December 12, 2012

Amount ... 2-8, 2-7 - 0 3 Initials ... CTPI 49-Sch4 - Signature

Permit and Licence Management
Implementation and Support Unit
Department of Environment and Resource Management
GPO Box 2454
BRISBANE QLD 4001

washpool

Washpool Coal Pty Ltd ACN 139976819

Level 18, 10 Eagle Street Brisbane, QLD 4000

PO Box 2591 Brisbane QLD 4001

Telephone: (61) 7 3229 5630 Facsimile: (61) 7 3229 5631 mail@aquilaresources.com.au www.aquilaresources.com.au

Dear Sir/Madam,

Washpool Coal Project – Application for Strategic Cropping Land Protection Decision Section 95 – Strategic Cropping Land Act 2011

Washpool Coal Pty Ltd – as a wholly owned subsidiary of Aquila Resources Limited – is compiling an Environmental Impact Statement for an open cut coal mine located in the Bowen Basin approximately 24 kilometres north west of Blackwater.

The project includes a proposal to construct a bitumen access road linking the mine industrial area with Blackwater-Cooroorah Road (see Figures 1 & 2 attached). Part of that road will cross an area identified as potential strategic cropping land (SCL), thereby triggering the requirements of the Strategic Cropping Land Act 2011. Section 93 of the Act states that an SCL protection decision is required before an environmental authority can be issued.

The purpose of this letter is to provide supporting information to the attached *Application Form – Strategic cropping land protection decision*, in particular the:

- Location requirements (Section 8 of the application form)
- Development impact (Section 9 of the application form)
- Financial assurance calculation (Section 10 of the application form)

Location requirements

The access road is proposed for construction within a parcel of land described as Lot(3(2) - Not relevant and will traverse three mining lease application areas known as MLa801643(2) - Not relevant and 73(2) - Not relevant map of the proposed coal mine and associated infrastructure including the light vehicle access road are attached. Each map legend clearly identifies the access road and its pathway through the potential SCL. The traverse of the potential SCL occurs in a "management area" rather than a "protected area" as outlined on the DERM trigger map as a reference.

Development impact

The construction of a bitumen access road is not authorised under the Strategic Cropping Land – Standard conditions code for resource activities, meaning that the impact of the road on the potential SCL is not deemed to be "temporary and low risk". In this case, we propose to take several measures to minimise the impact of the road in accordance with the intent of the legislation. The road is expected to remain in place for the life of the mine - which is up to twenty years - and will primarily serve as an access road for vehicles to and from the mine.

The road will be constructed on top of the existing soil profile to facilitate drainage and to avoid excavation of any potential SCL. The raw materials including sand, gravel and clays will be imported from the project area within MLa80164, with adequate sediment and erosion control measures in place. At mine closure, all materials used for the road will be removed and the underlying soil will be ripped to return its compaction level to that of the adjacent undisturbed soils. The soil surface will be recontoured and revegetated to protect against erosion.

Financial assurance calculation

The requirement for financial assurance is provided for under the Act, being an estimation of the cost for a third party to rehabilitate the impact(s) on the potential SCL to its pre-development condition. Schedule 1 of the Strategic Cropping Land – Standard conditions code for resource activities includes a reference table used for calculating financial assurance for the area of hardstand and access tracks (\$/ha). In the absence of any other guidance on financial assurance at this stage, that table has been used for the calculation shown in the steps below:

- -

sch4p4(7)(1)(c) Business/commercial/professional/financial affairs

- .
- .

The area of 4.249581 hectares was calculated on the basis of a fifteen metre wide corridor being required for the road.

I trust the information contained in this letter provides the necessary supporting information and I look forward to your timely response. Should you require anything further please contact either myself or Damien Taylor of SKM on 3026 7253.

Yours faithfully, Washpool Coal Pty Ltd

CTPI 49-Sch4 - Signature

Livia Maiorana Project Development Manager

Attached:

- Application Form: strategic cropping land protection decision.
- Figure 1 Potential strategic cropping land
- Figure 2 Access road and potential strategic cropping land

Application form

OFFICIAL USE ONLY DATE RECEIVED	Strategic Cropping Land Act 2011 (section 95)		
FILE REF	Strategic cropping land protection decision		
PROJECT REF	This form is to be used to apply for a strategic cropping land (SCL) protection decision for resource activities on SCL or potential SCL pursuant to the Strategic Cropping Land Act 2011 (SCL Act).		
COMPLETE FORM CORRECT AA COMPLETE FEE	This form is relevant to proposed resource activities under the Mineral Resources Act 1989, Petroleum and Gas (Production and Safety) Act 2004, Petroleum Act 1923, Geothermal Energy Act 2010, Geothermal Exploration Act 2004 and Greenhouse Gas Storage Act 2009.		
ADMINISTERING DISTRICT	If you can comply with the SCL Standard Conditions Code for resource activities (the code) made under the Strategic Cropping Land Regulation 2011, you may apply for an SCL compliance certificate that offers a streamlined approval process. Refer to the 'Strategic cropping land compliance certificate'		
DATE	application form on the Department of Environment and Resource Management's (DERM) website at <www.derm.qld.gov.au>. Pursuant to section 93 of the SCL Act, an environmental authority for resource activities can not be issued until an SCL protection decision has been made.</www.derm.qld.gov.au>		
GUIDE FOR APPLICANTS If you have any queries about how to complete this form correctly, please contact Permit and Licence Management using the contact details provided at the end of this form.	, OHPIN OI		
Question 1: If you cannot comply with the SCL standard conditions code (the code) for resource activities, you must apply for an SCL protection decision.	Application details 1. Are you able to comply with the SCL standard conditions code for resource activities?		
200	 Yes → Do not complete this form. Please complete the 'Strategic cropping land compliance certificate' application form. No → Proceed to Question 2. 		

