



Austar Coal Mine Community Consultative Committee Meeting Minutes

Location: Community Room, Cessnock City Council
 Time: 4 pm
 Date: 28 February 2007

Name	Representative
Margaret MacDonald-Hill	Independent Chair
Councillor Jeff Maybury	Cessnock City Council Representative
Louise Dews	Community Representative
Paul McGreevy	Community Representative
Harry Snaith	Community Representative
Matthew Fellowes	Austar Coal Mine
Keren Halliday	Austar Coal Mine

Item	Issue	Action	Date
1	Introductions		
	<p>Zhenglong Li – Deputy General Manager of Austar Coal (and Yongong Li – Interpreter). Mr Li is attending the meeting as an observer and also to meet the members of the CCC.</p> <p><i>Margaret Macdonald-Hill – Independent Chair</i> Chair of a number of CCCs across NSW Executive Officer of the Association of Mining Related Councils</p> <p><i>Keren Halliday – Company Representative</i> Environmental Co-ordinator - Austar Coal Mine Employed at Austar for 6 months and worked in the Hunter region over the past 10 years</p> <p><i>Matthew Fellowes - Company Representative</i> Technical Services Manager – Austar Coal Mine Mining Engineer with 20 years experience and has been employed by Austar for 18 months.</p> <p><i>Louise Dews – Community Representative</i> Community representative from Congewai and has a Science Degree in Environmental Management and is the Secretary of the Congewai Land Care Group. Has been working on the rehabilitation of Congewai Creek and is concerned about the protection of Ellalong Lagoon.</p>	NA	



	<p><i>Jeff Maybury – Cessnock City Council Representative</i> Has been a Councillor for 28 years and was employed in the mining industry prior to being injured. Jeff is a member of the Hawkesbury Nepean Local Government Advisory Group, Mine Subsidence Board, REMS, and Tasman Coal CCC.</p> <p><i>Harry Snaith – Community Representative</i> Has lived in Quorrobolong since 1996 and has an interest in environmental and political issues. He is an engineer and has been involved large engineering projects. He is a member of the Quorrobolong Community Council.</p> <p><i>Paul McGreevy – Community Representative</i> Apology received from Paul that he was delayed in traffic and arrived following the formal introductions.</p>		
2.	Role of the Committee		
	<p>Margaret MacDonald-Hill discussed the role of the committee and asked members to read the tabled “Guidelines for establishing Community Consultative Committees for mining projects”. The guidelines provide an explanation of the processes and how the Committee should operate.. The Consent Condition for the project states that the Committee should meet at least 4 times per year or as agreed to by the Committee. It was noted that the guidelines have not been signed off by the Department of Planning as yet but MMH suggests protocols contained therein should be observed.</p>	NA	
3.	Outline of Mining Operation		
	<p>Matthew Fellowes gave a presentation on the mining operation including:</p> <p><i>History of the mine</i></p> <ul style="list-style-type: none"> - operated since 1916 - 4 previous owners (Peko Wallsend, Oakbridge, Gympie Gold) - mine closed in 2004 following fire - Yanzhou acquired in 2004 and commenced operation in April 2005 	NA	



