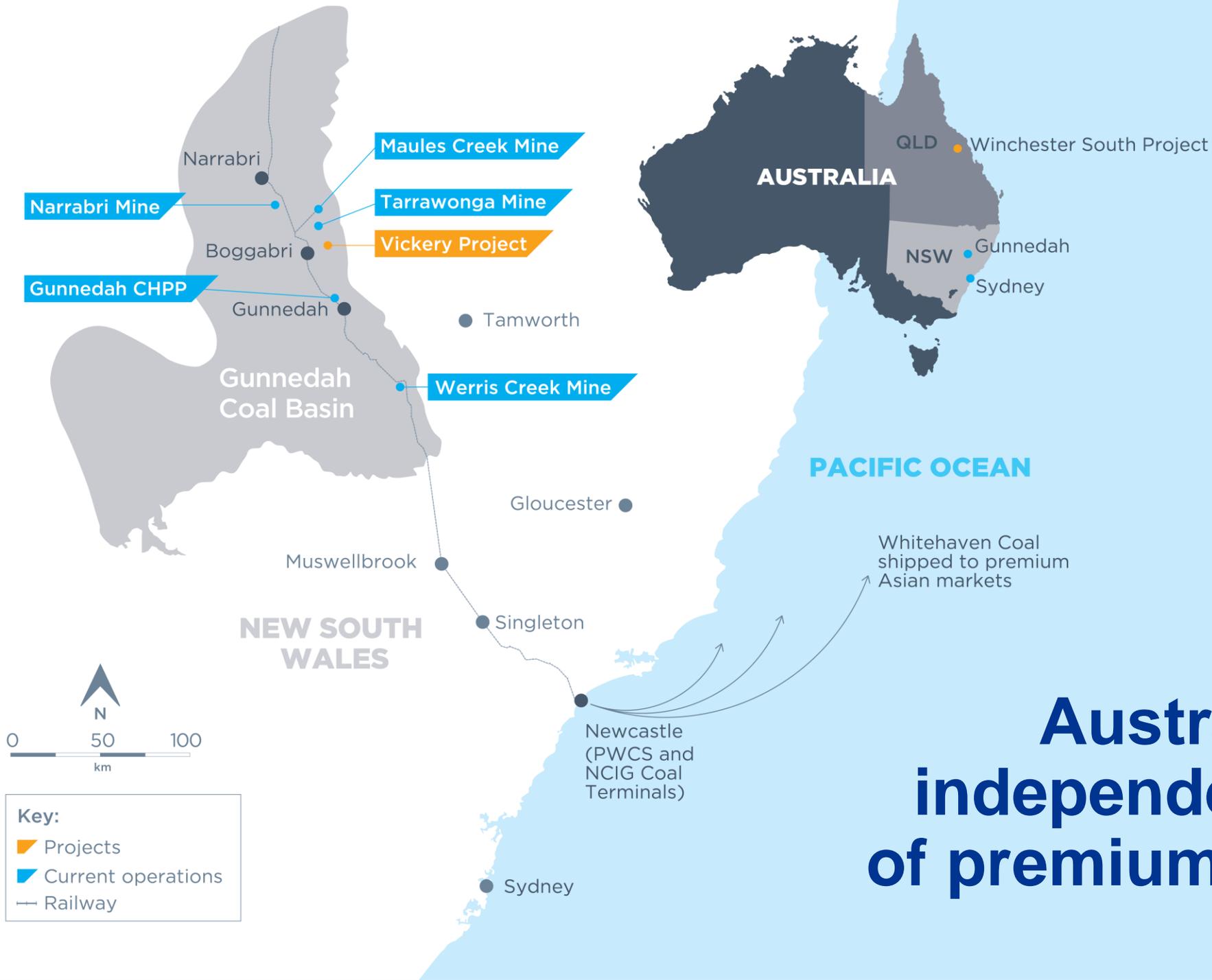


# Vickery Extension Project

## IPC Public Hearing

2 July 2020

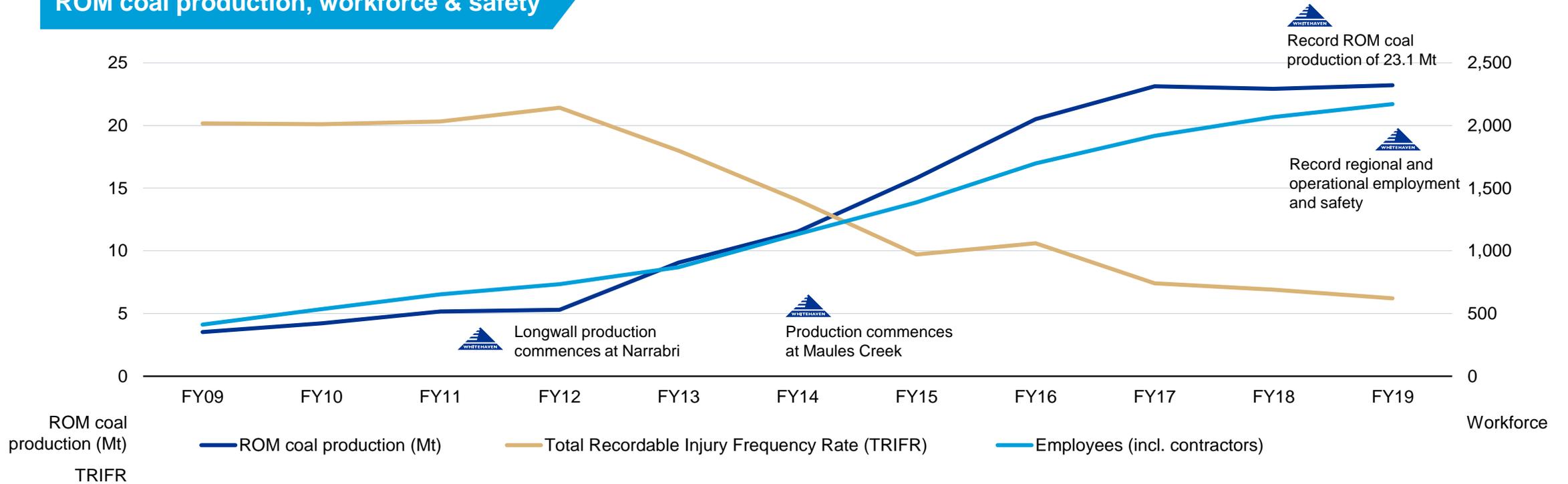




**Australia's largest independent producer