-50 Mt saleable
- May contain open cut and underground coal resources
- Includes the Towns of Mt Victoria, Blackheath, Hartley Vale, Bell and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve and adjoins national parks to the east
- Includes significant cliff lines and other topographical features
- **An allocation in this area is likely to raise a very high level of community concern**
- The area straddles the Lithgow and Blue Mountains Local Government Areas.

ATTACHMENT A

Potential Small Allocation Areas in the Western Coalfield



RE: Mining

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: brad.mullard@dpi.nsw.gov.au
Date: Thu, 05 Jun 2008 18:02:15 +1000

One week

☐
Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

☐
Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452

From: brad.mullard@dpi.nsw.gov.au [mailto:brad.mullard@dpi.nsw.gov.au]

Sent: Thursday, 5 June 2008 4:45 PM

To: Jamie Gibson

Subject: Re: Mining

Jamie,

☪ We can put a list together but it will take a couple of weeks to compile.

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

☪ Email: brad.mullard@dpi.nsw.gov.au

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or by phoning 1300 736 122.

Ministerial Briefing re drill rig costs

From: robert.larkings@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: harriet.skinner@dpi.nsw.gov.au, patricia.madden@dpi.nsw.gov.au
Date: Thu, 05 Jun 2008 18:06:49 +1000
Attachments: MB_Drill Rig Costs.doc (66.05 kB)

Brad,

Information attached as discussed.



MB Drill Rig Costs.doc

ROBERT LARKINGS
Manager, Coal Resource Assessment
Department of Primary Industries, Mineral Resources
516 High Street Maitland
NSW 2320
ph. 02 4931 6526

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
{ FILLIN "Insert Ministerial Folder No (MFxx/xxxx)" * MERGEFORMAT }
{ FILLIN "Insert Divisional File No" * MERGEFORMAT }

NSW DPI –

Ministerial Briefing

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }

Brief and talking points prepared by { FILLIN "Insert author's Name, Position and Division." * MERGEFORMAT }

6 June 2008

Director, Coal and Petroleum Development

Insert Minister's Reference No (MPIxx/xxxx) if known
Insert Ministerial Folder No (MFxx/xxxx)
Insert Divisional File No

NSW DPI –

Ministerial Briefing

Investigation of Drill Rig purchase and associated costs.

Issue:

A preliminary investigation of current costs and options for purchase/operation of a drill rig by the Department has been carried out.

Executive Contact: Brad Mullard, A/DDG
Secondary Contact: R. Larkings

02 4931 6422 Mob 0409 828 836
4931 6526 Mob 0421 649 689

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

A preliminary investigation of current costs and options for purchase/operation of a drill rig by the Department has been carried out.

Background:

Due to the current high demand for drill rigs, a preliminary investigation of options for the Department to carry out exploration drilling has been carried out.

The initial capital expenditure required for the purchase of a rig capable of drilling boreholes up to 600m deep is summarised below.

Specifications: Max Depth 600m HQ size fully cored.		
Item		Cost
UDR 650 Rig		\$1,500,000
Transport Truck		\$275,000
Support Truck		\$275,000
Pipe plus Downhole Tools		\$200,000
Toyota Landcruiser personnel vehicle		\$60,000
Ancilliary Support Equipment (safety gear etc)		\$150,000
Workshop Storage facilities		\$200,000
Sub Total		\$2,660,000
Contingency @ 20%		\$532,000
Total Capital Costs		\$3,192,000
Operating Costs		
Yearly maintenance and repair cost:		\$200,000
Running costs drilling, cementing, casing, diamond drill bits		\$1,000,000
Drilling Superintendent		\$200,000
2xDriller		\$300,000
2XDriller Offsider		\$200,000
Annual Operating Costs		\$1,900,000

These costs do not take into account a number of issues and risks associated with setting up and maintaining a drilling rig.

These factors relate to areas where the Department currently does not have any capacity including:

- Training and certification of competent drilling staff
- Provision of Safety Management Systems for drilling operations
- Provision of Maintenance Management Systems for drilling plant and equipment

There are two options available which would provide the Department with the ability to carry out its proposed drilling program for the next 3 years:

1. Purchase and ongoing management of the rig by the Department.

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

- 2. The Department funds purchase of the rig. The rig is then leased back to the specialist drilling company for the exclusive use of the Department. The drilling company would provide the management crew, training, maintenance and supervision of the operation over the lease period (expected to be at least 3 years). A commercial arrangement for leaseback of the rig by the drilling company would be negotiated, incorporating a discounted rate for the actual drilling.

Comment:

The preferred option would be option 2, as this provides exclusive use of a suitable rig for the Department to carry out its exploration program without disruption to the preferred schedule, while the of employment of qualified personnel and such matters as ongoing training, maintenance of competencies/OHS provisions are the responsibility of the drilling company.

The Department is currently seeking more detailed costing from drilling contractors for this option.

It is important to note that due to the current industry demand, a lead time of at least 9 months would be required, inclusive of meeting Government capital purchase requirements, for delivery of a rig.

Recommendation:

The Minister notes this Brief.

Fw: Mining

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: Julie Moloney <"cn=julie moloney/ou=dpi/o=nsw@nsw">
Date: Thu, 05 Jun 2008 18:38:10 +1000

Julie,

Will call to discuss

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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-----Forwarded by Brad Mullard/DPI/NSW on 06/05/2008 06:37PM -----

To: <brad.mullard@dpi.nsw.gov.au>

From: "Jamie Gibson" <Jamie.Gibson@macdonald.minister.nsw.gov.au>

Date: 06/05/2008 04:32PM

cc: "Craig Munnings" <Craig.Munnings@macdonald.minister.nsw.gov.au>

Subject: Mining

Hi Brad,

Thanks for the maps this morning, they were very much appreciated. Just following on a little further from yesterday's discussions – if we aren't already doing it could we please have a full list of both big and small resource deposits across NSW and the potential timeframes for when we may be able to open them to a tender process.

Also we need to give absolute priority to getting the Benalabri area ready for competitive tender by February 2009. I'll also talk to Alan about this when he is back.

Thanks again

Cheers

Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Fw: RE: Mining

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: Julie Moloney <"cn=julie moloney/ou=dpi/o=nsw@nsw">
Date: Thu, 05 Jun 2008 18:39:11 +1000

See below

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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-----Forwarded by Brad Mullard/DPI/NSW on 06/05/2008 06:38PM -----

To: <brad.mullard@dpi.nsw.gov.au>
From: "Jamie Gibson" <Jamie.Gibson@macdonald.minister.nsw.gov.au>
Date: 06/05/2008 06:02PM
Subject: RE: Mining

One week

Jamie Gibson

Deputy Chief of Staff

Office of the Minister for Primary Industries

Minister for Energy

Minister for Mineral Resources

Minister for State Development

Ph (02) 9228 3344

Fax (02) 9228 3452

From: brad.mullard@dpi.nsw.gov.au [mailto:brad.mullard@dpi.nsw.gov.au]

Sent: Thursday, 5 June 2008 4:45 PM

To: Jamie Gibson

Subject: Re: Mining

Jamie,

We can put a list together but it will take a couple of weeks to compile.

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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2 things mate

From: Jamie Gibson </o=minister/ou=first administrative group/cn=recipients/cn=jgibson>
To: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>
Date: Fri, 06 Jun 2008 15:04:08 +1000

Dates for American Consul mine tour – 18 to 20th Aug, can you see what you can do.

Secondly – can you please get the latest Bylong Valley (Mt Penny) map emailed up on Tues.

Thanks heaps

Jamie Gibson
Deputy Chief of Staff
Office of the Minister for Primary Industries
Minister for Energy
Minister for Mineral Resources
Minister for State Development
Ph (02) 9228 3344
Fax (02) 9228 3452

maps

From: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw">
To: craig.munnings@macdonald.minister.nsw.gov.au
Date: Fri, 06 Jun 2008 15:25:20 +1000
Attachments: Ridgeland Area.pdf (208.38 kB); Nth Bylong Area.pdf (98.41 kB); Benelabri Application Area.pdf (112.89 kB); West Allocation.jpg (2.3 MB)

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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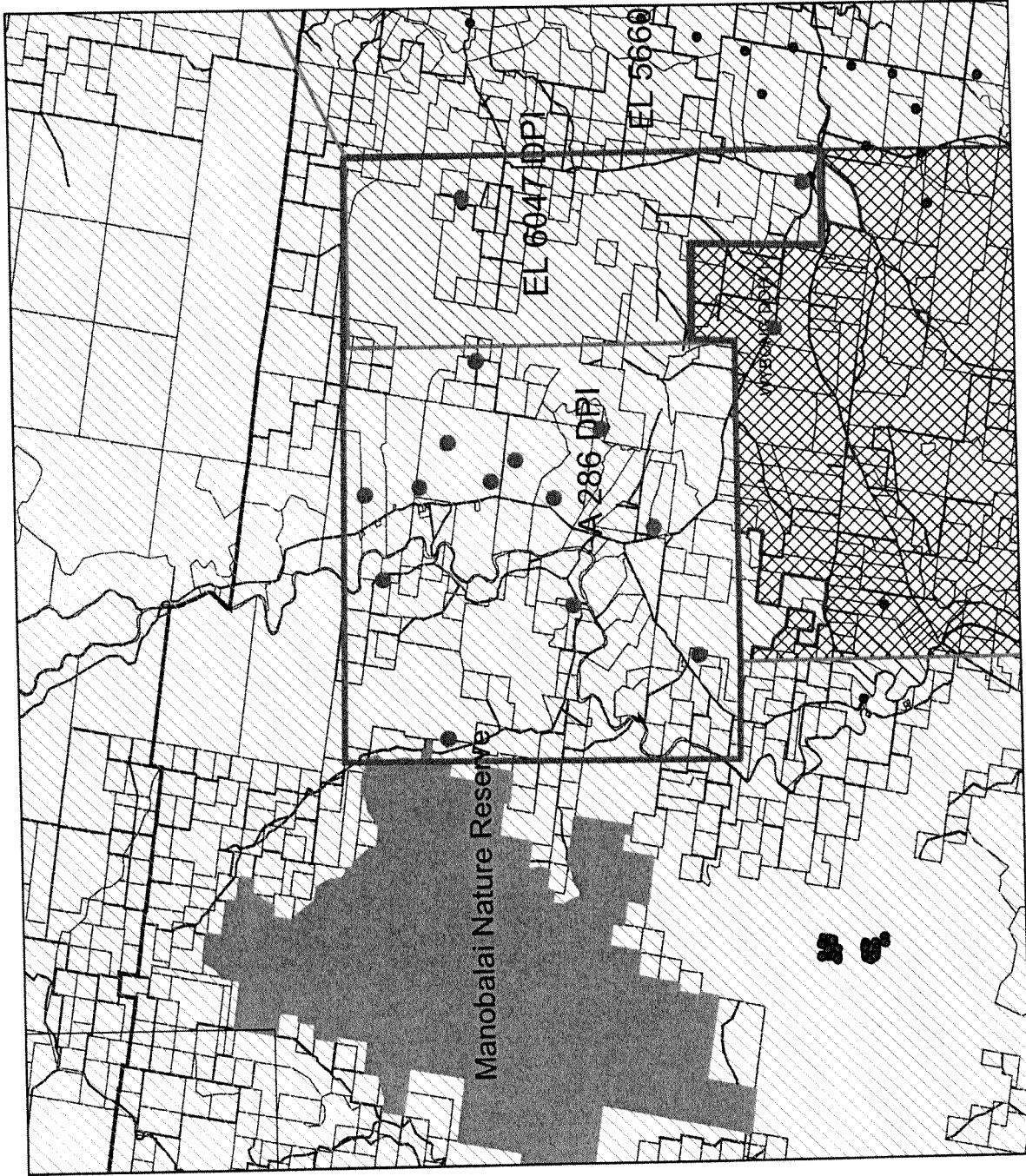
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Ridgeland's Potential Tender Area

Map 1



- gend
- MGA_cpore
- MRSD.RAIL
- SMAP.TX_TAS_TITLES
- <all other values>
- LE_CODE
- AL
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- CCL
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- PAL
- PEL
- PEP
- PL(MP)L
- PLL
- PPL
- PSPAETH
- S(C&P)L
- S(PL)L
- SL
- MRSD.NATPARKS
- Local Government Areas
- Potential Tender Area

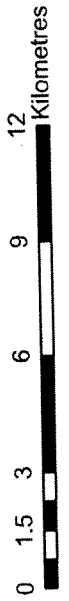
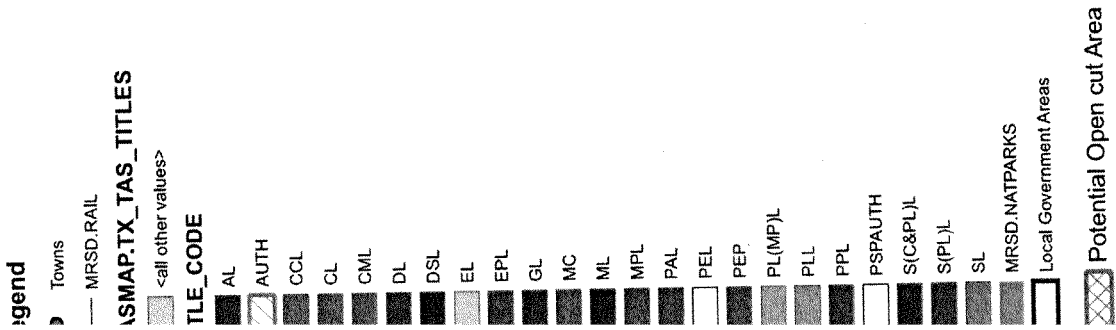
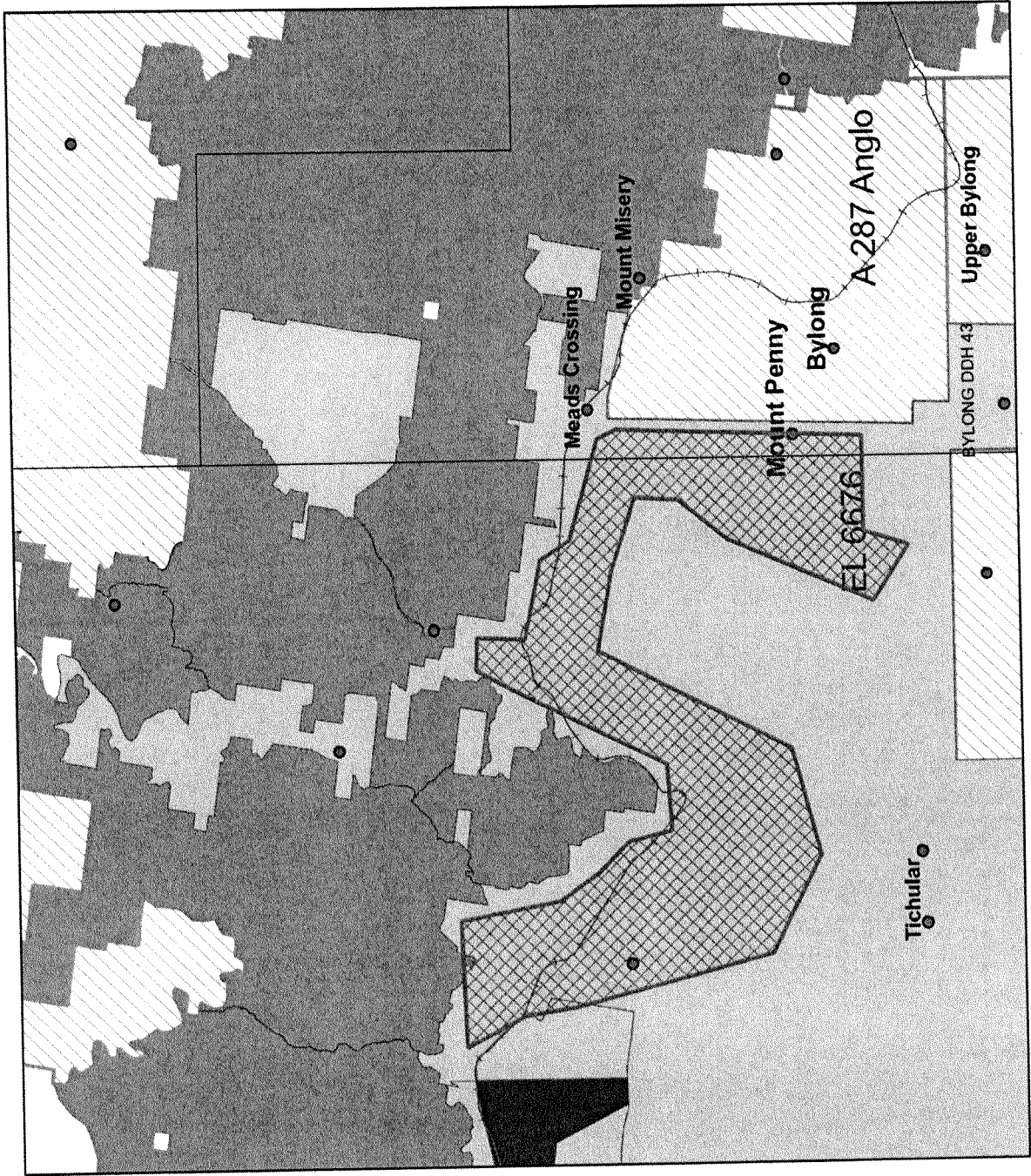


30th May, 2008.
Prepared by Leslie Wiles

160

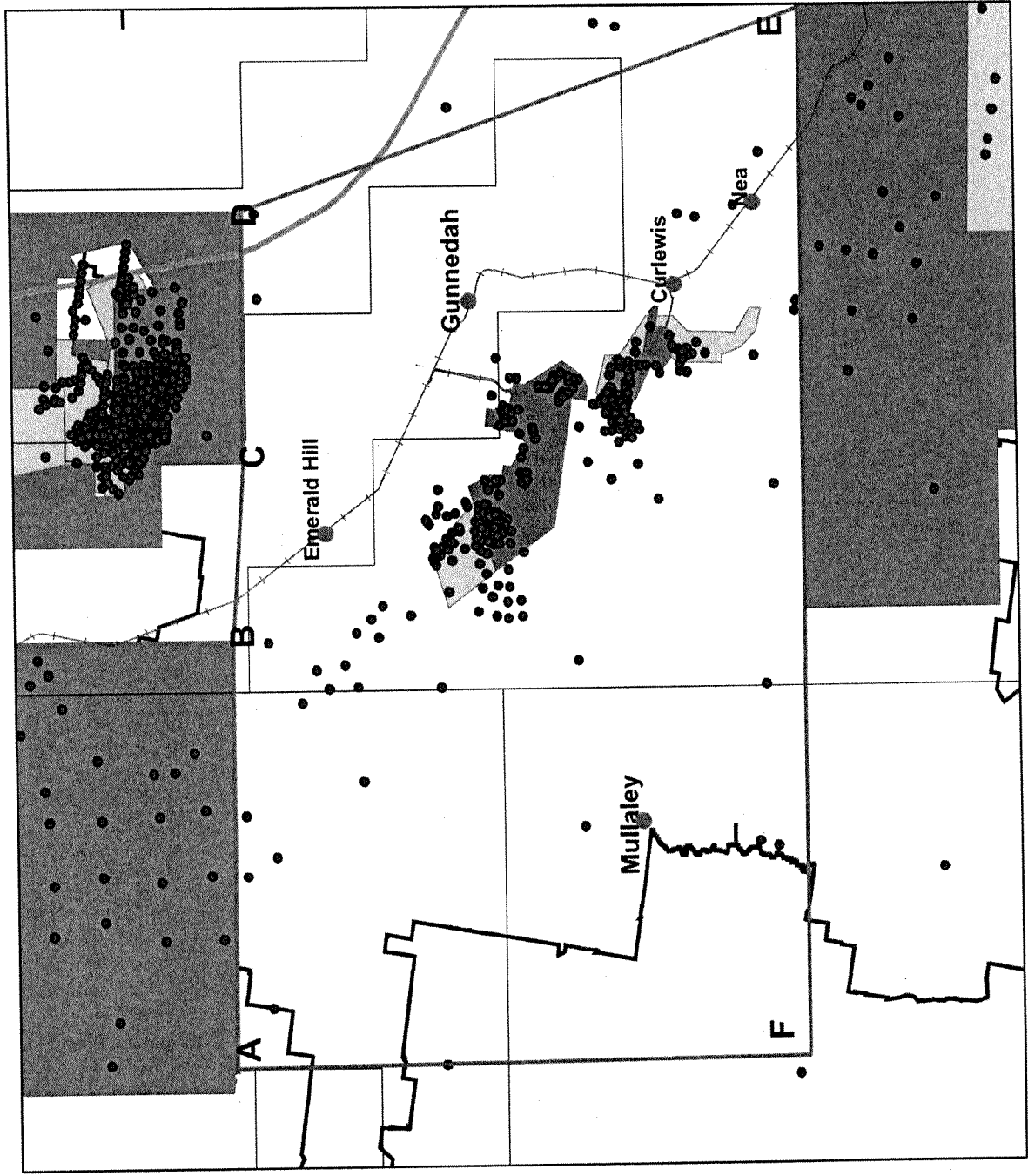
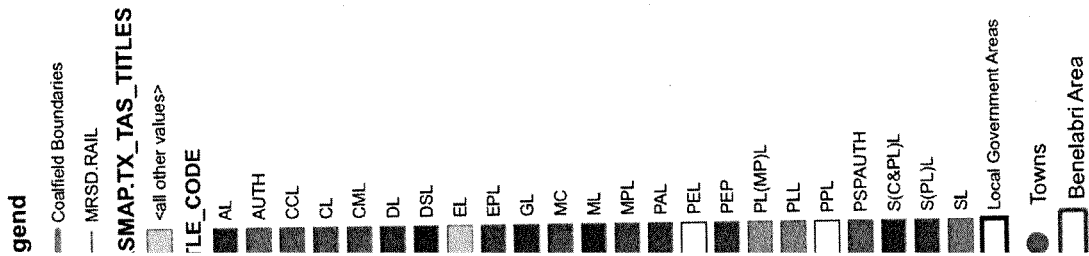
North Bylong - Mt Penny Area

Map 1



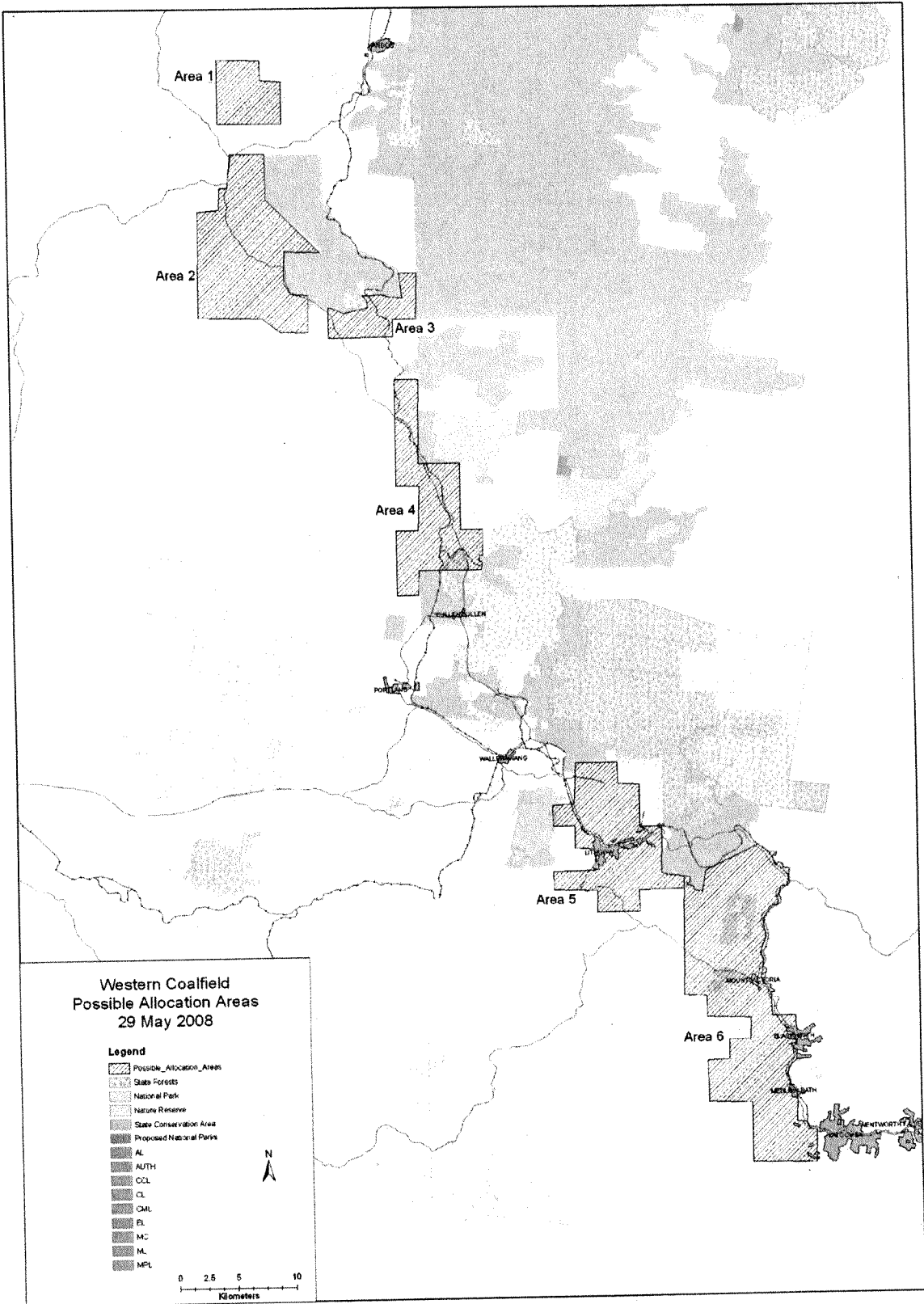
Benebri Application Area

Map 1



MGA CO-ORDS BENEABRI AREA		
Pt	Eastng	Northng
A	188685	6585677
B	216312	6586202
C	227500	6585569
D	243448	6585964
E	266500	6545807
F	188685	6544700

30th May, 2008.
 Prepared by Leslie Willes
 99-162



FW: maps

From: Craig Munnings </o=minister/ou=first administrative group/cn=recipients/cn=cmunnin">
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Fri, 06 Jun 2008 15:59:01 +1000
Attachments: Ridgelands Area.pdf (208.38 kB); Nth Bylong Area.pdf (98.41 kB); Benelabri Application Area.pdf (112.89 kB); West Allocation.jpg (2.3 MB)

Its taken half a f#\$%^g day but at least they are here now

Craig

Craig Munnings

Departmental Liaison Officer (Minerals)

Office of the Minister for Primary Industries, Minister for Mineral Resources, Minister for Energy and Minister for State Development

Phone 02 9228 3344 Facsimile 02 9228 3452

Mobile Phone 0439 604 606

From: brad.mullard@dpi.nsw.gov.au [mailto:brad.mullard@dpi.nsw.gov.au]

Sent: Friday, 6 June 2008 3:25 PM

To: Craig Munnings

Subject: maps

Brad Mullard

Director Coal & Petroleum Development

Mineral Resources Division

Department of Primary Industries

Phone: 4931 6404

Fax: 4931 6793

Email: brad.mullard@dpi.nsw.gov.au

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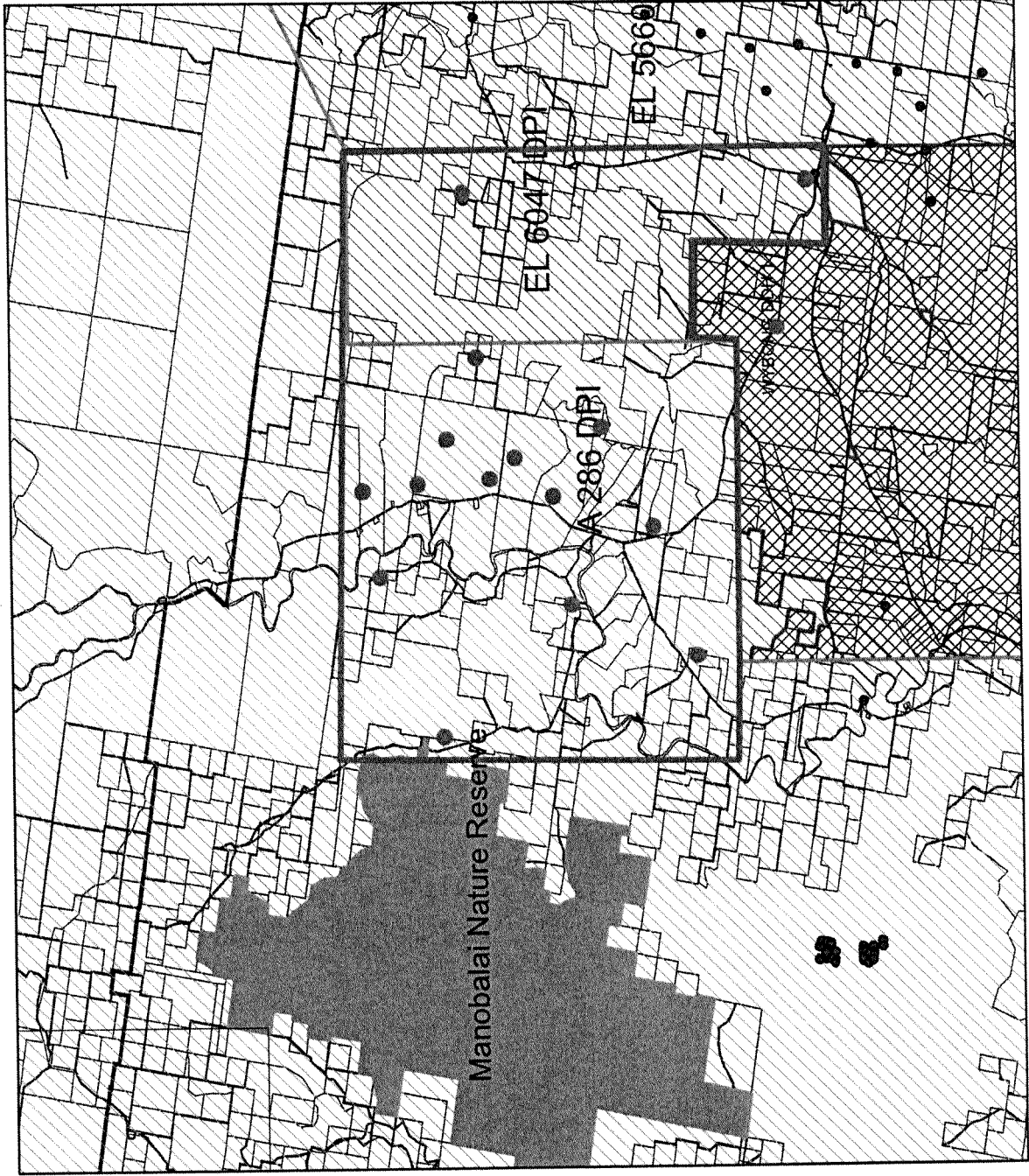
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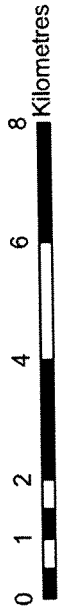
This message is intended for the addressee named and may contain confidential information. If you are not the

Ridgeland's Potential Tender Area

Map 1



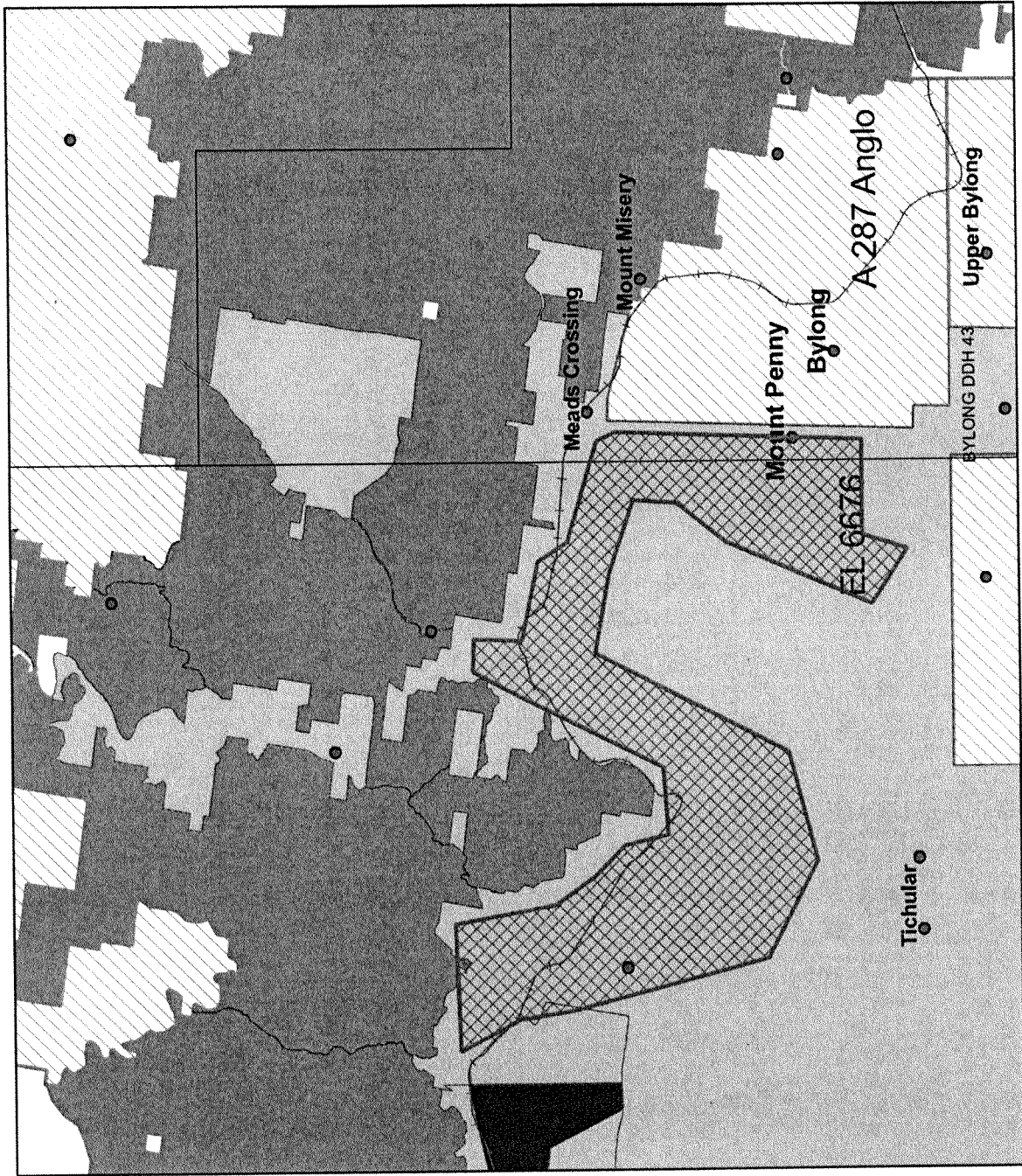
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 - SMAP.TX_TAS_TITLES
 - <all other values>
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 - PEP
 - PL(MP)L
 - PLL
 - PPL
 - PSPAUTH
 - S(C&P)L
 - S(PL)L
 - SL
 - MRSD.NATPARKS
 - Local Government Areas
 - Potential Tender Area



Ja 165

North Bylong - Mt Penny Area

Map 1



- Legend**
- Towns
 - MFRSD.RAIL
 - MFRSD.TX_TAS_TITLES
 - <all other values>
 - TLE_CODE**
 - AL
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 - CCL
 - CL
 - CML
 - DL
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 - PAL
 - PEL
 - PEP
 - PL(MP)L
 - PLL
 - PPL
 - PSPAETH
 - S(C&PL)L
 - S(PL)L
 - SL
 - MFRSD.NATPARKS
 - Local Government Areas
 - Potential Open cut Area



30th May, 2008.
Prepared by Leslie Wiles

99-166



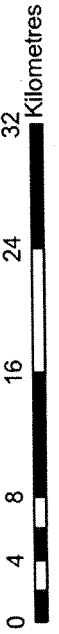
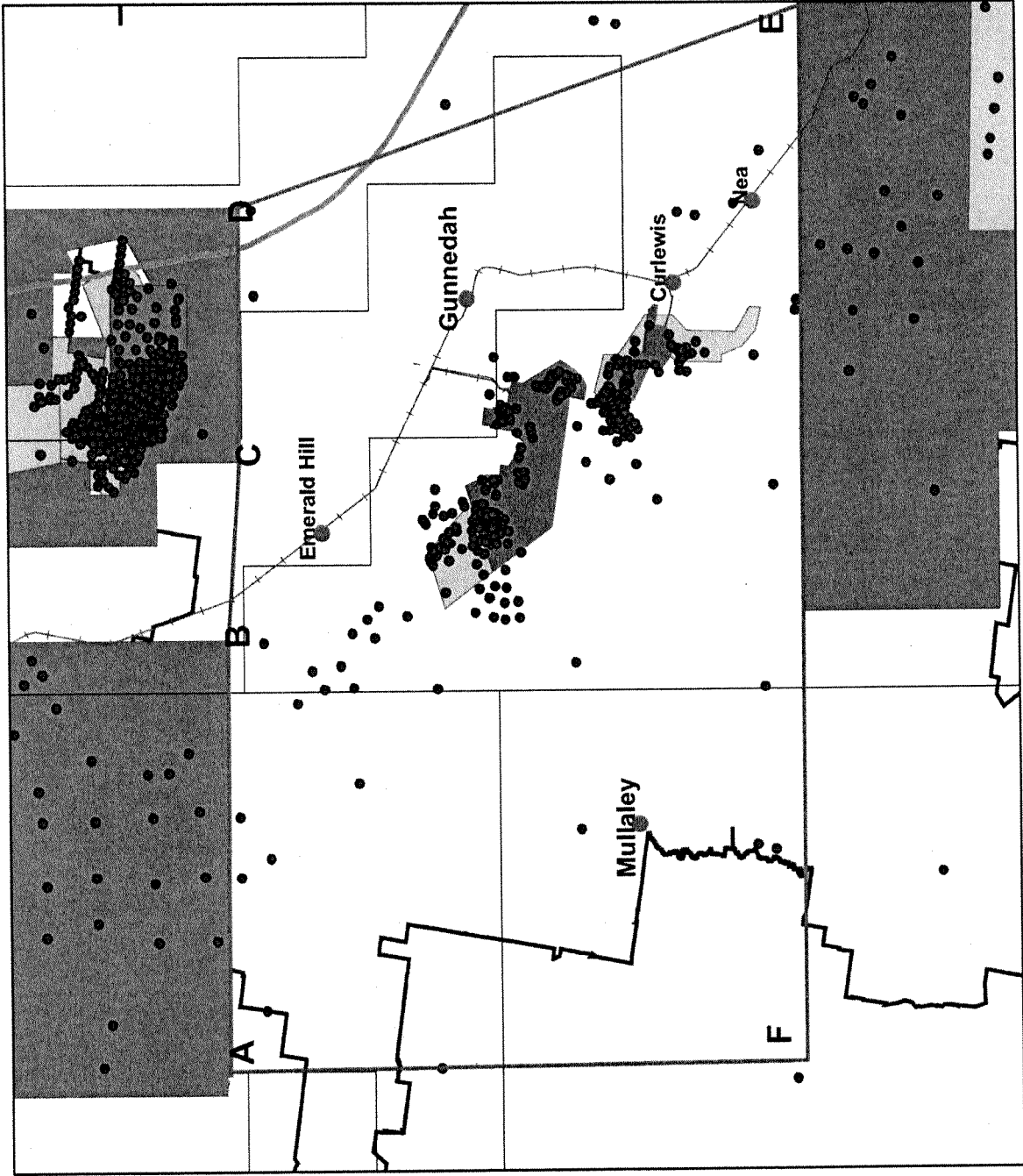
Benelabri Application Area

Map 1

J91-167



30th May, 2008.
Prepared by Leslie Wiles



gnd Coalfield Boundaries
--- MRSD,RAIL

SMAP, TX_TAS_TITLES

<all other values>

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PSPAUTH

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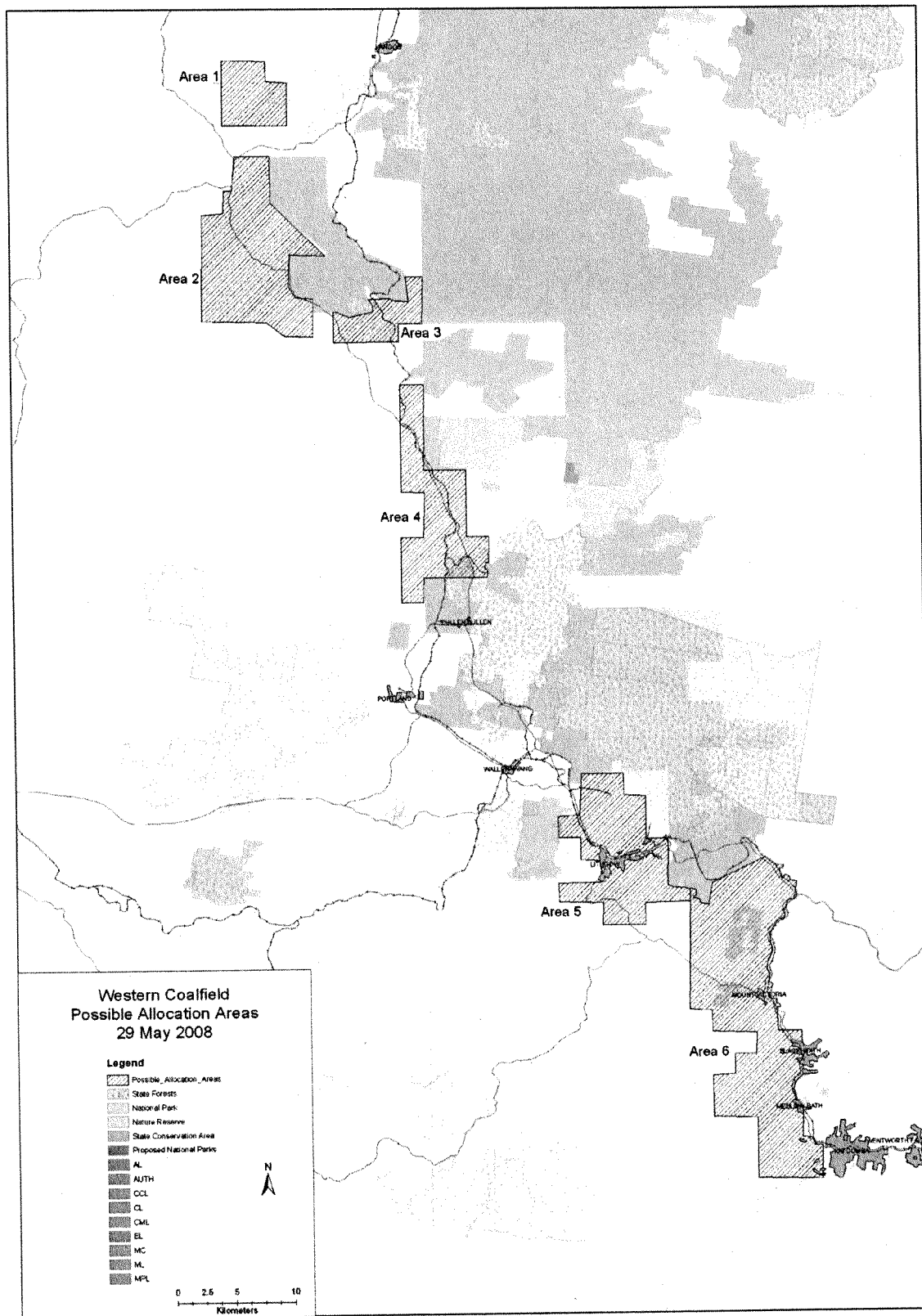
SL

Local Government Areas

Towns

Benelabri Area

MGA CO-ORDS BENELABRI AREA		
Pt	Easting	Northing
A	188685	6585677
B	216312	6586202
C	227500	6585569
D	243448	6585964
E	266500	6545807
F	188685	6544700



Coal Exploration & tender areas.doc

From: patricia.madden@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Mon, 16 Jun 2008 10:22:34 +1000
Attachments: Coal Exploration & tender areas.doc (96.26 kB)

Brad,

Table as requested. I have saved it in G:\Director CPD\Reports\Coal Exploration & tender areas.doc

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453



REGION	NUMBER	AREA	TONNAGE	QUALITY	DEPTH	EXPLORATION	COMMENTS
GUNNEDAH	1	NORTH NARRABRI	1500 MT U/G	DOMESTIC & EXPORT THERMAL	180-500 m	10 Km	
	2	MAULES CREEK	UNKNOWN	COKING & THERMAL	0 - 500 m	-	
	3	SOUTH NARRABRI	1800 MT U/G	DOMESTIC & EXPORT THERMAL	150-600 m	10 Km	
	4	SW GUNNEDAH/E CONNABARABRAN	UNKNOWN	THERMAL	<400 m	15 Km	
	5	HILL 60 - BREEZA	600 MT O/C 500 MT U/G	DOMESTIC & EXPORT THERMAL	0 - 500 m	10 Km	
	6	WILLOW TREE	UNKNOWN	UNKNOWN	0 - 600 m	-	
NORTHWEST	7	MENDOORAN	UNKNOWN	THERMAL?	0 - 400? m	NIL	Western study 3 holes
	8	GOONOO	UNKNOWN	EXPORT THERMAL	400 - 600 m	10 Km	
	9	COBBORA	1200 MT O/C 500 MT U/G	DOMESTIC & EXPORT THERMAL	0 - 300 m	4 - 10 Km SPACING	Western study 33 holes
	10	WEST ULAN	28 MT O/C	DOMESTIC THERMAL	0 - 50 m	1 - 2 Km	Western study No holes
	11	NORTH ULAN	530 MT U/G	DOMESTIC & EXPORT THERMAL	250 - 500 m	4 Km	Western study 2 holes

	12	POGGY	100 MT U/G	DOMESTIC & EXPORT THERMAL	300 - 400 m	> 5 Km	Western study 3 holes
	13	WOLLAR - BYLONG	600 MT U/G 220 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 300 m	2 - 5 Km	Western study 16 holes
	14	MURRUMBO	300 MT U/G	DOMESTIC & EXPORT THERMAL	150 - 350 m	NIL	Western study 2 holes
	15	KAINS FLAT	150 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 80 m	5 - 10 Km	Western study 17 holes
	16	BREAKFAST CREEK	150 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 80 m	5 - 10 Km	Western study 16 holes
	17	RYLSTONE	1100 MT U/G 40 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 400 m	1 - 2 Km	Western study 16 holes
HUNTER	18	WEST SCONE	UNKNOWN	EXPORT THERMAL SOFT COKING	0 - 500 m	4 - 20 Km	
	19	STRATHEARN	15 - 45 MT O/C 55 MT U/G	EXPORT THERMAL	0 - 300 m	2 - 4 Km	
	20	HALLS CREEK	500 MT U/G	DOMESTIC & EXPORT THERMAL	250 - 600 m	NIL	Western study 5 holes
	21	RIDGELANDS	460 MT U/G	DOMESTIC & EXPORT THERMAL	100 - 400 m	1 - 2 Km	Western study No holes
	22	BENGALLA WEST	250 MT U/G ? O/C	DOMESTIC & EXPORT THERMAL	0 - 300 m	2 - 4 Km	

	23	YARRAWA	20 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 80 m	4 Km	Western study 6 holes
	24	DENMAN SOUTH	200 MT U/G	EXPORT THERMAL SOFT COKING	180 - 500 m	1 - 4 Km	
	25	SPUR HILL	20 MT O/C 80 MT U/G	EXPORT THERMAL	0 - 300 m	2 Km	
	26	WOLLOMBI A263	>500 MT U/G	DOMESTIC & EXPORT THERMAL	100 - 600 m	10 - 20 Km	
	27	SINGLETON ARMY BASE	UNKNOWN BUT LARGE	EXPORT THERMAL SOFT COKING	0 - 500 m	1 - 4 Km	
	28	BELFORD DOME	200 MT	EXPORT THERMAL SOFT COKING	400 - 600 m	5 Km	
NEWCASTLE	29	TOMAGO - PORT STEPHENS	400 MT U/G	EXPORT THERMAL SOFT COKING	200 m+	4 Km	Expressions of interest by Rio Tinto
SOUTHERN	30	OAKDALE	650 MT? U/G	COKING & THERMAL	250 - 600 m	3 - 4 Km	
	31	MACARTHUR	1700 MT? U/G	COKING	500 - 800 m	4 - 5 Km	
	32	HOLSWORTHY	380 MT U/G	COKING & THERMAL	500 - 750 m	5 - 10 Km	
	33	EAST BARGO	600 MT U/G	COKING & THERMAL		2 - 3 Km	
	34	HIGH RANGE	2000 MT? U/G	COKING & THERMAL	150 - 400 m	4 - 5 Km	
	35	MITTAGONG	2000 MT? U/G	COKING & THERMAL	100 - 400 m	3 - 4 Km	

	36	MERYLA	250 MT U/G	COKING & THERMAL	0 - 250 m	2 - 3 Km	
NORTH	37	ASHFORD	UNKNOWN	COKING	UNKNOWN	2 - 10 Km	
	38	CLARENCE MORETON	UNKNOWN	THERMAL	400?	10 - 20 Km	
SMALL AREAS	39	BICKHAM WEST	20 MT O/C	THERMAL			
	40	WEST WAMBO	10 MT O/C 150 MT U/G	SOFT COKING & THERMAL			
	41	FREEMANS WATERHOLE	< 10 MT O/C	THERMAL			

NOTES:

1. It is not possible to detail future exploration programmes for areas outside of the Hunter East to Cobbora Study Area until further assessments are made. In all cases drilling will be required funded from the Coal Identification Account.
2. All tonnages are indicative of resource potential only and do not represent compliance with any category of the JORC code.

EOI AREAS

From: brad.mullard@dpi.nsw.gov.au
To: Richard Sheldrake <"cn=richard sheldrake/ou=dpi/o=nsw@nsw">, jamie.gibson@macdonald.minister.nsw.gov.au, craig.munnings@macdonald.minister.nsw.gov.au
Date: Mon, 16 Jun 2008 11:28:23 +1000
Attachments: EOI_AREAS.doc (2.46 MB)

Dear All

Information for meeting as requested

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.



EOI AREAS.doc

Potential Coal Allocation Areas, Timeframes and Estimated Returns

Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest

Six areas have been identified as potential areas for Expression of interest. See attached plan.

All are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal, domestic cement and export thermal markets.

Area 1

- Approximately 20 sq km
- Limited geological information
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Estimated to be less than 50Mt. **Estimated Minimum Return \$7.5 Million**

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50. **Estimated Minimum Return \$7.5 Million**

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- If future exploration successfully identified a resource, the order may be 50 Mt **Estimated Minimum Return \$7.5 Million**
- Includes part of Airly State Forest.

Area 4

- Approximately 12 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30Mt **Estimated Minimum Return \$3 Million**
- Includes part of Ben Bullen State Forest.

Area 5 **Likely High level of community opposition**

- Approximately 65 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate 30Mt **Estimated Minimum Return \$3 Million**
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6 **Likely High level of community opposition**

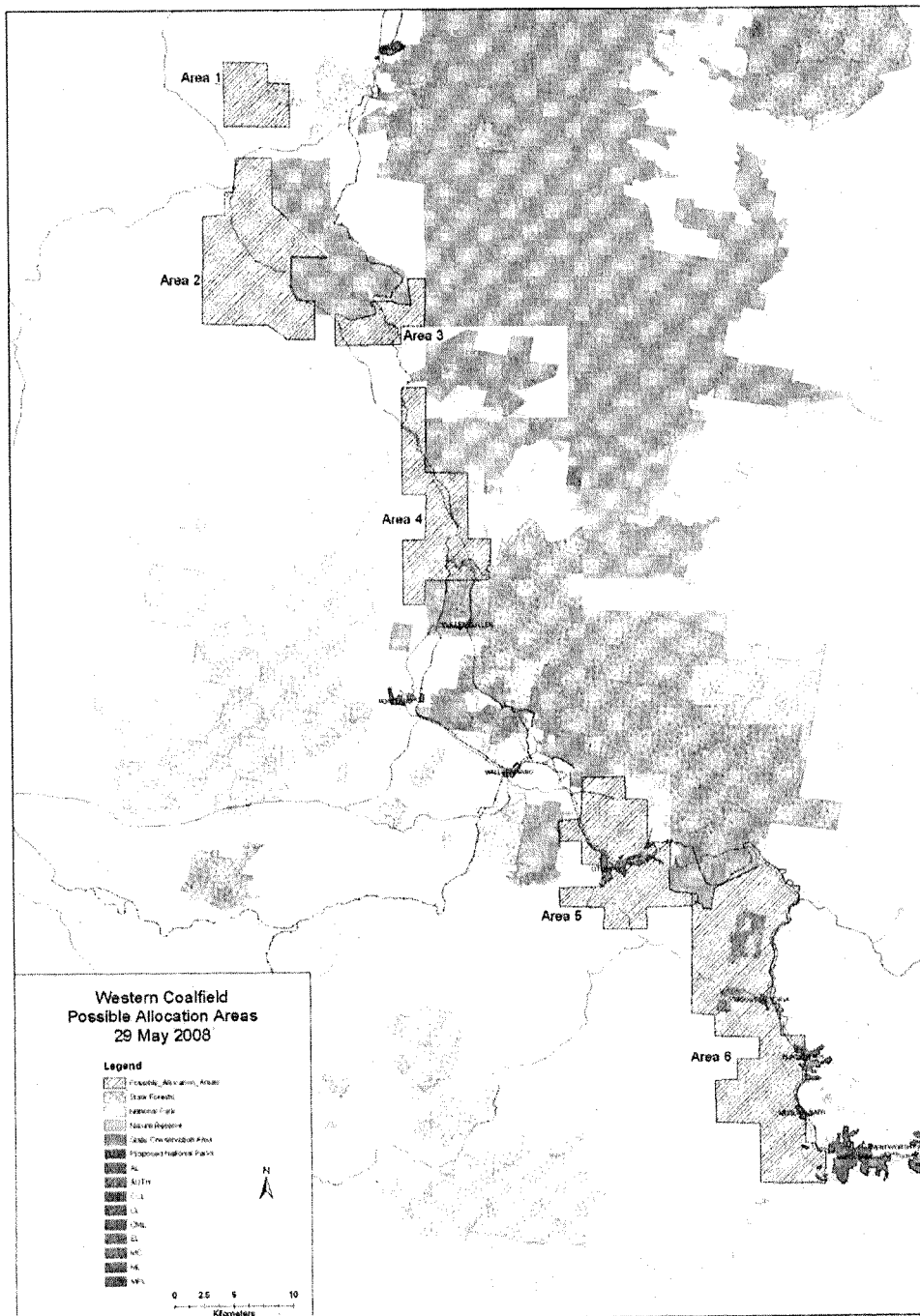
- Approximately 140 sq km.
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate 30Mt **Estimated Minimum Return \$3 Million**
- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve and significant cliff lines

Time Frame for All small Western areas Expression of Interest (EOI):

EOI Information

and data package preparation	4 weeks	End July
EOI Period	8 weeks	End September
EOI Assessment	4 weeks	End October

Potential Small Allocation Areas in the Western Coalfield



Mt Penny

The Department has contracted to drill a number of exploration wells for the area. The area is expected to contain opencut resources close to existing rail facilities.

Estimated open cut resources Less than 100Mt in the Mt Penny area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Estimated Minimum Return \$15 Million

Possible Time Frame for MT Penny Expression of Interest (EOI):**EOI Information**

and data package preparation	4 weeks	End July
EOI Period	8 weeks	End September
EOI Assessment	4 weeks	End October

Potential Large Coal Expression of interest Areas

Ridgeland: Area approximately 80km² Hunter Valley

Ridgeland area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Possible Time Frame for Ridgelines Expression of Interest (EOI):

EOI Information

and data package preparation	8 weeks	End August
EOI Period	12 weeks	End November
EOI Assessment	4 weeks	End December
Estimated Return greater than \$100 Million		

Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

An magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Possible Time Frame for Expression of Interest (EOI):

Using 7 day 24 hour operations the Time line may be shorten as follows:

Government procurement process:	2 months	June-July
Drilling Operations (30 Wells)	3 months	August-October
Chemical Analysis of coal	2 months	November-December
Tender Period	4 months	January-April
Evaluation of Tenders	2 Weeks	May
Government Decision Letter of offer		May
Cash payment (30 days after letter of offer)		June 2009

Assumes no delays for wet weather, immediate availability of drilling rigs and no landholder access issues. All assumptions are doubtful.

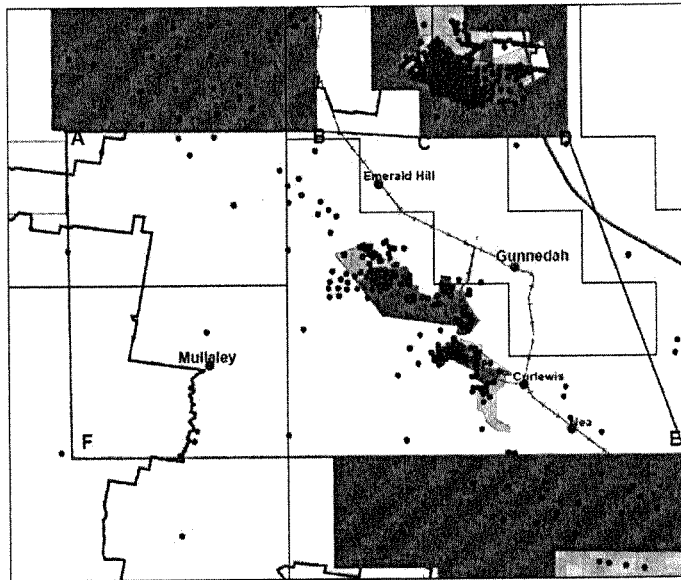
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- CHL
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- DEL
- EPL
- DL
- MC
- ML
- MPL
- PAL
- PEL
- PEP
- PL/MPL
- PLL
- PPL
- PPA/UTH
- 3/C&M.L
- WPL.L
- IL
- Local Government Areas
- Towns
- Benelabri Area

MGA CO-ORDS BENELABRI AREA		
PI	Easting	Northing
A	182485	6582677
B	216312	6586024
C	227720	6582669
D	242648	6582784
E	295120	6584807
F	182685	6544700

Benelabri Application Area

Map 1



West Allocation area Map

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: leslie.wiles@dpi.nsw.gov.au
Date: Mon, 16 Jun 2008 11:34:10 +1000
Attachments: West Allocation 16 June 2008.jpg (1.86 MB)

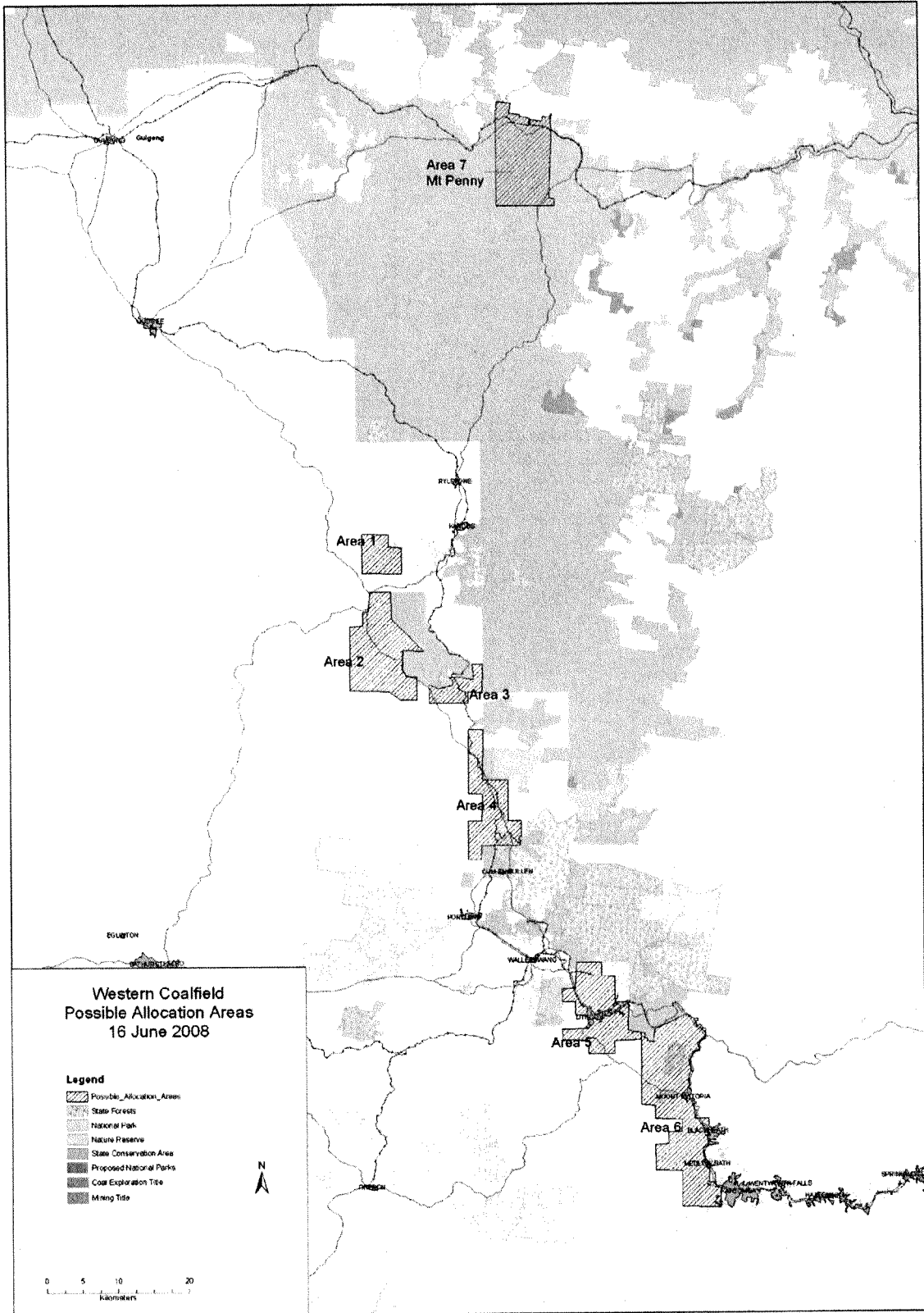
Hi Brad

Updated map as requested.



