PROJECT
HUNTER VALLEY
OPERATIONS

IPC Public Hearing

JULY 2026

History of HVO

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1949
Mining commenced at Foybook Open Cut (around Newdell)

1952
Mining commenced at Howick Open Cut Open Cut (now West Pit)

1971
Mining commenced at Lemington Mine (now Cheshunt Pit)

1979
Hunter Valley No 1. mine started (now North Pit)

Early 1980s
Hunter Valley No. 2 Mine started (now Riverview and Cheshunt Pits)

2000
HVO formed through merger of Howick and Hunter Valley No. 1 and 2 Mines

2001
Lemington Mine merged into HVO

2018
HV Operations JV formed (Yancoal 51%, Glencore 49%)

KEY HVO North | HVO South | HVO Complex

The Project

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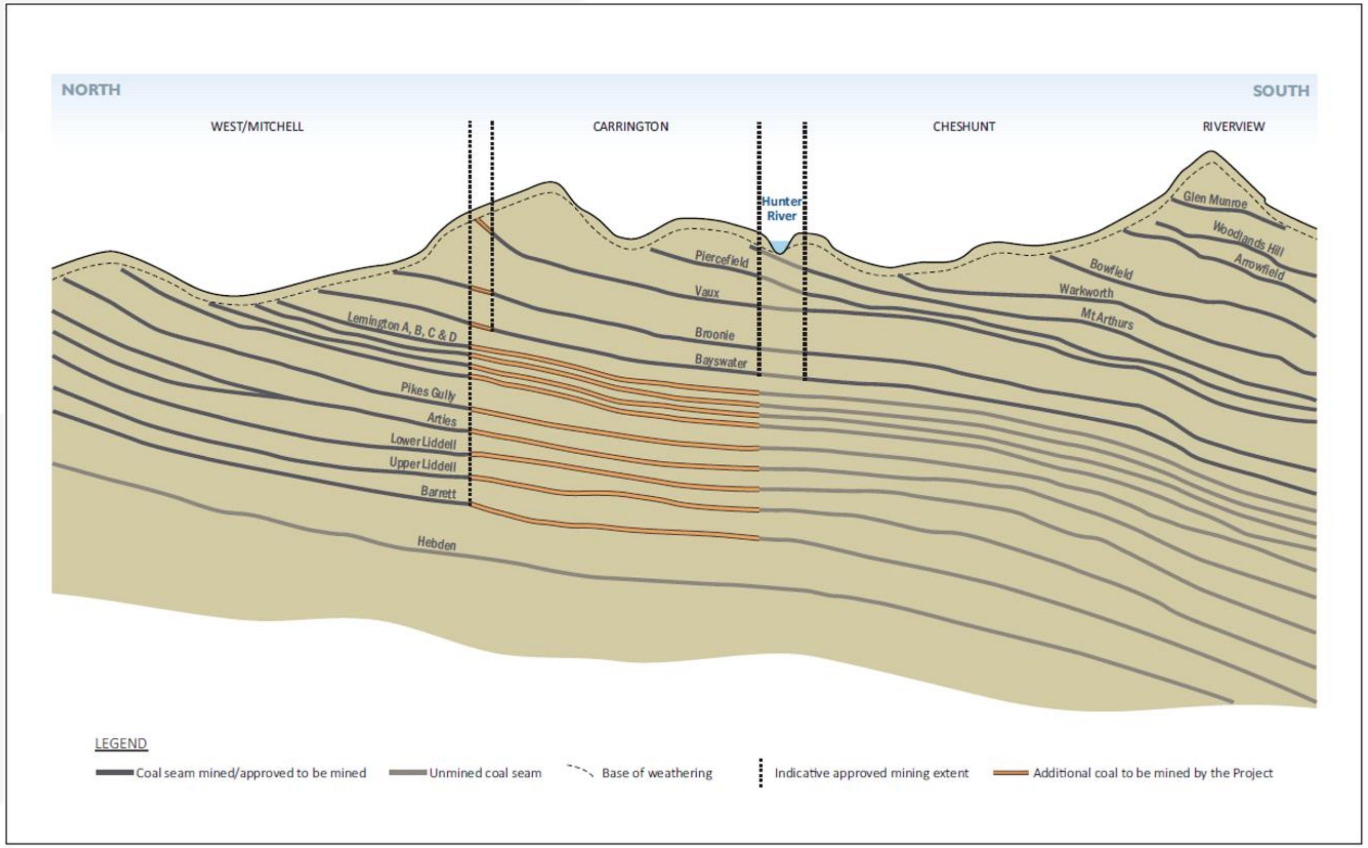
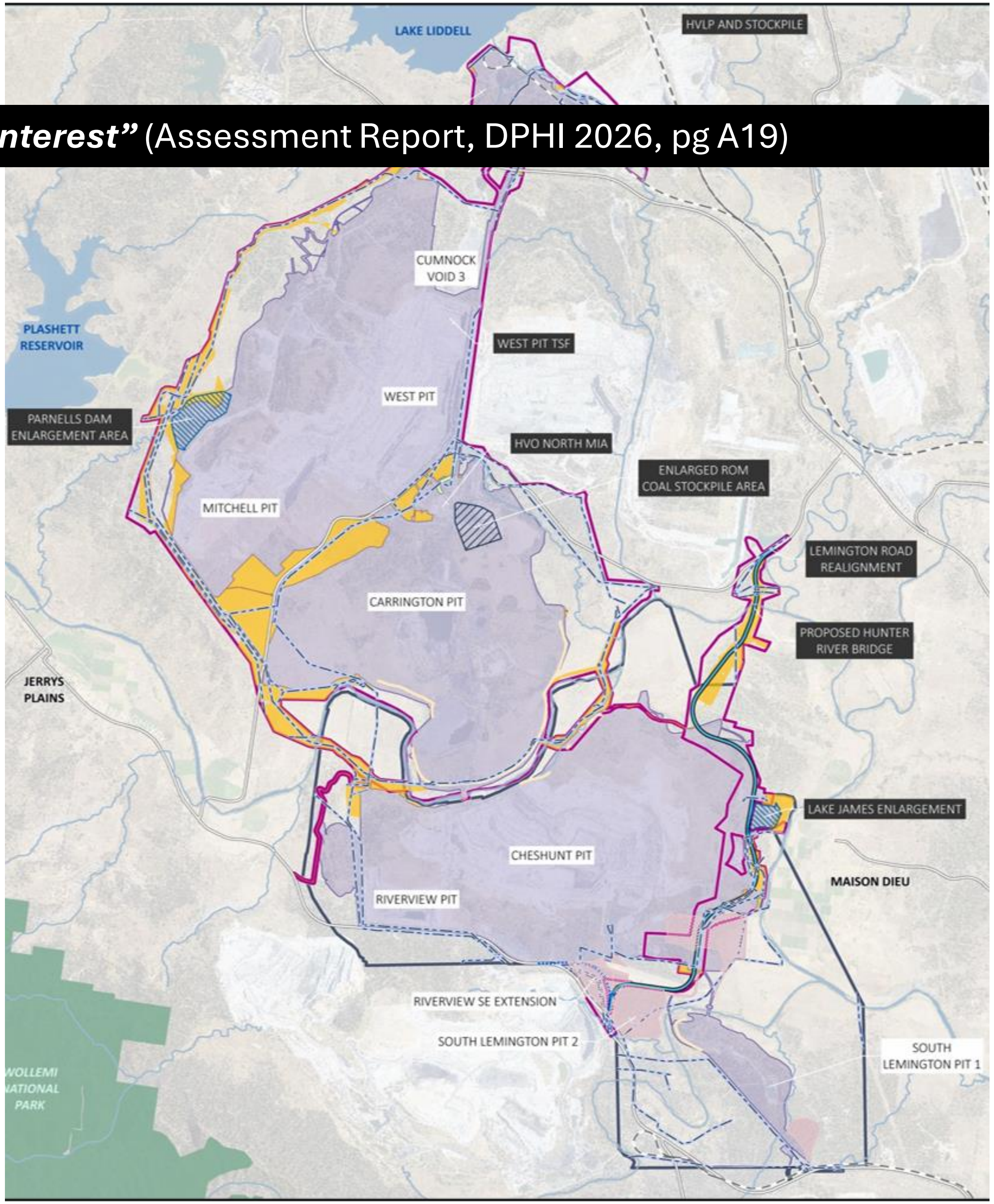
"The Department considers the project to be in the public interest" (Assessment Report, DPHI 2026, pg A19)

