APPENDIX 4

Stage 2 Extension Project Community Consultation Materials



Mine Office
Middle Road,
Paxton, NSW.
Locked Bag 806,
Cessnock NSW 2325,
Australia.

PHONE: +61 2 4993 7200 FAX: +61 2 4993 7302

5 March 2010

The Landholder 45 Nash Lane Quorrobolong NSW, 2325

Dear Landholder,

RE APPLICATION TO MODIFY DA No. 29/95 TO INCLUDE LONGWALL A5a

Austar Coal Mine Pty Ltd is preparing a Statement of Environmental Effects (SEE) to support its application to modify DA No. 29/95 to include an additional longwall panel in its Stage 2 mining area. This additional longwall panel is known as Longwall A5a.

The DA No. 29/95 was modified to allow the use of Longwall Top Coal Caving (LTCC) and approved on the 8th of June 2008 to allow full extraction of longwall panels A3 to A5 in what is known as the Stage 2 mining area. Longwall A5a is planned to be the 4th longwall panel to be mined by LTCC technology in the Stage 2 area. The location of A5a is shown on the attached diagram.

Austar Coal Mine would like to meet with you to discuss the proposed modification and any change in environmental effects created by the mining of this additional LTCC panel.

Both Adrian Moodie (Technical Services Manager) and myself would appreciate meeting with you to discuss this modification to the development consent. We will contact you shortly to arrange a suitable time.

In the meantime, should you have any questions regarding the proposed modification or to arrange a meeting time, please feel free to contact myself on 02 4993 7200.

Yours faithfully

Frank Fulham General Manager **Austar Coal Mine**



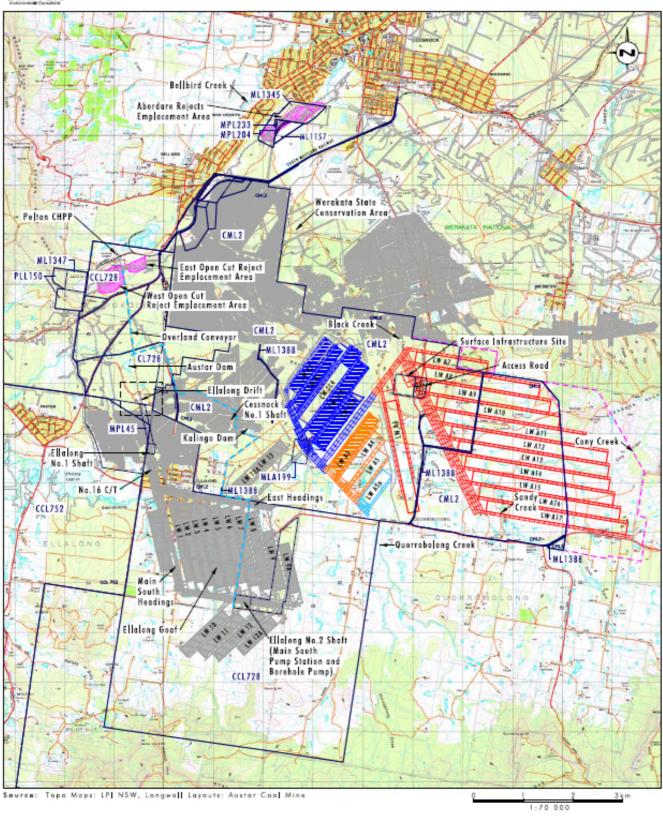




FIGURE 1.2

Austar Mine Complex

ZZZZ Reject Emplocement Areas





Legend

Leyout for Stage 2 Longwall Penels
Leyout for Stage 2 Extension Longwall Panel
LWASa 20mm Incremental Subsidence Contour (Stage 2 Extension Study Area)
Codastral Boundary

FIGURE 1.4



Proposed Modification to Stage 2 (DA No.29/95) to Include Longwall A5a

March 2010

Stage 2 A5a Modification (March 2010)