West Allocation 16 June 2008.jpg

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938



Plan as requested

From: karen.inglis@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Tue, 17 Jun 2008 09:22:11 +1000
Attachments: Future_Exploration_Tender_Areas.jpg (1.93 MB); Future_Exploration_Tender_Areas.pdf (1.04 MB)

Hi Brad,

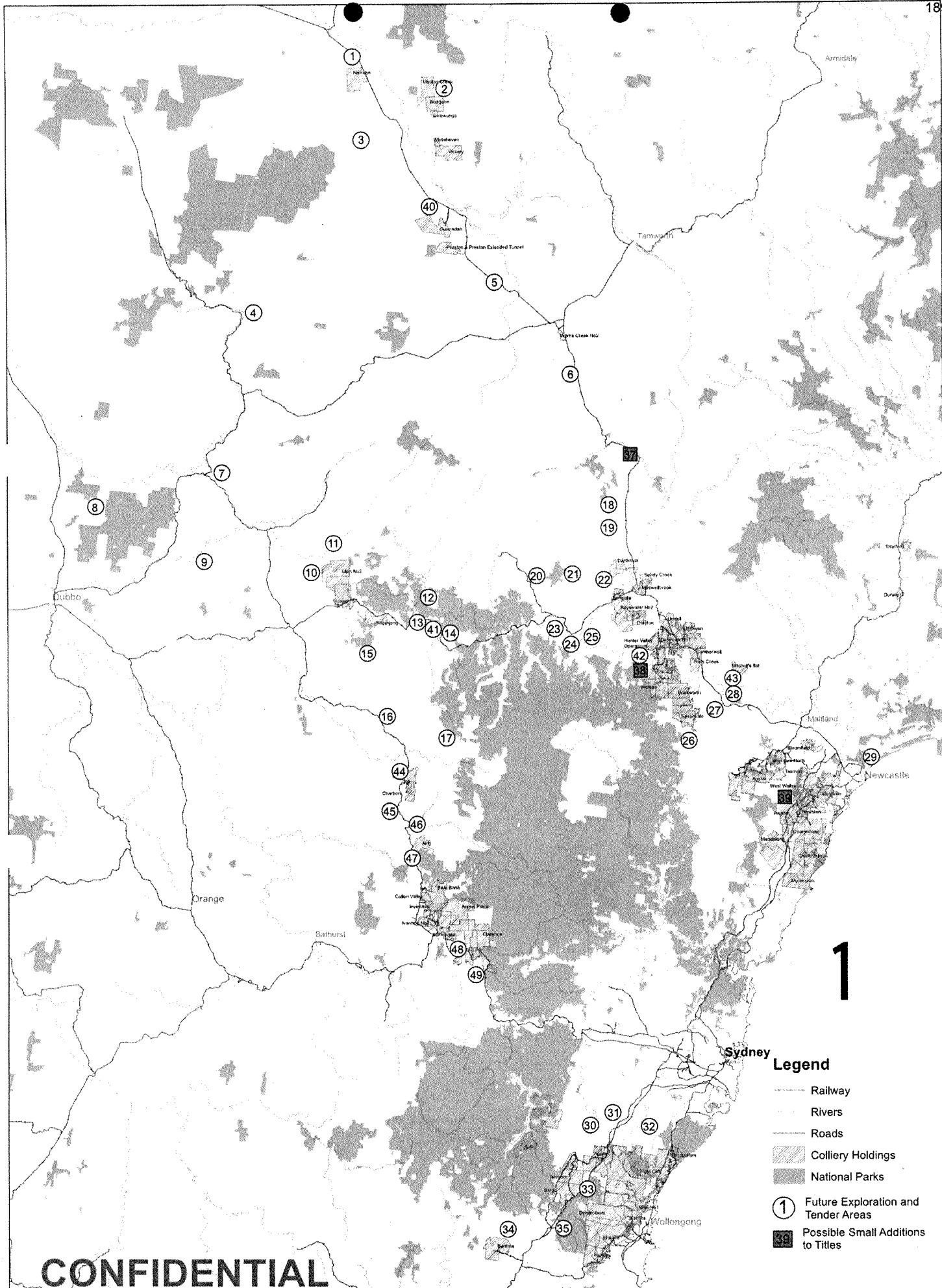
I have attached both a pdf and jpg for you.



Future Exploration Tender Areas.jpg Future Exploration Tender Areas.pdf

Regards
Karen Inglis
Record Tracing Section
Titles Branch
Department of Primary Industries
516 High Street
Maitland. NSW. 2320

T:0249316467
F:0249316776
E:karen.inglis@dpi.nsw.gov.au



CONFIDENTIAL

Company's in Western Coalfields

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Thu, 19 Jun 2008 13:07:03 +1000
Attachments: Coal EOI Western Coalfields.doc (23.55 kB)

Brad

As requested



Coal EOI Western Coalfields.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Coal EOI Western Coalfields

Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd
- Xstrata

Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Anglo Coal
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)
- Xstrata
- Moolarben Joint Venture (White Mining)
- Peabody

Updated EOI List

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Thu, 19 Jun 2008 13:46:24 +1000
Attachments: Coal EOI Western Coalfields.doc (22.53 kB)

As discussed updated list attached.



Coal EOI Western Coalfields.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Coal EOI Western Coalfields June 2008

Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

Western Coalfield areas

From: julie.moloney@dpi.nsw.gov.au
To: karen.inglis@dpi.nsw.gov.au
Date: Wed, 25 Jun 2008 10:24:34 +1000
Attachments: Poss_Allocation_Areas_Western_CF.shx (156 bytes); Poss_Allocation_Areas_Western_CF.dbf (848 bytes); Poss_Allocation_Areas_Western_CF.sbn (212 bytes); Poss_Allocation_Areas_Western_CF.sbx (132 bytes); Poss_Allocation_Areas_Western_CF.shp (3.55 kB); Poss_Allocation_Areas_Western_CF.shp.xml (8.51 kB)

Hi Karen

As discussed, I need to understand if there are any old mine working in the attached areas.

Regards

Julie

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

----- Forwarded by Julie Moloney/DPI/NSW on 25/06/2008 10:23 AM -----







To: Kevin Ruming/DPI/NSW

Julie Moloney/DPI/NSW

cc: _____

24/06/2008 10:22 AM

Subject: EOI

 Poss Allocation Areas Western CF.shx  Poss Allocation Areas Western CF.dbf  Poss Allocation Areas Western CF.sbn
 Poss Allocation Areas Western CF.sbx  Poss Allocation Areas Western CF.shp  Poss Allocation Areas Western CF.shp.xml

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Fw: Western Area shapes

From: julie.moloney@dpi.nsw.gov.au
To: fred.schiavo@dpi.nsw.gov.au
Cc: melanie.brown@dpi.nsw.gov.au
Date: Fri, 27 Jun 2008 14:32:43 +1000
Attachments: Allocation_Area_5.xls (16.38 kB); Allocation_Area_1.xls (15.87 kB); Allocation_Area_2.xls (13.82 kB); Allocation_Area_3.xls (13.82 kB); Allocation_Area_4.xls (18.43 kB); Allocation_Areas.shx (1.06 kB); Allocation_Area_Polygon.dbf (480 bytes); Allocation_Area_Polygon.prj (145 bytes); Allocation_Area_Polygon.sbn (196 bytes); Allocation_Area_Polygon.sbx (132 bytes); Allocation_Area_Polygon.shp (2.46 kB); Allocation_Area_Polygon.shx (140 bytes); Allocation_Areas.dbf (16.15 kB); Allocation_Areas.prj (145 bytes); Allocation_Areas.sbn (1.22 kB); Allocation_Areas.sbx (156 bytes); Allocation_Areas.shp (3.46 kB)

Hi Fred

Coal Advice has created shape file for 5 areas in the western coalfield with potential for EOIs.

Could you please under take an titles id on each area for me.

There are an addition 2 areas which I will forward ASAP.

Thanks

Julie

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

----- Forwarded by Julie Moloney/DPI/NSW on 27/06/2008 02:26 PM -----

To Julie Moloney/DPI/NSW@NSW

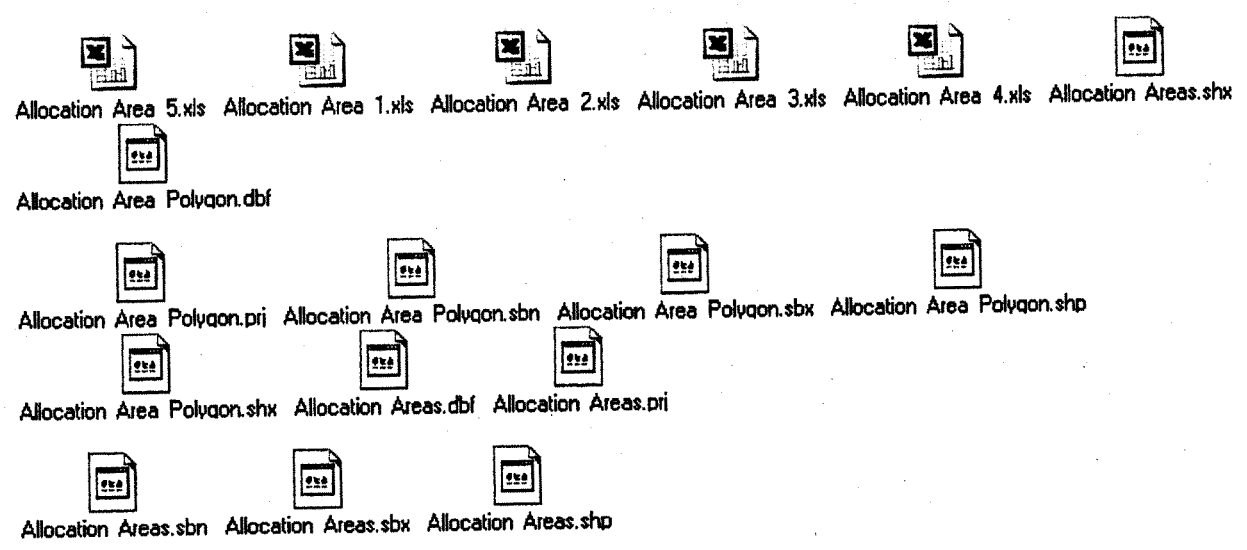
Kevin Ruming/DPI/NSW cc _____

26/06/2008 04:42 PM

Subject Western Area shapes

Hello Julie,

I have attached a shape for for the western area 1-5 point and polygons, plus the xls spreadsheets of coords. The A3 graphics are in the folder G:\Coal\COAL_RESOURCE\Western_Allocation_Areas\Graphics. Do you need any other shapes generated??



cheers

Key

Company EOI

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Wed, 02 Jul 2008 17:49:55 +1000
Attachments: Company EOI 2 July 2008.doc (26.62 kB)

Hi Brad

List of small to medium companies which have EOI on the register.



Company EOI 2 July 2008.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Company EOI 2 July 2008

Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

Other small companies which have expressed an interest in elsewhere in the State.

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- PalarisMining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Independent Coal Pty Ltd
- Hunter Valley Mining Corporation
- Atlas Coal Enterprises Pty Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)

URGENT - meeting with Minister on Mon, 7 Jul

From: harriet.skinner@dpi.nsw.gov.au
To: richard.sheldrake@dpi.nsw.gov.au
Date: Fri, 04 Jul 2008 15:27:39 +1000

Hi Richard

The Minister would like to speak to me and Brad urgently re coal allocation policy. However, he hasn't got any free time next week, would it be possible for us to discuss it between 11am and 12noon when you're scheduled to have the weekly meeting.

Thanks

Alan

Alan Coutts
Deputy Director-General
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
SYDNEY NSW 2000
Ph: (02) 8289 3944
Fx: (02) 9286 3208

Mt Penny Area.

From: julie.moloney@dpi.nsw.gov.au
To: kevin.ruming@dpi.nsw.gov.au
Date: Mon, 07 Jul 2008 13:32:13 +1000

Hi Kev

After we met with Brad last week we were going to review the resources and area for the Mt Penny area. Has that happened?

Thanks

Julie

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Potential EOI areas

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: garth.holmes@dpi.nsw.gov.au
Date: Fri, 18 Jul 2008 15:44:16 +1000
Attachments: Map of Pot EOI areas 18 July 2008.pdf (305.99 kB); Company EOI 18 July 2008.doc (29.18 kB);
Potential Allocation areas 18 July 2008.doc (34.82 kB)

Hi Brad

As discussed the follow are attached:

- Plan showing areas
- Very brief overview of individual areas
- List of Company which have registered an interest in an allocation.

Enjoy the rest of your holidays



Map of Pot EOI areas 18 July 2008.pdf

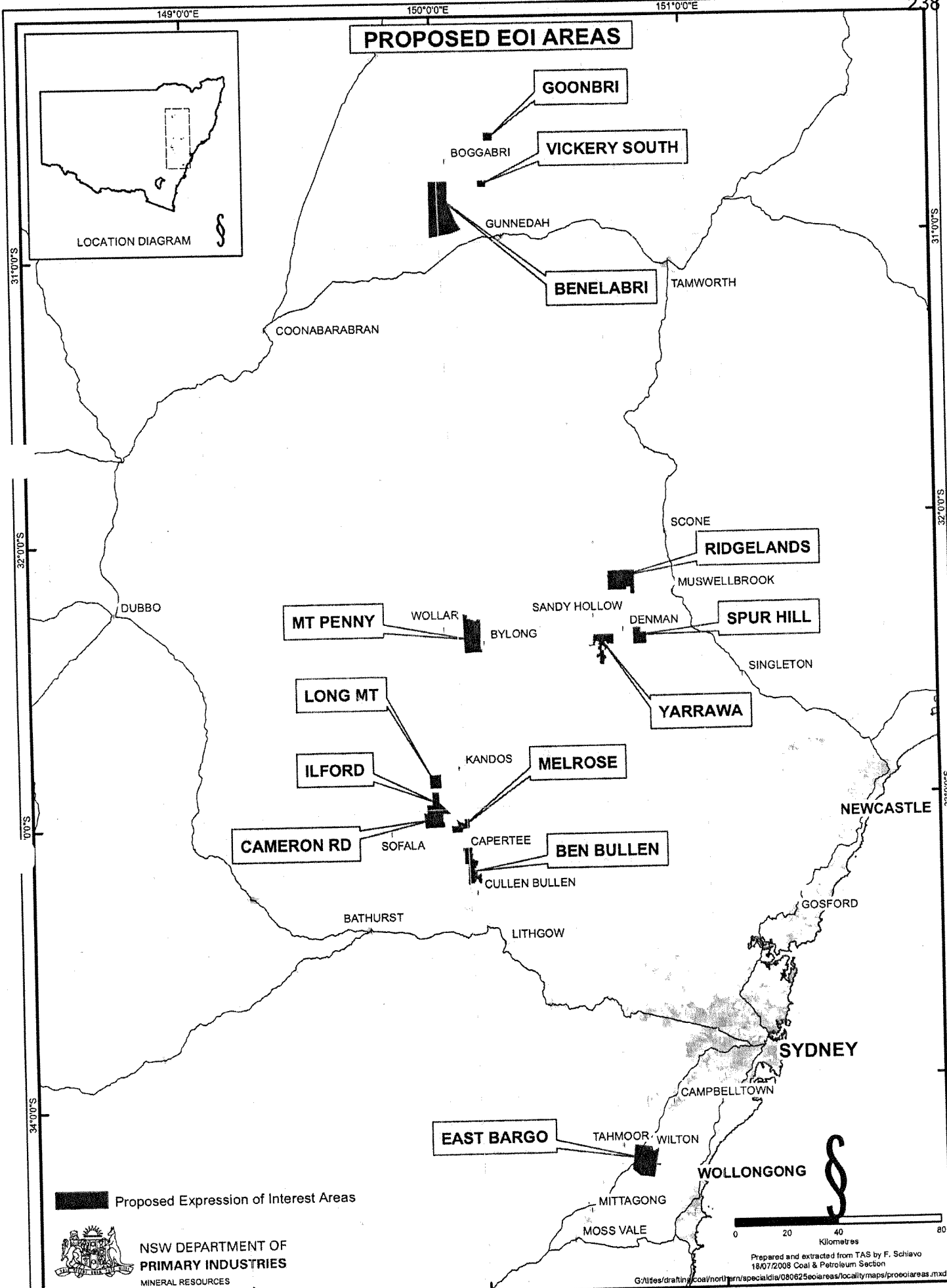


Potential Allocation areas 18 July 2008.doc



Company EOI 18 July 2008.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938



PROPOSED EOI AREAS

LOCATION DIAGRAM

Proposed Expression of Interest Areas



NSW DEPARTMENT OF
PRIMARY INDUSTRIES
MINERAL RESOURCES



Prepared and extracted from TAS by F. Schiavo
18/07/2008 Coal & Petroleum Section

Potential Coal Release Areas July 2008

Gunnedah Coalfield

GOONBRI

The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

SOUTH VICKERY

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

BENELABRI

The Benelabri area is expected to contain substantial open cut and underground resources. A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams. Total resources could be in excess of 500 MT.

Hunter Coalfield

RIDGELANDS

The Ridgeland area was drilled and assessed by Mineral Resources in 2001-2004. Ridgeland is directly north of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic and export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction.

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 300 MT.

SPUR HILL

The Spur Hill area, located to the east of the Hunter River and the village of Denman, may contain 20 Mt of open cut and 80 Mt of underground coal. The area maybe adversely affected by a major north-south fault system and re-evaluation and remodelling are required prior to the consideration of further exploration.

YARRAWA

The Yarrowa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally. Provision has been made for six shallow holes as part of the Hunter West to Cobbora exploration program.

GLENDON BROOK

Located 12km east of Singleton and south of Mitchells Flat, the Glendon Brook area is expected to contain around 150Mt of thermal coal. The area is likely to have steeply dipping coal seams and fault zones. The area has previously been allocated and some initial exploration has been undertaken however the company had financial difficulties and the project did not advance. The area is not currently held under any coal title.

Western Coalfield**MT PENNY**

The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are less than 100Mt in the Mt Penny area. Resources are suitable for the export thermal market and are contained within the Ulan Seam; raw ash ranges from 15 to 27%.

LONG MT

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

ILFORD

Located immediately adjacent to the village of Ilford, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

CAMERON RD

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

MELROSE

Located east of the Cameron Rd area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be in the order of 50 - 100Mt insitu. The Melrose area includes part of Airly State Forest.

BEN BULLEN

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt insitu. Area includes part of Ben Bullen State Forest.

Southern Coalfield**EAST BARGO**

The southern part of the East Bargo area contains large sills within the Bulli, Balgownie and Wongawilli seams. Coal quality in both the Bulli and Balgownie seams deteriorates in the northern central part of the area. Resource recovery may be enhanced by division of the area into smaller blocks best accessed from the west, north and east respectively. The total potential resource is in the order of 600 Mt of hard coking and thermal coal at depths between 300 and 500 m.

Company EOI July 2008

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

B. Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining Corporation
- Bloomfield Collieries Pty Ltd
- Rio Tinto
- Macquarie Energy
- Eastern Star Gas

D. Other small companies which have expressed an interest in elsewhere in the State.

- Atlas Coal Enterprises Pty Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)

NSW DPI – MR

Ministerial Briefing

Coal Allocation Proposal

Issue:

Ministerial approval to release Expressions of Interest packages for coal allocation areas.

Brief and talking points prepared by Patricia Madden, Manager Operations, Mineral Resources
23 July 2008

Director, Coal & Petroleum Development

PMESO Sydney

Ja-
255

BN08/1589
V08/2

NSW DPI – MR

Ministerial Briefing

Coal Allocation Proposal

Issue:

Ministerial approval to release Expressions of Interest packages for coal allocation areas.

Executive Contact: Alan Coutts, DDG 8289 3944 Mob 0419 252 243
Secondary Contact: Brad Mullard, Director
Coal and Petroleum Development 4931 6404 Mob 0409 828 836

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

Coal Allocation Proposal

Issue:

Ministerial approval to release Expressions of Interest packages for coal allocation areas.

Background:

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea, as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits, which generally would not be of interest to the major coal companies, but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process, as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

Recommendation:

The Minister approves the development of Expression of Interest packages to release coal allocation areas as outlined in the attached document and map.

PROPOSED NSW COAL ALLOCATIONS

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits which generally would not be of interest to the major coal companies, but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process, as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

The level of exploration conducted across the study area is highly variable. It should be noted that areas with limited exploration data should not be expected to generate significant return to Government.

Tonnage estimates stated in this document are indicative of in situ resource potential only. In no way should they be construed as representing compliance with any category of the Joint Ore Reserve Committee (JORC) code which is used by mining companies when reporting formally to their stakeholders.

The minimum financial contributions payable will be as per the Departments Guidelines for the Allocation of Future Coal Exploration Areas. However Applicants will be able to bid additional financial contributions beyond this minimum for the grant of the exploration area(s).

Proposed Major Coal allocations

- Ridgeland Hunter Coalfield
- East Bargo Southern Coalfield
- Benelabri Gunnedah Coalfield

Proposed Medium Coal allocations

- Mt Penny Western Coalfield
- Spur Hill Hunter Coalfield
- Glendon Brook Hunter Coalfield
- Goonbri Gunnedah Coalfield

Proposed Small Coal allocations

- Yarrawa Hunter Coalfield
- Vickery South Gunnedah Coalfield
- Long Mountain Western Coalfield
- Ilford Western Coalfield
- Cameron Road Western Coalfield
- Melrose Western Coalfield
- Ben Bullen Western Coalfield

LARGE EXPRESSION OF INTEREST AREAS

RIDGELANDS: approximately 80km² Hunter Coalfield

The Ridgeland area is directly north of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction.

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total in situ coal resources are expected to exceed 250 MT.

Possible Time Frame for Ridgelines Expression of Interest (EOI):

EOI Information and data package preparation	8 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

EAST BARGO: Southern Coalfield

East Bargo is expected to contain substantial resources of coking coal in the Bulli and Wongawilli seams. The area is known to be affected by igneous intrusions and is cut by incised river valleys (Nepean and Avon rivers). Transport of coal from the area will be a major issue as there is no easy access to rail infrastructure.

Possible Time Frame for East Bargo Expression of Interest (EOI):

EOI Information and data package preparation	9 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

BENELABRI: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources (Estimated resources could be greater than 1,000 million tonnes).

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Possible Time Frame for Benelabri Expression of Interest (EOI):

Using 7 day 24 hour operations the time line may be as follows:

Government procurement process:	2 months	June-August
Drilling Operations (30 Wells)	3 months	September-November
Chemical Analysis of coal	2 months	December-January
Tender Period	4 months	February-May
Evaluation of EOI	2 Weeks	June

NOTE: THIS TIME FRAME IS VERY TIGHT. DELAYS IN RIG AVAILABILITY, WEATHER OR DELAYS IN COAL QUALITY ANALYSIS MAY EXTEND THIS TIME FRAME.

MEDIUM COAL ALLOCATION AREAS

GOONBRI: Gunnedah Coalfield

The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt in situ. The area may contain some underground resources.

SPUR HILL: Hunter Coalfield

The Spur Hill area, located to the east of the Hunter River and the village of Denman, may contain 20 Mt of open cut and 80 Mt of underground coal.

GLENDON BROOK: Hunter Coalfield

Located 12km east of Singleton and south of Mitchells Flat, the Glendon Brook area is expected to contain around 150Mt of thermal coal. The area is likely to have steeply dipping coal seams and fault zones. The area has previously been allocated and some initial exploration has been undertaken however the company had financial difficulties and the project did not advance. The area is not currently held under any coal title.

MT PENNY: Western Coalfield

The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are expected to be around 100Mt in the Mt Penny area with additional underground coal potential. Resources are contained within the Ulan Seam and would be suitable for export thermal and domestic thermal markets. Raw ash ranges from 15 – 27%.

Time Frame for all medium Expression of Interest (EOI):

EOI Information and data package preparation	4 weeks	End September
EOI Period	8 weeks	End December
EOI Assessment	4 weeks	End January

SMALL COAL ALLOCATION AREAS

SOUTH VICKERY: Gunnedah Coalfield

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt in situ. The area may contain some underground resources.

YARRAWA: Hunter Coalfield

The Yarrowa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally.

LONG MOUNTAIN: Western Coalfield

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

ILFORD: Western Coalfield

Located immediately adjacent to the village of Ilford, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt in situ.

CAMERON ROAD: Western Coalfield

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt in situ.

MELROSE: Western Coalfield

Located east of the Cameron Rd area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be in the order of 50 - 100Mt in situ. The Melrose area includes part of Airly State Forest.

BEN BULLEN: Western Coalfield

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt in situ. Area includes part of Ben Bullen State Forest.

Time Frame for all small Expression of Interest (EOI):

EOI Information and data package preparation	4 weeks	September
EOI Period	8 weeks	End November
EOI Assessment	4 weeks	End December

**POTENTIAL LISTING OF COMPANIES TO BE INVITED TO SUBMIT AN
EXPRESSION OF INTEREST IN THE SMALL AND MEDIUM COAL
ALLOCATION AREAS**

**A. Companies which have registered an interest in a coal allocation in
the Western Coalfield:**

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

B. Coal Companies with current titles in the Western Coalfields

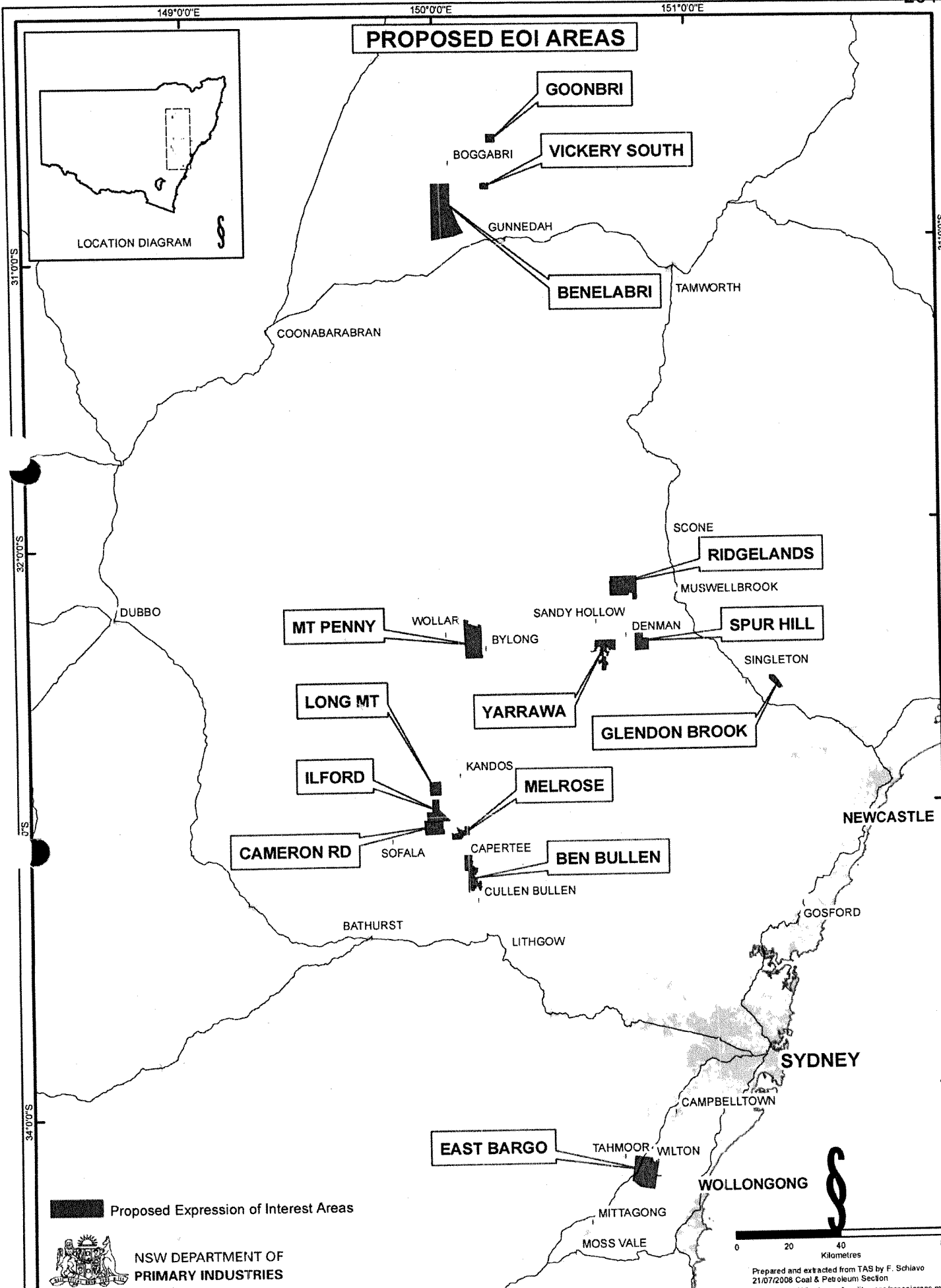
- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

**C. Companies which have registered an interest in a coal allocation in
the Gunnedah Coalfield:**

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining
Management Services.
- Gunnedah Resources
Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining
Corporation
- Bloomfield Collieries Pty Ltd
- Macquarie Energy
- Eastern Star Gas

**D. Other small companies which have expressed and interest in
elsewhere in the State.**

- Atlas Coal Enterprises Pty
Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty
Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource
Management International)



Proposed Expression of Interest Areas



NSW DEPARTMENT OF
PRIMARY INDUSTRIES
MINERAL RESOURCES

Prepared and extracted from TAS by F. Schiavo
21/07/2008 Coal & Petroleum Section
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EOI

From: brad.mullard@dpi.nsw.gov.au
To: "julie moloney"
Date: Wed, 23 Jul 2008 11:04:15 +1000
Attachments: NSW COAL ALLOCATION STRATEGY.doc (65.54 kB)

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.



NSW COAL ALLOCATION STRATEGY.doc

PROPOSED NSW COAL ALLOCATION'S

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits which generally would not be of interest to the major coal companies but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

The level of exploration conducted across the study area is highly variable. It should be noted that areas with limited exploration data should not be expected to generate significant return to Government.

Tonnage estimates stated in this document are indicative of in situ resource potential only. In no way should they be construed as representing compliance with any category of the Joint Ore Reserve Committee (JORC) code which is used by mining companies when reporting formally to their stakeholders.

Proposed Major Coal allocations

- Benelabri Gunnedah Coalfield
- Ridgелands Hunter Coalfield
- East Bargo Southern Coalfield

Proposed Medium Coal allocations

- Mt Penny Western Coalfield
- Spur Hill Hunter
- Glendon Brook Hunter
- Goonbri Gunnedah Coalfield

Proposed Small Coal allocations

- Long Mountain Western Coalfield
- Ilford Western Coalfield
- Cameron Road Western Coalfield
- Melrose Western Coalfield
- Ben Bullen Western Coalfield
- Yarrowa Hunter
- Vickery South Gunnedah Coalfield

LARGE EXPRESION OF INTEREST AREAS

Ridgелands: approximately 80km² Hunter Valley

TheRidgелands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Estimated Return greater than \$100 Million

Possible Time Frame for Ridgelines Expression of Interest (EOI):**EOI Information**

and data package preparation	8 weeks	End August
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

East Bargo: Southern Coalfield

East Bargo is expected to contain substantial resources of coking coal in the Bulli and Wongawilli seams. The area is known to be affected by igneous intrusions and is cut by incised river valleys (Nepean and Avon rivers). Transport of coal from the area will be a major issue as there is no easy access to rail infrastructure.

Estimated Return \$50 Million**Possible Time Frame for East Bargo Expression of Interest (EOI):****EOI Information (Dependent on Southern Coalfield Inquiry)**

and data package preparation	9 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

Benelabri: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources.

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Estimated Return >\$100 million**Possible Time Frame for Benelabri Expression of Interest (EOI):**

Using 7 day 24 hour operations the time line may be shorten as follows:

Government procurement process:	2 months	June-August
Drilling Operations (30 Wells)	3 months	September-November
Chemical Analysis of coal	2 months	December-January
Tender Period	4 months	February-May
Evaluation of Tenders	2 Weeks	June
Government Decision Letter of offer		June

MEDIUM COAL ALLOCATION AREAS

Mt Penny: Western Coalfield

The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are expected to be around 100Mt in the Mt Penny area with additional underground coal potential. Resources are contained within the Ulan Seam and would be suitable for export thermal and domestic thermal markets. Raw ash ranges from 15 – 27%.

GOONBRI

The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

SPUR HILL

The Spur Hill area, located to the east of the Hunter River and the village of Denman, may contain 20 Mt of open cut and 80 Mt of underground coal. The area maybe adversely affected by a major north-south fault system and re-evaluation and remodelling are required prior to the consideration of further exploration.

GLENDON BROOK

Located 12km east of Singleton and south of Mitchells Flat, the Glendon Brook area is expected to contain around 150Mt of thermal coal. The area is likely to have steeply dipping coal seams and fault zones. The area has previously been allocated and some initial exploration has been undertaken however the company had financial difficulties and the project did not advance. The area is not currently held under any coal title.

SMALL COAL ALLOCATION AREAS

SOUTH VICKERY

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

YARRAWA

The Yarrowa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally.

LONG MOUNTAIN

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

ILFORD

Located immediately adjacent to the village of Ilford, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

CAMERON ROAD

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

MELROSE

Located east of the Cameron Rd area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be in the order of 50 - 100Mt insitu. The Melrose area includes part of Airly State Forest.

BEN BULLEN

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt insitu. Area includes part of Ben Bullen State Forest.

Time Frame for all small to medium Expression of Interest (EOI):

EOI Information

and data package preparation	4 weeks	End August
EOI Period	8 weeks	End October
EOI Assessment	4 weeks	End November

POTENTIAL LISTING OF COMPANIES TO BE INVITED TO SUBMIT AN EXPRESSION OF INTEREST IN THE SMALL AND MEDIUM COAL ALLOCATIO AREAS

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

B. Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining Corporation
- Bloomfield Collieries Pty Ltd
- Rio Tinto
- Macquarie Energy
- Eastern Star Gas

D. Other small companies which have expressed and interest in elsewhere in the State.

- Atlas Coal Enterprises Pty Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Coal Australia Pty Ltd

Company EOI July 2008

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

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- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

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- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

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- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
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- Bloomfield Collieries Pty Ltd
- Macquarie Energy
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- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)
- Coal Australia Pty LTD

[No Subject]

From: brad.mullard@dpi.nsw.gov.au
To: patricia.madden@dpi.nsw.gov.au
Date: Wed, 23 Jul 2008 11:33:05 +1000
Attachments: Company EOI 18 July 2008.doc (33.28 kB)

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Company EOI 18 July 2008.doc

Company EOI July 2008

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
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- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

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- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
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- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining Corporation
- Bloomfield Collieries Pty Ltd
- Macquarie Energy
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- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)
- Coal Australia Pty LTD

list of companies

From: patricia.madden@dpi.nsw.gov.au
To: craig.munnings@macdonald.minister.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au
Date: Wed, 23 Jul 2008 11:35:48 +1000
Attachments: Company EOI 18 July 2008.doc (33.28 kB)

Craig,

I hope this helps.



Company EOI 18 July 2008.doc

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

Company EOI July 2008

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- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
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- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

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- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining Corporation
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- Macquarie Energy
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- ResCo Services P/L
- Dellworth Pty Ltd
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- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)
- Coal Australia Pty LTD

EOI

From: julie.moloney@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Wed, 23 Jul 2008 12:05:08 +1000
Attachments: NSW COAL ALLOCATION STRATEGY.doc (100.86 kB)

Edited Document with traced changes.



NSW COAL ALLOCATION STRATEGY.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

PROPOSED NSW COAL ALLOCATION'S

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits which generally would not be of interest to the major coal companies but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

The level of exploration conducted across the study area is highly variable. It should be noted that areas with limited exploration data should not be expected to generate significant return to Government.

Tonnage estimates stated in this document are indicative of in situ resource potential only. In no way should they be construed as representing compliance with any category of the Joint Ore Reserve Committee (JORC) code which is used by mining companies when reporting formally to their stakeholders.

Proposed Major Coal allocations

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- ~~Benelabri~~ ~~Gunnedah Coalfield~~
- Ridglands Hunter Coalfield
- East Bargo Southern Coalfield
- ~~Benelabri~~ ~~Gunnedah Coalfield~~

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Proposed Medium Coal allocations

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- Mt Penny Western Coalfield
- Spur Hill Hunter Coalfield
- Glendon Brook Hunter Coalfield
- Goonbri Gunnedah Coalfield

Proposed Small Coal allocations

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- ~~Yarrowa~~ ~~Hunter Coalfield~~
- ~~Vickery South~~ ~~Gunnedah Coalfield~~
- Long Mountain Western Coalfield
- Ilford Western Coalfield
- Cameron Road Western Coalfield
- Melrose Western Coalfield
- Ben Bullen Western Coalfield
- ~~Yarrowa~~ ~~Hunter~~
- ~~Vickery South~~ ~~Gunnedah Coalfield~~

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LARGE EXPRESION OF INTEREST AREAS

RIDGELANDS: approximately 80km² Hunter Valley Coalfield

The Ridgeland area is directly nNorth of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Estimated Return greater than \$100 Million

Possible Time Frame for Ridgelines Expression of Interest (EOI):

EOI Information and data package preparation	8 weeks	End August
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

EAST BARGO: Southern Coalfield

East Bargo is expected to contain substantial resources of coking coal in the Bulli and Wongawilli seams. The area is known to be affected by igneous intrusions and is cut by incised river valleys (Nepean and Avon rivers). Transport of coal from the area will be a major issue as there is no easy access to rail infrastructure.

Estimated Return \$50 Million

Possible Time Frame for East Bargo Expression of Interest (EOI):

EOI Information (Dependent on Southern Coalfield Inquiry) and data package preparation	9 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

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BENELABRI: North West of Gunnedah

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The area is expected to contain substantial open cut and underground resources.

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Estimated Return >\$100 million

Possible Time Frame for Benelabri Expression of Interest (EOI):

Using 7 day 24 hour operations the time line may be shorten as follows:

Government procurement process:	2 months	June-August
Drilling Operations (30 Wells)	_____3 months	September-November
Chemical Analysis of coal	_____2 months	December-January
Tender Period	4 months	February-May
Evaluation of Tenders	2 Weeks	June
Government Decision Letter of offer	_____	_____ June

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MEDIUM COAL ALLOCATION AREAS

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MT PENNY: Western Coalfield

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The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are expected to be around 100Mt in the Mt Penny area with additional underground coal potential. Resources are contained within the Ulan Seam and would be suitable for export thermal and domestic thermal markets. Raw ash ranges from 15 – 27%.

GOONBRI: Gunnedah Coalfield

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The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

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SPUR HILL: Hunter Coalfield

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The Spur Hill area, located to the east of the Hunter River and the village of Denman, may contain 20 Mt of open cut and 80 Mt of underground coal. The area maybe adversely affected by a major north-south fault system and re-evaluation and remodelling are required prior to the consideration of further exploration.

GLENDON BROOK: Hunter Coalfield

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Located 12km east of Singleton and south of Mitchells Flat, the Glendon Brook area is expected to contain around 150Mt of thermal coal. The area is likely to have steeply dipping coal seams and fault zones. The area has previously been allocated and some initial exploration has been undertaken however the company had financial difficulties and the project did not advance. The area is not currently held under any coal title.

MT PENNY: Western Coalfield

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The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are expected to be around 100Mt in the Mt Penny area with additional underground coal potential. Resources are contained within the Ulan Seam and would be suitable for export thermal and domestic thermal markets. Raw ash ranges from 15 – 27%.

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Time Frame for all medium Expression of Interest (EOI):

<u>EOI Information and data package preparation</u>	<u>4 weeks</u>	<u>End August</u>
<u>EOI Period</u>	<u>8 weeks</u>	<u>End October</u>
<u>EOI Assessment</u>	<u>4 weeks</u>	<u>End November</u>

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SMALL COAL ALLOCATION AREAS

SOUTH VICKERY: Gunnedah Coalfield

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

YARRAWA: Hunter Coalfield

The Yarrowa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally.

LONG MOUNTAIN: Western Coalfield

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

ILFORD: Western Coalfield

Located immediately adjacent to the village of Ilford, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

CAMERON ROAD: Western Coalfield

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

MELROSE: Western Coalfield

Located east of the Cameron Rd area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be in the order of 50 - 100Mt insitu. The Melrose area includes part of Airly State Forest.

BEN BULLEN: Western Coalfield

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt insitu. Area includes part of Ben Bullen State Forest.

Time Frame for all small to medium Expression of Interest (EOI):

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EOI Information and data package preparation	4 weeks	End August
EOI Period	8 weeks	End October
EOI Assessment	4 weeks	End November

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**POTENTIAL LISTING OF COMPANIES TO BE INVITED TO SUBMIT AN
EXPRESSION OF INTEREST IN THE SMALL AND MEDIUM COAL
ALLOCATION AREAS**

**A. Companies which have registered an interest in a coal allocation in
the Western Coalfield:**

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

B. Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

**C. Companies which have registered an interest in a coal allocation in
the Gunnedah Coalfield:**

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining
Management Services
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining
Corporation
- Bloomfield Collieries Pty Ltd
- Rio Tinto
- Macquarie Energy
- Eastern Star Gas

**D. Other small companies which have expressed an interest in
elsewhere in the State.**

- Atlas Coal Enterprises Pty Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Coal Australia Pty Ltd

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

- | | |
|--------------------------------|--|
| • <u>Enhance Place Pty Ltd</u> | • <u>Shield Energy Ltd</u> |
| • <u>White Mining</u> | • <u>Monaro Mining NL</u> |
| • <u>Kimba Resource</u> | • <u>Bloomfield Collieries Pty Ltd</u> |

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B. Coal Companies with current titles in the Western Coalfields

- | | |
|------------------------------------|-------------------------------------|
| • <u>Centennial Coal</u> | • <u>Lithgow Coal Company</u> |
| • <u>Wallerawang Collieries</u> | • <u>Coalpac Pty Ltd</u> |
| • <u>Boulder Coal</u> | • <u>Enhance Place Pty Ltd</u> |
| • <u>Clarence Colliery Pty Ltd</u> | • <u>Genders Mining (Oakbridge)</u> |

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

- | | |
|--|---|
| • <u>Whitehaven Coal Mining</u> | • <u>Hunter Valley Mining Corporation</u> |
| • <u>Gloucester Coal</u> | • <u>Bloomfield Collieries Pty Ltd</u> |
| • <u>Tianda Resources</u> | • <u>Rio Tinto</u> |
| • <u>Palaris Mining Total Mining Management Services</u> | • <u>Macquarie Energy</u> |
| • <u>Gunnedah Resources Limited</u> | • <u>Eastern Star Gas</u> |
| • <u>Creek Resources Pty Ltd</u> | |

D. Other small companies which have expressed and interest in elsewhere in the State.

- | | |
|---|---------------------------------------|
| • <u>Atlas Coal Enterprises Pty Ltd</u> | • <u>ResCo Services P/L</u> |
| • <u>Manata Resources Pty Ltd</u> | • <u>Dellworth Pty Ltd</u> |
| • <u>Earth Technics Pty Limited</u> | • <u>Mirrabooka South Pty Limited</u> |
| • <u>Simatar Resources Pty Ltd</u> | • <u>White Mining</u> |

- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia

- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)

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Re: FW: TRIM Briefing : BN08/1589 : Coal Allocation Proposal

From: Shirley Hibbs <"cn=shirley hibbs/ou=dpi/o=nsw">
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Wed, 30 Jul 2008 13:48:37 +1000
Attachments: Coal Allocation Proposal.DOT (51.71 kB); t0K7SLT8.tr5 (217 bytes); Coal Allocation Proposal.pdf (306.58 kB)

Dear Jamie

Thank you for the enquiry. However, Brad is at the University of Newcastle for the afternoon, returning tomorrow morning.

Would it be alright to hold this until tomorrow?

Regards

Shirley Hibbs for

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

CONFIDENTIALITY AND PRIVILEGE NOTICE:

This message and any accompanying attachments are intended for the addressee named and may contain confidential or privileged information. If you are not the intended recipient do not read, use, distribute or copy this message or attachments. Please notify the sender immediately and delete the message. Views expressed in this message are those of the individual sender except where the sender expressly and with authority, states them to be the views of the NSW Department of Primary Industries.

Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

"Jamie Gibson" <Jamie.Gibson@macdonald.minister.nsw.gov.au>

To

cc

"Jamie Gibson" <Jamie.Gibson@macdonald.minister.nsw.gov.au>

Subject

30/07/2008 01:18 PM

Hi Brad, the briefs that have been sent to us here are good and we also have the short descriptions for each area. However is there any further detail or narrative on these areas in particular? We're keen to see some more info on each of the areas if we can.

Thanks

Cheers

Jamie

Jamie Gibson | Deputy Chief of Staff | Office of the Minister for Primary Industries | Minister for Energy | Minister for Mineral Resources | Minister for State Development

Level 33 | Governor Macquarie Tower | 1 Farrer Place | SYDNEY | NSW | 2000

Ph (02) 9228 3344 | Fax (02) 9228 3452

From: susan.janis@dpi.nsw.gov.au [mailto:susan.janis@dpi.nsw.gov.au]

Sent: Monday, 28 July 2008 1:20 PM

To: Jamie Gibson

Subject: TRIM Briefing : BN08/1589 : Coal Allocation Proposal

Importance: High

Jamie,

Here is the other one that the Minister is awaiting.

Regards

Susan

-----< TRIM Record Information >-----

Record Number : BN08/1589

Title : Coal Allocation Proposal

(See attached file: Coal Allocation Proposal.DOT)
(See attached file: t0K7SLT8.tr5)
(See attached file: Coal Allocation Proposal.pdf)

This message is intended for the addressee named and may contain confidential information. If
necessarily the views of their organisation.



Coal Allocation Proposal.DOT



t0K7SLT8.tr5



Coal Allocation Proposal.pdf

FW: TRIM Briefing : BN08/1229 : Potential Coal Allocation Areas in Western NSW

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>
Date: Wed, 30 Jul 2008 14:35:32 +1000

Jamie Gibson | Deputy Chief of Staff | Office of the Minister for Primary Industries | Minister for Energy | Minister for Mineral Resources | Minister for State Development
Level 33 | Governor Macquarie Tower | 1 Farrer Place | SYDNEY | NSW | 2000
Ph (02) 9228 3344 | Fax (02) 9228 3452

From: susan.janis@dpi.nsw.gov.au [mailto:susan.janis@dpi.nsw.gov.au]
Sent: Monday, 28 July 2008 1:18 PM
To: Jamie Gibson
Subject: TRIM Briefing : BN08/1229 : Potential Coal Allocation Areas in Western NSW

Jamie,

Please find enclosed BN08/1229 that the Minister is waiting for. Originals are in the mail to you.

I am sending BN08/1589 also in another email.

Regards
Susan

-----< TRIM Record Information >-----

Record Number : BN08/1229
Title : Potential Coal Allocation Areas in Western NSW

(See attached file: Potential Coal Allocation Areas in Western NSW.DOC)
(See attached file: t0K7SLSZ.tr5)

This message is intended for the addressee named and may contain confidential information. If you are not the

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
{ FILLIN "Insert Minister's Folder No (MFxx/xxxx)" * MERGEFORMAT }
{ FILLIN "Insert Divisional File No" * MERGEFORMAT }

DPI – { FILLIN "Insert Division in Capitals (e.g. AGRICULTURE AND FISHERIES, BCMS)" * MERGEFORMAT } Ministerial Briefing

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }.

Brief and talking points prepared by { FILLIN "Insert author's Name, Position and Division." * MERGEFORMAT }

3 June 2008

Ministerial Liaison Unit

BN08/1229
V08/2

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Executive Contact: Brad Mullard, A/DDG MR
Secondary Contact:

4931 6404 Mob 0409 828 836

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

DPI – MINERAL RESOURCES

Ministerial Briefing

POTENTIAL COAL ALLOCATION AREAS IN WESTERN NSW

Issue:

Potential coal resources which may be suitable for a Competitive Expression of Interest.

Background:

A number of coal allocation areas have been identified across the state. These fall into two main groups:

1. Small areas in the Western Coalfield which would be suitable for smaller industry players.
2. Large Expression of Interest areas which would be expected to generate substantial return to the government

(see Attachment A).

Recommendation:

The Minister notes this Brief.

ATTACHMENT A**Potential Coal Allocation Areas****Small Areas in the Western Coalfield which may be suitable for a Competitive Expression of Interest**

Six areas have been identified as potential areas for Competitive expression of interest. See attached plan.

All are speculative, and have limited data available on the resources. These areas are generally considered as remnant resources.

Limited information is available on coal quality, however raw ash is generally expected to be medium to high and is expected to suit the domestic thermal, domestic cement and export thermal markets.

Area 1

- Approximately 20 sq km
- Limited geological information
- May contain open cut and some underground resources
- Includes part of Clandulla State Forest.

Area 2

- Approximately 85 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale, Lidsdale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 50-150 Million insitu

Area 3

- Approximately 18 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- If future exploration successfully identified a resource, the order may be 50-100 Million insitu
- Includes part of Airly State Forest.

ATTACHMENT A

Area 4

- Approximately 12 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Irondale and Lithgow seams are potential targets for exploration
- Area may contain unidentified geological structures
- If future exploration successfully identified a resource, the order may be 30-50 Million insitu
- Includes part of Ben Bullen State Forest.

Area 5

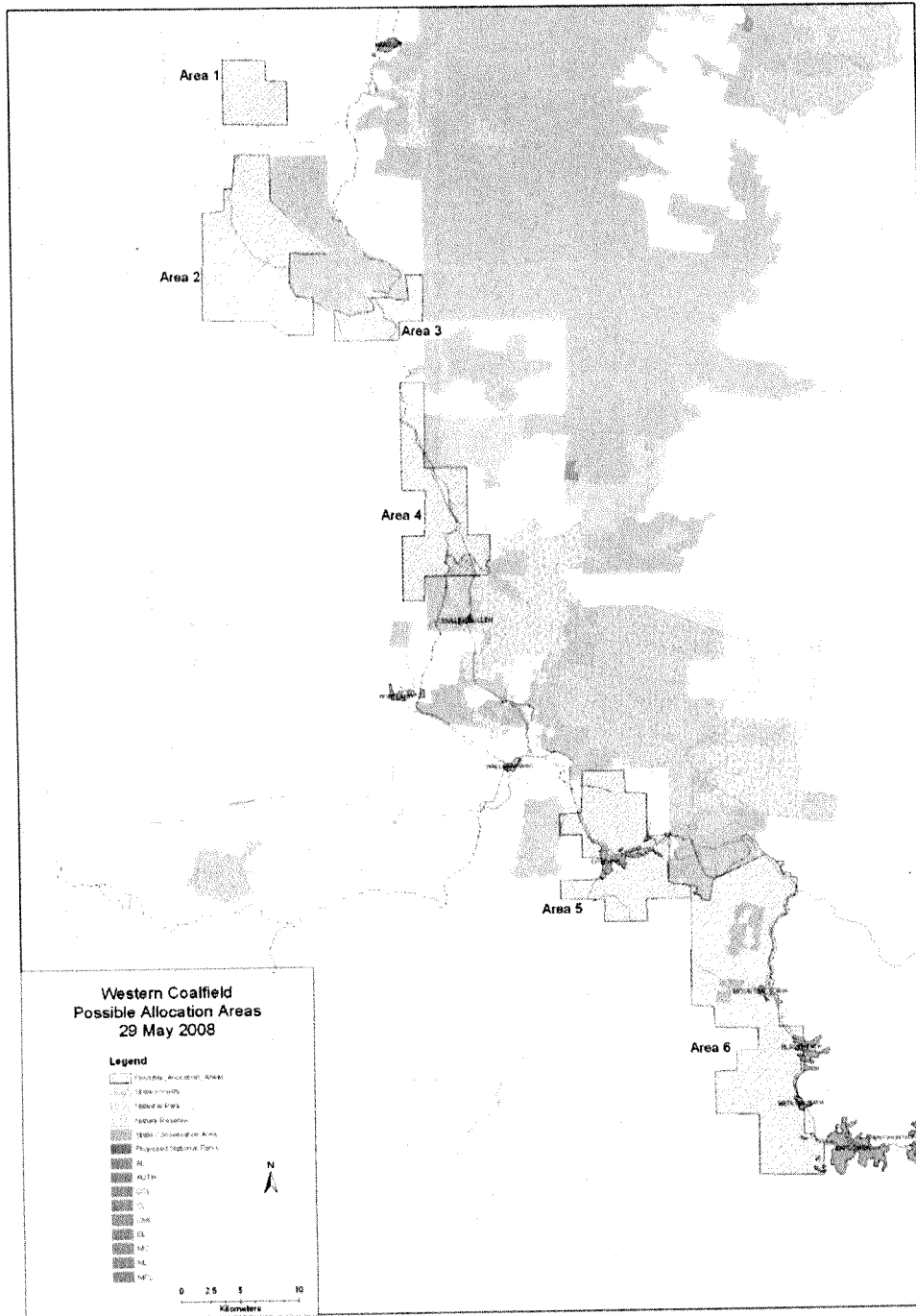
- Approximately 65 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town and suburbs of Lithgow
- Includes significant cliff lines

Area 6

- Approximately 140 sq km
- Limited existing borehole data
- May contain open cut and underground coal resources
- Katoomba and Lithgow seams maybe potential targets for exploration
- Parts of the areas may contain old workings and this will need to be confirmed
- Resource estimate unknown needs input from Coal Advice
- Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
- Includes the proposed Hartley Reserve
- Includes significant cliff lines

ATTACHMENT A

Potential Small Allocation Areas in the Western Coalfield



ATTACHMENT A

Potential Large Coal Expression of interest Areas

Ridglands: Area approximately 80km² Hunter Valley

Ridglands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

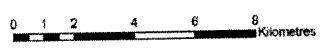
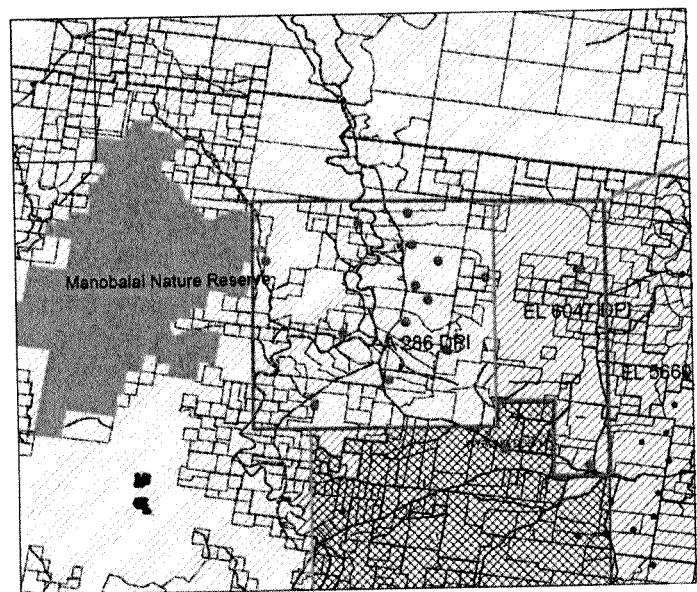
The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 250 MT.

Ridglands Potential Tender Area

Map 1

Legend

- MGA_location
- MRSC RAIL
- TASMAPTX_TAS_TITLES
- not other values
- TITLE CODE**
- AL
- AUTH
- CCCL
- CL
- CVL
- DL
- DSL
- EL
- EPL
- DL
- MC
- NL
- MPL
- PAL
- FEL
- FEP
- PLVIFL
- PFL
- PPL
- POPALTM
- SIGFLLE
- SPLLE
- SL
- MRSC NATPARKS
- Local Government Areas
- Potential Tender Area



30th May 2008.
Prepared by Leslie Wiles

ATTACHMENT A

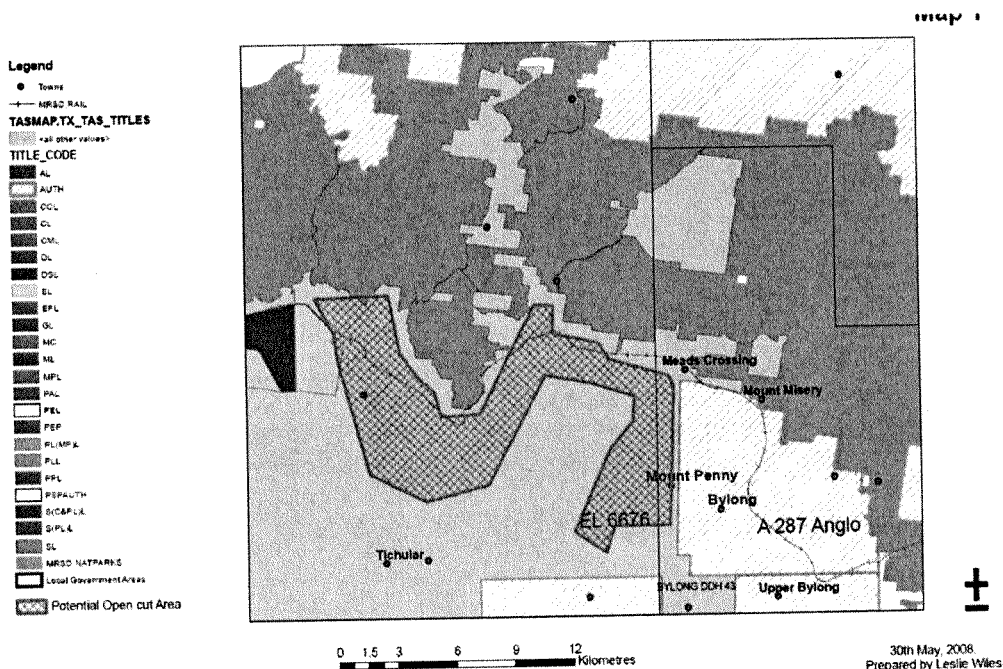
North Bylong

The Department has contracted to drill a number of exploration wells for the area. The area is expected to contain substantial opencut resources close to existing rail facilities.