- Brownfield extension of HVO
- Minimises impacts by mining deeper seams predominantly through areas that have already been mined





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HVO Continuation Project

	HVO North	HVO South
Life of Mine	Extend 19 years to 2045	Extend 12 years to 2042
Maximum Extraction Rate	Maintain at 22 Mtpa	Reduce to 13 Mtpa
	HVO Complex cap of **26 Mtpa**	
Total Extraction	**429 Mt ROM coal** (2027–2045)	
Infrastructure	• Realignment of Lemington Road portion • Realignment of transmission and telecommunication lines • Removal of LCPP and associated rail facilities (approved by not constructed) • Improved water management infrastructure including levees, drains and dam upgrades • Upgrade to aged coal handling & train loading facilities	
Greenhouse Emissions (Gross over life of Project)	**Net Scope 1 Emissions = 7.97 Mt CO_2-e** Gross Scope 1 Emissions = 15.1 Mt CO_2-e Gross Scope 2 Emissions = 0.2 Mt CO_2-e Gross Scope 3 Emissions = 793.8 Mt CO_2-e	
Avoid / Mitigation	• **Significant reduction in GHG emissions due to avoidance of Gas Domain 1 and voluntary net emissions decline beyond Safeguard obligation** • **Reduction** in air quality risk compared to original Project with no exceedances of criteria at private sensitive receptors • **Negligible** impacts on annual flow for Hunter River and tributaries • **Complete avoidance** scarred trees of Aboriginal cultural heritage origin • **Complete avoidance** of direct impacts to Warkworth Sands Woodland EEC. Avoidance of 50 ha of Central Hunter Grey Box – Ironbark Woodland EEC through removal of LCPP and associated rail facilities	
Economic Benefit	Estimated net benefit to NSW of **$5.69 billion** and to Lower Hunter region of **$1.78 billion** in NPV terms	

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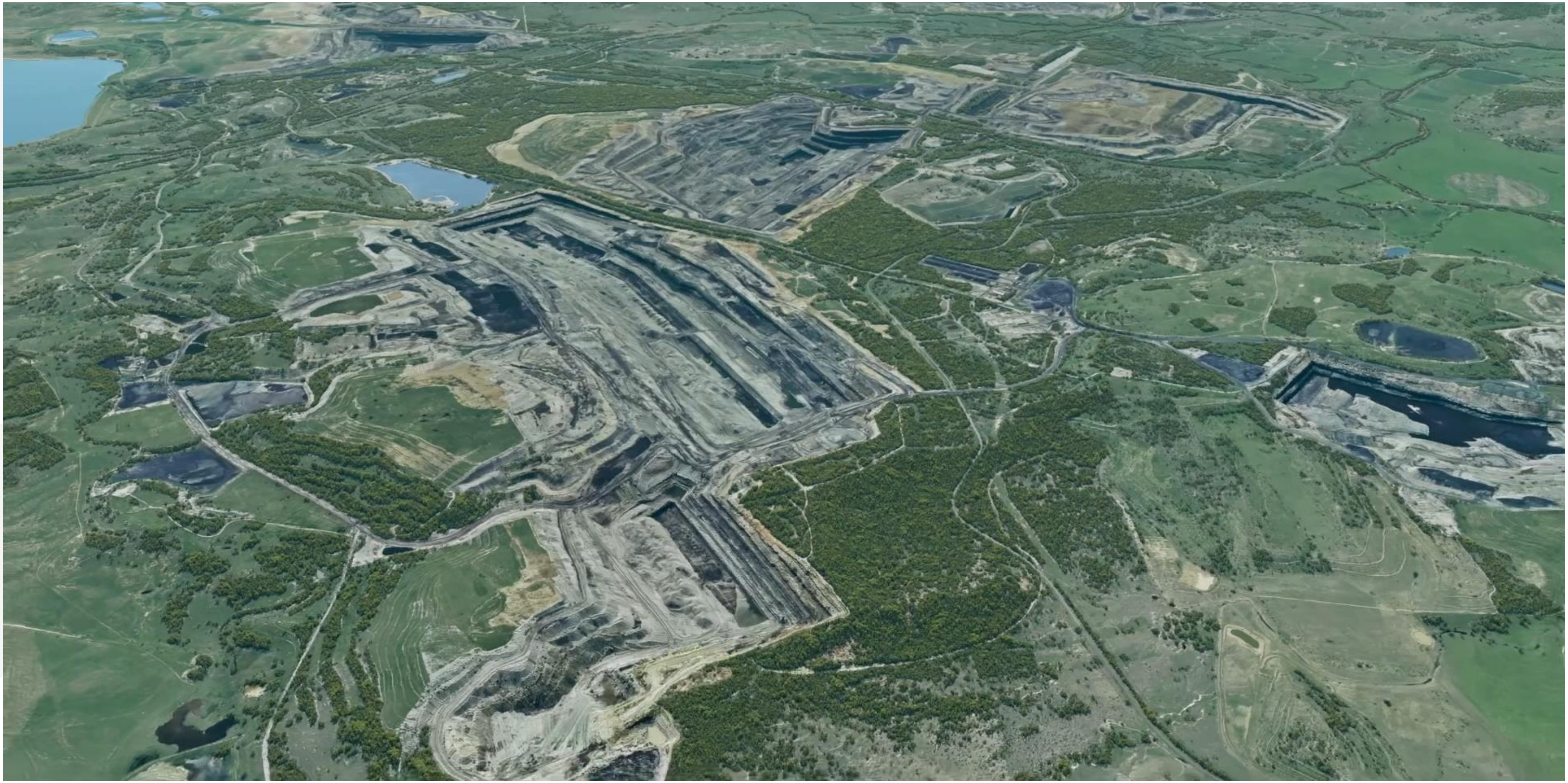
HVO Continuation Project



