

Abel Underground

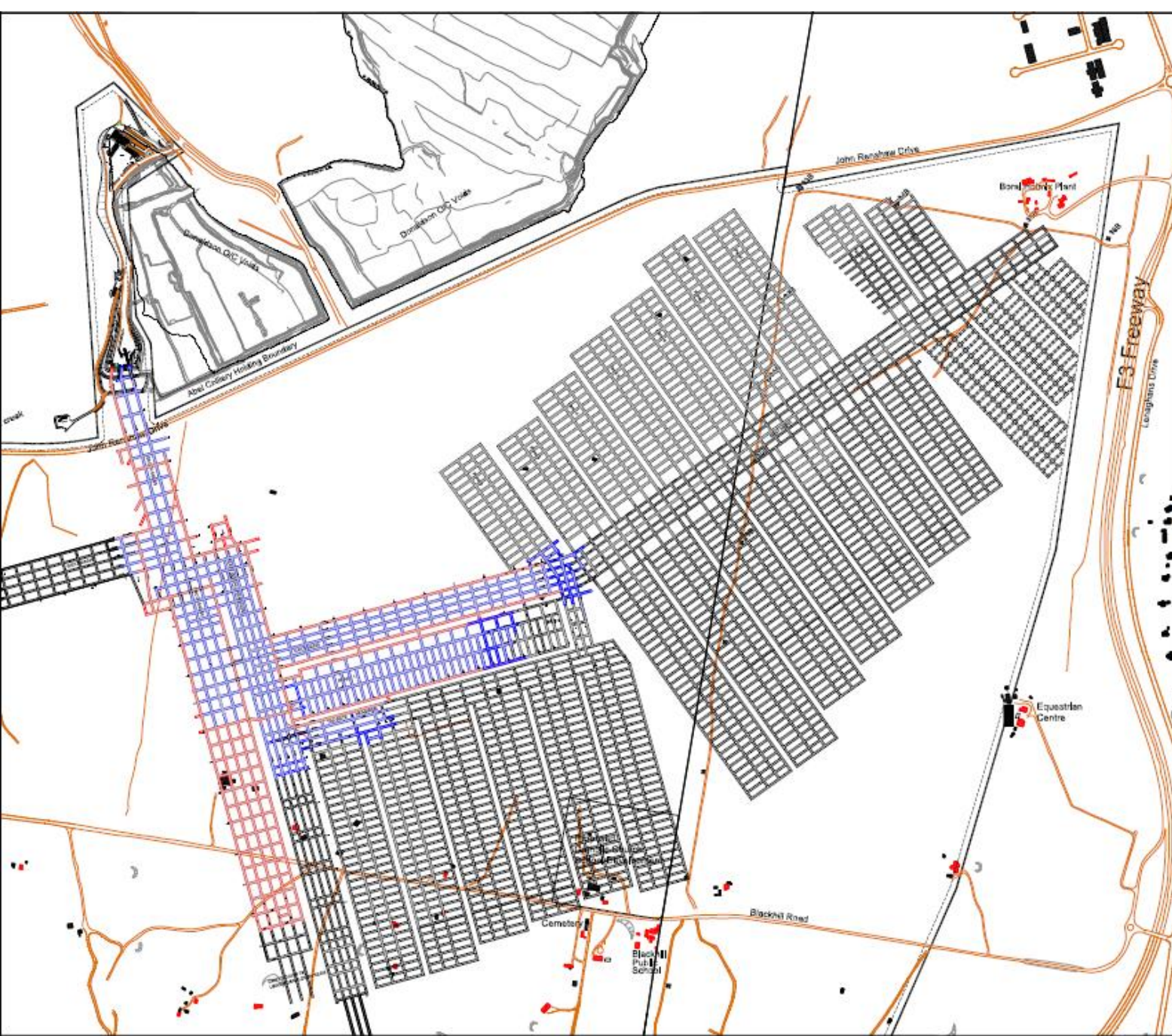
An aerial photograph of a mining or processing site. In the upper left, a yellow CAT wheel loader is parked on a dirt road. To its right is a large, dark, conical pile of material, possibly coal or ore. A long, green conveyor belt structure with yellow railings extends from the right side towards the center. In the foreground, a red shipping container is visible. The background shows a steep, rocky hillside.