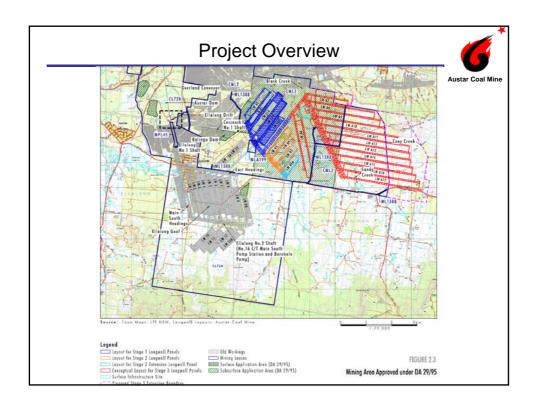
Project Overview

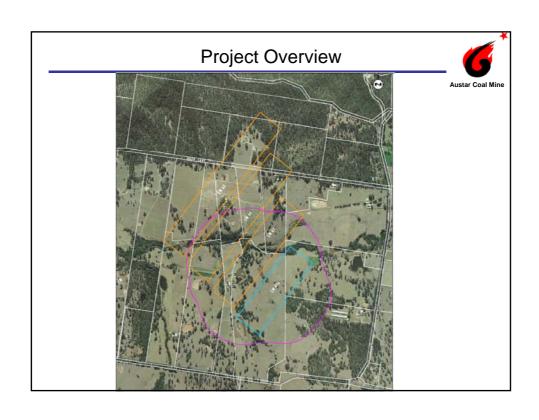


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- A5a is proposed to be an additional Longwall Top Coal Caving (LTCC) panel to the existing three approved for LTCC extraction under DA No.29/95 in 2008.
- A5a will extract an additional 1.03Mt from within the existing approved mining area taking the total planned extraction to approximately 12Mt of the approved 63Mt under DA No.29/95
- A5a will take approximately 9 months to extract finishing in late 2012.

Stage 2 A5a Modification (March 2010)





Project Overview



- A5a is seen as the last viable longwall extraction panel in the Stage 2 area
- Recent exploration in the Stage 3 mining area has shown A6 panel to be of high risk and potentially unviable, thus the proposal to extract A5a in place of A6 before moving into the Stage 3 mining area
- Subsequently Austar is planning to submit a Statement of Environmental Effects (SoEE) to support an application to modify DA No.29/95 allowing the use of LTCC in this panel

Stage 2 A5a Modification (March 2010)