of premium-quality coal**

# Our growth journey so far

## ROM coal production, workforce & safety



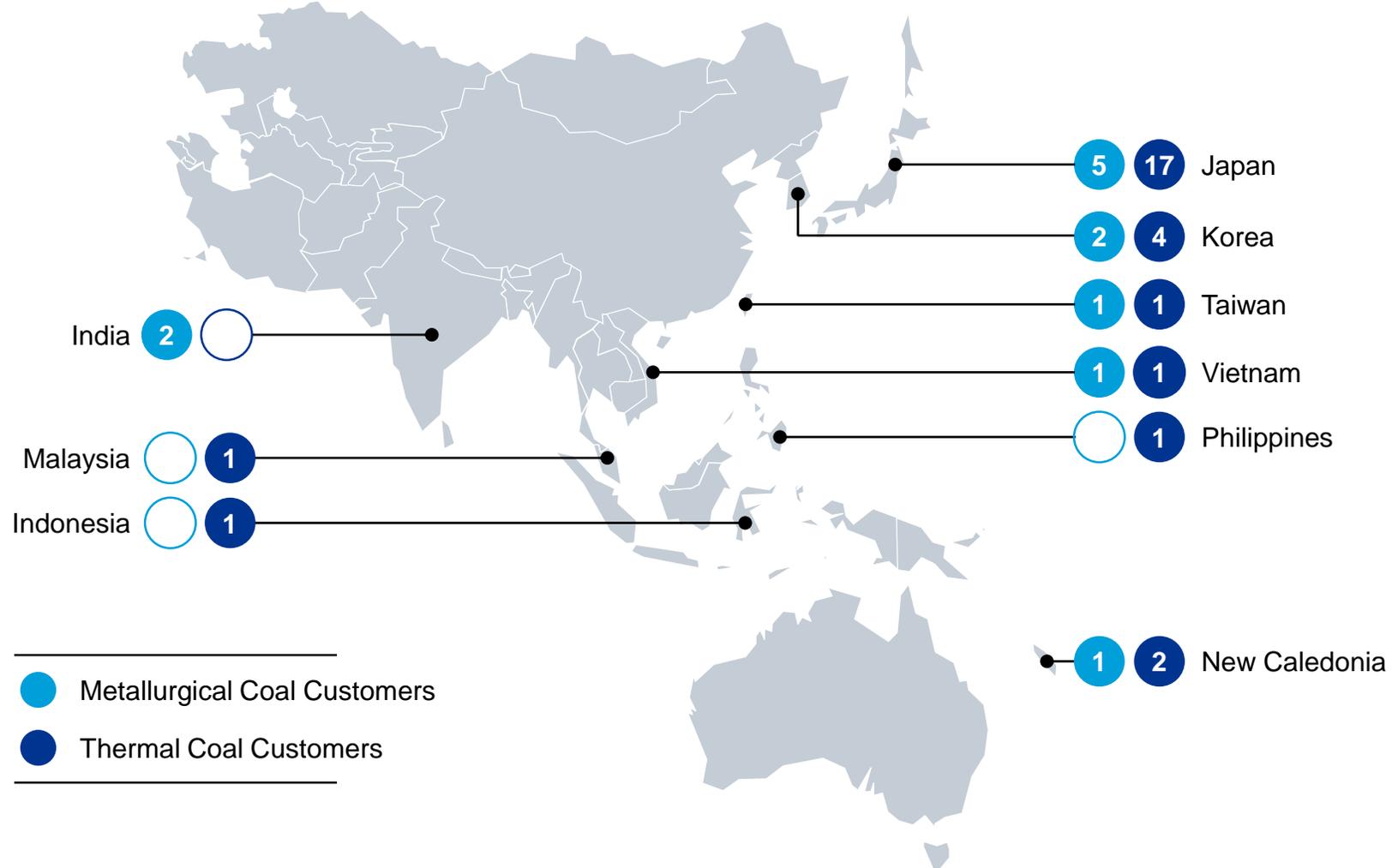
Construction and operation of 4 open cut mines