Current estimates indicate open cut resources greater than 200Mt in the Wollar – North Bylong area.

Resources are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Further exploration is required to define a potential tender area



ATTACHMENT A

Benelabri: North West of Gunnedah

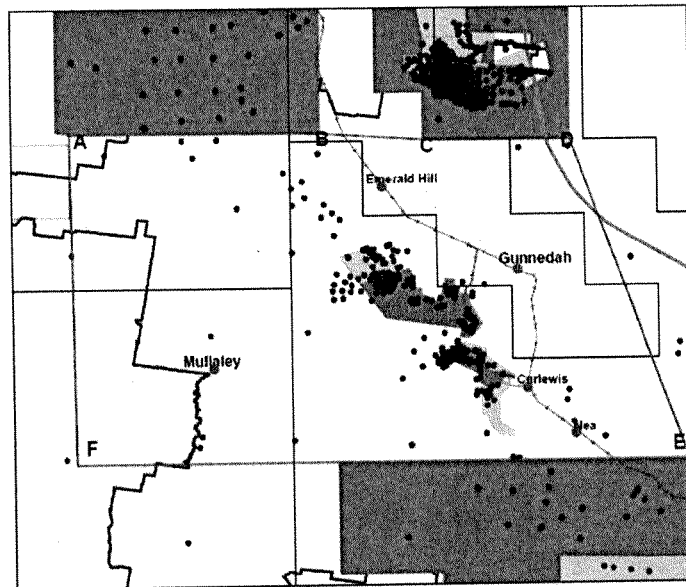
The area is expected to contain substantial open cut and underground resources.

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

- Legend**
- COASTED BOUNDARY
 - ROAD BOUNDARY
 - TASMAP.TX.TAS.TITLES
 - LOCAL GOVT BOUNDARY
 - TITLE CODE
 - A
 - ALTM
 - COL
 - DL
 - DVL
 - D
 - DL
 - DL
 - DL
 - BPL
 - DL
 - SLC
 - SL
 - MPL
 - PAL
 - PEL
 - PEP
 - PL/MPL
 - PL
 - MPL
 - POPAL TH
 - SICAP L
 - SICAP L
 - SL
 - Local Government Areas
 - Towns
 - Benelabri Area

Benelabri Application Area

Map 1



MGA CO-ORDS BENELABRI AREA		
PI	Easting	Northing
A	185535	6563677
B	216312	6563600
C	227500	6563566
D	243648	6563564
E	256200	6563607
F	186688	6564700

10th May 2008.
Prepared by Leslie Wiles

Fw: TRIM Briefing : BN08/1589 : Coal Allocation Proposal

From: patricia.madden@dpi.nsw.gov.au
To: craig.munnings@macdonald.minister.nsw.gov.au
Date: Wed, 30 Jul 2008 16:12:39 +1000
Attachments: Coal Allocation Proposal.DOT (51.71 kB); t0K7SLT8.tr5 (217 bytes); Coal Allocation Proposal.pdf (306.58 kB)

As discussed.

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

— Forwarded by Patricia Madden/DPI/NSW on 30/07/2008 04:12 PM —

"Jamie Gibson" <Jamie.Gibson@macdonald.minister.nsw.gov.au>

30/07/2008 01:18 PM

To

cc

Subject

Hi Brad, the briefs that have been sent to us here are good and we also have the short descriptions for each area. However is there any further detail or narrative on these areas in particular? We're keen to see some more info on each of the areas if we can.

Thanks

Cheers

Jamie

Jamie Gibson | Deputy Chief of Staff | Office of the Minister for Primary Industries | Minister
for Energy | Minister for Mineral Resources | Minister for State Development

Level 33 | Governor Macquarie Tower | 1 Farrer Place | SYDNEY | NSW | 2000

Ph (02) 9228 3344 | Fax (02) 9228 3452

From: susan.janis@dpl.nsw.gov.au [mailto:susan.janis@dpl.nsw.gov.au]
Sent: Monday, 28 July 2008 1:20 PM
To: Jamie Gibson
Subject: TRIM Briefing : BN08/1589 : Coal Allocation Proposal
Importance: High

Jamie,

Here is the other one that the Minister is awaiting.

Regards
Susan

-----< TRIM Record Information >-----

Record Number : BN08/1589
Title : Coal Allocation Proposal

(See attached file: Coal Allocation Proposal.DOT)
(See attached file: t0K7SLT8.tr5)
(See attached file: Coal Allocation Proposal.pdf)

This message is intended for the addressee named and may contain confidential information. If;
necessarily the views of their organisation.



Coal Allocation Proposal.DOT t0K7SLT8.tr5 Coal Allocation Proposal.pdf

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
{ FILLIN "Insert Divisional File No" * MERGEFORMAT }

NSW DPI –

Ministerial Briefing

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }

Brief and talking points prepared by { FILLIN "Insert author's Name, Position and Division." * MERGEFORMAT }
23 July 2008

Director, Coal & Petroleum Development

BN08/1589
V08/2

NSW DPI –

Ministerial Briefing

Coal Allocation Proposal

Issue:

Ministerial approval to release Expressions of Interest packages for coal allocation areas.

Executive Contact: Alan Coutts, DDG 8289 3944 Mob [REDACTED]
Secondary Contact: Brad Mullard, Director
Coal and Petroleum Development 4931 6404 Mob [REDACTED]

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

{ FILLIN "Insert title for briefing" * MERGEFORMAT }

Issue:

Ministerial approval to release Expressions of Interest packages for coal allocation areas.

Background:

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea, as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

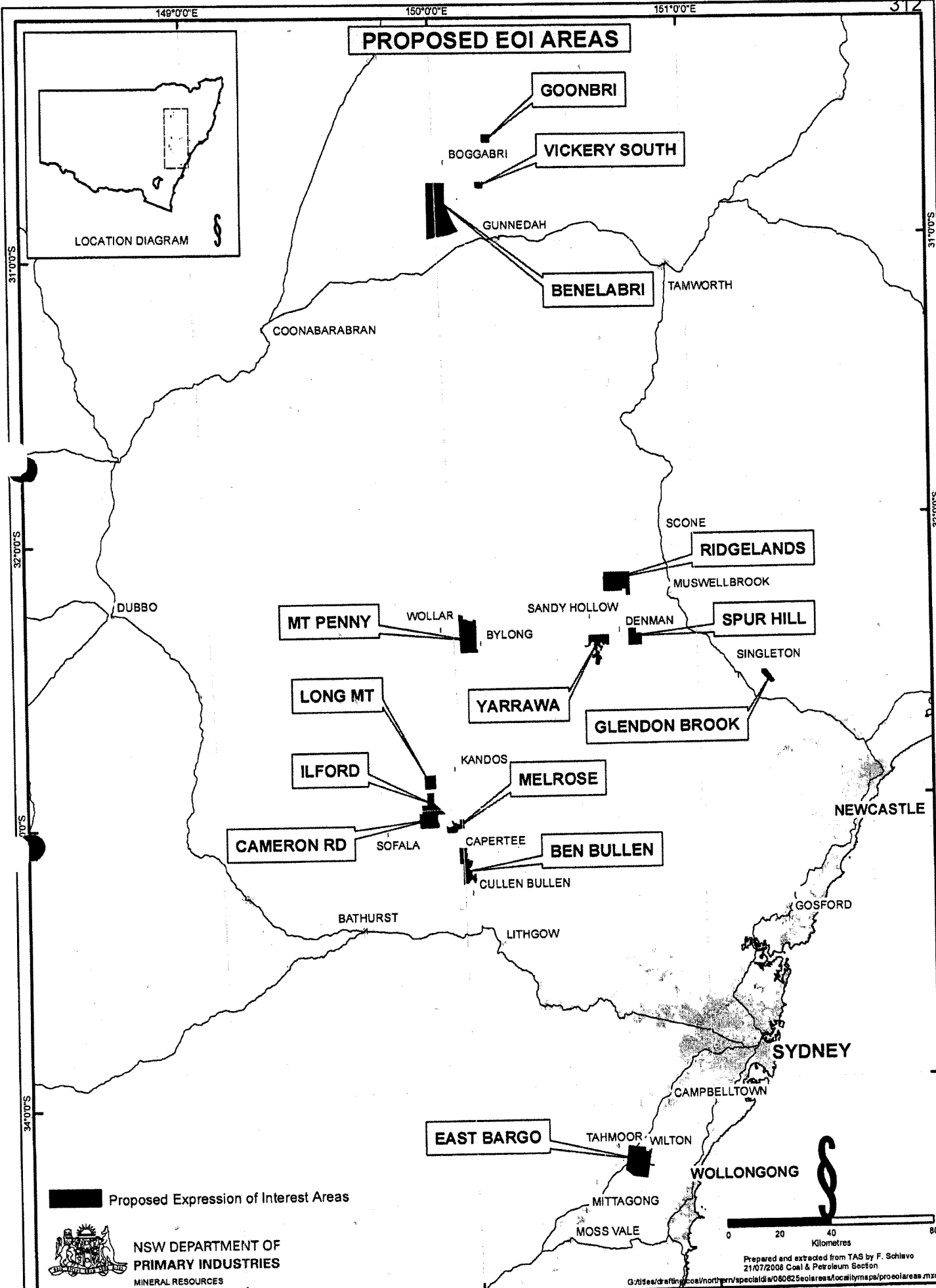
Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits, which generally would not be of interest to the major coal companies, but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process, as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

Recommendation:

The Minister approves the development of Expression of Interest packages to release coal allocation areas as outlined in the attached document and map.



NSW DEPARTMENT OF
PRIMARY INDUSTRIES
 MINERAL RESOURCES

Prepared and extracted from TAS by F. Schiavo
 21/07/2008 Coal & Petroleum Section
 G:\GIS\drafting\coal\north\prv\special\da\080625\sealarea\local\ymaps\proeolareas.mxd

Coal Allocation Proposal

From: patricia.madden@dpi.nsw.gov.au
To: jamie.gibson@macdonald.minister.nsw.gov.au
Cc: craig.munnings@macdonald.minister.nsw.gov.au, Brad Mullard <"cn=bradmullard/ou=dpi/o=nsw@nsw">, Alan Coutts <"cn=alan coutts/ou=dpi/o=nsw@nsw">
Date: Thu, 31 Jul 2008 16:21:38 +1000
Attachments: Coal Exploration & tender areas July.doc (134.66 kB); Future_Exploration_Areas_July.jpg (2 MB); ATTBO7XX (967.17 kB)

Jamie,

Brad has updated the coal allocation information to take account of ongoing research and revisions are attached. These documents include the latest information on areas that is available to the Department with research continuing. As I advised Craig yesterday, Brad will be in the Sydney office in meetings tomorrow morning should you need to contact him.



Coal Exploration & tender areas July.doc



Future_Exploration_Areas_July.jpg



TenderAreasJuly.doc

Regards,

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

REGION	NUMBER	AREA	TONNAGE	QUALITY	DEPTH	EXPLORATION	COMMENTS
GUNNEDAH	1	NORTH NARRABRI	1500 MT U/G	DOMESTIC & EXPORT THERMAL	180-500 m	10 Km	Potential for multiple EOI Areas
	2	MAULES CREEK	UNKNOWN	COKING & THERMAL	0 - 500 m	-	Potential for multiple EOI Areas
	3	SOUTH NARRABRI	1800 MT U/G	DOMESTIC & EXPORT THERMAL	150-600 m	10 Km	Potential for multiple EOI Areas
	4	SW GUNNEDAH/E CONNABARABRAN	UNKNOWN	THERMAL	<400 m	15 Km	Potential for multiple EOI Areas
	5	WATERMARK	600 MT O/C 500 MT U/G	DOMESTIC & EXPORT THERMAL	0 - 500 m	10 Km	EOI currently being assessed
	6	WILLOW TREE	UNKNOWN O/C POTENTIAL	UNKNOWN	0 -600 m	-	
	40	BENELABRI	>1000 MT O/C AND U/G	EXPORT THERMAL POSSIBLE COKING ?	0-600 m	-	
	50	VICKERY	10 MT O/C & POSSIBLE U/G	EXPORT THERMAL	0-400 m		
	51	GOONBRI	20 MT O/C & 100 MT U/G	EXPORT THERMAL	0-300 m		
NORTHWEST	7	MENDOORAN	UNKNOWN	THERMAL?	0 -400? m	NIL	

8	GOONOO	UNKNOWN	EXPORT THERMAL	400 – 600 m	10 Km	
9	COBBORA	1200 MT O/C 500 MT U/G	DOMESTIC & EXPORT THERMAL	0 – 300 m	4-10 Km SPACING	
10	WEST ULAN	28 MT O/C	DOMESTIC THERMAL	0-50 m	1-2 Km	
11	NORTH ULAN	530 MT U/G	DOMESTIC & EXPORT THERMAL	250 – 500 m	4 Km	
12	POGGY	100 MT U/G	DOMESTIC & EXPORT THERMAL	300 – 400 m	> 5 Km	
13	WOLLAR – BYLONG	600 MT U/G 220 MT O/C	DOMESTIC & EXPORT THERMAL	0-300 m	2 – 5 Km	
14	MURRUMBO	300 MT U/G	DOMESTIC & EXPORT THERMAL	150 – 350 m	NIL	
15	KAINS FLAT	150 MT O/C	DOMESTIC & EXPORT THERMAL	0 – 80 m	5 – 10 Km	
16	BREAKFAST CREEK	150 MT O/C	DOMESTIC & EXPORT THERMAL	0 – 80 m	5 – 10 Km	
17	RYLSTONE	1100 MT U/G 40 MT O/C	DOMESTIC & EXPORT THERMAL	0-400 m	1 – 2 Km	
41	MT PENNY	100 MT O/C	EXPORT THERMAL	0-300 m	-	
44	LONG MOUNTAIN	50MT O/C	DOMESTIC & EXPORT THERMAL	0-300 m	-	

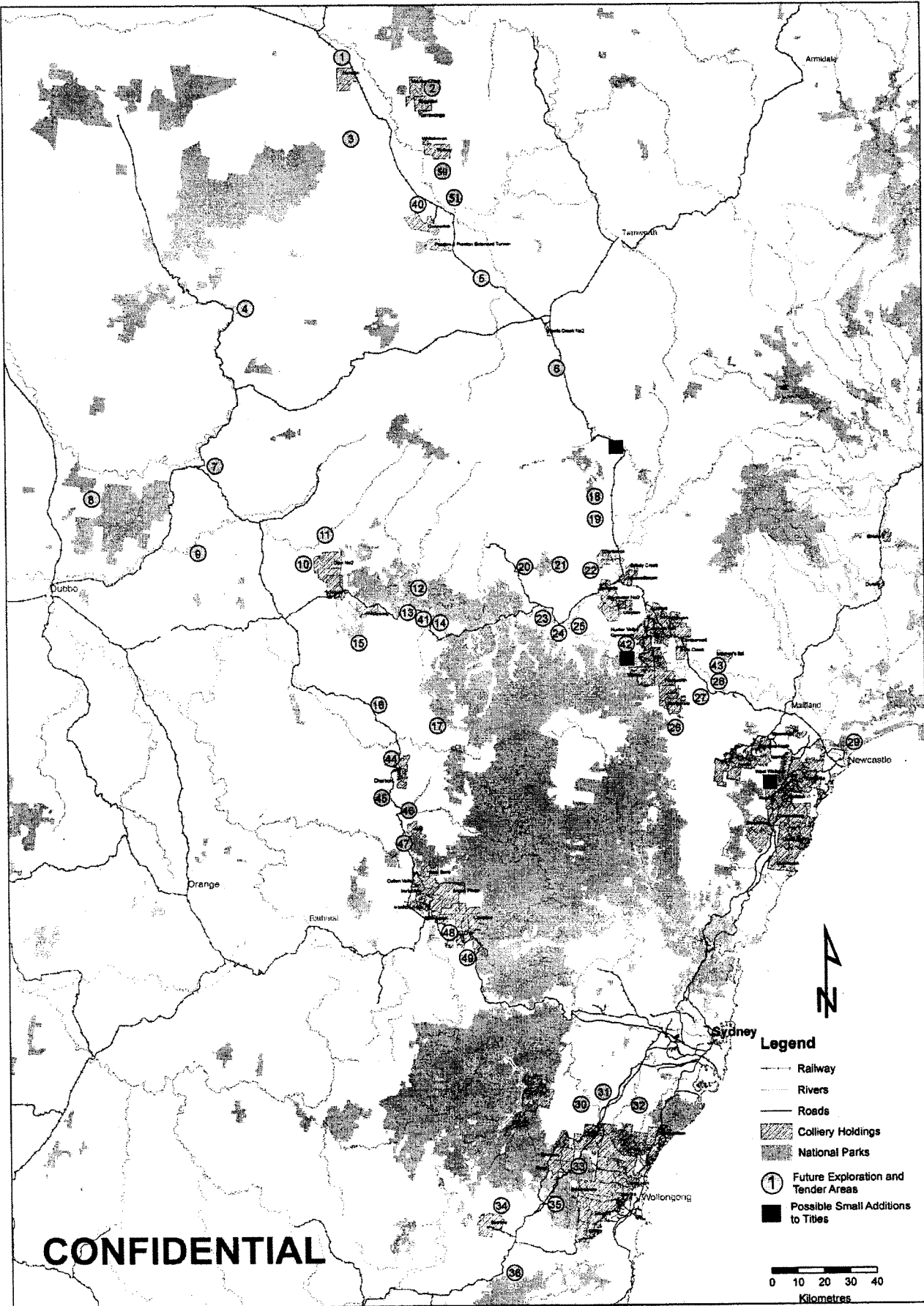
45a	ILFORD	50-100MT O/C & U/G	DOMESTIC & EXPORT THERMAL	0-300 m	-	
45b	CAMERON ROAD	<100 MT O/C & U/G	THERMAL	0-300 m		
46	MELROSE	50 MT O/C & U/G	DOMESTIC & EXPORT THERMAL	0-300 m	-	
47	BEN BULLEN	30MT O/C & U/G	DOMESTIC & EXPORT THERMAL	0-300 m	-	
48	LITHGOW	30MT O/C & U/G	DOMESTIC & EXPORT THERMAL	0-300 m	-	Impacts on Town and suburbs of Lithgow
49	MT VICTORIA	30MT O/C & U/G	DOMESTIC & EXPORT THERMAL	0-300 m	-	Impacts on Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba.
HUNTER	18	WEST SCONE	EXPORT THERMAL SOFT COKING	0 - 500 m	4 - 20 Km	
	19	STRATHEARN	EXPORT THERMAL	0 - 300 m	2 - 4 Km	
	20	HALLS CREEK	DOMESTIC & EXPORT THERMAL	250 - 600 m	NIL	
	21	RIDGELANDS	DOMESTIC & EXPORT THERMAL	100 - 400 m	1 - 2 Km	

	22	BENGALLA WEST	250 MT U/G ? O/C	DOMESTIC & EXPORT THERMAL	0 - 300 m	2 - 4 Km	
	23	YARRAWA	20 MT O/C	DOMESTIC & EXPORT THERMAL	0 - 80 m	4 Km	
	24	DENMAN SOUTH	200 MT U/G	EXPORT THERMAL SOFT COKING	180 - 500 m	1 - 4 Km	
	25	SPUR HILL	20 MT O/C 100 MT U/G	EXPORT THERMAL	0 - 300 m	2 Km	
	26	WOLLOMBI A263	>500 MT U/G	DOMESTIC & EXPORT THERMAL	100 - 600 m	10 - 20 Km	
	27	SINGLETON ARMY BASE	UNKNOWN BUT LARGE	EXPORT THERMAL SOFT COKING	0 - 500 m	1 - 4 Km	Commonwealth Land
	28	BELFORD DOME	200 MT	EXPORT THERMAL SOFT COKING	400 - 600 m	5 Km	
	42	JERRY'S PLAINS	250 MT Small O/C Large U/G	EXPORT THERMAL SOFT COKING	0-400 m		Very close to the township of Jerrys Plains O/C may not be viable
	43	GLENDON BROOK	150MT O/C U/G	THERMAL	0-500 m		
NEWCASTLE	29	TOMAGO - PORT STEPHENS	400 MT U/G	EXPORT THERMAL SOFT COKING	200 m+	4 Km	Impacts on the Tomago Sand Beds (Newcastle's Water Supply)

SOUTHERN	30	OAKDALE	650 MT? U/G	COKING & THERMAL	250 - 600 m	3 - 4 Km	
	31	MACARTHUR	1700 MT ? U/G	COKING	500 - 800 m	4 - 5 Km	Currently under pressure for Urban Development
	32	HOLSWORTHY	380 MT U/G	COKING & THERMAL	500 - 750 m	5 - 10 Km	Commonwealth Land
	33	EAST BARGO	600 MT U/G	COKING & THERMAL	350-500 m	2 - 3 Km	Impacts on Incised Rivers
	34	HIGH RANGE	2000 MT? U/G	COKING & THERMAL	150 - 400 m	4 - 5 Km	
	35	MITTAGONG	2000 MT? U/G	COKING & THERMAL	100 - 400 m	3 - 4 Km	
	36	MERYLA	250 MT U/G	COKING & THERMAL	0 - 250 m	2 - 3 Km	
SMALL AREAS	37	BICKHAM WEST	20MT O/C	COKING	UNKNOWN	2 - 10 Km	
	38	WEST WAMBO	60MT U/G	THERMAL	300 m	10 - 20 Km	
	39	FREEMANS WATERHOLE	< 10 MT O/C	THERMAL	0-100 m		

NOTES:

1. All tonnages are indicative of resource potential only and do not represent compliance with any category of the JORC code.



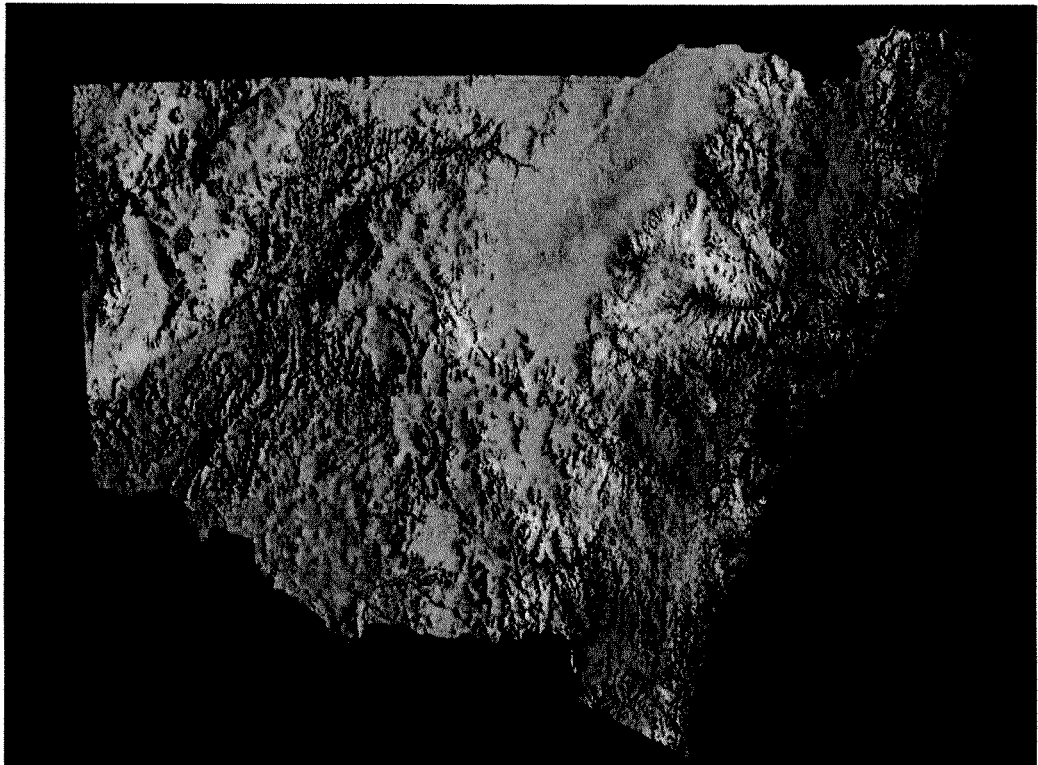
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**PROSPECTIVE COAL
EXPLORATION**

AND

**EXPRESSION OF INTEREST
AREAS IN NSW**



July 2008

PROSPECTIVE COAL EXPLORATION AND EXPRESSION OF INTEREST AREAS IN NEW SOUTH WALES

INTRODUCTION

The purpose of this review is to identify areas within the NSW coal basins that are currently unallocated to the mining industry but that could be prepared for release over the next five years.

1. There has been no attempt to identify all unallocated coal resources in the State. Rather, the focus is on areas potentially large enough to provide one or more stand alone "logical mine unit(s)". Three small areas adjacent to currently operating mines that have recently received expressions of interest from industry have also been included.
2. Available data on the areas is highly variable. In some cases, drill hole spacing is close to one km and little additional work will need to be conducted by the Department. In other areas, there is little drilling and the presence of a resource is inferred from broad regional trends. In these areas considerable drilling activity will be required in several phases to define the resource.
3. Potential surface constraints on mining other than national parks and conservation areas have not been considered in the study.
4. Economic issues have not been considered except as a factor in the determination of priorities for future exploration. It should be noted however that if the international trend for increasing values of energy commodities continues over the next 5 years then it is probable that all the identified areas will be of interest to industry.
5. The parameters chosen to define potential resources where sufficient information exists are:
 - Maximum depth is 600 m except in the southern Coalfield where 800 m was chosen in relation to hard coking coal.
 - Raw coal ash is generally less than 35% except in the western coalfield where a washed coal product of 35% has been chosen for a multi seam target.
 - Open cut resources where specified are at stripping ratios of less than 10: 1 bank cubic metres of overburden per tonne of coal.
6. In a number of cases there is insufficient information to categorise coal quality with any certainty and regional trends have been used.
7. No allowance has been made for the effects of geological constraints such as igneous activity in the poorly explored areas.
8. Tonnage estimates stated in this report have been provided to be indicative of in situ resource potential only and in no way represent compliance with the Joint Ore Reserve Committee (JORC) code.

It is important to stress that each area on the attached chart does not necessarily correspond to one potential tender area. Some areas may ultimately provide up to three or four separate tender areas.

The prospective exploration and tender areas identified in this study are set out in the attached table and on the attached plan.

GUNNEDAH BASIN

Area 1. North Narrabri

The North Narrabri area contains underground coal resource in the Hoskissons seam of approximately 1500 Mt. The coal is of export thermal quality. There are 21 Departmental boreholes in the area although further drilling and magnetics are required to prepare the area for allocation to industry. The main northern railway line passes through the east of the area.

Area 2. Maules Creek

The Maules Creek area lies to the southeast of Narrabri. There are up to 25 correlated coal seams which range up to 3.5 metres in thickness. There is potential for open cut and underground coal resources of both coking and thermal coal, although a review and remodelling of data is required before any estimate of the potential resource can be made. There have been expressions of interest from industry regarding parts of the Maules Creek area. The main Northern Railway passes several kilometres to the west.

Area 3. South Narrabri

The South Narrabri area contains underground coal resource in the Hoskissons and Melvilles seams of approximately 1800 Mt. The coal is of export and domestic thermal quality. There are 30 Departmental boreholes in the area, however further drilling and magnetics are required to prepare the area for allocation to industry. The main northern railway line passes through the east of the area.

Area 4. South West Gunnedah/Binnaway

The South West Gunnedah/Binnaway area lies to the south of Binnaway and east of Mendooran on the eastern margin of the Rocky Glen Ridge. There is potential for underground resources in the Hoskissons seam at depths between 200 and 400 m. There are 7 Departmental boreholes in the area but additional drilling and magnetics are required before an estimation of the potential resource can be made.

Area 5. Watermark

This area lies to the west of Breeza and to the north of the Caroona Expression of Interest (EOI) Area. Open cut coal resources of approximately 600 Mt and underground resources of approximately 500 Mt are contained in the Hoskissons and Melvilles seams. The area has been released for EOI. The main northern railway line passes through the east of the area.

Area 6. Willow Tree

An 8 metre thick coal seam cropping out vertically has been identified in the Willow Tree area. There is very little data available pertaining to the area and further exploration is necessary comprising surface mapping, drilling, and magnetics before the resource potential can be defined. The Northern Railway transects the area. There has been a recent expression of interest from industry for the area.

Area 40. Benelabri

The area is expected to contain substantial open cut and underground resources. An magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams. Total resources could be in excess of 500 MT.

Area 50. Vickery

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

Area 51. Goonbri

The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt insitu. The area may contain some underground resources.

NORTHWEST**Area 7. Mendooran**

There is potential for a significant tonnage of coal in the Ulan and overlying seams to the west of the Rocky Glen Ridge which is known to extend northwards from Dunedoo and to the east of Neilrex. Both open cut and underground resources are possible although there is no drilling in close proximity to the target area. Three holes are programmed as part of the Hunter West to Cobbora exploration program.

Area 8. Goonoo

This area covers the Goonoo State Forest to the east of Dubbo. One hole drilled as part of the Brigalow Belt South Bioregion Resource Study, intersected 8 metres of very low ash coal in Maules Creek / Goonbri Formation equivalents at a depth of 400 m. The extent of this potential resource is unknown. This area will require further exploration drilling.

Area 9. Cobbora

The Cobbora area lies to the west of Dunedoo. The Cobbora Stage 1 Drilling Program completed in 2004 identified the potential for an open cut resource of approximately 1200 Mt and a shallow underground resource of approximately 1000 Mt. Three seams contain economic resources, the Upper and Lower Ulan and the Flyblowers Creek seams. The coal is medium to high ash and is domestic thermal quality but it may be possible to produce an export thermal fraction. A drilling program at Cobbora is currently underway.

WESTERN COALFIELD**Area 10. West Ulan**

This area lies to the west of Ulan mine. It contains a open cut resource of greater than 100 Mt of moderately high ash domestic thermal coal in the Ulan seam. Whilst this area is poorly serviced by surface infrastructure. Additional drilling is required to define the extent of the deposit.

Area 11. North Ulan

This area lies to the north and northeast of the Ulan mine and contains an underground resource of approximately 500 Mt of domestic thermal and possibly export thermal coal within the Ulan seam at less than 500 m cover. The main road access to the area is via the Golden Highway linking the area to Merriwa and the coast, and the Ulan-Sandy Hollow railway line 20 km to the south accessing the Port of Newcastle. Additional exploration is required, particularly in the north-east portion to provide sufficient data to facilitate allocation of the area.

Area 12. Pogy

The Pogy area lies wholly within the Goulburn River National Park occupying a window of approximately 30sq km with potential underground resources flagged within both the Ulan and Lithgow seams at depths less than 400 m. Potential resources have been estimated at approximately 100 Mt. Whilst a lower priority target, three boreholes are planned as part of the Hunter West to Cobbora exploration program.

Area 13. Wollar-Bylong

This area has the potential for a number of small to medium size satellite open cut operations totalling approximately 220 Mt. They are likely to provide access to associated larger underground resources in the order of 600 Mt. Infrastructure is reasonably well established with the SandyyHollow railway line bisecting the area. The size and coal quality of the resources in this area enhance its attractiveness for allocation in the near future. Further drilling is required to define the resource.

Area 14. Murrumbo

The Murrumbo area lies to the east of Bylong. It has the potential for up to 300 Mt of relatively low ash domestic and export thermal coal within the Lithgow seam, amenable to underground extraction. No exploration data is currently available within this area, and the resource potential has been inferred from regional trends. Further drilling is required to define the resource.

Area 15. Kains Flat

Kains Flat lies to the southeast of Ulan. Exploration data for the area is limited but suggests an attractive open cut target of approximately 150 Mt as well as potential underground resources to the east beneath the Triassic escarpment. The Lithgow-Mudgee road is the main vehicular access to the area, with the Charbon to Mudgee rail link approximately 25 km to the west. Further drilling is required to define the resource.

Area 16. Breakfast Creek

Breakfast Creek lies to the south of Kains Flat. Very limited data is available for this area, however regional trends suggest that an open cut resource of approximately 150 Mt may extend from the south to the north along the foot of the Triassic escarpment. The potential resource is contained within the Lidsdale Lower and the Ulan seams. The Charbon to Mudgee rail link lies approximately 10 km to the west. Further drilling is required to define the resource.

Area 17. Rylstone

This 340 sq km area has the potential for a small open cut operation in the west and substantial underground potential in the central and eastern portions. The Narango Road area, approximately 10km east of Rylstone, has been drilled to 1 km spacing and contains an open cut resource estimated at 40 Mt in 5 seams. The underground potential of the area is mainly within various combinations of the Lithgow, Lidsdale and Katoomba seams and is located between 20 and 30 kms to the east of Rylstone. The area has been drilled on a 2 to 3 km spacing. Igneous intrusions in the form of volcanic plugs and associated sills are present throughout. The coal is of domestic thermal and export thermal quality from the underground. The underground resource is potentially very large (>1000 million Tonnes)

Area 41. Mt Penny

The area is expected to contain opencut and underground resources close to existing rail facilities.

Estimated open cut resources are less than 100Mt in the Mt Penny area. Resources are suitable for export thermal and are contained within the Ulan Seam, raw ash ranges from 15 – 27%.

Area 44. Long Mountain

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

The area is highly speculative but total resources are expected to be less than 50MT.

The area may contain open cut and some underground resources. Includes part of Clandulla State Forest.

Area 45a Ilford

Covers approximately 85 sq km. There is limited existing borehole data however the area may contain open cut and underground coal resources in the order of 50-100MT in the Irondale, Lidsdale and Lithgow seams. The area may contain unidentified geological structures.

Area 45b Cameron Road

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt insitu.

Area 46. Melrose

Covers approximately 18 sq km may contain open cut and underground coal resources in the Irondale and Lithgow seams. If future exploration successfully identified a resource in the order of 50 Mt may be identified. The area includes part of Airly State Forest.

Area 47. Ben Bullen

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt insitu. Area includes part of Ben Bullen State Forest.

Area 48. Lithgow

Covers approximately 65 sq km. May contain open cut and underground coal resources in the Katoomba and Lithgow seams. Parts of the area may contain old workings and this will need to be confirmed. Resources in the area are estimated at 30Mt. The area includes the Town and suburbs of Lithgow and includes significant cliff lines. Partly affected by Commonwealth Land

Area 49. Mt Victoria

Covers approximately 140 sq km. May contain open cut and underground coal resources in the Katoomba and Lithgow seams. Parts of the areas may contain old workings and this will need to be confirmed. Resources are estimated at 30Mt. Includes the Town of Mt Victoria, Blackheath and Medlow Bath and is immediately west of Katoomba. The area also includes the proposed Hartley Reserve and significant cliff lines

HUNTER VALLEY

Area 18. West Scone

The West Scone area covers the region between Aberdeen and Murrurundi. There is limited exploration data available and the area is known to contain complex geology. There are significant landuse issues in some parts of the area. A substantial exploration program will be required to clarify the geology and identify any potential coal resources.

Area 19. Strathern

This area lies to the north of Dartbrook mine and to the southwest of Aberdeen. It may contain both a small open cut and a small underground resource. The area has complex geology and significant agricultural and landuse issues.

Area 20. Halls Creek

The Halls Creek area lies to the west of Ridglands and Anvil Hill. There is very limited data available but the projection of regional trends suggests resources in the order of 500 Mt in the Great Northern and Fassifern seams at depths between 250 and 600 m. Provision has been made for the drilling of 5 boreholes as part of the Hunter West to Cobbora exploration program

Area 21. Ridglands

The Ridglands area was drilled and assessed by Mineral Resources in 2001-2004. Ridglands area is directly North of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction,

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total insitu coal resources are expected to exceed 300 MT.

Area 22. Bengalla West

This area lies to the west of Bengalla Mine and contains in the order of 250 Mt of export and domestic thermal coal at depths up to 300 m. Current bore spacing averages 2-4 km but further exploration will be needed particularly in the west to prepare the area for allocation to industry.

Area 23. Yarrawa

The Yarrawa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally. Provision has been made for six shallow holes as part of the Hunter West to Cobbora exploration program.

Area 24. Denman South

This area lies to the southeast of Denman. Underground resources in the order of 200 Mt have been identified in the Whittingham Coal Measures, from regional and localised exploration drilling. Reassessment of available data and remodelling is needed before an exploration program can be developed.

Area 25. Spur Hill

This is a Medium sized area to the east of Denman, which may contain 20 Mt of open cut and in excess of 100 Mt of underground coal. The area is affected by a major north-south fault system

Area 26. Wollombi

This is a large area on the southern side of the Hunter Valley, mainly covered by State Forest. There is potential for more than 500 Mt of underground resources in the Great Northern and Fassifern seams at depths between 100 and 600 m. There has been limited exploration drilling in this area and further exploration is required to define the resource prior to allocation to industry.

Area 27. Singleton Army Base

This area is Commonwealth land, controlled by the Defence Department. The sub crop of the Whittingham Coal Measures extends eastwards across the area from Bulga Mine. There has been limited drilling in the army base area which indicates the presence of a large resource of soft coking and export thermal coal. The risk from unexploded ordnance would also be a constraint in exploring the area.

Area 28 Belford Dome

This area lies to the southeast of Singleton. The Greta Coal Measures occur at more than 400m depth, with very limited exploration by old oil and gas drilling. The former Belford State Forest in the middle of the area is now in the National Park estate. The area may contain in the order of 200 Mt of soft coking and export thermal coal.

Area 29. Tomago – Port Stevens

This area contains underground resources of the order of 400 Mt of coking coal resources in the Tomago Coal Measures, partly underlying the Tomago Sandbeds which are a major water source for Newcastle.

Area 42. Jerrys Plains

Contains some open cut and a major underground resource in excess of 250 MT in the Redbank Creek, Abby Creek, Whybrow and whynot coal seams. The coal is considered a soft coking coal resource. The proximity to Jerrys plains Township may preclude open cut mining. Alluvial floodplains of the Hunter River cover part of the area.

Area 43. Glendon Brook

Located 12km East of Singleton and south of Mitchells Flat the area is expected to contain around 150MT of thermal coal. The area is likely to have steeply dipping coal seams and fault zones.

SOUTHERN COALFIELD**Area 30. Oakdale**

This area lies to the east of the old Oakdale and Brimstone Collieries. Coal resources of approximately 650 Mt are contained within the Bulli, Balgownie and Wongawilli seams, however the coal quality deteriorates in the Bulli seam in the north and south of the area. Two major structures, the Oakdale and the Nepean faults, trend north-south through the area and seismic data suggests that the coal resources may be amenable to bord and pillar operations only. Borehole spacing is irregular but averages 3-4 km. Further exploration will be necessary.

Area 31. Macarthur South

This area covers hard coking coal resources to the north of the titles held by BHP Billiton. Coal resources of approximately 1700 Mt are contained within the Bulli and Balgownie seams at depths between 500 and 800 m. This area will be a centre of future urban development under the Department of Planning Metropolitan Strategy for the next 20 years.

Area 32. Holsworthy

Significant resources (380 Mt) underlie the Holsworthy Army Base in the Bulli and Balgownie seams at depths between 500 and 800 m. The Bulli seam deteriorates to the north but the Balgownie seam thickens to greater than 3 m. The coal quality is variable but is of hard coking and export thermal quality. Surface access is constrained but long term plans exist to reduce army occupation to the northern part of the area.

Area 33. East Bargo

The southern part of the East Bargo area contains large sills within the Bulli, Balgownie and Wongawilli seams. Coal quality in both the Bulli and Balgownie seams deteriorates in the northern central part of the area. Resource recovery may be enhanced by division of the area into smaller blocks best accessed from the west, north and east respectively. The total potential resource is in the order of 600 Mt of hard coking and thermal coal at depths between 300 and 500 m.

Area 34. High Range

This area covers 400 sq km and includes all unallocated resources to the north and northeast of the Sutton Forrest and Berrima titles and west of the main southern rail line. Borehole spacing is highly variable with limited data northwest of Mittagong. Coal resources in the order of 2000 Mt have been estimated in the Wongawilli and Tongarra seams at depths between 150 and 400 m. Coal quality is variable and a number of igneous pipes and sills are present. The area is expected to have both coking and thermal coal potential. Possible subsidence effects at relatively shallow depths on surface developments will be an important factor for any mine development.

Area 35. Mittagong

This area covers 500 sq km and includes all unallocated resources to the east of the main southern rail line, to the west of the Huntley and Dendrobium mining leases, and south of the Bargo and East Bargo areas. Borehole spacing is very variable with limited data available northwest of Mittagong and southeast of Bowral. Coal resources of approximately 2000 Mt have been estimated in the Wongawilli and Tongarra seams at depths between 100 and 400 m. Coal quality is variable and a number of igneous pipes and sills are present. The area is expected to have both coking and thermal coal potential. Possible subsidence effects at relatively shallow depths on surface developments will be an important factor on any mine development in the western part of the area.

Area 36. Meryla

The Meryla area lies to the southeast of Sutton Forest and contains a resource of approximately 250 Mt in the Wongawilli seam. This area was identified in the 1970s by company drilling that identified the Sutton Forest resource. Coal quality and shallow depths are the main constraints to development.

SMALL AREAS BORDERING EXISTING MINES OR PROPOSALS

Area 37. Bickham West

This area adjoins the Bickham mine proposal to the west. There is no available exploration data but any resource is likely to be less than 20 Mt. The Bickham development proponent is seeking this area as an addition to the mine reserves.

Area 38 West Wambo

This area adjoins the Wambo Mine to the west. The available exploration data suggests an open cut resource of less than 10 Mt and an underground resource in the order of 60 Mt. Wambo Mine has expressed interest in this area as an addition to the mine reserves.

Area 39. Freemans Waterhole

This area adjoins Newstan colliery to the west. Available data suggests a small open cut resource of less than 10 Mt. The area could be mined by the adjoining operations or as a stand alone operation. One expression of interest has been received from industry.

Fw: EOI Text and Fig 1

From: brad.mullard@dpi.nsw.gov.au
To: alan.coutts@dpi.nsw.gov.au
Date: Wed, 03 Sep 2008 09:37:25 +1000
Attachments: Remnant Release Areas Inform Pack Text Fig 1 August 2008 2008.doc (465.41 kB)

Alan,

EOI Document for Small and Medium areas

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

--- Forwarded by Brad Mullard/DPI/NSW on 03/09/2008 09:36 AM ---

Julie Moloney/DPI/NSW

03/09/2008 09:35 AM

To

cc

Subject



Remnant Release Areas Inform Pack Text Fig 1 August 2008 2008.doc

Julie Moloney
Senior Project Officer
Development Co-Ordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Regional Mail Centre NSW 2310
T: 02 4931 6549
[REDACTED]
F: 02 4931 67938

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COAL RELEASE AREAS

Western Coalfield

Hunter Coalfield

Gunnedah Coalfield

**EXPRESSION OF INTEREST
INFORMATION**

NEW SOUTH WALES

Version 1 August 2008



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

1. INTRODUCTION

The Minister for Mineral Resources in New South Wales, Australia, invites Expressions of Interest for the awarding of an exploration licence in respect of the eleven (11) coal exploration areas (Figure 1), pursuant to the Mining Act 1992:

- Goonbri Gunnedah Coalfield (Figure 2)
- Vickery South Gunnedah Coalfield (Figure 3)
- Yarrowa Hunter Coalfield (Figure 4)
- Spur Hill Hunter Coalfield (Figure 5)
- Glendon Brook Hunter Coalfield (Figure 6)
- Mt Penny Western Coalfield (Figure 7)
- Long Mountain Western Coalfield (Figure 8)
- Ilford Western Coalfield (Figure 9)
- Cameron Road Western Coalfield (Figure 10)
- Melrose Western Coalfield (Figure 11)
- Ben Bullen Western Coalfield (Figure 12)

A number of companies have approached the Government, seeking access to potential coal resources in these areas. The Minister for Mineral Resources has decided to call for Expressions of Interest for the awarding of exploration licences over these areas. The eleven (11) coal exploration areas may contain open cut and/or underground coal resources of domestic and possible export quality thermal coal.

Only companies invited by the Minister for Mineral Resources to submit an Expression of Interest may do so. Expressions of Interest for more than one area may be submitted. An individual application must be made for each area interest.

The successful applicants will be awarded a coal exploration licence over the area for an initial period up to 5 years, pursuant to the Mining Act 1992.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 24 November 2008**.

The Expressions of Interest (EOIs) are open to an individual company or companies or a consortium by invitation of the Minister for Mineral Resources only. Any proposed foreign investment in Australian resource projects is subject to the Foreign Investment Review Board guidelines and approvals.

The Department may select a shortlist of applicants for further discussion prior to making a recommendation to the Minister for Mineral Resources. The shortlist selection will be based on the evaluation criteria specified in Section 6.2 of this document.

The Minister will select a company/companies or consortium to which exploration rights over these areas will be awarded by part transfer of the existing titles or the grant of a new exploration title. The continued tenure of the exploration licence during the initial period and any subsequent renewal period will be subject to compliance with agreed commitments and title conditions. The Minister is not bound to accept any of the proposals.

2. TIMEFRAME FOR RESOURCE EVALUATION AND DEVELOPMENT APPROVALS

Each expression of interest area requires detailed exploration to identify any mineable reserves.

3. PREREQUISITES TO MINE DEVELOPMENT

The exploration licence will be subject to renewal in the normal manner, based on satisfactory performance during the initial period and an agreed program of work for the renewal period. The continued tenure of the exploration licence during the initial period and any subsequent renewal periods will be subject to compliance with EOI commitments and title conditions.

The successful applicant/s will be required to fully explore the area/s to determine the coal resource potential. Any progress beyond exploration licence tenure will be subject to all normal processes of obtaining development approval and a mining lease. The development assessment and approval process under the *Environmental Planning and Assessment Act 1979* would involve the preparation and public display of a comprehensive Environmental Assessment report. Any application for development approval and a mining lease would not be progressed until the Department Primary Industries, Mineral Resource Division approved a "conceptual project development plan" in accordance with current guidelines (www.dpi.nsw.gov.au/mineral_titles/policies/development_plans).

In any future potential mine development, all long term transport of coal is expected to be off public roads.

4. INFORMATION

4.1 General Enquiries

Request for further information should be addressed to:
Julie Moloney, A/Principal Adviser, Development Coordination
Phone: (02) 4931 6549
Email: julie.moloney@dpi.nsw.gov.au
PO Box 344, Hunter Regional Mail Centre NSW 2310

Formal questions/enquiries should be made in writing after discussion with the nominated contact officer above.

4.2 Available Data

The Coal Release Areas Data Package has been compiled from previous geological and coal quality investigations.

The data are divided into two (2) parts:

4.2.1 Geological Data

Available geological data varies for each release area. Lithological, analytical and geophysical logs boreholes available for each release area are shown on Table 1.

4.2.2 Reports

- The Hunter Coalfield – Notes to accompany the 1:100,000 Hunter Coalfield Geological Map – Beckett J 1988
- Hunter Coalfield Regional Geology 1:100 000, 2nd edition – Glen R.A. and Beckett J. 1993
- The Gunnedah Coalfield – Notes to accompany the 1:100,000 Gunnedah Coalfield Geological (North and South) Map, Pratt W. 1998
- Gunnedah Coalfield (Southern Part) Geological Series 1:100 000, Pratt W. 1998
- Gunnedah Coalfield (Northern Part) Geological Series 1:100 000, Pratt W. 1998
- The Western Coalfield – Notes to accompany the 1:100,000 Western Coalfield Geological Maps, Yoo E.K, Tadros N.Z and Bayly K.W. 2001
- Western Coalfield (Southern Part) Geological Series 1:100 000, Yoo E.K 1992
- Western Coalfield (Northern Part) Geological Series 1:100 000, Yoo E.K 1998

A variety of other general geological reports area can be found on the Department's website, www.dpi.nsw.gov.au/minerals using the DIGS reporting system.

For more information on available geological data contact:

Leslie Wiles, Manager Coal Advice
Phone: (02) 4931 6555
Email: coal.geology@dpi.nsw.gov.au
PO Box 344, Hunter Regional Mail Centre NSW 2310

4.3 Purchase of Geological Data Package

Cost of Geological Data Package (available on DVD): \$550 (includes GST)

The geological data package can be purchased from:

Lee Main, Geological Administrator, Coal A
Phone: (02) 4931 6689
Email: coal.geology @dpi.nsw.gov.au
PO Box 344, Hunter Regional Mail Centre NSW 2310

DRAFT

Table 1. Summary of geological data available for the each release area

Area	No. of Boreholes	Available Borehole Information
Goonbri	7	Summaries, lithological logs, graphic logs, limited coal analysis and geophysics
Vickery South	7	Summaries, lithological logs and limited coal analysis
Yarrawa	21	Majority of lithological logs, limited summaries, graphics logs, geophysics and coal analysis
Spur Hill	34	Lithological logs, and limited graphics logs, geophysics and coal analysis
Glendon Brook	12	Summaries and lithological logs
Mt Penny	37	English and graphic logs and limited coal analysis
Long Mountain	0	No boreholes in area
Ilford	15	Summaries, majority of lithological logs and limited coal analysis
Cameron Rd	11	Summaries, lithological logs and coal analysis
Melrose	12	Summaries, lithological logs and limited coal analysis
Ben Buller		Summaries and lithological logs
Note: Further borehole data may become available for these areas, and will automatically be added to the Geological Data Package.		

5. SUBMISSION OF EXPRESSIONS OF INTEREST

5.1 Closing Date

Closing time and date for Expressions of Interest is **12 noon on Monday 24 November 2008.**

Expressions of Interest for more than one area may be submitted. An individual application must be made for each area of interest.

5.2 Lodgement

Each Expression of Interest must be enclosed in a sealed envelope or parcel and be clearly marked "Expression of Interest – Coal Release Areas" and identify which area the expression of interest is for (i.e. Goonbri, Vickery South, Yarrowa, Glendon Brook, Mt Penny, Spur Hill, Long Mountain, Ilford, Cameron Road, Melrose or Ben Bullen). In addition, cover letter should be included in a separate standard size envelope and be attached to the outside of the main envelope or parcel containing the Expression of Interest. *The covering letter should identify the area the Expression of Interest is for and state the name of the company/companies or consortium involved in submitting the Expression of Interest and any company equity involved.*

Applications should be delivered to Development Coordination, Department of Primary Industries, 516 High Street, Maitland NSW 2320, prior to **12 noon on Monday 24 November 2008**. Three copies of the main Expression of Interest document(s) are required. One copy of any detailed appendix material is sufficient.

Each application for each individual area is to be accompanied by a non-refundable lodgement fee of \$500. A receipt will be issued for this fee.

5.3 Declaration of Expressions of Interest Received

Expressions of Interest will be opened at **1:00pm on Monday 24 November 2008** in the Conference Room, Level 1, 516 High Street, Maitland NSW 2320. Declaration of Expressions of Interest will be open to the public. Only the area of interest, the name of the company/companies or consortium and any company equity involved will be made public.

6. EVALUATION OF EXPRESSIONS OF INTEREST

6.1 Evaluation Process

The Minister for Mineral Resources will be the final determinant for the awarding of the exploration licences for the eleven (11) release areas. The Director-General of the Department of Primary Industries will make recommendations to the Minister following completion of the evaluation process by the Department.

The Department of Primary Industries will establish an evaluation team from experts on its staff and elsewhere in government. The team will evaluate the Expressions of Interest using a consistent process approved by an independent probity auditor. The auditor will review compliance of the evaluation process by the evaluation team prior to the submission of recommendations to the Director-General and the Minister for Mineral Resources. This process will ensure the highest levels of consistency, fairness and probity are achieved.

The evaluation team's assessment will be based on the Evaluation Criteria outlined in Section 6.2.

6.2 Evaluation Criteria

6.2.1 Exploration, Mine Development, Infrastructure and Financial Contribution

(a) Exploration

The exploration program must involve a commitment to test the resource potential of the whole area. Method, cost and timing of exploration should be included.

(b) Mine Development

A conceptual mine development proposal should be included. Conceptual mine planning should be based on current knowledge and address technical issues associated with developing the area/s.

The conceptual mine development plan should include the timeframe for evaluation and development.

(c) Resource Recovery and Coal Utilisation

Based on current knowledge of an area the proponent should provide conceptual mine development plans to maximise resource recovery and coal utilisation.

(d) Infrastructure

The proponent should provide details of any proposed infrastructure development based on the existing rail infrastructure and port constraints. In any future potential mine development, all long term transport of coal is expected to be off public roads. Cost and timing of any proposal should be included.

(e) Financial Contributions

The successful EOI applicant/s will be required to meet the financial obligations for an exploration licence listed in Section 7.

Expression of Interest applicants may nominate additional financial contributions to those listed in Section 7 to be considered as part of evaluation process.

Financial contributions as outline in Section 8, financial obligations for upon grant of a development approval will be payable if the release area proceeds to; and is granted development approval under the *Environmental Planning and Assessment Act 197*

6.2.2 Overall Benefits

A summary of any overall benefits of the proposal to the region and the State of New South Wales should be provided. These may include:

- Employment
- Benefits to local and regional communities
- Capital expenditure
- Infrastructure benefits
- Any other benefits

6.2.3 Programs of Work

A commitment to implementing following work programs should include:

- The exploration program to bring resources to measured reserves status
- Conceptual mine feasibility studies
- Environmental studies
- Community liaison program, which includes individual landholders, local, regional and indigenous communities.

The above programs should include indicative schedules and costing for major phases and be set out in terms with positive, realistic objectives.

6.2.4 Indicative Timeframe

A timetable for the implementation of the above work programs and any proposed subsequent mine developments. The timeframe outlined in Section 2 of this document is considered reasonable for the assessment and development of any deposit.

6.2.5 Technical Competence

Demonstrated technical ability to implement the nominated programs, subsequent infrastructure and project development, ongoing mining, coal marketing and utilisation, and environmental management.

6.2.6 Financial Qualifications

Demonstrated financial ability to fund work programs and subsequent mine and infrastructure development.

6.2.7 Other

Any other matters which the company/companies or consortium believes would assist the Government in assessing its proposal.

7. FINANCIAL OBLIGATIONS OF SUCCESSFUL APPLICANT FOR AN EXPLORATION LICENCE

As part of the Expression of Interest commitments, for each release area the successful applicant/s, will within 30 days from the date of a registration of part transfer of the current exploration licence or within 30 days of the Minister granting consent to apply for a new exploration licence, be required to pay:

(Note: the figures below include GST where applicable)

- (a) an assessment fee of \$1,000 to cover Department of Primary Industries' Expression of Interest administration, advertising and evaluation costs;
- (b) payment for the refund of public expenditure previously incurred by the Department of Primary Industries for exploration and evaluation of the area is required for 3 of the release areas:
 - Glendon Brook release area payment for refund of public expenditure is \$250,600 (TBE)
 - Yarrowa release area payment for refund of public expenditure is \$130,900 (TBE)
 - Spur Hill release area payment for refund of public expenditure is \$388,800 (TBE)
- (c) Additional financial contributions may be included as part of an applicant's Expression of Interest.

The successful applicant/s will be required to pay the standard Application for an Exploration Licence fee for Group 9 (coal) of \$600 + \$500 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/fees/mining_act_fees)

An environmental security deposit to be calculated based on the successful applicant's proposed work program is payable at the time of awarding the exploration licence.

8. FINANCIAL OBLIGATIONS OF SUCCESSFUL APPLICANT UPON GRANTING OF DEVELOPMENT CONCENT FOR A MINE PROPOSAL

Any area which proceeds to; and is granted development approval under the *Environmental Planning and Assessment Act 1979* will be required to pay financial contributions for coal allocation area/s as per the Department of Primary Industries *Guidelines for Allocation of Future Coal Exploration Areas* (www.dpi.nsw.gov.au/minerals/titles/policies).

Financial contributions will be payable in instalments:

- 20% at grant of Major Project Approval under the *Environmental Planning and Assessment Act 1979*
- Balance payable in five equal payments at yearly intervals.

The financial contributions are based on the type of deposit (open cut or underground), quality (export or domestic) and saleable coal tonnage as outlined in the Table 2.

Table 2: Financial contributions as per the *Guidelines for Allocation of Future Coal Exploration Areas*

I. OPEN CUT

Saleable Tonnes (Mt)	Export Coal		Domestic Coal	
	Cents/Tonne	Minimum Contribution \$ million	Cents/Tonne	Minimum Contribution \$ million
>100	Tender or Negotiation or 20 + negotiation	>20	Tender or Negotiation or 10 + negotiation	>10
50-100	15+ negotiation	>7.5	5 + negotiation	>3.75
5-50	10	>0.5	5	>0.25
<5	5	<0.25	2.5	<0.125

II. UNDERGROUND

Saleable Tonnes (Mt)	Export Coal		Domestic Coal	
	Cents/Tonne	Minimum Contribution \$ million	Cents/Tonne	Minimum Contribution \$ million
>100	Tender or Negotiation or 15 + negotiation	>15	Tender or Negotiation or 7.5 + negotiation	>7.5
50-100	10	>5	5	>2.5
<50	5	<2.5	2.5	<1.25

9. CONSIDERATION OF EXPRESSIONS OF INTEREST

The Government is not bound to accept any Expression of Interest. The Minister's decision in relation to the selection of the successful EOI applicants to be awarded any exploration licence will be final.

10. FAILURE TO COMPLY WITH COMMITMENTS

- (a) If the successful applicant/s, who was subsequently awarded the exploration licence/s, does not substantially meet its commitments as per its Expression of Interest or fails to comply with the title conditions, then the Minister may cancel any title in place at that time.
- (b) If the successful applicant/s fails to commence and carry out the work program commitments, the Minister may cancel any title in place at that time.
- (c) If coal exploration rights in the area are reallocated to another party within 3 years of such cancellation, then the incoming party may be required to refund reasonable exploration costs (as determined by the Minister) to the original party plus any monies paid to the government by the original party subsequent to the grant of any Mining Lease.
- (d) Money paid under parts a, b and c of Section 6 Financial Obligations of Successful Applicant for an Exploration Licence will not be refunded.

DRAFT

Figure 2: Location of the Goonbri Expression of Interest Area.

Figure 3: Location of the Vickery South Expression of Interest Area.

Figure 4: Location of the Yarrawa Expression of Interest Area.

Figure 5: Location of the Spur Hill Expression of Interest Area.

Figure 6: Location of the Glendon Brook Expression of Interest Area.

Figure 7: Location of the Mt Penny Expression of Interest Area.

Figure 8: Location of the Long Mountain Expression of Interest Area.

Figure 9: Location of the Ilford Expression of Interest Area.

Figure 10: Location of the Cameron Road Expression of Interest Area.

Figure 11: Location of the Ingham Expression of Interest Area.

Figure 12: Location of the Benetton Expression of Interest Area.

