

# MAXWELL PROJECT COMMUNITY NEWSLETTER

Issue No.1 June 2018

This newsletter provides information about Malabar Coal's proposed underground-only mine, the Maxwell Project, located south of Muswellbrook.

It outlines some of the benefits that we anticipate will flow through to the community and explains why we believe the Maxwell Project can co-exist with other local industries.

Future newsletters will be provided as the Maxwell Project progresses.

On the back of this newsletter, you will find information about the different ways you can contact Malabar Coal, learn more about the project, and provide feedback.

# WHO WE ARE

Malabar Coal is an independent Australian-owned mining company based in New South Wales.

## Malabar Coal owns:

- the Spur Hill Project exploration licence (EL 7429)
- the Maxwell Project exploration licence (EL 5460)
- the now-closed Drayton Mine and associated infrastructure – re-named “Maxwell Infrastructure”.

This update focusses on the Maxwell Project, but further information about our other assets is available on our website – [www.malabarcoal.com.au](http://www.malabarcoal.com.au).

## Our approach

At Malabar Coal (Malabar), we know that **we must co-exist with the local community, other local industries and activities.**

It was with this understanding and community feedback in mind that we committed to developing the Maxwell Project as an **underground mine.**

We are planning on producing coals predominantly for the steel manufacturing industry. The coal seams within the project area are very high quality. Any coal not sold to the steel manufacturing industry will be premium quality thermal coal, suitable for use in High Efficiency, Low Emission (HELE) power plants.

Underground mining means **significantly lower impacts than an open-cut mine.**

We have carefully placed the mine entry for the Maxwell Project in a valley 5km north of the Golden Highway. This means it cannot be seen from the Highway or the local horse studs.

**We believe this very different approach addresses concerns that were raised in relation to past proposals for the area.**

## Malabar in the community

*One way that Malabar demonstrates our commitment to the local community is through contributions to a wide range of community groups and charities including aged care, sports, education, and emergency services. We hope to expand our work with the community as our operations grow.*



## What is the Maxwell Project?

The Maxwell Project is an underground coal mining development located east of Denman and south of Muswellbrook.

Malabar purchased this exploration licence from Anglo American and its partners in 2018. Malabar has committed to developing the area as an **underground mine** that would be **vastly different from past proposals** for the site.

It is Malabar's strong view that this underground project can comfortably co-exist with other industries and land uses in the area.

**At Malabar's request, the NSW Government has amended the exploration licence (EL) to give up the portion of the EL located to the south of the Golden Highway, and to restrict any future development to underground mining only.**

In addition to this, and with the full support of Malabar, the NSW Government has added a further layer of protection, a State Environmental Planning Policy (SEPP), to provide legal certainty that only an underground project can be developed within EL5460.

Throughout the planning process we will be taking a number of practical steps to reduce our impact on the environment and the community wherever we can. To that end, we will be using the infrastructure at the now-closed Drayton Mine to process and rail all coal we intend to mine at the Maxwell and Spur Hill Projects.

## Progress update

Malabar formally took control of the Drayton Mine and EL 5460, now known as the Maxwell Project, on 26 February 2018.

We started rehabilitation work at the Drayton site as quickly as possible, with the first bulldozer commencing work on the mine site in early March. The number of staff working on the project is steadily increasing, with around 30 people currently on site.

Site rehabilitation will be undertaken in two stages.

The first stage is to shape the land and establish pasture and / or trees on the overburden emplacement areas. This initial work is expected to take around two years, with additional rehabilitation work occurring over time. Once this work is complete, we are open to different uses for the site. To that end, we have had preliminary conversations with the local community about different ways the land could be used.