Construction of Narrabri

Construction of Maules Creek

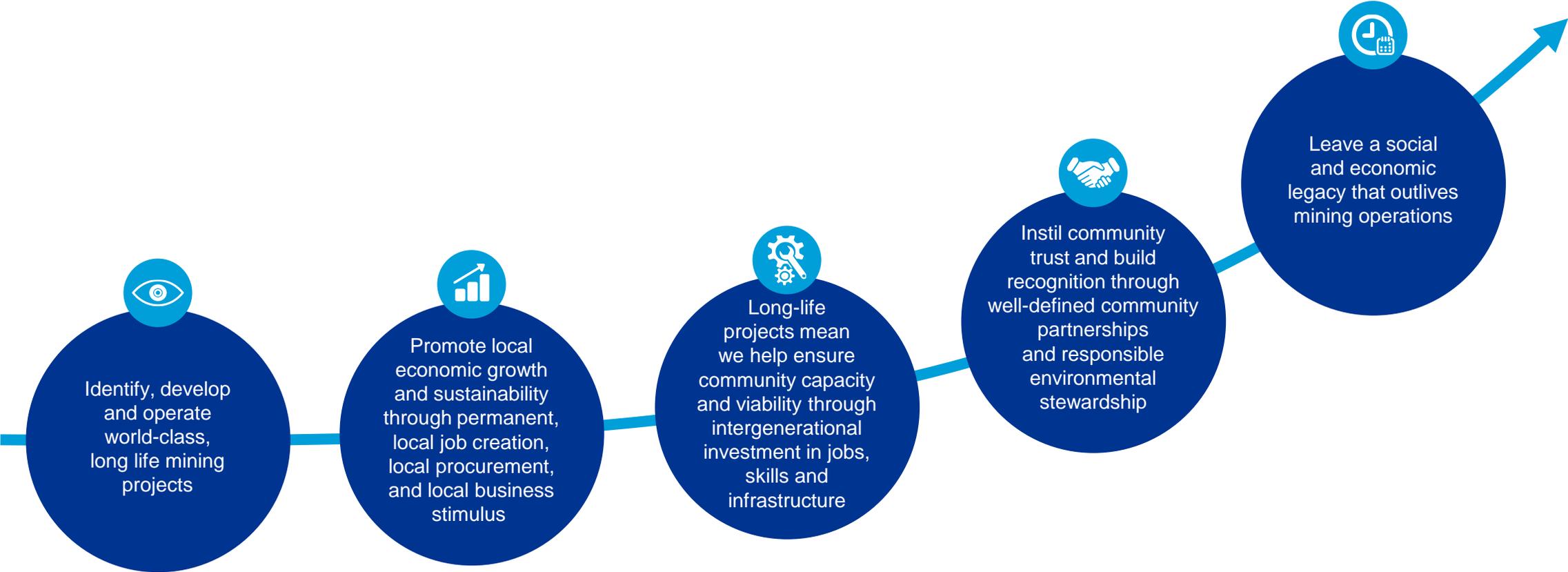
Since FY15 Whitehaven has contributed more than \$1.7 billion to the local economy through salaries, wages and supplier payments, and paid more than \$1.1 billion in taxes and royalties

