

Mr Peter Barton General Manager Ashton Coal Mines Limited PO Box 699 SINGLETON NSW 2330



Dear Mr Barton

Re: Conservation Agreement over part of Lot 3 Deposited Plan 1114623

I am pleased to advise you that the registration of your Conservation Agreement is now complete. A copy of the signed Agreement lodged at the Land Titles Office is enclosed for your records, as well as a copy of the title information showing the registration on title. Also, if you have not been sent or arranged for a Conservation Area identification sign for your property, please advise us as soon as practicable and we will arrange for a sign to be sent to you.

With regard to eligibility for proportional rate exemptions under s555 of the *Local Government Act* 1993, a courtesy letter has been sent to your local Council notifying them of details relating to your Conservation Agreement. A copy of the letter is enclosed for your information. We encourage you to contact your local Council regarding the calculation of your rates to ensure your Conservation Agreement is taken into account.

You may be eligible for Land Tax exemption under s10 of the Land Tax Management Act 1956. Inquiries can be made through the NSW Office of State Revenue email landtax@osr.nsw.gov.au or phone 1300 139 816. Income tax concessions may be available to land owners who enter into conservation covenants to protect areas of high conservation value under the lncome Tax Assessment Act 1997. Further information may be found at http://www.environment.gov.au/biodiversity/publications/fact-sheets/incentives.html.

Landowners with Conservation Agreements are part of the DECCW Conservation Partners Program, which provides monitoring and support for landowners with commitments to conservation. Technical Notes are available giving practical management guidance and information on a number of topics. The "Bush Matters" newsletter, providing current news and information about future activities around the state and locally, is mailed directly twice a year. Past copies are available at http://www.environment.nsw.gov.au/cpp/ConservationPartners.htm. Hardcopies of all information are available on request. Please contact Jayan Karunasinghe on (02) 9995 6772.

Finally, I would also like to take this opportunity to congratulate you for pursuing your goal to permanently protect your property through a Conservation Agreement. I hope that we can continue to assist you in the future, especially in gaining access to new incentive opportunities as they arise to support your management of the conservation area.

Yours faithfully

Sally Ash

Conservation Partners Program Coordinator

Encl.

PO Box A290 Sydney South NSW 1232 Level 12, 59-61 Goulburn St, Sydney NSW Tel: (02) 9995 5000 Fax: (02) 9995 6791 ABN 30 841 387 271 www.environment.nsw.gov.au

CONSERVATION AGREEMENT

BETWEEN

THE MINISTER ADMINISTERING THE NEW SOUTH WALES NATIONAL PARKS AND WILDLIFE ACT (1974)

AND

Ashton Coal Mines Limited

FOR

Ashton Coal Mine

2009

Director, Ashton Coal Mines Limited

Director/Secretary Ashton Coal Mines Limited

Minister

CONSERVATION AGREEMENT UNDER PART 4 DIVISION 12 OF THE NATIONAL PARKS AND WILDLIFE ACT 1974

day of September, Two thousand and Ten THIS AGREEMENT made the 16th BETWEEN the Minister for the Environment of the State of New South Wales, being the Minister for the time being administering the National Parks and Wildlife Act, 1974 ("the Minister" which expressions shall where the context admits, be deemed to include his successors in office) of the one part and Ashton Coal Mines Limited ("the Owner") of Camberwell via Singleton, NSW of the other part.

WHEREAS:

- A. The Owner is the registered proprietor of that parcel of land being Lot 3, Deposited Plan 1114623, Parish of Vane, County of Durham ("the Land"). That part of the Land shown by hatching on Diagram A annexed to this Agreement is the conservation area ("the conservation area"), being part of Lot 3 DP 1114623. The conservation area covered by this Agreement equals 65.66 hectares.
- В. The Owner and the Minister recognise that the conservation area contains remnant Hunter Valley vegetation; Open Grassy Woodland, characterised by Allocasuarina luehmannii Bull Oak, Eucaluptus paniculata Grey Ironbark, Eucaluptus melliodora Yellow Box and Eucalyptus mollucana Grey Box.
- \mathbf{C} . The Owner and the Minister recognise that the conservation area contains the threatened fauna species Pomatostomus temporalis temporalis Grey-crowned Babbler (eastern subspecies) listed as Vulnerable on Schedule 2 of the Threatened Species Conservation Act, 1995 and their habitat.
- D. The Owner and the Minister recognise that the conservation area contains important Aboriginal cultural heritage in a relatively undisturbed state, with occupation evidence in addition to the landscape setting and context. The conservation area will aim to protect and retain that heritage for future generations.
- E. The Owner and the Minister recognise that the conservation area contains vegetation, which with protection from further clearing, and encouragement of regeneration and/or revegetation, will form part of a wildlife corridor between Glennies Creek, Bowman Creek and the Hunter River.
- F. The Owner and the Minister recognise that the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002 permits the mining of coal by longwall methods in four seams beneath the conservation area, which will impact on the surface of the conservation area.
- G. The Owner and the Minister recognise that the establishment of the conservation area is a condition of the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002.
- H. Accordingly, the parties hereby enter into the following Conservation Agreement under Section 69B Part 4 Division 12 of the National Parks and Wildlife Act 1974.
- I. The Owner and the Minister agree to take steps to protect and manage the conservation values of the conservation area as set out in Annexures B and C.

