

MUSWELLBROOK COAL COMPANY LIMITED

Established 1907 A.C.N. 000 009 521

SITE OFFICE

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MINUTES

Muswellbrook Coal Company Community Consultative Committee 5 March 2013

At Muswellbrook Coal Company Offices

Present:

Representing Name Mr Malcolm Ogg Alternate Chairman Mr Craig Flemming Muswellbrook Shire Council Mr John Madden Community Representative Company Mr Chris Knight (Coal & Environmental Mgr) Muswellbrook Coal Company Mr John Furner (General Manager) Muswellbrook Coal Company Muswellbrook Coal Company Mr Colin Davies (Environmental Consultant) Ms Lori Dennen-King (Environmental Assistant) Muswellbrook Coal Company

1. Open Meeting

The meeting was opened at 12:10pm by Alternate Chairman Mr Malcolm Ogg.

2. Apologies

Mr Rod Scholes (Chairman), Mr Noel Downs (Community Representative) and Mrs Glenda Watts (Community Representative)

3. Declaration of Pecuniary or Other Interests

Nil

4. Confirmation of Minutes from the Previous Meeting

Minutes from the previous meeting held on 11 December 2012 were confirmed as true and reliable.

Moved – Mr Chris Knight

Seconded – Mr Colin Davies

5. Business arising from the Minutes

Changes to the MCC Rainfall chart, as requested in the previous minutes, have been made. (To be shown in presentation.)

6. Notification of Items of General Business Proposed to be Raised

- Upper Hunter Mining Dialogue Update
- Sandy Creek Project Update

7. Correspondence

Nil

8. Reports

- A. Environmental Monitoring Data & Operation Mr Colin Davies and Mr Chris Knight presented a Powerpoint presentation to the committee. The presentation contained results of the environmental monitoring data (weather, dust, water, blasting), complaints, mine rehabilitation and mining operations for the previous 3 months (October December 2012) at the mine site.
- B. Report Discussion -

Weather

i. *Windroses:* Prevailing winds during the reporting period were generally from the south-east which is typical for the Hunter Valley during the summer months.

Dust

- ii. *Dust Deposition:* average levels have gone up due to drier conditions over the last 3 months. DM10 showing elevated results gauge is on mine property located near the mine entrance.
- iii. TSP (Total Suspended Particulates): Overall, average levels were below maximum criteria. Site 2 average gradually recovering and stabilising following elevated levels recorded in August 2012.

 Discussion: Mr Flemming asked if the elevated levels at Site 2 had been reported. Mr Davies replies "no" as there are no maximum 24hr average TSP criteria levels specified in the EPL.
- iv. *PM*₁₀: Long term averages look good and remained below the Long Term OEH Criteria of 30*ug*/m³. Some daily elevated levels were recorded. A review of the MCC Queen Street TEOM data *vs* Upper Hunter Air Quality Monitoring Network (UHAQMN) data from Bowman Park, NW Muswellbrook and Aberdeen was presented. The Aberdeen PM₁₀ average over the 4th quarter period (Oct-Dec) very closely correlated with those results recorded at Site 1 (Queen Street), 22.6μg/m³ and 22.0μg/m³, respectively. The NW Muswellbrook monitor is located at the corner of Wybong Road and Kayuga Road.

Discussion: Mr Ogg asked if there are many problems with the dust monitors. Mr Davies commented that the majority of issues that occur are primarily with the dust deposition gauges due to contamination problems (insects, bird droppings, etc.). Mr Davies also added that even though deposition gauges are older technology they are good for tracking average dust information long term.

Water

v. Quality of surface and ground water remained relatively consistent during the reporting period. The water level in the underground workings is dropping as the coal seams are dipping to the north. This water requires pump out in order for coal to be mined in these old workings. Water levels in the underground workings, at the end of the project, will be around an RL level of 80 metres, which is the floor of the pit.

Blasting

vi. There were 25 blast events conducted at MCC Open Cut Operations between 1 October and 31 December 2012. All blasts were conducted in the No.1 Open Cut.

Discussion: Mr Flemming commented that he had observed a blast at Mt. Arthur and noted MCC had set off a blast at the same time. He asked if MCC communicated with the other mines in the area to avoid simultaneous blasting. Mr Knight confirmed that e-mail notifications are sent to the other mines (Mt. Arthur, Bengalla and Drayton) regarding MCC's blasting events and expected firing times.

Complaints

vii. No complaints have been received since August 2012, indicating a downward trend.

Rehabilitation

viii. Good progress to date.

Discussion: Mr Knight commented that the Minerals Council was currently working on pasture assessments. Mr Ogg added that trialling for grazing should also be conducted before end of mine. Mr Davies explained that a rehab monitoring program has been in place at MCC to help quantitatively track the sustainable progress of rehabilitated areas compared to non-mined reference sites. Mr Knight commented that MSC wanted 100% trees on MCC rehabilitated land, but MCC was aiming for about 70% trees (30% pasture) in order to return some of the land back to its original use as grazing property.

Mining Update – Mr Chris Knight

ix. No.1 Open Cut operations progressing towards the north. No voluntary shut downs due to noise required during the reporting period Approximately 10,000 tonnes of coal to be mined remain in No.2 Open Cut. Discussion: Mr Flemming asked how the recent rains have affected operations. Mr Knight replied by explaining there had been a slowdown in January, due to higher water levels in the underground making access to coal seams difficult. Mr Furner added that pumps were also down so water could not be drawn down in these areas for mining. Mr Ogg asked where the seam name "Lewis" originated from. Mr Knight would investigate and have an answer for the next meeting. ACTION

9. Submissions

Nil

10. General Business – Mr Chris Knight

A. <u>Upper Hunter Mining Dialogue (UHMD) Update</u>

UHMD is a Minerals Council initiative for a collaborative forum to setting up project committees with 12-month and 5-year goals dealing with such topics as:

- 1. Land Management
- 2. Social Impacts and Infrastructure
 - housing
- 3. Water
 - Water Accounting Framework (WAF) that accounts for all input/output of water on site (re-used, recycled, etc.)
 - *All mines accounting to the same standard.*
 - **ACTION** present information on WAF at next meeting.
- 4. Emissions and Health

• Practices for predictive emissions forecasting and consistent responses to levels – based on weather conditions. All mines accounting to the same standard.

B. Sandy Creek Project Update

Six exploration holes have been completed to date. No further exploration planned at this stage. Pre-feasibility study will determine need for further exploration. Ground and surface water sampling has been conducted on a quarterly basis since 1996. Seams are thin out towards the east side of the project but thickness increases towards the west and centre, especially the St. Heliers seams around the correctional facility.

Discussion: Mr Flemming asked what keeps the Sandy Creek Consent active. Mr Knight explained there had been a water diversion bank built which activated the substantial commencement of the project. MSC is the consent authority for this DA.

11. Announcements

Nil

12. Next Meeting

Tuesday, 4 June 2013

Meeting will be held at 12:00pm in the Board Room at Muswellbrook Coal Company Administrative Office. A sandwich lunch and refreshments shall be provided. A site inspection will be held dependent on the weather and availability of committee members.

2013 Future Meeting(s):

3 September 2013 3 December 2013

13. Adjourn Meeting

Meeting closed at 2:02pm.