

MOOLARBEN COAL COMPLEX OPEN CUT EXTENSION PROJECTS COMMUNITY NEWSLETTER FEBRUARY 2022

This newsletter is the second in a series that will provide updates on the proposed extensions to open cut mining at the Moolarben Coal Complex. This second edition provides an update on the scope and status of the proposed mining extensions.

Future newsletters will be provided as the Project progresses.

■ PROJECT SCOPE

In the first newsletter for the 'Moolarben Coal Complex Open Cut Extension Project' published in June 2021, Moolarben advised that it was investigating opportunities to extend open cut operations to the south of OC3 and east of OC4. Following further consideration, Moolarben has decided to focus on the OC3 extension area.

Potential extensions to OC4 are still being investigated and more information on that project will be shared in future newsletters.

■ PROPOSED 0C3 EXTENSION PROJECT

Moolarben is proposing to extend open cut operations to the south and east of its approved open cut 3 (OC3) mining area. The Project would not change the duration or intensity of mining at Moolarben Coal Complex with no proposed change to the approved peak production rate or mine life.

■ BACKGROUND ON EXISTING OPERATIONS

The Moolarben Coal Complex is located approximately 40 km north of Mudgee in the Western Coalfield of NSW. Moolarben is operated by Moolarben Coal Operations Pty Ltd, a subsidiary of Yancoal Australia Limited.

Moolarben comprises four open cut mining areas (OC1 to OC4), three underground mining areas (UG1, UG2 and UG4) and other mining related infrastructure, including coal processing and transport facilities.

Mining operations are currently approved until 31 December 2038 with a combined annual coal production rate of 22 million tonnes (Mt) of run-of-mine (ROM) coal.

As pictured above: Mining spans 165 years of Josie's family. Three generations have worked in the mining industry. They grew up around mining. They have 'lived' mining, with all its challenges. Mining has provided the family with opportunities, careers and a future. You could say that mining is in their blood.

Yancoal's story goes well beyond coal. Yancoal's story is about the positive impact we have on people's lives and livelihoods: the local businesses we support; the environment we regenerate; the communities we nurture; and the families that rely on us for a future.



■ PRELIMINARY PROJECT DESCRIPTION

Since publication of the first newsletter in June, Moolarben has developed a preliminary Project description for the OC3 Extension Project. The Project would include the following activities:

- extension of open cut operations to the south and east of the existing OC3 mining area to allow mining of additional coal reserves (approx. 40 Mt);
- maximum annual extraction rate of up to 9 Mt of ROM coal;
- mining operations within the approved life of the Moolarben Coal Complex of 31 December 2038;
- continued employment of the existing Stage 1 open cut workforce;
- construction and operation of supporting infrastructure including water management infrastructure, waste rock emplacement areas, creek crossings and borrow pits;
- ongoing ancillary open cut mining activities such as blasting and stockpiling;
- ongoing exploration activities within the Project area; and
- Progressive rehabilitation works.

The Project description will continue to be refined following completion of baseline environmental studies, technical studies and engagement with key stakeholders, including the community and Government agencies.

■ KEY AVOIDANCE AND MINIMISATION MEASURES

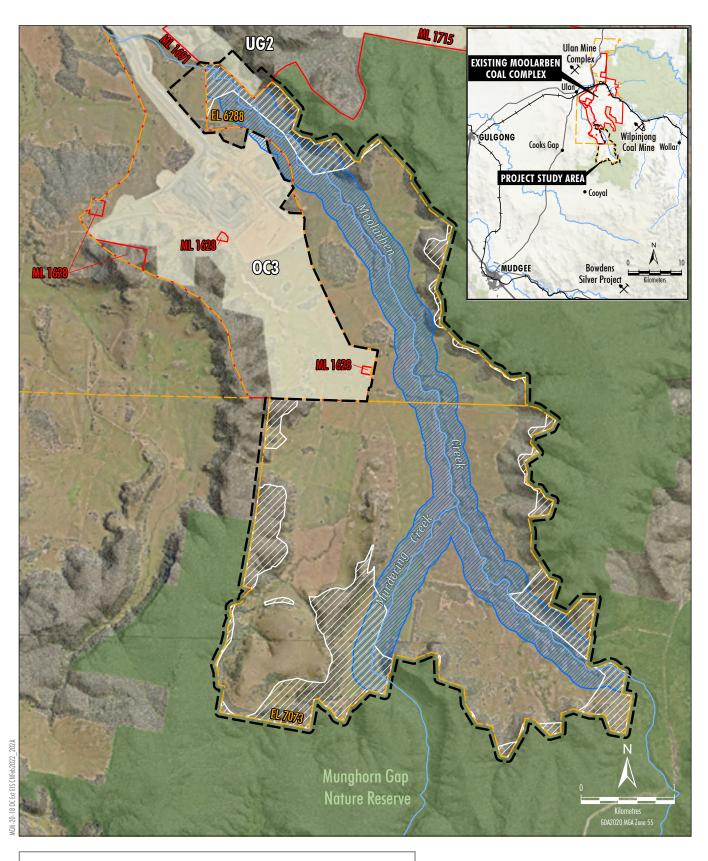
The Project has been carefully designed to avoid or minimise environmental and social impacts where feasible and practicable. For example, the Project has been designed to:

- fit within the currently approved production rates and mine life of the Moolarben Coal Complex;
- utilise the existing Moolarben Coal Complex workforce and infrastructure including the Stage 1 coal processing and transport facilities;
- be located within existing mining and exploration tenements and on Moolarben-owned freehold land;
- improve the final landform, with no residual voids (including within the approved OC3 area) as mine voids would be progressively backfilled to create a free draining landform;
- locate the proposed open cut pits largely within valley floor areas previously cleared for low-intensity agriculture;
- progress active mining away from publicly visible areas;
- avoid disturbance of habitat features for threatened bat species associated with the steeper terrain adjacent to the Munghorn Gap Nature Reserve; and
- avoid open cut mining within 200 metres of Moolarben Creek and Murdering Creek.





■ PROJECT STUDY AREA SHOWING KEY AVOIDANCE AND MINIMISATION MEASURES







National Parks /Nature Reserves Exploration Licence Boundary Mining Lease Boundary Moolarben Coal Complex Disturbance Footprint



Proposed Open Cut Extension
Project Study Area
No Proposed Open Cut Mining
(Ancillary and Supporting Infrastructure Only)
Indicative Threatened Bat
Habitat Avoidance Area



APPROVALS REQUIRED

The Project will require State government planning approval under the NSW Environmental Planning and Assessment Act 1979 (EP&A Act). A development application will be submitted to the NSW Department of Planning and Environment (NSW Dept. Planning), supported by a detailed Environmental Impact Statement (EIS).

The Project will also require approval under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act).



CURRENT STATUS

Scoping Report Submitted and SEARs Issued

In early December, Moolarben submitted a Scoping Report and request for Secretary's Environmental Assessment Requirements (SEARs). The Scoping Report provides an initial description of the proposed Project, identifies key environmental matters requiring further assessment in the EIS (informed by stakeholder consultation) and sets out the community engagement program.

SEARs were issued by the NSW Dept. of Planning on 21 January 2022. Moolarben will now focus on preparing the Project EIS and ensuring it addresses the SEARs.

A copy of the Scoping Report and SEARs can be found on the NSW Dept. of Planning's website and Moolarben's website (www.moolarbencoal.com.au).

OUTCOMES OF THE PRELIMINARY SCOPING SOCIAL IMPACT ASSESSMENT

A key component of the Scoping Report is the preliminary social impact assessment (SIA) which has been prepared by a specialist social impact consultancy. The preliminary SIA identified perceived and potential social impacts of the Project based on the local and regional setting and stakeholder engagement. A range of stakeholders were engaged to ensure a diverse suite of views were collected. These stakeholders included the Community Consultative Committee, the Mudgee Local Aboriginal Land Council, Mudgee District Environment Group, Government agencies, Mid-Western Regional Council and nearby residents and landholders, including from Cooks Cap and Cooyal.

Key social issues identified in the preliminary SIA are shown below. Moolarben will ensure that these issues are further investigated and assessed in the EIS.

The full copy of the preliminary SIA is provided as Attachment B of the Scoping Report.

KEY SOCIAL ISSUES TO BE ASSESSED IN THE EIS



Services and facilities



Employment and training



Contributions to local community groups and business



Property values



Community identity and sense of place



Aboriginal cultural heritage



Rural/regional character



Amenity



Health and wellbeing



Climate change



Communication channels



Traffic and safety



Water availability



Cumulative Impacts



■ APPROVAL PROCESS AND STAKEHOLDER ENGAGEMENT

Stakeholder engagement will continue throughout 2022, with the development application currently planned to be lodged in Quarter 3 2022.

