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**Independent Environmental Audit
Hera Resources Pty Ltd
NYMAGEE NSW**

Project Approval 10_0191

July 2013

Report Version: Final



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	Name	Signed	Date
Approved	John Hanrahan		17 th August 2013

Prepared for:	Company
Mr. Sladana Haures	YTC Resources Limited PO Box 7058 ORANGE NSW 2800

Document Status	Revision Date	Description
Draft Report	17 th July 2013	Draft for client review
Draft Report	12 th August 2013	Draft for client review and addition of action plans
Final Report	17 th August 2013	Final

LIMITATION: This report has been prepared on behalf of and for the exclusive use of 3E Environmental Engineering & Energy's Client and is subject to and issued in connection with the provisions of the agreement between 3E Environmental Engineering & Energy and its Client. 3E Environmental Engineering & Energy accepts no liability or responsibility whatsoever for or in respect of any issue of reliance on this report by a third party.

Independent Environmental Audit – Scope and Limitations

The scope of this Independent Environmental Audit was limited to reviewing how Hera Resources Pty Limited (a wholly owned subsidiary of YTC Resources Limited) granted Project Approval 10_0191 (issued by the NSW Government Department of Planning and Infrastructure (DoP&I) on the 31st July 2012) are maintaining environmental compliance against all applicable conditions specified in the Project Approval.

This Independent Environmental Audit was conducted by a) direct verification of compliance against relevant conditions in the field and b) “sampling” a range of the documents, records and data associated with development and operations of YTC’s Hera Project near Nymagee in western New South Wales. The nature of sampling during any form of Environmental Audit is such that it may not necessarily identify everything that the project/operation is, or is not doing, in relation to an individual Project Approval Condition or specific environmental requirement.

This independent third-party audit and associated audit report was commissioned by YTC Resources Limited (on behalf of Hera Resources Pty Ltd) to directly meet Condition 9, Schedule 5 of the Project Approval 10_0191. 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 Independent Environmental Audit and within the scope of the audit. The status of environmental 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 and records reviewed, that were provided by Hera Resources Pty Limited during the audit. At YTC’s Hera Project, field inspection sites were selected at random by the auditor to ensure that a representative sample of YTC’s Hera Project field activities could be inspected/audited against relevant Project Approval Conditions. Field inspections were completed at all locations and infrastructure associated with the project (as listed on the Project Approval), with the exception of conducting an underground inspection, given that no permanent infrastructure has been installed underground to date.

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

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.

YTC Hera Project Independent Environmental Audit - Details

YTC Project Audited:	Hera Project , Cobar, New South Wales
Date(s) of Independent Environmental Audit:	8 th – 10 th July 2013
Audit Contact:	Ms Sladana Haures - Environmental Officer – YTC Resources Limited
Independent Environmental Audit Team:	<p>Mr John Hanrahan B.Eng. (Chem), <i>MIEAust, MAusIMM</i> Lead Environmental Auditor 3E Environmental Engineering & Energy PO Box 1893, Armidale, New South Wales, 2350</p> <p>Mr Kurt Hammerschmid B.App.Sc. (Chem), M.Sc. Principal Environmental Auditor Integrated Environmental Systems Pty Ltd Unit 3, 3 Latona Street, Mentone, Victoria 3194</p>
Scope of the Audit:	The objective of the project was to conduct an independent environmental audit and provide a subsequent report of findings pursuant to Condition 9, Schedule 5 of the Project Approval 10_0191 (the approval) issued by the NSW Government Department of Planning and Infrastructure (31st July 2012) to Hera Resources Pty Limited.
Personnel interviewed during this July 2013 Audit:	<p>Mr Sean Pearce – General Manager – YTC Hera Project Ms Sladana Haures – YTC Environmental Officer Ms Lisa Brodie – Graduate Environmental Officer Mr Leon Reader – Project Manager (Pybar Mining Services)</p>
YTC Hera Project Field Sites Visited/Inspected between the 8th – 10th July 2013	<p>Main Administration Offices Proposed Process Plant Site Planned PAF and NAF stockpiles areas and Leachate Pond Underground Mine Boxcut Topsoil and Vegetation Stockpiles Planned location of the Tailings Storage Facility and Process Water Dam Pybar Mining Services workshop and laydown facilities Batch Plant Main Access Road Intesection Planned Hera Permanent Camp Site (under construction) Site drainage works Sewage Treatment Plant Surface Water Infrastructure/Dams/Basins Sedimentation Ponds Selection of groundwater monitoring bores Bulk diesel storage facility and gensets Weather station</p>

Executive Summary

Overview

This Independent Environmental Audit of YTC's Hera Project's Project Approval 10_0191 was conducted on-site at the Hera Mine site, Nymagee, approximately 100 km south east of Cobar, New South Wales. Field inspections were conducted across the project from the 8th – 10th July 2013. This Independent Environmental Audit included:

- all relevant conditions specified within the Hera Project's Project Approval 10_0191; and
- the sighting of available representative examples of environmental and operational documentation, records, monitoring data and photos etc provided by YTC Hera, relating to the design, development and ongoing construction of the Hera Project.

This Independent Environmental Audit did not directly audit any "additional" environmental or regulatory requirements that were not directly included as existing conditions within the Hera Project's River Project Approval 10_0191.

Context

This Independent Environmental Audit was completed against YTC's Hera Project's Project Approval 10_0191, approved 31st July 2012.

This Independent Environmental Audit essentially targeted and audited completed work and field practices associated with the Hera Project since the approval of the Project Approval in July 2012.

All 258 Project Approval conditions were audited in July 2013. A total of 77 of the 258 conditions of the Project Approval were considered to be non-applicable as of July 2013.

This Independent Environmental Audit is the first submission of a third-party audit report from YTC Hera to the NSW Department of Planning and Infrastructure (DoP&I) to demonstrate that the Project Approval 10_0191 conditions have been met.

Overall

The key overall findings from this Independent Environmental Audit of YTC's Hera Project's Project Approval 10_0191 in July 2013 identified that:

- YTC Hera have been able to demonstrate that the operation has prevented and/or minimised the likelihood of unauthorised environmental harm being caused from development, construction and earthworks activities completed to date;
- in addition, there was no evidence of any "significant" environmental impact/harm occurring or being demonstrated as a result of these activities (Note: "significant" defined as "resulting in long-term, widespread, irreversible environmental harm with significant impairment of ecosystem function");
- during this audit, there was no evidence of a lack of resources or commitment by the operation to achieve full compliance with all relevant conditions of its Project Approval;
- environmental performance and operational control in the field was observed to be high, enabling compliance to be demonstrated against 156 of the 181 applicable Project Approval conditions. No widespread issues of concern were observed during field inspections conducted during this audit;
- some minor isolated examples of field practices were observed to require improvement in the future (listed non-compliances in this report), to fully comply with Project Approval conditions;
- during this audit no major non-compliances were identified. A total of 7 actual non-compliances were identified, 14 potential non-compliances and 4 partial non-compliances;
- a total of 31 "Observations" (reported separately) were also identified during this compliance audit against relevant Project Approval conditions. These are provided in the context of continuous

improvement for the YTC Hera Project, to improve levels of statutory compliance, site environmental management systems and environmental practices in the field; and

- finally, a total of 77 of the 258 conditions of the Project Approval were considered to be non-applicable as of July 2013.

Specific

The key actual, potential or partial non-compliances identified during this audit against YTC's Hera Project – Project Approval 10_0191 included:

- **Schedule 3 – Condition 1 – Noise Criteria - Potential Non-compliance** – Noise monitoring results measured at residential receivers for surveys conducted in February and April 2013 exceeded noise limits defined in Table 2 – Noise Criteria db(A).
- **Schedule 3 – Condition 26 – Biodiversity Offset Strategy - Potential Non-compliance** – Within 6 months of the approval, a Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH in regard to methodologies. Therefore, no approval from the Director General has been granted as at the time of the audit.
- **Schedule 3 – Condition 27 – Biodiversity Offset Strategy - Potential Non-compliance** - A Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH in regard to methodologies. Therefore, at the time of the audit, no approval from the Director General had been granted and because of this, the strategy had not been implemented.
- **Schedule 3 – Condition 28 – Long Term Security - Potential Non-compliance** - A Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH with regard to methodologies. Therefore, at the time of the audit, no approval from the Director General had been granted with regard to making suitable arrangements to conserve the offset area identified in the Biodiversity Offset Strategy in perpetuity.
- **Schedule 3 – Condition 29 – Biodiversity Management Plan - Potential Non-compliance** - The Biodiversity Management Plan (dated June 2013) has been prepared and was sighted. At the time of the audit, the Biodiversity Management Plan had not been submitted to the Director-General for approval as YTC Hera was waiting for a response to the plan from the NSW Office of Environment (OEH).
- **Schedule 3 – Condition 34 – Road Upgrades - Partial Non-compliance** – (b) Intersection design and pavement upgrades have not been undertaken in accordance with the recommendations of the review within 6 months of the date of the approval. The report described in (a) above has been sent to Council and YTC Hera is awaiting Council's response.
- **Schedule 3 – Condition 35 – Road Upgrades - Partial Non-compliance** – (b) Installation of traffic control devices in accordance with the recommendations of the review in (a) has not been completed within 6 months of the date of this approval. The report described in (a) above has been sent to Council and YTC Hera is awaiting Council's response.
- **Schedule 3 – Condition 41 – Hazardous Materials – Hazardous Materials Management Plan - Actual Non-compliance** - AS/NZ 4452 refers to storage of Class 6 chemicals which includes cyanide and lead nitrate. Section 5.8.3 of the plan describes the measures that would be implemented to ensure sodium cyanide is stored and handled on the site in accordance with AS/NZ 4452 – *The Storage and Handling of Toxic Substances*. The measures to be implemented to store lead nitrate are not specifically addressed in the plan.
- **Schedule 3 – Condition 41 – Hazardous Materials – Hazardous Materials Management Plan - Potential Non-compliance** - Section 5.8.2 of the plan describes the measures that would be

implemented to ensure the transportation of hazardous materials to or from the site is undertaken in accordance with the Department's *Hazardous Industry Planning Advisory Paper No. 11 – Route Selection* and the *Australian Code for the Transport of Dangerous Goods by Road and Rail* – current version. It refers to a detailed study undertaken during the development of the *Environmental Assessment* and that the outcome was to transport hazardous goods by bitumen roads (limited to the project area: Figure 3 of the plan). The route selection for transport of cyanide from origin to the mine has not been described in accordance with the Department's *Hazardous Industry Planning Advisory Paper No. 11 – Route Selection*.

- **Schedule 3 – Condition 41 – Hazardous Materials – Hazardous Materials Management Plan - Potential Non-compliance** - The Department's *Hazardous Industry Planning Advisory Paper No. 1 – Emergency Planning* calls for the establishment of a site-specific emergency plan. Section 5.8.5 of the *Hazardous Materials Management Plan* refers to emergency response procedures for cyanide, together with other hazardous materials which are detailed in Section 8 of the plan. Section 8 of the plan describes the communication plan (only) to be undertaken in an emergency but not all of the procedures are consistent with the Department's *Hazardous Industry Planning Advisory Paper No. 1 – Emergency Planning* are included.
- **Schedule 3 – Condition 42 – Waste - Potential Non-Compliance** - (c) Two of the three (homestead, camp and workshop) sewage treatment systems inspected were relatively new and appeared in good order. The homestead system appeared to have a greywater leak at the time of the inspection. The STP at the new camp was not inspected. A construction certificate was sighted for the new camp however, no documentation was presented to be able to verify that YTC Hera was managing the on-site sewage treatment disposal in accordance with the requirements of Council.
- **Schedule 3 – Condition 44 – Rehabilitation - Rehabilitation Objectives - Actual Non-compliance** – Rehabilitation Objectives defined in Table 7 of the Project Approval differ to those defined in Section 4.3.5 Mine Rehabilitation Objectives listed in the Rehabilitation Management Plan.
- **Schedule 5 – Condition 1 – Environmental Management - Environmental Management Strategy - Partial Non-compliance** - The strategy includes a list of strategies, plans and programs approved under the conditions of this approval in section 5.2 of the strategy however, the plans are not included in the document.
- **Schedule 5 – Condition 3 – Environmental Management – Management Plan Requirements - Potential Non-compliance** – The Noise Management Plan may not have sufficient detailed baseline data for the purposes of assessing noise levels against criteria.
- **Schedule 5 – Condition 6 – Environmental Management – Community Consultative Committee - Historical Non-compliance** - The Hera Mine Community Consultative Committee, held its first meeting on Thursday 14 February 2013 at Hera Mine in Nymagee (this timeframe was just outside of the 6 months of the Project Approval on the 31st July 2012).
- **Schedule 5 – Condition 11 – Access to Information - Partial Non-compliance** - (b) The information on YTC Hera's website has not been kept up to date as detailed in (a) above.
- **Appendix 5 – Condition 4.1A – Ecology - Potential Non-compliance** Development of the method that would be employed to secure the Biodiversity Offset Strategy is required to be done by the 31 July 2013 (within 12 months of the receipt of project approval).
- **Appendix 5 – Condition 4.9 – Ecology - Actual Non-compliance** -The ecological values of the felled trees are not included in the induction.
- **Appendix 5 – Condition 4.25 – Ecology – Actual Non-compliance** - At the time of the audit, the Biodiversity Offset Strategy had not been approved and therefore not implemented.
- **Appendix 5 – Condition 6.17 – Surface Water - Potential Non-compliance** - A dedicated irrigation area for the STP was observed at the main workshop area however, the existence of the aeration system was not able to be verified.

- **Appendix 5 – Condition 7.1 – Noise and Blasting - Actual Non-compliance** – Not all heavy earthmoving equipment observed at the Hera site have been fitted with frequency modulated reversing alarms.
- **Appendix 5 – Condition 10.22 – Air Quality and Energy - Potential Non-compliance** – An extensive quantity of recyclable cardboard waste is being disposed as general rubbish in bulk skips on-site, indicating that a) personnel are not aware of the requirement for segregation using the correct bins or b) training has not been provided to contract staff to ensure that correct segregation and placement of waste occurs.
- **Appendix 5 – Condition 10.23 – Air Quality and Energy – Actual Non-compliance** - No formal Non-mineralised Waste Management Plan has been developed to date, to describe processes and practices to minimise waste being sent to the Cobar landfill. The above will also be applicable to construction related waste, which is expected to be considerable over the next 12 months.
- **Appendix 5 – Condition 12.9 – Soils and Land Capability – Potential - Non-compliance** - No downslope sedimentation controls have been constructed to date for the TSF topsoil stockpiles.
- **Appendix 5 – Condition 15.8 – Hazardous Chemical & Waste Management - Potential Non – compliance** - While oil recycling, scrap steel recycling and general waste segregation measures have been implemented, there was no plan sighted or other evidence of an aim for a continual reduction in waste generation, and thus reduce environmental harm.

The following table provides a summary of the number of compliances, non-compliance and observations that were identified in July 2013 against each schedule and appendix within Hera Resources Project Approval.

Table 1 Summary Status of the Hera Resources Independent Environmental Audit

Schedule	Compliances	Actual Non-Compliances	Potential Non-Compliances	Partial Non-Compliances	Observations	Not Applicable in July 2013
Schedule 2 – Administrative Conditions	13	0	0	0	0	1
Schedule 3 – Environmental Performance Conditions	23	2	8	2	15	13
Schedule 4 – Additional Resources	4	0	0	0	1	1
Schedule 5 – Environmental Management Reporting and Auditing	6	1	1	2	2	1
Appendix 5 – Statement of Commitments	110	4	5	0	13	61
Total	156	7	14	4	31	77

1. Project Approval Conditions - Compliance Status

This section of the report provides information relating to the status of compliance and non-compliance against each of the individual conditions that are listed in the Hera Resources Pty Limited Hera Project – Project Approval 10_0191. Observations are provided for consideration by Hera Resources Pty Limited to enable continuous improvement to be demonstrated.

Table 2 Status of Compliances/Non-compliances

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
Schedule 2 – Administrative Conditions			
<p>Schedule 2 – Condition 1 – Obligation to minimize harm to the Environment</p> <p>In addition to meeting the specific performance criteria established under this approval, 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.</p>	Compliant	A site audit conducted on the 8-9 July 2013 verified that YTC Hera is implementing 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. It was noted that YTC Hera has implemented an induction process including environmental components; employs qualified environmental staff; prepared and implemented environmental management plans and instigated an independent environmental audit.	
<p>Schedule 2 – Condition 2 – Terms of Approval</p> <p>The Proponent shall carry out the project generally in accordance with the:</p> <p>(a) EA; (b) Statement of Commitments; and (c) conditions of this approval.</p> <p><i>Notes: The general layout of the project is shown in Appendix 1; and The Statement of Commitments is reproduced in Appendix 5.</i></p>	Compliant	<p>This Independent Environmental Audit has used the:</p> <p>(a) EA; (b) Statement of Commitments; and (c) conditions of this approval</p> <p>as its Audit Criteria to gauge whether YTC Hera is carrying out the project generally in accordance with the conditions contained within these documents.</p>	
<p>Schedule 2 – Condition 3 – Terms of Approval</p> <p>If there is any inconsistency between the above documents, the most recent document shall prevail to the extent of the inconsistency.</p>	Compliant	This condition is noted.	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>Schedule 2 – Condition 4 – Terms of Approval</p> <p>The Proponent shall comply with any reasonable requirement/s of the Director-General arising from the Department's assessment of:</p> <p>(a) any strategies, plans, programs, reviews, audits, reports or correspondence that are submitted in accordance with this approval; and</p> <p>(b) the implementation of any actions or measures contained in these documents.</p>	<p>Compliant</p>	<p>(a) YTC Hera has complied with the requirements of the Director-General arising from the Department's assessment of strategies, plans, programs, reviews, audits, reports or correspondence that have been submitted in accordance with this approval. At the time of the audit some plans were still in consultation with Department, however, approval letters for plans that have been accepted by the Director-General were sighted.</p> <p>(b) YTC Hera has had no Director-General requirements to date to implement any actions other than the requirements within this approval and plans. There have been no audits to date (audit interview).</p>	
<p>Schedule 2 – Condition 5 – Limits on Approval – Mining Operations</p> <p>The Proponent may carry out mining operations on the site until 31 December 2020.</p> <p><i>Note: Under this approval, the Proponent is required to rehabilitate the site and perform additional undertakings to the satisfaction of both the Director-General and the Executive Director Mineral Resources. Consequently, this approval will continue to apply in all other 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></p>	<p>Compliant</p>	<p>This audit was undertaken in July 2013 and therefore the condition that YTC Hera may carry out mining operations on the site until 31 December 2020 was not triggered and was therefore compliant.</p>	
<p>Schedule 2 – Condition 6 – Limits on Approval – Ore Extraction and Processing</p> <p>The Proponent shall not:</p> <p>(a) process more than 355,000 tonnes of ore on the site in a calendar year;</p> <p>(b) process more than 1.9 million tonnes on the site over the life of the project; or</p> <p>(c) transport more than 50,000 tonnes of concentrate from the site in a calendar year.</p>	<p>Not Applicable (in July 2013)</p>	<p>At the time of the audit (July 013), the project was in the construction phase. The processing of ore and the transporting of concentrate is not expected to commence until June 2014. Once processing operations commence YTC Hera was clearly aware that they must not:</p> <p>(a) process more than 355,000 tonnes of ore on the site in a calendar year;</p> <p>(b) process more than 1.9 million tonnes on the site over the life of the project; or</p> <p>(c) transport more than 50,000 tonnes of concentrate</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		from the site in a calendar year. (audit interview).	
<p>Schedule 2 – Condition 7 – Limits on Approval – Hours of Operation</p> <p>The Proponent shall comply with the operating hours in Table 1.</p> <p><i>Note: Conditions 5 and 6 of Schedule 3 include restrictions on blasting times.</i></p>	Compliant	YTC Hera stated (audit interview) that contractors are complying with the operating hours in Table 1 (from 7am – 6pm, 7 days per week). This was also visually verified on site on the days of the audit.	
<p>Schedule 2 – Condition 8 – Structural Adequacy</p> <p>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:</i></p> <p><i>Under Part 4A of the EP&A Act, the Proponent is required to obtain construction and occupation certificates for the proposed building works;</i></p> <p><i>Part 8 of the EP&A Regulation sets out the requirements for the certification of the project; and</i></p> <p><i>Under the Dams Safety Act 1978, the Proponent will require a further approval for the project's tailings storage facility.</i></p>	Compliant	<p>The present workshop and associated office facilities were constructed prior to this approval and were approved by the DPI in 2006 under Part 5 of the EP&A Act 1979.</p> <p>At the time of the audit, the mine camp was under construction. A Construction Certificate (16/04/2013: BW&A) for the mining camp was sighted.</p> <p>New Offices are planned to be built in a couple of month's time. YTC Hera is currently in discussions with the DoP&I regarding the BCA requirements for temporary structures (audit interview).</p>	
<p>Schedule 2 – Condition 9 – Demolition</p> <p>The Proponent shall ensure that all demolition work is carried out in accordance with <i>Australian Standard AS 2601-2001: The Demolition of Structures</i>, or its latest version.</p>	Compliant	YTC Hera stated that there have been no demolitions to date (audit interview).	
<p>Schedule 2 – Condition 10 – Protection of Public Infrastructure</p> <p>Unless the Proponent and the applicable authority agree otherwise, the Proponent shall:</p> <p>(a) repair, or pay the full costs associated with repairing, any public infrastructure that is damaged by the project; and</p>	Compliant	The project has not damaged or relocated any public infrastructure (audit interview).	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
(b) relocate, or pay the full costs associated with relocating, any public infrastructure that needs to be relocated as a result of the development.			
<p>Schedule 2 – Condition 11 – Operation of Plant and Equipment</p> <p>The Proponent shall ensure that all the plant and equipment used at the site, or to transport materials from the site, is:</p> <p>(a) maintained in a proper and efficient condition; and (b) operated in a proper and efficient manner.</p>	Compliant	<p>(a) YTC Hera ensures that all the plant and equipment used at the site is maintained in a proper and efficient condition. This is ensured by:</p> <ul style="list-style-type: none"> • The maintenance contractor (PYBAR) is contracted to perform all plant maintenance functions on site (audit interview); • All equipment on site has to be MDG15 compliant (audit interview); • An equipment maintenance register (sighted). • A maintenance schedule system is in place and current for plant (sighted). <p>(b) YTC Hera ensures that all the plant and equipment used at the site is operated in a proper and efficient manner. All operators are trained and training registers are held by the contractor. Licenses are required for specific equipment and site supervision is undertaken by YTC Hera and its contractors (audit interview).</p>	
<p>Schedule 2 – Condition 12 – Staged Submission of any Strategy, Plan or Program</p> <p>With the approval of the Director-General, the Proponent may:</p> <p>(a) submit any strategy, plan or program required by this approval on a progressive basis; and (b) combine any strategy, plan or program required by this approval with any similar strategy, plan or program required for the project.</p> <p><i>Notes: While any strategy, plan or program may be submitted on a progressive basis, the Proponent will need to ensure that the existing operations on site are covered by</i></p>	Compliant	<p>(a) YTC Hera has indicated that there are no plans to submit any strategy, plan or program required by this approval on a progressive basis at this stage (audit interview).</p> <p>(b) The previous <i>Review of Environmental Effects</i> entitled “Exploration Decline at the Hera Deposit within Exploration Licence 6162” that the project was operating under was terminated once the Mining Lease (ML) was issued (June 2013) (audit interview).</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p><i>suitable strategies, plans or programs at all times; and</i></p> <p><i>If the submission of any strategy, plan or program is to be staged, then the relevant strategy, plan or program must clearly describe the specific stage to which the strategy, plan or program applies, the relationship of this stage to any future stages, and the trigger for updating the strategy, plan or program.</i></p>			
<p>Schedule 2 – Condition 13 – Staged Submission of any Strategy, Plan or Program</p> <p>Until they are replaced by an equivalent strategy, plan or program approved under this approval, the Proponent shall implement the existing strategies, plans or programs for the site that have been approved under the approved exploration activities described in <i>Review of Environmental Effects</i> entitled “Exploration Decline at the Hera Deposit within Exploration Licence 6162”.</p>	Compliant	<p>YTC Hera has implemented the existing strategies, plans and programs for the site that have been approved under the approved exploration activities described in <i>Review of Environmental Effects</i> entitled “Exploration Decline at the Hera Deposit within Exploration Licence 6162”. These have included construction of the access road, Box Cut, mining contractors area, underground development and waste stockpile area (audit interview).</p> <p>The approval letter (dated 2/4/07) from the DPI was sighted approving exploration activity under EL6162. The previous REF was terminated once the ML was issued (June 2013) (audit interview).</p>	
<p>Schedule 2 – Condition 14 – Planning Agreement</p> <p>Within 6 months of the date of this approval, unless otherwise agreed by the Director-General, the Proponent shall enter into a planning agreement with Council in accordance with Division 6 of Part 4 of the EP&A Act, which provides for contributions to Council for:</p> <p>(a) a community fund;</p> <p>(b) public infrastructure and services, as identified in Council’s Community Enhancement Program; and</p> <p>(c) road maintenance.</p> <p>The terms of the planning agreement shall be consistent with general terms of agreement between Council and Hera Resources Pty Limited outlined in Appendix 2.</p>	Compliant	<p>YTC Hera entered into a planning agreement with Council in accordance with Division 6 of Part 4 of the EP&A Act VPA and has been agreed and signed with Council within 6 months of the date of this approval (signed agreement dated 10/04/13 sighted).</p> <p>(a) The planning agreement provides for contributions to Council for a community fund. It provides \$50k for the first 1.5 years during construction and \$16.3k/annum for the 5.5 years during production (contained in Schedule 1 of signed agreement dated 10/04/13 which was sighted).</p> <p>(b) The planning agreement provides for contributions to Council for public infrastructure and services, as identified in Council’s Community Enhancement Program (section 6.3 of the agreement). YTC Hera has</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		<p>already expended \$15k to Council for the Nymagee Community Hall kitchen upgrade as part of community fund.</p> <p>(c) The planning agreement provides for contributions to Council for road maintenance of \$63k/annum for the 5.5 year period of production (contained in Schedule 1 of signed agreement dated 10/04/13 which was sighted).</p> <p>The terms of the planning agreement are consistent with the general terms of agreement between Council and Hera Resources Pty Limited outlined in Appendix 2. The total contributions of \$75k for the construction period and \$440k for the production period listed in Appendix 2 are the same as the total contributions listed in Schedule 1 of the planning agreement (signed agreement dated 10/04/13 sighted).</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
Schedule 3 – Environmental Performance Conditions			
<p>Schedule 3 – Condition 1 – Noise Criteria</p> <p>The Proponent shall ensure that the noise generated by the project does not exceed the criteria in Table 2 at any residence on privately-owned land or on more than 25 per cent of any privately-owned land.</p> <p><i>Note: Noise generated by the project is to be measured in accordance with the relevant requirements and exemptions (including certain meteorological conditions) of the NSW Industrial Noise Policy.</i></p> <p>However, these criteria do not apply if the Proponent has an agreement with the relevant owner(s) to exceed the criteria, and the Proponent has advised the Department in writing of the terms of this agreement.</p>	<p>Potential Non-compliance</p>	<p>To date, two internal noise surveys have been completed for the project on the 17th February 2013 and 12th April 2013.</p> <p>Potential Non-compliance – Noise monitoring results measured at residential receivers for surveys conducted in February and April 2013 exceeded noise limits defined in Table 2 – Noise Criteria db(A).</p> <p>YTC’s Environmental Officer utilised a calibrated Larson Davis Sound Track LX5 Noise meter to conduct these surveys, but a) sensitivities associated with the noise monitoring instrument and b) extremely low noise criteria defined in Table 2 (ie. in line with background noise interferences) have resulted in elevated results being recorded from both non-mining and non-construction related activities.</p> <p>As a result of the above, and to eliminate any future noise monitoring related errors, YTC have commissioned an experienced external noise consultant to conduct a noise survey at and around the operation in mid/late July 2013. This survey will a) clarify and determine accurate noise emissions during day, evening and night conditions and b) determine and correct any potential inconsistencies in noise monitoring instrumentation and methods adopted by YTC.</p> <p>No formal agreement with the relevant owner(s) has been secured by YTC to exceed the criteria defined in PA Schedule 3 – Table 2, nor has YTC Hera advised the NSW DPI in writing of any planned terms of this agreement.</p>	<p><i>Recent independent noise monitoring conducted 4.8.2013 by Spectrum Acoustics. Report is attached, general points are stated below.</i></p> <p><i>Independent noise consultants concluded that mine-related noise was below the allowable limit 35 dB (A). Upon comparison with YTC data, it was found that settings on the Lx5 sound meter relating to dB (A) needed to be reset and some frequencies discounted.</i></p> <p><i>Future elimination of frequencies 1000-4000Hz attributed to insects and birds.</i></p> <p><i>Wind, aeroplanes and non-mine road traffic will attribute to frequencies 800-1000Hz assumed to be caused by mine-associated activities. Hence should be minimised where possible, re-starting survey when a plane or car passes.</i></p>
<p>Schedule 3 – Condition 2 – Operating Conditions</p> <p>The Proponent shall:</p> <p>(a) implement best management practice, including all reasonable and feasible noise mitigation measures, to</p>	<p>Compliant</p>	<p>To reduce the potential for nuisance noise being generated from the construction site, the following noise mitigation measures have been adopted:</p> <p>a) some site vehicles have been fitted with noise</p>	