The Project has adapted in response to the significant evolution of NSW and Commonwealth GHG policy frameworks over the six-year assessment period

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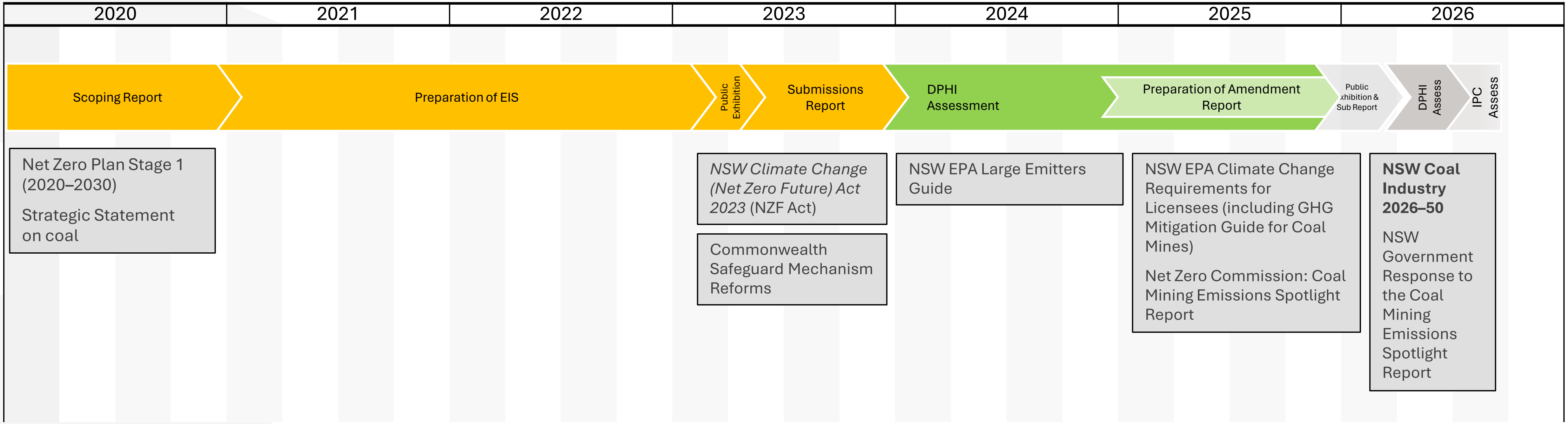
GHG emissions and mitigation measures have been comprehensively assessed, and conditions have been recommended to ensure impacts are managed.



"The Department considers the Project is consistent with [NSW and Commonwealth GHG] policy frameworks and that GHG emissions have been minimised to the greatest extent practicable given the Project has met the relevant NSW Government guidance for emissions avoidance, mitigation, and offsetting."