# Our coal is exported across our region



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# Our community and social compact is key to our success



# We are building a diverse and skilled local workforce

- We offer sustainable, long-term, rewarding career opportunities in regional areas
- We invest in skills development with a strong focus on creating pathways for young people who come from the areas around our operations
- Our long-life assets and the human resource-intensive nature of our business puts us in a strong position to continue to provide meaningful opportunities



**75%**  
of >2,000-strong  
workforce  
based in  
regional areas



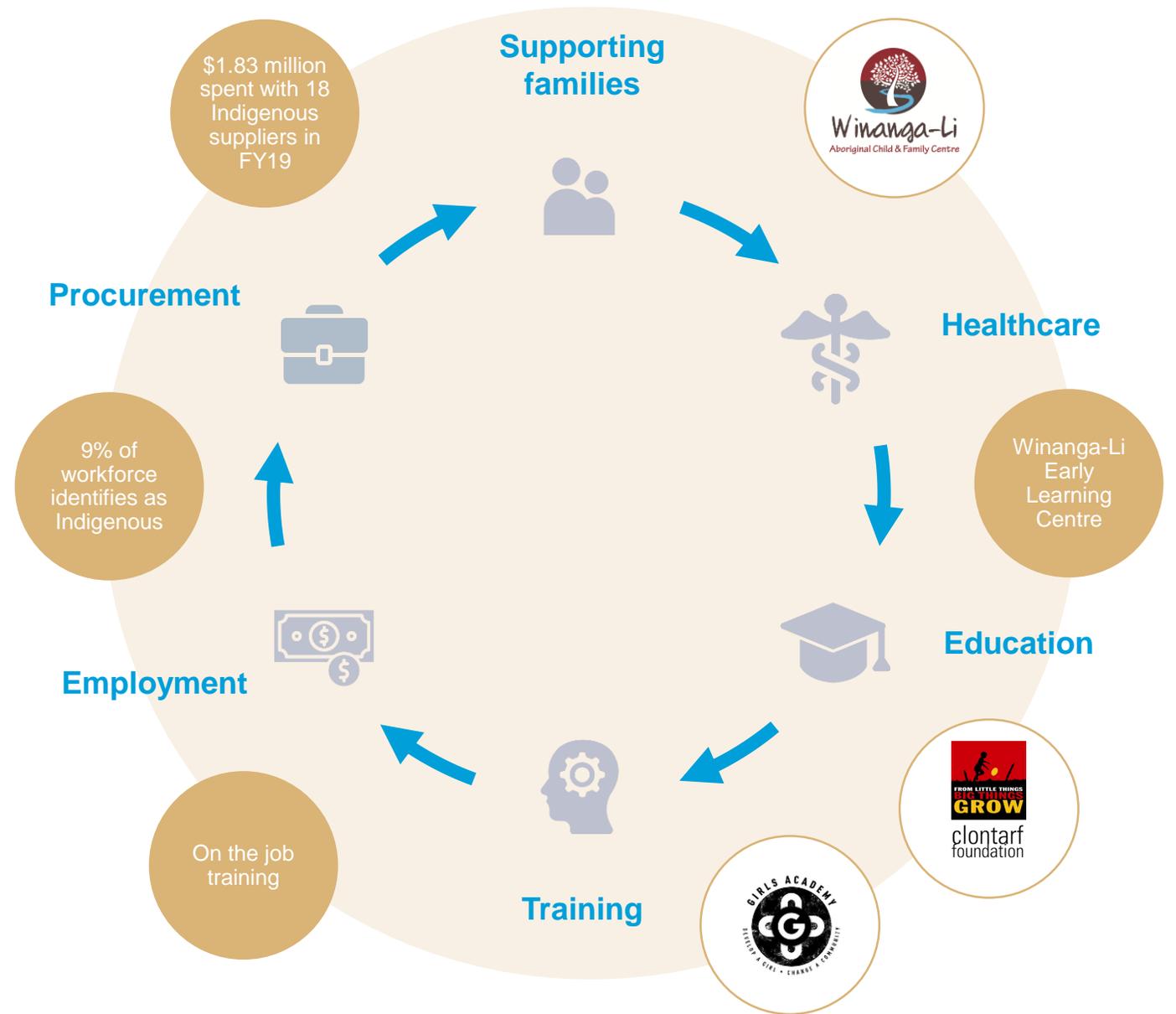
**9%**  
of workforce  
identifies as  
Indigenous