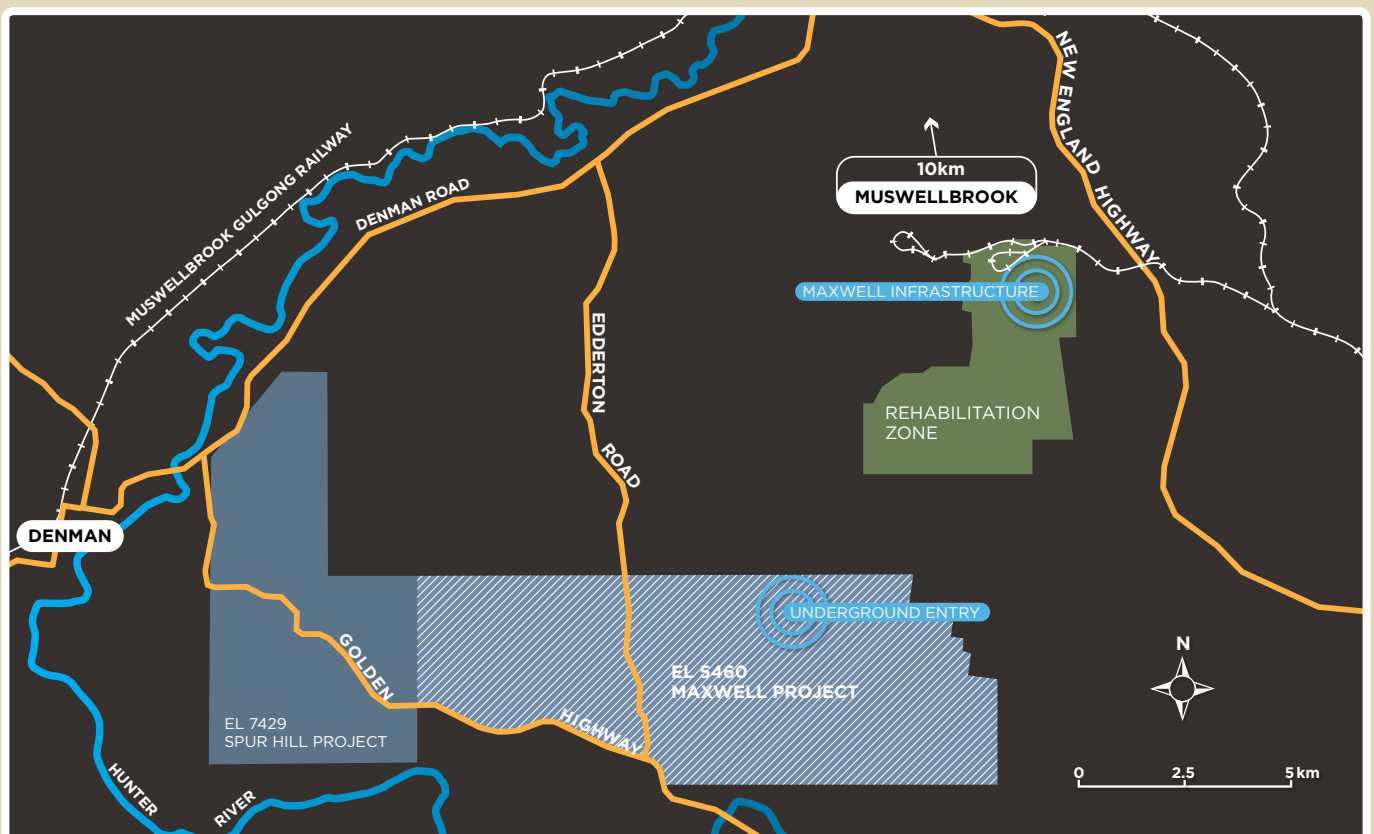
The currently approved final landforms leave voids. Malabar has publicly stated its plan to improve these final landforms to result in a more visually appealing outcome. This will be the second stage of our rehabilitation work.

At the same time, we are continuing the detailed technical work required to prepare an Environmental Impact Statement and development application for the Maxwell underground Project.