– DPHI Assessment Report, June 2026

GHG Assessment is consistent with NSW Large Emitters Guide and the mitigation measures meet the principles of the Guide (EPA, Dec 2025)

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HVO's application of the mitigation hierarchy is consistent with the NSW EPA's requirements

Avoid
- Avoidance of excess diesel use and electricity consumption through mine design and operational measures
- Avoidance of coal extraction from 'domain 1'

Reduce
- **Reduced annual production rate from 40 Mtpa to 26 Mtpa**
- Reduced mining rate and tonnage for HVO South
- **Pre-drainage trial at HVO South**

Substitute
- Benefit from decarbonisation of NSW electricity grid
- **Three-yearly reviews of decarbonisation technologies**

Offset
- **For the emissions not feasible to avoid, reduce or substitute we will source and surrender offsets to meet:**
  - **Safeguard Mechanism obligations**
  - **Additional voluntary commitments to align with NSW Net Zero Future Act decline rates**

Recommended condition **Required to be included in GHG Mitigation Plan, which is a recommended condition**

Amended Project: Additional Voluntary Reduction Commitment (beyond Safeguard) → Decline consistent with the NSW emissions trajectory

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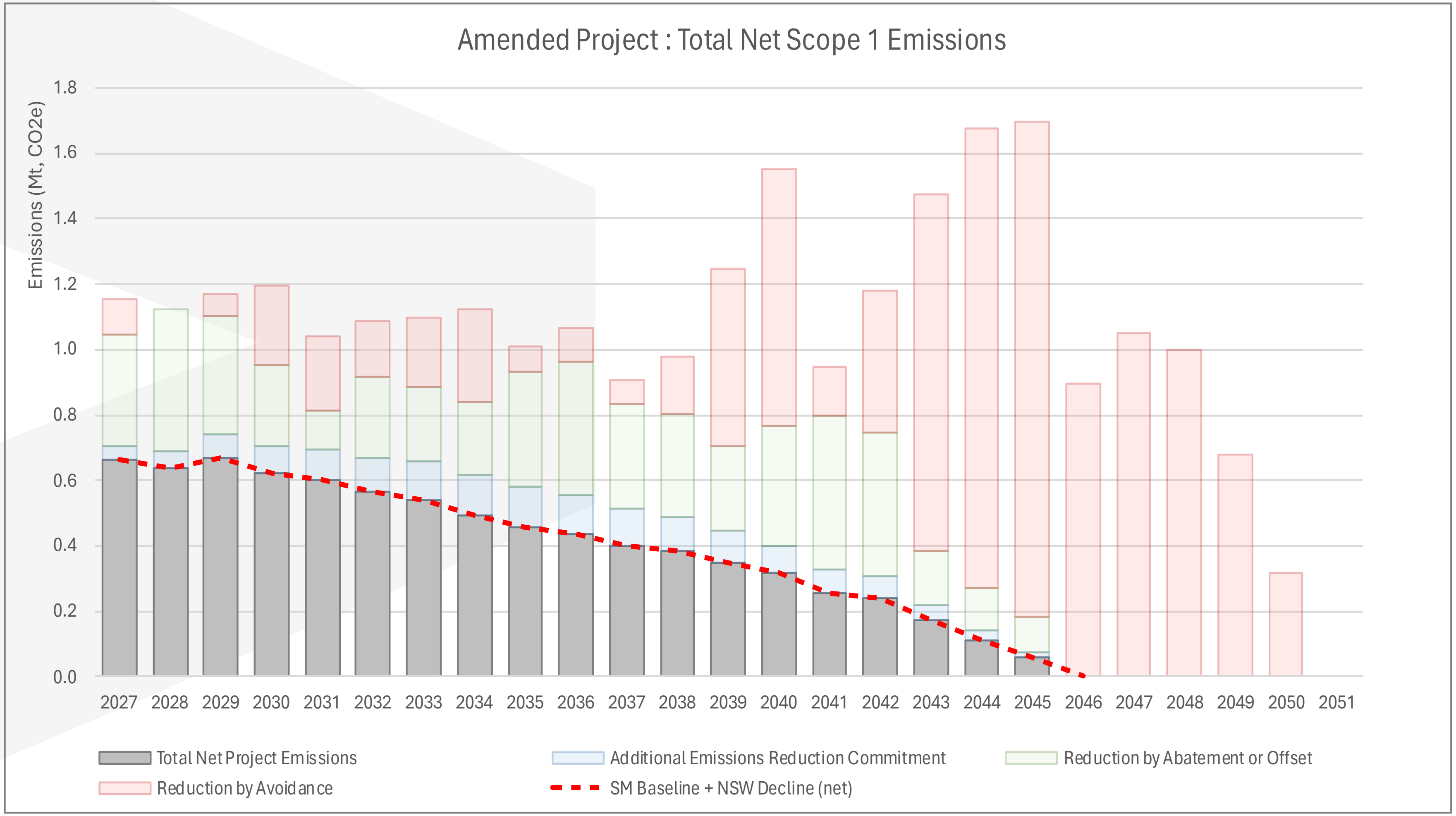
HVO's net emissions decline consistent with the NSW emissions trajectory and represent <1% of NSW annual emissons