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<p>minimise the construction, operational, low frequency and traffic noise of the project;</p> <p>(b) maintain the effectiveness of noise suppression equipment on plant at all times and ensure that defective plant is not used operationally until fully repaired; and</p> <p>(c) minimise the noise impacts of the project during meteorological conditions when the noise limits in this approval do not apply,</p> <p>to the satisfaction of the Director-General.</p>		<p>suppressed reversing alarms;</p> <p>b) no construction related activities are conducted before 6 am or after 6 pm;</p> <p>c) the construction site is located approximately 2 km from the nearest resident;</p> <p>d) minimal permanent plant has been installed to date (ie. only temporary generators which have minimal potential to result in in nuisance noise); and</p> <p>e) No surface blasting is conducted and all blasting is now conducted underground.</p> <p>To date, no noise related complaints have been received from any external resident.</p>	
<p>Schedule 3 – Condition 3 – Noise Management Plan</p> <p>The Proponent shall prepare and implement a Noise Management Plan for the project to the satisfaction of the Director-General. The plan must:</p> <p>(a) be prepared in consultation with the EPA, and submitted to the Director-General for approval within six months of this approval;</p> <p>(b) describe the measures that would be implemented to ensure compliance with conditions 1 and 2 of this schedule; and</p> <p>(c) include a monitoring program that:</p> <ul style="list-style-type: none"> (i) adequately supports the noise management system on site; (ii) includes a protocol for determining exceedences of the criteria identified in Table 2; and (iii) evaluates and reports on the effectiveness of the noise management system on site. 	<p>Compliant</p>	<p>The YTC Hera Project Noise Management Plan was finalised and issued internally in August 2012.</p> <p>(a) It was submitted to the Director General within two months of the issuing of this Project Approval.</p> <p>The YTC Hera Project Noise Management Plan was submitted, received and approved in writing by the NSW Department of Planning and Infrastructure on the 28th September 2012.</p> <p>(b) This Noise Management Plan defines all relevant requirements associated with a) Construction and Mining Activities; b) Consultation; c) System requirements associated with the management of noise; d) Implementation of Noise Management Measures and e) Monitoring and Review.</p> <p>(c) The Noise Monitoring Program defined in the YTC Hera Project Noise Management Plan (Aug 2012) includes information required to meet Schedule 3 – Condition 3 – Noise Management Plan (c) (i) – (iii).</p> <p>The Noise Management Plan is publically available on the YTC Hera web-site.</p>	

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		No noise monitoring data has been made available on the company web-site to date, until noise monitoring methodologies have been corrected.	
<p>Schedule 3 – Condition 4 – Blasting Criteria</p> <p>Proponent shall ensure that blasting on the site does not cause exceedances of the criteria in Table 3.</p> <p>However, these criteria do not apply if the Proponent has a written agreement with the relevant landowner, and has advised the Department in writing of the terms of this agreement.</p>	<p>Compliant</p>	<p>YTC Resources maintain a vibration/blast monitor at the site, which is in very close proximity to the site meteorological station.</p> <p>The location of this vibration/blast monitor on the mining lease is of a closer proximity to underground blasting activities than any of the neighbouring residents on adjoining neighbouring land. As a result of positioning the vibration/blast monitor on the mining lease, any potential exceedances would be promptly recorded under these conditions/distances. Subsequently, no vibration/blast monitors have been installed at neighbouring residents.</p> <p>This vibration/blast monitor is connected using Saros telemetry via a 3G Network. Results are emailed to the site Environmental Officer at 7 am every morning.</p> <p>Only one blast exceedance has been recorded to date on the 25th January 2012, but this was associated with the former YTC Hera Exploration Licence and not the current Project Approval. No exceedances have been recorded during 2013 YTD.</p> <p>No written agreements have been secured with relevant landowners/residents to date with regards blasting activities conducted at the Hera Project.</p> <p>Recorded blast data is uploaded to the YTC web-site at monthly intervals.</p>	

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		 <p>Photo 1 Blast and Vibration Monitoring Equipment in use on the Hera Project Lease</p>	
<p>Schedule 3 – Condition 5 – Blasting Hours</p> <p>The Proponent shall only carry out above ground blasting on site between 9:00am and 5:00pm Monday to Saturday, inclusive. No above ground blasting is allowed on Sundays, public holidays or at any other time without the written approval of the Director-General.</p>	<p>Compliant</p>	<p>Surface blasting ceased at the YTC Hera Project in June 2012, which was only used for the initial construction of the Hera Project Box Cut.</p> <p>Blasting recommenced in January 2013 by YTC's Mining Contractors (Pybar), for which monitoring data has been collected from February 2013 onwards.</p> <p>Blast data from May and June 2013 are available on the company web-site.</p>	
<p>Schedule 3 – Condition 6 – Blasting Hours</p> <p>Underground blasting may be undertaken at any time, subject to compliance with the conditions of this approval.</p>	<p>Compliant</p>	<p>Currently, once mine faces have been prepared, three blasts are conducted per day to advance the decline at a rate of approximately 10 m/day.</p> <p>Morning production meetings are used to communicate the previous days blasting times (ie. communicated by the mining contractor to YTC management).</p> <p>The operation's Blast Management Plan also defines the site's processes and frequencies relating to blasting.</p>	
<p>Schedule 3 – Condition 7 – Blasting Frequency</p> <p>In relation to above ground blasting, the Proponent may</p>	<p>Compliant</p>	<p>Currently, three blasts are conducted per day to advance the decline at a rate of approximately 10 m/day.</p>	

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carry out a maximum of: <ul style="list-style-type: none"> (a) three blasts per day, unless an additional blast is required following a blast misfire; and (b) five blasts per week, averaged over a calendar year, for all operations on the site. This condition does not apply to blasts that generate ground vibration of 0.5 mm/s or less at any residence on privately-owned land, or blasts required to ensure the safety of the site or its workers. <p><i>Note: For the purpose of this condition, a blast refers to a single blast event, which may involve a number of individual blasts fired in quick succession in a discrete area of the site.</i></p>		Internal trigger levels of 0.35 mm/sec ground vibration and 110 dB (Lin Peak) Airblast Overpressure have been established as formal internal investigation levels. These have not been reached to date, since blast and vibration data commenced being collected in February 2013. No exceedances of these internal trigger levels or blasting criteria defined in Table 3 have been recorded in 2013.	
<p>Schedule 3 – Condition 8 – Operating Conditions</p> During operation of the project, the Proponent shall: <ul style="list-style-type: none"> (a) implement best management practice to: <ul style="list-style-type: none"> (i) protect the safety of people and livestock in the surrounding area; (ii) protect public or private infrastructure/property in the surrounding area from any damage; and (iii) minimise the dust and fume emissions from any blasting; and (b) operate a suitable system to enable the public to get up-to-date information on the proposed blasting schedule on site, to the satisfaction of the Director-General.	<p>Not Applicable (in July 2013)</p>	The operation of the project is unlikely to commence the mining and processing of ore until late 2014. Given that the mining operation is underground, the risk of adversely impacting a) the public; b) livestock; c) public or private infrastructure/property in the surrounding area and d) dust and fume emissions from any blasting, is considered to be minimal. Once operational, the mine will determine, if needed and practical, if a blasting schedule is warranted and the best method of making any proposed blasting schedule available to the public.	
<p>Schedule 3 – Condition 9 – Blast Management Plan</p> The Proponent shall prepare and implement a Blast Management Plan for the project to the satisfaction of the Director-General. This plan must: <ul style="list-style-type: none"> (a) be prepared in consultation with the EPA, and submitted to the Director-General for approval within six months of this approval; 	<p>Compliant</p>	The YTC Hera Project Blast Management Plan was finalised and issued internally in August 2012. <ul style="list-style-type: none"> (a) It was submitted to the Director General for comment within two months of the issuing of this Project Approval. The YTC Hera Project Blast Management Plan was submitted, received and approved in writing by the	

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(b) describe the blast mitigation measures that would be implemented to ensure compliance with conditions 4-8 of this schedule; and (c) include a blast monitoring program to evaluate the performance of the project.		NSW Department of Planning and Infrastructure on the 28th September 2012. (b) This Blast Management Plan defines all relevant requirements and mitigation measures associated with a) Approved Activities; b) Consultation; c) System requirements associated with the management of blasts and vibration; d) Implementation of Blast Management Measures and e) Blast Monitoring and Review. (c) The Blast Monitoring Program defined in the YTC Hera Project Blast Management Plan (Aug 2012) includes information required to meet Schedule 9 – Condition 3 – Blast Management Plan (c) - given that blast monitoring is conducted continuously at the Hera Project site).	
Schedule 3 – Condition 10 – Odour The Proponent shall ensure that no offensive odours, as defined under the POEO Act, are emitted from the site.	Compliant	No activities are conducted at the Project site that would result in any adverse odours to a) personnel working at the construction site or b) any neighbouring landowners. Potential sources of odour, that are unlikely to generate any potential nuisance odour include a) in ground packaged sewage treatment facilities and b) activities associated with the removal of sludge from these facilities by a licenced contractor. The grease trap used for kitchen waste is also periodically removed by this contractor.	
Schedule 3 – Condition 11 – Greenhouse Gas Emissions 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 Director-General.	Compliant	Apart from fuel use in heavy and light mobile vehicles associated with construction, temporary generator facilities and some low level power use from the electricity grid, no major sources of greenhouse gas emissions are emitted from the site during the current construction phase. Until full scale mining and processing operations commence, utilising either a 3MW diesel or gas fired power station, the operation will not be a significant	

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		emitter of greenhouse gases.	
<p>Schedule 3 – Condition 12 – Air Quality Criteria</p> <p>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 exceed the criteria listed in Tables 4, 5 or 6 at any residence on privately-owned land or on more than 25 percent of any privately- owned land.</p>	<p>Compliant</p>	<p>Dust mitigation measures adopted at the Hera Project site, to reduce particulate matter emissions generated by the project, include:</p> <ul style="list-style-type: none"> • The use of two water carts by mining, civil and earthmoving contractors to spray water on roads frequently used by heavy and light vehicles. Bore water is used for dust suppression; • Commercially available dust suppressant products (Envirosafe-Extreme Green) were trialled at the operation in February and June 2013. These trials were discontinued as no improvements were detected during and after the use of the product. <p><u>PM₁₀ and TSP Air Monitoring</u></p> <p>Air monitoring on the mining lease is conducted using both HIVAS PM₁₀ and Total Suspended Particulates (TSP) air quality monitoring units, positioned on the lease near the original homestead. Both of these units were recently purchased and installed in May 2013.</p> <p>Samples will be collected over 6 day periods and forwarded to ALS laboratory in Lithgow on the monthly frequency for analysis. 24 hour averages will be determined from these 6 day sampling intervals.</p>  <p>Photo 2 YTC Resources have installed a PM10 and TSP air</p>	

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		<p>quality monitoring units on the lease</p> <p><u>Depositional Dust Monitoring</u></p> <p>Three depositional dust monitors are currently in use across the site, inclusive of one background/control site. To date, four months of depositional dust data has been collected. Exceedances over the 4g/m²/month maximum total deposited dust level (PA Table 6) have been detected to date, for which these samples were further analysed by ALS to detect their content, for which analytical results identified a high content of bird droppings and insect debris, which was the primary reason for these exceedances.</p>  <p>Photo 3 Dust deposition gauge in use on the mining lease. These units are being impacted by bird droppings (for which corrective actions are planned in the near future to ensure that more representative dust deposition data can be collected)</p>	
<p>Schedule 3 – Condition 13 – Air Quality Criteria</p> <p>The Proponent shall ensure that all point-source discharge locations on the site are designed and operated to comply with the maximum discharge concentrations applicable under <i>the Protection of the Environment (Clean Air) Regulation 2010</i> and the requirements of any Environment Protection Licence issued for the project under the POEO Act.</p>	<p>Compliant</p>	<p>Only three diesel gen-sets are currently in use for the supply of domestic power to a) workshops; b) Sewage Treatment Plant, c) administration building, b) core sheds etc. These were observed to be new and efficient gensets.</p> <p>No major “point-source” air emissions are currently emitted from the construction site. Diffuse source emissions of dust occur as a result of civil construction</p>	

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		<p>and earthmoving activities.</p>  <p>Photo 4 One of three existing diesel generator sets currently in use on the project site.</p>	
<p>Schedule 3 – Condition 14 – Operating Conditions</p> <p>The Proponent shall:</p> <ul style="list-style-type: none"> (a) implement best practice air quality management on site, including all reasonable and feasible measures to minimise the off-site odour, fume and dust emissions generated by the project; (b) minimise any visible air pollution generated by the project; (c) minimise the air quality impacts of the project during adverse meteorological conditions and extraordinary events (see Note d in Tables 4-6); (d) take all practical measures to minimise dust emissions from the tailings storage facility; <p>to the satisfaction of the Director-General.</p>	<p>Not Applicable (in July 2013)</p>	<p>The management of diffuse sources of dust from construction related earthworks has been described and audited in other sections of the Project Approval Audit Report.</p> <p>The remaining incorporation of operational controls for sources of air emissions, including point source emissions during mining and processing, have yet to be fully incorporated into the design of the processing plant, being conducted by Gekko Engineers in Victoria and the Tailings Storage Facility, designed by Coffey Engineers in Perth.</p>	
<p>Schedule 3 – Condition 15 – Air Quality and Greenhouse Gas Management Plan</p> <p>The Proponent shall prepare and implement an Air Quality and Greenhouse Gas Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <ul style="list-style-type: none"> (a) be prepared in consultation with the EPA, and be 	<p>Compliant</p>	<p>The YTC Hera Project Air Quality and Greenhouse Gas Management Plan was completed on the 29th August 2012 (within six months of project approval).</p> <p>This plan incorporates all relevant requirements associated with a) environmental management of air and greenhouse emissions, including legal</p>	

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<p>submitted to the Director-General for approval within six months of this approval;</p> <p>(b) describe the measures that would be implemented to ensure compliance conditions 10-14 of this schedule;</p> <p>(c) describe the proposed air quality management system;</p> <p>(d) include an air quality monitoring program that:</p> <ul style="list-style-type: none"> (i) uses a combination of high volumes samplers and dust deposition gauges to evaluate the performance of the project; and (ii) includes a protocol for determining exceedences of the relevant conditions of this approval;and <p>(e) describe the measures that would be implemented to minimise the release of greenhouse gas emissions from the site.</p>		<p>requirements; b) Implementation of air quality management measures for all point source and diffuse sources of air pollutants; c) monitoring programs; d) compliance evaluation programs; e) corrective action systems that will be adopted if needed and f) planned reporting processes.</p> <p>Determination of minimising the release of greenhouse gas emissions from the site can only be completed during/after the design phase of the project.</p> <p>This YTC Hera Project Air Quality and Greenhouse Gas Management Plan has been uploaded onto the YTC Hera Project web-site.</p>	
<p>Schedule 3 – Condition 16 – Meteorological Monitoring</p> <p>For the life of the project, the Proponent shall ensure that there is a suitable meteorological station operating in the vicinity of the site that complies with the requirements in the <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guideline.</p>	<p>Compliant</p>	<p>YTC Hera Project’s meteorological station was installed in January 2013 and is connected to mains electricity. The unit was manufactured and installed by Envirodata and is scheduled to be maintained and calibrated on an annual frequency.</p> <p>This meteorological station complies with the necessary requirements defined in the <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guideline.</p>  <p>Photo 5 YTC Hera Project’s meteorological station that was installed and has been in use since the 17/01/13</p>	
<p>Schedule 3 – Condition 17 – Water Supply</p>	<p>Compliant</p>	<p>A new Water Licence was recently issued requiring that a maximum of 240 ML of water can be extracted in any</p>	

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<p>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 available water supply, to the satisfaction of the Director- General.</p>		<p>given 12 month period.</p> <p>All three existing production bores have been installed with volume meters since 2011, to ensure that maximum extraction volumes defined in the Water Licence are not exceeded.</p> <p>Volumes are scheduled to be measured and recorded monthly in 2013 and this will reduce to weekly in 2014.</p> <p>A water meter has also been installed to monitor the volume of water from the decline (13 ML to date).</p>  <p>Photo 6 Water volume meter installed on YTC Hera production bore</p>	
<p>Schedule 3 – Condition 18 – Water Discharges</p> <p>The Proponent shall ensure that all surface water discharges from the site comply with:</p> <p>(a) section 120 of the POEO Act; or</p> <p>(b) the discharge limits (both volume and quality) set for the project in any applicable EPL.</p>	<p>Not Applicable (in July 2013)</p>	<p>Water management and discharge limits from the site are defined and incorporated in the YTC Hera Project Water Management Plan.</p> <p>The EPL was issued to the Project on the 18th March 2013 from the NSW EPA.</p> <p>Management at the site are clearly aware that discharge limits (both volume and quality) in the EPL must be fully complied with.</p> <p>External consulting engineers SEEC, Gekko and Coffeys have been provided with the statutory limits for water that need to be met, for both Section 120 of the</p>	

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		POEO and the EPL. Confirmation that the above limits are being met will occur via ongoing water monitoring programs during the operational phase of the project.	
Schedule 3 – Condition 19 – Water Discharges The concentration of Weak Acid Dissociable (WAD) cyanide in tailings discharged from the discharge point to the tailings storage facility shall not exceed 10 mg/L.	Not Applicable (in July 2013)	The mill/process plant is currently being designed by Gekko Engineers in Victoria. The requirement for WAD Cyanide discharges from the plant to the tailings dam to be below 10 mg/L was known by the YTC Hera Project Manager.	
Schedule 3 – Condition 20 – Water Discharges The concentration of Weak Acid Dissociable (WAD) cyanide at the discharge point to the process water dam shall not exceed 20 mg/L (90th percentile) or 30 mg/L (maximum).	Not Applicable (in July 2013)	The mill/process plant is currently being designed by Gekko Engineers in Victoria. The requirement for WAD Cyanide discharges at the discharge point to the process water dam to be below 20 mg/L (90th percentile) or 30 mg/L (maximum) was known by the YTC Hera Project Manager.	
Schedule 3 – Condition 21 – Compensatory Water Supply The Proponent shall provide a compensatory water supply to any owner on privately-owned land whose water supply is adversely impacted (other than an impact that is negligible) as a result of the project, in consultation with NOW, and to the satisfaction of the Director-General. The compensatory water supply measures must provide an alternative long-term supply of water that is equivalent in volume and quality to the loss attributed to the project. Equivalent water supply should be provided (at least on an interim basis) within 24 hours of the loss being identified, unless otherwise agreed with the landowner. If the Proponent and the affected landowner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Director-General for resolution. If the Proponent is unable to provide an alternative long-term supply of water, then the Proponent shall provide alternative	Not Applicable (in July 2013)	At the time of this July 2013 audit, there was no evidence that the water supply on any adjacent landowner's properties had been adversely impacted. No communications have been received by YTC management regarding any concerns or impacts from neighbouring landowners.	

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<p>compensation to the satisfaction of the Director-General.</p> <p><i>Note: the Water Management Plan prepared in accordance with condition 25 shall describe the procedures for: assessing the impacts of the project on water entitlements on privately-owned land; and the provision of compensatory water supply.</i></p>		 <p>Photo 7 One of 3 existing water supply bores in use on the mine lease at the YTC Hera Project.</p>	
<p>Schedule 3 – Condition 22 – Design and Permeability of Storages</p> <p>The Proponent shall ensure that the floor and walls of:</p> <p>(a) the leachate management pond, seepage collection pond (associated with the tailings storage facility), process water dam and raw water dam are lined to achieve a permeability of no less than 1×10^{-9} m/s to a depth of at least 900 millimetres of clay (or equivalent); and</p> <p>(b) the tailings storage facility (except for the seepage collection pond) is lined to achieve a permeability of no less than 1×10^{-8} m/s to a depth of at least 600 millimetres of clay (or equivalent).</p> <p><i>Note: An alternative permeability standard may be acceptable following completion of an appropriate risk assessment undertaken in accordance with the Environmental Guidelines – Management of Tailings Storage Facilities (VIC DPI, 2004), to the satisfaction of the EPA and the Director-General.</i></p>	<p>Not Applicable (in July 2013)</p>	<p>At the time of this audit in July 2013, the mill/process plant and supporting infrastructure and facilities was in the process of being designed by Gekko Engineers in Victoria.</p> <p>a) The YTC Hera Project leachate management pond, seepage collection pond (associated with the tailings storage facility), process water dam and raw water dam are being designed using professional external consulting engineers Gekko Engineers.</p> <p>b) The tailings storage facility is being designed and constructed and will be supervised by a professional engineer from Coffeys.</p> <p>Permeability requirements, to meet PA Schedule 3 – Condition 22 – Design and Permeability of Storages, have been communicated to these respective engineers to be incorporated into design criteria.</p>	

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<p>Schedule 3 – Condition 23 – Design and Permeability of Storages</p> <p>The clean water diversion around the tailings storage facility shall be designed, constructed and maintained to prevent the probable maximum flood from the catchment upstream of the facility from entering the facility.</p>	<p>Not Applicable (in July 2013)</p>	<p>The clean water diversion around the tailings storage facility and other diversion drains were designed by external consultants SEEC.</p> <p>Rainfall and flood estimations, to meet PA Schedule 3 – Condition 23 – Design and Permeability of Storages, will be against the latest version of Australian Rainfall and Runoff requirements, for which these requirements will be incorporated into design criteria by external consulting engineers involved in the design work.</p>	
<p>Schedule 3 – Condition 24 – Design and Permeability of Storages</p> <p>The process water and raw water dams shall be maintained with a minimum freeboard sufficient to accommodate a 1 in 100-year ARI, 72-hour rainfall event without overtopping at all times.</p>	<p>Not Applicable (in July 2013)</p>	<p>The project process water and raw water dams will be maintained with a minimum freeboard sufficient to accommodate a 1 in 100-year ARI, 72-hour rainfall event without overtopping.</p> <p>The required minimum freeboard levels will be a) physically marked on these yet to be constructed water storages and b) clearly defined in process water management operating manuals and site water management plans.</p>	
<p>Schedule 3 – Condition 25 – Water Management Plan</p> <p>The Proponent shall prepare and implement a Water Management Plan for the project to the satisfaction of the Director-General. This plan must be prepared in consultation with EPA and NOW by suitably qualified and experienced persons whose appointment has been approved by the Director-General, and submitted to the Director-General for approval within six months of this approval, or prior to commencement of mining operations under this approval, whichever is sooner;</p> <p>In addition to the standard requirements for management plans (see Condition 3 of Schedule 5), this plan must include:</p> <p>(a) a Site Water Balance that includes details of:</p> <ul style="list-style-type: none"> sources of water supply; water use on site, including any potable water use; 	<p>Compliant</p>	<p>The operation's Water Management Plan was completed between October 2012 and February 2013. The plan was accepted by the EPA, but discussions continue with NOW regarding this plan.</p> <p>A letter was received from the NSW DPI on the 31st August 2012 approving the three experts that contributed to the development of the site Water Management Plan (ie. Mark Passfield, James Morrow and Wayne Russell), which was coordinated by external consultant RW Corkery and Co Pty Ltd.</p> <p>The operation's Water Management Plan (100 pages) includes the following information:</p> <p>a) Requirements associated with the site Water Balance are defined in section 8.1 of the Surface Water Management Plan and Appendix 5.</p> <p>The predicted total water demand for the site is</p>	

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<p>water management on site; off-site water discharges, including volume, timing and release point infrastructure requirements; and reporting procedures including comparisons of the site water balance for each calendar year; and</p> <p>(b) a Surface Water Management Plan, which includes: baseline data on surface water flows and quality in waterbodies that could be affected by the project; a detailed description of the surface water management system on site, including the:</p> <ul style="list-style-type: none"> - clean water diversion systems; - erosion and sediment controls; and - water storages, including the tailings storage facility, raw water or process water dams; <p>design objectives and performance criteria, including trigger levels for investigating any potentially adverse impacts, for the following:</p> <ul style="list-style-type: none"> - the water management system; - water storages including the tailings storage facility, raw water or process water dams; and - surface water quality in waterbodies that could be affected by the project; <p>performance criteria for surface water quality attributes relevant to water quality impacts on biological diversity and aquatic ecological integrity, including cyanide, salinity, heavy metals, sediment load, pH, hardness and biological oxygen demand;</p> <p>a program to monitor:</p> <ul style="list-style-type: none"> - the effectiveness of the water management system; - surface water flows, quality, and impacts on water users; - potential acid rock drainage; - potential leakage or spillage from tailings, mineral concentrate or effluent pipelines; 		<p>228.4 ML/annum inclusive of a) 194.5 ML for processing and underground mining; 6 ML for potable water and c) 27 ML for dust suppression around the site.</p> <p>Annual reporting against the water balance will be documented in the Annual Environmental Management Report.</p> <p>b) The Surface Water Management Plan includes all requirements associated with 1) Site Water balance (Section 8.1); 2) Discharge of Water (Section 8.2); 3) Mine Site Drainage (Section 8.3); 4) Erosion and Sediment Control Plan (Section 8.4); 5) Water Storage and Management (Section 8.5); 6) existing Surface Water Quality (Section 8.6) and 7) existing Water Flows (Section 8.7).</p> <p>Design objectives and performance criteria and water quality triggers are defined in Section 9 of the Surface Water Quality Monitoring Program.</p> <p>Site water quality management programs and monitoring requirements are defined in Section 9.0 Surface Water Monitoring program.</p> <p>All aspects associated with the Groundwater Monitoring program are included in Section 14 of the site Water Management Plan.</p> <p>c) Responses to any exceedences in the performance criteria and to mitigate and/or offset any adverse groundwater impacts of the project are defined in the Groundwater Management Plan – Sections 15, 16 and 17.</p> <p>It was stated that the “proposed” surface and groundwater trigger levels are planned to be submitted to the NSW EPA by the 28th February 2014 for approval.</p>	

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<ul style="list-style-type: none"> - post-closure water quality; - impacts on wildlife from exposure to cyanide or other toxic chemicals; and <p>a plan to respond to any exceedences of the performance criteria, and mitigate and/or offset any adverse surface water impacts of the project, including but not limited to management measures to reduce wildlife exposure to cyanide or other toxic chemicals;</p> <p>reporting procedures for the results of the monitoring program; and</p> <p>(c) a Groundwater Management Plan, which includes:</p> <p>baseline data of all groundwater levels, yield and quality in the region, and any privately-owned groundwater bores that could be affected by the project;</p> <p>detailed documentation of the operation of the seepage collection and storage system associated with the tailings storage facility and associated maintenance requirements;</p> <p>groundwater assessment criteria, including trigger levels for investigating any potentially adverse groundwater impacts, including but not limited to leakage from the tailings storage facility;</p> <p>a program to monitor:</p> <ul style="list-style-type: none"> - impacts on the groundwater supply of potentially affected landowners; - impacts on the volume of groundwater inflow into the underground workings; - regional groundwater levels and quality in all potentially affected aquifers; - potential acid rock drainage; - the effectiveness of the seepage collection and storage system and associated infrastructure in collecting and containing all seepage from the tailings storage facility and all other water storages that receive chemical or salt-laden water; - the quality of groundwater to be re-used on the site; 			

