

1 MESSAGE FROM THE OPERATIONS MANAGERS



Welcome to the second edition of the Ulan Coal Mines' Community Newsletter, *The Ulan Focus*, for 2007

2 UNDERGROUND NEWS



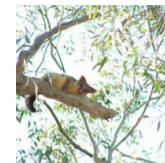
Subsidence management plan for future longwall mining.

3 NOISE REDUCTION PROGRAM



Ulan develops Noise Reduction Program.

4 REHABILITATION AND BIODIVERSITY PROGRAM



Progressive rehabilitation of former open cut areas and biodiversity monitoring program.



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The Ulan Focus

Ulan Coal Mines Limited Community Newsletter. December 2007 Issue No.4

Welcome to the latest edition of *The Ulan Focus*, which provides you with an update on what's been happening at Ulan Coal Mine (Ulan).

Message from the Operations Managers

Welcome to the second edition of the Ulan Coal Mines' Community Newsletter, *The Ulan Focus*, for 2007.

This year has been another significant year for Ulan Coal Mine which has seen a number of positive advances for the operation.

From an environmental perspective, water management continues to be an integral part of Ulan Coal's mining activities. In June this year we applied to the Department of Environment and Climate Change (DECC) to vary the mines' Environment Protection Licence, to allow for the permanent discharge of treated water to the Goulburn River. Ulan received some very positive feedback from the last *'Ulan Focus'* on this application and we are appreciative of this and that our water management is heading in the right direction.

We are delighted to report that the application was successful and the mine is permitted to discharge up to 15ML per day at a quality equivalent to the background water quality within the Goulburn River. This is a big step forward following extensive negotiations with all our stakeholders, and a win-win situation for Ulan Coal and the local community.

In addition to our commitment to best practice water management, we also have a strong commitment to occupational health and safety management at Ulan Coal. Ulan Coal received the prestigious People's Choice Award at the NSW Minerals Council 2007 Safety Innovation Awards. The awards recognise world-leading talent within the mining industry in finding solutions to occupational health and safety challenges. Ulan Coal employees James Wormald, Craig Underwood and Garry Robins received the innovation award for their design of a simple device installed on the underground longwall walkway, to help reduce the likelihood of sprain and strain injuries resulting from slips and trips. Their innovation is now in use at Ulan Coal and is being considered by other mines and equipment manufacturers. We are extremely proud to have Garry, James and Craig recognised for designing a device that has made the workplace safer for both themselves and their fellow workers.

As 2007 draws to a close we would like to extend our warmest wishes to you and your family for a Merry Christmas and a safe and prosperous New Year. Thank you for your ongoing support and we look forward to continuing to work with you going forward.



Murray Wood
Operations Manager,
Underground



Don McLachlan
Operations Manager,
Open Cut

News from the Underground Managing Subsidence in Underground Mining Areas

In the previous *Ulan Focus* (May 2007) Ulan advised of the investigations that were being undertaken into subsidence management for proposed Longwall Panels West 2 and West 3 under the statutory provisions administered by the Department of Primary Industries - Mineral Resources (DPI).

Following significant investigations the Subsidence Management Plan for West 2 and West 3 Longwall panels will be lodged with the Department of Primary Industries - Mineral Resources (DPI) prior to Christmas. The application will thereafter be assessed by various government agencies including the Department of Environment and Climate Change, Department of Water and Energy, Department of Planning and the Mine Subsidence Board.

