

# INTEGRATED ENVIRONMENTAL SYSTEMS PTY LTD

## Broken Hill Operations Pty Ltd, Rasp Mine

### Environmental Compliance Audit



**1<sup>st</sup> – 5<sup>th</sup> February 2016**

**Report Version: Final Version**

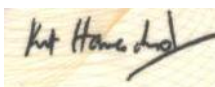
Version	Date	Prepared by
Final	09/03/2016	Kurt Hammerschmid B.App.Sc. (Chem), M.Sc. Principal Auditor Integrated Environmental Systems Pty Ltd, Mentone, Victoria 3194  Adam Jones B.Com. B.Ec. LLB Lawyer Suite 503, 9-13 Bronte Road Bondi Junction, NSW 2022

## Document History

Version Number	Revision Date	Description
First Draft	22 <sup>nd</sup> February 2016	Draft Report for BHOP Comment and Review
Second Draft	6 <sup>th</sup> March 2016	Revised Draft Report for BHOP Comment and Review
Final Version	9 <sup>th</sup> March 2016	Final Report submitted to BHOP
Response	24 <sup>th</sup> March 2016	Report and responses submitted to DPE

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Issued by: (Kurt Hammerschmid)

Date: 9<sup>th</sup> March 2016

## **BHOP Rasp Mine Environmental Compliance Audit – Scope and Limitations**

The scope of this environmental compliance audit was limited to reviewing how Broken Hill Operations Pty Ltd (a wholly-owned subsidiary of CBH Resources Limited) at its Rasp Mine operations (located at 130 Eyre Street, Broken Hill NSW 2880) is maintaining compliance against all relevant conditions defined in:

- Project Approval 07\_0018 Mod3 approved under the former Part 3A of the Environmental Planning and Assessment Act 1979 (which continues as an approval of a transitional Part 3A project under Schedule 6A of that Act) by the delegate of the NSW Minister of Planning ('Project Approval');
- Environment Protection Licence Number 12559 as at 16 July 2015 ('EPL'); and
- Consolidated Mining Lease Number 7 as renewed on 17 January 2007 ('CML7').

This audit was conducted via: a) direct verification of compliance against relevant conditions in the field; and b) "sampling" a representative cross section of the documents, records and data associated with the mine and related activities. The nature of sampling during any form of compliance audit is such that it may not necessarily identify everything that the operation is, or is not doing, in relation to an individual condition (of the Project Approval, EPL or CML7).

This independent third-party audit and associated audit report was commissioned by Broken Hill Operations Pty Ltd to directly meet Condition 4 in Schedule 4 of the Project Approval. No other warranty, expressed or implied, is made as to the professional advice indicated in this report. Note that it may not contain sufficient information for the purposes of other parties or for other uses.

The content of this report applies only to matters which were available to and/or evident to the auditor at the time of this audit and within the scope of the audit. The status of compliance can change in a limited time, which may be important if the report is used after any protracted delay.

The content of this report is based on the observations made during field inspections and the associated documents, data and records reviewed, that were provided by Broken Hill Operations Pty Ltd personnel during the audit. At the Rasp Mine, field inspection locations were both targeted in accordance with relevant conditions (of the Project Approval, EPL and CML7) and also selected at random by the auditor to ensure that a representative sample of Broken Hill Operations Pty Ltd's field activities could be inspected/audited against relevant conditions.

Environmental compliance audits are typically based on the selective testing of the information and data being examined. Non-compliances may exist and not be detected. An environmental compliance audit is not designed to identify and detect all instances of non-compliance against the Project Approval, EPL and CML7 Conditions, as it is not performed continuously throughout the year. The findings and comments expressed in this report have been formed based on the above limitations.

No analytical samples were collected during this audit to verify any former or current monitoring programs in place or data collected.

The Lead Auditor is the sole author of this report. This report does not, and does not purport to, give legal advice on the actual or potential liabilities of the operation, or draw conclusions as to whether any particular circumstances constitute a breach of relevant legislation. Only qualified legal practitioners can provide this advice.

## Broken Hill Operations Pty Ltd, Rasp Mine - Environmental Compliance Audit – Details

<b>Operation Audited:</b>	Broken Hill Operations Pty Ltd (BHOP) Rasp Mine, Broken Hill NSW 2880
<b>Date(s) of on-site attendance at Audit:</b>	1 <sup>st</sup> – 5 <sup>th</sup> February 2016
<b>BHOP Audit Contact:</b>	Mr Leonard Sharp – Environment/Community Liaison Officer
<b>Lead Auditor:</b>	Mr Kurt Hammerschmid B.App.Sc. (Chem), M.Sc. Principal Environmental Auditor Integrated Environmental Systems Pty Ltd 3/3 Latona Street, Mentone, Victoria 3194
<b>Audit Team Member:</b>	Mr Adam Jones B.Com. B.Ec. LLB Lawyer Suite 503, 9-13 Bronte Road, Bondi Junction, NSW 2022
<b>Scope of the Audit:</b>	<ol style="list-style-type: none"> <li>1. All relevant conditions (but excluding definitions and appendices unless otherwise specified in this report) specified in Project Approval number 07_0018 Mod3 (approved by the delegate of the NSW Minister for Planning), Environment Protection Licence Number 12559 as at 16 July 2015 issued by the NSW Environment Protection Authority, and Consolidated Mining Lease Number 7 as renewed on 17 January 2007.</li> <li>2. The scope being limited to the site of the BHOP Rasp Mine at 130 Eyre Street Broken Hill NSW 2880.</li> </ol>
<b>BHOP personnel interviewed during the Audit:</b>	<ul style="list-style-type: none"> <li>• Mr Rob Williamson – General Manager</li> <li>• Mr Peter Waterhouse – Manager Metallurgy</li> <li>• Mr Costa Papadopoulos – Manager Health Safety and Environment</li> <li>• Ms Gwen Wilson – CBH Group Manager Safety, Health, Environment and Community</li> <li>• Mr Brett Anderson – Manager Mining</li> <li>• Mr Robert Neumayr – Senior Mine Geologist</li> <li>• Ms Michelle Marks – Commercial Superintendent</li> <li>• Mr Andrew McCallum – Metallurgy Superintendent</li> <li>• Mr Jason Stone – Mill Maintenance Superintendent</li> <li>• Mr Evo Tognoli – Mill Maintenance Planner</li> <li>• Mr Leonard Sharp – Environment/Community Liaison Officer</li> <li>• Ms Jan Corey – Health Coordinator</li> <li>• Ms Lyn Treleven – Senior HR Officer</li> <li>• Ms Joan Simons – Personal Assistant to the General Manager</li> <li>• Mr Boyd Symonds – Plant – Crew 1 Supervisor</li> <li>• Mr Mitchell Morris – Plant – Crew 1 Milling</li> </ul>
<b>BHOP Rasp Mine Operational Areas visited/inspected between 1<sup>st</sup> and 5<sup>th</sup> February 2016:</b>	<u>Mine</u> <ul style="list-style-type: none"> <li>• Mine water management system (i.e. Settlement Pond, Event Ponds, S22 Dam etc.)</li> <li>• Waste rock dump rehabilitation trial</li> <li>• Historical rehabilitation works</li> <li>• Vent shafts</li> <li>• In-pit tailings disposal</li> </ul>

	<ul style="list-style-type: none"> <li>• BHP open pit</li> <li>• LV and HV Vehicle washbays</li> <li>• Main workshop</li> <li>• Bulk surface fuel storage facilities</li> <li>• Eyre Street Bund Contamination Site</li> <li>• Processes used for the application of Dustmag and chemical dust suppressant.</li> </ul> <p><u>Plant</u></p> <ul style="list-style-type: none"> <li>• Enclosed crusher building</li> <li>• Enclosed conveyor system and transfer points</li> <li>• Dust Collector/Baghouse</li> <li>• Full container of Dustmag and Chemical Dust Suppressant</li> <li>• Process Plant Control Room</li> <li>• Maintenance planning</li> <li>• Rail load out area</li> <li>• Container storage area.</li> </ul> <p><u>Additional areas</u></p> <ul style="list-style-type: none"> <li>• Old Carpenters Workshop</li> <li>• South Road</li> <li>• Ryan Street Dam</li> <li>• Carparks and B Double Truck Waiting Area</li> <li>• Holten Drive Access Gate</li> <li>• TEOM dust units and example dust deposition gauges</li> <li>• On-site meteorological station</li> <li>• Representative groundwater monitoring bores</li> <li>• Representative in-situ blast and vibration monitors.</li> </ul>
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## Report Summary

### Overview

This environmental compliance audit of BHOP's Rasp Mine in Broken Hill was conducted on-site over 5 days between 1<sup>st</sup> and 5<sup>th</sup> February 2016.

Specifically, the scope of this environmental compliance audit included all relevant conditions (but excluding definitions and appendices unless otherwise specified in this report) specified in:

- Project Approval Number 07\_0018 Mod3 (approved by the delegate of the NSW Minister for Planning);
- Environment Protection Licence (EPL) Number 12559 as at 16 July 2015 (issued by the NSW Environment Protection Authority);
- Consolidated Mining Lease (CML) Number 7 (as renewed on 17 January 2007); and
- the sighting of environmental and operational documentation, records, monitoring data, operating and field conditions relating to the operation of the BHOP Rasp Mine and related activities and conducting a number of interviews with relevant BHOP environmental, occupational health and operational personnel.

There have been three modifications to BHOP's Project Approval since 2012, inclusive of:

- Mod1 (2012) – Relocation of the vent rise;
- Mod2 (2014) – 24 hour crushing; and
- Mod3 (2015) – Block 7 Underground development and mining.

This audit did not directly audit any “additional” legislative or regulatory requirements that were not directly included as existing conditions within the existing Project Approval, EPL or CML7.

### Context

This environmental compliance audit essentially targeted and audited completed work and on-site field practices associated with the BHOP Rasp Mine within the last 3 years (i.e. since the last on-site environmental compliance audit was completed by Graham Brown and Associates in November 2012).

This Environmental Compliance Audit Report is the second independent third-party statutory audit and audit report completed at the BHOP Rasp Mine and submitted to the Director-General, NSW Department of Planning and Infrastructure to demonstrate the operation's existing level of statutory environmental compliance.

### Overall Audit Findings

The key overall findings from this environmental compliance audit of BHOP Rasp Mine conducted between 1<sup>st</sup> and 5<sup>th</sup> February 2016 are:

- In carrying out lead and zinc mining and related activities, BHOP Rasp Mine has demonstrated that the operation has prevented and/or minimised the likelihood of material harm to the environment as a result of its current mining and processing activities. This environmental compliance audit did not identify evidence of any “material harm” to the environment occurring or being demonstrated as a result of the operation (Note: “material harm” being defined in the Project Approval as “Actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial”).
- The environmental performance and operational control demonstrated by BHOP Rasp Mine in the field was observed to be maintained to high standards. No extensive systematic (i.e. widespread) issues of concern were observed during field inspections conducted during this audit.
- A total of 172 conditions across the Project Approval, EPL and CML7 were audited. Of these 172 conditions, this audit identified 138 compliances, 11 non-compliances, 8 potential non-compliances and 15 not applicable findings.
- BHOP's high level of compliance at the time of this audit can be attributed to: a) the significant work completed across the operation in the three years preceding this audit to improve the level of statutory compliance; and b) the efforts of the relevant BHOP personnel.
- A total of 79 observations were identified during this audit. Observations are provided for BHOP's consideration to maintain higher levels of compliance and enable continuous improvement to be demonstrated in statutory compliance, site environmental management and environmental practices across the operation.

## Non-compliances and Potential Non-compliances

Non-compliances and potential non-compliances identified during this environmental compliance audit of the BHOP Rasp Mine include:

### Project Approval Number 07\_0018 Mod3

- **Schedule 3 – Condition 4 – Environmental Performance – Minor Non-compliance** – The TBD (To Be Determined) Limits for the Project Approval – Table 5: Discharge Criteria for Point 2 – Process Enclosure/Baghouse Stack were not determined in the timeframe required by this condition due to BHOP not proposing the limits (to be agreed by the Secretary of DPE in consultation with the EPA) prior to the quarterly Process Enclosure/ Baghouse Stack testing in late February 2013.
- **Schedule 3 – Condition 11 – Air Quality Management Plan – Minor Non-compliance** – BHOP's current Air Quality Management Plan does not adequately include information or discusses requirements relating to paragraph (j) of this condition (protocols for regular maintenance of plant and equipment to minimise the potential for elevated dust generation, leaks and fugitive emissions) and paragraph (k) of this condition (a contingency plan should an incident, upset or other initiating factor lead to elevated dust impacts, whether above normal operating conditions or above environmental performance goals/ limits).
- **Schedule 3 – Condition 30 – Heritage – Potential Non-compliance** – As of early February 2016, the BHOP Conservation Management Plan (CMP) has not been finalised as required under the project approval. It was stated that the final CMP will be delivered in late 2015 or early 2016, after finalising the heritage inventory and the required heritage management strategies.
- **Schedule 4 – Condition 3 – Annual Review – Minor Non-compliance (historical)** – The most recent 2014 Annual Environmental Management Report (AEMR) does not satisfy paragraphs (c), (d) and (e) of this condition. In relation to paragraph (c) the AEMR does not identify non-compliances from 2014, nor does it describe what actions were (or are being) taken to ensure compliance. In relation to paragraph (d) the AEMR does not clearly identify any trends in the monitoring data over the life of the project. In relation to paragraph (e) the AEMR does not identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies. In addition, only very limited information is provided to enable compliance with paragraphs (a), (b) and (f) of this condition to be demonstrated.

### Environment Protection Licence (EPL) Number 12559

- **Discharges to Air and Water and Applications to Land – Condition P1.3 – Potential Non-compliance** – BHOP is unable to demonstrate that it undertakes surface water, receiving water and groundwater monitoring at all of the 26 monitoring points defined in EPL Condition P1.3 Table "Water and Land". For example, Section 4.1 of the August 2015 Monthly Environment Report identifies that only 9 of the listed 18 groundwater bores/sampling sites were actually sampled on 24<sup>th</sup> August 2015. No commentary or information is provided in these Monthly Environment Data Reports stating why the remaining groundwater monitoring sites were not sampled.
- **Limit Conditions – Condition L7.1 – Other Limit Conditions – Potential Minor Non-compliance** – There was no evidence that the storm water and other surface water holding ponds identified in the Site Water Management Plan meet the requirements of this condition, relating to accommodating stormwater runoff generated in a 100 year (24 hour) Average Recurrence Interval rain event.
- **Operating Conditions – Condition O3.3 – Dust – Potential Minor Non-compliance** – BHOP is unable to "immediately" suppress dust from the TSF, as no practical means exists to achieve this requirement (i.e. to immediately wet deposited tailings at the Rasp mine over an area of approximately 8.4 hectares).
- **Operating Conditions – Condition O4.1 – Processes and Management – Potential Minor Non-compliance** – No formal process has been established to determine if sedimentation of designated surface water storage ponds has been reduced by more than 10% of the design capacity.
- **Monitoring and Recording Conditions – Condition M1.2 – Monitoring Records – Potential Minor Non-compliance** – Relevant environmental records generated prior to September 2014 are not readily located or retrievable within BHOP's existing records databases, partly because these have not been collated or scanned into an electronic format.
- **Monitoring and Recording Conditions – Condition M2.2 and M2.3 – Requirement to monitor the concentration of pollutants discharged – Minor Non-compliance (historical)** – Non-compliances have been noted in BHOP's Annual Returns during the last three years. For example, in BHOP's 2015 Annual Return (Section C2 – Details of Non-Compliance with Licence), there was a lack of monitoring data at various monitoring points.

- **Monitoring and Recording Conditions – Condition M5.3 – Recording of pollution complaints – Minor Non-compliance (historical)** – No records of external complaints were held by BHOP for the period 1/1/12 to 9/11/12 (indicating that complaints have only been held for a period of 3.25 years and not the full 4 years, as required by this condition).
- **Reporting Conditions – Condition R1.6 – Monitoring Report – Minor Non-compliance** – No a) analysis/interpretation of monitoring results, and b) actions to correct identified adverse trends, were provided with BHOP's 2015 Annual Return.
- **Reporting Conditions – Condition R2.1 – Notification of Environmental Harm – Potential Non-compliance** – In the event that an incident occurs that results in actual or potential "environmental harm", BHOP's Environment/Community Liaison Officer stated that he would notify the regional office of the NSW EPA, not the 131 555 Sydney EPA office number.
- **Pollution Studies and Reduction Programs – Condition U3.1 – Noise Monitoring – Non-compliance (historical)** – The November 2014 quarterly noise survey report was received by BHOP on 12<sup>th</sup> December 2014, but was not submitted to the EPA within one month of the completion of the noise monitoring survey (i.e. the report was submitted to the NSW EPA on 11<sup>th</sup> March 2015).

#### **Consolidated Mining Lease (CML) Number 7**

- **Condition 1 – Notice to Landowners – Minor Non-compliance (historical)** – BHOP was unable to provide evidence of written notification to landholders of the leased land or of a published notice in a newspaper circulating in the lease area.

#### **Observations**

Observations are provided for BHOP's consideration to maintain higher levels of compliance and enable continuous improvement to be demonstrated in statutory compliance, site environmental management and environmental practices across the operation.

Examples of observations identified during this environmental compliance audit of the BHOP Rasp Mine include:

#### **Project Approval Number 07\_0018 Mod3**

- **Project Approval Observation No. 4 – Schedule 2, Condition 10** – The water outflow from the automated spray system on the vent shaft should be tested to verify whether the water is potentially contaminated.
- **Project Approval Observation No. 9 – Schedule 3, Condition 10** – This condition (to install video recording equipment to actively manage emissions from the TSF) is considered not practicable.
- **Project Approval Observation No. 12 – Schedule 3, Condition 13** – Section 2.2. External Responsibilities of the Community Lead Management Plan (February 2012) could provide clearer details and more context relating to public health monitoring and public health campaigns that BHOP is directly or indirectly involved with or contributes financially towards.

#### **Environment Protection Licence (EPL) Number 12559**

- **EPL Observation No. 2 – Condition P1.3** – BHOP is encouraged to include a footnote in relevant sections of its Monthly Environment Data Reports stating why statutory/compliance samples were not collected (i.e. due to the site being dry, inaccessible, unrepresentative conditions, failure of monitoring equipment etc.).
- **EPL Observation No. 10 – Condition L7.1** – This condition requires a 1:100 year ARI to be met for surface water holding ponds, but Condition U1.2 states that a 1:20 rainfall event over 24 hours is to be met for the S49 Dam near Ryan Street.
- **EPL Observation No. 24 – Condition M3.2** – BHOP should request that the original Envirolab Services analytical reports be included as an appendix with the quarterly reports provided by stack testing consultants, AMG.

#### **Consolidated Mining Lease (CML) Number 7**

- **CML7 Observation No. 3 – Condition 19** – BHOP's Traffic Management Plan could potentially be cross-referenced in the Mining Operations Plan (MOP).
- **CML7 Observation No. 6 – Condition 33** – The map (Catalogue No. D 6199 R) attached to CML7 appears to differ from the stand-alone version of the map in BHOP's Rasp Mine office records. For example, the green coloured area at the top left of the screen image of the map in Photo 42 is not marked on the map attached to CML7 (see Appendix C in Rasp Mine: Environmental Assessment Report on CBH website).



**Table 1: Summary of Audit Findings**

Table 1 summarises the Audit Findings in this environmental compliance audit report against the conditions of the Project Approval, EPL and CML7.

Approval Document (Grouped Conditions)	Compliances	Non-Compliances (including Minor)	Potential Non-Compliances (including Minor)	Not Applicable at Time of Audit	Observations
<b>Project Approval Number 07_0018 Mod3</b>					
<b>Schedule 2 Administrative Conditions (12 Conditions)</b>	10	0	0	2	6
<b>Schedule 3 Environmental Performance Conditions (39 Conditions)</b>	33	2	1	3	20
<b>Schedule 4 Environmental Management, Reporting and Auditing Conditions (10 Conditions)</b>	8	1	0	1	7
<b>Environment Protection Licence (EPL) No. 12559</b>					
<b>Administrative Conditions (5 Conditions)</b>	5	0	0	0	1
<b>Discharges to Air and Water and Applications to Land (4 Conditions)</b>	3	0	1	0	5
<b>Limit Conditions (18 Conditions)</b>	16	1	1	0	4
<b>Operating Conditions (10 Conditions)</b>	7	0	2	1	4
<b>Monitoring and Recording Conditions (19 Conditions)</b>	13	3	2	1	17
<b>Reporting Conditions (14 Conditions)</b>	9	2	1	2	4
<b>General Conditions (3 Conditions)</b>	3	0	0	0	0
<b>Pollution Studies and Reduction Programs (9 Conditions)</b>	4	1	0	4	4
<b>Dictionary</b>	-	-	-	-	1
<b>Consolidated Mining Lease (CML) Number 7</b>					
<b>All CML7 Conditions (29 Conditions)</b>	27	1	0	1	6
<b>Total (172 Conditions)</b>	<b>138</b>	<b>11</b>	<b>8</b>	<b>15</b>	<b>79</b>

**Table 2: Audit Findings**

Table 2 lists the audit findings against each condition of the Project Approval, EPL and CML7 for review by BHOP and the NSW Department of Planning and Environment.


Observations are provided for BHOP's consideration to maintain higher levels of compliance and enable continuous improvement to be demonstrated in statutory compliance, site environmental management and environmental practices across the operation.

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>OBLIGATION TO MINIMISE HARM TO THE ENVIRONMENT</b>			
1. The Proponent shall implement all reasonable and feasible measures to prevent and/or minimise any material harm to the environment that may result from the construction, operation or rehabilitation of the project.	<b>Compliant Observation</b>	It is the Lead Auditor's professional opinion that BHOP's requirement to "implement all reasonable and feasible measures to prevent and/or minimise any material harm to the environment" has been met (in the 3 years of operations preceding this audit).	<p><b>Project Approval Observation No. 1</b></p> <p>The Project Approval defines "material harm to the environment" as "Actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial". The EPL defines "material harm" (as referred to in this condition) as having the same meaning as in section 147 of the Protection of the Environment Operations Act 1997 and "environment" as having the same meaning as in the Protection of the Environment Operations Act 1997. BHOP should be aware that the definition of "material harm to the environment" in the Project Approval differs from the definitions of "material harm" and "environment" in the EPL and consider preventative and minimisation measures in light of both the Project Approval and the EPL. (Also see EPL Observation No. 34.)</p> <p><b>BHOP response:</b></p> <p><b>BHOP is aware of the differences in the meaning of harm to the environment under the Project Approval and EP Licence, and strives to minimise any harm to the environment. BHOP risk assessment process adopts varying levels of potential environmental impacts from low to high which would address both definitions. All risks are taken into account when assigning control measures.</b></p> <p><b><u>No action at this time.</u></b></p>

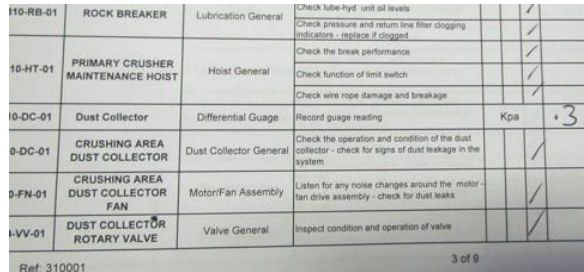
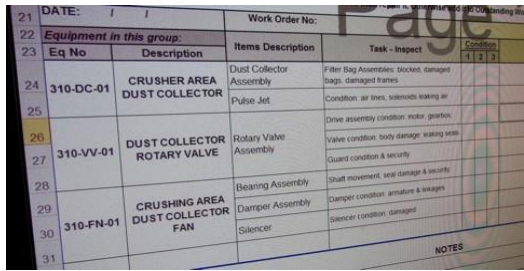
PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>TERMS OF APPROVAL</b>			
<p>2. The Proponent shall carry out the project generally in accordance with the:</p> <ul style="list-style-type: none"> <li>(a) EA;</li> <li>(b) Response to Submissions and PPR;</li> <li>(c) Statement of Commitments;</li> <li>(d) Modification 1;</li> <li>(e) Modification 2;</li> <li>(f) Modification 3; and</li> <li>(g) conditions of this approval.</li> </ul> <p><i>Note: The general layout of the project is shown in Appendix 2.</i></p>	<b>Compliant Observation</b>	<p>There was evidence that BHOP is managing the BHOP Rasp mining project generally in accordance with the requirements specified in the instruments defined in (a), (d), (e), (f) and (g) within Condition 2 of the Project Approval.</p> <p>The scope of this audit did not extend to or include</p> <ul style="list-style-type: none"> <li>(b) Response to Submissions and PPR, and</li> <li>(c) Statement of Commitments.</li> </ul>	<p><b>Project Approval Observation No. 2</b></p> <p>The auditors noted that the Statement of Commitments section of the Project Approval (Appendix 5) was blank, therefore the present “Revised Statement of Commitments – Mod 3” (undated) is arguably not enforceable under the Project Approval.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP implements its Statement of Commitments as appended to the Environment Management Strategy (BHO-PLN-ENV-008) updated and resubmitted 6/1/2015</b></p> <p><b>DPE updates the Project Approval when required.</b></p> <p><b><u>No action at this time.</u></b></p>
<p>3. If there is any inconsistency between the documents listed in condition 2 above, the most recent document in the relevant condition shall prevail to the extent of the inconsistency. However, the conditions of this approval shall prevail to the extent of any inconsistency.</p>	<b>Compliant</b>	<p>The potential for inconsistency between the documents listed in Condition 2 above, and the prevailing nature of the conditions of the Project Approval is acknowledged by relevant BHOP personnel.</p>	
<p>4. The Proponent shall comply with any reasonable requirement/s of the Secretary arising from the Department’s assessment of:</p> <ul style="list-style-type: none"> <li>(a) any reports, strategies, plans, programs, reviews, audits, or correspondence that are submitted in accordance with the conditions of this approval; and</li> <li>(b) the implementation of any actions or measures contained in these documents.</li> </ul>	<b>Compliant</b>	<p>Relevant BHOP personnel acknowledge their responsibility to comply with requests from relevant NSW Government Departments.</p> <p>Correspondence of an environmental intent or nature (between BHOP and relevant NSW Government Departments) is held by BHOP in a specific electronic environment folder that was observed to be maintained. No specific Government Department Correspondence Register is maintained by BHOP.</p> <p>BHOP’s Environment/Community Liaison Officer does not utilise BHOP’s INX database for the formal entry, tracking and close-out of actions or directives received from government departments. This individual utilises Microsoft Outlook for the management of tasks, actions and directives from government personnel.</p> <p>An annual BHOP Environment Plan is developed and updated as required during the year. Monthly environment reports are developed and utilised to</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		track any requests, directives or actions received from Government Departments.	
<b>LIMITS ON APPROVAL</b>			
<b>Mining Operations</b>			
5. The Proponent may carry out mining operations on site until 31 December 2026.  <i>Note to Condition 5: Under this approval, the Proponent is required to rehabilitate the site and carry out additional undertakings to the satisfaction of both the Secretary and NSW Trade &amp; Investment. Consequently, this approval will continue to apply in all respects - other than the right to conduct mining operations - until the rehabilitation of the site and these additional undertakings have been carried out satisfactorily.</i>	<b>Compliant</b>	The 31 <sup>st</sup> December 2026 date is acknowledged and recognised by BHOP's senior managers.  Requirements for the rehabilitation of historical areas of the Rasp Mine site/CML7 were agreed in writing between the previous owners, Normandy Mining Limited and the NSW Department of Resources and Energy in 2000.	
<b>Production</b>			
6. The Proponent shall not extract more than 750,000 tonnes of ore per annum, or more than 8,450,000 tonnes of ore over the life of the project.	<b>Compliant</b>	BHOP's production figures (i.e. tonnes of feed to the mill) on a calendar year basis since 2013 were: <ul style="list-style-type: none"> <li>• 2013 – 659,989 tonnes</li> <li>• 2014 – 545,916 tonnes</li> <li>• 2015 – 573,352 tonnes</li> <li>• 2016 (planned) – approximately 560,000 tonnes.</li> </ul>	
<b>Transport</b>			
7. Until ore processing facilities have been constructed and commissioned on the site, the Proponent is permitted to transport crushed ore by road to the Endeavour Mine, or such other location approved by the Secretary, for processing. Following commissioning of the ore processing facilities, the Proponent shall only transport zinc and lead concentrates from the site by rail, except in an emergency situation and with the prior written approval of the Secretary.	<b>Compliant Observation</b>	There was no evidence that BHOP has ever transported crushed ore by road to the Endeavor Mine (or any other neighbouring mining project).  BHOP has not needed to transport lead/zinc concentrate transport by road to any designated port facility in NSW or South Australia in the last 3 years.  It was stated that some form of contingency may be required in the event that the existing rail service failed. Under these conditions, BHOP would secure written government approval prior to commencing potential road transport of lead/zinc concentrate.  No concentrate storage shed has been constructed at the Rasp Mine, requiring all dried lead/zinc concentrate to be directly placed into and sealed in	<b>Project Approval Observation No. 3</b>  BHOP could consider obtaining government approval of a standing (ongoing) nature to allow BHOP to use an alternative transport method during any potential crisis and avoid the risk of a delay in obtaining approval.  <b>BHOP Response:</b>  <b>BHOP has considered gaining this approval however cost of transporting ore by truck is prohibitive and would not be viable.</b>  <b><u>No action at this time.</u></b>

