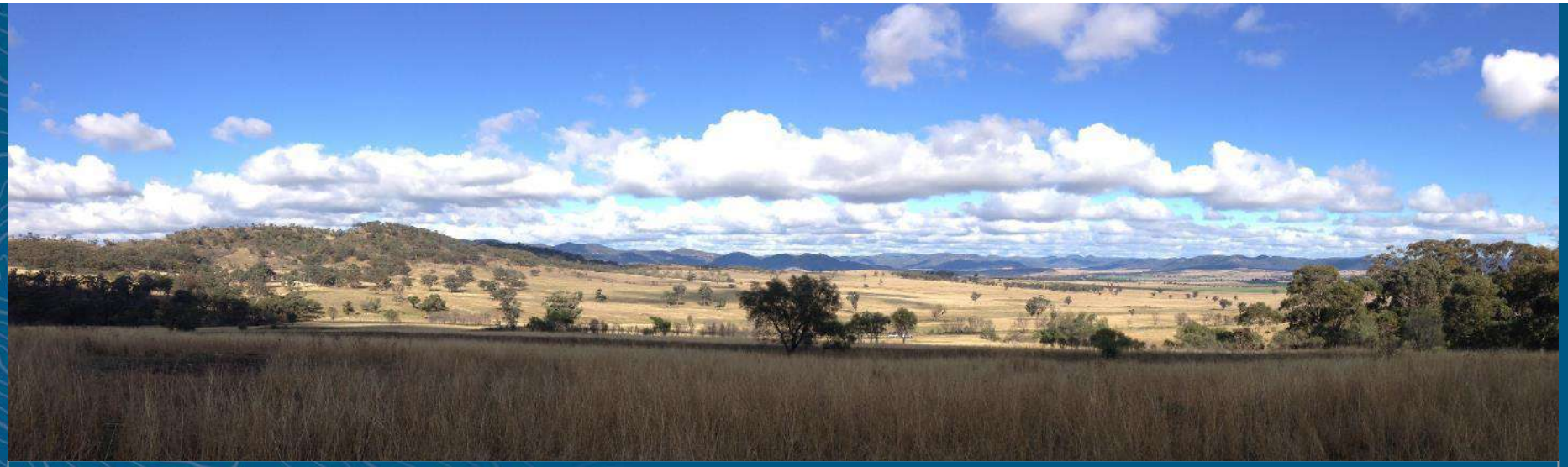
MALABAR COAL



Spur Hill Underground Coking Coal Project Community Consultative Committee presentation

