

Mangoola News

Mangoola Coal

October 2009 Issue No.3



Welcome from the Project Manager



It's an exciting time at Mangoola Coal as Xstrata recently re-confirmed its commitment to the project.

Following completion of our Early Works commitments the project will now continue on into the Construction phase with the project planned to be complete by early 2012. Our project teams are ramping up accordingly

to meet the challenge of delivering this world class project. We've now got plenty of work to do and we're looking forward to a busy couple of years.

Early Works has progressed well with both Denman/Bengalla Road and Wybong Road /Golden Hwy intersection upgrades now substantially complete. Completion of these intersections was required to provide safer access to the mine site.

Wybong Road East (Roxburgh Road to Mine Access Road) upgrade works are now well advanced and is expected to be completed in April 2010. The extent of work being undertaken will provide a safe and reliable local road for all users. We appreciate the patience users of this road have shown thus far and we are making every effort to minimise disruption whilst these works are undertaken. I would like to take this opportunity however to remind all users of the road that temporary traffic controls and speeds restrictions are there for every ones safety so please abide by the signs.

With the opening of the Bengalla Link Road, Muswellbrook Council have agreed to amend the Early Works Traffic Management Plan to allow heavy vehicles to use this road to access the mine site and Wybong Road upgrade works.

Our new permanent mine access road is now complete and this will provide all weather access to the site during the initial construction phase and then through the life of the mine. We've been able to source most materials for construction of the new mine access road and Wybong Road upgrade from our onsite quarry. This will continue to be particularly helpful in minimising gravel truck movements on Wybong Road during the construction of the mine.

Bulk earthworks for the coal preparation plant area have commenced and work on dams and rail loop are planned to commence by the end of 2009. In the New Year we are planning to commence construction of the coal preparation plant, workshop and office facilities – busy times!

So as you can see we have lots going on and look forward to keeping you informed of progress on the project in our next newsletter.

Scott Elliott
Project Manager

Environment Update



Since the last newsletter the Environment team have been quite busy completing various tasks in preparation for construction activities to commence. These have included preservation of the scarred tree (SC-ST-01), completion of the Hunter River Pipeline salvage works, ongoing weed spraying, rockshelter blasting & vibration

monitoring target installation, installation of the tree screen along Mangoola Road and upgrading & replacing fencing.

Scarred Tree Removal & Preservation

At Mangoola, we have only identified one scarred tree to date. Due to the significance of such a find and in consultation with the Aboriginal community, the scarred tree was to be removed from its location within the Project Disturbance Boundary, preserved and then relocated into the SC-10 Management Zone, which has been set aside as a teaching place.

Prior to felling, the scar was padded and protected as seen in the photo attached. Being a large dead tree, there were numerous habitat hollows for fauna. Our tree clearing procedures ensure that if habitat trees are identified; they must be removed by certain methods. Hollow records are taken for reestablishment of hollows felled into the offset areas. With the primary inhabitant of the scarred tree being micro bats, the felling was held off till late February to coincide when nesting should have been completed. The felling was conducted from 23-26th March, at night by professional tree loppers, in the presence of Aboriginal stakeholders, conservators, ecologists, an archaeologist and Mangoola environment staff. This enabled the bats to leave the hollows for foraging at dusk and not be consumed by predators as they may have been if works were conducted during the daylight hours.

The entire operation of removal from its location took 4 days, and the involvement of 16 people, including experienced crane operators who had conducted similar works at Mt. Arthur Coal.



Scarred Tree Removal & Preservation.

Preservation works conducted by 3 staff from International Conservation Services in August 2009. It is anticipated that the scarred tree will be relocated to the SC-10 Management Zone in October 2009.

Rockshelter Blasting & Vibration Monitoring Target Installation

In late February and early March, prior to blasting occurring on site, a team of Aboriginal stakeholders, archaeologists, geotechnical engineers and Mangoola environmental staff tackled the terrain at Wallaby Rocks, Limb of Addy Hill, Western Rocks and Anvil Hill to install monitoring targets inside the 18 identified rockshelters at Mangoola Coal.

