

# SPUR HILL UNDERGROUND

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## MALABAR COAL

### SPUR HILL UNDERGROUND COKING COAL PROJECT COMMUNITY CONSULTATIVE COMMITTEE PRESENTATION

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15 NOVEMBER 2017



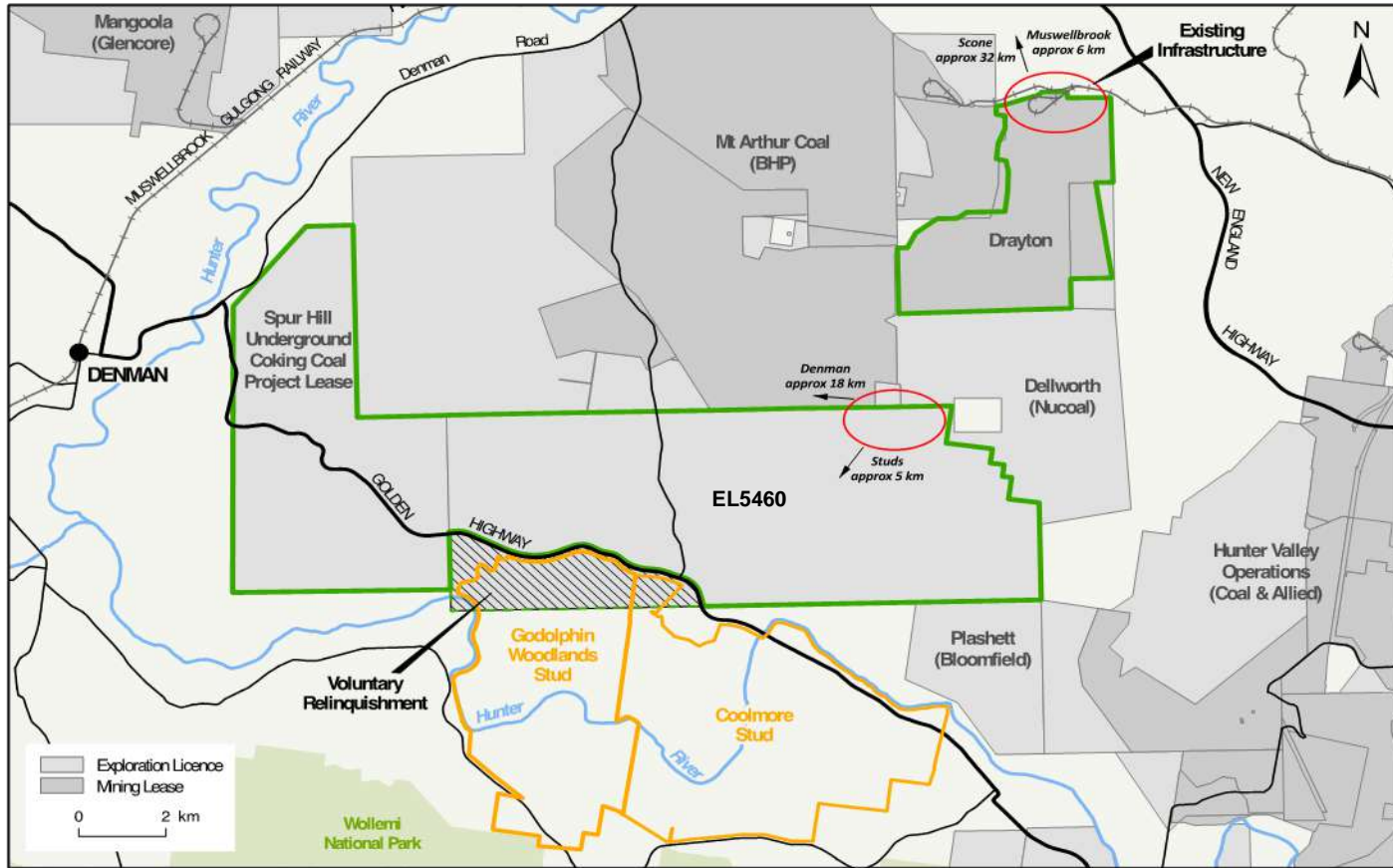
## AGENDA

- Project update:
  - Drayton Assets.
  - Merton Vineyard and Small Forest.
  - Community Involvement.
- Complaints register.

