

**RIX'S CREEK COMMUNITY CONSULTATIVE
COMMITTEE MEETING**

MEETING 9/9/2014

PRESENT: Councillor - Val Scott. Community Representatives – Reg Eveleigh and Patricia Bestic.

Company Representatives – Garry Bailey, Luke Murray, John Hindmarsh (Minutes), Jason Desmond.

APOLOGIES: NSW Planning & Environment – Ann Hagerthy.
Community representative - Michelle Higgins.

Meeting commenced 9:00 am with site inspection.

1 AGENDA

Councillor Val Scott chaired the meeting.

2 PECUNIARY INTERESTS

None reported.

3 PREVIOUS MINUTES

Minutes of meeting 27/05/2014 Accepted. Moved Reg Eveleigh Seconded Patricia Bestic.

4 BUSINESS ARISING.

Nil.

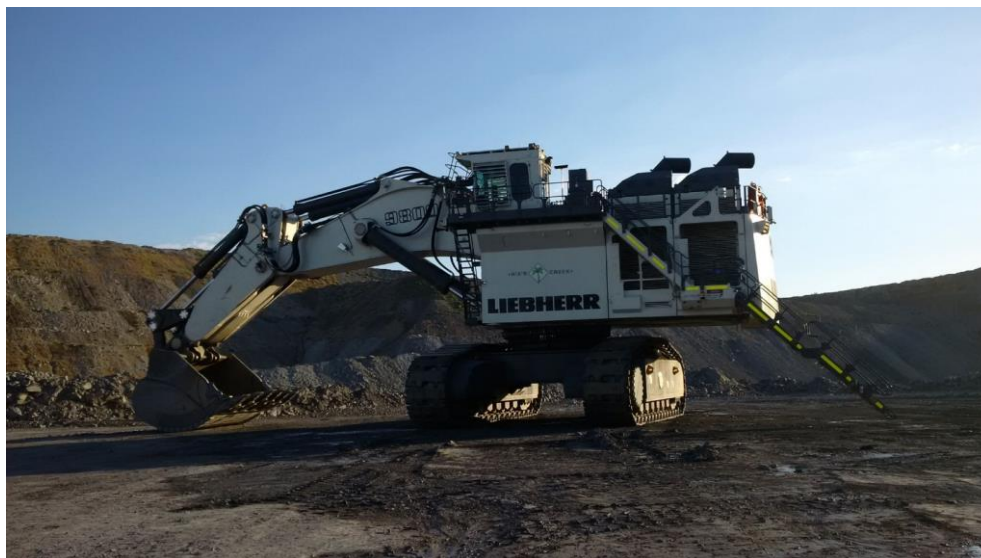
5 PRESENTATION OF ENVIRONMENTAL MONITORING REPORT.

SUMMARY

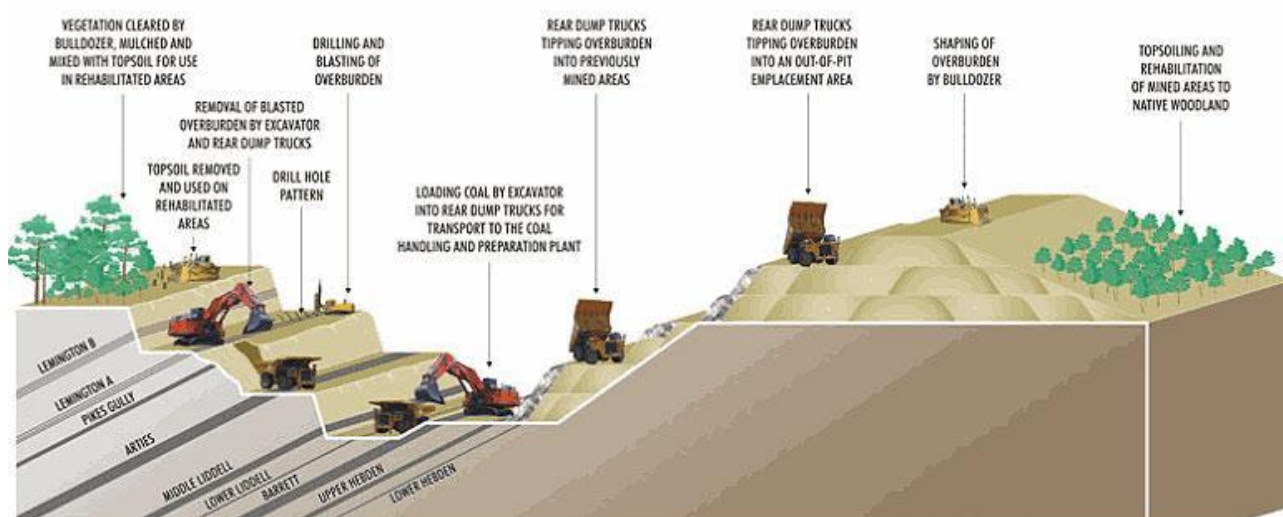
- Go over environmental monitoring results for the period January to end June 2014 for Rix's Creek (RC).