	<p><i>Corporate structure of the company</i></p> <ul style="list-style-type: none"> - Yanzhou listed on New York, Shanghai and Hong Kong exchanges - Operates 6 underground mines in Shandong and employs 24,000 people - Good safety record - Astar is wholly owned subsidiary of Yancoal <p><i>Management team</i></p> <ul style="list-style-type: none"> - local Australian management team based in Paxton <p><i>Current approved development</i></p> <ul style="list-style-type: none"> - production up to 3 million tonnes per annum - coal transported underground by conveyors - coal washed on site at Pelton - majority of coal product transported by train to Newcastle - up to to 60,000 tonnes per year of coal may be transported by truck. Currently supplying speciality coal to a customer in Tasmania that requires graded coal which is unable to be handled at normal coal loader. There are a range of uses for this coal - the most recent development consent for the mine was granted in 1996 and has a 21 year life <p><i>Longwall Top Coal Caving</i></p> <ul style="list-style-type: none"> - refinement of traditional longwall mining - significantly increased resource recovery - lower operating cost - good potential for Australian thick coal seams <p><i>Stages of development and approval process</i></p> <ul style="list-style-type: none"> - Stage1 covers current mining and includes longwall panels A1 and A2. Included new surface infrastructure including ventilation and water management systems. Currently mining A1 panel below Aberdare State Forest. 		
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	<ul style="list-style-type: none"> - Stage 2 will require modification to the 1996 consent to allow extraction up to 6.5m and is subject to full SMP process. The SMP was submitted to the Department of Primary Industry and is currently under consideration by an inter agency committee. Detailed studies were prepared to support the application including subsidence predictions, flood study, ecology etc and is available on CD. - Stage 3 will require a new consent under part 3A of EP&A Act and will consolidate approvals for the entire site. It is expected that the development application for Stage 3 will be submitted in twelve months time. <p><i>Current environmental monitoring</i></p> <ul style="list-style-type: none"> - water - subsidence - vibration - noise - air <p><i>Plans in preparation</i></p> <ul style="list-style-type: none"> - environment management strategy - environmental monitoring plan - site water management plan - level crossing safety audit <p>MF said that Austar would like to work with the CCC to support community projects.</p> <p>General discussion throughout the presentation:</p> <p>Subsidence monitoring of panel A1 and A2 and will be used to assist with future subsidence predictions and impact assessment. The subsidence predictions in Stage 1 are not directly applicable to later stages due to panel widths, mine layout, geological features etc. but data captured via the monitoring program will provide input and refinement for the Stage 2 predictions. Subsidence monitoring typically continues until DPI advises that it is no longer required. Should</p>	<p>Copies of CD made and mailed to Committee members</p>	
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	<p>the area affected by the mining be privately owned, the cessation of routine subsidence monitoring does not affect the landowners rights for future compensation. The community is still protected by the Mine Subsidence Act and the Mining Act and can make claims should damages occur at a later stage. The subsidence lines will generally remain installed and can be re-established for verification of further ground movement.</p> <p>The Quorrobolong area is not yet a declared Mine Subsidence District. Once an area is declared as a Mine Subsidence District the Mine Subsidence Board (MSB) become part of the routine approval process for structures and man made improvements. The MSB has no specific requirements for buildings currently being constructed in this area. However, the Mine Subsidence Board has indicated to Austar that it will review the declaration of this area in the first half of this year. The decision is made by Government and usually based on a range of factors such as the status of economic reserves available and likelihood of mining in the area. The HEZ was recently declared as a Mine Subsidence District which is located over old shallow workings.</p> <p>Detailed planning for Stage 3 will commence in the next month or so. This will commence with finalising a mine plan after consideration of the natural and man made features. A subsidence assessment of a preferred mine plan will follow and this allow preliminary assessments for use with community and government stakeholders. Baseline data collection will occur in parallel with this process. A geological exploration program is continuing throughout the year in the Stage 3 area to better define the coal reserve.</p> <p>Developing a new mine is an expensive and lengthy process. For the EL area beyond Stage 3, this can take 20 years from commencement of exploration to the mining of coal. The Greta seam is the only coal seam and is known to split</p>		
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	<p>and has faults. As a result of the faults and splits it will be uneconomic to mine in some areas within the EL. As there is limited geological information in the EL area, further exploration is required so that coal reserves can be proven and economic evaluations can commence.</p> <p>Subsidence monitoring to date shows there has been 26mm in A1 and is consistent with the predictions. For panels A3 to A5, MSEC has estimated that subsidence in the order of 1.4m will occur. For risk management purposes, assessments of impacts greater than twice the predicted levels up to a practical upper bound limit was also conducted. This provides the full range of management measures that may result from mining although it is recognised that the upperbound subsidence levels are not likely to occur. Panels A1 and A2 included an assessment upper bound limit of 4.2m of subsidence. The assessment focussed on the impacts of the subsidence and found no unacceptable impacts would result even if subsidence of 4.2m was to occur.</p> <p>Subsidence data from China is unable to be used as mine layouts (which control subsidence) are not comparable. Mine layouts in China focus on maximum resource recovery and as such are designed without coal chain pillars (which limit and control subsidence).</p> <p>HN requested details of negotiations and arrangements with affected landholders. MMH stated that the negotiations between landholders and the company are confidential, commercial in confidence information not to be disclosed and not relevant to this Committee. MF advised that the company decided to enter into mining agreements with individual landholders even though it was not a legal requirement to do so. Negotiations are progressing but none have been finalised as yet. It is a novel approach that seeks co-operative arrangements between both parties. There are financial incentives for the landowner in exchange for co-operation. None of the</p>		
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	<p>compensation protection available through legislation is compromised by the agreements.</p> <p>There are 11 properties involved in Stage 4 and four residences that will be mined underneath. The assessment found that none of the 4 houses will exceed the acceptable SSR limit.</p> <p>The SMP details monitoring requirements along the creek lines. If the creek system is affected then repairs will be made in accordance with a plan.</p> <p>Austar has not made any decisions about the approach that it will take with individual property owners in the Stage 3 mining area. Stage 3 will be subject to a full environmental assessment under Part 3 of the EP&A Act. The broader community will have the opportunity to participate and comment during this process.</p>		
<p>4.</p>	<p>Meeting Schedule</p>		
	<p>It was agreed that subsidence and the subsidence management planning process would be discussed at the following meeting when Matthews Fellowes could be present.</p> <p>Next meeting: 26 April 2007</p> <p>Time: 4pm to 6pm Location: Austar Coal Mine on Middle Road near Paxton Main agenda item: Environmental Monitoring Plans</p>		

Meeting closed at 6.40pm