

MEETING MINUTES

Subject **ANGLO AMERICAN (DRAYTON MANAGEMENT) PTY LIMITED
COMMUNITY CONSULTATIVE COMMITTEE (CCC)**

Date 26/02/2015

Time 15:00 (EDST)

Present **Drayton TES Meeting Room**
James Benson (JB) – Drayton Ray Butchard (RB) – Councillor
Peter Forbes (PF) – Drayton Jennifer Lecky (JL) - Councillor
Cameron Eckersley (CE)– Drayton Peter Horder (PH) – Resident
Kirstin Blaikie (KB) – Drayton Gerrit de Boer (GDB)– Resident
Matt Frodsham (MF) – Drayton

Apologies

David O'Rourke (DO'R) – Drayton
Craig Flemming (CF) – Council

1. Welcome Attendees / Apologies

Meeting opened by Chairperson *Ray Butchard*, all attendees welcomed.

Apologies made for *David O'Rourke* (Drayton). *Craig Flemming* (MSC) was also not present, per discussions at the November CCC meeting regarding the attendance of the Muswellbrook Shire Council's Environmental Officer (*RB* proposed discussing further in response to previous meeting actions).

Motion to move the welcome and apologies (moved (*RB*), seconded (*PH*)).

2. Acceptance of and Actions from Previous Minutes

Actions from the previous CCC meeting were:

- *PF* to write to MSC to request the MSC Environment Officer to remain on or re-join the CCC (**Due** - before next CCC)
PF wrote letter to Muswellbrook Shire Council but was yet to receive a response at the time of the February CCC. *GDB* requested to be provided with the contents of the letter, and stated that he strongly values the input of the MSC Environment Officer. *JL* advised that the mines provide significant funding for the council Environmental Officer position. The committee agreed that the MSC Environmental Officer should be attending the quarterly CCC meetings.
Drayton to draft request to the MSC General Manager that the Council Environmental Officer regularly attend the Drayton CCC Meetings.
- *GDB* failed to receive the meeting agenda/previous minutes via post and requested that the agenda/previous minutes are also emailed.
KB/CE confirmed that the meeting minutes for the November CCC as well as the agenda for the February CCC meeting were sent via post and email. Further brief discussion was had to confirm that Drayton had appropriate contact details for all attendees.

- *PF* to contact CCC members directly to inform and discuss the outcomes of the company decision regarding the future of Drayton in light of the second PAC decision to not approve the Drayton South Project.
PF confirmed that following the company decision for the future of Drayton (announced late November after the previous CCC), he had contacted the CCC members.

Acceptance of previous minutes (moved (*RB*), seconded (*PH*)).

3. Declaration of Pecuniary Interests

Declared pecuniary interest included;

6/8/14: Ray Butchard: Ray's son works for Pacific National who is the rail provider for Drayton.

6/8/14: Craig Flemming (not present): Drayton sponsors the Solar Boat Challenge which he manages from a council perspective.

6/8/14: Peter Horder: Peter lives within the voluntary acquisition zone of Drayton mine.

20/11/14: Nil further pecuniary interests declared.

26/02/15: Nil further pecuniary interests declared.

4. Report on Drayton's Environmental Performance

Kirstin Blaikie & James Benson presented a report on Drayton's environmental performance for the period since the last CCC meeting.

A map of Drayton's monitoring locations was displayed.

4.1 Enquiries and Complaints

There were 4 complaints made since the previous CCC meeting from November 2014 to February 2015.

Three (3) were in relation to one blast event in the NN Pit in late January. *JB* discussed the blast complaint as well as the work that had been done by the drill and blast team to design and re-design that particular blast as it was one that Drayton expected to have higher than usual vibration due to the location of the blast. *GDB* stated he doesn't complain often, but discussed his dissatisfaction about always getting the same answers when he did. *GDB* mentioned that Drayton would be receiving a letter regarding damage to his residence. *GDB* also raised the point that he doesn't have much faith in the blast monitors located on his property. Discussion related to a historical matter were a neighbour riding a dirt bike around a blast monitor and not triggering it.

The fourth complaint was from a regular complainant about Spon Com odour at the complainant's residence. Complainant is located in Scone (~30km from Drayton mine). Weather conditions at the time of the complaint were checked as well as the Upper Hunter Air Quality Monitoring Network results for SOx. Spontaneous combustion gases are monitored in

real time at Drayton and there were low levels of gases associated with spontaneous combustion at the time of the complaint.

4.2 Rainfall History

The period of Nov-Feb was wetter than average overall with 270.0mm falling in the months of Dec, Jan and Feb.

4.3 Blasting

There were no blasts that exceeded the airblast overpressure limit of 120dB(L) or during this reporting period.

JB explained the Drayton Environmental Protection License limits (no blasts over 120dB(L), <5% above 115dB(L)).

Further discussion was had around the specific NN Pit blast that resulted in the three complaints. The actual results were identified on the graphs and *JB* noted that it wasn't uncommon to get a complaint with blast vibrations >1.6mm/s (although the EPL allows 5.0mm/s).

RB asked about strata contributing to vibration issues. Strata can influence blast impacts at neighbours although location and size of the blast are much greater factors.

MF asked about future blasts in the NN Pit (closest pit to residents in Antiene), *JB* confirmed that there would still be occasional blasting in the NN Pit for the next 6-12 months depending on the mine plan and Drayton South approvals.