ACTIVITY

- Operations continuing in Pit 3 (West Pit) which is focus of operation and dumping in Pit 1 (North Pit) since last coal removed January 2014. Previously Hitachi EX5500 excavator, Hitachi 3600 excavator and Marion 305 Dragline in Pit 3. Dragline sold and removed from site February 2014. This was replaced with the new Liebherr R9800 excavator to increase overburden production.



- Bench style sequence of stripping / blasting / mining / dumping / shaping / rehabilitation remained in place during 2014 and this will continue.



Production for the six months to the 30th June 2014 was:-

Overburden removed	6.63 million BCM
Run-of-mine coal	1,467,585 t
Clean coal	766,942 t

- Rix's Creek production level limit is 15 million bank cubic metres (bcm) of total material movement per year – The purchase of the Leibherr 9800 has been successful to the extent that continued production at current levels would result in an exceedance of the production limit by 6 to 7 percent. Rixs Creek has had a preliminary discussion with the Department of Planning as to the opportunity for a temporary increase in the yearly total movement of material limit. The environmental impact of this will need to be demonstrated to the Department of Planning. Rixs Creek will adhere to its development consent limit if a variation, to the consent, is not possible.
- Main changes across site for the first half of 2014 include the New England Highway visual bunds, the construction of an out-of-pit haul road emplacement ahead of Pit 3 (Western area) and Tailing's Dam #2 rehabilitation work's over a large area.

QUESTION: How far does the property boundary go to the west of the operation?

Proposed lease extension will be within the properties owned by the Company and west to the boundary of the adjoining exploration lease.

QUESTION: Will there be another underpass in the future?

Yes - there will be another underpass constructed further up the highway about 1.3 km along. This is necessary as the current underpass will be cut off for a period of time as the pit progresses to the northwest.

AIR QUALITY

Insoluble solids deposition results.

- The year to date average of all of the gauges from January to June is 1.8 g/m²month, which is slightly lower (10%) than the 2013 year to date average of 2.0 g/m²month and another 10% lower than 2012 year to date of 2.2 g/m²month. Interesting as 2014 to date has been particularly drier than these previous years.
- Gauges 6 (4.1 g/m²/mth) and 26 (5.5 g/m²/mth) exceeded the annual average deposition limit of 4 g/m²/mth. Gauges 6 and 26 are located within close proximity to the operation. Gauge 26 is within the active mining area and will be relocated within close proximity during September 2014.

