

Our ref: IRF26/88

Mr Andrew Mills
Chair NSW Independent Planning Commission
Level 15, 135 King St
Sydney NSW 2000
ipcn@ipcn.nsw.gov.au

23 January 2026

Subject: Request to amend the Moolarben OC3 development application

Dear Mr Mills

The Department has received a letter from the applicant for the Moolarben OC3 Extension Project seeking the Department's agreement to amend the development application for the project (see attached letter). As detailed in the letter, the proposed amendments include changes to the project's run of mine coal extraction schedule and provision of additional habitat enhancement area. The applicant has advised that it would take approximately 4 weeks to prepare an amendment report.

The Department can approve or reject an application to amend a development application (amendment application) under its delegated role for the Independent Planning Commission. However, a decision would only be made once an amendment report is completed and lodged with the amendment application.

Given the circumstances, it would be prudent to pause the public hearing process for the project until the amendment report is submitted, a decision is made to approve or reject the amendment application, and either updated assessment advice is provided to the Commission (if the amendment application is approved) or to continue with the public hearing process (if the amendment application is refused).

On this basis, the Secretary will separately write to you to extend the timeframe to complete the public hearing and determine the application for this project.

Please contact me on [REDACTED] or [REDACTED] if you have any queries regarding this matter.

Yours sincerely

[REDACTED]
Steve O'Donoghue
Director Resource Assessments
Encl: or CC: Letter from Moolarben Coal

21 January 2026

Department of Planning, Housing and Infrastructure
4 Parramatta Square
PARRAMATTA NSW 2150

Attention: Stephen O'Donoghue, Director - Resource Assessments

Dear Mr O'Donoghue,

RE: MOOLARBEN COAL COMPLEX OC3 EXTENSION PROJECT (SSD-33083358) – AMENDMENT APPLICATION FOR RECOMMENDED ADDITIONAL AREAS FOR PROPOSED HABITAT ENHANCEMENT AREA AND REVISED ROM COAL PRODUCTION PROFILE

Please find below an application from Moolarben Coal Operations Pty Ltd (MCO) seeking your agreement to amend the Moolarben Coal Complex OC3 Extension Project (the Project) development application under section 37 of the *Environmental Planning and Assessment Regulation 2021* (EP&A Regulation).

This application is directed to the NSW Department of Planning, Housing and Infrastructure (DPCI) as the NSW Independent Planning Commission (IPC) has delegated this function under the EP&A Regulation back to DPCI.

The proposed amendment would provide significant environmental benefits through the incorporation of an additional ~ **625 hectares (ha)** in the proposed Habitat Enhancement Area (including the areas recommended by DPCI) and revision of the Project's run-of-mine (ROM) coal production profile to reflect the delayed mining commencement date recommended by DPCI of 2027, whilst retaining the previously proposed mining cessation date of 2034. These amendments directly respond to DPCI's recommendations and would substantially enhance the environmental outcomes of the Project.

MCO submits that this amendment is necessary and appropriate as it proposes to change the Project for which MCO is seeking consent, and therefore MCO needs to amend the project description accordingly. Importantly, this amendment will enable the IPC to consider the Project as proposed by the proponent and permit the Project to be carried out under the amended development application, if approved.

In preparing this application we have had regard to the *State Significant Development Guidelines* (DPCI, 2024).

Should this application to amend the Project be accepted, it is suggested the IPC process be paused until the Amendment Report is submitted and assessed by DPCI and other regulatory agencies (as relevant) so that the IPC and other stakeholders can consider the Project as amended. MCO is committed to expeditiously preparing the Amendment Report and anticipates submission within approximately 4 weeks.

Proposed Habitat Enhancement Area

The Project Environmental Impact Statement (EIS) lodged on 10 November 2022 proposed to establish a Habitat Enhancement Area of **~160 ha** within riparian zones along Moolarben Creek and Murdering Creek, outside the proposed indicative surface disturbance extent, comprising:

- approximately 70 ha of existing remnant woodland (including threatened species habitat); and
- approximately 90 ha of derived native grassland (DNG) and cleared land proposed to be revegetated to provide habitat values consistent with the remnant woodland.