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<ul style="list-style-type: none"> - any post-rehabilitation seepage from the tailings storage facility; and <p>a plan to respond to any exceedences of the performance criteria, and mitigate and/or offset any adverse groundwater impacts of the project, including but not limited to:</p> <ul style="list-style-type: none"> - procedures to minimise the potential for soil salinity, sodicity and other contaminant issues associated with the reuse of groundwater on site; and - measures to manage and mitigate any leakage from the tailings storage facility, including but not limited to that detected beyond the seepage collection and storage system. 			
<p>Schedule 3 – Condition 26 – Biodiversity Offset Strategy</p> <p>Within 6 months of this approval, the Proponent shall prepare a Biodiversity Offset Strategy for the project to the satisfaction of the Director General. The Strategy must:</p> <ul style="list-style-type: none"> (a) be prepared in consultation with OEH; (b) identify the portion of the Chelsea site (WLL 3881) that would be conserved in perpetuity to offset the impacts of the project using the Biobanking Assessment Methodology; and (c) describe the specific management measures that would be implemented on the Chelsea site to conserve and improve the biodiversity values of the site over time. 	<p>Potential Non-compliance</p>	<p>Potential non-compliance - Within 6 months of the approval, a Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH in regard to methodologies. Therefore, no approval from the Director General has been granted as at the time of the audit.</p> <p>(a) The strategy is being prepared in consultation with OEH, to date a number of letters and updated versions of the Biodiversity Management Plan have gone back and forth with the OEH. Currently at the time of the audit YTC are awaiting a response from the OEH.</p> <p>(b) The portion of the Chelsea site has been identified however, other alternatives to the Biobanking Assessment methodology are being discussed with OEH and the local Catchment Management Authority and therefore, agreement has not yet been reached.</p> <p>(c) The specific management measures that would be implemented on the Chelsea site to conserve and improve the biodiversity values of the site over time are currently being discussed with OEH and the local Catchment Management Authority with respect to</p>	<p><i>Meeting with NSW Office of Environment (OEH) and Western Region Catchment Management Authorities will occur on-site in late October 2013 to discuss and finalise Biodiversity MP and Offset Strategy (address (a) – (c)).</i></p>

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		methodology (audit interview).	
<p>Schedule 3 – Condition 27 – Biodiversity Offset Strategy</p> <p>Following approval, the Proponent shall implement the Biodiversity Offset Strategy to the satisfaction of the Director General.</p>	Potential Non - compliance	<p>Potential Non-compliance - A Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH in regard to methodologies. Therefore, at the time of the audit, no approval from the Director General had been granted and because of this, the strategy had not been implemented.</p>	<i>As noted above.</i>
<p>Schedule 3 – Condition 28 – Long Term Security</p> <p>Within 12 months of the approval of the Biodiversity Offset Strategy, the Proponent shall make suitable arrangements to conserve the offset area identified in the Biodiversity Offset Strategy in perpetuity to the satisfaction of the Director General.</p>	Potential Non - compliance	<p>Potential Non-compliance - A Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH with regard to methodologies. Therefore, at the time of the audit, no approval from the Director General had been granted with regard to making suitable arrangements to conserve the offset area identified in the Biodiversity Offset Strategy in perpetuity.</p>	<i>As noted above.</i>
<p>Schedule 3 – Condition 29 – Biodiversity Management Plan</p> <p>Within 6 months of approval and prior to the commencement of vegetation clearing on the site under this approval, the Proponent shall submit a Biodiversity Management Plan for the project site to the Director- General for approval. This plan must:</p> <p>(a) be prepared by a suitably qualified and experienced person(s) whose appointment has been endorsed by the Director-General;</p> <p>(b) be prepared in consultation with OEH;</p> <p>(c) describe how the implementation of the biodiversity offset strategy would be integrated with the overall rehabilitation of the site;</p> <p>(d) describe the short, medium, and long term measures that</p>	Potential Non Compliance	<p>Potential Non-compliance - The Biodiversity Management Plan (dated June 2013) has been prepared and was sighted. At the time of the audit, the Biodiversity Management Plan had not been submitted to the Director- General for approval as YTC Hera was waiting for a response to the plan from the NSW Office of Environment (OEH).</p> <p>(a) A letter (dated 31/08/12) from the NSW Department of Planning & Infrastructure endorsing YTC Hera's propose list of experts as being suitably qualified and experienced person(s) was sighted and is appended to the Biodiversity Management Plan (BMP).</p> <p>(b) The Biodiversity Management Plan had been submitted to OEH for comment at the time of the audit. YTC Hera was awaiting a response.</p>	<p>(a) <i>As noted above.</i></p> <p>(b) <i>N/A</i></p> <p>(c) <i>YTC is still awaiting response from OEH regarding Biodiversity Management Plan.</i></p> <p>(d) – (h) <i>have been included in updated Biodiversity Management Plan whilst awaiting response from OEH.</i></p>

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<p>would be implemented to:</p> <ul style="list-style-type: none"> (i) manage the remnant vegetation and habitat on the site and in the offset area/s (if and when applicable); (ii) minimise the impacts on Cobar Greenhood Orchid (<i>Cryptostylis cobarensis</i>), Lobed Blue-grass (<i>Bothriochloa biloba</i>) and hollow-bearing trees; and (iii) implement the biodiversity offset strategy (if and when applicable), including detailed performance and completion criteria; <p>(e) include detailed performance and completion criteria for evaluating the performance of the biodiversity offset strategy, and triggering remedial action (if necessary);</p> <p>(f) include a detailed description of the procedures to be implemented for:</p> <ul style="list-style-type: none"> (i) enhancing the quality of existing vegetation and fauna habitat; (ii) restoring native vegetation and fauna habitat on the biodiversity areas and rehabilitation area through focusing on assisted natural regeneration, targeted vegetation establishment and the introduction of naturally scarce fauna habitat features (where necessary); (iii) maximising the salvage of resources within the approved disturbance area - including vegetative, soil and cultural heritage resources – for beneficial reuse in the enhancement of the biodiversity areas or rehabilitation area; (iv) collecting and propagating seed; (v) minimising the impacts on fauna on site, including pre-clearance surveys and minimising the potential exposure to tailings; (vi) controlling weeds and feral pests; (vii) controlling erosion; (viii) managing grazing and agriculture on site; 		<p>(c) A description of how the implementation of the biodiversity offset strategy would be integrated with the overall rehabilitation of the site has been described in Section 7.8 of the BMP.</p> <p>(d) (i) The short, medium, and long term measures that would be implemented to manage the remnant vegetation and habitat on the site and in the offset area/s (if and when applicable) are described in Section 7.3.1 of the BMP.</p> <p>(ii) The short, medium, and long term measures that would be implemented to minimise the impacts on Cobar Greenhood Orchid (<i>Cryptostylis cobarensis</i>), Lobed Blue- grass (<i>Bothriochloa biloba</i>) and hollow-bearing trees are described in Section 7.3.2 of the BMP.</p> <p>(iii) The short, medium, and long term measures that would be implemented to implement the biodiversity offset strategy (if and when applicable), including detailed performance and completion criteria are referenced in section 7.1 of the BMP.</p> <p>(e) The plan discusses trigger levels and monitoring of the mine site in section 8 of the plan but does not detail performance and completion criteria for evaluating the performance of the biodiversity offset strategy</p> <p>(f) (i) A detailed description of the procedures to be implemented for enhancing the quality of existing vegetation and fauna habitat are described in section 7.4.1 of the BMP.</p> <p>(ii) A detailed description of the procedures to be implemented for restoring native vegetation and fauna habitat on the biodiversity areas and rehabilitation area through focusing on assisted natural regeneration, targeted vegetation establishment and the introduction of naturally scarce fauna habitat features (where necessary) are described in sections 7.4.1 and 7.4.3 of the BMP.</p> <p>(iii) A detailed description of the procedures to be</p>	

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<p>(ix) controlling access; and (x) bushfire management;</p> <p>(g) include a seasonally-based program to monitor and report on the effectiveness of these measures, and progress against the detailed performance and completion criteria;</p> <p>(h) identify the potential risks to the successful implementation of the biodiversity offset strategy, and include a description of the contingency measures that would be implemented to mitigate against these risks; and</p> <p>(i) include details of who would be responsible for monitoring, reviewing and implementing the plan.</p>		<p>implemented for maximising the salvage of resources within the approved disturbance area - including vegetative, soil and cultural heritage resources – for beneficial reuse in the enhancement of the biodiversity areas or rehabilitation area are described in sections 7.4.3, 7.3.4 and 7.3.6 of the BMP.</p> <p>(iv) A detailed description of the procedures to be implemented for collecting and propagating seed is listed in section 7.3.3 of the BMP.</p> <p>(v) A detailed description of the procedures to be implemented for minimising the impacts on fauna on site, including pre-clearance surveys and minimising the potential exposure to tailings is described in sections 7.3.1 and 7.4.4. The Tailings Storage Facility is not constructed at time of audit; however, it is expected to be completed in 2014.</p> <p>(vi) a detailed description of the procedures to be implemented for sections 7.4.6 and 7.7 (goat trapping; feral cat trapping; fox baiting has been implemented)</p> <p>(vii) A detailed description of the procedures to be implemented for controlling erosion is referred to in section 7.3.5 of the BMP which refers to the <i>Water Management Plan (WMP)</i>. Section 8.4.4 of the WMP describes erosion control methods.</p> <p>(viii) A detailed description of the procedures to be implemented for managing grazing and agriculture on site is listed in section 7.5 of the BMP.</p> <p>(ix) A detailed description of the procedures to be implemented for controlling access is listed in section 7.5 of the BMP.</p> <p>(x) A detailed description of the procedures to be implemented for bushfire management is listed in section 7.6 of the BMP.</p> <p>(g) A seasonally-based program to monitor and report on the effectiveness of these measures, and progress against the detailed performance and completion</p>	

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		criteria is listed in Tables 10-13 of the BMP. (h) Identification of the potential risks to the successful implementation of the biodiversity offset strategy, and a description of the contingency measures that would be implemented to mitigate against these risks is detailed in Section 6.3 of the BMP. However, agreement hasn't been reached on the methodology and therefore the plan has not been implemented. (i) The details of who would be responsible for monitoring, reviewing and implementing the plan are listed in section 5.3 of the BMP. They are the General Manager and Environmental Officer.	
<p>Schedule 3 – Condition 30 – Biodiversity Management Plan</p> <p>Within 6 months of the approval of the Biodiversity Offset Strategy, the Proponent shall submit an updated Biodiversity Management Plan to the Director General for approval.</p> <p><i>Notes:</i></p> <p><i>The specific references to the Biodiversity Offset Strategy in condition 29 must be fully addressed in the updated management plan under condition 30. In the event that a Biobanking Agreement is entered into with respect to the biodiversity offsets for the project, a management plan under such an Agreement may be used to satisfy all or part of conditions 29 and 30 with the agreement of the Director-General.</i></p>	<p>Not Applicable (in July 2013)</p>	<p>A Biodiversity Offset Strategy was prepared by YTC Hera and was submitted to the NSW Office of Environment (OEH) and Heritage for consultation. However, at the time of the audit, discussions were still being undertaken with OEH in regard to methodologies.</p> <p>Therefore, at the time of the audit, the Biodiversity Offset Strategy had not been approved by the Director General which in turn has meant that an updated Biodiversity Management Plan had not been submitted to the Director General for approval.</p>	
<p>Schedule 3 – Condition 31 – Conservation Bond</p> <p>Within three months of the approval of the Biodiversity Management Plan, the Proponent shall lodge a conservation bond with the Department to ensure that the biodiversity offset is implemented in accordance with the performance and completion criteria of the Biodiversity Management Plan.</p> <p>The sum of the bond shall cover the full cost of implementing the Biodiversity Offset Strategy and be verified by a suitably qualified rehabilitation specialist or quantity surveyor.</p>	<p>Not Applicable (in July 2013)</p>	<p>At the time of the audit, the Biodiversity Management Plan had not been submitted to the Director-General for approval as YTC Hera was waiting for the NSW Office of Environment (OEH) response to the plan.</p> <p>This has meant that the conservation bond has not been lodged as required within three months of the approval of the Biodiversity Management Plan.</p>	

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<p>If the biodiversity offset is implemented to the satisfaction of the Director-General, the Director-General will release the conservation bond. If the offset strategy is not implemented to the satisfaction of the Director-General, the Director-General will call in all or part of the conservation bond, and arrange for the satisfactory implementation of the biodiversity offset.</p>			
<p>Schedule 3 – Condition 32 – Heritage</p> <p>The Proponent shall prepare and implement a Heritage Management Plan for the project to the satisfaction of the Director-General. The Plan must:</p> <p>(a) be prepared in consultation with OEH and the Aboriginal stakeholders (in relation to the management of Aboriginal heritage values);</p> <p>(b) be submitted to the Director-General for approval within six months of this approval; and</p> <p>(c) describe the measures that would be implemented for:</p> <ul style="list-style-type: none"> (i) monitoring all new surface disturbance on site for unidentified Aboriginal objects; (ii) managing the discovery of any human remains or previously unidentified Aboriginal objects on site; and (iii) ensuring ongoing consultation with Aboriginal stakeholders in the conservation and management of any Aboriginal cultural heritage values on site. 	<p>Compliant</p>	<p>The YTC Hera Project Heritage Management Plan was submitted to the NSW DPI and approved by this department on the 5/10/12.</p> <p>This management plan includes relevant information relating to a) Approved Activities; b) Consultation with Aboriginal Stakeholders and also Government; c) Environmental Management measures; d) Implementation of Management Measures and e) Monitoring and Reporting requirements.</p> <p>In addition, YTC Resources Limited maintains a Cultural Heritage Policy (dated September 2012).</p> <p>A number of heritage surveys have been completed on the mining lease prior to any construction/mining related disturbance. Heritage surveys were completed in 2004, 2006, 2010 and a follow-up 2011 survey.</p>	
<p>Schedule 3 – Condition 33 – Dangerous Goods</p> <p>Transportation of all dangerous goods to or from the site shall be undertaken in strict accordance with <i>Australian Code for the Transport of Dangerous Goods by Road and Rail</i>.</p>	<p>Compliant</p>	<p>Section 5.4.4 of the Traffic Environmental Management Plan states that the environmental officer will be responsible to ensure that this condition is satisfied and refers to the Hazardous Material Management Plan (HMMP). Section 5.10 of the HMMP states that “transportation of hazardous materials to Hera will only be undertaken by contractors who are certified to carry dangerous goods and have been trained in the</p>	

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		<p>“Australian Code for the Transport of Dangerous Goods by Road and Rail”.</p> <p>The following hazardous goods transportation were audited:</p> <ol style="list-style-type: none"> 1. Explosives: Explosives are currently transported to site by Johnex Explosives who are a licensed by Workcover NSW to transport explosives (per. comms. 16 July 2013, Workcover NSW). 2. Cyanide: No cyanide had been transported to site as at the time of the audit. However, YTC Hera is intending to use a licensed supplier/carrier. 3. Fuel: YTC Hera organises for petroleum to be delivered to site for use in its own operations as well as contractors. To ensure adherence to the code licensing of the driver (every 5 years) and the vehicle (every year) is regulated by the NSW EPA. The transport company (Owens Transport: DGV20279) was verified as being licensed using the on-line search at https://www.licence.nsw.gov.au/New/. One vehicle (Registration No: S2578) was active under this license. This vehicle was not verified as being in use. Licensing of drivers was not verified. 4. All other hazardous goods had not been delivered to site as of the time of the audit. 	
<p>Schedule 3 – Condition 34 – Road Upgrades</p> <p>Within 6 months of the date of this approval, the Proponent shall:</p> <p>(a) commission a suitably qualified independent expert, whose appointment has been approved by the Director-General, to undertake a design and pavement condition review for the intersection of Burthong Road and Priory Tank Road, which:</p> <ol style="list-style-type: none"> (i) identifies any deficiencies in the design or pavement condition of the intersection; (ii) recommends appropriate design upgrades 	<p>Partial non-compliance</p>	<p>(a) A suitably qualified independent expert whose appointment was approved by the Director-General, was commissioned to undertake a design and pavement condition review for the intersection of Burthong Road and Priory Tank Road. This was done within 6 months of the date of the approval. A letter (dated 22.1.13) of endorsement from the Director General referring to conditions 34 and 35 of this approval was sighted.</p> <p>(i) A design and pavement condition review for the intersection of Burthong Road and Priory Tank Road, which identified any deficiencies in the design or</p>	<p><i>Awaiting Council response.</i></p>

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<p>and pavement repairs taking into consideration the type, volume and direction of traffic generated by the mine; and</p> <p>(iii) ensures the recommended design is in accordance with the applicable AUSTRROADS standards.</p> <p>(b) undertake intersection design and pavement upgrades in accordance with the recommendations of the review in (a), in consultation with Council, and to the satisfaction of Council.</p>		<p>pavement condition of the intersection was completed and contained in the report <i>Intersection Assessment at Burthong Road and Priory Tank Road (Geolyse:8/04/13)</i> which was sighted.</p> <p>(ii) A design and pavement condition review for the intersection of Burthong Road and Priory Tank Road, which recommends appropriate design upgrades and pavement repairs taking into consideration the type, volume and direction of traffic generated by the mine was completed and contained in the report <i>Intersection Assessment at Burthong Road and Priory Tank Road (Geolyse:8/04/13)</i> which was sighted.</p> <p>(iii) A design and pavement condition review for the intersection of Burthong Road and Priory Tank Road, which ensures the recommended design is in accordance with the applicable AUSTRROADS standards was completed and contained in the report <i>Intersection Assessment at Burthong Road and Priory Tank Road (Geolyse:8/04/13)</i> which was sighted.</p> <p>(b) Partial non-compliance - Intersection design and pavement upgrades have not been undertaken in accordance with the recommendations of the review within 6 months of the date of the approval. The report described in (a) above has been sent to Council and YTC Hera is awaiting Council's response.</p>	
<p>Schedule 3 – Condition 35 – Road Upgrades</p> <p>Within 6 months of the date of this approval, the Proponent shall:</p> <p>(a) commission a suitably qualified independent expert, whose appointment has been approved by the Director-General, to undertake a review of the existing traffic control devices on Burthong Road and Priory Tank Road, which:</p> <p>(i) reviews all existing traffic devices, including traffic signs, traffic signals, pavement markings, guide posts, delineators and safety</p>	<p>Partial non-compliance</p>	<p>(a) A suitably qualified independent expert whose appointment was approved by the Director-General, was commissioned to undertake a review of the existing traffic control devices on Burthong Road and Priory Tank Road. This was done within 6 months of the date of the approval. A letter (dated 22.1.13) of endorsement from the Director General referring to conditions 34 and 35 of this approval was sighted.</p> <p>(i) A review of the existing traffic control devices on Burthong Road and Priory Tank Road, which reviews all existing traffic devices, including traffic signs, traffic signals, pavement markings, guide posts, delineators</p>	<p><i>Awaiting Council response.</i></p>

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<p>barriers, and identifies any deficiencies; and</p> <p>(ii) recommends appropriate upgrades in accordance with the applicable AUSTROADS standards;</p> <p>(b) install traffic control devices in accordance with the recommendations of the review in (a), to the satisfaction of Council.</p>		<p>and safety barriers, and identifies any deficiencies was undertaken and results contained in the (draft) report <i>Review of Traffic Control Devices</i> (Geolyse: February 2013) which was sighted.</p> <p>(ii) A review of the existing traffic control devices on Burthong Road and Priory Tank Road, which recommends appropriate upgrades in accordance with the applicable AUSTROADS standards was undertaken and results contained in the (draft) report <i>Review of Traffic Control Devices</i> (Geolyse: February 2013) which was sighted.</p> <p>(b) Partial non - compliance - Installation of traffic control devices in accordance with the recommendations of the review in (a) has not been completed within 6 months of the date of this approval. The report described in (a) above has been sent to Council and YTC Hera is awaiting Council's response.</p>	
<p>Schedule 3 – Condition 36 – Access Road and Intersection Construction</p> <p>The Proponent shall construct the site access road for heavy vehicles, and associated intersection of this access road and Burthong Road, prior to the commencement of construction of the process plant. The intersection shall be designed and constructed to the satisfaction of Council and in accordance with the applicable AUSTROADS standards.</p>	<p>Compliant</p>	<p>YTC Hera is currently constructing the site access road for heavy vehicles, and associated intersection of this access road and Burthong Road (visually verified) and is expected to be finished by the end of July 2013.</p> <p>The construction of the process plant had not commenced at the time of the audit and is not planned to start until the completion of the heavy vehicle access road (audit interview).</p> <p>The design of the intersection was designed in accordance with the applicable AUSTROADS standards and included in the Traffic Management Plan (Figure 4) approved by Council.</p>	
<p>Schedule 3 – Condition 37 – Monitoring of Concentrate Transport</p> <p>The Proponent shall:</p> <p>(a) keep accurate records of the:</p> <p>(i) amount of lead and zinc concentrate</p>	<p>Not Applicable (in July 2013)</p>	<p>(a) At the time of the audit, no lead or zinc concentrate has been produced and therefore no amount has been transported from the site. YTC Hera expects production of concentrate in 12 months (July 2014) and plans to keep accurate records of the amount of lead and zinc concentrate transported from the site (on a monthly</p>	

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<p>transported from the site (on a monthly basis); and</p> <p>(ii) the date and time of loaded truck movements from the site; and</p> <p>(b) provide the Director-General with a summary of these truck movements in the Annual Review.</p>		<p>basis) by the installation of a weighbridge on site (audit interview).</p> <p>(b) YTC Hera plans provide the Director-General with a summary of these truck movements in the Annual Review once product has commenced to be transported from site (audit interview).</p>	
<p>Schedule 3 – Condition 38 – Traffic Management Plan</p> <p>The Proponent shall prepare and implement a Traffic Management Plan to the satisfaction of the Director-General. The plan shall:</p> <p>(a) focus on traffic management along Burthong Road and Priory Tank Road, particularly in the vicinity of the village of Nymagee;</p> <p>(b) describe the measures to minimise conflicts between road users and ensure that trucks from the mine do not travel through surrounding local roads; and</p> <p>(c) be developed in consultation with Council and submitted for the approval of the Director-General prior to carrying out any development on the site under this approval.</p>	Compliant	<p>YTC Hera has prepared and implemented a Traffic Management Plan (sighted YTC EMP 006 dated 15/8/12) to the satisfaction of the Director-General (sighted approval letter received from the Director-General dated 24/10/12).</p> <p>(a) Section 5.4 of the plan focuses on traffic management along Burthong Road and Priory Tank Road, particularly in the vicinity of the village of Nymagee.</p> <p>(b) Section 6.1 describes the measures to minimise conflicts between road users and ensure that trucks from the mine do not travel through surrounding local roads.</p> <p>(c) The plan has been developed in consultation with Council and is described in section 3 of the plan. The plan was submitted for the approval of the Director-General prior to carrying out any development on the site under this approval (audit interview).</p>	
<p>Schedule 3 – Condition 39 – Visual – Operating Conditions</p> <p>The Proponent shall:</p> <p>(a) implement all reasonable and feasible measures to minimise the visual impacts, and particularly the off-site lighting impacts, of the project;</p> <p>(b) ensure that all external lighting associated with project complies with <i>Australian Standard AS4282 (INT) 1995 – Control of Obtrusive Effects of Outdoor Lighting</i>, to the satisfaction of the Director-General.</p>	Compliant	<p>At the time of this audit in July 2013, the mill/process plant and supporting infrastructure and facilities was in the process of being designed by Gekko Engineers in Victoria.</p> <p>Requirements associated with lighting, to meet Australian Standards and to reduce any nuisance or adverse impacts from lighting to neighbouring landowners, have been communicated to Gekko Engineers in Victoria.</p>	

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<p>Schedule 3 – Condition 40 –Hazardous Materials – Final Hazard Analysis</p> <p>The Proponent shall prepare a <i>Final Hazards Analysis</i> (FHA) for the project to the satisfaction of the Director-General, in accordance with the Department's <i>Hazardous Industry Planning Advisory Paper No. 6 – Guidelines for Hazard Analysis</i>.</p> <p><i>Note: If the project design is the same as that assessed in the Preliminary Hazard Analysis (PHA), then the Director- General may accept the PHA as the FHA.</i></p>	<p>Compliant</p>	<p>A Preliminary Hazard Analysis (PHA) was completed by RW Corkery & Co as part of the EA (Nov. 2011) (sighted).</p> <p>Section 5.1 of the Hazardous Materials Management Plan states that “<i>As there are no changes to the design of the Mine, the PHA is considered by Hera Resources to be sufficient to satisfy the requirement of Condition 3(40) of Project Approval whereby a Final Hazards Analysis was to be prepared</i>”.</p> <p>As the Hazardous Materials Management Plan has been approved by the Director-General, YTC Hera is compliant with this condition.</p>	
<p>Schedule 3 – Condition 41 – Hazardous Materials – Hazardous Materials Management Plan</p> <p>The Proponent shall prepare and implement a <i>Hazardous Materials Management Plan</i> for the project to the satisfaction of the Director-General. The plan must:</p> <p>(a) be prepared in consultation with the relevant government agencies including Council, RMS, EPA, NOW, WorkCover NSW and DRE;</p> <p>(b) be consistent with the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold;</p> <p>(c) be submitted to the Director-General for approval prior to commencing mining operations under this approval;</p> <p>(d) describe the measures that would be implemented to:</p> <p>(i) ensure sodium cyanide and other toxic chemicals are stored and handled on the site in accordance with AS/NZ 4452 – The Storage and Handling of Toxic Substances; and</p> <p>(ii) ensure the transportation of hazardous materials to or from the site is undertaken in accordance with the Department's <i>Hazardous Industry Planning</i></p>	<p>Actual Non-compliance</p> <p>Potential Non – compliance</p> <p>Potential Non - compliance</p>	<p>(a) The plan has been prepared in consultation with the relevant government agencies including Council, RMS, EPA, NOW, WorkCover NSW and DRE. A copy of the plan was sent to all relevant government departments on the 18 October 2012 (sighted).</p> <p>(b) Section 5.8 of the plan lists the cyanide controls to be used which are consistent with the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold (the code). Principal 5 (decommissioning) and Principle 9 (Dialogue) of the code have not been addressed in the plan.</p> <p>(c) The plan was submitted to the Director-General for approval prior to commencing mining operations under this approval. An approval letter (dated 01/05/13) from the Director-General was sighted.</p> <p>(i) Actual Non-compliance - AS/NZ 4452 refers to storage of Class 6 chemicals which includes cyanide and lead nitrate. Section 5.8.3 of the plan describes the measures that would be implemented to ensure sodium cyanide is stored and handled on the site in accordance with AS/NZ 4452 – The</p>	<p><i>Hazardous Materials Management Plan has been updated to include:</i></p> <ul style="list-style-type: none"> - <i>The International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold (the code). Principal 5 (decommissioning) and Principle 9 (Dialogue) of the code.</i> - <i>Addressing the measures taken to implemented to store lead nitrate.</i> - <i>Include that selected route for Cyanide is in accordance with Hazardous Industry Planning Advisory Paper No. 11 – Route Selection.</i>

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<p><i>Advisory Paper No. 11 – Route Selection and the Australian Code for the Transport of Dangerous Goods by Road and Rail – current version; and</i></p> <p>(e) detail the emergency procedures for the Project consistent with the Department's <i>Hazardous Industry Planning Advisory Paper No. 1 – Emergency Planning</i>.</p>		<p><i>Storage and Handling of Toxic Substances.</i> The measures to be implemented to store lead nitrate are not specifically addressed in the plan.</p> <p>(ii) Potential Non -compliance - Section 5.8.2 of the plan describes the measures that would be implemented to ensure the transportation of hazardous materials to or from the site is undertaken in accordance with the Department's <i>Hazardous Industry Planning Advisory Paper No. 11 – Route Selection</i> and the <i>Australian Code for the Transport of Dangerous Goods by Road and Rail – current version</i>. It refers to a detailed study undertaken during the development of the <i>Environmental Assessment</i> and that the outcome was to transport hazardous goods by bitumen roads (limited to the project area: Figure 3 of the plan). The route selection for transport of cyanide from origin to the mine has not been described in accordance with the Department's <i>Hazardous Industry Planning Advisory Paper No. 11 – Route Selection</i>.</p> <p>(e) Potential Non -compliance - The Department's <i>Hazardous Industry Planning Advisory Paper No. 1 – Emergency Planning</i> calls for the establishment of a site-specific emergency plan. Section 5.8.5 of the <i>Hazardous Materials Management Plan</i> refers to emergency response procedures for cyanide, together with other hazardous materials which are detailed in Section 8 of the plan. Section 8 of the plan describes the communication plan (only) to be undertaken in an emergency but not all of the procedures are consistent with the Department's <i>Hazardous Industry Planning Advisory Paper No. 1 – Emergency Planning</i> are included.</p>	

