



New South Wales Government
Independent Planning Commission

TRANSCRIPT OF MEETING

**RE: HVO NORTH AND SOUTH OPEN CUT COAL CONTINUATION
PROJECTS (SSD-11826681 & SSD-11826621)**

APPLICANT MEETING

PANEL: SIMON SMITH (Chair)
JANETT MILLIGAN
MICHAEL CHILCOTT

OFFICE OF THE IPC: BRAD JAMES
KENDALL CLYDSDALE
CALLUM FIRTH
TAHLIA HUTCHINSON

**APPLICANT
REPRESENTATIVES:** DAVID FOSTER (Hunter Valley Operations)
PETER WALSH (HVO Continuation Project)
SANDY TICKELL (Glencore Coal Assets
Australia)
TIM WALLS (Glencore Coal Assets Australia)
JASON MARTIN (HVO Continuation Project)
NICOLE ARMIT (EMM Consulting)

LOCATION: IPC
SUITE 15.02 LEVEL 15, 135 KING STREET,
SYDNEY NSW 2000

DATE: 10:00AM – 11:48AM
FRIDAY, 3rd JULY 2026

<THE MEETING COMMENCED

MR SIMON SMITH: Before I do, I'd like to acknowledge the traditional owners on whose land we meet, the Gadigal people of the Eora Nation and pay my respects to Elders past and present.

So, welcome today to discuss the HVO North and HVO South Open Cut Coal Continuation Projects currently before the Commission for determination. The Applicant, who you represent, HVO Operations, is seeking consent for the HVO Continuation Project.

The project involves the continuation of mining at the Hunter Valley Operations Mining Complex until the end of 2045 for HVO North and the end of 2042 for HVO South, including an extension of approved mining areas and mining of deeper coal seams. The Hunter Valley Operations Mining Complex is an established multi-pit open cut mining operation located approximately 24 kilometres northwest of Singleton in the Singleton and Muswellbrook Shire local government areas.

So, my name is Simon Smith. I'm the Chair of this Commission Panel, and I'm joined by my fellow commissioners, Janett Milligan and Michael Chilcott, as you can see from the nametags. We're also joined by Brad James, Kendall Clydsdale, Callum Firth and Tahlia Hutchinson from the office of the Independent Planning Commission, and you can see their nametags there as well.

In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded, and a complete transcript will be produced and made available on the Commission's website as we always do. So, this meeting is one of the Commission's considerations of this matter and will form one of several sources of information upon which the Commission will base its determination.

It's important for the commissioners to ask questions of attendees and to clarify issues whenever it is considered appropriate. If you are asked a question and are not in a position to answer, you may take it on notice. At the end of the meeting, the Commission will advise you in writing if there any questions we've agreed that you might take on notice, and we'll let you know which of those require a formal response. Any subsequent response or information provided also goes on our website, published so everyone can see all the information.

And what I was hoping we might do, because we have an automatic transcription service, if we could just perhaps start at one end and if you could just state your name and your role, and then we'll know whose voice is speaking when the transcript is developed.

MR JASON MARTIN: Sure. Thank you. My name is Jason Martin. I'm the Approvals Manager for the HVOP Continuation Project.

MR SMITH: Great, Jason.

MS NICOLE ARMIT: Great. Thanks. I'm Nicole Armit, I'm from EMM Consulting, we were the lead consultant for the assessment of the project.

5 **MR PETER WALSH:** I'm Peter Walsh, I'm the Project Manager for the HVO Continuation Project.

MR DAVID FOSTER: Hi. David Foster, I'm the General Manager for HVO.

10 **MR SMITH:** Great. Thanks.

MS SANDY TICKELL: I'm Sandy Tickell, Group Manager of Carbon Planning and Abatement for Glencore Australia.

15 **MR TIM WALLS:** And I'm Tim Walls. I'm Approvals Manager for Glencore Coal Assets Australia.

20 **MR SMITH:** Great. Thank you all very much for coming. So, I understand, so you've seen the agenda and I understand you've had some discussions so that you know the topics we'd like to cover. And I understand you've brought a presentation, which is very helpful. So, you'll indulge us, the way I'm hoping we might run is that we would start with the agenda, maybe if you could – we don't need you to re-present information that's already in the EIS or the other materials that have been provided to us.

25 We want to have as much time as possible asking you questions and getting answers from you. so, I'll try not to be too pushy, but I want to keep us across all these topics, and so what we might do is if we perhaps just go to the first item on the agenda. If you want to show us one slide on that topic or whatever and just give us a 30-second burst on that, the kind of issues we've been asking about, and then we can just begin our
30 discussion. And then I'll just try and manage that so that we get through all the items in the time available, so I might have to cut off somewhere very interesting items, but we can't do that if we sort of miss out on other things, yes.

35 So, perhaps if we could begin with anything that you wanted to say about overview that you think is important for us to understand, that we might not have grasped just by reading the documentation, that would be really helpful.

MR WALSH: I want to get better into the shot.

40 **MR SMITH:** That's okay. So, maybe, while you're doing that, maybe you could just – could you just tell us a bit more about what it's like day to day with the two halves of the operation – to what extent are they actually different operations or is it indistinguishable for the workers which one they're working on other than the
45 location?

MR FOSTER: Yes, look, we do operate as one complex. So, really other than the approval-type process, really on one at HVO would be aware that we really operate as two separate DAs. So, while they are separate mining areas where certain people start at certain areas of the business, we intermix all the equipment. All the coal is

transported from the south end to the north DA, and it's quite a complex mining operation where you require coal to come from the south and the north at the same time. Different blends of coals are processed quite differently, and we need some of the coal types at certain times to be able to blend and get through the plant as efficiently as we possibly can.

MR SMITH: Right. And so, the output from the plant is post blending of material that's come from a range of sources on the whole complex?

MR FOSTER: Correct, yes, yes. And because you've got different mining areas and different diggers mining different piles at certain times, we only produce a certain number of blends of products of coal to our customers. So, it's important we get that complex right so that we're getting the right coal at the right time coming through.

MR SMITH: Okay. So, Janett, you wanted to – yes, go for it.

MS JANETT MILLIGAN: Yes. I'm getting a bit ahead on the agenda, but given what you've just said, that it operates as one, and we also noticed in your economic appraisal you talked about one not being able to operate without the other.

MR FOSTER: Mm-hm.

MS MILLIGAN: But you've made two applications. And a related question – different timeframes. So, if you need both, they need to operate as one, why are there two applications and why do they start/stop at different times?

MR FOSTER: Yes, well, we've been in this process – or Peter certainly has – I've only been with the business for three-and-a-half years. But this process started sort of back when the joint venture bought the operation from Rio Tinto. And the times have changed a lot since then. I think the view was, back in 2018 when this process was started, that it would be simpler just to keep the existing DAs separate. As we move along, you know, it's probably too far down the track to do anything different from now. So, that's probably just the history behind ...

MR SMITH: So, can you just give us any background on how it had come to be that there were separate approvals?

MR FOSTER: Oh, if you step back into the history of HVO, so it'd been operating since the '40s, very separate operations back in 2000, I think, under Rio Tinto. A lot of the operations were combined as three fairly large mines prior to 2000, being Lemington, Howick and Hunter Valley Operations, all combined into one operation that we see today – that was back in 2000.

So, since then historically there's been a number of merges of those various – you're talking back in the '40s, there's quite a myriad of mining leases that have been formed into these two large DAs there now. Yes, so that's probably how we've come to –

MR SMITH: Right, so what you're saying is from a business perspective and a people perspective, there's only one operation.

MR FOSTER: Only one operation, yes, yes.

MS MILLIGAN: And from the clients' point of view, so you're filling orders with coal that's blended from both sites.

MR FOSTER: Correct, yes, yes.

MR WALSH: Our clients wouldn't appreciate that they're coming from two different mines, that's for sure.

MS MILLIGAN: I understand, okay.

MR SMITH: And what about the second part of Janett's question, about the different end dates you've now proposed in the changes?

MR FOSTER: So, that's just purely the resource that's available to be mined, so the mining extent of the South Pit is fully expired by 2042. Whereas we've got enough coal to mine at HVO, and this is part of the process that we've been through with the Planning Department and back to 2018, we've got enough resource to mine economically till 2064. Our life of mine plan is out to 2064. But we're only seeking approval, or originally, till 2050, and that was in line with the old strategic statement in coal that went to 2050. And then obviously, recently, which we can go through in a bit more detail, amended that to 2045 to avoid mining in Domain 1, the higher gas areas in the North Pit through there. So, that's probably why those dates are slightly different.

MR SMITH: So, the period between 2045 and '50 is when you would have been mining the most gassy section – is that what you just said?

MR WALLS: Pretty much, yes.

MR FOSTER: Correct, yes. We mined through – we were originally mining through a dyke – the Hunter Valley Dyke, and the coal on the other side of that dyke is a slightly higher gas than what it is on the northern side of that dyke.

In, I suppose, the scheme of coal mining, that that gas level isn't relatively high in terms of other mines within New South Wales, but certainly higher than what we've got abreast to the north.

MR MICHAEL CHILCOTT: And so, it's the back end of the lease, that capacity to mix that you referred to, is reduced significantly. Does that constrain the capacity of the mine to actually meet market potentially at that point?

MR FOSTER: Yes, it will be something we'll have to manage. The only difference is the first or the next 8 to 10 years of mining within the North Pit goes quite through a difficult mining area. The seams are very steep, which when you drill and blast that steep, you have to drill through the seams and actually blast – well, you get a bit of coal damage, so it actually makes the coal quite fine. That's why a lot of our better-quality ore or that coarser coal would blend with that other coal that's damaged – I'm

trying to explain it a bit better, but it gets smashed up a lot by the blasting and mining process, so the coal fines, there's a lot more fines than there is coarse material.

5 So, we try and blend the coarser material in with the fines to get through the plant – more efficiently through the plant process. But we finished mining that steep area in the mid '30s and then we get back into, you know, far simpler sort of mining and practices that, while ideally, we'd have those blending opportunities, we can manage without them in the back end of the process.

10 **MR CHILCOTT:** So, there is utility at back end where you only have one operating than two potentially.

MR FOSTER: Yes, yes.