The Habitat Enhancement Area would improve the condition of remnant riparian vegetation, enhance habitat connectivity with the Munghorn Gap Nature Reserve and increase the native vegetation and associated species habitat in the Moolarben Valley during the life of the Project.

Submissions received during the Project EIS exhibition period raised concerns regarding potential direct impacts to threatened species habitat, particularly SAII entities. In response to these submissions and to further mitigate potential impacts to threatened species habitat, MCO lodged an Amendment Report on 13 March 2024 which, amongst other things, amended the Project disturbance area to avoid and/or minimise disturbance of threatened species habitat and extend the Habitat Enhancement Area by an additional 28 ha (to a total of **~188 ha**).

As outlined in correspondence from DPHI¹, formally extending the proposed Habitat Enhancement Area was considered as a component of the amendment:

The Amendment Report has requested the following changes:

...

- *an increase to the proposed habitat enhancement area extent (from approximately 160 ha to 188 ha) which would be revegetated during mining.*

...

Accordingly, as delegate of the Independent Planning Commission, I approve the application for the amendment.

Further Recommended Increase to Proposed Habitat Enhancement Area

The Project was referred to the IPC for determination on 18 December 2025.

The Assessment Report and recommended conditions of consent for the Project provided to the IPC with the referral included a recommendation from DPHI to further extend the proposed Habitat Enhancement Area to include additional areas identified by the Independent Expert Advisory Panel for Mining (IEAPM) in its Advice Report dated June 2025.

These additional areas are presented as a sketch (refer to Figure 7 of the IEAPM's Advice Report, reproduced as Figure 13 in DPHI's Assessment Report and as **Plate 1** below) and amount to an additional **~313 ha**, taking the total Habitat Enhancement Area extent to **~501 ha**.

DPHI's Assessment Report states that the recommended additional areas would "*result in an equivalent amount of Box Gum Woodland retained within the valley to that which would be disturbed by the project*". It is unclear how DPHI calculated this, as no accurate boundaries or vegetation calculations were requested of MCO, with additional ambiguity as a result of the IEAPM's sketch crossing into the Munghorn Gap Nature Reserve (i.e. outside the development application area) in some areas (refer to **Plate 1**).

¹ Correspondence from DPHI to MCO regarding the Project Amendment Report (dated 19 March 2024). Available at: <https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSD-33083358%2120240319T024053.065%20GMT>

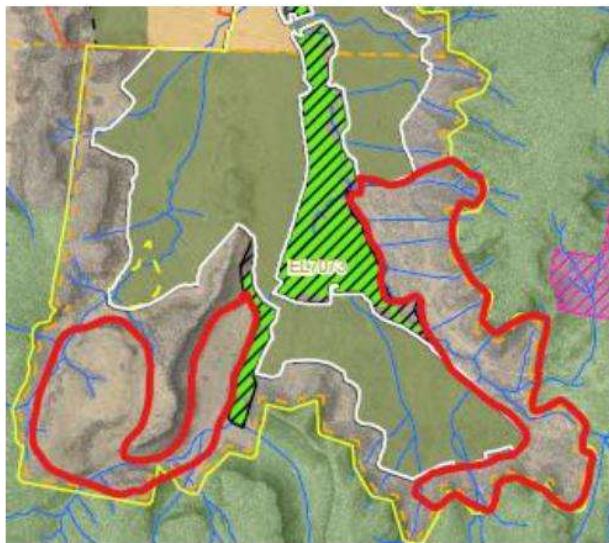


Figure 7: Potential additional areas for inclusion in the Habitat Enhancement Areas (shown in red on the left) resulting in improved management and revegetation of large areas of Box Gum Woodland (shown on the right)

Plate 1: Potential additional areas recommended in the IEAPM Advice Report for the proposed Habitat Enhancement Area.

