

BHP

**South Walker Creek
Mine – Mulgrave Pit
Extension EPBC
2014/7272
Compliance Report
30 March 2017 –
30 March 2018**

20 June 2018



Contents

Introduction 1

Description of activities 2

Compliance Table 3

Introduction

South Walker Creek Mine (SWC) is an open-cut coal mine owned by BHP Billiton Mitsui Coal (BMC). The mine is located approximately 25km west-south west of Nebo, Queensland in the Bowen Basin within the boundaries of Mine Lease 4750 (ML4750).

Mining is authorised by the Queensland Government through the historical grant of Mine Leases and associated surface rights. Activity at SWC is also further regulated under Environmental Authority MIN100552107.

To enable the continuation of mining at SWC, BMC sought a federal approval under the *Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)* for potential impact on Matters of National Environmental Significance (MNES) due to further development of the existing ‘Mulgrave’ open cut mining pit. This approval was granted on the 16th of January 2015. Construction in the approval area commenced on the 30th March 2015.

The following report is to address compliance with all conditions in accordance with condition 9 of the *EPBC Act* approval (Approval Reference EPBC2014-7272):

“For the duration of this approval, within 3months of every 12month anniversary of the commencement of construction the approval holder must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of any plans as specified in the conditions....”.

Description of activities

EPBC Number	2014/7272
Project Name	Mulgrave Resource Access (MRA) – Continuation of South Walker Creek Mine (SWC)
Approval Holder and ABN	BHP Billiton Mitsui Coal Limited ABN: 34 009 713 875
Approved Action	Approved action is described in Section 2.0 of South Walker Creek Mine Mulgrave Resource Access EPBC Act Preliminary Documentation (EPBC 2014/7272) dated 17 September 2014.
Location of the Project	The mine is located approximately 25km west-south west of Nebo, Queensland in the Bowen Basin within the boundaries of Mine Lease 4750 (ML4750). The proposed action is to take place on approved Surface Areas 2, 3 and 4 associated with ML4750.
Person accepting responsibility for the report	Edward Nock
Date of Preparation	21 June 2018

Compliance Table

In accordance with condition 9 of the *EPBC Act* approval (Approval Reference EPBC2014-7272), this report provides an update of SWC's compliance against the relevant approval conditions (Table 1). Table 2 and Table 3 provides an update of SWC's compliance against Offset Management Plans (required under Condition 3 of the EPBC approval).

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
1	The project area located approximately 25 kilometres west-south west of Nebo, Queensland is the area designated in Annexure A and includes areas contained within Mining Lease (ML) 4750. The approval holder must not clear outside of the project area.	Compliant	Clearing activities are being carried out in accordance with the approved Offset Management Plans (OMPs) and site disturbance procedures.
2	The approval holder must not clear more than 59 hectares of Brigalow (<i>Acacia harpophylla</i> dominant and co-dominant) ecological community within the project area, which includes 17.5 hectares of Ornamental Snake (<i>Denisonia maculata</i>) habitat.	Compliant	Clearing activities are being carried out in accordance with the approved OMPs. Areas cleared are within the hectare limits specified in this condition.
3	To compensate for authorised unavoidable impacts on MNES (see condition 3), the approval holder must submit OMPs to the Minister for approval. The approval holder must not undertake substantial commencement until the Minister has approved the OMPs in writing. The approved OMPs must be implemented.	Compliant	The OMPs ¹ were submitted to the Department and approved. The OMPs have been implemented.

¹ The preparation of Offset Management Plans in accordance with the Conditions of EPBC 2014-7272 was addressed in the following document: [Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project \(BHP, 2015\)](#). This document includes an Offset Area Management Plan (titled [Offset Area Management Plan for Kemmis II Project and Mulgrave Resource Access Project](#)) as an appendix.