Original Project Scope 1 Emissions:	**26.64 Mt CO_2-e**
Amendment Reductions	
Avoidance:	-11.59 Mt CO_2-e
Abatement or Offset:	-5.54 Mt CO_2-e
NSW Commitments (Abate or Offset):	-1.54Mt CO_2-e
Total Net Scope 1 Emissions:	**7.97 Mt CO_2-e**
(SGM & NSW)	

The net emissions trajectory (SGM & NSW decline) is proposed as the enforceable annual emissions limit for the Project

Net emissions from the coal sector follow a downward trajectory that is consistent with the NSW emissions trajectory

Coal sector regions and communities are doing our fair share to reduce emissions, in support of Commonwealth and NSW targets

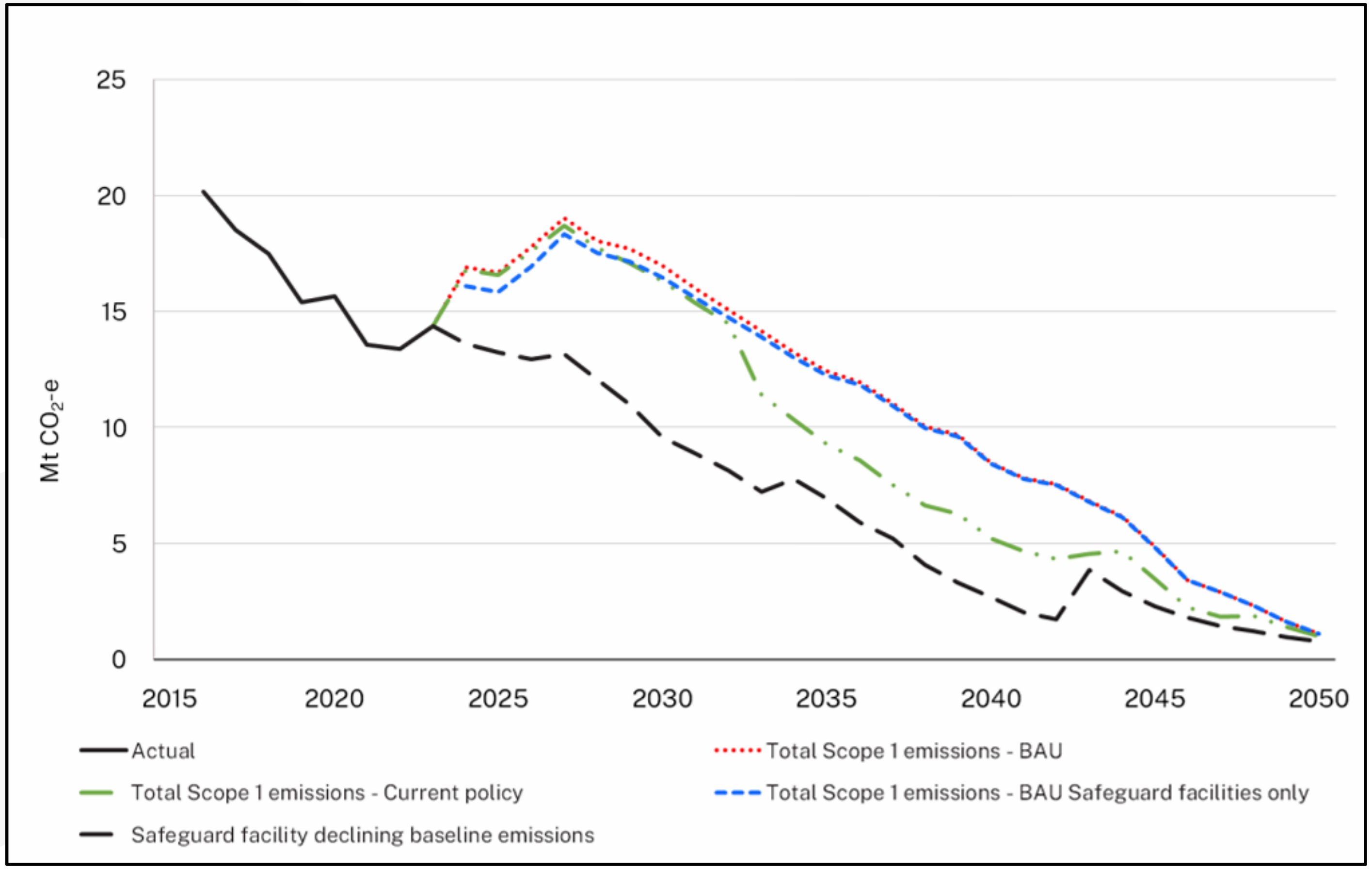


Figure 7 | Projected Scope 1 emissions for coal mining (Source: 2024 Methods paper, DCCEEW
(DPHI Assessment Report, June 2026)

- Coal sector "net" emissions are declining, consistent with NSW emissions trajectory
- HVO Project is included in calculation of emissions
- The Coal Industry 2026-50 states that the coal sector should not be expected to commit to deeper reductions than other sectors of the economy

Scope 3 emissions

Scope 3 emissions are anticipated to be managed consistent with the climate targets of the destination countries

- The Amended Project reduces Scope 3 emissions by 23%

- The primary countries that HVO Complex coal has been exported to all have NDCs under the Paris Agreement (or have followed equivalent standards)