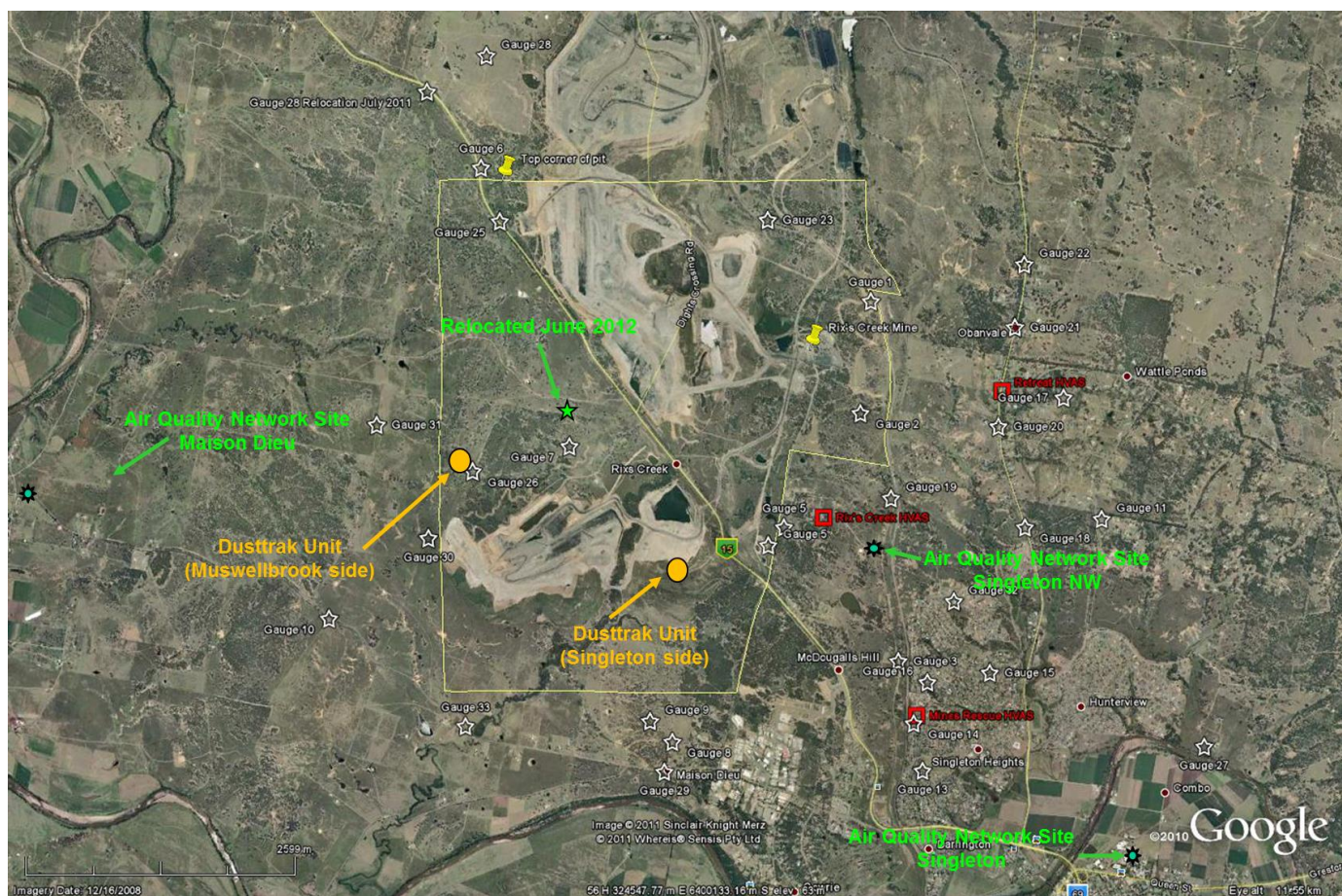


Figure 1 **Air Quality Monitoring Location Map**

Two Dusttrak units are located across Pit 3 for RC personnel to recognise air quality contribution (under NW-SE wind influence). These locations were shown.

QUESTION: When were the Dusttrak units set up?

The units were installed in October 2013.

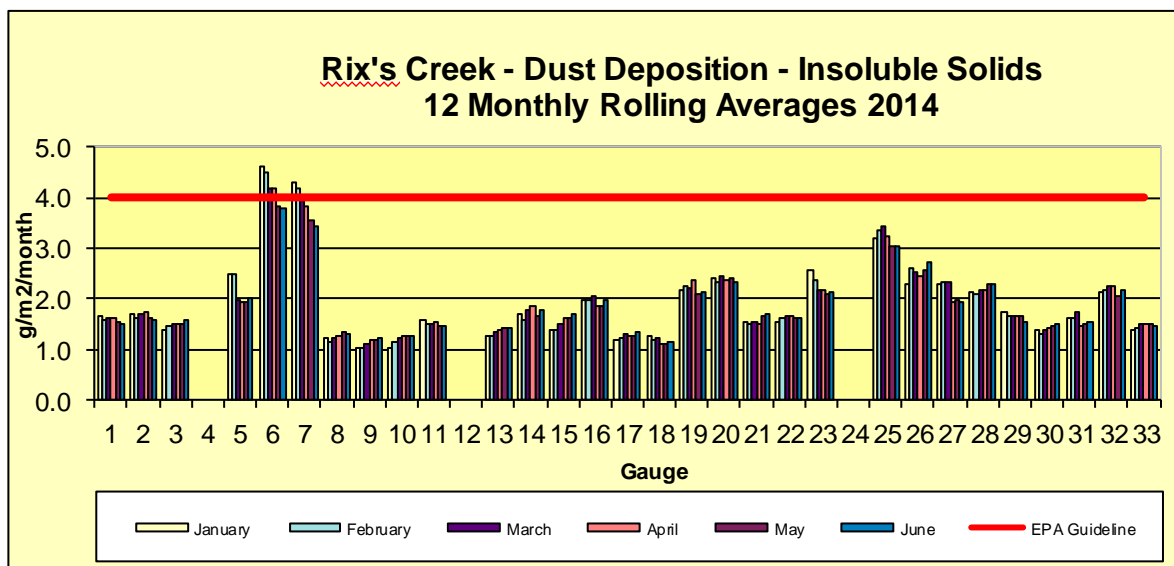


Figure 2 Dust Deposition (Insoluble Solids) 12 monthly rolling averages.