**12.7%**  
female  
participation in  
our workforce

# We take a holistic approach to addressing Indigenous disadvantage

Empowering the local Indigenous community through intergenerational support



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# Our presence supports regional economic growth

- Over the last five years, we have:
  - invested over \$1.7 billion in the NSW North West in salaries, wages and supplier payments
  - paid more than \$1.1 billion in taxes and royalties
- Contributed \$41 million in payments to local councils between FY12–19
- Our small and medium sized local suppliers have industry-leading payment terms of 21 days or fewer

## FY19 contribution



**\$333.9 million**  
spent with  
local suppliers



**\$323.8 million**  
contributed to  
federal, state and  
local governments  
in taxes and royalties



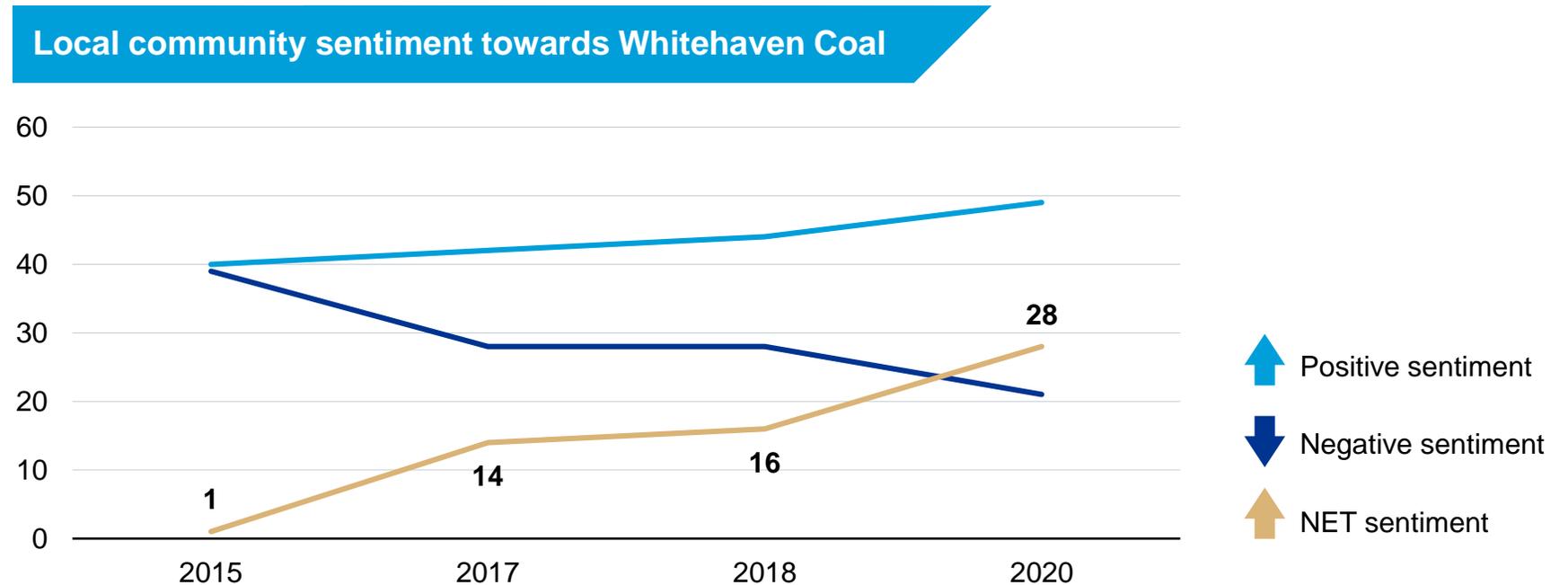
**\$515,000**  
in community  
partnerships  
and donations



**\$1.83 million**  
spent with  
18 Indigenous  
businesses

# We are viewed positively in our region

Our reputation in the Gunnedah, Narrabri, Tamworth and Liverpool Plains local government areas has improved over the last few years – representing a statistically significant decrease in negative sentiment.



Source: Independent quantitative research conducted by Newgate Research. Base: All participants who are aware of Whitehaven Coal: 2020 (n=561), Tamworth (n=134), Gunnedah (n=145), Narrabri (n=143), Liverpool Plains (n=139). 2018 (n=568), 2017 (n=565). 2015 (n=574).