4 July 2018

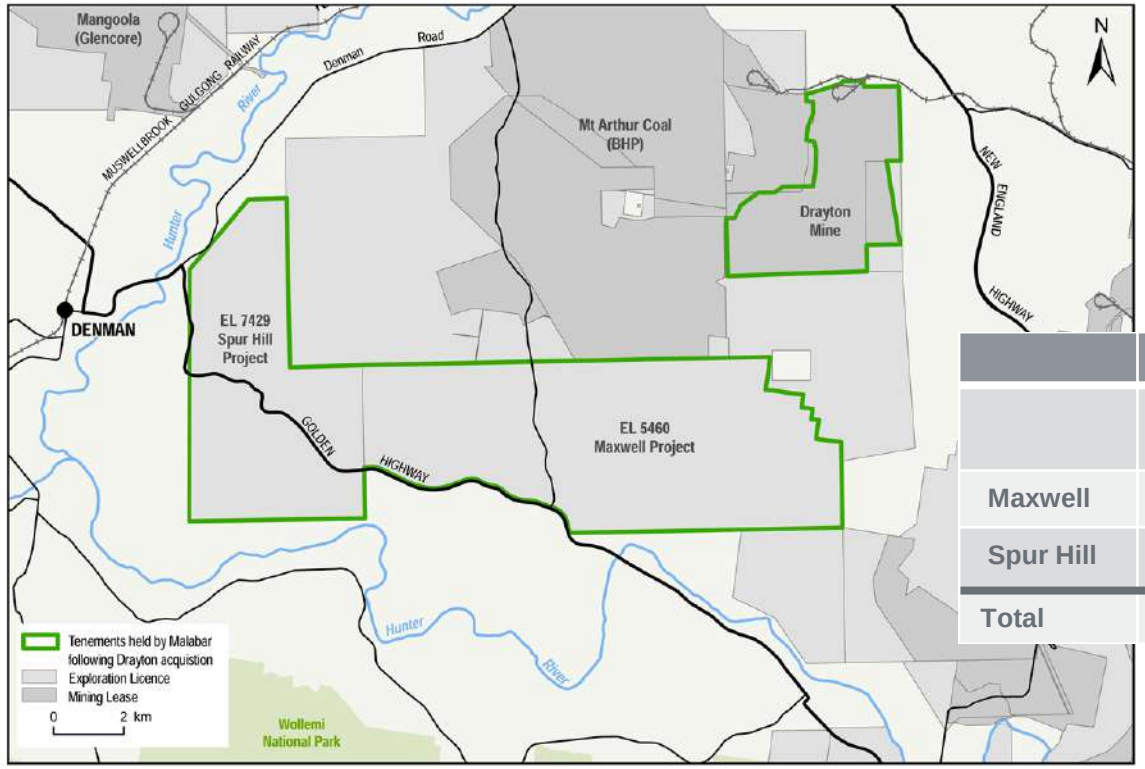
Agenda

- Recap of April 2018 CCC
- Spur Hill Project Update
- Maxwell Project Update
- Complaints register

1. Recap of April 2018 CCC

To recap our April CCC….

- Malabar has substantial coal resources
- The initial Development Application (DA) that Malabar will present to the planning process will be for an underground mine within EL5460 (Maxwell) with the underground entry in the north.
- Whilst this is being assessed Malabar will continue to enhance our geological understanding of the zone where EL5460 meets Spur Hill (EL 7429) so that we can optimise the development of Spur Hill.
- This strategy ensures;
  1. the shortest time to full employment and first underground coal, and
  2. A long project life as additional reserves are brought into production from Spur Hill.



	JORC Resources (Millions of tonnes)			
	Measured	Indicated	Inferred	**Total**
Maxwell	492	189	91	772
Spur Hill		394	232	626
Total				1398

MALABAR COAL

2. Spur Hill Project Update

Spur Hill Project Update

- The 2D seismic program is being finalised (confirming availability of the specialist provider)
- Planning for the integration of Spur Hill with Maxwell is continuing

3. Maxwell Project overview

Summary

- Planning to develop a high-productivity coking-coal focussed underground mine at Maxwell (EL5460).
  - Coal marketed to;
    - the steel industry;
    - and new generation high efficiency low emission (“HELE”) power plants
  - Long term stable employment
- Low environmental impacts
  - Underground
  - Entry located away from agricultural neighbours
  - Reuse of existing infrastructure where possible

Project progress - Consultation

Consultation

- Conceptual Project Development Plan presentation to Division of Resources and Geoscience (DRG) – Wednesday 23 May. ✓
- Gateway Public Notice published – week of 28 May. ✓
- Aboriginal Cultural Heritage Assessment advertisement – June. ✓
- Newsletters and survey questionnaires circulated to properties that may be affected by the project ✓

Project progress - Studies

Work is progressing on;

- Agricultural Impact Assessment
- Subsidence Assessment
- Biophysical Strategic Agricultural Land verification assessment
- Groundwater Assessment
- Mine layouts/ schedules
- Coal transport

Drayton open cut rehabilitation

Rehabilitation provider Progress

- Currently on site and working:
  - Equipment
    - EX2500 Excavator
    - 4 x 785 Trucks
    - 2 x D11T, 1 x D10
    - 1 x watercart
    - 1 x 16 Grader
    - 1 small excavator
  - People
    - OCE
    - Workshop supervisor
    - Maintainers as required
    - Trainer
    - 11 x operators