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
4	The OMP for Brigalow (<i>Acacia harpophylla</i> dominant and co- dominant) ecological community must be located at Dabin Holdings (Lot 2SP 214117), a property within the Isaac Regional Council, Queensland (shown at Annexure 8). The offset must include at least 125 hectares of Brigalow (<i>Acacia harpophylla</i> dominant and co-dominant) ecological community as proposed in the preliminary documentation. The Brigalow OMP must be submitted to the Minister prior to substantial commencement of the action. The approved Brigalow OMP must be implemented.	Compliant	The offset for Brigalow is located at Dabin Holdings (Lot 2SP 214117) and includes 125 hectares of Brigalow ecological community. The OMPs were submitted to the Department for approval on the 18 August 2015. The Plans were approved by a delegate of the Minister for the Environment on the 26 August 2015. The OMPs have been implemented.
5	The OMP for Ornamental Snake (<i>Denisonia maculata</i>) will be calculated consistent with the offsets assessment guide, and be influenced by the site quality, site condition and species richness, but will exceed the 17.5 hectares impacted in the project area. The OMPs must be agreed by the Minister within 6 months of commencement of the Walker Creek diversion and prior to substantial commencement.	Compliant	The Mulgrave Ornamental Snake Offset Delivery Plan (ref: 20141889C) covers an offset area exceeding 17.5 hectares for the ornamental snake (<i>Denisonia maculata</i>). The Offset Delivery Plan was submitted to the Department for approval on the 30 June 2015. The Plans were approved by a delegate of the Minister for the Environment on the 28 July 2015.

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
6a	<p>The OMPs must include, but not be limited to, the following information for both Brigalow (<i>Acacia harpophylla</i> dominant and co-dominant) ecological community and Ornamental Snake (<i>Denisonia maculata</i>):</p> <p>a) details of the offset attributes (including maps in electronic Geographic Information System (GIS) format with accompanying shapefiles) , site descriptions, environmental values relevant to MNES, connectivity with other habitat and biodiversity corridors , a rehabilitation program, and conservation and management measures for long-term protection;</p> <p>b) a detailed survey and description of the offset site, by a qualified ecologist, to clearly identify baseline conditions, establish performance indicators and discuss methods for adaptive management. This must include but not be limited to:</p> <p>i) a description (prior to any management activities, hence a baseline) of the current condition of the extant vegetation of each offset area location of survey points (GPS reference);</p> <p>ii) the quantity of habitat for EPBC Act listed species or communities (in hectares), found within each offset area;</p> <p>iii) the condition class of habitat for EPBC Act listed species or communities found within each offset area;</p> <p>iv) vegetation condition mapping;</p> <p>v) photo reference points;</p> <p>vi) tree age class representation;</p> <p>vii) percentage tree canopy cover;</p> <p>viii) number of native plant species in ground layer ;</p>	Compliant	As approved by the Minister for the Environment, the OMPs include the required components.

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
	<p>ix) percentage of native and foreign grass cover and whether the grass species are annual or perennial ;</p> <p>x) description of fauna habitat including condition, type and connectivity; and</p> <p>xi) fauna surveys (fauna assemblages and species richness) including but not limited to EPBC Act listed species.</p> <p>c) plans to improve upon the baseline condition of Brigalow (Acacia harpophylla dominant and co-dominant) ecological community and Ornamental Snake habitat consistent with EPBC listing advice. These plans must include:</p> <ul style="list-style-type: none"> i. a map showing areas to be managed; ii. management actions for each area and details of methods to be used. These must include: <ul style="list-style-type: none"> a. actions consistent with objectives stated in relevant threat abatement plans; and b. weed control measures to reduce/control the presence of foreign perennial weeds within Brigalow (Acacia harpophylla dominant and co-dominant) ecological community and Ornamental Snake habitat iii. timing of management activity for each area; iv. performance criteria for each area; v. a set of measurable ecological indicators for detecting changes to the Brigalow (Acacia harpophylla dominant and co-dominant) ecological community and Ornamental Snake habitat; vi. a monitoring plan to assess the success of the management activities measured against the baseline 		

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
	<p>condition. The monitoring must be statistically robust and able to quantify change in the condition of the Brigalow (Acacia harpophylla dominant and co-dominant) ecological community and Ornamental Snake habitat. This should include, but not be limited to, control sites and periodic ecological surveys to be undertaken by a qualified ecologist;</p> <p>vii. a description of the potential risks to successful management against the performance criteria, and a description of the contingency measures that would be implemented to mitigate these risks;</p> <p>viii. a process to report to the Department, the progress of management activities undertaken in the offset areas and the outcome of those activities, including identifying any need for improved management and activities to undertake such improvement; and</p> <p>ix. details of the various parties responsible for management, monitoring and implementing the management activities, including their position or status as a separate contractor; and</p> <p>d) a completed offsets assessment guide for the proposed offset site and a discussion as to how figures used to complete the offsets assessment guide were derived.</p>		