- The Amended Project's total emissions of about 809 Mt CO_2-e equate to 0.048% of the global emissions budget of 1,700,000 Mt CO_2-e for the period 2000 to 2050 (CCA 2014)

* Destinations based on coal sales data for 2023 and 2024

HVO is major economic contributor to the region and NSW

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From 2022 – 2025, Hunter Valley Operations spent over A$6.9 billion

Estimated economic benefits of the Project
(2027–2045)

Estimated net benefit to NSW
$5.692 billion
(NPV terms)

Estimated net benefit to Lower Hunter region
$1.778 billion
(NPV terms)

Year	Number of direct employees and contractors in Australia at year-end (#)	Wages & Salaries ($m)	No. Suppliers in Australia (#)	Total Spend on Suppliers in Australia ($m)[1]	Total Spend on Taxes & Royalties ($m)[2]	Total Direct Spend ($m)[3]
2025	1,551	238	793	1,089	302	1,760
2024	1,515	224	802	1,051	291	1,735
2023	1,365	187	773	1,007	599	1,956
2022	1,357	139	751	744	580	1,463
Total (bold) *2022-25 average* *(italics)*	*1,447*	**788**	*780*	**3,891**	**1,773**	**6,914**

Notes:
[1] Includes spend on third-party mineral ores.
[2] Includes local council, state government, and federal government payments, excluding Yancoal's share of income tax.
[3] Includes spend on domestic and overseas suppliers, wages paid to direct employees, community contributions, and total taxes & royalties.

