
**MINUTES OF THE ASHTON COAL PROJECT
COMMUNITY CONSULTATIVE COMMITTEE
TUESDAY 14 DECEMBER 2010
1:00PM - ASHTON COAL PROJECT SITE OFFICE**

ATTENDEES:

John McInerney	(JMc)	Community Representative
Steve Ernst	(SE)	Community Representative
Sarah Roberts	(SR)	Singleton Council
Godfrey Adamwaithe	(GA)	Singleton Council (Chairperson)
Brian Wesley	(PB)	Company Rep (General Manager)
Lisa Richards	(LR)	Company Rep (Environment & Community Relations Mgr)
Scotney Moore	(SM)	Observer
Cassandra Ferguson	(CF)	Minute Taker

1. OPENING OF THE MEETING BY THE CHAIRPERSON

The Chairman opened the meeting at 1:15pm.

2. APOLOGIES

No apologies were received.

3. DECLARATION OF PECUNIARY INTEREST BY COMMUNITY REPRESENTATIVES

Nil

4. MINUTES FROM PREVIOUS MEETING

Minutes from the meeting held on 28 September 2010 were accepted as a true and accurate record:

Moved: Sarah Roberts

Seconded: John McInerney

5. BUSINESS ARISING FROM PREVIOUS MINUTES

Section 94 – Town signage – SR advised the funding for the signage was currently with the Parks division of council. SR & GA will speak to the Parks department and provide LR with an update on the signage by the 24/12/2010. JMC raised concern over the time it has taken to implement the town signage LR replied Adam Spargo progressed it to a point where Council had to implement prior to leaving ACOL. SR advised there were outstanding issues with the location and sandstone cost. LR replied AS worked with Parks on these prior to leaving and to her knowledge these were all sorted. BW asked LR if the parks sections of require any further information they can contact her? LR replied yes.

JMc asked if the proposed SEOC will have a section 94? NSW Department of Planning (DoP) have not discussed this issue with ACOL, we will not know this until we are at a stage of receiving Draft Conditions or DoP consult with us on it prior.

Advertising for new members of the ACOL CCC. SR has finalized an advertisement for the positions then was advised that Singleton Council no longer advertise for the positions, they are posted in each mine site's newsletter. LR advised the next ACOL newsletter will be sent out after the New Year. Concern was raised that the newsletter may not be distributed wide enough to reach all interested persons wanting to apply for the position, SR will send LR through the finalised advertisement and it will be included in the next ACOL newsletter. If not enough responses are received another method of advertising the positions will be used. SE asked what the criteria was GA replied there is not specific criteria. LR asked SR if Singleton Council will be responsible for going through the responses and selecting new members SR replied yes.

GA asked if letters had been sent to Thelma De Jong & Deidre Olofsson from Singleton Council thanking them for their participation in the ACOL CCC as minuted in last meeting minutes, SR replied yes they should have been. SR will confirm when she gets back to Council offices.

6. REPORTS AND OVERVIEW OF ACTIVITIES

6.1 OVERVIEW OF OPERATIONS

Underground

BW provided an update of current UG operations. Mining has been completed in Longwall 6 and removed. Maingate 8 and 9 are currently being developed. SE asked if the Bowmans Creek Diversion (BCD) project is approved would we still be mining and developing this way? BW replied if the project was approved operations would have been relocated to near BCD area. However, due to ACOL not having approval for the project, no Longwall coal is currently being produced. ACOL have received verbal notification from DoP that approval should be released shortly. SR asked BW if it is worth putting the equipment back down in the underground workings if the approval is near. BW replied not having approval has impacted on the sequence we will now start in Longwall 7 South then wait for the diversion to be completed.

SE asked about the predicted subsidence on Alastair Bowman's property access road will ACOL upgrade and maintain the road. BW replied as part of the ACOL Subsidence Management Plan (SMP) ACOL is required to maintain the access road. We have already done this for the Pikes Gully seam and have an alternate road to use when the main road is being impacted where there is only a single section of access road we have a grader on standby to repair the road immediately.

BW also advised CCC meeting attendee's two drifts from the Pikes Gully seam to Upper Liddell are currently being driven and ACOL will start to commence mining in the second seam once these are complete and the Extraction Plans have been approved.