Gauges 6 and 7 show elevated results over a 12-monthly rolling average and this is similar to previous years.

Total Suspended Particulates

- All sites below annual limit: 90 $\mu\text{g}/\text{m}^3$
- The Retreat site recorded 7 runs, the Rix's Creek site 6 runs and the Mines Rescue site 2 runs over the annual average limit of 90 $\mu\text{g}/\text{m}^3$. Results for 2014 to date have been similar to that of 2013. Year to date geomeans are:-
 - Rix's Creek - 48 $\mu\text{g}/\text{m}^3$ up from 41 $\mu\text{g}/\text{m}^3$ last year's average
 - Mines Rescue - 40 $\mu\text{g}/\text{m}^3$ up from 37 $\mu\text{g}/\text{m}^3$ last year's average
 - Retreat - 55 $\mu\text{g}/\text{m}^3$ up from 47 $\mu\text{g}/\text{m}^3$ last year's average

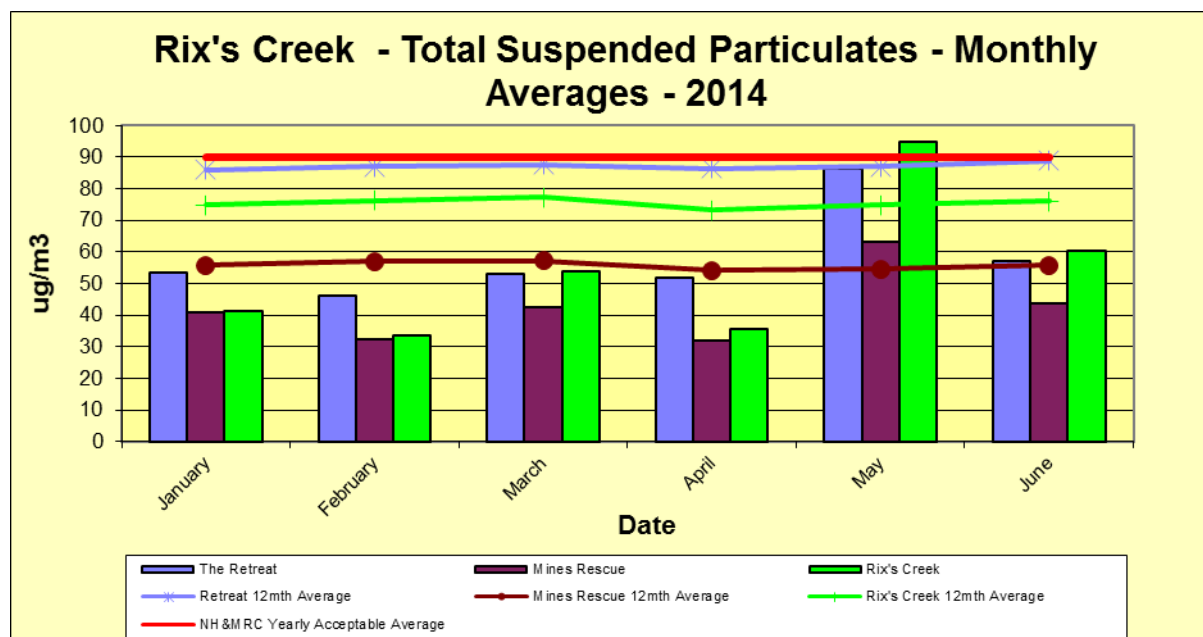


Figure 3 Total Suspended Particulates Monthly Averages & 12 Monthly Rolling Averages.

12 monthly average all similar to 2013 monthly average results. Higher results in May being a dry and windy month.

Particulate Matter less than 10 micron.

- All sites below annual limit of 30 ug/m³ on a twelve monthly rolling average.
- No results > 50 ug/m³ maximum daily goal – again interesting as last year had 5 whilst being a wetter year than 2014 to date.
- Rix's Creek 23 ug/m³ – last yearly average 22 ug/m³
- Mines Rescue Station 19 ug/m³ – last yearly average 18 ug/m³
- Retreat 21 ug/m³ – last yearly average 21 ug/m³