### Benefits of the Maxwell Project

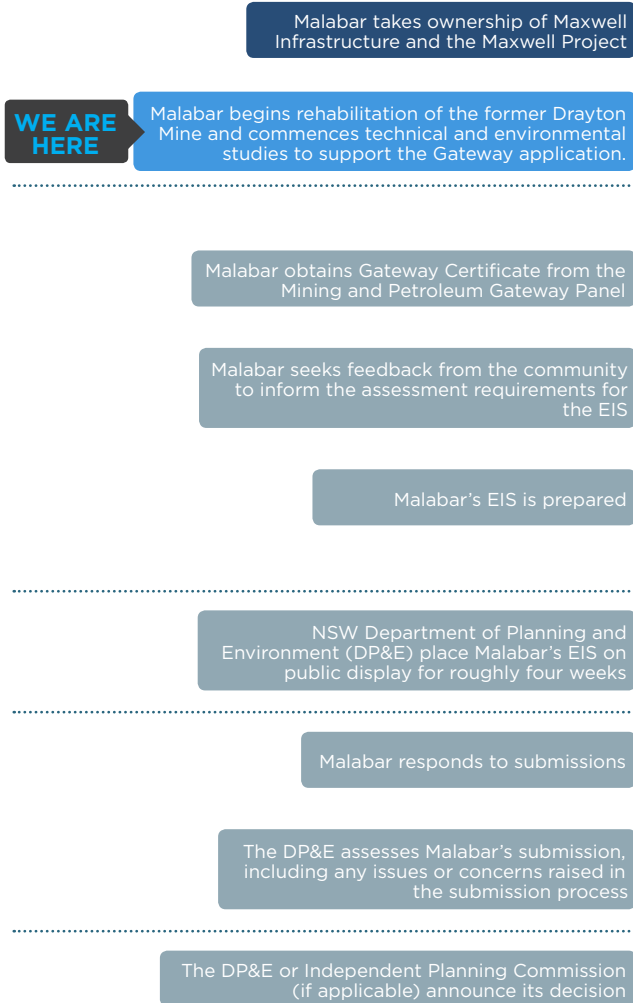
- **Certainty** that there can never be an open-cut coal mine within EL 5460.
- **More jobs for the region.** Malabar estimates that the Maxwell Project will generate about 350 new direct, long term jobs for the region along with many more indirect jobs.
- **An economic boost to the local community and the economy.** The project will provide ongoing support for local businesses from the initial capital to establish an underground mine and the substantial ongoing operating inputs. It is expected that over the initial 26 years of this project, coal sales will exceed \$20 billion and royalties paid to the NSW State Government will exceed \$1.4 billion.
- **Better rehabilitation outcomes.** Malabar will deliver a more visually appealing final outcome by placing reject stone and rock from underground operations in the voids at the Drayton Mine.
- **Ongoing support for the community groups** we have supported for more than five years.

### Where is the Maxwell Project?



# Project Progress

## Milestones



## Opportunities for feedback



At the bottom of this page you can find out how you can provide feedback.



We will engage with the local community during the preparation of the Environmental Impact statement (EIS) to ensure community feedback is gathered, considered in our future plans, and concerns are addressed.



The studies that support the EIS are prepared by recognised experts and include assessments of potential impacts on agriculture and agribusiness, water, biodiversity, heritage, air quality, amenity and the road network.



The EIS will be accompanied by a social impact assessment and an economic assessment.



The community has the opportunity to submit feedback directly to the DP&E.



Malabar will engage with the community to address any concerns raised.



In addition, Malabar must formally respond to any issues raised in submissions.



An approved application may include conditions that address any outstanding concerns raised by the community.

## How to Provide Feedback

Malabar has developed a survey to gather feedback from community members, land owners, businesses and service providers in the Muswellbrook and Singleton Local Government Areas.

The purpose of the survey is to give you an opportunity to have your say on how the development of this new underground mine may affect you and your community.

There are three ways to complete the survey:

**1. Online:** You can fill in the survey online at <https://www.research.net/r/MaxwellISIA>

**2. Using the reply-paid envelope:** Alternatively, this newsletter includes a hard copy of the survey, with a reply-paid envelope. You can complete the survey, then post your response to us.

**3. Over the phone or via email:** Monday to Friday, between 8am and 4pm, you can call or email Donna McLaughlin, Manager Environment and Community.

## Contact Us

If you would like to register for further information about the Maxwell Project, please send an email titled 'Register for Maxwell Project Information' to [info@malabarcoal.com.au](mailto:info@malabarcoal.com.au) and include your name, address and phone number.

If you have any other questions about Malabar Coal or the Maxwell Project, please do not hesitate to contact us.

**Donna McLaughlin**

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