NOW THIS AGREEMENT WITNESSES:

1. INTERPRETATION

1.1 In this Agreement unless the contrary intention appears:-

"Aboriginal Community" means experienced representatives of Local Aboriginal Community groups as listed in AHIP#2783; consent issued under Section 90 of the Act;

"Aboriginal Object" has the same meaning as in Section 5 of the Act;

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"Aboriginal Place" has the same meaning as in Section 5 of the Act;

"the Act" means the National Parks and Wildlife Act, 1974 and any regulations from time to time in force thereunder;

"conservation area" means that part of the Land shown by hatching on the diagram annexed to this Agreement as Annexure A;

"conservation values" includes, without limitation, any native fauna and their habitats, native plants and their habitats, cultural heritage, and geo-heritage;

"controlled burning" means the controlled application of fire under specified environmental and weather conditions to a predetermined area and at the time, intensity and rate of spread required to attain planned resource management objectives;

"critical habitat" has the same meaning as in Section 4 of the *Threatened Species Conservation Act 1995*:

"cultural heritage" refers to the historic, archaeological, social, cultural and contemporary values of the physical evidence and traditions of peoples, including Aboriginal peoples;

"damage" means incurring injury that impairs the values or usefulness of the conservation area:

"DECCW" means the NSW Department of Environment, Climate Change and Water;

"development" has the same meaning as provided for in Section 69A of the Act;

"Director-General" has the same meaning as Section 5 of the Act;

"fauna" has the same meaning as in Section 5 of the Act;

"Geo-heritage" means geological deposits and landforms that are considered to have conservation values.

"indigenous fauna" means all native fauna belonging naturally to the conservation area;

"indigenous plants" means all native plants belonging naturally to the conservation area;

"Land" means that parcel of land described in Recital A;

"Management Scheme for the conservation area" means management scheme prepared for the conservation area in consultation with the owner, annexed to this Agreement as Annexure C;

"Minister" means the Minister for the time being administering the Act and where not repugnant to the context includes the servants and agents of the Minister;

"native fauna" has the same meaning as "protected fauna" in Section 5 of the Act;

"native plant" has the same meaning as in Section 5 of the Act;

"Owner" has the meaning as in s69A of the Act and includes any successor in title to the owner within the meaning of s 69E of the Act;

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"pesticide" has the same meaning as in Section 5 of the *Pesticides Act* 1999 which includes herbicides, insecticides, fungicides, baits and rodenticides;

"reasonable" in relation to carrying out an activity, means using the best methods available and carrying out the activity in such a way as to have minimal impact on the conservation values of the conservation area;

"threatened species, populations and ecological communities" and "threatened species, population or ecological community" have the same meaning as in the *Threatened Species Conservation Act 1995*;

- 1.2 Words importing the singular number shall include the plural and masculine gender the feminine or neuter and vice versa.
- 1.3 Any reference to a person shall be deemed to include a corporate body and vice versa.
- 1.4 Any covenant or agreement on the part of two or more persons shall be deemed to bind them jointly and severally.

2 USE OF THE CONSERVATION AREA

The Owner covenants with the Minister as follows:-

General responsibilities

2.1 Except as otherwise permitted by this Agreement, the Owner must not intentionally carry out any act or omit to carry out any act, or cause or permit any act to be carried out or any act not to be carried out which act or omission may harm any native fauna, native plants, their habitats, cultural heritage, geo-heritage or other conservation values in the conservation area.