MCO welcomes the opportunity to increase the proposed Habitat Enhancement Area for the Project, and is pleased to propose the following enhancements:

- Refine the areas recommended by the IEAPM and DPHI to align with MCO property boundaries (**additional area of ~ 411 ha**); and
- Include additional strategic areas around the perimeter of the Project area targeting the buffer between the Project disturbance footprint and the Munghorn Gap Nature Reserve (**additional area of ~ 214 ha**).

Cumulatively, this results in an increase to the Habitat Enhancement Area of ~ **625 ha**, bringing it to a total of ~ **813 ha** (as depicted on the plan attached as **Annexure 1**). This represents a substantial and meaningful commitment by MCO to biodiversity conservation outcomes that significantly exceeds the original proposal. Accordingly, MCO is proposing to amend the development application under section 37 of the EP&A Regulation to include these additional ~ **625 ha** within the Habitat Enhancement Area extent and permit the development as proposed to be carried out on these areas under the amended development application, if approved.

It is also requested that, should this application to amend the Project be accepted, the Conservation Programs, Heritage and Regulation group (within the NSW Department of Climate Change, Energy, the Environment and Water) is invited to provide comments on the proposed increase to the Habitat Enhancement Area in the context of their previous conclusions regarding Serious and Irreversible Impacts to threatened species.

Revised ROM Coal Production Profile

DPHI has recommended that, if approved, mining can only commence after the collection of 12 months of baseline groundwater monitoring data from newly installed bores recommended by the IEAPM.

This would delay the planned commencement of mining, with mining only able to commence in 2027 at the earliest. In the EIS (as previously amended in 2024) it was assumed ROM coal production for the Project would occur from 2025 to 2034.

MCO respectfully proposes to amend the application under section 37 of the EP&A Regulation to revise the ROM coal production profile to reflect mining commencing in 2027, whilst retaining the previously proposed mining completion

date of the end of 2034. This revision demonstrates MCO's commitment to working constructively with DPHI's recommendations while maintaining the Project's viability. No change to the proposed maximum ROM coal production rate is required to facilitate this revision.

Request for DPHI to Accept the Amendment Application and Next Steps

In accordance with the IPC's delegations of 14 June 2022, it has delegated its functions under section 38 of the EP&A Regulation to DPHI to agree to amendments to development applications that are before the IPC for determination.

MCO therefore respectfully requests that DPHI agree to the proposed amendments, which MCO submits are consistent with the objects of the Environmental Planning and Assessment Act 1979 and would result in improved environmental outcomes for the Project.

MCO is committed to submitting a comprehensive Amendment Report within approximately 4 weeks to facilitate thorough consideration of the proposed amendments and review of any consequential changes (including improvements) to potential environmental impacts and benefits of the Project.

Should this application to amend the Project be accepted, it is suggested the IPC process be paused until the Amendment Report is submitted and assessed by DPHI and other regulatory agencies (as relevant) so that the IPC and other stakeholders can consider the Project as amended.