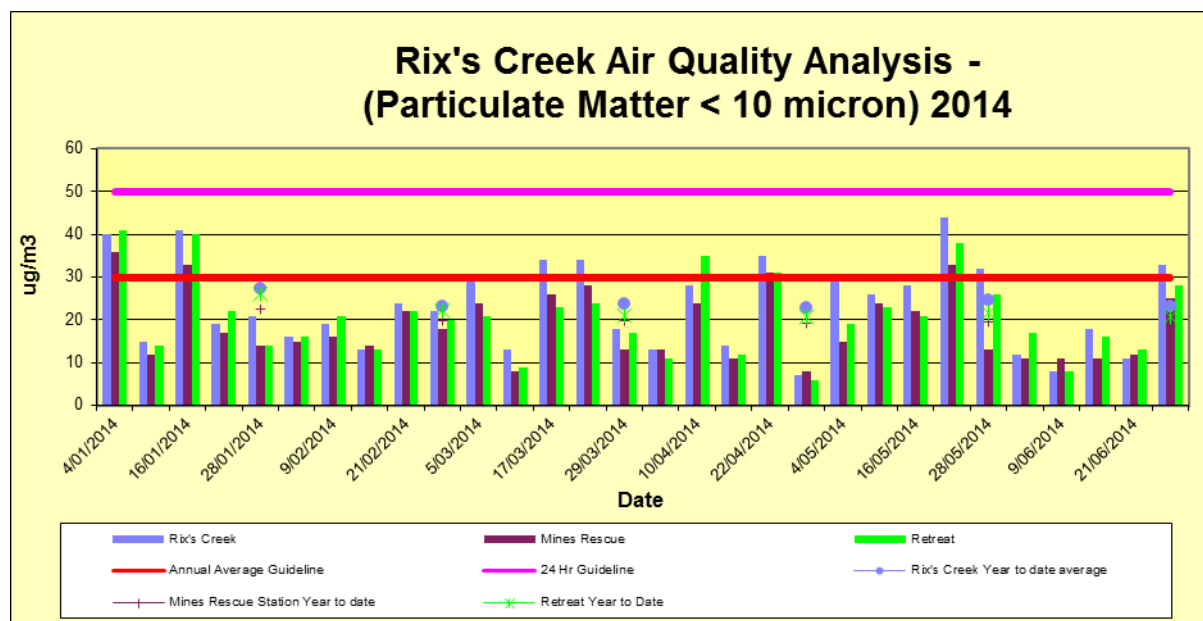


Figure 4 Particulate Matter < 10 Micron year to date

- Two complaints were received in relation to air quality:
18/1/2014 – Anonymous from passing motorist on NEH – Excessive dust from dozer on highway bunds – OCE filmed no dust entering highway & continued works.
20/2/2014 – Resident on Rix's Creek Lane – dust leaving haul road. Trucks were stopped until haul roads were sufficiently watered.
- Rix's Creek has undertaken various EPA monitoring regarding air quality:
Dust PRP's imposed such as wheel-generated dust, adverse weather conditions, overburden handling and recently dust off disturbed areas.

WATER QUALITY

- Even with heavy rainfall during March the rainfall was not sufficient to produce flows in Rix's Creek.
- pH minimal change across all sites.
- Salinity levels increased throughout the year aligned to minimal flow and dry conditions.
- Total dissolved solids mirrors salinity.
- Total suspended solids – Some higher than usual levels during March at the furthest downstream site (seen in Figure 5). Likely due to rainfall and associated run-off within catchments.

QUESTION: What is mine water?

Mine water is water collected from disturbed areas of the mining operation and runoff from these areas collects in the pits and is pumped to dams for storage and reuse for dust control on the haul roads and use in the washing plant.

