

Ulan Coal Mine

Community Consultative Committee Meeting

Minutes 19th September 2007

Attendees: Julia Imrie, Bev Smiles, Gail Ratcliffe

UCML Representatives: Phil English, Jamie Lees, Nathan Lane.

Apologies: Scott Lillis, Arthur Williams, Esme Martin (MWRC), Don McLaughlin, Murray Wood, Garry Bruce (MWRC - Chair)

Chair: Julia Imrie (CCC/ HRCMA) Chair in Garry Bruce Absence.

Review of Previous Minutes

- JI indicated that CCC had not been given SMP conditions for Longwalls 23 -26 & W1. JL went and copied SMP conditions and gave CCC members JI, BS and GR.

Minutes Moved as a true and correct record

Moved: Jamie Lees 2nd: Julia Imrie

Operational Update

- PE updated CCC on the operational challenges due to the geological intrusions (dyke) in the UG operations. Due to implications on roof stability the Longwall has pulled out early as a safeguard. Geological issues are well known from previous longwall panels.
- PE stated that secondary support costs are high and the site has had Strata Control Engineers to investigate to identify what is best method to deal with current issues.
- JI enquired if current issues were due to the fat face. PE stated that experts had indicated that the 400 m Longwall was not a contributor to unstable roof conditions and local geology were largely being targeted as a contributing cause.
- PE stated that abutment stresses that were in front of the longwall are exceeding the past levels. The affected ground in the mains is reacting to these stresses and early longwall relocation was to occur. Action I being taken largely to protect mains for future operations.
- BS highlighted this as a safety issue and PE indicated that holding the roof up is a fundamental of underground mining and roof conditions remain a concern for any underground operation.
- PE indicated that UCML does maintain an exploration program however the program did not pick up the intrusive.
- JI asked about water make in mine from the June rain. JL indicated that the monitoring is due this month and that data may pick up the increased water make.

Subsidence Management Plan (SMP)

- PE provided a brief presentation. BS requested that this SMP be delivered to CCC. PE stated his intention was to distribute via CD.
- GR noted that she represents aboriginal community of Muronga-linga on CCC.

- JI enquired whether the subsidence community consultation committee (SCCC) was to be filled by the CCC. PE indicated that current CCC forum was accepted by the DPI for the purposes of the SCCC.
- PE indicated that longwalls 23 to 26 & W1 had been approved in August 2006. PE showed a map of the mine plan and the Application boundary for W2 & W3. JI asked about overlap on W1. PE indicated that the angle of draw had to be taken into account and this is why the area overlapped between the previously approved SMP area and the proposed SMP area.
- PE detailed the proximity of grinding grooves in the new SMP and old SMP areas.
- PE provided an overview of the mining process and subsidence process.
- PE stated that the mine was supercritical in terms on subsidence and this will always be the case due to the size of the longwall and depth of cover.
- BS asked what long-term data had been collected around the world regarding behavior of strata after mining. PE stated that UCML has, pre, during and post extraction data and that the long term subsidence is negligible in comparison initial subsidence impacts, i.e. 5 – 3 weeks.
- JI raised the study by Dr Klose that showed a link between the Newcastle earthquake and coal mining – particularly the removal of water from the strata and proximity to fault lines
- BS questioned data that had been received to help predict subsidence and water make.
- PE stated that groundwater monitoring network had been extended since last SMP targeting key geological horizons and that points presented in presentation were typically nests of piezometers at different heights in the strata rather than individual monitoring bores.
- PE indicated that subsidence does have an effect on water make.
- PE stated that the Regional Ground Water Monitoring Network offered regional information on hydrology for the area with the network not only surrounding the lease, however maintaining monitoring sites well off lease (in some instances 25km's from current operations).
- PE stated that UCML water make is production aligned and dictated by the footprint of the mine and levels of extraction. Water modeling undertaken for the SMP application also gives consideration to the flip flop mining sequence and that this would make a greater make for W1.
- JI indicated that her understanding of the latest Ulan AEMR report on groundwater indicated that water was coming from the upper aquifers as well as the coal seam. Showed the Triassic aquifer above the longwalls had been dewatered, with some drawdown impacts extending out to 2 kms.
- PE showed a graph which demonstrated the percentage contributions from the different sources.
- PE showed graph that showed the draw down from the mining process within the Triassic Sandstones. JI asked if any of these were installed away from the mining process.
- JI indicated that iron content has increased in Bobadeen Creek. JI indicated that this may be due to longwall mining. PE indicated that this may be due to peat quarry located on Queens Creek, however from experience disturbance such as road cuttings do pose a potential for increases in iron levels.
- JI said while the high levels of iron was indirectly due to basalt and nature of the area the source of the increased iron in the creek appeared to be coming from below a rock platform just downstream from a western tributary of the Bobadeen Creek that drains from the longwall area.. JI would like UCML to keep it in mind and notify our water experts.
- PE indicated that experts will be available for SMP CCC presentation to answers any queries and inform them of the results of the SMP.
- BS enquired about the SMP reporting requirements. PE stated that SMP conditions were required to be reported in the AEMR.
- JI indicated that the data appeared to be answering some of the questions she had been raising for many years on the impacts on the upper groundwater system.
- PE showed graph which indicated that the subsidence profile has been consistent through historical data. Typically subsidence was 0.9 to 1.3 m. Last SMP predicted subsidence of

up to 1.6m with the longwall panels being supercritical, and actual monitoring undertaken indicated levels of far less.

