

# Undertaking to the Secretary of the Department of Planning and Environment

Ridgeland Coal Resources Pty Limited

*ACN 141 312 727*

Given for the purposes of section 378ZFB of the *Mining Act 1992* (NSW)

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## Background

- A. The NSW Resources Regulator within the New South Wales Department of Planning and Environment (**Department**) is responsible for monitoring and enforcing compliance with the *Mining Act 1992* (NSW) (**Mining Act**).
- B. Ridgелands Coal Resources Pty Limited (**Ridgелands**) is the holder of Exploration Licence 8064 (**EL 8064**) granted under the Mining Act. EL 8064 was granted on 27 February 2013.
- C. Condition 58 of EL 8064 (**Condition 58**) requires Ridgелands to do the following:
- a. As soon as reasonably practical after the grant of EL 8064, set up a local community fund (**Community Fund**) to fund initiatives to benefit the local community; and
  - b. Contribute a minimum of \$5,000,000 to the Community Fund over the initial five year term of EL 8064; and
  - c. Publicise to the local community the existence of the Community Fund and guidelines for applying for grants from the Community Fund; and
  - d. Remain responsible for the administration of the Community Fund and for any taxation or other obligations arising from or in connection with the Community Fund; and
  - e. Provide bi-annual written reports to the Minister through the Director Industry Coordination, in a form satisfactory to the Minister, detailing the payments made into and from the Community Fund and the results of initiatives funded; and
  - f. Respond to any request for information from the Minister related to the status and progress of the Community Fund, and provide such information in a timely fashion when requested; and
  - g. In good faith continue to contribute to and support the administration of the Community Fund after the grant (if any) of a mining lease, until such time as the licence holder ceases mining operations in the area.
- D. On 26 September 2017 Ridgелands established the Community Fund required by Condition 58(a) by execution of a Deed Poll (**Deed Poll**).
- E. The Department has been conducting an investigation into allegations that Ridgелands has not complied with Condition 58, in particular, by not establishing the Community Fund 'as soon as reasonably practicable after the grant of EL 8064' (**Allegation**).
- F. Ridgелands acknowledges the Department's concerns about the Allegation.
- G. The Secretary of the Department (**Secretary**) may accept a written undertaking given by a person in connection with a matter relating to a contravention or an alleged contravention of the Mining Act by the person pursuant to section 378ZFB of the Mining Act. Under s378ZFB(2) of the Mining Act, the giving of an enforceable undertaking by a person does not constitute an admission of guilt in relation to a contravention or alleged contravention of the Mining Act by the person.
- H. Without making any admissions, Ridgелands has offered, and the Secretary has accepted, the commitments set out in this undertaking to ensure compliance with, and to meet the objectives of, conditions 58 of EL 8064 and the Mining Act.

## Undertakings

### 1 Acceptance of Undertakings

- (a) Under section 378ZFB of the Mining Act, Ridgелands has given and the Secretary has accepted the undertakings by Ridgелands set out in clauses 3 and 4 below.

### 2 Acknowledgements

- (a) Ridgелands acknowledges that the Secretary:
  - (i) must publish, and make public, notice of its decision to accept this undertaking and the reasons for that decision;
  - (ii) may issue a media release on execution of this undertaking referring to its terms and to the concerns of the Department which led to its execution;
  - (iii) may from time to time publicly refer to this undertaking and
  - (iv) will place a copy of the executed undertaking on the Department's public register.
- (b) Ridgелands acknowledges that the Secretary's acceptance of this undertaking:
  - (i) only relates to the Allegation to the extent that it relates to Ridgелands;
  - (ii) does not affect the Department's power to investigate a contravention arising from future conduct or pursue a criminal prosecution, or to lay charges or exercise other civil or regulatory powers under the Mining Act in relation to such future conduct; and
  - (iii) does not affect the rights or remedies available to any other person or entity, other than Ridgелands and the Department (including any successors in title), nor does it affect any other statutory obligations under the Mining Act.
- (c) Ridgелands acknowledges that this undertaking takes effect and becomes enforceable when the Secretary's decision to accept the undertaking is given to Ridgелands or at a later date specified by the Secretary.
- (d) Ridgелands acknowledges that this undertaking may only be varied in accordance with the Mining Act.
- (e) Ridgелands acknowledges that this undertaking, as varied from time to time, will remain in force until withdrawn in accordance with the Mining Act.