# DRAYTON ASSETS: WHAT ARE WE PROPOSING?

- Malabar is proposing an underground mine beneath Spur Hill EL7429. Likewise, any development of EL 5460 (*prev. “Drayton South” which we acquire as part of the Drayton assets from Anglo American plc*) would also be underground only.
  - This ensures we address past concerns in regard to EL5460.
- As part of our underground-only strategy for EL5460;
  - the area south of, and including, the Golden Highway has been relinquished. As a result, no mining will occur under the Godolphin or Coolmore horse studs (*this has been ratified by the NSW state government*)
  - Any mine entry would be around 5km from the horse studs, in a natural basin where it cannot be seen from their properties
- We have requested that our commitment to mine underground at EL5460 is written into the licence conditions for EL 5460, so the community can be sure that we mean what we say.
- Malabar engineering and operational representatives are preparing for handover of the assets – *frequently on site*
- Exact timing of handover is uncertain as relies on various 3<sup>rd</sup> party/government approvals/actions.

# PROJECT MAP



R:\SHM-11-01\Project Drake October 2016\April 2017 Media Release No2\_Rev F.mxd

### PROJECT BENEFITS

# 350

new, direct jobs and many more indirect jobs for many decades



# \$1.7 billion

in royalties over first c. 30 years

# \$600 million

per year in export income for NSW

# \$55 million

per year in wages

# \$100 million

per year in taxes



## ON-GOING SUPPORT FOR LOCAL BUSINESSES

We have provided ongoing support to local community groups for six years. Beneficiaries include:



Denman Children's Centre



Denman Aged Care



Australian Men's Shed Association  
SHOULDER TO SHOULDER



Denman & Savoy Hallow Junior Rugby League Football Club



ST JOSEPH'S DENMAN



Dalswinton Rural Fire Service



NSWMC EnviroSmart Grant  
St Joseph's School  
Denman



DENMAN PUBLIC SCHOOL

Denman & District Development Association  
Denman News



UPPER HUNTER Wine & Food Affair



Upper Hunter Education Fund



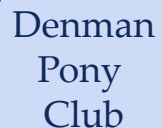
DEVILS  
D.R.L.F.C.  
Denman Rugby League Football Club



Bengalla UPPER HUNTER SHOW



DENMAN LIONS CLUB



Denman Pony Club

## PROJECT BENEFITS

- The project will deliver certainty for a community that has been frustrated by ongoing attempts to develop an open-cut mine at EL 5460.
- Malabar has also committed to rehabilitate the Drayton Mine site. We will achieve a better outcome for this site, using reject stone to fill the existing voids.
- We will continue to use the existing infrastructure on the Drayton site for any future mines at Spur Hill or EL 5460. This means the majority of the surface activities including coal preparation and train loading will be undertaken within the existing industrial area at the north of the Drayton site.

## COEXISTENCE

- We believe the majority of the local community understands the value of coexistence to our community.
- Co-existence means the community and the State can continue to reap the benefits of many different strong local industries that have worked side by side for over a century, and all the jobs and economic investment they provide.
- To continue to be a vibrant community, we need a wide range of jobs, for a wide range of people. The people we speak with in the community really want new jobs and new opportunities to keep families and young people in the region.

# THE PROJECT HAS BROAD SUPPORT IN THE COMMUNITY

# SPUR HILL UNDERGROUND MALABAR COAL

The Hon Gladys Berejiklian  
Premier  
GPO Box 5341  
SYDNEY NSW 2001

9 October 2017

Dear Premier,

We are coming together to express our support for Malabar Coal's proposal for an underground coal mine within EL 5460, the site previously known as Drayton South. We understand you and your parliamentary colleagues are currently reviewing the application to renew the exploration licence (EL) and that a decision is imminent.

We are each committed to the Hunter Region, and understand the significant economic boost this Project could deliver.

