

MINUTES OF THE STRATFORD COAL COMMUNITY CONSULTATIVE COMMITTEE
MEETING
Wednesday 20th June 2012

Attendees:

Margaret MacDonald-Hill	CCC Chair	Mike Smith	Gloucester Coal Ltd (GCL)
Kevin Lowrey	CCC Member	Mark Jacobs	Gloucester Coal Ltd (GCL)
Norm Bignell	CCC Member	Rachael Windrum	Gloucester Coal Ltd (GCL)
Richard Clarke	CCC Member	Tony Dwyer	Gloucester Coal Ltd (GCL)
Philip Greenwood	CCC Member	Peter Cribb	GCL Consultant
Anthony Berecny	CCC Member	Keith Latham	CCC Member
Cr Jim Henderson	Gloucester Shire Council		
Graham Gardner	Gloucester Shire Council - Observer		

1. Site Visit

At 1pm, the attendees undertook a site visit which included inspections of:

- Roseville Pit
- (Former) Stratford Main Pit – showing new access ramp & water level
- Bowns Road North Pit

2. Welcome and Apologies:

The Chair opened the meeting at 1:50pm.

Welcome: Mark Jacobs, GCL General Manager Environment & Community Relations
Peter Cribb, GCL Consultant
Graham Gardner, Gloucester Shire Council

Apologies: Cr Tony Tersteeg

3. Declaration of Pecuniary and Non-Pecuniary Interests

Ms MacDonald-Hill declared that she is the Independent Chair, appointed by the Director-General of Planning & Infrastructure, also on the Mine Subsidence Board and a member of the Minister's Arbitration Panel.

4. Confirmation of Minutes of Previous Meeting:

The minutes were confirmed following removal of the post-meeting note which is now noted in the correspondence item of today's meeting. Moved: Mr Clarke; Seconded: Mr Henderson

5. Business Arising from Previous Meeting:

a) Action Item 7 re old boiler on ex-Burns property: Cr Henderson commented on the discussion at Council, that if/when the Stratford Industrial Park area went ahead, the boiler would be suited to placement there if it needed to be moved from current location.

b) Action Item 1 re Mr Latham's request for duplicate Main Pit rejects sampling: Mr Latham confirmed the nature of his request, but noted that as the pit rejects are now covered by water, there is no need for any additional trial/sample testing at this time. There was some further discussion regarding the matter of reject (emplacement), pH levels and lime application.

c) Action Item 3 re a compilation of water quality and biological monitoring data for Avondale Creek/Avon River systems: Mr Dwyer advised that a consultant has been engaged for this work and of the methodology for responding to the query. A report has been commissioned and is expected to be finalised in time for the next meeting.
Action Item to be carried to next meeting.

d) Action Item 5 re GCL's investigation of methods to inform community of proposed blasting activities: In addition to the response provided by GCL, Mr Lowrey advised that GCL had of late notified a longer timeframe for the proposed blast, than it had previously. GCL advised that the stated estimated time period for the blast was increased to 1 hour in response to a resident complaint that a blast occurred outside the previously notified 15 minute timeframe and to consider that there may be

times when there is a delay in blast procedure. GCL generally aims to blast within the first 15 minutes of the advised hour.

e) Action Item 6 re blasting mitigation measures in Environmental Impact Statement for the proposed Stratford Extension Project (SEP): Mr Dwyer presented the information to be included into the EIS and clarified the term “residential receiver”. Mr Lowrey raised concern that the prescribed distances do not reflect distances where residents feel impacted at times. In response, GCL will provide pre-blast notification to residents who request it, as noted from Action Item 5, above.

Mr Greenwood queried the process that GCL proposed in relation to notification and timing of temporary road closures for blasting activities in particular for users of the Glen Road which will be affected by blasting during part of the proposed SEP. GCL advised it would consider various measures beyond current practice (e.g. signage) due to the expected number of users of that road and the nature of travel. Procedure for emergency access was discussed.

Cr Henderson queried (in reference to a photo in local paper) whether methods for limiting dust during blasting activities have been considered, eg watering the area of the blast and whether they're possible.

Photos showing dust from operations were circulated and discussed.

Mr Cribb provided information regarding dust issues, noting exposure and concentrations over time. Dust from blasting activity occurs for short exposure times and dissipates over, initially, the mine site. Reference to the relevant measuring criteria was made (24hr period dust levels), and in understanding that, the dust from blast activities is, relatively, a much smaller contributor, than other sources such as haul roads, waste dumping, wind blown dust from exposed work areas (as identified at last CCC meeting in relation to the Pollution Reduction Program).

It was agreed that continuous improvement of GCL's practices (as suggested by Mr Lowrey) is beneficial.