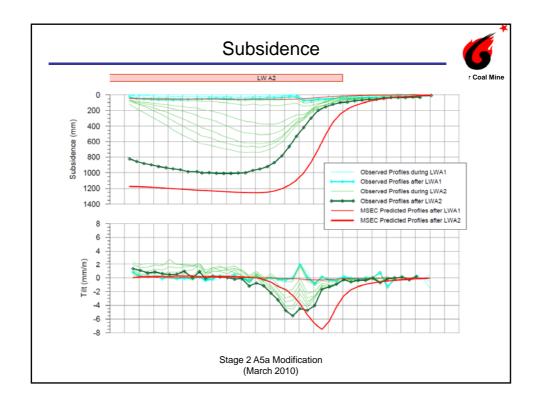
Subsidence

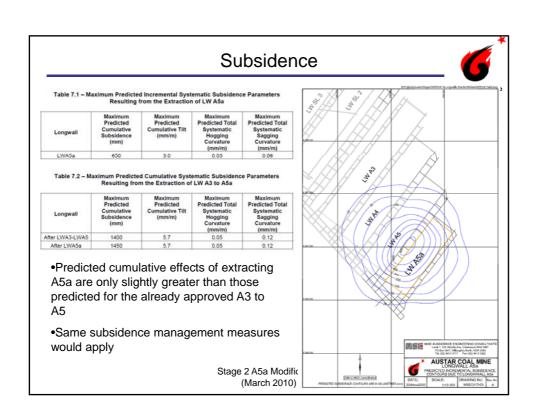


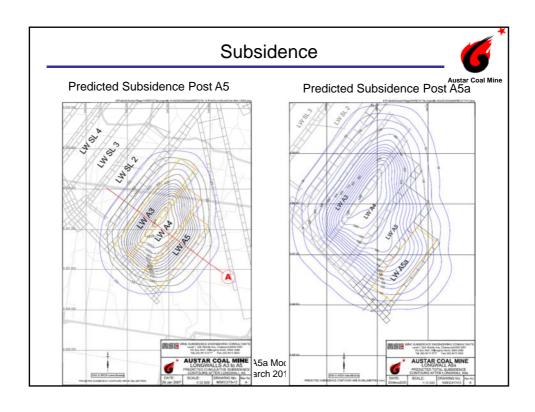
Austar Coal Mine

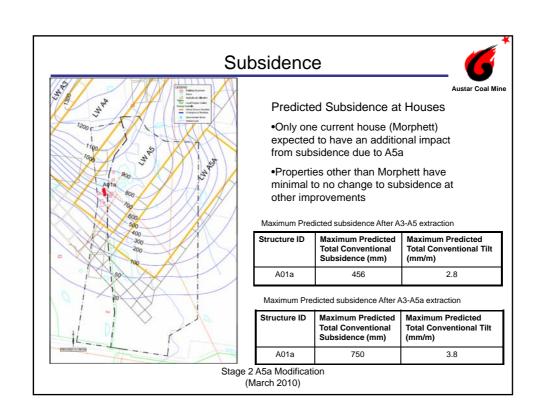
- Austar has updated its subsidence predictions for the inclusion of A5a using the same methodology as previously used for Stage 2. This now includes additional LTCC subsidence data from three LTCC panels across Stage 1 and Stage 2.
- Maximum Predicted Subsidence (best estimate of the actual level of subsidence to occur) and Upper Bound Subsidence (highest level of subsidence feasible based on Newcastle Coalfield data and used for risk assessment purposes) have again been assessed.
- To date actual subsidence measurements have supported that Maximum Predicted Subsidence levels are accurate for assessing LTCC associated subsidence at Austar and that Upper Bound predictions are far in excess of actual outcomes.

Stage 2 A5a Modification (March 2010)