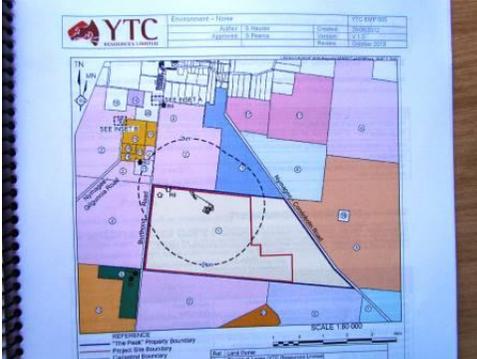
Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>Schedule 3 – Condition 42 – Waste</p> <p>The Proponent shall:</p> <ul style="list-style-type: none"> (a) minimise the waste generated by the project; (b) ensure that the waste generated by the project is appropriately stored, handled and disposed of; and (c) manage on-site sewage treatment disposal in accordance with the requirements of Council, to the satisfaction of the Director-General. 	<p>Potential Non-Compliance</p>	<p>(a) YTC Hera addresses waste minimisation in section 5.5 of the <i>Hazardous Materials Management Plan</i>. Evidence of waste recycling including oil and scrap steel at the workshops as well as general waste segregation/recycling in strategically placed bins on site was visually verified.</p> <p>(b) YTC Hera ensures that the waste generated by the project is appropriately stored, handled and disposed of by strategically placing appropriate waste/recycling bins on site and contracting a licensed contractor (JR Richards - Dubbo) to dispose of at a licensed landfill in Cobar. Medical waste is also disposed of at the Cobar landfill (email 17/7/13).</p> <p>(c) Potential Non-Compliance- Two of the three (homestead, camp and workshop) sewage treatment systems inspected were relatively new and appeared in good order. The homestead system appeared to have a greywater leak at the time of the inspection. The STP at the new camp was not inspected. A construction certificate was sighted for the new camp however, no documentation was presented to able to verify that YTC Hera was managing the on-site sewage treatment disposal in accordance with the requirements of Council.</p>	<p><i>Council are scheduled to inspect STP located at mine and at new camp as soon as practically possible to issue approval to operate system. The meeting is dependent on True Water Australia (company which installed STP) availability to attend the inspection on-site.</i></p>
<p>Schedule 3 – Condition 43 – Waste Rock Management Plan</p> <p>The Proponent shall prepare and implement a Waste Rock Management Plan to the satisfaction of the Director-General. The plan must:</p> <ul style="list-style-type: none"> (a) be developed in consultation with the EPA and NOW; (b) submitted for the approval of the Director-General within six months of this approval; (c) include a detailed description of the procedures to be implemented to monitor and manage potential acid forming material; 	<p>Compliant</p>	<p>YTC Hera has prepared a Waste Rock Management Plan (sighted YTC EMP 015 dated 22/8/12). The plan has not yet been submitted for approval by the Director-General (DG). The plan is anticipated to be submitted to the DG in July 2013 now that the outcome of consultation with NOW has been received.</p> <ul style="list-style-type: none"> (a) The plan has been developed in consultation with the EPA and NOW. A letter (dated 21st November 2012) was sighted requesting comment from both the EPA and NOW. Letters of response (from NOW dated 21/06/13 and the EPA dated 21/12/12) were sighted. (b) After receiving comments on the plan from NOW the 	

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<p>(d) reflect the groundwater and surface water monitoring programs to monitor potentially acid-forming waste rock and any leachate generated, including appropriately designed detection and response systems for acid generation (covering monitoring methods, trigger levels and proposed management actions);</p> <p>(e) ensure effective isolation of potential acid forming material in rock dumps;</p> <p>(f) include procedures for appropriate testing of potentially acid forming waste rock prior to it being brought to the surface;</p> <p>(g) include procedures for prioritising the relocation of potential acid forming material to a suitable underground locations prior to oxidation;</p> <p>(h) include procedures to ensure that material relocated underground does not, to the extent reasonable and feasible, further oxidise or cause impact to groundwater;</p> <p>(i) notwithstanding (e) above, trigger levels for any material that has oxidised to the extent that it cannot be placed underground without impacting groundwater quality and procedures for adequate capping and sealing of such material at the surface;</p> <p>(j) detail proposed neutralising options to be implemented for oxidising material stored or encapsulated aboveground; and</p> <p>(k) where there is likely to be an extended time between placement of potential acid forming material underground, details of proposed methods to prevent oxidation of the material underground or to otherwise manage acid drainage to prevent impacts on groundwater.</p>		<p>plan was submitted to the Director-General for approval in July 2013. The plan has since been approved on the 22nd July 2013 (S.Pearce 2013, pers.comm., 4th August).</p> <p>(c) A detailed description of the procedures to be implemented to monitor and manage potential acid forming material is described in section 4.3 of the plan.</p> <p>(d) Section 4.3.2.1 in the plan describes the monitoring programs to monitor potentially acid-forming waste rock and any leachate generated, including appropriately designed detection and response systems for acid generation. Specific visual levels trigger proposed management actions such as pumping to the process water dam. Trigger levels for acid detection (e.g. ph levels) have not been included in the plan.</p> <p>(e) Measures to effectively isolate potential acid forming material in rock dumps is described in section 4.3.3 of the plan.</p> <p>(f) Procedures for appropriate testing of potentially acid forming waste rock prior to it being brought to the surface have been included in section 4.3.1 of the plan.</p> <p>(g) Section 4.3.4 of the plan includes procedures for prioritising the relocation of potential acid forming material to suitable underground locations prior to oxidation. Relocation will most likely happen in the third year of mining.</p> <p>(h) Section 4.3.4 of the plan also includes procedures to ensure that material relocated underground does not, to the extent reasonable and feasible, further oxidise or cause impact to groundwater.</p> <p>(i) Section 4.3.4 of the plan describes management plans for material that has oxidised to the extent that it cannot be placed underground without impacting groundwater quality. No trigger levels have been specified however, the degree of oxidation will be estimated. Procedures for adequate capping and</p>	

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		<p>sealing of such material at the surface are described including conducting a risk assessment to ensure appropriate remediation, encapsulating in NAF and possible encapsulating in the TSF.</p> <p>(j) The plan details proposed neutralising options (such as crushed limestone) to be implemented for oxidising material stored or encapsulated aboveground in section 4.3.4 of the plan.</p> <p>(k) On the basis that this condition could read "...to prevent oxidation of the material <i>aboveground</i>...", section 5 of the plan details proposed methods to manage acid drainage to prevent impacts on groundwater where there is likely to be an extended time between placement of potential acid forming material underground. These measures include monitoring of the surface waters and groundwaters nearby.</p>	
<p>Schedule 3 – Condition 44 – Rehabilitation - Rehabilitation Objectives</p> <p>The Proponent shall rehabilitate the site to the satisfaction of the Executive Director Mineral Resources. This rehabilitation must be generally consistent with the proposed rehabilitation strategy described in the EA (as reproduced in Appendix 4), and comply with the objectives in Table 7.</p>	<p>Actual Non-compliance</p>	<p>Short-term rehabilitation objectives for the project have been determined and included Section 4.3.4.1 of the YTC Hera Project Mine Operations Plan (May 2013).</p> <p>Short term and long-term rehabilitation objectives are also defined in Sections 4.3.5.1 and 4.3.5.2 of the Rehabilitation Management Plan.</p> <p>Additional long-term rehabilitation objectives are planned to be included in the Mine Closure Plan at a future date.</p> <p>The Operation's Rehabilitation Management Plan is dated March 2013 which was completed by R K Corkery and Co. Pty Ltd.</p> <p>Actual Non-compliance – Rehabilitation Objectives defined in Table 7 of the Project Approval differ to those defined in Section 4.3.5 Mine Rehabilitation Objectives listed in the Rehabilitation Management Plan.</p> <p>Preliminary rehabilitation plans for the YTC Hera Project site are also defined in a one-page plan in the</p>	<p><i>Progressive rehabilitation commencing on construction of fence surrounding permanent stockpiles to ensure successful seeding.</i></p> <p><i>Further discussion with exploration managers about drill sites. Currently it is assumed that all drill sites have the possibility to be re-drilled.</i></p> <p><i>Seed collecting is scheduled to occur at the beginning of summer 2013 in the lobed blue-green grass area.</i></p>

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		<p>Project Approval in Appendix 4.</p> <p>Apart from the Rehabilitation Management Plan (March 2013), no additional Mine Closure Plan has been developed to date for the project, recognising that the project has only recently commenced construction.</p> <p>No progressive rehabilitation has commenced or is scheduled for 2013, with the exception of:</p> <ul style="list-style-type: none"> a) some former drill-pads and drill holes may be rehabilitated later in 2013/14; and b) longer-term topsoil stockpiles will be seeded in the future <p>Progressive rehabilitation conducted by YTC will be challenging as a result of high populations of goats in the area. This may require rehabilitated areas to be fenced off.</p>	
<p>Schedule 3 – Condition 45 – Rehabilitation - Progressive Rehabilitation</p> <p>The Proponent shall carry out rehabilitation of the site progressively, that is, as soon as reasonably practicable after disturbance. All reasonable and feasible measures must be taken to minimise the total area exposed for dust generation at any time. Interim rehabilitation strategies shall be employed when areas prone to dust generation cannot yet be permanently rehabilitated.</p> <p><i>Note: It is accepted that some parts of the site that are progressively rehabilitated may be subject to further disturbance at some later stage of the project.</i></p>	<p>Not Applicable (in July 2013)</p>	<p>Progressive rehabilitation works have been scoped and included in Section 4.5 of the Mine Operations Plan, inclusive of information provided in Table 17.</p> <p>Due to the very early stage of construction of the project, no progressive rehabilitation has commenced or is scheduled for 2013.</p> <p>Land disturbance at the site is required as a result of former, current and planned construction earthworks.</p> <p>There was evidence that this land disturbance and earthworks are being managed, but reducing the areas exposed to dust is unlikely to occur until towards the end of construction.</p> <p>The total area planned to be disturbed by the YTC Hera Project is 46.1 ha. For which 40 ha is planned/allocated to the Tailings Storage Facility.</p>	
<p>Schedule 3 – Condition 46 – Rehabilitation - Rehabilitation Management Plan</p>	<p>Compliant</p>	<p>The YTC Hera Project Rehabilitation Management Plan was provided to the relevant government agencies on 4</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>The Proponent shall prepare and implement a <i>Rehabilitation Management Plan</i> for the project to the satisfaction of the Executive Director Mineral Resources. This plan must:</p> <ul style="list-style-type: none"> (a) be prepared in consultation with the Department, OEH, EPA, NOW and Council; (b) be submitted to the Executive Director Mineral Resources for approval prior to carrying out development on the site under this approval; (c) be prepared in accordance with any relevant DRE guideline; (d) outline the procedures to be implemented to achieve the rehabilitation objectives in condition 44; (e) describe how the rehabilitation of the site would be integrated with the implementation of the biodiversity offset strategy; (f) include detailed performance and completion criteria for evaluating the performance of the rehabilitation of the site, and triggering remedial action (if necessary); (g) describe the measures that would be implemented to ensure compliance with the relevant conditions of this approval, and address all aspects of rehabilitation including mine closure, final landform, and final land use; (h) include interim rehabilitation where necessary to minimise the area exposed for dust generation; (i) include a program to monitor, independently audit and report on the effectiveness of the measures, and progress against the detailed performance and completion criteria; and (j) build, to the maximum extent practicable, on the other management plans required under this approval. 		<p>July 2012.</p> <p>The Department of Trade and Investment, Regional Infrastructure and Services provided feedback on the Rehabilitation Management Plan on the 23 January 2013.</p> <p>No further comments were provided by the Dept. of Planning and Infrastructure as of 2nd April 2013.</p> <p>The DPI NOW provided comments on the RMP on the 28th June 2013.</p> <p>No comments have been received from OEH or the Cobar Shire Council to date.</p> <p>As of early July 2013, the operation's Rehabilitation Management Plan had not yet been approved by all relevant state departments. Feedback is still to be received from NSW Department of Trade and Investment, Regional Infrastructure and Services and the NSW EPA.</p> <p>The Rehabilitation Management Plan (100 pages including appendices) defines the following:</p> <ul style="list-style-type: none"> a) an overview of the existing environment, prior to disturbance/rehabilitation; b) a description of the proposed mining activities; c) the actual rehabilitation plan, including rehabilitation risk assessment and response, post mining land-use, rehabilitation planning and implementation; and d) rehabilitation monitoring requirements to be adopted. <p>Section 1.4 of the YTC Hera Project Rehabilitation Management Plan defines the sections of the plan that conform to the requirements specified in the project Approval Schedule 3 – Condition 46 – Rehabilitation - Rehabilitation Management Plan a) – j).</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
Schedule 4 – Additional Procedures			
<p>Schedule 4 – Condition 1 – Notification of Landowners</p> <p>Within 3 months of the date of project approval, the Proponent shall notify in writing the owners of any privately-owned land within two kilometres of the approved blasting on site that they are entitled to request an inspection to establish the baseline condition of any buildings or structures on their land, or to have a previous property inspection report updated.</p>	<p>Compliant</p>	<p>No neighbouring landowner buildings are located within a 2 km radius of the entrance to the boxcut.</p>  <p>Photo 8 Diagram identifying the 2 km radius and the location of three neighbouring residents outside of this 2 km radius</p> <p>No requests have been made to date from neighbouring residents requesting any form of building inspection on their properties.</p>	
<p>Schedule 4 – Condition 2 – Notification of Landowners</p> <p>Within two weeks of obtaining monitoring results showing:</p> <p>(1) an exceedence of any relevant noise criteria in Schedule 3, the Proponent shall notify affected landowners and/ or tenants in writing of the exceedence, and provide regular monitoring results to each of these affected parties until the project is again complying with the relevant criteria; and</p> <p>(2) an exceedence of any relevant air quality criteria in Schedule 3, the Proponent shall send the affected landowners and/ or tenants a copy of the NSW Health fact sheet entitled “Mine Dust and You” (as may be updated from time to time).</p>	<p>Not Applicable (in July 2013)</p>	<p>Environmental personnel at YTC Hera are still in the process of finalising field monitoring methodology for a) noise and b) dust deposition to enable representative results and data to be generated of the actual noise and depositional dust conditions from the operation.</p> <p>A specialist noise consultant is planned to be appointed in July 2013 to conduct a representative noise survey of each of the three residents located over 2 km but less than 5 km from the project site.</p> <p>Corrective actions relating to dust depositional monitoring on site will occur in the near future, to ensure that bird droppings do not adversely impact the analytical results received from the laboratory.</p> <p>Only once representative sampling practices have been</p>	

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		<p>formally established for noise and depositional dust, will the exact status of compliance/non-compliance with limits defined in the Project Approval be able to be determined.</p> <p>The opinion of the auditors is that former and current exceedances measured for noise and depositional dust monitoring were conducted under unrepresentative field conditions and/or incorrect field practices. There is clear evidence that these monitoring methods are being corrected in the immediate future.</p>	
<p>Schedule 4 – Condition 2 – Independent Review</p> <p>If an owner of privately-owned land considers the project to be exceeding the relevant criteria in Schedule 3, then he/she may ask the Director-General in writing for an independent review of the impacts of the project on his/her land.</p> <p>If the Director-General is satisfied that an independent review is warranted, then within two months of the Director-General's decision the Proponent shall:</p> <p>(a) commission a suitably qualified, experienced and independent person, whose appointment has been approved by the Director-General, to:</p> <ul style="list-style-type: none"> (i) consult with the landowner to determine his/her concerns; (ii) conduct monitoring to determine whether the project is complying with the relevant criteria in Schedule 3; and (iii) if the project is not complying with these criteria then identify measures that could be implemented to ensure compliance with the relevant criteria. <p>(b) give the Director-General and landowner a copy of the independent review.</p>	<p>Compliant</p>	<p>No requests or complaints have been made to date by neighbouring residents, relating to any nuisance or adverse noise, dust or air emissions from the Hera project.</p> <p>No requests have been made to the Director-General from neighbouring residents for the completion of an independent review of the impacts of the project on his/her land.</p> <p>At this early stage of the project, no written agreements have been secured with any neighbouring residents to date.</p>	
<p>Schedule 4 – Condition 3 – Independent Review</p> <p>If the independent review determines that the project is</p>	<p>Compliant</p>	<p>As per Schedule 4 – Condition 2 – Independent Review.</p>	

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<p>complying with the relevant criteria in Schedule 3, then the Proponent may discontinue the independent review with the approval of the Director-General.</p>			
<p>Schedule 4 – Condition 4 – Independent Review</p> <p>If the independent review determines that the project is not complying with the relevant criteria in Schedule 3, then the Proponent shall:</p> <p>(a) implement all reasonable and feasible mitigation measures, in consultation with the landowner and appointed independent person, and conduct further monitoring until the project complies with the relevant criteria; or</p> <p>(b) secure a written agreement with the landowner to allow exceedences of the relevant criteria, to the satisfaction of the Director-General.</p>	Compliant	As per Schedule 4 – Condition 2 – Independent Review.	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
Schedule 5 – Environmental Management, Reporting and Auditing			
<p>Schedule 5 – Condition 1 – Environmental Management - Environmental Management Strategy</p> <p>The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Director-General. This strategy must:</p> <p>(a) be submitted for approval to the Director-General within six months of this approval;</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"> (i) keep the local community and relevant agencies informed about the operation and environmental performance of the project; (ii) receive, handle, respond to, and record complaints; (iii) resolve any disputes that may arise during the course of the project; (iv) respond to any non-compliance; (v) respond to emergencies; and <p>(f) include:</p> <ul style="list-style-type: none"> (i) copies of any strategies, plans and programs approved under the conditions of this approval; and (ii) a clear plan depicting all the monitoring required to be carried out under the conditions of this approval. 	<p>Partial non-compliance</p>	<p>YTC Hera has prepared an Environmental Management Strategy (YTC EMP 012 dated 22/11/12 sighted) for the project to the satisfaction of the Director-General (approval letter dated 30/11/12 from the Director-General was sighted).</p> <p>(a) YTC Hera submitted the strategy for approval to the Director-General within six months (November 2012) of this approval (July 2012)(approval letter dated 30/11/12 from the Director-General was sighted)</p> <p>(b) Section 5.2 and Figure 3 of the strategy provide the strategic framework for the environmental management of the project.</p> <p>(c) Section 2.2 of the strategy identifies the statutory approvals that apply to the project.</p> <p>(d) Section 3 of the strategy describes the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project. It lists the General Manager and Environmental Officer as the key personnel.</p> <p>(i) Section 6.1 of the strategy describes the procedures that would be implemented to keep the local community and relevant agencies informed about the operation and environmental performance of the project (improvement to include CCC, newsletters etc. for community)</p> <p>(ii) Section 5.4 of the strategy describes the procedures that would be implemented to receive, handle, respond to, and record complaints.</p> <p>(iii) Section 5.4 of the strategy describes the procedures that would be implemented to resolve any disputes that may arise during the course of the project.</p> <p>(iv) Section 6.1.2 of the strategy describe the procedures that would be implemented to respond to any non-compliance.</p>	<p><i>Approved YTC Management Plans are attached in appendix of Environmental Management Strategy.</i></p>

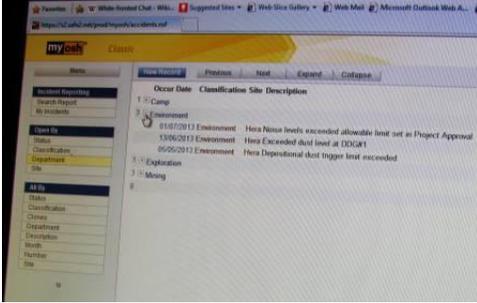
Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		(v) Section 5.5 of the strategy describes the procedures that would be implemented to respond to emergencies. (i) Partial non-compliance - The strategy includes a list of strategies, plans and programs approved under the conditions of this approval in section 5.2 of the strategy however, the plans are not included in the document. (ii) The strategy includes a clear plan depicting all the monitoring required to be carried out under the conditions of this approval in section 5.2.1 of the strategy.	
<p>Schedule 5 – Condition 2 – Environmental Management – Adaptive Management</p> <p>The Proponent shall assess and manage project-related risks to ensure that there are no exceedences of the criteria and/or performance measures in schedule 3. Any exceedence of these criteria and/or performance measures constitutes a breach of this approval and may be subject to penalty or offence provisions under the EP&A Act or EP&A Regulation.</p> <p>Where any exceedence of these criteria and/or performance measures has occurred, the Proponent shall, at the earliest opportunity:</p> <p>(a) take all reasonable and feasible measures to ensure that the exceedence ceases and does not recur;</p> <p>(b) consider all reasonable and feasible options for remediation (where relevant) and submit a report to the Department describing those options and any preferred remediation measures or other course of action; and</p> <p>(c) implement remediation measures as directed by the Director-General, to the satisfaction of the Director-General.</p>	<p>Compliant</p>	<p>YTC Hera has assessed and managed project-related risks to ensure that there are no exceedences of the criteria and/or performance measures in schedule 3. These are described in the relevant Environmental Management Plans (sighted).</p> <p>(a) Exceedences of criteria in Schedule 3 have occurred including deposited dust, noise and airblast overpressure/ground vibration. YTC Hera took all reasonable and feasible measures to ensure that the exceedence ceases and did not recur (e.g. blasting). Further investigations were instigated in the case of the deposited dust exceedence. Relevant authorities were notified and mitigation measures agreed to ensure non-reoccurrence (audit interview).</p> <p>(b) In the instances described in (a) above, YTC Hera considered all reasonable and feasible options for remediation (where relevant) in consultation with the Department and decided on any preferred remediation measures (audit interview).</p> <p>(c) YTC Hera implemented the following measures for the exceedences (audit interview) described above:</p> <p>(i) Deposited Dust: more dust characterisation was initiated to identify the origin/make up of the dust. The dust sample was shown to consist largely of bird droppings. Bird deterrents are currently being investigated to deter birds away from the monitoring points.</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		(ii) Airblast: Modifications to blasting practices were made. The exceedence occurred on the first pre-split blast and was recorded at 123db, 3db over the 120db threshold. (iii) Noise: An independent consultant has been engaged (July 2013) to monitor and check equipment calibrations. They will also check background levels away from the mine site.	
<p>Schedule 5 – Condition 3 – Environmental Management – Management Plan Requirements</p> <p>The Proponent shall ensure that the management plans required under this approval are prepared in accordance with any relevant guidelines, and include:</p> <p>(a) detailed baseline data;</p> <p>(b) a description of:</p> <ul style="list-style-type: none"> (i) the relevant statutory requirements (including any relevant approval, licence or lease conditions); (ii) any relevant limits or performance measures/criteria; (iii) 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; <p>(c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria;</p> <p>(d) a program to monitor and report on the:</p> <ul style="list-style-type: none"> (i) impacts and environmental performance of the project; (ii) effectiveness of any management measures (see c above); <p>(e) a contingency plan to manage any unpredicted impacts and their consequences and to ensure that ongoing impacts reduce to levels below relevant impact</p>	<p>Potential non-compliance</p>	<p>YTC Hera has ensured that the management plans required under this approval are prepared in accordance with the relevant guidelines, and include sections as outlined in sub conditions (a) – (g) of this condition (plans reviewed).</p> <p>Potential non-compliance – The Noise Management Plan may not have sufficient detailed baseline data for the purposes of assessing noise levels against defined criteria.</p>	<p><i>Attached in report from Spectrum Acoustics upon short term background noise survey which occurred at a property >10km from the mine site and >2km away from roads or other noise.</i></p> <p><i>Results found that the L90 was 20 dB(A) and the Leq was 29 dB(A)</i></p>

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>assessment criteria as quickly as possible;</p> <p>(f) a protocol for managing and reporting any:</p> <ul style="list-style-type: none"> (i) incidents; (ii) complaints; (iii) non-compliances with statutory requirements; and (iv) exceedences of the impact assessment criteria and/or performance criteria; and <p>(g) a protocol for periodic review of the plan.</p> <p><i>Note: The Director-General may waive some of these requirements if they are unnecessary for particular management plans.</i></p>			
<p>Schedule 5 – Condition 4 – Environmental Management – Annual Review</p> <p>By the end of December each year (or other such timing as agreed by the Director-General), the Proponent shall review the environmental performance of the project to the satisfaction of the Director- General. 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"> (i) the relevant statutory requirements, limits or performance measures/criteria; (ii) requirements of any plan or program required under this approval; (iii) the monitoring results of previous years; and (iv) the relevant predictions in the EA; <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</p>	<p>Compliant</p>	<p>YTC Hera has reviewed the environmental performance of the project at the end of December 2012 and the report addressing the conditions includes the conditions (a) - (f) and is on the web site.</p> <p>YTC Hera plan to undertake the next review of the environmental performance of the project at the end of December 2013.</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
actual impacts of the project, and analyse the potential cause of any significant discrepancies; and (f) describe what measures will be implemented over the next year to improve the environmental performance of the project.			
<p>Schedule 5 – Condition 5 – Environmental Management – Revision of Strategies, Plans and Programs</p> <p>Within three months of:</p> <p>(a) the submission of an annual review under condition 4 above;</p> <p>(b) the submission of an incident report under condition 7 below;</p> <p>(c) the submission of an audit under condition 9 below; or</p> <p>(d) any modification to 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 Director-General.</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>	<p>Compliant</p>	<p>Due to the early stages of the project and at the time of the audit, YTC Hera had not been required to submit an annual review, incident report, audit or modify the conditions of this approval (audit interview). Therefore, the requirement to review, and if necessary revise, the strategies, plans, and programs required under this approval to the satisfaction of the Director-General within three months has not been triggered.</p>	
<p>Schedule 5 – Condition 6 – Environmental Management – Community Consultative Committee</p> <p>The Proponent shall establish and operate a Community Consultative Committee (CCC) for the project in general accordance with the <i>Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects</i> (Department of Planning, 2007, or its latest version), and to the satisfaction of the Director-General. This CCC must be operating within six months of this approval.</p> <p><i>Notes:</i></p> <p><i>The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval; and</i></p> <p><i>In accordance with the guideline, the Committee should be</i></p>	<p>Historical Non-compliance</p>	<p><u>Community Consultative Committee</u></p> <p>YTC Hera management have established a Community Consultative Committee (CCC) for the project.</p> <p>Personnel nominated and appointed to this committee were approved by the NSW DPI on the 13/01/13.</p> <p>Historical Non-compliance - The Hera Mine Community Consultative Committee, held its first meeting on Thursday 14 February 2013 at Hera Mine in Nymagee (this timeframe was just outside of the 6 months of the Project Approval on the 31st July 2012).</p> <p>A total of 7 personnel attended this meeting and an external chair was appointed to facilitate the meeting.</p>	<p><i>Ongoing meetings.</i></p> <p><i>Next Scheduled Community Consultative Committee (CCC) meeting scheduled for 22.8.2013.</i></p>