Mr Greenwood questioned whether an acute exposure could be an issue, and if that is the case, the relevance of measuring over an average 24hrs.

Mr Cribb advised that the dust dispersion effects are modelled via an atmospheric dispersion model endorsed by the EPA. It was further explained that the model gives GCL an understanding of the conditions (both prevailing atmospheric and operational conditions) that would allow dust dispersion to levels below relevant thresholds over surrounding areas. This includes consideration of atmospheric stability and wind conditions giving an ability to predict dust concentrations at specific points around the mine site. This information is in the draft EIS for the SEP.

Action Item 1: GCL to investigate methods of reducing dust emission from blasting.

f) Action Item 8 re use of industrial grade gelatine in drilling fluids: Ms Windrum advised that GCL's suppliers of products used for exploration drilling have now confirmed that no gelatine is used in any of those products. Discussion followed.

Action Item 2: As there may be a risk of BSE contamination from use of products containing an industrial grade gelatine, (albeit a low probability, the consequence is potentially high), the Committee agreed to recommend to GCL and the NSW Minerals Council that the mining industry avoid the use of exploration drilling fluids that contain industrial grade gelatine wherever an alternative exists.

g) Action Item 9 re number of employees residing in Gloucester shire: In addition to the response by GCL, there was a discussion regarding the employees working at GCL's Stratford and Duralie operations and where they reside.

h) Mr Berecny queried whether any action was taken, further to the advice of trespass onto GCL land.

Mr Greenwood advised that there seemed to be questions raised from the allegations and asked if GCL has since revised its directions to drilling contractors. Mr Dwyer advised that GCL invited the

relevant regulator to the site to audit the activities, the outcomes of which showed that the key allegations made by the trespassers were not supported. Additional discussion followed.

6. Correspondence

In:

1. Correspondence from Cr Henderson advising that, in his view, it was beyond the ambit of the CCC to pass motions or to make decisions. On that basis, he does not support any members of the CCC voicing opposition to mining in their capacity as members of the CCC.

2. Letter from M. Jacobs re Duralie Rail Hours Modification

Out:

24/05/12: Letter from Milton Morris re Resignation as Chairman. Ms MacDonald-Hill acknowledged the services of Mr Morris to the Committee.

Cr Henderson moved that the committee write to Mr Morris to thank him for his service to the committee, and wish him and his family all the best for the future.

Action Item 3: The Chair will write to former Chair to thank him for his service to the committee, and wish him and his family all the best for the future.

7. Company Reports and Overview of Activities

7. a) Mr Smith provided an overview of mining activities at Stratford Coal Mine since the last meeting.

Mr Lowrey asked how the area of currently exposed dirt compares with the operation over time, as it appears to be a greater amount, which would require larger process to reduce the dust into future.

Mr Dwyer noted that the Pollution Reduction Program identified the top contributors of dust, and GCL had an ongoing commitment to rehabilitate as quickly as possible, but in addition, committed to sprays and seeding, to provide a cover crop straight onto the disturbed ground, rather than waiting for the shaping and topsoiling of that area to occur before the seeding occurred. This will provide the benefits of dust reduction as well as visual amenity in interim period. The SEP EIS site water management plan includes a commitment to establish sprays over disturbed areas. Mr Lowrey asked if the amount of exposed dirt would dramatically increase for the Project, and Mr Dwyer commented that the amount of exposed dirt will expand and contract over the life of the project, similar to this operation in earlier times.

7. b) Environmental Monitoring Report:

Stratford Main Pit pH Rejects – Mr Latham asked location of site 5 which often shows low pH and Mr Dwyer advised that the fifth sample is generally taken at the southern-most site and furthest away from deposition area therefore the sample is of reject that has been placed for the longest period.

Groundwater Monitoring Reject Storages – Mr Latham enquired of the location of a couple of monitoring sites and then enquired as to why GW3 showed lower pH. Mr Dwyer advised that data from pre-mine periods shows naturally lower pH levels in the Avondale system (where GW3 monitoring site is located).

Mr Henderson enquired as to whether there could be any current impact on GW3 monitoring site from seepage from the return water dam, however Mr Dwyer and Mr Latham didn't think so; Mr Dwyer noted that monitor BRWN1 was monitoring site in closest proximity to that area. Mr Dwyer provided general comment on the monitoring trends and how consideration is applied to any aberration of results.

Electrical Conductivity – Avon River/Avondale Creek - Mr Lowrey enquired about the W6 result for April which was higher than previous. Mr Dwyer advised that a review of historical data showed that the site has returned similar higher levels at times, however with this result, recalibration and duplicate testing was conducted and verified the reading. The other high levels occurred most recently in 2008 & 2009 during dry time, explained by high concentration levels in that area, and Mr Bignell provided additional comment.