**Presentation to
Community Consultative Committee**









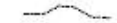
3 May 2010

Development Update

Matt Blackham



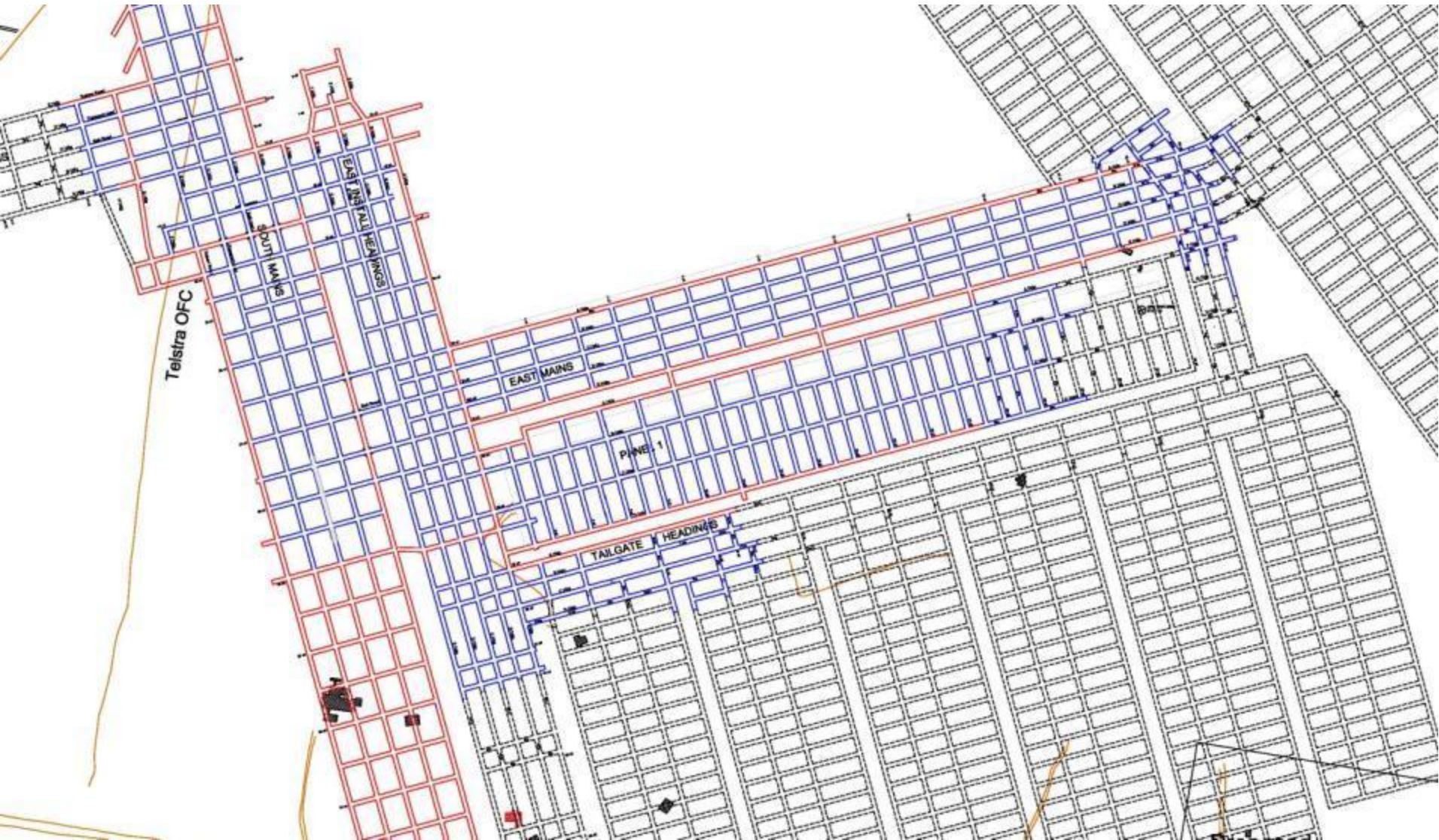
LEGEND

- Roads 
- Powerlines 
- Fibre Optic 
- Buildings 
- Principle Residences 
- Depth of Cover Contours  140
- Seam Thickness Contours  2.00
- Surface Dam 
- SMP Area 
- Colliery Holding Boundary 
- Open Cut Void 
- Transgrid Towers 
- Creeks 