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# Our community supports mining and Vickery

Within our broader community, support for mining is strong:

- **55%** strongly or somewhat support coal mining, with only 21% opposed
- **62%** agree developing the local mining industry will help strengthen the local economy in the wake of Coronavirus
- **70%** strongly or somewhat support, or are neutral towards, the Vickery Extension Project – up from 64% in 2018
  - This represents a statistically significant decrease in opposition to the project

Vickery predominantly sits within the Gunnedah Local Government Area, where:

- **88%** agree mining jobs are essential for the local economy
- **71%** support or strongly support the coal mining industry
- **76%** strongly or somewhat support, or are neutral towards, the Vickery Extension Project

These findings reflect results of previous public comment periods:

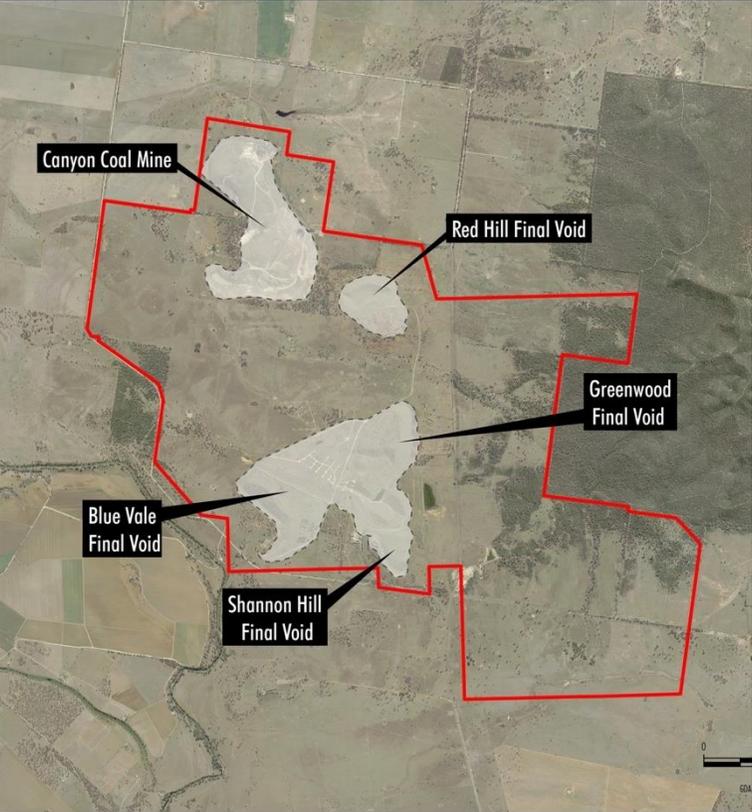
- **More than 60%** of EIS submissions were in support of the Project
- **More than 75%** of submissions to the initial stage of the IPC were in support of the Project

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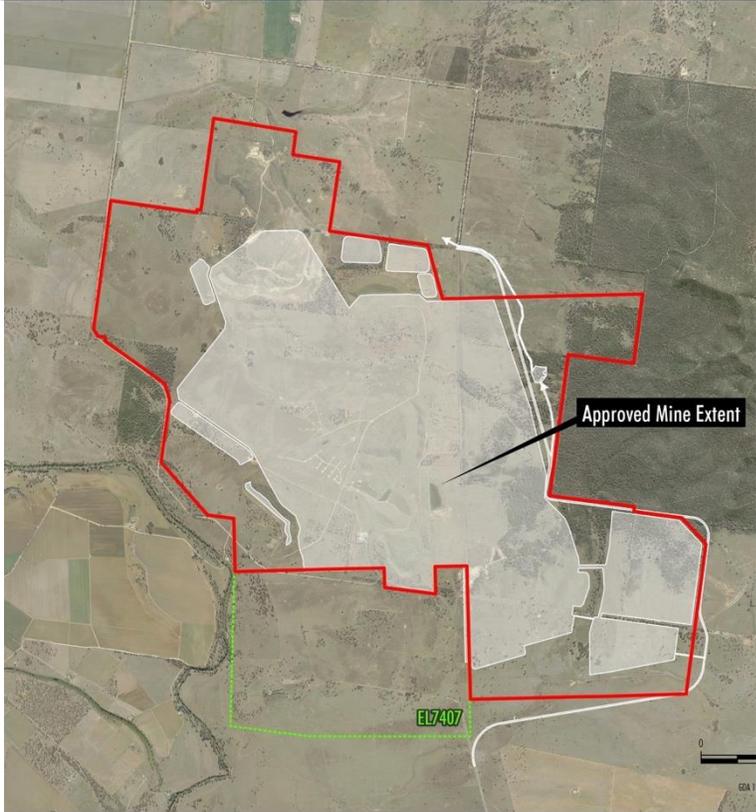
# Vickery Extension Project