From: White Energy Company Ltd

+61 2 9959 0099

09/10/2008 15:42

#719 P.002/002

414

J12-
DF08/1205

DG108/1205

AMEROD
RESOURCES LIMITED

Amerod Resources Ltd
Level 5, Grafton Bond Building
201 Kent Street
Sydney NSW 2000

Friday, 12 September 2008

Attn: Dr Richard Sheldrake
Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800

Dear Dr Sheldrake,

Expression of Interest – Likely Issue of New Coal Area

Amerod Resources is a company actively involved in the exploration for minerals. To date our focus has primarily been in Western Australia where we own tenements related to nickel, bauxite and gold opportunities which we are currently in the process of exploring. In addition, we also own tenements in the Canberra area where we have been looking for a variety of minerals.

More recently, our Board has decided to aggressively seek opportunities in the coal sector. In this regard we have conducted an Australia wide analysis of coal areas with strong prospects.

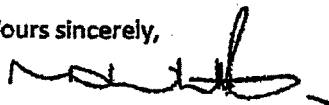
Our research has indicated that New South Wales has a number of attractive greenfield coal areas still to be granted mining licences by the New South Wales Government.

If possible, we would like to be considered for the potential issue of a licence for any new greenfield coal deposits which the New South Wales Government is planning to release for development purposes in the near future.

Our Company is well funded and has the resources required to develop and operate any coal deposit granted to it by the New South Wales Government.

Please do not hesitate to contact me if you require any further information regarding our expression of interest or if you would like me to provide any further information in respect of Amerod and its coal strategy.

Yours sincerely,



Neil Whittaker
Amerod Resources

DDG (MR)
For Info

RE: coal exploration areas

From: jenny.ward@dpi.nsw.gov.au
To: Lyndall Derrig <lyndall.derrig@macdonald.minister.nsw.gov.au>
Cc: brett.fiffield@dpi.nsw.gov.au, Jason Bartlett <jason.bartlett@macdonald.minister.nsw.gov.au>, Kristina Resanceff <"cn=kristina resanceff/ou=dpi/o=nsw@nsw">, Alan Coutts <"cn=alan coutts/ou=dpi/o=nsw@nsw">, Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw@nsw">
Date: Wed, 17 Sep 2008 16:10:35 +1000
Attachments: Unnamed Attachment (2.74 kB)

Hi Lyndall, Jason,

Here's the response to the Newcastle Herald, signed off by Alan Coutts.

Ian Kirkwood has rung here - I told him response would be with him within the hour.

He was fine with that.

Cheers

Jenny

RESPONSE:

There's been strong interest from small to medium companies for additional coal allocations in small and remnant areas which have previously been unattractive due to lower coal prices.

Expressions of Interest are invited by DPI for the awarding of exploration licences for eleven coal exploration areas.

Letters of invitation were sent out early September.

These are the eleven areas:

Gunnedah Coalfield:

Goonbri and Vickery South

Hunter Coalfield:

Yarrowa, Spur Hill, Glendon Brook

Western Coalfield:

Mt Penny, Long Mountain, Ilford, Cameron Road, Melrose, Ben Bullen.

Limited information is available on these areas with tonnage unknown at this time. Exploration in the area will establish the resource.

The evaluation process is similar to the Caroon Watermark process in that companies need to submit work programs and may include a financial return to the Crown.

EOI is being undertaken in accordance with DPIs Guidelines for allocation of future coal Exploration areas on "small areas unrelated to existing mines".

DPI will establish an evaluation team from experts on its staff and elsewhere in Government to evaluate the EOIs.

These particular areas have been the subject of interest from a range of small to medium sized companies to the Department.

Jenny Ward
Public Affairs Officer
NSW Department of Primary Industries
6/201 Elizabeth Street, Sydney

Ph: 02 8289 3925
Fax: 02 9286 3893
Mobile [REDACTED]
email: jenny.ward@dpi.nsw.gov.au

"Lyndall Derrig" <Lyndall.Derrig@macdonald.minister.nsw.gov.au>

To: [REDACTED] <jenny.ward@dpi.nsw.gov.au>

cc: "Jason Bartlett" <Jason.Bartlett@macdonald.minister.nsw.gov.au>, <brett.fifield@dpi.nsw.gov.au>

"Lyndall Derrig"
<Lyndall.Derrig@macdonald.minister.nsw.gov.au>

Subject: [REDACTED] RE: coal exploration areas

17/09/2008 03:48 PM

Hi Jenny,

Do you know how far away Alan is with a response on this?

The journalist has emailed us back a few times.

Thanks,

Lyndall

From: Jason Bartlett
Sent: Wednesday, 17 September 2008 8:14 AM
To: brett.fiffeld@dpi.nsw.gov.au; jenny.ward@dpi.nsw.gov.au
Cc: Lyndall Derrig
Subject: FW: coal exploration areas

Can we get an answer to this morning guys?

From: Ian Kirkwood [mailto:ikirkwood@theherald.com.au]
Sent: Tuesday, 16 September 2008 4:33 PM
To: Lyndall Derrig; Jason Bartlett
Subject: coal exploration areas

Dear Lyndall, Jason

Can you confirm or provide details on a series of about 10 or 11 coal exploration areas put out to the market with a closing date for responses late in november, as I understand it.

Is this description of the process accurate or can you give me better figures?

Regards

Ian

IAN KIRKWOOD

Journalist

Newcastle Herald

Direct phone 49 79 5929

Chief of Staff 49 79 5913

ikirkwood@theherald.com.au

IMPORTANT: ENSURE YOUR PRESS RELEASES GET TO THE PEOPLE THEY SHOULD. ALWAYS USE

news@theherald.com.au

AS WELL AS THE INDIVIDUAL REPORTER'S ADDRESS.

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Coal Release Areas

From: tracey.godwin@dpi.nsw.gov.au
To: jenny.ward@dpi.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au, david.agnew@dpi.nsw.gov.au
Date: Wed, 17 Sep 2008 16:33:16 +1000

Hi Jenny,

As requested by Brad Mullard, please find hereunder the area for each of the Coal Release Areas that have been made available for expressions of interest in the Gunnedah, Hunter and Western coalfields..

The total area is 34568 hectares.

Thanks and regards

Tracey Godwin
Coal & Petroleum
Phone: (02) 4931 6465
Fax: (02) 4931 6776
E-mail: tracey.godwin@dpi.nsw.gov.au

----- Forwarded by Tracey Godwin/DPI/NSW on 17/09/2008 04:18 PM -----

To Tracey Godwin/DPI/NSW@NSW

Fred Schiavo/DPI/NSW

cc _____

17/09/2008 04:16 PM

Subject EOI Areas

Hi Tracy,

Please find attached EOI Areas

Ben Bullen 4547 Ha

Melrose 1816 Ha

Cameron Rd 3602 Ha

Ilford 3828 Ha

Long Mountain 2140 Ha

Glendon Brook 1208 Ha

Yarrowa 4019 Ha

Spur Hill 3348 Ha

Mt Penny 8369 Ha

Vickery South 709 Ha

Goonbri 982 Ha

Regards

Fred Schiavo

Senior Land Information Officer.

email: fred.schiavo@dpi.nsw.gov.au

ph no. 49316479

TITLES BRANCH

COAL & PETROLEUM SECTION

DEPARTMENT OF PRIMARY INDUSTRIES MAITLAND



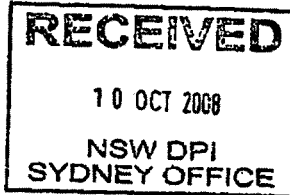
White Energy Company Limited
ABN: 62.071.527.083

Level 5 Grafton Bond Building
201 Kent Street
SYDNEY NSW 2000
Telephone +61 2 9251 1311
Facsimile +61 2 9251 1377
Project correspondence to:
PO Box 422,
North Sydney 2059
www.whiteenergyco.com

Thursday, 18 September 2008

DF08/1170
DGI08/1170

Attn: Dr Richard Sheldrake
Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800



Dear Sir,

Re: Expression of Interest in New Coal Deposit

I would like to formally advise you of our Company's interest in owning, developing and operating any new coal areas to be licensed by the New South Wales Government in the near future.

White Energy is regarded as one of Australia's largest cleaner coal companies. We are a public company who has to date invested tens of millions of dollars in developing clean coal technologies. We are currently in the process of commercialising our primary technology globally with operations in Australia, Indonesia, North America and China. I have included some materials on White Energy for your information.

As you will note from the information provided we have built a large clean coal demonstration plant in Cessnock. Both the Commonwealth Government and the New South Wales Government assisted us in this process. We now see the logical extension of our business as a developer and operator of coal deposits. Hence this request to be considered as an appropriate company to be granted a licence to develop a new coal area.

Please do not hesitate to contact me at any time should you wish to discuss.

Yours sincerely,

John Atkinson
Managing Director

J
10 OCT 2008
DDG (MR)
for info

J12-422

0108/1095
09/08/1095

arthurphillip

FUNDING, STRATEGY & BUSINESS DEVELOPMENT

18 September 2008

Dr Richard Sheldrake
Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800

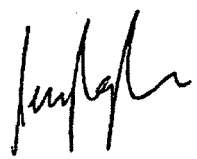
Dear Sir,

Arthur Phillip – New South Wales Coal Program

Arthur Phillip Pty Ltd ("the Company") is an entrepreneurial investment and advisory house established in 2002. The Company provides strategic planning, financial and IPO advisory services. A resource and energy strategy has seen the Company take an equitable position in several resource / energy companies both listed and unlisted. The strategy has resulted in an involvement in; coal, coal technology, gold, nickel and energy retailing. The Company's Director's have substantial experience in the resource and energy sector.

Recently the Company has been pursuing Australian coal opportunities. Of particular interest are the New South Wales coal deposits. The purpose of this letter is to gauge the likelihood of New South Wales Primary Industries issuing any upcoming mining leases over proven coal reserves. If this is the case I would appreciate to discuss this issue further either by phone on (02) 9227 8915 or by email on page@arthurphillip.com.au.

Yours faithfully



Paul Page
Director
Arthur Phillip Pty Ltd
AFSL 258 057

b
24 SEP 2008

one (me)
R info

RECEIVED
23 SEP 2008
NSW DPI
SYDNEY OFFICE

0108/1089
05108/1089



GRIFFINCOAL
THE GRIFFIN COAL MINING COMPANY PTY. LIMITED
ABN 16 008 687 285
A MEMBER OF THE GRIFFIN GROUP
www.griffincoal.com.au

15th FLOOR, BGC CENTRE
28 THE ESPLANADE, PERTH 6000
WESTERN AUSTRALIA
Postal Address:
GPO BOX G474, PERTH
WESTERN AUSTRALIA 6841
TELEPHONE (+61 8) 9261 2800
FAX (+61 8) 9261 2832

RECEIVED
19 SEP 2008
NSW DPI
SYDNEY OFFICE

Dr Richard Sheldrake
Director-General
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
Sydney NSW 2000

19th September 2008

RE: EXPRESSION OF INTEREST FOR LICENCES IN THE GUNNEDAH, HUNTER, AND WESTERN COALFIELDS

Dear Dr Sheldrake,

The Griffin Coal Mining Company and its related companies ("Griffin") would like to express interest in bidding for exploration licences located within the Gunnedah, Hunter and Western coalfields ("the Coalfields").

As you may know, Griffin submitted an Expression of Interest for the Watermark Coal Exploration Area earlier this year.

Griffin would propose to explore and develop the coalfields initially as wholly domestic supply coal mines. Griffin proposes that the majority of this coal would be used for the continuing supply of coal on a secure, long term, and economically attractive basis to the NSW State-owned electricity generators, thus helping to ensure the continued economic competitive advantage of NSW. This would also help to underpin the value of the State-owned generators to any potential investors as well as consumers of electricity. Griffin also believes that project development risks will be significantly reduced by concentrating initially on a domestic market focused mine development, eliminating the need for port capacity upgrades and long term export sales contracts.

The Griffin Group is one of the most successful privately owned companies in Australia with a rich 75 year history and a distinguished and enviable reputation earned over several decades of continued achievement. Griffin Coal owns and operates a number of coal mines in Western Australia and retains a supply portfolio comprised of almost exclusively domestic industrial and power generation customers. Griffin Coal has grown to become one of the largest coal suppliers in Western Australia producing over 4 million tonnes of coal annually. Griffin will also commence electricity generation from the first of the Bluewaters series of power stations later this year, with a second unit under construction and due for completion 12 months later. This allows Griffin a unique perspective of the challenges currently facing the New South Wales electricity generators, particularly in relation to securing long term supply of quality coal at a competitive price.

b
24 SEP 2008
DIX (MR)
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Griffin requests information to enable it to conduct preliminary mine and planning analysis, including details on the process, structure, and proposed timing of the sale of these exploration licences.

Subject to favourable analysis, Griffin would propose the production and supply of a superior high energy thermal power station coal feed type to all three of the NSW State-owned electricity generators as well as potential supply to the export market. From previous discussions with them during our bid for coal licences over the Watermark region, initial response has been very positive.

I am sure that you will find that Griffin is worthy of serious consideration given its credentials and the value proposition for the NSW economy as well as the opportunity to secure the State's continued competitive advantage in low cost energy supply.

I look forward to receiving the information and advancing discussions with you when appropriate.

Yours faithfully,



Robert Crossman
Director

Cc:

Mr Alan Coutts
Deputy Director-General
NSW Department of Primary Industries
Minerals Resources Division
Level 6, 201 Elizabeth Street.
Sydney NSW 2000

J12-425

OK 8/1096
DS.08/1096



19 September 2008
Dr Richard Sheldrake
Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800

Dear Sir,

Re: Interest in New South Wales Coal Deposits

Cascade Coal Pty Ltd ("Cascade" or the "Company") was established as a coal company that engages in the exploration and evaluation of coal projects in Australia and overseas. The Company's management has over 30 years experience in the coal industry, and have gained commercial and operational experience in some of the world's most prominent coal companies. The Company is also pursuing a coal technology strategy where it is partnering with companies that develop and commercialise coal processing technology including coal to liquids.

The company has been focused on the Victorian brown coal deposits and is now shifting this focus to New South Wales. In the event that new coal mining rights are to be granted in New South Wales, we would like to express our interest in any such opportunities that may arise in the near future. We are obviously aware of the competitive tender process as well as the potential for the allocation of exploration and mining leases that are in state interest.

I look forward to progressing this interest further with you or with your department, would you kindly contact me on the details below.

Email: ripool@cascadecoal.com.au

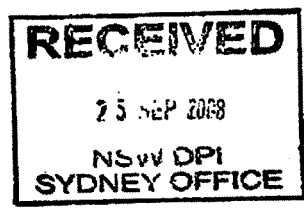
Phone: (02) 9227 8900

Or the address below:

Yours faithfully

Richard Poole
Director

B
24 SEP 2008
ODG (MR)
for info



J12-

DFOS 11107⁴²⁶
DGI08/1107

REDMAN MINING PTY LTD
ACN 108 048 371

20 September 2008

Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800

Dear Sir/Madame;

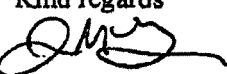
**RE: REDMAN MINING LIMITED PURSUIT OF NEW SOUTH WALES
COAL DEPOSITS**

Redman Mining Limited is a knowledge-based exploration and mining company. Redman Mining has been focussed on establishing itself as a substantial gold producer. It is now switching direction to re-establish itself as an energy explorer with the aim of exploring for and developing and participating in possible value-adding development options of coal.

As a result we are writing this letter to express Redman Mining's interest in any potential releases of coal deposits by New South Wales Primary Industries. We are experienced in the application process for Exploration Licences, however if the situation arises that the department releases exempted mining areas, please let us know.

I look forward to discussing this issue further.

James McGuigan
Redman Mining Limited
GPO Box 2537
Sydney NSW 2001
(614) 15 390 537

Kind regards

James McGuigan
Exploration Manager

b
25 SEP 2008
DOL(MR)
for info

RECEIVED
25 SEP 2008
NSW DPI
SYDNEY OFFICE

NEW SOUTH WALES MINERALS COUNCIL LTD

LEVEL 3 120 CONNELL STREET SYDNEY NSW 2000
PO BOX A244 SOUTH SYDNEY NSW 1235
T 61 2 9274 1400 F 61 2 9274 1455

25 September 2008

The Hon Ian Macdonald MLC
Minister for Mineral Resources
Level 33, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

Exploration license policy

The New South Wales Minerals Council (NSWMC) understands that the Government has recently invited expressions of interests for eleven coal exploration licenses across the Gunnedah, Central West and Hunter coal basins. NSWMC also understands that the Government has limited invitations to submit expressions of interests to small to medium companies.

While NSWMC is conscious of the Government's desire to promote competition in the NSW mining industry, we do not support using the size of a business as the sole assessment criteria for inviting companies to apply for an exploration license, or for granting the exploration license itself. In our view, this type of Government intervention goes beyond that which is required to encourage a diverse and competitive industry. The size of the company should not be a relevant consideration. In reality, it is unlikely that large companies will bid for small parcels of exploration lease areas unless they are physically contiguous to their existing mining lease areas.

The selection process for awarding exploration licenses should only be on the basis of quality assessment criteria. This includes the proponent's demonstrated:

1. Ability to develop the mine
2. Ability to implement best practice environmental and safety performance and management
3. Economic credentials to ensure the exploration, and potential mining project is sustained over the life of the mine.

Using these assessment criteria will:

1. Ensure a sustainable mining industry in NSW over the long term
2. Provide certainty for the numerous people employed directly and supported by the mining industry
3. Provide the Government with certainty of economic revenue from royalties and taxes
4. Ensure that the mining industry continues to operate at world class safety and environment standards.

NSWMC strongly urges the Government to reconsider its policy position in relation to the process for calling for expressions of interest for these leases. We would be happy to discuss the matter further with you at your convenience. In the meantime, please contact Sue-Ern Tan, Director Policy & Strategy on 9274 1416 or email stan@nswmin.com.au with any enquiries.

Yours sincerely
Nicole B Williams

Dr Nicole B Williams
CHIEF EXECUTIVE OFFICER



No Subject-658.EML

From: Craig Munnings </o=minister/ou=first administrative group/cn=recipients/cn=cmunnin">
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Cc: graham.hawkes@dpi.nsw.gov.au
Date: Wed, 01 Oct 2008 16:43:13 +1000

Jamie,

I have just spoken with graham, who has advised that Alan Coutts is not prepared to give packages to the Mining Companies (Amerod Resources, White Energy, Real Brand Holdings and Cascade Coal).

The reason for this is that these are not "open tenders" Further I am advised he has already told you this directly.

Submitted for your further advice

Craig
Craig Munnings
Departmental Liaison Officer (Minerals)
Office of the Minister for Primary Industries, Minister for Mineral Resources, Minister for Energy and Minister for State
Development
Phone 02 9228 3344 Facsimile 02 9228 3452
Mobile Phone [REDACTED]



3 October 2008

Mr Richard Poole
Director
Cascade Coal Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

Dear Mr Poole

I refer to your letter dated 19 September 2008 to Dr Richard Sheldrake Director General Department of Primary Industries, expressing a general interest in obtaining an allocation for a coal exploration licence in New South Wales. Dr Sheldrake has asked me to respond to you on his behalf.

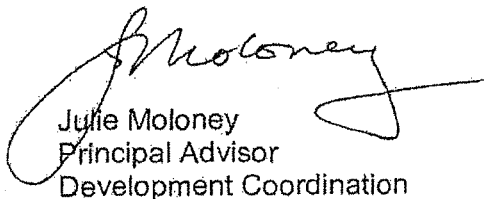
All coal deposits in NSW lie within a Minerals Allocation Area (MAA) under the Mining Act 1992. Within the MAA, the Minister's consent is required before an application can be made for a coal exploration licence. The MAA allows for the controlled and rational release of potential coal development areas.

All coal in NSW is allocated as per the Department's *Guidelines for Allocation of Future Coal Exploration Areas*. For your information a copy of the guidelines can be found at www.dpi.nsw.gov.au/minerals/titles/policies.

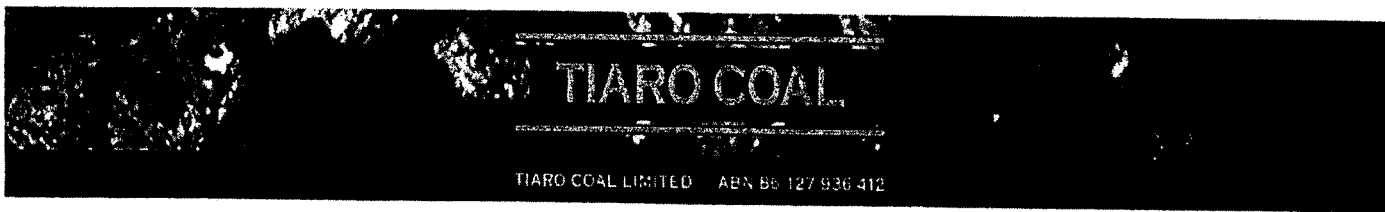
The Department maintains a register of companies which have expressed an interest in specific coal areas in the State. The Department does not maintain a register of general interest in a coal allocation in the State. If your company wishes to register an interest in a specific area you should nominate, in writing, the area your company is interested in, including a location map, a general outline of why you are interested in the area and any supporting documentation which may be relevant to support your interest in the area.

Should you have any enquiries regarding this matter please contact me on (02) 4931 6549.

Yours sincerely



Julie Moloney
Principal Advisor
Development Coordination



3 October 2008

The Hon. I. M. Macdonald, MLC
Minister for Primary Industries, Minister for Energy,
Minister for Mineral Resources, and Minister for State Development
Level 33 Governor Macquarie Tower
Sydney NSW 2000

By email: macdonald.office@macdonald.minister.nsw.gov.au

Dear Minister

Ref: Expression of Interest – Coal Release Areas - August 2008

I have been advised by Julie Moloney, Acting Principal Adviser, Development Coordination, Department of Primary Industries, to seek from you an invitation to submit an Expression of Interest with respect to the award of an exploration licence in coal areas detailed in the Department of Primary Industries Information Memorandum dated August 2008 (Memorandum).

Tiaro Coal Limited successfully floated on the ASX in March 2008, with the object of exploration and development of a commercial coal project in the Maryborough Coal Fields in South East Queensland. Over 2,200 square kilometres are under lease and Tiaro, with its joint venture partners, has completed an airborne geophysical survey, a seismic survey and has this month commenced an extensive drilling program. In excess of \$1 million has been spent and a further \$600,000 is committed for the drilling program underway and due to be completed by the end of this calendar year.

Sister company Hudson Resources Limited has made representations to the Minister for the right to apply for a coal exploration licence in the Bonalbo area of NSW.

Tiaro has the resources, means and capacity to develop the coal areas specified and we seek leave to lodge an expression of interest with respect to the Memorandum and for our submission to be considered according to section 6, Evaluation of Expressions of Interest, detailed in the Memorandum.

Expressions of Interest must be submitted by 12 noon on Monday 24 November 2008, and we respectfully request your earliest consideration to our request.

Yours sincerely,

Peter Meers
Chief Executive Officer

cc Julie Moloney, Acting Principal Adviser, Development Coordination, Department of Primary Industries

Hetherington, Exploration & Mining Title Services Pty Ltd

RE: 11 Coal Exploration Sites in New South Wales

From: julie.moloney@dpi.nsw.gov.au
To: Lindsay <lindsay@linkara.com.au>
Date: Fri, 03 Oct 2008 14:20:37 +1000

Thanks Lindsay

Julie Moloney
Principal Adviser
Development Coordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Region Mail Centre NSW 2310
T: 02 4931 6549
M: [REDACTED]
F: 02 4931 67938

"Lindsay" <lindsay@linkara.com.au>

To: [REDACTED] <julie.moloney@dpi.nsw.gov.au>

"Lindsay" <lindsay@linkara.com.au>

cc

03/10/2008 02:19 PM

Subject: [REDACTED] RE: 11 Coal Exploration Sites in New South Wales

Julie,

Further to my call today I understand that the opportunity is by invitation only.

I represent some parties located in India who are interested in reviewing this opportunity.

Should the invitation list be extended I wish to be considered for inclusion.

Please note my mailing address is:-

PO Box 123

MEREWETHER NSW 2291

My other contact details are as listed below.

Should you have any further queries please do not hesitate to contact me.

Regards

Linkara Capital
CREATING NEW HORIZONS



- ▶ Mergers & Acquisitions
- ▶ Equity Raising & Commercial Lending
- ▶ Investment & Planning Advice

Lindsay Karathanassis
Director
Linkara Capital

Telephone: +61 2 92996655
Mobile [REDACTED]
Fax: 02 49636635

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NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Extension of Coal Allocation Areas Expressions of Interest

Issue:

To seek approval to provide Expression of Interest packages for Coal Allocation areas to additional companies.

Brief and talking points prepared by Patricia Madden, Manager Operations, Mineral Resources
13 October 2008

Director Coal & Petroleum Development

Ministerial and Executive Support "Click and insert Orange OR Sydney"

Version 1.

Insert Minister's Reference No (MPIxx/xxxx) if known
Insert Minister's Folder No (MFxx/xxxx)
V08/2

DPI – MINERAL RESOURCES

Ministerial Briefing

Extension of Coal Allocation Areas Expressions of Interest

Issue:

To seek approval to provide Expression of Interest packages for Coal Allocation areas to additional companies.

Background:

An Expression of Interest (EOI) package was released by the Department of Primary Industries on 9 September 2008 inviting a selected group of companies to submit an EOI for any or several of the identified 11 remnant coal areas across NSW. A copy of the DDG submission on this matter is attached (INT08/62117).

The invitation to submit an EOI was restricted to small and medium coal producers for smaller remnant coal deposits that were thought would not be of interest to the major coal companies.

The closing time and date for submission is 12 noon on Monday 24 November 2008.

Since release of the EOI package the Department has been approached by a number of other companies seeking approval to also lodge an EOI for these areas. These have included larger companies such as Xstrata and Rio Tinto who indicated a desire to lodge EOIs.

Comment:

The Department considers there are two options open to the Minister.

- Option 1 – continue the current course of action and not open the EOI process to other companies. This option is not recommended as it may limit the quality of responses to the coal allocation areas.
- Option 2 – open the EOI process to companies who were not on the original offer list but who have contacted the Department indicating a wish to be included. Given the delay in making this offer it would require an extension of the closing date for EOIs to 15 December 2008 and a subsequent delay to the assessment and grant timeframe.

Should the Minister agree to Option 2 the Department would write to each of the original companies invited to apply and advise of the extended timeframe for submission of EOIs.

Recommendations:

The Minister:

- approve the release of EOI packages to those companies who were not included on the initial release list but have contacted the Department seeking the package, and
- extend the EOI lodgement date from noon on Monday 24 November 2008 to noon on Monday 15 December 2008.

Executive Contact: Alan Coult, DDG

0209 3841

Secondary Contact: Brad Mullard, Director

Coal and Petroleum Development 4931 6404

512-
434

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Extension of Coal Allocation Areas Expressions of Interest

Issue:

To open the Expression of Interest process for Coal Allocation areas to any company who expresses an interest.

Brief and talking points prepared by Patricia Madden, Manager Operations, Mineral Resources
13 October 2008

Director Coal & Petroleum Development

Ministerial and Executive Support Sydney

Version 2

DPI – MINERAL RESOURCES

Ministerial Briefing

Extension of Coal Allocation Areas Expressions of Interest

Issue:

To open the Expression of Interest process for Coal Allocation areas to any company who expresses an interest.

Background:

An Expression of Interest (EOI) package was released by the Department of Primary Industries on 9 September 2008 inviting a selected group of companies to submit an EOI for any or several of the identified 11 remnant coal areas across NSW. A copy of the DDG submission on this matter is attached (INT08/62117).

The invitation to submit an EOI was restricted to small and medium coal producers for smaller remnant coal deposits that were thought would not be of interest to the major coal companies.

The closing time and date for submission is 12 noon on Monday 24 November 2008.

Since release of the EOI package the Department and the Minister have been approached by a number of other companies seeking approval to also lodge an EOI for these areas. These have included larger companies such as Xstrata and Rio Tinto who indicated a desire to lodge EOIs, particularly for areas close to their existing operations.

The NSW Minerals Council has written to the Minister supporting an extension of the EOI process to additional companies noting that the selection process is the appropriate mechanism to ensure a proponent's ability to meet performance criteria. They also note that correctly established assessment criteria would ensure the continued safety, sustainability and diversity of the coal industry in NSW.

Comment:

The Department considers there are two options open to the Minister.

- Option 1 – continue the current course of action and not open the EOI process to other companies.
- Option 2 – open the EOI process to companies who were not on the original offer list but who have expressed interest in submitting an EOI for the areas. Given the delay in making this offer it would require an extension of the closing date for EOIs to 15 December 2008.

Should the Minister agree to Option 2 the Department would write to each of the original companies invited to apply and advise of the extended timeframe for submission of EOIs.

Recommendations:

The Minister:

- approve the release of EOI packages to those companies who were not included on the initial release list but have contacted the Department seeking the package, and
- extend the EOI lodgement date from noon on Monday 24 November 2008 to noon on Monday 15 December 2008.

Executive Contact: Alan Coutts, DDG 8289 3941
Secondary Contact: Brad Mullard, Director
Coal and Petroleum Development 4931 6404



Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

Fw: EOI AREAS

From: graham.hawkes@dpi.nsw.gov.au
To: Craig Munnings <craig.munnings@macdonald.minister.nsw.gov.au>
Date: Mon, 13 Oct 2008 11:21:49 +1100
Attachments: 20080903EOI.doc (65.54 kB)

Craig

The below document seems too be dated 3 September. This should be the up to date one. The last page has 4 categories of companies instead of just one long list. However I can't check with Alan Coutts as he is not here.

Graham

----- Forwarded by Graham Hawkes/DPI/NSW on 13/10/2008 11:13 AM -----

Harriet Skinner/DPI/NSW

To Graham Hawkes/DPI/NSW@NSW

cc

04/09/2008 10:39 AM

Subject Fw: EOI AREAS

As discussed.

Harriet Skinner
Executive Assistant to Deputy Director-General
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
SYDNEY NSW 2000

Ph: 02 8289 3944

Fax: 02 9286 3208

email: Harriet.Skinner@dpi.nsw.gov.au

----- Forwarded by Harriet Skinner/DPI/NSW on 04/09/2008 10:38 AM -----

Brad Mullard/DPI/NSW

To Alan Coutts/DPI/NSW@NSW

cc

03/09/2008 09:31 AM

Subject EOI AREAS

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

This message is intended for the addressee named and may contain confidential information. If you are not the intended

PROPOSED NSW COAL ALLOCATIONS

The NSW coal industry is currently experiencing historically high prices and strong market growth, with increasing demand for both export and domestic quality coal.

The growth in demand for export coals is expected to continue into the foreseeable future, notably from existing customers such as Japan, Taiwan and Korea as well as from other Asian customers, especially the recently emerged, globally focused, economies of China and India.

Over the last few years the NSW Government has released a number of major coal allocation areas for competitive Expressions of Interest. The allocation of these large coal deposits attracted strong interest from major coal mining companies and generated significant financial returns to government.

New South Wales also has a number of smaller remnant coal deposits which generally would not be of interest to the major coal companies, but could be of interest to smaller coal companies. Development of these resources would optimise resource recovery and generate additional return to Government.

To capitalise on the current market it is proposed to release three large coal deposits for an open competitive expression of interest process, as well as a number of smaller deposits by a competitive process of inviting a number of smaller companies who have expressed interest in developing coal resources in NSW.

The level of exploration conducted across the study area is highly variable. It should be noted that areas with limited exploration data should not be expected to generate significant return to Government.

Tonnage estimates stated in this document are indicative of in situ resource potential only. In no way should they be construed as representing compliance with any category of the Joint Ore Reserve Committee (JORC) code which is used by mining companies when reporting formally to their stakeholders.

The minimum financial contributions payable will be as per the Departments Guidelines for the Allocation of Future Coal Exploration Areas. However Applicants will be able to bid additional financial contributions beyond this minimum for the grant of the exploration area(s).

Proposed Major Coal allocations

- Ridglands Hunter Coalfield
- East Bargo Southern Coalfield
- Benelabri Gunnedah Coalfield

Proposed Medium Coal allocations

- Mt Penny Western Coalfield
- Spur Hill Hunter Coalfield
- Glendon Brook Hunter Coalfield
- Goonbri Gunnedah Coalfield

Proposed Small Coal allocations

- Yarrawa Hunter Coalfield
- Vickery South Gunnedah Coalfield
- Long Mountain Western Coalfield
- Ilford Western Coalfield
- Cameron Road Western Coalfield
- Melrose Western Coalfield
- Ben Bullen Western Coalfield

LARGE EXPRESSION OF INTEREST AREAS

RIDGELANDS: approximately 80km² Hunter Coalfield

The Ridgeland area is directly north of the Anvil Hill project in the Hunter Valley. It is expected to contain significant coal resources with underground development potential in the Great Northern and Fassifern seams. The coal from these seams would be suitable for the domestic export thermal markets. There are, however, a range of factors which impact on the development potential of these resources including:-

- Wybong Creek and its associated alluvial plain traverse the resource area, and future underground extraction may be restricted in order to protect these water resources,
- mining may also be restricted under cliff lines associated with the rugged, topographically high areas,
- the massive conglomerate roof strata above the Great Northern seam may present difficulties for longwall extraction.

The resource area is limited in the west by the Manobalai Nature Reserve. There is potential however for the resources, particularly in the Fassifern seam, to extend to the north-west. Total in situ coal resources are expected to exceed 250 MT.

Possible Time Frame for Ridgelines Expression of Interest (EOI):

EOI Information and data package preparation	8 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

EAST BARGO: Southern Coalfield

East Bargo is expected to contain substantial resources of coking coal in the Bulli and Wongawilli seams. The area is known to be affected by igneous intrusions and is cut by incised river valleys (Nepean and Avon rivers). Transport of coal from the area will be a major issue as there is no easy access to rail infrastructure.

Possible Time Frame for East Bargo Expression of Interest (EOI):

EOI Information and data package preparation	9 weeks	End September
EOI Period	12 weeks	End December
EOI Assessment	4 weeks	End January

BENELABRI: North West of Gunnedah

The area is expected to contain substantial open cut and underground resources (Estimated resources could be greater than 1,000 million tonnes).

A magnetic and digital terrain survey has recently been flown over the area (final results pending). Further drilling is planned to more accurately define the open cut and underground resources. Resources are contained within the Hoskissons and Melvilles seams.

Possible Time Frame for Benelabri Expression of Interest (EOI):

Using 7 day 24 hour operations the time line may be as follows:

Government procurement process:	2 months	June-August
Drilling Operations (30 Wells)	3 months	September-November
Chemical Analysis of coal	2 months	December-January
Tender Period	4 months	February-May
Evaluation of EOI	2 Weeks	June

NOTE: THIS TIME FRAME IS VERY TIGHT. DELAYS IN RIG AVAILABILITY, WEATHER OR DELAYS IN COAL QUALITY ANALYSIS MAY EXTEND THIS TIME FRAME.

MEDIUM COAL ALLOCATION AREAS

GOONBRI: Gunnedah Coalfield

The Goonbri area is located east of Whitehaven Coal's Tarrawonga mine and Idemitsu's Boggabri mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt in situ. The area may contain some underground resources.

SPUR HILL: Hunter Coalfield

The Spur Hill area, located to the east of the Hunter River and the village of Denman, may contain 20 Mt of open cut and 80 Mt of underground coal.

GLENDON BROOK: Hunter Coalfield

Located 12km east of Singleton and south of Mitchells Flat, the Glendon Brook area is expected to contain around 150Mt of thermal coal. The area is likely to have steeply dipping coal seams and fault zones. The area has previously been allocated and some initial exploration has been undertaken however the company had financial difficulties and the project did not advance. The area is not currently held under any coal title.

MT PENNY: Western Coalfield

The area is expected to contain opencut and underground resources close to existing rail facilities. Estimated open cut resources are expected to be around 100Mt in the Mt Penny area with additional underground coal potential. Resources are contained within the Ulan Seam and would be suitable for export thermal and domestic thermal markets. Raw ash ranges from 15 – 27%.

Time Frame for all medium Expression of Interest (EOI):

EOI Information and data package preparation	4 weeks	End September
EOI Period	8 weeks	End December
EOI Assessment	4 weeks	End January

SMALL COAL ALLOCATION AREAS

SOUTH VICKERY: Gunnedah Coalfield

The south Vickery area is located south of the closed and rehabilitated Vickery open cut mine. There is limited existing borehole data. Future exploration may identify an export thermal open cut resource estimated to be less than 10Mt in situ. The area may contain some underground resources.

YARRAWA: Hunter Coalfield

The Yarrawa area is a small area to the southwest of Denman which may contain an open cut resource if the Great Northern and Fassifern Seams are developed locally.

LONG MOUNTAIN: Western Coalfield

Located south west of Kandos and north of Ilford, this remnant area may contain resources in the Lithgow and Lidsdale seams. There is no existing borehole data. The area may contain open cut and some underground resources. The Long Mt area includes part of Clandulla State Forest.

ILFORD: Western Coalfield

Located immediately adjacent to the village of Ilford, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt in situ.

CAMERON ROAD: Western Coalfield

Located south of the Ilford area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be less than 100Mt in situ.

MELROSE: Western Coalfield

Located east of the Cameron Rd area, this remnant area may contain open cut and underground resources in the Lithgow and Lidsdale seams. The area has limited existing borehole data. Irondale, Lidsdale and Lithgow seams are potential targets for exploration. If future exploration successfully identified a resource it is estimated to be in the order of 50 - 100Mt in situ. The Melrose area includes part of Airly State Forest.

BEN BULLEN: Western Coalfield

Located between villages of Capertee and Cullen Bullen and including the village of Ben Bullen, this remnant area may contain open cut and underground resources in the Lithgow and Irondale seams. If future exploration successfully identified a resource it is estimated to be in the order of 30-50Mt in situ. Area includes part of Ben Bullen State Forest.

Time Frame for all small Expression of Interest (EOI):

EOI Information and data package preparation	4 weeks	September
EOI Period	8 weeks	End November
EOI Assessment	4 weeks	End December

POTENTIAL LISTING OF COMPANIES TO BE INVITED TO SUBMIT AN EXPRESSION OF INTEREST IN THE SMALL AND MEDIUM COAL ALLOCATION AREAS

A. Companies which have registered an interest in a coal allocation in the Western Coalfield:

- Enhance Place Pty Ltd
- White Mining
- Kimba Resource
- Shield Energy Ltd
- Monaro Mining NL
- Bloomfield Collieries Pty Ltd

B. Coal Companies with current titles in the Western Coalfields

- Centennial Coal
- Wallerawang Collieries
- Boulder Coal
- Clarence Colliery Pty Ltd
- Lithgow Coal Company
- Coalpac Pty Ltd
- Enhance Place Pty Ltd
- Genders Mining (Oakbridge)

C. Companies which have registered an interest in a coal allocation in the Gunnedah Coalfield:

- Whitehaven Coal Mining
- Gloucester Coal
- Tianda Resources
- Palaris Mining Total Mining Management Services.
- Gunnedah Resources Limited
- Creek Resources Pty Ltd
- Hunter Valley Mining Corporation
- Bloomfield Collieries Pty Ltd
- Macquarie Energy
- Eastern Star Gas

D. Other small companies which have expressed and interest in elsewhere in the State.

- Atlas Coal Enterprises Pty Ltd
- Manata Resources Pty Ltd
- Earth Technics Pty Limited
- Simatar Resources Pty Ltd
- ResCo Services P/L
- Dellworth Pty Ltd
- Mirrabooka South Pty Limited
- White Mining
- Spur Hill Joint Venture
- Kemmis Coal Pty Ltd
- Independent Coal Pty Ltd
- Newcastle Coal Company
- Hydromining Coal Australia
- Caldon Mining Pty Limited
- Gujarat NRE Australia
- Gallipoli Mining
- RMI (Resource Management International)

Postal Address
GPO Box 2927
Sydney NSW 2001
ACN 112 065 822

✓ DF08/1279
✓ OG108/1279

RealBrandHoldings 

28 October 2008

Dr Richard Sheldrake
Director General
Primary Industries
Locked Bag 21
ORANGE NSW 2800

Dear Richard:

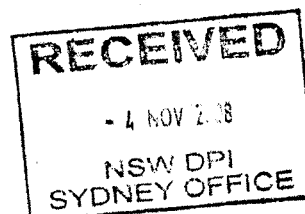
Real Brand Holdings Limited ("RBH" or the "Company") is an ASX listed company. The Company is in a transition stage where it is actively seeking to shift the businesses principal activities. A number of significant RBH shareholders have substantial experience in the mining industry including holding Senior and Board positions in Australian coal companies. As a result, the Company is actively seeking opportunities in the mining sector, with a specific focus on NSW coal deposits.

I wrote to you in September expressing a general interest in NSW Coal deposits. Your Principal Advisor Julie Moloney responded to the letter in which she indicated that in order to register a specific interest that we must nominate, in writing the area that we are interested in, including a map and a general outline of why we are interested in the area. This specific expression of interest is concerning Major Stand Alone Areas and Small Areas Unrelated to Existing Mines.

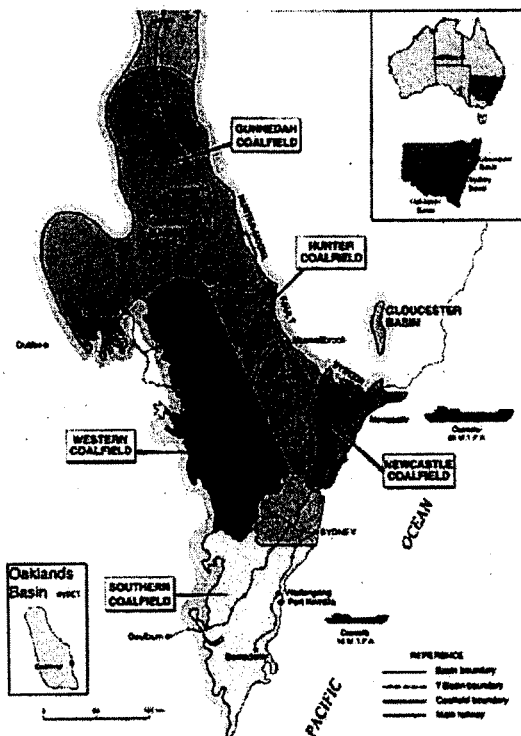
The specific New South Wales coalfields that Real Brand Holdings is interested in include:

- i) Southern – Small Area Unrelated to Existing Mines;
- ii) Western – Small Area Unrelated to Existing Mines;
- iii) Gunnedah – Major Stand Alone Areas and Small Areas Unrelated to Existing Mines;
- iv) Hunter – Small Area Unrelated to Existing Mines.

These are outlined in the map below:



Postal Address
GPO Box 2847
Sydney NSW 2001
ACN 110 006 422



Southern Coalfield

The Southern Coalfield provides the only source of hard coking coal in NSW. Hard coking coal is used in blast furnaces during the production of steel. Due to the fact that hard coking coal is much rarer than other types of metallurgical and thermal coal it demands the highest price per tonne on the international market. It is for this reason that we would like to register a specific interest in the entire Southern Coalfield, for Small Areas Unrelated to Existing Mines.

Western Coalfield

The high energy thermal coals of the Western Coalfield supply coal for both the local power stations as well as the export thermal market. We would like to register a specific interest for Small Areas Unrelated to Existing Mines for the entire Western Coalfield but in particularly the Central Sector of the Western Coalfield which extends from Airy Mountain to Rylstone. This is due to the substantial unallocated resources in the area.

Gunnedah Coalfield

The unique low ash, low sulfur coal of the Gunnedah Coalfield commands a premium in the market and promotes efficient low-cost mining operations. The

Postal Address
GPO Box 2537
Sydney NSW 2001
AGN 140 005 802



low ash and low sulphur coals are suitable for a range of markets including the PCI/semi-soft market as well as a blending coal for thermal markets. It is for this reason that we would like to register a specific interest for A Small Area Unrelated to an Existing Mines in the Gunnedah Coalfield.

Further we would like to register a specific interest in the Gunnedah Coalfields for a Major Stand Alone Area. We understand that there are allocation sub categories by which Major Stand Alone areas are allocated, and we are capable of meeting the financial contributions as well as the requirements to develop specific infrastructure and value adding processes.

Hunter Coalfield

The Hunter Valley coal seems are developed in three measures: the Greta Coal Measures, the Wittingham Coal Measures; and the Wollombi Coal Measures. A considerable amount of this coal is at relatively thin depths which is why we would like to register a specific interest in a Small Area Unrelated to an Existing Mine in the Gunnedah Coalfield.

I look forward hearing back from you on this issue. My contact details are below.

E: psuriano@realbrandholdings.com.au
T: (02) 9227 8913

Regards

A handwritten signature in black ink, appearing to read 'Phil Suriano'.

Phil Suriano
Director

NSW DPI – MINERAL RESOURCES

Ministerial Letter

**Nicole Williams, NSW Minerals Council Ltd - Peter Meers, Tiaro Coal Limited
Release of NSW EOI coal areas**

Issue:

Dr Williams, CEO, NSW Minerals Council Ltd, has urged the Government to reconsider the restricted release of EOI packages to only selected companies for eleven new coal release areas in NSW. Mr Peter Meers, CEO, Tiaro Coal Limited, has also written to the Minister seeking an invitation to apply for the Expression of Interest packages.

Brief and letter prepared by Patricia Madden, Manager Operations, Mineral Resources
28 October 2008

Director Coal & Petroleum Development

Ministerial and Executive Support Sydney

MPI08/6191

Dr Nicole B Williams
Chief Executive Officer
NSW Minerals Council Ltd
PO Box A244
SOUTH SYDNEY NSW 1235

Dear Dr Williams

Thank you for your letter of 25 September 2008 concerning reconsideration of the decision to restrict release of Expression of Interest packages for eleven remnant coal areas in NSW.

Your comments have been given due consideration, however I have not agreed to extend the EOI offer beyond the companies who were originally invited to apply.

I believe the course being pursued allows more opportunity for smaller and medium sized companies to develop mining opportunities for the benefit of NSW generally. As such, the State may be assured of diversity in the NSW coal mining industry.

Yours sincerely

IAN MACDONALD MLC

DPI – MINERAL RESOURCES

Ministerial Letter

Nicole Williams, NSW Minerals Council Ltd - Peter Meers, Tiaro Coal Limited
Release of NSW EOI coal areas

Issue:

Dr Williams, CEO, NSW Minerals Council Ltd, has urged the Government to reconsider the restricted release of EOI packages to only selected companies for eleven new coal release areas in NSW. Mr Peter Meers, CEO, Tiaro Coal Limited, has also written to the Minister seeking an invitation to apply for the Expression of Interest packages.

Background:

An Expression of Interest (EOI) package was released by the Department of Primary Industries on 9 September 2008, inviting a selected group of companies to submit an EOI for any or several of 11 identified remnant coal areas across NSW.

The invitation to submit an EOI was restricted to small and medium coal producers for smaller remnant coal deposits that were thought would not be of interest to major coal companies.

The closing time and date for submissions is 12 noon on Monday 24 November 2008.

Since release of the EOI information the Department and Minister have been approached by a number of parties, including the NSW Minerals Council, urging the EOI package be released more widely. A briefing seeking the Minister's approval to extend the EOI and deadline was forwarded to the Minister on 14 October 2008 (BN08/2311, copy attached).

Comment:

Tiara Coal Limited was invited to lodge an EOI for the East Bargo and Ridgeland coal release areas that were sent out on 16 October 2008.

Recommendation:

That the Minister signs the attached letters.

Executive Contact: Alan Coutts, DDG 8289 3944
Secondary Contact: Brad Mullard, Director
Coal and Petroleum Development 4931 6404

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

MPI08/6247

Mr Peter Meers
Chief Executive Officer
Tiaro Coal Limited
Level 2
131 Macquarie Street
SYDNEY NSW 2000

Dear Mr Meers

Thank you for your letter of 3 October 2008 concerning an invitation to submit an Expression of Interest for a remnant coal area in NSW.

I understand your company's interest in submitting an Expression of Interest, however I have decided that the invitation is to remain limited to the companies who received the original offer.

Your interest in acquiring a coal title has been noted.

You should be aware that two areas, Ridglands in the Hunter Coalfield and East Bargo in the Southern Coalfield, have recently been released for Expression of Interest. I am advised that information packages for both areas were mailed to you in mid October.

Please note that a copy of the NSW Department of Primary Industries' guidelines for the allocation of coal resources can be found at www.dpi.nsw.gov.au/minerals/titles/policies

Yours sincerely

IAN MACDONALD MLC

Enquiries regarding areas released for expression of interest

From: tracey.godwin@dpi.nsw.gov.au
To: tony.vankeulen@dpi.nsw.gov.au, paul.gorrel@dpi.nsw.gov.au
Cc: julie.moloney@dpi.nsw.gov.au, peter.hord@dpi.nsw.gov.au, fred.schiavo@dpi.nsw.gov.au,
peta.johannessen@dpi.nsw.gov.au, jeff.inman@dpi.nsw.gov.au, melanie.brown@dpi.nsw.gov.au,
gary.walker@dpi.nsw.gov.au
Date: Thu, 06 Nov 2008 11:24:44 +1100

Hi gentlemen,

I understand that you have been receiving some enquiries regarding the coal areas that have been released for expression of interest.

Anyone enquiring about information packages for the EOI (or asking about any interest that they have previously expressed over the same area) should be referred to Julie Moloney on 02 49316549.

Please note that anyone / any company who had previously expressed interest in these areas was sent an EOI information package, although if their contact details have changed they may not have received it.

Enquiries relating to geological data should be referred to Leslie Wiles on 02 49316555.

If you have any further questions regarding this matter, please let me know.

Thanks and regards

Tracey Godwin
Coal & Petroleum
Phone: (02) 4931 6465
Fax: (02) 4931 6776
E-mail: tracey.godwin@dpi.nsw.gov.au

RE: Re discussion this morning

From: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
To: alan.coutts@dpi.nsw.gov.au
Date: Wed, 12 Nov 2008 12:16:45 +1100

Thanks Alan great. I think we're getting there. I'll call to update this arvo.

Cheers

Jamie Gibson | Deputy Chief of Staff | Office of the Minister for Primary Industries | Minister for Energy | Minister for Mineral Resources | Minister for State Development

Level 33 | Governor Macquarie Tower | 1 Farrer Place | SYDNEY | NSW | 2000

Ph (02) 9228 3344 | Fax (02) 9228 3452

From: alan.coutts@dpi.nsw.gov.au [mailto:alan.coutts@dpi.nsw.gov.au]

Sent: Wednesday, 12 November 2008 12:14 PM

To: Jamie Gibson

Subject: Re discussion this morning

Hi Jamie

I have asked Brad to put together a list of companies that we have received requests from for information but who weren't part of the original group we invited

Cheers

Alan

Alan Coutts

Deputy Director-General

NSW Department of Primary Industries

Level 6, 201 Elizabeth Street

SYDNEY NSW 2000

Ph: (02) 8289 3944

Fx: (02) 9286 3208

This message is intended for the addressee named and may contain confidential information. If you are not the

RE: Re discussion this morning

From: Jamie Gibson </o=minister/ou=first administrative group/cn=recipients/cn=jgibson">
To: alan.coutts@dpi.nsw.gov.au
Date: Wed, 12 Nov 2008 12:16:45 +1100

Thanks Alan great. I think we're getting there. I'll call to update this arvo.

Cheers

Jamie Gibson | Deputy Chief of Staff | Office of the Minister for Primary Industries | Minister for Energy | Minister for Mineral Resources | Minister for State Development
Level 33 | Governor Macquarie Tower | 1 Farrer Place | SYDNEY | NSW | 2000
Ph (02) 9228 3344 | Fax (02) 9228 3452

From: alan.coutts@dpi.nsw.gov.au [mailto:alan.coutts@dpi.nsw.gov.au]
Sent: Wednesday, 12 November 2008 12:14 PM
To: Jamie Gibson
Subject: Re discussion this morning

Hi Jamie

I have asked Brad to put together a list of companies that we have received requests from for information but who werent part of the original group we invited

Cheers
Alan

Alan Coutts
Deputy Director-General
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
SYDNEY NSW 2000
Ph: (02) 8289 3944
Fx: (02) 9286 3208

This message is intended for the addressee named and may contain confidential information. If you are not the

Contacts on EOI

From: patricia.madden@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Date: Thu, 13 Nov 2008 13:42:20 +1100

Brad,

Julie's information is as follows:

1. Arthur Phillip Pty Ltd (letter)
2. Cascade Coal Pty Ltd (letter)
3. White Energy Company Ltd (letter)
4. Redman Mining Pty Ltd (letter)
5. Tiaro Coal Ltd (letter)
6. Amerod Resources Ltd (letter)
7. Real Brand Holdings (letter)
8. Griffin Coal Mining Company Pty Ltd (letter)
9. Itochu Mineral and Energy of Australia Pty Ltd (email to Rob)
10. Ray Slater and Associates Pty Ltd (email to Rob)
11. Hillgrove Resources Limited (letter to Julie)

All received invitations for the East Bargo and Ridgeland areas.

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

Fw: Expression of interest

From: alan.coutts@dpi.nsw.gov.au
To: jamie.gibson@macdonald.minister.nsw.gov.au
Date: Thu, 13 Nov 2008 16:07:38 +1100

Jamie

FYI as discussed

Thanks

Alan

Alan Coutts
Deputy Director-General
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
SYDNEY NSW 2000
Ph: (02) 8289 3944
Fx: (02) 9286 3208

----- Forwarded by Alan Coutts/DPI/NSW on 13/11/2008 04:06 PM -----

To Alan Coutts/DPI/NSW@NSW

Brad Mullard/DPI/NSW cc _____

13/11/2008 03:52 PM

Subject Expression of interest

Alan,

The following companies contacted the Department requesting to be included in the expression of interest for the 11 exploration areas.

Companies who have written requesting to be invited

1. Arthur Phillip Pty Ltd (letter)
2. Cascade Coal Pty Ltd (letter)
3. White Energy Company Ltd (letter)
4. Redman Mining Pty Ltd (letter)
5. Tiaro Coal Ltd (letter)
6. Amerod Resources Ltd (letter)
7. Real Brand Holdings (letter)
8. Griffin Coal Mining Company Pty Ltd (letter)
9. Hillgrove Resources Limited (letter to Julie)

Companies who have emailed their interest

1. Itochu Mineral and Energy of Australia Pty Ltd (email to Rob)
2. Ray Slater and Associates Pty Ltd (email to Rob)

Companies Who have phone expressing interest

(Note: this list is not complete as the Department did receive a significant number of phone calls asking about the areas. The standard Departmental response as per the conditions in the information document was that only companies who had been invited could lodge an expression of interest)

1. Xstrata
2. BHP
3. Rio Tinto
4. Ross Sherman QHGP

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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This message and any accompanying attachments are intended for the addressee named and may contain confidential or privileged information. If you are not the intended recipient do not read, use, distribute or copy this message or attachments. Please notify the sender immediately and delete the message. Views expressed in this message are those of the individual sender except where the sender expressly and with authority, states them to be the views of the NSW Department of Primary Industries.

Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

"Coal Release Areas" EOI Evaluation Process - Revised Dates

From: garth.holmes@dpi.nsw.gov.au

To: Ado Zanella <ado.zanella@dpc.nsw.gov.au>, Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw@nsw">, William Hughes <"cn=william hughes/ou=dpi/o=nsw@nsw">

Date: Fri, 14 Nov 2008 17:06:36 +1100

Dear Ado, Brad & Will

Just confirming slightly revised dates and times for the Evaluation Team for this EOI as previously discussed.

Expressions of Interest for exploration licences over the 11 Coal Release Areas will close at 12 noon, **Monday 24 November 2008**. EOIs will be opened at 1pm and publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, MAITLAND.

Lindsay Gilligan, Director of the Geological Survey, DPI will publicly open the EOIs at the Maitland Office. I and William Hughes will be there to help oversee the process and bring the EOIs securely back to the Sydney Office for the evaluation process.

Please note the revised first batch of times for the Watermark evaluation process:

- Thurs 27 November "all day" : say 9:30am - 4:30pm with lunch break (sandwich lunch provided). DPI Sydney Office (Room 6.5)
- Friday 28 November "all day" : say 9:30am - 4:00pm with lunch break (sandwich lunch provided). (Room 6.2 Wardens Court)
- Thursday 4 December PM ONLY - say 12:30pm - 4:00pm (sandwich lunch provided). (Room 6.5)
- Monday 8 December "all day" : say 9:30am - 4:30pm with lunch break (sandwich lunch provided). DPI Sydney Office (Room 6.5)

NB. Wednesday 26 November and AM Thursday 4 December no longer suitable for all.

Kevin Fennell, the independent probity auditor will also attend the first meeting on 27 November to discuss and approve the fair and consistent process to be used by team in evaluating the EOIs.

Additional evaluation times will be discussed and agreed to by the Evaluation Team subject to people's availability before and after Christmas- New Year.

Given the likely number of EOIs received for the 11 coal exploration areas and the complexity in assessing the competitive merits of the EOIs received, the evaluation process and recommendations to the Director-General and Minister are unlikely to be finalised until well into the New Year (~ end of February).

Regards

Garth

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email:garth.holmes@dpi.nsw.gov.au



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now incorporating Department of Mineral Resources
ABN 51 734 124 190-003

20 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you, this letter is by way of confirming your agreement to be appointed as external probity auditor regarding the "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas. The Minister for Mineral Resources has decided to call for Expressions of Interest (EOI) for the awarding of exploration licences (ELs) in respect of the 11 Coal Release Areas, pursuant to the *Mining Act 1992*. I enclose a copy of the Coal Release Areas EOI Information document for your information.

Expressions of Interest for exploration licences over the 11 Coal Release Areas will close at 12 noon, Monday 24 November 2008. EOIs will be opened at 1pm and publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, MAITLAND.

You indicated that you would be available for an initial meeting as external probity auditor regarding this matter on **Friday 21 November 2008 at 9:30am, Level 6, 201 Elizabeth Street, Sydney**. You also noted that your indicative fees for your services would be similar to what they were for the Watermark Expression of Interest probity audit in late 2007- early 2008, which are acceptable to the Department.

Please contact me on 8289 3921 or William Hughes on 8289 3931 if you have any queries. Many thanks.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G Holmes'.

Garth Holmes
Director, Development Coordination

Letter to Kevin Fennell re Coal Release Areas EOI

From: garth.holmes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: william.hughes@dpi.nsw.gov.au, julie.moloney@dpi.nsw.gov.au
Date: Fri, 21 Nov 2008 12:29:25 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (152.06 kB)

Brad

I was able to knock out the attached and run by Kevin Fennell while he was still here. He thought it covered the matters we discussed. He has taken a copy with him and will have a written response for a suggested meeting with him and the Evaluation Panel (you, Will & Ado Zanella plus me as observer) next Thursday 27 November at 9:30am in Sydney (Room 6.5) - previously in your diary. Kevin agrees such a meeting is desirable to help ensure process remains sound re the EOI.

Subject to any amendments, could you please print out, sign & fax to Kevin on 9521 1215 (Phone/Fax).

Regards

Garth



Coal Release Areas -ED letter to KFennell-21Nov2008.doc

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email: garth.holmes@dpi.nsw.gov.au



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now incorporating Department of Mineral Resources
ABN 51 734 124 190-003

21 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you today, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: "**Only companies invited to submit an Expression of Interest may apply.**" Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas will close at 12 noon, Monday 24 November 2008. EOIs will be opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

The Minister has recently advised that there has been a change in Government policy relating to this current Coal Release Areas EOI. The Minister now requires that the Coal Release Areas EOI be "opened up" so that any interested company/parties may lodge an EOI for any of these 11 areas.