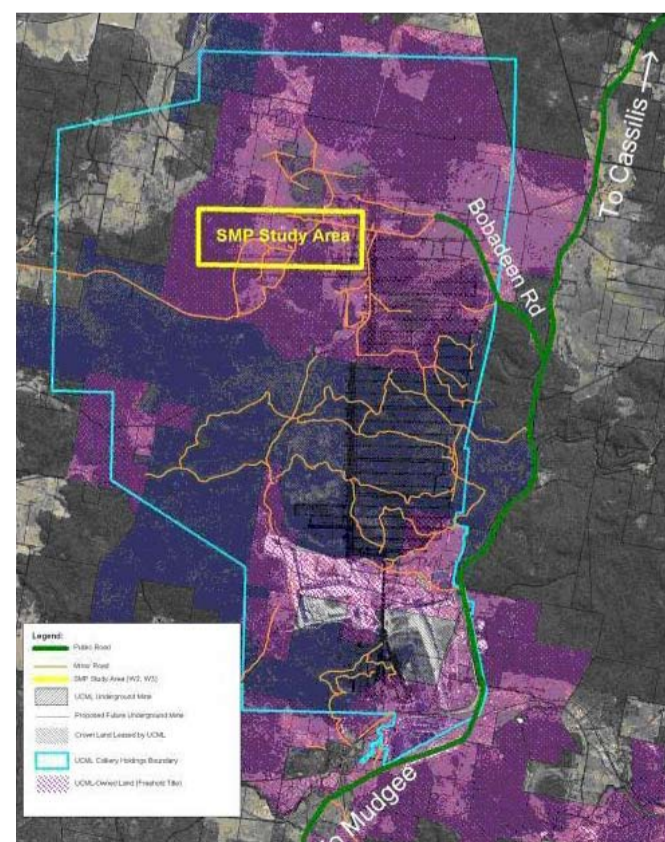
Specific areas of investigation focus within the application included:

- the presence of Aboriginal Heritage Sites and artefacts within the application area;
- a detailed ground and surface water assessment of the area (including a review of all a known bores within a 9km radius of the application area); and

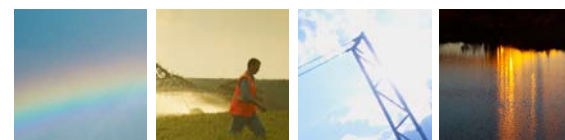
- an assessment of the flora and ecological communities within the application area.

"I would like to thank people who assisted in the preparation of the application, primarily the Aboriginal community who undertook the baseline surveys of the area, adjoining landholders that allowed our hydrologists onto their properties to review their water bores and the Community Consultative Committee who provided excellent insights into the application. These contributions have added to the robustness of the application." said Phil English, Ulan Coal Mines Environment and Community Manager.

The application will be on exhibition with the DPI following submission from UCML. The DPI's contact for the application is Mr Phil Steuart who can be contacted on (02) 4931-6648. The application can be viewed at Mid Western Regional Council, Ulan Coal Mine or via Ulan's Internet Site (www.ulancoal.com.au). Further details on the application can be obtained by contacting Phil English on (02) 6372 5300.



The SMP Study Area West 2 and 3 shown in yellow. The blue and purple colouring indicates areas of Ulan owned land.



News from the **Underground continued** Noise Reduction Program developed for Ulan Coal Mine



Steel rollers on the surface conveyor are progressively being replaced with poly rollers (blue).

Noise mitigation and management is a critical component of the operations at Ulan Coal Mine. Ulan is mindful that, as an established operation which commenced in 1982, noise requirements and community perceptions of noise emissions have changed. In order to comply with consent provisions established by the Department of Planning, Ulan Coal has developed a Noise Reduction Program (NRP) to assist in reducing site noise emissions.

The NRP was developed by Wilkinson-Murray in consultation with representatives from the Department of Environment and Climate Change (DECC), Department of Planning (DoP), the Mid Western Regional Council (MWRC), the UCML Community Consultative Committee (CCC) and affected residences.

Ulan recognises that noise is an important issue for people in the local community and one which we take very seriously. Our proposed program is currently awaiting approval from the government agencies, however activities have commenced on noise reduction works regardless. Further updates on the implementation of the NRP will be provided in future newsletters.

Ulan Coal Seeks Community Involvement in Risk Assessment Workshops

As part of our commitment to continuous improvement, Ulan Coal recently engaged independent consultants GSS Environmental (GSSE) to undertake a complete review of the mines' environmental risks, with the aim of updating the UCML risk register and allocating resources for future environmental and community programs. In July 2007 GSSE facilitated a number of Broad Brush Risk Assessment (BBRA) workshops, involving members of the local community, local council representatives and Mine Operations Staff.

