



HUNTER • VALLEY
COAL • CORPORATION

What are the benefits of the proposed development?

This development will:

- Improve ongoing viability of the Glendell and Ravensworth East operations;
- Extend the life of Mt Owen Mine by seven years;
- Secure ongoing employment of approximately 270 people at Mt Owen mine;
- Involve expenditure of around \$40-50 million in capital works and will contribute additional benefits to the local and state economies through employment and other revenue.

How is a mining development approved?

Under the Environmental Planning and Assessment Regulation 2000, coal mining is considered to be a 'designated development' and an environmental impact statement (EIS) must therefore be prepared to assess the impacts of new mining proposals, prior to development consent being granted.

The matters to be addressed in the EIS are determined by the Director-General of PlanningNSW, in consultation with all government agencies that have an interest in the proposal.

Who is preparing the EIS for HVCC's development consent?

HVCC has engaged Umwelt environmental consultants to prepare the EIS for HVCC's development consent for Mt Owen Operations. Community and agency consultation are key to the preparation of the EIS and necessary to determine the relevant issues to be addressed.

Once the environmental assessment process is complete, the development application and accompanying EIS will be lodged with PlanningNSW.

The environmental issues listed above together with any other issues identified during this consultation process will be addressed in the EIS.

How can the community get involved in the process?

We welcome your involvement in the EIS process, either to find out more information or to raise any issues you may have. One way you can share your views on the project is by returning the enclosed feedback form.

Please return the form in the reply paid envelope supplied by 7 May 2003. You are also encouraged to phone the contacts below if you wish to discuss any aspect of the project during the EIS preparation.

For further information please contact:

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Mt Owen Operations Environmental Impact Statement Community Newsletter No. 1 April 2003

Welcome to the first edition of the Mt Owen Community Newsletter which has been developed to keep our community informed firstly about the Environmental Impact Statement that is currently being prepared, as well as the development process that will commence thereafter.

We hope that this newsletter will provide a further means of two-way communication with members of community and invite your feedback regarding your information needs during the EIS process and any other requirements you may have going forward.

Geoff Marshke is responsible for operating as the interface between HVCC and our community and I encourage you to contact him directly on 6570 0885 if you have any questions or require any further information.

I thank you for your ongoing support of our operations and look forward to keeping you informed throughout the process.

Derek Walls
Operations Manager
Mt Owen Mine

Who is Hunter Valley Coal Corporation? (HVCC)

HVCC, owned by Xstrata Coal Australia, has owned and operated Mt Owen mine since 1991. Xstrata acquired the adjacent Ravensworth East mine in 2002 and has majority ownership of the planned Glendell mine.

Since acquisition of these mines, Xstrata has been exploring opportunities to share facilities between these operations. In addition, HVCC has conducted studies to refine mine planning and infrastructure design for future operations.

Why is HVCC seeking development consent?

Recent mine planning work by HVCC determined an urgent need to establish an additional out of pit dump for overburden from Mt Owen Mine and has identified additional coal resources outside the current approved limit of mining. Substantial advantages have also been identified in using the Mt Owen coal handling and preparation plant (CHPP) to process coal from Ravensworth East and Glendell mines and for the management of tailings.

What is HVCC seeking development consent for?

HVCC is seeking development consent to:

- Extend mining operations in C-Pit, within the area covered by the existing mining lease at Mt Owen;
- Increase run of mine (ROM) coal production at Mt Owen from 8 Mtpa to 9 Mtpa;
- Develop an out of pit overburden dump known as the West Dump;
- Dispose of tailings from the Mt Owen CHPP in two voids at Ravensworth East mine;
- Construct and operate a ROM receival facility and haul road to enable Mt Owen to process ROM coal from Ravensworth East and Glendell mines;
- Modify the Mt Owen CHPP, allowing for increased throughput of up to 14 Mtpa, establish additional product coal stockpile capacity and increase the approved capacity of the rail loading facility; and
- Modify the mine water management system.

The components of the project are illustrated in **Figure 1**.

Modifications to the CHPP and coal transport infrastructure were previously proposed as part of the HVCC Coal Preparation and Transportation System project. In order to avoid two separate Environmental Impact Statement processes, the HVCC Coal Preparation and Transportation System project has now been incorporated in the current application for development consent.