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p><i>comprised of an independent chair and appropriate representation from the Proponent, Council, recognised environmental groups and the local community.</i></p>		<p>The NSW Department of Planning “Guidelines for Establishing and Operating Community Consultative Committee for Mining Projects” is used to guide the work of this committee.</p> <p>A tour was included as part of this community meeting, including a visit to the current site accommodation, new proposed camp area, Pybar office and workshop, boxcut and magazine.</p> <p>A ‘Hera News’ YTC community newsletter is generated and is distributed to the local community.</p> <p><u>Complaints Management</u></p> <p>A Community Complaints 1300 number has been established for the project for use by the community in the event that any concerns are required to be raised. This number was confirmed by the auditor to be functional.</p> <p>A formal Community Complaints Procedure/ Management Plan (April 2013) has been developed to a) describe processes for completing a Community Complaints Form; b) telephone receipt of a complaint; c) brief workforce awareness of requirements and d) accountabilities and responsibilities.</p> <p>A Community Complaints Register has been established by the YTC Environmental Officer on the S:Drive, for which two complaints have been raised and entered to date.</p> <p>Whilst provision exists on the YTC Hera Project Register, no complaints have been uploaded to the web-site to date.</p>	
<p>Schedule 5 – Condition 7 – Reporting – Incident Reporting</p> <p>The Proponent shall notify the Director-General 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</p>	<p>Compliant</p>	<p>All safety and environmental incidents for the project are reported, tracked and closed out using the operation’s MyOHS Classic system.</p> <p>The YTC Pollution Incident Response Management Plan (July 2013) for the operating mine was recently</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>incident, the Proponent shall provide the Director-General and any relevant agencies with a detailed report on the incident.</p>		<p>forwarded to the EPA for approval.</p> <p>This plan includes relevant information associated with a) spill response; b) contacts for relevant government agencies and c) community communication plan and contact numbers.</p> <p>All incidents are reported externally to the NSW EPA, with other government departments copied in o the submitted email as required.</p>  <p>Photo 9 MyOSH Incident Report System used by YTC</p>	
<p>Schedule 5 – Condition 8 – Reporting – Regular Reporting</p> <p>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 of the conditions of this approval.</p>	<p>Compliant</p>	<p>There was evidence that YTC Resources have completed and uploaded a copy of their 2012 Annual Return (31st July – 31st December 2012) onto their web-site.</p> <p>This report lists the Project Approval Conditions and the company's status against these conditions as of January 2013.</p> <p>In addition to the above, environmental monitoring data, describing the environmental performance of the project, has been uploaded onto the web-site for a) dust deposition; b) blasting and c) water.</p> <p>Noise, biodiversity and PM10/TSP air monitoring data had not been uploaded at the time of this audit, recognising that sampling methodology and the generation of representative results was under review.</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		Uploading of monthly monitoring data is conducted by specialist YTC personnel based in Orange. Approved environmental management plans are also uploaded and available on the YTC-Hera web-site.	
<p>Schedule 5 – Condition 9 – Independent Environmental Audit</p> <p>Within one year of commencement of development on the site under this approval, and every three years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. The audit must:</p> <ul style="list-style-type: none"> (a) be conducted by a suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Director-General; (b) include consultation with the relevant agencies; (c) assess the environmental performance of the project and assess whether it is complying with the 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 strategies, plans or programs required under the abovementioned approvals; and (e) recommend appropriate measures or actions to improve the environmental performance of the project, and/ or any assessment, plant or program required under the abovementioned approvals. <p><i>Note: This audit team must be led by a suitably qualified auditor and include experts in any fields specified by the Director-General.</i></p>	<p>Compliant</p>	<p>YTC Hera commissioned this Independent Environmental Audit which was conducted 8-9 July 2013, within one year of commencement of development on the site under this approval (approval granted 31 July 2012). YTC Hera also intends to pay the full cost of the Independent Environmental Audit (auditor proposal dated 8 June 2013).</p> <ul style="list-style-type: none"> (a) The audit was conducted by a suitably qualified, experienced and independent team of experts (Mr John Hanrahan – Lead Auditor and Mr Kurt Hammerschmid – Principal Auditor). Both auditors' appointment was endorsed by the Director-General in a letter dated 11/6/13 (sighted). (b) The audit included consultation with the relevant agencies including the NSW EPA, NOW, DRE, DoP&I and Cobar Shire Council (letter dated 9th July: sighted). A response was received from the DoP&I (email 11/7/13) who had no concerns with the environmental operation or management of the project. (c) The audit assessed the environmental performance of the project with relation to conditions in the approval and the findings are listed in this document. The EPL and Mining Lease environmental requirements will be independently assessed for compliance by government regulators annually (e.g. AEMR). Since YTC Hera has recently been granted an EPL (March 2013) and Mining Lease (May 2013), no annual compliance reporting had been triggered or reports available at the time of this audit. (d) The audit has reviewed the adequacy of strategies, plans and programs required under the abovementioned approvals and the findings and recommendations have been listed in the relevant 	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		sections of this audit report. (e) Recommendations of appropriate measures and actions to improve the environmental performance of the project, and/ or any assessment, plant or program required under the abovementioned approvals have been listed in this audit report.	
<p>Schedule 5 – Condition 10 – Independent Environmental Audit</p> <p>Within six weeks of the completion of this audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report.</p>	<p>Not Applicable (in July 2013)</p>	<p>YTC Hera intends to submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report within six weeks of the completion of this audit (audit interview). However, at the time of the audit this condition was not applicable.</p>	
<p>Schedule 5 – Condition 11 – Access to Information</p> <p>Prior to the commencement of construction on the site, the Proponent shall:</p> <p>(a) make copies of the following publicly available on its website:</p> <ul style="list-style-type: none"> (i) the documents referred to in condition 2 of Schedule 2; (ii) all relevant statutory approvals for the project; (iii) all approved strategies, plans and programs required under the conditions of this approval; (iv) a comprehensive summary of the monitoring results of the project, reported in accordance with the specifications in any approved plans or programs required under the conditions of this or any other approval; (v) a complaints register, which is to be updated on a monthly basis; (vi) minutes of CCC meetings; (vii) the annual reviews required under this approval; (viii) any independent environmental audit of the project, and the Proponent’s response to the recommendations in any audit; 	<p>Partial non-Compliance</p>	<ul style="list-style-type: none"> (i) YTC Hera has made the Statement of Commitments and conditions of this approval publicly available on its website. The <i>Environmental Assessment</i> (EA) is currently not publicly available on its website. These documents are referred to in condition 2 of Schedule 2. (ii) YTC Hera has made the Environmental Protection License (EPL) publicly available on its website. Other statutory approvals such as the Mining License (ML), licences issued by the WorkCover NSW for the Storage and Handling of Dangerous Goods and Explosives, surface water and bore water licenses (NOW) and any local development consents/approvals are currently not publicly available on YTC Hera’s website. (iii) All approved strategies, plans and programs required under the conditions of this approval at the time of audit were publically available on YTC Hera’s website. (iv) Summaries of the monitoring results of blasting and dust, reported in accordance with the specifications in approved plans and programs required under the conditions of this approval are publicly available on YTC Hera’s website. Monitoring results for surface/ground water, noise and biodiversity are not publicly available 	<p><i>Website has been updated to include approved management plans, monthly data and CCC meeting minutes.</i></p>

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>(ix) any other matter required by the Director-General; and</p> <p>(b) keep this information up-to-date, to the satisfaction of the Director-General.</p>		<p>on YTC Hera's website.</p> <p>(v) A complaints register location is publicly available on YTC Hera's website however, no monthly updated complaints register is available. No complaints have been received to date (audit interview).</p> <p>(vi) The minutes of the CCC meeting for the 14th Feb 2013 is publicly available on its website. Minutes of recent CCC meetings are not publicly available on the proponent's website.</p> <p>(vii) No annual reviews required under this approval are publicly available on YTC Hera's website as no reviews have needed to be done to date.</p> <p>(viii) This report is the first independent environmental audit of the project along with YTC Hera's response to the recommendations in this audit. As such, at the time of the audit, there were no independent environmental audits available to be made publicly available on YTC Hera's website.</p> <p>(ix) YTC Hera is not aware of any other matter required by the Director-General to be made publicly available on YTC Hera's website (audit interview).</p> <p>(b) Partial non-Compliance - The information on YTC Hera's website has not been kept up to date as detailed in (a) above.</p>	

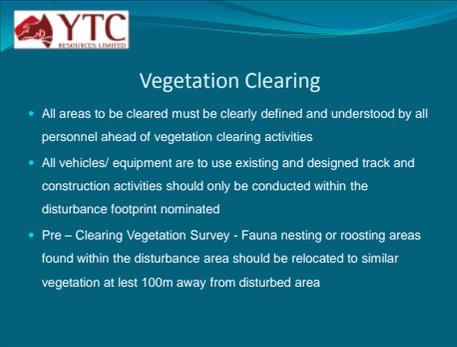
Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
Appendix 5 – Statement of Commitments			
<p>Appendix 5 – Condition 1.1 – Environmental Management</p> <p>Compliance with all conditional requirements in all approvals licences and leases.</p> <p>Comply with all commitments recorded in Table 5.1.</p> <p>Continuous and as required.</p>	Compliant	<p>Compliance with all conditional requirements in all approvals licences and leases and all commitments recorded in Table 5.1 are the subject of this independent environmental audit.</p>	
<p>Appendix 5 – Condition 1.2 – Environmental Management</p> <p>Compliance with all conditional requirements in all approvals, licences and leases.</p> <p>Comply with all conditional requirements included in the:</p> <ul style="list-style-type: none"> (i) Project Approval; (ii) Environment Protection Licence; Mining Lease(s); and (iii) Any other approvals. <p>Continuous and as required.</p>	Compliant	<p>Compliance with all conditional requirements in all approvals, licences and leases and compliance with all conditional requirements included in the:</p> <ul style="list-style-type: none"> (i) Project Approval; (ii) Environment Protection Licence; Mining Lease(s); and (iii) Any other approvals. <p>is the subject of this independent environmental audit.</p>	
<p>Appendix 5 – Condition 1.3 – Environmental Management</p> <p>Undertake all activities in accordance with the accepted <i>Mining Operations Plan</i>, environmental procedures, safety management plan and/or site-specific documentation.</p>	Compliant	<p>These activities will be subject to their own regulatory reporting. Due to the early stage of the project, reports are not yet available to verify.</p>	
<p>Appendix 5 – Condition 2.1 – Area of Activities</p> <p>All approved activities are undertaken generally in the location(s) nominated on the figures shown in Sections 2 and 4.</p> <p>Clearly mark on the ground, and where appropriate, survey the boundaries of the areas of proposed disturbance.</p> <p>Prior to the commencement of the relevant activity.</p>	Compliant	<p>All approved activities are undertaken generally in the location(s) nominated on the figures shown in Sections 2 and 4 (visually verified).</p> <p>A senior surveyor is employed (as well as contract surveyor) to clearly mark on the ground, and where appropriate, survey the boundaries of the areas of proposed disturbance. Evidence of surveyor's tape on trees and survey pegs delineating clearance areas were visually verified on site.</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		 <p data-bbox="1070 687 1659 711">Photo 10 Example of survey boundary of clearing for the TSF</p>	
<p data-bbox="219 746 750 770">Appendix 5 – Condition 3.1 – Operating Hours</p> <p data-bbox="219 783 875 836">All operations are undertaken within the approved operating hours. Continuous and as required.</p>	<p data-bbox="898 746 1025 770">Compliant</p>	<p data-bbox="1070 746 1659 855">YTC Hera stated (audit interview) that contractors are complying with the operating hours in Table 1 (from 7am – 6pm, 7 days per week). This was also visually verified on site on the days of the audit.</p>	
<p data-bbox="219 893 656 917">Appendix 5 – Condition 4.1 – Ecology</p> <p data-bbox="219 930 786 954">Minimise potential impacts on native flora and fauna.</p> <p data-bbox="219 967 792 991">Develop a <i>Biodiversity Management Plan</i> comprising:</p> <ul data-bbox="219 1015 875 1217" style="list-style-type: none"> <li data-bbox="219 1015 875 1070">• pest animal controls for the control of feral goat, cat, dog, fox; <li data-bbox="219 1090 875 1145">• weed control program for the removal of noxious weeds and reducing further weed invasion; <li data-bbox="219 1165 875 1217">• Grazing Plan using grazing as a management tool but in a controlled manner. <p data-bbox="219 1236 775 1260">Prior to construction of the Tailings Storage Facility.</p>	<p data-bbox="898 893 1025 917">Compliant</p>	<p data-bbox="1070 893 1659 1058">The Biodiversity Management Plan (dated June 2013) has been prepared and was sighted. At the time of the audit, the Biodiversity Management Plan had not been submitted to the Director- General for approval as YTC Hera was waiting for a response to the plan from the NSW Office of Environment (OEH).</p> <p data-bbox="1070 1077 1659 1241">At the time of the audit, the Tailings Storage Facility had not been constructed, however, sections on pest animal controls, weed control and grazing plan are all include in the plan (sighted). YTC Hera is actively controlling feral goats, rabbits and foxes (control and monitoring documentation sighted).</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		 <p data-bbox="1066 596 1570 622">Photo 11 Feral goat trap used formerly used by YTC</p>	
<p data-bbox="226 655 674 681">Appendix 5 – Condition 4.1A – Ecology</p> <p data-bbox="226 692 792 718">Minimise potential impacts on native flora and fauna.</p> <p data-bbox="226 738 875 823">Develop, in conjunction with EPA, a BioBanking Plan of Management in accordance with the relevant Environmental Protection Agency guidelines comprising a description of:</p> <ul style="list-style-type: none"> <li data-bbox="367 858 853 911">(i) the existing environment within the Biodiversity Offset Area; <li data-bbox="367 916 853 1000">(ii) the assessment undertaken to determine the adequacy of the Biodiversity Offset Strategy; <li data-bbox="367 1005 853 1090">(iii) the management measures that would be implemented to ensure that the objectives of the strategy are achieved; and <li data-bbox="367 1094 853 1190">(iv) the method that would be employed to secure the Biodiversity Offset Strategy, including the method to ensure funds are available to implement the strategy. <p data-bbox="226 1222 752 1248">Within 12 months of the receipt of project approval.</p>	<p data-bbox="898 655 1039 740">Potential Non-Compliance</p>	<p data-bbox="1066 655 1664 820">The portion of the Chelsea site has been identified as a biodiversity offset area however, other alternatives to the Biobanking Assessment methodology are being discussed with OEH and the local Catchment Management Authority and therefore, agreement has not yet been reached.</p> <p data-bbox="1066 841 1664 975">Potential Non-Compliance Development of the method that would be employed to secure the Biodiversity Offset Strategy is required to be done by the 31 July 2013 (within 12 months of the receipt of project approval).</p>	<p data-bbox="1688 655 2119 740"><i>Meeting to occur on-site October 2013 with OEH and CMA to finalize Biodiversity MP and Offset Strategy.</i></p>
<p data-bbox="226 1294 656 1319">Appendix 5 – Condition 4.2 – Ecology</p> <p data-bbox="226 1331 875 1383">Manage impacts to threatened fauna and communities to ensure that the threatened species and potential habitats</p>	<p data-bbox="898 1294 1021 1319">Compliant</p>	<p data-bbox="1066 1294 1630 1378">(i) YTC Hera has engaged appropriately qualified and experienced ecologists to undertake pre-clearance surveys within areas to be disturbed (reports sighted).</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan																		
<p>recorded within the Project Site are not impacted upon by:</p> <ul style="list-style-type: none"> (i) engaging appropriately qualified and experienced ecologists to undertake pre-clearance surveys within areas to be disturbed; (ii) implementation of a Driver's Code of Conduct for all personnel accessing the Project Site for the observation of site speed limit, safe driving protocols, incident management and reporting, noise minimisation; (iii) minimisation of impacts to nests and habitats of the recorded threatened species through implementation of administrative controls such as induction toolbox talks and making available fact sheets on the recorded threatened bird species (including descriptions and photographs of the species and their habitats to personnel responsible for vegetation clearing and excavation activities; (iv) scheduling the clearing of substantive trees between April to September, where possible, to reduce risk of impact to tree-dependant microbats; Where not practicable, ensure that all hollows suitable for such microbats are inspected prior to clearing operations and roosting bats relocated by a suitably qualified wildlife handler. (v) implementation of administrative controls comprising induction and toolbox talks to train personnel in the proper management procedures for the handling of any species of bats during tree clearing to prevent infection with zoonoses; (vi) use of suitably qualified personnel to handle the removal of bats of any species. 		<div data-bbox="1238 256 1496 603" data-label="Image"> </div> <p>Photo 12 Example of preclearing report from qualified ecologists</p> <p>(ii) A Driver's Code of Conduct for all personnel accessing the Project Site has been prepared (sighted) and implemented (verified in induction).</p> <div data-bbox="1182 786 1552 1066" data-label="Table"> <table border="1"> <thead> <tr> <th>Activity</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>Construction Operations - Site Cut</td> <td></td> </tr> <tr> <td>Vegetation clearing and topsoil stripping</td> <td>7:00am to 6:00pm / 7 days a week</td> </tr> <tr> <td>Construction Operations - Remainder</td> <td></td> </tr> <tr> <td>Maintenance operations</td> <td>24 hours / 7 days a week</td> </tr> <tr> <td>Processing operations</td> <td></td> </tr> <tr> <td>Underground mining</td> <td></td> </tr> <tr> <td>Transportation operations</td> <td>7:00am to 10:00pm / 7 days a week</td> </tr> <tr> <td>Remediation operations</td> <td>7:00am to 6:00pm / 7 days a week</td> </tr> </tbody> </table> </div> <p>Photo 13 Drivers code of conduct as part of the induction</p> <p>(iii) Reference and photos of birds (e.g. mallee fowl) are included in the general induction.</p>	Activity	Hours	Construction Operations - Site Cut		Vegetation clearing and topsoil stripping	7:00am to 6:00pm / 7 days a week	Construction Operations - Remainder		Maintenance operations	24 hours / 7 days a week	Processing operations		Underground mining		Transportation operations	7:00am to 10:00pm / 7 days a week	Remediation operations	7:00am to 6:00pm / 7 days a week	
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Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>Continuous throughout the life of the Project.</p>		 <p>Photo 14 Example of photos of birds (Mallee Fowl) used in inductions</p> <p>(iv) Trees on site have been cleared since the ML was granted in May 2013: Expect to be completed by December.were cleared marked trees.</p> <p>To date. No bats have needed to be relocated.</p> <p>(v) YTC Hera do not intend to train personnel in the handling of bats. Suitably qualified people will be sourced when required.</p> <p>(vi) No bats of any species have needed to be relocated to date.</p>	
<p>Appendix 5 – Condition 4.3 – Ecology Mark areas to be cleared of vegetation following pre-clearance survey clearly and inducting workers on the nature and extent of clearing required to minimise no impact to surrounding vegetation.</p>	<p>Compliant</p>	<p>The clearing process requires the YTC Hera surveyor to mark the area clearly using markers as described previously. Subcontractors (Neil's) do the clearing and initially undergo a general induction and then a site specific induction prior to clearing.</p>	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		 <p>Photo 15 Example of vegetation clearing induction information</p>	
<p>Appendix 5 – Condition 4.4 – Ecology Park machinery required for the Project within designated areas and/or disturbed areas only away from vegetated areas to be retained.</p>	<p>Compliant</p>	<p>This requirement forms part of the induction process (Photo 15 above). Vehicles were observed to be using designated areas and/or disturbed areas only during the audit.</p>	
<p>Appendix 5 – Condition 4.5 – Ecology Examine all trees for the presence of birds or nestlings and arboreal mammals before felling or pushing and commencing with tree removal immediately after visual inspection.</p>	<p>Compliant</p>	<p>As part of the pre-clearing survey, ecologists mark potential habitat (or hollow bearing) trees with a “H” (pictured below) to alert the clearing contractor to follow documented protocols for removal and the presence of birds or mammals.</p> 	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
		Photo 16 Example of a hollow bearing tree marked with "H"	
Appendix 5 – Condition 4.6 – Ecology Clear hollow-bearing trees or dead stag (if required) within the Surface Facilities Area and Tailings Storage Facility only after a series of alternating 'gradual nudge' (e.g. with a dozer) and 'wait' to allow the occupants of hollows to escape. During site establishment activities.	Compliant	These "clearing of hollow-bearing trees or dead stag" protocols are documented and clearing contractors advised.	
Appendix 5 – Condition 4.7 – Ecology Undertake no clearing of hollow-bearing trees within the area proposed for the new Back Tank East but allowing them to remain and be flooded <i>in situ</i> . During site establishment activities.	Not Applicable (in July 2013)	The construction work at the new Back Tank East had not commenced at the time of the audit.	
Appendix 5 – Condition 4.8 – Ecology Salvage tree trunks, major and minor branches from areas requiring clearing for subsequent relocation to areas to be revegetated.	Compliant	Piles of trees were observed pushed to the edge of the cleared area for the construction of the TSF. They are available for subsequent relocation to areas to be revegetated.	
Appendix 5 – Condition 4.9 – Ecology Include in inductions the ecological values of the felled trees and to warn against their collection for firewood.	Actual Non-Compliance	Actual non-compliance -The ecological values of the felled trees are not included in the induction.	<i>Induction has been updated to include the ecological values of felled trees and to warn against use for firewood.</i>
Appendix 5 – Condition 4.10 – Ecology Remove and properly dispose of any noxious or other weeds encountered during site clearing to prevent their spread to other locations within the Project Site, especially to drainage lines and storage dam areas.	Compliant	The Bathurst Burr is the only noxious weed on site and is located primarily at dam sites. The weed has been treated with roundup.	
Appendix 5 – Condition 4.10A – Ecology Fence relevant sections of the surface facilities area to prevent access by wildlife.	Compliant	Fencing to prevent access by wildlife was observed at the sedimentation ponds, leachate pond, boxcut, power station, lobbed bluegrass area as well as along the site boundary. The future office is also planned to be fenced.	

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		 <p>Photo 17 Lobbed bluegrass area fenced off</p>	
<p>Appendix 5 – Condition 4.11 – Ecology</p> <p>Minimise impacts to the local waterways and downstream creeks during expansion of Pete’s Tank and construction of the proposed Back Tank East by:</p> <ul style="list-style-type: none"> (i) planning of the site establishment activities so that the in-stream work is kept to a minimum and would occur as a single event, where possible; (ii) restricting in-stream work to low-flow periods, where possible; (iii) limit machinery access to one designated location on the bank, create the shortest access track (and as narrow as possible within the constraints of safety and construction requirements) between this location and the point of activity; <p>During site establishment activities.</p>	<p>Not Applicable (in July 2013)</p>	<p>Construction works for the expansion of Pete’s Tank and construction of the proposed Back Tank East have not yet commenced. Construction is planned in the next couple of months.</p>	
<p>Appendix 5 – Condition 4.12 – Ecology</p> <p>Manage potential risk to the health of the biota (birds, other wildlife and livestock) from the Tailings Storage Facility through engineering controls (including creating alternative habitats in nearby locations) including: creation of suitable and alternative habitats in the vicinity of the storage dams (expanded Pete’s Tank and the proposed Back Tank East by</p>	<p>Not Applicable (in July 2013)</p>	<p>The TSF is not yet constructed however, YTC plan to net the pond area and the base of the TSF to exclude biota as described in section 7.4.4 of the Biodiversity Management Plan (not yet approved).</p> <p>YTC will also organising for nest boxes (suitable for bats, cockatoos etc.) to be placed around the vicinity of</p>	

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<p>revegetation of the disturbed areas with appropriate endemic native species.</p> <p>Prior to the commencement of site establishment activities and continuous throughout the life of the project.</p>		<p>the storage dams.</p>	
<p>Appendix 5 – Condition 4.13 – Ecology</p> <p>Manage potential risk to the health of the biota (birds, other wildlife and livestock) from the Tailings Storage Facility through administrative controls (policies, procedures, work routines) including;</p> <ul style="list-style-type: none"> (i) management of cyanide process solutions and waste streams to protect biota health and the environment by ensuring the concentration of the tailings pumped to the Tailings Storage Facility is less than 10mg/L WAD cyanide; (ii) preparation of detailed emergency response plans for potential cyanide effects; (iii) development of procedures for internal and external emergency notification and reporting; (iv) training workers and emergency response personnel to manage cyanide in a safe and environmentally protective manner; (v) training workers to understand the hazards associated with cyanide use and discharge; (vi) training appropriate personnel to operate the Project in accordance with procedures that protect the environment; (vii) dissemination of operational and environmental information regarding cyanide use on site to all stakeholders through community consultation process; (viii) initiation of dialogue describing cyanide management procedures being adopted at the site and responsively address identified concerns. 	<p>Not Applicable (in July 2013)</p>	<p>These controls have not been implemented as yet as the TSF is not constructed. However, some of these controls have been addressed in the Preliminary Hazard Assessment.</p>	

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Ongoing throughout the life of the Project.			
<p>Appendix 5 – Condition 4.14 – Ecology</p> <p>Implement ongoing monitoring programs to evaluate the effects of cyanide use on wildlife through routine observations on the wildlife, including wildlife utilization and mortality within the Project Site:</p> <ul style="list-style-type: none"> (i) recording of observations (via written notes and photography), within three hours of sunrise, of all wildlife visitations and mortality associated with the Tailings Storage Facility; and (ii) recording the supernatant level, the cyanide concentration and the history (cyanide concentration, proportion of solids in the slurry etc.) of the most recent tailings pumped into the Tailings Storage Facility. 	<p>Not Applicable (in July 2013)</p>	<p>The monitoring programs have not been implemented as the TSF is not constructed.</p>	
<p>Appendix 5 – Condition 4.15 – Ecology</p> <p>Implement ongoing monitoring programs to evaluate the effects of cyanide use on wildlife through cyanide concentration data collection in accordance with industry best practice:</p> <ul style="list-style-type: none"> (i) regular sampling and analyses of the supernatant solution from the Tailings Storage Facility and water samples (groundwater and surface waters) from upstream and downstream locations as part of the site's surface and groundwater monitoring program; (ii) sampling as noted above immediately after recording of wildlife death in the vicinity of the Tailings Storage Facility. 	<p>Not Applicable (in July 2013)</p>	<p>The monitoring programs have not been implemented as the TSF is not constructed.</p>	
<p>Appendix 5 – Condition 4.16 – Ecology</p> <p>Undertake monitoring of bats on an annual basis to establish any trend in population changes since commencement of the Project.</p>	<p>Compliant</p>	<p>YTC are organizing bat monitoring for the coming spring in 2013.</p>	

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Appendix 5 – Condition 4.17 – Ecology Undertake monitoring of the ongoing rehabilitation activities within the Project Site to ensure native vegetation regeneration is successful and to control weed invasion.	Compliant	YTC are preparing to seed stockpiles with native grass species and monitor native vegetation regeneration.	
Appendix 5 – Condition 4.18 – Ecology Conduct annual monitoring of the Grey- crowned Babbler, Hooded Robin, Diamond Firetail and microbat populations including their breeding locations to gauge breeding success and to ensure recovery of local populations are successful following the land disturbing activities.	Compliant	The project is in its early stages and annual monitoring has not yet been completed. The monitoring is planned	
Appendix 5 – Condition 4.19 – Ecology Undertake annual surveys of the Kultar to establish a population census and compile information for use in the management of this species within the Project site and to allow year to year comparisons of any changes in habitat usage and population trends.	Compliant	The annual surveys of the Kultar have not commenced but it is YTC's intent to organise in the coming months.	
Appendix 5 – Condition 4.20 – Ecology Monitor the rehabilitation activities within the Project Site to ensure native vegetation regeneration is successful and to control weed invasion.	Compliant	Monitoring of the rehabilitation activities within the Project Site is in process.	
Appendix 5 – Condition 4.21 – Ecology Implement the industry best practice land management measures e.g. implementation of a weed and feral animal control program as part of a post-project <i>Land Management Plan</i> .	Not Applicable (in July 2013)	The project is currently in the early construction phase.	
Appendix 5 – Condition 4.22 – Ecology Continue with the annual monitoring of the Grey-crowned Babbler, Hooded Robin, Diamond Firetail and microbat populations including their breeding locations to gauge breeding success and to ensure recovery of local	Compliant	It is YTC Hera's intent to continue with the annual monitoring of the Grey-crowned Babbler, Hooded Robin, Diamond Firetail and microbat populations.	

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populations are successful.			
Appendix 5 – Condition 4.23 – Ecology Continue with the annual formal surveys of the Kultarr to establish a population census and compile information for use in the management of this species following rehabilitation activities and to allow year to year comparisons of any changes in habitat usage and population trends.	Compliant	It is YTC Hera's intent to continue with the annual formal surveys of the Kultarr.	
Appendix 5 – Condition 4.24 – Ecology Negotiate and implement an appropriate BioBanking Agreement as described in Section 2 of the <i>Response to Submissions</i> document within 12 months of the receipt of project approval.	Not Applicable (in July 2013)	At the time of the audit, an appropriate BioBanking Agreement had not been approved and therefore not implemented.	
Appendix 5 – Condition 4.25 – Ecology Implement fully the Biodiversity Offset Strategy, including ensuring that the strategy would be implemented in perpetuity and that fences required for the strategy would, where practicable, be constructed on the alignment of existing fences or adjacent to existing tracks or cleared areas.	Non Compliance	Non-compliance - At the time of the audit, the Biodiversity Offset Strategy had not been formally approved and therefore not implemented.	<i>Pending approval, meeting to occur on-site October 2013 with OEH and CMA.</i>
Appendix 5 – Condition 5.1 – Groundwater Store all hydrocarbon and chemical products within a bunded area complying with the relevant Australian Standard.	Compliant	All hydrocarbon and chemical products were observed to be stored in bunded areas, the majority of these are essentially constructed and used as temporary facilities for earthmoving equipment being used for the construction of the project. Permanent hydrocarbon storage facilities for the project will be designed and constructed in accordance with Australian Standard AS1940.	