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
7	The approval holder must, within 2 years of commencement of construction (or as required under relevant Queensland legislation, whichever is earlier), register a legally binding conservation mechanism over the offset areas approved by the Minister in the OMP, described in conditions 3-5.	Compliant	A Voluntary Declaration for Lot 2 SP214117 was entered into on the 20th of October 2015 for Dabin Holdings. A Voluntary Declaration for Lt 9 on BH194 - Woorabinda Aboriginal Shire Council was entered into on the 21st of August 2015 to protect ornamental snake habitat. Construction commenced on the 30 th of March 2015.
8	Within 14 days after the commencement of construction, the approval holder must advise the Department in writing of the actual date of commencement of construction.	Compliant	Written notification was provided to the Department on 30 March 2015 to advise the Department that construction works which constitute the 'Commencement of Operations' as defined by the approval, have commenced on site.
9	For the duration of this approval, within 3 months of every 12 months anniversary of the commencement of construction the approval holder must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of any plans as specified in the conditions. Documentary evidence providing proof of the date of publication and non-compliance with any of the conditions of this approval must be provided to the Department at the same time as the compliance report is published. The approval holder must also notify any noncompliance with this approval to the Department in writing within 2 business days of becoming aware of the non-compliance.	Compliant	This report addresses this condition in terms of delivering the report within 3 months of the 12 month anniversary of commencement of construction. This annual compliance report will be published on the BHP Billiton website and evidence will be submitted to the Department.
10	Upon the direction of the Minister, the approval holder must ensure that an independent audit of compliance with the conditions of approval is conducted and a report submitted to the Minister. The independent auditor must be	Not applicable	The Minister has not requested BMC to conduct an independent audit of compliance with the conditions of approval.

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
	approved by the Minister prior to the commencement of the audit. Audit criteria must be agreed to by the Minister and the audit report must address the criteria to the satisfaction of the Minister.		
11	<p>If the approval holder wishes to carry out any activity otherwise than in accordance with the plans, as specified in the conditions, the approval holder must submit to the Department for the Minister's written approval a revised version of that plan. The varied activity shall not commence until the Minister has approved the revised plan in writing.</p> <p>The Minister will not approve a revised plan, unless the revised plan would result in an equivalent or improved environmental outcome. If the Minister approves the revised plan that plan must be implemented in place of the plan originally approved.</p>	Not applicable	All activities being carried out are in accordance with the approved management plans.
12	If the Minister believes that it is necessary or convenient for the better protection of listed threatened species and communities to do so, the Minister may request that the approval holder make specified revisions to the management plan specified in the conditions and submit the revised plan for the Minister's written approval. The approval holder must comply with any such request. The revised approved plan must be implemented. Unless the Minister has approved the revised plan then the approval holder must continue to implement the originally approved plan, as specified in the conditions.	Not Applicable	No revisions were requested by the Minister during submission of the management plans.

Table 1 South Walker Creek Mine - Mulgrave Pit Extension EBPC 2014-7272 Compliance Report

Condition Number	Condition	Compliant/ Non Compliant/ Not Applicable	Evidence/Comments
13	If, at any time after 5 years from the date of this approval, the approval holder has not substantially commenced the action, then the approval holder must not substantially commence the action without the written agreement of the Minister.	Not Applicable	Construction works commenced on site in March 2015. A letter was issued to the Department confirming the 'Commencement of Operations' as defined by the approval.
14	The approval holder must maintain accurate records substantiating all activities and outcomes associated with or relevant to the above conditions of approval, including measures taken to implement the management plans required by this approval, and make them available upon request to the Department. Such records may be subject to audit by the Department or an independent auditor in accordance with section 458 of the EPBC Act, or used to verify compliance with the conditions of approval. Summaries of audits will be posted on the Department's website. The results of audits may also be publicised through the general media.	Compliant	BMC has records substantiating all activities associated with or relevant to the conditions of approval.
15	Unless otherwise agreed to in writing by the Minister, the approval holder must publish all management plans referred to in these conditions of approval on their website. Each management plan must be published on the website within 1 month of being approved and remain published for the life of this approval.	Compliant	The approved OMPs referred to in the approval conditions have been published on the BHP Billiton website.