15 **MR SMITH:** So, where, because the application has come – it's two applications, admittedly right next to each other in every sense, but we have to turn our minds to considering each application. I'm just wondering if you could comment from the company's perspective on the value of – I mean, our options are either to approve both, to not approve either, or to approve only one. Tell us about the value of an approval of
20 only one.

MR FOSTER: Sure. Yes, certainly it would reduce that value significantly in terms of the resource that we're mining. But I suppose the South can't be approved in itself, so we – all the coal from the south development is transported north through to the, and
25 processed in the North processing facility. So, we've only got one rail loadout and there's two prep plants in the North DA, all the coal is processed through those two plants. And the amended project actually removes a proposed rail that we originally had in for the South, and a new processing facility down there. It's just not economically viable even in the remaining life of HVO to put that facility in, so we
30 removed that from the development application. So, the South can't operate by itself.

MR SMITH: Right, okay.

MR FOSTER: Look, the North probably has the ability but it, in terms of economic
35 viability, is significantly reduced. The actual capital expenditure required for the whole complex, it really doesn't diminish if only the North is approved. The largest expend is mining through the Lemington Road and with significant capital to move that road. So, without mining both resources, it just diminishes the overall economic viability of the operation. Considering the investment the owners have made into the business as a
40 complex, it really just diminishes that outcome for it, hence why our preference is just to approve in one.

MR SMITH: Thanks.

45 **MS MILLIGAN:** Just one last comment on that. And we understand the history, but you've just told us that South is not a standalone project, and yet there's a separate application for it. So, did you want to comment on that?

MR FOSTER: Oh look, I suppose it's just because there's a lot of history that's gone from the early days when we first started – we could probably take that on notice and give you a bit more of a formal response on that, I think, would probably be more appropriate.

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MR WALLS: It's probably fair to say that when we first started this process in 2019, 2030, which is the current approval life of South, was so much further away. Now, it's fairly quite close, obviously, and it feels a little bit more apparent. But why is it a separate application, and like Dave said, it's probably a fair question now. But we are so far down that process that we've moved them as two applications, it'd be massive to try and bring them together.

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MR SMITH: All right. We'll just talk after we've spoken to you and let you know if we want a formal response on that point. So, anything more from you, Michael, on item 4?

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MR CHILCOTT: No, thank you.

MR SMITH: So, we might move to item 5, which is about greenhouse gas emissions. So, obviously there's been a number of government policies and documents that have been released that changes the framework about these matters since the first work you've done on the EIS. So, we do have a few questions about ... One, is there anything that you wanted to kick off with on this particular ...

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MS TICKELL: Yes.

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MR WALLS: I might hand over to Sandy, if that's all right.

MR SMITH: Sure.

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MS TICKELL: If we could flick through to the greenhouse gas assessment. And what we've got in terms of, all the commissioners, takes us through that policy framework, how the project has evolved over the 60 years that it's been under assessment for, to reflect the requirements of the policy framework and in fact it exceeded in some instances as well. We'll then step through the quantification aspects and the mitigation aspects and talk about the commitments that we've made as well. So, in terms of the technology reviews and emissions goals as well. Because I understand one of the questions in here is about the enforceable annual emission limits.

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MR SMITH: That's one of the questions.

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MS TICKELL: So, we will cover all of that.

MR SMITH: Great. How many slides have you got on this topic?

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MS TICKELL: About 20.

MR SMITH: Okay. So, we'll need to just go through it as quick as we can.

MS TICKELL: Quick through – yes, yes, yes, so absolutely. Please feel free to pull me up or get me to stall through some of them.

MR SMITH: Okay.

MS TICKELL But I will, acknowledging your comment that we would skip through what's in the application materials, we'll move fairly quickly through the quantification aspects and focus on your agenda items from these slides.

MR SMITH: Thank you.

MS TICKELL: So, in terms of the policy framework then, we started assessing the project back in 2020 and now we're in 2026. And over that period, we started with the Strategic Statement on Coal. This mine has always been a safeguard facility over the period of the safeguard scheme and it currently is in the project and would continue to be. We then had the Net Zero Climate Change Future Act come in, in 2023.

The Commonwealth Safeguard Mechanisms were also reformed significantly in 2023. The EPA then has introduced additional requirements in terms of the Large Emitters Guide and the Climate Change Licensee requirement. So, the Large Emitters Guide applies to this project, and Climate Change Licensee requirements would apply to the approved mine because it applies to all licensees, and in fact would apply to the current mine as a Mod as well.

At the same time, the Coal Industry Statement has been released as well, which is supportive of brownfield extensions where impacts can be managed, such as this project. And similarly, the Net Zero Commission, which was formed in, I believe, which was formed as part of the Climate Change Net Zero Future Act, they published an advisory report called the Coal Mining Emissions Spotlight Report last year, and the NSW Government published their response to that report as well.

So, we'll talk through the policy statements on the next slide. So, fundamentally through all of those policy requirements, they are underpinned by a net emissions framework, from the Paris Agreement through to the Commonwealth Safeguard Mechanism, where we are operating and managing our emissions currently at the moment under the Safeguard Mechanism, through to the NSW NZF Act.

So, when the NZF Act was introduced, and that's a key component of the project design, one of the questions put to us was, yes, we are a safeguard facility, the Commonwealth NDCs are a 43% reduction by 2030 and a 62 to 70% reduction by 2035, with a net zero at 2050. But the New South Wales targets are higher, with a 50% reduction by 2030 and a 70% reduction by 2035. How is the project going to consider and reflect this? And what we have done –

MR SMITH: So, do you – when you, you know, you've got, for example, the state targets.

MS TICKELL: Yes.

MR SMITH: And you've got a mining operation and you're seeking approval to continue the operation through the period of most of those targets. Do you think your job is to follow the proportional reductions from your current emission at your mine and that's what you consider to be what should apply at your mine?

Or do you think about what your competitors and colleagues in your industry are doing, and that the industry should be seeking to achieve a proportional reduction, taking into account new extensions, mines closing, the mitigation opportunities, underground versus open cut mines and so forth. Do you think about it as an industry or you just look at the overall target and say, well, we'll do our bit, follow that line?

MS TICKELL: Yes. Our – the way we have approached it for this project is to look at both those aspects, and we followed the policy guidance that's in the Coal Industry Statement around that. And the Coal Industry Statement very clearly shows that, very clearly states that based on the state's own modelling, that emissions from the coal sector, net emissions from the coal sector are declining consistent with the state targets. And we do have a slide on that, which is also in the Assessment Report in here.

So, that's the overall landscape, and within that landscape, how we have applied it is by applying a more aggressive decline rate to this project. We are admitting to go beyond the Safeguard Mechanism to ensure that the next emissions decline for the project is consistent with the state trajectory. So, we've approached it by looking at both the coal sector decline – that's confirmed. While we haven't, we've influenced the coal sector decline because this project's emissions are considered in the state's modelling.

So, in the current 2024 Methods Paper, the original project with the higher emissions is reflected in the state's modelling and it shows that coal sector emissions decline – this is the slide. So, the black dashed line here is from the 2024 Methods Paper published by the Department of Climate Change, and it is the key chart that we refer to, and that's referred to in the Assessment Report, confirms that the original project with the higher emissions is considered in those projections, including the black dashed line, and that, overall, the coal sector is achieving the state's decline trajectory. So, we consider both of those.

I'll step back one more. So, that is how we've ... So, by volunteering to do more than safeguard, that is how we are maintaining compliance or consistency with the state's –

MR SMITH: So you're... so, you're effectively say the target trajectory for your mine is one that proportionately follows the overall ...

MS TICKELL: Yes, it does.

MR SMITH: ... state reduction slope.

MS TICKELL: That's right. The slope and the gap would be consistently –

MR SMITH: And the gap be over and above the Safeguard requirement is to help you reach that point.

MS TICKELL: Yes.

MR SMITH: Thank you.

MS TICKELL: Yes. We saw a need for us to offer that voluntary commitment because of the higher decline rate the state is following.

MR SMITH: Okay. Thank you.

MS TICKELL: Then we have the Coal Industry Statement which was recently released, and that is recognising Safeguard as being the major driver that drives emissions reduction in the coal sector, as 95% of coal mine emissions (in New South Wales) are covered by the Safeguard Mechanism. And additionally, it also recognises the EPA's requirements, which we'll discuss next.

The EPA's Large Emitters Guide has applied to this project, and it applies to projects with greater than 25,000 tonnes of CO₂e of Scope 1 and Scope 2, which is why we have had to meet that requirement. And fundamentally, the Large Emitters Guide really focuses on comprehensive quantification, application of the mitigation hierarchy, and goal setting which must consider Safeguard, if you are a Safeguard facility, and net absolute emissions goals. So, that is why as a minimum we started with Safeguard, and then we've offered to do more.

MR SMITH: And the Large Emitters Guide has a strong focus on mitigation of underground mines. I didn't notice much specific recommendation or requirement for open cuts. Is that correct?

MS TICKELL: That is correct. And we've got a slide explaining why it was ... So, it's not so much in the Large Emitters Guide, but it's in the EPA's Climate Change Licensee Requirements, so it's in the mix – in the very last column, the document that you're referring to, that I believe you're referring to, is the Mitigation Guide that's –

MR SMITH: Very much, yes.

MS TICKELL: Yes. And in that Mitigation Guide, the EPA has done comprehensive work since about December 2023, I'm aware of, and the industry has worked with them as well as other stakeholders. And over that time, they've developed a whole range of comprehensive reporting, mitigation and goal setting requirements. And as a part of that, the Mitigation Guide, the mitigation requirements that you are referring to, were consulted on towards the back end of last year. Then they received a whole raft of evidence from OEMs, from researchers, from industry as well as other stakeholders, and refined the requirements.

So, yes, the – would you like me to move to that now?

MR SMITH: Yes. I think we should keep moving along, yes.

MS TICKELL: Sure, let's move ... It's an important piece of evidence and the latest piece of evidence to consider, and it supports our view on mitigation requirements as well for open cut mines.

5 So, if I can just point out, these are the measures that were initially proposed by the EPA during the draft consultation. And they were looking at prescriptive measures around gas drainage and clearing, and VAM mitigation, so underground gassy mines. For open cuts, they were looking at mitigation measures around diesel emissions and fugitive methane at open cuts.