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		 <p>Photo 18 Examples of temporary bunding of hydrocarbon products across the operation for the construction phase of the Hera project</p>	
<p>Appendix 5 – Condition 5.2 – Groundwater</p> <p>Refuel mobile equipment within designated, sealed areas of the Project Site. If refuelling is conducted in the field then procedures would be developed to minimise potential hydrocarbon spills.</p>	<p>Compliant</p>	<p>Refuelling of contractor owned mobile equipment is completed at a dedicated facility (see photo). The apron, where the vehicle being refuelled is parked, is also constructed of compacted earth, to ensure that no spillages seep into the ground surface at this location.</p>  <p>Photo 19 Bulk fuel storage tank and refuelling apron for earthmoving equipment</p> <p>Permanent hydrocarbon storage facilities for the project will be designed and constructed in accordance with Australian Standard AS1940.</p>	

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<p>Appendix 5 – Condition 5.3 – Groundwater</p> <p>Undertake all maintenance works involving hydrocarbons, where practicable, within designated areas of the Project Site such as the maintenance workshop.</p>	<p>Compliant</p>	<p>All maintenance work being completed by Pybar Mining is being completed in a dedicated maintenance workshop, with suitable concrete floor and internal and external drainage. Drainage from the workshop is directed to the sump in the washdown area.</p>  <p>Photo 20 Front of workshop showing catch drain on the edge of the concrete sloping back towards the washdown area</p>	
<p>Appendix 5 – Condition 5.4 – Groundwater</p> <p>Direct all water from wash-down areas and workshops to oil/water separators and containment systems.</p>	<p>Compliant</p>	<p>A concrete bunded wash down area with sump and oil/water separator is situated adjacent to and on the western side of the main workshop. The oil/water separator is yet to be commissioned and a colourbond wall on the western edge of the concrete area to prevent escape of oily wash water over the bund is yet to be erected.</p>	

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		 <p>Photo 21 Wash down area with sump and oil/water separator situated at the far end</p>	
<p>Appendix 5 – Condition 5.5 – Groundwater</p> <p>Ensure all hydrocarbon and chemical storage tanks are either self-bunded or bunded with an impermeable surface and a capacity to contain a minimum 110% of the largest storage tank capacity or greater where potential exists for multiple containers to fail at the same time.</p>	<p>Compliant</p>	<p>IBC of chemicals used in the batch plant were stored in a concrete bunded area (see photo below). Oils used at the workshop were stored in self bunded shipping containers. Hydrocarbons are stored as described in App. 5 – condition 5.1 and 5.2 above.</p>  <p>Photo 22 IBCs storing chemicals for the batch plant</p>	

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<p>Appendix 5 – Condition 5.6 – Groundwater</p> <p>Design and construct the Tailings Storage Facility as described in Section 2.6 and in accordance with the requirements of the relevant government agencies. Key design parameters would be as follows.</p> <p>Construct the floor and walls of the Tailings Storage Facility in a manner that would achieve an appropriate permeability to prevent leachate leakage.</p> <p>Ensure that the Tailings Storage Facility embankment is keyed into the underlying material in a manner that would prevent down-slope migration of potentially contaminated groundwater from the facility.</p> <p>Construct seepage collection structures (Collection Drain and Seepage Collection Pond) at the foot of the Tailings Storage Facility embankment and ensure that any captured seepage is automatically pumped back to the Tailings Storage Facility or Process Water Dam.</p> <p>Install piezometers at appropriate intervals at the base of the Tailings Storage Facility embankment and monitor these regularly to assess the integrity of the facility.</p>	<p>Compliant</p>	<p>The TSF design is being completed by geotechnical engineers from Coffey Mining.</p> <p>All design parameters have been included and issued in the original Construction of Tailings Storage Facility Preliminary Scope of Works by GR Engineering Pty Ltd (July 2010).</p> <p>In 2011, all relevant design work and associated drawings were completed by Coffey Mining for the Hera TSF including a) seepage, b) stability, c) water balances, d) Tailings Geochemistry studies and e) schedules and cost estimates.</p> <p>At the time of this audit, seepage collection trenches/drains and the seepage collection pond were under construction (earthworks only).</p> <p>The Tailings Storage Facility embankment had not commenced construction nor had any piezometers been installed at appropriate intervals at the base of the Tailings Storage Facility embankment.</p>  <p>Photo 23 YTC Hera TSF Seepage Collection Drain under construction.</p>	

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		 <p>Photo 24 YTC Hera TSF Seepage Collection Pond under construction.</p>	
<p>Appendix 5 – Condition 5.7 – Groundwater</p> <p>Prepare a <i>Groundwater Monitoring Plan</i> as part of the <i>Water Management Plan</i> in consultation with NSW Office of Water, including procedures for:</p> <ul style="list-style-type: none"> (i) recording of standing water levels and groundwater quality within bores used to supply operational water for the Project, as well as within monitoring bores associated with the tailings storage facility and processing plant; (ii) monitoring the standing water levels in neighbouring bores to observe any drawdown effects; and (iii) further investigation of groundwater impacts in the event that identified trigger levels are exceeded. <p>Prior to the commencement of mining operations.</p>	<p>Compliant</p>	<p>The Groundwater Management Plan includes all requirements associated with 1) Groundwater quantity (Section 13.2); 2) Groundwater Quality (Section 13.3); 3) Groundwater Dependent Ecosystems (Section 13.4); 4) Groundwater Monitoring (Section 14); 5) Groundwater quality – triggers, actions and response plans (Section 15).</p> <p>All aspects associated with the Groundwater Monitoring program are included in Section 14 of the site Water Management Plan.</p> <p>Groundwater monitoring programs have commenced and are being implemented to a) understand groundwater levels associated with the Project site and b) ensure than no adverse impacts occur from the abstraction of groundwater from production bores.</p>	
<p>Appendix 5 – Condition 5.8 – Groundwater</p> <p>Ensure that all groundwater removed from the proposed underground mine or the production bores is pumped only to the Header Tank, the Raw Water Pond or other water storage constructed in a manner that would ensure that the water would not discharge to natural drainage.</p>	<p>Compliant</p>	<p>All dewatered groundwater removed from underground mine and from the three production bores in use are only pumped to either the Header Tank or Raw Water Ponds (for settling of solids) for re-use underground.</p> <p>No water is discharged to any natural drainage lines.</p>	

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		 <p>Photo 25 Groundwater from underground is pumped to three settling ponds in series</p>	
<p>Appendix 5 – Condition 5.9 – Groundwater</p> <p>Ensure that material placed within the acid- forming waste rock encapsulation area is preferentially transported back underground as a priority.</p> <p>As soon as practicable after the initial stope is completed.</p>	<p>Not Applicable (in July 2013)</p>	<p>Engineered surface storage facilities are in the process of being constructed for the storage of Potentially Acid Forming (PAF) and Non-Acid Forming (NAF) material that is temporarily stored on the surface.</p> <p>With the commencement of mining, all PAF waste rock will schedule in a sequence that it will eventually be returned underground.</p>  <p>Photo 26 Commencement of the construction of PAF and NAF waste rock storage areas</p>	

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<p>Appendix 5 – Condition 5.10 – Groundwater</p> <p>Implement the following procedures in the event that acid generation within the acid- forming waste rock encapsulation area is identified.</p> <ul style="list-style-type: none"> (i) Monitoring of leachate within the Leachate Management Pond would be increased in frequency. (ii) All leachate would be removed to the process water pond as it is generated, limiting the potential for this material to discharge or seep from the pond. (iii) A management plan would be developed to facilitate prompt transportation of acid- forming material back underground or, if this is not practicable, temporary encapsulation of this material. 	<p>Not Applicable (in July 2013)</p>	<p>This Condition is not applicable in July 2013, given that no PAF has been brought to the surface and monitoring of any potential leachate has not commenced.</p>	
<p>Appendix 5 – Condition 6.1 – Surface Water</p> <p>Prepare a Surface Water Monitoring and Response Plan as part of the Project Site's <i>Water, Sediment and Erosion Control Plan</i> and in consultation with OEH including a description of surface water management structures and procedures to ensure that the criteria identified in Section 4.4.3 any additional criteria included in the Environment Protection Licence or project approval are achieved.</p>	<p>Compliant</p>	<p>The YTC Hera Project Surface Water Management Plan includes all requirements associated with 1) Site Water balance (Section 8.1); 2) Discharge of Water (Section 8.2); 3) Mine Site Drainage (Section 8.3); 4) Erosion and Sediment Control Plan (Section 8.4); 5) Water Storage and Management (Section 8.5); 6) existing Surface Water Quality (Section 8.6) and 7) existing Water Flows (Section 8.7).</p> <p>Section 8.4 includes the Hera site Erosion and Sediment Control Plan.</p> <p>Specific site a) Erosion and Sediment Control Plans and b) Surface Water Plans for surface construction were developed and issued by SEEC Engineers.</p> <p>Site water quality management programs and monitoring requirements are defined in Section 9.0 Surface Water Monitoring program.</p> <p>The design of the site water management system by SEEC Engineers has been conducted to enable the criteria identified in the Environment Protection License</p>	

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		or project approval to be achieved.	
<p>Appendix 5 – Condition 6.2 – Surface Water</p> <p>Construct sediment and erosion control structures for the separation of clean, dirty and contaminated water on site (as shown in Figure 2.4 and discussed briefly in Section 2.2.4) comprising the following.</p> <ul style="list-style-type: none"> (i) Clean water diversions in the vicinity of the Surface Facilities Area and Tailings Storage Facility to divert clean water away from the disturbed areas: (ii) Dirty water diversions to channel water to sediment basins to allow sediment to settle out from dirty water prior to discharge to natural drainage. All outlets would be designed for the 100-year ARI storm event. (iii) Contaminated water collection structures, including downstream of the Tailings Storage Facility and within the processing plant to collect and channel potentially contaminated water to suitable structures for pumping to the Process Water Dam or the Tailings Storage Facility. 	<p>Compliant</p>	<p>Specific site a) Erosion and Sediment Control Plans and b) Surface Water Plans for surface construction were developed and issued by SEEC Engineers.</p> <p>YTC Hera have commenced construction of all surface drainage around and within the site in accordance with engineering designs developed by SEEC Engineers.</p> <p>Clean water diversions have been constructed and all dirty water (from disturbed areas) will be diverted and report to a series of settling ponds (under construction).</p>  <p>Photo 27 Clean water diversion drain up-gradient of the planned main infrastructure for the project, inclusive of the mill/processing plant</p>	
<p>Appendix 5 – Condition 6.3 – Surface Water</p> <p>Construct the unpaved access roads (Main Site Access Road and Light Vehicle Road) with a crowned surface to shed water onto surrounding land.</p>	<p>Compliant</p>	<p>Unpaved access roads (Main Site Access Road and Light Vehicle Road) have been constructed with a crowned surface to shed water onto surrounding land.</p>	

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		 <p data-bbox="1064 627 1637 675">Photo 28 Main Site Access Road and Light Vehicle Road to the YTC Administration building</p>	
<p data-bbox="219 707 723 735">Appendix 5 – Condition 6.4 – Surface Water</p> <p data-bbox="219 751 875 807">Install mitre drains, where necessary, to reduce concentrated flow.</p>	<p data-bbox="898 707 1021 735">Compliant</p>	<p data-bbox="1064 707 1666 791">There was evidence that mitre drains are being installed at pre-defined intervals to disperse rainfall/runoff from access roads.</p>	
<p data-bbox="219 831 723 860">Appendix 5 – Condition 6.5 – Surface Water</p> <p data-bbox="219 876 875 932">Ensure access roads would be gravel-sheeted using crushed waste rock.</p>	<p data-bbox="898 831 1021 860">Compliant</p>	<p data-bbox="1064 831 1666 916">Access roads across the project are being gravel-sheeted using crushed waste rock. Some key access roads were under construction at the time of the audit.</p>  <p data-bbox="1095 1294 1637 1318">Photo 29 Access road construction using crushed gravel</p>	
<p data-bbox="219 1353 723 1382">Appendix 5 – Condition 6.6 – Surface Water</p>	<p data-bbox="898 1353 1021 1382">Compliant</p>	<p data-bbox="1064 1353 1666 1382">Email correspondence regarding the “Ford” to be</p>	

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Design and construct a sealed causeway where the Main Site Access Road crosses Watercourse A approximately 250m from the Main Site Entrance in consultation with NSW Department of Primary Industries – Fisheries and NSW Office of Water.		constructed on Box Creek for the heavy vehicle access road was sighted. Consultations were made with the DPI – Fisheries (11/4/13) and NOW (30/5/13). Feedback on the design of the ford was received and was considered by the DPI to be an appropriate structure for the heavy vehicle access road.	
Appendix 5 – Condition 6.7 – Surface Water Ensure that all water management structures where practicable are constructed to the specifications identified in Landcom (2004) and DECC (2008).	Compliant	See Appendix 5 – Condition 12.18 – Soils and Land Capability.	
Appendix 5 – Condition 6.8 – Surface Water Inspect all surface water control structures at least quarterly and following any rainfall event of more than 25mm in 24-hours to ensure their adequacy and identify where remedial action is required.	Not Applicable (in July 2013)	This requirement will be included in Environmental Inspection Schedules and associated checklists, once mining and processing operations have commenced in late 2014.	
Appendix 5 – Condition 6.9 – Surface Water Ensure processing/tailings water would be contained within a closed loop and re-used within the Processing Plant, and pump tailings to the Tailings Storage Facility following destruction of weak acid dissociable cyanide concentration to <10 ppm.	Not Applicable (in July 2013)	The requirements specified in Appendix 5 – Condition 6.9 – Surface Water have been incorporated into project designs by both Gekko Engineers and Coffey Engineers.	
Appendix 5 – Condition 6.10 – Surface Water Design and construct the Tailings Storage Facility to prevent leakage of leachate into the groundwater.	Compliant	The requirements specified in Appendix 5 – Condition 6.10 – Surface Water have been incorporated into project designs of the TSF by Coffey Engineers. Suitable operational controls for leachate prevention and collection have been incorporated into the design of the TSF.	
Appendix 5 – Condition 6.11 – Surface Water Construct a clean water diversion upstream of the Tailings Storage Facility to completely divert any upslope run-on. This bund would be stabilised to effectively convey the 100-year ARI, time-of-concentration flow from the upstream	Compliant	This clean water diversion upstream of the Tailings Storage Facility is in the process of being constructed. Designs will be compatible with Australian Rainfall and Runoff requirements and incorporate 100-year ARI frequencies.	

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catchment.			
Appendix 5 – Condition 6.12 – Surface Water Construct a seepage collection drain and pond downslope of the Tailings Storage Facility to collect potentially contaminated leachate from the Tailings Storage Facility, if any, and pump it back to the Tailings Storage Facility.	Compliant	At the time of this audit, seepage collection trenches/drains and the seepage collection pond were under construction (earthworks only).	
Appendix 5 – Condition 6.13 – Surface Water Ensure that all fuel and chemical storage, delivery and handling areas are bunded to 110% of the size of the largest receptacle.	Compliant	All hydrocarbon and chemical products were observed to be stored in bunded areas, the majority of these are essentially constructed and used as temporary facilities for earthmoving equipment being used for the construction of the project. Permanent hydrocarbon storage facilities for the project will be designed and constructed in accordance with Australian Standard AS1940.	
Appendix 5 – Condition 6.14 – Surface Water Ensure that pumps and fluid lines for the delivery of chemicals or fuels would be bunded and/or protected. Transfer volumes would be monitored at all times to quickly identify any leaks and appropriate action to be undertaken.	Compliant	As above for Appendix 5 – Condition 6.13 – Surface Water.	
Appendix 5 – Condition 6.15 – Surface Water Ensure that stormwater trapped in the Settling Ponds and Sediment Basins is pumped back to the Raw Water Dam for reuse in ore processing, or treat with flocculants, if required, to achieve total suspended solids concentration of 50mg/L prior to release.	Compliant	These requirements have been incorporated into design surface water management plans and erosion and sediment control plans developed by SEEC Engineers.	
Appendix 5 – Condition 6.16 – Surface Water Install appropriate water management structures within the Processing Plant area to trap incident rainfall and isolate any potentially contaminated from the area, and for the subsequent transfer to the Process Water Dam for reuse.	Compliant	These requirements have been incorporated into design surface water management plans and erosion and sediment control plans developed by SEEC Engineers.	
Appendix 5 – Condition 6.17 – Surface Water	Potential	A dedicated irrigation area for the STP was observed at	<i>Upon consultation with TrueWater</i>

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Treat wastewater using aerated wastewater treatment systems and dispose of the secondary-treated effluent in dedicated, vegetated, irrigation areas.	Non-compliance	the main workshop area however, the existence of the aeration system was not able to be verified.	<i>Australia it was verified that the aeration system is located in the locked control panel attached to a pole nearby.</i>
Appendix 5 – Condition 6.18A – Surface Water Undertake ecotoxicological testwork for proposed flocculants on a water flea (e.g. cladoceran), a relevant fish species and a freshwater alga to provide confidence that the flocculent is suitable for use within the Project Site, namely that the acute toxicities (50 percent lethal concentrations (LC50)) are appropriate.	Not Applicable (in July 2013)	No flocculants are proposed to be used within the Project site at this stage.	
Appendix 5 – Condition 6.18 – Surface Water Develop a <i>Soil and Water Management Plan</i> to accompany the capping works, including the exact nature of the capping procedure, at the former Tailings Storage Facility.	Not Applicable (in July 2013)	This condition is not applicable until prior to the planned closure and decommissioning stages of the operation.	
Appendix 5 – Condition 6.19 – Surface Water Shape the decommissioned Tailings Storage Facility into a raised plateau with a shallow dome profile so that water would be shed from its surface as sheet flow without concentration.	Not Applicable (in July 2013)	This condition is not applicable until prior to the planned closure and decommissioning stages of the operation.	
Appendix 5 – Condition 6.20 – Surface Water Ensure that rehabilitation, including the placement of soil and revegetation with endemic native species is undertaken promptly once sections of the Project Site are no longer required for mining-related purposes.	Not Applicable (in July 2013)	This condition is not applicable until prior to the planned closure and decommissioning stages of the operation.	
Appendix 5 – Condition 6.21 – Surface Water Construct surface water control structures on the rehabilitated landform as required to limit the potential for erosion of newly placed soils by implementing the following. <ul style="list-style-type: none"> (i) Retain clean water diversion structures upstream of the Tailings Storage Facility. These structures would be designed to withstand a 100 year ARI rainfall event. 	Not Applicable (in July 2013)	This condition is not applicable until prior to the planned closure and decommissioning stages of the operation.	

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(ii) Install an appropriate number of engineered, drop structures on the rehabilitated face of the former Tailings Storage Facility to safely transfer surface water down to original ground level, and to prevent erosion of the embankment at the location of these structures.			
Appendix 5 – Condition 6.22 – Surface Water Ensure that sediment control structures constructed for the Project remain in place until rehabilitated areas are sufficiently stabilised.	Not Applicable (in July 2013)	Permanent (not all temporary) sediment control structures will remain in place until rehabilitated areas are sufficiently stabilised during operations and closure work.	
Appendix 5 – Condition 6.23 – Surface Water Develop a <i>Water Management Plan</i> for the Project Site in consultation with NSW Office of Water , comprising (in part): <i>A Surface Water Monitoring and Response Plan;</i> <i>An Erosion and Sediment Control Plan;</i> <i>A Site Water Balance.</i>	Compliant	The operation's Water Management Plan was completed between October 2012 and February 2013. The plan was approved by the EPA and is being negotiated with NOW. Three external experts that contributed to the development of the site Water Management Plan, which was coordinated by external consultant RW Corkery and Co Pty Ltd. The operation's Water Management Plan includes the following information: The Surface Water Management Plan includes all requirements associated with 1) Site Water balance (Section 8.1); 2) Discharge of Water (Section 8.2); 3) Mine Site Drainage (Section 8.3); 4) Erosion and Sediment Control Plan (Section 8.4); 5) Water Storage and Management (Section 8.5); 6) existing Surface Water Quality (Section 8.6) and 7) existing Water Flows (Section 8.7).	
Appendix 5 – Condition 7.1 – Noise and Blasting Install frequency modulated reversing alarms on all mobile equipment.	Actual Non-compliance	To reduce the potential for nuisance noise being generated from the construction site, some site vehicles have been fitted with noise suppressed reversing alarms. Actual Non-compliance – Not all heavy earthmoving equipment observed at the Hera site have been fitted with frequency modulated reversing alarms.	<i>Upon consultation with Neils Earthmoving company who is in ownership of all machinery, review of reversing alarms in all machinery was undertaken. All Neils Earthmoving machinery contain installed and functioning reversing alarms.</i>

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		 <p data-bbox="1066 635 1666 683">Photo 30 Example of site vehicle not fitted with a frequency modulated reversing alarm.</p>	
<p data-bbox="226 715 779 746">Appendix 5 – Condition 7.2 – Noise and Blasting</p> <p data-bbox="226 762 875 815">Regularly service all equipment in accordance with manufacturer's instructions.</p>	<p data-bbox="900 715 1039 826">Not Applicable (in July 2013)</p>	<p data-bbox="1066 715 1666 799">All relevant fixed plant and associated equipment, once constructed and operational will be regularly serviced in accordance with manufacturer's instructions</p>	
<p data-bbox="226 858 779 890">Appendix 5 – Condition 7.3 – Noise and Blasting</p> <p data-bbox="226 906 875 1018">Ensure that all truck drivers would be required to comply with the Hera Resources Pty Limited's <i>Driver Code of Conduct</i> outlining procedures for reducing noise impacts during transportation within the Project Site and off site.</p>	<p data-bbox="900 858 1025 890">Compliant</p>	<p data-bbox="1066 858 1666 970">Hera Resources Pty Limited's <i>Driver Code of Conduct</i> outlines procedures for reducing noise impacts during transportation within the Project Site and off site. This was developed in August 2011.</p> <p data-bbox="1066 986 1666 1182">The February 2013 CCC meeting raised concerns of driving behaviours of some contractors working on the Hera Site (ie. driving behaviours around school bus collection times). YTC management reinforced the requirements of the driving code to all personnel (memo 21 March 2013) and outlined disciplinary/dismissal measures if the requirements in the code are breached.</p>	
<p data-bbox="226 1214 779 1246">Appendix 5 – Condition 7.4 – Noise and Blasting</p> <p data-bbox="226 1262 875 1315">Undertake noise monitoring at the residences most likely to be affected by noise generated by the Project.</p>	<p data-bbox="900 1214 1039 1326">Potential Non-compliance (repeat)</p> <p data-bbox="900 1342 1039 1394">As per PA Schedule 3</p>	<p data-bbox="1066 1214 1666 1299">To date, two internal noise surveys have been completed for the project on the 17th February 2013 and 12th April 2013.</p> <p data-bbox="1066 1315 1666 1394">YTC's Environmental Officer utilised a calibrated Larson Davis Sound Track LX5 Noise meter to conduct these surveys, but a) sensitivities associated with the noise</p>	<p data-bbox="1693 1214 2123 1326"><i>Recent independent noise monitoring conducted 4.8.2013 by Spectrum Acoustics. Report is attached, general points are stated below.</i></p> <p data-bbox="1693 1342 2123 1394"><i>Independent noise consultants concluded that mine-related noise was</i></p>

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	– Condition 1 – Noise Criteria	<p>monitoring instrument and b) extremely low noise criteria defined in Table 2 (ie. in line with background noise interferences) have resulted in elevated results being recorded from both non-mining and non-construction related activities.</p> <p>As a result of the above, and to eliminate any future noise monitoring related errors, YTC have commissioned an experienced external noise consultant to conduct a noise survey at and around the operation in mid/late July 2013. This survey will a) clarify and determine accurate noise emissions during day, evening and night conditions and b) determine and correct any potential inconsistencies in noise monitoring instrumentation and methods adopted by YTC.</p>	<p><i>below the allowable limit 35 dB (A). Upon comparison with YTC data, it was found that settings on the Lx5 sound meter relating to dB (A) needed to be reset and some frequencies discounted.</i></p> <p><i>Future elimination of frequencies 1000-4000Hz attributed to insects and birds.</i></p> <p><i>Wind, aeroplanes and non-mine road traffic will attribute to frequencies 800-1000Hz assumed to be caused by mine-associated activities. Hence should be minimised where possible, re-starting survey when a plane or car passes.</i></p>
Appendix 5 – Condition 7.5 – Noise and Blasting Maintain an open dialogue with the surrounding community and neighbours to ensure any concerns over noise or vibration are addressed.	Compliant	<p>Open dialogue relating to any concerns over noise or vibration at the site exists with more neighbouring landowners, with one exception (for which attempts have been made verbally and in writing).</p> <p>No noise or vibration concerns have been raised to date at the CCC meeting held in February 2013.</p> <p>No formal agreement with the relevant owner(s) has been secured by YTC to exceed the criteria defined in PA Schedule 3 – Table 2.</p>	
Appendix 5 – Condition 7.6 – Noise and Blasting Ensure that all blasts are designed by a suitably qualified and experienced blasting engineer or shot-firer such that each is designed in accordance with the ANZECC Blasting Guidelines to achieve the relevant criteria at the closest residence.	Compliant	<p>All underground blasts are designed and initiated by qualified blast engineers and shot-firers employed by Pybar Mining Contractors.</p> <p>All blasting is conducted underground and have not impacted any neighbouring landowners to date.</p>	
Appendix 5 – Condition 7.7 – Noise and Blasting Prepare a <i>Noise Management and Monitoring Program</i> prior to the commencement of mining activities which would incorporate the specific details of all noise controls and	Compliant	<p>The YTC Hera Project Noise Management Plan was finalised and issued internally in August 2012.</p> <p>It was submitted to the Director General within two months of the issuing of this Project Approval.</p>	

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<p>provide measures to address noise criteria exceedances and/or complaints should they occur.</p>		<p>The YTC Hera Project Noise Management Plan was submitted, received and approved in writing by the NSW Department of Planning and Infrastructure on the 28th September 2012.</p> <p>The plan includes specific details of all noise controls and provide measures to address noise criteria exceedances and/or complaints should they occur.</p>	
<p>Appendix 5 – Condition 8.1 – Aboriginal Heritage</p> <p>Undertake further site inspections of those sections of the Mine Camp and Tailings Storage Facility that were not surveyed during the 2010 OzArk assessment prior to disturbing the ground to confirm the assessment that there are no objects or sites of Aboriginal heritage significance within the proposed areas of disturbance.</p>	<p>Compliant</p>	<p>A follow-up 2011 survey was completed by OzArk on sections of the Mine Camp and Tailings Storage Facility that were not surveyed during the 2010 survey. This was completed prior to any ground disturbance in these areas.</p> <div data-bbox="1211 651 1518 1066" data-label="Image"> </div> <p>Photo 31 Heritage Assessment and Report completed in late 2011 by OzArk Heritage Consultants.</p>	
<p>Appendix 5 – Condition 8.2 – Aboriginal Heritage</p> <p>Cease all work in the vicinity of an Aboriginal sites or objects found during ground-clearing construction works, and seek advice from OEH, the National Parks and Wildlife Service and Condobolin and Cobar Local Aboriginal Land Councils will be sought on how to best proceed. Work would not recommence in the area of the find, until the officials contacted have inspected the material and permission has</p>	<p>Compliant</p>	<p>The YTC Hera Project Heritage Management Plan was submitted to the NSW DPI and approved by this department on the 5/10/12.</p> <p>This management plan includes relevant information relating to a) Approved Activities; b) Consultation with Aboriginal Stakeholders and also Government; c) Environmental Management measures; d) Implementation of Management Measures and e)</p>	

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<p>been given to continue with the construction works.</p>		<p>Monitoring and Reporting requirements.</p> <p>It also includes the requirement to cease all work in the vicinity of any Aboriginal sites or objects found during ground-clearing construction works, and seek advice from relevant government Departments and relevant requirements to recommence working in these areas.</p>	
<p>Appendix 5 – Condition 8.3 – Aboriginal Heritage</p> <p>Implement the following procedures, if during the life of the Project suspected human remains are identified within the Project Site.</p> <p>Step 1 the suspected skeletal remains would not be touched or disturbed.</p> <p>Step 2 A buffer zone of 50m x 50m would to be established around the suspected remains and all work in the vicinity of the suspected remains to be suspended until the area has been assessed.</p> <p>Step 3 The NSW Police and the DECCW to be contacted to make an assessment of the discovery. If appropriate, mitigation procedures to be developed in consultation with the registered stakeholders.</p>	<p>Compliant</p>	<p>This YTC Hera Project Heritage Management Plan includes relevant information relating to a) Approved Activities; b) Consultation with Aboriginal Stakeholders and also Government; c) Environmental Management measures; d) Implementation of Management Measures and e) Monitoring and Reporting requirements.</p> <p>It also defines requirements to be adopted and defined responsibilities in the event that suspected human remains are identified within the Project Site.</p>	
<p>Appendix 5 – Condition 9.1 – Historical Heritage</p> <p>Ensure trees identified to possess toe-holds and bark-rings located east of the project Site (listed in Table 4 of OzArk 2011b) are not removed.</p>	<p>Compliant</p>	<p>Trees identified to possess toe-holds and bark-rings, located east of the project Site and as listed in Table 4 of OzArk 2011b) have not been not removed or interfered with.</p> 	

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		<p>Photo 32 Location of relevant trees identified by OzArk in 2011</p>	
<p>Appendix 5 – Condition 10.1 – Air Quality and Energy Limit disturbance to the minimum area necessary for mining and associated activities.</p>	<p>Compliant</p>	<p>There was no evidence during this Project Approval audit that an unnecessary clearing or disturbance had occurred to date, that would be warranted for planned mining, processing and related activities.</p>	
<p>Appendix 5 – Condition 10.2 – Air Quality and Energy Spray unsealed access roads and other trafficked areas with water carts at a rate of 2L/m²/hour, as required, when visible dust is generated.</p>	<p>Compliant</p>	<p>Both Nicolson's Earthmoving and Neill Earthmoving Contractors utilise and maintain water carts for the reduction of dust on unsealed access roads. Low volumes of fugitive dust were observed during the audit, partly as a result of winter conditions and higher moisture levels of ground surfaces.</p>  <p>Photo 33 Nicolson's Earthmoving water cart</p>	
<p>Appendix 5 – Condition 10.3 – Air Quality and Energy Incorporate water spray facilities at all transfer points in the crushing and screening circuit within the Processing Plant.</p>	<p>Not Applicable (in July 2013)</p>	<p>The YTC Mill/Process Plant is currently being designed and all requirements associated with this Project Approval will be incorporated into the design of the process plant.</p>	
<p>Appendix 5 – Condition 10.4 – Air Quality and Energy Maintain ore handling areas / stockpiles in a moist condition by using water carts to water down areas affected by wind-blown and traffic- generated dust.</p>	<p>Not Applicable (in July 2013)</p>	<p>Ore handling areas/stockpiles have not been constructed to date.</p>	
<p>Appendix 5 – Condition 10.5 – Air Quality and Energy</p>	<p>Not</p>	<p>The YTC Mill/Process Plant is currently being designed</p>	