■ APPROVALS PROCESS

N	IILESTONES	OPPORTUNITIES FOR FEEDBACK
⊘	Moolarben commences scoping phase consultation and preparation of Scoping Report	Initial stages of engagement have been undertaken with stakeholders during preparation of the Scoping Report to ensure community issues and concerns with the Project are identified and scoped. Focused engagement has also informed the preliminary social impact assessment component of the Scoping Report.
⊘	Moolarben submits Scoping Report and receives SEARs from NSW Dept. of Planning	
⊘	Moolarben lodges a Referral under the Commonwealth EPBC Act	
0	Moolarben undertakes EIS phase consultation and prepares the Project EIS	Engagement will continue with stakeholders and the local community during preparation of the EIS. Issues raised by the community will be taken into consideration in the Project design and addressed in the EIS.
		Focused engagement will also inform the social impact assessment component of the EIS.
		The EIS will be prepared by appropriately qualified experts and will include detailed assessments of potential environmental, social and economic impacts and benefits of the Project. The EIS will also identify management and mitigation measures to address the potential impacts of the Project.
0	Moolarben submits development application to NSW Dept. of Planning and the Project EIS is placed on public exhibition	The community has further opportunity to submit feedback directly to NSW Dept. of Planning during the public exhibition period.
0	Moolarben responds to submissions made during public exhibition	Engagement will continue with stakeholders to address concerns raised during public exhibition.
		A written response to submissions is also provided.
0	NSW Dept. of Planning assesses the Project, having regard to Moolarben's EIS, public and agency submissions and Moolarben's response to these submissions	Community feedback can continue to be provided to Moolarben or the NSW Dept. of Planning while the Project is under assessment.
0	Independent Planning Commission determines the Project	Independent Planning Commission will hold a public hearing where members of the public will have the opportunity to address the commissioners.
0	Commonwealth Minister for the Environment makes separate determination under the EPBC Act	



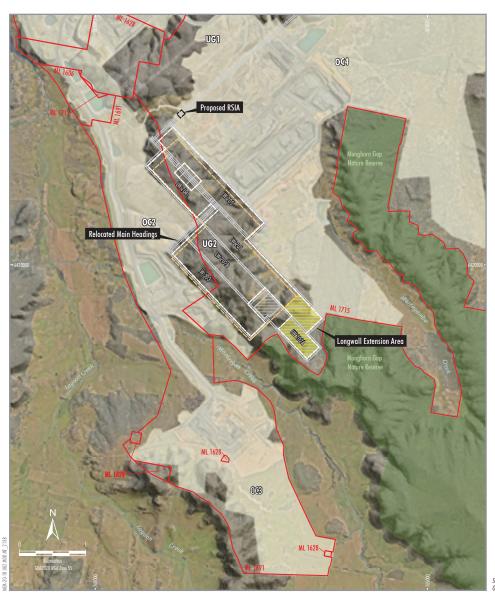
UG2 Modification

In early December, Moolarben lodged a modification application with the NSW Dept. of Planning to modify the Stage 2 Project Approval (08_0135) to incorporate changes to the Underground 2 (UG2) mine layout. The key changes include increasing the extraction height from 3.0 to 3.5 metres and extending two longwall panels to the south-east within the existing mining leases. The revised mine layout has been designed to minimise additional impacts and ensure that Moolarben can continue to comply with its existing subsidence impact performance measures.

The application was supported by a Modification Report which provides a detailed description of the modification and an assessment of potential impacts on subsidence, groundwater, surface water, biodiversity, Aboriginal cultural heritage and other environmental aspects.

NSW Dept. of Planning placed the Modification Report on public exhibition from 3 December 2021 to 16 December 2021. Moolarben is now currently preparing a response to the submissions received from the community and Government agencies during the exhibition period.

A copy of the Modification Report can be found on the NSW Dept. of Planning's website and Moolarben's website (www.moolarbencoal.com.au).





Source: MCO (2021); NSW Spatial Services (2021) Orthophoto Mosaic: MCO (Jan 2021)

If you would like further information on the proposed Project or have any questions regarding the Moolarben Coal Complex, please do not hesitate to contact us.

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