To enact this change in policy, the following steps are proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

Mineral Resources
PO Box K220
HAYMARKET NSW 1240

www.dpi.nsw.gov.au

Tel: 02 8289 3921
Fax: 02 9286 3208

1. Closure of (original) EOI and public opening proceed as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and **not** evaluated by the Evaluation Team at this time.
3. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested company/parties to lodge an EOI for any of these 11 areas.
 - Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:
 - (a) maintain their original EOI for competitive evaluation
 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

Your advice regarding the above proposed process would be much appreciated.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard
Executive Director, Mineral Resources



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now incorporating Department of Mineral Resources
ABN 51 734 124 190-003

21 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

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 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

Your advice regarding the above proposed process would be much appreciated.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

Re: Letter to Kevin Fennell re Coal Release Areas EOI

From: brad.mullard@dpi.nsw.gov.au
To: garth.holmes@dpi.nsw.gov.au
Cc: julie.moloney@dpi.nsw.gov.au, william.hughes@dpi.nsw.gov.au
Date: Sun, 23 Nov 2008 18:23:47 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (152.06 kB)

Garth,

See attached letter slightly modified (I dont think it changes any of the issues we have asked Kevin to comment on)

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au



Coal Release Areas -ED letter to KFennell-21Nov2008.doc
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Further information on mineral resources can be found at www.dpi.nsw.gov.au or by phoning 1300 736 122.

Garth Holmes/DPI/NSW

To

Garth Holmes/DPI/NSW

cc

21/11/2008 12:29 PM

Subject

Brad

I was able to knock out the attached and run by Kevin Fennell while he was still here. He thought it covered the matters we discussed. He has taken a copy with him and will have a written response for a suggested meeting with him and the Evaluation Panel (you, Will & Ado Zanella plus me as observer) next Thursday 27 November at 9:30am in Sydney (Room 6.5) - previously in your diary. Kevin agrees such a meeting is desirable to help ensure process remains sound re the EOI.

Subject to any amendments, could you please print out, sign & fax to Kevin on 9521 1215 (Phone/Fax).

Regards

Garth

[attachment "Coal Release Areas -ED letter to KFennell-21Nov2008.doc" deleted by Brad Mullard/DPI/NSW]

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email: garth.holmes@dpi.nsw.gov.au



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now incorporating Department of Mineral Resources
ABN 51 734 124 190-003

21 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you today, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: **"Only companies invited to submit an Expression of Interest may apply."** Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas will close at 12 noon, Monday 24 November 2008. EOIs will be opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

The Government is considering a policy change relating to this current Coal Release Areas EOI, which would "opened up the process" so that any interested company/parties may lodge an EOI for any of these 11 areas.

To enact this change in policy, the following steps are proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. Closure of (original) EOI and public opening proceed as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and **not** evaluated by the Evaluation Team at this time.
3. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested company/parties to lodge an EOI for any of these 11 areas.
 - Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:
 - (a) maintain their original EOI for competitive evaluation
 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

Your advice regarding the above proposed process would be much appreciated.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard
Executive Director, Mineral Resources



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

08/8229

24 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Mr Fennell

Today in the conference room of the Department's Office at 516 High Street Maitland from 1:00pm, I officiated at the opening, declaration and recording of Expressions of Interests (EOIs) received for the eleven (11) Coal Release Areas in the Gunnedah, Hunter and Western Coalfields. I wish to verify with you, in your capacity as independent probity auditor for the EOI process, the following:

Prior to the opening of EOIs, I was thoroughly briefed by relevant officers of the Development Coordination Branch on the process being used for the receipt and storage of EOIs received, including security arrangements for these documents. I verify that the procedures and arrangements, as outlined below, were followed:

- A designated Officer (Julie Moloney or Elizabeth Laidlaw) from Development Coordination Branch received each EOI lodged at the Department's information counter. The Officer checked that a Cover Letter in a separate envelope was attached to the outside of each sealed EOI and that a non-refundable lodgement fee of \$1,000 accompanied the EOI. A receipt was issued for this fee. The Officer then took each EOI for secure storage in the designated locked office on level 2. Julie Moloney controlled key access to this secure office.
- After the EOI Application period closed at 12 noon today, all EOIs received were transported by designated Officers to the conference room on level 1 prior to the opening and declaration of EOIs received at 1pm. Only the name of the company/companies or consortium and any company equity involved as stated in the EOI Cover Letter was made public, and this information was recorded in the Department's Tender Book and verified by me.
- Following the public opening and declaration of EOIs, all EOIs were again securely stored in the designated locked office on level 2, prior to their transportation by car with Departmental Officers, Garth Holmes and William Hughes back to the Department's Sydney Office on Level 6, 201 Elizabeth Street where I understand that they will be stored in a locked, secure area prior to and during the evaluation process.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lindsay Gilligan', written over a horizontal line.

Lindsay Gilligan
Director Geological Survey

Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields 1pm Monday 24 November 2008

From: garth.holmes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: richard.sheldrake@dpi.nsw.gov.au, william.hughes@dpi.nsw.gov.au, julie.moloney@dpi.nsw.gov.au,
lindsay.gilligan@dpi.nsw.gov.au
Date: Mon, 24 Nov 2008 14:51:12 +1100

Brad

Following closing of Expressions of Interest (EOI) for the eleven (11) Coal Release Areas in the Gunnedah, Hunter & Western Coalfields at 1pm today, Monday 24 November 2008, the following Declaration of Expressions of Interest received was made in the Conference Room, Level 1 of DPI Maitland Office at 1pm This Declaration was open to the public as specified in the EOI Information document and in line with previous EOI processes. A small number of company representatives were present for the Declaration including Colin Randall, who also produces the "Hunter Valley Coal Report" - so it is expected that he will publish details of the Declaration of EOIs received in the next issue of this web-based report.)

Lindsay Gilligan, Director of the Geological Survey formally opened the covering letters attached to the various EOIs received and declared the name of the company/companies or consortium involved in submitting each EOI for the various 11 Coal Release Areas. The details were declared and recorded as follows:

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd
2. Whitehaven Coal Limited
3. The Bloomfield Group

Vickery South

1. Whitehaven Coal Limited
2. Kimba Resources Pty Ltd
3. Tianda Resources (Australia) Pty Ltd
4. Coalworks Limited

Yarrawa

1. Coalworks Limited
2. Monaro Mining NL

3. Endocoal Limited

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd
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3. Coalworks Limited
4. Monaro Mining NL

Glendon Brook

1. Hydromining Coal Australia Pty Ltd
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Mt Penny

1. Jain Group
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Long Mountain

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Ilford

1. Jain Group
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4. Centennial Coal
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6. Kimba Resources Pty Ltd
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4. Jain Group

5. Monaro Mining NL

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1. Centennial Coal

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3. Monaro Mining NL

Ben Bullen

1. Monaro Mining NL

Regards

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email: garth.holmes@dpi.nsw.gov.au

Fw: Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields 1pm Monday 24 November 2008

From: patricia.madden@dpi.nsw.gov.au
To: jamie.gibson@macdonald.minister.nsw.gov.au
Date: Mon, 24 Nov 2008 16:42:46 +1100

Jamie,

Brad asked that I send this on to you for your information.

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

----- Forwarded by Patricia Madden/DPI/NSW on 24/11/2008 04:40 PM -----

To: Brad Mullard/DPI/NSW@NSW

Garth
Holmes/DPI/NSW

cc: Richard Sheldrake/DPI/NSW@NSW, William Hughes/DPI/NSW@NSW, Julie
Moloney/DPI/NSW@NSW, Lindsay Gilligan/DPI/NSW@NSW

24/11/2008 02:51
PM

Subject: Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields 1pm Monday 24 November 2008

Brad

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Melrose

1. Centennial Coal
2. Enhance Place Pty Ltd
3. Monaro Mining NL

Ben Bullen

1. Monaro Mining NL

Regards

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email:garth.holmes@dpi.nsw.gov.au

Ref:

FAX TRANSMISSION



**NSW DEPARTMENT OF
PRIMARY INDUSTRIES**

Mineral Resources
L6, 201 Elizabeth St, Sydney NSW 2000
Tel: 82893921 Fax: 92863208

To Kevin Fennell	From Garth Holmes
Company	Date 25-11-08
Fax 9521-1215	Pages 3 (including this page)
Subject COAL RELEASE AREAS E01	

If you did not receive all pages, please contact Garth Holmes on ph: (02) 8289 3921 or garth.Holmes@minerals.nsw.gov.au.

Kevin
As discussed, the attached letter signed by Brad Mullan
replaces the previous letter dated 21 November that I signed
for Brad.

Look forward to discussing in detail with you this
Thursday at 12-30pm.
(we'll have sandwich lunch
there)

Regards

Garth Holmes
Director, Development Coordination

Regards
Garth



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now incorporating Department of Mineral Resources
ABN 51 734 124 180-003

25 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: "**Only companies invited to submit an Expression of Interest may apply.**" Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Government has been approached by additional small to medium companies prior to the closure of the EOI process who had not previously contacted DPI and as such had not been invited to express an interest in the eleven areas.

As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this proposed change in policy, the following steps have been undertaken pending further advice as the final appropriate course of action:

1. Closure of (original) EOI and public opening proceeded as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and **not** evaluated by the Evaluation Team at this time.

The following further action is proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested small to medium company/parties to lodge an EOI for any of these 11 areas.
 - Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:
 - (a) maintain their original EOI for competitive evaluation
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 - (c) recall their original EOIs with full refund of lodgement fee.

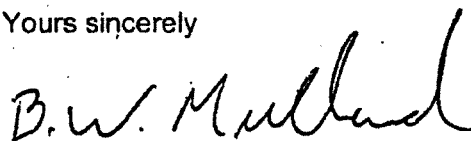
In the event that other small to medium companies seek to be included during the EOI period they will be able to lodge an EOI subject to the EOI being received prior to the closing date.

Your advice regarding the following would be much appreciated:

- The appropriateness of the above proposed process.
- Any required modification or alternate approach to achieve the stated proposed policy objectives.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

Fw: Letter to Kevin Fennell re Coal Release Areas EOI

From: Richard Sheldrake <"cn=richard sheldrake/ou=dpi/o=nsw">
To: "Mr. Brad Mullard" <brad.mullard@dpi.nsw.gov.au>
Date: Tue, 25 Nov 2008 09:11:28 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (152.06 kB)

Brad let me know how it goes today when u can R

Shirley Hibbs

----- Original Message -----

From: Shirley Hibbs
Sent: 11/24/2008 04:55 PM ZE10
To: Richard Sheldrake
Subject: Fw: Letter to Kevin Fennell re Coal Release Areas EOI

Dear Dr Sheldrake

Brad has asked me to forward the attached correspondence to you.

Kind regards

Shirley Hibbs
Program Assistant to
Brad Mullard
Acting Executive Director
Mineral Resources Division
Department of Primary Industries
Ph: 02 4931 6422
Fx: 02 49 31 6793
Email: shirley.hibbs@dpi.nsw.gov.au

----- Forwarded by Shirley Hibbs/DPI/NSW on 24/11/2008 04:54 PM -----

To: Garth Holmes/DPI/NSW

cc: Julie Moloney/DPI/NSW@NSW, William Hughes/DPI/NSW@NSW

Brad Mullard/DPI/NSW Subject: **Re: Letter to Kevin Fennell re Coal Release Areas EOI**
{doclink : document = 'EACAC94EE66368A6CA2575080006C865' view =
'DABA975B9FB113EB852564B5001283EA' database = 'CA2571B10040E43A' }
23/11/2008 06:23 PM

Garth,

See attached letter slightly modified (I dont think it changes any of the issues we have asked Kevin to comment on)

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au



Coal Release Areas -ED letter to KFennell-21Nov2008.doc

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Garth Holmes/DPI/NSW

To: **Brad Mullard/DPI/NSW@NSW**

Garth Holmes/DPI/NSW cc: **William Hughes/DPI/NSW@NSW, Julie Moloney/DPI/NSW@NSW**

21/11/2008 12:29 PM

Subject: **Letter to Kevin Fennell re Coal Release Areas EOI**

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Regards

Garth

[attachment "Coal Release Areas -ED letter to KFennell-21Nov2008.doc" deleted by Brad Mullard/DPI/NSW]

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email:garth.holmes@dpi.nsw.gov.au



NSW DEPARTMENT OF
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21 November 2008

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Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

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 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

Your advice regarding the above proposed process would be much appreciated.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard
Executive Director, Mineral Resources

Re: EOI

From: jenny.ward@dpi.nsw.gov.au
To: julie.moloney@dpi.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 10:05:49 +1100

Thank you Julie and yes I am very aware of the need to run past the Ministers office - it is something I do in my role each day.

Jenny Ward
Public Affairs Officer
NSW Department of Primary Industries
6/201 Elizabeth Street, Sydney

Ph: 02 8289 3925
Fax: 02 9286 3893
Mobile: [REDACTED]
email: jenny.ward@dpi.nsw.gov.au

Julie Moloney/DPI/NSW

To: Jenny Ward/DPI/NSW@NSW

cc: Brad Mullard/DPI/NSW@NSW

Julie
Moloney/DPI/NSW

25/11/2008 09:58
AM

Re: EOI
Subject {doclink : document = '148ACFBB587A1704CA25750B001E4B41' view =
'38D46BF5E8F08834852564B500129B2C' database = 'CA256F0E00191874' }

Hi Jenny

As discussed while the information on this EOI is publicly available, I understand that the Minister's Office wishes this EOI to remain low profile. Before releasing any information to the Media please seek advice from the Minister's Office.

Expressions of Interest (EOI) for the eleven (11) Coal Release Areas in the Gunnedah, Hunter & Western Coalfields closed at 12pm on Monday 24 November 2008. The following Expressions of Interest were received.

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd
2. Whitehaven Coal Limited
3. The Bloomfield Group

Vickery South

1. Whitehaven Coal Limited
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Julie Moloney
Principal Adviser
Development Coordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Region Mail Centre NSW 2310

T: 02 4931 6549
M: 0407 921 462
F: 02 4931 67938

Jenny Ward/DPI/NSW

To: Garth Holmes/DPI/NSW@NSW, Julie Moloney/DPI/NSW@NSW

Jenny Ward/DPI/NSW

cc: Brad Mullard/DPI/NSW@NSW

24/11/2008 04:33 PM

Subject: EOI

Hi,

I've had an inquiry from the ABC re the Expressions of Interest for the exploration licences for eleven coal exploration areas.

they have asked how many EOI's we have received and who they are from,

Any idea when this information would be available for public release?

Thanks Jenny

Jenny Ward
Public Affairs Officer
NSW Department of Primary Industries
6/201 Elizabeth Street, Sydney

Ph: 02 8289 3925
Fax: 02 8286 2802
Mobile: [REDACTED]
email: jenny.ward@dpi.nsw.gov.au

"Coal Release Areas" EOI Evaluation Process - Meeting with Kevin Fennell 12:30pm Thurs 27 November 08

From: garth.holmes@dpi.nsw.gov.au
To: Ado Zanella <ado.zanella@dpc.nsw.gov.au>, Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw@nsw">, William Hughes <"cn=william hughes/ou=dpi/o=nsw@nsw">
Date: Tue, 25 Nov 2008 11:44:26 +1100

Dear Ado, Brad & Will

As discussed our initial meeting with probity auditor, Kevin Fennell will now commence at 12:30pm this Thursday 27 November (sandwich lunch provided) at DPI Sydney Office (Room 6.5). Look forward to seeing you then. We will discuss whether we need any of the other times outlined below, at this point in time, at Thursday's meeting.

Regards

Garth

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email: garth.holmes@dpi.nsw.gov.au

Garth Holmes/DPI/NSW

To "Ado Zanella" <Ado.Zanella@dpc.nsw.gov.au>, Brad Mullard/DPI/NSW@NSW, William Hughes/DPI/NSW@NSW

Garth
Holmes/DPI/NSW

cc

14/11/2008 05:06
PM

Subject "Coal Release Areas" EOI Evaluation Process - Revised Dates

Dear Ado, Brad & Will

Just confirming slightly revised dates and times for the Evaluation Team for this EOI as previously discussed.

Expressions of Interest for exploration licences over the 11 Coal Release Areas will close at 12 noon, **Monday 24 November 2008**. EOIs will be opened at 1pm and publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, MAITLAND.

Lindsay Gilligan, Director of the Geological Survey, DPI will publicly open the EOIs at the Maitland Office. I and William Hughes will be there to help oversee the process and bring the EOIs securely back to the Sydney Office for the evaluation process.

Please note the revised first batch of times for the Watermark evaluation process:

- Thurs 27 November "all day" : say 9:30am - 4:30pm with lunch break (sandwich lunch provided). DPI Sydney Office (Room 6.5)
- Friday 28 November "all day" : say 9:30am - 4:00pm with lunch break (sandwich lunch provided). (Room 6.2 Wardens Court)
- Thursday 4 December PM ONLY - say 12:30pm - 4:00pm (sandwich lunch provided). (Room 6.5)
- Monday 8 December "all day" : say 9:30am - 4:30pm with lunch break (sandwich lunch provided). DPI Sydney Office (Room 6.5)

NB. Wednesday 26 November and AM Thursday 4 December no longer suitable for all.

Kevin Fennell, the independent probity auditor will also attend the first meeting on 27 November to discuss and approve the fair and consistent process to be used by team in evaluating the EOIs.

Additional evaluation times will be discussed and agreed to by the Evaluation Team subject to people's availability before and after Christmas- New Year.

Given the likely number of EOIs received for the 11 coal exploration areas and the complexity in assessing the competitive merits of the EOIs received, the evaluation process and recommendations to the Director-General and Minister are unlikely to be finalised until well into the New Year (~ end of February).

Regards

Garth


Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email: garth.holmes@dpi.nsw.gov.au

Letter to Kevin Fennell

From: patricia.madden@dpi.nsw.gov.au
To: garth.holmes@dpi.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 14:54:43 +1100
Attachments: 0639_001.pdf (80.7 kB)

Garth,

Letter to Kevin Fennell is attached as discussed with Brad.

 Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453


0639_001.pdf



NSW DEPARTMENT OF
PRIMARY INDUSTRIESNow incorporating Department of Mineral Resources
ABN 51 734 124 150-003

25 November 2008

Mr Kevin Fennell
 Kevin T Fennell & Associates
 Public Sector Consultant & Auditor
 6/21 Kirk Crescent
 KIRRAWEE NSW 2232

Dear Kevin

As discussed with you today, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

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Present Position

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Government has been approached by additional small to medium companies prior to the closure of the EOI process who had not previously contacted DPI and as such had not been invited to express an interest in the eleven areas.

As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this change in policy, the following steps have been undertaken pending further advice as the final course of action:

1. Closure of (original) EOI and public opening proceed as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and not evaluated by the Evaluation Team at this time.

The following action is proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested small to medium company/parties to lodge an EOI for any of these 11 areas.
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 - (a) maintain their original EOI for competitive evaluation
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 - (c) recall their original EOIs with full refund of lodgement fee.

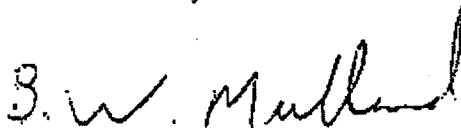
In the event that other small to medium companies seek to be included during the EOI period they will be able to lodge an EOI subject to the EOI being received prior to the closing date.

Your advice regarding the following on the following would be much appreciated.

- The appropriateness of the above proposed process
- Any required modification or alternate approach to achieve the stated policy objectives.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

Mineral Resources
PO Box K220
HAYMARKET NSW 1340

www.dpi.nsw.gov.au

Tel: 02 8289 3921
Fax: 02 8286 3208

Coal Release Areas -ED letter to KFennell-21Nov2008.doc

From: brad.mullard@dpi.nsw.gov.au
To: garth.holmes@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 15:16:02 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (159.74 kB)

Garth,

Here it is.

Trish

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now Incorporating Department of Mineral Resources
ABN 51 734 124 190-003

25 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you today, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: **"Only companies invited to submit an Expression of Interest may apply."** Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

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As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this change in policy, the following steps have been undertaken pending further advice as the final course of action:

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Your advice regarding the following on the following would be much appreciated.

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Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard
Executive Director, Mineral Resources

Mineral Resources
PO Box K220
HAYMARKET NSW 1240

www.dpi.nsw.gov.au

Tel: 02 8289 3921
Fax: 02 9286 3208

Re: Coal Release Areas -ED letter to KFennell-21Nov2008.doc

From: garth.holmes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: patricia.madden@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 15:32:55 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (162.3 kB)

Brad

Please see attached with suggested tracked changes. If OK with you, could you please accept changes, sign, scan and resend to me (to fax to Kevin Fennell).

Regards

Garth

Brad Mullard/DPI/NSW

To:

Brad Mullard/DPI/NSW

cc:

25/11/2008 03:16 PM

Subject:

Garth,

Here it is.

Trish

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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25 November 2008

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Yours sincerely

Brad Mullard
Executive Director, Mineral Resources

Signed letter

From: patricia.madden@dpi.nsw.gov.au
To: garth.holmes@dpi.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 15:39:59 +1100
Attachments: 0640_001.pdf (82.74 kB)

Garth,

He agreed to the changes. I have printed the document, he signed it and here it is for your despatch. I will give the original to Julie to put on her EOI file.

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453


0640_001.pdf



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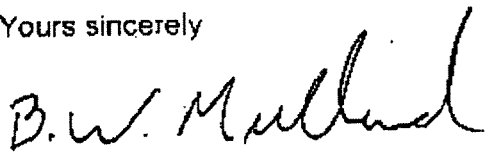
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Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

Re: Signed letter

From: garth.holmes@dpi.nsw.gov.au
To: patricia.madden@dpi.nsw.gov.au
Cc: brad.mullard@dpi.nsw.gov.au
Date: Tue, 25 Nov 2008 16:46:20 +1100

Thanks Trish. I have faxed the signed letter to Kevin Fennell.

Regards

Garth

Patricia Madden/DPI/NSW

To: Garth Holmes/DPI/NSW@NSW

Patricia Madden/DPI/NSW

cc: Brad Mullard/DPI/NSW@NSW

25/11/2008 03:39 PM

Subject: Signed letter

Garth,

He agreed to the changes. I have printed the document, he signed it and here it is for your despatch. I will give the original to Julie to put on her EOI file.

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

[attachment "0640_001.pdf" deleted by Garth Holmes/DPI/NSW]

KEVIN T FENNELL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White BBus Grad Dip Admin CPA
Phone (02) 9452 4620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8856
Mobile [REDACTED]

Mr Garth Holmes
Director, Development Co-ordination
Mineral Resources
NSW Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

November 26, 2008

Dear Garth,


**Various Coal Release Areas
Invitation for Expressions of Interest (EOI)**

Thank you for the invitation to submit a proposal for the provision of probity audit services to support the abovementioned project. From my review of the EOI documentation it is evident that the initial probity audit should embrace procedures applied in 2005, 2006 and 2008 to the Caroon, Woodsreef and Watermark projects respectively.

In that regard, the probity framework outlined in my letter of December 31, 2007 concerning Watermark would be applied to the project under review. In this case, however, additional work will be required to address any probity issues perceived likely to arise from the Ministerial decision to vary the EOI from a selective to an open invitation. The required work is currently in action.

For other recent public sector work we have struck a basic fee rate \$132 per hour, including GST. In view of the proven level of expertise in Mineral Resources, however, we propose a fee of \$110 per hour plus 10% GST for the provision of probity audit and review for the various Coal Release Areas.

Yours sincerely,


Kevin Fennell.

EOI

From: brad.mullard@dpi.nsw.gov.au
To: richard.sheldrake@dpi.nsw.gov.au
Date: Wed, 26 Nov 2008 08:26:11 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (162.3 kB)

Richard,

I have attached a copy of the final letter to Kevin Fennell for information. I am meeting with Kevin on Thursday at 12:30pm in the Sydney office to discuss the process.

Regards

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Coal Release Areas -ED letter to KFennell-21Nov2008.doc

EOI

From: brad.mullard@dpi.nsw.gov.au
To: jamie.gibson@dpi.nsw.gov.au
Date: Wed, 26 Nov 2008 08:28:39 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (162.3 kB)

Jamie,

I have attached a copy of the final letter to the Probity Auditor for information. I am meeting with Kevin on Thursday at 12:30pm in the Sydney office to discuss the process.

Regards

Brad Mullard
Director Coal & Petroleum Development
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
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Coal Release Areas -ED letter to KFennell-21Nov2008.doc

Probity Issues

From: brad.mullard@dpi.nsw.gov.au
To: richard.sheldrake@dpi.nsw.gov.au
Date: Thu, 27 Nov 2008 17:18:15 +1100

Richard,

I have some good news after our meeting with the Probity Auditor today. Kevin has agreed that the general process we have outlined addresses probity issues. The Probity Auditor is preparing a written report which should be available early next week, outlining his opinion and confirming the process we should follow. One issue that he raised at the meeting was that we needed to give adequate time for the new EOI applicants to respond to the EOI particularly given the Christmas period. This may mean that the new EOI may not close until February 2009.

We are updating the information packages to go with a submission to the Minister. The Probity Auditor has asked to see the documentation before it is submitted.

I am in New Zealand (at the CO2CRC Board Meeting and workshop) from Saturday until Wednesday next week, I will be back in the Sydney office on Thursday. Lindsay Gilligan will look after Mineral Issues while I am away.

Regards

Brad

Richard Sheldrake/DPI/NSW

To

cc _____

Richard Sheldrake/DPI/NSW
Sent by: Carmel Romano
26/11/2008 05:06 PM

To: Brad Mullard/DPI/NSW@NSW
cc: Phil Anquetil/DPI/NSW@NSW
Subject: New Frontiers

Brad,

Funding for New Frontiers was discussed at a Budget Committee of Cabinet in May and it was agreed that NSW DPI would identify how to raise half the proposed budget.

Treasury now wish to see NSW DPI's proposal. Could you please prepare for me the Business Case. I want to discuss this with the Minister's Office first, but I will need something in the next week or so, or Christmas will be on top of us and we will not have done the work.

Thanks.

Kind regards,

Richard Sheldrake
Director-General
NSW Department of Primary Industries
Telephone: (02) 8289 3907
Facsimile: (02) 9283 7201

EOI

From: brad.mullard@dpi.nsw.gov.au
To: jamie.gibson@macdonald.minister.nsw.gov.au
Date: Thu, 27 Nov 2008 17:44:41 +1100

Jamie,

I have some good news after our meeting with the Probity Auditor today. The Auditor has agreed that the general process we have outlined addresses probity issues. The Probity Auditor is preparing a written report which should be available early next week, outlining his opinion and confirming the process we should follow. One issue that he raised at the meeting was that we needed to give adequate time for the new EOI applicants to respond to the EOI particularly given the Christmas period. This may mean that the new EOI may not close until February 2009.

We are updating the information packages to go with a submission to the Minister. The Probity Auditor has asked to see the documentation before it is submitted.

I am in New Zealand (at the CO2CRC Board Meeting and workshop) from Saturday until Wednesday next week, I will be back in the Sydney office on Thursday. Lindsay Gilligan will look after Mineral Issues while I am away.

Brad Mullard
Acting Executive Director
Mineral Resources Division
Department of Primary Industries
Phone: 4931 6404
Fax: 4931 6793
Email: brad.mullard@dpi.nsw.gov.au

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Letter

From: patricia.madden@dpi.nsw.gov.au
To: julie.moloney@dpi.nsw.gov.au
Date: Fri, 28 Nov 2008 15:40:47 +1100
Attachments: Coal Release Areas -ED letter to KFennell-21Nov2008.doc (162.3 kB)

As requested.



Coal Release Areas -ED letter to KFennell-21Nov2008.doc

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

Now Incorporating Department of Mineral Resources
ABN 51 734 124 190-003

24 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: **"Only companies invited to submit an Expression of Interest may apply."** Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Government has been approached by additional small to medium companies prior to the closure of the EOI process who had not previously contacted DPI and as such had not been invited to express an interest in the eleven areas.

As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this proposed change in policy, the following steps have been undertaken pending further advice as the final appropriate course of action:

1. Closure of (original) EOI and public opening proceeded as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and **not** evaluated by the Evaluation Team at this time.

The following further action is proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested small to medium company/parties to lodge an EOI for any of these 11 areas.
 - Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:
 - (a) maintain their original EOI for competitive evaluation
 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

In the event that other small to medium companies seek to be included during the EOI period they will be able to lodge an EOI subject to the EOI being received prior to the closing date.

Your advice regarding the following would be much appreciated:

- The appropriateness of the above proposed process.
- Any required modification or alternate approach to achieve the stated proposed policy objectives.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard
A/Executive Director, Mineral Resources

Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08

From: garth.holmes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: julie.moloney@dpi.nsw.gov.au
Date: Fri, 28 Nov 2008 16:40:55 +1100
Attachments: Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf (122.11 kB)

Brad

1. Attached is letter from Kevin Fennell dated 28 November in response to your letter of 25 Nov.

2. As you requested, I have asked Julie to start work on an updated EOI document incorporating the re-opening to small to medium companies and the (to be formally approved) changes to the process. I have also asked Julie to draft an appropriate Ministerial submission reflecting the proposed changes, following our meeting and exchange of correspondence with Kevin Fennell.

Regards

Garth



Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf

Garth Holmes
Director, Development Coordination
Mineral Resources Division
Department of Primary Industries
Level 6, 201 Elizabeth Street, Sydney
(PO Box K220 Haymarket NSW 1240)
Tel: (02) 8289 3921 Fax: (02) 9286 3208
Email:garth.holmes@dpi.nsw.gov.au

KEVIN T FENNELL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White BBus Grad Dip Admtn CPA
Phone (02) 9452 4620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8850
Mobile [REDACTED]

Mr Brad Mullard
Executor Director
Mineral Resources
NSW Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

November 28, 2008

Dear Mr Mullard,

Various Coal Release Areas
Invitation for Expressions of Interest (EOI)

Thank you for your letter of November 25, 2008 outlining the present position relative to the abovementioned project. You have indicated that a change in government policy has necessitated the implementation of a revised set of procedures to cater for the interests of the initial invited proponents and those who may submit offers arising from the opening up of EOI to what equates to an expanded call.

I am asked to submit an advising, weighing any probity issues involved.

Probity Review

From information set out in the Invitation for EOI it is evident that one intention of Mineral Resources was to encourage what might be regarded as smaller operators or companies to bid for the various release areas. It is my understanding that those organizations invited to bid had registered formal interest in one or more of the stipulated release areas. There is a prima facie argument therefore, that apart from seeking adequate financial returns from the various exploration leases, Mineral Resources was endeavouring to achieve a spread of interested operators. Moreover, those organizations invited to participate were regarded as unable to compete with the large mining companies for the recent exploration licences over the more substantial coal areas.

In my opinion, the intent and provisions of the initial EOI document were within the boundaries of public sector tendering practice and raised no probity issues.

Policy Change

While I have no written evidence before me I am given to understand that the Minerals Council, an organization representing the mining industry, has requested the Minister for Primary Industries to widen the terms of the invitation for EOI. In addition, requests have been received from some interstate companies. The closing time and date for EOI, however, was 12 noon on Monday 24 November 2008.

- 2 -

As a result of the aforementioned requests, I understand that the government is considering a policy change to the EOI under review which would "open up" the process so that any interested company/parties, may lodge an EOI for any of these 11 areas.

You have outlined a number of steps that are proposed to give effect to the requested policy change. Basically the department will rely on the sentence at page 7 of the Invitation for EOI: 'The Department of Primary Industries is not bound to accept any of the proposals.' In addition, Clause 9 on page 12 states: 'The Department of Primary Industries is not bound to accept any Expression of Interest. The decision in relation to the selection of the successful EOI applicants to be awarded any exploration licence will be final.'

These types of statements are normally included in any public sector tender or EOI document. Nevertheless, the general inference to proponents is that, within the terms of the tender or EOI document, the stated evaluation process is to be completed. If, as a result of the evaluation process, no offer for a particular exploration area is rated as satisfactory, then a fresh invitation for EOI would issue.

Probable Risks

The procedures that you propose regarding security over the EOIs received on November 24, the reissue of the Call as a revised invitation and the options to be given to the initial proponents may be regarded as satisfactory. But, adopting the role of a disinterested reviewer, I would regard them as such purely within the requirements of the stated policy change.

On the other hand, invitations were issued to some 44 companies, all of which 'had previously formally registered an interest with the Department in one or more of the 11 areas, and generally they were small to medium sized companies.' I understand that 37 offers have been received from 14 companies. In my view the intention of the department's EOI would be clear to those proponents: to convey opportunities for the eventual securing of mining licences to small or medium sized companies.

From my experience, the likely reaction of extant proponents to the proposed change of policy is likely to be negative. Their perceptions, despite the options proposed would understandably be that they were being treated unfairly. They had in good faith complied with conditions of the invitation to EOI, prepared detailed submissions and lodged them by the due date. Now they are to be informed that the EOI is to be opened to other companies, probably larger ones with the capacity to offer the government more upfront revenue.

Irrespective of how the proposed change of policy is promoted, I see difficulties in defusing a wide feeling of dissatisfaction on the part of the original group of proponents. This constitutes a definite probity issue, real or perceived. At the same time, it was made clear at a meeting with the Assessment Committee on November 27 that large mining companies, BHP Billiton, Exxaro, RioTinto, etc. would be precluded from the revised call for EOI. By definition, only interested companies regarded in the small to medium categories would be eligible. In that way the Department would be seen to honour its original intention to provide opportunities for the moderately sized operators.

Conclusion

In the interests of complete evenhandedness in this case my initial view was that the evaluation of the offers received should proceed forthwith. After the application of the evaluation criteria, should the Assessment Committee be of the opinion that a satisfactory offer has not emerged for a particular coal release area, then the issue of an exploration licence should proceed by a further call for submissions.

Another suitable method would entail the Committee's recommendation of a group of proponents suitable for particular areas. Those proponents could then be invited to participate in the revised call for EOIs relative to the area as chosen by the Committee. The balance of the eleven areas would be awarded to the best collective offer in each case.

These views were considered at the meeting on November 27. Difficulties foreseen in the selection process, however, together with the fact that neither method would adequately reflect the government's policy change caused them to be rejected. In each case I believe the objections to be valid.

For many years the Department of Mineral Resources has been synonymous with fair dealing in the coal industry. The current proposed policy change, in the midst of the receipt of numerous submissions by invitation, was in my opinion likely to fuel the initial view, rightly or wrongly, that the government was pursuing revenue raising at the expense of small to medium companies.

It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately.

I understand that the revised call will now proceed as agreed at the meeting of November 27. In due course I would be pleased to review the revised EOI document, together with the proposed letter of advice to the initial proponents. The last mentioned document will be a crucial factor in dampening down any perceived probity claims of unfair treatment.

Yours faithfully,



K.T. Fennell PSM.



28 November 2008

Julie Moloney
Development Coordinator
Primary Industries
PO Box 344
Hunter Region Mail Centre
NSW 2310

Dear Sir,

Expression of Specific Interest in New South Wales Coal Deposits:

Thank you for responding to our initial letter dated 19 September 2008 where we expressed our general interest in NSW Coal Deposits. Your letter dated 3 October 2008, outlined the processes that need to be followed in order to express a specific interest in future coal exploration areas within New South Wales, and the purpose of this letter is to comply with those processes.

Cascade Coal Pty Ltd ("Cascade" or the "Company") was established as a coal company that engages in the exploration and evaluation of coal projects in Australia and overseas. The Company's management has over 30 years experience in the coal industry, and have gained commercial and operational experience in some of the world's most prominent coal companies. The Company is also pursuing a coal technology strategy where it is partnering with companies that develop and commercialise coal processing technologies.

The company has been focused on the Victorian brown coal deposits and is now shifting this focus to New South Wales. In the event that a rational release of potential coal development areas occur, we would like to express our specific interest in any such opportunities that may arise in the near future.

Cascade Coal would like to register a specific interest in:

- **Major Stand Alone Areas:** Areas that contain sufficient coal to develop a large new mine; and
- **Small Areas Unrelated to Existing Mine:** Small areas that may have potential to be developed as stand alone mines.

Major Stand Alone Areas - Gunnedah Coalfield

Cascade Coal would like to register a specific interest in a Major Stand Alone Area in the Gunnedah Coalfield. Our specific interest in this area is due to our understanding that a number of small to medium sized coal mines are likely to commence operation in the Gunnedah Coalfield within the next few years, and we are of the belief that there is the potential for a couple of larger operations to commence within the next decade. Further, regional exploration has identified substantial underground coal resources in Narrabi and Caroona areas at depths of less than 300m. Cascade Coal is interested in the entire Gunnedah Coalfield (refer to figure 1) including:

- The eastern portion (Maules Creek sub-basin) (refer to figure 2)
- The western portion (Hoskissons seam in the Black Jack Group).

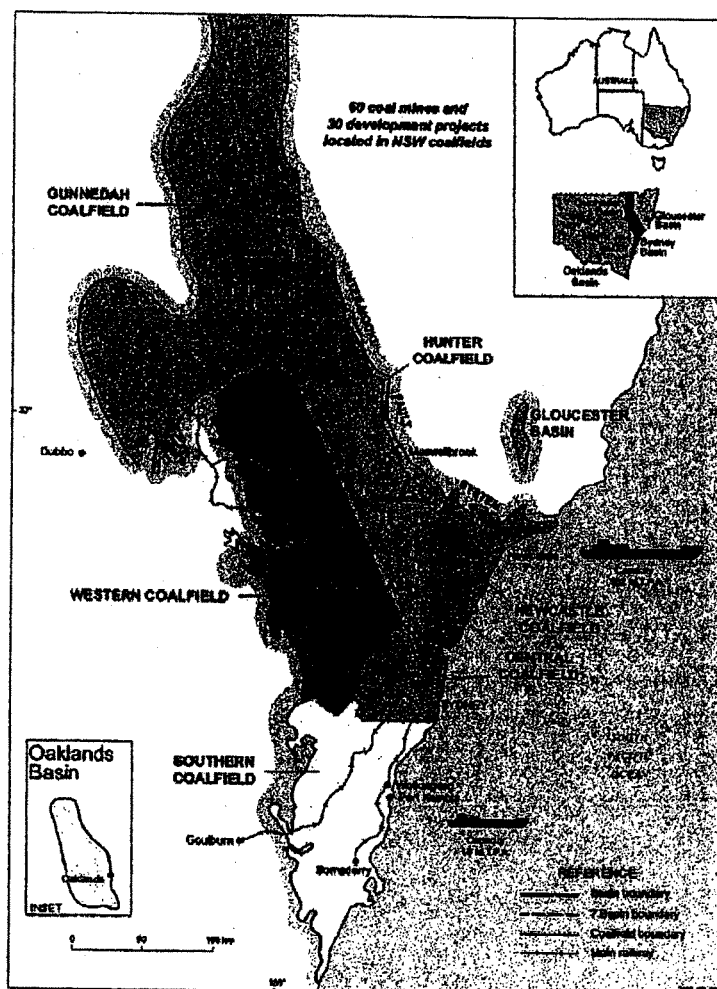


Figure 1: Coalfields of New South Wales

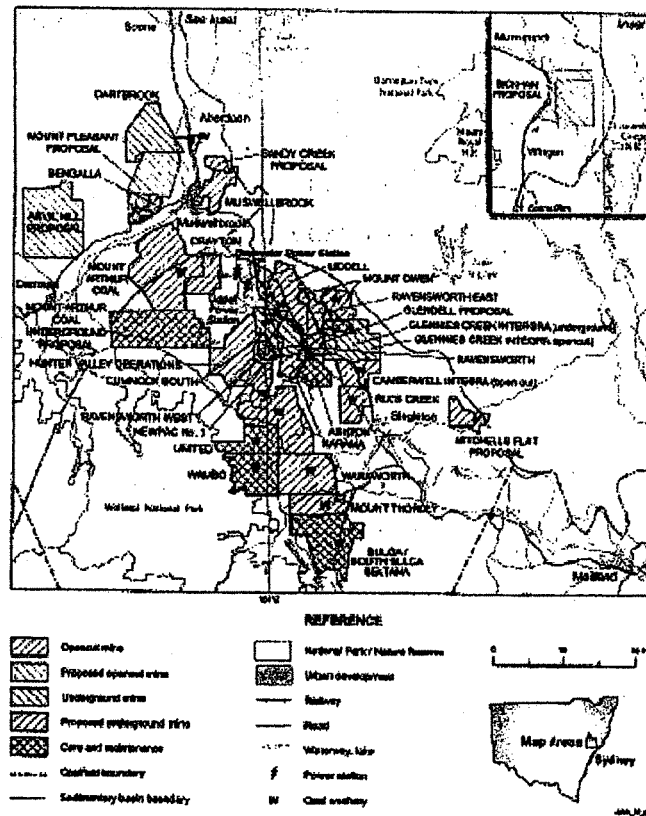


Figure 3: Hunter Coalfield

Small Areas Unrelated to Existing Mines – Western Coalfield

Cascade Coal would like to register a specific interest in Small Areas Unrelated to Existing Mines in the Western Coalfield (refer to figure 1). Our specific interest in this area is due to the high energy thermal coal that occurs in the three economic seams within the Illawara Coal measures. Cascade Coal is interested in the Central, Southern and Northern sectors of the Western Coalfield (refer to figure 4).

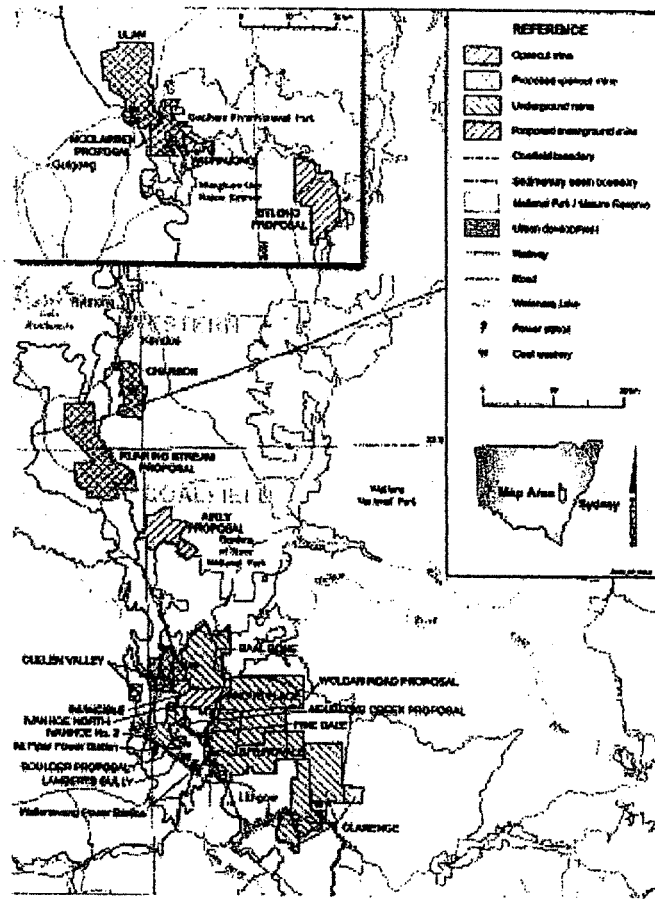


Figure 4: Western Coalfield

Small Areas Unrelated to Existing Mines –Southern Coalfield

Cascade Coal would like to register a specific interest in Small Areas Unrelated to Existing Mines in the Southern Coalfield (refer to figure 1). Our specific interest in this area is due to the Southern Coalfield's premium quality of hard coking coals, as it is the only source of hard coking coals in New South Wales. Cascade Coal is interested in the entire Southern Coalfield (refer to figure 5), particularly:

- The Bulli and Balgownie seams, where the remaining unallocated resource of prime coking coal are. And
- The unallocated Wongawill seam resource in the southern half of the Southern Coal field, where the coal resources are predicted to have both coking and thermal properties.

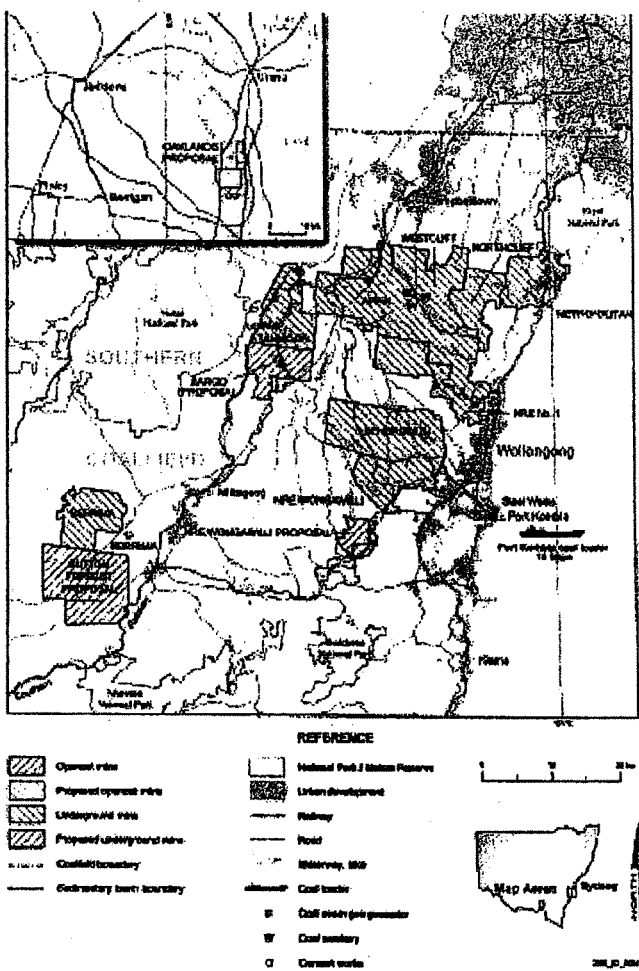


Figure 5: Southern Coalfield

I look forward to progressing our specific interests further with you or with your department, would you kindly contact me on the details below.

Email: rjpoole@cascadecoal.com.au

Phone: (02) 9227 8900

Or the address below:

Yours faithfully

Richard Poole
Director

Insert Minister's Reference No (MPIxx/xxxx)
Insert Minister's Folder No (MFxx/xxxx)

NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Brief prepared by Julie Moloney Principal Adviser Development Coordination.
3 December 2008

Garth Holmes
Director Development Coordination

Brad Mullard
Executive Director

Ministerial and Executive Support

Insert Minister's Reference No (MPIxx/xxxx)
Insert Minister's Folder No (MFxx/xxxx)

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Background:

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information Package" ("Information Package") dated August 2008 stated: "**Only companies invited to submit an Expression of Interest may apply.**" Companies invited to apply were those that had previously formally registered an interest with the Department in the Gunnedah, Hunter or Western Coalfields and/or one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

As stipulated in the Information Package, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Prior to the closure of the Expression of Interest process the Government had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor, seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas. A copy of the letter from the A/Executive Director Mineral Resources to Mr Fennell is attached.

Mr Fennell's reply dated 28 November 2008 (copy attached) included the following:

"It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately."

Comment:

The letter from the A/Executive Director Mineral Resources to Mr Fennell outlines the

Insert Minister's Reference No (MPIxx/xxxx)
Insert Minister's Folder No (MFxx/xxxx)

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas


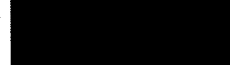
Mr Fennell has not advised of any probity issues that would preclude the current Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.

A revised Coal Release Areas Information Package dated *December 2008* is attached which outlines the re-opened EOI process, including options available for companies/parties who previously submitted an EOI prior to 12 noon on 24 November 2008, and specifies a closing date of Monday 16 February 2009.

Recommendation:

The Minister approve the re-opening of the EOI for the 11 Coal Release Areas as outlined above and according to the revised Coal Release Areas Information Package dated *December 2008*.

Executive Contact: Brad Mullard
Secondary Contact: Garth Holmes

4931 6404 Mob: 
8289 3921 Mob: 

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

Fw: Release Areas EOI

From: brad.mullard@dpi.nsw.gov.au
To: richard.sheldrake@dpi.nsw.gov.au
Date: Fri, 05 Dec 2008 15:39:33 +1100
Attachments: Ministial for re-opening EOI.doc (58.88 kB); Letter to kevin Fennell 25 Nov 2008.pdf (84.22 kB); Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf (122.11 kB); 2nd Release Areas Inform Pack December 2008.pdf (2.26 MB); Cover Letter of advice - initial EOI applicants 5 Dec 2008.doc (26.62 kB); Cover Letter for new companies 5 Dec 2008.doc (23.04 kB)

Richard,

Please find attached following documents,

1. Draft Ministerial with edits and new closing date of 2 Feb 2008
2. Letter to Kevin Fennell (Probity Auditor) dated 25 Nov 2008
3. Probity Auditor's response dated 28 Nov 2008
4. Revised Information Package dated December 2008
5. Draft Cover Letter of advice to initial EOI applicants
6. Draft Cover Letter for new companies

Regards

Brad



Ministial for re-opening EOI.doc



Letter to kevin Fennell 25 Nov 2008.pdf



Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf



2nd Release Areas Inform Pack December 2008.pdf



Cover Letter of advice - initial EOI applicants 5 Dec 2008.doc



Cover Letter for new companies 5 Dec 2008.doc

{ FILLIN "Insert Minister's Reference No (MPIxx/xxxx) if known" * MERGEFORMAT }
 { FILLIN "Insert Minister's Folder No (MFxx/xxxx)" * MERGEFORMAT }
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**NSW DPI – { FILLIN "Insert Division in full in Capitals (e.g. SCIENCE & RESEARCH)"
* MERGEFORMAT } Ministerial Briefing**

{ FILLIN "Enter subject of brief" * MERGEFORMAT }

Issue:
{ FILLIN "Insert a short, clear, concise issue sentence." * MERGEFORMAT }

Brief prepared by Julie Moloney Principal Adviser Development Coordination.
5 December 2008

Garth Holmes
Director Development Coordination

Brad Mullard
Executive Director

Ministerial and Executive Support

Insert Minister's Reference No (MPIxx/xxxx)
Insert Minister's Folder No (MFxx/xxxx)

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Background:

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As stipulated in the Information Package, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Prior to the closure of the Expression of Interest process the Government had been approached by additional small to medium companies (Attachment A) that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor, seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas. A copy of the letter from the A/Executive Director Mineral Resources to Mr Fennell is attached.

Mr Fennell's reply dated 28 November 2008 (copy attached) included the following:

"It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately."

Comment:

The letter from the A/Executive Director Mineral Resources to Mr Fennell outlines the process that the Department would follow should the EOI be re-opened.

Insert Minister's Reference No (MP|xx/xxxx)
Insert Minister's Folder No (MFxx/xxxx)

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Mr Fennell has not advised of any probity issues that would preclude the current Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.

A revised Coal Release Areas Information Package dated *December 2008* is attached which outlines the re-opened EOI process, including options available for companies/parties who previously submitted an EOI prior to 12 noon on 24 November 2008, and specifies a closing date of Monday 2 February 2009.

The revised Coal Release Areas Information Package dated *December 2008* and the proposed covering letters are currently being reviewed by Mr Kevin Fennell, independent probity auditor, to ensure compliance with probity requirements.

Recommendation:

The Minister approves the re-opening of the EOI for the 11 Coal Release Areas as outlined above and according to the revised Coal Release Areas Information Package dated *December 2008*.

Executive Contact: Brad Mullard
Secondary Contact: Garth Holmes

4931 6404 Mob: [REDACTED]
8289 3921 Mob: [REDACTED]

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

Attachment A

List of companies requesting invitations to apply for the 11 Coal Release Areas Expression of Interest.

Mr Paul Page
Director
Arthur Phillip Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

Mr Richard Poole
Director
Cascade Coal
GPO Box 2537
SYDNEY NSW 2000

Mr Phil Suriano
Director
Real Brand Holdings
GPO Box 2537
SYDNEY NSW 2000

Mr A J Lodge
Consulting Mining Engineer
25 Glensanda Way
MINDARIE WA 6030

Mr Robert Crossman
Director
Griffin Coal
GPO Box G474
PERTH Western Australian 6000

Mr Alan Hansen
Project Geologist
Resolve Geo Pty Ltd
PO Box 15723
CITY EAST QLD 4002

Mr John Atkinson
White Energy Company Limited
PO Box 422
NORTH SYDNEY NSW 2059

Mr Osamu Tano
Senior Manager
ITOCHU Mineral & Energy of Australia
P/L
GPO Box 4271
Sydney NSW 2001

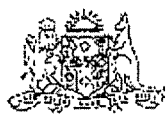
Mr Neil Whittaker
Amerod Resources Limited
Level 5 Grafton Bond Building
201 Kent St
SYDNEY NSW 2000

Mr Geoff Stewart
GM Business Development
Hillgrove Resources Limited
Level 41 Australia Square Tower
264 - 278 George Street
SYDNEY NSW 2000

Mr Peter Meers
Chief Executive Officer
Tiaro Coal Limited
Level2
131 Macquarie St
SYDNEY NSW 2000

Ray Slater
Principal
Ray Slater & Associates P/L
9 Princeton St
KENMORE QLD 4069

Mr James McGuigan
Exploration Manager
Redman Mining Pty Ltd
GPO Box 2537
SYDNEY NSW 2000



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

New incorporating Department of Mineral Resources
ABN 61 134 124 160-003

25 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information" document ("Information Document") dated August 2008 stated: "Only companies invited to submit an Expression of Interest may apply." Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Government has been approached by additional small to medium companies prior to the closure of the EOI process who had not previously contacted DPI and as such had not been invited to express an interest in the eleven areas.

As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this proposed change in policy, the following steps have been undertaken pending further advice as the final appropriate course of action:

1. Closure of (original) EOI and public opening proceeded as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and **not** evaluated by the Evaluation Team at this time.

The following further action is proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested small to medium company/parties to lodge an EOI for any of these 11 areas.

Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:

 - (a) maintain their original EOI for competitive evaluation
 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

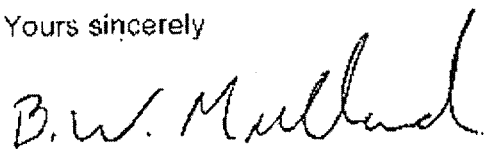
In the event that other small to medium companies seek to be included during the EOI period they will be able to lodge an EOI subject to the EOI being received prior to the closing date.

Your advice regarding the following would be much appreciated:

- The appropriateness of the above proposed process.
- Any required modification or alternate approach to achieve the stated proposed policy objectives.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

KEVIN T FENNEL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White BBus Grad Dip Admin CPA
Phone (02) 9452 4620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8856
Mobile [REDACTED]

Mr Brad Mullard
Executor Director
Mineral Resources
NSW Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

November 28, 2008

Dear Mr Mullard,

Various Coal Release Areas
Invitation for Expressions of Interest (EOI)

Thank you for your letter of November 25, 2008 outlining the present position relative to the abovementioned project. You have indicated that a change in government policy has necessitated the implementation of a revised set of procedures to cater for the interests of the initial invited proponents and those who may submit offers arising from the opening up of EOI to what equates to an expanded call.

I am asked to submit an advising, weighing any probity issues involved.

Probity Review

From information set out in the Invitation for EOI it is evident that one intention of Mineral Resources was to encourage what might be regarded as smaller operators or companies to bid for the various release areas. It is my understanding that those organizations invited to bid had registered formal interest in one or more of the stipulated release areas. There is a prima facie argument therefore, that apart from seeking adequate financial returns from the various exploration leases, Mineral Resources was endeavouring to achieve a spread of interested operators. Moreover, those organizations invited to participate were regarded as unable to compete with the large mining companies for the recent exploration licences over the more substantial coal areas.

In my opinion, the intent and provisions of the initial EOI document were within the boundaries of public sector tendering practice and raised no probity issues.

Policy Change

While I have no written evidence before me I am given to understand that the Minerals Council, an organization representing the mining industry, has requested the Minister for Primary Industries to widen the terms of the invitation for EOI. In addition, requests have been received from some interstate companies. The closing time and date for EOI, however, was 12 noon on Monday 24 November 2008.

As a result of the aforementioned requests, I understand that the government is considering a policy change to the EOI under review which would "open up" the process so that any interested company/parties, may lodge an EOI for any of these 11 areas.

You have outlined a number of steps that are proposed to give effect to the requested policy change. Basically the department will rely on the sentence at page 2 of the Invitation for EOI: 'The Department of Primary Industries is not bound to accept any of the proposals.' In addition, Clause 9 on page 12 states: 'The Department of Primary Industries is not bound to accept any Expression of Interest. The decision in relation to the selection of the successful EOI applicants to be awarded any exploration licence will be final.'

These types of statements are normally included in any public sector tender or EOI document. Nevertheless, the general inference to proponents is that, within the terms of the tender or EOI document, the stated evaluation process is to be completed. If, as a result of the evaluation process, no offer for a particular exploration area is rated as satisfactory, then a fresh invitation for EOI would issue.

Probable Risks

The procedures that you propose regarding security over the EOIs received on November 24, the reissue of the Call as a revised invitation and the options to be given to the initial proponents may be regarded as satisfactory. But, adopting the role of a disinterested reviewer, I would regard them as such purely within the requirements of the stated policy change.

On the other hand, invitations were issued to some 44 companies, all of which 'had previously formally registered an interest with the Department in one or more of the 11 areas, and generally they were small to medium sized companies.' I understand that 37 offers have been received from 14 companies. In my view the intention of the department's EOI would be clear to those proponents: to convey opportunities for the eventual securing of mining licences to small or medium sized companies.

From my experience, the likely reaction of extant proponents to the proposed change of policy is likely to be negative. Their perceptions, despite the options proposed would understandably be that they were being treated unfairly. They had in good faith complied with conditions of the invitation to EOI, prepared detailed submissions and lodged them by the due date. Now they are to be informed that the EOI is to be opened to other companies, probably larger ones with the capacity to offer the government more upfront revenue.

Irrespective of how the proposed change of policy is promoted, I see difficulties in defusing a wide feeling of dissatisfaction on the part of the original group of proponents. This constitutes a definite probity issue, real or perceived. At the same time, it was made clear at a meeting with the Assessment Committee on November 27 that large mining companies, BHP Billiton, Exxaro, RioTinto, etc. would be precluded from the revised call for EOI. By definition, only interested companies regarded in the small to medium categories would be eligible. In that way the Department would be seen to honour its original intention to provide opportunities for the moderately sized operators.

Conclusion

In the interests of complete evenhandedness in this case my initial view was that the evaluation of the offers received should proceed forthwith. After the application of the evaluation criteria, should the Assessment Committee be of the opinion that a satisfactory offer has not emerged for a particular coal release area, then the issue of an exploration licence should proceed by a further call for submissions.

Another suitable method would entail the Committee's recommendation of a group of proponents suitable for particular areas. Those proponents could then be invited to participate in the revised call for EOLs relative to the area as chosen by the Committee. The balance of the eleven areas would be awarded to the best collective offer in each case.

These views were considered at the meeting on November 27. Difficulties foreseen in the selection process, however, together with the fact that neither method would adequately reflect the government's policy change caused them to be rejected. In each case I believe the objections to be valid.

For many years the Department of Mineral Resources has been synonymous with fair dealing in the coal industry. The current proposed policy change, in the midst of the receipt of numerous submissions by invitation, was in my opinion likely to fuel the initial view, rightly or wrongly, that the government was pursuing revenue raising at the expense of small to medium companies.

It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOL. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately.

I understand that the revised call will now proceed as agreed at the meeting of November 27. In due course I would be pleased to review the revised EOL document, together with the proposed letter of advice to the initial proponents. The last mentioned document will be a crucial factor in dampening down any perceived probity claims of unfair treatment.

Yours faithfully,



K.T. Fennell PSM.