The Project has strong local support

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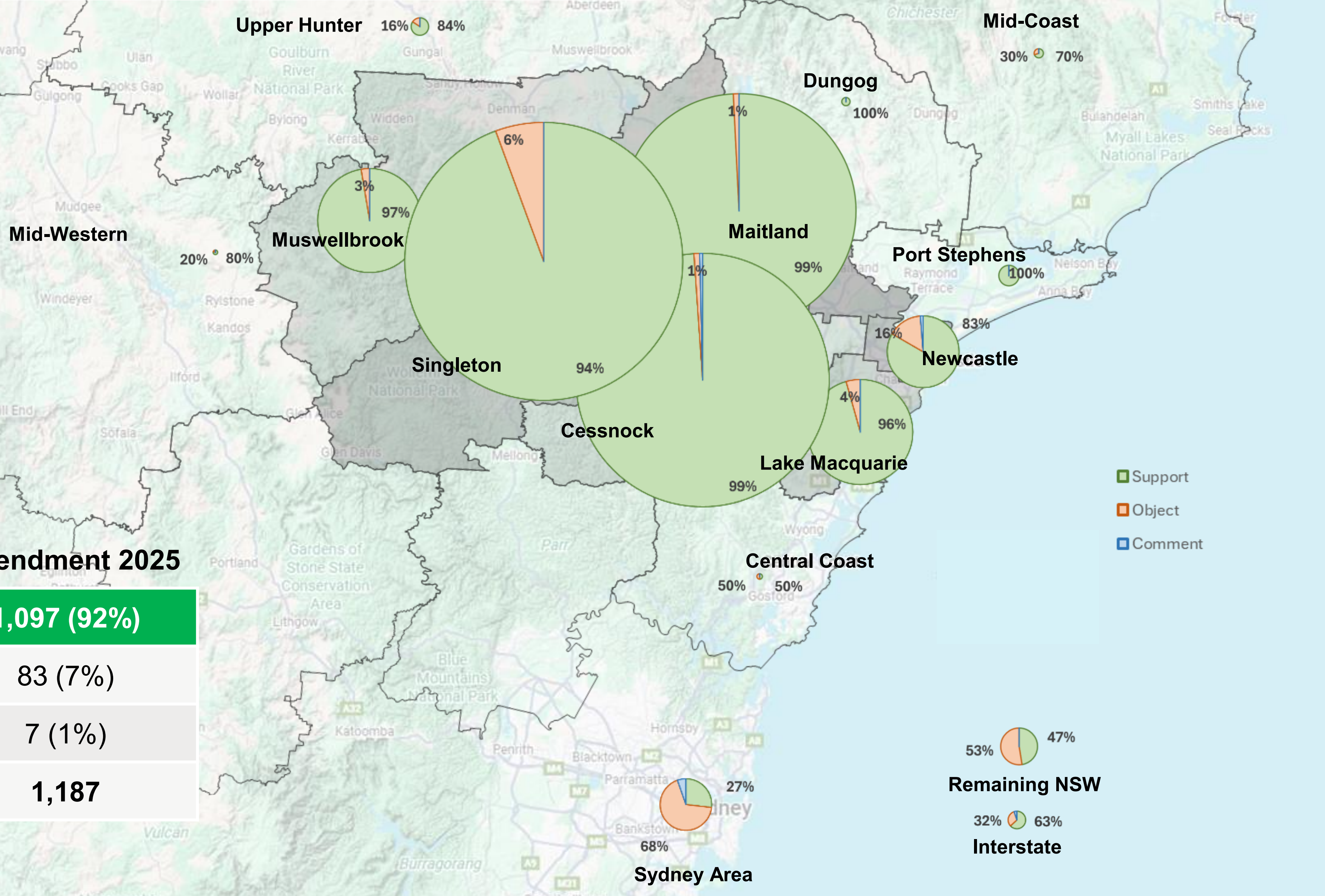

	EIS 2023	Amendment 2025
Support	**963 (93%)**	**1,097 (92%)**
Objections	67 (6%)	83 (7%)
Comments	11 (1%)	7 (1%)
Total	**1,041**	**1,187**

Graphic illustrates Amendment submissions as assessed by the Project.

THIS MINE MATTERS

- **Economic Anchor of the Hunter**
  - Ongoing direct employment opportunities for around 1,500 people and associated indirect employment
  - Direct and indirect benefits in the order of **$5.69B** (NPV) to NSW includes **$1.78B** (NPV) to the Lower Hunter

- **Aligns with all relevant NSW and Commonwealth government policy**
  - Brownfield mining development in an existing mining and power generation precinct – aligns with *NSW Coal Industry 2026-2050*
  - Iterative design process based on robust technical assessments to develop a project that:
    - all residual impacts can be appropriately minimised, offset, and/or managed
  - On GHG, the net emissions trajectory (SGM + NSW decline) is proposed as the enforceable annual emissions limit for the Project, which is consistent with Commonwealth and State policy frameworks and NSW emissions trajectory

- **Strong Local Support**
  - Singleton and Muswellbrook Council support
  - Strong support from local communities

- ***"The Department considers the project to be in the public interest"*** *(Assessment Report, DPHI 2026, pg A19)*

THIS MINE MATTERS