



**Ulan Coal Mines CCC Meeting
30 July 2010**

Attending Guests: Scott Lillis (SL), Esme Martens (EM), Julia Imrie (JI), Geoff Mitchell (GM), John Webb (JW) (arrived 2.30pm), Bev Smiles (BS) (arrived 3.00pm)

UCML Attendees: Jamie Lees (JL), Cheryl Henriques (CH), Ian Flood (IF)

Apologies: Linda Shreeve (LS)

Chair: Esme Martens

Meeting Opened: 2:00pm Meeting Closed: 5:00pm

1 PREVIOUS MINUTES

JL Moved that the previous minutes (Joint CCC meeting, 31 March 2010) were accepted as a true and accurate record of the CCC meeting.

GM Seconded that the previous minutes be accepted

1.1. MATTERS ARISING FROM PREVIOUS MINUTES

Nil

2 ULAN OPERATIONAL UPDATE

- JL Introduced Ian Flood, new Environment and Community Officer.
- JL Provided an update on the current mining schedule
- Currently mining LWW2. Delays due to strata issues. Mining scheduled to commence in LW26 in Nov 2010
 - Development progressing in LWW3, mains and LW26 (install face). Strata issues in LWW3 causing delays – forecasting longwall discontinuity in 2011. Currently reviewing recovery options.
 - Water inventory increasing due to summer storms, LTA discharge volumes, reduced irrigation, delayed water sharing with Moolarben Coal Mine and reduced volumes of coal being washed in the CHPP.
- JL Provided an update on key site projects
- New No 3 vent fan – under construction (commission Nov 2010). UCML plan to undertake noise monitoring in the Bobadeen area over the next few months before new fan is commissioned. This monitoring will add to current baseline monitoring data for the area.
 - MG26 dewatering facility – under construction (commission Aug 2010)

- Rowan's Dam Water Treatment Facility – detailed design (commission Nov 2010)
- Relocation of Goulburn River downstream gauging station – under construction (commission Aug 2010)
- Annual Private Bore Survey – complete (July 2010)
- Ulan West Underground – Pre-execution (pending Part 3A approval)

GM Advised that his bore is registered and so is Heimo Petzl's. Can they be surveyed as part of private bore survey?

JL Yes – this can be arranged (ACTION)

GM Mentioned that he is often approached (by people living adjacent to the mine) about the impacts of mining on groundwater bores.

JL Advised that current modelling shows that only a limited number of bores will be directly impacted by underground mining - monitoring of the North Monitoring Network is undertaken on a quarterly basis and private bores within a 5km radius of the mine are monitored annually as part of UCML's Private Bore Survey.

General discussion on groundwater monitoring and the impact zone from mining at UCML

JL Asked whether the main source of increased water on site was from surface water and consistent with water modelling predictions

JL Yes – seepage of surface water from the open cut to the underground is a contributor to UCML's water make and accounts for some of the water extracted from the mine i.e. recirculated water.

JL Asked if UCML are seeing more infiltration of surface water in longwall mined areas

JL This is too difficult to measure

SL Asked if water from new RO plant will be mixed with mine water before discharge

JL Yes – permeate from RO plant will be mixed with mine water prior to discharge.

Discharge water needs to meet water quality limits in UCML's EPL.

JL Asked what the current discharge volume is for Ulan Creek

CH Advised UCML are currently averaging around 10ML/day (compared to discharge volume limit of 15ML/day)

JL Provided an update on rehab projects

- South 5 tailings dam capping – nearing completion of 3m thick cap.
- South Hill (6ha) prepared for seeding in Spring 2010
- Detailed design of west rehab area clean water diversion system commenced
- EOI process for reclaim / reuse of Lagoons Tailings ponds commenced

JL Asked how acidic the tailings in South 5 dam are

JL The tailings have been analysed, however UCML will need to review the results and provide these to the CCC – will take question on notice and find out (ACTION)

JL Asked what was being used to cap the dam

JL Overburden from adjacent stockpile

JL Asked whether UCML have looked at what vegetation is most suitable for replanting over a tailings dam