COAL RELEASE AREAS

Gunnedah Coalfield

Hunter Coalfield

Western Coalfield

EXPRESSION OF INTEREST INFORMATION

NEW SOUTH WALES

December 2008



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

1. INTRODUCTION

1.1 Call for Expression of Interest

The Minister for Mineral Resources in New South Wales, Australia, invites Expressions of Interest for the awarding of an exploration licence in respect of the following eleven (11) coal exploration areas (Figure 1), pursuant to the Mining Act 1992:

- | | | |
|-----------------|--------------------|-------------|
| • Goonbri | Gunnedah Coalfield | (Figure 2) |
| • Vickery South | Gunnedah Coalfield | (Figure 3) |
| • Yarrowa | Hunter Coalfield | (Figure 4) |
| • Spur Hill | Hunter Coalfield | (Figure 5) |
| • Glendon Brook | Hunter Coalfield | (Figure 6) |
| • Mt Penny | Western Coalfield | (Figure 7) |
| • Long Mountain | Western Coalfield | (Figure 8) |
| • Ilford | Western Coalfield | (Figure 9) |
| • Cameron Road | Western Coalfield | (Figure 10) |
| • Melrose | Western Coalfield | (Figure 11) |
| • Ben Bullen | Western Coalfield | (Figure 12) |

A number of companies have approached the Department of Primary Industries, seeking access to potential coal resources in these areas. The eleven (11) coal exploration areas may contain open cut and/or underground coal resources of domestic and possible export quality thermal coal.

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest will be undertaken for these eleven (11) areas.

The initial Expression of Interest for these eleven (11) areas closed at 12:00 noon on 24 November 2008 and Declarations of Expressions of Interest were opened at 1:00pm on 24 November 2008 as outlined in the original Expression of Interest Information Package dated August 2008.

Prior to the closure of the original Expression of Interest process the Government and Department of Primary Industries had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries.

As a result the Government has made a change in policy relating to this current Coal Release Areas Expression of Interest and has decided to reopen the Expression of Interest to allow additional small to medium companies who have written to the Department of Primary Industries or the Minister to lodge an Expression of Interest for any of these eleven areas.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 2 February 2009.**

In the event that other small to medium companies seek to be included during the Expression of Interest period they will be able to lodge an Expression of Interest subject to the Expression of Interest being received prior to 12:00 noon on Monday 2 February 2009.

Expressions of Interest for more than one area may be submitted. An individual application must be made for each area of interest.

The Department of Primary Industries will establish an evaluation team from experts on its staff and elsewhere in government. The team will evaluate the Expressions of Interest using a consistent process approved by an independent probity auditor.

The successful applicant/s will be awarded a coal exploration licence over the area(s) for an initial period up to 5 years, pursuant to the Mining Act 1992.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 2 February 2009.**

The Expressions of Interest are open to an individual company or companies or a consortium. Any proposed foreign investment in Australian resource projects is subject to the Australian Government's Foreign Investment Review Board guidelines and approvals.

Exploration rights over these areas will be awarded by part transfer of the existing titles held by the Crown where applicable or the grant of a new exploration title. The continued tenure of the exploration licence during the initial period and any subsequent renewal period will be subject to compliance with agreed commitments and title conditions. The Department of Primary Industries is not bound to accept any of the proposals.

1.2 Previously Submitted Expressions of Interest

The following options are available for consideration by all companies/parties who previously submitted an Expression of Interest prior to 12:00 noon on 24 November 2008:

- (a) maintain their original Expression of Interest for competitive evaluation
- (b) revise/replace their original Expression of Interest with no additional lodgement fee required
- (c) recall their original Expression of Interest with full refund of lodgement fee.

After consideration of the above options companies which have previously submitted an Expression of Interest for any of the 11 areas should nominate their preferred option by writing to:

Julie Moloney, Principal Adviser, Development Coordination
Phone: (02) 4931 6549
Email: julie.moloney@dpi.nsw.gov.au
Department of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

If no written advice has been received prior to 12:00 noon on Monday 2 February 2009 the original Expression of Interest submitted by a company/parties will be included for competitive evaluation.

2. TIMEFRAME FOR RESOURCE EVALUATION AND DEVELOPMENT APPROVALS

Each expression of interest area requires detailed exploration to identify any mineable reserves. The successful applicant/s will be required to complete the nominated exploration program and have lodged a Major Project Application under the *Environmental Planning and Assessment Act 1979* within 6 years of the grant of any exploration licence.

3. PREREQUISITES TO FUTURE MINE DEVELOPMENT

The exploration licence will be subject to renewal in the normal manner, based on satisfactory performance during the initial period and an agreed program of work for the renewal period. The continued tenure of the exploration licence during the initial period and any subsequent renewal periods will be subject to compliance with Expression of Interest commitments and title conditions.

The successful applicant/s will be required to fully explore the area/s to determine the coal resource potential. Any progress beyond exploration licence tenure will be subject to all normal processes of obtaining development approval and a mining lease. The development assessment and approval process under the *Environmental Planning and Assessment Act 1979* would involve the preparation and public display of a comprehensive Environmental Assessment report. Any application for development approval and a mining lease would not be progressed until the Department Primary Industries - Mineral Resource Division approved a "conceptual project development plan" in accordance with current guidelines (www.dpi.nsw.gov.au/minerals/titles/policies/development_plans).

4. INFORMATION

4.1 General Enquiries

Request for further information should be addressed to:
Julie Moloney, Principal Adviser, Development Coordination
Phone: (02) 4931 6549
Email: julie.moloney@dpi.nsw.gov.au
Department Of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

Any formal questions/enquiries should be made in writing after discussion with the nominated contact officer above.

4.2 Available Data

The Coal Release Areas Data Package has been compiled from previous geological and coal quality investigations.

The data are divided into two (2) parts:

4.2.1 Geological Data

Available geological data varies for each release area. A summary of geological data available for each release area is shown on Table 1.

4.2.2 Reports

- The Hunter Coalfield – Notes to accompany the 1:100,000 Hunter Coalfield Geological Map – Beckett J 1988
- Hunter Coalfield Regional Geology 1:100 000, 2nd edition – Glen R.A. and Beckett J., 1993
- The Gunnedah Coalfield – Notes to accompany the 1:100,000 Gunnedah Coalfield Geological (North and South) Map, Pratt W. 1998
- Gunnedah Coalfield (Southern Part) Geological Series 1:100 000, Pratt W. 1996
- Gunnedah Coalfield (Northern Part) Geological Series 1:100 000, Pratt W. 1998
- The Western Coalfield – Notes to accompany the 1:100,000 Western Coalfield Geological Maps, Yoo E.K, Tadros N.Z and Bayly K.W. 2001
- Western Coalfield (Southern Part) Geological Series 1:100 000, Yoo E.K 1992
- Western Coalfield (Northern Part) Geological Series 1:100 000, Yoo E.K 1998

A variety of other general geological reports can be found on the Department's website, www.dpi.nsw.gov.au/minerals using the DIGS reporting system.

For more information on available geological data contact:

Leslie Wiles, Manager Coal Advice
Phone: (02) 4931 6555
Email: coal.geology@dpi.nsw.gov.au
Department Of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

4.3 Purchase of Geological Data Package

Cost of Geological Data Package (available on DVD): \$550 (includes GST)

The geological data package can be purchased from:

Lee Main, Geological Administrator, Coal Advice
Phone: (02) 4931 6689
Email: coal.geology @dpi.nsw.gov.au
Department Of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

Table 1. Summary of geological data available for each release area.

Area	No. of Boreholes	Available Borehole Information
Goonbri	14	Summaries, lithological logs, graphic logs, limited coal analysis and geophysics
Vickery South	10	Summaries, lithological logs and limited coal analysis
Yarrowa	21	Majority of lithological logs, limited summaries, graphics logs, geophysics and coal analysis
Spur Hill	39	Lithological logs, and limited graphics logs, geophysics and coal analysis
Glendon Brook	12	Summaries and lithological logs
Mt Penny	22	English and graphic logs and coal analysis
Long Mountain	0	No boreholes in area
Ilford	19	Summaries, majority of lithological logs and limited coal analysis
Cameron Rd	11	Summaries, lithological logs and coal analysis
Melrose	12	Summaries, lithological logs and limited coal analysis
Ben Bullen	27	Summaries and lithological logs, graphics and limited coal analysis

5. SUBMISSION OF EXPRESSIONS OF INTEREST

5.1 Closing Date

Closing time and date for Expressions of Interest is **12 noon on Monday 2 February 2009**.

Expressions of Interest for more than one area may be submitted. An individual application must be made for each area of interest.

5.2 Lodgement

Each Expression of Interest must be enclosed in a sealed envelope or parcel and be clearly marked "Expression of Interest – Coal Release Areas" and identify which area the expression of interest is for (i.e. Goonbri, Vickery South, Yarrawa, Glendon Brook, Mt Penny, Spur Hill, Long Mountain, Ilford, Cameron Road, Melrose or Ben Bullen). In addition a cover letter should be included in a separate standard size envelope and be attached to the outside of the main envelope or parcel containing the Expression of Interest. *The covering letter should identify the area for which the Expression of Interest is lodged and state the name of the company/companies or consortium involved in submitting the Expression of Interest and any company equity involved.*

Applications should be delivered to **Development Coordination, Department of Primary Industries, 516 High Street, Maitland NSW 2320, prior to 12 noon on Monday 2 February 2009**. Three copies of the main Expression of Interest document(s) are required. One copy of any detailed appendix material is sufficient.

Each application for each individual area is to be accompanied by a non-refundable Expression of Interest lodgement fee of \$1,000. A receipt will be issued for this fee.

As outlined in Section 1.2 all companies/parties who previously submitted an Expression of Interest prior to 12:00 noon on 24 November 2008 may revise/replace their original Expression of Interest with no additional lodgement fee required.

5.3 Declaration of Expressions of Interest Received

Expressions of Interest will be opened at **1:00pm on Monday 2 February 2009** in the Conference Room, Level 1, 516 High Street, Maitland NSW 2320. Declaration of Expressions of Interest will be open to the public. Only the area of interest, the name of the company/companies or consortium and any company equity involved will be made public.

6. EVALUATION OF EXPRESSIONS OF INTEREST

6.1 Evaluation Process

The Director-General of the Department of Primary Industries will make recommendations to the Minister in relation to the awarding of exploration licences following completion of the evaluation process for the eleven (11) release areas.

The Department of Primary Industries will establish an evaluation team from experts on its staff and elsewhere in government. The team will evaluate the Expressions of Interest using a consistent process approved by an independent probity auditor. The auditor will review compliance of the evaluation process by the evaluation team prior to the submission of recommendations to the Director-General. This process will ensure the highest levels of consistency, fairness and probity are achieved.

The evaluation team's assessment will be based on the Evaluation Criteria outlined in Section 6.2.

6.2 Evaluation Criteria

6.2.1 Exploration, Mine Development, Infrastructure and Financial Contribution

(a) Exploration

The exploration program must involve a commitment to test the resource potential of the whole area. Method, cost and timing of exploration should be included.

(b) Mine Development

A conceptual mine development proposal should be included. Conceptual mine planning should be based on current knowledge and address technical issues associated with developing the area/s.

The conceptual mine development plan should include the timeframe for evaluation and development.

(c) Resource Recovery and Coal Utilisation

Based on current knowledge of an area the proponent should provide conceptual mine development plans to maximise resource recovery and coal utilisation.

(d) Infrastructure

The proponent should provide details of any proposed infrastructure development based on the existing rail infrastructure and port constraints. In any future potential mine development, all long term transport of coal is expected to be off public roads. Cost and timing of any proposal should be included.

(e) Financial Contributions

The successful Expression of Interest applicant/s will be required to meet the financial obligations for an exploration licence listed in Section 7.

Expression of Interest applicants may nominate additional financial contributions to those listed in Section 7 to be considered as part of the evaluation process.

Financial contributions in Section 8 will be payable if the release area proceeds to, and is granted development approval under the *Environmental Planning and Assessment Act 197*

6.2.2 Overall Benefits

A summary of any overall benefits of the proposal to the region and the State of New South Wales should be provided. These may include:

- Employment
- Benefits to local and regional communities
- Capital expenditure
- Infrastructure benefits
- Any other benefits

6.2.3 Programs of Work

A commitment to implementing sound work programs should include:

- The exploration program to bring the resources to measured reserves status
- Conceptual mine feasibility studies
- Environmental studies
- Community liaison program, which includes individual landholders, local, regional and indigenous communities.

The above programs should include indicative schedules and costing for major phases and be set out in clear terms with positive, realistic objectives.

6.2.4 Indicative Timeframe

A timetable for the implementation of the above work programs and any proposed subsequent mine developments. The timeframe outlined in Section 2 of this document is considered reasonable for the assessment and development of any deposit.

6.2.5 Technical Competence

Demonstrated technical ability to implement the nominated programs, subsequent infrastructure and project development, ongoing mining, coal marketing and utilisation, and environmental management.

6.2.6 Financial Qualifications

Demonstrated financial ability to fund work programs and subsequent mine and infrastructure development.

6.2.7 Other

Any other matters which the company/companies or consortium believes would assist in assessing its proposal.

7. FINANCIAL OBLIGATIONS OF SUCCESSFUL APPLICANT FOR AN EXPLORATION LICENCE

As part of the Expression of Interest commitments, for each release area the successful applicant/s, will within 30 days from the date of a registration of part transfer of the current exploration licence or within 30 days of the Minister granting consent to apply for a new exploration licence, be required to pay:

(Note: the figures below include GST where applicable)

- (a) an assessment fee of \$10,000 to cover Department of Primary Industries' Expression of Interest administration, advertising and evaluation costs;
- (b) a one off payment by the successful applicant/s for the allocation of each area listed below as a contribution towards the Department's Coal Development Fund for continued coal exploration as follows:

•	Goonbri	\$250,000
•	Vickery South	\$250,000
•	Yarrawa	\$150,000
•	Spur Hill	\$1,500,000
•	Glendon Brook	\$300,000
•	Mt Penny	\$1,000,000
•	Long Mountain	\$100,000
•	Ilford	\$250,000
•	Cameron Road	\$250,000
•	Melrose	\$150,000
•	Ben Bullen	\$300,000

These amounts include all required refund of public monies.

- (c) Additional financial contributions may be included as part of an applicant's Expression of Interest.

The successful applicant/s will be required to pay the standard Application for an Exploration Licence fee for Group 9 (coal) of \$600 + \$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/fees/mining_act_fees)

An environmental security deposit to be calculated based on the successful applicant's proposed work program is payable at the time of awarding the exploration licence.

8. FINANCIAL OBLIGATIONS OF SUCCESSFUL APPLICANT UPON GRANTING OF DEVELOPMENT APPROVAL FOR ANY FUTURE MINE PROPOSAL

The exploration licence holder of any area which proceeds to, and is granted development approval for a future mine proposal under the *Environmental Planning and Assessment Act 1979* will be required to pay financial contributions for coal allocation area/s as per the Department of Primary Industries *Guidelines for Allocation of Future Coal Exploration Areas* (www.dpi.nsw.gov.au/minerals/titles/policies).

Financial contributions will be payable in instalments:

- 20% of required financial contribution at grant of Major Project Approval under the *Environmental Planning and Assessment Act 1979*
- Balance payable in five equal payments at yearly intervals.

The required financial contributions are based on the type of deposit (open cut or underground), quality (export or domestic) and saleable coal tonnage as outlined in Table 2.

Table 2: Financial contributions as per the Department's *Guidelines for Allocation of Future Coal Exploration Areas*

I. OPEN CUT

Saleable Tonnes (Mt)	Export Coal		Domestic Coal	
	Cents/Tonne	Minimum Contribution \$ million	Cents/Tonne	Minimum Contribution \$ million
>100	Tender or Negotiation or 20 + negotiation	>20	Tender or Negotiation or 10 + negotiation	>10
50-100	15+ negotiation	>7.5	7.5 + negotiation	>3.75
5-50	10	>0.5	5	>0.25
<5	5	<0.25	2.5	<0.125

II. UNDERGROUND

Saleable Tonnes (Mt)	Export Coal		Domestic Coal	
	Cents/Tonne	Minimum Contribution \$ million	Cents/Tonne	Minimum Contribution \$ million
>100	Tender or Negotiation or 15 + negotiation	>15	Tender or Negotiation or 7.5 + negotiation	>7.5
50-100	10	>5	5	>2.5
<50	5	<2.5	2.5	<1.25

9. CONSIDERATION OF EXPRESSIONS OF INTEREST

The Department of Primary Industries is not bound to accept any Expression of Interest. The decision in relation to the selection of the successful Expression of Interest applicants to be awarded any exploration licence will be final.

10. FAILURE TO COMPLY WITH COMMITMENTS

- (a) If the successful applicant/s, who was subsequently awarded the exploration licence/s, does not substantially meet its commitments as per its Expression of Interest or fails to comply with the title conditions, then any title in place at that time may be cancelled.
- (b) If the successful applicant/s fails to commence and carry out the work program commitments, then any title in place at that time may be cancelled.
- (c) If coal exploration rights in the area are reallocated to another party within 3 years of such cancellation, then the incoming party may be required to refund reasonable exploration costs (as determined by the Minister) to the original party plus any monies paid to the Government by the original party subsequent to the grant of any Mining Lease.
- (d) Money paid under parts a, b and c of Section 7 Financial Obligations of Successful Applicant for an Exploration Licence will not be refunded.

Figure 1: General location of the Coal Release areas.

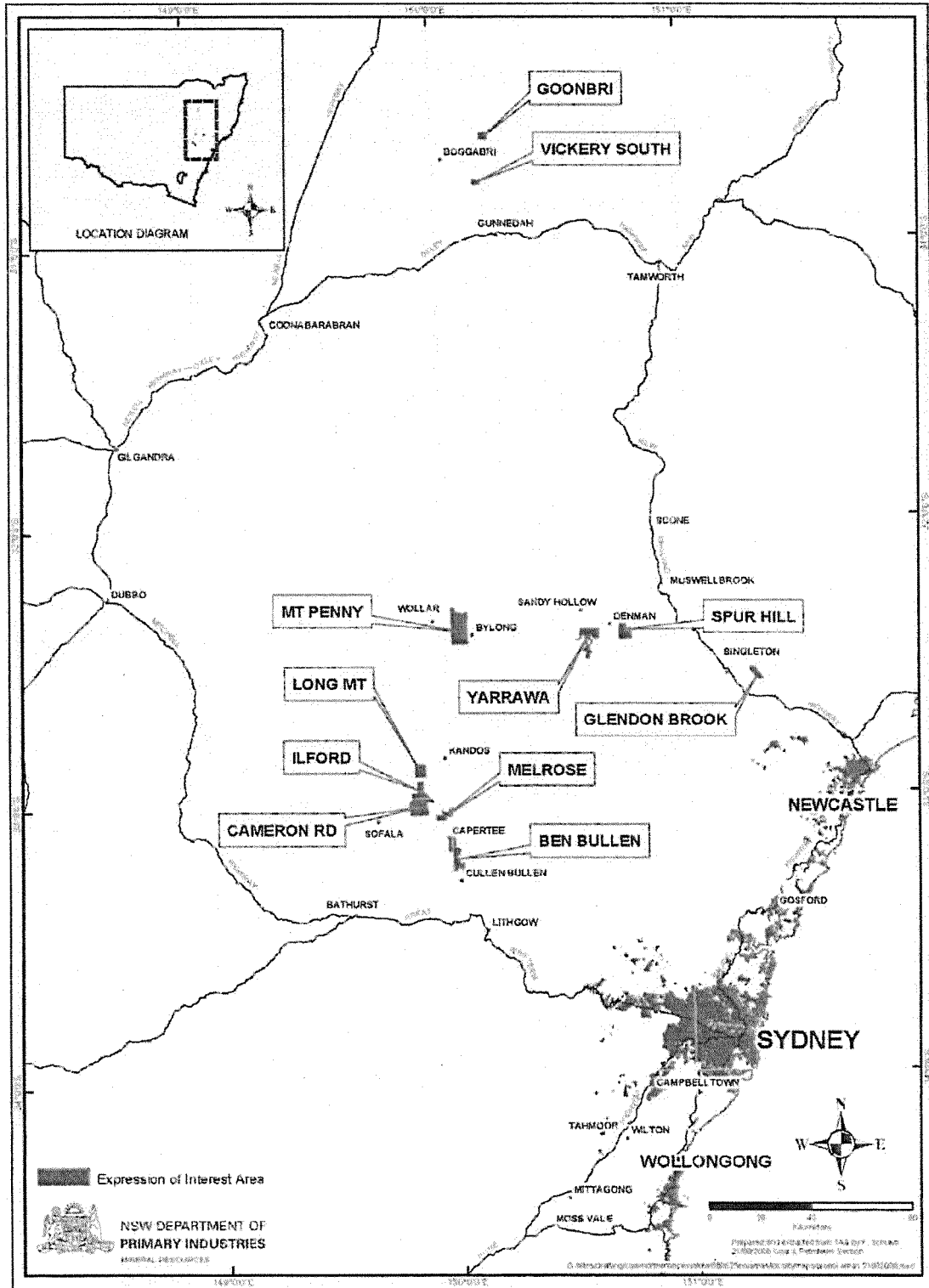


Figure 2: Location of the Goonbri Expression of Interest Area.

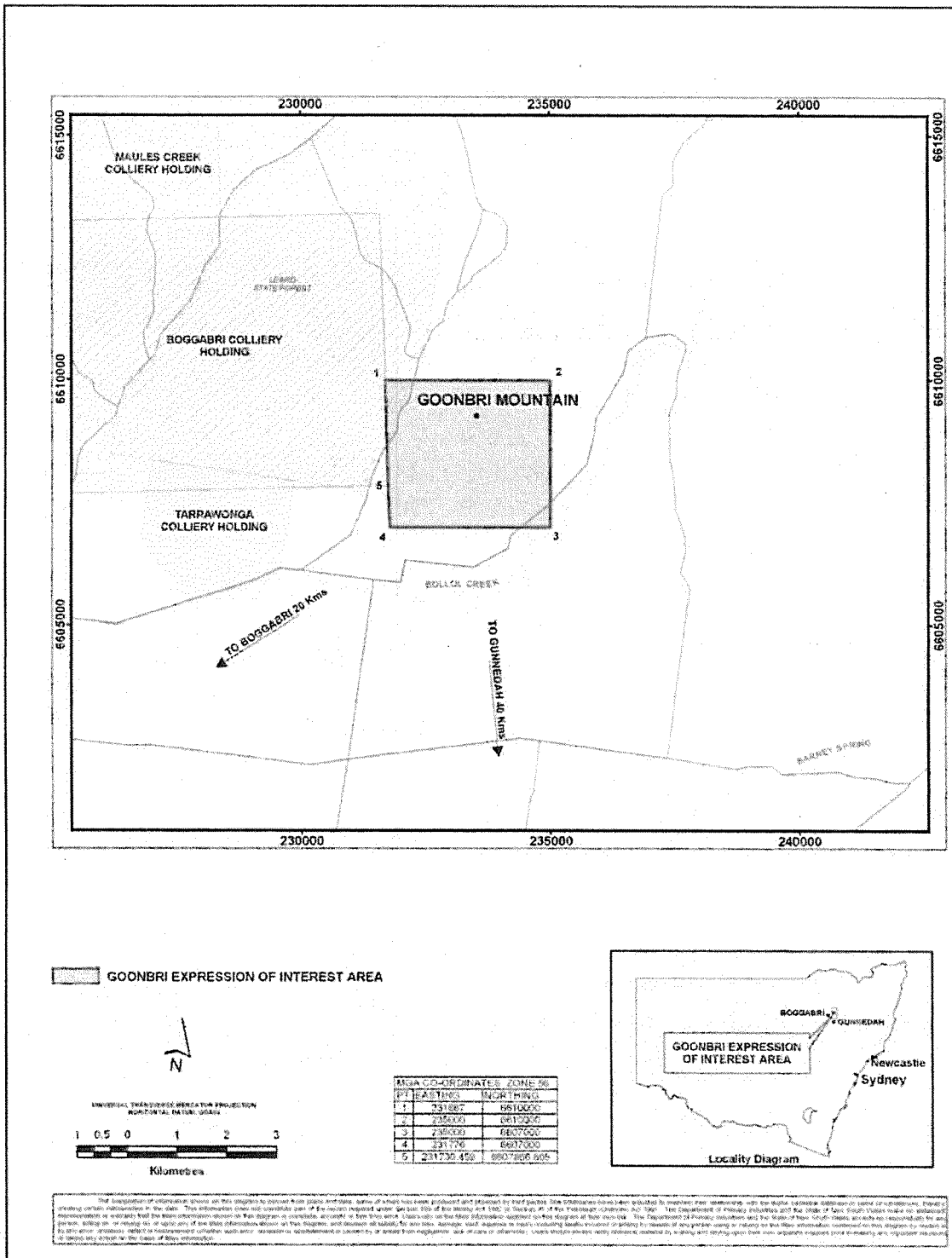
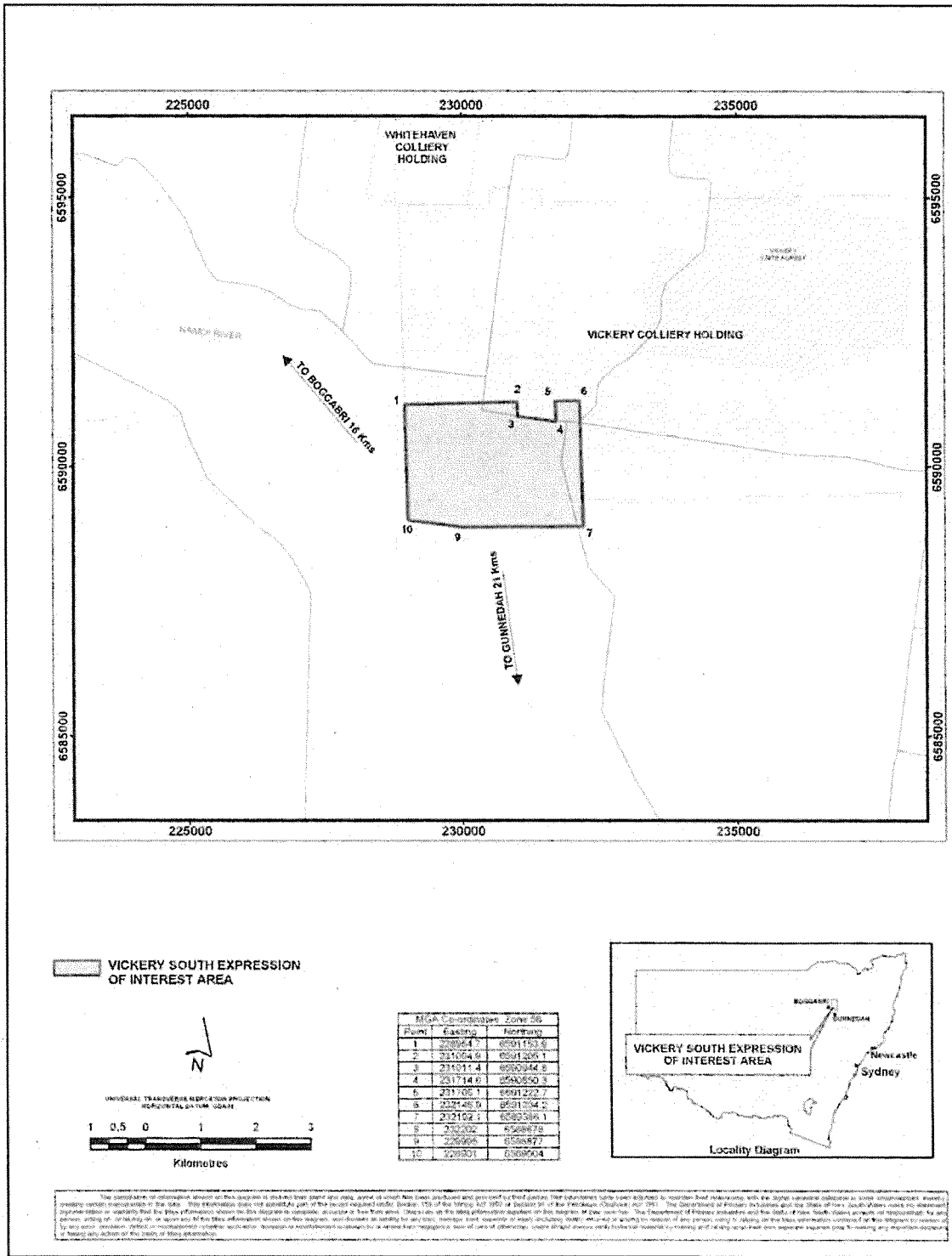
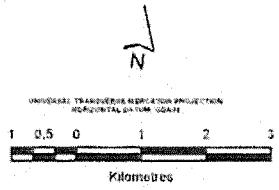


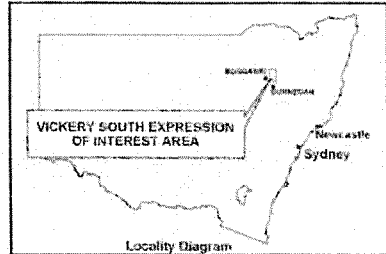
Figure 3: Location of the Vickery South Expression of Interest Area.



VICKERY SOUTH EXPRESSION OF INTEREST AREA



Point	Eastings	Northing
1	228954.7	6591153.9
2	231054.9	6591496.1
3	231011.4	6592044.8
4	231744.9	6592450.3
5	231785.1	6591292.7
6	232145.9	6591104.2
7	232102.1	6590586.1
8	232002	6589878
9	229998	6589877
10	229901	6589904



This coordinate information shown on this diagram is extracted from point data, aerial or other data, which has been processed and projected to this datum. The coordinates have been adjusted to maintain best fit with the digital elevation data to which this information is being applied. It is acknowledged that the data information shown on this diagram is not intended to be used as a substitute for a survey or other professional service. The Department of Primary Industries and the State of New South Wales accept no responsibility for any errors, omissions, or inaccuracies in this information or for any loss or damage caused by its use. This information is provided as a service to the public and is not intended to be used for any other purpose. The Department of Primary Industries and the State of New South Wales accept no responsibility for any errors, omissions, or inaccuracies in this information or for any loss or damage caused by its use. This information is provided as a service to the public and is not intended to be used for any other purpose.

Figure 4: Location of the Yarra Expression of Interest Area.

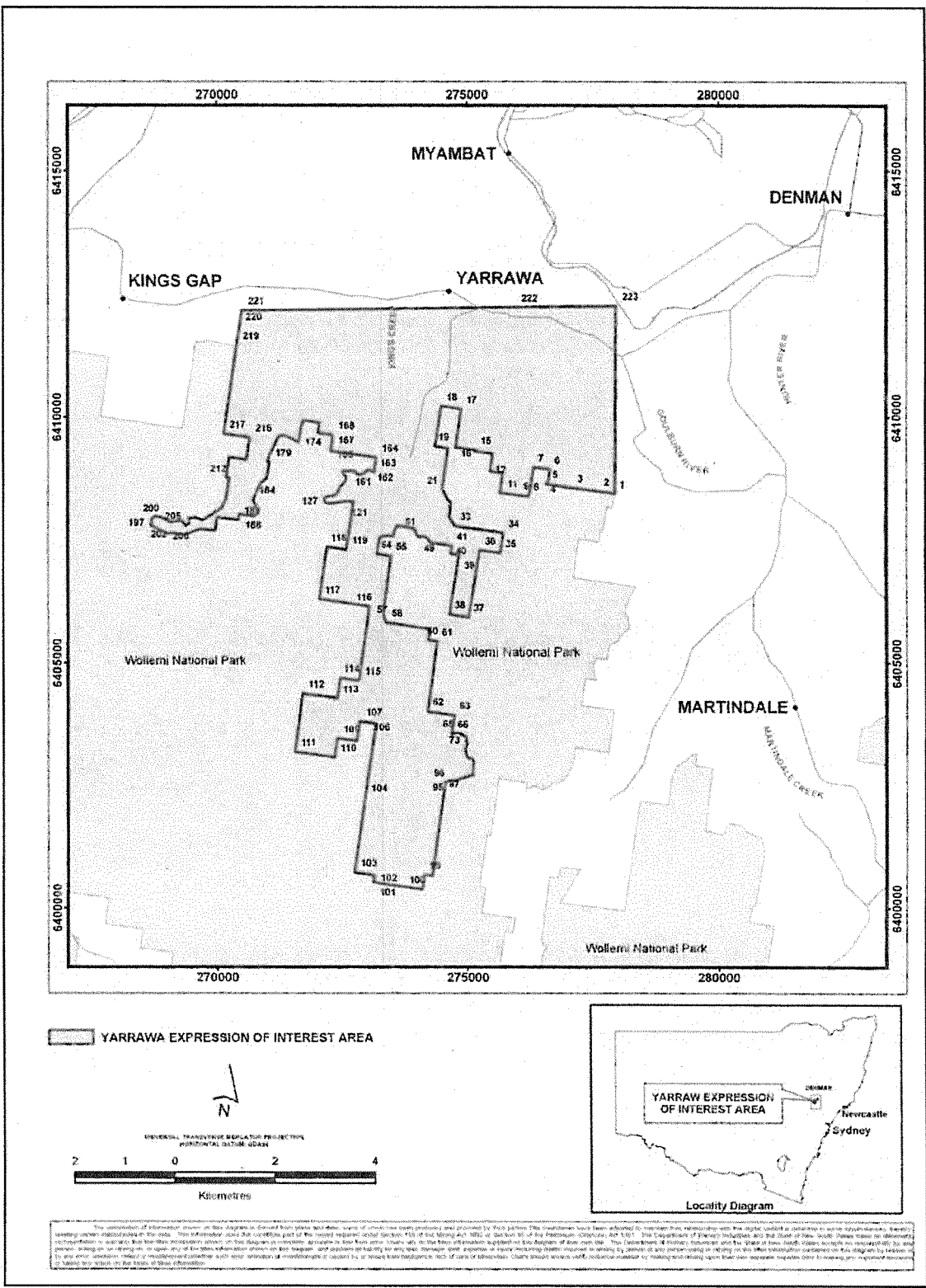


Figure 5: Location of the Spur Hill Expression of Interest Area.

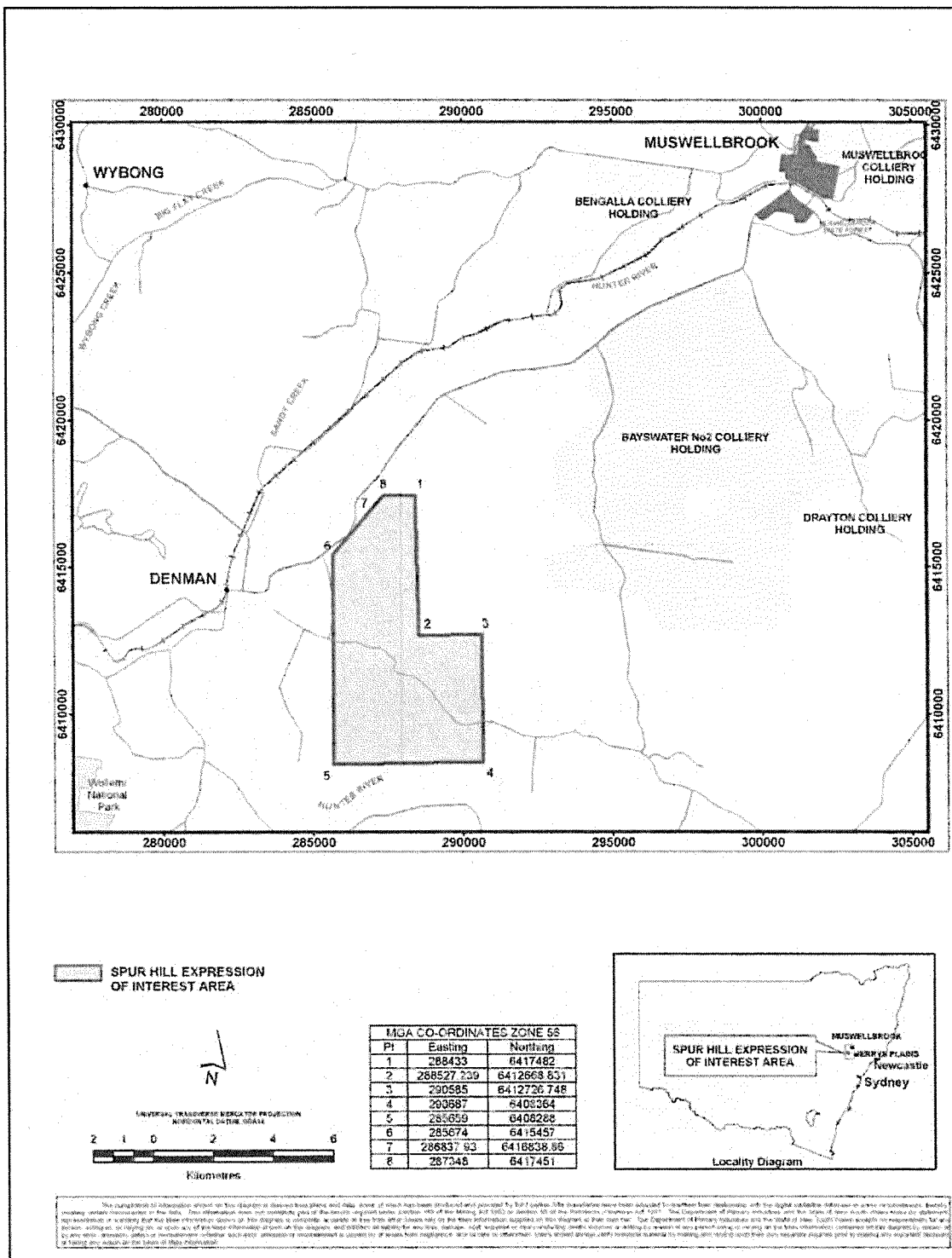


Figure 6: Location of the Glendon Brook Expression of Interest Area.

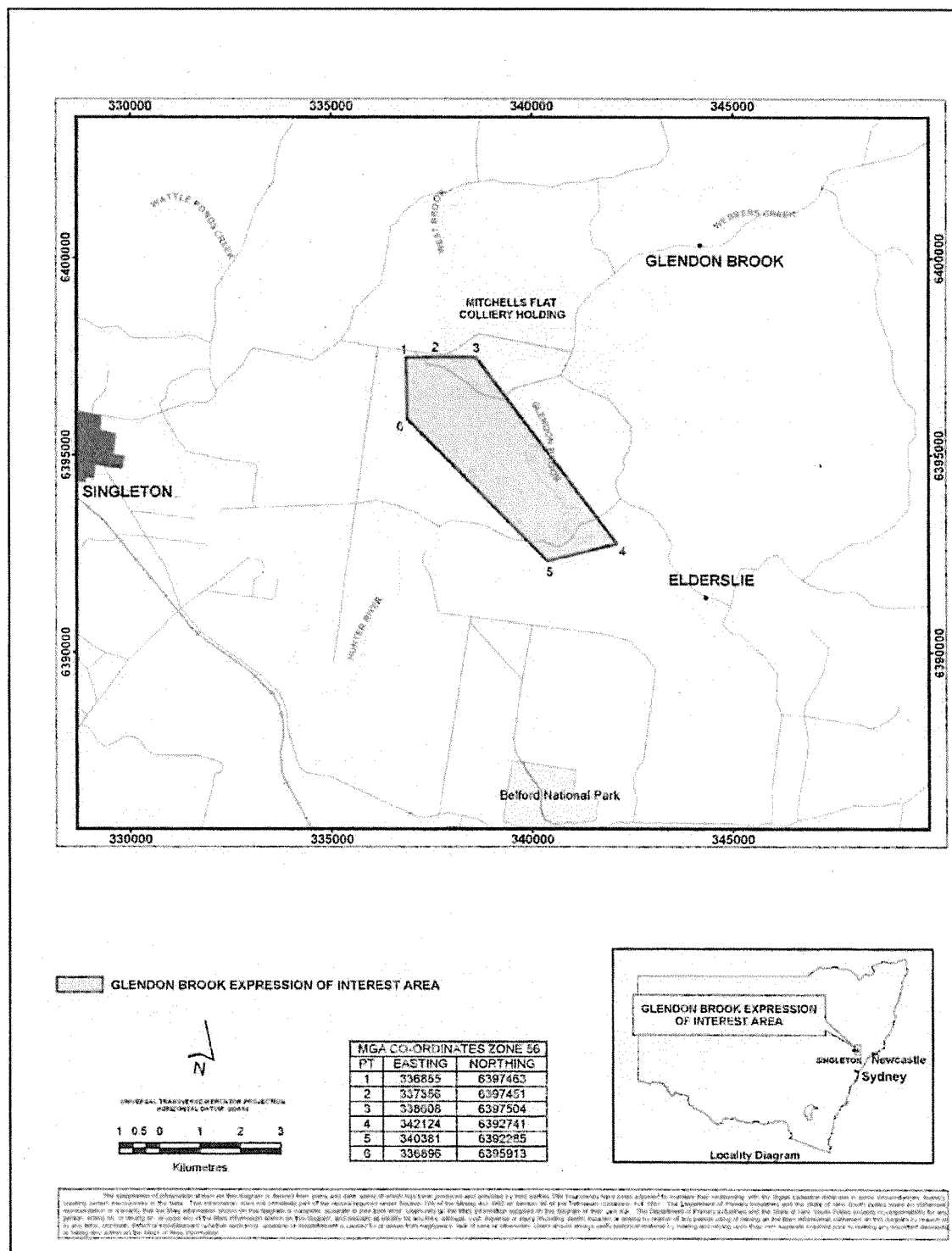


Figure 7: Location of the Mt Penny Expression of Interest Area.

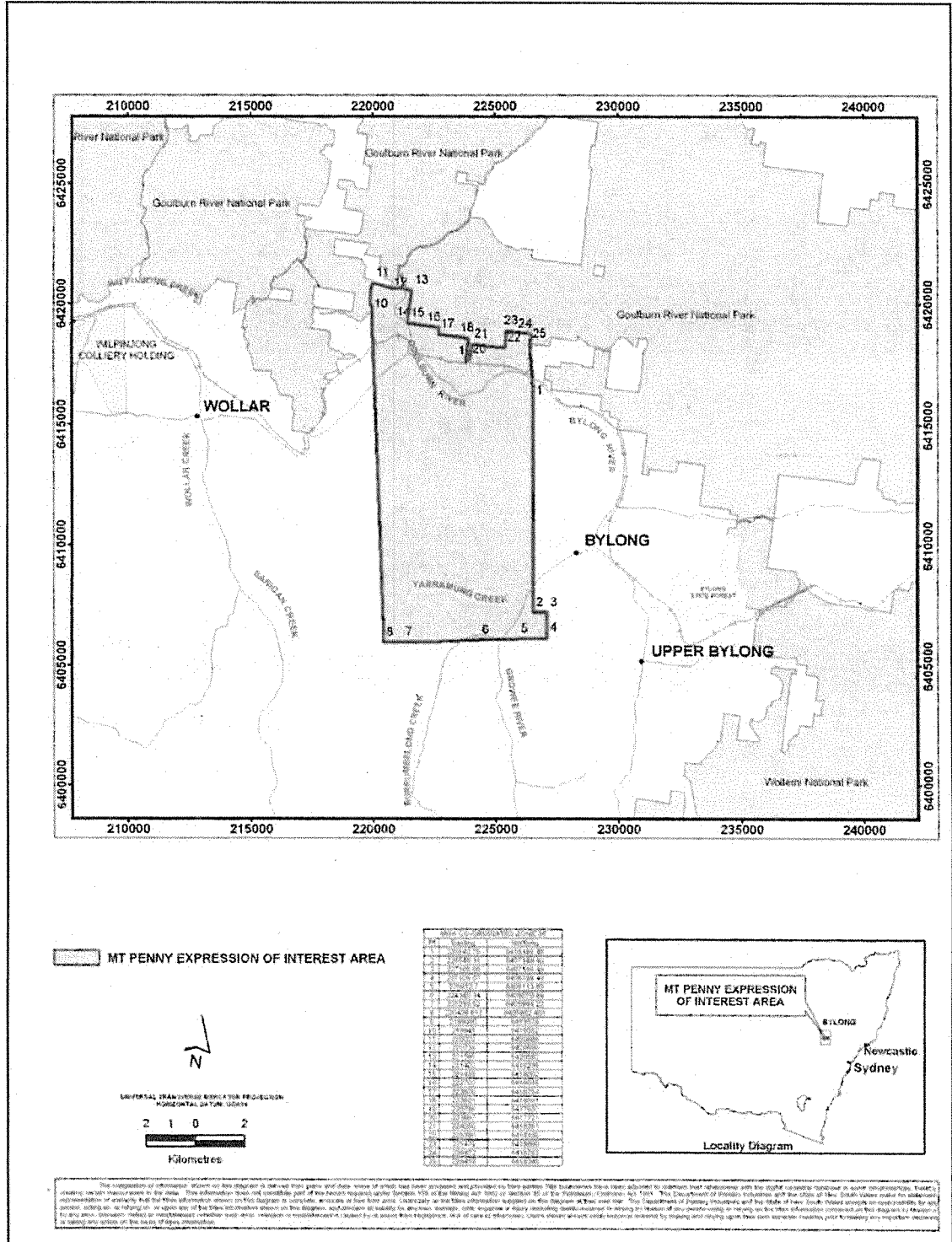


Figure 8: Location of the Long Mountain Expression of Interest Area.

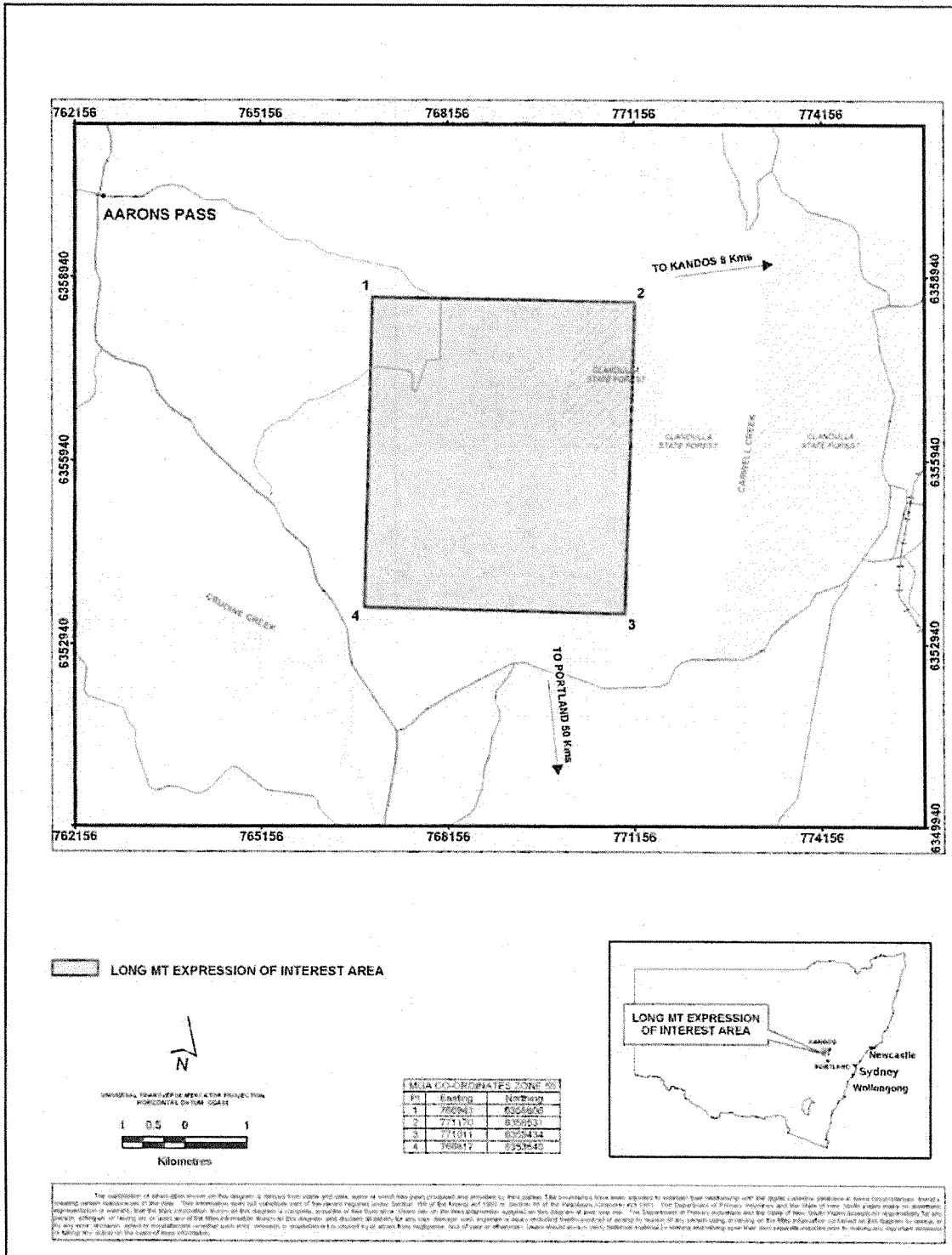


Figure 9: Location of the Ilford Expression of Interest Area.

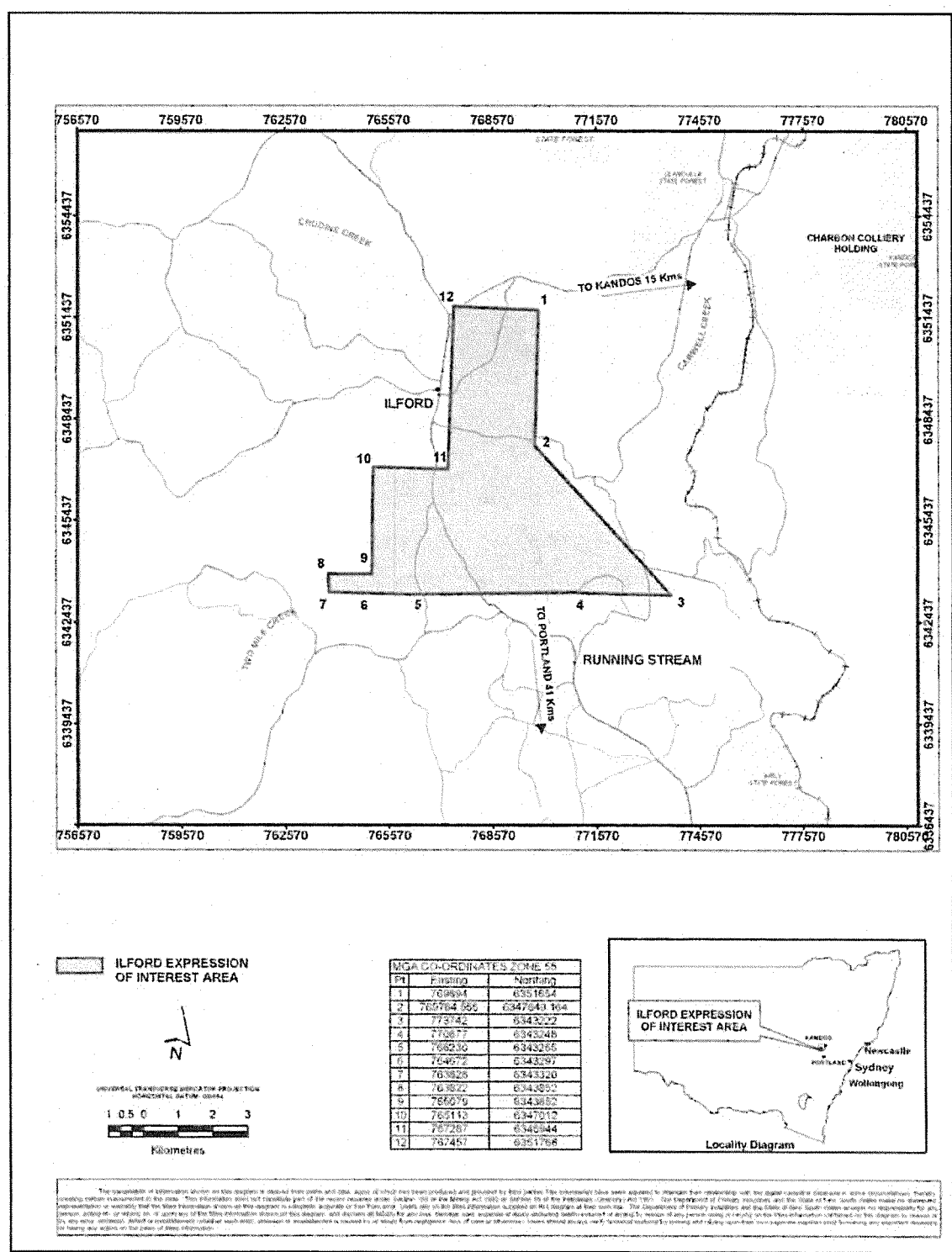


Figure 10: Location of the Cameron Road Expression of Interest Area.

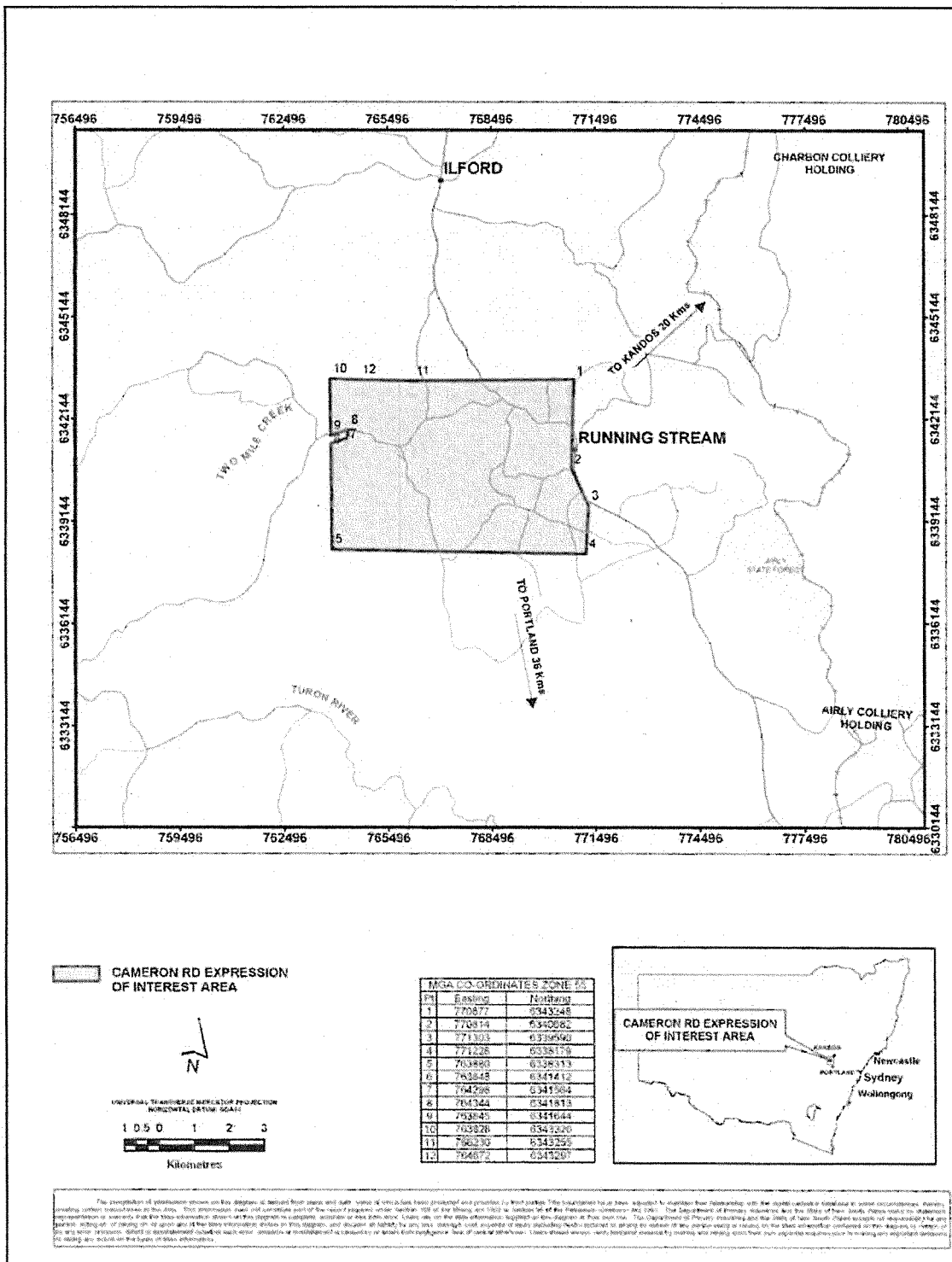


Figure 11: Location of the Melrose Expression of Interest Area.