10 And in relation to diesel emissions, they were contemplating low carbon liquid fuel mandates, increasing over time from 5 to 25% or up to 75%. Yes, 5 to 25%. And zero emission vehicles of any form, so hybrids, batteries, but by zero emissions, it wasn't zero Scope 2, it was zero Scope 1, is what they intended. And the zero emission
15 vehicles would have started at 75% of your large fleet, being anything over 560-kilowatt engine size, through to a 100% zero emission vehicles by 2005.

And after the extensive consultation they did, and the Consultation Summary is published on the page, and what they have also published is two extensive workshops
20 that they ran – one on methane abatement with underground, with a whole range of underground OEMs and underground operators. And they also ran a diesel emission workshop with a whole range of biodiesel producers, refineries, OEMs – I should clarify that – it's original equipment manufacturers, just for the transcript – and with industry.

25 I believe both the summary notes from those workshops have been published in addition to the Consultation Summary. It was very comprehensive and the data they gathered caused them to withdraw the open cut prescriptive mitigation measures in the final version, because of a lack of certainty, and cost issues. So, in particular around
30 diesel emissions, they've acknowledged in the Consultation Summary that diesel is biodiesels, and renewable diesels are high cost abatement measure.

MR SMITH: Mm-hm.

35 **MS MILLIGAN:** A question if I may?

MR SMITH: Yes, go for it.

40 **MS MILLIGAN:** So, thank you, that's been useful. There's a suggested condition that every three years you consider developments in this space. Can I ask what assumptions you made in your economic appraisal about this, because I see that comment there that it was withdrawn partly because there was acknowledgement that it's very high cost. So, what did you assume in your economic appraisal that you look at it every three
45 years but nothing was happening. What's happening in this?

MS TICKELL: So, fundamentally, because of the hard-to-abate nature of diesel at the moment, being high cost measures, or uncertainty on the timeframe of delivery of decarbonisation option and because we haven't applied fugitive mitigation in our greenhouse gas assessment, what we see in the quantification in the Assessment Report

is purely diesel emissions as a result of standard operating practices of our haulage planning, the truck, and open cut fugitive emissions as we are forecast to emit them, using our method to model, which was also looked at as part of the Advisory Panel Review, so the Independent Expert Advisory Panel looked at our gas content data as part of that review.

So, the greenhouse gas assessment does not apply any novel or high-risk or uncertain mitigation measures. It reflects our existing operational practices. And similarly, to your point, Commissioner Milligan, the economic assessment does not apply any costs either. So, there's consistency between the greenhouse gas assessment and the economic assessment.

So, what is priced in the economic assessment for greenhouse gas emissions then, is, when you're looking at the application material, the economic assessment prices the greenhouse gas impacts for the Safeguard Mechanism, so they are contained within that as a direct cost to the business, so a cost that the business has to internalise because it is a compliance cost for us, the Safeguard Mechanism is a regulated mechanism. And in addition to that, the remaining Scope 1 and 2 that aren't needed to be offset by the Safeguard Mechanism, that component is priced as an indirect cost, as an indirect greenhouse gas cost. And to that, the US EPA – there's been a range of price assumptions, including the US EPA social cost of carbon.

MR SMITH: So, just to dig a bit deeper into your question. So, those reviews, you're offering to commit or to implement anything that's reasonable and practical as a result of the reviews. How would you define reasonable and practical – what would be the measure of, that would cause you to implement something?

MS TICKELL: We would consider a range of factors, from the operational practicality to also approvals ability, for example, do we need significant approvals to instigate that particular mitigation.

MR SMITH: Let's say, would it be – it's a financial and practical measure?

MS TICKELL: Yes – absolutely, it's techno-economic.

MR SMITH: So, you would as the mine, as the person in charge would say your guys had come and said, well, actually we noticed that the iron ore industry's piloting electrical haul tracks that are supplied by Caterpillar, or that Fortescue's already ordered, says it's ordered electric trucks. You'd be saying to your team, well, what's going on over there, why can't we do that? And they might come back and say, oh yes, actually that is possible for us to do that. And then you'd have to turn around to your owners and say, actually the next time the trucks come up, you wanted to spend more money on trucks upfront but don't worry we'll be saving money over operating cost or ...

UNKNOWN SPEAKER: Correct.

MS TICKELL: That is how it would work, yes.

MR SMITH: And so, how would you be open to publishing some kind of financial appraisal or like – but is there any documents that you can share with us, you’ve already done this? Like, how ... I accept that they can either be available but too expensive, or just simply not available to meet your operational requirements. But it seems that, the way things are going, both of those things could be changing in over the life of the operations that you’re intending.

MS TICKELL: They do.

MR SMITH: But I guess I’m looking for something a little stronger that would be saying that – because, I mean, I know running a business, there’s a lot of required to do BAU and asking for new capital is not easy, etc. But reasonable and practical doesn’t – it’s not very compelling. Like, it doesn’t – like, tell me, like, as a Mine Manager, where do you see yourself on the spectrum of all of the east coast coal mining operations on greenhouse gas issues? Are you kind of wanting to be a leader in this or are you wanting to be hanging back and seeing what other people do? Or, like, where do you see this operation?

MS TICKELL: We’ve – I was going to say – with the performance expectation that we’ve offered for this project, we are, by offering to do more than Safeguard, the net emissions reductions that we’re offering do put us ahead of what is a compliance obligation for the rest of the state. And we would achieve that net emissions obligation by either avoiding, reducing, substituting or offsetting.

And to your question on how stringent is this commitment and regularly are we looking at this? Whilst the condition is a three-yearly review of technologies, and it’s one we’ve volunteered which has ended up in the condition. And we are conscious that it is a three-yearly technology review, but the reality is that it’s a live process that’s occurring when we’re purchasing fleet. So, when you need to order something in time, you’re discussing with your OEMs through the procurement process, what are my options here, and how do those techno-economics stack up?

There’s an obligation within the CC Map requirements for existing licensees, which is about to be rolled out through the EPA, has a requirement for licensees to publish their assessments on mitigation requirements. And that’s coming in across the board and would also be applied to this mine.

So, whilst we would be – we would not be publishing the financial assessments because obviously that would use supplier pricing, so we would not publish anything commercially sensitive. However, we would be required to publish at least something that’s semi-qualitative to semi-quantitative to ensure that we have done a vigorous assessment.

MR SMITH: Because often with new technology, there’s a bit of a chicken-and-egg problem. Because the manufacturer of the vehicles isn’t going to put the capital into developing them unless they’re confident there’s going to be a buyer. And on the other hand, the buyers can be saying, well, we don’t want to put our money up if we’re not sure that what they’re going to offer is going to meet our needs. So, it does take some leadership from both sides to achieve the transition that both would ultimately benefit

from and welcome. So, can you see any – like, this is a role that is of interest to you or ...?

5 **MS TICKELL:** Yes. Look, Glencore and Yancoal separately have – obviously, they're the joint venture owners of HVO – they have memberships as part of different greenhouse gas alliances. So, Komatsu is a case in point where they've got a greenhouse gas alliance. And we are also members of ICMM which is the organisation that has a raft of decarbonisation fleet options that they look at, as well as the safety barriers that are in place that need to be resolved before the fleet can be rolled out.

10 So, we've got very good line of sight on how technologies are developing collectively, so we're not just relying on our particular OEMs. So, we're getting line of sight through those multilateral organisations into what other OEMs are doing as well. And the work that we've put – the section that we've published in the Greenhouse Gas
15 Report where we talk about the GRL and CRI assessment of different fleet decarbonisation that we've looked at, it's informed by our work through the ICMM, and it has also been peer reviewed by Hatch. And the Expert Advisory Panel for Mining reviewed our assessment of GRL and CRI and stated that it was a fair and balanced approach and that HVO was well positioned, because of the linkages it has,
20 to monitor developments in the future.

MS MILLIGAN: I'll just ask one more question, maybe slightly similar ...

25 **MR CHILCOTT:** And I'll go after you... that's all right.

MS MILLIGAN: So, given you've just told us that you're ahead of required targets, if this equipment becomes available, that's going to lower it further, you kind of don't need to do that, so it just seems to me simplistically that it's all going to be on the one side, it's going to be on the cost side. What's the compelling case? What's the
30 compelling case for adopting it?

MS TICKELL: Yes, absolutely. Well, other than the standalone cost benefits, for example, with electrifying, if the fleet is more efficient and there's a benefit of avoiding diesel and having electricity costs, there's obviously an NPV positive aspect there, that is compelling in itself.

35 But the major driver for emissions reduction in the coal sector since the reformed Safeguard Mechanism is prior to the reforms in 2023, emitters had to meet their baseline. There wasn't a clear incentive other than a voluntary target to go beyond your
40 baseline. However, now you are allowed to generate Safeguard Mechanism Credits from beating your baseline. So, there is a significant – in my personal, in my professional view, that is a huge part of the reforms that has really incentivised emissions abatement through your baseline. And that is the incentive.

45 **MR SMITH:** Michael?

MR CHILCOTT: Yes, I just wanted to follow on from the discussion in Simon's question. And just to tease out exactly, as you refer to it, there may be some forms of things you can publish. And at one level you referred to techno-economic and then you

subsequently referred to financial. And financial and economic, to my way of thinking, are different. Presumably, you could look at an option, and it may be more expensive, and therefore less of an incentive to adopt it. However, economically, if you remain still economically viable with a net present value or a benefit-to-cost ratio that comes out more than 1, for example, you could do it within the framework of still remaining a viable operation if it costs.

I'm just interesting in your – getting some clarity about what it is you might be envisaging you could publish that might demonstrate that you've taken opportunities that maintain the viability of the operation even if they, at an economic level, even if they financially increase cost. Do you see that?

MS TICKELL: Yes. So, yes, I do see that difference. If I can just clarify –

MR CHILCOTT: I just want to be clear about, are you dealing with this financially or are you dealing with things economically?

MS TICKELL: I think, Commissioner Chilcott, is your question relating to affordability, as in can one mine afford something more than the other?