Particularly, we would draw your attention to the following:

1. We understand the project will deliver about **350 new, direct, long-term jobs** into the region and many more indirect jobs. This will provide a real boost for the local economy, keeping families and young people in the region. This will provide flow on benefits to other parts of the economy as local wages are spent in our towns. Mining semi-soft coking coal, used in steel making, will also increase the diversity of our local economy.
2. During the construction phase and once mining begins, **the project will support local businesses**. The project will provide ongoing support for local businesses from the initial capital to establish an underground mine and substantial ongoing operating inputs.
3. Malabar's proposal for an underground mine only will deliver **certainty** to a community that has been frustrated by ongoing attempts to obtain approval for an open-cut coal mine on the site.
4. Malabar has outlined a different approach to **rehabilitation** of the Drayton mine that will deliver a far better outcome for locals. The local community has welcomed this improved outcome.

While we may differ on a range of issues, we unanimously support Malabar's proposal for the site and wanted to convey this support to you.

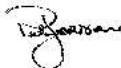
We understand the importance of co-existence in our region. Our hope is that you can see this proposal, which is vastly different to past proposals for the site, can deliver the economic boost we desperately want, while also addressing the concerns of other industries or stakeholders.

Of course, any future proposal would have to pass through the State's stringent planning approvals process. The renewal of the EL is not in any way an approval, it just provides the opportunity for Malabar to submit a proposal must be considered on its merits.

We have copied this letter to your parliamentary colleagues the Deputy Premier, the Hon. Don Harwin MP, and the Hon. Anthony Roberts MP.

Should you have any questions, contact details for each signatory are listed below.

Yours sincerely,





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## POPULAR PLAN

WE HIT THE STREETS AROUND MUSWELLBROOK AND SINGLETON TO TAKE A QUICK LOOK INSIDE THE MINDS OF A FEW LOCALS AND GET THEIR THOUGHTS ON MALABAR COAL'S PLAN TO BRING DRAYTON SOUTH INTO THE SPUR HILL UNDERGROUND MINE PLAN.

At the Coalface believes our people are the number one consideration in this proposal. Competing industries are clearly very important too, as is the economic health of our communities. Like the people we randomly spoke to on the street, we believe this can work for all with next to no negative impacts. Without exception everyone we spoke to wants to see this happen and no one didn't omit any negative perspectives - people really want to see this happen.



**Greg of Muswellbrook** It's a common-sense thing and that's what scares me the most, there is not a lot of common sense left these days. If they can go underground and cause no problems then well why not go for it. We've got to start putting people first and then consider all the other issues after that.



**Les of Muswellbrook** I can't see that there is an issue with the horses with this being underground. I worked at Coolmore and Arrowfield in the '70s and they knew then that these were coolrooms over the fence into the future. I'm probably a little biased as I worked in the industry for a few years, but I can't see how an underground mine can affect them that much. I'd like to see it go ahead and with everything already there to process the coal it makes sense. I hope it has a strong preference for local workers and local suppliers though. It's definitely a good thing.



**Alex of Muswellbrook** I agree with the proposal to go ahead with this new plan because I feel like the town needs it and the economy and the town will improve a lot by bringing more workers and stuff on. It will do the town a world of good. I believe they can coexist with the horses as they have previously. I feel this new plan would be much less invasive on their property and I can't see how this would affect them on a trading level. It could really be a win win for all.



**Gun of Muswellbrook** This is a no brainer. In some ways I can understand some of the previous worries that inevitably go with open cut plans, but now that this new proposal to have it underground and on top of that uses some existing infrastructure instead of building more. It's a great option. This really can keep the neighbours happy. On the business side I reckon it's even better for the town as an underground will bring plenty of new opportunities to local businesses that open cut doesn't. Really this is a good option that can solve a lot of issues if everyone is honest about it.