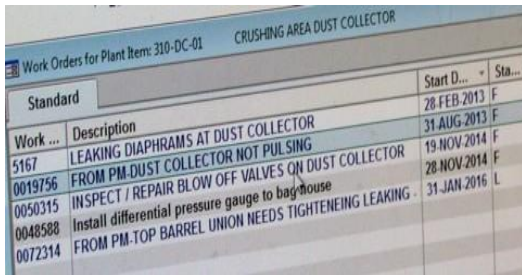

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		dedicated BHOP shipping containers.	
<b>STRUCTURAL ADEQUACY</b>			
<p>8. The Proponent shall ensure that all new buildings and structures, and any alterations or additions to existing buildings and structures, are constructed in accordance with the relevant requirements of the BCA.</p> <p><i>Notes to Condition 8:</i></p> <ul style="list-style-type: none"> <li>• Under Part 4A of the EP&amp;A Act, the Proponent is required to obtain construction and occupation certificates for the proposed building works; and</li> <li>• Part 8 of the EP&amp;A Regulation sets out the requirements for the certification of the project.</li> </ul>	<b>Not Applicable at Time of Audit</b>	<p>It was stated that no additional buildings have been constructed since the former 2012 environmental compliance audit.</p> <p>All buildings required for mining, processing, maintenance and related activities either a) existed from former proponents of the Rasp Mine project, or b) were constructed in 2010 – 2011 (i.e. prior to the period covered by this audit).</p>	
<b>DEMOLITION</b>			
<p>9. The Proponent shall ensure that all demolition work is carried out in accordance with Australian Standard AS 2601-2001: The Demolition of Structures, or its latest version.</p>	<b>Not Applicable at Time of Audit</b>	<p>It was stated that no demolition works have occurred since the last 2012 environmental compliance audit.</p> <p>There is evidence that the former carpenter's workshop on the Rasp Mine site is no longer habitable and has been barricaded to prevent access of personnel. BHOP acknowledges that it is required to secure development approval from Broken Hill City Council prior to the demolition of this building.</p> <div data-bbox="1003 1000 1429 1369" data-label="Image"> </div> <p><b>Photo 1 – Former carpenter's workshop on the Rasp Mine site (with barricaded access)</b></p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>OPERATION OF PLANT AND EQUIPMENT</b>			
<p>10. The Proponent shall ensure that all the plant and equipment used on site, or to transport materials to and from the site, is:</p> <p>(a) maintained in a proper and efficient condition; and</p> <p>(b) operated in a proper and efficient manner.</p>	<p><b>Compliant Observation</b></p>	<p>BHOP personnel have identified the necessary plant and equipment required to be effectively operated and maintained to prevent any adverse air, water or noise emissions that could potentially breach a statutory condition. This equipment includes:</p> <ul style="list-style-type: none"> <li>• baghouse at the mill crusher;</li> <li>• transfer points on the mill conveyor system;</li> <li>• conveyor housing; and</li> <li>• automated spray system on the vent shaft.</li> </ul>  <p><b>Photo 2 – Excess water from the automated spray system on the vent shaft</b></p> <p>It was stated that Pacific National owns the rail rolling stock that is utilised for concentrate transport.</p> <p>BHOP utilises Pronto software for preventative and breakdown maintenance planning and execution of works. A dedicated Maintenance Planner is employed in the mill to utilise this system.</p> <p><u>Mill Crusher Building Dust Collector/Baghouse</u></p> <p>The mill crusher building dust collector/baghouse is visually inspected on a daily frequency as part of the “Daily Mechanical General Operating Inspection for Crushing and Screening”. This is inclusive of:</p> <p>a) measuring and recording differential pressure of the dust collector gauge; b) identifying any visual evidence of dust leakage; c) identifying any adverse noise from the motor fan drive assembly; and d) inspecting the condition and operation of the dust collector rotary</p>	<p><b>Project Approval Observation No. 4</b></p> <p>The water outflow from the automated spray system on the vent shaft should be tested to verify whether the water is potentially contaminated.</p> <p><b>BHOP Response:</b></p> <p><b>Water from the vent shaft is contained within the area and there is no off-site discharge.</b></p> <p><b><u>No action at this time.</u></b></p>

## PROJECT APPROVAL 07\_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS

Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>valve.</p>  <p><b>Photo 3 – Daily Mechanical General Operating Inspection</b></p> <p>The existing dust collection/baghouse structure and polyester filter bags were installed approximately 3 years ago. BHOP's Maintenance Planner stated that the manufacturer of the bags predicts a bag life of between 5 – 6 years for the installed 196 bags. As a result, no bags have been replaced to date.</p> <p>BHOP stores a number of replacement bags (but the exact number of replacement bags in storage could not be confirmed at the time by BHOP's maintenance planners) in the event of an isolated bag failure.</p> <p>It was stated that plant maintenance personnel schedule and conduct a 12 weekly off-line mechanical inspection of crushing and screening plant during scheduled periods of plant shutdown.</p>  <p><b>Photo 4 – Example of 12 weekly off-line mechanical inspection of crushing and screening plant</b></p> <p>Records indicate that breakdown maintenance of the dust collectors has only been required on five</p>	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>occasions since 28<sup>th</sup> February 2013.</p>  <p><b>Photo 5 – Breakdown maintenance log of the mill crushing dust collectors</b></p> <p>Dust sprays utilised on conveyor transfer points are automated and inspected and maintained by maintenance personnel as required. A dedicated screen is also available in the control room to observe the operation and functionality of the main hopper dust spray.</p>  <p><b>Photo 6 – Dedicated screen in the control room to observe the operation and functionality of the main hopper dust spray</b></p>	
<b>STAGED SUBMISSION OF ANY STRATEGY, PLAN AND PROGRAM</b>			
11. With the approval of the Secretary, the Proponent may submit any strategy, plan or program required by this approval on a progressive basis.	<b>Compliant Observation</b>	Over the last 12 months, the NSW Department of Planning and Environment (DPE) has requested from BHOP the submission of specific updated environmental management plans (EMPs).	<p><b>Project Approval Observation No. 5</b></p> <p>Some BHOP Environmental Management Plans (EMPs) on the CBH website are obsolete and should be replaced with the latest versions to ensure that</p>



## PROJECT APPROVAL 07\_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS

Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations																																				
		<p>It was stated that BHOP proactively attempts to revise and update the EMPs and monitoring programs to ensure that these reflect current operating practices. It was stated that these are only updated if relevant changes in infrastructure or operating practices have occurred at the operation. If no relevant changes have occurred, then these management plans and monitoring programs are not revised and updated.</p> <p>Some communications were received from the NSW DPE prior to 2015, requesting relevant documents/plan updates, as a result of obsolete/dated plans being held by BHOP. It was stated that this is no longer an issue in 2015/16 as a result of the currency of the existing EMPs and monitoring programs.</p> <p>The currency of BHOP's EMPs and monitoring programs at the time of this audit is defined below:</p> <table> <tr> <th>Plan</th><th>Department</th><th>Status</th><th>Submitted to DPE?</th></tr> <tr> <td>Environment Management Strategy</td><td>HSE</td><td>Final</td><td>Yes</td></tr> <tr> <td>Noise &amp; Blasting Management Plan</td><td>HSE</td><td>Awaiting document control</td><td>No, submission expected in February 2016</td></tr> <tr> <td>Noise Monitoring Program</td><td>HSE</td><td>Awaiting document control</td><td>No, submission expected in February 2016</td></tr> <tr> <td>Blasting Monitoring Program, (includes Vibration, Overpressure and Subsidence Monitoring Program)</td><td>HSE</td><td>Awaiting document control</td><td>Yes</td></tr> <tr> <td>Air Quality Management Plan</td><td>HSE</td><td>Awaiting document control</td><td>No, submission expected in February 2016</td></tr> <tr> <td>Air Quality Monitoring Program</td><td>HSE</td><td>Awaiting document control</td><td>No, submission expected in February 2016</td></tr> <tr> <td>Technical Blasting Management Plan</td><td>Mining</td><td>Final</td><td>Yes</td></tr> <tr> <td>Ground Control Management Plan</td><td>Mining</td><td>Final</td><td>Yes</td></tr> </table>	Plan	Department	Status	Submitted to DPE?	Environment Management Strategy	HSE	Final	Yes	Noise & Blasting Management Plan	HSE	Awaiting document control	No, submission expected in February 2016	Noise Monitoring Program	HSE	Awaiting document control	No, submission expected in February 2016	Blasting Monitoring Program, (includes Vibration, Overpressure and Subsidence Monitoring Program)	HSE	Awaiting document control	Yes	Air Quality Management Plan	HSE	Awaiting document control	No, submission expected in February 2016	Air Quality Monitoring Program	HSE	Awaiting document control	No, submission expected in February 2016	Technical Blasting Management Plan	Mining	Final	Yes	Ground Control Management Plan	Mining	Final	Yes	<p>these continue to describe and reflect current practice.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will replace documents with up to date copies.</b></p> <p><b><u>To be completed by: 31 March 2016</u></b></p>
Plan	Department	Status	Submitted to DPE?																																				
Environment Management Strategy	HSE	Final	Yes																																				
Noise & Blasting Management Plan	HSE	Awaiting document control	No, submission expected in February 2016																																				
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PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 2 ADMINISTRATIVE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		BHOP employs an Administrative Assistant in the Metallurgy Department who retains document control responsibilities. Apart from some isolated exceptions, BHOP was able to demonstrate effective control and accessibility of controlled documents on its Intranet (latest controlled versions held as PDF documents).	
SURRENDER OF DEVELOPMENT CONSENTS			
12. Within six months of the commencement of works the subject of this approval, the Proponent shall surrender all existing development consents applying to the site in accordance with sections 75YA and 104A of the EP&A Act.	<b>Compliant Observation</b>	It was stated that no archive folder of former approvals is currently maintained by the operation.  It was stated that BHOP would experience difficulty in surrendering Development Consents/Approvals that have expired.	<b>Project Approval Observation No. 6</b> If applicable, BHOP could consider maintaining a formal register of all former development and building approvals (i.e. approvals for on-site works). <b>BHOP Response:</b> <b>BHOP will consider this suggestion.</b> <b><u>To be completed by: 30 September 2016</u></b>



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
AIR QUALITY AND GREENHOUSE GAS			
Odour			
1. The Proponent shall ensure that no offensive odours are emitted from the site, as defined under the POEO Act.	<b>Compliant</b>	It was stated that that no external complaints relating to odours have been received by either the NSW EPA or BHOP from the community or other external stakeholders.  It was stated the only potential source of adverse odours would emanate from the use of xanthate flotation chemicals within the mill. The risk of this becoming an issue of concern to the community is considered to be minimal.	
Greenhouse Gas Emissions			
2. The Proponent shall implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site to the satisfaction of the Secretary.	<b>Compliant</b>	No formal ongoing program for the improvement of energy efficiency, reduced energy use or greenhouse abatement is maintained by BHOP.  Nevertheless, BHOP is investigating the potential to	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>adopt some specific energy reduction programs in 2016 inclusive of the potential installation of a) Power Factor Correctors (PCF) for underground fans, and b) photovoltaic systems for reducing lighting energy at the operation.</p> <p>It was stated that the cost savings/payback periods for these projects still need to be determined and finalised, to determine if they will be funded.</p> <p>Both of these projects are the responsibility of relevant site electrical personnel.</p> <p>No communications or correspondence has commenced to date with the NSW DPE on these proposed measures.</p>	
Air Quality Criteria			
<p>3. The Proponent shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the project do not cause an exceedance of the criteria listed in Tables 1, 2 or 3 at any residence on privately-owned land.</p> <p><i>Table 1: Long Term Criteria for Particulate Matter</i></p> <p><i>Table 2: Short Term Criterion for Particulate Matter</i></p> <p><i>Table 3: Long Term Criteria for Deposited Dust</i></p> <p>(Tables 1, 2 and 3 and Notes to those Tables are printed in the Project Approval.)</p>	<b>Compliant</b>	<p><u>Ambient Dust Monitoring</u></p> <p>BHOP has installed, operates and maintains two TEOMs for monitoring ambient air quality. One unit is located adjacent to Blackwood Pit and the second unit is located inside the Essential Water storage compound.</p> <p>Ambient air/dust quality data has been collected by BHOP since 2013 (at 5 minute intervals).</p> <p>External service provider, Ecotech, maintains and services these units annually, which was last completed in March 2015.</p> <p>A monthly air quality data report is generated by BHOP's Environment/Community Liaison Officer for the NSW EPA and is also provided on the CBH website for public/external stakeholder viewing.</p> <p>BHOP maintains a dedicated spreadsheet for the retention of data. Field TEOMs also retain their own data collection/storage capabilities.</p> <p><u>Compliance with Limits defined in Table 1 and 2</u></p> <p><u>High Volume Air Sampling (HVAS)</u></p> <p>The rolling 12 month averages for individual HVAS monitoring sites in 2015 were:</p> <ul style="list-style-type: none"> <li>EPL 10 Silver Tank is approximately 25 ug/m<sup>3</sup></li> </ul>	


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>TSP (versus a limit of 90 ug/m<sup>3</sup>)</p> <ul style="list-style-type: none"> <li>EPL11 Silver Tank is approximately 10 ug/m<sup>3</sup> PM<sub>10</sub> (versus a limit of 30 ug/m<sup>3</sup>)</li> <li>EPL12 Blackwoods Pit is approximately 9 ug/m<sup>3</sup> PM<sub>10</sub> (versus a limit of 30 ug/m<sup>3</sup>).</li> </ul> <p><u>Tapered Element Oscillating Microbalance Sampling (TEOMs)</u></p> <p>The 24Hr Average PM<sub>10</sub> (ug/m<sup>3</sup>) 12 Month Rolling Average for TEOM 1 EPL13 - Essential Water site (off-site) ranges from 8.0 ug/m<sup>3</sup> in the winter months (June 2015) to 20.4 ug/m<sup>3</sup> in the summer months (February 2015). This remains below the limit of 50 ug/m<sup>3</sup> for 24 hour PM<sub>10</sub> defined in Table 2 of the Project Approval.</p> <p>The annual average for the Essential water site in 2015 is approximately 14 ug/m<sup>3</sup>, which is below the limit of 30 ug/m<sup>3</sup> for annual PM<sub>10</sub>.</p> <p>The 24Hr Average PM<sub>10</sub> (ug/m<sup>3</sup>) 12 Month Rolling Average for TEOM 1 EPL14 – Blackwoods Pit site (on-site) ranges from 9.0 ug/m<sup>3</sup> in the winter months (June 2015) to 22.0 ug/m<sup>3</sup> in the summer months (March 2015). This remains below the limit of 50 ug/m<sup>3</sup> for 24 hour PM<sub>10</sub> defined in Table 2 of the Project Approval.</p> <p>The annual average for the Blackwoods Pit site in 2015 is approximately 15 ug/m<sup>3</sup>, which is below the limit of 30 ug/m<sup>3</sup> for annual PM<sub>10</sub>.</p> <p>The calibration records for both of the above TEOMs (last calibrated by Ecotech on 19<sup>th</sup> March 2015) were sighted during this audit.</p> <p><u>Dust Deposition Monitoring</u></p> <p>A total of 7 dust deposition monitoring sites exist across BHOP on a monthly monitoring frequency. Samples are sent to ALS in Newcastle for laboratory analysis. It was stated that the sample determination and detection limit for analysis is 2 g/m<sup>2</sup>/month.</p> <p>The dust deposition monitoring site located at Thompsons Shaft for 2015 averaged 2.87 g/m<sup>2</sup>/month.</p> <p>The only monitoring site that experienced</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		exceedances of the 4 g/m <sup>2</sup> /month was the Casuarina Ave dust deposition monitoring site. Non-representative high levels of dust were detected at this monitoring site in 2015 (i.e. high dust with low lead content). These erroneous results may have resulted from the use of trail bikes from the public being used in the close vicinity of this monitoring station.	
<p>4. The Proponent shall ensure that the project is operated in a manner that does not exceed the criteria listed in Tables 4 and 5.</p> <p><i>Table 4: Discharge Criteria for Point 1 and Point 6 – Ventilation Shafts</i></p> <p><i>Table 5: Discharge Criteria for Point 2 – Process Enclosure/ Baghouse Stack</i></p> <p>(Tables 4 and 5 and the Notes to those Tables are printed in the Project Approval.)</p>	<b>Minor Non-compliance Observation</b>	<p>Since late February 2013, stack testing has been completed at quarterly intervals at two locations. This is inclusive of BHOP's a) mill dust collector/ baghouse, and b) the main ventilation shaft.</p> <p>The 2015 quarterly average results for stack emission testing at the mill dust collector was a) TSP 8.52 mg/m<sup>3</sup> (limit TBD), and b) Type 1 and 2 substances 0.207 mg/m<sup>3</sup> (limit TBD).</p> <p>The 2015 quarterly average results for stack emission testing at the ventilation shaft was: a) Oxides of Nitrogen 3.55 mg/m<sup>3</sup> (limit of 350 mg/m<sup>3</sup>); b) TSP 3.15 mg/m<sup>3</sup> (limit of 20 mg/m<sup>3</sup>); c) Type 1 and 2 substances 0.24 mg/m<sup>3</sup> (limit of 1.0 mg/m<sup>3</sup>); and d) VOCs 0.83 mg/m<sup>3</sup> (limit of 40 mg/m<sup>3</sup>).</p> <p>Quarterly stack testing is conducted by Brisbane based external service providers Assured Monitoring Group (AMG) who are NATA Accredited to ISO17025 (Accreditation No.19703).</p> <p><b>Minor Non-compliance</b> – The TBD (To Be Determined) Limits for the Project Approval – <i>Table 5: Discharge Criteria for Point 2 – Process Enclosure/ Baghouse Stack</i> was not proposed as required by BHOP (and agreed by the Secretary of DPE in consultation with the EPA), prior to the quarterly Process Enclosure/ Baghouse Stack testing in late February 2013.</p>	<p><b>Project Approval Observation No. 7</b></p> <p>Eleven quarterly stack testing reports have been generated by BHOP since February 2013, which will enable suitable discharge concentration limits for TSP and metals to be determined for Table 5 in this condition.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP has established criteria with the EPA for these items and currently reports results against this criteria in the Annual Return. Criteria included in the current EP Licence as:</b></p> <p><b>TSP = 20</b></p> <p><b>Type 1 and 2 = 1</b></p> <p><b>Testing has indicated results well below these limits.</b></p> <p><b>BHOP will provide a copy of the EP Licence and the results to date to the DPE and request these are included in the Project Approval.</b></p> <p><b><u>To be completed by: 31 March 2016</u></b></p>
Operating Conditions			
<p>5. The Proponent shall:</p> <p>(a) implement best practice dust management, including all reasonable and feasible measures to minimise dust emissions,</p>	<b>Compliant</b>	<p>BHOP was observed to have implemented a significant number of operational controls to minimise fugitive dust levels from the site. The main air quality/dust controls include, but are not limited to:</p> <ul style="list-style-type: none"> <li>Sealing of the main haul road from the mine to the</li> </ul>	




PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>including point source and fugitive emissions;</p> <p>(b) minimise any visible off-site dust generated by the project or the site; and</p> <p>(c) regularly assess real-time air quality monitoring and meteorological forecasting data and relocate, modify and/ or suspend operations to ensure compliance with the relevant conditions of this approval, to the satisfaction of the Secretary.</p>		<p>process plant;</p> <ul style="list-style-type: none"> <li>• Use of chemical dust suppressants for reducing ambient dust from exposed areas;</li> <li>• Use of Dustmag (MgCl) for reducing ambient dust from unsealed gravel roads;</li> <li>• Use of “Total Ground Control” Dust Suppressant on Free Areas to reduce ambient dust;</li> <li>• Mandatory use of wheel and under vehicle washdown facilities when exiting the site (to reduce carry-over of mud and dust to public roads);</li> <li>• Point source dust collection facilities (i.e. baghouse) at the enclosed ore crusher building;</li> <li>• Automatic water sprays on the vent fan and transfer points at the processing plant conveyors. Ventilation fan water sprays are used 15 minutes before and 15 minutes after a blast to reduce dust emissions. This is automated at the required time intervals; and</li> <li>• Use of sealed containers for the transport of metal concentrates to the port.</li> </ul>  <p>Photo 7 – Containers of “Total Ground Control” Dust Suppressant</p>	

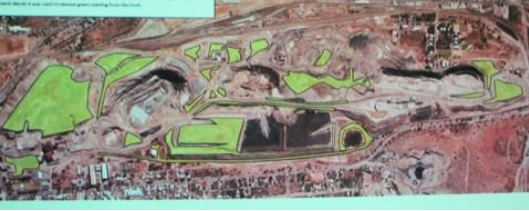

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p><b>Photo 8 – Application of “Total Ground Control” Dust Suppressant</b></p>  <p><b>Photo 9 – Close-up photo of the application of “Total Ground Control” Dust Suppressant</b></p> <p>Since the project was commissioned and ambient dust abatement controls have been implemented, there has been no need to modify and/ or suspend mining or processing operations to ensure compliance with the relevant conditions of this approval.</p> <p>In addition to dust controls, BHOP has implemented formal real-time air quality monitoring and meteorological programs (See Condition 11 of this Schedule) to assess ambient dust and climatic conditions at the operation.</p>	
6. The Proponent shall seal and maintain the roads listed in Table 6 to the satisfaction of the Secretary. The roads shall be sealed prior to the commencement of ore extraction, unless otherwise agreed by the Secretary.	<b>Compliant</b>	<p>All the roads listed in Table 6 of the Project Approval were sealed in 2011.</p> <p>During this audit it was noted (and recognised by BHOP) that part of the surface (approximately 50 metres) of previously sealed road has deteriorated</p>	





PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
Table 6 Roads to be Sealed and Maintained (Table 6 is printed in the Project Approval.)		(located near the rail loader). It was stated that this will be rectified in 2016.  In addition to sealing the roads listed in Table 6 of the Project Approval, Dustmag (MgCl) is used for suppressing dust on unsealed gravel roads on the mining lease.	
7. Ore crushing shall only be undertaken in a fully-enclosed structure that is designed, operated and maintained to ensure internal negative internal air pressure relative to ambient (external) conditions. The enclosure and associated emissions controls must be designed, constructed, operated and maintained to ensure that visible fugitive emissions from the enclosure are minimised.	<b>Compliant Observation</b>	<p>Ore crushing at BHOP is conducted within a fully-enclosed structure that is designed, operated and maintained to ensure internal negative air pressure is maintained.</p>  <p><b>Photo 10 – Fully enclosed crusher building with dust collector/baghouse facility</b></p> <p>Daily inspections are conducted to ensure that negative air pressure is maintained within this facility. Quarterly stack testing is conducted at a dedicated sampling port on the dust collector to ensure that visible fugitive dust emissions from the enclosure are minimised relative to ambient (external) conditions.</p>	<p><b>Project Approval Observation No. 8</b></p> <p>Mill personnel and contractors need to ensure that the crusher enclosure building access doors remain closed at all times. Signage could potentially be installed on all access doors to facilitate this (see photos 13 and 14).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP have since installed signage on the access doors. All crews have been advised at pre-start meeting to keep doors closed at all times.</b></p> <p><b><u>No further action.</u></b></p>