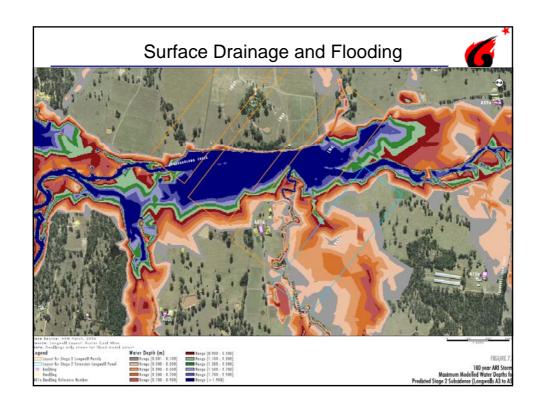


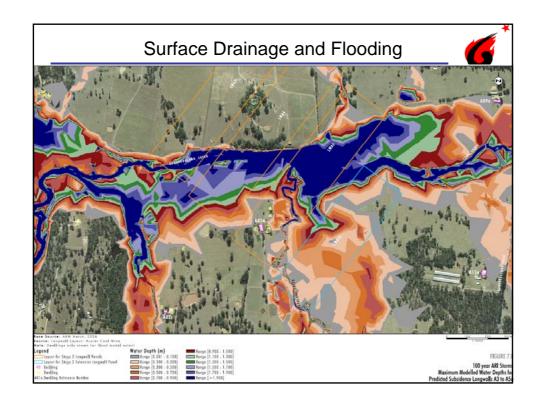
Surface Drainage and Flooding

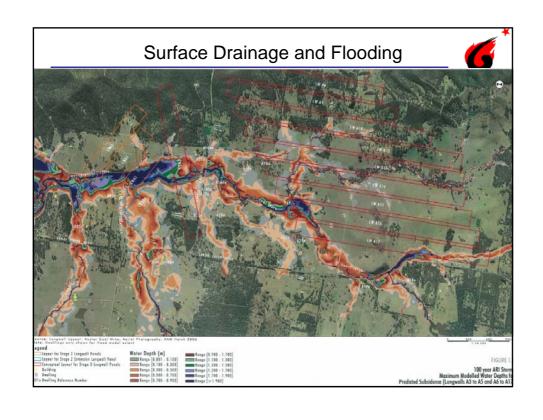


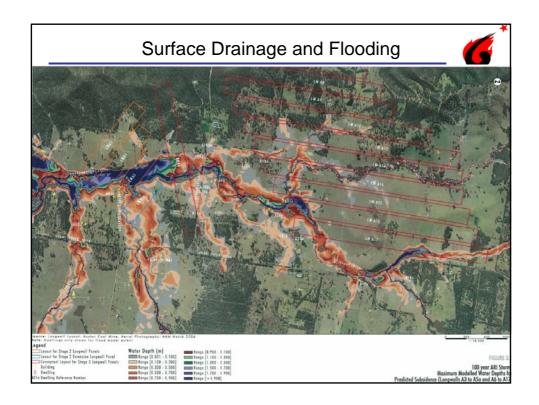
- •Assessment builds on previously undertaken and approved flooding and drainage models for Stage 2 and 3.
- •Utilises independent flood modelling data from previous investigations, and also actual meteorological data including flood events in 1990 and 2007
- •Assessed 1 in 100 year flood events for range of landforms including:
 - •Post the already approved A3-A5 mining landform
 - •Post the mining of the proposed A5a
 - •Post the mining of A5a and including the approved Stage 3 post mining landform

Stage 2 A5a Modification (March 2010)









Surface Drainage and Flooding



Summary of changes for proposed A5a over existing approved:

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- •Decrease in flood depths (up to 160mm) downstream of Quorrobolong and Cony Ck confluence to similar levels to prior A3 to A5 mining
- •Sections of Quorrobolong Ck upstream of confluence with Cony Ck increases in flood depth (avg 100mm)
- •Minimal increase in flood extent. Additional extent area <300mm
- •No increase to flood depths at dwellings
- •Negligible changes to other flood hazards such as
 - •flow velocity
 - •access
 - •channel stability

Stage 2 A5a Modification (March 2010)

Other Environmental Changes



- •No impact to alluvial aquifers (depth of mining to great)
- •No additional impact to rock aquifers
- •No change to ground water management strategies required
- •Additional Heritage and Flora and Fauna research and surveys have been completed and assessed. No additional impact or change to management strategies required.

Stage 2 A5a Modification (March 2010)

PSMP's and Monitoring



Austar Coal Mine

- •Property Subsidence Management Plans (PSMP's) provide for an important way to assist in managing any impact to the property including improvements. They also establish measures for monitoring the impacts and provide avenues for communication. Thus update of them is important to both Austar and the landholder and in everyone's best interest.
- •Upon approval both parties would benefit from update and completion of this process including completion of a full property survey of all built and natural features.
- •Whilst there is no anticipated change requiring an alteration to our existing management strategies, Austar will also look to extend its current monitoring program to ensure impacts are not exceeding predicted or approved levels.
- •Monitoring will include:
 - •Subsidence surveys
 - •Seasonal flora and fauna surveys
 - Ground water monitoring
 - Vibration monitoring

Stage 2 A5a Modification (March 2010)

Process Going Forward



- •Austar will complete its consultation with stakeholders regarding the proposed extension of Stage 2 to include A5a
- •The Statement of Environmental Effects will then be submitted to the Department of Planning including an application to modify DA No.29/95
- •Opportunity for comment will be available during this assessment period
- •Austar personnel will be available throughout this entire process to explain details further.
- •Austar Contacts are:

Frank Fulham- General Manager (02) 4993 7200 Adrian Moodie- Technical Services Manager (02) 4993 7293 Gary Mulhearn- Environmental Coordinator (02) 4993 7334

Stage 2 A5a Modification (March 2010)