Development

- 2.2 Except as permitted in this Agreement the Owners shall not construct any new road, access track, building or internal fencing or any development that could adversely affect the conservation values of the conservation area.
- 2.3 The Owner shall be permitted to:
 - 2.3.1 construct or cause the construction of a fence along the external boundary of the conservation area and any internal fencing required to control grazing within the conservation area.; and
 - 2.3.2 maintain existing access tracks in the conservation area where required;
 - 2.3.3 relocate the existing access road and the associated right of carriageway to the "Bowman" property to provide the continuance of safe access during and following mine subsidence in accordance with the Ashton Coal Subsidence Environmental Management Plan and Condition 3.12, Schedule 2 of the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002, which includes consultation with DECCW for this action;

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Ashton Coal Mines Limited

- 2.3.4 relocate existing power lines and associated easement as may be required by current and future mining operations approved by the Department of Planning which includes consultation with DECCW;
- 2.3.5 establish and maintain drainage swales in accordance with the Ashton Coal Subsidence Environmental Management Plan and Section 3, Schedule 2 of the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002 which includes consultation with DECCW;
- 2.3.6 carry out necessary surface works that may be required to ensure the ongoing operation and safety of the underground mining operations, that by necessity cannot be carried out outside the boundaries of the conservation area.
- 2.4 On completion of relocation of infrastructure described in 2.3.3, 2.3.4 and 2.3.6 the Agreement shall be amended to reflect these changes by the replacement of the diagram in Annexure A with a new conservation area diagram prepared by the landowner.

Subdivision

2.5 The Owner must not subdivide or permit the subdivision of the conservation area.

Threatened species, ecological communities, populations and their habitats and critical habitat

- 2.6 Consistent with the Threatened Species Conservation Act 1995, where threatened species, populations and ecological communities occur in the conservation area the Owner must manage the conservation area:
 - 2.6.1 to protect and promote the recovery of threatened species, populations and ecological communities, and
 - 2.6.2 to protect the critical habitat of those threatened species, populations and ecological communities that are endangered, and
 - 2.6.3 to eliminate or manage certain processes that threaten the survival or evolutionary development of threatened species, populations and ecological communities, and
 - 2.6.4 to ensure that the impact of any action affecting threatened species, populations and ecological communities is properly assessed.

Fire

- 2.7 The Owner must not light a fire, or cause a fire to be lit on the conservation area unless it complies with the Rural Fires Act 1997, and:
 - 2.7.1 the lighting of the fire is for the purposes of controlled burning and is carried out in accordance with any fire guidelines for controlled burning as provided for in Annexure C: Management Scheme for the conservation area and the Ashton Coal Bushfire Management Plan; or
 - 2.7.2 the lighting of the fire is a necessary component of bush fire hazard reduction work carried out in accordance with a notice served on the Owner under the Rural Fires Act 1997 or other applicable legislation; or
 - 2.7.3 life or property is in immediate threat by bush fire and the lighting of the fire is reasonably necessary to protect life or property; or
 - 2.7.4 the fire is a camp fire, subject to the compliance with the Rural Fires Act 1997, or
 - 2.7.5 the Director-General gives prior written consent to the lighting of the fire.

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Cultural Heritage

- 2.8 In accordance with Part 6 of the National Parks and Wildlife Act 1974, the Owner must preserve and protect Aboriginal cultural heritage values within the conservation area.
- 2.9 In accordance with Part 6 of the National Parks and Wildlife Act 1974, the Owner must obtain appropriate permits and consents if there is any potential to impact on Aboriginal objects.

Control of non-indigenous plants and fauna

- 2.10 The Owner:
 - 2.10.1 must use his or her best endeavours to control, and where possible remove all non-indigenous plants and non-indigenous fauna from the conservation area;
 - 2.10.2 must take such reasonable measures in relation to the control of non-indigenous plants and non-indigenous fauna as specified in the Management Scheme (Annexure C).

MANAGEMENT OF THE LAND

- 3.1 The Owner must manage the conservation area in accordance with this Agreement.
- 3.2 The Owner must inform the Director-General as soon as practicable after becoming aware of the deterioration of any of the natural values or cultural values of the conservation area, or of any threat to these values.
- 3.3 This Agreement includes Annexure B describing and mapping the conservation values of the conservation area. An aerial photograph shows the location of the conservation area, the conservation values and photo-points. Photographs have been taken at the photo-points, at the time of entering into the Conservation Agreement. This provides baseline information and data for ongoing compliance monitoring and adaptive management of the conservation area.
- 3.4 This Agreement includes Annexure C, setting out the Management Scheme for the conservation area including the management of conservation values and other matters referred to in Annexure B.
- 3.5 This agreement in conjunction with the existing management plans, as detailed in section 3.6 of the development consent, constitute the Plan of Management required to be prepared for the conservation area, in consultation with the local Aboriginal community, in accordance with Condition 3.30, Schedule 2 of the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002, subject to the endorsement of the Owner and the Director-General, and the terms of this Agreement. In particular the Archaeology and Cultural Heritage Management Plan which has been developed in consultation with the local Aboriginal community, and contains a Report on the process and results of consultation with the Aboriginal community.