Installation of the approved monitoring targets involved drilling small eyebolts into the rockface in order to take measurements. Permanent targets (using drilling small bolts into the shelter roof and floor) are the best method for monitoring the rock shelters because:

- the natural formation of the shelters (the rock surface is loose and naturally unstable – conglomerate rock with pebbles);
- The rock surface is naturally unstable subject to water and wind erosion; and
- The targets need to stay in place for at least 20 years.

Baseline monitoring of the rock shelters and formations was conducted by establishing the permanent targets to enable movement to be measured. The method is to form triangles and to take initial measurements. Ongoing monitoring of rock shelters and formations will include measuring the distance between targets periodically and change of dimension will indicate movement and direction. This can be related to the blast vibration history and other natural events such as rainfall. The measurements have been completed with an extensometer which measures to $20m \pm 0.1mm$.

Blast and vibration monitoring targets installed and being measured within one of the 18 identified rockshelters.

Modifications and Approvals

Since the last newsletter the following approvals have been received:

- Approval for the 66 kV line from Denman sub to the project site;
- Approval of the location of the Hunter River Pipeline.

Mangoola Coal is currently developing an Environmental Assessment for the proposed relocation of the 500 kV electric transmission line and subsequent mine plan changes. Phase one of the consultation process for this modification was completed in April 2009. Phase two of the consultation process is currently in progress which includes a Community Information Session on 21 October 2009.

The Annual Environment Monitoring Report was submitted to Department of Primary Industry in September 2009. This report is now available on the Mangoola Coal website www.xstrata.com/operation/mangoola/publications/

Toni Schneckloth
Environment & Community Coordinator

Community Update



Stakeholder Discussions

Mangoola Coal has continued its program of face to face discussions with local stakeholders, Muswellbrook Shire Council, Muswellbrook Chamber of Commerce and other interested parties to provide project updates and an opportunity to discuss more specific project related issues with members of the team.

In addition to the face to face consultation program an extensive face to face consultation process was implemented to ensure full communication of the Wybong Road upgrade program was provided to those residents along Wybong Road and local school bus users.

Community Information Sessions

Mangoola Coal has continued the comprehensive community information session strategy in 2009 and to date we have held over 8 community information sessions in Sandy Hollow, Wybong and Denman to discuss project specific issues such as proposed modifications, traffic management and more generally to provide a project update to the wider community. These information sessions provide the general community with an opportunity to discuss any specific issues with the Mangoola management team. As we value the input of all stakeholders we encourage members of the community to attend and provide feedback at these information sessions.

Information

Mangoola Coal has continued to provide information to the local community regarding road upgrades and changes in traffic conditions via a number of information flyers which detail the upcoming work, change in traffic conditions and duration of work. Information detailing the road work schedule and details of activity is also available via the Mangoola Coal website www.xstratamangoola.com.au.



Community Information Session – Wybong Hall.

Mangoola Coal Community Consultative Committee

The Mangoola CCC meets quarterly to discuss business arising from the previous meeting minutes, complaints received, correspondence and general business. In accordance with Condition 9, Schedule 5 of the Project Approval, minutes of each of these meetings are able to be viewed on the Mangoola Coal website www.xstratamangoola.com.au.

The Mangoola Coal CCC comprises the following community and MSC representatives:

- Stephen Ward (Chair – MSC Representative) – 6549 3700
- Martin Rush (MSC Representative) – 6549 3700
- Chris Gidney (MSC Representative) – 6549 3700
- Keith Campbell (Community Representative) – 6547 8168
- Fiona Hordern (Community Representative) – 6547 2929
- Ross Reichel (Community Representative) – 6547 8174
- Penelope Young (Community Representative) – 6547 4589

Community Support

Mangoola Coal has continued our commitment to support the local community in which we operate. To reflect this commitment, Mangoola Coal was involved and supported the following diverse and innovative local community activities:

- National Tree Planting Day – Denman Wetlands – 2008
- National Tree Planting Day – 2009
- Westpac Rescue Helicopter Black Coal Cup Golf Day
- Black Coal Cup Ball - Westpac Rescue Helicopter – Muswellbrook
- Denman & District Heritage Village
- Upper Hunter Wine & Food Affair
- Relay for Life
- Meals on Wheel – Denman
- Denman Hospital Auxiliary
- National Plant a Tree Day – Sandy Hollow School
- Denman Chamber of Commerce
- Muswellbrook Chamber of Commerce
- Upper Hunter Vocation & Industry Network
- Clean Up Australia Day
- Bursting with Energy Expo
- Wybong Hall
- Rural Fire Service – Wybong & Mangoola
- Denman Playgroup Association
- Muswellbrook & Upper Hunter Eisteddfod
- Muswellbrook PCYC
- Sandy Hollow Art Gallery



Mangoola 'Clean Up Australia Day' Team.

Denman Meals on Wheels

Mangoola Coal has donated \$5,000 to the Denman Meals on Wheels service to help purchase much needed kitchen equipment.

The Meals on Wheels team provide an important service in the local area and we are very pleased to be able to support their continuing good work. Xstrata Coal is committed to supporting the communities in which we operate and through this small donation, the Meals on Wheels team will be able to continue to assist their clients to maintain a healthy lifestyle and remain in their own homes.

Items to be purchased include a commercial quality blender, a commercial microwave, fridge and a three step ladder for use in the kitchen to allow them to maintain a safe working environment.



Sandy Hollow Art Gallery

Mangoola Coal has been involved in a very exciting project to provide 'rocks' from site to the Art Gallery at Sandy Hollow. The relocation of the rocks from Mangoola Coal to Sandy Hollow was made possible by the generous donation of equipment and time by Muswellbrook Cranes and without this support the rocks would not have found their way to Sandy Hollow. David Mahony, owner of the Sandy Hollow Art Gallery has organised local, regional and international artists to participate in this exciting project and when complete the rocks will form an outdoor sculpture gallery for the community to enjoy.



Sandy Hollow Art Gallery – Sculpture Gallery.

Chief Executive Environment & Community Award – 2008

Late in 2008 Mangoola Coal was awarded the Chief Executive's Environment and Community Award for work we have done in the community. As part of this award we were given \$10,000 to contribute back to the community. Contributions were made to the Wybong Hall Committee, the Wybong & Mangoola Rural Fire Service and also the Denman Meals on Wheels.



CEO award – 2008.

Evelina Hendry

Community Relations Coordinator

Health and Safety



Our Health and Safety team has had some changes since the last newsletter. The Health and Safety Coordinator – Kate Caruana is currently on maternity leave. Baz Tuppin has recently

joined the team as the Health and Safety Superintendent and will be assisting with the safe construction of the rail loop, Mine Infrastructure Area and Coal Handling Preparation Plant. We welcome Baz to the project team.

Mangoola Coal has finalised the Emergency Response Plan and conducted a drill in May to test the response systems and the first aid skills of personnel on site.

A fire trailer has been purchased for initial response. In the past three months Mangoola Coal personnel have been involved in responding to two fires in the Wybong Area.

Jane Yelland

Health, Safety, Environment & Community Manager

Xstrata's commitment to Sustainable Development

We are committed to the goal of sustainable development. We balance social, environmental and economic considerations in how we manage our business. We believe that operating to leading standards of health, safety and environmental management, contributing to the development of sustainable communities, and engaging with our stakeholders in two-way, open dialogue, regardless of our location, enhances our corporate reputation and is a source of competitive advantage. This enables us to gain access to new resources, maintain a licence to operate, attract and retain the best people, access diverse and low-cost sources of capital, identify and act upon business opportunities, and optimise our management of risks.

For further information visit :

www.xstratamangoola.com.au

Email:

mangoolaenquires@xstratacoal.com.au

Community Response Line:

1800 014 339

For information on articles in *Mangoola News Issue No. 3*, or other operational and environmental issues, please contact the relevant people listed.