The aim of the BBRA was to formally identify and present effective management protocols for all environmental and community related risks associated with the operations at Ulan Coal and directing opportunities for future environmental programs.

The feedback gained during the BBRA workshops, both in support of current initiatives adopted by UCML and areas identified for improvement will be used in the development of the 2007 Environment and Community Risk Register, which will form an integral component of the Environmental Management Strategy used by Ulan mine to manage the environmental issues.

UCML welcomes a New Environment & Community Representative

A warm welcome to Cheryl Holden, Ulan's newest member of the Environment and Community team. Previously, Cheryl was with Thiess Services working at Rhodes Remediation Project, Homebush Bay. Being a Mudgee girl, joining Ulan is a homecoming for Cheryl. Cheryl will no doubt be a valuable contributor to Ulan's future activities.



Cheryl Holden

Community News

UCML Chips in for Charities

The UCML & Associated Industries Charity Golf Day was held on Friday the 5th October at Mudgee Golf Club with 93 Players attending. The day was co-ordinated by the UCML Environmental Department. The field consisted of UCML employees as well as representatives from UCML suppliers. Major Sponsors for the day were Ulan Coal and Downer EDI Mining. Downer EDI Project Engineer Alan Simms said that 'Downer EDI actively supports initiatives that not just support its employees, but the broader community in which it operates.'

The day culminated in donations being presented of \$15,000 to the Cure for Life Foundation, \$10,000 to the Mudgee Hospital and \$6,296.88 to Ulan Public School. These donations will be put to good use with the Cure for Life Foundation donation going towards a research scholarship investigating brain tumours in children, Mudgee hospital being able to purchase cardiac monitoring equipment for their emergency ward and Ulan School being able to update their internet server.



UCML Operations Manager Murray Wood presents a cheque to Ulan Public School Captains.

News from the **Open Cut**

UCML Putting nature back

Ulan Coal Mines Limited is committed to ensuring that all surface disturbances from its mining activities are rehabilitated back to a standard that is acceptable both to Government regulators and the community. The general standard required for final rehabilitation is detailed within the mines current Mining Operations Plan (MOP).

UCML has been undertaking progressive rehabilitation since 1985 in the earlier part of its Open Cut operation. Rehabilitation activities increased throughout 2007 as the Open Cut looks to complete the mining of its approved coal reserves by the middle of 2008. These activities have included the reshaping and revegetating of over 38 hectares of previously mined land. Rehabilitation activities in 2008 will see the completion of the final landform in the western extent of the mining operation to ensure a free draining and stable landform which blends into the surrounding environment.

To ensure the success of the revegetation program, UCML has established a seed bank of native tree and shrub seed which is collected locally. This seed is direct seeded into new areas as they are prepared for revegetation.

This program not only aids in local employment but ensures the success of the revegetation program.

The sustainability of the rehabilitation program is demonstrated through the 14 years of independent biodiversity monitoring that UCML has undertaken. The results from these surveys provide evidence that the older rehabilitation areas are exhibiting value as wildlife habitat areas, with a range of fauna found in the mine being similar to those found in adjoining undisturbed areas.

In addition to rehabilitation activities on the Open Cut, UCML is also continuing to implement environmental improvement programs on the Goulburn River Diversion. These activities include a Willow Control Program for the entire length of the diversion and the planting of 4,300 native trees along the banks and adjoining buffer lands of the river. These works are being undertaken as part of UCML's commitment to its environmental responsibilities.

To obtain a copy of the annual UCML Biodiversity Report log onto www.ulancoal.com.au or for further information about the rehabilitation program contact Jamie Lees (Approvals Coordinator) (02) 63725368.

FOR FURTHER
INFORMATION
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We have included a reply paid feedback form which we encourage you to use.

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NEW 24 Hour UCML Community Complaints Line 0417 049 493

VISIT THE ULAN COAL WEBSITE
www.ulancoal.com.au