ABEL MINE
Proposed Upper Donaldson Seam Workings

SCALE : 1:4,000	DWG No. : 10/10/2009
DRAWN : G.LLOYD	REVISION :
CHECKED :	
DATE : 1st May 2010	



Production

- Total Tonnage for Feb 66,167 t
- Total Tonnage for March 90,281 t
- Total Tonnage for April 63,989 t

- Tonnage YTD **271,709 t**

- Metres YTD 12,225.7 m

Monitoring & environmental Performance

Noise Update

- 23 – 31 March 2010
- Noise generated by local and distant traffic was a significant contributor to noise levels at all monitored locations as well as cricket, insect and frog noise during the evening and night-time measurements.
- Abel Project operations were inaudible at all residential locations during all operator attended noise surveys. As such, it is likely that contributed noise levels from Abel Project did not exceed noise emission goals (including night-time sleep arousal criteria) and were in compliance with the Abel Project *Project Approval*.

Complaints

- One Complaint received regarding Septic Tank overflows.
- Site inspected by Council Officers. Minor repairs required.

Environmental Incidents

- No incidents reported

Subsidence Management Plan Update

Tony Sutherland

Donaldson Coal

Abel Mine CCC Meeting

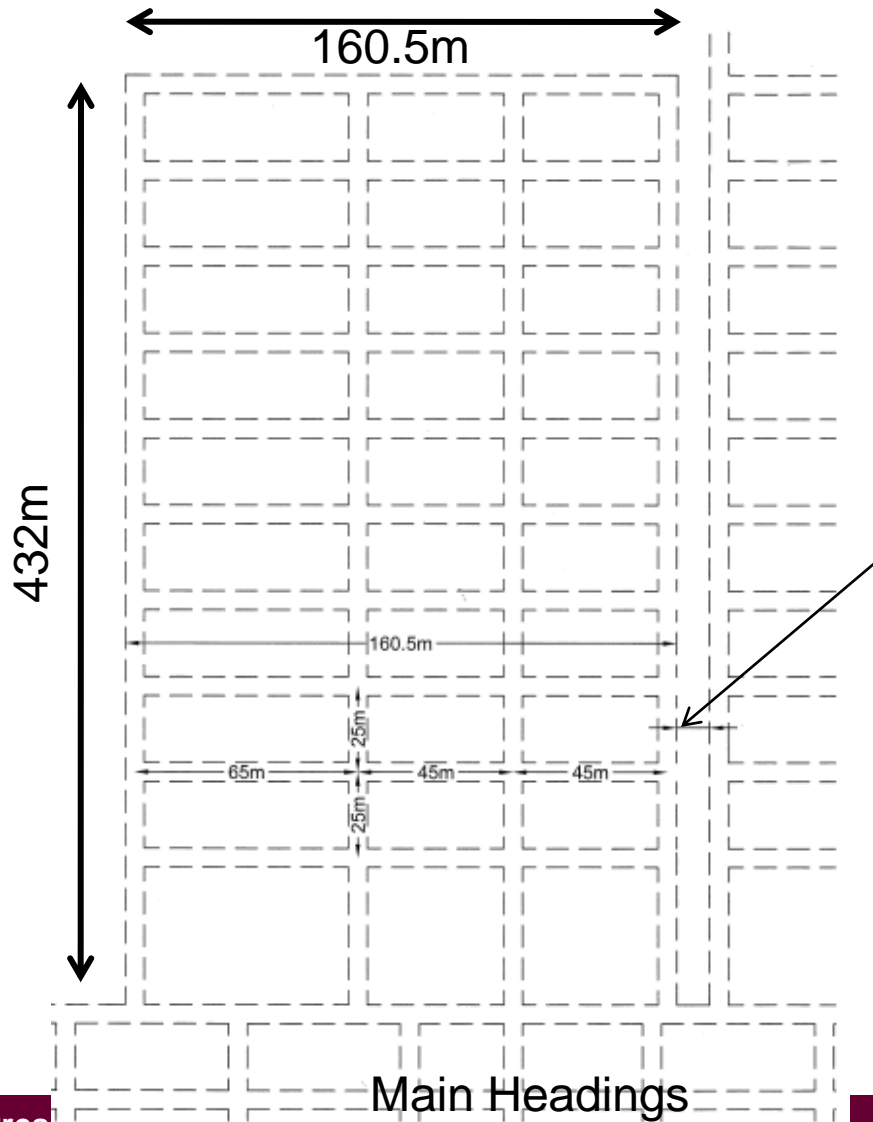
SMP Update

3 May 2010

Agenda

- **% level of extraction (1st and 2nd workings)**
- **SMP Area 2**

Abel Typical Panel Layout - Panel 3

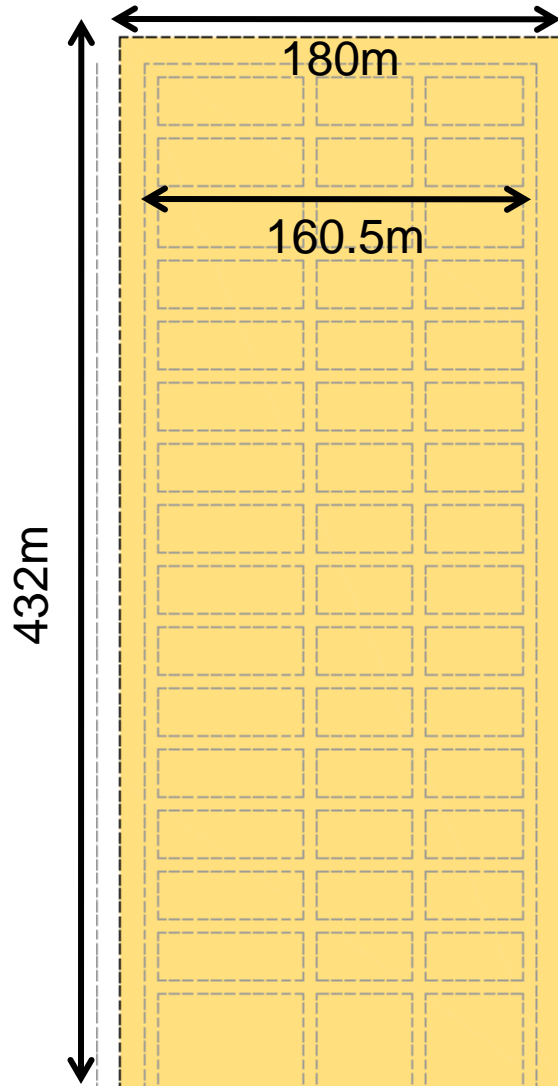


Panel 3	metres	tonnes	Time taken
1 st workings	3,900m	80,478t	~10 weeks
2 nd workings	158,734t	158,734t	~14 weeks
Total		239,212t	~24 weeks

Barrier Pillar

Main Headings

Total In situ Coal reserve



Panel 3 - (432m long x 160.5m wide)