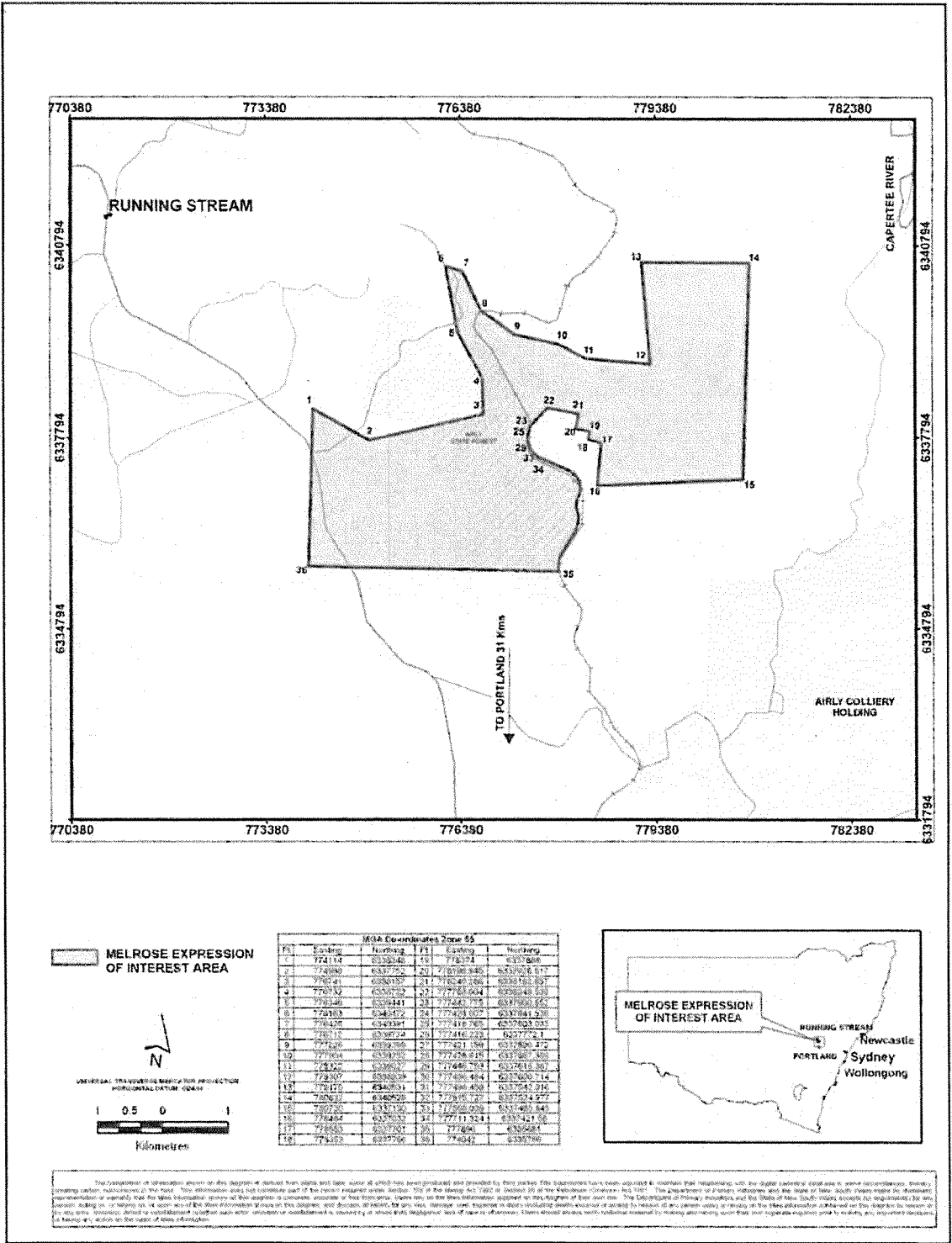
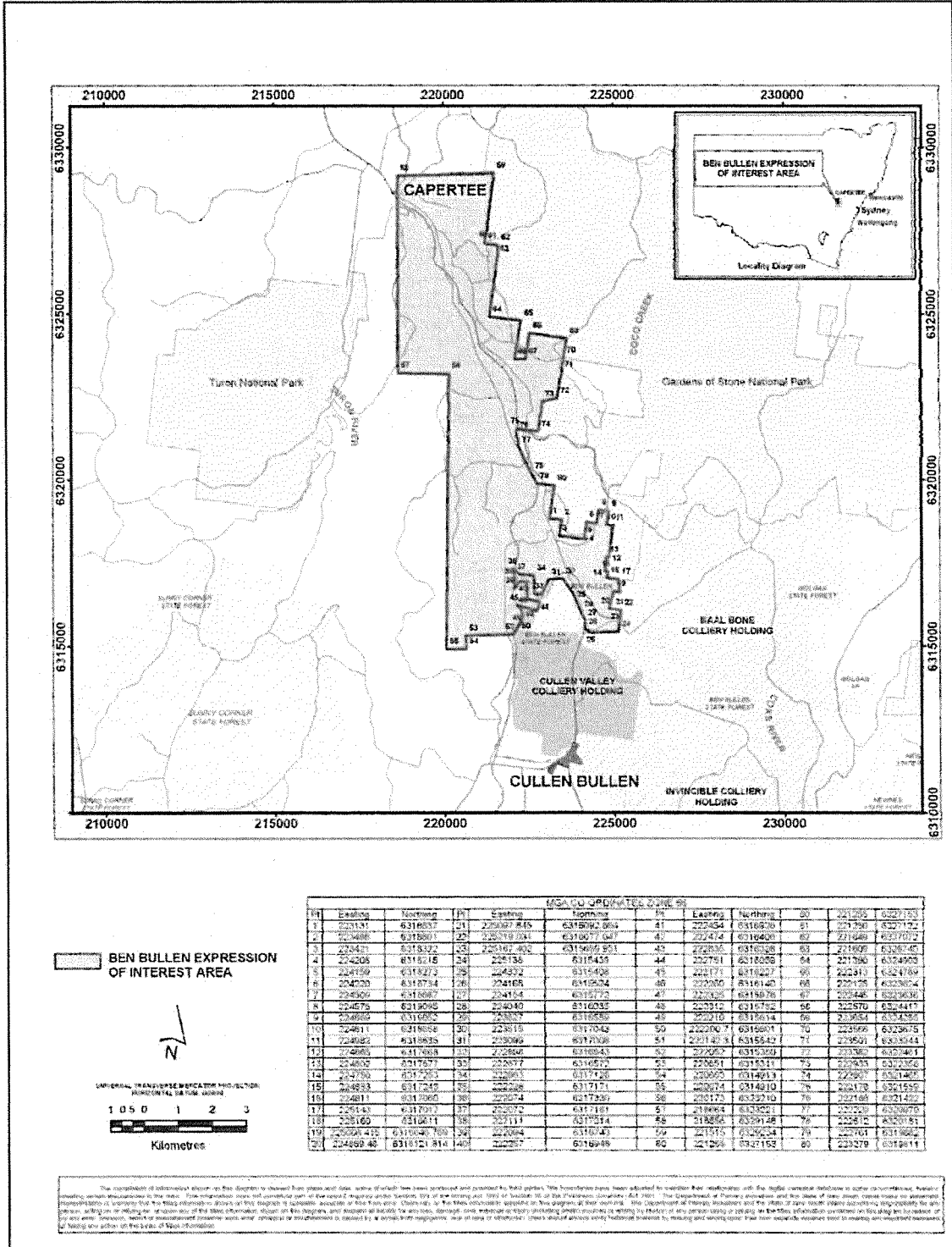


Figure 12: Location of the Ben Bullen Expression of Interest Area.



Contact Person
Company Name
Company Address

Dear Sir

As you are aware Expressions of Interest for the eleven (11) coal release areas in the Gunnedah, Hunter and Western Coalfield closed at 12:00 noon on 24 November 2008.

Prior to the closure of the original Expression of Interest process the Government and Department of Primary Industries had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries.

As a result the Government has made a change in policy relating to this current Coal Release Areas Expression of Interest and has decided to reopen the Expression of Interest to allow additional small to medium companies who have written to the Department of Primary Industries or the Minister to lodge an Expression of Interest for any of these eleven areas.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 2 February 2009.**

The following options are available for consideration by all companies/parties who previously submitted an Expression of Interest prior to 12:00 noon on 24 November 2008:

- (a) maintain their original Expression of Interest for competitive evaluation
- (b) revise/replace their original Expression of Interest with no additional lodgement fee required
- (c) recall their original Expression of Interest with full refund of lodgement fee.

After consideration of the above options companies which have previously submitted an Expression of Interest for any of the 11 areas should nominate their preferred option by writing to:

Julie Moloney, Principal Adviser, Development Coordination
Phone: (02) 4931 6549
Email: julie.moloney@dpi.nsw.gov.au
Department of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

If no written advice has been received prior to 12:00 noon on Monday 2 February 2009 the original Expression of Interest submitted by a company/parties will be included for competitive evaluation.

Enclosed for your information is a copy of the Coal Release Areas Information Package dated *December 2008*.

Yours sincerely

Brad Mullard
A/Executive Director, Mineral Resources

Dear Sir

As you may be aware Expressions of Interest for the eleven (11) coal release areas in the Gunnedah, Hunter and Western Coalfield closed at 12:00 noon on 24 November 2008.

Prior to the closure of the original Expression of Interest process the Government and Department of Primary Industries had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries.

As a result the Government has made a change in policy relating to this current Coal Release Areas Expression of Interest and has decided to reopen the Expression of Interest to allow additional small to medium companies who have written to the Department of Primary Industries or the Minister to lodge an Expression of Interest for any of these eleven areas.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 2 February 2009.**

Enclosed for your information, is a copy of the Coal Release Areas Information Package dated *December 2008*.

Yours sincerely

Brad Mullard
A/Executive Director, Mineral Resources

Release Areas EOI

From: brad.mullard@dpi.nsw.gov.au

To: jamie.gibson@dpi.nsw.gov.au

Date: Fri, 05 Dec 2008 15:46:44 +1100

Attachments: Letter to kevin Fennell 25 Nov 2008.pdf (84.22 kB); Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf (122.11 kB); 2nd Release Areas Inform Pack December 2008.pdf (2.26 MB); Cover Letter of advice - initial EOI applicants 5 Dec 2008.doc (26.62 kB); Cover Letter for new companies 5 Dec 2008.doc (23.04 kB); Ministerial for re-opening EOI.doc (58.88 kB)

Jamie,

Please find attached following draft documents,

1. Draft Ministerial with edits and new closing date of 2 Feb 2008
2. Letter to Kevin Fennell (Probity Auditor) dated 25 Nov 2008
3. Probity Auditor's response dated 28 Nov 2008
4. Revised Information Package dated December 2008
5. Draft Cover Letter of advice to initial EOI applicants
6. Draft Cover Letter for new companies

The revised Coal Release Areas Information Package dated *December 2008* and the proposed covering letters are currently being reviewed by Mr Kevin Fennell, independent probity auditor, to ensure compliance with probity requirements and as such may be subject to change.

Regards

Brad



Ministerial for re-opening EOI.doc



Letter to kevin Fennell 25 Nov 2008.pdf



Coal Release Areas - Letter from K Fennell to B Mullard dated 28 Nov08.pdf



2nd Release Areas Inform Pack December 2008.pdf



Cover Letter of advice - initial EOI applicants 5 Dec 2008.doc



Cover Letter for new companies 5 Dec 2008.doc

Attachments not included see those attached to
previous email 05/12/08 15:39:33

EOI

From: brad.mullard@dpi.nsw.gov.au
To: fennell51@comcen.com.au
Date: Mon, 08 Dec 2008 12:47:28 +1100
Attachments: 2nd Release Areas Inform Pack December 2008.pdf (2.26 MB); Cover Letter of advice - initial EOI applicants 5 Dec 2008.doc (26.62 kB)

Dear Kevin

Reopening Coal Release Areas Expression of Interest

Thank you for your letter dated 28 November 2008 providing advice on probity issues in regard to the Government's consideration of reopening the Expression of Interest for 11 coal release areas to allow additional companies who have written to the Department of Primary Industries or the Minister to lodge an Expression of Interest for these areas.

As suggested in your letter the revised Expression of Interest Information Package dated December 2008 and draft covering letter of advice - initial EOI applicants are attached for your review and comment prior to the documents being publicly release.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely

Brad Mullard

A/Executive Director, Mineral Resources



Attachments not included see those attached to
previous email 05/12/08 15:39:33

KEVIN T FENNELL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White B Bus Grad Dip Admin CPA
Phone 94524620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02 9418 8856
Mobile [REDACTED]

December 10, 2008

Mr Brad Mullard
Executive Director
Mineral Resources
Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

Dear Brad,

REOPENING COAL RELEASE AREAS EXPRESSIONS OF INTEREST

My review of the material designed to implement the abovementioned change in government policy returned a satisfactory result from the probity viewpoint:

The letter of advising to the initial proponents provides a candid presentation of the reasons behind the change and methods proposed to provide equal opportunity of assessment.

By the same token, the revised Call for Expressions of Interest provides an equal opportunity for the new proponents rated in the small to medium category, with the closing date of February 2, 2008.

Meanwhile, best wishes for Christmas and the New Year to you and all members of Mineral Resources.

Yours sincerely,



Kevin Fennell

Fw: Release Areas EOI

From: patricia.madden@dpi.nsw.gov.au
To: graham.hawkes@dpi.nsw.gov.au, sydney.execsupport@dpi.nsw.gov.au
Cc: Brad Mullard <"cn=brad mullard/ou=dpi/o=nsw@nsw">, Garth Holmes <"cn=garth holmes/ou=dpi/o=nsw@nsw">, julie.moloney@dpi.nsw.gov.au
Date: Fri, 12 Dec 2008 12:07:00 +1100
Attachments: Ministerial for re-opening EOI.doc (421.38 kB); 2nd Release Areas Inform Pack December 2008.pdf (2.26 MB)

The attached documents have been saved into TRIM as BN08/2868 and INT08/77927 respectively. I do not know what arrangements Julie has made to have this processed in the Sydney office. If there are any problems will you please call her. Thank you,

Trish Madden
Manager Operations
Coal & Petroleum Development
Department of Primary Industries -
Mineral Resources

ph. (02) 4931 6453

----- Forwarded by Patricia Madden/DPI/NSW on 12/12/2008 12:04 PM -----

To: Patricia Madden/DPI/NSW@NSW
cc: Julie Moloney/DPI/NSW, Brad Mullard/DPI/NSW@NSW, Garth Holmes/DPI/NSW@NSW
12/12/2008 11:46 AM
Subject: Release Areas EOI

Hi Trish

As discussed attached is the draft ministerial for the reopening of the coal release areas EOI and the updated information package with the new closing date of 27 January 2009. I understand that Brad wants to get this to the Minister's office today. Could you please organise this in TRIM?

Thank you, I appreciate your help with this.

Regards

Julie



Ministial for re-opening EOI.doc 2nd Release Areas Inform Pack December 2008.pdf

Julie Moloney
Principal Adviser
Development Coordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Region Mail Centre NSW 2310
T: 02 4931 6549
M: [REDACTED]
F: 02 4931 67938

Attachments not included see those attached to
previous email 05/12/08 15:39:33

Delegations

From: brad.mullard@dpi.nsw.gov.au
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Tue, 16 Dec 2008 14:46:02 +1100

Jamie,

We have checked the provisions of the Mining Act in relation to the Minister's ability to delegate his functions (Sect 363 - copy below) and there is no restriction on his ability to delegate any of his functions under the Act. David Holmes in Legal services has also been consulted and confirmed that he could see no reason why the Minister can not delegate the function of consenting to applications within mineral allocation area.

We would need to get the Minister to delegate this function and we would also need to have a policy on the exercise of the discretion to guide the delegates and to address probity issues.

363 Delegation of functions by Minister, Director-General or mining registrar

(1) The Minister may delegate any of the following functions (except this power of delegation) of the Minister to any person:

- (a) any function under this Act,
- (b) any function under the *Environmental Planning and Assessment Act 1979*.

Brad Mullard
Acting Executive Director
Mineral Resources Division
NSW Department of Primary Industries
Ph: 02 4931 6422
Fx: 02 4931 6793

This message is intended for the addressee named and may contain confidential information. If you are not the intended

New delegations for sect 13 (4) consent to apply for an EL

From: david.agnew@dpi.nsw.gov.au
To: joy.agnew@dpi.nsw.gov.au
Cc: tracey.godwin@dpi.nsw.gov.au
Date: Thu, 18 Dec 2008 17:08:24 +1100

Joy

The Minister has requested a new delegation of his powers regarding consent to apply within a MAA Sect 13 (4) plus ALs and MLs, to the DG. Could you please set up a draft instrument of delegation and I will give you some words to add regarding when it may be applied.

Cheers

David Agnew
Manager Coal & Petroleum Titles and Systems
Department of Primary Industries - Mineral Resources

P O Box 344
Hunter Region Mail Centre NSW 2310
Phone: (02) 4931 6442
Mob [REDACTED]
email: david.agnew@dpi.nsw.gov.au

Re: TRIM Internal Document : INT08/79557 : BN08 - 2923 Instrument of Delegation

From: adrian.delany@dpi.nsw.gov.au
To: pam.joyce@dpi.nsw.gov.au
Date: Mon, 22 Dec 2008 16:33:47 +1100
Attachments: BN08 - 2923 Instrument of Delegation.DOC (44.03 kB); Ministerial Delegations, prepared by J. Agnew v2.DOC (47.62 kB); 0354_001.pdf (15.15 kB)

Pam

Please find attached the revisions to the Delegation submission and a signed covered sheet.



BN08 - 2923 Instrument of Delegation.DOC Ministerial Delegations, prepared by J. Agnew v2.DOC



0354_001.pdf

Thanks again for your help and patience.

Regards

Adrian Delany
Manager, Royalty
Phone: 02 4931 6437
Fax: 02 4931 6793
Mobile [REDACTED]

Pam Joyce/DPI/NSW

To:

cc: _____

Pam Joyce/DPI/NSW

22/12/2008 12:06 PM Subject:

-----< TRIM Record Information >-----

Record Number : INT08/79557
Title : BN08 - 2923 Instrument of Delegation

Pam Joyce
Ministerial Coordinator
Executive Support
NSW Department of Primary Industries

Phone: (02) 8289 3951
Email: pam.joyce@dpi.nsw.gov.au
[attachment "BN08 - 2923 Instrument of Delegation.DOC" deleted by Adrian Delany/DPI/NSW]

07/7683

MINING ACT 1992

INSTRUMENT OF DELEGATION

I, **Ian Michael Macdonald, MLC**, Minister for Mineral Resources, under Section 363(1) of the *Mining Act 1992*, pursuant to that section of the *Mining Act 1992* specified in Column 1 of Schedule 1, do by this Instrument, delegate the functions listed below to a person holding the position as specified in Column 3 of Schedule 1.

SCHEDULE 1

COLUMN 1 Section Number	COLUMN 2 Description	COLUMN 3 Delegate
S13(4)	An exploration licence application that relates to land within a mineral allocation area may not be made, except with the consent of the Minister, in relation to any group of minerals that include an allocated mineral.	Director General, NSW Department of Primary Industries
S33(4)	An assessment lease application that relates to land within a mineral allocation area may not be made, except with the consent of the Minister, in relation to any group of minerals that include an allocated mineral.	Director General, NSW Department of Primary Industries
S51(4)	A mining lease application that relates to land within a mineral allocation area may not be made in relation to an allocated mineral except with the consent of the Minister.	Director General, NSW Department of Primary Industries

Dated this

day of

200

IAN MICHAEL MACDONALD
MINISTER FOR MINERAL RESOURCES

V08/2
BN08/2923
INT08/79557
07/7683

NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Ministerial Delegations

Issue:

Instrument of Delegation under Section 363(1) of the *Mining Act 1992*.

Brief prepared by Joy Agnew, Principal Titles Administrator, Mineral Resources Division
19 December 2008

Manager, Coal & Petroleum Titles and Systems

A/Director, Coal & Petroleum Development

Principal Legal Officer, Legislation

Ministerial & Executive Support Sydney

A/Executive Director, Mineral Resources

V08/2
BN08/2923
INT08/79557
07/7683

DPI – MINERAL RESOURCES

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Ministerial Delegations

Issue:

Instrument of Delegation under section 363(1) of the *Mining Act 1992*.

Background:

An application for an exploration licence (s13(4)), assessment lease (s33(4)), or mining lease (s51(4)) that relates to land within a mineral allocation area may not be made except with the consent of the Minister in relation to any group of minerals that include an allocated mineral. For example, the whole of the State of NSW is determined as a mineral allocation area for coal.

Currently, sections s13(4), 33(4) and 41(4) are not delegated.

To improve the processing of applications it is proposed that the Minister delegate the approval process to the Director-General under section 363(1) of the *Mining Act 1992*.

Sections of the *Mining Act 1992*, referred to in this brief are attached as Additional Information 1.

Recommendation:

That the Minister sign the attached Instrument of Delegation, prepared pursuant to section 363(1) of the *Mining Act 1992*.

Executive Contact: Brad Mullard
Secondary Contact: Adrian Delany

02 4931 6404
02 4931 6437



A/ED, Mineral Resources

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

Additional Information 1

Mining Act 1992 No 29

363 Delegation of functions by Minister, Director-General or mining registrar

- (1) The Minister may delegate any of the following functions (except this power of delegation) of the Minister to any person:
 - (a) any function under this Act,
 - (b) any function under the Environmental Planning and Assessment Act 1979.
- (2) The Director-General may delegate any function under this Act (except this power of delegation or any function delegated to the Director-General by the Minister) to any person.
- (2A) A mining registrar may delegate any function under this Act or the regulations (except this power of delegation or any function delegated to the mining registrar by the Minister or the Director-General) to a deputy mining registrar.
- (3) A reference in this section to a function under this Act includes a reference to a function under the regulations and a function under a condition of an authority, a mineral claim or an opal prospecting licence.

13 Applications

- (1) Any person may apply for an exploration licence.
- (4) An application that relates to land within a mineral allocation area may not be made, except with the consent of the Minister, in relation to any group of minerals that includes an allocated mineral.

33 Applications

- (1) Any person may apply for an assessment lease.
- (4) An application that relates to land within a mineral allocation area may not be made in relation to a mineral or group of minerals for which the mineral allocation area is constituted except:
 - (a) by the holder of an exploration licence or mining lease over that land in respect of that mineral or group of minerals, or
 - (b) with the consent of the Minister.

51 Applications

- (1) Any person may apply for a mining lease.
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NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Ministerial Delegations

Issue:

Instrument of Delegation under Section 363(1) of the *Mining Act 1992*.

Brief prepared by Joy Agnew, Principal Titles Administrator, Mineral Resources Division
19 December 2008

Manager, Coal & Petroleum Titles and Systems

~~A/Director, Coal & Petroleum Development~~ 22.12.08

Principal Legal Officer, Legislation

Ministerial & Executive Support Sydney

A/Executive Director, Mineral Resources

077683

MINING ACT 1992

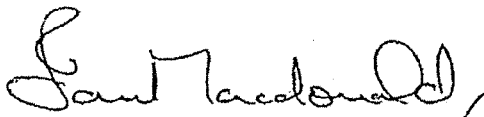
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Dated this 23 day of December 2008



IAN MICHAEL MACDONALD
MINISTER FOR MINERAL RESOURCES

Ministerial Delegations

From: graham.hawkes@dpi.nsw.gov.au
To: Jamie Gibson <jamie.gibson@macdonald.minister.nsw.gov.au>
Date: Tue, 23 Dec 2008 15:47:41 +1100
Attachments: BN08-2923.pdf (135.32 kB)

Jamie

As discussed, attached are the Minister's delegations to be printed out and signed by the Minister.

Graham

----- Forwarded by Graham Hawkes/DPI/NSW on 23/12/2008 03:32 PM -----

Pauline D'Souza/DPI/NSW

To Graham Hawkes/DPI/NSW@NSW

23/12/2008 03:16 PM

cc

Subject BN08/2923

Regards

Pauline

Pauline D'Souza
Assistant Ministerial & Executive Support Officer
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
Sydney NSW 2000

Phone: (02) 8289 3943
Fax: (02) 8289 3996

This message is intended for the addressee named and may contain confidential information. If you are not the intended

V08/2
BN08/2923
INT08/79557
07/7683

DPI – MINERAL RESOURCES

Ministerial Briefing

Ministerial Delegations

Issue:

Instrument of Delegation under section 363(1) of the *Mining Act 1992*.

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An application for an exploration licence (s13(4)), assessment lease (s33(4)), or mining lease (s51(4)) that relates to land within a mineral allocation area may not be made except with the consent of the Minister in relation to any group of minerals that include an allocated mineral. For example, the whole of the State of NSW is determined as a mineral allocation area for coal.

Currently sections 13(4), 33(4) and 41(4) are not delegated.

To improve the processing of applications it is proposed that the Minister delegate the approval process to the Director-General under section 363(1) of the *Mining Act 1992*.

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Recommendation:

That the Minister signs the attached Instrument of Delegation, prepared pursuant to section 363(1) of the *Mining Act 1992*.

Executive Contact: Brad Mullard
Secondary Contact: Adrian Delany

02 4931 6404
02 4931 6437



A/ED, Mineral Resources

Director-General

[Signature]
23.2.08

Departmental Liaison Officer

Policy Advisor

[Signature]

MINISTER

Additional Information 1

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- (2A) A mining registrar may delegate any function under this Act or the regulations (except this power of delegation or any function delegated to the mining registrar by the Minister or the Director-General) to a deputy mining registrar.
- (3) A reference in this section to a function under this Act includes a reference to a function under the regulations and a function under a condition of an authority, a mineral claim or an opal prospecting licence.

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J7/7683

NSW DPI - MINERAL RESOURCES

Ministerial Briefing

Ministerial Delegations

issue:

Instrument of Delegation under Section 363(1) of the *Mining Act 1992*.

Brief prepared by Joy Agnew, Principal Titles Administrator, Mineral Resources Division
19 December 2008

Manager, Coal & Petroleum Titles and Systems

~~A/Director, Coal & Petroleum Development~~ 22.12.08

Principal Legal Officer, Legislation

Ministerial & Executive Support Sydney

~~Director, Coal & Petroleum Development~~
A/Executive Director, Mineral Resources

07/7683

MINING ACT 1992

INSTRUMENT OF DELEGATION

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SCHEDULE 1

COLUMN 1 Section Number	COLUMN 2 Description	COLUMN 3 Delegate
S13(4)	An exploration licence application that relates to land within a mineral allocation area may not be made, except with the consent of the Minister, in relation to any group of minerals that include an allocated mineral.	Director General, NSW Department of Primary Industries
S33(4)	An assessment lease application that relates to land within a mineral allocation area may not be made, except with the consent of the Minister, in relation to any group of minerals that include an allocated mineral.	Director General, NSW Department of Primary Industries
S51(4)	A mining lease application that relates to land within a mineral allocation area may not be made in relation to an allocated mineral except with the consent of the Minister.	Director General, NSW Department of Primary Industries

Dated this _____ day of _____ 200

IAN MICHAEL MACDONALD
MINISTER FOR MINERAL RESOURCES

513-
628

BN08/2868

NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Brief prepared by Julie Moloney Principal Adviser Development Coordination.
12 December 2008

Brad Mullard
Executive Director

Ministerial and Executive Support

Version 1

6/1/2009

2:05pm

DPI – MINERAL RESOURCES

Ministerial Briefing

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Background:

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information Package" ("Information Package") dated August 2008 stated: "**Only companies invited to submit an Expression of Interest may apply.**" Companies invited to apply were those that had previously formally registered an interest with the Department in the Gunnedah, Hunter or Western Coalfields and/or one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

As stipulated in the Information Package, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Prior to the closure of the Expression of Interest process the Government had been approached by additional small to medium companies (Attachment A) that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor (Attachment B), seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas.

Mr Fennell's reply dated 28 November 2008 (Attachment C) included the following:

"It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately."

Comment:

The letter from the A/Executive Director Mineral Resources to Mr Fennell outlines the process that the Department would follow should the EOI be re-opened (Attachment B). Notwithstanding that this letter proposed the Minister as the approving authority for the re-

approved by a Departmental officer exercising a delegation from the Minister.

V08/2
BN08/2868

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Mr Fennell has not advised of any probity issues that would preclude the current Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.

A revised Coal Release Areas Information Package dated *December 2008* is attached which outlines the re-opened EOI process, including options available for companies/parties who previously submitted an EOI prior to 12 noon on 24 November 2008, and specifies a closing date of Tuesday 24 February 2009.

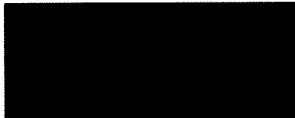
The revised Coal Release Areas Information Package dated *December 2008* and the proposed covering letters have been reviewed by Mr Kevin Fennell, independent probity auditor, to ensure compliance with probity requirements. In his letter dated 10 December 2008 (Attachment D) Mr Fennell advises that the revised documents have a "satisfactory result from the probity viewpoint".

Recommendation:

The Minister notes that the Department intends to re-open the EOI for the 11 Coal Release Areas as outlined above and according to the revised Coal Release Areas Information Package dated *December 2008*.

Executive Contact: Brad Mullard
Secondary Contact: Will Hughes

4931 6404
8289 3921



Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

NSW DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Brief prepared by Patricia Madden, Manager Operations, Mineral Resources Division
6 January 2009

Brad Mullard
Executive Director

Ministerial and Executive Support

Version 2

6/1/2009

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

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Background:

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information Package" ("Information Package") dated August 2008 stated: "Only companies invited to submit an Expression of Interest may apply." Companies invited to apply were those that had previously formally registered an interest with the Department in the Gunnedah, Hunter or Western Coalfields and/or one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

As stipulated in the Information Package, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Prior to the closure of the Expression of Interest process the Government had been approached by additional small to medium companies (Attachment A) that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor (Attachment B), seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas.

Mr Fennell's reply dated 28 November 2008 (Attachment C) included the following:

"It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately."

Comment:

The letter from the A/Executive Director Mineral Resources to Mr Fennell outlines the process that the Department would follow should the EOI be re-opened (Attachment B). Notwithstanding that this letter proposed the Minister as the approving authority for the re-opening it is now intended that this would, subject to the Minister's agreement, be approved by a Departmental officer exercising a delegation from the Minister.

Mr Fennell has not advised of any probity issues that would preclude the current Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.



A revised Coal Release Areas Information Package dated *January 2009* is attached which outlines the re-opened EOI process, including options available for companies/parties who previously submitted an EOI prior to 12 noon on 24 November 2008, and specifies a closing date of Monday 23 February 2009.

The revised Coal Release Areas Information Package dated *January 2009* and the proposed covering letters have been reviewed by Mr Kevin Fennell, independent probity auditor, to ensure compliance with probity requirements. In his letter dated 10 December 2008 (Attachment D) Mr Fennell advises that the revised documents have a "satisfactory result from the probity viewpoint".

Recommendation:

The Minister notes that the Department intends to exercise a Ministerial delegation to re-open the EOI for the 11 Coal Release Areas as outlined above and according to the revised Coal Release Areas Information Package dated *January 2009*.

Executive Contact: Brad Mullard
Secondary Contact: Julie Moloney

4931 6404 Mob: 
4931 6549 Mob: 

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

**List of companies requesting invitations to apply for the 11 Coal Release Areas
Expression of Interest.**

Mr Paul Page
Director
Arthur Phillip Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

Mr Phil Suriano
Director
Real Brand Holdings
GPO Box 2537
SYDNEY NSW 2000

Mr Robert Crossman
Director
Griffin Coal
GPO Box G474
PERTH Western Australian 6000

Mr John Atkinson
White Energy Company Limited
PO Box 422
NORTH SYDNEY NSW 2059

Mr Neil Whittaker
Amerod Resources Limited
Level 5 Grafton Bond Building
201 Kent St
SYDNEY NSW 2000

Mr Peter Meers
Chief Executive Officer
Tiaro Coal Limited
Level 2
131 Macquarie St
SYDNEY NSW 2000

Mr James McGuigan
Exploration Manager
Redman Mining Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

Mr Richard Poole
Director
Cascade Coal
GPO Box 2537
SYDNEY NSW 2000

Mr A J Lodge
Consulting Mining Engineer
25 Glensanda Way
MINDARIE WA 6030

Mr Alan Hansen
Project Geologist
Resolve Geo Pty Ltd
PO Box 15723
CITY EAST QLD 4002

Mr Osamu Tano
Senior Manager
ITOCHU Mineral & Energy of Australia
P/L
GPO Box 4271
Sydney NSW 2001

Mr Geoff Stewart
GM Business Development
Hillgrove Resources Limited
Level 41 Australia Square Tower
264 - 278 George Street
SYDNEY NSW 2000

Ray Slater
Principal
Ray Slater & Associates P/L
9 Princeton St
KENMORE QLD 4069



**NSW DEPARTMENT OF
PRIMARY INDUSTRIES**

Now incorporating Department of Mineral Resources
ABN 61 734 124 190-003

25 November 2008

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Kevin

As discussed with you, this letter is by way of seeking your advice as the external probity auditor for the current "Coal Release Areas" Expression Of Interest process. This concerns 11 (eleven) areas in the Gunnedah, Hunter and Western Coalfields.

A number of companies have approached the Government, seeking access to resources in these areas.

Background

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas - Expression of Interest Information" document ("Information Document") dated August 2008 stated: "Only companies invited to submit an Expression of Interest may apply." Companies invited were those that had previously formally registered an interest with the Department in one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

Present Position

As stipulated in the Information Document, Expressions of Interest for exploration licences over the 11 Coal Release Areas closed at 12 noon, Monday 24 November 2008. EOIs were opened at 1pm and the names of companies/parties submitting EOIs publicly declared the same day in the Department's Conference Room, Level 1, 516 High Street, Maitland.

Government has been approached by additional small to medium companies prior to the closure of the EOI process who had not previously contacted DPI and as such had not been invited to express an interest in the eleven areas.

As a result the Government is considering a policy change relating to this current Coal Release Areas EOI, which would "open up the process" so that additional small to medium companies who have written to the Department or

the Minister may lodge an EOI for any of these 11 areas. This will ensure that these small to medium firms are not disadvantaged by the EOI process.

To enact this proposed change in policy, the following steps have been undertaken pending further advice as the final appropriate course of action:

1. Closure of (original) EOI and public opening proceeded as stipulated in the Information Document (provided to invited companies).
2. EOIs received be securely stored as per previous EOI processes in offices of the Department of Primary Industries, and not evaluated by the Evaluation Team at this time.

The following further action is proposed, *subject to your concurrence that this proposed process satisfies all relevant probity issues.*

1. The Minister approve a submission from the Director-General of the Department of Primary Industries that requires the Department to:
 - Not accept any of the submitted EOIs at this time (as per clause on page 2 of the Information Document).
 - Re-issue the call for Expressions of Interest in the 11 Coal Release areas, with a revised Information Document, allowing any interested small to medium company/parties to lodge an EOI for any of these 11 areas.
 - Contact all of the companies/parties that lodged EOIs by 12pm on 24 November, giving them the following options to consider prior to the closure date of the revised EOI:
 - (a) maintain their original EOI for competitive evaluation
 - (b) revise/replace their original EOI with no additional lodgement fee required.
 - (c) recall their original EOIs with full refund of lodgement fee.

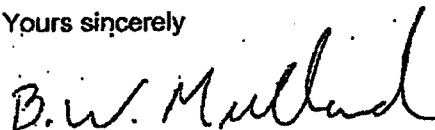
In the event that other small to medium companies seek to be included during the EOI period they will be able to lodge an EOI subject to the EOI being received prior to the closing date.

Your advice regarding the following would be much appreciated:

- The appropriateness of the above proposed process.
- Any required modification or alternate approach to achieve the stated proposed policy objectives.

Please contact me on 4931 6404 or Garth Holmes on 8289 3921 if you have any queries. Many thanks.

Yours sincerely



Brad Mullard
Executive Director, Mineral Resources

KEVIN T FENNELL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White BBus Grad Dip Admin CPA
Phone (02) 9452 4620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8856
Mobile [REDACTED]

Mr Brad Mullard
Executor Director
Mineral Resources
NSW Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

November 28, 2008

Dear Mr Mullard,

**Various Coal Release Areas
Invitation for Expressions of Interest (EOI)**

Thank you for your letter of November 25, 2008 outlining the present position relative to the abovementioned project. You have indicated that a change in government policy has necessitated the implementation of a revised set of procedures to cater for the interests of the initial invited proponents and those who may submit offers arising from the opening up of EOI to what equates to an expanded call.

I am asked to submit an advising, weighing any probity issues involved.

Probity Review

From information set out in the Invitation for EOI it is evident that one intention of Mineral Resources was to encourage what might be regarded as smaller operators or companies to bid for the various release areas. It is my understanding that those organizations invited to bid had registered formal interest in one or more of the stipulated release areas. There is a prima facie argument therefore, that apart from seeking adequate financial returns from the various exploration leases, Mineral Resources was endeavouring to achieve a spread of interested operators. Moreover, those organizations invited to participate were regarded as unable to compete with the large mining companies for the recent exploration licences over the more substantial coal areas.

In my opinion, the intent and provisions of the initial EOI document were within the boundaries of public sector tendering practice and raised no probity issues.

Policy Change

While I have no written evidence before me I am given to understand that the Minerals Council, an organization representing the mining industry, has requested the Minister for Primary Industries to widen the terms of the invitation for EOI. In addition, requests have been received from some interstate companies. The closing time and date for EOI, however, was 12 noon on Monday 24 November 2008.

As a result of the aforementioned requests, I understand that the government is considering a policy change to the EOI under review which would "open up" the process so that any interested company/parties, may lodge an EOI for any of these 11 areas.

You have outlined a number of steps that are proposed to give effect to the requested policy change. Basically the department will rely on the sentence at page 2 of the Invitation for EOI: 'The Department of Primary Industries is not bound to accept any of the proposals.' In addition, Clause 9 on page 12 states: 'The Department of Primary Industries is not bound to accept any Expression of Interest. The decision in relation to the selection of the successful EOI applicants to be awarded any exploration licence will be final.'

These types of statements are normally included in any public sector tender or EOI document. Nevertheless, the general inference to proponents is that, within the terms of the tender or EOI document, the stated evaluation process is to be completed. If, as a result of the evaluation process, no offer for a particular exploration area is rated as satisfactory, then a fresh invitation for EOI would issue.

Probable Risks

The procedures that you propose regarding security over the EOIs received on November 24, the reissue of the Call as a revised invitation and the options to be given to the initial proponents may be regarded as satisfactory. But, adopting the role of a disinterested reviewer, I would regard them as such purely within the requirements of the stated policy change.

On the other hand, invitations were issued to some 44 companies, all of which 'had previously formally registered an interest with the Department in one or more of the 11 areas, and generally they were small to medium sized companies.' I understand that 37 offers have been received from 14 companies. In my view the intention of the department's EOI would be clear to those proponents: to convey opportunities for the eventual securing of mining licences to small or medium sized companies.

From my experience, the likely reaction of extant proponents to the proposed change of policy is likely to be negative. Their perceptions, despite the options proposed would understandably be that they were being treated unfairly. They had in good faith complied with conditions of the invitation to EOI, prepared detailed submissions and lodged them by the due date. Now they are to be informed that the EOI is to be opened to other companies, probably larger ones with the capacity to offer the government more upfront revenue.

Irrespective of how the proposed change of policy is promoted, I see difficulties in defusing a wide feeling of dissatisfaction on the part of the original group of proponents. This constitutes a definite probity issue, real or perceived. At the same time, it was made clear at a meeting with the Assessment Committee on November 27 that large mining companies, BHP Billiton, Exxara, RioTinto, etc. would be precluded from the revised call for EOI. By definition, only interested companies regarded in the small to medium categories would be eligible. In that way the Department would be seen to honour its original intention to provide opportunities for the moderately sized operators.

Conclusion

In the interests of complete evenhandedness in this case my initial view was that the evaluation of the offers received should proceed forthwith. After the application of the evaluation criteria, should the Assessment Committee be of the opinion that a satisfactory offer has not emerged for a particular coal release area, then the issue of an exploration licence should proceed by a further call for submissions.

Another suitable method would entail the Committee's recommendation of a group of proponents suitable for particular areas. Those proponents could then be invited to participate in the revised call for EOIs relative to the area as chosen by the Committee. The balance of the eleven areas would be awarded to the best collective offer in each case.

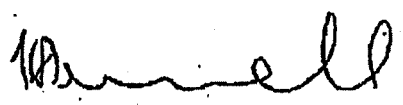
These views were considered at the meeting on November 27. Difficulties foreseen in the selection process, however, together with the fact that neither method would adequately reflect the government's policy change caused them to be rejected. In each case I believe the objections to be valid.

For many years the Department of Mineral Resources has been synonymous with fair dealing in the coal industry. The current proposed policy change, in the midst of the receipt of numerous submissions by invitation, was in my opinion likely to fuel the initial view, rightly or wrongly, that the government was pursuing revenue raising at the expense of small to medium companies.

It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately.

I understand that the revised call will now proceed as agreed at the meeting of November 27. In due course I would be pleased to review the revised EOI document, together with the proposed letter of advice to the initial proponents. The last mentioned document will be a crucial factor in dampening down any perceived probity claims of unfair treatment.

Yours faithfully,



K.T. Fennell PSM.

KEVIN T FENNEL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White B Bus Grad Dip Admin CPA
Phone 94524620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02 9418 8856
Mobile [REDACTED]

December 10, 2008

Mr Brad Mullard
Executive Director
Mineral Resources
Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

Dear Brad,

REOPENING COAL RELEASE AREAS EXPRESSIONS OF INTEREST

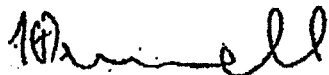
My review of the material designed to implement the abovementioned change in government policy returned a satisfactory result from the probity viewpoint:

The letter of advising to the initial proponents provides a candid presentation of the reasons behind the change and methods proposed to provide equal opportunity of assessment.

By the same token, the revised Call for Expressions of Interest provides an equal opportunity for the new proponents rated in the small to medium category, with the closing date of February 2, 2008.

Meanwhile, best wishes for Christmas and the New Year to you and all members of Mineral Resources.

Yours sincerely,



Kevin Fennell

V09/11
BN09/9

DPI – MINERAL RESOURCES

Ministerial Briefing

Re-opening Expressions of Interest for 11 Coal Release Areas

Issue:

The initial Expression of Interest (EOI) for 11 coal areas closed on 24 November 2008. Prior to the closure of the EOI process the Minister was approached by additional small to medium companies that had not been invited to submit an EOI seeking an invitation to apply.

Background:

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was proposed to be undertaken for these 11 areas. Thus, the "Coal Release Areas – Expression of Interest Information Package" ("Information Package") dated August 2008 stated: "Only companies invited to submit an Expression of Interest may apply." Companies invited to apply were those that had previously formally registered an interest with the Department in the Gunnedah, Hunter or Western Coalfields and/or one or more of these 11 areas, and generally they were small to medium sized companies. Invitations were sent out to about 44 companies.

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Prior to the closure of the Expression of Interest process the Government had been approached by additional small to medium companies (Attachment A) that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor (Attachment B), seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas.

Mr Fennell's reply dated 28 November 2008 (Attachment C) included the following:

"It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately."

2109/9

Comment:

The letter from the Executive Director Mineral Resources to Mr Fennell outlines the process that the Department would follow should the EOI be re-opened (Attachment B). Notwithstanding that this letter proposed the Minister as the approving authority for the re-opening it is now intended that this would, subject to the Minister's agreement, be approved by a Departmental officer exercising a delegation from the Minister.

Mr Fennell has not advised of any probity issues that would preclude the current Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.

A revised Coal Release Areas Information Package dated January 2009 is attached which outlines the re-opened EOI process, including options available for companies/parties who previously submitted an EOI prior to 12 noon on 24 November 2008, and specifies a closing date of Monday 23 February 2009.

The revised Coal Release Areas Information Package dated January 2009 and the proposed covering letters have been reviewed by Mr Kevin Fennell, independent probity auditor, to ensure compliance with probity requirements. In his letter dated 10 December 2008 (Attachment D) Mr Fennell advises that the revised documents have a "satisfactory result from the probity viewpoint".

Recommendation:

The Minister notes that the Department intends to exercise a Ministerial delegation to re-open the EOI for the 11 Coal Release Areas as outlined above and according to the revised Coal Release Areas Information Package dated January 2009.

Executive Contact: Brad Mullard
Secondary Contact: Julie Moloney

4931 6404 Mob: 0409 828836
4931 6549 Mob: 0407 921 462

Director-General
Departmental Liaison Officer
Policy Advisor
MINISTER

Minister Given the interest from a number of additional small to medium companies that were not given the opportunity to tender an expression of interest previously, it is proposed to re-open the EOI process to enable these companies to tender. Our independent probity auditor Mr Kevin Kennell has not identified any probity concerns/issues surrounding this approach.

Recommendation supported [Signature] 8.1.9.

[Signature]

List of companies requesting invitations to apply for the 11 Coal Release Areas
Expression of Interest.

Mr Paul Page
Director
Arthur Phillip Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

Mr Richard Poole
Director
Cascade Coal
GPO Box 2537
SYDNEY NSW 2000

Mr Phil Suriano
Director
Real Brand Holdings
GPO Box 2537
SYDNEY NSW 2000

Mr A J Lodge
Consulting Mining Engineer
25 Glensanda Way
MINDARIE WA 6030

Mr Robert Crossman
Director
Griffin Coal
GPO Box G474
PERTH Western Australian 6000

Mr Alan Hansen
Project Geologist
Resolve Geo Pty Ltd
PO Box 15723
CITY EAST QLD 4002

Mr John Atkinson
White Energy Company Limited
PO Box 422
NORTH SYDNEY NSW 2059

Mr Osamu Tano
Senior Manager
ITOCHU Mineral & Energy of Australia
P/L
GPO Box 4271
Sydney NSW 2001

Mr Neil Whittaker
Amerod Resources Limited
Level 5 Grafton Bond Building
201 Kent St
SYDNEY NSW 2000

Mr Geoff Stewart
GM Business Development
Hillgrove Resources Limited
Level 41 Australia Square Tower
264 - 278 George Street
SYDNEY NSW 2000

Mr Peter Meers
Chief Executive Officer
Tiara Coal Limited
Level 2
131 Macquarie St
SYDNEY NSW 2000

Ray Slater
Principal
Ray Slater & Associates P/L
9 Princeton St
KENMORE QLD 4069

Mr James McGuigan
Exploration Manager
Redman Mining Pty Ltd
GPO Box 2537
SYDNEY NSW 2000

KEVIN T FENNEL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White BBus Grad Dip Adm'n CPA
Phone (02) 9452 4620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8856
Mobile [REDACTED]

Mr Brad Mullard
Executor Director
Mineral Resources
NSW Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

November 28, 2008

Dear Mr Mullard,

**Various Coal Release Areas
Invitation for Expressions of Interest (EOI)**

Thank you for your letter of November 25, 2008 outlining the present position relative to the above-mentioned project. You have indicated that a change in government policy has necessitated the implementation of a revised set of procedures to cater for the interests of the initial invited proponents and those who may submit offers arising from the opening up of EOI to what equates to an expanded call.

I am asked to submit an advising, weighing any probity issues involved.

Probity Review

From information set out in the Invitation for EOI it is evident that one intention of Mineral Resources was to encourage what might be regarded as smaller operators or companies to bid for the various release areas. It is my understanding that those organizations invited to bid had registered formal interest in one or more of the stipulated release areas. There is a prima facie argument therefore, that apart from seeking adequate financial returns from the various exploration leases, Mineral Resources was endeavouring to achieve a spread of interested operators. Moreover, those organizations invited to participate were regarded as unable to compete with the large mining companies for the recent exploration licences over the more substantial coal areas.

In my opinion, the intent and provisions of the initial EOI document were within the boundaries of public sector tendering practice and raised no probity issues.

Policy Change

While I have no written evidence before me I am given to understand that the Minerals Council, an organization representing the mining industry, has requested the Minister for Primary Industries to widen the terms of the invitation for EOI. In addition, requests have been received from some interstate companies. The closing time and date for EOI, however, was 12 noon on Monday 24 November 2008.

As a result of the aforementioned requests, I understand that the government is considering a policy change to the EOI under review which would "open up" the process so that any interested company/parties, may lodge an EOI for any of these 11 areas.

You have outlined a number of steps that are proposed to give effect to the requested policy change. Basically the department will rely on the sentence at page 2 of the invitation for EOI: 'The Department of Primary Industries is not bound to accept any of the proposals.' In addition, Clause 9 on page 12 states: 'The Department of Primary Industries is not bound to accept any Expression of Interest. The decision in relation to the selection of the successful EOI applicants to be awarded any exploration licence will be final.'

These types of statements are normally included in any public sector tender or EOI document. Nevertheless, the general inference to proponents is that, within the terms of the tender or EOI document, the stated evaluation process is to be completed. If, as a result of the evaluation process, no offer for a particular exploration area is rated as satisfactory, then a fresh invitation for EOI would issue.

Probable Risks

The procedures that you propose regarding security over the EOIs received on November 24, the reissue of the Call as a revised invitation and the options to be given to the initial proponents may be regarded as satisfactory. But, adopting the role of a disinterested reviewer, I would regard them as such purely within the requirements of the stated policy change.

On the other hand, invitations were issued to some 44 companies, all of which 'had previously formally registered an interest with the Department in one or more of the 11 areas, and generally they were small to medium sized companies.' I understand that 37 offers have been received from 14 companies. In my view the intention of the department's EOI would be clear to those proponents: to convey opportunities for the eventual securing of mining licences to small or medium sized companies.

From my experience, the likely reaction of extant proponents to the proposed change of policy is likely to be negative. Their perceptions, despite the options proposed would understandably be that they were being treated unfairly. They had in good faith complied with conditions of the invitation to EOI, prepared detailed submissions and lodged them by the due date. Now they are to be informed that the EOI is to be opened to other companies, probably larger ones with the capacity to offer the government more upfront revenue.

Irrespective of how the proposed change of policy is promoted, I see difficulties in defusing a wide feeling of dissatisfaction on the part of the original group of proponents. This constitutes a definite probity issue, real or perceived. At the same time, it was made clear at a meeting with the Assessment Committee on November 27 that large mining companies, BHP Billiton, Extrada, RioTinto, etc. would be precluded from the revised call for EOI. By definition, only interested companies regarded in the small to medium categories would be eligible. In that way the Department would be seen to honour its original intention to provide opportunities for the moderately sized operators.

Conclusion

In the interests of complete evenhandedness in this case my initial view was that the evaluation of the offers received should proceed forthwith. After the application of the evaluation criteria, should the Assessment Committee be of the opinion that a satisfactory offer has not emerged for a particular coal release area, then the issue of an exploration licence should proceed by a further call for submissions.

Another suitable method would entail the Committee's recommendation of a group of proponents suitable for particular areas. Those proponents could then be invited to participate in the revised call for EOIs relative to the area as chosen by the Committee. The balance of the eleven areas would be awarded to the best collective offer in each case.

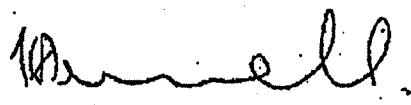
These views were considered at the meeting on November 27. Difficulties foreseen in the selection process, however, together with the fact that neither method would adequately reflect the government's policy change caused them to be rejected. In each case I believe the objections to be valid.

For many years the Department of Mineral Resources has been synonymous with fair dealing in the coal industry. The current proposed policy change, in the midst of the receipt of numerous submissions by invitation, was in my opinion likely to fuel the initial view, rightly or wrongly, that the government was pursuing revenue raising at the expense of small to medium companies.

It is my opinion, however, that the Department has done its utmost to ensure that every proponent will receive equally fair consideration. This applies both to the original proponents and to those coming in from the revised call for EOI. The fact that the largest operators are to be locked out, as it were, preserves the Department's original intention. Any proponent's complaint about unfair treatment can therefore be answered adequately.

I understand that the revised call will now proceed as agreed at the meeting of November 27. In due course I would be pleased to review the revised EOI document, together with the proposed letter of advice to the initial proponents. The last mentioned document will be a crucial factor in dampening down any perceived probity claims of unfair treatment.

Yours faithfully,



K.T. Fennell PSM.

KEVIN T FENNEL & ASSOCIATES
ABN 81 801 244062

Kevin T Fennell PSM BA FCPA
Phone/Fax (02) 9521 1215
Mobile [REDACTED]

Ken Davidson FCA FCIS
Phone/Fax 9525 0631
Mobile [REDACTED]

Geoffrey P White B Bus Grad Dip Admin CPA
Phone 94524620
Mobile [REDACTED]

Roger Henderson FCA
Phone (02) 9418 8856
Mobile [REDACTED]

December 10, 2008

Mr Brad Mullard
Executive Director
Mineral Resources
Department of Primary Industries
PO Box K220
HAYMARKET NSW 1240

Dear Brad,

REOPENING COAL RELEASE AREAS EXPRESSIONS OF INTEREST

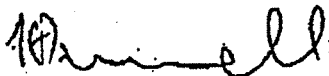
My review of the material designed to implement the abovementioned change in government policy returned a satisfactory result from the probity viewpoint:

The letter of advising to the initial proponents provides a candid presentation of the reasons behind the change and methods proposed to provide equal opportunity of assessment.

By the same token, the revised Call for Expressions of Interest provides an equal opportunity for the new proponents rated in the small to medium category, with the closing date of February 2, 2008.

Meanwhile, best wishes for Christmas and the New Year to you and all members of Mineral Resources.

Yours sincerely,



Kevin Fennell

J13-
650

RECEIVED
12 JAN 2009



NSW DEPARTMENT OF
PRIMARY INDUSTRIES

9 January 2009

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230

Dear Sir

As you are aware Expressions of Interest for the eleven (11) coal release areas in the Gunnedah, Hunter and Western Coalfield closed at 12:00 noon on 24 November 2008.

Prior to the closure of the original Expression of Interest process the Government and Department of Primary Industries had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries.

As a result the Government has made a change in policy relating to this current Coal Release Areas Expression of Interest and has decided to reopen the Expression of Interest to allow additional small to medium companies who have written to the Department of Primary Industries or the Minister to lodge an Expression of Interest for any of these eleven areas.

Interested parties are required to submit an Expression of Interest/s to the Department of Primary Industries with details of an exploration and development program. Closing time and date for Expressions of Interest is **12 noon on Monday 16 February 2009.**

The following options are available for consideration by all companies/parties who previously submitted an Expression of Interest prior to 12:00 noon on 24 November 2008:

- (a) maintain their original Expression of Interest for competitive evaluation
- (b) revise/replace their original Expression of Interest with no additional lodgement fee required
- (c) recall their original Expression of Interest with full refund of lodgement fee.

Development Coordination
PO Box 344
Hunter Region Mail Centre NSW 2310
516 High Street
Maitland

ABN 51 734 124 190
www.dpi.nsw.gov.au
Tel: 02 4931 6549
Fax: 02 4931 6793

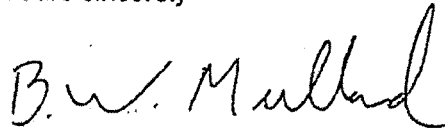
After consideration of the above options companies which have previously submitted an Expression of Interest for any of the 11 areas should nominate their preferred option by writing to:

Julie Moloney, Principal Adviser, Development Coordination
Phone: (02) 4931 6549
Email: julie.moloney@dpi.nsw.gov.au
Department of Primary Industries
PO Box 344, Hunter Regional Mail Centre NSW 2310

If no written advice has been received prior to 12:00 noon on Monday 16 February 2009 the original Expression of Interest submitted by a company/parties will be included for competitive evaluation.

Enclosed for your information is a copy of the Coal Release Areas Information Package dated *January 2009*.

Yours sincerely



Brad Mullard
A/Executive Director, Mineral Resources



08/8229

16 February 2009

Mr Kevin Fennell
Kevin T Fennell & Associates
Public Sector Consultant & Auditor
6/21 Kirk Crescent
KIRRAWEE NSW 2232

Dear Mr Fennell

Today in the conference room of the Department's Office at 516 High Street Maitland from 1:00pm, I officiated at the opening, declaration and recording of Expressions of Interests (EOIs) received for the eleven (11) Coal Release Areas in the Gunnedah, Hunter and Western Coalfields. I wish to verify with you, in your capacity as independent probity auditor for the EOI process, the following:

Prior to the opening of EOIs, I was thoroughly briefed by relevant officers of the Development Coordination Branch on the process being used for the receipt and storage of EOIs received, including security arrangements for these documents. I verify that the procedures and arrangements, as outlined below, were followed:

- A designated Officer (Julie Moloney or Elizabeth Laidlaw) from Development Coordination Branch received each EOI lodged at the Department's information counter. The Officer checked that a Cover Letter in a separate envelope was attached to the outside of each sealed EOI and that a non-refundable lodgement fee of \$1,000 accompanied the EOI. A receipt was issued for this fee. The Officer then took each EOI for secure storage in the designated locked office on level 2. Julie Moloney controlled key access to this secure office.
- After the EOI Application period closed at 12 noon today, all EOIs received were transported by designated Officers to the conference room on level 1 prior to the opening and declaration of EOIs received at 1pm. Only the name of the company/companies or consortium and any company equity involved as stated in the EOI Cover Letter was made public, and this information was recorded in the Department's Tender Book and verified by me.
- Following the public opening and declaration of EOIs, all EOIs were again securely stored in the designated locked office on level 2, prior to their transportation by car with Departmental Officer, Vince Fallico back to the Department's Sydney Office on Level 6, 201 Elizabeth Street where I understand that they will be stored in a locked, secure area prior to and during the evaluation process.

Yours sincerely

Lindsay Gilligan
Director Geological Survey

*Reviewed - satisfactory
as agreed with approved
procedures 16/2-09*



16 February 2009

Mr B Mullard
Executive Director, Mineral Resources
Department of Primary Industries
56 High St Maitland
NSW 2320

Dear Sir

Re: Expression of Interest - Mt Penny Exploration Area

Cascade Coal Pty Limited ("Cascade Coal") is pleased to submit an Expression of Interest for the Mt Penny Exploration Area in response to the request published by the Department of Primary Industries on 9 January 2009.

Cascade Coal has been specifically established to engage in greenfields exploration and developments within the coal sector preferably in New South Wales. You will note from the materials attached that the shareholders of Cascade Coal have significant experience in the coal sector and have been associated with large scale developments of coal properties in Australia and overseas. Cascade also currently has an active exploration program and holds a number of highly speculative tenements in Victoria referable to Brown Coal deposits.

The shareholders of Cascade are committed to developing a coal project and have committed to inject sufficient capital to meet the up front fees and initial Program of Works as required in the event that Cascade is successful with its application. In this regard the shareholders have secured an underwriting from the investment bank Arthur Phillip Pty Ltd to underpin their commitment.

In addition having regard to both the experience and expertise of the shareholders in raising substantial development capital in the coal sector the



shareholders are confident that the necessary capital to enable the development of the above areas will be raised on a timely basis. Our submission for the area addresses in some detail the relevant exploration program, the proposed mine development methodology, the relevant infrastructure, the required mitigation of greenhouse gasses, other environmental concerns and the benefits to local and regional communities.

We look forward to the opportunity of discussing the attached expressions of interest with you. Our nominated contact person is Michael Johnstone who may be contacted on (02) 9922 3777 or 0417 909 143.

Yours Faithfully


John McGuigan



Julie Moloney/DPI/NSW

16/02/2009 02:03 PM

To William Hughes/DPI/NSW@NSW

cc

bcc

Subject Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields
1pm Monday 16 February 20089

Hi Will

Could you please ensure that a copy of this email is forwarded to Brad , the DG and the Minister's office?

Thanks

Julie Moloney
Principal Adviser
Development Coordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Region Mail Centre NSW 2310
T: 02 4931 6549
M: [REDACTED]
F: 02 4931 67938

Will

Early this year the Expression of Interest for the eleven (11) Coal Release Areas was reopened to allow additional small to medium companies to submit.

The following options were available for consideration by all companies/parties who previously submitted an Expression of Interest:

- maintain their original Expression of Interest for competitive evaluation
- revise/replace their original Expression of Interest with no additional lodgement fee required
- recall their original Expression of Interest with full refund of lodgement fee.

Expressions of Interest (EOI) for the eleven (11) Coal Release Areas in the Gunnedah, Hunter & Western Coalfields closed today at 12:00 noon, Monday 16 February 2009. The following Declaration of Expressions of Interest received was made in the Conference Room, Level 1 of DPI Maitland Office at 1pm. This Declaration was open to the public as specified in the EOI Information document and in line with previous EOI processes.

Lindsay Gilligan, Director of the Geological Survey formally opened the covering letters attached to the various EOIs received and declared the name of the company/companies or consortium involved in submitting each EOI for the various 11 Coal Release Areas. The details were declared and recorded as follows:

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd - maintain Interest
2. Whitehaven Coal Limited - maintain Interest
3. The Bloomfield Group - revise/replace interest

Vickery South

1. Whitehaven Coal Limited - maintain Interest
2. Kimba Resources Pty Ltd - maintain Interest
3. Tianda Resources (Australia) Pty Ltd - maintain Interest
4. Coalworks Limited - maintain Interest

Yarrawa

1. Coalworks Limited - maintain Interest
2. Monaro Mining NL - revise/replace interest
3. Endocoal Limited - maintain Interest

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd revise/replace interest
2. Tianda Resources (Australia) Pty Ltd - maintain Interest
3. Coalworks Limited - maintain Interest
4. Monaro Mining NL - maintain Interest
5. Breakspeare Coal Mines Ltd -new
6. Redman Mining Limited - new

Glendon Brook

1. Hydromining Coal Australia Pty Ltd- maintain Interest
2. Monaro Mining NL- maintain Interest
3. Cascade Coal Pty Limited - new

Mt Penny

1. Jain Group - maintain Interest
2. Monaro Mining NL - maintain Interest
3. Cascade Coal Pty Limited - new
4. Breakspeare Coal Mines Ltd -new

Long Mountain

1. Jain Group - maintain Interest
2. Monaro Mining NL - revise/replace interest

Ilford

1. Jain Group - maintain Interest
2. Resource Management International Pty Ltd - maintain Interest
3. Enhance Place Pty Ltd- revise/replace interest
4. Centennial Coal - maintain Interest
5. Coal Solutions Australia Pty Ltd - maintain Interest
6. Kimba Resources Pty Ltd - maintain Interest
7. Coalworks Limited - maintain Interest
8. Monaro Mining NL- revise/replace interest

Cameron Road

1. Kimba Resources Pty Ltd - maintain Interest
2. Centennial Coal - maintain Interest
3. Enhance Place Pty Ltd - revise/replace interest
4. Jain Group - maintain Interest
5. Monaro Mining NL - revise/replace interest

Melrose

1. Centennial Coal - maintain Interest
2. Enhance Place Pty Ltd - revise/replace interest
3. Monaro Mining NL - revise/replace interest

Ben Bullen

1. Monaro Mining NL - revise/replace interest
2. Coalpac Pty Ltd - new

Regards

Julie Moloney
Principal Adviser
Development Coordination
Department of Primary Industries
516 High St Maitland NSW 2320
PO Box 344 Hunter Region Mail Centre NSW 2310
T: 02 4931 6549
M: [REDACTED]
F: 02 4931 67938

Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields 1pm Monday 16 February 2009

From: william.hughes@dpi.nsw.gov.au
To: brad.mullard@dpi.nsw.gov.au
Cc: richard.sheldrake@dpi.nsw.gov.au, lindsay.gilligan@dpi.nsw.gov.au, julie.moloney@dpi.nsw.gov.au
Date: Mon, 16 Feb 2009 14:31:36 +1100

Brad

Early in 2009 the Expression of Interest for the eleven (11) Coal Release Areas was reopened to allow additional small to medium companies to submit.