4. USE OF THE LAND BY SERVANTS, AGENTS, LESSEES OR LICENSEES

The Owner must incorporate the terms of this Agreement in any lease or licence issued over the conservation area, and at all times ensure that any servant, contractor, consultant, agent, lessee, licensee occupying the conservation area shall be aware of the relevant provisions of this Agreement.

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Ashton Coal Mines Limited

5. CHANGE OF OWNERSHIP

The Owner must notify the Director-General in writing of any change of Ownership or control of the conservation area within 28 days after the change of ownership and control. The notice must include the name and address of the new owner.

6. RIGHT TO INSPECT

The Minister, the Director-General and their servants and agents may at any time upon first giving reasonable notice to the Owner, the Owner's agent, lessee or licensee, enter upon the conservation area to ensure compliance with this Agreement.

7. **OBLIGATIONS OF THE MINISTER**

The Minister covenants with the Owner as follows: -

- The Owner will bear the costs of, and incidental to, the preparation of this Agreement including payment of the Owner's reasonable legal costs connected with the execution of the Agreement and any necessary stamp duty and registration fees.
- 7.2 The Minister will arrange for the provision of technical advice and any other assistance to the Owner as the Minister deems necessary to assist with the implementation of this Agreement.
- 7.3 The Minister agrees to notify the Registrar General when this Conservation Agreement has been entered into, varied or terminated so that the Registrar General can carry out his or her responsibilities pursuant to section 69F of the Act
- The Minister agrees to the extent of his or her statutory responsibilities that the signing of this Agreement shall not render the Owners ineligible for any compensation and assistance which may, under future legislation, become available to landowners who enter into a conservation agreement pursuant to the Act or any other Act.

8. NON-COMPLIANCE

In the event that the owner fails to comply with this Conservation Agreement, including, without limitation, damaging or causing damage to the conservation area, DECCW may issue a written notice to the owner requiring the owner to remedy the non-compliance or damage within a specified time period. This clause does not affect any rights of the parties under section 69G of the Act.

9. DISPUTE RESOLUTION

If a party to the Conservation Agreement is dissatisfied with the conduct of the other party under this Conservation Agreement, that party must notify the other and if the dispute cannot be resolved by discussions between the parties it shall be referred to the Director-General who will establish a mechanism whereby the dispute can be resolved.

8. COMMENCEMENT

This Agreement shall have effect from the day of execution.

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IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first above written.

SIGNED by) The Minister administering) the National Parks and Wildlife Act, 1974) for the purpose of rendering liable the Government of the State of New) South Wales (but not so as to incur any personal liability) hereunder in) the presence of:	Minister
	16 (a) to
Clairbllen Witness	Date
CLAIRE ALLEN	
DARLINGHURS T	
Witness Name and address	
16 SEPT16	
Date	Executed pursuant to 8127 of the Corporation Act 2001
SIGNED by Ashton Coal Mines Limited	of the Corporation Act 2001
flame	Millager
Signature of Director	Signature of Director / Secretary
BRIAN J. FLANNERY	Michael J. Chapman
Name of Director	Name of Director / Secretary
Orloalio	24/2/10
Date	Date
in the presence of	in the presence of
Witness signature	Witness signature MARMSTRONG
1-16,316 Danos &	Ct-Lb, 316 ADELANDE ST
BRUSANK QLD 4000	SRUBAL OLD 4000
Witness Name and address	Witness Name and address
24/2/10	24/2/10

Date

Landowners Name and address for service of notices:

Ashton Coal Mines Limited PO Box 699 Singleton NSW 2330

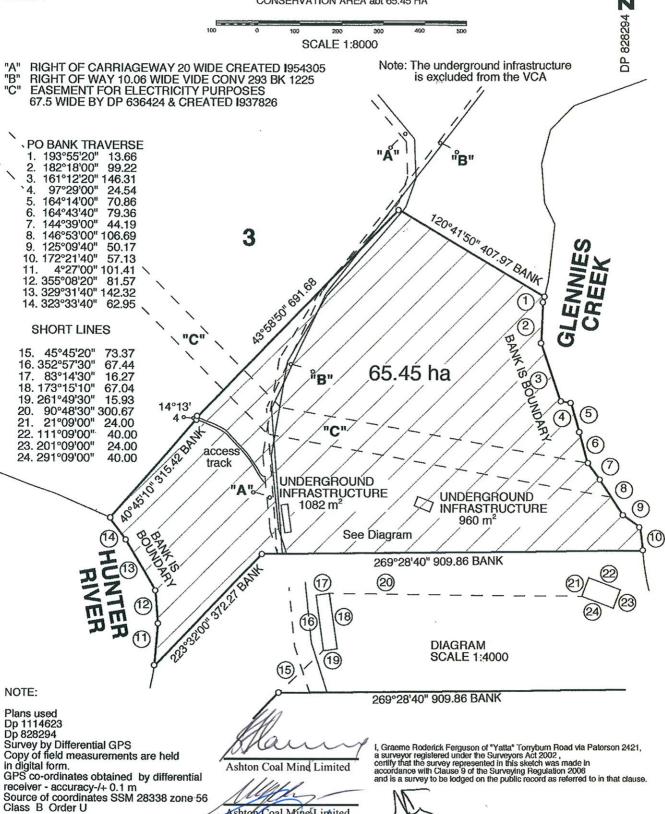
Date

ANNEXURE A: DIAGRAM A

ANNEXURE "A" DIAGRAM OF CONSERVATION AREA

LOT 3 OF DP 1114623 PARISH OF VANE COUNTY DURHAM VOLUNTARY CONSERVATION AREA IS HATCHED AREA

CONSERVATION AREA abt 65.45 HA



Ashton Coal Mine Limited

Minister

Surveyor registered under the Surveyors Act 2002 Dated 03.08.2009

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ANNEXURE B **CONSERVATION VALUES**

CONSERVATION VALUES

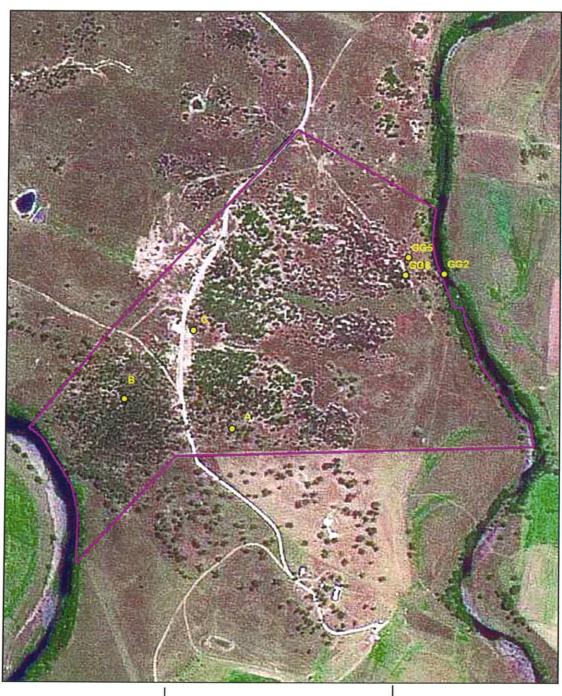
The Owner and the Minister recognise that the conservation area contains the following conservation values. Conservation values are to be managed in accordance with Annexure C: Management Scheme for the conservation area.

- Α The Owner and the Minister recognise that the conservation area contains important Aboriginal heritage in a relatively undisturbed state, with occupation evidence in addition to the landscape setting and context. The conservation area will aim to protect and retain that heritage for future generations (Witter, Dan C. 2002, Ashton Coal Mining Project, Environmental Impact Statement, Aboriginal Archaeology. A report to HLA Envirosciences).
- В. The Owner and the Minister recognise that the conservation area contains remnant Hunter Valley vegetation; Open Grassy Woodland, characterised by Allocasuarina luehmannii Bull Oak, Eucaluptus paniculata Grey Ironbark, Eucaluptus melliodora Yellow Box and Eucalyptus mollucana Grey Box (HLA Envirosciences. 2001, White Mining Limited Ashton Coal Project Environmental Impact Statement. Parsons Brinckerhoff. 2004, Ashton Coal - Southern Woodland Preliminary Ecological Assessment).
- C. The Owner and the Minister recognise that the conservation area contains the threatened fauna species Pomatostomus temporalis temporalis Grey-crowned Babbler (eastern subspecies) listed as Vulnerable on Schedule 2 of the Threatened Species Conservation Act, 1995 and their habitat (ERM. 2005, Ashton Coal Bi-annual Fauna Monitoring Autumn Census. Unpublished report to Ashton Coal).
- D The Owner and the Minister recognise that the conservation area contains vegetation, which with protection from further clearing, and encouragement of regeneration and/or revegetation, will provide a wildlife corridor between Glennies Creek and Bowman Creek.
- Ε The Owner and the Minister recognise that Ashton Coal Mines Limited has prepared a number of environment management plans as listed in section 3.6 of the development consent and these in conjunction with this agreement will constitute the Plan of Management required by condition 3.30 of the development consent. At the time of writing of this agreement these environmental management plans included
 - Flora and Fauna Management Plan,
 - Archaeology and Cultural Heritage Management Plan,
 - Bushfire Management Plan.
 - Landscape and Revegetation Management Plan,
 - Subsidence Environmental Management Plan,
 - Land Management Plan,
 - Site Water Management Plan and Groundwater Management Plan,
 - Erosion and Sediment Control Plan,
 - Soil Stripping Management Plan,
 - Waste Management Plan,
 - Construction Air Quality Management Plan,
 - Operations Air Quality Management Plan,
 - Blasting/Vibration Management Plan,