North East Open Cut

BW provided an update on current North East Open Cut (NEOC) operations. Works are currently being completed in the Lower Barrett seam. There is one more blast left in this seam and as of next week only 1 digger will be working in the NEOC. The Open Cut

workforce have either been moved to other works or have taken annual leave. ACOL are still awaiting SEOC project approval.

SE asked if the CHPP will run out of coal. BW advised the CHPP currently has a full ROM stockpile however these will be emptied by the end of January. After this time until ACOL receive approval for the SEOC project only development coal will be produced. JMc asked how long it will be until the SEOC is producing coal. BW replied the SEOC will not produce coal until June – August 2011. Coal will be produced from the Longwalls in the BCD project area in the beginning of April 2011.

JMc asked would ACOL be without production coal for 3 – 4 months? BW replied ACOL will not be producing coal for 3 months and will be on limited supply for 8-9 months. GA asked BW how this will impact on the workforce? BW replied the delays are significant to operations. The underground operations staff that has left will not be replaced and the rest are doing development work. The open cut workforce have been offered to take extended annual leave as a first option. Personnel who do not take this option will be utilised on the BCD construction phase and for open cut fencing and rehabilitation works. LR added this includes weed spraying, etc.

LR advised meeting attendees ACOL are now looking at a proposal to mine remnant areas within the NEOC. ACOL are currently undertaking a preliminary assessment on the possibility of mining the current Lower Barrett pit 14 metres deeper to the Hebden. A maximum of 1-2 diggers would be able to work in this area. SE asked the thickness of the seam at this depth BW replied 1-2 metres. BW added the proposal would provide continuity of work for some of the NEOC personnel until we knew the outcome of the SEOC project approval. This proposal may require a minor Development Consent modification. JMc asked why it was not viable previously? LR replied the strip ratio (7:1) and spoil volume made it previously unviable to mine to this seam for the whole of the NEOC pit area. This proposal is for a small area only it is not being implemented to make money but provides potential continuity of employment for some of the workforce and some coal flow. GA asked what the recovery would be BW replied 100,000 tonnes at 60-70% yield. And it will take approximately 3 months and the project require approximately a third of the NEOC workforce.

LR added ACOL are also looking at preliminary assessment works on the Arties pit located in the OC ROM area. ACOL already have approval to mine the area, as part of the current Development Consent but it had not been mined due to the ROM facility.

BW advised Arties pit will be completed first and dirt from the Hebden Pit will be used to backfill the Arties pit. LR added there will be no increase in dump heights. Material will be stockpiled on the buttress. JMc asked the recovery of the Hebden Pit BW replied 55-60%. SR asked if these extend the time for ACOL requiring an indication of the SEOC project approval, BW replied ACOL need an indication on the SEOC by January 2011. SE asked if the proposed works were on already exposed ground. LR replied yes, ACOL believe the works will only require minor modifications and will make the final void better for tailings storage. LR asked for comments or feedback on the proposal.

6.1 PROJECTS OVERVIEW

SOUTH EAST OPEN CUT

SE asked about the Native Title issues with the SEOC project recently covered by articles in The Singleton Argus.

LR advised the Native Title process ACOL are currently undertaking is no different to the Native Title process undertaken anywhere, where mining is to be undertaken on a parcel of land that has a potential for Native Title. ACOL have a current Native Title Deed for the existing operations Mining Lease area. However the claimant group registered for the new MLA351 application are different to the existing deed claimant group and ACOL are currently in negotiations with the claimant group to settle a Native Title deed related to MLA351. LR further described the Native Title process.

SE asked LR if it was a stumbling block as has been represented in the local newspaper? LR replied no and that the Native Title process is not a new process as was stated in the media. LR reiterated that the Native Title process that is part of MLA351 is not different to any other negotiations undertaken in the Hunter Valley and has been accounted for in the project schedules and is in line with the project timeframes.

BOWMAN'S CREEK DIVERSION

LR provided an updated on the Bowman's Creek Diversion Project approval process and explained that all the issues have been addressed with DoP.