7. c) Community Complaints & Response:

Ms Windrum commented on blasting complaints and that GCL engaged blast experts to try to change blasting patterns and procedure in consideration of community amenity, however with the various factors it takes time to reach a final outcome from this side of the complaints.

Mr Greenwood requested that complaints information be provided to the date of the meeting so that queries or comments can be made for most up to date complaints.

Action Item 4: GCL to include an update at meetings of recent complaints, between the Pre-Meeting Information packs and meeting date, so the committee can discuss relevant current concerns.

Mr Greenwood noted the most common nature of complaints and the historic recurrence of the stockpile dozer noise, and that further consideration be given to that noise source (eg height of stockpile, side of the stockpile that the dozer operates etc.). Mr Greenwood described his personal review of weather data and the complex relation with noise levels. Mr Greenwood commented on the effort put into noise suppression from sources that don't seem to be an issue, eg mining operations in the pits, or new sheeting on the CHPP, however those areas don't seem to be the areas generating most complaints.

Mr Greenwood suggested a report on how stockpile dozer noise can be reduced and advised that he finds that the main noise from the dozer is an operating noise and not "track slap".

In particular, Mr Greenwood commented on a noise complaint on 24 & 25 May where the noise from stockpile dozer was major contributor.

Mr Lowrey commented that with increased Duralie shuttle hours, the potential increase to noise would lead to this being a greater issue.

Mr Jacobs commented on the difficult nature of noise reduction of the stockpile dozer due to work height and that any smaller equipment can't do the job.

Mr Lowrey enquired about whether there has been any change in the noise emissions from the dozer over the life of the dozer and Mr Dwyer advised that the most recent mobile plant noise assessment showed no machines indicated significant changes in their noise levels.

Mr Smith commented that if the application for extended Duralie Shuttle hours was successful, it is possible that export trains may be scheduled for daytime, and shuttle for night, because if the shuttle emits less noise than the dozer, there could be significant advantages. With increased space at port following the merger with Yancoal, there was perhaps potential for export raiing in daytimes. Mr Jacobs provided some additional comment.

Mr Latham requested wind direction be included in the report, however there was further comment that this would not be of benefit in interpretation of reason for complaints.

Environmental Monitoring Map – Mr Lowrey advised that the plan shows his residence in the wrong location on his property.

Email addresses - Mr Clarke asked if there could be an update of everyone's email addresses.

Action Item 5: An updated list of email addresses to be provided to members.

Environmental Projects Status

Noise – rail loop – Mr Latham enquired on whether there was potential for GCL to use waste material (overburden) to build a noise bund at the rail loop. Mr Dwyer responded that requirement is to have the barriers situated at set height and closer distance from rail line, rendering an earth bund unfeasible.

Lighting - Mr Lowrey enquired about how the lighting audit compared with the audits completed in 2008. Mr Dwyer advised that to date, a site review of lighting had occurred and that the current item refers to a formal audit of the site against the Australian Outdoor Lighting Standard, which is more

detailed. Mr Lowrey enquired whether he may meet with the auditors to provide them with additional information (local knowledge). Mr Lowrey also highlighted that the visual assessment locations for the proposed SEP EIS should be from locations which have clear views of the project. Mr Dwyer suggested that Mr Lowrey send his comments to GCL for consideration.

Mr Greenwood enquired about a weeds audit discussed during last meeting. Mr Jacobs provided an update on the current review of property management system being undertaken, and the potential management structure of the land, and the types of issues that are being considered. There was lengthy discussion regarding matters to be considered for residential and rural management, with input from various CCC members.

7. d) Rehabilitation Management Plan

Mr Cribb advised that comments had been received from one member and asked that any other members who wished to comment do so in writing to the Chair so it can be dealt with as correspondence.

Mr Cribb asked members to note that the Rehabilitation Management Plan is for currently approved operations, and does not include proposals under the SEP.

Members made some additional enquiries which were responded to by GCL. Mr Latham also asked whether Duralie's operations would exceed the timing of the Stratford Main Pit fill (and therefore whether there may be a disconnect timeframe for Duralie reject emplacement from Duralie operations).

Action Item 6: GCL to confirm that there is sufficient capacity in the Stratford Main Pit void to accommodate all of the Duralie rejects until the current Duralie approval expires (2019).

Action Item 7: CCC members' comments on the Stratford Mining Complex Rehabilitation Management Plan should be provided to the Chair, cc Ms Windrum, by COB Friday 29/06/12.

