Agenda

Session 1 (1:15 pm)
- Background
- Project Overview
- Aerial Tour Overview

Session 2 (3:55 pm)
- Amenity Considerations
- Biodiversity Offsets
- Rehabilitation
- Community
- Socio-Economic Benefits
- Conclusion
Current Operations & CCP mining areas

- Proposed extension to current mine
- Mining footprint stands off from cliffs & pagodas
- Moving further away from CB
Project Overview

- Consolidate Current Approvals into a single Part 3A Planning Approval
- 21 Yr Approval life (currently CV 2025, INV 2016)
- Currently approved mining methods to continue
- Currently approved 2.2Mtpa; seeking 3.5Mtpa
- 108Mt OC & HWM Resource
- Currently approved mining hours of work – 24hr x 7d/wk at CV; 11-15hr x 6d/wk INV
- Seeking 24hr x 7d/wk
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Amenity Considerations

- Significant changes made to optimal resource extraction mine plan to reduce amenity impacts, including:
  - Reduction in some areas of open cut mining footprint
  - Reduction in sand mining footprint
  - Replacing potential open cut mining areas with highwall mining
  - Development of bunds in key areas to reduce noise and visual impacts
  - Construction of rail siding and MPPS conveyor for product transport
Reduced Impact

- ≈ 50% of Project mining area is recovered by Highwall Mining
- Removed impacts to **179 ha** of native vegetation & threatened species habitat, due to reduction in open cut mining area
- Highwall Mining:
  - Mines coal from under the hills
  - Does not disturb surface area
  - Reduces noise and dust
  - Reduces impacts on town
- Management & mitigation of potential amenity impacts resulted in loss of:
  - > **13 Mt** ROM coal from Project resource
  - > **$600M** in direct revenue
Highwall Mining System

- 305m penetration from open cut
- Enables coal mining via unmanned entries
- No surface disturbance
- Does not impact pagodas & cliffs

18 Sept 2012
- Rehabilitation is progressive
- Open cut footprint is balanced to manage waste & maximise HWM access
- Not “one big hole in the ground that surrounds Cullen Bullen”
Community

- Mining is moving away from town
  - Never closer than 1km to school
  - Bulk of Project more than 2km away from school
- Small active mining footprint
  - Annual tree clearing <100ha
  - Highwall mining
  - Rehabilitation is progressive
- Conveyor will take up to 2.5 Mtpa (currently 1.5Mtpa) of coal off Castlereagh Highway
Proposed mining to the east and north is shielded from view by hills.
Amenity issues - Cullen Bullen & district

- **Air quality**
  - **Real Time and proactive** dust management system to measure dust levels & modify activities.
  - Leading practice air quality **mitigation measures** to minimise air quality impacts

- **Noise**
  - **Real Time and proactive** noise monitoring and management system to minimise noise impacts on all privately owned properties, including:
    - Installation of noise reduction components and operating methods for equipment;
    - Predictive & Reactive Trigger levels to notify supervisors of any noise issues and allow timely changes to operations;
    - Building earth bunds to re-direct and block noise in key locations to minimise noise impacts.

- **Blasting**
  - Blast design, orientation, size & weather conditions will be reviewed to minimise impacts on residences and sensitive features
  - Geotechnical /blasting specialists design input for blasting near sensitive structures & sites of heritage significance
  - Vibration & overpressure monitoring will continue at residences & sensitive heritage sites within 1,500m radius
  - Restrictions: max. of 20/mth, 9am to 5pm. Notify Community by email, SMS, news, web, etc.
Amenity issues - Cullen Bullen & district

- **Visual**
  - Bunds (e.g. Highway) advanced progressively with rapid rehabilitation after bund construction
  - Development of tree screening with concerned landowners within 5kms of active mining area
  - Bunds to restrict vision from private residences to OEA mining equipment
  - Rapid progressive rehabilitation of OEAs post mining to minimise visual impacts
  - Rehabilitation slopes designed in accordance with surrounding topography

- **Traffic & transport**
  - Fully enclosed overland conveyor to MPPS to divert power station coal off Highway
  - No haulage of coal or sand via the Private Haul Road at Cullen Bullen
  - Product transport vehicles will enter site via Invincible Colliery (>2km away from CB) following the construction of the highway overpass bridge and associated internal access roads.
  - Maintain existing access point south of Project Boundary for the Gardeners Gap Track
  - Creation of northern access route for public access to the Ben Bullen State Forest
Community – Conveyor landholders

Legend:
- CCL 1/2 Part 112
- Milling Tenements
- Proposed Conveyor
- State Forest Land
- Required

Coalpac Pty. Ltd.
Provisions of Immovable Colliery and Calian Valley Area

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Biodiversity Offset Properties

- Offsets are targeted, permanent conservation lands to be preserved or regenerated progressively to increase the quality of flora and fauna habitats within them.