PROPOSED GAS DRAINAGE & VENTILATION DEVELOPMENT CONSENT MODIFICATION

LR provided an introduction to meeting attendees on the proposed gas drainage and ventilation facilities for the underground operations. As ACOL have now mined one seam more information is available on gas levels and required ventilation. ACOL plan to apply for a modification to the Development Consent to install gas drainage infrastructure and a new ventilation shaft. JM asked if ACOL gas drainage infrastructure will feed into the Hunter Valley proposed system. LR replied no they will be separate. BW replied other mines including Ravensworth underground currently have gas drainage infrastructure. GA added mines in the Hunter Valley have been venting methane for a long period of time however the population is starting to raise concern due to the proposed Bulga gas Project. JMc added gas drainage has been highlighted since the New Zealand gas explosion. BW replied the infrastructure will not be for gas production it will be used to vent the gas from underground workings to provide a safe working environment. SR asked if the methane will be burnt off? LR replied it will be free venting to start with.

LR advised there will be 2 stages for the Development Consent modifications.

1. The first stage is the construction of approximately 15 free venting gas drainage facilities. These will operate sequentially during mining.
2. The second is the installation of a ventilation shaft above Longwall 1 and an integrated gas drainage system.

SR asked the locations of the gas wells. LR showed meeting attendees on the ACOL aerial the location of the proposed gas drainage plants above ACOL's current underground workings and explained some information on the infrastructure. Advised ACOL will utilise the infrastructure for each of the seams mined. There was discussion about the design of the plants and possible visibility from the highway etc. Screening options were discussed with suggestions of colour bond fencing and tree screens.

JMc expressed his concern at venting gas from underground workings LR replied other operations within the Hunter Valley are currently extracting methane and that if the gas drainage plants were not installed the methane would still come out of the ventilation shafts. JMc replied if the mine was not there it would not come out. BW advised ACOL will look into either flaring or other possible beneficial uses for the gas.

SE asked if the ACOL gas volume is known? BW described the gas levels monitoring and quantities.

SR asked GA if Beltana say Macquarie Generation will put pipeline at Bulga. There was discussion about potential for a Macquarie Generation gas pipeline that may be utilized by ACOL.

SR asked how long for the 15 holes to be drilled? BW replied holes will start to be drilled by April 2011 and continue for 18 months to 2 years. JMc asked if these will then be used for the next seams BW replied yes. SR asked when they will form part of a larger network BW replied middle – late 2012.

SE asked about water ingress into the underground LR replied that the underground does have water ingress but not in excess of EIS limits. SR asked how far the underground is vertically from Bowmans Creek BW replied 150 metres and the coal seam outcrops into alluvium near Glennies Creek. LR replied the UG inflows have reduced below prediction. BW added ACOL utilise the ingress water around site.

6.3 ENVIRONMENTAL

DUST MONITORING

LR provided an overview of the dust monitoring sites and results for the three month period. Ashton Coal did not exceed their PM₁₀ criteria during the quarter.

BLASTING

A total of 36 blasts were conducted during from September – November 2010. ACOL are currently exceeding 5% vibration with 2 blasts exceeding. There are only 2 blasts left in the Lower Barrett in the NEOC. JMc commented he has not heard a blast for the last 6 months.

WATER MONITORING

LR provided an overview of the surface and ground water monitoring results for the three month period.

NOISE MONITORING

Statutory noise monitoring was undertaken in November and there were no exceedances of the Ashton criteria.

7. GENERAL BUSINESS

LR advised ACOL relieved a penalty Infringement Notice in November regarding an early start of a dozer on the 16 November.

JMc asked where the DECCW's new monitoring station was to be located in Camberwell. LR replied it will be near the curve on McInerney Road. JMc commented that is directly on a road easement. LR replied DECCW were aware of this and were currently negotiating with the relevant agencies to try and gain access to the land. JMc

replied The Singleton Argus had published there was already a monitoring location in Camberwell SR replied no they advised there was one coming online in March along with other stations planned in rural towns near mining operations in the Lower Hunter.

JMc asked if there had been any more information on the Camberwell Church LR replied no JMc would have to check with the Diocese.

SE asked who had bought the Camberwell Hall LR advised ACOL purchased the Hall and the property was due to settle today.

JMc thanked ACOL for the Christmas hamper.

MEETING CLOSE 2:55 PM

8. DATE FOR NEXT MEETING

Tuesday 1 March 2011 @ 1.00PM

9. SITE INSPECTION OF THE OPERATIONS – Not conducted

ACTION ITEMS

1. SR to confirm Council sent letters to TD and DO thanking them for time on the CCC;
2. SR to send LR Council advertisements for two new members on the CCC. LR to include in ACOL next newsletter; and
3. SR to find out from Council's Parks department where the section 94 - Camberwell town signage is up to.