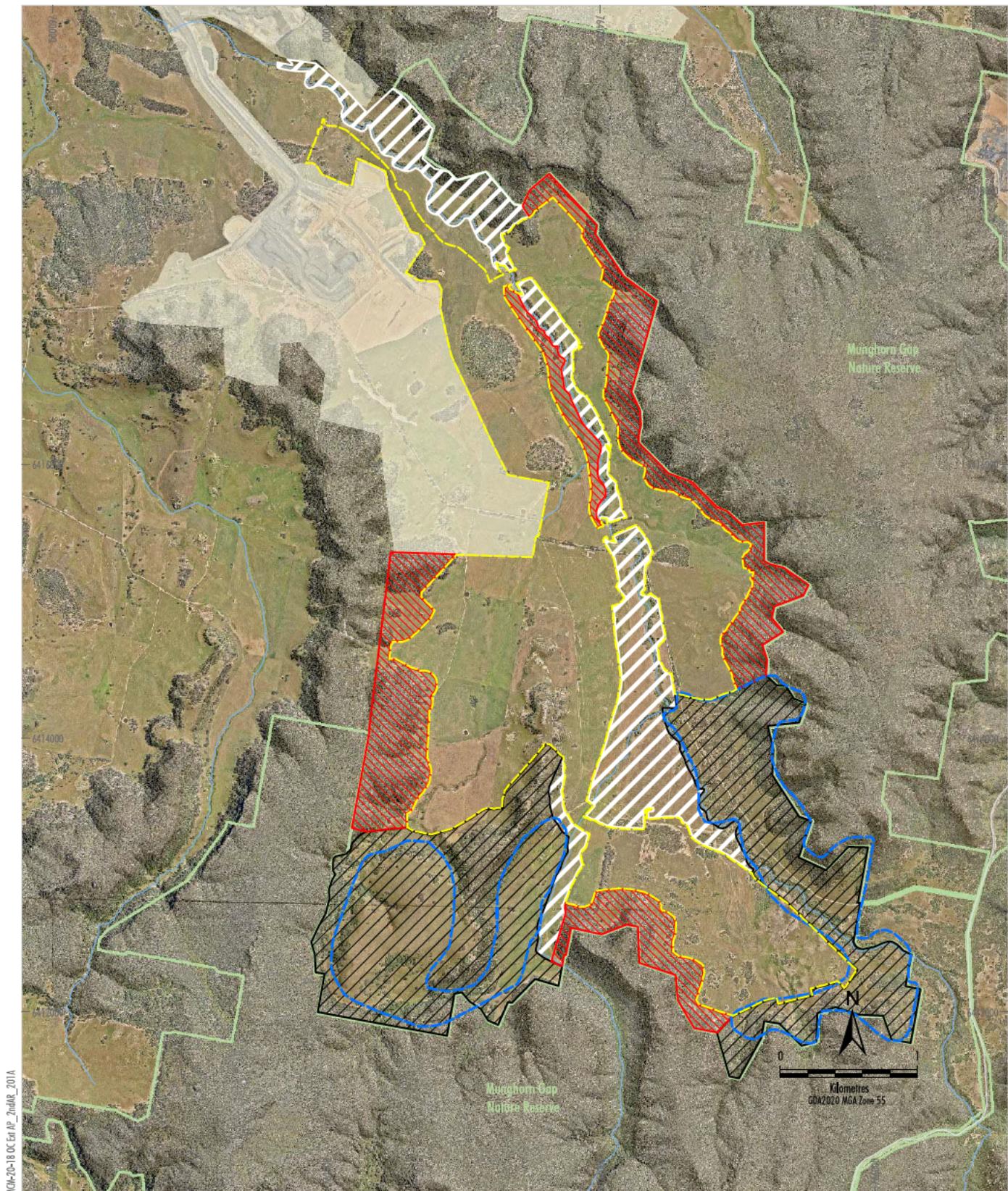
Should DPHI have any queries regarding the information provided in this letter, please do not hesitate to contact the undersigned via email [REDACTED] or phone [REDACTED]

Yours sincerely,



Mark Jacobs
Executive General Manager – Environment & External Affairs
Yancoal Australia Ltd

Annexure 1: Figure of Proposed Habitat Enhancement Area and Additional Recommended Areas



Source: MCO (2025); NSW Spatial Services (2021);
Orthophoto Mosaic: MCO (2021)

- LEGEND**
- National Park/Nature Reserve
 - Moolarben Coal Complex Disturbance Footprint
 - Indicative Habitat Enhancement Area
 - Indicative Project Surface Disturbance Extent
 - Indicative Additional HEA Extent
 - Panel Recommendation - Sketch
 - Panel Recommendation - Refined
 - Other Additional Areas

YANCOAL
Moolarben Coal

MOOLARBEN COAL COMPLEX
OC3 Extension Project
Additional Habitat Enhancement Area Extent

Figure 1