JL Advised that 3m cap is only first stage. Final landform will have approx 6m of material over tailings. Native veg is planned for area above dam

3 ULAN COAL CONTINUED OPERATIONS UPDATE

- JL Provided an update on project approvals
- Federal Govt Approval (EPBC Act) – approval pending. DEWHA raised concerns about the Bobadeen Offset Package for Critically Endangered Ecological Communities. UCML is working with DEWHA to address offsets concerns. UCML proposing to offset CEEC off the Mining Lease and create strategic connective linkages in the landscape. Approval needed by end August to avoid development delays.
 - State Govt Approval (Part 3A) – approval pending.. Approval needed by end of August to avoid development delays.
- JL Asked if post-mining water impact was an issue holding up approval
- JL No, all water impact issues had been addressed through the EA and Response at submission assessment processes
- GM Asked what is happening with Cobbora Mine (in terms of water sharing with UCML)
- JL Advised that discussions may have been held with people higher up in Xstrata but he has not had any discussions with Cobbora about water sharing. UCML are installing a second water treatment facility at Rowan’s Dam to ensure UCML can manage its own water – UCML are not relying on water sharing with Cobbora to decrease water inventory onsite.

4 OTHER APPROVALS

- JL Provided an update on other key approvals
- Mining Lease - Surface ML required for Ulan West prior to 2014
 - Native Title - The “right to negotiate” process will be triggered as a result of the new Ulan West Surface ML applications
 - MOP - Integrated MOP in draft – by the end of August, with mining operations subject to Part 3A approval.
 - EPL - S58 modification required as a result of the Part 3A approval and western discharge provisions.
 - SMP/Extraction Plan - Ulan No.3 – Extraction plan required for panels beyond LW 26 & LW W3. Ulan West Extraction plan required prior to long wall extraction
 - Management Plans - Subject to Part 3A & EPBC Approval conditions. UCML will seek input from CCC on draft plans during next CCC meeting.
- JL Asked which Aboriginal groups are involved with UCML
- JL Advised that UCML consult with 4 groups and one individual – North East Wiradjuri, Warrabinga NTC, Murong Gialinga ATSIC, Mudgee Local Aboriginal Land Council and Warranah Ngumbay

General discussion on closure criteria, vegetation offsets and the impact of subsidence on vegetation

5 ENVIRONMENTAL MONITORING

- CH Provided results of monitoring for Ulan Creek discharge and Goulburn River (see attached).
- JL Queried results from upstream station from 12 July onwards (possible calibration issue)
- CH Will check (ACTION)

- CH Provided an update on the relocation and upgrade of the Goulburn River downstream gauging station. Explained the issues with both the upstream and downstream stations over the last few months
- CH Provided update on subsidence monitoring for LW25 and W2. Circulated the End of Panel Report for LW25 for review during the meeting (which included North Monitoring Network quarterly groundwater monitoring report for March 2010)
- JL (From the report) - noted that the groundwater level in PZ14 (Ulan Seam) seemed to increase to the same level as the Jurassic level from Nov 08 – July 09.
- CH Will check with Coffeys (ACTION)
- BS Noted that the average angle of draw was predicted at 18-20 degrees. What is the maximum?
- JL Advised that the angle of draw varies depending on topography, overlying strata etc. The angle of draw is therefore predicted and reported as an average (range).
- SL Asked if the actual results are always close to the predicted results
- JL Yes – so far the actual results verified the predicted results. Both the predictions and analysis of actual data is undertaken by Ken Mills from SCT.