- **BOS:** 3,030 ha of land (3.6:1 ratio overall; 13:1 CEEC)
  - includes 2,353 ha of remnant vegetation and 677 ha of regeneration.

- **BOS considers:**
  - Predicted impacts to regional ecology, forestry and conservation lands.
  - Threatened species habitat and linkages between existing conservation reserve and State Forest areas.

- **BOS includes indirect offsets through contributions for recovery of the:**
  - Broad-headed Snake.
  - Brush-tailed Rock Wallaby.
  - Woodland Bird species.
  - Koala.
### Offsets – Key Features

<table>
<thead>
<tr>
<th>Offset Property</th>
<th>Key Features</th>
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</table>
| **Hillcroft**         | - Significant *P. marginata* population and habitat  
- Large areas of *E. cannonii* habitat, with other areas suitable for habitat rehabilitation  
- Habitat along Turon River tributaries, including for the Booroolong Frog  
- Provides link from Sunny Corner to Ben Bullen State Forest |
| **Yarran View**        | - Supports CEEC Box Gum Woodland and Derived Native Grassland  
- Suitable habitat for Spotted-tailed Quoll, Regent Honeyeater, Swift Parrot, and suite of other woodland birds |
| **Hillview / Billabong** | - CEEC Capertee Rough-barked Apple Red Gum Yellow Box Woodland and  
- Derived Native Grassland  
- Habitat for *E. cannonii* |
| **Hyrock Hartley**     | - Sandstone escarpment habitat similar to within the Project Boundary  
- Habitat for Spotted-tailed Quoll, Giant Dragonfly and Blue Mountains Water Skink |
| **Gulf Mountain**      | - Large areas of native vegetation and landscape similar to Project Boundary  
- Suitable habitat for woodland birds, Scarlet Robin and Varied Sittella, Powerful Owl and Barking Owl  
- Large areas of habitat for threatened microchiropteran bats Large-eared Pied Bat and Eastern Bent-wing Bat |
Conceptual Cumulative Final Landform
Socio-Economic Benefits

- For the Lithgow & Bathurst region:-
  - 120 people directly employed plus contractors
  - Total of 293 direct and indirect jobs for the region
    - Providing local residents with job security for 21 years
    - Committed to local employment of 1 apprentice per year

- Financial Contributions:
  - Approx. $5M over 21 yrs via Coalpac-LCC VPA centred on Cullen Bullen (sewerage works)
  - $30k p/a for life of Project to assist local Aboriginal people to access education opportunities (e.g. AIEF)

- Additional Community Benefit:
  - Construction of fully enclosed conveyor linking mines to MPPS taking 2.5Mt per year coal deliveries off Highway
  - Cullen Bullen Private Haul Road not used after 2014 for coal haulage
  - Installation of a predictive cumulative real time environmental monitoring system for air quality and noise
$50 M Current Capital Investment
$128 M Additional Project Capital Investment

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<th>Economic Impact</th>
<th>Regional Benefit</th>
<th>NSW Benefit</th>
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<tbody>
<tr>
<td>Direct and indirect output / business turnover</td>
<td>$219 Mil</td>
<td>$275 Mil</td>
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<tr>
<td>Direct and indirect value added</td>
<td>$105 Mil</td>
<td>$133 Mil</td>
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<tr>
<td>Household income</td>
<td>$30 Mil</td>
<td>$48 Mil</td>
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<tr>
<td>Direct and indirect jobs</td>
<td>293</td>
<td>519</td>
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NSW Energy Supply

- MPPS supplies NSW with 8% of its base load electricity capacity
- Coalpac is contracted to supply MPPS with 71% of its coal needs through to 2029 subject to Part 3A Approval
- The Project is the lowest environmental & economic cost for energy supply:
  - Coal railed from outside district to meet power station demand would;
    - Need Delta Rail Unloader
    - Reduce local employment
    - Increase electricity costs
    - Increase greenhouse gas emissions (given longer transport distances)
    - Increase railway traffic (leading to increased noise & dust for rail-side residents)
Conclusions

- Efficient, economic use of 108Mt coal resource
- Proven long-term rehabilitation performance
- Commitment to Industry-leading practice environmental management
- Key Project driver throughout has been consideration of amenity and environmental impacts in response to local community consultation
- Robust biodiversity offset strategy
- Ensures continued security of >70% coal supply to MPPS
- Supports the viability of the local, regional and NSW economy
- Retention and growth of our highly skilled local workforce

We believe the Project represents a balance between the needs of the community, the environment and NSW energy supply.