Rehabilitation - Process

Reshaping with Dozer

Haul and spread inerts

Install Contour Banks

Spread Gypsum

Spread Biosolids / Compost

Incorporate with Chisel Plough

Spread Seed

Social Impact Assessment

Overview

- DP&E SIA Guideline Objectives
- Scoping process
- Scoping considerations
- Key matters
- Questions
- SIA program

SIA Guideline Objectives

- Provide a clear, consistent and rigorous framework for identifying, predicting, evaluating and responding to social impacts, as part of the EIA process
- Facilitate improved project planning and design through earlier identification of potential social impacts
- Promote better development outcomes through a focus on minimising negative social impacts and enhancing positive social impacts
- Support informed decision-making by strengthening the quality and relevance of information and analysis provided to the consent authority
- Facilitate meaningful, respectful and effective community and stakeholder engagement on social impacts across each EIA phase
- Ensure that the potential social impacts of approved projects are managed in a transparent and accountable way over the project life cycle through conditions of consent and monitoring and reporting requirements.

Scoping process

Objectives

- Potentially affected people and issues are identified and understood
- Social impacts are identified and assigned a level of assessment

Steps

- Identify the scale and nature of the proposed project
- Stakeholder engagement
- Consider social context and community views on the Project
- Identify the area of social influence, stakeholders and their interests
- Identify relevant matters and potential scope of impacts
- Estimate the material effects, including cumulative effects
- Identify the level of mitigation and assessment required as part of SIA

Scoping considers…

- Documentation and submissions on previous planning decisions
- Results of Malabar's stakeholder engagement to date
- Results of stakeholder engagement on potential social impacts and benefits
- Issues that community members think are important
- Social trends and change processes
- Potentially impacted natural or built features and heritage values
- Strategic and regional planning objectives
- How social impacts may be experienced by local and regional communities

Matters to be considered

Matters	Potential issues to be considered in scoping
Community	• Population size or characteristics • Potential for effects on social values, e.g. harmony, cohesion, character • Housing access or demand
Way of Life	• Amenity impacts (e.g. noise, dust, traffic, visual) • Employment opportunities • Concerns about potential for impacts on equine, viticulture or other industries • Impacts and benefits for local and regional businesses
Social infrastructure	• Changes to social infrastructure demand /supply • Effects on Council, community and government services and facilities • Effects on access or amenity of social infrastructure

Matters to be considered

Matters	Potential issues to be considered in scoping
Culture	• Effects on cultural heritage, values or diversity • Effects on community identity
Health and Wellbeing	• Impacts on community health or safety • Employment benefits and income security • Cumulative effects of mining on local and regional communities
Property and personal rights	• Potential for effects on private landholdings and their amenity • Impacts and opportunities of property acquisition
Surroundings	• Access to natural resources • Changes to environmental qualities • Potential for impacts on valued areas e.g. heritage or environmental values

Questions

- How might the Maxwell Project affect communities and stakeholders?
    - Negative social impacts
    - Positive social benefits/opportunities
- Which issues are priorities for the SIA?
- Why are these issues important?
- Do you have information that should be considered in the SIA?
- How would you like to be consulted?

SIA Program

Q3 2018	**Engagement on SIA scope**
	EIS Scoping Report (including proposed SIA scope) submitted to DP&E
	SEARS issued
Q3 – Q4 2018	Engagement - social baseline, potential social impacts, potential benefits, mitigations
	Social baseline and indicators developed
Q4 2018	Consolidate technical and engagement findings
	Impact assessment and evaluation
	Mitigation and monitoring strategies developed
Q1 2019	EIS including SIA submitted to DP&E

Complaints Register

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

Abbreviations And Glossary

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 Licence.
- 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.