# Mining has historically occurred on the site

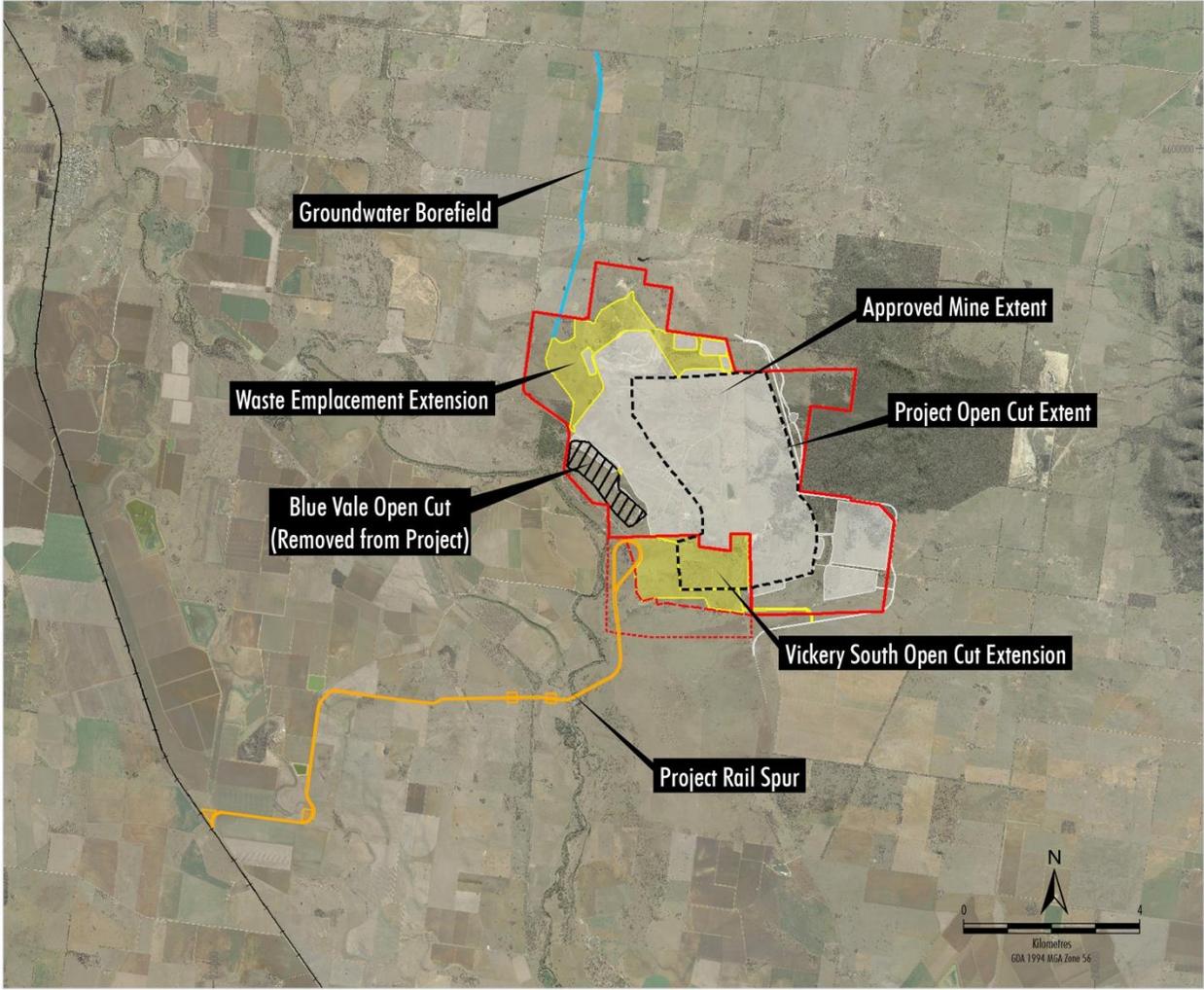
**Historic mining**



**Approved mine**



# The Extension builds on an existing approval



- Yellow shading indicates mine extension areas
- Blue line represents borefield alignment
- Orange line represents rail spur alignment