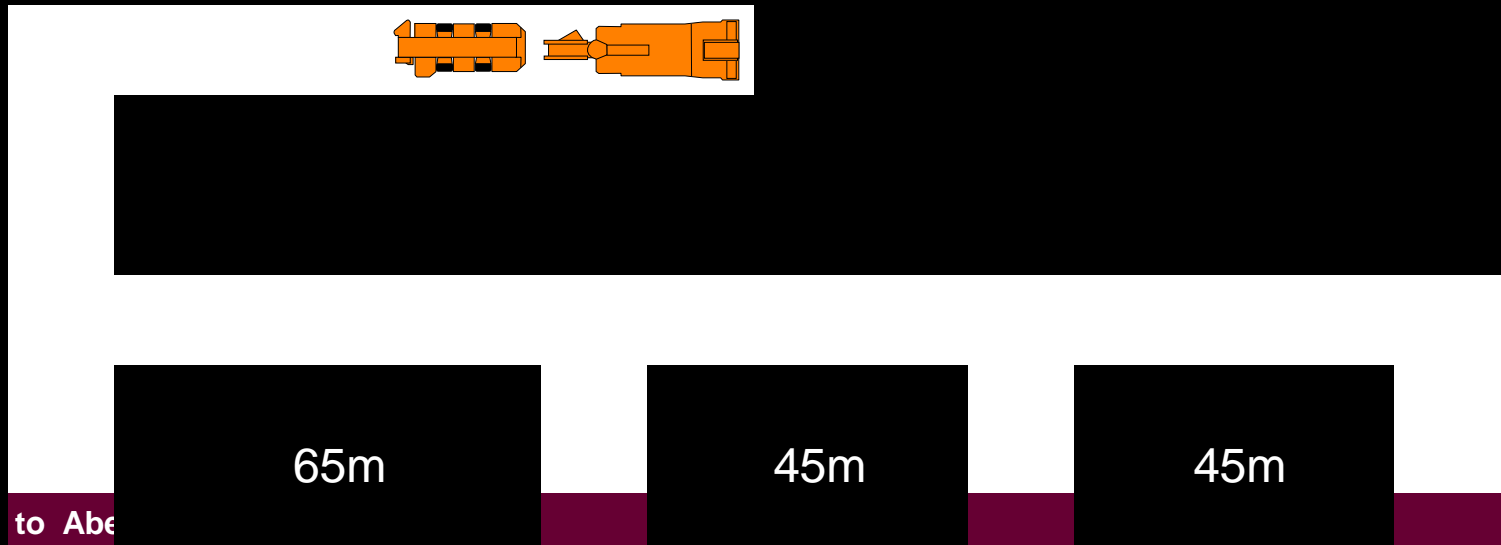
Seam height = 2.5m

RD = 1.5m

Coal Block including barriers between panels = 292,042 tonnes

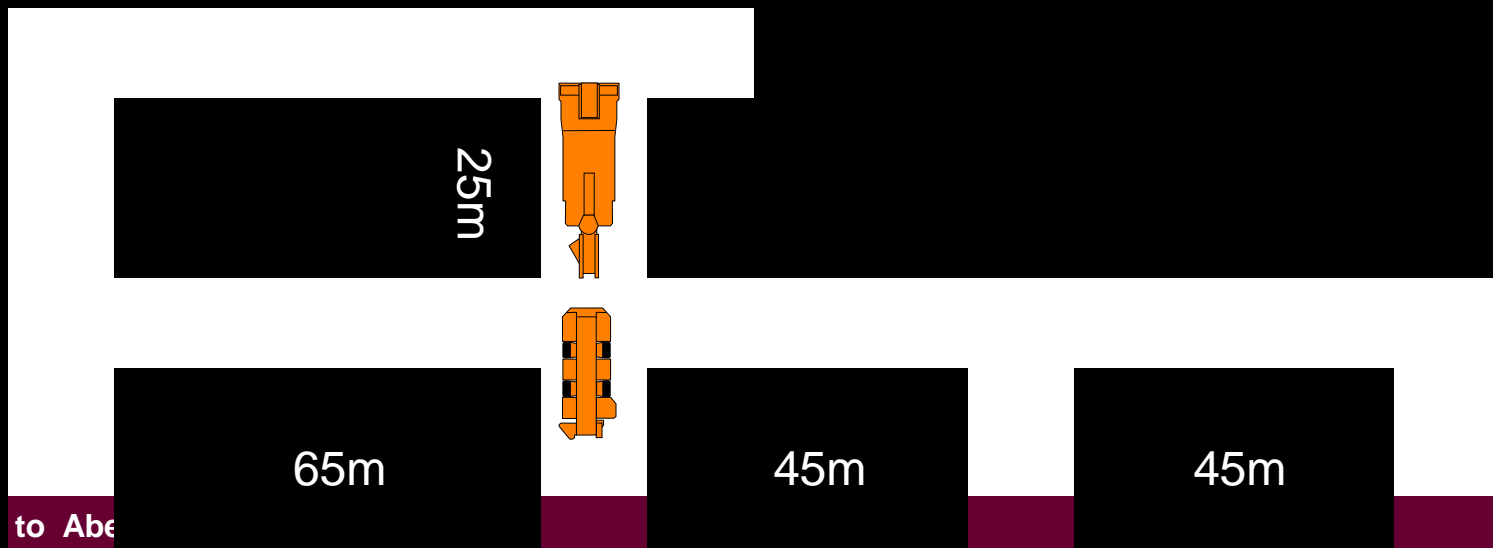
FIRST WORKINGS