6 STRATEGIC PLANNING PROJECTS

- JL Provided an update on key projects
- Bushfire Management Plan – has been finalised and distributed to all stakeholder groups including local RFS Brigades. Pre bushfire season site familiarisation inspection to be conducted in October 2010
 - Community Broad Brush Risk Assessment (BBRA) – Draft report (including risk register) developed. Summary of high and medium risk areas discussed. A4 size copies of risk register distributed to CCC for comment.
 - XCN Community Survey – results of survey presented to CCC. Newsletter to be distributed to participants.
- JW Asked that UCML consider identifying other UCML owned/managed land (to the south of the operation) in future reviews of the plan. This would help the brigades in the event of a bush fire in the area.
- JL Noted that climate change and land rehabilitation were identified in the risk register but not ranked.
- CH Will follow up with GSSE (ACTION)
- JL CH will distribute A3 size copies of the risk register along with the summary section of the report for review and comment with the draft minutes of this meeting (ACTION). Asked for comments to be sent to UCML by end of August

7 COMMUNITY SUPPORT PROGRAM

- JL/CH Provided an update on UCML's 2010 Community Support Program (donations). Approx \$37,000 spent (YTD) out of a budget of \$75,000.
- General discussion on donations budget and allocation of donations – general consensus was that budget is inadequate and UCML should give more to the community
- JL Advised that this is only UCML's local donations budget – Xstrata give millions of dollars to the community every year as part of their CSI program. UCML are happy to review the

funding program and take on board suggestions from the CCC for worthy recipients for funding.

8 GENERAL BUSINESS

- JI Asked what UCML are doing about feral pigs in the area
JL Explained that UCML currently have people onsite who trap and destroy wild pigs (using dogs and baited traps). UCML have also been approached by the LHPA regarding an upcoming aerial shoot – a decision has not yet been made regarding UCML's participation
- GM Asked if members could be provided with a map of the complex for each meeting, to assist during discussions of mine assets etc
CH Will provide A3 size laminated maps for each member for future meetings (ACTION)
- JW Asked where the Gulgong subdivision was up to
JL UCML are looking at preparing tender packages
- JI Asked where the Goulburn River Diversion rehab project was up to
JL Advised that the project will commence in 2011
- BS Asked about water sharing with Cobbora (late to meeting and missed earlier discussion)
JL Reiterated previous response
BS Asked whether water sharing was progressing with Wilpinjong
JL UCML have a Heads of Agreement with Wilpinjong – no discussion on volumes included in agreement.

General discussion on Goulburn River inflows and base flows, water licences, water costs, water sharing commercial arrangements, water model

- JL Advised that UCML are commissioning a dam break study for Moolarben Dam, based on a 1:100,000yr ARI. This follows on from a flood study that was recently undertaken which resulted in recommendations to increase the dam wall by over 2metres and widen the spillway at a cost of around \$1M (to meet NSW Dams Safety Committee requirements for a High C classified dam). The dam break study will model flows from both Moolarben Creek and Sportsman's Hollow Creek and the expected impact downstream of the dam in the event of a dam failure.