Mr Henderson referred to p27 of Rehabilitation Management Plan that refers to diversion of water from east dam to main pit and enquired if still proposed. Mr Dwyer noted that if the reject placement in the main pit followed by capping, doesn't reach natural surface level, there would be potential for water to be directed to what remains of the void between capping and natural surface level. Mr Henderson then queried whether there was potential release water from site into Avondale & Avon River systems later. Mr Dwyer commented that GCL intends to better describe that process of water management in the document.

7. e) Duralie Rail Hours Modification Update

Mr Dwyer presented an update on the application to the committee.

7. f) Duralie Rail Dust Study

Mr Dwyer presented information to the committee about the recent study, background, benefit of new Duralie shuttle wagons, process prior to raiing, and the community consultation process. Details of the rail dust study are available on the GCL website.

7. g) Gloucester Coal and Yancoal Australia Merger

Mr Smith briefed the committee of the approved merger between the two companies, including what the new entity's operations and port terminal assets will be.

Mr Berecny enquired whether there was a relationship between Gloucester Resources Ltd and Yancoal, as he had been advised that there were 2 names that were common to both companies, for shareholder or senior executive positions.

Mr Jacobs advised that he was not aware of any directors serving on both GRL's and Yancoal's Boards. In addition, nothing relating to GRL showed up during the due diligence process. GCL undertook to make enquiries and respond. Mr Jacobs advised that branding decisions have not been made at this stage.

7. h) Community Support Program

Ms Windrum provided a briefing on the program and the first round of funding applications, and the support recently provided to various community groups.

8. General Business

- a) GCL contributions to Council - Mr Berecny noted GRL's offer of payment of \$0.50/tonne to Gloucester Shire Council, and enquired what GCL's contributions to Council equates to (on a per tonne basis) and whether, if less, GCL would meet or exceed GRL's offer. Further discussion occurred and Mr Jacobs advised that Council Contributions for the proposed SEP have been discussed with Council and that it would continue discussions on how that would occur and the amount of contribution. Mr Bignell provided information on his understanding of relevant historical decisions between GCL & Council.
- b) Land slippage close to mining operations - Mr Berecny raised his concern of recent land slippage on his property and raised concern that the proximity of mining and blasting activity may be a potential explanation. There was some discussion regarding weather patterns.

Action Item 8: GCL to investigate land slippage on the Berecny property and potential correlation with blasting.

- c) SEP Community Information Flyer - Mr Lowrey noted that the most recent flyer did not communicate the proposal for GCL to mine 24hrs per day. Whilst it was noted that previous flyers did not state hours of operation, the committee was advised that the proposed hours of operation will be advertised, there will be community information sessions during the course of advertisement of the EIS, and they will be included in the EIS.

Mr Jacobs confirmed that the current, proposed hours of operation under the SEP are:

Avon North Pit - 24hrs

Stratford East Pit - daytime & evening pit, plus haulage of coal at night. This pit only becomes 24hr pit after Avon North mining is finished.

Roseville West Extension - operate daytime only (previously proposed to be daytime & evening).

Mr Lowrey advised that there are a number of people in the community who are not aware of the proposed proximity of mining activities to Stratford village. GCL confirmed its intentions for further community consultation during the application process.

- d) Water Management - Mr Henderson enquired about how the water would be transferred from the Main Pit under the Stratford Extension Project. GCL confirmed that the draft Rehabilitation Management Plan was for currently approved operations and did not include the proposed SEP.

9. Next Meeting Date

The next meeting proposed for Friday 28th September 1pm.

Note: As per the Chair's email of 28 June 2012, the next meeting has now been set for 9am, Wednesday 10th October 2012.

Meeting closed 4:55pm

Summary of Action Items from this meeting:

1. GCL to investigate methods of reducing dust emission from blasting.
2. As there may be a risk of BSE contamination from use of products containing an industrial grade gelatine, (albeit a slight risk the consequence is potentially high), the Committee agreed to recommend to GCL and the NSW Minerals Council that the mining industry avoid the use of exploration drilling fluids that contain industrial grade gelatine wherever an alternative exists.
3. The Chair will write to former Chair to thank him for his service to the committee, and wish him and his family all the best for the future.
4. GCL to include an update at meetings for complaints, between the Pre-Meeting Information packs and meeting date, so the committee can discuss relevant current concerns.
5. An updated list of email addresses to be provided to members.
6. GCL to confirm that there is sufficient capacity in the Stratford Main Pit void to accommodate all of the Duralie rejects until the current Duralie approval expires (2019).
7. CCC members' comments on the Stratford Mining Complex Rehabilitation Management Plan should be provided to the Chair, cc Ms Windrum, by COB Friday 29/06/12.
8. GCL to investigate land slippage on the Berecry property and potential correlation with blasting.

Action Item 3 from last meeting regarding provision of key water system monitoring data for Avondale/Avon systems, to carry forward to next meeting.