- Road Closure Management Plan,
- Construction Noise Management Plan,
- Noise Management Plan and
- Lighting Management Plan.

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2. **AERIAL PHOTOGRAPH AND OTHER MAPPING**

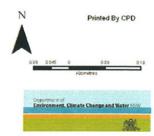


Legend

Photopoint Locations

Conservation Agreement

Ashtons Mine Conservation Agreement and Photopoint Locations



3. PHOTO-POINT PHOTOGRAPHS

3.1 Pit Fall Trap Photopoints

Site	Easting (WGS84)	Northing (WGS84)	Aspect
Site A	318600	6403350	North



Photograph 1a

Pitfall traps Site A - facing north Spring 2006.



Photograph 1b

Pitfall traps Site A - facing north Autumn 2008.



Photograph to

Pitfall traps Site A - facing north Summer 2006.



Photograph 1d

Pitfall traps Site A - facing south east Autumn 2005.



Site	Easting (WGS84)	Northing (WGS84)	Aspect
Site B	318325	6403425	South



Photograph 2a

Pitfall traps Site B - facing south Spring 2006.



Photograph 2b

Pitfall traps Site B - facing south west Autumn 2006.



Photograph 2c

Pitfall traps Site B - facing south west Summer 2006.



Photograph 2d

Pitfall traps Site B - facing south west Autumn 2005.

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Site	Easting (WGS84)	Northing (WGS84)	Aspect
Site C	318500	6403600	North East



Photograph 3a Pitfall traps Site C - facing north east Spring 2006.



Photograph 3b Pitfall traps Site C - facing north west Autumn 2006.



Photograph 3c Pitfall traps Site C - facing north east Summer 2006.



Photograph 3d Pitfall traps Site C - facing south east Autumn 2005.

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3.2 **Archaeology Photo Locations**

Grinding Groove Photo Locations			
Site	Easting (WGS84)	Northing (WGS84)	Aspect
GG2	319291	6403947	North
GG5	319199	6403989	East
GG6	319192	6403944	East

From Witter Report 2001

Creek Site Grinding Grooves





Plate 12.7. Grinding grooves at Glennies Creek waterhole. (a) Grooves on ledge at water level (GG2). (b) Grooves on boulder away from the creek bank (GG6).

Grinding Grove GG2 - (30/4/2009)



GG2 Facing North



Grinding Grove GG5 (30/4/2009)



GG5 Facing East



GG5 Facing East



Grinding Grove GG6 (30/4/2009)



GG6 Facing East



GG6 Facing East



ANNEXURE C

MANAGEMENT SCHEME FOR THE CONSERVATION AREA

The conservation values identified in Annexure B are to be managed in accordance with the principles and activities outlined below.

ITEM 1:

The landholders shall not undertake, consent to or permit the following activities unless they are undertaken in the manner specified as follows:

Weed control

- a) Carrying out weed control using the appropriate control methods to ensure that they do not compromise the integrity of the conservation values identified. Control and monitoring of weed growth will be as determined by the Ashton Coal Land Management Plan subject to the conditions of this Agreement, and the guidelines below.
 - Ensure methods of weed control do not damage cultural heritage values.
 - Glyphosate based herbicide may be used by direct application to cut surfaces (cut and paint or scrape and paint methods)
 - Spraying of a glyphosate based herbicide can be used. This should be limited to according to the directions on the label and ensuring that there is no off-target damage.
 - Weeds can be removed by hand ensuring that all plant parts that can reproduce are removed and that soils do not become prone to erosion.
 - Other weed control methods may be use with prior written permission of the Director-
 - Ensure control programs are commenced when timing and extent of weed removal will minimise adverse effects on wildlife (weeds may provide protection or habitat for native fauna). Removal of African boxthorn should not be undertaken during nesting periods for small birds which may nest in the plants.
 - Continue to check for weed invasion and regrowth and treat any outbreaks.
 - Check adjacent areas for invasive plant species and remove, or control their spread.