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p>Photo 11 – Sampling ports to measure point-source dust emissions from the dust collector/baghouse facility</p>  <p>Photo 12 – Dust emissions from the dust collector/baghouse facility at the time of the audit</p>  <p>Photos 13 and 14 – Crusher enclosure building access door (open at the time of the site inspection)</p>	
8. A chemical dust suppressant shall be applied as per the manufacturer's specification, or more often as required, to all 'free areas' identified in the figure in Appendix 4.	<b>Compliant</b>	A commercially available chemical dust suppressant, Total Ground Control, has been used at the operation for an extended period. This product is applied annually over a two month period between April and May every year.	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>BHOP's Environment/Community Liaison Officer maintains a register/map of all "Free Areas", which is used to identify disturbed areas that need to be treated.</p>  <p><b>Photo 15 – Free Areas (in green) which are used to identify disturbed areas that need to be treated annually with chemical dust suppressant.</b></p>	
9. All aboveground conveyors and transfer points prior to the grinding circuit (SAG and ball mills) shall be enclosed.	<b>Compliant</b>	<p>All aboveground conveyors and transfer points prior to the grinding circuit (SAG and ball mills) were enclosed as part of plant design and construction.</p> <p>During the audit there was no evidence of visible fugitive dust emanating from these sources.</p> 	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p>Photos 16 and 17 – Enclosed conveyors and transfer points at the mill</p>	
10. Video recording equipment shall be installed to assist in the active management of emissions from the tailings storage facility.	<b>Not Applicable at Time of Audit Observation</b>	<p>It was stated that video recording equipment was previously installed for an embankment lift on TSF1. BHOP decided to proceed with in pit tailings in the Blackwood pit (for an additional 3 years) and therefore no valid benefit is considered to exist by installing video recording equipment for in-pit tailings disposal.</p> <p>Relevant BHOP personnel recognise that adjusted tailings disposal practices will need to be applied to minimise dust from the TSF in 2-3 years' time (i.e. as tailings disposal in Blackwood pit reaches capacity).</p>  <p>Photo 18 – Existing disposal of tailings in the Blackwood Pit</p>	<p><b>Project Approval Observation No. 9</b></p> <p>This condition (to install video recording equipment to actively manage emissions from the TSF) is considered not practicable.</p> <p><b>BHOP Response:</b></p> <p><b>The issue to install video recording equipment was to relate to TSF1 which has not been utilised. It is not practical to install this equipment on TSF2 as (a) it is an in-pit facility, (b) it was not intended, (c) the facility is much larger and would be more difficult and costly to successfully video and (d) as an in-pit facility dust take up from wind, will not become an issue until tailings levels rise closer to the surface.</b></p> <p><b>BHOP will confirm with the EPA, who requested the equipment be installed on TSF1, and if it is agreed that it is not required, apply to the DPE to have this condition removed.</b></p> <p><b><u>To be completed by 31 August 2016</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>Air Quality Management Plan</b>			
<p>11. The Proponent shall prepare and implement a detailed Air Quality Management Plan for the project to the satisfaction of the Secretary. This plan must:</p> <ul style="list-style-type: none"> <li>(a) be prepared in consultation with EPA and submitted to the Secretary for approval prior to the commencement of construction on the site;</li> <li>(b) identify all major sources of particulates and other air pollutants that may be emitted from the project, being both point source and diffuse emissions, including identification of the potential for lead contamination to be carried by these particulates;</li> <li>(c) include an air quality monitoring program that: <ul style="list-style-type: none"> <li>• provides for periodic point source monitoring at Point 1 (Ventilation Shaft) and Point 2 (Process Enclosure/ Baghouse Stack);</li> <li>• provides for continuous ambient monitoring across an ambient air quality and dust monitoring network comprising no fewer than ten monitoring locations (Points 3 to 12) for total suspended particulates, PM<sub>10</sub>, lead and dust deposition. Monitoring locations shall be informed by the outcomes of the air quality assessments presented in the EA and PPR and identified in consultation with EPA; and</li> <li>• provides for continuous meteorological monitoring using a meteorological monitoring station located on the site;</li> <li>• is consistent with the requirements of Approved Methods for the Sampling and Analysis of Air Pollutants in New South Wales (DECC, 2007), the Protection of the Environment Operations Act 1997 and the Protection of the Environment (Clean Air) Regulation 2010.</li> </ul> </li> <li>(d) pro-active and reactive management and</li> </ul>	<p><b>Minor Non-compliance Observation</b></p>	<p>BHOP maintains an Air Quality Management Plan, but its currency is unable to be determined as no issue date and inadequate document control has been applied to the plan.</p> <p>BHOP's Air Quality Management Plan essentially includes all information required in paragraphs (a) – (i) of this condition.</p> <p>In addition to the Air Quality Management Plan, an Air Quality Monitoring Program Management Plan (24/12/15) exists and essentially meets the requirements in paragraph (c) of this condition.</p> <p><b>Minor Non-compliance</b> – BHOP's current Air Quality Management Plan does not adequately include information or discusses requirements relating to paragraph (j) of this condition (protocols for regular maintenance of plant and equipment to minimise the potential for elevated dust generation, leaks and fugitive emissions) and paragraph(k) of this condition (a contingency plan should an incident, upset or other initiating factor lead to elevated dust impacts, whether above normal operating conditions or above environmental performance goals/ limits).</p>	<p><b>Project Approval Observation No. 10</b></p> <p>Correct and effective document control needs to be applied to BHOP's Air Quality Management Plan.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP have amended document control number.</b></p> <p><b><u>No further action.</u></b></p> <p><b>Project Approval Observation No. 11</b></p> <p>References to a BHOP Environmental Aspects Register (inferring that a central register is maintained) could be removed from the Air Quality Management Plan as no environmental aspects/risk register is maintained or utilised at the Rasp site.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will reinstate and update its previous Environmental Aspects Register and incorporate this into its document control system.</b></p> <p><b><u>To be completed by: 30 September 2016</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>response mechanisms for particulates with specific reference to measures to be implemented and actions to be taken to minimise and prevent potential elevated air quality impacts (including ambient air and deposited dust impacts) on surrounding land uses as a consequence of meteorological conditions, upsets within the project, or the mode of operation of the project at any time;</p> <p>(e) procedures and processes for monitoring ambient dust and deposited dust impacts;</p> <p>(f) provision for regular review of dust monitoring data, with comparison of monitoring data with that assumed and predicted in the documents referred to under Condition 2 of Schedule 2;</p> <p>(g) details of measures to be implemented to address any situation in which monitored dust impacts exceed those assumed and predicted in the documents referred to under Condition 2 of Schedule 2;</p> <p>(h) specific complaints management procedures in the event that dust monitoring indicates elevated off-site impacts;</p> <p>(i) procedures for the minimisation of dust generation on the site;</p> <p>(j) protocols for regular maintenance of plant and equipment to minimise the potential for elevated dust generation, leaks and fugitive emissions; and</p> <p>(k) a contingency plan should an incident, upset or other initiating factor lead to elevated dust impacts, whether above normal operating conditions or above environmental performance goals/ limits.</p>			
LEAD AWARENESS AND PUBLIC HEALTH			
Contribution to Public Blood Lead Monitoring & Public Education			
12. During the implementation of the project, the Proponent shall make a reasonable contribution	Compliant	BHOP has maintained links and communications with the Broken Hill Family and Child Centre for a number	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>towards the cost of:</p> <p>(a) public health monitoring, particularly in relation to child blood lead levels; and</p> <p>(b) public education campaigns about the health risks associated with lead,</p> <p>to the satisfaction of the Secretary.</p> <p><i>Note: The Secretary will consult with the Director-General of the NSW Department of Health on the reasonableness of the proposed contribution prior to making any decisions under this condition, and determine the date upon which the contributions shall commence.</i></p>		<p>of years.</p> <p>Funds contributed by BHOP since 2013 have included (as calendar year contributions):</p> <ul style="list-style-type: none"> <li>• 2013 – No contributions</li> <li>• 2014 – \$25,000 in contributions</li> <li>• 2015 – No contributions</li> <li>• 2016 – Request has been received for funds.</li> </ul> <p>BHOP received a letter dated 6<sup>th</sup> January 2016 from the NSW Health Department, requesting the release of \$50,000 in funds to the Broken Hill Family and Child Centre for the proposed 2016 Lead Screening program. It was stated that this letter and associated request was received outside of BHOP's budget period.</p> <p>It was stated that this January 2016 proposal was the first received from NSW Department of Health in the last 3-4 years.</p> <p>It was stated that a proposal would be needed from the NSW Department of Health by August 2016 for funds to be assigned for the 2017 calendar year.</p> <p>It was stated that BHOP's Community Lead Management Plan governs how annual contributions are able to be made available.</p> <p><u>Broken Hill Family and Child Centre</u></p> <p>The Broken Hill Family and Child Centre actively conducts residential house visits, holds clinics and coordinates lead testing programs. The centre is primarily funded by the NSW Health Department. It was stated that any additional contributions from BHOP would potentially be used for project or event related work.</p> <p>Public health monitoring, particularly in relation to child blood lead levels, is administered through the Broken Hill Family and Child Centre.</p> <p>Public education campaigns, relating to the health risks associated with lead, are also coordinated by the Broken Hill Family and Child Centre.</p> <p>All children (up to 4 years of age) that reside in Broken</p>	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>Hill are subject to periodic blood testing, coordinated by the NSW Department of Health.</p> <p><u>Broken Hill Lead Reference Group</u></p> <p>A quarterly meeting is scheduled and held by the Lead Reference Group and local community. This is organised and chaired by Broken Hill City Council.</p> <p>BHOP's Environment/Community Liaison Officer is BHOP's representative on the Lead Reference Group.</p>	
Lead Management Plan			
<p>13. The Proponent shall prepare and implement a Lead Management Plan for the project to the satisfaction of the Secretary. This plan must:</p> <ul style="list-style-type: none"> <li>(a) be prepared in consultation with the Lead Reference Group, including the NSW Department of Health (Western Area Health Service) and Council;</li> <li>(b) be submitted to the Secretary for approval by 30 June 2011;</li> <li>(c) outline the proposed commitment towards the cost of: <ul style="list-style-type: none"> <li>• public health monitoring, particularly in relation to child blood lead levels, and tracking of this data over time; and</li> <li>• public education campaigns about the health risks associated with lead, including lead hygiene, lead and children, tank water lead risks and soil lead contamination risks.</li> </ul> </li> <li>(d) identify additional reasonable and feasible measures that could be implemented either on site or in the areas adjoining the site to minimise the potential lead impacts of the project and "free areas";</li> <li>(e) include a program for the staged implementation of the measures identified in (d) above in the event that dust emissions are higher than predicted or the public health monitoring suggests further action is required to reduce blood lead levels in the</li> </ul>	<p><b>Compliant Observation</b></p>	<p>BHOP's current Community Lead Management Plan is dated February 2012 (BHO-ENV-PLN-008) and is available on the CBH website.</p> <p>BHOP's current Community Lead Management Plan essentially includes all information required to meet Condition 13(a) – (f).</p> <p>An internal BHOP Lead Management Plan (March 2015) also exists to facilitate and describe management actions and controls for BHOP employees.</p>	<p><b>Project Approval Observation No. 12</b></p> <p>Section 2.2. External Responsibilities of the Community Lead Management Plan (February 2012) could provide clearer details and more context relating to public health monitoring and public health campaigns that BHOP is directly or indirectly involved with or contributes financially towards.</p> <p><b>BHOP Response:</b></p> <p><b>Agree, BHOP have developed a proforma for completion with any application and will include this as an appendix to the Community Lead Management Plan when updated.</b></p> <p><b><u>To be completed: 31 May 2016 and resubmitted to DPE when agreement is reached with the Broken Hill Lead Reference Group.</u></b></p> <p><b>Project Approval Observation No. 13</b></p> <p>BHOP's Environmental Management Strategy (December 2015) retains the same document identification number as the Community Lead Management Plan (February 2012).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will review and re-number documents appropriately.</b></p> <p><b><u>To be completed: 31 March 2016</u></b></p>


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
environment surrounding the site; and (f) include a detailed communication strategy, that outlines how the relevant dust and blood level monitoring data would be reported on the Proponent's website along with any relevant public education material.			
Updated Human Health Risk Assessment			
14. Within one year of the commencement of operation of the project, and every five years thereafter, unless otherwise agreed by the Secretary, the Proponent shall update the human health risk assessment prepared for the project and presented in the EA to the satisfaction of the Secretary. The updated risk assessment shall: (a) be prepared by a suitably-qualified expert whose appointment has been endorsed by the Secretary; (b) take into account monitoring data collected under this approval, and such other information as may be relevant to the assessment; and (c) be submitted to the Secretary, EPA and the Western Area Health Service within one month of its completion.	<b>Compliant</b>	A Human Health Risk Assessment was completed by Pacific Environment in mid-2015 and a detailed report was submitted on 25 <sup>th</sup> September 2015. The 2 <sup>nd</sup> April 2015 Health Risk Assessment Reports were submitted to the following authorities on the following dates: <ul style="list-style-type: none"> <li>NSW EPA (Version 4 on 23<sup>rd</sup> April 2015)</li> <li>NSW DPE (Version 4 on 24<sup>th</sup> April 2015)</li> <li>NSW Department of Health (Version 4 on 24<sup>th</sup> April 2015)</li> </ul> It was stated that BHOP employee lead levels are at acceptable levels and have been decreasing over time. BHOP has communicated to employees the importance of a) personal hygiene, and b) the advantages of pre-shift eating to decrease potential lead absorption by employees.	<b>Project Approval Observation No. 14</b> In written correspondence from the NSW EPA on 24 <sup>th</sup> April 2015, the Head of the Griffith Unit of the NSW EPA requested this condition be modified as the EPA does not have the expertise to assess the submitted Human Health Risk Assessment. It was stated by the NSW EPA that NSW Health is the lead agency to provide an assessment or advice on this document. <b>BHOP Response:</b> <b>It is not BHOP's position to determine which government agencies should be included for consultation. BHOP will pass the April advice received from the EPA to the DPE for their attention.</b> <u><b>To be completed by: 31 March 2016</b></u>
NOISE AND VIBRATION			
Construction Noise Restrictions			
15. Construction activities associated with the project shall only be undertaken between 7:00am and 7:00pm on any day. <i>Note to Condition 15:</i> <ul style="list-style-type: none"> <li>Construction activities include, but are not limited to, all construction work, front-end loader on the ROM pad, rock breaking and primary crushing in the process area, conveyors in the process area, flat-bed road truck haulage from the process area to the rail load-out area, locomotives at the rail load-out area and forklift at the rail load-out area.</li> </ul>	<b>Not Applicable at Time of Audit</b>	No construction related activities associated with the project were being undertaken at the time of this audit.	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>Operational Noise Restrictions</b>			
16. Operational activities associated with the project are permitted to occur at any time, subject to compliance with the noise limits specified in this approval, and subject to the following restrictions: (a) <i>deleted</i> ; (b) shunting of concentrate wagons shall only occur between 7:00am and 6:00pm on any day; and (c) production rock blasting shall only occur between 6:45am and 7:15pm on any day.	<b>Compliant</b>	<p>Mining and processing operational activities are conducted as required during the normal course of the operation of the project.</p> <p>No actual shunting of concentrate wagons occurs during the loading or unloading of concentrate containers. Concentrate trains are backed into the relevant area as one unit and no reordering of wagons occurs. Once loaded, the train departs in the same direction as arrival.</p> <p>It was stated that the removal and placement of containers onto trains is allowed 24 hrs a day/7 days a week. To date, no external complaints have been received relating to this activity.</p> <p>Underground production and development blasting is scheduled and conducted at 6.45 pm each day (i.e. between shifts). Only on very rare occasions is BHOP required to conduct underground blasting in the morning.</p>	
<b>Noise Limits</b>			
17. The Proponent shall ensure that the noise generated by the project does not exceed the criteria in Table 7. <i>Table 7: Operational Noise Criteria</i> (Table 7 and the Notes to that Table are printed in the Project Approval.)	<b>Compliant Observation Observation</b>	<p>In 2015, quarterly noise monitoring was completed utilising internal BHOP staff resources (after an external noise consultant, EMM, was utilised for the initial survey and BHOP personnel were trained in conducting these surveys). The consultant remained responsible for reviewing noise survey data and producing the report.</p> <p>On 14<sup>th</sup> January 2016, a summary report was issued by EMM for all of 2015 quarterly noise survey data. This report stated: <u>2015 Quarterly Noise Survey Data - EMM</u></p> <p>The monitoring results for the 12-month monitoring programme for 2015 identified that “the Rasp Mine noise contribution satisfied the relevant noise limits at all locations, during assessable meteorological conditions.</p> <p>The exceptions were during three operator-attended measurements in November 2014 at A12 (two</p>	<p><b>Project Approval Observation No. 15</b></p> <p>BHOP would benefit in securing formal approval from the NSW DPE and EPA to discontinue the quarterly noise surveys (given that no survey frequency is defined in the existing Project Approval).</p> <p><b>BHOP Response:</b></p> <p><b>The requirement for quarterly monitoring was introduced by the EPA for a defined period of 12 months as a Pollution Reduction Programme (PRP) on the EP Licence. The purpose of this monitoring was to show that noise criteria levels were being achieved. This has been completed and the PRP (and this requirement) has been removed from the Licence (18/3/16).</b></p> <p><b><u>No action at this time.</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>measurements) and Proprietary Square where RASP Mine noise contribution was above the relevant criteria.</p> <p>However, the Rasp Mine noise contribution was within the INP's allowable 2 dB tolerance of the noise limits for all these measurements and therefore complied with the EPL limits.</p> <p>Therefore, RASP Mine noise contributions satisfied the relevant noise limits at all receptors identified in Condition L4.2 of the site's EPL".</p> <p><u>Ongoing Noise Monitoring</u></p> <p>No noise monitoring frequency has been stipulated in BHOP's Project Approval or EPL. As a result, BHOP has elected to continue any future noise surveys on a complaints basis only.</p>	<p><b>Project Approval Observation No. 16</b></p> <p>BHOP's Project Approval and EPL would be expected to define the frequency of noise monitoring required to be conducted by BHOP (currently not defined). The NSW Industrial Noise Policy (2000) states (Section 11.1 Monitoring Environmental Noise on page 54) that for example, for a mine development, noise could be monitored during the first year of development and at four or five other key years in the development of the mine (for example, years 2, 5, 10, 15 and 20).</p> <p><b>BHOP Response:</b></p> <p><b>The frequency of noise monitoring is outlined in the Noise Monitoring Protocol (BHO-PLN-ENV-009) and states in section 2.3 noise limits to be measured in accordance with the NSW Industrial Noise Policy. It is appropriate to address the frequency of monitoring in this Protocol which has been consulted and agreed by the EPA.</b></p> <p><b><u>No action at this time.</u></b></p>
Blasting Limits			
<p>18. The Proponent shall ensure that blasting on the site does not cause exceedances of the criteria in Tables 8 and 9.</p> <p>Table 8: Blasting Criteria (excluding Block 7)</p> <p>Table 9: Blasting Criteria (Block 7)</p> <p>(Tables 8 and 9 and the Notes to those Tables are printed in the Project Approval.)</p>	<p><b>Compliant Observation</b></p>	<p>Blast monitoring is scheduled and conducted by BHOP's Environment/Community Liaison Officer.</p> <p>All of the collected blast-data is web-hosted by external service provider, Saros. All blasts conducted by BHOP are recorded and held and made available by Saros.</p> <p>A total of 7 blast monitors have been installed by BHOP. An additional monitor was purchased and made available as a spare if needed.</p> <p>A total of 5 of these 7 blast monitors are utilised at residential locations (i.e. sensitive receptors). The spare blast monitor is available for complaint-based blast monitoring and was last utilised in December 2015.</p> <p>At any time, BHOP personnel are able to view the</p>	<p><b>Project Approval Observation No. 17</b></p> <p>This condition does not limit the times of day in which the blasting exceedance criteria apply, unlike EPL Conditions L5.1 and L5.2 which have similar blasting exceedance criteria.</p> <p><b>BHOP Response:</b></p> <p><b>This observation is correct, the EP Licence has three time periods noted for blasting criteria – 7am to 7pm, 7pm to 10pm and 10pm to 7am.</b></p> <p><b>There have been no reportable exceedances during the observation period (previous 3 years) of this audit.</b></p> <p><b><u>No action at this time.</u></b></p>

## PROJECT APPROVAL 07\_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS



Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>status of each blast monitor, check sensor status etc. (pass/fail status). It was stated that the status and functionality of each unit is checked and verified daily during the week by BHOP's Environment/Community Liaison Officer. The above was viewed during this audit for blast monitors located at: a) Silver Tank, b) 123 Eyre Street, and c) 80 Eyre Street.</p>  <p><b>Photo 19 – Status of each BHOP blast monitor is able to be checked on the website hosted by Saros</b></p> <p>Blast exceedances are emailed from Saros to BHOP and are also identified when the database is checked by BHOP's Environment/Community Liaison Officer.</p> <p><u>Reportable Exceedances</u></p> <p>Ground vibration limits in both the Main Lode and Western Lode were compliant in 2015 against the limit of 5 mm/s defined in Table 8 – Blasting Criteria (excluding Block 7).</p> <p>It was stated that the new Block 7 Zinc Lode is shallower than the Main Lode and Western Lode, resulting in higher levels of vibration being detected.</p> <p>The upper ceiling ground vibration limit (inclusive of Block 7) defined in Table 9 is 10 mm/sec. BHOP are allowed exceedances of 3 mm/sec for 5% of the total number of blasts over the 12 month annual reporting period. For the 11 month period between April 2016 and end February 2016, the ground vibration limit of 3 mm/sec was only exceeded on 8 occasions from the 478 development and production blasts that occurred</p>	


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		during this period (i.e. only 1.67% of the total number of blasts).	
<p>19. The Proponent may establish site specific ground vibration criteria for residential receivers that may be affected by blasting operations in Block 7, to the satisfaction of the Secretary. These criteria must:</p> <ul style="list-style-type: none"> <li>(a) be prepared by a suitably qualified mining engineer;</li> <li>(b) be prepared in consultation with the EPA;</li> <li>(c) protect the amenity of all residences on privately owned land; and</li> <li>(d) be based on blast monitoring data for the Block 7 mining area.</li> </ul>	<b>Not Applicable at Time of Audit</b>	<p>Condition 19 of the Project Approval is a relatively new condition (in Mod3 of the Project Approval – March 2015).</p> <p>BHOP personnel stated that they will review the requirements specified in this condition during 2016 and then report to the NSW DPE in December 2016 with the submission of the BHOP Annual Return (i.e. summary assessment of all blasting data over 12 months, collected during 2016).</p> <p>Separate production blasts and development blasts occur in Block 7 (to facilitate and enable &gt; 95% of the blasts to have a ground vibration of &lt; 3mm/s in accordance with requirements specified in project Approval Table 9 – Blasting Criteria (Block 7)).</p>	
<b>Blast Frequency</b>			
<p>19A. The Proponent may carry out a maximum of:</p> <ul style="list-style-type: none"> <li>(a) 1 production blast a day and 6 production blasts a week, averaged over a calendar year; and</li> <li>(b) 6 development blasts a day and 42 development blasts a week, averaged over a calendar year.</li> </ul>	<b>Compliant Observation</b>	<p>Condition 19A was only introduced into the Project Approval with the Mod 3 approval (March 2015).</p> <p>The March 2015 issue date for Mod3 is significant when auditing this condition. The blast data for January 2015, February 2015 and that part of March 2015 prior to the Mod3 approval are not considered to be relevant to the calendar year calculations completed for 2015.</p> <p>Blast data held within BHOP's Blast Database identified the following for 2015:</p> <ul style="list-style-type: none"> <li>a) During the last 12 months there was evidence that the frequency of blasts is not being exceeded. A total of 105 production blasts occurred in the last 11 months since 1<sup>st</sup> March 2015 for all production sites (i.e. an average of one production blast every 3 days).</li> <li>b) Development blasts – Between 1<sup>st</sup> March 15 and 1<sup>st</sup> February 2016, an average of 40 blasts per week occurs across all areas, inclusive of: a) Main Lode (239 blasts), b) Western Min (1309 blasts), and c) Zinc Lode (448), which is a total of 1996 blasts for the 11 months between 1<sup>st</sup> March 2015 and 1<sup>st</sup> February</li> </ul>	<p><b>Project Approval Observation No. 18</b></p> <p>BHOP is encouraged to review historical 2015 raw blast data and future raw blast data to identify only those blasts that are development blasts. For example, it is likely that 50% of the development blasts in the Block 7 (i.e. a total of 425 in 2015) may have been production blasts.</p> <p>By monitoring the frequency of blasts during 2016 and future years, BHOP could maintain all raw data to ensure BHOP can maintain a consistent, objective distinction between what it regards as development blasts and production blasts.</p> <p>In addition, the definition of development blast versus production blast needs to be clarified with the NSW EPA and relevant BHOP Technical Services personnel.</p> <p><b>BHOP Response:</b></p> <p><b>The definition for development blast was agreed with the EPA and was included in the EA for PA MOD3 section 7.2.2.</b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		2016. It was stated that this higher than normal frequency of development blasts occurred as a result of the development of Block 7 during 2015.	<u>No further action.</u>
<b>Operating Conditions</b>			
<p>19B. The Proponent shall:</p> <p>(a) implement best management practice to:</p> <ul style="list-style-type: none"> <li>• protect the safety of people in the surrounding area; and</li> <li>• protect public or private infrastructure/property in the surrounding area from any damage;</li> </ul> <p>(b) operate a suitable system to enable the public to get up-to-date information on the proposed blasting schedule on site;</p> <p>(c) use reasonable endeavours to co-ordinate blasting at the site:</p> <ul style="list-style-type: none"> <li>• to minimise cumulative blasting impacts associated with the operation of nearby mines; and</li> <li>• to avoid disturbing users of nearby recreational facilities, including the Broken Hill Bowling Club and the Italio (Bocce) Club;</li> </ul> <p>to the satisfaction of the Secretary.</p>	<p><b>Compliant</b></p> <p><b>Observation</b></p> <p><b>Observation</b></p>	<p>Blasting details (if required to be communicated) are internally circulated by email to relevant BHOP staff.</p> <p>Two signboards were erected by BHOP to communicate scheduled blast times, but these have not been utilised to date, as the larger production firings that were anticipated never occurred.</p> <p>For abnormal blasting schedules, it was stated a letter drop would be scheduled initially if required, followed by door to door communications to specific residences. It was stated that this most recently occurred in September 2015 for the Ryan Street Dam (inclusive of a letter drop outlining proposed work activities by BHOP).</p> <p>A formal blasting schedule has been uploaded on CBH's website (stating that blasting is scheduled and occurs between 6.45 am – 7.15 am and 6.45 pm – 7.15 pm).</p> <p>In the event of a large or abnormal blast, if required, specific streets and footpaths would be closed by BHOP (i.e. near a causeway).</p> <p>BHOP has an informal agreement with Perilya to schedule and conduct blasting approximately 5 minutes before Perilya (i.e. 6.45 pm versus 6.50 pm) to ensure that blasting from both operations does not occur simultaneously.</p> <p>No external complaints have been received to date from the adjacent Broken Hill Bowling Club and the Italio (Bocce) Club.</p>	<p><b>Project Approval Observation No. 19</b></p> <p>BHOP could update the blast schedule on the CBH website to make it more relevant and applicable for both development and production blasting.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will review the blast schedule on the web site and include times for production blasting.</b></p> <p><b><u>To be completed by: 30 June 2016</u></b></p> <p><b>Project Approval Observation No. 20</b></p> <p>BHOP could consider entering into a formal agreement with Perilya regarding blasting times.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will consider contacting Perilya to formalise the agreement for blasting times.</b></p> <p><b><u>To be completed by: 30 September 2016</u></b></p>
<b>Noise and Blast Management Plan</b>			
<p>20. The Proponent shall prepare and implement a Noise Management Plan for the project to the satisfaction of the Secretary. This plan must:</p> <p>(b) be prepared in consultation with EPA, and</p>	<p><b>Compliant</b></p>	<p>BHOP has developed a Noise Monitoring Management Plan (dated 4<sup>th</sup> December 2015), but this is not the version available on the CBH website (September 2011 version).</p>	


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>submitted to the Secretary for approval by the end of June 2011;</p> <p>(c) describe the noise mitigation measures that would be implemented to ensure compliance with the relevant conditions of this approval, including a real-time noise management system that employs both reactive and proactive mitigation measures;</p> <p>(d) include a noise monitoring program that:</p> <ul style="list-style-type: none"> <li>• uses a combination of real-time and supplementary attended monitoring to evaluate the performance of the project; and</li> <li>• includes a protocol for determining exceedances of the relevant conditions of this approval;</li> </ul> <p>(e) describe the blast management measures that would be implemented to ensure compliance with the blast criteria and operating conditions of this approval; and</p> <p>(f) include a blast monitoring program that:</p> <ul style="list-style-type: none"> <li>• evaluates the performance of the project, including compliance with the applicable criteria;</li> <li>• uses a combination of roving blast monitors (at least 1) and fixed blast monitors (at least 6); and</li> <li>• includes a protocol for determining and responding to exceedances of the relevant conditions of this approval.</li> </ul>		<p>Both versions describe the quarterly noise monitoring surveys required for the operation. They describe the operational controls that have been implemented, inclusive of Best Available Technology Economically Achievable (BATEAs) that may be considered by BHOP.</p> <p>In addition, a BHOP Blasting Monitoring Program Management Plan was developed (updated 2<sup>nd</sup> June 2015). This plan primarily focuses on BHOP's noise commitments relating to legal requirements and monitoring requirements.</p>	
UNDERGROUND MINING			
Performance Measures			
20A. The Proponent shall ensure that there are no measurable subsidence impacts caused by underground mining beneath South Road and other public infrastructure.	<b>Compliant Observation</b>	<p>Survey points are utilised at specific locations to determine if there are any measurable subsidence impacts beneath South Road and other public infrastructure that are caused by underground mining.</p> <p>The Rasp Mine zinc lode surface monitors were last surveyed by BHOP's Principal Surveyor on 28<sup>th</sup> December 2015. This survey identified no</p>	<p><b>Project Approval Observation No. 21</b></p> <p>BHOP could include reference to the monthly subsidence surveys in its a) Ground Control Management Plan, and b) Technical Blasting Management Plan.</p>



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>detected movement &gt;10mm.</p> <p>The Rasp Mine is not located directly under residential areas of the Broken Hill township, only along the lode.</p>  <p><b>Photo 20 – Photo of the underground Rasp Mine and its location along the lode (i.e. not located under residential areas of Broken Hill)</b></p> <p>Subsidence surveys are formally scheduled and performed for South Road on a monthly frequency. It was stated that to date there has been no evidence of subsidence.</p>  <p><b>Photo 21 – Example of a survey point for subsidence monitoring</b></p> <p>Since BHOP's mining operations and processing at the site commenced, no complaints or communications have been received from the Broken Hill City Council relating to subsidence. Regular monitoring of South Road occurs to ensure that no subsidence exists.</p> <p>It was stated that BHOP does not need to schedule or conduct underground development and mining</p>	<p><b>BHOP Response:</b></p> <p><b>BHOP will update Section 18 in the Ground Control Management Plan to outline current methods and frequency for subsidence monitoring. It is not appropriate to duplicate this information in the Technical Blasting Management Plan.</b></p> <p><b><u>To be completed by: 31 May 2016</u></b></p>


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>operations near the surface (estimated to be approximately 85 metres below the surface).</p> <p>Management of ground control and subsidence at BHOP is addressed in its a) Ground Control Management Plan, and b) Technical Blasting Management Plan.</p>	
<b>SOIL AND WATER</b>			
21. Except as may be expressly provided by an Environment Protection Licence issued under the Protection of the Environment Operations Act 1997, the Proponent shall comply with section 120 of that Act, which prohibits the pollution of waters.	<b>Compliant</b>	<p>BHOP's Site Water Management Plan was developed by external consultants, Golder Associates, in April 2012. A surface water runoff diagram is included within this plan.</p> <p>Surface water management at the operation involves the diversion of surface runoff into either the Ryan Street Dam or Horwood Dam.</p> <p>In January 2016, the Ryan Street S49 Dam was a) re-contoured to contain a 1 in 20 year ARI 24 hour storm event, and b) the dam embankment lined with HDPE.</p> <p>It was stated that the presence of standing water is rare as high evaporation rates exist in western NSW. A significant number of shallow basins and depressions have existed around the site for many years to capture surface runoff when it occurs.</p>  <p>Photo 22 – Typical on-site surface water depression for the collection and evaporation of localised surface runoff</p>	





PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>Underground dewatering, surface runoff and any runoff from TSF1 is diverted to the lined S22 dam. This water is then available and is pumped to the mill as processing water.</p> <p>Some surface water is able to be directed to the BHP open pit for evaporation.</p> <p>Finally, it was stated that the nearest waterway/creek to the operation with environmental value is Stephens Creek (located 18 km to the east of Broken Hill).</p>	
<b>Water Supply</b>			
<p>22. The Proponent shall ensure that it has sufficient water for all stages of the project, and if necessary, adjust the scale of mining operations to match its water supply.</p> <p><i>Note: The Proponent is required to obtain the necessary water licences for the project under the Water Act 1912 and/or Water Management Act 2000.</i></p>	<b>Compliant</b>	<p>BHOP currently utilises underground water that is dewatered and pumped to the lined S22 Dam on site. This water is clarified for the removal of sediment and is then utilised around the operation for mining, processing and related activities.</p>  <p><b>Photo 23 – Lined S22 Dam</b></p> <p>It was stated that underground water is occasionally used for dust suppression on the haul roads. All other activities associated with dust suppression utilise raw water.</p> <p>The Rasp Mine utilises raw water within its washdown bays, fire hydrants etc. which is sourced from the Menindee Lakes. Potable water, utilising a second pipeline and chlorination processes, is also sourced from the Menindee Lakes.</p> <p>There was no evidence during this audit that insufficient water exists for all aspects of mining,</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		processing and related activities.	
<b>Water Management Plan</b>			
<p>23. The Proponent shall prepare and implement a Water Management Plan for the project to the satisfaction of the Secretary. This plan must be consistent with the Stormwater Management Plan presented as Annexure K to the EA, incorporate any changes to reflect the final detailed design of the project, and be prepared in consultation with EPA, NOW and NSW Trade &amp; Investment. The plan must be submitted to the Secretary for approval by the end of June 2011, and must include:</p> <p>(a) a Site Water Balance, which must:</p> <ul style="list-style-type: none"> <li>include details of: <ul style="list-style-type: none"> <li>sources and security of water supply;</li> <li>water use on site;</li> <li>water management on site;</li> <li>any off-site water transfers; and</li> </ul> </li> <li>investigate and implement all reasonable and feasible measures to minimise water use by the project;</li> </ul> <p>(b) an Erosion and Sediment Control Plan, which must:</p> <ul style="list-style-type: none"> <li>identify activities that could cause soil erosion, generate sediment or affect flooding;</li> <li>describe measures to minimise soil erosion and the potential for transport of sediment to downstream waters, and manage flood risk;</li> <li>describe the location, function and capacity of erosion and sediment control structures and flood management structures; and</li> <li>describe what measures would be implemented to maintain the structures over time;</li> </ul> <p>(c) a Surface Water Management Plan, which</p>	<p><b>Compliant Observation</b></p>	<p><u>Water Management Plan</u></p> <p>The current BHOP Water Management Plan was developed by external consultants Golder Associates in April 2012. This plan has not been revised or updated since it was issued.</p> <p>Annexure K to the Environmental Assessment (EA) involved the Hydrogeological Assessment for the proposed mine expansion for the Rasp Mine. This was completed by Golder Associates in March 2008.</p> <p>The required groundwater monitoring procedure is defined in Section 10 of the BHOP Water Management Plan.</p> <p><u>Site Water Balance</u></p> <p>BHOP's Mill Manager is responsible for maintaining the site water balance, which is in the form of an internal spreadsheet.</p> <p><u>Groundwater Monitoring Program</u></p> <p>It was stated that the current 2016 Groundwater Monitoring Program is planned to be implemented as described in the relevant sections of the 2012 Water Management Plan.</p> <p>Collection of groundwater samples is conducted using bailers. A low flow pump has been purchased for purging the sampling bore prior to sample collection.</p> <p>Groundwater monitoring is conducted quarterly at 16 locations using internal personnel. All collected water samples are transported to and analysed by ALS laboratories.</p> <p>BHOP's EPL states that only total metals are required to be analysed in collected water samples.</p> <p><u>Data Management</u></p> <p>Cloud based Google forms are used by BHOP for manual environmental data entry. Data is reviewed for any errors upon entry into the Google forms. Once</p>	<p><b>Project Approval Observation No. 22</b></p> <p>No formal QA/QC program has been adopted for the existing groundwater monitoring program (i.e. utilising trip blanks, duplicate samples etc.).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will incorporate new QA/QC requirements for its groundwater monitoring program. An appendix to the Site Water Management Plan will be completed detailing these changes.</b></p> <p><b><u>To be completed by: 31 October 2016</u></b></p> <p><b>Project Approval Observation No. 23</b></p> <p>Ideally, the method of collecting groundwater samples would be expected to be recorded in the spreadsheet (via Google forms).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP already use Cloud based Google forms for manual environmental data entry. Data is reviewed for any errors upon entry into the Google forms. Once entered, the data is retained on a dedicated spreadsheet.</b></p> <p><b><u>No further action</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>must include:</p> <ul style="list-style-type: none"> <li>• detailed baseline data on surface water flows and quality in creeks and other waterbodies that could potentially be affected by the project;</li> <li>• surface water and stream health impact assessment criteria including trigger levels for investigating any potentially adverse surface water impacts;</li> <li>• a program to monitor and assess: <ul style="list-style-type: none"> <li>o surface water flows and quality;</li> <li>o impacts on water users;</li> <li>o stream health; and</li> <li>o channel stability.</li> </ul> </li> </ul> <p>(d) a Groundwater Monitoring Program, which must:</p> <ul style="list-style-type: none"> <li>• provide a program to monitor seepage movement within and adjacent to the tailings storage facility;</li> <li>• include details of parameters and pollutants to be monitored for: <ul style="list-style-type: none"> <li>– water from mine dewatering;</li> <li>– groundwater locations to the east of TSF1;</li> <li>– surface water represented by Horwood Dam;</li> <li>– water captured by the toe drains of the tailings storage facility;</li> <li>– water seepage from the tailings storage facility; and</li> <li>– the background local groundwater system.</li> </ul> </li> <li>• outline performance parameters against monitoring data will be compared to determine whether seepage is occurring, and whether an unacceptable impact on local groundwater may be occurring;</li> <li>• include details of contingency measures to be implemented in the event that an</li> </ul>		<p>entered, the data is retained on a dedicated spreadsheet.</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
unacceptable impact is identified.			
<b>TRANSPORT</b>			
24. The Proponent shall maintain the existing 66 carparking spaces, or an equivalent number elsewhere on the site, for the duration of the project.	<b>Compliant</b>	<p>There was evidence that BHOP maintains a suitable carpark for employees, inclusive of an overflow carpark. The number of car spaces provided by BHOP across these two carparks is at least 92 car spaces.</p>  <p><b>Photo 24 – BHOP employee carpark</b></p>	
25. The Proponent shall consult with the RMS and BHCC in relation to the footpath modifications required at the Eyre Street site access and shall address the design requirements of those agencies in relation to those works. All footpath works shall be completed prior to the commencement of operation of the project, and shall be undertaken at no cost to the RMS or BHCC.	<b>Compliant</b>	A letter dated 3/9/2012 was received by BHOP from Broken Hill City Council, regarding the completion of work for 130 Eyre Street. This letter confirmed that these works were completed and complied with all relevant standards and council requirements.	
26. A truck waiting area with capacity to accommodate at least two B-Double vehicles at any time shall be provided inside the Eyre Street site access to avoid trucks queuing into Eyre Street.	<b>Compliant</b>	BHOP has constructed a suitable truck waiting area with capacity to accommodate at least two B-Double vehicles at any time inside the Eyre Street site access.	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p><b>Photo 25 – BHOP truck waiting area</b></p>	
27. If the Holten Road site access is required during construction of the project, the Proponent shall, prior to using this access, consult with and address the requirements of the RMS and Council with respect to traffic access at this location.	<b>Compliant</b>	<p>It was stated the Holten Drive access gate was not used for Mod 3, only during the original construction of the Rasp Mine project in 2011 – 2012.</p>  <p><b>Photo 26 – Holten Drive access gate</b></p> <p>During the 2011 – 2012 construction phase (as a special project), the Holten Drive entrance was utilised to bring materials from the quarry to the processing plant. The road signs for trucks entering at this point were installed by BHCC.</p> <p>In addition to its use for transporting quarry materials, this entrance was potentially used for some infrequent deliveries. This condition does not apply to infrequent non-construction activities such as 'deliveries'.</p>	
28. The Proponent shall commission dilapidation reports for roads likely to be affected by the construction of the project, prior to the	<b>Compliant</b>	<p>A Dilapidation Report for the Eyre Street Access was prepared in August 2011. This report was prepared by a professional engineer to identify the condition and or</p>	


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
commencement of construction and immediately prior to completion of construction. The Proponent shall fund rectification of any deterioration of road pavement quality as a result of construction-related traffic.		<p>any potential damage to external roadways during construction.</p> <p>In addition to the above, a South Road Condition Assessment Report was commissioned by BHOP in March 2015 and completed by Jim Wilson Consulting Engineers. A site inspection of the road was completed on 4<sup>th</sup> March 2015.</p> <p>Apart from the above August 2011 and March 2015 reports, no additional evidence exists of any deterioration having occurred that requires an additional Dilapidation Report to be commissioned and completed.</p> <p>It was stated that no funds for the rectification of any external roads has been requested or needed by BHOP to date.</p>	
28A. The Proponent must enter into a Deed of Agreement with the RMS for the protection and management of South Road, to the satisfaction of the RMS, prior to the commencement of production blasting in Block 7.	<b>Compliant Observation</b>	<p>A Deed of Agreement (in relation to road infrastructure affected by the Rasp Mine Extension) was entered into with the RMS (potentially in June 2015), prior to the commencement of production blasting in Block 7.</p> <p>The Deed of Agreement has been sighted.</p>	<p><b>Project Approval Observation No. 24</b></p> <p>BHOP should ensure that all future Deeds of Agreement with the RMS are clearly dated, at the time of signing by senior management from BHOP and RMS.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will request that in any future deed of agreement dates are inserted on the signing page.</b></p> <p><b><u>No action at this time.</u></b></p>
Traffic Management Plan			
29. The Proponent shall prepare and implement a traffic management plan to the satisfaction of the Secretary. The plan shall focus on traffic management during construction of the project, and must be developed in consultation with the RMS and Council. The plan must be submitted for the approval of the Secretary prior to the commencement of construction.	<b>Compliant Observation</b>	<p>The July 2011 BHOP Traffic Management Plan was prepared by GR Engineering Services (primarily for the original 2011/12 construction of the project).</p> <p>It was stated that this plan will need to be modified and updated in the event that a future Project Approval modification is issued which relates to any additional major construction works at the site.</p>	<p><b>Project Approval Observation No. 25</b></p> <p>The existing July 2011 Traffic Management Plan is badged "GR Engineering Services" and ideally, if required to be used for any proposed Mod 4 development, it could be transferred across to be a BHOP-owned management plan.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP agrees with this observation and will maintain the GR Engineering Services Traffic</b></p>


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p>Management Plan for Construction on file (as it currently does). This Plan will be reviewed in line with any new modification to the Project Approval where consideration for traffic management is required.</p> <p><u>No action at this time.</u></p>
<b>HERITAGE</b>			
<p>30. The Proponent shall prepare and implement a Conservation Management Plan for the site to the satisfaction of the Secretary. This plan must provide a strategic framework for all heritage items located on the Lease, based on the principles of the Burra Charter, and developed in consultation with OEH and Council. The plan must be submitted for the approval of the Secretary by December 2011.</p>	<b>Potential Non-compliance</b>	<p>BHOP's original Conservation Management Plan (CMP) was submitted but no feedback was provided from the DPE. This plan was never finalised and therefore a new CMP was developed by external consultants, GML Heritage, and issued to BHOP in September 2015.</p> <p><b>Potential Non-compliance</b> – As of February 2016, the BHOP Conservation Management Plan has not been finalised as required under the project approval. It was stated that the final CHMP will be delivered in late 2015 or early 2016, after finalising the heritage inventory and the required heritage management strategies.</p> <p>In the meantime BHOP continued to engage with the Broken Hill City Council to finalise the heritage inventory and adopt any changes as necessary.</p>	<p><b>BHOP Response:</b></p> <p><b>BHOP continues to work with the Broken Hill City Council (BHCC) to finalise the plans for management of heritage items located within the Rasp Mine.</b></p> <p><b>Following meetings with BHCC a summary document is currently being prepared to submit to BHCC for their formal agreement.</b></p> <p><b>The updated and agreed CMP will then be submitted to the DPE.</b></p> <p><b><u>To be completed by: 30 June 2016 pending BHCC approval</u></b></p>
<b>VISUAL AMENITY</b>			
<p>31. The Proponent shall:</p> <ul style="list-style-type: none"> <li>(a) minimise the visual impacts, and particularly the off-site lighting impacts, of the project;</li> <li>(b) take all practicable measures to further mitigate off-site lighting impacts from the project; and</li> <li>(c) ensure that all external lighting associated with the project complies with Australian Standard AS4282 (INT) 1995 - Control of Obtrusive Effects of Outdoor Lighting, or its latest version,</li> </ul>	<b>Compliant</b>	<p>It was stated that since the commencement of mining and processing operations in 2012, there have been no lighting related complaints received by BHOP from any external stakeholders.</p> <p>To reduce the potential impact of operational lighting, physical (mainly waste rock) barriers have been utilised around the site. In addition, directional lighting is used within the operation is directed internally towards the mine and processing plant.</p>	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
to the satisfaction of the Secretary.			
<b>WASTE</b>			
<p>32. The Proponent shall:</p> <p>(a) minimise the waste generated by the project; and</p> <p>(b) ensure that the waste generated by the project is appropriately stored, handled, and disposed of,</p> <p>to the satisfaction of the Secretary.</p>	<b>Compliant Observation</b>	<p>The Broken Hill City Council (BHCC) landfill is utilised for the disposal of uncontaminated general waste that is generated by the Rasp Mine. No charges currently exist for use of the BHCC landfill, but it was stated this may change in the future (e.g. possible BHCC charges).</p> <p>Lead contaminated waste is either placed in the Tailings Storage Facility (TSF) or is taken underground and backfilled into disused underground mining stopes.</p> <p>Regulated waste is removed off-site and is managed by external contractors, Transpacific Pty Ltd.</p> <p>Due to the town's distance from major centres, minimal recycling options are available in Broken Hill. Brooks Metal is responsible for the removal and recycling of scrap steel and Sims Metal Management is utilised for the recycling of aluminium cans.</p>	<p><b>Project Approval Observation No. 26</b></p> <p>BHOP could update its existing Waste Management Plan (April 2012 (V2)) to allow the plan to better reflect actual waste segregation, management, recycling and disposal practices in 2016.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will update the Waste Management Plan in line with this observation.</b></p> <p><b><u>To be completed by: 30 November 2016</u></b></p>
<p>33. The Proponent shall prepare and implement a Waste Management Plan for the project to the satisfaction of the Secretary. This plan must:</p> <p>(a) be prepared in consultation with NSW Trade &amp; Investment, and submitted the Secretary for approval by the end of March 2011;</p> <p>(b) identify the various waste streams of the project;</p> <p>(c) estimate the volumes of tailings and other waste material that would be generated by the project;</p> <p>(d) describe and justify the proposed strategy for disposing of this waste material;</p> <p>(e) describe what measures would be implemented to meet the requirements set out above in condition 32; and</p> <p>(f) include a program to monitor the effectiveness of these measures.</p>	<b>Compliant</b>	<p>The current BHOP Waste Management Plan (April 2012 (V2)) is available on the CBH website.</p> <p>This Waste Management Plan (WMP) outlines the wastes generated by the Rasp Mine operations and details requirements for storage and disposal.</p> <p>Section 8 of the Waste Management Plan (April 2012) discusses aspects of waste rock and tailings management and disposal on site.</p> <p>There has been no known review and update of this plan since the second revision was issued in April 2012.</p> <p>No formal environmental inspection program exists on site that incorporates processing and non-processing related wastes.</p> <p>Tailings volumes are determined by a metered flow meter on the tailings line. The following volumes of tailings were generated and discharged between 2012 and 2014.</p>	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<ul style="list-style-type: none"> <li>• 2012 – 322,111 tonnes</li> <li>• 2013 – 574,833 tonnes</li> <li>• 2014 – 486,749 tonnes.</li> </ul>  <p>Photo 27 – BHOP's existing waste rock stockpile (for use underground as required)</p>	
REHABILITATION			
Rehabilitation Objectives			
<p>34. The Proponent shall:</p> <p>(a) carry out rehabilitation progressively, that is, as soon as reasonably practicable following disturbance; and</p> <p>(b) achieve the following rehabilitation objectives:</p> <ul style="list-style-type: none"> <li>• no measurable subsidence impacts from mining within Block 7;</li> <li>• sealing and/ or treating 'free areas' of the site and other potential sources of wind-blown dust to prevent the emission of dust following closure;</li> <li>• preserving the heritage value of the site; and</li> <li>• making the site suitable for commercial and/ or educational uses,</li> </ul> <p>to the satisfaction of NSW Trade &amp; Investment.</p>	Compliant	<p>Progressive rehabilitation at the BHOP Rasp Mine site since 2012 has been limited to the commencement of a 2015 waste rock trial behind the Kintore open pit (as a more permanent solution to reducing dust levels, in comparison to the existing use of dust suppressant polymer, Total Ground Control). A schedule for this trial was submitted to the DRE in late January 2016.</p> <p>This trial involves the placement of waste rock at a depth of 400 mm over an area of approximately 2200 m<sup>2</sup>.</p> <p>It was stated BHOP is only responsible for new disturbance that has occurred for the Rasp mine since 2011 (as agreed with the NSW DRE).</p> <p>No active or progressive land rehabilitation has been completed by BHOP to date (with the exception of ongoing maintenance of heritage buildings).</p> <p>It was stated no measurable subsidence impacts from mining within Block 7 have occurred to date.</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>There was evidence that BHOP has proactively sealed and/or treated 'free areas' of the site and other potential sources of wind-blown dust to prevent the emission of dust during operations.</p> <p>It was stated that there is no need for BHOP to reshape historical waste rock dump slopes. Historical rehabilitation practices have simply involved the rock armouring of these waste rock dumps.</p> <p>Permanent dust control at mine closure will be to cover the entire site with competent rock. BHOP is monitoring dust emissions from rehabilitation trials that commenced in 2015.</p>  <p><b>Photo 28 – BHOP Waste Rock Dump Rehabilitation Trial</b></p> <p>Sections relating to mine closure in the Mine Operations Plan (MOP) define some additional closure criteria. The BHOP Mine Closure Plan is now well integrated within the new MOP.</p>	
Rehabilitation Management Plan			
<p>35. The Proponent shall prepare and implement a Rehabilitation Management Plan for the project to the satisfaction of NSW Trade &amp; Investment. This plan must:</p> <p>(a) be prepared in consultation with the Department, OEH, NOW, Council and NSW Trade &amp; Investment;</p> <p>(b) be prepared in accordance with relevant</p>	<b>Compliant</b>	<p>The current BHOP Rehabilitation Management Plan has been included and integrated into the existing MOP (not available as yet on the CBH website).</p> <p>The revised BHOP MOP was submitted to relevant NSW regulators on 27<sup>th</sup> January 2016.</p> <p>The revised BHOP MOP essentially meets and incorporates all the requirements defined in this condition.</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 3 ENVIRONMENTAL PERFORMANCE CONDITIONS			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>NSW Trade &amp; Investment guidelines;</p> <p>(c) be generally consistent with the closure concept presented in the EA;</p> <p>(d) reflect the aims of rehabilitation and closure to:</p> <ul style="list-style-type: none"> <li>• retain heritage items, as agreed by relevant regulators;</li> <li>• manage stormwater to minimise erosion and restrict the potential for off-site pollution;</li> <li>• provide final landforms that are safe, stable and sympathetic to the mining heritage of Broken Hill;</li> <li>• minimise the generation of dust and adequately contain potentially hazardous materials within the landform; and</li> <li>• install barriers to restrict access to potentially hazardous locations (eg decline, shafts or open cut pits);</li> </ul> <p>(e) build, to the maximum extent practicable, on the other management plans required under this approval; and</p> <p>(f) be submitted to NSW Trade &amp; Investment for approval by the end of December 2011.</p>			

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>ENVIRONMENTAL MANAGEMENT</b>			
<b>Environmental Management System</b>			
<p>1. The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Secretary. This strategy must:</p> <p>(a) be submitted to the Secretary for approval by the end of June 2011;</p> <p>(b) provide the strategic framework for the environmental management of the project;</p> <p>(c) identify the statutory approvals that apply to the project;</p> <p>(d) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project;</p> <p>(e) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> <li>• keep the local community and relevant agencies informed about the operation and environmental performance of the project;</li> <li>• receive, handle, respond to, and record complaints;</li> <li>• resolve any disputes that may arise during the course of the project;</li> <li>• respond to any non-compliance; and</li> <li>• respond to emergencies; and</li> </ul> <p>(f) include:</p> <ul style="list-style-type: none"> <li>• copies of any strategies, plans and programs approved under the conditions of this approval; and</li> <li>• a clear plan depicting all the monitoring required to be carried out under the conditions of this approval.</li> </ul>	<b>Compliant</b>	<p><u>Environmental Management Strategy</u></p> <p>BHOP maintains a documented Environmental Management Strategy (30 pages) that was last reviewed and updated in December 2015 by CBH's Group Manager Safety, Health, Environment and Community.</p> <p>This strategy is essentially based on the ISO planning elements and some implementation elements.</p> <p>This document is considered to provide a suitable strategic framework for the environmental management of the project.</p> <p><u>Environmental Management System</u></p> <p>BHOP has implemented some required components of a formal environmental management system, but the existing system does not fully meet all ISO14001 requirements or third party certification requirements.</p> <p>BHOP's Environmental Management Strategy states in Section 1.1 that "The Rasp Mine does not use the environmental management process required by ISO14001, however this EMS and the systems to manage potential environmental impacts is aligned to the environmental management framework of ISO14001". With some exceptions, this was confirmed during this February 2016 audit.</p> <p>Senior management at CBH/BHOP have not issued a directive for a complete ISO14001 system to be developed and implemented (or any requirement for external certification).</p> <p>The auditors were able to observe that high standards of environmental performance/control and statutory compliance were able to be achieved in the absence of a complete/ formal ISO14001 based Environmental Management System (EMS) being implemented by BHOP.</p>	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>Management Plan Requirements</b>			
<p>2. The Proponent shall ensure that the management plans required under this approval are prepared in accordance with relevant guidelines, and include:</p> <ul style="list-style-type: none"> <li>(a) detailed baseline data;</li> <li>(b) a description of: <ul style="list-style-type: none"> <li>• the relevant statutory requirements (including any relevant approval, licence or lease conditions);</li> <li>• any relevant limits or performance measures/criteria; and</li> <li>• the specific performance indicators that are proposed to be used to judge the performance of, or guide the implementation of, the project or any management measures;</li> </ul> </li> <li>(c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria;</li> <li>(d) a program to monitor and report on the: <ul style="list-style-type: none"> <li>• impacts and environmental performance of the project; and</li> <li>• effectiveness of any management measures (see (c) above);</li> </ul> </li> <li>(e) a contingency plan to manage any unpredicted impacts and their consequences;</li> <li>(f) a program to investigate and implement ways to improve the environmental performance of the project over time;</li> <li>(g) a protocol for managing and reporting any: <ul style="list-style-type: none"> <li>• incidents;</li> <li>• complaints;</li> <li>• non-compliances with the conditions of this approval and statutory requirements; and</li> <li>• exceedances of the impact assessment criteria and/or performance criteria; and</li> </ul> </li> </ul>	<b>Compliant</b>	<p>BHOP's Environmental Management Plans (EMPs) have been formally submitted to the NSW DPE, but no feedback or communications have been received by BHOP from the DPE to confirm that the submitted EMPs are suitable and have been accepted.</p> <p>Generally, the submitted EMPs meet the requirements of Condition 2 – Management Plan Requirements, but this is yet to be verified and communicated from the NSW DPE.</p> <p>BHOP's MOP (Appendix 2) defines all the EMPs that are required to meet regulatory conditions (i.e. 9 EMPs).</p>	


PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>(h) a protocol for periodic review of the plan.</p> <p><i>Note: The Secretary may waive some of these requirements if they are unnecessary or unwarranted for particular management plans.</i></p>			
<b>Annual Review</b>			
<p>3. By the end of June 2012, and annually thereafter, the Proponent shall review the environmental performance of the project to the satisfaction of the Secretary. This review must:</p> <p>(a) describe the development (including any rehabilitation) that was carried out in the past year, and the development that is proposed to be carried out over the next year;</p> <p>(b) include a comprehensive review of the monitoring results and complaints records of the project over the past year, which includes a comparison of these results against the:</p> <ul style="list-style-type: none"> <li>• relevant statutory requirements, limits or performance measures/criteria;</li> <li>• monitoring results of previous years; and</li> <li>• relevant predictions in the documents referred to in Conditions 2 of Schedule 2;</li> </ul> <p>(c) identify any non-compliance over the past year, and describe what actions were (or are being) taken to ensure compliance;</p> <p>(d) identify any trends in the monitoring data over the life of the project;</p> <p>(e) identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies; and</p> <p>(f) describe what measure will be implemented over the next year to improve the environmental performance of the project.</p>	<p><b>Minor Non-compliance (historical)</b></p>	<p>The environmental performance of the BHOP Rasp mine is documented periodically (i.e. in the form of performance data) in its submitted Annual Environmental Management Report (AEMR).</p> <p>The most recent AEMR was developed for the period 1<sup>st</sup> April 2014 to 16<sup>th</sup> December 2014. It was stated that the 2015 AEMR was being developed in March 2016.</p> <p>The 2014 AEMR was completed and signed off by BHOP's Environmental Officer on the 22<sup>nd</sup> May 2015.</p> <p>Within the 2014 AEMR the following sections of the document describe some of the requirements in Condition 3 Schedule 4 of the Project Approval.</p> <p>(a) Section 5.2 briefly describes the development (including any rehabilitation) that was carried out in the past year, and Section 6 briefly describes the development that is proposed to be carried out in 2015 (Note : information included is very limited).</p> <p>(b) Section 3.0 includes a review of some environmental monitoring results (i.e. not considered to be comprehensive) and Section 4.1 includes the complaints records of the project during 2014. Section 3.0 only provides a very limited comparison of presented results against the:</p> <ul style="list-style-type: none"> <li>• relevant statutory requirements, limits or performance measures/criteria;</li> <li>• monitoring results of previous years; and</li> <li>• relevant predictions in the documents referred to in Conditions 2 of Schedule 2;</li> </ul> <p>(f) Section 6, Table 27 provides a very limited description (i.e. two items) relating to what will be</p>	<p><b>BHOP Response:</b></p> <p><b>BHOP will review the contents of its AEMR to incorporate items required by the Project Approval as an addendum.</b></p> <p><b><u>To be completed by 28 February 2017 (next AEMR)</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>implemented in 2015 to improve the environmental performance of the project.</p> <p><b>Minor Non-compliance (historical)</b> – The most recent 2014 Annual Environmental Management Report (AEMR) does not satisfy paragraphs (c), (d) and (e) of this condition. In relation to paragraph (c) the AEMR does not identify non-compliances from 2014, nor does it describe what actions were (or are being) taken to ensure compliance. In relation to paragraph (d) the AEMR does not clearly identify any trends in the monitoring data over the life of the project. In relation to paragraph (e) the AEMR does not identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies. In addition, only very limited information is provided to enable compliance with paragraphs (a), (b) and (f) of this condition to be demonstrated.</p>	
Revision of Strategies, Plans & Programs			
<p>4. Within three months of:</p> <p>(a) the submission of an annual review under Condition 3 above;</p> <p>(b) the submission of an incident report under Condition 5 below;</p> <p>(c) the submission of an audit report under Condition 7 below, or</p> <p>(d) any modification of the conditions of this approval (unless the conditions require otherwise),</p> <p>the Proponent shall review, and if necessary revise, the strategies, plans, and programs required under this approval to the satisfaction of the Secretary.</p> <p><i>Note: This is to ensure the strategies, plans and programs are updated on a regular basis, and incorporate any recommended measures to improve the environmental performance of the project.</i></p>	<b>Compliant</b>	<p>It was stated that no feedback or directives have been forwarded by the NSW DPE, requiring BHOP's submitted EMPs to be revised and resubmitted.</p> <p>Relevant BHOP personnel are aware that in the event of the submission of an incident report or audit report to the NSW DPE, that BHOP has an obligation to ensure that these submissions are required to meet the requirements of the Department/Secretary.</p>	