MR CHILCOTT: Things often cost more but they may still be something one can take up and still be economically viable.

MS TICKELL: Yes, yes.

MR CHILCOTT: And, you know, I'm assuming that economic viability is the thing that will drive you in the medium to long term, even if there are short term costs that one assumes. Again, if I'm turning my mind to the conditions that we were talking about and what you might be able to offer by way of something that on a three-yearly basis you do your review, what is it that you think you can offer that would help give us, and perhaps more broadly interested parties, some perspective on you actually taking opportunities as they come rather than being seeing things as a cost.

MS TICKELL: Understood. In terms of – I think there's two things here. A) how we look at is economically and financially, and a case in point economically, you know, very purist payback NPV, incrementally is this unaffordable, is this an economic option for us to undertake? But we also consider outside of that purist approach, well, what are additional synergies or additional benefits that it might have.

And a case in point is by offering to do more than Safeguard, this is a voluntary commitment that the project is making beyond an obligation, in recognition of the fact that at the time that we needed to do something to reflect consideration of the state's targets. So, that was offered in that context. And I think, if I can clarify, I think where you're heading with your concern, is how –

MR CHILCOTT: It's not a concern. It's just a question.

MS TICKELL: It's a question, sorry. Is how is transparency provided to a regulator that we have done the work on the assessment and how have we looked at it. When I

5 speak about what we would publish, for example, so to the general public it wouldn't be sensible for us to publish something that's commercially sensitive.

5 **MR CHILCOTT:** I can understand.

10 **MS TICKELL:** However, to some form of a regulator or a decision maker, we would need to consider what we can provide under commercial-in-confidence to give that level of comfort. So, I believe that that is a way that we have managed those sorts of risks in other situations in the past.

10 **MR CHILCOTT:** Thank you. Thank you, that's helpful.

MR SMITH: So, how long do you keep haul trucks for?

15 **MR FOSTER:** That's a good question. Look, it depends on the model, the technology that's available at the time, how long the OEM is going to support the original product. So, anywhere from – most of our truck fleet at the moment, you know, is around that 90 to 100,000 hours within the industry, so we generally operate around 6,000 hours on a haul truck, 5 to 6,000 hours on a haul truck per year, so anywhere from sort of 10 to 15 years historically.

20 If we can, and it's economically viable, we extend that out to – again, depending on how long the OEM's going to support that older fleet, if there's a newer model out that they're now supporting, they'll stop providing parts and so forth for the older fleet at times. So, it's harder to say on any kind particular time because it is quite fluid.

25 **MR SMITH:** So, every truck you've got now is going to have be replaced at least once or maybe twice if this extension is approved.

30 **MR FOSTER:** Correct, yes, yes.

MR SMITH: And how many trucks have you got, like, the big ones?

35 **MR FOSTER:** Yeah, 96.

MR SMITH: Ninety-six. And so, typically how many would you turnover each year – are they all different ages, are they, or ...?

40 **MR FOSTER:** They're generally bought as a package, you know, it'd be sort of 10 to 20 at a time, so we don't really turn – every three to four years, we'll be turning some over, I'd have to go and check the actual numbers.

45 **MR WALLS:** That graph that was in our Amendment Report is a summary of the sort of replacements we'd be looking at on a five-year lease sort of extent.

MS MILLIGAN: Can I just come back – one more question to Sandy. The Commonwealth credits, can you just talk to us about how important they are in your strategy?

MS TICKELL: Yes. So, we aren't ... So, the Commonwealth credits can be used, so the Safeguard Mechanism Credits?

MS MILLIGAN: Yes.

MS TICKELL: The Safeguard Mechanism Credits can be used to achieve compliance with the Safeguard Mechanism. And they are, while we haven't explicitly called them out as a specific unit, however, they could be used to achieve that compliance position under Safeguard. And the NSW EPA, I believe, has stated that if there are extra voluntary commitments that would need to be made, that they would need to be achieved with Australian Carbon Credit Units. So, what we have priced, for example, in the economic assessment as being the direct cost to the business, is the price of ACCUs.

MS MILLIGAN: Okay.

MR SMITH: So, are there any other questions just on the particular subtopic of emissions?

MR CHILCOTT: No, Simon.

MR SMITH: Any questions on fugitive emissions? So, I think you're permitted to do a pilot ...

MS TICKELL: Pre-drainage trial.

MR SMITH: ... of pre-drainage. And can you tell us about how the decision would be made about what might follow the pilot – what would indicate success and what would that lead to? Or what would indicate failure, and what would that be?

MS TICKELL: Yes, yes. So, we've committed to a pilot [pause] ... We've committed to a pilot in Domain 3 and Zones 3 and 4, and these are zones where the current mine is operating at the moment and managing emissions consistent with the Safeguard Mechanism.

And if we have a look at the table up the top, what we can see is the composition and the gas content of those zones. So, we're looking at a gas content of about ...

MR WALLS: No. It's all right. Use the little button and it should ...

MS TICKELL: Thank you. So, we're looking at a gas content in those Zones 3 and 4 of about five to six-and-a-half, and we're looking at a gas composition that's mixed gas, about 50/50 CO₂ and methane, which isn't typical draining territory. And to put it in context, the Advisory Panel for Mining stated that open cut fugitive emissions abatement is as yet unproven. Hence why they've recommended a trial for this area of the mine.

And typically, underground mines would start draining gas content at about 10 cubic metres per tonne and above, and they will aim to get down to about 2 to 3 cubic metres

of methane, typically. In contrast, we are starting here at an effective 3-cubic-metre-per-tonne methane content once we look at composition at content. So, that is why, because of the complexities around that, is why we have proposed a trial.

5 And to your question on what looks like success. What is challenging about this trial is that we are trying to apply it in an existing, active open cut where we have working going on. And there's some notional lines that we can see in terms of the types of holes that we would consider.

10 So, this is HVO South, we've got a fair bit of spoil sitting up the stop where we have mined and dumped previously and we are now working deeper. And the yellow and the green zones are Zones 3 and 4 in Domain 3, and the coal seams that are in those are generally anywhere from the Piercefield, Vaux, Broonie to Bayswater. They aren't thick packages of coal seams – they're very thin, layered packages with lots of
15 interburden and rock mixed in between. So, it's not a highly attractive drainage target.

And for those risks, what would like success from the plan is (a) can we get a hole in successfully that would stay open, and we get water out, and then gas out, in a timely manner. Will the gas actually – will we actually be able to drain the area? Will the gas
20 be desorbed? And what is the timeframe for that desorption, and what is the quantity of that desorption?

So, it's a fairly straightforward marginal abatement analysis, but the complexities of trying to get in a whole pattern that will drain a particular area, have a particular
25 influence, have enough time to be able to perform that, are all factors that will feed into its marginal abatement cost curve. Because really, what we have is the cashflow component, or the drilling costs associated with it, and what we need to do to improve prospects is to get as much gas as we can for as little cost – that's fundamentally the mechanics of the process.

30 **MR SMITH:** So, what would be the financial measure of success? Is it all the costs considered as a marginal abatement cost compared to ...

MS TICKELL: Yes.

35 **MR SMITH:** ... the Commonwealth offset units?

MS TICKELL: Yes, that's right. Yes, that is how we consider it.

40 **MR SMITH:** That's your framework?

MS TICKELL: That is the framework. And we would also need to consider the fact that pre-drainage brings forward emissions as well. So, obviously, currently in the mine plan this will be released at the point of extraction.

45 **MR SMITH:** Yes.

MS TICKELL: However, with pre-drainage, we will be bringing forward methane which we will abate, and that's great. But because this area is a mixed gas, we will incrementally be bringing forward CO₂ as well.

5 **MR SMITH:** Yes.

MS TICKELL: And because of the time value of emission in a marginal abatement cost curve analysis, we will need to ensure we transparently show that in the cost analysis.

10 **MR SMITH:** Yes. So, do you need any kind of framework to recognise that?

MS TICKELL: The framework that ... There is complexity around the legal work. The economic framework in terms of the MAC assessment is fairly straightforward, it's [cross-talk].

15 **MR SMITH:** Regulatory framework.

MS TICKELL: The regulatory framework is complex. So, in the NGER framework at the moment, Method 2 is recognised as global best practice and very well has New South Wales, all the safeguard facilities in New South Wales are a Method 2, same as this mine. In the measurement determination under NGERs, there is an ability for gas that's drained to be subtracted from a Method 2 model.

20 **MR SMITH:** Right.

MS TICKELL: However, it's untested. And depending on how you interpret the wording, it's unclear how that mass balance would actually be applied. So, this particular shortfall or issue has been raised by industry in our concerns as part of the NGER review. We have made submission around the same. And it is in the terms of reference for the Method 2 review at the moment, to look at providing clarity around how open cut free drainage can be represented in reporting from open cuts.

25 **MR SMITH:** Right. Are there any questions about free drainage?

30 **MS MILLIGAN:** No, I'm good.

MR CHILCOTT: That's it, thank you.

35 **MR SMITH:** Okay. So, just another question about the assessment on the greenhouse gas topic. So, the framework is clear that the Scope 3 emissions outside the assessment task, subject to of course more legal developments that say that we have to consider the local environmental impacts of greenhouse gas emissions from Scope 3, combustion of Scope 3, combustion of exported coal, essentially. So, can you tell us, or what you can give us to show that you've assessed that?

40 **MS TICKELL:** Yes. So, we have assessed Scope 3 emissions in terms of quantification in the Assessment Report.

MR SMITH: Yes.

MS TICKELL: Yes, so you're okay with that. And today we have also put into our discussion on where our products effectively go. So, we'll also talk about the local and global and national impacts of climate change after this as well. But if we firstly look at the use of our product coal. Over the last two years, we have exported coal to countries that are identified there and they all have NDCs under the Paris Agreement. And in the case of Taiwan, which is not recognised as a sovereign nation, it has its own UNFCCC equivalent targets that it has set in respect of the Paris Agreement.

And we expect that our future sales will continue to follow similar patterns to countries with NDCs, noting that energy and coal markets are obviously demand driven. So, that is our expectation and we note that the IPC is required to consider conditioning with respect to all emissions, including Scope 3 emissions.

MR SMITH: It's in particular we're asked to consider impacts in your local region ...