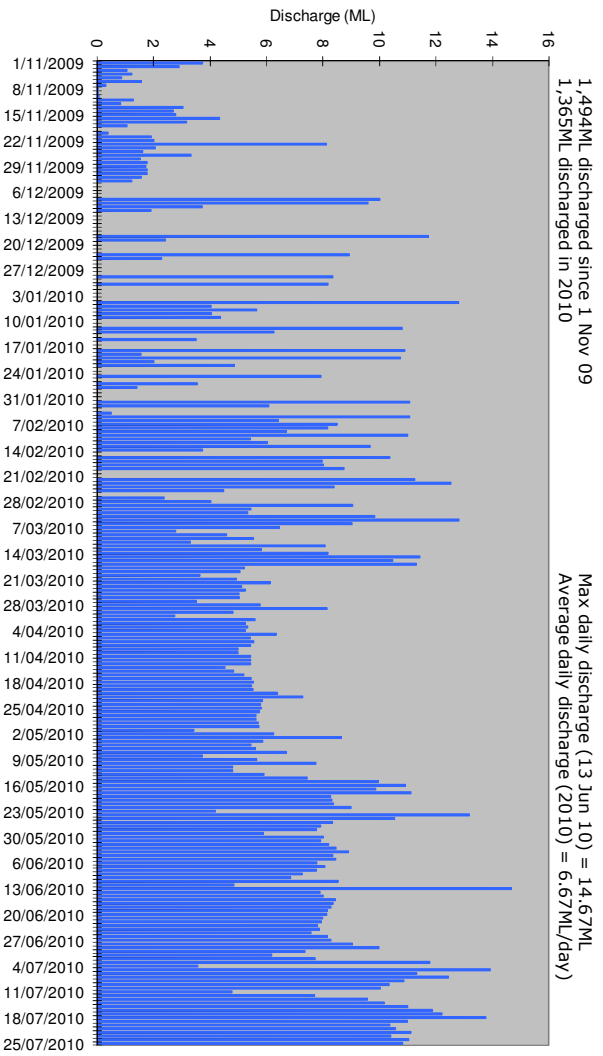
Meeting Closed: 5:00pm

Action Status Table

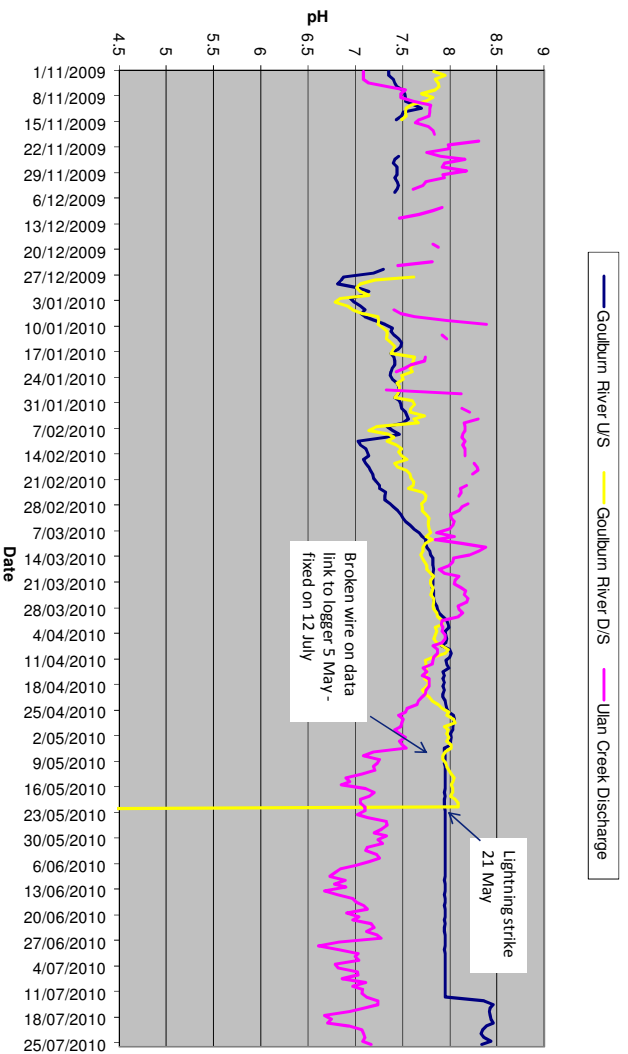
ITEM	RAISED BY	ACTION	RESPONSIBILITY	STATUS
1	GM	Add Geoff Mitchell and Heimo Petzl's bores to next year's private bore survey	IF	New
2	Jl	Check results from upstream gauging station for 12 July onwards	CH	New
3	Jl	Check results for PZ14 in March 2010 report with Coffeys	CH	New
4	Jl	Follow up with GSSE on climate change and land rehab risks (not ranked in risk register)	CH	New
5	JL	Send out A3 size BBRA risk register & summary section of BBRA report for review	CH	Send out with draft minutes
6	GM	Provide A3 size laminated maps for each member for future meetings	CH	New
7	Jl	Provide indication of acidity of tailings in South 5	JL	New

Results of monitoring for Ulan Creek discharge and Goulburn River

Ulan Creek Discharge



Goulburn River & Ulan Creek pH



Goulburn River & Ulan Creek EC