For all companies/parties who previously had submitted an Expression of Interest over the 11 Coal Release Areas, the following options were available:

- maintain their original Expression of Interest for competitive evaluation
- revise/replace their original Expression of Interest with no additional lodgement fee required
- recall their original Expression of Interest with full refund of lodgement fee.

Expressions of Interest (EOI) for the eleven (11) Coal Release Areas in the Gunnedah, Hunter & Western Coalfields closed today at 12:00 noon, Monday 16 February 2009. The following Declaration of Expressions of Interest received was made in the Conference Room, Level 1 of DPI Maitland Office at 1pm. This Declaration was open to the public as specified in the EOI Information document and in line with previous EOI processes.

Lindsay Gilligan, Director of the Geological Survey formally opened the covering letters attached to the various EOIs received and declared the name of the company/companies or consortium involved in submitting each EOI for the various 11 Coal Release Areas. The details were declared and recorded as follows (newly lodged EOIs are in blue font):

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd - maintain Interest
2. Whitehaven Coal Limited - maintain Interest
3. The Bloomfield Group - revise/replace Interest

Vickery South

1. Whitehaven Coal Limited - maintain Interest
2. Kimba Resources Pty Ltd - maintain Interest
3. Tianda Resources (Australia) Pty Ltd - maintain Interest
4. Coalworks Limited - maintain Interest

Yarrowa

1. Coalworks Limited - maintain Interest
2. Monaro Mining NL - revise/replace Interest
3. Endocoal Limited - maintain Interest

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd revise/replace Interest
2. Tianda Resources (Australia) Pty Ltd - maintain Interest
3. Coalworks Limited - maintain Interest
4. Monaro Mining NL - maintain Interest
5. Breakspheare Coal Mines Ltd -new
6. Redman Mining Limited - new

Glendon Brook

1. Hydromining Coal Australia Pty Ltd- maintain Interest
2. Monaro Mining NL- maintain Interest
3. Cascade Coal Pty Limited - new

Mt Penny

1. Jain Group - maintain Interest
2. Monaro Mining NL - maintain Interest
3. Cascade Coal Pty Limited - new
4. Breakspheare Coal Mines Ltd -new

Long Mountain

1. Jain Group - maintain Interest
2. Monaro Mining NL - revise/replace Interest

Ilford

1. Jain Group - maintain Interest
2. Resource Management International Pty Ltd - maintain Interest
3. Enhance Place Pty Ltd- revise/replace Interest
4. Centennial Coal - maintain Interest
5. Coal Solutions Australia Pty Ltd - maintain Interest

6. Kimba Resources Pty Ltd - maintain Interest
7. Coalworks Limited - maintain Interest
8. Monaro Mining NL - revise/replace Interest

Cameron Road

1. Kimba Resources Pty Ltd - maintain Interest
2. Centennial Coal - maintain Interest
3. Enhance Place Pty Ltd - revise/replace Interest
4. Jain Group - maintain Interest
5. Monaro Mining NL - revise/replace Interest

Melrose

1. Centennial Coal - maintain Interest
2. Enhance Place Pty Ltd - revise/replace Interest
3. Monaro Mining NL - revise/replace Interest

Ben Bullen

1. Monaro Mining NL - revise/replace Interest
2. Coalpac Pty Ltd - new

Regards

William Hughes
A/Director Development Coordination
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
Sydney NSW 2000
Ph: +61 2 8289 3931
Fx: +61 2 9286 3208
Mob: [REDACTED]
E: william.hughes@dpi.nsw.gov.au
Web: www.dpi.nsw.gov.au

Kevin & Geraldine Fennell

From: <william.hughes@dpi.nsw.gov.au>
To: <fennell51@comcen.com.au>
Sent: Monday, 16 February 2009 2:36 PM
Subject: Fw: Declaration of Expressions of Interest received for 11 Coal Release Areas - Gunnedah, Hunter & Western Coalfields 1pm Monday 16 February 2009

Hi Kevin

Please find below general company details re EOI received today for the 11 areas. You will note a number of companies have revised or replaced their original submission. Also we received a few new EOIs indicated in blue font. I look forward to seeing you at 10:30am on Wednesday 18 February to commence the evaluation process for this EOI.

Kind Regards

William

William Hughes
 A/Director Development Coordination
 NSW Department of Primary Industries
 Level 6, 201 Elizabeth Street
 Sydney NSW 2000
 Ph: +61 2 8289 3931
 Fx: +61 2 9286 3208
 Mob: [REDACTED]
 E: william.hughes@dpi.nsw.gov.au
 Web: www.dpi.nsw.gov.au

----- Forwarded by William Hughes/DPI/NSW on 16/02/2009 02:32 PM -----

William Hughes/DPI/NSW

16/02/2009 02:31 PM

To Brad Mullard/DPI/NSW

cc Richard Sheldrake/DPI/NSW@NSW, Lindsay Gilligan/DPI/NSW@NSW,
 Julie Moloney/DPI/NSW@NSW

Subject Declaration of Expressions of Interest received for 11 Coal Release Areas -
 Gunnedah, Hunter & Western Coalfields 1pm Monday 16 February 2009

Brad

Early in 2009 the Expression of Interest for the eleven (11) Coal Release Areas was reopened to allow additional small to medium companies to submit.

For all companies/parties who previously had submitted an Expression of Interest over the 11 Coal Release Areas, the following options were available:

- maintain their original Expression of Interest for competitive evaluation
- revise/replace their original Expression of Interest with no additional lodgement fee required
- recall their original Expression of Interest with full refund of lodgement fee.

Expressions of Interest (EOI) for the eleven (11) Coal Release Areas in the Gunnedah, Hunter & Western Coalfields closed today at 12:00 noon, Monday 16 February 2009. The following Declaration of Expressions

of Interest received was made in the Conference Room, Level 1 of DPI Maitland Office at 1pm. This Declaration was open to the public as specified in the EOI Information document and in line with previous EOI processes.

Lindsay Gilligan, Director of the Geological Survey formally opened the covering letters attached to the various EOIs received and declared the name of the company/companies or consortium involved in submitting each EOI for the various 11 Coal Release Areas. The details were declared and recorded as follows (newly lodged EOIs are in blue font):

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd - maintain Interest
2. Whitehaven Coal Limited - maintain Interest
3. The Bloomfield Group - revise/replace Interest

Vickery South

1. Whitehaven Coal Limited - maintain Interest
2. Kimba Resources Pty Ltd - maintain Interest
3. Tianda Resources (Australia) Pty Ltd - maintain Interest
4. Coalworks Limited - maintain Interest

Yarrawa

1. Coalworks Limited - maintain Interest
2. Monaro Mining NL - revise/replace Interest
3. Endocoal Limited - maintain Interest

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd revise/replace Interest
2. Tianda Resources (Australia) Pty Ltd - maintain Interest
3. Coalworks Limited - maintain Interest
4. Monaro Mining NL - maintain Interest
5. Breakspeare Coal Mines Ltd -new
6. Redman Mining Limited - new

Glendon Brook

1. Hydromining Coal Australia Pty Ltd- maintain Interest
2. Monaro Mining NL- maintain Interest
3. Cascade Coal Pty Limited - new

Mt Penny

1. Jain Group - maintain Interest
2. Monaro Mining NL - maintain Interest
3. Cascade Coal Pty Limited - new
4. Breakspeare Coal Mines Ltd -new

Long Mountain

1. Jain Group - maintain Interest
2. Monaro Mining NL - revise/replace Interest

Ilford

1. Jain Group - maintain Interest
2. Resource Management International Pty Ltd - maintain Interest
3. Enhance Place Pty Ltd- revise/replace Interest
4. Centennial Coal - maintain Interest
5. Coal Solutions Australia Pty Ltd - maintain Interest
6. Kimba Resources Pty Ltd - maintain Interest
7. Coalworks Limited - maintain Interest

8. Monaro Mining NL- revise/replace Interest

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Melrose

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2. Enhance Place Pty Ltd - revise/replace Interest
3. Monaro Mining NL - revise/replace Interest

Ben Bullen

1. Monaro Mining NL - revise/replace Interest
2. Coalpac Pty Ltd - new

Regards

William Hughes
A/Director Development Coordination
NSW Department of Primary Industries
Level 6, 201 Elizabeth Street
Sydney NSW 2000
Ph: +61 2 8289 3931
Fx: +61 2 9286 3208
Mob [REDACTED]
E: william.hughes@dpi.nsw.gov.au
Web: www.dpi.nsw.gov.au

This message is intended for the addressee named and may contain confidential information. If you a

No virus found in this incoming message.

Checked by AVG - www.avg.com

Version: 8.0.237 / Virus Database: 270.10.25/1957 - Release Date: 02/17/09 07:07:00

Kevin & Geraldine Fennell

From: <william.hughes@dpi.nsw.gov.au>
To: <fennell51@comcen.com.au>
Sent: Wednesday, 29 April 2009 5:12 PM
Subject: Eleven Areas EOI Evaluation Panel

Hi Kevin

Trust you are well. Just thought id update you on progress with the Eleven Areas EOI. The Panel met today and yesterday and has now completed its evaluation of the 11 Areas. As chair of the panel, I will now write up our report and recommendations for sign off on Tuesday 12 May 2009. Could you confirm your availability to attend that meeting at around 12.30pm? Lunch to be provided.

Kind Regards

Will

82 89 3931

OK - confirmed
with Will 10 5-5

This message is intended for the addressee named and may contain confidential information. If you a

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Version: 8.0.238 / Virus Database: 270.12.18/2096 - Release Date: 05/04/09 17:51:00

✓
Maitland

Wed pm 230 - 430
on May 20

see
Technical Review Panel

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<i>Attachment 1: Coal Release Areas EOI Information booklet - containing Evaluation Criteria</i>	
<i>Attachment 2: Expression of Interest Evaluation Criteria Table</i>	
<i>Attachment 3: Independent Probity Audit Report (by Mr K Fennell FCPA)</i>	
<i>Attachment 4: Declarations of Conflict of Interest and Non-Disclosure of Confidential Information by members of the Evaluation Team and Mr K Fennell FCPA</i>	

COAL RELEASE AREAS EVALUATION OF EXPRESSIONS OF INTEREST

Executive Summary

The Minister for Mineral Resources in August 2008 invited Expressions of Interest (EOI) for the awarding of exploration licences in respect of eleven (11) coal exploration areas, pursuant to the Mining Act 1992:

- | | |
|-----------------|--------------------|
| • Goonbri | Gunnedah Coalfield |
| • Vickery South | Gunnedah Coalfield |
| • Yarrawa | Hunter Coalfield |
| • Spur Hill | Hunter Coalfield |
| • Glendon Brook | Hunter Coalfield |
| • Mt Penny | Western Coalfield |
| • Long Mountain | Western Coalfield |
| • Ilford | Western Coalfield |
| • Cameron Road | Western Coalfield |
| • Melrose | Western Coalfield |
| • Ben Bullen | Western Coalfield |

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was undertaken for these eleven (11) areas.

Only companies invited to submit an Expression of Interest could apply. Expressions of Interest for more than one area could be submitted, however an individual application was required for each area of interest.

When Expressions of Interest (EOI) closed on Monday 16 February 2009, EOI's for the 11 coal exploration areas were submitted by the following companies:

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd
2. Whitehaven Coal Limited
3. Bloomfield Collieries Pty Limited

Vickery South

1. Whitehaven Coal Limited
2. Kimba Resources Pty Ltd
3. Tianda Resources (Australia) Pty Ltd
4. Coalworks Limited

Yarrawa

1. Coalworks Limited
2. Monaro Mining NL
3. Endocoal Limited

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd
2. Tianda Resources (Australia) Pty Ltd
3. Coalworks Limited
4. Monaro Mining NL
5. Breakspheare Coal Mines Ltd
6. Redman Mining Limited

Glendon Brook

1. Hydromining Coal Australia Pty Ltd
2. Monaro Mining NL
3. Cascade Coal Pty Limited

Mt Penny

1. Jain Group
2. Monaro Mining NL
3. Cascade Coal Pty Limited
4. Breakspheare Coal Mines Ltd

Long Mountain

1. Jain Group
2. Monaro Mining NL

Ilford

1. Jain Group
2. Resource Management International Pty Ltd
3. Enhance Place Pty Ltd
4. Centennial Coal
5. Coal Solutions Australia Pty Ltd
6. Kimba Resources Pty Ltd
7. Coalworks Limited
8. Monaro Mining NL

Cameron Road

1. Kimba Resources Pty Ltd
2. Centennial Coal
3. Enhance Place Pty Ltd
4. Jain Group
5. Monaro Mining NL

Melrose

1. Centennial Coal
2. Enhance Place Pty Ltd
3. Monaro Mining NL

Ben Bullen

1. Monaro Mining NL
2. Coalpac Pty Ltd

An evaluation team from experts on the staff of the Department of Primary Industries and elsewhere in government has evaluated the EOI's according to the evaluation criteria specified in the Coal Release Areas EOI Information booklet, and using a consistent process approved by an independent probity auditor.

The Evaluation Team has examined the EOI's in detail and has reached clear conclusions and recommendations in the presence of the independent probity auditor on 14 May 2009 (see attachment 3).

Conclusion and Recommendation

The Evaluation Team has concluded that the EOI's received from Bloomfield Collieries Pty Limited (Goonbri Area); Coalworks Limited (Vickery South); Monaro Mining NL (Yarrawa); Monaro Mining NL (Spur Hill); Monaro Mining NL (Glendon Brook); Monaro Mining NL (Mt Penny); Monaro Mining NL (Long Mountain); Centennial Coal Company (Ilford); Centennial Coal Company (Cameron Road); Centennial Coal Company (Melrose) and Monaro Mining NL (Ben Bullen) are clearly superior to the other EOI's received in terms of the evaluation criteria.

The Evaluation Team recommends to the Director-General of the Department of Primary Industries that the Minister for Mineral Resources selects the above mentioned companies as the successful EOI applicants for the awarding of new Exploration Licences over the coal release areas for which they lodged a successful EOI, for a period of up to five years, subject to special conditions.

W HUGHES

A/Director Development Coordination
Department of Primary Industries (DPI)

A ZANELLA

Project Manager, Project Management Coordination
Department of Planning

J MOLONEY

Principal Adviser Minerals
DPI

COAL RELEASE AREAS EVALUATION OF EXPRESSIONS OF INTEREST

Introduction

In August 2008, the Minister for Mineral Resources in New South Wales invited Expressions of Interest (EOI) for the awarding of exploration licences in respect of eleven (11) coal exploration areas, pursuant to the *Mining Act 1992*.

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was undertaken for these eleven (11) areas.

- | | |
|-----------------|--------------------|
| • Goonbri | Gunnedah Coalfield |
| • Vickery South | Gunnedah Coalfield |
| • Yarrowa | Hunter Coalfield |
| • Spur Hill | Hunter Coalfield |
| • Glendon Brook | Hunter Coalfield |
| • Mt Penny | Western Coalfield |
| • Long Mountain | Western Coalfield |
| • Ilford | Western Coalfield |
| • Cameron Road | Western Coalfield |
| • Melrose | Western Coalfield |
| • Ben Bullen | Western Coalfield |

Only companies invited to submit an Expression of Interest could apply. Expressions of Interest for more than one area could be submitted, however an individual application was required for each area of interest.

When Expressions of Interest (EOI) closed on Monday 16 February 2009, EOI's for the 11 coal exploration areas were submitted by the following companies:

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd
2. Whitehaven Coal Limited
3. Bloomfield Collieries Pty Limited

Vickery South

1. Whitehaven Coal Limited
2. Kimba Resources Pty Ltd
3. Tianda Resources (Australia) Pty Ltd
4. Coalworks Limited

Yarrowa

1. Coalworks Limited
2. Monaro Mining NL
3. Endocoal Limited

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd
2. Tianda Resources (Australia) Pty Ltd
3. Coalworks Limited
4. Monaro Mining NL
5. Breakspeare Coal Mines Ltd
6. Redman Mining Limited

Glendon Brook

1. Hydromining Coal Australia Pty Ltd
2. Monaro Mining NL
3. Cascade Coal Pty Limited

Mt Penny

1. Jain Group
2. Monaro Mining NL
3. Cascade Coal Pty Limited
4. Breakspeare Coal Mines Ltd

Long Mountain

1. Jain Group
2. Monaro Mining NL

Ilford

1. Jain Group
2. Resource Management International Pty Ltd
3. Enhance Place Pty Ltd
4. Centennial Coal
5. Coal Solutions Australia Pty Ltd
6. Kimba Resources Pty Ltd
7. Coalworks Limited
8. Monaro Mining NL

Cameron Road

1. Kimba Resources Pty Ltd
2. Centennial Coal
3. Enhance Place Pty Ltd
4. Jain Group
5. Monaro Mining NL

Melrose

1. Centennial Coal
2. Enhance Place Pty Ltd
3. Monaro Mining NL

Ben Bullen

1. Monaro Mining NL
2. Coalpac Pty Ltd

Process for Evaluation

A competitive evaluation of the EOI's has been carried out by DPI through an evaluation team overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The Department established the evaluation team from experts on its staff and elsewhere in government. The evaluation team comprised DPI officers: Mr W Hughes, A/Director Development Coordination, Ms J Moloney, Principal Adviser Minerals; and Mr A Zanella, Project Manager, Project Management Coordination Branch, Department of Planning.

The team evaluated the EOI's using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team (see *Attachment 3*).

The evaluation criteria, as specified in the EOI information booklet (see *Attachment 1*), provided the basis for evaluation and assessment of the EOI. Prior to commencing the evaluation of the EOI, the evaluation team agreed that it would apply the following *weighting* to the various evaluation criteria in assessing and evaluating the EOI. This was discussed with and agreed to by the external probity auditor as an appropriate method to assist with the assessment of this EOI.

<i>Evaluation Criteria</i>	<i>Weighting given (out of a total of 100)</i>
1. Exploration proposal	25
2. Mine Development proposal	25
3. Resource Recovery & Coal Utilisation	15
4. Infrastructure proposals	10
5. Financial Contributions*	20
<small>(*consideration of additional contributions, in excess of the minimum requirements in the EOI information booklet)</small>	
6. Other matters that would assist in assessing proposal	5

Evaluation Criteria

These were specified in the Coal Release Areas Expression of Interest Information booklet (see *Attachment 1*) and are reproduced in a table format that was used by the evaluation team to evaluate and assess the relative merits of the EOI received (see *Attachment 2*).

Expressions of Interest Received - Contact Details

Contact details for companies that submitted an EOI in each of the coal release areas:

Goonbri

Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange, NSW 1225
Ph: 61 2 9251 9001
Fax: 61 2 9251 7688

Whitehaven Coal Limited
PO Box R1113, Royal Exchange NSW 1225
Ph: 61 2 8507 9700
Fax: 61 2 8507 9701

Bloomfield Collieries Pty Limited
PO Box 4, East Maitland NSW 2323
Ph: 61 2 4930 2600
Fax: 61 2 4933 8940

Vickery South

Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange, NSW 1225
Ph: 61 2 9251 9001
Fax: 61 2 9251 7688

Whitehaven Coal Limited
PO Box R1113, Royal Exchange NSW 1225
Ph: 61 2 8507 9700
Fax: 61 2 8507 9701

Kimba Resources Pty Ltd
PO Box 1412, West Perth, WA 6872
Ph: 61 8 9388 2967
Fax: 61 8 9381 5911

Coalworks Limited
Level 5, 44 Miller Street
North Sydney NSW 2060
Ph: 61 2 9922 1344
Fax: 61 2 9922 4288

Yarrawa

Coalworks Limited
Level 5, 44 Miller Street
North Sydney NSW 2060
Ph: 61 2 9922 1344
Fax: 61 2 9922 4288

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Endocoal Limited
Level 17
15 Castlereagh Street
Sydney NSW 2000
Ph: 61 2 9993 4472
Fax: 61 2 9993 4433

Spur Hill

Spur Hill Joint Venture
PO Box 483
Singleton NSW 2330

Coalworks Limited
Level 5, 44 Miller Street
North Sydney NSW 2060
Ph: 61 2 9922 1344
Fax: 61 2 9922 4288

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange, NSW 1225
Ph: 61 2 9251 9001
Fax: 61 2 9251 7688

Redman Mining Limited
GPO Box 2537
Sydney NSW 2000

Breakspheare Coal Mines Pty Ltd
C/- Mitchell Morgan Pty Ltd
Level 45
2 Park Street, Sydney NSW 2000
Ph: 61 2 9264 4040
Fax: 61 2 9264 4045

Glendon Brook

Hydromining Coal Australia Pty Ltd
PO Box 683
Newcastle NSW 2300
Ph: 61 2 4925 2644
Fax: 61 2 4926 3871

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Cascade Coal Pty Limited
GPO Box 2537
Sydney NSW 2000
Ph: 61 2 9227 8900
Fax: 61 2 9227 8901

Mt Penny

Jain Group
Level 1
96 Cahors Road
Padstow NSW 2211

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Cascade Coal Pty Limited
GPO Box 2537
Sydney NSW 2000
Ph: 61 2 9227 8900
Fax: 61 2 9227 8901

Breakspheare Coal Mines Pty Ltd
C/- Mitchell Morgan Pty Ltd
Level 45
2 Park Street, Sydney NSW 2000
Ph: 61 2 9264 4040
Fax: 61 2 9264 4045

Long Mountain

Jain Group
Level 1
96 Cahors Road
Padstow NSW 2211

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Illford

Jain Group
Level 1
96 Cahors Road
Padstow NSW 2211

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Kimba Resources Pty Ltd
PO Box 1412, West Perth, WA 6872
Ph: 61 8 9388 2967
Fax: 61 8 9381 5911

Coalworks Limited
Level 5, 44 Miller Street
North Sydney NSW 2060
Ph: 61 2 9922 1344
Fax: 61 2 9922 4288

Resource Management International Pty Ltd
Suite 307, 66 King Street
Sydney NSW 2000
Ph: 61 2 9299 5576
Fax: 61 2 9520 0220

Enhance Place Pty Limited
PO Box 6095
S.C.M.C
Wollongong NSW 2500
Ph: 61 2 4225 9790
Fax: 61 2 4225 9539

Centennial Coal Company
Level 18, BT Tower
1 Market Street
Sydney NSW 2000
Ph: 61 2 9266 2700
Fax: 61 2 9261 5533

Coal Solutions Australia Pty Ltd
C/- Coal Marketing Services Ltd
218/6 Cowper Wharf Road
Woolloomooloo NSW 2010
Ph: 61 2 8084 7778

Cameron Road

Jain Group
Level 1
96 Cahors Road
Padstow NSW 2211

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Kimba Resources Pty Ltd
PO Box 1412, West Perth, WA 6872
Ph: 61 8 9388 2967
Fax: 61 8 9381 5911

Enhance Place Pty Limited
PO Box 6095
S.C.M.C
Wollongong NSW 2500
Ph: 61 2 4225 9790
Fax: 61 2 4225 9539

Centennial Coal Company
Level 18, BT Tower
1 Market Street
Sydney NSW 2000
Ph: 61 2 9266 2700
Fax: 61 2 9261 5533

Melrose

Enhance Place Pty Limited
PO Box 6095
S.C.M.C
Wollongong NSW 2500
Ph: 61 2 4225 9790
Fax: 61 2 4225 9539

Centennial Coal Company
Level 18, BT Tower
1 Market Street
Sydney NSW 2000
Ph: 61 2 9266 2700
Fax: 61 2 9261 5533

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Ben Bullen

Monaro Mining NL
PO Box 1178
Queen Victoria Building NSW 1230
Ph: 61 2 9264 7344
Fax: 61 2 9264 8933

Coalpac Pty Ltd
PO Box 883
Kenmore QLD 4069
Ph: 61 7 3720 1555
Fax: 61 7 3720 1333

Evaluation of EOI Received

Goonbri

Three EOI's (Tianda Resources (Australia) Pty Ltd, Whitehaven Coal Limited and Bloomfield Collieries Pty Limited) were submitted for the Goonbri coal release area in the Gunnedah Coalfield. Both Bloomfield Collieries Pty Limited and Whitehaven Coal Limited submitted EOI's that were technically in advance of the other submission.

While the panel acknowledges that there may be significant synergies for Whitehaven in the Goonbri EOI area, particularly in terms of infrastructure provision, the submission by Bloomfield was considered superior in terms of the financial contributions offered.

Bloomfield has put forward a sound program of exploration, testing the whole area. Bloomfield's exploration program is proposed to extend over 5 years and is costed at \$10.39 million.

Bloomfield has made a strong commitment to open cut mining around the base of Goonbri Mountain. Bloomfield has estimated open cut economically minable coal resources at approximately 10 Million tonnes (Mt) Run of Mine (ROM). Technical issues have been thoroughly addressed, time frames are sound (5 year exploration program and lodgement of Part 3A major project application within 12 months of completion of exploration). Employment is expected to be equivalent to approximately 70 full time direct jobs and capital expenditure is estimated at \$62.1 million.

Resource recovery is considered to be sound – Bloomfield is committed to resource maximisation. Bloomfield is also committed to identifying the extent of the resource by undertaking a rigorous exploration program.

Additional financial contribution of \$2.125 million (ex gratia payment at the time of granting an Exploration Licence). These additional contributions exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Bloomfield Collieries Pty Limited to be superior to the other EOI applicants.

Vickery South

Four EOI's (Whitehaven Coal Limited, Kimba Resources Pty Ltd, Tianda Resources (Australia) Pty Ltd and Coalworks Limited) were submitted for the Vickery South coal release area in the Gunnedah Coalfield. Both Coalworks Limited and Whitehaven Coal Limited submitted EOI's that were technically in advance of the other submissions.

Whilst the panel acknowledges that there may be significant synergies for Whitehaven in the Vickery South EOI area, particularly in terms of infrastructure provision, the submission by Coalworks was considered superior in terms of the financial contributions offered.

Coalworks has put forward a sound program of exploration testing the whole area. Coalworks' three stage exploration program (more than 100 drill holes) is proposed to extend over 3 years and is costed at approximately \$5.5 million.

Coalworks has made a strong commitment to both open cut and underground mining. Coalworks has estimated coal resources at approximately 50-70 Million tonnes (Mt), with up to one third of the coal possibly suitable to open cut extraction. Technical issues have been thoroughly addressed, time frames are sound (3 year exploration program and commencement of mining within 6 years from grant of EL). Employment is expected to be equivalent to approximately 250 full time direct jobs and capital expenditure is estimated at up to \$360 million.

Resource recovery is considered sound – Coalworks is committed to resource maximisation. Coalworks is also committed to identifying the extent of the resource by undertaking a rigorous exploration program. Coalworks is planning the open cut, highwall and underground mining operations producing both thermal and semi soft coking coals.

Additional financial contribution of \$250,000 (to DPI's Coal Development Fund) on grant of an exploration licence, over and above the minimum contribution to the Coal Development fund. This additional contribution exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Coalworks Limited to be superior to the other EOI applicants.

Yarrawa

Three EOI's (Coalworks Limited, Monaro Mining NL, and Endocoal Limited) were submitted for the Yarrawa coal release area in the Hunter Coalfield. The submissions by Coalworks Limited and Monaro Mining NL were considered technically superior to the other submission made (by Endocoal Limited).

However, Monaro Mining with its significantly higher additional financial contribution of \$2 million on grant of an Exploration Licence was deemed to be the number one ranked submission.

Monaro Mining has put forward a sound program of exploration with testing of the whole area. Monaro's three stage exploration program (more than 130 drill holes) is proposed to extend over 2 years and is costed at approximately \$6.6 million, with an additional \$732,000 for environmental and community studies.

Monaro Mining has made a commitment to investigate both open cut and underground mining techniques. Monaro has estimated coal resources at up to 85 Million tonnes (Mt) ROM. Technical issues have been thoroughly addressed and time frames are sound (2 year exploration program).

Resource recovery is considered sound – Monaro is committed to resource maximisation. Monaro is also committed to identifying the extent of the resource by undertaking a rigorous exploration program. Monaro is considering both open cut and underground mining operations producing a washed thermal coal product.

Additional financial contribution of \$2 million on grant of an Exploration Licence. This additional contribution exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Monaro Mining NL to be superior to the other EOI applicants.

Glendon Brook

Three EOI's (Hydromining Coal Australia Pty Ltd, Monaro Mining NL and Cascade Coal Pty Limited) were submitted for the Glendon Brook coal release area in the Hunter Valley. All three submissions adequately addressed the technical selection criteria for the EOI.

However, the submission made by Monaro Mining NL was considered far superior in terms of its proposed additional financial contributions of \$5 million on grant of an Exploration Licence.

Monaro Mining has put forward a sound program of exploration with testing of the whole area. Monaro's three stage exploration program (more than 160 drill holes) is proposed to extend over 2 years and is costed at approximately \$10.7 million, with an additional \$792,000 for environmental and community studies.

Monaro Mining has made a commitment to investigate both open cut and underground coal resources, although the steeply dipping structure of the coal seams suggests the deposit has limited underground mining potential. Monaro has estimated open cut coal resources of up to 35 Million tonnes (Mt) ROM. Technical issues have been thoroughly addressed and time frames are sound (2 year exploration program).

Resource recovery is considered to be sound – Monaro is committed to resource maximisation. Monaro is also committed to identifying the extent of the resource by undertaking a rigorous exploration program. Given the steeply dipping seam structure, Monaro is focusing on open cut opportunities, but has not ruled out investigating underground mining operations.

Monaro has identified rail transportation as the most likely option for transport of coal to Port. However, the company has also indicated that there are a number of constraints in relation to existing railway and road transport options. Given the smallish nature of the estimated coal resource, the construction of a rail loop may not be economic and the company has indicated that it will need to look at alternative options.

Additional financial contribution of \$5 million on grant of an Exploration Licence. This additional contribution far exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Monaro Mining NL to be superior to the other EOI applicants.

Mt Penny

Four EOI's were submitted (by The Jain Group, Monaro Mining NL, Cascade Coal Pty Limited and Breakspeare Coal Mines Ltd) for the Mt Penny coal release area in the Western Coalfield.

The submission made by Monaro Mining NL was considered far superior in terms of its proposed technical program and additional financial contributions of \$25 million on grant of an Exploration Licence.

Monaro Mining has put forward a sound program of exploration with testing of the whole area. Monaro's three stage exploration program (more than 200 drill holes) is proposed to extend over 2 years and is costed at approximately \$6.67 million, with an additional \$1.5 million for environmental and community studies.

Monaro Mining's conceptual mine development proposal is superior to other submissions made. Monaro has made a commitment to investigate both open cut and underground coal resources. Monaro has estimated that it could extract up to 6 Mt per annum of saleable coal with 2 Mt per annum coming from open cut operations and up to 4 Mt per annum from underground operations. Technical issues have been thoroughly addressed and time frames are sound (2 year exploration program and 5-6 year development timeframe).

Whilst details on proposed coal utilisation were limited, resource recovery was considered sound – Monaro is committed to resource maximisation. Monaro is also committed to identifying the extent of the resource by undertaking a rigorous exploration program investigating both open cut and underground coal resources.

Monaro has identified rail transportation as the most likely option for transport of coal to Port. However, the company has also indicated that there are a number of constraints in relation to existing railway and road transport options. The company has indicated that it will need to look at alternative options including cooperative arrangements with nearby operators.

Some consideration given in the submission by Monaro Mining to a community consultative program.

Additional financial contribution of \$25 million on grant of an Exploration Licence. This additional contribution far exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Monaro Mining NL to be superior to the other EOI applicants.

Long Mountain

The Long Mountain coal release area in the Western Coalfield has had no previous exploration activity and therefore the true resource potential is unknown.

Given this scenario both submissions made (by the Jain Group and Monaro Mining NL) adequately addressed most of the selection criteria. However the EOI lodged by Monaro Mining was deemed superior due to its proposed greater additional financial contributions of \$300,000 on grant of a exploration licence.

Monaro Mining has put forward a sound program of exploration testing the whole area. Monaro's three stage exploration program is proposed to extend over 2 years and is costed at approximately \$1.33 million, with an additional \$600,000 for environmental and community studies.

Monaro has made a commitment to investigate the potential underground coal resources of the area. While it has not ruled out open cut mining, it believes that it may not be economically viable due to the depth and thickness of the coal seams. Monaro has estimated that up to 10 Mt of ROM coal could potentially be recovered. Technical issues have been thoroughly addressed and time frames are sound (2 year exploration program and 5-6 year development timeframe).

While details on proposed coal utilisation were limited, resource recovery was considered sound – Monaro is committed to resource maximisation. Monaro is also committed to identifying the extent of the resource by undertaking a rigorous exploration program.

While details on transport and infrastructure related issues were limited, Monaro has identified rail transportation as the most likely option for transport of coal to Port. However, the company has also indicated that there are a number of constraints in relation to existing railway and road transport options.

Some consideration is given in the submission by Monaro Mining to a community consultative program.

Additional financial contribution of \$300,000 on grant of an Exploration Licence. This additional contribution exceeded those of other EOI proposals.

The Evaluation Team considers that this EOI submitted by Monaro Mining NL to be superior to the other EOI applicant.

Ilford

EOI's for the Ilford coal release area in the Western Coalfield were submitted by eight companies (Jain Group, Resource Management International Pty Ltd, Enhance Place Pty Ltd, Centennial Coal Company, Coal Solutions Australia Pty Ltd, Kimba Resources Pty Ltd, Coalworks Limited and Monaro Mining NL).

The EOI lodged by Centennial Coal Company was considered the superior submission on technical grounds, in particular in relation to the proposed exploration program and mine development.

Centennial's proposed program of exploration was far superior to the other submissions lodged. Centennial has put forward a sound program of exploration testing the whole area. Centennial's two stage exploration program is proposed to extend over 5 years and is costed at approximately \$5.3 million, with an additional \$3.35 million for environmental and mine planning studies.

Centennial's conceptual mine development proposal was considered to be well in advance of other EOI's submitted. Centennial plans to fully investigate both open cut and underground mining opportunities and its proposed capital expenditure of \$122 million ranked it the preferred proposal. While it has not ruled out open cut mining, Centennial considers the most appropriate method of coal extraction to be underground bord and pillar so as to reduce subsidence impacts on sensitive cliff lines. Centennial has estimated that the Ilford EOI area may contain up to 92 Mt of resources and 32.6 Mt of reserves. Technical issues have been thoroughly addressed and time frames are sound (5 year exploration program and 6-7 year development timeframe).

Centennial's infrastructure proposals, with its greater synergies to the Company's existing projects/mines in the area, offered far greater certainty of infrastructure delivery than other submissions made. Given the smallish size of the resource and the significant infrastructure costs involved, other submissions could not provide the same degree of certainty in infrastructure delivery.

Some consideration is given in the submission by Centennial Coal to a community liaison program. Centennial has also committed to a land acquisition program which is costed at \$5 million.

Additional financial contribution of \$750,000 on grant of an Exploration Licence. While Centennial proposed a smaller upfront financial contribution than Resource Management International Pty Ltd, overall their proposal is technically superior and the Evaluation Panel considers that this proposal provides greater certainty to development.

It should also be noted that the Ilford coal release area is in close proximity to Centennial Coal's existing mining operations and exploration licences and thereby provides synergies for development and opportunities for maximising existing infrastructure and provides a better overall outcome to the region and the State.

The Evaluation Team considers that this EOI submitted by Centennial Coal Company to be superior to the other EOI applicants.

Cameron Road

EOI's for the Cameron Road coal release area in the Western Coalfield were submitted by five companies (Kimba Resources Pty Ltd, Centennial Coal Company, Enhance Place Pty Ltd, Jain Group and Monaro Mining NL).

The EOI lodged by Centennial Coal Company was considered the superior submission on technical grounds, in particular in relation to the proposed exploration program and mine development.

Centennial's proposed program of exploration was far superior to the other submissions lodged. Centennial has put forward a sound program of exploration testing the whole area. Centennial's two stage exploration program is proposed to extend over 5 years and is costed at approximately \$4.8 million, with an additional \$3.35 million for environmental and mine planning studies.

Centennial's conceptual mine development proposal was considered to be well in advance of other EOI's submitted. Centennial plans to fully investigate both open cut and underground mining opportunities and its proposed capital expenditure of \$122 million ranked it the preferred proposal. While it has not ruled out open cut mining, Centennial considers the most appropriate method of coal extraction to be underground bord and pillar so as to reduce subsidence impacts on sensitive cliff lines. Centennial has estimated that the Cameron Road EOI area may contain up to 26 Mt of resources and 16 Mt of reserves. Technical issues have been thoroughly addressed and time frames are sound (5 year exploration program and 6-7 year development timeframe).

Centennial's infrastructure proposals, with its greater synergies to the Company's existing projects/mines in the area, offered far greater certainty of infrastructure delivery than other submissions made. Given the smallish size of the resource and the significant infrastructure costs involved, other submissions could not provide the same degree of certainty in infrastructure delivery.

Some consideration is given in the submission by Centennial Coal to a community liaison program.

Additional financial contribution of \$250,000 on grant of an Exploration Licence. While Centennial proposed a smaller upfront financial contribution than Monaro Mining NL, overall their proposal is technically superior and the Evaluation Panel considers that this proposal provides greater certainty to development.

It should also be noted that the Cameron Road coal release area is in close proximity to Centennial Coal's existing mining operations and exploration licences and thereby provides synergies for development and opportunities for maximising existing infrastructure and provides a better overall outcome to the region and the State.

The Evaluation Team considers that this EOI submitted by Centennial Coal Company to be superior to the other EOI applicants.

Melrose

EOI's for the Melrose coal release area in the Western Coalfield were submitted by three companies (Centennial Coal Company, Enhance Place Pty Ltd and Monaro Mining NL).

The EOI lodged by Centennial Coal Company was considered the superior submission on technical grounds, in particular in relation to the proposed exploration program and mine development.

Centennial's proposed program of exploration was far superior to the other submissions lodged. Centennial has put forward a sound program of exploration testing the whole area. Centennial's two stage exploration program is proposed to extend over 5 years and is costed at approximately \$2.55 million, with an additional \$3.35 million for environmental and mine planning studies.

Centennial's conceptual mine development proposal was considered to be well in advance of other EOI's submitted. Centennial plans to fully investigate both open cut and underground mining opportunities and its proposed capital expenditure of over \$112 million ranked it the preferred proposal. While it has not ruled out open cut mining, Centennial considers the most appropriate method of coal extraction to be underground bord and pillar so as to reduce subsidence impacts on sensitive cliff lines and to reduce the potential for community objection. Centennial has estimated that the Melrose EOI area may contain up to 35 Mt of resources and 18.4 Mt of reserves. Technical issues have been thoroughly addressed and time frames are sound (5 year exploration program and 6-7 year development timeframe).

Centennial's infrastructure proposals, with its greater synergies to the Company's existing projects/mines in the area, offered far greater certainty of infrastructure delivery than other submissions made. Given the smallish size of the resource and the significant infrastructure costs involved, other submissions could not provide the same degree of certainty in infrastructure delivery.

Some consideration is given in the submission by Centennial Coal to a community liaison program.

Centennial committed to an additional financial contribution of \$100,000 on grant of an Exploration licence. While Centennial proposed a smaller upfront financial contribution than other bidders, overall their proposal is technically superior and the Evaluation Panel considers that this proposal provides greater certainty to development.

It should also be noted that the Melrose coal release area is in close proximity to Centennial Coal's existing mining operations and exploration licences and thereby provides synergies for development and opportunities for maximising existing infrastructure and provides a better overall outcome to the region and the State.

The Evaluation Team considers that this EOI submitted by Centennial Coal Company to be superior to the other EOI applicants.

Ben Bullen

EOI's for the Ben Bullen coal release area in the Western Coalfield were submitted by two companies (Coalpac Pty Ltd and Monaro Mining NL).

The EOI lodged by Monaro Mining was considered the superior submission on both technical grounds, in particular in relation to the proposed exploration program and mine development and in terms of additional financial contributions.

Monaro Mining's proposed program of exploration was considered superior to the other submission lodged. Monaro has put forward a sound program of exploration testing the whole area. Monaro's two year exploration program is costed at approximately \$2.39 million.

Monaro has made a commitment to investigate the potential underground coal resources of the area. While it has not ruled out open cut mining, it believes that it may not be economically viable due to the depth and thickness of the coal seams. Monaro has estimated that up to 15 Mt of ROM coal could potentially be recovered. Technical issues have been thoroughly addressed and time frames are sound (2 year exploration program and 5-6 year development timeframe).

While details on proposed coal utilisation were limited, it did however indicate the resource may have both domestic and export properties. Resource recovery was considered sound – Monaro committed to resource maximisation. Monaro is committed to identifying the extent of the resource by undertaking a rigorous exploration program.

While details on transport and infrastructure related issues were limited, Monaro has identified rail transportation as the most likely option for transport of coal to Port. However, the company has also indicated that there are a number of constraints in relation to existing railway and road transport options. The submission by Coalpac did indicate some potential infrastructure synergies with its existing operations in the region.

Some consideration given in the submission by Monaro Mining to a community consultative program.

Monaro Mining indicated it would provide an additional financial contribution of \$150,000 on grant of an Exploration Licence. Coalpac in its submission did not provide detail of any additional financial contributions. The Evaluation Panel was also concerned that there was some question as to whether Coalpac was prepared to meet the compulsory financial contributions required for this release area.

The Evaluation Team considers that this EOI submitted by Monaro Mining NL to be superior to the other EOI applicant.

DPI – MINERAL RESOURCES

Ministerial Submission

Coal Release Exploration Areas – Expression of Interest Recommendation

Issue: Recommendation with respect to the Eleven Coal Release Exploration Areas
Expression of Interest.

Brief prepared by William Hughes, A/Director Development Coordination Branch
6 May 2009

A/Executive Director Mineral Resources

Ministerial Liaison Unit

08/8229

DPI – MINERAL RESOURCES

Ministerial Submission

Coal Release Exploration Areas – Expression of Interest Recommendation

Issue: Recommendation with respect to the Eleven Coal Release Exploration Areas Expression of Interest.

Executive Contact: Brad Mullard, A/ED

4931 6404

Secondary Contact: William Hughes, A/Director
Development Coordination

8289 3931

Director-General

Departmental Liaison Officer

Policy Advisor

MINISTER

08/8229

DPI – MINERAL RESOURCES**Ministerial Submission****Coal Release Exploration Areas – Expression of Interest Recommendation**

Issue: Recommendation with respect to the Eleven Coal Release Exploration Areas Expression of Interest.

Background:

The Minister for Mineral Resources in August 2008 invited Expressions of Interest (EOI) for the awarding of an exploration licence in respect of the eleven (11) coal exploration areas, pursuant to the Mining Act 1992:

- | | |
|-----------------|--------------------|
| • Goonbri | Gunnedah Coalfield |
| • Vickery South | Gunnedah Coalfield |
| • Yarrowa | Hunter Coalfield |
| • Spur Hill | Hunter Coalfield |
| • Glendon Brook | Hunter Coalfield |
| • Mt Penny | Western Coalfield |
| • Long Mountain | Western Coalfield |
| • Ilford | Western Coalfield |
| • Cameron Road | Western Coalfield |
| • Melrose | Western Coalfield |
| • Ben Bullen | Western Coalfield |

In accordance with the Department's *Guidelines for Allocation of Future Coal Exploration Areas*, with respect to "small areas unrelated to existing mines", a limited form of expression of interest was undertaken for these eleven (11) areas.

Only companies invited to submit an Expression of Interest could apply. Expressions of Interest for more than one area could be submitted, however an individual application was required for each area of interest.

Prior to the closure of the Expression of Interest process on Monday 24 November 2008, the Government had been approached by additional small to medium companies that had not previously contacted the Department of Primary Industries and as such had not been invited to express an interest in the eleven areas.

On the 25 November 2008, the Department consulted Mr Kevin Fennell, independent probity auditor, seeking advice on *all relevant probity issues* should the current Coal Release Areas EOI process be "open up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI for any of these 11 areas.

Mr Fennell's advice indicated that there were no probity issues that would preclude the Coal Release Areas EOI process being "opened up" so that additional small to medium companies who have written to the Department or the Minister may lodge an EOI.

The EOI was subsequently re-opened to allow additional small to medium sized companies to lodge a submission and also included options available for companies/parties who previously submitted an EOI prior to original closing date.

When Expressions of Interest (EOI) closed on Monday 16 February 2009, EOI's for the 11 coal exploration areas were submitted by the following companies:

Goonbri Area

1. Tianda Resources (Australia) Pty Ltd
2. Whitehaven Coal Limited
3. The Bloomfield Group

Vickery South

1. Whitehaven Coal Limited
2. Kimba Resources Pty Ltd
3. Tianda Resources (Australia) Pty Ltd
4. Coalworks Limited

Yarrawa

1. Coalworks Limited
2. Monaro Mining NL
3. Endocoal Limited

Spur Hill

1. Spur Hill Joint Venture - JV of Novamin Pty Ltd & Morgan Resources Pty Ltd
2. Tianda Resources (Australia) Pty Ltd
3. Coalworks Limited
4. Monaro Mining NL
5. Breakspheare Coal Mines Ltd
6. Redman Mining Limited

Glendon Brook

1. Hydromining Coal Australia Pty Ltd
2. Monaro Mining NL
3. Cascade Coal Pty Limited

Mt Penny

1. Jain Group
2. Monaro Mining NL
3. Cascade Coal Pty Limited
4. Breakspheare Coal Mines Ltd

Long Mountain

1. Jain Group
2. Monaro Mining NL

Ilford

1. Jain Group
2. Resource Management International Pty Ltd
3. Enhance Place Pty Ltd
4. Centennial Coal
5. Coal Solutions Australia Pty Ltd
6. Kimba Resources Pty Ltd

7. Coalworks Limited
8. Monaro Mining NL

Cameron Road

1. Kimba Resources Pty Ltd
2. Centennial Coal
3. Enhance Place Pty Ltd
4. Jain Group
5. Monaro Mining NL

Melrose

1. Centennial Coal
2. Enhance Place Pty Ltd
3. Monaro Mining NL

Ben Bullen

1. Monaro Mining NL
2. Coalpac Pty Ltd

An evaluation team from experts on the staff of the Department of Primary Industries and elsewhere in government has evaluated the EOI's according to the evaluation criteria specified in the Coal Release Areas EOI Information booklet, and using a consistent process approved by an independent probity auditor.

The Evaluation Team has examined the EOI's in detail and has reached clear conclusions and recommendations in the presence of the independent probity auditor on 12 May 2009.

Recommendations:

1. The Minister award exploration licences to the successful EOI's for the 11 Coal Release Areas.
2. The Minister write to each company who either lodged a successful or an unsuccessful EOI in terms of the attached draft letters.

Mr Greg De Ross
General Manager
Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange
SYDNEY NSW 1225

Dear Mr De Ross

Thank you for your company's recent Expression of Interest (EOI) over the Goonbri Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Goonbri Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Bloomfield Collieries Pty Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Tony Haggarty
Managing Director
Whitehaven Coal Limited
PO Box R1113, Royal Exchange
SYDNEY NSW 1225

Dear Mr Haggarty

Thank you for your company's recent Expression of Interest (EOI) over the Goonbri Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Goonbri Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Bloomfield Collieries Pty Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Steve Dunn
Project Manager
Bloomfield Collieries Pty Limited
PO Box 4
EAST MAITLAND NSW 2323

Dear Mr Dunn

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Goonbri Coal Release Area Expression of Interest (EOI), I have selected Bloomfield Collieries Pty Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Bloomfield Collieries Pty Limited to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Bloomfield Collieries Pty Limited will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$260,000) plus the *additional* financial contributions/offer (A\$2,125,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$2,385,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre ([www.dpi.nsw.gov.au/minerals/titles/mining act fees](http://www.dpi.nsw.gov.au/minerals/titles/mining_act_fees)). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Goonbri coal resource for an initial period of up to five years to Bloomfield Collieries Pty Limited, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Tony Haggarty
Managing Director
Whitehaven Coal Limited
PO Box R1113, Royal Exchange
SYDNEY NSW 1225

Dear Mr Haggarty

Thank you for your company's recent Expression of Interest (EOI) over the Vickery South Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Vickery South Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Coalworks Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Greg De Ross
General Manager
Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange
SYDNEY NSW 1225

Dear Mr De Ross

Thank you for your company's recent Expression of Interest (EOI) over the Vickery South Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Vickery South Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Coalworks Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Clive Jones
Director
Kimba Resources Pty Ltd
PO Box 1412
WEST PERTH WA 6872

Dear Mr Jones

Thank you for your company's recent Expression of Interest (EOI) over the Vickery South Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Vickery South Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Coalworks Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Dr Andrew Firek
CEO
Coalworks Limited
Level 5, 44 Miller Street
NORTH SYDNEY NSW 2060

Dear Dr Firek

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Vickery South Coal Release Area Expression of Interest (EOI), I have selected Coalworks Limited as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Coalworks Limited to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Coalworks Limited will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$260,000) plus the *additional* financial contributions/offer (A\$250,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$510,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Vickery South coal resource for an initial period of up to five years to Coalworks Limited, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Dr Andrew Firek
CEO
Coalworks Limited
Level 5, 44 Miller Street
NORTH SYDNEY NSW 2060

Dear Dr Firek

Thank you for your company's recent Expression of Interest (EOI) over the Yarrowa Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Yarrowa Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mick Avery
General Manager Mining
Endocoal Limited
Level 17, 15 Castlereagh Street
SYDNEY NSW 2000

Dear Mr Avery

Thank you for your company's recent Expression of Interest (EOI) over the Yarrawa Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Yarrawa Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Yarrawa Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$160,000) plus the *additional* financial contributions/offer (A\$2,000,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$2,160,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Yarrawa coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Dr Andrew Firek
CEO
Coalworks Limited
Level 5, 44 Miller Street
NORTH SYDNEY NSW 2060

Dear Dr Firek

Thank you for your company's recent Expression of Interest (EOI) over the Spur Hill Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Spur Hill Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Greg De Ross
General Manager
Tianda Resources (Australia) Pty Ltd
PO Box R416, Royal Exchange
SYDNEY NSW 1225

Dear Mr De Ross

Thank you for your company's recent Expression of Interest (EOI) over the Spur Hill Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Spur Hill Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Roger Turner
Director
Novamin Pty Ltd
C/- Spur Hill Joint Venture
PO Box 483
SINGLETON NSW 2330

Dear Mr Turner

Thank you for your company's recent Expression of Interest (EOI) over the Spur Hill Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Spur Hill Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Robert McLennan
Managing Director
Breakspheare Coal Mines Pty Ltd
C/- Mitchell Morgan Pty Ltd
Level 45, 2 Park Street
SYDNEY NSW 2000

Dear Mr McLennan

Thank you for your company's recent Expression of Interest (EOI) over the Spur Hill Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Spur Hill Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr James McGuigan
Redman Mining Limited
GPO Box 2537
SYDNEY NSW 2000

Dear Mr McGuigan

Thank you for your company's recent Expression of Interest (EOI) over the Spur Hill Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Spur Hill Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Spur Hill Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$1,510,000) plus the *additional* financial contributions/offer (A\$20,000,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$21,510,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Spur Hill coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Colin Randall
Managing Director
Hydromining Coal Australia Pty Ltd
PO Box 683
NEWCASTLE NSW 2300

Dear Mr Randall

Thank you for your company's recent Expression of Interest (EOI) over the Glendon Brook Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Glendon Brook Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr John McGuigan
Cascade Coal Pty Limited
GPO Box 2537
SYDNEY NSW 2000

Dear Mr McGuigan

Thank you for your company's recent Expression of Interest (EOI) over the Glendon Brook Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Glendon Brook Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Glendon Brook Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$310,000) plus the *additional* financial contributions/offer (A\$5,000,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$5,310,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Glendon Brook coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Sumit Kumar Khetan
Director
Jain Group
Level 1, 96 Cahors Road
PADSTOW NSW 2211

Dear Mr Khetan

Thank you for your company's recent Expression of Interest (EOI) over the Mt Penny Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Mt Penny Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr John McGuigan
Cascade Coal Pty Limited
GPO Box 2537
SYDNEY NSW 2000

Dear Mr McGuigan

Thank you for your company's recent Expression of Interest (EOI) over the Mt Penny Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Mt Penny Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Robert McLennan
Managing Director
Breakspheare Coal Mines Pty Ltd
C/- Mitchell Morgan Pty Ltd
Level 45, 2 Park Street
SYDNEY NSW 2000

Dear Mr McLennan

Thank you for your company's recent Expression of Interest (EOI) over the Mt Penny Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Mt Penny Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Mt Penny Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$1,010,000) plus the *additional* financial contributions/offer (A\$25,000,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$26,010,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Mt Penny coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Sumit Kumar Khetan
Director
Jain Group
Level 1, 96 Cahors Road
PADSTOW NSW 2211

Dear Mr Khetan

Thank you for your company's recent Expression of Interest (EOI) over the Long Mountain Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Long Mountain Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Long Mountain Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$110,000) plus the *additional* financial contributions/offer (A\$300,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$410,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Long Mountain coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Sumit Kumar Khetan
Director
Jain Group
Level 1, 96 Cahors Road
PADSTOW NSW 2211

Dear Mr Khetan

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Gary Cochrane
Managing Director
Resource Management International Pty Ltd
Suite 307, 66 King Street
SYDNEY NSW 2000

Dear Mr Cochrane

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr H.A Goldfinch
Manager of Operations
Enhance Place Pty Limited
PO Box 6095
S.C.M.C
WOLLONGONG NSW 2500

Dear Mr Goldfinch

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Peter Gunn
Managing Director
Coal Solutions Australia Pty Ltd
C/- Coal Marketing Services Ltd
218/6 Cowper Wharf Road
WOOLLOOMOOLOO NSW 2010

Dear Mr Gunn

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Clive Jones
Director
Kimba Resources Pty Ltd
PO Box 1412
WEST PERTH WA 6872

Dear Mr Jones

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Dr Andrew Firek
CEO
Coalworks Limited
Level 5, 44 Miller Street
NORTH SYDNEY NSW 2060

Dear Dr Firek

Thank you for your company's recent Expression of Interest (EOI) over the Ilford Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ilford Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Robert Cameron
Managing Director
Centennial Coal Company
Level 18, BT Tower
1 Market Street
SYDNEY NSW 2000

Dear Mr Cameron

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Ilford Coal Release Area Expression of Interest (EOI), I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Centennial Coal Company to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Centennial Coal Company will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$260,000) plus the *additional* financial contributions/offer (A\$750,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$1,010,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Ilford coal resource for an initial period of up to five years to Centennial Coal Company, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Clive Jones
Director
Kimba Resources Pty Ltd
PO Box 1412
WEST PERTH WA 6872

Dear Mr Jones

Thank you for your company's recent Expression of Interest (EOI) over the Cameron Road Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Cameron Road Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

Thank you for your company's recent Expression of Interest (EOI) over the Cameron Road Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Cameron Road Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr H.A Goldfinch
Manager of Operations
Enhance Place Pty Limited
PO Box 6095
S.C.M.C
WOLLONGONG NSW 2500

Dear Mr Goldfinch

Thank you for your company's recent Expression of Interest (EOI) over the Cameron Road Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Cameron Road Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Sumit Kumar Khetan
Director
Jain Group
Level 1, 96 Cahors Road
PADSTOW NSW 2211

Dear Mr Khetan

Thank you for your company's recent Expression of Interest (EOI) over the Cameron Road Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Cameron Road Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Robert Cameron
Managing Director
Centennial Coal Company
Level 18, BT Tower
1 Market Street
SYDNEY NSW 2000

Dear Mr Cameron

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Cameron Road Coal Release Area Expression of Interest (EOI), I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Centennial Coal Company to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Centennial Coal Company will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$260,000) plus the *additional* financial contributions/offer (A\$250,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$510,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Cameron Road coal resource for an initial period of up to five years to Centennial Coal Company, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr H.A Goldfinch
Manager of Operations
Enhance Place Pty Limited
PO Box 6095
S.C.M.C
WOLLONGONG NSW 2500

Dear Mr Goldfinch

Thank you for your company's recent Expression of Interest (EOI) over the Melrose Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Melrose Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

Thank you for your company's recent Expression of Interest (EOI) over the Melrose Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Melrose Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Robert Cameron
Managing Director
Centennial Coal Company
Level 18, BT Tower
1 Market Street
SYDNEY NSW 2000

Dear Mr Cameron

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Melrose Coal Release Area Expression of Interest (EOI), I have selected Centennial Coal Company as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Centennial Coal Company to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Centennial Coal Company will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$160,000) plus the *additional* financial contributions/offer (A\$100,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$260,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Melrose coal resource for an initial period of up to five years to Centennial Coal Company, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Ian Follington
CEO
Coalpac Pty Ltd
PO Box 883
KENMORE QLD 4069

Dear Mr Follington

Thank you for your company's recent Expression of Interest (EOI) over the Ben Bullen Coal Release Area. Unfortunately your company was unsuccessful in this competitive process for the awarding of the exploration licence over the area.

A comprehensive evaluation of the Ben Bullen Coal Release Area EOI has been carried out by an evaluation team consisting of technical experts from the Department of Primary Industries and elsewhere in government, overseen by an external probity auditor to ensure the highest levels of consistency, fairness and probity are achieved.

The team evaluated the EOI using a consistent process approved by the external, independent probity adviser, Mr K Fennell, FCPA. The auditor reviewed compliance with the evaluation process by the evaluation team.

The evaluation criteria, as specified in the EOI information package provided the basis for evaluation and assessment of the EOI.

I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five years, subject to standard and special exploration licence conditions.

I appreciate the strong interest your company has shown in this particular coal exploration opportunity.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC

Mr Mart Rampe
Managing Director
Monaro Mining NL
PO Box 1178
Queen Victoria Building
SYDNEY NSW 1230

Dear Mr Rampe

I am pleased to inform you that following a detailed evaluation process by technical experts from the Department of Primary Industries and elsewhere in government of the recent Ben Bullen Coal Release Area Expression of Interest (EOI), I have selected Monaro Mining NL as the successful EOI applicant for the awarding of the exploration licence over the subject area for a period of up to five year, subject to standard and special exploration licence conditions.

Accordingly I now invite Monaro Mining NL to apply for the exploration licence over the area as defined in the Coal Release Areas EOI information document.

The Department of Primary Industries will shortly forward to you a set of draft special conditions for the exploration licence to which Monaro Mining NL will need to accept, prior to my granting the exploration licence over the subject area. These special conditions will reflect the various conditions and requirements specified in the Coal Release Areas EOI Information document, plus the specific proposals and commitments made by your company in its successful EOI.

With respect to the *required* financial contributions (A\$310,000) plus the *additional* financial contributions/offer (A\$150,000) as specified in your company's successful EOI, I wish to advise that the Government would require payment of both these nominated financial contributions to the NSW Department of Primary Industries – *totalling* A\$460,000 (inclusive of any applicable duties or taxes) – according to the timeframes specified in the Coal Release Areas EOI Information document and by your company in its successful EOI. Your company will also be required to pay the standard Application fee for an Exploration Licence for Group 9 (coal) of A\$600+A\$600 per square kilometre (www.dpi.nsw.gov.au/minerals/titles/mining_act_fees). An environmental security deposit to be calculated based on the proposed work program is also payable at the time of awarding of the exploration licence.

It should be noted that receipt of the non-refundable payments for awarding exclusive exploration rights over the Ben Bullen coal resource for an initial period of up to five years to Monaro Mining NL, does not in any way imply that a future mining proposal is guaranteed to receive project approval under the *NSW Environmental Planning & Assessment Act 1979*. Such a project approval is required prior to any future mining lease being granted.

If you have any further questions on this matter, please contact Mr Brad Mullard, Executive Director, Mineral Resources on (02) 4931 6404.

Yours sincerely

IAN MACDONALD MLC