TECLIVED

Question 2:

The applicant must be a person or entity that has applied for, or may apply for, a resource authority or an environmental authority for the resource activities.

2. Applicant details

NAME: Washpool Coal Pty Ltd		ABN (if ap	plicable):97139976819
		ACN (if applicable): 139976819	
ADDRESS:			
Level 18, 10 Eag	le Street		200
SUBURB:		POSTCODE:	
BRISBANE		4000	Ċ.
PHONE:	FAX:		EMAIL:
3229-5630	3229-56	531	Imaiorana@aquilares

There is more than one applicant for this application and the additional applicant(s) details have been identified in Appendix 1 of this Form.

Question 3:

The contact person may be a consultant or some other person acting on behalf of the applicant. If a contact person is nominated, all dealings and correspondence with the applicant will be through the contact person.

3. Contact person for the applicant (if applicable)

NAME: Livia Maiorana		ABN (if applicable):81092002769 ACN (if applicable): 092002769		
Aquila Resources	s, Level 18, 10 Ea	gle Street		
SUBURB:		POSTCODE:		
BRISBANE		4000		
PHONE:	FAX:	EMAIL:		
3229-5630	3229-563	Imaiora	na@aquilares	

Question 4:

If known, list the environmental authority and all of the resource authorities that form part of the project, regardless of whether or not every resource authority contains SCL or potential SCL.

4. Relevant authorities

Please provide the reference number for the relevant existing environmental authority or application for an environmental authority (if known):

Not applicable.

Please describe the proposed resource authorities subject of this application (if known):

RESOURCE AUTHORITY TYPE (e.g. exploration permit)	RESOURCE AUTHORITY NUMBER	RESOURCE AUTHORITY STATUS (Application or Granted)
Mining lease	MLa80164	Application
Mining lease	73(2) - Not relevant	Application
Mining lease	73(2) - Not relevant	Application

If you need more room, please attach a separate sheet.

Please describe the proposed resource activities:

Open cut coal mine and supporting infrastructure

Question 5

The description of the land may include a street address or property name and locale descriptor (e.g. 15 km NE of Dalby).

5. Description of land the subject of the application

Please provide a description of the land:

24km NW of Blackwater

In Appendix 2 of this form, list the real property descriptions (lots on plan) that are fully or partially located within each of the resource authority boundaries, indicating which lots on plan contain SCL or potential SCL.

RTI-14-153

Question 6: The decision register, maps identifying SCL, potential SCL and	6.	Stati	us of the land (tick all that apply)		
decided non-SCL, protection areas and the management area can be		The la	and the subject of this application contains (tick all that apply):		
found on the DERM website. The effect of electing to treat potential			potential SCL as shown on the SCL trigger map → By ticking this be you elect to treat this part of the land as if the land were SCL.		
SCL as SCL in this application is that the land is taken to be SCL for deciding this application only. This			$SCL \rightarrow You$ must attach one of the following for each lot on plan for this part of the land:		
election does not make the land SCL under the SCL Act and the land continues to be SCL for anyone else (s. 84).			the relevant registry record(s) (SCL)		
			land the subject of this application located wholly or partly in a ction area?		
			Yes → ☐ Southern protection Area ☐ Central protection area		
			Go to Question 7.		
		\boxtimes	No		
			Go to Question 8.		
Question 7: Resource activities that will have a	7.	Exce	eptional circumstances		
permanent impact on SCL or potential SCL in a protection area will not be	Is the development in exceptional circumstances?				
permitted without an exceptional circumstances determination.			Yes → You must attach one of the following:		
		S	evidence that the development is prescribed to be in exceptional circumstances pursuant to the Strategic Cropping Land Regulation 201		
			a copy of the relevant exceptional circumstances decision.		
, V	1		No → If the outcome of this application is that the resource activity will have a permanent impact on SCL or potential SCL in a protection area, the developme will not be permitted to proceed without an exceptional circumstances determination.		
258			An application for exceptional circumstances has been lodged (previously or with this application) and a decision is pending.		
Question 8: The development footprint includes	8.		tion requirements		
infrastructure or proposed infrastructure relating to the resource		Attach	supporting material that identifies or describes:		
activity pursuant to section 97 (b), in		\boxtimes	the location of all SCL or potential SCL		
addition to the items listed in section 85(2) of the SCL Act, which includes, among other things, buildings or			where the development is proposed to be carried out on SCL or potential SCL		
structures.		\boxtimes	all of the footprint of the development		
A map depicting the requirements of this question is considered to be		\bowtie	the boundaries of the resource authorities.		

appropriate and should be submitted in both paper and electronic (GIS shapefile) form.