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Install suitable dust control measures within the crushing and dry screening components of the Processing Plant, including water sprays, to ensure that the required level of dust suppression is achieved. Alternatively, enclose these components, with venting to a fabric filter or equivalent device for removal of particulate matter from the airstream prior to release.	Applicable (in July 2013)	and all requirements associated with this Project Approval will be incorporated into the design of the process plant.	
Appendix 5 – Condition 10.6 – Air Quality and Energy Maintain approximately 75% of the Tailings Storage Facility area as wet, with emissions restricted to 25% of the surface area of the Tailings Storage Facility.	Not Applicable (in July 2013)	The YTC Tailings Dam has been designed by Coffey Engineers and all requirements associated with this Project Approval have been incorporated into the design of the tailings dam.	
Appendix 5 – Condition 10.7 – Air Quality and Energy Cap or otherwise treat the Tailings Storage Facility during rehabilitation activities following completion of operations.	Not Applicable (in July 2013)	Not applicable during the construction phase of the Hera Project.	
Appendix 5 – Condition 10.8 – Air Quality and Energy Maintain and inspect dust control systems, in accordance with supplier recommendations.	Not Applicable (in July 2013)	The YTC Mill/Process Plant is currently being designed. All requirements associated with this Project Approval will be incorporated into the design/preventative maintenance schedule for the process plant.	
Appendix 5 – Condition 10.9 – Air Quality and Energy Ensure site personnel understand fundamentals of air emissions, and have been trained to make timely reporting of any visible air emissions to allow for prompt and appropriate action to be undertaken for the management of the identified emissions.	Not Applicable (in July 2013)	This would be considered to be applicable to the operational phase of the project.	
Appendix 5 – Condition 10.10 – Air Quality and Energy Install an onsite real-time meteorological monitoring program in accordance with the recommendations of the OEH's <i>Approved Methods for the Sampling and Analysis of Air Pollutants in New South Wales</i> (DEC, 2007).	Compliant	YTC Hera Project's meteorological station was installed in January 2013 and is connected to mains electricity. The unit was manufactured and installed by Envirodata and is scheduled to be maintained and calibrated on an annual frequency. This meteorological station complies with the necessary requirements defined in the <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i>	

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		<p>guideline.</p>  <p>Photo 34 YTC Hera Project's meteorological station that was installed and has been in use since the 17/01/13.</p>	
<p>Appendix 5 – Condition 10.11 – Air Quality and Energy Use biodegradable dust suppressants with insignificant environmental impacts for controlling dust emissions from unsealed roads and disturbed areas.</p>	<p>Compliant</p>	<p>Commercially available dust suppressant products (Envirosafe-Extreme Green) were trialled at the operation in February and June 2013.</p> <p>These trials were discontinued as no improvements were detected before and after the use of the product.</p> <p>These may be further investigated during the operational phase of the project.</p>	
<p>Appendix 5 – Condition 10.12 – Air Quality and Energy Minimise drop-heights from the ROM bin to the primary crusher.</p>	<p>Not Applicable (in July 2013)</p>	<p>The YTC Mill/Process Plant is currently being designed. All requirements associated with this Project Approval will be incorporated into the design of the process plant.</p>	
<p>Appendix 5 – Condition 10.13 – Air Quality and Energy Establish vegetative cover, using endemic native grass species, over all long term topsoil stockpiles not regularly used.</p>	<p>Not Applicable (in July 2013)</p>	<p>A quantity of native grass species has been purchased by YTC's Environmental Officer for use on rehabilitating long-term stockpiles.</p> <p>Clearing of vegetation and topsoil and extensive construction earthworks are still progressing at the Hera Project site. Once long-term topsoil stockpiles have been fully established and contoured, these will be subsequently seeded.</p>	

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		 <p>Photo 35 Seed recently purchased for the revegetation of long-term topsoil stockpiles</p>	
<p>Appendix 5 – Condition 10.14 – Air Quality and Energy Profile all surfaces to reduce velocity of overland winds.</p>	<p>Not Applicable (in July 2013)</p>	<p>The YTC project is currently being designed with the involvement of a number of engineers. All requirements associated with this Project Approval will be incorporated into the design of the project site.</p>	
<p>Appendix 5 – Condition 10.15 – Air Quality and Energy Contour the final landform shape to avoid strong wind flows and smooth gradients to reduce turbulence at surface.</p>	<p>Not Applicable (in July 2013)</p>	<p>The YTC project is currently being designed with the involvement of a number of engineers. All requirements associated with this Project Approval will be incorporated into the design of the project site.</p>	
<p>Appendix 5 – Condition 10.16 – Air Quality and Energy Apply vegetative cover using endemic native grass species, to non-operational exposed surfaces, e.g. Tailings Storage Facility wall, ROM pad batters, as soon as practical after disturbance.</p>	<p>Not Applicable (in July 2013)</p>	<p>Clearing of vegetation and topsoil and extensive construction earthworks are still progressing at the Hera Project site. YTC will provide a vegetative cover for all exposed surfaces that will exist over the long-term/life of mine.</p>	
<p>Appendix 5 – Condition 10.17 – Air Quality and Energy Reshape, topsoil and rehabilitate completed Waste Rock Emplacement areas as soon as practicable after they are no longer required for mining-related purposes.</p>	<p>Not Applicable (in July 2013)</p>	<p>This would be considered to be applicable to the late operational and closure phases of the project.</p>	
<p>Appendix 5 – Condition 10.18 – Air Quality and Energy Progressively optimise the underground mine design to</p>	<p>Compliant</p>	<p>Development of the decline and underground mining has been contracted to Pybar Mining Services.</p>	

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minimise travel distances for mining equipment and re-handling of waste and ore material.		For mining and project/cost efficiencies travel distances for mining equipment and re-handling of waste and ore material will be minimised.	
Appendix 5 – Condition 10.19 – Air Quality and Energy Use mining equipment which is regularly maintained and serviced to maximise efficiency.	Compliant	Development of the decline and underground mining has been contracted to Pybar Mining Services. Pybar utilised “Ellipse” for all existing and future preventative maintenance planning of mining and related equipment.	
Appendix 5 – Condition 10.20 – Air Quality and Energy Optimise the design of the Processing Plant to: <ul style="list-style-type: none"> (i) minimise the amount of conveyor operating hours with zero load; (ii) maximise the use of gravity to move material through the Processing Plant reducing the need for pumping; and (iii) maximise the use of energy efficient motors in major pieces of the Processing Plant. 	Not Applicable (in July 2013)	The YTC Mill/Process Plant is currently being designed. All requirements associated with this Project Approval will be incorporated into the design of the process plant.	
Appendix 5 – Condition 10.21 – Air Quality and Energy Adopt the use of energy efficient lighting technologies and hot water and air conditioning systems wherever practical.	Not Applicable (in July 2013)	The YTC Mill/Process Plant is currently being designed. All requirements associated with this Project Approval will be incorporated into the design of the process plant.	
Appendix 5 – Condition 10.22 – Air Quality and Energy Maximise the recovery of recyclable materials where practicable, including: waste hydrocarbons; polyethylene; and scrap metals.	Potential Non-compliance	Waste recovery and recycling is the responsibility of individual contractors at the site. Preliminary processes have been established to ensure that the segregation and collection of a) scrap metal; b) cardboard and c) bulk waste hydrocarbons occurs and is maintained. Potential Non-compliance – An extensive quantity of recyclable cardboard waste is being disposed as general rubbish in bulk skips on-site, indicating that a) personnel are not aware of the requirement for segregation using the correct bins or b) training has not been provided to contract staff to ensure that correct	<i>Recycling waste has been repositioned in close proximity to kitchen and office where frequently utilised.</i> <i>Signage has been updated on recycling and general waste bins (as below).</i>

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		<p>segregation and placement of waste occurs.</p>  <p>Photo 36 Extensive quantities of cardboard is being discarded into general waste bins (even though cardboard waste bins are located 3 m away)</p>	 <p>Also, a waste memo has been given to Pybar to be passed around and signed at the morning muster for all staff (template attached as an appendix).</p>
<p>Appendix 5 – Condition 10.23 – Air Quality and Energy Minimise waste sent to landfill through the development of appropriate purchasing and waste management plans.</p>	<p>Non-compliance</p>	<p>A Hazardous Materials Management Plan has been developed and is available on the web-site.</p> <p>Non-compliance - No formal Non-mineralised Waste Management Plan has been developed to date, to describe processes and practices to minimise waste being sent to the Cobar landfill.</p> <p>The above will also be applicable to construction related waste, which is expected to be considerable over the next 12 months.</p>	<p><i>Waste Management Plan currently being completed and updated to include processes and practises to minimise waste sent to Cobar landfill including construction related waste.</i></p>
<p>Appendix 5 – Condition 10.24 – Air Quality and Energy Progressively review and implement energy efficiency measures throughout the life of the Project.</p>	<p>Not Applicable (in July 2013)</p>	<p>The YTC Mill/Process Plant is currently being designed. All relevant requirements associated with this Project Approval will be incorporated into the design of the process plant.</p>	
<p>Appendix 5 – Condition 10.25 – Air Quality and Energy Prepare an Air Quality Monitoring Program in consultation with OEH and the surrounding community, including:</p> <ul style="list-style-type: none"> (i) installation of a high volume air sampler at the Mine Camp, initially for a period of 12 months, with continued monitoring after that period to be 	<p>Compliant</p>	<p>In addition to dust depositional monitoring, the operation's Air Quality Monitoring program includes the following:</p> <ul style="list-style-type: none"> (i) <u>PM₁₀ and TSP Air Monitoring</u> <p>Air monitoring on the mining lease is conducted using both HIVAS PM₁₀ and Total Suspended Particulates</p>	

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<p>determined in consultation with Office of Environment and Heritage; and</p> <p>(ii) procedures for monitoring particulates within exhaust air in the proposed ventilation rise.</p>		<p>(TSP) air quality monitoring units, positioned on the lease near the original homestead. Both of these units were recently purchased and installed in May 2013.</p> <p>Samples will be collected over 6 day periods and forwarded to ALS laboratory in Lithgow on the monthly frequency for analysis. 24 hour averages will be determined from these 6 day sampling intervals.</p>  <p>Photo 37 YTC Resources have installed a PM10 and TSP air quality monitoring units on the lease</p> <p>(ii) <u>Monitoring particulates within exhaust air in the proposed ventilation rise</u></p> <p>The construction of the ventilation rise has not been completed to date and therefore no monitoring programs have been established to date.</p>	
<p>Appendix 5 – Condition 10.26 – Air Quality and Energy</p> <p>Install an onsite real-time meteorological monitoring program in accordance with the recommendations of OEH's Approved Methods for the Sampling and Analysis of Air Pollutants in New South Wales (DEC, 2007).</p>	<p>Compliant</p>	<p>YTC Hera Project's meteorological station was installed in January 2013 and is connected to mains electricity. The unit was manufactured and installed by Envirodata and is scheduled to be maintained and calibrated on an annual frequency.</p> <p>This meteorological station complies with the necessary requirements defined in the <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guideline.</p>	
<p>Appendix 5 – Condition 11.1 – Traffic</p>	<p>Not</p>	<p>The existing site entrance off Burthong Road has been</p>	

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<p>Construct the Main Site Entrance intersection on Burthong Road and upgrade of the existing site access intersection to a Basic left turn (BAL) rural intersection treatment in accordance with RTA's Austroads guidelines to cater for 36m road trains and light vehicle/light rigid trucks respectively.</p>	<p>Applicable (in July 2013)</p>	<p>upgraded (see photo below). Council inspected the existing intersection (Light Vehicle Access approved under Part 5 Project Approval) in May 2012 as requested by YTC Resources on completion of sealing the access road by Neils Construction. Cobar LGA Council were satisfied with its design as per RTA's Austroads Guidelines, no documentation was required to be completed by Cobar LGA Council (audit interview).</p>  <p>Photo 38 Main site entrance off Burthong Road</p> <p>The main site access intersection (Heavy Vehicle Access) is referred to in the Traffic Management Plan (TMP) in Section 5.3.3 as designed to Austroads standards. The TMP has been approved by council. The Heavy Vehicle Access road was under construction at the time of the audit. The timing for the work is "during site establishment operations".</p>	

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		 <p data-bbox="1066 600 1550 624">Photo 39 Heavy vehicle access road under construction</p>	
<p data-bbox="226 655 647 679">Appendix 5 – Condition 11.2 – Traffic</p> <p data-bbox="226 703 875 783">Regularly inspect and clear long grass and bushes that grow on the road shoulder to maintain the maximum possible sight distance</p>	<p data-bbox="898 655 1021 679">Compliant</p>	<p data-bbox="1066 655 1666 847">Bushes have been removed on-site to aid in line of sight for road safety. The intersection upgrade at the main entrance has not been completed at the time of the audit. This condition is primarily for line of sight when 36m articulated vehicles are turning at the main entrance. The line of sight was observed to be currently maintained by grader work in the table drains.</p>	
<p data-bbox="226 884 647 908">Appendix 5 – Condition 11.3 – Traffic</p> <p data-bbox="226 932 875 979">Treat internal roads with chemical suppressants, where appropriate, to minimise dust generation.</p>	<p data-bbox="898 884 1021 908">Compliant</p>	<p data-bbox="1066 884 1626 932">Two chemical suppressants were trialed with limited success.</p>	
<p data-bbox="226 1007 647 1031">Appendix 5 – Condition 11.4 – Traffic</p> <p data-bbox="226 1054 584 1078">Restrict vehicle speed to 40km/hr.</p>	<p data-bbox="898 1007 1021 1031">Compliant</p>	<p data-bbox="1066 1007 1655 1054">40km/hr speed limit signs were observed on site. Vehicles were observed obeying the speed restrictions.</p>	
<p data-bbox="226 1107 647 1131">Appendix 5 – Condition 11.5 – Traffic</p> <p data-bbox="226 1155 875 1235">Ensure that all vehicles transporting bulk concentrate are loaded using a front-end loader fitted with a bucket load indicator to avoid overloading.</p>	<p data-bbox="898 1107 1021 1219">Not Applicable (in July 2013)</p>	<p data-bbox="1066 1107 1666 1219">The production of and transportation of concentrate has not commenced. YTC are planning to use a weighbridge to ensure compliance rather than a FEL with a bucket load indicator.</p>	
<p data-bbox="226 1257 647 1281">Appendix 5 – Condition 11.6 – Traffic</p> <p data-bbox="226 1305 875 1353">Ensure product is transported from the Project Site between the hours of 7:00am and 10:00pm.</p>	<p data-bbox="898 1257 1021 1369">Not Applicable (in July 2013)</p>	<p data-bbox="1066 1257 1666 1337">The production and transportation of concentrate has not commenced. YTC plan to ensure compliance through training and induction processes.</p>	

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Appendix 5 – Condition 11.7 – Traffic Prepare, implement and enforce a <i>Driver's Code of Conduct</i> for all heavy vehicle drivers accessing the Project Site regularly.	Compliant	A <i>Driver's Code of Conduct</i> has been prepared and sections of it form part of the site induction. Contractors are given a copy of the code.	
Appendix 5 – Condition 11.8 – Traffic Investigate any complaints in relation to transportation of concentrate promptly.	Not Applicable (in July 2013)	The production and transportation of concentrate has not commenced. YTC have a complaints management system in place.	
Appendix 5 – Condition 11.9 – Traffic Prepare and implement a <i>Traffic Management Plan</i> to document relevant procedures to be implemented during the intersection construction works and throughout the life of the Project.	Compliant	A <i>Traffic Management Plan</i> has been prepared and implemented. A memo from the GM advising personnel of their responsibilities regarding public road behaviour was also sighted.	
Appendix 5 – Condition 11.10 – Traffic Negotiate an appropriate arrangement with Cobar Shire Council for the transportation of concentrate on Berthong and Priory Tank Roads at an indicative rate of \$1.82/t. Prior to the commencement of concentrate transportation.	Compliant	The planning agreement between Cobar Shire Council and Hera Resources was negotiated and signed. A lump sum rate was negotiated rather than the \$/t rate.	
Appendix 5 – Condition 11.11 – Traffic Ensure that all roads and tracks across waterways are designed and constructed. <ul style="list-style-type: none"> (i) in consultation with Department of Primary Industries – Fisheries and in accordance with the documents "<i>Policy and Guidelines for Fish Friendly Waterway Crossings (2004)</i>" and "<i>Why do Fish Need to Cross the Road? - fish passage requirements for waterway crossings</i>"; and (ii) in consultation with NSW Office of Water and in accordance with the Office of Water's Guidelines for Controlled Activities. 	Compliant	Email correspondence regarding the "Ford" to be constructed on Box Creek for the heavy vehicle access road was sighted. Consultations were made with the DPI – Fisheries (11/4/13) and NOW (30/5/13). Feedback on the design of the ford was received and was considered by the DPI to be an appropriate structure for the heavy vehicle access road.	
Appendix 5 – Condition 12.1 – Soils and Land Capability	Compliant	Topsoil management processes at the Hera project require that areas of disturbance must be clearly	

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<p>Minimise handling of all soils to minimise their structural damage by ensuring the areas for stripping and stockpiling are clearly identified.</p>		<p>defined ahead of soil stripping activities (ie. pegged / flagged on the ground). These designated areas must also include the area to be cleared for soil stockpiling. These stockpiles are to be located immediately adjacent to the area of disturbance, preferably on the upslope side of the area of disturbance if possible, between the disturbance and the vegetation windrow</p>	
<p>Appendix 5 – Condition 12.2 – Soils and Land Capability Strip topsoils within the Surface Facilities Area to a depth of 200mm and store in stockpiles no more than 2m high.</p>	<p>Compliant</p>	<p>Topsoil occurrence at Hera deposit is generally very limited due to the skeletal soils and as such, there is no distinction made between topsoil and subsoil.</p> <p>Stripping processes adopted by YTC at Hera require that soil is to be stripped as much as possible to ensure that a maximum volume of topsoil is available for rehabilitation.</p> <p>Topsoil stockpiles are being constructed no higher than 2m high and with no greater than 1:2 (V:H) slopes to minimise erosion.</p>  <p>Photo 40 Example of topsoil stockpile at the YTC Hera Project (adjacent to the planned site for the tailings storage facility)</p>	
<p>Appendix 5 – Condition 12.3 – Soils and Land Capability Strip topsoils within the Tailings Storage Facility and other areas of the Project Site to a depth of 300mm and store in stockpiles no more than 2m high.</p>	<p>Compliant</p>	<p>Topsoil from sections of the planned tailings storage facility site (ie. from under the current temporary dam site) has been removed to a depth of 300 mm for the initial stage of clearing for this site. This material has been deposited in relatively clear/thinly vegetated</p>	

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		<p>location a few hundred metres from this site.</p> <p>Planned topsoil locations for the remaining clearing of the TSF area are yet to be determined.</p>	
<p>Appendix 5 – Condition 12.4 – Soils and Land Capability</p> <p>Strip subsoil in relevant areas to bedrock and store in stockpiles no more than 3m in high.</p>	<p>Not applicable</p>	<p>Topsoil occurrence at Hera deposit is generally very limited due to the skeletal soils and as such, there is no distinction made between topsoil and subsoil.</p>	
<p>Appendix 5 – Condition 12.5 – Soils and Land Capability</p> <p>Refrain from stripping or placing soils during wet conditions.</p>	<p>Compliant</p>	<p>YTC Hera has adopted and documented practices whereby no topsoil is to be removed in wet conditions to avoid breakdown of the soil structure. Given the low rainfall in the region, this is generally not an issue for the operation.</p> <p>Existing stockpiles were observed to have been removed and laid down in dry weather conditions.</p>	
<p>Appendix 5 – Condition 12.6 – Soils and Land Capability</p> <p>Ensure that machinery used for stripping operations would dump their loads neatly and uniformly so that the stockpile does not require further forming prior to establishment of vegetation cover.</p>	<p>Compliant</p>	<p>There was good evidence that topsoil placement occurs in a neat and uniform manner. Numerous examples of this practice was observed around the operation as part of former and existing construction practices.</p>  <p>Photo 41 Topsoil placement occurring in a neat and uniform manner</p>	
<p>Appendix 5 – Condition 12.7 – Soils and Land Capability</p> <p>Avoid driving of machinery on the topsoil and subsoil</p>	<p>Compliant</p>	<p>At the time of this audit, here was minimal evidence that, once topsoil has been placed, that any form of</p>	

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stockpiles once the stockpiles are created to minimise compaction and further degradation of soil structure.		machinery is authorised to drive over or disturb the placement of this material.	
Appendix 5 – Condition 12.8 – Soils and Land Capability Construct upslope water diversion banks to direct overland surface water flow away from the soil stockpiles.	Compliant	These were observed to be in the process of being planned and/or constructed, in conjunction with other planned construction earthworks.	
Appendix 5 – Condition 12.9 – Soils and Land Capability Implement downslope sedimentation controls as required, until the surface of the soil stockpiles are appropriately stabilised using groundcover species.	Potential Non-Compliance	No downslope sedimentation controls have been constructed to date for the TSF topsoil stockpiles, but in practice, it is unsure if this has been required to date as no erosion from topsoil stockpiles was visible during the audit.	<i>Down slope sedimentation controls as stated in the Rehabilitation MP are as required. Once a practical proportion of stockpile can be fenced off, seeding will resume.</i>
Appendix 5 – Condition 12.10 – Soils and Land Capability Ensure the formed soil stockpile surfaces would have a generally uneven surface that is as 'rough' as possible, in a micro-sense, to assist in surface water runoff control and seed retention and germination.	Compliant	Topsoil placement practices adopted at the Hera project generally comply with these requirements to seed retention and germination.	
Appendix 5 – Condition 12.11 – Soils and Land Capability Sow soil stockpiles with stabilising groundcover, comprising endemic native species as soon as possible after placement and water, if necessary, to speed up establishment and attain a cover of at least 30% to minimise erosion and sedimentation.	Not Applicable (in July 2013)	Suitable native seed has been purchased but not applied to existing topsoil stockpiles to date.	
Appendix 5 – Condition 12.12 – Soils and Land Capability Ensure slopes less than 2% are rehabilitated with Red Earths with due regard to the following precautionary measures: <ul style="list-style-type: none"> (i) no furrowing would be used; (ii) maintain the length of exposed slopes to less than 80m; (iii) use windrows of mulch placed along the contours 	Not Applicable (in July 2013)	No opportunities have arisen at this early stage of the construction project relating to the commencement of revegetation and/or rehabilitation works.	

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and ensuring these would not act as drains themselves.			
Appendix 5 – Condition 12.13 – Soils and Land Capability Ensure slopes between 2% and 10% have a concave profile and are covered with Lithosols.	Not Applicable (in July 2013)	No opportunities have arisen at this early stage of the construction project relating to the commencement of revegetation and/or rehabilitation works.	
Appendix 5 – Condition 12.14 – Soils and Land Capability Ensure slopes of more than 10% are protected with rock-pitching.	Not Applicable (in July 2013)	No opportunities have arisen at this early stage of the construction project relating to the commencement of revegetation and/or rehabilitation works.	
Appendix 5 – Condition 12.15 – Soils and Land Capability Ensure that during soil placement operations soil is placed directly onto a scarified surface without compaction and in correct order, namely topsoil overlying subsoil.	Not Applicable (in July 2013)	No opportunities have arisen at this early stage of the construction project relating to the direct placement of soil for rehabilitation. Topsoil occurrence at Hera deposit is generally very limited due to the skeletal soils and as such, there is no distinction made between topsoil and subsoil. To date, all topsoil has been temporarily stockpiled in designated areas. These stockpiles are normally located immediately adjacent to the area of disturbance. Topsoil stockpiles are constructed no higher than 2m high and with no greater than 1:2 (V:H) slopes to minimise erosion. No final placement of topsoil in any areas has occurred to date.	

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		 <p>Photo 42 Example of topsoil stockpiling practices at the Hera project to date</p>	
<p>Appendix 5 – Condition 12.16 – Soils and Land Capability</p> <p>Add, where appropriate, organic matter comprising composted cleared vegetation.</p>	<p>Not Applicable (in July 2013)</p>	<p>To date, no vegetation has been stockpiled and treated in a manner that facilitates the composting of this material.</p> <p>Site processes require that major tree trunks, major limbs and if possible minor branches are salvaged and used for site rehabilitation. Vegetation is required to be track-rolled to break up the larger trunks and pushed into windrows at the limit of the disturbance footprint (allowing room for topsoil stockpiles where applicable).</p> <p>Vegetation windrows are to be retained until final rehabilitation of the adjacent area of disturbance.</p>	
<p>Appendix 5 – Condition 12.17 – Soils and Land Capability</p> <p>Use organic material in preference to fertilizers during rehabilitation.</p>	<p>Not Applicable (in July 2013)</p>	<p>No rehabilitation work has been planned or commenced in detail at this early stage of the construction project.</p>	
<p>Appendix 5 – Condition 12.18 – Soils and Land Capability</p> <p>Ensure soil management procedures are developed in accordance with Landcom (2004) and DECCW (2008).</p>	<p>Compliant</p>	<p>Relevant sections of the YTC Hera Biodiversity Management Plan (June 2013) and YTC's Topsoil Stripping and Management Procedure (August 2011) have been developed by external consultants (former plan, not the internal procedure) with consideration of the requirements of Landcom (2004) and DECCW</p>	

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		<p>(2008).</p> <p>The Surface Water Management in the Biodiversity Management Plan was taken from the Water Management Plan which was written in accordance with Landcom (2004) and DECCW (2008) (email from consultant 18/7/13 sighted).</p>	
<p>Appendix 5 – Condition 13.1 – Visual Amenity</p> <p>Construct the Processing Plant and other on- site infrastructure from non-reflective, neutral coloured material, where possible.</p>	<p>Compliant</p>	<p>The most prominent on-site structure at the moment is the main workshop (Pybar) which is clad in a neutral coloured colourbond material (see photo below). The construction of the Processing Plant has not commenced and the design material is unknown at the time of the audit.</p>  <p>Photo 43 Cladding of back wall of main workshop</p>	
<p>Appendix 5 – Condition 13.2 – Visual Amenity</p> <p>Progressively rehabilitate disturbed sections of the Project Site no longer required for the Project, and re-vegetate areas that are bare or only have remnant vegetation.</p>	<p>Not Applicable (in July 2013)</p>	<p>The operation’s rehabilitation and revegetation programs will be completed in accordance with the YTC Hera ‘Rehabilitation Management Plan’.</p>	
<p>Appendix 5 – Condition 13.3 – Visual Amenity</p> <p>Undertake active dust management measures to reduce the potential for the creation of a ‘dust cloud’, especially during site establishment activities.</p>	<p>Compliant</p>	<p>A range of dust management measures have been adopted to date, as described in this report. Further measures will be implemented as the construction phase continues, inclusive of associated earthworks for the construction of the tailings dam.</p>	

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<p>Appendix 5 – Condition 13.4 – Visual Amenity Manage waste within the Project Site in an appropriate manner such that the site will not become littered with wind-blown rubbish.</p>	<p>Compliant</p>	<p>Waste bins and bulk skips are present for the management of some relevant waste streams.</p> <p>To date, most waste is collected in bulk waste skips by JJ Richards (waste contractor) and this waste is removed off site to the Cobar shire landfill.</p> <p>During site inspections, there was limited evidence of any windblown litter present across the operation.</p>  <p>Photo 44 Waste skip being collected by JR Richards Waste Contractors</p>	
<p>Appendix 5 – Condition 13.5 – Visual Amenity Maintain the Project Site in a clean and tidy condition at all times.</p>	<p>Compliant</p>	<p>Generally, the project site was observed to be managed in an organised manner and there was limited evidence of any mismanagement of materials.</p>	
<p>Appendix 5 – Condition 13.6 – Visual Amenity Ensure night-time lighting is directed towards the active areas of operation only and towards the ground to minimise the light spill from the Project Site.</p>	<p>Not Applicable (in July 2013)</p>	<p>No significant sources of lighting currently exist within the project area.</p>	
<p>Appendix 5 – Condition 13.7– Visual Amenity Ensure lighting is turned off when not required.</p>	<p>Not Applicable (in July 2013)</p>	<p>No significant sources of external lighting currently exist within the project area, which could result in any external nuisance factor to neighbouring landowners.</p>	

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<p>Appendix 5 – Condition 14.1– Bushfire Ensure that refuelling is undertaken within designated fuel bays or within cleared areas of the Project Site.</p>	Compliant	Refuelling is undertaken at designated bunded fuel bays as described and shown in conditions 5.1 and 5.2 of Appendix 5.	
<p>Appendix 5 – Condition 14.2– Bushfire Implement a no smoking policy in all but designated sections of the Project Site.</p>	Compliant	A no smoking policy has been implemented in all but designated areas such as at the recreation area and is included in the site induction.	
<p>Appendix 5 – Condition 14.3– Bushfire Ensure fire extinguishers are maintained within all vehicles.</p>	Compliant	<p>Pybar had recently organised a third party contractor to inspect all of the fire extinguishers on site. Ensuring fire extinguishers are maintained forms part of the pre-satrt for each vehicle.</p>  <p>Photo 45 Vehicle fire extinguisher randomly inspected displaying a June 2013 maintenance/inspection date</p>	
<p>Appendix 5 – Condition 14.4– Bushfire Ensure clearing during high or extreme bushfire hazard conditions (as defined by the NSW Rural Fire Service) would be avoided.</p>	Compliant	To date, clearing has been conducted during the cooler months, traditionally a lower risk of bushfires. A Bushfire Environmental Management Plan has also been prepared (not verified).	
<p>Appendix 5 – Condition 14.5– Bushfire Ensure there is a focus on house-keeping.</p>	Compliant	The site was observed to be generally free of rubbish and good housekeeping was evident. The main workshop area and offices (Pybar) were inspected and housekeeping was of a high standard. The focus on housekeeping is maintained through toolbox talks and	

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		waste bins are also available for waste segregation.	
<p>Appendix 5 – Condition 14.6– Bushfire Ensure that vegetation clearing extends at least 15m from all built infrastructure.</p>	Compliant	Vegetation was observed to be at least 15m from all built infrastructure. Graded fire breaks around infrastructure were also observed.	
<p>Appendix 5 – Condition 14.7– Bushfire Ensure that a water cart available to assist in extinguishing any fire ignited.</p>	Compliant	<p>Three water carts are available on site for fire fighting purposes. These include the Hera water cart (stored on site), Neil's earth moving water truck (pictured in App. 5 – condition 10.2) and Pybar's water truck with a front mounted water canon.</p>  <p>Photo 46 Hera water cart on the left and Pybar's water truck</p>	
<p>Appendix 5 – Condition 14.8– Bushfire Liaise with the Rural Fire Service, Cobar Shire Council and Office of Environment and Heritage (NPWS) to determine when back- burning or fire control activities are planned.</p>	Compliant	No back burning has occurred on the site to date.	
<p>Appendix 5 – Condition 14.9– Bushfire Ensure access to on-site water storages for the NSW Rural Fire Services is available in the event of a fire within or surrounding the Project.</p>	Compliant	Combined fire fighting training has been conducted between the RFS and Hera. This has included ensuring access to the on-site water storages for the NSW RFS is available. Water has been pumped out of Three Gates Dam using RFS equipment.	
<p>Appendix 5 – Condition 15.1– Hazardous Chemical & Waste Management Manage the Project Site in accordance with NICNAS Category 1 of <i>Priority Existing Chemical Assessment Report No 31 – Sodium Cyanide</i> (Commonwealth Department of Health and Ageing) to ensure that adequate controls exist to</p>	Not Applicable (in July 2013)	Sodium cyanide is currently not used on site as the process plant is currently in the design stage and the TSF is yet to be constructed.	