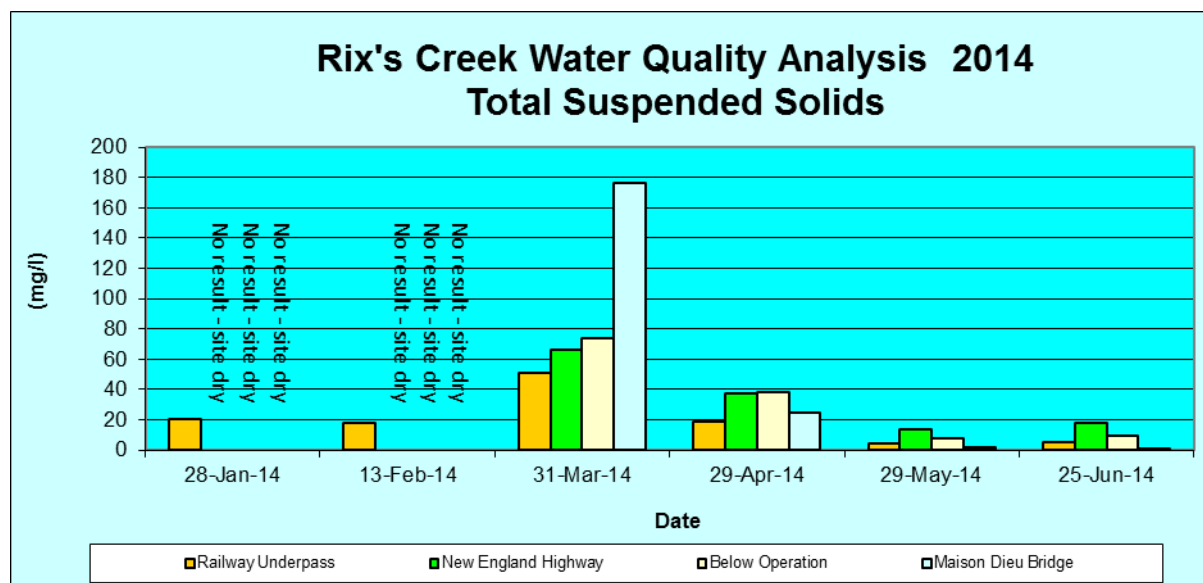


Figure 5 Rix's Creek – Total Suspended Solids

- No complaints regarding water management.
- No incidents regarding water quality.
- Improvements to water monitoring:
 - Installation of flowmeters across site as per Minerals Council Australia Water Accounting Framework – this was an initiative from the Upper Hunter Mining Dialogue 'Water working group'. Flowmeters have been working throughout all of 2014 to date.

QUESTION: Do you have a water license?

The Company had water allocation from the Hunter River associated with properties acquired in the Maison Dieu area. As well as a very small entitlement on Glennies Creek which will allow access to water by pipeline installed back in 1997 drought.

NOISE MONITORING

- 1st Quarter results (undertaken by third-party consultant):
 - Retreat – not audible;
 - Maison Dieu – not audible;
 - Singleton Heights – not audible; and
 - Camberwell – not audible.
 - Three complaints – 11/2/2014, 25/2/2014, 19/3/2014.
- 2nd Quarter results (undertaken by third-party consultant):
 - Retreat – audible and measurable mining noise from ROM Pad;
 - Maison Dieu – Mining noise audible on several occasions but not measurable above background;
 - Singleton Heights – audible and measurable on one occasion; and
 - Camberwell – not audible.
 - Five complaints and four enquiries.

Both quarter's had nil exceedances as per RC Project Specific Noise criteria.

- Third-party noise consultant to verify noise impacts and model future potential noise impacts from mining operations. This will continue during 2014.
- Several noise complaints second half of 2014 in Maison Dieu area – similar to second half of 2013. Method of mining and production rates same as previous years. Due to this and 'best practise' a 3D noise model has been developed for RC – the model is currently being calibrated by a RC Graduate Student conducting night-time attended noise monitoring. This work is also directing Shift-Supervisor's from off-site via noise monitoring as to what areas may be experiencing excessive noise levels from site. Of interest is no complaints regarding noise have been received since the work has commenced.

QUESTION: What is noise trialling on dozer?

Going to trial different tracks with rubber inserts to attempt to reduce the 'clack clack' of the tracks.

METEOROLOGICAL

At the end of June total rainfall was 311.25 mm which was 65.75 mm below average. This time last year we were 198.25 mm above average highlighting the vastly different weather patterns. March was the only month to receive excessive rainfall well past its monthly average.