Question 9:

The applicant must provide a report that assesses the development's impacts on all SCL or potential SCL and identifies any constraints on the configuration or operation of the development.

This information is required to determine whether the development has avoided, or minimised the impacts of the development, to the full extent that is reasonably practicable. This information may also be considered when determining appropriate conditions to be imposed, should the development be approved.

Question 10:

This requirement for financial assurance is provided for under the SCL Act (s. 100).

The proposed financial assurance should be based on the costs for a third party to rehabilitate the temporary impacts on SCL or potential SCL to its pre-development condition.

You do not need to pay financial assurance with your application; however, you will be required to pay financial assurance prior to undertaking the activities on SCL or potential SCL.

Question 11:

The applicable fee can be found on the DERM website or in the Strategic Cropping Land Regulation 2011.

Do not include financial assurance amounts here.

NOTE:

The decision-maker may refuse to receive or process an application that does not meet the requirements of the SCL Act

9. Development Impact

You must attach a report that:

- assesses the development's impact on all SCL or potential SCL on the land
- identifies any constraints on the configuration or operation of the development.

10. Financial assurance

You must include a calculation of the proposed financial assurance for the resource activities that will have a temporary impact on SCL or potential SCL.

Financial assurance calculation attached

11. Application fee

The application fee is \$ 28,207

You may pay your application fee via cheque, money order or credit card.

Select the payment method below:

- Payment by cheque or money order made payable to DERM (attached); or
- Please contact me (the applicant) for credit card payment

Phone number:

Declaration

Where the applicant is a company, this form is to be signed by a person authorised (in writing) to sign for that company and in doing so declares that the corporation will be bound by the conditions associated with the granting of a licence or permit.

Declaration

I declare that the information contained in this application, including all appendices, is true and correct to the best of my knowledge, information and belief. I understand that it is an offence under section 229 of the *Strategic Cropping Land Act 2011* to give an authorised person information, or a document containing information that I know is false or misleading in a material particular.

APPLICANT'S SIGNATURE	CTPI 49-Sch4 - Signature
APPLICANT'S NAME STEPHEN PILCHER	APPLICANT'S POSITION AND COMPANY (IF APPLICABLE) GENERAL MANAGER - COAL DIRECTOR, WASHPOOL COAL PTY LTD
DATE 12-12-12	

Privacy statement

The Department of Environment and Resource Management is collecting the information on this form for the purposes of assessing an application and all personal information provided will be managed in accordance with the *Information Privacy Act 2009*. The collection of this information is required under the *Strategic Cropping Land Act 2011*. All information supplied on or with this application form may be disclosed publicly in accordance with the *Strategic Cropping Land Act 2011*, *Right to Information Act 2009* and the *Evidence Act 1977*. Your personal details will not be disclosed to any other third party without your consent unless required to do so by law.

Applicant checklist

	Question 4—Additional resource authority details (if applicable)
\boxtimes	Question 6—Copy of relevant validation decisions or registry record (if applicable)
\boxtimes	Question 8—Location requirements supporting information (mandatory)
\boxtimes	Question 9—Report attached (mandatory)
\boxtimes	Question 10—Financial assurance calculation (mandatory)
\boxtimes	Question 11—Fees or payment notification enclosed (mandatory)
	Appendix 1—Additional applicants (if applicable)
	Appendix 2—List of real property descriptions completed (mandatory)
	Other attachments—please list (if applicable):
	Figure 1 - Potential strategic cropping land
	Figure 2 - Access road and strategic cropping land

Please return your completed application form together with all required information to:

Permit and Licence Management
Implementation and Support Unit
Department of Environment and Resource Management

Regular Post: GPO Box 2454 BRISBANE QLD 4001

Courier or Registered Post: Level 3, 400 George Street BRISBANE QLD 4000 (Hours: 8:30 am - 4:30 pm business days)

Phone: 1300 130 372 Facsimile: (07) 3896 3342 Email: palm@derm.qld.gov.au

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Appendix 1—Additional applicants

NAME:		ABN (if app	olicable):
		ACN (if applicable):	
ADDRESS:			
SUBURB:		POSTCODE:	1
PHONE:	PHONE: FAX:		EMAIL:
NAME:		ABN (if app	
ADDRESS:		ACN (if app	olicable):
SUBURB:		POSTCODE:	
PHONE:	FAX:		EMAIL:
	0		
NAME:		ABN (if applicable): ACN (if applicable):	
ADDRESS;		AGN (II app	
SUBURB:		POSTCODE:	
PHONE:	FAX:		EMAIL:

Appendix 2—List of real properties descriptions

ot on plan	Status (SCL, pote SCL or N/A)	ential Lot on plan	Status (SCL, potential SCL or N/A)
7	3(2) - Not relevant		
		1100	
		96,	
in the second			
	A.		
6			
00	-		
			-