Table 2 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Brigalow

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
1	Limiting disturbance	<p>Disturbance to vegetation within the offset is not permitted, except for maintenance of vegetation for:</p> <ul style="list-style-type: none"> existing roads, firebreaks, easements and fencing. <p>New firebreaks or fencing if required should be installed outside of the perimeter of the Brigalow community.</p> <p>Thinning of Brigalow to manage dense Brigalow regrowth (to promote rapid recovery of stunted Brigalow stands) may occur where canopy is >70%, stem count is >10,000 / ha, and recommended by a qualified ecologist</p> <p>Ground disturbance (i.e ploughing) is not permitted.</p> <p>Removal of groundcover and organic litter is not permitted.</p> <p>Vehicle and machinery movement through the offset area is to be minimised.</p> <p>Deliberate introduction of non-endemic species is not permitted.</p> <p>The use of fertilisers on the property at locations where it could move into the offset area is to be avoided.</p>	Compliant	No disturbance to vegetation within the offset was undertaken during the reporting year.
2	Grazing	<p>The Landowner may graze stock in the Brigalow area in the following manner:</p> <ul style="list-style-type: none"> to occur primarily for the purpose of minimising the fuel load and risk of hot fire burn. stock are to be carried at similar stocking densities to that historically carried on the property, however the duration of grazing within the Brigalow areas is to be reduced commensurate with fuel load present, such that grazing may be more intense if the Brigalow stem count exceeds 10,000/ha. grazing intensity should be reduced during the wet season. cattle should not be moved into the Brigalow area if they have come from a grazing area known to contain weed species that are seeding, until the fodder has passed through their systems. stock will be excluded from the Brigalow offset area during periods of drought. The presence and abundance of native herbivores will be noted by the land manager and if abundance is deemed to be excessive then the landowner will encourage those species to move to other non-offset areas via noise, human activity or other nuisances. 	Compliant	<p>To manage fire loads cattle was grazed in the offset area as follows:</p> <ul style="list-style-type: none"> 517 in July and 317 out during August and then the remaining 200 out during October; and 319 in November 2017 and then 542 in in February. <p>A good level of grass cover has been maintained across the offset area. Cattle were grazed when the soil was dry. There was no evidence of damage caused by trampling in wetter areas.</p>

**Table 2 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Brigalow**

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
3	Weeds	<p>An initial weed spraying program will occur within the first 6 months of offset establishment. This will specifically target any small populations of Buffel grass or Parthenium that may be present.</p> <p>Thereafter the Landowner will undertake regular assessments for weed development. Should any weeds become established then additional weed control will be undertaken as early as practicable considering climatic conditions.</p> <p>The presence of foreign perennial weeds will be kept below 5% ground cover.</p> <p>Cattle should not be moved into the Brigalow area if they have come from a grazing area known to contain weed species that are seeding, until the fodder has passed through their systems.</p>	Compliant	Weed management continued over the past 12 months. Areas of remnant and regrowth Brigalow were sprayed. Field observations indicate that Parthenium colonises the areas after sprayed. These treated areas will continue to be monitored and sprayed.
4	Pests	<p>Wild pigs pose the greatest risk to the improvement of the Brigalow offset area.</p> <p>Should the presence of pigs be noticed during the quarterly checklist, a pig eradication program shall be implemented within the Offset Area in accordance with the Land Protection (Pest and Stock Route Management) Act 2002. A similar program could be implemented if other pest animals become a noticeable problem.</p> <p>Where possible, native pest animals should be encouraged to move outside of the offset area through disturbance and nuisance activities such as noise and human presence.</p> <p>Anecdotal evidence (eg photos, written records) of pest animal presence and abundance should be collected.</p>	Compliant	The presence of wild pigs was not noted during the reporting period.
5	Fire	<p>Maintenance of appropriate controls to enhance biodiversity and reduce fuel loads. The occurrence of any fire in the offset area will be recorded.</p> <p>Biocondition assessments will make a determination of impact resulting from any fire.</p> <p>Allow the accumulation of fallen timber/debris and the establishment of natural undergrowth. Biocondition Assessments will be used to measure this.</p>	Compliant	<p>Firebreaks around this and other offset areas on the property are co-located with access tracks and boundary and internal fencing lines.</p> <p>The firebreaks were established in 2016 on the recommendations of the local Rural Fire Service Brigade Warden.</p> <p>The land manager (lessee) undertook firebreak maintenance during April 2016, but not subsequently.</p>

Table 2 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Brigalow

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
				Stock was grazed as per Commitment 2 above.