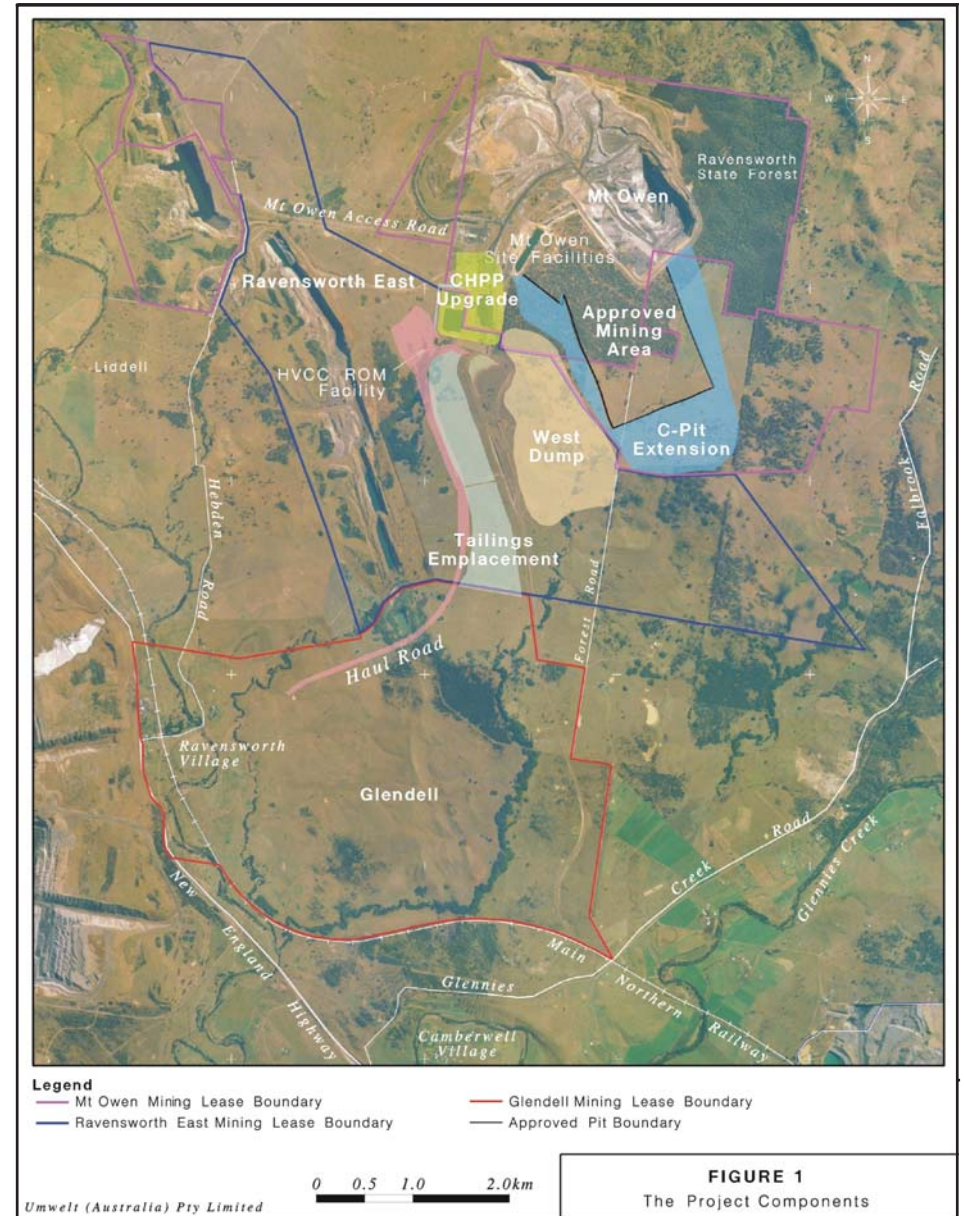
Will there be any impact on the Ravensworth State Forest?

The proposed development will result in the disturbance of up to 57 hectares of Ravensworth State Forest in addition to the 240 hectares already approved for disturbance. Compensatory habitat has been established over 430 hectares as part of the current operation. HVCC is exploring options for establishing further habitat to compensate for the additional disturbance of Ravensworth State Forest.

What are the key environmental issues to be considered as part of the development application?

The key environmental issues identified to date include:

- Air quality,
- Noise,
- Water,
- Cultural heritage,
- Flora and fauna,
- Socio-economics,
- Road and rail traffic,
- Visual;
- Cumulative impacts.





Mt Owen Operations Community Newsletter No. 1 Feedback Form

Are there any specific issues you would like to see addressed in the Environmental Impact Statement for the project?

Would you like to be involved in further consultation regarding the project? (Please feel free to select more than one option.)

Yes No

If so, what is your preferred method of consultation?

- Additional Newsletters
 Individual meeting
 Other (please specify)

If you are interested in further consultation, could you please confirm your contact details below:

Name: _____

Address: _____

Telephone: _____

Please return this feedback form in the enclosed reply paid envelope or send to the following address:

Reply Paid 13
Environmental Assessment Team
Umwelt (Australia) Pty Limited
PO Box 838
TORONTO 2283

NB. Your contact details will only be used for the purposes of providing you with information about the Mt Owen Operations project.