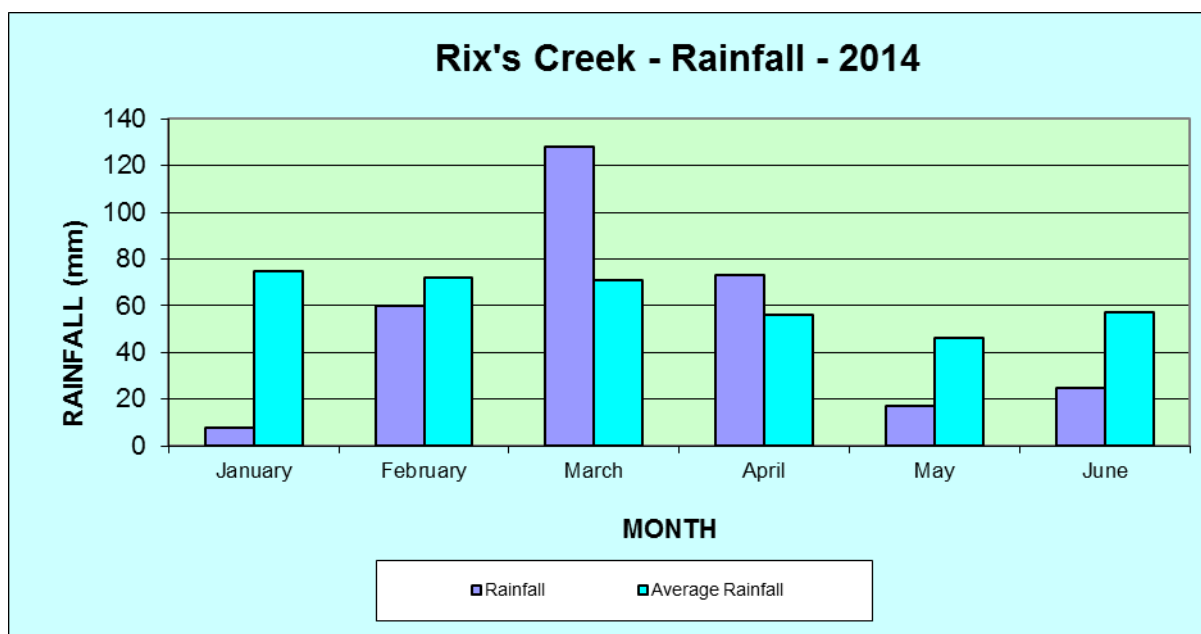


Figure 6 Rainfall

Winds were similar to previous years with January-March being under a SE influence, April being a transition period from SE to NW and May to June being under a NW influence.

BLASTING

- 30 production blasts. 4 Pit 1 (North Pit) and 26 Pit 3 (West Pit).
- One blast recorded overpressure > 115 dB_{Linear} but < 120 dB_{Linear}
- No blast exceeded 5 mm/sec vibration.

Complaints.

Two complaints received in relation to blasting (from two associated blasts) on the 16/4/2014 and 23/6/2014. One was related to air quality and the other overpressure.

REHABILITATION

Several areas were shaped to final landform, topsoiled and prepared for final rehabilitation during January to June. Biosolids was incorporated into the topsoil as per previous years. The larger areas rehabilitated included the New England Highway visual bunds, North Pit Dump areas and Tailing's Dam #2 area. Several small areas were completed across site and within close proximity of the New England Highway for visual amenity / screening purposes. Rehabilitation is to continue throughout July to September with focus to complete the Tailing's Dam #2 rehabilitation.

3620 Tubestock were planted along the New England Highway, North Pit dump and ROM Pad noise bund during April.

Approximately 25 hectares of previous pasture rehabilitation on Pit 2 (South Pit) was mulched to promote species diversity and soil improvement. This area also had any surface rocks removed, erosion rills repaired and re-filled with topsoil.

Approximately 5 hectares of pasture rehabilitation was rock-rolled on the North Pit rehabilitation (via a tractor and drum-roller) to break-down surface rocks, press larger rocks into the surface and flatten high-standing pasture so weed management could be conducted more effectively especially to low ground cover weeds such as *galenia pubescens*.

DRAFT PROPOSED FINAL LANDFORM

A draft version was shown to depict a final landform design for Rix's Creek. The previous version 'Original Landform Plan) was shown at the previous meeting and has been modified due to public safety concerns of having a long term high-wall near the New England Highway. This has since been modified several times to give a better landform by the creation of a depression. There will be no high vertical walls around the depression. The sides will be shaped to an 18 degree slope and this slope will be planted to trees to stabilise the area.