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reduce weak acid dissociable cyanide concentration to <10 ppm prior to discharge to the Tailings Storage Facility.			
Appendix 5 – Condition 15.2– Hazardous Chemical & Waste Management Store and manage all chemicals in accordance with the <i>Hydrocarbon and Chemical Management Plan</i> prepared for the site, and the <i>Material Safety Data Sheets</i> of the individual chemicals and reagents.	Compliant	See Schedule 3 – Condition 41 – Hazardous Materials – Hazardous Materials Management Plan	
Appendix 5 – Condition 15.3– Hazardous Chemical & Waste Management Ensure sodium cyanide and other toxic chemicals are stored in accordance with the requirements of <i>AS/NZS 4452- The Storage and Handling of Toxic Substances</i> .	Not Applicable (in July 2013)	Sodium cyanide and lead nitrate are currently not stored on site as the process plant is currently in the design stage.	
Appendix 5 – Condition 15.4– Hazardous Chemical & Waste Management Ensure that dangerous goods are transported in accordance with the requirements of the “ <i>Australian Code for the Transport of Dangerous Goods by Road and Rail- Current Edition.</i> ”	Compliant	See Schedule 3 – Condition 33 – Dangerous Goods.	
Appendix 5 – Condition 15.5– Hazardous Chemical & Waste Management Train employees using hazardous chemicals in their proper handling and spill management techniques.	Compliant	MSDSs were observed in the main workshop, main offices and at the point of use e.g diesel fuelling. Induction procedures cover spill management. Only licensed (trained) people are allowed to handle explosives (ANFO). Training in order to get license. Copies of licenses and registers were sighted.	
Appendix 5 – Condition 15.6– Hazardous Chemical & Waste Management Dispose of excess chemicals and reagents no longer required for the Project properly using qualified personnel for their removal and transfer to appropriate licensed facility for destruction or reuse.	Compliant	All chemicals supplied to the batch plant are used and empty IBCs/pods returned. No reagents have been used to date as ore processing has not commenced.	
Appendix 5 – Condition 15.7– Hazardous Chemical &	Compliant	General segregation of non-production waste for	

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<p>Waste Management</p> <p>Manage non-production waste in accordance with the objects of the <i>Waste Avoidance and Resource Recovery Act 2000</i> and operate the Project against the hierarchy of avoidance of unnecessary resource consumption, resource recovery (including reuse, reprocessing, recycling and energy recovery where practical), and disposal of materials only after no uses have been identified for them.</p>		<p>recycling was observed during the audit.</p>  <p>Photo 47 Waste segregation bins at main offices</p>	
<p>Appendix 5 – Condition 15.8– Hazardous Chemical & Waste Management</p> <p>Encourage the most efficient use of resources, aim for a continual reduction in waste generation, and thus reduce environmental harm in accordance with the principles of ecologically sustainable development.</p>	<p>Potential Non - compliance</p>	<p>While oil recycling, scrap steel recycling and general waste segregation measures have been implemented, there was no plan sighted or other evidence of an aim for a continual reduction in waste generation, and thus reduce environmental harm.</p>	<p><i>Upon completion of the YTC Waste Management Plan training will be conducted to ensure a continual reduction in waste and associated targets (annual review).</i></p>
<p>Appendix 5 – Condition 15.9– Hazardous Chemical & Waste Management</p> <p>Ensure that a contaminated land assessment is undertaken prior to the commencement of decommissioning operations and that any contaminated land is managed in accordance with the relevant guidelines applicable at the time.</p>	<p>Not Applicable (in July 2013)</p>	<p>Decommissioning of operations will be towards the end of the project life.</p>	
<p>Appendix 5 – Condition 16.1– Socio Economic</p> <p>Continue to engage in regular dialogue with neighbours surrounding the Project Site in relation to the Project activities and maintain an “open door” policy for interested parties to discuss aspects of proposed activities that may be perceived as problematic.</p>	<p>Compliant</p>	<p>Dialogue with neighbours to the Hera project occurs as and when needed. It was observed that management for the YTC Hera Project would be amenable for discussions on any topics of concern that may be raised by the local community.</p> <p>The Community Consultative Committee meetings are the main forums utilised for communications with and discussions of any actual/potential concerns raised by the local community.</p>	

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<p>Appendix 5 – Condition 16.2– Socio Economic</p> <p>Support community organisations, groups and events, as appropriate, and review any request by a community organisation for support or assistance to resolve any issues raised throughout the life of the Project.</p>	<p>Compliant</p>	<p>YTC Resources have contributed a total of \$5,860 between March 2012 and July 2013 to 14 different community sponsorships/projects, inclusive of sporting clubs, Landcare and other charities/fundraisers.</p> <p>All donations and contributions are held in a formal register by YTC.</p>	
<p>Appendix 5 – Condition 16.3– Socio Economic</p> <p>Form and maintain a Community Consultative Committee (CCC) and which would include representative members of the surrounding community and Cobar Shire Council.</p>	<p>Compliant</p>	<p>Expressions of interest for the personnel to be represented on the CCC Nymagee were advertised in local papers in November 2012.</p>  <p>Photo 48 Advertisement for Expression of Interest for the CCC.</p> <p>YTC Hera management established a Community Consultative Committee (CCC) for the project in late 2012/early 2013.</p> <p>Personnel nominated and appointed to this committee have been approved by the NSW DPI.</p> <p>Personnel on this committee include three representative members of the surrounding community, a representative from the Cobar Shire Council (Councillor) and two representatives from the company. The meeting is externally facilitated.</p> <p>The initial meeting was held in February 2013 with a</p>	

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		second scheduled in August 2013.	
<p>Appendix 5 – Condition 16.4– Socio Economic</p> <p>Regularly brief the CCC and wider community on activities within the Project Site and seek feedback in relation to any perceived or otherwise of Project-related impacts. Seek advice on how to provide assistance to resolve issues raised by any member of the community in an effective, fair and equitable manner.</p>	Compliant	<p>A 'Hera News' YTC community newsletter is generated and gets distributed to the local community. Six volumes/editions of this newsletter have been issued to date.</p> <p>The Community Consultative Committee is operational with the next meeting planned in August 2013.</p> <p>Minutes of these meetings clearly indicate that these are of value in communicating relevant issues between the mine and relevant community members and the communication of actual/potential concerns from the community.</p>	
<p>Appendix 5 – Condition 16.5– Socio Economic</p> <p>Instigate and maintain a community complaints telephone line, and ensure this mechanism of complaints receipt by the Proponent is advertised widely using flyers and verbal announcements at community consultation meetings.</p>	Compliant	<p>A Community Complaints 1300 number has been established for the project for use by the community in the event that any concerns are required to be raised.</p> <p>This number is available on the YTC Hera web-site.</p> <p>This 1300 number was confirmed by the auditor to be functional.</p>	
<p>Appendix 5 – Condition 16.6– Socio Economic</p> <p>Negotiate with Council and the surrounding Nymagee community to support (either financially or in-kind) one or more community projects in accordance with the documents entitled Cobar Shire Council Social Plan 2011- 2016 and the Cobar Shire Community Strategic Plan (in preparation).</p>	Compliant	<p>YTC Resources have contributed a total of \$5,860 between March 2012 and July 2013 to 14 different community sponsorships/projects.</p> <p>All donations and contributions are held in a formal register by YTC.</p>	
<p>Appendix 5 – Condition 16.7 – Socio Economic</p> <p>Give preference when engaging new employees, where practicable, to candidates from the surrounding community over candidates with equivalent experience and qualifications from elsewhere and ensure that the mining and other contractors do so as well.</p>	Compliant	<p>The majority of work completed to date relating to earthmoving, road construction, construction of the box cut and exploration decline has been completed by contractors. These contractors have mainly been sourced from the Cobar or Orange regions.</p> <p>A local-local contract was awarded to Nicolsons of Nymagee for earthmoving and internal road construction on the mining lease.</p>	

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		The village of Nymagee has a very small population and limited opportunities exist to source personnel from this location.	
Appendix 5 – Condition 16.8 – Socio Economic Encourage the involvement of the local Aboriginal community in the workforce.	Not Applicable (in July 2013)	YTC can influence but not control employment practices adopted by contractors working on project construction contracts. For the operational phase of the project, opportunities will be explored by YTC.	
Appendix 5 – Condition 16.9 – Socio Economic Encourage and support participation of locally-based employees and contractors in training or education programs to impart the appropriate skillsets and qualifications in them for the continued development of the economic growth within the surrounding communities following Project completion.	Not Applicable (in July 2013)	The majority of the employees and contractors employed at the project are based in central-western NSW (between Orange and Cobar). When required, individual skilled professionals are sourced from other locations. During construction, YTC do not expect to have a significant workforce employed on the project, given that all mining and haulage work will be completed by contract personnel.	
Appendix 5 – Condition 16.10 – Socio Economic Give preference, where practicable and cost- competitive, to suppliers of equipment, services or consumables located within the surrounding community.	Not Applicable (in July 2013)	To date, equipment, services or consumables have primarily been sourced from Cobar. This is expected to continue, but again will be dependent on contractor equipment and service contracts that are adopted by individual contractors.	
Appendix 5 – Condition 16.11 – Socio Economic Assist community members and others, as appropriate, to establish complementary businesses where those businesses would provide a benefit to the community through increased economic development.	Not Applicable (in July 2013)	Due to its location and limited existing infrastructure, there is minimal opportunity for additional complementary businesses to be established at Nymagee. Economic benefits for the project are likely to occur in both Cobar and Orange, for which wider community benefits will occur. A total workforce of 100 personnel is anticipated for the operational phase of the project.	
Appendix 5 – Condition 16.12 – Socio Economic	Not Applicable	There has been limited opportunity to discuss post-closure opportunities at this early stage of the current	

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Assist Cobar Shire Council to promote and encourage economic development that would continue beyond the Project life.	(in July 2013)	construction project.	
Appendix 5 – Condition 16.13 – Socio Economic Ensure that infrastructure and services established as part of the Project would remain available for alternative uses throughout the life of the Project and upon cessation of mining activities.	Not Applicable (in July 2013)	No Mine Closure Plan has been developed to date to determine what planned infrastructure is likely to remain post-closure.	
Appendix 5 – Condition 16.14 – Socio Economic Encourage and support, in consultation with the local community, the provision of services to the community. These may include health, education, transportation and other services	Not Applicable (in July 2013)	There has been limited opportunity to discuss and support health, education, transportation and other services at this early stage of the construction project.	
Appendix 5 – Condition 16.15 – Socio Economic Ensure that the land capability of those sections of the final landform to be used for grazing is similar to the current land capability.	Not Applicable (in July 2013)	No Mine Closure Plan has been developed to date to determine what planned final landform and land use/capability will be adopted and made available post-closure.	
Appendix 5 – Condition 16.16 – Socio Economic Ensure the final landform is free flowing and geotechnically stable.	Not Applicable (in July 2013)	No Mine Closure Plan has been developed to date to determine what planned final landform and levels of geotechnical stability will be required for relevant structures post-closure.	
Appendix 5 – Condition 17.1 – Environmental Monitoring & Evaluation Establish an environmental monitoring program for the Project Site and present results of the monitoring program in the <i>Annual Environmental Management Report</i> .	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of relevant environmental monitoring programs, for all construction, mining and related activities that have the potential for adverse nuisance or environmental impact. The results of all environmental monitoring programs will be provided in the 2013 Annual Environmental Management Report, scheduled to be completed and uploaded to the company's web-site in early 2014.	
Appendix 5 – Condition 17.2 – Environmental Monitoring	Compliant	There was evidence, at this early stage of the	

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& Evaluation Implement a Biodiversity Monitoring Program to identify potential Project-related impacts on surrounding flora and fauna during the life of the Project.		construction project, that YTC Resources have commenced the implementation of their <i>Biodiversity Management Plan</i> as described in applicable sections of the Project Approval Audit Report.	
Appendix 5 – Condition 17.3 – Environmental Monitoring & Evaluation Implement a <i>Property Vegetation Plan</i> (in accordance with <i>Native Vegetation Act 2003</i> for the management of the proposed Biodiversity Offset Area and consistent with the Project's Biodiversity Offset Strategy.	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Biodiversity Offset Strategy</i> as described in applicable sections of the Project Approval Audit Report.	
Appendix 5 – Condition 17.4 – Environmental Monitoring & Evaluation Implement a <i>Noise Management and Monitoring Program</i> prior to the commencement of mining activities.	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Noise Management and Monitoring Program</i> as described in applicable sections of the Project Approval Audit Report.	
Appendix 5 – Condition 17.5 – Environmental Monitoring & Evaluation Implement the Project's <i>Air Quality Monitoring Program</i> .	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Air Quality Monitoring Program</i> as described in applicable sections of the Project Approval Audit Report.	
Appendix 5 – Condition 17.6 – Environmental Monitoring & Evaluation Implement the Project's <i>Groundwater Monitoring and Response Program</i> .	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Groundwater Monitoring and Response Program</i> as described in applicable sections of the Project Approval Audit Report.	
Appendix 5 – Condition 17.7 – Environmental Monitoring & Evaluation Implement the Project's <i>Surface Water Monitoring and Response Program</i> .	Compliant	There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Surface Water Monitoring and Response Program</i> as described in applicable sections of the Project Approval Audit Report.	

Project Approval Schedule & Condition	Status	Supporting Evidence/Comments	Hera Resources Action Plan
<p>Appendix 5 – Condition 17.8 – Environmental Monitoring & Evaluation</p> <p>Implement a <i>Traffic Management Plan</i>.</p>	<p>Compliant</p>	<p>There was evidence, at this early stage of the construction project, that YTC Resources have commenced the implementation of their <i>Traffic Management Plan</i> as described in applicable sections of the Project Approval Audit Report.</p>	
<p>Appendix 5 – Condition 17.9 – Environmental Monitoring & Evaluation</p> <p>The Proponent would prepare the following documentation.</p> <ul style="list-style-type: none"> • <i>Mining Operations Plan.</i> • <i>Biodiversity Management Plan.</i> • <i>Water, Sediment and Erosion Control and Management Plan.</i> • <i>Noise Management and Monitoring Program.</i> • <i>Groundwater Monitoring and Response Program.</i> • <i>Surface Water Monitoring and Response Program.</i> • <i>Air Quality Monitoring Program.</i> • <i>Traffic Management Plan.</i> • <i>Driver's Code of Conduct.</i> • <i>Hydrocarbon, Chemical and Reagent Management Plan.</i> 	<p>Compliant</p>	<p>These environmental management and monitoring plans have been developed as described in other sections of the Project Approval Audit Report.</p> <p>Some environmental management plans are awaiting formal approval from relevant NSW government departments.</p>	



Appendix 1
Independent Noise Monitoring Report by Spectrum Acoustics

14 August 2013

Ref: 10573/4866

YTC Resources Limited
P.O. Box 7058
Orange NSW 2800

RE: AUGUST 2013 NOISE MONITORING RESULTS

This letter report presents the results of noise compliance monitoring conducted for the Hera Gold Mine (HGM) between approximately 4.00 p.m. on Friday 2 August and 1.00 am Saturday 3 August, 2013.

Noise measurements of fifteen minutes duration were taken in one third-octave bands at the following locations (as shown in Figure 1 in **Appendix A**):

Location R1: Harland
Location R2: Hay
Location R3: Dunne*

*Note that the resident at the Dunne property denied access for monitoring. The monitoring was undertaken on the mine site at the closest point on the boundary to the Dunne residence.

A total of three separate sets of measurements (during each of the day, evening and night time periods) were made over the “circuit”. At the time of the monitoring the mine was in its construction phase and mining operations were not being carried out.

Meteorological data used in this report were taken from observations made at ground level on site, during the monitoring survey.

During the beginning of the day time monitoring period the wind was moderate from the west to south west. In the evening the winds remained generally from the west but decreased in intensity. At night conditions were calm.

Noise emission levels were measured with a Brüel & Kjær Type 2250 Precision Sound Analyser. This instrument has Type 1 characteristics as defined in AS1259-1982 “Sound Level Meters”. Calibration of the instrument was confirmed with a Brüel & Kjær Type 4231 sound level calibrator prior to and at the completion of measurements.

To avoid undue influence of noise from local traffic on roads adjacent to some measurement locations, where practical, this noise has been excluded from the measurements prior to further analysis.

Measured noise levels for each monitoring circuit are summarised in the following tables. The total measured Leq is shown in the tables. This was analysed with the Bruel & Kjaer “Evaluator” software to quantify the contributions of the various noise source(s) to the overall. The noise sources are listed in the comments column with the contribution of each shown in brackets.

The noise goal for mining operations at HGM is **35 dB(A) Leq (15 min)** for all operating times during the day, evening and night. The contribution of mine noise from HGM is shown in bold. Any exceedance of EPL and Development Consent noise criteria are shown in red.

The results shown in **Tables 1, 2 and 3** below represent the total 15 minute Leq noise level for all noise sources and the relative contributions of each. This is the compliance criterion for the operation of the mine. Levels for the other percentiles are not shown as they have no compliance criteria for comparison but are available on request. The exception is the L1 (1 min) noise level (which is the standard measure of sleep disturbance) which is applicable to noise emissions at night (i.e. between 10 pm and 7 am).

Table 1 NCM Noise Monitoring Results – 2 August 2013 (Day)					
Location	Time	dB(A) Leq	Comments	WS (m/s)/ Direction	HGM Noise Sources
Harland	4:01 pm	39	Wind in trees (38), birds & insects (30), HGM inaudible	1.5/WSW	n/a
Hay	4:20 pm	46	Birds (46), HGM inaudible	1.5/WSW	n/a
Dunne	6:03* pm	29	HGM (29) , birds (18)	1.0/WSW	n/a

*Measurement commenced late due to access issues (see text). Measurement at mine site boundary

Table 2 NCM Noise Monitoring Results – 2 August 2013 (Evening)					
Location	Time	dB(A) Leq	Comments	WS (m/s)/ Direction	HGM Noise Sources
Harland	9:45 pm	20	Environmental noise (20), HGM v. faintly audible	1.0/W	n/a
Hay	8:53 pm	28	Wind in trees (28), HGM inaudible	1.0/W	n/a
Dunne*	9:19 pm	24	HGM (24)	1.0/W	Light vehicles, mine hum

*Measurement at mine site boundary



Table 3 NCM Noise Monitoring Results – 2 and 3 August 2013 (Night)					
Location	Time	dB(A) Leq	Comments	WS (m/s)/ Direction	HGM Noise Sources
Harland	12:15 am	22	Dogs (22), HGM inaudible	Calm	n/a
Hay	12:32 am	21	HGM (19), insects (16)	Calm	Mine hum
Dunne*	10:13 pm	26	HGM (25), birds (18)	Calm	Light vehicles

*Measurement at mine site boundary

The results in Tables 1, 2 and 3 show that noise from HGM did not exceed the noise goal at any monitoring location during any monitoring period.

A further short term background noise measurement was made at the Nicholson property which is distant from the mine. The measurement recorded an L90 noise level (background) of 20 dB(A), and an Leq noise level of 29 dB(A), which was attributable to noise from birds.

In addition to the operational noise, emissions from HGM must not exceed 45 dB(A) L1 (1 min) between the hours of 10 pm and 7 am. This is to minimise the potential for sleep disturbance as a result of individual loud noises from the mine.

The measured L1 (1 min) noise levels, from HGM, during the night time measurement circuit are shown below in **Table 4**.

The compliance measurement locations are different for each of the operational and sleep disturbance noise. That is, the sleep disturbance criterion is typically applicable at 1m from the façade of a bedroom window.

To avoid undue disturbance to residents observations measurements made during the 15 minute long operational noise measurement are noted. Where maximum noise levels from mining activity approach 45 dB(A) L1 (1 min) then, where practical, further measurements are made at the sleep disturbance monitoring location.

Note that, as the internal layout of each residence is not known, the measurements are made at the worst case façade in relation to the mine noise. This is not necessarily at the façade of a bedroom window.

Table 4 L1 (1 min) – 2 and 3 August 2013 (Night)		
Location	Time	dB(A), L1 (1 min)
Harland	12:15 am	n/a
Hay	12:32 am	23
Dunne*	10:13 pm	n/a*

*Measurement at mine boundary

As shown in Table 4, during the night time measurement circuit the (1 min) noise from HGM did not exceed 45 dB(A) at any monitoring location.



We trust this report fulfils your requirements at this time, however, should you require additional information or assistance please do not hesitate to contact the undersigned.

Yours faithfully,
SPECTRUM ACOUSTICS PTY LIMITED

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NOISE MONITORING LOCATIONS

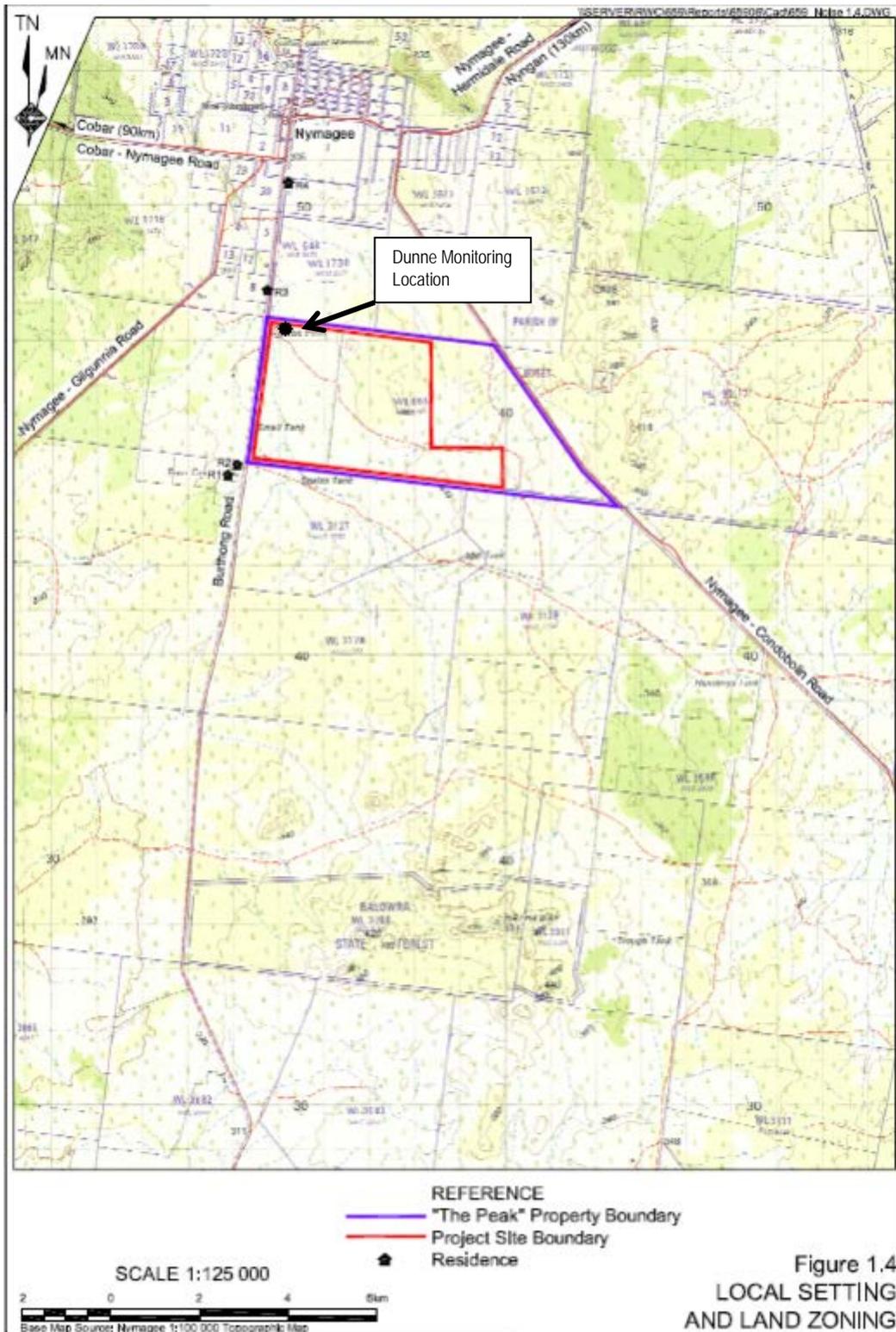


Figure 1.4
LOCAL SETTING
AND LAND ZONING

Appendix 2

Pybar Morning Muster Memo



What do we recycle at Hera?

- ✓ Paper, cardboard, cans, rigid plastics and glass
- ✓ Metals
- ✓ Hydrocarbon Waste
- ✓ Polyethylene



Which bin?



Recycling

- × No plastic bags
- × No metals
- × No food scraps
- × No Styrofoam or polyethylene

- ✓ Paper/cardboard
- ✓ Plastic containers (P1-P7)
- ✓ Aluminium cans
- ✓ Glass bottles

Scrap Metal Recycling

- ✓ Aluminium
- ✓ Brass
- ✓ Cast Iron
- ✓ Lead
- ✓ Copper
- ✓ Steel
- ✓ Nickel
- ✓ Zinc



Waste Hydrocarbon Recycling

- ✓ Waste Oils
- ✓ Waste Greases



Polyethylene Re-use and Recycling

- ✓ Polyethylene Waste