- b) Monitoring impacts to the conservation area by feral animals and undertaking of on-going control programs for feral animals is appropriate.
 - Methods for control can include shooting, trapping and use of poisonous baits with advice from DECCW and the Livestock Health and Pest Authority.
 - Participate in community feral animal control programs, and encourage neighbours to implement pest animal control programs. Contact your local National Parks office to find out if community control programs are occurring in your area.

Native fauna

c) Kangaroo culling when part of a population control program for the Land and only with approval by way of a Section 121 licence issued under the National Parks and Wildlife Act 1974. Planning for this operation should be done in consultation with the DECCW.

Domestic animals and livestock

- d) Mustering of livestock with the use of working dogs and horses.
- e) Controlled grazing may be used as a hazard reduction tool to reduce fuel loads in the conservation area as deemed necessary, and with the following guidelines.
 - Grazing should be initially excluded from the conservation area to encourage the natural regeneration of indigenous plants and to encourage the growth of a shrub layer.
 - Grazing must be excluded from areas of revegetation.
 - Grazing may be desirable to reduce seeding of particular weed species.

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- Where native grasses and ground covers are present, rotational grazing should be used. Graze with high numbers for short periods and allow long rest periods to ensure flowering and reseeding to occur of native groundlayer species.
- Stock should be removed during peak flowering times, that is in Spring or early Summer, being September through to the end of January.
- Groundcover should be maintained above 80%.
- Should stock be identified as introducing weeds into the conservation area, stock should be put in a holding yard or weed free paddock for 2 full days (48 hours) prior to entering conservation area. This will reduce the spread of weeds from dung.
- Stock to be removed from Conservation Area if unacceptable levels of erosion or damage are
- Guidelines to be outlined in the Ashton Coal Conservation Area Plan of Management based on the recommendations coming from the Flora and Fauna Management Plan and associated regular Flora and Fauna monitoring.

Fire

- Suppression where practicable of all wildfires occurring in the conservation area as quickly as possible with the aim of keeping fires to a small area.
- g) Undertaking of fire hazard reduction to protect the natural assets of the conservation area, in appropriate locations, with any required approvals and/or permits using:
 - raking and hand clearing
 - pile burning
 - fuel reduction burns
 - controlled grazing
- h) Using fire hazard reduction burns and controlled burning which take into account the following fire interval guidelines for broad vegetation types and any guidelines given in the Ashton Coal Bushfire Management Plan:
 - In Sclerophyll Grassy Woodland vegetation, fire should not occur within five years of a previous fire, and should be burnt within forty years of any previous fire.

Vehicle access

i) Vehicle access to formed trails for access to private property, management purposes as outlined, approved by DECCW, fire fighting and/or any emergency requirements.

Threatened species

- j) Implementing any reasonable measures included in recovery plans or other management guidelines for any threatened species or communities which or may be found in the conservation area. At the time of signing this agreement, there is no recovery plan in place for the Greycrowned Babbler.
- k) Implementing any reasonable measures to mitigate any alteration of habitat following subsidence due to longwall mining to minimise negative effects on the conservation area and in accordance with the Ashton Coal Subsidence Environmental Management Plan and the development consent issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002.

Restoration of indigenous vegetation

- 1) Restoration of native vegetation using natural regeneration as the preferred method.
- m) Revegetation to establish indigenous plants, using species produced from material sourced locally and without fertilisers, where
 - the ability to regenerate naturally within a reasonable time frame has been lost, or
 - to prevent soil erosion:
 - to aid in the establishment of species diversity and height diversity in areas dominated by single species and with depleted natural seed resources.

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Revegetation must not compromise cultural heritage and the soil surface. Prior to any proposed revegetation an archaeological assessment must be carried out. The Owner should be aware that any works which impact on cultural heritage will require a Section 90 consent under the National Parks and Wildlife Act 1974.