### 3 Financial

- (a) Ridgелands undertakes:
  - (i) to pay, with 28 days of this undertaking, the Department's investigation and legal costs of \$28,800 (excluding GST) incurred in the course of the Department's investigation into the Allegation.
  - (ii) to reimburse the Department for its reasonable costs incurred in the monitoring of compliance with this undertaken (to be calculated based on a rate of \$75 per hour) to a maximum of \$2,000 (excluding GST).

- (b) notwithstanding clause 8.2 of the Deed Poll, Ridgелands must fund a minimum of \$5,200,000 of Approved Funding Proposals (as defined in the Deed Poll) by 30 June 2019.

#### 4 Additional Controls

- (a) Ridgелands undertakes to take the actions stated in Annexure A to this undertaking to address the Allegation and to report to the Department on the implementation of each of the measures in this undertaking in accordance with the timeframes identified in the annexure.
- (b) Ridgелands undertakes to execute the supplementary deed poll at Annexure B (**Supplemental Deed Poll**) within one (1) month of the date of this undertaking.
- (c) Ridgелands undertakes from the date of the undertaking to comply with condition 58 of EL8064 and the Deed Poll (as amended). In addition to the requirements of that condition and the Deed Poll, Ridgелands undertakes to make a list of the projects that have received funds from the Ridgелands Community Fund available on its website (subject to the relevant Community Partner consenting to that disclosure).
- (d) Ridgелands undertakes to fund the projects that have been approved by the Investment Committee within 6 months of the project being approved (or as otherwise agreed between the parties).

#### 5 Contact Officers

- (a) Chengning Li, Director, (or such replacement person nominated by Ridgелands to the Department in writing from time to time):
  - (i) will be the contact officer for this undertaking;
  - (ii) will be responsible for monitoring and ensuring Ridgелands' compliance with this undertaking; and
  - (iii) will submit a written status report, setting out Ridgелand's progress with the undertakings given in clauses 3 and 4, every month until the undertakings provided have been completed.
- (b) Mark Freeman, Senior Investigator, Resources Regulator (or such replacement person nominated by the Department to Ridgелands in writing from time to time) will be the Departmental officer to whom information or documents will be submitted by Ridgелands in connection with this undertaking.

## Annexure A

Program	Outline of Program	Completion Date	Report to Department Date
Further financial contribution the Ridgелands Community Fund	Ridgелands will provide an additional \$200,000 to the Ridgелands Community Fund to be held and used in accordance with the requirements of Condition 58.	<p>Within 4 weeks of this undertaking taking effect</p> <p>In addition to any other requirements under the deed, a meeting of the Investment Committee must be held within 3 months of the acceptance of this undertaking to consider how the additional \$200,000 will be allocated to eligible projects.</p>	<p>Within 6 weeks of this undertaking taking effect</p> <p>Within 4 months of this undertaking taking effect</p>
Ridgелands training	Ridgелands will carry out training of all its key personnel about the operation and compliance with the requirements of the Mining Act 1992 (estimated cost - \$5,000)	Within 6 weeks of this undertaking taking effect.	Ridgелands will report to the Department on this training within one (1) month of the completion of the training. This will include details of who attended the training, details of who conducted the training and details of the training undertaken (including copies of any powerpoint presentation and handouts).
Disbursement of project funds	Ridgелands undertakes to fund the projects that have been approved by the Investment Committee within 6 months of the project being approved (or as otherwise agreed between the parties).	Within 6 months of the project being approved.	As per the requirements of condition 58