MS TICKELL: Yes.

MR SMITH: ... from coal burnt elsewhere that is sourced from your mine.

MS TICKELL: Yes. And so, we do have that on the next slide as well, yes. And with regards to minimising Scope 3 emissions overall, there are a number of areas in-house Scope 3 emissions and the management of that is discussed in the state's regulatory framework. So, the Large Emitters Guide doesn't require proponents to set goals in respect of Scope 3 emissions, because they are outside our in-group control.

Additionally, we will, we expect we will continue to export to countries with NDCs or comparable targets. And this project is generally consistent with the EPA's recommendation in terms of the Greenhouse Gas Mitigation Guide for Existing Licensees, that coal mining companies should take opportunities to reduce Scope 3 emissions by selling to customers with commitments, and that is what this mine has done historically.

MS MILLIGAN: A quick question. So, you said you anticipate that you will continue to sell to countries with targets.

MS TICKELL: Yes.

MS MILLIGAN: Is that an organisational policy, or is that just what you do at the moment, you think that might continue, or how does that look?

MS TICKELL: It's the latter. So, it isn't a documented organisational policy. It is our expectation of the future, based on the historic markets that we have sold to. So, on the basis of those we do not believe that conditions relating to Scope 3 emissions are required.

And then looking at climate change considerations in respect of, we've looked at the impact of the project both on a total basis, on a total Scope 1, 2 and 3 emission basis,

there's about 809 million tonnes of CO₂e of greenhouse gas, of which roughly 98% is Scope 3. And we've compared that to the global carbon emissions budget which was obtained from the Climate Change Authority's last publication of a budget. And it equates to about 0.048%.

We've also looked at the maximum Scope 1, 2 and 3 emissions from the project, which is about 50-million-tonne-per-annum. In 2039 and compared that to the current annual average as published by the IEA of about – yes, which is about 0.132% of global annual energy emissions, if we look at our peak year.

Then in terms of impacts on climate change, we have looked at global, national and local impacts. With respect to global impacts, we've based that on IPCC predictions. And in terms of national impacts, we've looked at that based on CSIRO and the Bureau of Meteorology predictions. And then at a local level, we've looked at the Hunter Region and looked at the susceptibility of the Hunter Region to risks to the effects of climate change by looking at the NARcliM model.

So, after looking at all of those, yes, the project will contribute to greenhouse gas emissions, however, this contribution will be very small as a proportion of global emissions and it's not sufficient to materially affect extent of climate change. However, it is not possible to conclude that the amended project's emissions would lead to a net increase of the total that we have prepared. So, the estimates that we have prepared are conservative, and they don't apply any of the benefit that might occur from our customers exercising their own emissions reduction benefits, for example.

MR SMITH: But is the point in bold on the screen, is that essentially saying that the coal mine, coal consumption is demand driven and so if you don't produce it, somebody else would meet that demand. Is that the logic that's underneath that point, or is there a different logic?

MS TICKELL: Yes, the logic is that we're not reflecting any abatement that might occur on the customers' side, fundamentally. So, this is a conservative assessment of that. And currently –

MR SMITH: You mean, like, greenhouse, like CO₂ capture or something?

MS TICKELL: Yes, for example, CCS use or even high efficiency/low emission power stations, so we are reflecting a fairly standard power station use, which is what is reflected in the NGERs use of coal combustion factors. So, this isn't reflecting any specific emission reduction practices that might be undertaken at the customers.

MR SMITH: Okay. So, to what extent is the point relying on the argument that if you don't sell it to somebody, somebody else will, and therefore the total consumption of coal would be unchanged by this mine proceeding or not proceeding? Is that an important part of the argument, or is it more the argument to the other one, the other point you've just made?

MS TICKELL: Yes, the other argument that I've just made, yes, yes. I suppose, it is ... What we've seen, in particular in terms of the International Energy Agency's

predictions is that the energy market is very uncertain. And they have predicted for quite a number of years now that demand for coal has peaked, when in fact in the latest projections, demand for coal has hit 8.8 billion tonnes and it has peaked every year, and I believe it has increased about 16% over the last few years.

5

So, there is a level of uncertainty, and to the extent that that uncertainty might mean that there is a demand for coal and that our customers, if they don't get HVO's coal, they would go to an alternative customer, I suppose that would be true. However, that statement is referring to a whole raft of externalities that will driver whether or not the emissions from this project will result in an entire net increase.

10

MR SMITH: Okay.

MS MILLIGAN: So, given the uncertainty and the change in forecasts over a relatively short period of time, just step us through the assumptions you've made about demand.

15

MS TICKELL: Yes. So, the assumptions we have – oh, can I just clarify that question please, Commissioner Milligan? Was that with respect to demand or ...?

20

MS MILLIGAN: Yes, I'm sorry. Yes.

MS TICKELL: Demand of this mine's coal? Demand for coal in general, yes. So, the ... Why don't you go back to ...

25

MR FOSTER: ...you keep talking.

MS TICKELL: The assumptions we have made is that demand would continue for this mine's coal, given its operating history and its proven customer base. And that the Proponents have confidence in that demand for coal, to continue investing in the mine and to continue working on an approval, including making significant modifications to that approval over six years. So, there is a very high level of confidence in the feasibility of this mine and the mine life that is proposed as part of this project.

30

MS MILLIGAN: So, demand at the same level? Because I think there is discussion – and correct me if I'm wrong – about the declining demand for coal.

35

MS TICKELL: Yes.

MS MILLIGAN: And yet you've just said to us it is uncertain and forecasts do jump around, even over a couple of years. So, just talk to us about that.

40

MR FOSTER: I suppose we've relied on the International Energy Agency and even under all three of the scenarios, the key three scenarios there have considered whether it's a current-stated policy scenario on the top right there. The second one is the announced-pledges scenario. And the last one there is the scenario that they see to get to get to net zero by 2050. Every one of those scenarios, you do see a declining base but you also see a relatively strong demand still remaining, even out to 2050.

45

So, I think we also need to acknowledge that there will be a declining supply base as well, certainly coming out of Australia during that time. We are confident that based on those scenarios, that there will be demand for HVO coal for the life of the project.

5 **MR KENDALL CLYDSDALE:** Sorry Chair to inject, just letting you know it is 11 o'clock.

MR SMITH: Thanks for that. I asked to be reminded then. Can I just check if anyone needs a comforts break?

10

MR CHILCOTT: I do.

MR SMITH: Right. Why don't we just have a couple of minutes pause and then we'll come back and just wrap up this topic on the agenda and then we'll begin with the other items. If that's okay. All right. So, just a couple of minutes.

15

MR CHILCOTT: Thank you.

20 <**SHORT BREAK IN MEETING**

MR SMITH: All right. We can renew our time together. So, just colleagues, do you have any other questions about the greenhouse gas item? Okay. So, just to wrap up, there was just a little one from me, which as I noticed a comment in the Independent Expert Panel Review, that they have wished to see all of the comments provided by Zephyr Consulting, but they weren't able to access those. So, I'm just wondering could you make those available to us, please?

25

30 **MS TICKELL:** Yes.

MR FOSTER: I thought we did.

MS TICKELL: I think I – we actually have, yes. Sorry, I'll refer to Jason to answer that question.

35

MR WALLS: I believe we have provided that to the Department. We'd be happy –

MR SMITH: Would you provide it to us, would that be okay?

40

MR WALLS: Yes.

MR SMITH: If you could just take that as a – put that on your to-do list and just send that through, that'd be helpful. I mean, I'm not sure what it's about, but I just thought that they brought it to our attention so I thought we should ask.

45

MR WALLS: We can provide clarity on that.

MR SMITH: Great. All right Well, let's move onto the next item. It's biodiversity.

MS TICKELL: Sorry, just one question, Commissioner Smith, did you want us to talk about enforceable annual emission limits as well? We note that was the agenda item.

5 **MR SMITH:** Do you guys want to? I think we've got a few ...

MS TICKELL: Okay.

10 **MR SMITH:** Give us an explanation about how the Safeguard Mechanism applies and the commitment that you've made to do more than that to mirror the...

MR FOSTER: The key point is that is an enforceable condition.

15 **MS TICKELL:** Yes.

MR SMITH: Yes, we see that. Thanks very much for the work you've done on the topic. But it's not just about greenhouse. Let's talk about biodiversity, shall we?

20 **MS ARMIT:** We've got a few slides, noting that on your agenda you've asked about the remaining impact and opportunity for avoidance.

MR SMITH: Yes, because this is like a crucial part of the framework is about, you know, absolutely avoiding impact first.

25 **MR FOSTER:** Can we just go back to the slide we had towards the start. I just want to explain the mining process and why this project is quite a good project when it comes to biodiversity, and the extent of mining for nearly 20 years. We'd struggle to get a better project in terms of the lack of disturbance for the size of our operations. So, I just want to explain why that is the case, just with the cross sections of – yes, that one.
30 Next one, the one with the cross sections through the coal seams.

MR WALLS: Oh, sorry. That one?

35 **MR FOSTER:** Yes, that one there. So, so basically we're mining, with modern technology, larger equipment, we can now mine far deeper than what we historically could. So, that's what brings this project all about. So, historic, the majority of the area that our project is extending through is mining back through previously mined areas, hence you saw one of those graphs or diagrams earlier, we had a lot of spoil, that's material that's just been dumped in the mining process, that we're now mining back
40 through.

45 So, you can see the stratigraphy that we mine through and the Wittingham coal measures on the left-hand side through there, the middle part where it says Carrington, you can see the black sort of seams, and then the orange ones with the black above, in that section through there has already been taken previously, and we're now mining back down through there. So, if you then go –

MR SMITH: What's the depth of the lowest of the orange seam?

MR FOSTER: Depending on where we are, I think in the South it's –

MR SMITH: Below the already mined seams, for example.

5 **MR FOSTER:** Total depth about 250 metres. So then, yes, if you go through to the
diagram on the right through there, so for the size of our operation, you've basically
got a very small amount of disturbance in between the existing what we call West Pit,
so it's all North Pit, that area that you can see on the frame on the corner through there.
10 It's really the extent of the disturbance that we haven't previously disturbed. And then
the others are just purely related moving to powerlines and road through there. So,
obviously that's the bit of context behind.