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# The Extension will generate jobs and economic activity

- Majority metallurgical coal for steel-making with the balance high quality thermal coal
- Around 500 construction jobs and 450 operational jobs, and associated wages
- Significant capital expenditure (>\$600M), ongoing investment in the local region
- Around 170 new jobs in locally-based supplier businesses
  - the NSW Government Division of Resources and Geoscience estimated “an additional 1800 indirect jobs in both mine and non-mine related services”
- \$656 million in royalty payments to the NSW Government (NPV over the life of the Project)
- \$10.7 million in Planning Agreement payments directly to our local councils
- \$500,000 for the restoration and preservation of the gardens of *Kurrumbede*

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# The Extension will deliver more benefits with limited additional impacts

- Compared to the Approved Mine:
  - Project rail line will take haul trucks off public roads
  - On-site CHPP will improve community amenity in Gunnedah
  - Increased annual production rate increases mining efficiency and reduces overall mine life (from 30 to 25 years)
  - Reduced number of final voids in the landscape (from 5 to 2)
  - Project borefield increases water security
  - No increase in the number of noise or air quality affected properties
  - Mining operations no closer to the Namoi River and the mining area does not interact with the Namoi River floodplain

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# Assessments confirm Vickery can be operated within relevant government guidelines

- ✓ **Groundwater** – compliance with the ‘minimal impact’ criteria of the *Aquifer Interference Policy*
- ✓ **Surface water** – best practice water management system designed in accordance with Landcom ‘Blue Book’ and to maximise the diversion of clean runoff from undisturbed catchments around mining operations and into downstream watercourses
- ✓ **Water use** – licences to be held for all licensable take under the *Water Management Act 2000*
- ✓ **Flooding** – infrastructure complies with the objectives of the *Floodplain Management Plan*
- ✓ **Air quality** – compliance with *Approved Methods* criteria
- ✓ **Blasting** – compliance with human comfort and building damage criteria in the *Technical Basis for Guidelines to Minimise Annoyance due to Blasting Overpressure and Ground Vibration*
- ✓ **Noise** – compliance with *Noise Policy for Industry, Interim Construction Noise Guideline* and *Rail Infrastructure Noise Guideline* criteria or mitigation/acquisition upon request as per the *Voluntary Land Acquisition and Mitigation Policy* (1 property)
- ✓ **Biodiversity** – avoidance of threatened ecological communities and offsets for residual impacts as per the *Framework for Biodiversity Assessment and Biodiversity Conservation Act 2016*
- ✓ **Lighting** – compliance with the *Dark Sky Planning Guideline*
- ✓ **Economics** – assessment in accordance with the *Guidelines for the Economic Assessment of Mining and Coal Seam Gas Proposals*
- ✓ **Setting** – site is largely located within land for the Approved Mine
- ✓ **Greenhouse gas emissions** – the NSW *Net Zero Plan Stage 1: 2020–2030* states that “*mining will continue to be an important part of the economy into the future and it is important that the State’s action on climate change does not undermine those businesses and the jobs and communities they support*”

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# The Whole of Government Report concluded the Extension is in the public interest

- “The Department has assessed the development application, EIS, submissions, the Commission’s Issues Report, Whitehaven’s responses to submissions, the independent expert reports, and a range of additional information provided by Whitehaven, relevant government agencies and other stakeholders. The Department has also considered the objectives and relevant considerations under Section 4.15 of the EP&A Act ...”
- “... the Department considers that Whitehaven has designed the project in a manner that achieves a reasonable balance between maximising the recovery of a high quality coal resource of State significance and minimising the potential impacts on surrounding land users and the environment as far as is practicable”
- “The Department recognises that the project would provide major economic and social benefits for Gunnedah, Boggabri, Narrabri, the North West region and to NSW”
- “The Department has recommended a comprehensive and precautionary suite of conditions to ensure that the project complies with relevant criteria and standards”
- “The recommended conditions have been reviewed and accepted by the key NSW Government authorities, and the Department believes that the conditions reflect current best practice for the regulation of open cut coal mining projects”
- “On balance, the Department believes that the **project's benefits outweigh its residual costs, and that is in the public interest and is approvable**, subject to stringent conditions”



Whitehaven accepts the recommended draft conditions of approval

# Thank you

[www.whitehavencoal.com.au](http://www.whitehavencoal.com.au)