Annexure B

Supplementary Deed Poll

# Ridgелands Community Fund Supplemental Deed Poll

*Reference: RID004-00006*

Ridgелands Coal Resources Pty Ltd  
ACN 141 312 727

**Newcastle**

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# Supplemental Deed Poll

## Date

## Parties

### Party

**Name** Ridgелands Coal Resources Pty Ltd (**Ridgелands**)

**ACN** 141 312 727

**Contact** Ye Ling

**Telephone**

## Background

- A. On 26 September 2017 Ridgелands entered into a Deed Poll to establish the Ridgелands Community Fund (**Deed Poll**). A copy of that Deed Poll is at **Annexure A**.
- B. To improve the governance of the Ridgелands Community Fund Ridgелands wishes to amend the Deed Poll under clause 8.3 by execution of this Supplementary Deed Poll.

## Operative part

### 1 Amendments

(a) The Deed Poll is amended as follows:

(i) Clause 5.8(a) is deleted and replaced with the following clause 5.8(a):

The quorum of meetings of the Investment Committee is one Ridgелands Representative, one Council Representative and one Community Representative.

(ii) Clause 5.8(c) is deleted and replaced with the following clause 5.8(c):

The Chairperson will arrange for minutes of the Investment Committee to be kept. All resolutions of the Investment Committee shall be determined by majority vote.

(iii) Clause 6.2(b) is deleted and replaced by the following clause 6.2(b):

A Funding Proposal will be approved by the Investment Committee for funding if the majority of the Investment Committee vote in favour of the Funding Proposal (Approved Funding Proposal).

(iv) Clause 5.7 is deleted and replaced by the following clause 5.7:

#### 5.7 Meetings of the Investment Committee

Only the Chairperson may call a meeting of the Investment Committee. If the balance of the Ridgелands Community Fund exceeds \$1,000,000 the Investment Committee must meet at least three (3) times per year. If the balance of the Ridgелands Community Fund is between \$200,000 and \$1,000,000 then the Investment Committee must meet at least two (2) times per year. If the balance in the Ridgелands Community Fund is less than \$200,000 but more than \$1,000 the Investment Committee

must meet at least once (1) per year. If the balance in the Ridgелands Community Fund is less than \$1,000 there is no minimum requirement for Investment Committee meetings.

(v) Clause 8.3 is deleted and replaced with the following clause 8.3:

8.3 Amendment

This deed poll may only be amended by supplemental deed poll executed by Ridgелands. Ridgелands must provide any proposed supplemental deed poll to the Secretary of the Department of Planning and Environment at least 21 days prior to it being executed.

Executed as a deed poll

Executed by Ridgелands Coal Resources Pty Ltd ACN 141 312 727 in accordance with section 127 of the Corporations Act 2001 (Cth) by:

)  
)  
)  
)  
)  
)



Signature of Director



Signature of Director/Secretary



Print name of Director



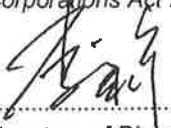
Print name of Director/Secretary

Annexure A

Deed Poll

Signing page

**Executed** by Ridgeland Coal Resources )  
Pty Limited ACN 141 312 727 in )  
accordance with section 127 of the )  
*Corporations Act 2001* (Cth) by:


  
.....  
Signature of Director

*Li Chening*  
.....  
Print name of Director

  
.....  
Signature of Director/Secretary

ZHAO YANG  
.....  
Print name of Director/Secretary

**ACCEPTED BY THE SECRETARY OF THE DEPARTMENT OF PLANNING AND  
ENVIRONMENT PURSUANT TO SECTION 378ZFB OF THE MINING ACT.**

  
.....  
Signature of Secretary (or Delegate)

*Lee Shearer*  
.....  
Print name of Secretary (or Delegate)

Date: 22.6.2018