MR SMITH: So, what you're saying is because it's reworking of an area that's
15 already been disturbed, that the future disturbance footprint is very small by
comparison with a greenfield operation.

MR FOSTER: Absolutely, yes.

MR WALSH: If I may, before I hand over to Nicole, I might step through – just get
20 some of the slides. We talked about how long we've been working on this project. And
we've been working on this project such a long time, of course we've been doing
everything we can to avoid impacts that might restrict our ability to get the project
approved fundamentally.

25 We've been doing a lot of work to get this project as approvable as we possibly can.
And hence the amendment, which is the most recent one, and avoiding that Domain 1.
Without going through all of these, and I'm more than happy to come back to them if
you'd like. In terms of the area that we've already mined ... We've got some
biodiversity ones here in a second.

30 So, this is our current approved disturbance footprint. In the process of working
through, like Dave said, mining through those deeper seams, mining into this
Carrington area here, we worked through this project and in our initial scoping, I
guess, in our initial consultation with Planning and feds in 2019, we were talking about
35 a disturbance area which is that blue area there.

Apart from that small area that Dave pointed out, which is the mining, the rest of it is
around powerlines and Lemington Road. In the evolution of the project since then, by
40 the time we got to a Scoping Report, we'd rationalised the powerline design, we
realised we didn't really want to continue – we had approval but hadn't mine reviewed
the southeast open cut South Lemington 2 to South Lemington 1 was started and not
finished. So, we identified that we didn't want to mine there again, so we've given up
those opportunities, but also therefore taken out that disturbance that was already
approved – state approved, not federally approved.

45 By the time we lodged the EIS, we'd done continuing design on powerlines in
particular and been able to narrow that footprint up. Lemington Road, again, narrowed
up. There was – we'd identified things like a Scarred Tree in there which we avoided
as part of the design process.

MR SMITH: So, is Lemington Road the green strip through the middle of the top section?

5 **MR WALSH:** Yes. If I might go back a couple of slides – that's Lemington Road as we've got in our current Amendment Report. So, it's –

10 **MR WALSH:** ... the Proposed Lemington Road. Existing Lemington Road goes up through there, you'll drive through here when you come to visit in a couple of weeks and meet us in there. And it continues on down through the pit, or where we propose to mine down through here, and across Moses Crossing which is the causeway-type crossing on the Hunter River here. And our proposed Lemington Road runs down here.

15 Importantly, and one of our activities in terms of avoidance, a North amendment we did back in '23 was to diver the road a little bit around some Warkworth Sands Woodland. Again, part of that avoidance piece.

20 So, by the time we lodged our EIS, we'd avoided a lot of the initially identified disturbance. We'd avoided the mining areas down here. We'd avoided a Scarred Tree. We'd avoided some critical River Redgum areas were identified, this is part of the 132 kV Ausgrid powerline we wanted to divert around the bottom of the pit there, through the bottom of the pit.

25 We've literally designed the road, designed that powerline, I guess, in between groups of River Redgum. And we also avoided the cultural site there at CM-CD1 as part of that mine design.

30 And in that last step in the Final Amendment Report, we moved, like I said, we moved Lemington Road around some Warkworth Sands Woodland. We had subsequently identified another Scarred Tree which we avoided there, and continued to rationalise that aligned design. And in our Final Amendment Report, also took out that Lemington prep plant that we had approved and built, like Dave mentioned, and that had a small 0.3-hectare Warkworth Sands Woodland impact at the bottom, we removed that as well.

35 So, I guess, through that whole process, we have continually reviewed the design to minimise their impact and avoid impact to the extent we possibly could. I'll hand over now to Nicole and she can talk through that more, and from a pure biodiversity perspective.

40 **MR SMITH:** Thank you.

45 **MS ARMIT:** Yes, only a few extra things to note on top of what Peter's just talked through. So, the polygons on this slide is the disturbance of the footprint that's outside what's already approved or existing disturbance, so that Peter was just talking through. So, it is quite minimal compared to the site operation.

The colours on this slide; the green is the native vegetation, so it's about 24% of the footprint is native woodland. The yellow is also native but it's grassland, so in various

forms. And the purple is exotic. So, that yellow and purple makes up about 76% of the footprint, so it is a relatively small footprint from a biodiversity perspective given the nature of the...

5 **MR SMITH:** What's happening now on the native woodland and the native grassland areas?

MS ARMIT: That's currently outside the approved footprint. So –

10 **MR SMITH:** ... it's being grazed or ...

MS ARMIT: Yes.

15 **MR CHILCOTT:** So, is it, what's, how do you assess the level of disturbance in there, if at all, in those areas?

20 **MS ARMIT:** It's all been assessed by our biodiversity assessment. So, the methodology is set out very clearly in the BAM (the Biodiversity Assessment Method) set by the New South Wales departments. And accredited ecologists have gone through and assessed all of those areas. So, we've done extensive surveys through all of those areas.

25 **MR CHILCOTT:** I'm just trying to get a sense from you, the level of disturbance in those native woodland areas, are they secure and intact or have they been impacted through grazing activities, or do they – what is their quality like?

UNKNOWN SPEAKER: If it's, like, original remnant woodland, I don't know if there's any original remnant woodland.

30 **UNKNOWN SPEAKER:** Old aerials indicate it's nearly all been cleared at some point.

MR CHILCOTT: So, largely regrowth, that's from historical use?

35 **MS ARMIT:** That's right.

40 **MS MILLIGAN:** So, one of your – sorry – one of your diagrams seem to be on materials shows, it actually shows the poor condition native grassland. So, what percentage of that grassland is in poor condition?

MS ARMIT: That's mostly the yellow areas. To give you the exact numbers, I'd have to come back to you.

45 **MS MILLIGAN:** No, no, that's good.

MS ARMIT: Yes, it's mostly those yellow areas on that slide.

MS MILLIGAN: Yes.

MR SMITH: I guess we'll have a look at some of those areas on the site visit.

MS MILLIGAN: Yes.

5 **MS ARMIT:** So, in terms of – we'll just step through this avoidance. Have you got
any more questions on the avoidance? It has been a very iterative process. So, we've
one biodiversity assessments and the outcomes of those assessments has fed into the
project design, and we've sort of gone back and forth in a very iterative way,
10 particularly around the Lemington Road alignment with the Warkworth Sands, there
was about 10 hectares of Warkworth Sands Woodland which is an endangered
ecological community, so now that's all been wholly avoided. So, that was a very
iterative process we've worked through.

15 **MS MILLIGAN:** And how was that possible? You know, like, that seems to be quite
a significant decision, that you couldn't avoid it and then you can. So, what drove that
development?

20 **MR WALSH:** I guess, I wouldn't say we couldn't avoid it and we could, it was a case
of when you ... In a road design, it optimised bill balance, you know, to be brutally
civil and we understood we had some impact. When we did our first Scoping Report,
the first consultation, we had nearly 50 hectares of Warkworth Sands Woodland
impact. It was made pretty clear to us that the project was not going to approved with
that sort of impact, and we understood that, and went away, and minimised it to every
25 extent we could.

I guess when we lodged our EIS, we had 3 hectares, I think, of Warkworth Sands
Woodland impact. We understood that there were some offsets required to manage
that, but it was a process we would work through. On further discussion and working
through, we realised no, we actually do need to redesign the road. So, the road will be
30 more expensive to build, moving it to where we'll build it, it's got to go across
[unintelligible], it's not cheap, and it's a longer road, there's a big bend in it, etc., etc.
But that was a decision we made, like I said, to make this project as approvable as
could.

35 **MR CHILCOTT:** I would imagine that going through the BAM process, that would
have generated some discussions as a necessary step to engage with avoidance as one
of the considerations.

40 **MR WALSH:** Our liability there is not insignificant.

MR SMITH: Can you comment on the differing views on serious and irreversible
impacts? Like the [unintelligible].

45 **MS ARMIT:** Can I just clarify what you mean by 'differing views'?

MR SMITH: Well, I understand it's been debated, like, we've asked to make a
decision on whether the impact as now proposed would meet that threshold. But I
gather that there have been some stakeholders you've talked to who think that it would
and some who think that it doesn't.

MS ARMIT: So, the assessment that we have done has, in view of the accredited ecologists, said it is not a serious or serious and irreversible impact, is the view of the ecologists. I note in the Assessment Report by the Department they do confirm that they don't believe there is a significant risk of extinction, but then have left the decision to the determining authority of yourselves.

MR SMITH: Yes.

MS ARMIT: But our view from an environmental impact point of view, is clear that we don't believe it is a serious and irreversible impact, based on a few things. So, one is the avoidance. So, the project has avoided about 8 hectares of River Redgum, so that it is now down to 1.2 hectares. That can be offset by a fairly small number of credits, I think it's about 39 credits to offset that impact. And then what's also relevant to that decision around the serious and irreversible impact is then the extra and over-and-above the credits to offset the impact, there's the restoration area that's been put forward to put in place, so that's about 6.6 hectares of an area, that is quite a good area to rehabilitate to River Redgum, it's adjacent to old remnant – there is some old – to your question before, there is some old remnant River Redgum along the Hunter River. The site that's been identified to restore is adjacent to that. It's got a really good native cover, that the ecologists believe it can be restored to meet that community.

So, having that extra restoration area of 6 hectares in addition to the credits has led to the conclusion, in our view, that it's not an SAIL.

MR CHILCOTT: No, that's all fine, I understand.

MS ARMIT: And something else I'll point out too, the site has undertaken previous restoration of Redgum in that same area, and there's 20 years of monitoring data around that. So, there is a really good understanding of what it takes to rehabilitate that.

MR CHILCOTT: Does our site view take us to those areas, to give us a sense of the capacity to regenerate this ...

MR WALLS: It's absolutely something we can do if the Commission would like to see something like that.

MR CHILCOTT: Given the fact that there's a specific point which we need to turn our minds in relation to serious and irreversible impacts. It may be helpful for us to have a view of that if that can be accommodated.

MR WALLS: Existing and proposed?

MR SMITH: It would be good to see the area that's proposed ...

MR CHILCOTT: Proposed, but also ...