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>REPORTING</b>			
<b>Incident Reporting</b>			
5. The Proponent shall notify the Secretary and any other relevant agencies of any incident associated with the project as soon as practicable after the Proponent becomes aware of the incident. Within seven days of the date of the incident, the Proponent shall provide the Secretary and any relevant agencies with a detailed report on the incident.	<p><b>Compliant</b></p> <p><b>Observation</b></p> <p><b>Observation</b></p> <p><b>Observation</b></p>	<p><u>Environmental Incident Reporting</u></p> <p>BHOP utilises the INX InControl software for internal safety and environmental incident reporting and investigation. Incident reports are converted to PDFs for attachment and retention within this software.</p> <p>BHOP Supervisors are responsible for the entry of incidents into INX InControl (not forwarded for entry by personnel employed within BHOP's health, safety and environment department).</p> <p>A total of 29 environmental incidents have been internally reported by BHOP employees since 1<sup>st</sup> January 2013.</p> <p>The majority of these incidents have involved small – medium on-site spills that have not a) been released beyond the site boundary, or b) resulted in any form of material harm to the environment.</p> <div data-bbox="1048 874 1391 1142" data-label="Image"> </div> <div data-bbox="1048 1157 1391 1422" data-label="Image"> </div>	<p><b>Project Approval Observation No. 27</b></p> <p>BHOP workshop personnel would be expected to exercise more caution and awareness in the prevention and timely clean-up of small to medium sized spills within and around the workshop (Photos 29, 30 and 31).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will remind workshop (and other relevant personnel) about the prevention and timely clean-up of small to medium sized spills within and around the workshop through a notice in the Daily Brief.</b></p> <p><b><u>To be completed by: 31 March 2016</u></b></p> <p><b>Project Approval Observation No. 28</b></p> <p>Ideally, BHOP would be expected to record which reportable incidents that are held in the INX InControl database have been reported externally and to which government department.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will detail external reporting information on the INX system.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p> <p><b>Project Approval Observation No. 29</b></p> <p>To ensure that all reportable incidents are reported externally as required, BHOP could confirm with external regulators (i.e. the DPE and EPA) the type of environmental incidents required to be reported.</p> <p>The regulators' responses should be received in writing and then incorporated into internal procedures</p>



PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p>Photos 29, 30 and 31 – Small to medium spills identified on the day of the site inspection around workshop area</p> <p>Blasting related incidents/exceedances are automatically reported as needed to the NSW EPA. BHOP's Environment/Community Liaison Officer currently copies the DPE into notification of blast related incidents to the NSW EPA.</p> <p>BHOP maintains a procedure that requires manager sign-off in the event that a blast may potentially exceed statutory limits.</p> <p><u>Environmental Incident Investigation</u></p> <p>BHOP utilises ICAM methodology for conducting incident investigations that are rated over a specific risk level.</p> <p>It was stated that since the Rasp Mine project was commissioned, no environmental incidents have occurred that warranted a) an ICAM investigation report (based the severity of the incident), or b) met criteria requiring the incident to be reported externally to regulators.</p> <p>BHOP's Health, Safety, Environment and Community Manager is responsible for classifying each reported incident. BHOP's Environment/Community Liaison Officer is utilised to advise if an environmental incident is externally reportable.</p> <p>BHOP utilises the risk assessment process and criteria defined within INX InControl (i.e. CBH specific incident classification criteria).</p> <p><u>External Complaints</u></p> <p>Currently, any external complaints received by BHOP</p>	<p>relating to incident reporting.</p> <p><b>BHOP Response:</b></p> <p>The requirements for reporting incidents to the EPA are detailed in EPL 12559.</p> <p>Requirements for reporting incidents to DPE are very general; BHOP will seek clarification of their requirements.</p> <p><b><u>To be completed by: 30 September 2016</u></b></p> <p><b>Project Approval Observation No. 30</b></p> <p>BHOP would benefit in utilising the INX InControl software/database for the entry, management, tracking and closeout of all external complaints (i.e. those received indirectly through the NSW EPA or directly via the complainant).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will make provisions to use the INX system for external complaints. Some modifications to reporting template will be required.</b></p> <p><b><u>To be completed by: 30 June 2016</u></b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		are not entered or managed utilising the existing INX InControl software/database (as this is only utilised for incidents). INX InControl has a pre-existing “Community Response” category that is available for use.	
<b>Regular Reporting</b>			
6. The Proponent shall provide regular reporting on the environmental performance of the project on its website, in accordance with the reporting arrangements in any approved plans or programs of the conditions of this approval.	<b>Compliant</b>	Monthly environmental monitoring reports are available to all external stakeholders on the CBH website (since April 2012 to December 2015).  The most recent 2015 BHOP Annual Return and the 2015 BHOP Rasp Mine Health Risk Assessment Report are also available on the CBH website.	
<b>INDEPENDENT ENVIRONMENTAL AUDIT</b>			
7. By the end of December 2011, and every three years thereafter, unless the Secretary directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. This audit must:  (a) be conducted by suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Secretary;  (b) include consultation with the relevant agencies;  (c) assess the environmental performance of the project and whether it is complying with the relevant requirements in this approval and any relevant EPL or Mining Lease (including any assessment, plan or program required under these approvals);  (d) review the adequacy of any approved strategies, plans or programs required under these approvals; and, if appropriate  (e) recommend measures or actions to improve the environmental performance of the project, and/or any strategy, plan or program required under these approvals.	<b>Compliant</b>	<u>Independent Environmental Audit (November 2012)</u>  The initial (i.e. first) on-site environmental compliance audit of BHOP at the Rasp Mine was completed by Graham Brown and Associates in November 2012.  A formal audit report was issued to BHOP on the 1 <sup>st</sup> February 2013. That report has been a) forwarded to the DPE, and b) uploaded onto the CBH website for access by all external stakeholders.  <u>Independent Environmental Audit (February 2016)</u>  The first three-yearly follow-up environmental compliance audit was completed over 5 days in February 2016. This February 2016 audit essentially targeted and audited completed work and on-site field practices associated with the BHOP Rasp Mine within the last 3 years.  The audit team leader for this February 2016 audit was approved in writing by the NSW DPE Director of Resource Assessments on 27 <sup>th</sup> November 2015.  No requests were made by the Secretary of the DPE for any independent experts to be utilised during this audit (given that a detailed health risk assessment had only previously been completed in September 2015 by external consultant Toxikos (Pacific Environment)).	

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<i>Note: This audit team must be led by a suitably qualified auditor and include experts in any fields specified by the Secretary.</i>			
8. Within six weeks of the completing of this audit, or as otherwise agreed by the Secretary, the Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.	<b>Not Applicable at Time of Audit Observation</b>	The final version of this February 2016 audit report will be submitted to the NSW DPE by Friday, 18 <sup>th</sup> March 2016.	<p><b>Project Approval Observation No. 31</b></p> <p>BHOP is encouraged to review if the INX InControl database can be utilised for the entry, management, tracking and closeout of all audit findings from this audit report.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will adopt a method to track and closeout items from this audit. This system will include regular status reports to senior management.</b></p> <p><b><u>To be completed by: 31 March 2016</u></b></p>
ACCESS TO INFORMATION			
<p>9. From the end of March 2011, the Proponent shall:</p> <p>(a) make copies of the following publicly available on its website:</p> <ul style="list-style-type: none"> <li>• the documents referred to in Condition 2 of Schedule 2;</li> <li>• all current statutory approvals for the project;</li> <li>• all approved strategies, plans and programs required under the conditions of this approval;</li> <li>• the monitoring results of the project, reported in accordance with the specifications in any conditions of this approval, or any approved plans or programs;</li> <li>• a complaints register, updated on a monthly basis;</li> <li>• the annual reviews of the project;</li> <li>• any independent environmental audit of the project, and the Proponent's response to the recommendations in any audit; and</li> <li>• any other matter required by the Secretary;</li> </ul> <p>(b) keep this information up-to-date,</p>	<b>Compliant Observation</b>	<p>Generally, with some notable exceptions, BHOP was able to demonstrate a responsible level of administration, management and updating of required documents, registers and records on the CBH website.</p> <p>At the time of this February 2016 audit, the majority of information on the website was observed to be current to the end of December 2015.</p>	<p><b>Project Approval Observation No. 32</b></p> <p>Some specific environmental data and records management processes require improvement to ensure statutory conditions relating to environmental records and data retention can be complied with.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will ensure all project related documents are updated on the company website.</b></p> <p><b><u>To be completed by: 31 March 2016</u></b></p> <p><b>Project Approval Observation No. 33</b></p> <p>Five relevant environmental management plans have been reviewed and updated in recent months, but are awaiting document control to be applied and uploading of these latest revisions to the CBH website (to demonstrate compliance with this condition, relating to (b) keeping this information up-to-date on the website).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP can only load documents onto the CBH web</b></p>

PROJECT APPROVAL 07_0018 MOD3: SCHEDULE 4 ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
to the satisfaction of the Secretary.			<p>site that have been processed through its document control system. BHOP does not have a dedicated document control officer and this work is undertaken by staff as they can, so may take some time. BHOP will address outstanding documents requiring uploading.</p> <p><b><u>To be completed by: 31 July 2016</u></b></p>
INDEPENDENT REVIEW			
<p>10. If an owner of privately-owned land considers the development to be exceeding the criteria in schedule 3 at his/her land, then he/she may ask the Secretary in writing for an independent review of the impacts of the development on his/her land. If the Secretary is satisfied that an independent review is warranted, then the Proponent shall:</p> <p>(a) commission a suitably qualified, experienced and independent expert, whose appointment has been approved by the Secretary, to:</p> <ul style="list-style-type: none"> <li>• consult with the landowner to determine his/her concerns;</li> <li>• conduct monitoring to determine whether the development is complying with the relevant impact assessment criteria in schedule 3; and</li> <li>• if the development is not complying with these criteria then identify the measures that could be implemented to ensure compliance with the relevant criteria; and</li> </ul> <p>(b) give the Secretary and landowner a copy of the independent review within 2 months of the Secretary's decision, unless the Secretary agrees otherwise.</p>	<b>Compliant</b>	<p>It was stated that no owners of privately-owned land have communicated that the BHOP Rasp Mine Mod 3 project/development has exceeded the criteria in Schedule 3 at their land.</p> <p>During this period, there have been no regulator requests for an independent review of the impacts of the Mod 3 development on any stakeholder's land.</p> <p>Communications relating to any mining-related issues was stated to default to the NSW Department of Resources and Energy (DRE).</p>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015												
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations									
1 Administrative Conditions												
A1 What the licence authorises and regulates												
A1.1 This licence authorises the carrying out of the scheduled activities listed below at the premises specified in A2. The activities are listed according to their scheduled activity classification, fee-based activity classification and the scale of the operation.  Unless otherwise further restricted by a condition of this licence, the scale at which the activity is carried out must not exceed the maximum scale specified in this condition.  <table><tr><th>Scheduled Activity</th><th>Fee Based Activity</th><th>Scale</th></tr><tr><td>Crushing, Grinding or Separating</td><td>Crushing, grinding or separating</td><td>&gt; 500000 – 2000000 T processed</td></tr><tr><td>Mining for Minerals</td><td>Mining for minerals</td><td>&gt; 500000 – 2000000 T produced</td></tr></table>	Scheduled Activity	Fee Based Activity	Scale	Crushing, Grinding or Separating	Crushing, grinding or separating	> 500000 – 2000000 T processed	Mining for Minerals	Mining for minerals	> 500000 – 2000000 T produced	Compliant	BHOP's production figures (i.e. tonnes of feed to the mill) on a calendar year basis since 2013 were: <ul style="list-style-type: none"><li>2013 – 659,989 tonnes</li><li>2014 – 545,916 tonnes</li><li>2015 – 573,352 tonnes</li><li>2016 (planned) – approximately 560,000 tonnes.</li></ul>	
Scheduled Activity	Fee Based Activity	Scale										
Crushing, Grinding or Separating	Crushing, grinding or separating	> 500000 – 2000000 T processed										
Mining for Minerals	Mining for minerals	> 500000 – 2000000 T produced										
A2 Premises or plant to which this licence applies												
A2.1 The licence applies to the following premises: <b>Premises Details</b> <b>CONSOLIDATED MINING LEASE 7</b> <b>EYRE STREET</b> <b>BROKEN HILL</b> <b>NSW 2880</b> <b>WILLYAMA COMMON, RESERVE 2421</b>	Compliant	BHOP personnel are aware the EPL applies to CML7.										
A3 Other Activities												
A3.1 This licence applies to all other activities carried on at the premises, including: <b>Ancillary activity</b> Chemical storage Metallurgical activities Railway system activities	Compliant	This is recognised and acknowledged by senior management of BHOP.										

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>A4 Information supplied to the EPA</b>			
<p>A4.1 Works and activities must be carried out in accordance with the proposal contained in the licence application, except as expressly provided by a condition of this licence.</p> <p>In this condition the reference to "the licence application" includes a reference to:</p> <ul style="list-style-type: none"> <li>a) the applications for any licences (including former pollution control approvals) which this licence replaces under the Protection of the Environment Operations (Savings and Transitional) Regulation 1998; and</li> <li>b) the licence information form provided by the licensee to the EPA to assist the EPA in connection with the issuing of this licence.</li> </ul>	<b>Compliant</b>	<p>It was stated that works and activities are being carried out across the operation in accordance with the conditions of the EPL.</p> <p>In addition to requirements specified in the EPL, BHOP also operates under their Mining Operations Plan (MOP) and commitments made in other submitted Environmental Management Plans.</p>	
<p>A4.2 For the purposes of condition A3.1 the licence application includes:</p> <ul style="list-style-type: none"> <li>1) The Project Approval issued by the Department of Planning and Infrastructure on 31 January 2011;</li> <li>2) The Project Approval modification titled "Rasp Mine Mod 1" issued by the Department of Planning and Infrastructure issued on 16 March 2012;</li> <li>3) The Environmental Assessment titled "Final Report - Rasp Mine" dated July 2010;</li> <li>4) The Environmental Assessment titled "Rasp Mine - Preferred Project Report" dated September 2010;</li> <li>5) The Broken Hill Operations Pty Ltd Rasp Mine "Noise and Blast Management Plan" submitted to the EPA on the 14 October 2011.</li> <li>6) The Environmental Assessment titled "Rasp Mine - Relocation of Ventilation Shaft" dated November 2011;</li> <li>7) The Broken Hill Operations Pty Ltd Rasp Mine "Air Quality Management Plan" submitted</li> </ul>	<b>Compliant Observation</b>	<p>Historically, BHOP has submitted the necessary documents and plans to secure approval for the issuing of EPL No. 12559 by the NSW EPA.</p> <p>The most recent variation of BHOP's EPL was issued by the NSW EPA on 16<sup>th</sup> July 2015 (Notice No. 1532070). These variations in July 2015 essentially only related to existing EPL Conditions U4.1 and M7.1.</p>	<p><b>EPL Observation No. 1</b></p> <p>BHOP could confirm with the NSW EPA if the latest revisions of the management plans listed, need to be defined in Condition A4.2 of the EPL as at 16 July 2015 (i.e. updated with any planned reissue of the EPL during 2016 or thereafter).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP submitted updated air quality management plans to the EPA in June 2012 and has yet to receive a response. The Technical Blasting Management Plan and Ground Control Management Plan were agreed with the EPA as part of PRPs which have now been finalised and removed from the EPL.</b></p> <p><b>BHOP will seek confirmation from the EPA that plans will be updated by the EPA or left defined as currently listed.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
to the EPA in March 2011; 8) The Broken Hill Operations Pty Ltd Rasp Mine "Site Water Management Plan" dated 20 March 2012 and; 9) The Broken Hill Operations Pty Ltd Rasp Mine "Construction and Operations Manual for Tailing Storage in Blackwood Pit" submitted to the EPA in April 2012.			
<b>2 Discharges to Air and Water and Applications to Land</b>			
<b>P1 Location of monitoring/discharge points and areas</b>			
P1.1 The following points referred to in the table below are identified in this licence for the purposes of monitoring and/or the setting of limits for the emission of pollutants to the air from the point. (The "Air" Table is printed in the EPL.)	<b>Compliant</b>	BHOP can demonstrate that it undertakes dust monitoring (i.e. stack testing, dust deposition and/or TEOM monitoring) at the monitoring points defined in EPL Condition P1.1 Table "Air".  The exception includes the requirement to undertake dust monitoring (and incorrectly defined "blast" monitoring) at EPA Identification No. 56, which is expected to be removed with the proposed 2016 revision of the EPL.	
P1.2 The following utilisation areas referred to in the table below are identified in this licence for the purposes of the monitoring and/or the setting of limits for any application of solids or liquids to the utilisation area. (The "table below" appears to be the Table for condition P1.3.)	<b>Compliant</b>	Requirements specified in EPL Condition P1.3 Table "Water and Land" are recognised and acknowledged by relevant BHOP personnel.	
P1.3 The following points referred to in the table are identified in this licence for the purposes of the monitoring and/or the setting of limits for discharges of pollutants to water from the point. (The "Water and Land" Table is printed in the EPL.)	<b>Potential Non-compliance Observation</b>	A total of 8 surface water and 18 groundwater samples are required to be collected at 6 monthly intervals within or around the BHOP Rasp Mine.  <b>Potential Non-compliance</b> – BHOP is unable to demonstrate that it undertakes surface water, receiving water and groundwater monitoring at all of the 26 monitoring points defined in EPL Condition P1.3 Table "Water and Land". For example, Section 4.1 of the August 2015 Monthly	<b>EPL Observation No. 2</b>  BHOP is encouraged to include a footnote in relevant sections of its Monthly Environment Data Reports stating why statutory/compliance samples were not collected (i.e. due to the site being dry, inaccessible, unrepresentative conditions, failure of monitoring equipment etc.).  <b>BHOP Response:</b>



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		Environment Report identifies that only 9 of the listed 18 groundwater bores/sampling sites were actually sampled on 24 <sup>th</sup> August 2015. No commentary or information is provided in these Monthly Environment Data Reports stating why the remaining groundwater monitoring sites were not sampled.	<b>BHOP will record a note on the Monthly Environment Data Reports explaining why samples could not be undertaken.</b> <b><u>To be undertaken from March 2016 Environment Report.</u></b>
P1.4 The following points referred to in the table below are identified in this licence for the purposes of monitoring and/or setting of limits for the emission of noise from the point. (The "Noise" Table is printed in the EPL.)	<b>Compliant</b> <b>Observation</b> <b>Observation</b> <b>Observation</b>	The 14 noise monitoring sites referenced in EPL Condition P1.4 Table "Noise" were monitored at quarterly intervals in 2015.	<p><b>EPL Observation No. 3</b> BHOP's Monthly Environment Data Reports do not define the date/month when actual noise surveys are completed. This would be expected to be included for improved context and interpretation of text provided in these monthly reports.</p> <p><b>BHOP Response:</b> <b>BHOP will record data for noise surveys when undertaken.</b> <b><u>To be undertaken from next noise monitoring program proposed May 2016.</u></b></p> <p><b>EPL Observation No. 4</b> The consolidated 2015 BHOP Noise Survey Assessment Report by EMM had not been uploaded onto BHOP's website as of mid-February 2016.</p> <p><b>BHOP Response:</b> <b>BHOP uploaded the Noise Survey on its website on 22/3/2016</b> <b><u>No action to be taken.</u></b></p> <p><b>EPL Observation No. 5</b> Only the November 2014 and May 2015 BHOP Noise Survey reports have been uploaded for availability to external stakeholders (when four noise surveys were actually completed since November 2014).</p> <p><b>BHOP Response:</b> <b>BHOP uploaded all 4 Noise Surveys, including the final report, on its website on 22/3/2016</b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p><b><u>No action to be taken.</u></b></p> <p><b>EPL Observation No. 6</b>                      With the proposed 2016 revision of the EPL, BHOP's new meteorological station needs to be referenced in EPL Condition P1.4 Table "Noise" for monitoring point No. 55. This will ensure that no confusion exists between the a) on-site meteorological station, and b) Bureau of Metrology meteorological station located at the Broken Hill Airport.</p> <p><b>BHOP Response:</b>  <b>BHOP will ensure point 55 is more clearly defined in the EPL as the onsite weather station. This will be revisited during next licence variation.</b>  <b><u>To be completed: 31 August 2016</u></b></p>
<b>3 Limit Conditions</b>			
<b>L1 Pollution of Waters</b>			
L1.1 Except as may be expressly provided in any other condition of this licence, the licensee must comply with section 120 of the Protection of the Environment Operations Act 1997.	<b>Compliant</b>	Relevant BHOP personnel were aware that it is an offence under section 120 of the Protection of the Environment Operations Act 1997 to pollute waters, unless the pollution was regulated by a licence or regulation which was fully complied with.	
<b>L2 Concentration Limits</b>			
L2.1 For each monitoring/discharge point or utilisation area specified in the table\ below (by a point number), the concentration of a pollutant discharged at that point, or applied to that area, must not exceed the concentration limits specified for that pollutant in the table. (The "table below" appears to be the Table for condition P2.2.)	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 3 and 4.	
L2.2 Air Concentration Limits (The Table in this condition is printed in the EPL.)	<b>Compliant</b>		

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
L2.3 To avoid any doubt, this condition does not authorise the pollution of waters by any pollutant other than those specified in the table\	<b>Compliant</b>	Relevant BHOP personnel were aware that the operation is not authorised to pollute waters by any pollutant other than those specified in the table\ of EPL Condition L2.2.	
<b>L3 Waste</b>			
L3.1 The licensee must not cause, permit or allow any waste generated outside the premises to be received at the premises for storage, treatment, processing, reprocessing or disposal or any waste generated at the premises to be disposed of at the premises, except as expressly permitted by the licence.	<b>Compliant</b>	Relevant BHOP personnel were aware that BHOP is not authorised to accept any externally generated waste, for disposal in any location within the mining lease.  The EPL does not currently permit any exception to the requirements of this Condition.	
<b>L4 Noise limits</b>			
L4.1 Operational activities associated with the project are permitted to occur at any time, subject to compliance with the noise limits specified at condition L4.2 and subject to the following restrictions:  a) Shunting of the concentrate wagons must only occur between 7.00am and 6.00pm on any day; and  b) Production rock blasting must only occur between 6.45am and 7.15pm on any day.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Condition 17.	
L4.2 Noise from the Rasp Mine premises must not exceed the limits presented in the table below at the monitoring locations listed in column 1.  (The Table in this condition is printed in the EPL.)	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3 Condition 17.	
L4.3 Noise from the premises is to be measured at the most affected point within the boundary of the nominated premises, or at the most affected point within 30 metres of a dwelling where the dwelling is more than 30 metres from the boundary, to determine compliance with the noise level limits in Condition L4.2 unless otherwise stated.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3 Condition 17.	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
Where it can be demonstrated that direct measurement of noise from the premises is impractical, the EPA may accept alternative means of determining compliance. See Chapter 11 of the NSW Industrial Noise Policy. The modification factors presented in Section 4 of the NSW Industrial Noise Policy shall also be applied to the measured noise levels where applicable.			
<p>L4.4 The noise limits set out in the Noise Limits table apply under all meteorological conditions except for the following:</p> <p>a) Wind speeds greater than 3 metres/second at 10 metres above ground level; or</p> <p>b) Stability category F temperature inversion conditions and wind speeds greater than 2 metres/second at 10 metres above ground level; or</p> <p>c) Stability category G temperature inversion conditions.</p> <p>For the purposes of this condition:</p> <p>a) Data recorded by the meteorological station identified as EPA Identification Point(s) 55 must be used to determine meteorological conditions; and</p> <p>b) Temperature inversion conditions (stability category) are to be determined by the sigma-theta method referred to in Part E4 of Appendix E to the NSW Industrial Noise Policy.</p>	<b>Compliant</b>	The requirements of this condition, relating to meteorological conditions during ambient noise monitoring, are acknowledged and known by BHOP's external noise monitoring consultant and BHOP's Environment/Community Liaison Officer.	
<b>L5 Blasting</b>			
<p>L5.1 The overpressure sound level and ground vibration peak particle velocity from blasting operations carried out in or on the premises, excluding Block 7, for the period 7am to 7pm must not exceed the limits in the table below unless expressly provided by a condition of this licence.</p> <p>(The Table in this condition and the Note to that</p>	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 18, 19 and 19A.	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
Table are printed in the EPL.)			
<p>L5.2 The overpressure sound level and ground vibration peak particle velocity from blasting operations carried out in or on the premises at Block 7 for the period 7am to 7pm must not exceed the limits in the table below unless expressly provided by a condition of this licence.</p> <p>(The Table in this condition and the Note to that Table are printed in the EPL.)</p>	<b>Non-compliance (historical)</b>	<p><b>Non-compliance (historical)</b> – See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 18, 19 and 19A.</p> <p><b>From PA Schedule 3 Condition 18</b></p> <p><i>“Reportable Exceedances</i></p> <p><i>Ground vibration limits in both the Main Lode and Western Lode were compliant in 2015 against the limit of 5 mm/s defined in Table 8 – Blasting Criteria (excluding Block 7).</i></p> <p><i>It was stated that the new Block 7 Zinc Lode is shallower than the Main Lode and Western Lode, resulting in higher levels of vibration being detected.</i></p> <p><i>The upper ceiling ground vibration limit (inclusive of Block 7) defined in Table 9 is 10 mm/sec. BHOP are allowed exceedances of 3 mm/sec for 5% of the total number of blasts over the 12 month annual reporting period. For the 11 month period between April 2016 and end February 2016, the ground vibration limit of 3 mm/sec was only exceeded on 8 occasions from the 478 development and production blasts that occurred during this period (i.e. only 1.67% of the total number of blasts).”</i></p>	<p><b>BHOP Response:</b></p> <p><b>In relation to Condition 18:</b></p> <p><b>The section from Condition 18 is inserted in the left column – there have not been any non-compliances in relation to blasting over the time period for this audit.</b></p> <p><b>In relation to Condition 19:</b></p> <p><b>Auditors have listed this item as “Not Applicable at the Time of Audit”.</b></p> <p><b>In relation to condition 19A:</b></p> <p><b>Auditors have listed this item as “Compliant”.</b></p> <p><b>There is no “Non-compliance (historical)” listed in this Report.</b></p> <p><b><u>No action to be taken.</u></b></p>
<p>L5.3 The licensee may carry out a maximum of:</p> <p>a) 1 production blast each day and 6 production blasts each week, averaged over a calendar year; and</p> <p>b) 6 development blasts each day and 42 development blasts each week, averaged over a calendar year.</p>	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 18, 19 and 19A.	
<p>L5.4 The overpressure level from blasting operations at the premises must not exceed 105dB (Lin Peak) for the period 7pm to 10pm at any noise sensitive location:</p> <p>Error margins associated with any monitoring equipment used to measure this are not to be taken into account in determining whether or</p>	<b>Compliant Observation</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 18, 19 and 19A.	<p><b>EPL Observation No. 7</b></p> <p>The relationship between the relevant conditions (L5.1 table, L5.2 table, L5.4 and L5.5) is unclear. The tables refer to residence on privately owned land but conditions L5.4 and L5.5 refer to a noise sensitive place.</p> <p><b>BHOP Response:</b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
not the limit has been exceeded.			Definition of a noise sensitive place is outlined in L5.6 defined as “any point within 1 metre of any noise sensitive location including residential premises, school, hospital or any blasting monitoring location specified in this licence” <u>No action required</u>
L5.5 The overpressure level from blasting operations at the premises must not exceed 95dB (Lin Peak) for the period 10pm to 7am at any noise sensitive locations.  Error margins associated with any monitoring equipment used to measure this are not to be taken into account in determining whether or not the limit has been exceeded.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 18, 19 and 19A.	
L5.6 Conditions L5.1, L5.2, L5.3, L5.4 and L5.5 apply at any point within 1 metre of any noise sensitive location including residential premises, school, hospital or any blasting monitoring location specified in this licence.	<b>Compliant</b>	The requirements of this condition relating to noise sensitive locations are acknowledged and known by BHOP’s external noise monitoring consultant and BHOP’s Environment/Community Liaison Officer.	
<b>L6 Potentially offensive odour</b>			
L6.1 No condition of this licence identifies a potentially offensive odour for the purposes of section 129 of the Protection of the Environment Operations Act 1997.  Note: Section 129 of the Protection of the Environment Operations Act 1997, provides that the licensee must not cause or permit the emission of any offensive odour from the premises but provides a defence if the emission is identified in the relevant environment protection licence as a potentially offensive odour and the odour was emitted in accordance with the conditions of a licence directed at minimising odour.	<b>Compliant</b>	It was stated that that no external complaints relating to odours have been received by either the NSW EPA or BHOP from the community or other external stakeholders.  It was stated that the only potential source of adverse odours would emanate from the use of xanthate flotation chemicals within the mill. The risk of this becoming an issue of concern to the community is considered to be minimal.	
<b>L7 Other limit conditions</b>			
L7.1 All storm water and other surface water holding ponds identified in the Site Water Management Plan must be designed, constructed and	<b>Potential Minor Non-compliance</b>	<b>Potential Minor Non-compliance</b> – There was no evidence that the storm water and other surface water holding ponds identified in the Site Water	<b>EPL Observation No. 8</b>  An ARI of 1:100 year should not apply to the S49 Dam as it has only been designed and constructed to