Seed collection

- n) Collection of seed collection in keeping with Guidelines for Collection of Seed, and other Plant Propagation material (available from DECCW), and the following limitations and permissions:
 - Collect seed in the conservation area only if seed of the particular species and genotype is not available elsewhere, or if the seed collected is intended for seedlings that will be planted within the conservation area or adjacent to the conservation area.
 - Licences are required for collection of material of protected plants listed under Section 131 (Schedule 13) of the National Parks and Wildlife Act 1974.
 - Where seed collection involves species listed on Schedule 1 or 2 of the Threatened Species Conservation Act 1995, the relevant licence or prior written permission from the Director-General should be obtained.

Thinning of indigenous vegetation

Thinning of regenerating indigenous species, which are altering the structure of the vegetation and/or reducing conservation values. The benefits to conservation should be greater that the disturbance associated with thinning.

Provision of habitat

p) Installation of habitat boxes for native fauna in strategic locations where suitable hollows for native fauna are limited or absent. Locations and number to be determined as per the Ashton Coal Flora and Fauna Management Plan and recommendations made in regular Fauna monitoring programs in consultation with DECCW.

Cultural heritage

q) Recording and management of any newly identified Aboriginal objects, as per the Ashton Coal Archaeology and Cultural Heritage Plan.

Visitation and research

- r) Visitation, research and community use at a level that does not adversely impact on the conservation or Aboriginal heritage values of the area. Research projects should be discussed
- s) Visitation, research and community use by the Aboriginal Community as outlined in the Ashton Coal Archaeology and Cultural Heritage Plan.

- t) Carrying out developments as described in Clause 2.3 of the Agreement, and maintaining developments (including existing management and access roads) with the following conditions
 - As a priority the developments should not impact on cultural heritage. The Owner should be aware that any developments which impact on cultural heritage will require a Section 90 consent under the National Parks and Wildlife Act 1974
 - The width of roads and trails will be a maximum of 4 metres wide roadway with 2 metres width for vegetation clearance on each side.
 - Clear a corridor not greater than 3 metres wide during construction or for maintenance for the installation of fences or other agreed rural structures.
 - Construct and maintain fences where required to ensure they are stockproof but will not impede the movement of, or be a danger to, native fauna.
 - Construct replacement access roads using recommendations for construction and maintenance to be determined by the Owner in consultation with the DECCW.
 - Remove fallen timber and any other obstructions to maintain access.

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- Where clearing is necessary, undertake all works in a manner that minimises disturbance to soil and hydrological characteristics and is in accordance with any recommendations made in the Ashton Coal Archaeology and Cultural Heritage Plan or any other relevant Ashton Coal Environmental Management Plan as listed in 1 E.
- Remove old internal fences and close unwanted tracks within the conservation area and facilitate restoration of native vegetation by allowing natural regeneration.

Monitoring

- u) Annexure B contains dated aerial photographs/maps showing the location of the conservation area, the conservation values and photo-points. Photographs have been taken at these photopoints at the time of entering the agreement. This provides baseline information and data for ongoing monitoring and adaptive management of the conservation area
- v) Photographs at the identified photo-points should be taken from time to time for the purposes of ongoing monitoring of the conservation values. This should be carried out in consultation with Department of Environment, Climate Change and Water (DECCW). The process can include the specific monitoring as described in the Ashton Coal Flora and Fauna Management Plan (White Mining Limited 2003a).
- w) The Owner will as part of the approval issued by the NSW Department of Planning for Development Application No. 309-11-2001-i on the 11 October 2002 conduct regular environmental monitoring and complete Annual Environmental Monitoring Reports for the mine site. Monitoring of the cultural heritage and biodiversity values of the conservation area will be included in but not limited to these reports. This will form the basis for decisions about ongoing management actions. A copy of relevant monitoring reports should be forwarded to DECCW.

ITEM 2:

The landholders shall not undertake, consent to or permit (unless specified in Item 1 of Annexure C or with prior written consent of the Director-General)

- a) the sowing or planting of trees, grasses or other plants in the conservation area
- b) the introduction of any non-indigenous plants or non-indigenous fauna into the conservation area
- c) the entry of domestic animals including pets and domestic livestock in the conservation area
- d) the use or application of fertiliser or pesticides in the conservation area
- e) the use of trail bikes, four wheel drive vehicles or any other vehicle in the conservation area off any formed road
- f) any works in the conservation area, especially any revegetation work and developments, which have the potential to impact on any cultural features.
- g) the removal of any biological or inorganic component of the conservation area
- h) any works which will adversely affect the natural flows and bodies of water apart from those works outlined in Item 1 clause 2.3.5 or approved mining operations.

Director, Ashton Coal Mines Limited

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Director/Secretary, Ashton Coal Mines Limited

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