MR SMITH: The area that, where you've been successful in rehabilitation.

MR WALLS: Okay, cool.

MR CHILCOTT: Just to be able to get a view of –

MR SMITH: Have you got a photo of what it looked when you started the restoration?

MR WALLS: I'm sure there's some documentation there.

MR CHILCOTT: This is a matter upon which you rely to reach that conclusion, and given that we need specifically to turn our mind to it, it would be really helpful to actually understand the basis on which you make the argument.

MR WALLS: There's a number of priority sites along the river there, and this area is immediately adjoining one of those as well, so I'm sure we can come up with something that suits on the day of the tour.

MR CHILCOTT: Thank you.

MR WALLS: That's it there, sorry, just to clarify. It's one of those priority sites identified along the river, and our site, in that inset you can see it there, it's the 6.6 hectares.

MS ARMIT: The hashed area is the proposed, and the yellow area is the existing restoration area that hasn't been planted.

MR CHILCOTT: And beyond the restoration efforts you've proposed if it's to secure this site, what are those?

MR WALLS: We propose to – the conditions included incorporation of the existing River Redgum Restoration Strategy. So, we would enhance that document to include that area and develop that Ecological Restoration Plan specifically for that area and manage it under that regime.

MR CHILCOTT: And in terms of physical securing of the space, I'm thinking, we haven't obviously been on site, but things like edge affects and so forth over time are material to the security of these sorts of things.

MR WALLS: Yes, absolutely. That would be –

MR CHILCOTT: Have you turned your mind to that?

MR WALLS: Yes, just as part of the plan itself. Fencing, weed control, pest management, all that would be committed within that, absolutely, and it'd be excluded from grazing, for example, that sort of thing.

MR CHILCOTT: And is that to be documented or is documented in a firm document that would be part of the consent, if it were granted?

MR WALLS: It would be documented as part of achieving that condition as a future post-approval documentation, to be approved by the Planning Secretary.

5 **MS ARMIT:** So, that would be in the form of the Ecological Restoration Plan that is being ... There's an existing management plan and that would be updated to include this site.

MR CHILCOTT: Okay. Thank you.

10 **MR SMITH:** What's the legal mechanism used to ensure the ongoing status of ...

MS ARMIT: It would be through the conditions of consent. So, that condition (B64) requires this restoration area, that's the legal mechanism.

15 **MR SMITH:** Okay. So, it's not set up as an offset site or anything like that? Okay.

MR CHILCOTT: And it also wouldn't necessarily be condition in perpetuity if it only relates to the length of the consent. Is there a, I mean, perhaps you could – you may or may not have turned your mind to it, but is there some in-perpetuity
20 mechanism that could secure this offset longer term?

MS MILLIGAN: On title?

25 **MS ARMIT:** There could be. The in-perpetuity mechanism is the retiring of the credits. So, the approach we've taken is retiring the credits is the – it sort of meets that obligation, so that –

MR CHILCOTT: I understand that. Just in relation to this particular restoration thing, which I'm imaging sits outside of the credit mechanism.
30

MS ARMIT: Yes, that's right.

MR CHILCOTT: So, I understand it's secure for the length of the consent that you are seeking. It's the period beyond that, is my question, and whether you've turned
35 your mind to it or whether you might have proposals in relation to that.

MR WALLS: We hadn't proposed it as part of this documentation, but we can take that on notice and have further consideration.

40 **MS MILLIGAN:** Just one last question. So, in your rehabilitation... where does it sit? Does it feature in the rehabilitation strategy?

MR WALLS: It's got its own plan, this area, it sits under the River Redgum restoration area consent condition, so that would fall fully within that condition of
45 consent.

MR SMITH: Whereas the rehabilitation applies to other areas.

MR WALLS: It's more the operational areas and the rehabilitation of site more broadly.

MR SMITH: Good. Thank you.

MR WALLS: Okay.

MR SMITH: So, are there any other questions on the biodiversity agenda item?

MR CHILCOTT: No, that's been very helpful.

MR SMITH: Let's move on then to environmental controls. So, this is, because it's a proposal for an extension, you've got a bit of operational experience to call on here. Did you want to make any comments about this topic?

MR WALSH: Yes, sure, Commissioner. Yes, Commissioner, you're purely right, it is – we're relying on an extensive environmental monitoring network we've had in place for the best part of 20 years, and we have managed those impacts quite successfully during that time.

So, when it comes – we'll probably go to the next, and get through ... And the agenda really called for specific operational practices around it. So, our key impacts of noise and dust are really managed around – both have real-time monitoring networks, so you can see on the previous diagram there, an extensive network around the perimeters of the mine, and largely, particularly noise around our sensitive receptors.

But we start the process on both noise and dust; it comes down to our mine planning and the education and training that comes down through training our staff on those critical aspects. So, when it comes to dust, the best thing we can do is minimise our disturbance area, so minimise our wind-blown dust. So, rehabilitating our areas as close to our mining activities as quickly as we can, and we've got quite stringent requirements throughout the company and legal requirements to make targets on a yearly basis on rehabilitation and disturbance. All the way down to, you know, where we're mining and dumping material at certain times under different environmental conditions, when it comes to dust.

And noise, obviously, [unintelligible], we avoid dumping at really high levels close to where our near neighbours will be. So, a very strong aspect of mine planning straight upfront.

And then in operation when we're actually mining itself, as I said, really strong education of our mining supervisors when it comes to dust. So, dust, there's a couple of aspects to it. The EPA have developed a process in conjunction with the industry over the last 20 years and have evolved a TARP process on visible dust. And it's really setting some clear requirements on most of our visible dust in the mine, whether it's generated from all roads, drills or diggers, excavators and so forth, in the environment. So, there's TARP trigger levels within a visible sort of dust perspective, where we set acceptable limits and then if we can't meet those limits, we either modify the operation

or we stop, or slow down or whatever it might be. So, that's in terms of visible triggers when it comes to dust.

Our real-time monitoring network then has certain TARP level triggers on dust levels, which we then manage through our dispatched operation. And when we get to certain levels of dust, again we have to assess, modify the operation to make sure we get those dust levels back down to acceptable levels. Otherwise we can't keep continuing to keep operating.

MR SMITH: Thank you for that. I'm interested – obviously, the mine's long standing in the area, I'm wondering how many – and the reports that you've provided show a number of residences that could be potentially impacted by noise and dust impacts. I'm wondering how many of those locations, how many of the residents in those areas have been sitting there waiting for the expiry of your current approval, thinking, well, thank goodness that it's going to go quiet and less dusty quite soon versus how many of them have employees living in them or ...

Like, what I'm trying to get at is, what is the level of, in your perspective, I mean, how often do you still get complaints from neighbours about noise and dust?

MR WALSH: Considering how close our neighbours are at Jerry's Plains and Maison Dieu, we've got a really good relationship with both those communities. Now, there certainly are members within those communities that aren't always happy, but they are, you know, we don't have the exact numbers, but they are by far the minority. Both really acknowledge that support of the community and the work that we do to minimise our impacts.

Probably a bit of perspective, in terms of the industry, our overall number of community complaints is quite low. So, on average over the last five years, around nine complaints a year come through all levels – that's traffic, noise, dust, blasting. Yes, so as an industry perspective, it's considered quite low.

MR SMITH: And so, do your current conditions require you to report on numbers of complaints and the content thereof and what you did about them?

MR WALSH: Correct. Yes. Yes.

MR SMITH: So, is there an existing document that we could see that would show us and what happened with those ...

MR WALSH: There is. And when it comes to these operational practices, the new development, or the project, or really just the management plans associated to manage our future impacts will just be an extension of what we currently do.

MR SMITH: Yes.

MR WALSH: We're mining back through those same areas. In fact, we're actually mining largely away from those local – the near neighbours, the sensitive receptors, more so than what we have in the past.

MR SMITH: Right.

MR WALSH: So, our impacts, largely, should be less.

MR FOSTER: And in the Annual Environmental Plan – sorry, Report – which goes through the aspects around complaints, how many times we’ve stopped the dust alarms and things like that.

MR SMITH: Maybe if you could just extract a suitable portion of one of those reports so we could just get a sense about how the mine is sitting in relation to its neighbours, maybe over the last few years, something like that, that would be really good.

MR FOSTER: Two years?

MR SMITH: Yes, that’d be good. And if we can get enough information so it makes sense to us, you know, like how far away is the person and what’s the issue that’s caused them to complain.

MR FOSTER: We’ve also got a longstanding Community Consultative Committee that does operate, that’s got a number of near neighbours and rep from the Singleton Council as well. Again, very good relationship with that board, and most of those issues are resolved quite readily. Again, you can ...

MR MARTIN: They’re always raised and discussed at each of the quarterly CCC meetings as well, each complaint in that period. So, we’re transparent about that.

MS MILLIGAN: I’ll just clarify. The voluntary acquisition situation. Did that change with the amended project – just remind me what that says.

MR MARTIN: Yes, it did change. We did originally, with the original EIS have two acquisitions. Then with the amended project, one of those landowners became mine-owned, so that was no longer triggered any further. And property 121, there was an assessment completed of the impact on that continuous landholding, and what we found, it didn’t exceed the threshold for acquisition under the VLAMP criteria. So, that’s why it was originally in, and then because of the reduced impact associated with the amended project, it no longer met that threshold, so the Department decided not to include it in the consent for acquisition.

MS MILLIGAN: And, I mean, I know it’s one landowner, but it’s quite an important one, you’ve had discussions with that ... So, do you know their position, were they looking forward to voluntary acquisition or relieved that it’s no longer ...

MR MARTIN: I will have to take that one on notice. I’ll have to check with others as to what consultation has exactly been done, but can confirm there has been historical consultation with that neighbour.

MS MILLIGAN: Well, we can think about whether that’s important enough to get an answer.

MR SMITH: Yes. We'll let you know if we want information about that. So, let's turn to final voids, levee and closure. Can you take us through your rationale for what you're proposing.

MR WALSH: This is an animation showing the mine progression in the North there. I'll stop it halfway through. I guess the principle of the void and its shape is driven by the mining sequence, obviously. And it comes down to our ability to put the waste material and the overburden behind us as quickly as we can and as safely as we can.