- PE indicated that extraction levels were 3m from the underground and subsidence results were 37% of extraction heights – below typically what would be received for a supercritical longwall operation.
- PE indicated that typically the operation maintained a 26.5° angle of draw, however minor variations had been observed were 20mm subsidence impacts had been observed at a 45 degrees angle of draw. Ken Mills indicated to PE that in his opinion this could be a survey error.
- PE stated that he would like to hold an extraordinary CCC meeting to present the SMP to the CCC. BS would like to be informed of the SMP before submission and not hear about it through the Mudgee Guardian.
- JI asked if there was any investigation into where the Permian ground water naturally exits to the surface. PE stated that further evidence was needed through studies. JI indicated that from her observations the surface flow in the river dried up about 30km downriver well before it ceased flowing upstream.

Water Management Update

- 20th June 2007 was granted permanent discharge under EPL 394. 15ML per day at a certain criteria. 694 ML discharge to date with 99% of water below 800EC criteria.
- PE stated that every 12 months invertebrate ecological monitoring is undertaken.
- PE outlined the parallel pipeline project with the feed dam, blend dam and RO plant. PE stated that discharge had ceased due to irrigations starting for summer months and the introduction/ construction of a CMF unit (pre filtration). A CMF unit is required to be installed to help limit the amount of filter changes required and assist in the efficiency of the plant.
- JI emphasized that it is very important that water releases from the mine replicate natural flow regimes – not just based on what is convenient at the time. Releases should represent an environmental flow to replace the loss of base flow to the river from the drawdown and depressurisation of groundwater. Needs to be based on science, ie calculation of what has been lost from the river system, maintaining river health. This is a central issue to downriver users and Ulan Mine needs to develop an appropriate strategy
- PE indicated that wastewater from the RO plant was produced at 70% yield and that this water was used in the dirty water system circuit across the site.
- JI asked when UCML did stopped releasing. JL stated that this was the first Monday of September.
- BS asked what level was Bobadeen Dam level at this stage. PE stated this was about 210 ML and this would be retained over summer.

Goulburn River Update

- JL outlined the diversion history to GR. GRBDA committed to under the SMP conditions.
- JI asked if we had seen a draft of the hydrological report. JL indicated this had not been received the draft to date. JI asked if she could receive a copy once developed. JL stated he would give a presentation on this report.
- JL outlined was in preliminary discussion with Earthtech to study the engineering design of the GRD.
- JL outlined that the design that this must be a long-term strategy. JL indicated that this must be beyond life of mine to ensure security signoff.
- JL identified that the erosion in the diversion was not caused by overland flow, but was caused by slumping due to saturation of banks after rain events.
- JI said this may explain her observations of a sudden increase in turbidity on a falling river (ie well after a rain event)

Noise Reduction Plan Update

- PE stated that NRP has been submitted to government agencies and constitutes a \$3.5 million spend.
- JI stated that Rob Carroll had been in touch. Rob Carroll met with PE and Murray Wood. PE stated that they listened to Rob's concerns and washery noise was his source of complaint.
- BS asked when the mining was to cease. PE stated the current barrier pit would end in May 2008. BS asked were there any other open cut mining proposed. PE stated it was part of our business to mine coal and reserves are constantly being assessed.
- PE detailed the rationale behind the NRP. This means taking away the intrusive components out and then the overall noise with the washery.
- PE indicated they UCML may acquire people, however the priority was to control the noise at the source.

UCML Compliance Audit Findings

- PE detailed DoP audit findings.
- PE presented the Independent Environmental Audit (completed by Matrix and required under consent). JI and BS interested in CCC trust financial allocation. JI raised that the CCC is part of a mines conditions of compliance and relies on the community representatives consulting with local community, bringing those issues to CCC meetings, providing feedback on reports etc.. This can be quite time consuming and conflict with other work commitments. Suggested that the time and travel to attend CCC meeting be appropriately recompensed (as per numerous government Committees that rely on similar community input)
- JI said that it has been stated in recent CCC guidelines that it was up to the company to determine whether sitting fees will be paid.

PE to investigate on behalf of CCC and provide feedback for future CCC meeting.

- BS raising the provisions that has been accrued and should this money is back dated. JI said reference to a trust fund had been mentioned in one of the early CCC meetings
- Suggestions that fund could be used to look into cumulative impact of mining on river flow
- PE stated that suggestion for the spending of this money should be tabled at the next CCC to give any potential spend a strategic direction and nominations for spend should be presented at the next CCC.

General Business

- NL outlined the charity golf day to be held on the 5th of October.
- JI enquired about where the Goulburn River Woody Weed project. NL indicated that the draft report was finished and is currently being reviewed. NL detailed planned works using the CVA including the eradication of willows from the upper Goulburn Catchments, eradications of Tree of Heaven from Ulan Creek and the Tree Planting Project along the Goulburn River.

Moolarban Issue

- PE stated UCML is undertaking a legal review of the Moolarben Consent due to legal binding conditions of the Consent to UCML's operations.
- BS stated that the Moolarban Report estimated that there will be ¾ ML water loss from Goulburn River due to the Moolarben Mine.

- PE indicated that UCML did not receive any advanced notice regarding the Moolarban Approval. PE stated that UCML was aware of the issue of consent via media reports.
- BS indicated that Moolarban still yet to consult stakeholders and enquired whether UCML had been approached.
- PE stated that had not been approached at this stage and those dealings may be taking place at a higher level in the organization.

Meeting close: 18.45pm

Next CCC Meeting: 3rd December 2007 (3.30pm – 6.00pm)