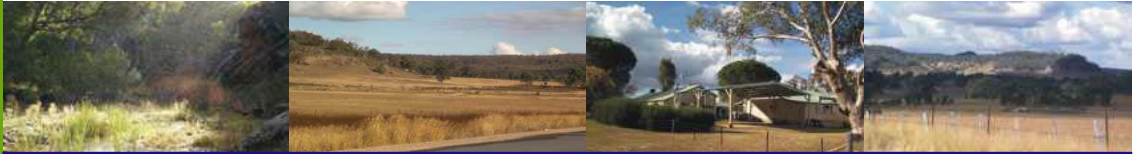




MOOLARBEN Coal Operations Pty Ltd

COMMUNITY NEWSLETTER No 7.



Issue No 7

Date: JULY 2009

MESSAGE FROM THE GENERAL MANAGER

The construction of the mine commenced in January 2009 and is now well underway. Advertising for employment in the operations commenced in June 2009 and where possible Moolarben Coal Operations will be seeking suitably qualified persons from the local area. Moolarben Coal Operations is aware of its commitments to the community and will operate within its Project Approval requirements, environmental management plans and EPA licence. A Community Consultative Committee has been established to act on behalf and provide feedback to the local community.



Ian Livingstone-Blevins

UPDATE ON CONSTRUCTION ACTIVITIES

- Completed installation of all construction sedimentation and erosion controls under our environmental management plan.
- Rail Loop formation is 75% complete.
- Concreting has commenced in the reclaim tunnel and coal washery areas.
- Wollar Road realignment has commenced.
- Mining Workshop and infrastructure earthworks are nearing completion.
- Some agreements are in place with local fabricators and suppliers enhancing local industry and labour.
- Procurement of offices and bathhouses has taken place and expected delivery is in 6 weeks.



Construction of Reclaim Tunnel

ENVIRONMENTAL MANAGEMENT PLANS

Construction of the Moolarben Coal Mine is proceeding in accordance with a series of approved environmental management plans. These environmental management plans will be updated and submitted to relevant government agencies for approval prior to coal mining operations commencing. The updated plans will cover key environmental areas including noise and vibration, air quality, ground and surface water, heritage, archaeology, flora and fauna and waste. The plans will contain specific environmental management objectives, monitoring procedures, impact criteria, safeguards and ameliorative actions to prevent or mitigate potential environmental impacts; roles and responsibilities; and reporting and review procedures. The environmental management plans for operations will be available on Moolarben Coal Operations' website following the Department of Planning's approval.



INTRODUCING THE NEW ENVIRONMENTAL TEAM

Julie Thomas— Environmental Coordinator

Julie moved to Mudgee from Parkes to join the team at Moolarben Coal Operations. Julie brings with her environmental management experience in the Hunter Valley coal industry and Central West copper industry. Julie's interests include spending time with family and friends, tennis, golf, travel and reading a good novel.



Steven Peart— Environmental and Community Relations Manager

Steven and his family recently relocated to Mudgee from Singleton. Steve has experience in both open cut and underground Coal mining. Steven believes his role to be a fundamental link between the local community and a successful operation. Steve and his family are settled in after the move and enjoying the Mudgee lifestyle.

UPDATE ON STAGE 2 PROJECT APPLICATION

The Environmental Assessment Report for the Stage 2 Project was submitted to the NSW Minister for Planning in March 2009, as required under Part 3A of the *Environmental Planning and Assessment Act 1979*. The Environmental Assessment Report was then publicly exhibited for 6 weeks from 18 March 2009 and submissions invited from those interested in the project. Around 170 submissions were made to the Department of Planning in response to the exhibited Environmental Assessment Report. Approximately half of the submissions received expressed support for the project. The other half either expressed concerns or objected to the project. A response to these submissions has been prepared and submitted to the Department of Planning. Moolarben Coal Operations expects it will gain approval for the Stage 2 Project shortly.



Part of Moolarben Coal Management Team

OTHER ACTIVITIES

- Sponsorship of Ulan Primary School tree planting program.
- Sponsorship of bus to recent excursion.
- Census of all groundwater bores, soaks, seeps in the area prior to start of mining.
- Offers have been made to relevant landowners to conduct structural surveys of buildings within 2km of Open Cut 1 prior to blasting commencing.
- 6 monthly flora and fauna, and stream health monitoring programs completed.

CONTACT DETAILS

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