So, I guess fundamentally we don't want a void any bigger than we have to, because a bigger void would mean hauling that waste higher and further away. We want to haul it lower and as close we can, to save diesel.

And so, our void is always as small as we can. So, the rationale for the void, I suppose, is the minimum we can achieve when we hit the end of that mining. The North void is compromised a little bit because of the Carrington West Wing area here that we mine, and being able to backfill that by the end of the mine life, so we don't get quite as much material in behind, in, I guess, this area here.

But fundamentally, North and South are the same process, I haven't got the same video of the South here, it's earlier in the slideshow. But we literally put the material behind us as quick as we can, as low as we can, notwithstanding we have to be able to schedule the mine to progress and not tie ourselves in knots, and we have the void behind us.

MR SMITH: Can you just run the time sequence.

MR WALSH: And you can see at the end of this, you'll see the final void. I've got a similar one earlier that shows the South if you are interested.

MR SMITH: Sorry, so just go back to the void at the end there, is it what looks like water on the right?

MR WALSH: Correct. That's the final void there, yes.

MR SMITH: And so, what's the elevation of the former mine site to the left which is all in green now? Like, is that flat or is it a mound or ...?

MR WALSH: It's certainly a mound through here and you'll see that dump when you come to site. As we get closer to here, I think it's a little bit hard to see, but running around here is a drain that free drains to the river. And obviously, and we minimise that, minimise the catchment of the void to every extent that we can. But I think, from memory, the – and this is – the better plans are in the EIS, this is a bit of an artist's impression, to be honest – but that creek line you can see there is pretty much top layer of that high wall there.

MR SMITH: Okay. Right. Thank you.

MR WALSH: And so, yes, that's designed to free drain back into the Hunter River.

MR SMITH: And the void is intended to stay full?

5 **MR WALSH:** It doesn't get full, it remains a sink at – there's a level to it, I can't remember off the top of my head.

MR MARTIN: There is some recovery levels over a number of years, I don't know them off the top of my head, but they do recover and they're well below freeboard, so
10 there's ample freeboard for ...

MR WALSH: There's no risk of it overtopping.

MR SMITH: I see.
15

MS MILLIGAN: And sorry, where's the second void in the North?

MR WALSH: So, that's – that's this void here.

20 **MS MILLIGAN:** That's that one, okay.

MR WALSH: In our original EIS, we were mining through that pit and that's why we only had a single void. But with the amendment, because that's done Domain 1 underneath that void, that's Domain 1. We don't have the opportunity remove that
25 void. Notwithstanding that we are using it as a tailings dam at the moment, so it will be – it's not a complete void, it'll be capped, and with a water cap on top of that. And again, it'll be a sink.

MS MILLIGAN: Is it worthwhile seeing the void in the South – I know you said it's
30 in a different place in the presentation but ...

MR WALSH: Yes, I can certainly, that's all right. I'll run the larger video to show you what it looks like. So, this is the pit you've just seen in the North, showing Lemington Road getting constructed ... And then this is the – sorry, that's just
35 demonstrating the small area of additional disturbance in the middle. And this is the South.

So, of course this South mining sequence is basically already as approved, we're just running out of time. But it ends up with a stop there. You can see that the final void
40 down adjacent – that's the Golden Highway there, it's down adjacent to the Golden Highway, it's the Riverview void, effectively. We currently have – yes, so that's the final void there, and there's a drainage around to TOPO down through here, it runs that way and also that way.

45 So, we'll take you – I mean, we did talk about the exact route, but we'll take you, we'll see Maison Dieu, we'll see the Lemington Road. But if we want to see River Redgum, we'll end up down in here as well.

MS MILLIGAN: And is the River Redgum restoration area, is that on that map somewhere, can you ...?

MR WALSH: Is that area in there, I think?

MR MARTIN: Yes, approximately. About there, Pete, yes.

MS MILLIGAN: Thank you.

MR MARTIN: It is large-scale though, so it's a little bit difficult to point out.

MS MILLIGAN: Yes.

MR WALSH: It's a large site.

MR SMITH: So, the void structures are – they'll be deep holes and they'll have some water in them. There won't be enough inflow so that they would ever overspill.

MR WALSH: Correct, yes.

MR SMITH: But they would be partially full of water indefinitely.

MR WALSH: Yes, that's right.

MR SMITH: And so, what happens, are they just fenced off or, like, what's the long run, and you all experience it, the rehab's finished and the mine's complete.

MR MARTIN: Yes, so under the Mining Act, there's our obligations under the mining lease to develop the safe and stable landform. So, whatever's agreed with the resources regulator around that – there might be fencing, there might be some bunding. But then there's the ongoing obligation to achieve the rehabilitation outcomes, so that's post mining as well. So, yes, there's a combination of things that I guess continue to exist after cessation of mining. So, yes, the high wall there along the adjacent, the Golden Highway, you know, that might be fenced off longer term. It just depends on what is considered the most appropriate at the time, I suppose.

MR CHILCOTT: And is this going to – oh, sorry, Simon.

MR SMITH: I was just going to ask, so the duty to maintain that, because I mean the void's not going anywhere forever, is it, so the duty to maintain it, does that fall on the landowner once the mine rehabilitation obligation is complete?

MR MARTIN: Yes, that's correct.

MR SMITH: Okay.

MS MILLIGAN: And roughly, the timeframe for it to get what we see there? I mean, it takes a long, long time, right, for water to get to the levels that you've quoted in the ...

5 **MR MARTIN:** They continue to recover. There's an equilibrium point after, oh, a couple hundred years. So, yes, but during that time they are recovering to a point. But, yes, fairly quickly they would have a layer of water, and then that would just slightly increase over time. But yes, in terms of establishing the trees, it depends on when they were planted, of course, throughout there. So, yes, that would be different ages of rehabilitation progressing.

10 **MR WALSH:** That's one thing we'll be able to show during our site tour is we've got progressive rehabilitation completed over the last 20 years, so we'll be able to show you those 20-odd Rio versus these last years, it'll give you a good perspective.

15 **MR CHILCOTT:** And what, if any, is the use of that land other than in its rehabilitative form, but who do you envisage is the long-term landowner, what is its long-term usage other than it just sits there?

20 **MR MARTIN:** We've got the obligation in terms of the consent to achieve the final landform that we've presented – which is the culmination of woodland and grazing. Yes. So, in addition to that, we have the requirement to do a five-year prior to closure, we develop a Detailed Closure Plan, and all those opportunities would be investigated, you know, in terms of the ongoing use of the land beyond the closure.

25 **MR CHILCOTT:** So, is your answer: we don't have any particular idea of what its potential might be for long-term land use beyond simply as existing as a rehabilitated landform?

MR WALSH: Well, I think that overall site will be farm, so agricultural land, that's what we're rehabilitating the far majority of it as.

30 **MR SMITH:** It'll be grazing, most likely.

MR WALSH: Grazing. Correct, yes.

35 **MR CHILCOTT:** Right.

MR WALSH: And look, we have proven, as an industry over the last 20 years as well, that rehabilitated land is quite successful in grazing cattle. We can certainly provide some of those trials, there's a bit available on that as well.

40 **MR CHILCOTT:** So, you envisage it has the potential to be passed on for sale to an agricultural entity for uses as agricultural purposes?

45 **MR SMITH:** I guess what you also said to us earlier is that nearly all of the area that's affected is already within that mining and rehabilitation framework.

MR WALSH: Correct.

MR SMITH: So, it's just that we have in some areas is going to be a bit later than would otherwise occur. But it's the same process.

MR WALSH: Exactly.

MR SMITH: Other than for the small, new additional areas which will get caught up.

MR WALSH: Yes.

MR SMITH: Okay.

MR CHILCOTT: Thank you.

MR SMITH: Good. Any other questions on final voids and closure? All right. Well, let's talk about conditions. So, you've seen the draft conditions recommended by the Department. Are there any comments you wanted to make about those that we should be aware of?

MR WALSH: Look, the only comments that we've got, mate, we can, we want to make is that they're quite stringent, certainly from an industry's perspective, but we're confident that we can meet and comply with all those conditions.

MR SMITH: Right. So, there's nothing unworkable – you're just saying they're demanding but that you can comply with those conditions as put.

MR WALSH: Correct, yes.

MR SMITH: Okay. Panel members, did you have any questions about conditions?

MR CHILCOTT: It's not very – it's good to hear that, often suggestions with modifications of conditions for us to consider, you have none, is what I'm hearing?

MR WALSH: No.

MR SMITH: And I think we'll need to continue our information gathering before we form any views about approvals or conditions, in these early stages, today. All right. Are there any other questions?

MR CHILCOTT: I don't.

MR SMITH: Any other points that you wanted to raise with us today?

MR WALSH: I'll just finish off with saying, yes, thank you for this morning, it's been certainly quite helpful for us as well as yourself. I suppose the key thing that probably hasn't been raised today or through any of the documentation you may have is how I suppose HVO is seen within the Hunter Valley. Like I said, we do have a strong community and a lot of community support – you've probably seen that by the couple of submission processes we've been through with the Department of Planning on it.

But we're considered an economic anchor of the Hunter and really considering where the industry is heading, Mt Martha's already announced its closure in 2030, we've just

seen on Wednesday, Ashton is closing, another 250 jobs are gone. So, that importance of that economic anchor is becoming even more so for us, and particularly for the Upper Hunter. So, we have, as we've demonstrated here, put a lot of time and effort and really bent over backwards to get a project that we believe is approvable, and has a really strong economic benefit for the overall state and the community.

MR SMITH: Thank you.

MR CHILCOTT: We did briefly touch on some aspects of site view. Is there anything we need to touch on in relation to our site view visit?

MR SMITH: Well, I think probably the staff have been talking with you about where we need to go. We've touched on one thing that we would like to see. No, I think we can just do that outside this process, and work out where we're going to go, but certainly we are looking forward to viewing the site and seeing the key points that we've talked about and others.

Good. All right, look, with that we'll wrap up, no, so thank you very much for appearing. And as I mentioned, the transcript of today's discussion will be published on the website. And we look forward to seeing you next when we visit on site. Thank you very much for coming.

[Multiple people say thank you]

>THE MEETING CONCLUDED