4.4 Air Quality

The HVAS (high volume air sampler) and TEOM (tapered element oscillating microbalance) results were discussed. For the reporting period, Drayton recorded levels below the annual mean limit for *Total Suspended Particles* (HVAS), and there were no exceedances for the TEOM against EPL compliance limits. Comparisons were made with the UHAQMN result for the reporting period and the results monitored by Drayton were generally less, but correlated with the UHAQMN results.

The TPS data for the last 3 months showed a decreasing trend, however the 12 month rolling average remains well under the annual mean limit.

The question was asked about the frequency of sampling and *JB* discussed that the TEOM runs continuously (24hr/day) and the HVAS runs for a 24hr period every six days.

4.5 Attended Noise Monitoring

Independent Attended Noise Monitoring results were displayed for the past three months. Drayton's acoustic consultant completes evening and night monitoring on a monthly basis.

Daytime monitoring is completed quarterly. Monitoring results showed compliance with noise criteria at each location.

4.6 Water Storage

Water storage levels and capacity for the period were viewed, and Drayton is currently at less than two-thirds capacity. Drayton's water management system is a closed system. Drayton does not discharge water and the only water brought to site is potable water.

4.7 Waste Management

Waste recycling and disposal figures for the past three months were viewed.

Waste generated for the past three months was higher than the previous period, specifically scrap steel and waste oil/grease. *CE* stated that this was attributable primarily to machinery maintenance and shutdowns that generate greater amounts of waste than regular activities.

5. Reports and Submissions

JB reported there were no specific reports submitted to regulatory authorities since the previous CCC meeting and that there had been no correspondence relating to regulatory submissions.

RB reported that Muswellbrook Shire Council lodged a submission on the 18/12/2014 in relation to the SEARS report for the Drayton South Project approval process.

6. Drayton / Drayton South Update

Matt Frodsham discussed the previous Drayton South PAC decision as well as Anglo's decision to submit another EIS for a further revised mine plan. The new submission aims to address the 'brand' and 'horse health' issues for Coolmore and Darley horse studs and the new mine plan lies behind the line that the PAC proposed for providing a further buffer from the neighbouring studs. This has resulted in a 25% reduction in mine size and has reduced the project life from 27 to 15yrs. Drayton South will also be a nil discharge (water neutral) mining operation. *MF* stated that Coolmore and Darley are still not supportive and that Anglo would be running a far more intensive PR and media campaign leading up to the submission of the EIS and the PAC assessment process.

A question was raised asking for clarity about the submission process and *MF* outlined the following steps:

- EIS lodged by early April
- Public exhibition to be conducted through May
- PAC public hearings (June/July)
- Q3 Decision (hopefully approval)

MF provided all committee member with two hand-outs on the Drayton South Project. The first was a community newsletter containing information on the current status of the project and the process timeline moving forward. The second leaflet 'Drayton South The Facts' contains information regarding the key facts around the Drayton South project.

PF stated that with the delays from the previous rejections of the previous Drayton South mine plans, the operation was 'just hanging in'. A voluntary redundancy campaign will occur through Q2 targeting approximately 45 positions (~10%) of the workforce.

PF informed the committee that the mine currently only had a business plan to the end of H1 and anything beyond that would likely be on a month by month or quarter by quarter basis. The question was raised about the remaining reserves and *PF* replied that there was an estimated 5Mt, but the economic viability of extraction was the greater constraint than volumes.

RB asked if the Drayton South Project was considered an extension/expansion or a 'greenfields' project, to which *PF* explained that it has and will continue to be considered an extension. This is because the current mining infrastructure (buildings, CHP, TLO, maintenance workshops) will all be used for the mining at Drayton South.

RB also asked about the current CCC structure and how that would be impacted should Drayton South be approved. *PF* discussed that as it would be a new approval, there would likely be a new CCC required to allow for further relevant stakeholders, but that would be addressed should the project get approved.

Finally, *GDB* raised the point that getting PAC approval didn't mean that *Anglo American* in London would still progress with the project. *PF/MF* agreed that getting PAC approval did not necessarily guarantee the project would go ahead, but the making of such decisions was not something that Drayton could control.

7. General Business

JB raised (as at previous CCC meetings) the potential for a site visit for the Drayton CCC members to Drayton South, possibly as part of the CCC Meeting scheduled for May 2015. Mixed interest was shown by the members present, but perhaps an opportunity as the Drayton South EIS public submission/PAC 3 process will likely be occurring at that time. Suggestion was delayed until next meeting.

8. Community Matters

Drayton has advertised for community sponsorships opportunities, with the application date closing on 27th February.

MF & *JB* provided an update regarding the Drayton South community BBQs coming up in Singleton and Muswellbrook over the next several months and the positive turn out for the first BBQ held in Muswellbrook on Saturday 21st February.

GDB raised the issue of the lack of numbers on the Drayton CCC membership committee. *JL* mentioned that *CF* was following it up and she confirmed that she had seen it advertised.

PF to contact *CF* to confirm if there had been any applicants for the Drayton CCC committee from the advertisement.

9. Next Meeting

KB provided a status update for the next Joint CCC to be held with Mt Arthur Coal. It should normally have followed the Drayton CCC, however due to a change in structure for the MAC CCC, the Joint CCC is tentatively scheduled for March (dates TBC).

The schedule for the remaining Drayton CCC meetings in 2015 is for meetings in May, August and November. Drayton will communicate dates when they are available.

10. Actions from Meeting

PF to contact *CF* to confirm if there had been any interest in Drayton CCC membership committee from the advertisement.

KB to provide dates for the Drayton/Mt Arthur Joint CCC when known.

11. Meeting Close

The meeting was closed at 16:15hrs.