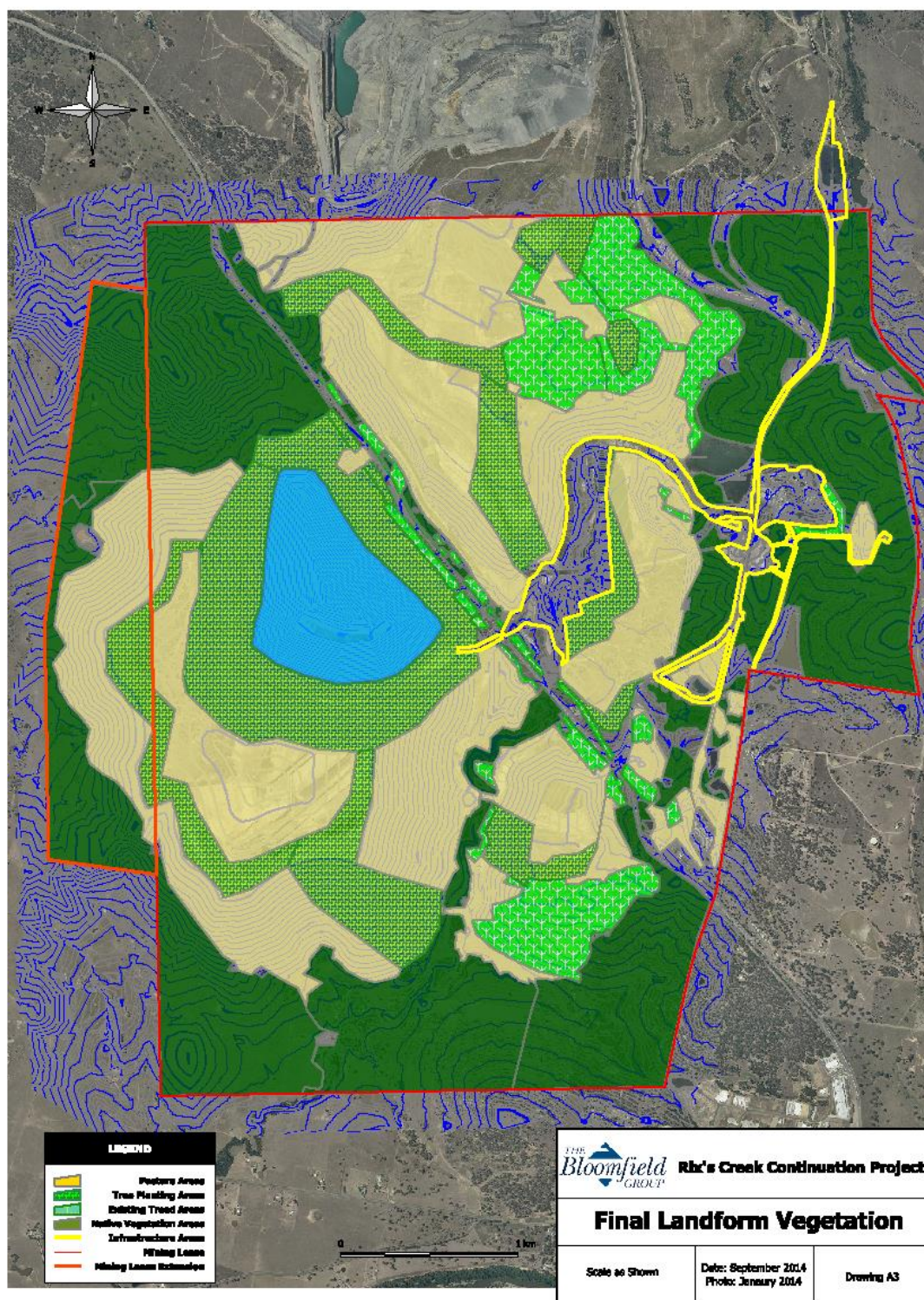


Figure 7 **Proposed final landform design**

RIX'S CREEK CONTINUATION PROJECT - UPDATES

- BSAL – Certification received
 - EPBC – Referral to be submitted
 - Ecology – Completed – UHSA -
 - 1,400 ecosystem credits from 211 ha of disturbance
 - Archaeology – Report with Groups from review
 - Groundwater – completed
 - Surface water – underway & Erosion & Sediment Plan being prepared.
 - Economic & Social – waiting on finalisation of reports
 - Noise - ongoing
 - Air Quality – when modelling completed will be refer to Dept of Health when completed
 - Blasting - completed this week
 - RMS
 - Mine Design & Geotechnical
-
- Meeting with Council Officers next Tuesday 16th September 2014
 - Newsletter update ~ month & Newsletter EIS ready
 - EIS for Adequacy – November
 - Presentation of EIS to CCC?

QUESTION:- Will Rix's Creek have a 100 m exclusion from the New England Highway on the West Pit side similar to the North Pit?

Yes – similar arrangement being no mining within 100 m of the New England Highway centre-line.

QUESTION:- Have any companies within the Maison Dieu Industrial Area complained relating to air quality, blasting, etc?

Yes – one complaint in the last 12 months relating to dust within the workshop relating to blast and general air quality, however, last several years has been a good record with minimal / no complaints. Using dust and fume dispersion model developed for the site back in 2012 the operation has been able to schedule blasting to minimise the potential of a dust or fume cloud from drifting into the industrial estate.

GENERAL BUSINESS

Nil

NEXT MEETING/S:- **November 2014 @ 10am TBC. EIS Briefing Meeting.**
 May 2015 @ 10 am TBC. Presentation of Annual
 Environmental Management Report for 2014.

Meeting Closed 12:02 pm.