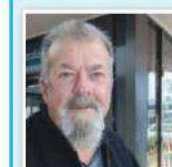
**Skip of Muswellbrook** For the community it's vital that we keep maintaining jobs for the region. The infrastructure is already built, and it would be very minimal harm to the environment. The mining industry is vital to the Upper Hunter and has been for as long as I can remember. I think that they can both work together, but I think that one industry is trying to basically highlight the issues and impacts on the opposing industries. We can coexist and the vital thing is that we have many different ways that we create income within the community and everything has its strengths. Diversification is important, and we have to find a happy medium to coexist. This projects existing infrastructure combined with going underground would change a lot of what the horse studs problems were from the beginning.



**Bronwyn of Jerrys Plains** Going underground I can't see it affecting me too much. It's a much better plan than open cut that should mean everyone can get along a bit better. Anything that's good for the local economy and done right should be given a chance.



**Scott of Singleton** I think it's great. Keeps people employed. It's definitely a better outcome for the horses. I'm no expert but I would hope they could co-exist. It seems to be a win-win so I hope everyone can be happy. Keep Muswellbrook going a bit. We can't have the horse industry going. We need a few winners!



**Rod of Muswellbrook** It shouldn't have been closed down. If they keep a good distance away from the studs it'll work and should be positive. Personally I think it should never have closed down, and going underground is good for everyone. Everyone can work together and this mine could do plenty for us. It's a positive thing overall I would say.

**Diwane of Muswellbrook** I think anything for local employment is good and if it can work well with the other industries, which it should, do then I think it's good. Coexistence has happened for many years, and if both industries remain aware of everything that's going on I don't see any reason it can't work.



## COMMUNITY INVOLVEMENT



- Malabar is proud to have sponsored the Denman Sandy Hollow Junior Rugby league for the past 5 years.
- We have committed to continue as their major sponsor for 2018 and 2019.



## COMPLAINTS REGISTER

- No complaints registered since previous CCC meeting.
- Total complaints for FY 2017-18: 0 complaints.

**THANK YOU FOR YOUR ATTENDANCE**

## ABBREVIATIONS AND GLOSSARY

- CCC – Community Consultative Committee.
- DA – Development Application.
- DP&E – NSW Department of Planning and Environment.
- DRE – NSW Division of Resources and Energy (part of NSW Department of Industry).
- EARs – Environmental Assessment Requirements.
- EIS – Environmental Impact Statement.
- EL – Exploration License.
- EP&A Act – NSW *Environmental Planning and Assessment Act 1979*.
- EPBC Act – Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*.
- MLA – Mining Lease Application.
- SHM – Spur Hill Management Pty Ltd.
- TEOM – an air quality monitoring device, Tapered Element Oscillating Microbalance.

## MERTON VINEYARD – SMALL FOREST

### Atsuko's wines

Wines are all dry, trying to make clean, fruity, as well as has texture and structure. Enjoy on its own, and great with food.

- Chardonnay – partially oaked, New and old French oak, delicate, elegant fine wine
- Verdelho – aromatic, clean, creamy and delicious, not being heavy or oily
- Rose – 100% Shiraz, savory with spiciness and texture, versatile with any food
- Shiraz – fruity, finesse, very elegant wine. Only French oak new and old.



### Award Winning

- 2014 Orange Shiraz
  - Silver at Orange Wine Show in 2015
  - Silver Ribbon by Huon Hooke in 2016
  - Silver at International Wine Challenge in 2017
- 2016 Verdelho
  - 2016 Silver at Hunter Wine Show

## MERTON VINEYARD – SMALL FOREST

Small Forest Wines – available at the following establishments:

- Rengaya – North Sydney
- Kisuke - Willoughby
- Sakanaya Restaurant – Crows Nest
- Shoroku & Sakura Tei – City
- Izakaya Yebisu- City
- Rosan – City
- Yachiyo Trading Company P/L - City
- Izakaya Samurai – Neutral Bay
- Yebisu Bar & Grill - City
- HaNa-Jurin – Crows Nest
- The Cottage – Scone
- Muse Restaurant – Pokolbin, Lower Hunter
- Muse Kitchen at Keith Tulloch – Pokolbin, Lower Hunter
- Kallista Cellars –Kallista, Victoria
- Wine Culture – Roseville, Sydney
- Recently selected for Kubota Australia's 40th anniversary's wine.

Atsuko has been featured in the in-flight magazine of one of Japan's major airlines