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
maintained to accommodate the stormwater runoff generated in a 100 year (24 hour) Average Recurrence Interval rain event.	<b>Observation</b> <b>Observation</b> <b>Observation</b>	Management Plan meet the requirements of this condition, relating to accommodating stormwater runoff generated in a 100 year (24 hour) Average Recurrence Interval rain event.	<p>1:20 year rainfall event over 24 hours.</p> <p><b>BHOP Response:</b>  A previous PRP required installation of a liner and ongoing management of the water storage including pumping out of the dam during high rainfall events. A long term solution for ongoing water management will be investigated closer to mine closure this is outlined in the current Mine Operations Plan.  <u>No further action</u></p> <p><b>EPL Observation No. 9</b>  BHOP could confirm the capacity of all dams listed in the Site Water Management Plan to verify they meet the required 1 in 100 year ARI.</p> <p><b>BHOP Response:</b>  BHOP will undertake an aerial survey in 2016. Capacities of water storage areas on site will be confirmed in line with the Site Water Management Plan in 2017.  <u>To be completed by: 31 December 2017</u></p> <p><b>EPL Observation No. 10</b>  This condition requires a 1:100 year ARI to be met for surface water holding ponds, but Condition U1.2 states that a 1:20 rainfall event over 24 hours is to be met for the S49 Dam near Ryan Street.</p> <p><b>BHOP Response:</b>  This is a reference to a Pollution Reduction Program which has now been completed and is no longer on the EPL removed 18/3/16.  <u>No action to be taken.</u></p>
L7.2 The water storage ponds listed below must have the base and wall artificially lined with an	<b>Compliant</b>	BHOP's Mine Settlement Pond, Plant Event Pond and the Overflow Event Pond have the base and wall artificially lined with an impermeable high density	



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
impermeable high density polyethylene liner: 1) "Mine Settlement Ponds" and "Backfill Plant Sediment Pond" identified in Figure 3 of the Rasp Mine Site Water Management Plan. 2) "Plant Event Pond" and the "Overflow Event Pond" identified in Figure 4 of the Rasp Mine Site Water Management Plan.		polyethylene liner. The Backfill Plant Sediment pond referenced in the EPL does not yet exist (this pond has not yet been constructed).	
<b>4 Operating Conditions</b>			
<b>O1 Activities must be carried out in a competent manner</b>			
O1.1 Licensed activities must be carried out in a competent manner. This includes: a) the processing, handling, movement and storage of materials and substances used to carry out the activity; and b) the treatment, storage, processing, reprocessing, transport and disposal of waste generated by the activity.	<b>Compliant Observation</b>	It was stated that minimal environmental incidents (i.e. uncontrolled events) have occurred since the project was commissioned in 2012. This indicates that personnel employed, whose role involves potential or actual environmental risk, have been competent in their work roles to date. Environmental training provided to BHOP employees is limited to the environmental content and information provided within the induction. It was stated that no additional training has been provided to BHOP personnel relating to the conditions of the EPL, apart from the brief content within the BHOP surface induction. BHOP's Rasp Mine employs both a surface trainer and an underground trainer.	<b>EPL Observation No. 11</b> BHOP's Environment/Community Liaison Officer could ensure that relevant EPL criteria and conditions are incorporated into relevant SOPs (which typically occurs at mining operations that have formally implemented an EMS and/or secured third-party ISO14001 certification). <b>BHOP Response:</b> <b>BHOP will summarise, as appropriate relevant EPL criteria and conditions in work instructions and procedures when they are reviewed.</b> <b>BHOP will update the document control system to require this.</b> <b><u>To be completed by: 31 October 2016</u></b>
<b>O2 Maintenance of plant and equipment</b>			
O2.1 All plant and equipment installed at the premises or used in connection with the licensed activity: a) must be maintained in a proper and efficient condition; and b) must be operated in a proper and efficient manner.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 2, Condition 10.	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>O3 Dust</b>			
O3.1 All operations and activities occurring at the premises must be carried out in a manner that will minimise the emission of dust from the premises.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Conditions 8 and 9.	
O3.2 Ore trucks entering and leaving the premises that are carrying loads must be covered at all times, except during loading and unloading.	<b>Not Applicable at Time of Audit</b>	Ore trucks are not authorised to enter or leave the Rasp Mine site. No road transport of ore occurs to any external processing plant.	
O3.3 Visible dust emissions from any tailings storage facility must be immediately suppressed by water or chemical application.	<b>Potential Minor Non-compliance</b>	<p>A single point spigot is used for in-pit tailings disposal, resulting in tailings beaching at one end of the pit.</p> <p>Generally, no dust is observed from the surface of the TSF due to the application of robust operating practices relating to the use of spigots.</p> <p>It was stated that some fugitive dust could be generated during periods of plant shutdown (up to a week), but if dust was observed during these periods this could be potentially addressed by pumping water through the existing spigot(s).</p> <p>In addition, the current level of the tailings in the pit suggests that fugitive dust is not likely to be generated by wind shear. This is expected to increase with the additional height of the surface of the tailings dam in future years. Currently, tailings are being deposited up to 30 metres below surface of the in-pit tailings.</p> <p><b>Potential Minor Non-compliance</b> – BHOP is unable to “immediately” suppress dust from the TSF, as no practical means exists to achieve this timeframe (i.e. to immediately wet deposited tailings at the Rasp mine over an area of approximately 8.4 hectares).</p>	<p><b>BHOP Response:</b></p> <p><b>BHOP are currently utilising TSF2 (Blackwood Pit), using tailings to in-fill an old pit. Tailings are deposited from the south and naturally migrate to the north of the TSF maintaining moist conditions across the surface.</b></p> <p><b>BHOP is aware that as the tailings rise there will be a need to address the potential for dust generated by wind take-up across the tailings storage area and beach. BHOP has commenced a review of the possible control measures that may be implemented. It is anticipated these measures may be required in 2017/18.</b></p> <p><b><u>To be completed by 31 December 2016</u></b></p>
O3.4 Crushing of extracted material must only occur inside the crusher enclosure.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Condition 7.	
O3.5 The crusher enclosure must be designed to operate under negative pressure at all times.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Condition 7.	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
O3.6 The crusher enclosure and associated emission controls must be constructed and operated in such a manner, as to ensure visible fugitive emissions from the enclosure are minimised.	<b>Compliant</b>	See supporting evidence/comments in relation to Project Approval Schedule 2, Condition 10 and Schedule 3, Condition 7.	
O3.7 The Air Quality Management Plan must include dust management practices that effectively minimise dust emissions at all times, including all mitigation measures discussed in the Environmental Assessment titled "RASP Mine Zinc-Lead-Silver Project Environmental Assessment Report, July 2010" and additional measures proposed in the document titled "RASP Mine Zinc-Lead-Silver Project Preferred Project Report Report September 2010".	<b>Compliant Observation</b>	See supporting evidence/comments in relation to Project Approval Schedule 3, Condition 11.  In addition to BHOP's Air Quality Management Plan, a BHOP Dust Management Procedure exists and is available on the BHOP Intranet.	<b>EPL Observation No. 12</b>  Two different versions of BHOP's Air Quality Management Plan currently, with the 2012 version available on CBH website and the latest 2016 version is available on the BHOP Intranet (but not effectively document controlled).  <b>BHOP Response:</b> <b>BHOP will post the 2016 version of the AQMP on the website and remove the old version.</b> <b><u>To be completed by: 30 April 2016</u></b>
<b>O4 Processes and management</b>			
O4.1 All surface water storage ponds must be maintained to ensure that sedimentation does not reduce their capacity by more than 10% of the design capacity.	<b>Potential Minor Non-compliance Observation</b>	Markers were installed in 2012 within some unlined undesignated water depressions around the operation where water and sediment accumulate after heavy rainfall.  To date, no markers (or any other form of measurement) have been installed on existing engineered surface water storage ponds to determine if any of these ponds have had their capacity reduced by more than 10% of design capacity.  The Mine Settlement Ponds (S22), Overflow Event Pond and Plant Event Pond are referenced in EPL Condition L7.2. The Backfill Plant Sediment Pond referenced in Condition L7.2 has not yet been constructed.  It was stated that the settled sediment from S22 was removed in early January 2016. It was stated that a visual observation identified that this pond was becoming full of sediment which required removal.  <b>Potential Minor Non-compliance –</b> No formal process has been established to determine if	<b>EPL Observation No. 13</b>  If feasible, graduated marker(s) could be installed within designated surface water storage ponds to determine reductions in storage capacity.  <b>BHOP Response:</b> <b>BHOP will continue to install markers in all water storage ponds and will progress this to the remaining ponds. Markers will indicate levels for sediment removal and water removal to maintain their required capacity.</b> <b><u>To be completed by: 31 December 2016</u></b>  <b>EPL Observation No. 14</b>  This condition does not refer to 'constructed' ponds and is not limited to those ponds identified in EPL Condition L7.2. It is uncertain whether this condition includes the existing depressions on the Rasp Mine site that can hold water after a rain event.  <b>BHOP Response:</b>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		sedimentation of designated surface water storage ponds has been reduced by more than 10% of the design capacity.	<b>The condition does not refer to the constructed ponds as these are used for processing purposes and not for the collection of stormwater runoff.</b> <b><u>No action to be taken.</u></b>
<b>5 Monitoring and Recording Conditions</b>			
<b>M1 Monitoring Records</b>			
M1.1 The results of any monitoring required to be conducted by this licence or a load calculation protocol must be recorded and retained as set out in this condition.	<b>Compliant</b>	BHOP's environmental monitoring data is in multiple forms inclusive of: a) external consultant reports; b) site spreadsheets; c) cloud based Google forms; d) monthly management reports (for uploading to the web); and e) laboratory reports.  BHOP's NPI is completed annually by BHOP's Environment/Community Liaison Officer. The NGGREs is reported and completed by an external consultant for CBH.	
M1.2 All records required to be kept by this licence must be: a) in a legible form, or in a form that can readily be reduced to a legible form; b) kept for at least 4 years after the monitoring or event to which they relate took place; and c) produced in a legible form to any authorised officer of the EPA who asks to see them.	<b>Potential Minor Non-compliance Observation</b>	It was stated that all data records are backed up on the server and can't be lost.  There was an eight month gap between the former Environment/Community Liaison Officer and the current employee; mainly in the first 3 quarters of 2014.  Data since September 2014 has been held in an acceptable format.  <b>Potential Minor Non-compliance</b> – Relevant environmental records generated prior to September 2014 are not readily located or retrievable within BHOP's existing records databases, partly because these have not been collated or scanned into an electronic format.	<b>EPL Observation No. 15</b>  BHOP may need to investigate how to better collate and identify environmental monitoring data and related records for 2007-2012 to ensure that these records are held in an acceptable format (for showing to an authorised officer of the EPA).  <b>BHOP Response:</b>  <b>Results of environmental monitoring are currently found on the BHOP 'wdrive'. It will be collated, labelled correctly and placed in its own folder in the environment section.</b>  <b><u>To be completed by: 31 October 2016</u></b>
M1.3 The following records must be kept in respect of any samples required to be collected for the purposes of this licence: a) the date(s) on which the sample was taken; b) the time(s) at which the sample was collected;	<b>Compliant Observation Observation Observation Observation</b>	Hard copy field sheets are utilised by internal environmental personnel when collecting environmental/water samples across the operation.  Field sheets from pre-2014 environmental monitoring programs are held in a filing cabinet in the site Environment/Community Liaison Officer's office.	<b>EPL Observation No. 16</b>  BHOP should consider methods to collate original environmental baseline data as well as possible.  <b>BHOP Response:</b>  <b>BHOP will review filing of original environmental</b>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
c) the point at which the sample was taken; and d) the name of the person who collected the sample.	<b>Observation</b>	Relevant ALS Chain of Custody forms are also retained.	<p><b>data and how best to maintain these records.</b>  <b><u>To be completed by: 30 November 2016</u></b></p> <p><b>EPL Observation No. 17</b>  Field sheets from ambient air and noise monitoring from 2014 are still being taken into the field. These need to be retained in hard-copy or scanned to prevent their deterioration or loss.  <b>BHOP Response:</b>  <b>These forms are now retained in a filing cabinet in the HSE office.</b>  <b><u>No further action.</u></b></p> <p><b>EPL Observation No. 18</b>  BHOP are encouraged to document control their field sampling forms to enable obsolete forms to be readily identified and prevented from use.  <b>BHOP Response:</b>  <b>Obsolete forms are deleted off the intranet when reviewed/renewed.</b>  <b><u>No further action.</u></b></p> <p><b>EPL Observation No. 19</b>  For improved records retention, BHOP could locate and scan all completed field monitoring forms (historical and current).  <b>BHOP Response:</b>  <b>All field monitoring forms are kept in Enviro filing cabinet.</b>  <b><u>No further action.</u></b></p>


ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p><b>EPL Observation No. 20</b></p> <p>If needed, a suitable Google Form could be used in the field on a tablet and the information uploaded/retained.</p> <p><b>BHOP Response:</b></p> <p>Google forms are already available in the field via tablet.</p> <p><u>No further action.</u></p>
<b>M2 Requirement to monitor concentration of pollutants discharged</b>			
<p>M2.1 For each monitoring/discharge point or utilisation area specified below (by a point number), the licensee must monitor (by sampling and obtaining results by analysis) the concentration of each pollutant specified in Column 1. The licensee must use the sampling method, units of measure, and sample at the frequency, specified opposite in the other columns:</p>	<p><b>Potential Minor Non-compliance Observation</b></p>	<p>To date, no external environmental monitoring audits have been completed to date to confirm that sampling practices meet acceptable industry practices.</p> <p>Information relating to groundwater monitoring has been included within Section 10 of the BHOP Site Water Management Plan. This content does not describe required field practices for monitoring personnel that are responsible for collecting quarterly groundwater samples.</p> <p>BHOP maintains a high quality 10 page field procedure for the completion of HiVol air sampling (October 2015).</p> <p>In addition, a high quality 5 page meteorological monitoring procedure has also been developed for use. BHOP's on-site meteorological station is hosted, serviced and maintained by an external service provider.</p> <p>Meteorological data is able to be provided in a dashboard format/read out to provide relevant data to determine whether noise monitoring surveys are able to proceed. Temperature on site is measured at both</p>	<p><b>EPL Observation No. 21</b></p> <p>BHOP needs to obtain details of the original AM19 and AM11, AM18 and AM22 test methods as source reference material.</p> <p><b>BHOP Response:</b></p> <p>Copies of these test methods have now been purchased and are filed in the Environment Area.</p> <p><u>No further action to be taken.</u></p> <p><b>EPL Observation No. 22</b></p> <p>Not all existing environmental sampling methods (e.g. for quarterly groundwater monitoring) have been documented in existing BHOP procedures to ensure that consistent sampling methods are utilised at all times to enable representative samples to be collected.</p> <p><b>BHOP Response:</b></p> <p>BHOP has employed a trained and competent</p>


ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>1.5 m and 10 m to assist in determining if a temperature inversion layer exists at any point in time.</p> <p>There was evidence that the sampling methods defined within air monitoring requirements specified in Section M2.3 in the EPL are the same methods specified by BHOP's air quality consultant in its quarterly reports.</p>	<p>person to undertake sampling of environmental parameters. However, procedures for sampling methods for ground water and surface water will be completed.</p> <p><b><u>To be completed by: 31 October 2016</u></b></p>
M2.2 Water and/ or Land Monitoring Requirements (The Table in this condition is printed in the EPL.)	<b>Minor Non-compliance (historical) Observation</b>	<p><b>Minor Non-compliance (historical) –</b> Non-compliances have been noted in BHOP's Annual Returns during the last three years. For example, in BHOP's 2015 Annual Return (Section C2 – Details of Non-Compliance with Licence), there was a lack of monitoring data at various monitoring points.</p>	<p><b>EPL Observation No. 23</b> It is unclear why the alkalinity of all collected groundwater samples = 1 mg/L (as reported in the 2015 Annual Return).</p> <p><b>BHOP Response:</b> The current Excel spreadsheet won't recognise the less than symbol (&lt;). Were alkalinity samples are below limits of reporting which is &lt;1mg/L these samples are reported as 1mg/L. This can be cross referenced with the available raw data.</p> <p><b><u>No further action.</u></b></p>
M2.3 Air Monitoring Requirements (The Table in this condition is printed in the EPL)	<b>Minor Non-compliance (historical)</b>	<b>Minor Non-compliance (historical)</b> - As per EPL Condition M2.2 in this audit report.	<p><b>BHOP Response:</b> <b>As recorded at Condition M2.2, EPL Observation No 23.</b></p>
M2.4 For the purposes of the table(s) above Special Frequency 2 means the collection of two samples a year six months apart.	<b>Compliant</b>	The meaning of Special Frequency 2 is understood by BHOP's Environment/Community Liaison Officer.	
M3 Testing methods – concentration limits			
M3.1 Monitoring for the concentration of a pollutant emitted to the air required to be conducted by this licence must be done in accordance with: a) any methodology which is required by or under the Act to be used for the testing of the concentration of the pollutant; or	<b>Compliant</b>	<p>It was stated that On Site Laboratory Services in Broken Hill (Lot 30 Kanandah Place, Broken Hill, NSW, 2880) was being used for depositional dust and HiVol sample analysis from May 2007 to November 2014.</p> <p>On Site Laboratory Services in Broken Hill only has</p>	






ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>b) if no such requirement is imposed by or under the Act, any methodology which a condition of this licence requires to be used for that testing; or</p> <p>c) if no such requirement is imposed by or under the Act or by a condition of this licence, any methodology approved in writing by the EPA for the purposes of that testing prior to the testing taking place.</p> <p><b>Note:</b> The Protection of the Environment Operations (Clean Air) Regulation 2010 requires testing for certain purposes to be conducted in accordance with test methods contained in the publication "Approved Methods for the Sampling and Analysis of Air Pollutants in NSW".</p>		<p>recently secured ISO9001 quality certification, not the more relevant and applicable ISO17025 laboratory quality certification granted by NATA.</p> <p>Neither ISO9001 nor ISO17025 certification was held by this laboratory when it was used for the analysis of BHOP dust samples between 2007 and 2014.</p> <p>BHOP elected to change its service provider to Australian Laboratory Services (ALS) after 26<sup>th</sup> November 2014.</p>	
<p>M3.2 Analysis of heavy metals in air samples required by this licence must be done in accordance with:</p> <p>(a) APHA 3030 for the preparation of the sample; and</p> <p>(b) APHA 3111B for the measurement of lead.</p>	<b>Compliant Observation</b>	<p>There was evidence that BHOP's external air monitoring consultant AMG is providing BHOP with the original Envirolab Services analytical reports to confirm compliance with this Condition. Envirolab Services (Chatswood NSW laboratory) retains NATA Accreditation No. 2901 for compliance with ISO/IEC 17025.</p>	<p><b>EPL Observation No. 24</b></p> <p>BHOP should request that the original Envirolab Services analytical reports be included as an appendix with the quarterly reports provided by stack testing consultants, AMG.</p> <p><b>BHOP Response:</b></p> <p><b>Original lab reports have been requested and are now made available in the monitoring database.</b></p> <p><b><u>No further action.</u></b></p>
<p>M3.3 Subject to any express provision to the contrary in this licence, monitoring for the concentration of a pollutant discharged to waters or applied to a utilisation area must be done in accordance with the Approved Methods Publication unless another method has been approved by the EPA in writing before any tests are conducted.</p>	<b>Compliant</b>	<p>No requests have been made by BHOP to the NSW EPA for alternate methods to be used.</p>	
M4 Weather monitoring			
<p>M4.1 At the point(s) indentified below, the licensee must monitor (by sampling and obtaining results by analysis) the parameters specified in Column 1 of the table below, using the</p>	<b>Compliant</b>	<p>It was stated that in mid-2015, BHOP purchased a new weather station. The new weather station incorporates a Vaisala solid state rainfall sensor.</p> <p>A previous weather station had been installed and</p>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
corresponding sampling method, units of measure, averaging period and sampling frequency, specified opposite in the Columns 2, 3, 4 and 5 respectively. (The Table in this condition is printed in the EPL.)		maintained by BHOP in the same location. The BOM meteorological station is located 2.5 km from the BHOP facility (at the Broken Hill Airport). The BOM weather station has been collecting data since 1950 (which is available to BHOP as needed for long term trend analysis).	
<b>M5 Recording of pollution complaints</b>			
M5.1 The licensee must keep a legible record of all complaints made to the licensee or any employee or agent of the licensee in relation to pollution arising from any activity to which this licence applies.	<b>Compliant Observation</b>	Since 9 <sup>th</sup> November 2012, there was evidence that BHOP has maintained a legible record of all complaints made to the licensee or any employee.	<p><b>EPL Observation No. 25</b></p> <p>This condition requires the recording of all complaints made to BHOP or any employee or agent of BHOP in relation to pollution arising from any activity to which the EPL applies, even if those complaints turn out to be vexatious, frivolous or trivial.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP have maintained a complaints register since it commenced decline development in 2007. At that time complaints were handwritten in a red ledger. This ledger has been misplaced and efforts to locate it have been unsuccessful. BHOP now record complaints on line.</b></p> <p><b><u>No action to be taken.</u></b></p>
M5.2 The record must include details of the following: a) the date and time of the complaint; b) the method by which the complaint was made; c) any personal details of the complainant which were provided by the complainant or, if no such details were provided, a note to that effect; d) the nature of the complaint; e) the action taken by the licensee in relation to the complaint, including any follow-up contact with the complainant; and f) if no action was taken by the licensee, the reasons why no action was taken.	<b>Compliant Observation</b>	<p>All external complaints received by BHOP are logged into a Google form "and are held on a register titled "Environmental Issue Complaints Form (Responses)".</p> <p>This complaints form includes the requirements of this condition.</p> <p>It was stated that the majority of external complaints received by BHOP are received by phone or email.</p> <p>All external complaints received during 2015 related to blast vibration at sensitive receptors (i.e. some received as direct complaints to BHOP with the others received via the NSW EPA).</p> <p>No external complaints were received directly by the BHOP front office in 2015 that required the Emergency Services Officer (ESO) to complete the</p>	<p><b>EPL Observation No. 26</b></p> <p>BHOP would benefit in assigning a reference number to each individual complaint for ease of referencing, communication and close-out.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will incorporate complaints into the INX system to track their completion. INX will automatically assign a unique number which will be used as the reference.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>available form.</p>  <p><b>Photo 32 – Availability of the BHOP Compliant Form in hard copy for completion by the ESO</b></p>	
M5.3 The record of a complaint must be kept for at least 4 years after the complaint was made.	<b>Minor Non-compliance (historical) Observation</b>	<p>BHOP's earliest record of having received an external complaint was observed to be 9<sup>th</sup> November 2012. Prior to 9<sup>th</sup> November 2012 the summary of complaints on the BHOP website only graphs the complaints that were received, and does not actually hold information about the complaint.</p> <p><b>Minor Non-compliance (historical) –</b> No records of external complaints were held by BHOP for the period 1/1/12 to 9/11/12 (indicating that complaints have only been held for a period of 3.25 years and not the full 4 years, as required by this condition).</p>	<p><b>EPL Observation No. 27</b></p> <p>Date-stamping of complaints in the register titled "Environmental Issue Complaints Form (Responses)" only identifies when the complaint was entered, not the actual date of the complaint (which has to be entered as text). BHOP would be expected to separately record the actual date of the complaint.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will address this issue when incorporating complaints into the INX system (refer Condition M5.2, EPL Observation 26).</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p>
M5.4 The record must be produced to any authorised officer of the EPA who asks to see them.	<b>Compliant Observation Observation</b>	<p>The Environmental Issue Complaints Form (Responses) is available to any authorised officer of the NSW EPA who requests to view it. It was stated that no requests have been made to date from the NSW EPA.</p> <p>BHOP maintains an Environmental Issue Complaints procedure (dated 10<sup>th</sup> March 2015).</p> <p>BHOP also maintains a Community Dispute Resolution procedure (dated 3<sup>rd</sup> December 2015).</p>	<p><b>EPL Observation No. 28</b></p> <p>BHOP could consider merging the Environmental Issue Complaints procedures and the Community Dispute Resolution procedure.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will review these procedures and merge into one document.</b></p> <p><b><u>To be completed by: 30 June 2016</u></b></p> <p><b>EPL Observation No. 29</b></p> <p>INX InControl is not being used by BHOP for complaints management and should not be</p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p>referenced in the Environmental Issue Complaints procedure (dated 10<sup>th</sup> March 2015).</p> <p><b>BHOP Response:</b></p> <p>BHOP will incorporate complaints management into the INX system and will take this into account when reviewing complaints procedures. (Also refer EPL Observations 26 and 28.)</p> <p><b><u>To be completed by: 30 June 2016</u></b></p>
<b>M6 Telephone complaints line</b>			
M6.1 The licensee must operate during its operating hours a telephone complaints line for the purpose of receiving any complaints from members of the public in relation to activities conducted at the premises or by the vehicle or mobile plant, unless otherwise specified in the licence.	<b>Compliant Observation</b>	<p>BHOP Rasp Mine displays its main phone number and the dedicated complaints number at the front gate of the BHOP Offices in Eyre Street.</p>  <p><b>Photo 33 – Eyre Street site entry signboard showing Complaints telephone number</b></p> <p>A dedicated phone is available in the ESO office solely for the receipt of external complaints. The ESO is responsible for manning the office/central phone 24 hours/day and would receive any after-hours complaint by phone or in person to the office.</p>	<p><b>EPL Observation No. 30</b></p> <p>BHOP could enable transfer of the main 08 8088 9111 number after hours to the ESO (for complaints receipt after hours). This may eliminate the need for the additional number to be available in the local White Pages.</p> <p><b>BHOP Response:</b></p> <p><b>The complaints number is already connected to phone in ESO office, office is manned 24/7.</b></p> <p><b><u>No action required.</u></b></p>
M6.2 The licensee must notify the public of the complaints line telephone number and the fact that it is a complaints line so that the impacted community knows how to make a complaint.	<b>Compliant Observation</b>	<p>The 08 8088 1211 complaints number is currently communicated via a sign board at the Eyre Street site entry gate, and on the CBH website (there may be difficulty in locating this number on the website in a timely manner).</p> <p>The BHOP external complaints number is not currently listed in the local phone book. It was stated that this is planned to be rectified in March 2016.</p>	<p><b>EPL Observation No. 31</b></p> <p>The CBH website could be modified to make the telephone complaints number for the BHOP Rasp Mine more prominent (i.e. reached with fewer pages needing to be opened/accessed).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP has reviewed this option and has</b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p>Photo 34 – Dedicated BHOP Complaints Phone/Line</p>	<p>determined that 3 clicks is satisfactory.  <u>No action to be taken.</u></p>
M6.3 The preceding two conditions do not apply until 3 months after the date of the issue of this licence.	Not Applicable at Time of Audit		
<b>M7 Blasting</b>			
<p>M7.1 To determine compliance with conditions L5.1, L5.2, L5.3, L5.4 and L5.4:</p> <p>(a) Airblast overpressure and ground vibration levels must be measured and electronically recorded for all blasts carried out in or on the premise at the following locations;</p> <p>The blast monitor labelled "V1" in Figure 1 titled "Blast Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan" received by the EPA 29 June 2015 DOC15/238188.</p> <p>The blast monitor labelled "V2" in Figure 1 titled "Blast Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan" received by the EPA 29 June 2015 DOC15/238188.</p> <p>The blast monitor labelled "V3" in Figure 1 titled "Blast Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan"</p>	Compliant	<p>BHOP operates a total of 8 blast monitors, inclusive of:</p> <ul style="list-style-type: none"> <li>a) V1 – V5 Minimate statutory monitors;</li> <li>b) V6 was installed to monitor any potential impact to South Road;</li> <li>c) V7 was purchased as a portable blast monitor that has since been installed in a residence on Argent Street Broken Hill (requested by the EPA to have this installed in early 2015);</li> <li>d) V8 is now utilised by BHOP as the portable monitor for incident or event-based blast monitoring.</li> </ul>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>received by the EPA 29 June 2015 DOC15/238188.</p> <p>The blast monitor labelled "V4" in Figure 1 titled "Blast Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan" received by the EPA 29 June 2015 DOC15/238188.</p> <p>The blast monitor labelled "V5" in Figure 1 titled "Blast Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan" received by the EPA 29 June 2015 DOC15/238188.</p> <p>The specific monitoring locations are subject to the actual blasting locations as described in Table 4 - "Airblast Overpressure and Ground Vibration Monitoring Locations" of Broken Hill Operations Pty Ltd - Rasp Mine - "Blasting Monitoring Program Management Plan" received by the EPA 29 June 2015 DOC15/238188; and</p> <p>(b) Instrumentation used to measure the airblast overpressure and ground vibration levels must meet the requirements of Australian Standards AS 2187.2-2006.</p>		 <p><b>Photo 35 – Example of an installed Minimate Blast Monitor</b></p> <p>BHOP's "Blasting Monitoring Program Management Plan" was received by the NSW EPA on 29<sup>th</sup> June 2015.</p> <p>Instrumentation used to measure the airblast overpressure and ground vibration levels meets the requirements of Australian Standard AS 2187.2-2006, which is defined on the relevant calibration certificates.</p> <p>The date of last calibration of each unit is recorded and this information is used to prompt the planning and scheduling of the next annual calibration.</p>  <p><b>Photo 36 – Example of a Minimate Blast Vibration Monitor Calibration Certificate</b></p>	