Table 3 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Natural Grassland Offset

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
6	Grazing	<p>The Landowner may graze stock in the grassland offset area in the following manner:</p> <ul style="list-style-type: none"> • focus on maintaining a good cover of perennial grasses and legumes and encourage regrowth of TEC indicator species. • Maintain a minimum of 50% ground cover at the end of the dry season. • grazing should be avoided during peak flowering and seed set period (Oct – Dec inclusive). • cattle should not be moved into the Grassland area if they have come from a grazing area known to contain weed species that are seeding, until the fodder has passed through their systems. • Stock will be excluded from the Grassland offset area during periods of drought. <p>Existing fencing will be maintained to enable stock management in the grassland offset area.</p> <p>Any new water points are to be located outside the offset area where possible. Relocation of existing water points will be investigated if these are considered to have an impact upon community recovery.</p> <p>The grazing regime is to be carried out for the life of the Offset Area Management Plan.</p>	Compliant	Refer to Commitment 2 in Table 2 above.

Table 3 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Natural Grassland Offset

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
7	Weeds	<p>An initial weed spraying program will occur within the first 6 months of offset establishment with a secondary follow up to occur prior to any regrowth allowed to set seed.</p> <p>Thereafter the Landowner will undertake regular assessments for weed infestations as part of the routine quarterly checklist. If the presence of foreign perennial weeds exceeds 5% ground cover, then:</p> <ul style="list-style-type: none"> • Subsequent herbicide spraying programs will be performed at intervals suited to regrowth of Buffel grass and seasonal timing and conditions pending the findings of the regular inspections. <p>Should the Buffel grass persist, additional targeted herbicide spraying will occur as soon as reasonably practicable until such point as the natural grassland species are able to outcompete the Buffel grass.</p> <p>If it becomes apparent that a large seed bank is present then the land manager may choose to plough the soil (only in the areas of Buffel grass) to promote germination so that herbicides are more effective longer term.</p> <p>Grazing in accordance with the regime described above will encourage selective consumption of Buffel grass above other grass species. As such grazing should also be used as a tool to manage weeds.</p> <p>Cattle should not be moved into the Grassland area if they have come from a grazing area known to contain weed species that are seeding, until the fodder has passed through their systems.</p> <p>The land manager will be responsible for removing any new weed species that may occur within 6 months of first being recorded.</p>	Non-compliant	Refer to Commitment 3 in Table 2 above.
8	Pests	<p>Native herbivores may pose a risk to the improvement of the Grassland offset area should they reach plague proportions.</p> <p>Control of pest animals within the Offset Area shall be undertaken in accordance with the Land Protection (Pest and Stock Route Management) Act 2002.</p> <p>When required, pest animals should be encouraged to move outside of the offset area through disturbance and nuisance activities such as noise and human presence.</p> <p>Anecdotal evidence (eg photos, written records) of pest animal presence and abundance should be collected.</p>	Compliant	Routine inspections for pests are carried out by the land manager.

**Table 3 Biodiversity Offset Management Plan for Kemmis II Project and Mulgrave Resource Access Project (BHP, 2015) management actions
Natural Grassland Offset**

No	Aspect	Commitment	Compliant/Non-compliant/Not applicable	Evidence/ Comments
9	Limiting disturbance	<p>Disturbance of the vegetation and soil in the offset area is to be limited to that necessary to encourage improvement in condition and extent for the duration of the offset. This will be achieved by:</p> <ul style="list-style-type: none"> • No further ground disturbance or clearing of the vegetation (i.e ploughing) except : <ul style="list-style-type: none"> o for maintenance of existing fire breaks and fencing o in areas of Buffel grass infestation where turning of the soil may assist in weed management by speeding up seed germination to then be eradicated. o for maintenance for existing roads and easements • Avoidance of pasture improvement activities • Minimisation of vehicle and machinery movement through the community • New firebreaks and fences may be installed provided that the new construction does not reduce the extent of the Grassland offset. • No deliberate introduction of non-endemic species • No use of fertiliser at locations where it could move into the offset area 	Compliant	No disturbance to vegetation was undertaken during the reporting year.
10	Fire	<p>To the extent practicable, fire is to be excluded from the Grassland TEC Offset Area, except for ecological burns. A low intensity fire may be permitted at intervals recommended by a qualified ecologist. Within 12 months from the date of this Offset Area Management Plan coming into effect a member of the Rural Fire Service Brigade (RFSB) inspect the offset area to assess the suitability of the current and proposed firebreaks. Any recommendation for improvement will be implemented within 6 months from receipt of those recommendations, provided they do not contradict this OAMP. Stock may be grazed in the Offset Area to assist in fuel reduction.</p>	Compliant	Refer to Commitment 5 in Table 2 above.