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>6 Reporting Conditions</b>			
<b>R1 Annual return documents</b>			
<p>R1.1 The licensee must complete and supply to the EPA an Annual Return in the approved form comprising:</p> <ul style="list-style-type: none"> <li>a) a Statement of Compliance; and</li> <li>b) a Monitoring and Complaints Summary.</li> </ul> <p>At the end of each reporting period, the EPA will provide to the licensee a copy of the form that must be completed and returned to the EPA.</p>	<p><b>Compliant Observation</b></p>	<p>BHOP was able to demonstrate that it has submitted its Annual Return to the NSW EPA in December of each year of operations.</p> <p>The BHOP Annual Returns were observed to be correctly completed on the designated reporting form provided by the NSW EPA.</p>	<p><b>EPL Observation No. 32</b></p> <p>In BHOP's submitted 2015 Annual Return, the operation stated that they "conduct regular site audits to assess relevant legal requirements and assess conformance to the requirements of any documented environmental practices, procedures and systems on a monthly basis".</p> <p>The 2015 Annual Return states that these assessments are conducted by a "third party". There was no evidence during this audit that these monthly external assessments are occurring.</p> <p><b>BHOP Response:</b></p> <p><b>The audit schedule was misreported in the 2015 Annual Return, this has been picked up by the EPA and since amended.</b></p> <p><b><u>No further action required.</u></b></p> <p><b>EPL Observation No. 33</b></p> <p>Whilst BHOP can demonstrate that it maintains a suitable Environmental Management Strategy (last updated in November 2015), there was no evidence that the operation has established and implemented a 2015 or 2016 environmental improvement or management plan (as would be expected within a typical ISO14001 EMS).</p> <p>The exception to this relates to externally regulated improvements that are required to be completed under existing BHOP Pollution Studies and Reduction Programs defined in Section 8 of the EPL.</p> <p><b>BHOP Response:</b></p> <p><b>Environmental improvements are considered in the budgetary process each year however a singularly environment plan is not produced.</b></p>



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p>BHOP will collate budgeted environmental improvement works into a 2016 Plan and will repeat these each year.</p> <p><b><u>To be completed by: 31 December 2016</u></b></p>
R1.2 An Annual Return must be prepared in respect of each reporting period, except as provided below.	<b>Compliant</b>	There has been no deviation in the reporting period since the requirement for Annual Returns was defined in the EPL.	
<p>R1.3 Where this licence is transferred from the licensee to a new licensee:</p> <p>a) the transferring licensee must prepare an Annual Return for the period commencing on the first day of the reporting period and ending on the date the application for the transfer of the licence to the new licensee is granted; and</p> <p>b) the new licensee must prepare an Annual Return for the period commencing on the date the application for the transfer of the licence is granted and ending on the last day of the reporting period.</p>	<b>Not Applicable at Time of Audit</b>	This condition is not applicable until a transfer of the licence occurs.	
<p>R1.4 Where this licence is surrendered by the licensee or revoked by the EPA or Minister, the licensee must prepare an Annual Return in respect of the period commencing on the first day of the reporting period and ending on:</p> <p>a) in relation to the surrender of a licence - the date when notice in writing of approval of the surrender is given; or</p> <p>b) in relation to the revocation of the licence - the date from which notice revoking the licence operates.</p>	<b>Not Applicable at Time of Audit</b>	This condition is not applicable until a transfer of the licence occurs.	
<p>R1.5 The Annual Return for the reporting period must be supplied to the EPA by registered post not later than 60 days after the end of each reporting period or in the case of a transferring licence not later than 60 days after the date the transfer was granted (the 'due date').</p>	<b>Minor Non-compliance</b>	<p>The 2015 Annual Return was signed off by BHOP's Director and Company Secretary on 14<sup>th</sup> December 2015 (45 days after the end of the 2015 reporting period).</p> <p>It was stated that no confirmation receipt of the submitted original hard copy of the 2015 Annual</p>	<p><b>BHOP Response:</b></p> <p><b>The service of Australia Post Express Post utilises a reference number system to locate each posted item and the date and time delivered. It is a quicker service from Broken Hill than registered mail.</b></p>



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>Return was received from the NSW EPA.</p> <p>It was stated that a formal receipt of the Annual Return is provided by the NSW EPA on receipt of the electronic copy of the Annual Return.</p> <p><b>Minor non-compliance</b> – It was stated that Australia Post Express Post is used for the submission of signed original hard copies of the 2015 Annual Return (i.e. not via Registered Post). BHOP is required to use “Registered Post” when submitting the original signed hard copies of the Annual Return (to ensure that a signature of receipt is provided by the NSW EPA and traceable as a record of receipt).</p>	<p><b>BHOP will confirm with the EPA that this is a suitable means of postage.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p>
<b>R1.6 Monitoring report</b>			
<p>The licensee must supply with the Annual Return a report, which provides:</p> <p>a) an analysis and interpretation of monitoring results; and</p> <p>b) actions to correct identified adverse trends.</p>	<p><b>Minor Non-compliance Observation</b></p>	<p>Monthly reporting of environmental monitoring data is provided on the CBH website. Trends and commentary relating to adverse trends is provided in some of these monthly reports as needed (given that any adverse monitoring data trends would be identified by BHOP prior uploading this information onto the CBH website).</p> <p><b>Minor Non-compliance</b> – No a) analysis/ interpretation of monitoring results, and b) actions to correct identified adverse trends were provided with BHOP’s 2015 Annual Return.</p>	<p><b>EPL Observation No. 34</b></p> <p>BHOP should consider cross-referencing the existing monthly reports and/or attach these to future BHOP Annual Returns, to address the condition requirement to provide an a) analysis and interpretation of monitoring results; and b) actions to correct identified adverse trends.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP provides the EPA with an interpretation of monitoring results and any identified control actions each year with the Annual Environment Management Report. EPA representatives also attend site to review this document with site personnel.</b></p> <p><b>BHOP will attach the monthly summary reports to the Annual Return to address this condition.</b></p> <p><b><u>To be completed at the next Annual Return due 31 December 2016.</u></b></p>
<p>R1.7 The licensee must retain a copy of the Annual Return supplied to the EPA for a period of at least 4 years after the Annual Return was due to be supplied to the EPA.</p>	<p><b>Compliant</b></p>	<p>Copies of the 2013, 2014 and 2015 Annual Returns are held electronically on BHOP’s server.</p> <p>It was stated that the historical 2011 and 2012 Annual Returns have not been uploaded onto CBH’s website, but are held electronically on the BHOP server as a</p>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		retrievable record.	
<p>R1.8 Within the Annual Return, the Statement of Compliance must be certified and the Monitoring and Complaints Summary must be signed by:</p> <p>a) the licence holder; or</p> <p>b) by a person approved in writing by the EPA to sign on behalf of the licence holder.</p> <p>Note: The term "reporting period" is defined in the dictionary at the end of this licence. Do not complete the Annual Return until after the end of the reporting period.</p> <p>Note: An application to transfer a licence must be made in the approved form for this purpose.</p>	<b>Compliant</b>	<p>The certification of the 2015 Annual Return (for the period 2<sup>nd</sup> November 2014 to 1<sup>st</sup> November 2015) was completed by both BHOP's Director and BHOP's Company Secretary. This certification was signed and dated on 14<sup>th</sup> December 2015.</p>	
<b>R2 Notification of environmental harm</b>			
<p>R2.1 Notifications must be made by telephoning the Environment Line service on 131 555.</p>	<b>Potential Non-compliance</b>	<p>It was stated that no notifications for the reporting of "environmental harm" to the NSW EPA or other external regulators has occurred in the last 3 years.</p> <p><b>Potential Non-compliance</b> – In the event that an incident occurs that results in actual or potential "environmental harm", BHOP's Environment/Community Liaison Officer stated that he would notify the regional office of the NSW EPA, not the 131 555 Sydney EPA office number.</p>	<p><b>BHOP Response:</b></p> <p><b>BHOP will change its notification system to apply the 131555 in the case of actual or potential environmental harm. BHOP will also continue to notify the local regional officer.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p>
<p>R2.2 The licensee must provide written details of the notification to the EPA within 7 days of the date on which the incident occurred.</p> <p>Note: The licensee or its employees must notify all relevant authorities of incidents causing or threatening material harm to the environment immediately after the person becomes aware of the incident in accordance with the requirements of Part 5.7 of the Act.</p>	<b>Compliant Observation</b>	<p>Apart from external complaints, no incidents have been reported to the NSW EPA in the last 3 years, of the 29 environmental incidents that have been reported internally during this period. It was stated that these 29 incidents were minor incidents that did not result in any off-site discharge/impact.</p>	<p><b>EPL Observation No. 35</b></p> <p>The EPL defines "material harm" (as referred to in this condition) as having the same meaning as in section 147 of the Protection of the Environment Operations Act 1997 and "environment" as having the same meaning as in the Protection of the Environment Operations Act 1997. BHOP should be aware that these definitions in the EPL differ from the definition of "material harm to the environment" in the Project Approval (which is "Actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial") and consider incidents</p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p>in light of both the Project Approval and the EPL. (Also see Project Approval Observation No. 1).</p> <p><b>BHOP response:</b></p> <p><b>BHOP is aware of the differences in the meaning of harm to the environment under the Project Approval and EP Licence, and strives to minimise any harm to the environment. BHOP risk assessment process adopts varying levels of potential environmental impacts from low to high which would address both definitions. All risks are taken into account when assigning control measures.</b></p> <p><b><u>No action at this time.</u></b></p>
<b>R3 Written report</b>			
<p>R3.1 Where an authorised officer of the EPA suspects on reasonable grounds that:</p> <p>a) where this licence applies to premises, an event has occurred at the premises; or</p> <p>b) where this licence applies to vehicles or mobile plant, an event has occurred in connection with the carrying out of the activities authorised by this licence,</p> <p>and the event has caused, is causing or is likely to cause material harm to the environment (whether the harm occurs on or off premises to which the licence applies), the authorised officer may request a written report of the event.</p>	<b>Compliant</b>	<p>No adverse “events” have occurred on the BHOP CML7 lease in the last 3 years where an authorised officer of the EPA has requested a written report relating to any event that has, or is likely to cause, material harm to the environment.</p> <p>The exceptions (not event related) relate to existing Pollution Studies and Reduction Programs that have been included in BHOPs existing Environment Protection Licence. These include:</p> <ul style="list-style-type: none"> <li>• Condition U1 – relating to surface water management at the S49 Dam and Ryan Street;</li> <li>• Condition U2 – relating to the management and/or remediation of contamination at the Eyre Street bund;</li> <li>• Condition U3 – Noise monitoring;</li> <li>• Condition U4 – Blast compliance management program.</li> </ul>	
<p>R3.2 The licensee must make all reasonable inquiries in relation to the event and supply the report to the EPA within such time as may be specified in the request.</p>	<b>Compliant</b>	<p>Written correspondence has been provided to the NSW EPA on request, for all the existing Pollution Studies and Reduction Programs that have been included in the EPL.</p>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		In addition, site inspections and meetings have been held with authorised officer(s) of the EPA as and when needed.	
R3.3 The request may require a report which includes any or all of the following information: a) the cause, time and duration of the event; b) the type, volume and concentration of every pollutant discharged as a result of the event; c) the name, address and business hours telephone number of employees or agents of the licensee, or a specified class of them, who witnessed the event; d) the name, address and business hours telephone number of every other person (of whom the licensee is aware) who witnessed the event, unless the licensee has been unable to obtain that information after making reasonable effort; e) action taken by the licensee in relation to the event, including any follow-up contact with any complainants; f) details of any measure taken or proposed to be taken to prevent or mitigate against a recurrence of such an event; and g) any other relevant matters.	<b>Compliant</b>	The reporting requirements relating to any requests from the NSW EPA Officers are known and acknowledged by relevant personnel employed by BHOP.	
R3.4 The EPA may make a written request for further details in relation to any of the above matters if it is not satisfied with the report provided by the licensee. The licensee must provide such further details to the EPA within the time specified in the request.	<b>Compliant</b>	The reporting requirements relating to any requests from the NSW EPA Officers are known and acknowledged by relevant personnel employed by BHOP.	
<b>7 General Conditions</b>			
<b>G1 Copy of licence kept at the premises or plant</b>			
G1.1 A copy of this licence must be kept at the premises to which the licence applies.	<b>Compliant</b>	BHOP's Environment/Community Liaison Officer retains a copy of the EPL in his office.  In addition, the BHOP General Manager's Personnel Assistant is responsible for filing the original signed	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		copy of the licence and centrally filing this copy. A scanned copy of the EPL is also placed on the BHOP server for electronic retention.	
G1.2 The licence must be produced to any authorised officer of the EPA who asks to see it.	<b>Compliant</b>	The requirement to produce a copy of the licence on request to any NSW EPA Officer is known and acknowledged by relevant personnel employed by BHOP.  A copy of the EPL is readily available for provision to the NSW EPA if requested.	
G1.3 The licence must be available for inspection by any employee or agent of the licensee working at the premises.	<b>Compliant</b>	An original hard copy of the licence is available for inspection by employees and contractors through request from either a) the BHOP General Manager's Personnel Assistant, or b) BHOP's Environment/Community Liaison Officer.	
<b>8 Pollution Studies and Reduction Programs</b>			
<b>U1 Surface water management</b>			
U1.1 The licensee must undertake the following works to ensure water does not seep from the S49 dam and the trench located between the S49 dam and Ryan Street. (a) Monitoring for water within the trench; (b) Pumping all water out of the trench; and (c) Depositing water pumped from the trench to Horwood dam.  COMPLETION DATE: As required	<b>Compliant</b>	It was stated that relevant BHOP personnel will be meeting with the NSW EPA on site on 9 <sup>th</sup> February 2016 to discuss, finalise and sign off on works associated with the S49 Dam located near Ryan Street.  It was stated that BHOP constructed a suitable trench to extract the seepage from the site in March 2012. A vacuum truck was then utilised to recover the seepage on 12 <sup>th</sup> March 2012, which was deposited in Horwood Dam. This seepage trench was backfilled in September 2015, when the liner was installed on the S49 Dam embankment.	
U1.2 The licensee must undertake the following works to ensure water does not seep from the S49 Dam. (a) Install a High Density Polyethylene (HDPE) geomembrane liner on the main wall of the S49 Dam adjacent to the cul-de-sac on Ryan Street; (b) Install a pipe with a shut off valve 1m below the top of the main wall of the S49 Dam to be	<b>Compliant Observation</b>	There was evidence that BHOP has completed the required remedial works for the S49 Dam, to prevent future seepage of water from this facility.  It was stated that the S49 Dam has been upgraded to allow for the retention rainfall/runoff from a 1 in 20 year storm event over 24 hours.  BHOP has completed the installation of a suitable High Density Polyethylene (HDPE) geomembrane	<b>EPL Observation No. 36</b>  The Ryan Street S49 Dam has been constructed in the absence of any form of dedicated spillway, to enable a controlled release of water from the dam in the event of a major rainfall/runoff event.  <b>BHOP Response:</b>  <b>The lack of a spillway has been managed through other means. Originally a pipe take off point was</b>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>used as a take-off/pumping point to provide sufficient free-board for a 1 in 20 year rainfall event over 24 hours; and</p> <p>(c) Install a pipe to enable water to be pumped from the S49 Dam in to the S1A Catchment Area to provide sufficient free-board for a 1 in 20 year rainfall event over 24 hours.</p> <p>COMPLETION DATE: 30 APRIL 2016.</p>		<p>liner on the main wall of the S49 Dam.</p> <p>It was stated that in the event of a significant rainfall event, BHOP would utilise a layflat pipe and portable pump to remove water from the S49 Dam (to prevent overfilling of the facility) and dispose of this water in Horwood Dam.</p> <p>There was evidence that this PRP has been completed to the satisfaction of the NSW EPA, as defined in a draft licence variation recently received from the EPA.</p>  <p>Photo 37 – The Ryan Street S49 Dam with recently installed HDPE liner</p>  <p>Photo 38 – Ryan Street, Broken Hill, down gradient of the S49 Dam</p>	<p>to be constructed however it was found pumping to an adjacent stormwater holding facility was more efficient. This has been approved by the EPA and has since been removed from the EPL (18/3/16).</p> <p>A dedicated spillway will be investigated depending on performance of current measures.</p> <p><u>To be completed by 31 December 2016.</u></p>



ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>U2 Management and/or remediation of contamination at Eyre Street bund</b>			
<p>U2.1 The licensee must conduct weekly monitoring of the Eyre Street bund to ensure no seepage occurs.</p> <p>COMPLETION DATE: Ongoing</p>	<p><b>Compliant Observation</b></p>	<p>It was stated that daily visual inspections of the Eyre Street bund is conducted by the personnel from BHOP's mill, which exceeds the weekly monitoring requirement of this condition.</p> <p>No records or logs are retained relating to the completion of these daily visual inspections in this area.</p> <p>BHOP has drafted a suitable procedure (BHO-PRO-ENV-027) defining requirements for the Monitoring of the Eyre Street Trench.</p>	<p><b>EPL Observation No. 37</b></p> <p>BHOP could maintain a written record or log of each inspection as evidence of these inspections being conducted (i.e. in the control room log book).</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will introduce a documented system to record these inspections.</b></p> <p><b><u>To be completed by: 30 April 2016</u></b></p> <p><b>EPL Observation No. 38</b></p> <p>It is recognised that the proposed cancellation of this EPL Condition U2 has been recommended by the EPA, subject to three specific requirements in the draft licence variation recently received from the EPA on the 5<sup>th</sup> February 2016.</p> <p><b>BHOP Response:</b></p> <p><b>This item has now been removed from BHOP EPL (18/3/16).</b></p> <p><b><u>No action to be taken.</u></b></p>
<p>U2.2 The licensee must implement the longer term recommendations from the Eyre Street investigation report through; installation of capping on the Eyre Street Dam to control rainfall infiltration into the fill materials within the dam.</p> <p>COMPLETION DATE: 31 March 2016</p>	<p><b>Not Applicable at Time of Audit</b></p>	<p>It was stated that any previous temporary remediation of the Eyre Street site has been agreed between BHOP, NSW DPE and NSW EPA as not having been successful and the site will remain in its current condition until the end of mine life, when it will undergo final remediation.</p> <p>An extensive site investigation was completed in late 2011/early 2012 by external engineering consultants Golder Associates, inclusive of the submission of a detailed 374 page investigation report (dated February 2012) to BHOP and the NSW EPA.</p> <p>A request was made in writing by BHOP's General</p>	

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		<p>Manager to the NSW EPA on 26<sup>th</sup> March 2015 relating to an extension of this Pollution Study and Reduction Program (PSRP) to 31<sup>st</sup> March 2016.</p> <p>It was stated that the status of this project will be discussed with personnel from the NSW EPA as part of the planned site visit on 9<sup>th</sup> February 2016.</p>	
<p>U2.3 The licensee must present performance monitoring data demonstrating the Eyre Street seepage collection system is functioning to the satisfaction of the EPA.</p> <p>COMPLETION DATE: Quarterly reporting beginning 31 August 2013</p>	<b>Compliant Observation</b>	<p>Collation and presentation of performance monitoring data demonstrating the Eyre Street seepage collection system is functioning to the satisfaction of the EPA has not been collated since late 2012, as at the time, there was no benefit in collating and reporting this information.</p> <p>As long as the dedicated pump is operational and running, all water from the Eyre Street seepage trench was pumped to Horwood Dam.</p> <p>Horwood Dam continues to be sampled quarterly as part of the normal scheduled environmental monitoring program undertaken by BHOP.</p> <p>It was stated the BHOP mill manager on shift was responsible for checking the pump and trench daily.</p>	<p><b>EPL Observation No. 39</b></p> <p>BHOP would be expected to obtain the EPA's written approval regarding the format and level of detail of performance monitoring data for the Eyre Street seepage collection system.</p> <p><b>BHOP Response:</b></p> <p><b>This item has now been removed from BHOP EPL (18/3/16).</b></p> <p><b><u>No action to be taken.</u></b></p>
<p>U2.4 The licensee must submit a plan and a schedule of works to finalise the Eyre Street seepage collection trench/system including a completion date.</p> <p>COMPLETION DATE: 31 March 2016</p>	<b>Not Applicable at Time of Audit</b>	As per EPL Condition U2.2 in this audit report.	<p><b>BHOP Response:</b></p> <p><b>This item has now been removed from BHOP EPL (18/3/16).</b></p> <p><b><u>No action to be taken.</u></b></p>
<p>U2.5 The licensee must prepare and submit a report to the EPA proposing the remediation of the Eyre Street seepage collection system affected areas (both on and off the mining lease) together with a stated schedule for the completion of works.</p> <p>COMPLETION DATE: 31 March 2016</p>	<b>Not Applicable at Time of Audit</b>	As per EPL Condition U2.2 in this audit report.	<p><b>BHOP Response:</b></p> <p><b>This item has now been removed from BHOP EPL (18/3/16).</b></p> <p><b><u>No action to be taken.</u></b></p>
<b>U3 Noise monitoring</b>			
<p>U3.1 The licensee must undertake a 12 month noise monitoring programme to assess compliance with the noise limits identified at licence</p>	<b>Non-compliance (historical)</b>	<p>Quarterly noise monitoring was completed across the Rasp mine site utilising specialist external consultants and internal BHOP staff resources in late 2014 and</p>	<p><b>BHOP Response:</b></p> <p><b>The November 2014 quarterly noise survey report has now been submitted to the EPA (submitted 11</b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>condition L4.2.</p> <p>The programme must:</p> <ol style="list-style-type: none"> <li>1) Undertake quarterly noise monitoring of all Rasp mine surface noise activities, commencing November 2014.</li> <li>2) Include at least one 15 minute noise measurement at all receptors identified in condition L4.2 and the most affected residential premises in Iodide Street or Proprietary Square.</li> <li>3) Collect noise monitoring data in accordance with the NSW Industrial Noise Policy and consistent with meteorological conditions that satisfy condition L4.4.</li> <li>4) Present the raw monitoring data collected to the EPA within one month of the completion of each of the first 3 quarterly monitoring events.</li> <li>5) Present a final noise impact assessment report to the EPA by the 31 January 2016. The report must include all data collected consistent with condition U4.1 and determine if the Rasp mine is operating within noise limits detailed at condition L4.2. The report must also comment on the noise impact on the most affected residential premise in Iodide Street or Proprietary Square.</li> </ol>		<p>during 2015. Specifically, these noise surveys were completed on-site during:</p> <ol style="list-style-type: none"> <li>1. November 2014 (report received on 12<sup>th</sup> December 2014 and forwarded to the NSW EPA on 11<sup>th</sup> March 2015);</li> <li>2. March 2015 (report submitted to the NSW EPA by email on 5<sup>th</sup> May 2015);</li> <li>3. September 2015 (report submitted to the NSW EPA by email on 15<sup>th</sup> September 2015);</li> <li>4. July/August 2015 (it was stated this survey was delayed as a result of unsuitable weather conditions/forecasts). This survey submitted to the NSW EPA by email on 3<sup>rd</sup> November 2015).</li> </ol> <p>Noise monitoring data during these quarterly noise surveys was stated to have been collected in accordance with the NSW Industrial Noise Policy and consistent with meteorological conditions that satisfy EPL Condition L4.4.</p> <p>BHOP presented a final Noise Impact Assessment Report to the EPA on 19<sup>th</sup> January 2016 (prior to the required 31 January 2016 submission date).</p> <p>Finally, no valid or representative noise measurements were able to be taken on the nominated residential property on Iodide Street due to noise interference from the adjacent Hungry Jacks Restaurant extraction fan. Subsequently, Proprietary Square was used as the designated noise monitoring point.</p> <p>There was evidence that high levels of noise compliance were able to be demonstrated from the BHOP operation when noise measurement and meteorological conditions were amenable to the collection of representative measurements.</p> <p><b>Non-compliance (historical)</b> – The November 2014 quarterly noise survey report was received by BHOP on 12<sup>th</sup> December 2014, but was not submitted to the EPA within one month of the completion of the noise monitoring survey (i.e. the report was submitted to the NSW EPA on 11<sup>th</sup> March 2015).</p>	<p><b>March 2015).</b></p> <p><b><u>No further action to be taken.</u></b></p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>U4 Blast compliance management program</b>			
<p>U4.1 The licensee must implement a production blast management program directed at achieving compliance with licence condition L5.1 - where the limit allows a 5% exceedence of the 5 millimeter per second (mm/s) ground vibration impact at any sensitive receptor outside the premises.</p> <p>The program must;</p> <ul style="list-style-type: none"> <li>• Record the ground vibration impact of each development and production blast separately consistent with condition M7.1.</li> <li>• Develop and record corrective actions where a production blast is recorded exceeding a ground vibration impact &gt; 5 mm/s.</li> <li>• Complete an annual production blast management report which summarises the production blast impact levels (and which excludes Block 7 production blasts). The report must include but is not limited to information about blast record data detailing the percentage of production blasts &lt; 5 mm/s, the percentage of blasts &gt; 5 mm/s, corrective actions undertaken in that 12 month period and where necessary the proposed future corrective actions that will be implemented to meet ongoing compliance with production blast limits at condition L5.1.</li> <li>• The annual production blast management report is to be completed and attached to each Annual Return for the 2015/16 and 2016/17 reporting periods.</li> </ul> <p>The licensee must comply with all requirements of condition L5.1 during the 2017/18 reporting period.</p>	<p><b>Not Applicable at Time of Audit</b></p>	<p>BHOP was required to implement a suitable production blast management program (to achieve compliance with EPL condition L5.1) as a result of the requirements associated with the a) Mod 3 Project Approval, and b) the blasting performance required approval.</p> <p>To date, BHOP has been unable to separate data and measurements between development and production blasts for the Zinc Lode.</p> <p>It was stated that BHOP plans to complete the initial annual production blast management report (which summarises the production blast impact levels) after 2<sup>nd</sup> November 2016 (this date being the anniversary date of the EPL).</p> <p>It was stated that the associated 2016 Annual Return will be submitted within 60 days of 2<sup>nd</sup> November 2016.</p>	
<b>Dictionary</b>	<b>Observation</b>		<p><b>EPL Observation No. 40</b></p> <p>When referring to Type 1 and 2 substances, the metals listed in the Dictionary of the EPL do not reference the “total” as defined in the Project</p>

ENVIRONMENT PROTECTION LICENCE NUMBER 12559 AS AT 16 JULY 2015			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
			<p>Approval.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will contact the EPA and seek clarification on this definition. May require updating with next licence variation.</b></p> <p><b><u>To be completed by: 31 August 2016</u></b></p>

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>Notice to Landholders</b>			
<p>1. Within a period of three months from the date of grant/renewal of this lease or within such further time as the Minister may allow, the lease holder must serve on each landholder of the land a notice in writing indicating that this lease has been granted/renewed and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice.</p> <p>If there are ten or more landholders affected, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this lease has been granted/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.</p>	<b>Minor Non-compliance (historical)</b>	<b>Minor Non-compliance (historical)</b> – BHOP was unable to provide evidence of written notification to landholders of the leased land or of a published notice in a newspaper circulating in the lease area.	
<b>Mining, Rehabilitation, Environmental Management Process (MREMP)</b>			
<b>2. Mining Operations Plan</b>			
<p>(a) Mining operations must not be carried out otherwise than in accordance with a Mining Operations Plan (MOP) which has been approved by the Director-General of the Department of Primary Industries – Mineral Resources.</p> <p>(b) The MOP must:</p> <ul style="list-style-type: none"> <li>identify areas that will be disturbed by mining operations;</li> <li>detail the staging of specific mining operations;</li> <li>identify how the mine will be managed to allow mine closure;</li> <li>identify how mining operations will be carried out on site in order to prevent and or minimise harm to the environment;</li> <li>reflect the conditions of approval under:</li> </ul>	<b>Compliant</b>	<p>BHOP's current Mining Operations Plan (MOP) was for the period 1<sup>st</sup> November 2014 to 31<sup>st</sup> October 2015 (113 pages).</p> <p>It was stated a new BHOP MOP was resubmitted to the NSW DRE on 31<sup>st</sup> October 2015 for the period 1<sup>st</sup> November 2015 to 31<sup>st</sup> October 2018 (346 pages including 200 pages of appendices). BHOP is now waiting for formal acceptance of this MOP by the DRE.</p> <p>Written correspondence was received from the DRE on 26<sup>th</sup> November 2015 stating that an extension to the period of the MOP had been granted until 29<sup>th</sup> January 2016.</p> <p>Since resubmission of the new MOP on 31<sup>st</sup> October 2015, discussions have occurred with relevant regulators over the security bonds required for the lease and have recalculated and resubmitted. It was stated that personnel from BHOP met with DRE</p>	


CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<ul style="list-style-type: none"> <li>- the Environmental Planning and Assessment Act 1979</li> <li>- the Protection of the Environment Operations Act 1997</li> <li>- and any other approvals relevant to the development including the conditions of this lease; and</li> <li>• have regard to any relevant guidelines adopted by the Director-General.</li> </ul> <p>(c) The titleholder may apply to the Director-General to amend an approved MOP at any time.</p> <p>(d) It is a defence to a breach of this condition if:</p> <ol style="list-style-type: none"> <li>the operations constituting the breach were necessary to comply with a lawful order or direction given under the Mining Act 1992, the Environmental Planning and Assessment Act 1979, Protection of the Environment Operations Act 1997 or the Occupational Health and Safety Act 2000; and</li> <li>the Director-General had been notified of the terms of the order or direction prior to the operations constituting the breach being carried out.</li> </ol> <p><i>Note: The Director-General is deemed to be notified of the terms of an order or direction if the order or Direction was issued by the Department or a copy of the order or direction has been faxed to 02 4931 6790.</i></p> <p>(e) A MOP ceases to have affect 7 years after date of approval or other such period as identified by the Director-General. An approved amendment to the MOP under condition (c) does not constitute an approval for the purpose of this paragraph unless otherwise identified by the Director-General.</p>		<p>representatives in their Sydney office during November 2015.</p> <p>In addition to security bonds, BHOP personnel stated that they are unsure about requirements that apply to heritage within the security bond. To date, there has been no agreement regarding responsibilities for heritage infrastructure after mine closure.</p> <p>BHOP's Mine Closure Plan has now been fully integrated into the new MOP which is awaiting approval.</p>	
Annual Environmental Management Report (AEMR)			
3. Reporting			
(a) The lease holder must lodge Environmental Management Reports (EMR) with the Director-	Compliant	BHOP's last submission of its AEMR was for the period 1 <sup>st</sup> April 2014 to 16 <sup>th</sup> December 2014. This was	




CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>General annually or at dates otherwise directed by the Director-General.</p> <p>(b) The EMR must:</p> <ul style="list-style-type: none"> <li>- report against compliance with the MOP;</li> <li>- report on progress in respect of rehabilitation completion criteria;</li> <li>- report on the extent of compliance with regulatory requirements; and</li> <li>- have regard to any relevant guidelines adopted by the Director-General;</li> </ul> <p>Additional environmental reports may be required on specific surface disturbing operations or environmental incidents from time to time as directed in writing by the Director-General and must be lodged as instructed.</p>		<p>submitted to the DRE by email on 22<sup>nd</sup> May 2015.</p> <p>As of December 2015, no feedback had been provided to BHOP from DRE on the submitted 2014 AEMR.</p>	
<b>Note: There is no No. 4 in CML7</b>			
<b>Working Requirement</b>			
<p>5. The lease holder must: expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$100,000 per annum whilst the lease is in force.</p> <p>The Minister may at any time or times, by instrument in writing served on the lease holder, increase or decrease the expenditure required or the number of people to be employed.</p>	<b>Compliant Observation</b>	<p>BHOP can demonstrate that operational expenditure on the lease area has exceeded \$100,000 per annum since mining operations were commenced by CBH/BHOP at the Rasp Mine in 2012.</p>	<p><b>CML 7 Observation No. 1</b></p> <p>It is unclear from the wording of this condition whether “per annum” means calendar year, financial year, or the anniversary of the commencement of the lease.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP currently expends approximately \$900,000 per calendar year within CML7 just on environmental operations. Annual mine operation costs exceed \$148M.</b></p> <p><b><u>No action to be taken.</u></b></p>
<b>Control of Operations</b>			
<p>6. (a) If an Environmental Officer of the Department believes that the lease holder is not complying with any provision of the Act or any condition of this lease relating to the working of the lease, he may direct the lease holder to:-</p> <p>(i) cease working the lease; or</p>	<b>Compliant</b>	<p>Since mining operations were commenced by CBH/BHOP, it was stated there have been no directives from the DRE for BHOP to cease working on the mining lease.</p> <p>In addition, it was stated there has been no withdrawal of the mining lease by the DRE.</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>(ii) cease that part of the operation not complying with the Act or conditions; until in the opinion of the Environmental Officer the situation is rectified.</p> <p>(b) The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.</p> <p>(c) A direction referred to in this condition may be served on the Mine Manager.</p>			
Reports			
<p>7. The lease holder must provide an exploration report, within a period of twenty-eight days after each anniversary of the date this lease has effect or at such other date as the Director-General may stipulate, of each year. The report must be to the satisfaction of the Director-General and contain the following:</p> <p>(a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period;</p> <p>(b) Details of expenditure incurred in conducting that exploration;</p> <p>(c) A summary of all geological findings acquired through mining or development evaluation activities;</p> <p>(d) A statement of the ore and mineral reserves</p> <p>(e) Particulars of exploration proposed to be conducted in the next twelve months period;</p> <p>(f) All plans, maps, sections and other data necessary to satisfactorily interpret the report.</p>	<b>Compliant Observation</b>	<p>It was stated that no surface exploration holes were drilled on the mining lease in 2015.</p> <p>BHOP exploration personnel are aware that the required report is to be submitted 28 days after 17<sup>th</sup> January 2016.</p> <p>BHOP utilises the services of an external consultant for all tenement matters. This service provider also prompts BHOP regarding required reporting dates.</p>	<p><b>CML7 Observation No. 2</b></p> <p>The due date for provision of the annual exploration report may change from year to year. In using an external consultant, BHOP is exposed to the risk of missing a due date if the consultant fails to notify BHOP of any report due date in a timely manner.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP pay for the services of a consultant to ensure that dates are not missed in regards to exploration reports.</b></p> <p><b><u>No action to be taken.</u></b></p>
Licence to use Reports			
<p>8. (a) The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print, adapt and reproduce all exploration reports lodged in any form and for the full duration of copyright.</p>	<b>Compliant</b>	As per CML7 Condition 7 in this audit report.	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
(b) The non-exclusive licence will operate as a consent for the purposes of section 365 of the Mining Act 1992.			
<b>Confidentiality</b>			
<p>9. (a) All exploration reports submitted in accordance with the conditions of this lease will be kept confidential while the lease is in force, except in cases where:</p> <p>(i) the lease holder has agreed that specified reports may be made non-confidential.</p> <p>(ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease.</p> <p>(b) Confidentiality will be continued beyond the termination of a lease where an application for a flow-on title was lodged during the currency of the lease. The confidentiality will last until that flow-on title or any subsequent flow-on title, has terminated.</p> <p>(c) The Director-General may extend the period of confidentiality.</p>	<b>Compliant</b>	As per CML7 Condition 7 in this audit report.	
<b>Terms of the non-exclusive licence</b>			
<p>10. The terms of the non-exclusive copyright licence granted under condition 8 (a) are:</p> <p>(a) the Minister may sub-licence others to publish, print, adapt and reproduce but not on-licence reports.</p> <p>(b) the Minister and any sub-licensee will acknowledge the lease holder's and any identifiable consultant's ownership of copyright in any reproduction of the reports, including storage of reports onto an electronic database.</p> <p>(c) the lease holder does not warrant ownership of all copyright works in any report and, the lease holder will use best endeavours to identify those parts of the report for which the</p>	<b>Compliant</b>	As per CML7 Condition 7 in this audit report.	


CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>lease holder owns the copyright.</p> <p>(d) there is no royalty payable by the Minister for the licence.</p> <p>(e) if the lease holder has reasonable grounds to believe that the Minister has exercised his rights under the non-exclusive copyright licence in a manner which adversely affects the operations of the lease holder, that licence is revocable on the giving of a period of not less than three months notice.</p>			
<b>Note: There is no No. 11 in CML7</b>			
Safety			
<p>12. Operations must be carried out in a manner that ensures the safety of persons or stock in the vicinity of the operations. All drill holes shafts and excavations must be appropriately protected, to the satisfaction of the Director-General, to ensure that access to them by persons and stock is restricted. Abandoned shafts and excavations opened up or used by the lease holder must be filled in or otherwise rendered safe to a standard acceptable to the Director-General.</p>	<p><b>Compliant</b></p>	<p>It was stated that to render historical abandoned shafts and excavations across the operation as safe, these have either a) concrete slabs installed/placed over the entrance, or b) are suitably fenced to deter access to the shaft.</p> <p>A number of these historical abandoned shafts and excavations are located in the area of the BHP and Kintore open pits.</p>  <p><b>Photo 39 – Example of historical open shaft with concrete cover</b></p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		 <p><b>Photo 40 – Example of fenced site around a historical shaft</b></p> <p>BHOP maintains a plan of all known historical/abandoned surface shafts on the mining lease.</p> <p>It was stated that four of these abandoned surface shafts are active shafts that are being used for ventilation.</p> <p>The whole mine site is suitably fenced and attempts are made to repair the fence if it is vandalised or has deteriorated. Security perimeter fence checks are conducted by weekly by BHOP's ESO. Records of these fence inspections are retained.</p> <p>Shift reports developed daily by the ESO identify if the weekly security fence inspection has been completed.</p>	
<b>Rehabilitation</b>			
13. Disturbed land must be rehabilitated to a sustainable/agreed end land use to the satisfaction of the Director-General.	<b>Not Applicable at Time of Audit</b>	<p>The MREMP Review minutes from 18<sup>th</sup> October 1995 stated that the Department of Mineral Resources would take on the responsibility for maintaining the long term stability of the sumps and undertaking any future rehabilitation required at the site when the former Normandy Mining CML7 lease expires. These meeting minutes were signed by the DMR Acting Senior Inspector of Mines (Western Region).</p> <p>It was stated by BHOP personnel that as a consequence of the Department being responsible for</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
		rehabilitation of disturbed land prior to BHOP's commencement of occupation of CML7, BHOP is only responsible for the rehabilitation of land disturbed on CML7 since it commenced occupation of CML7.	
<b>Note: There is no No. 14 in CML7</b>			
Exploratory Drilling			
<p>15. (1) At least twenty eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Natural Resources regional hydrogeologist of the intention to drill exploratory drill holes together with information on the location of the proposed holes.</p> <p>(2) If the lease holder drills exploratory drill holes he must satisfy the Director-General that:-</p> <p>(a) all cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established;</p> <p>b) all holes cored or otherwise are sealed to prevent the collapse of the surrounding surface;</p> <p>(c) all drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters;</p> <p>(d) if any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape;</p> <p>(e) if any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers.</p> <p>(f) once any drill hole ceases to be used the hole must be sealed in accordance with Departmental guidelines. Alternatively, the hole must be sealed as instructed by the Director-General.</p> <p>(g) once any drill hole ceases to be used the</p>	<b>Compliant</b>	<p>It was stated that the last period of surface drilling occurred over 3 years ago on the lease.</p> <p>Nearly all diamond drilling now occurs underground. Concrete plugs have been used for plugging the zinc lode holes that have been drilled.</p> <p>All known diamond drill holes on the surface have been plugged.</p> <p>It was stated that up to 6000 historical drill holes exist underground.</p> <p>It was stated that a number of costeans are planned in 2016 at the northern end of the pit.</p> <p>In 2016, the numbers of diamond holes that are planned to be drilled is approximately 250 holes of approximately 150 metres each in depth.</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
land and its immediate vicinity is left in a clean, tidy and stable condition.			
<b>Note: There is no No. 16 in CML7</b>			
Transmission lines, Communication lines and Pipelines			
17. Operations must not interfere with or impair the stability or efficiency of any transmission line, communication line, pipeline or any other utility on the lease area without the prior written approval of the Director-General and subject to any conditions he may stipulate.	<b>Compliant</b>	<p>No mining or related activities have impacted or affected the ongoing use of the main HV transmission line, communication lines, pipelines or any other utility located on the lease.</p> <p>No movement of major infrastructure is known to have occurred since construction was completed in 2012.</p> <p>There was no visual evidence that mining and related activities are adversely impacting on the existing utilities service corridor.</p>	
Fences, Gates			
<p>18. (a) Activities on the lease must not interfere with or damage fences without the prior written approval of the owner thereof or the Minister and subject to any conditions the Minister may stipulate.</p> <p>(b) Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.</p>	<b>Compliant</b>	<p>BHOP remains responsible for the integrity and maintenance of the perimeter boundary fence and relevant gates.</p> <p>The only exception is the integrity and maintenance of the outer fence at British Flats under control of Line of Lode Reserve Trust.</p> <p>There was no evidence during the site inspection conducted during this audit that access gates have been unnecessarily left open.</p>	
Roads and Tracks			
<p>19. (a) Operations must not affect any road unless in accordance with an accepted Mining Operations Plan or with the prior written approval of the Director-General and subject to any conditions he may stipulate.</p> <p>(b) The lease holder must pay to the designated authority in control of the road (generally the local council or the Roads and Traffic Authority) the cost incurred in fixing any damage to roads caused by operations carried out under the lease, less any amount</p>	<b>Compliant Observation</b>	<p>No known or reported pavement damage has been caused by BHOP heavy/light vehicles on any external roads to date.</p> <p>It was stated that no funds have been requested or needed to date to rectify or compensate any external stakeholders for damage to any external roads.</p> <p>BHOP's current MOP does not define any commitments relating to road damage and compensation.</p> <p>BHOP maintains a Traffic Management Plan, but the</p>	<p><b>CML7 Observation No. 3</b></p> <p>BHOP's Traffic Management Plan could potentially be updated and cross-referenced in the MOP.</p> <p><b>BHOP Response:</b></p> <p><b>As part of the original Project Approval BHOP undertook a road condition report for the area directly in front of the entry point to the Rasp Mine site. BHOP has also undertaken a road condition report at Bonanza Street/South Road in relation to PA MOD3 where there was potential for blasting to</b></p>



CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
paid or payable from the Mine Subsidence Compensation Fund.		current plan primarily targets construction related issues associated with traffic management.	<p>impact the road. BHOP recognise in its Statement of Commitments that any damage to roads as a result of BHOP activities will result in compensation to the appropriate body. BHOP have also entered into a Deed of Agreement with RMS which includes compensation requirements.</p> <p>BHOP has no intention to affect any road so is not in a position to include this in its MOP.</p> <p><b><u>No action to be taken.</u></b></p>
20. Access tracks must be kept to a minimum and be positioned so that they do not cause any unnecessary damage to the land. Temporary access tracks must be ripped, topsoiled and revegetated as soon as possible after they are no longer required for mining operations. The design and construction of access tracks must be in accordance with specifications fixed by the Department of Natural Resources.	<b>Compliant</b>	<p>With the exception of one new (gravel) vehicle access track), all roads and tracks were already in existence when CBH/BHOP purchased the lease and project from Normandy Mining.</p> <p>One new vehicle access track was constructed from a location behind the existing mill to the lease perimeter road in the last 12 months (a distance of a few hundred metres).</p> <p>All other roads within the lease area were improved as required during the construction phase of the project (i.e. sealed, widened or graded) and completed in 2012.</p>  <p><b>Photo 41 – New vehicle access track constructed from a location behind the existing mill to the lease perimeter road</b></p>	


CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<b>Note: There is no No. 21 in CML7</b>			
<b>Use of Mercury or Cyanide</b>			
22. The lease holder must not use mercury or cyanide or any solution containing cyanide for the recovery of minerals on the lease area without the prior written approval of the Minister and subject to any conditions he may stipulate.	<b>Compliant</b>	It was stated that neither mercury nor cyanide is used in the process for the recovery of lead, zinc or silver. The only bulk production chemicals used by BHOP include xanthates and lime and minor quantities of acid for pH adjustment.	
<b>Resource Recovery</b>			
23. (a) Notwithstanding any description of mining methods and their sequence or of proposed resource recovery contained within the Mining Operations Plan, if at any time the Director-General is of the opinion that minerals which the lease entitles the lease holder to mine and which are economically recoverable at the time are not being recovered from the lease area, or that any such minerals which are being recovered are not being recovered to the extent which should be economically possible or which for environmental reasons are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals.  (b) The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.  (c) The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area.  (d) The Director-General shall issue no such notice unless the matter has firstly been thoroughly discussed with and a report to the Director-General has incorporated the views	<b>Compliant</b>	Since mining operations commenced in 2012, the Director of the DRE is not known to have submitted any written requests to BHOP's General Manager to recover any minerals.	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>of the lease holder.</p> <p>(e) The lease holder may object to the requirements of any notice issued under this condition and on receipt of such an objection the Minister shall refer it to a Warden for inquiry and report under Section 334 of the Mining Act, 1992.</p> <p>(f) After considering the Warden's report the Minister shall decide whether to withdraw, modify or maintain the requirements specified in the original notice and shall give the lease holder written notice of the decision. The lease holder must comply with the requirements of this notice.</p>			
<b>Indemnity</b>			
<p>24. The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever nature and all costs, charges and expenses which may be brought against the lease holder or which the lease holder may incur in respect of any accident or injury to any person or property which may arise out of the construction, maintenance or working of any workings now existing or to be made by the lease holder within the lease area or in connection with any of the operations notwithstanding that all other conditions of this lease shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do.</p>	<b>Compliant</b>	<p>The Deed of Responsibility for the Line of Lode Precinct was issued to CBH Resources Limited from the NSW Department of Trade and Investment, Crown Lands on 23<sup>rd</sup> December 2014.</p>	
<b>Single Security</b>			
<p>25. (a) A security in the sum of \$250,000.00 must be given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under Consolidated Mining Lease No 7 (Act 1973), Mining Purposes Lease Nos 183, 184, 185 and 186 (Act 1973)). If the lease holder</p>	<b>Compliant</b>	<p>BHOP was able to provide a scanned copy of the security certificate from the Bank of Tokyo-Mitsubishi UFJ. Ltd Sydney Branch (reference 746LG702161) dated 29 June 2011 for \$250,000.00 (Australian Dollars) that was stated to have been provided to the Minister.</p> <p>BHOP was able to provide written confirmation from</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>fails to fulfil any one or more of such obligations the said sum may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of this clause the lease holder shall be deemed to have failed to fulfil the obligations of this lease if the lease holder fails to comply with any condition or provision hereof, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision hereof or of any provision of the Act or regulations made thereunder.</p> <p>(b) The lease holder must provide the security required by sub-clause (a) in one of the following forms:</p> <p>(i) cash,</p> <p>(ii) a security certificate in a form approved by the Minister and issued by an authorised deposit-taking institution.</p>		the DRE that it holds the above security certificate.	
SPECIAL CONDITIONS			
General			
26. In respect of the area shown on Catalogued Plan No M8388 the registered holder shall not conduct any mining operations other than diamond drilling between the depths of 15.24 metres and 76 metres below the surface unless with the consent of the Minister first and subject to such conditions as may be stipulated.	<b>Compliant Observation</b>	It was stated that no mining operations contrary to this condition have been conducted in respect of plan M18388.	<p><b>CML7 Observation No. 4</b></p> <p>The reference in this Condition to Catalogued Plan Number M8388 seems to be incorrect. Schedule 2 of CML7 refers to plan M18388.</p> <p><b>BHOP Response:</b></p> <p><b>BHOP will clarify the correct reference with the appropriate government agency.</b></p> <p><b><u>To be completed by: 31 August 2016</u></b></p>
27. In respect of the area shown on Catalogued Plan No M2193 the registered holder shall ensure that mining operations are conducted in such a manner as not to interfere with the stability of any railway line traversing the area and the registered holder shall adhere to any direction to this affect	<b>Compliant</b>	<p>A surface exclusion zone exists for railway lines and associated infrastructure.</p> <p>The risk of mining induced subsidence as it relates to surface railway infrastructure is addressed in Section 2.4.2 of the Environmental Assessment Report of July 2010 (for example, see "Figure 2-7 Surface</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
which may be given from time to time by the Minister.		exclusion zone for railway infrastructure - cross section (looking north)"). It was stated that there has been no disruption to railway lines traversing the area.	
28. The registered holder shall not deposit any refuse or waste rock on the dumps located on the areas indicated by Catalogue Plan Nos D3564, D3565, D3566 and D2322 unless authorised by the Minister and subject to such conditions as may be stipulated.	<b>Compliant</b>	It was stated that no refuse or waste rock has been deposited on the dumps located on these areas.	
<p>29. (a) Notwithstanding that the registered holder shall have complied with conditions numbered 30 to 32 (inclusive) the registered holder shall pay to the public authority the cost incurred by such public authority of making good any damage caused by operations carried on by or under the authority of the registered holder or any person claiming through or under the registered holder.</p> <p>(b) AND THE REGISTERED HOLDER HEREBY COVENANTS with the said public authority that the registered holder will pay to the said public authority the cost incurred by the public authority of making good any such damage caused as aforesaid.</p> <p>AND IT IS HEREBY AGREED AND DECLARED that the amount to be paid by the registered holder under the provisions of this clause shall include in addition to the cost of all necessary labour and materials all costs and expenses reasonably incurred in and about the making of surveys the preparation of plans and specifications and estimates the supervision and inspection of the works and all administrative and overhead costs and expenses of the public authority as the case may be related or attributable to the works undertaken to make good any damage caused. A certificate under the hand of the public authority as to the amount of the cost of making good any</p>	<b>Compliant</b>	<p>It was stated that since the completion of mine and plant construction, no compensation payment has been made to any public authority external to the mine.</p> <p>It was stated that an external request was made to BHOP in August 2015 from Crown Lands relating to the sharing the cost of upgrading a length of boundary fence located at British Flats (to restrict access to the public in that area). It appears this external request has not (as yet) met the criteria in this condition.</p> <p>It was stated that BHOP is unaware of any other request by a public authority for a contribution to costs under this condition.</p>	

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
damage shall in all respects and for all purposes be conclusive evidence of the amount of such cost and of the due determination thereof.			
Catchment Areas and Reserves			
<p>30. (a) If the registered holder is using or about to use any process which in the opinion of the Minister is likely to cause contamination of the waters of Stephen's Creek Catchment Area the registered holder shall refrain from using or cease using as the case may require such process within twenty four hours of the receipt by the registered holder of a notice in writing under the hand of the Minister or the Director General requiring the registered holder so to do.</p> <p>(b) The registered holder shall comply with any regulations now in force or hereafter to be in force for the protection from pollution of the said Catchment Area.</p> <p>(c) The registered holder shall not erect nor permit to be erected any dwellings unless with the consent of the Minister or Country Energy-Water and subject to such conditions as may be stipulated.</p> <p>(d) The registered holder shall make such provisions for sanitation as may be approved by Country Energy-Water and shall at all times observe and perform any requirements of the said Country Energy-Water respecting sanitation.</p>	<b>Compliant</b>	<p>In relation to paragraph (a) of this condition, it was stated that current mining, processing and related activities are unable to practically contaminate Stephens Creek due to: a) the operational controls in place; b) existing underground mining and waste rock storage practices; and c) the significant distance from the lease to the creek. The potential for contaminated water from the site discharging to Stephens Creek (distance of 18 km) is considered to be remote.</p> <p>In relation to paragraph (b) of this condition, it was stated that there has been no evidence that the Stephens Creek catchment area has been impacted by the Rasp Mine.</p> <p>In relation to paragraph (c) of this condition, no dwellings have been permitted to be erected by BHOP.</p> <p>In relation to paragraph (d) of this condition, all former/historical septic systems have been disconnected and all sewage from the project is collected and pumped for treatment at BHCC's sewage treatment plant.</p> <p>Essential Energy and Essential Water are the current service providers for electricity and water services in Broken Hill. These were formerly services provided by Country Energy (subsidiary of Origin Energy).</p>	
31. Operations shall be conducted in such a manner as not to interfere with or cause damage to the assets of Country Energy-Water situated on or around the subject area.	<b>Compliant</b>	There was no evidence that the operation has interfered with or caused any damage to the assets of Essential Energy and/or Essential Water (formerly Country Energy-Water) situated on or around the subject area.	
32. The registered holder shall as far as may be practicable so conduct operations as not to interfere in any way with the public use and enjoyment of Reserve No 2421 for Temporary	<b>Compliant Observation</b>	The Reserve areas in this condition are unable to be located. It is considered that BHOP's MOP (which addresses public access issues) is an indication of BHOP's position of not interfering with public use and	<p><b>CML7 Observation No. 5</b></p> <p>BHOP could include a reference in the MOP that these Reserve areas are unable to be located.</p>

CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
Common; Reserve No 69262 from Sale for future Public Requirements, Reserve No 3073 from Sale for Public Recreation and Reserve No 30905 for Quarry.		enjoyment of non-operational areas. For example, see page 34 of the resubmitted MOP (Section 1.3.3.2 – Broken Hill Miners Memorial and Broken Hill Café).	<b>BHOP Response:</b> <b>BHOP will clarify the location of these reserve areas with the appropriate government agency.</b> <b><u>To be completed by: 31 August 2016</u></b>
Prospecting/Mining Restriction			
<p>33. The registered holder must not prospect or mine any mineral on the surface of the areas shown by:-</p> <p>a) Yellow tint on the plan annexed hereto of below the surface thereof to a depth of 10 meters;</p> <p>b) Blue tint on the plan annexed hereto of below the surface thereof to a depth of 15.24 meters;</p> <p>c) Red tint on the plan annexed hereto of below the surface thereof to a depth of 20 meters;</p> <p>d) Green tint on the plan annexed hereto of below the surface thereof to a depth of 76.20 meters.</p>	<b>Compliant Observation</b>	<p>It was stated that prospecting or mining operations do not take place on the surface of these colour tinted areas. During this audit BHOP personnel were able to locate a copy of a map (Catalogue No. D 6199 R) which shows colour tinted areas and depths.</p>  <p><b>Photo 42 – Screen image of BHOP Map (Catalogue No. D 6199 R)</b></p>	<p><b>CML7 Observation No. 6</b></p> <p>The map (Catalogue No. D 6199 R) attached to CML7 appears to differ from the stand-alone version of the map in BHOP's Rasp Mine office records. For example, the green coloured area at the top left of the screen image of the map in Photo 42 is not marked on the map attached to CML7 (see Appendix C in Rasp Mine: Environmental Assessment Report on CBH website).</p> <p><b>BHOP Response:</b></p> <p><b>Since the date of the Audit BHOP has completed a cadastral survey of CML7. This allows the survey department to easily clarify lease boundaries and authority. The version of Catalogue No. D 6199 R is more detailed than the one held on the DIGS database as available from Department of Resources and Energy.</b></p> <p><b><u>No action required.</u></b></p>
<p>34. Subject to the requirements of any order issued pursuant to section 75 of the Mining Act (1992):</p> <p>(a) the registered holder shall not, unless with the written approval of the Minister and subject to such conditions as he may impose, carry out a mining purpose on the lands described in column 1 of the Schedule numbered 2 annexed hereto other than a mining purpose specified opposite that description in column 2 of that schedule;</p>	<b>Compliant</b>	<p>All of the “plans” referred to in Schedule 2 – Details of Lands, Purposes and Depths, were able to be located by relevant BHOP personnel (including survey personnel), to verify compliance with this condition.</p> <p>It was noted that Plan D3815 has no records on the Geological Survey of New South Wales.</p> <p>Plan D3815 was previously Mining Lease 177 and is now annexed under CML7. Plan D3815 is shown on Plan D 6199 R inside ML12 (i.e. in the centre of the plan).</p>	



CONSOLIDATED MINING LEASE 7 (CML7)			
Condition Number and Requirement	Audit Finding	Supporting Evidence/Comments	Observations
<p>(b) the registered holder shall not carry out a mining purpose specified in column 2 of Schedule 2 except in accordance with the conditions of this lease including any conditions that may be referred to in Column 3 of that schedule opposite that purpose.</p> <p>(Schedule 2 in this condition is in the printed CML7.)</p>			