Barrier Pillar



FIRST WORKINGS

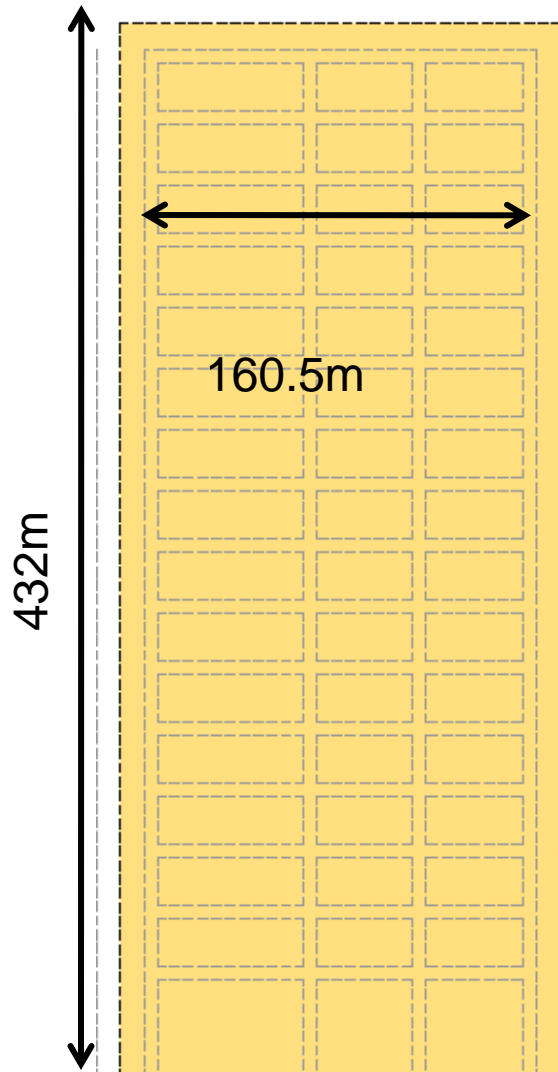
Barrier Pillar



to Abe

Barrier Pillar

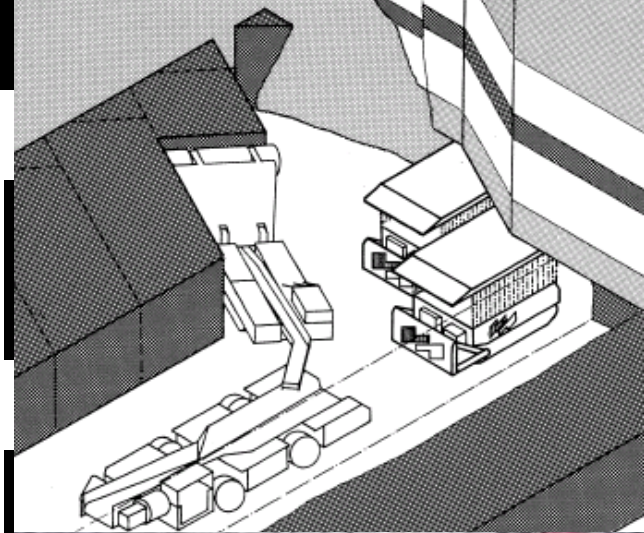
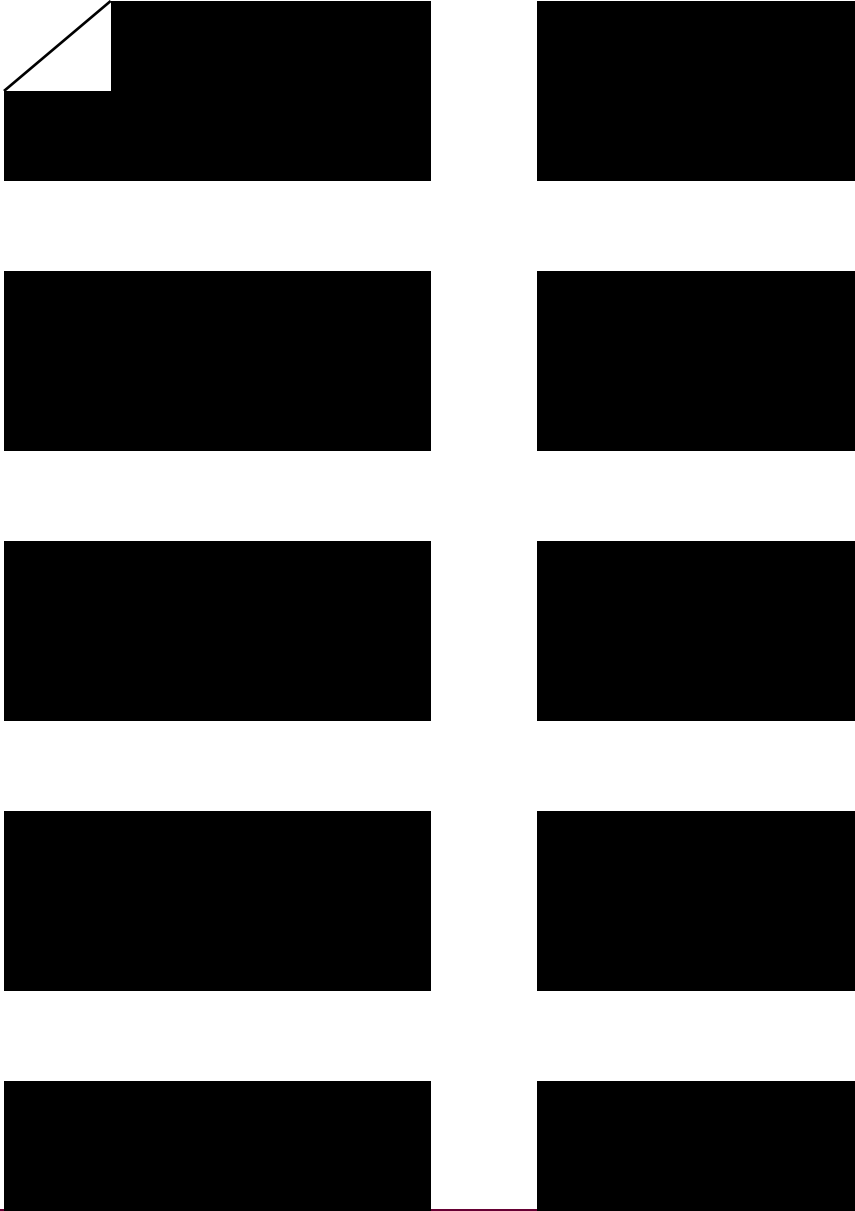
1st workings % extraction



Coal Block including barriers between panels = 292,042 tonnes

1st workings roadways = 80,478 tonnes
= 28% extraction

SECOND WORKINGS

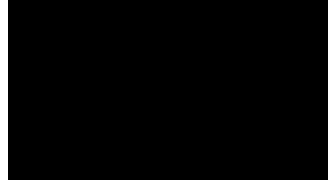
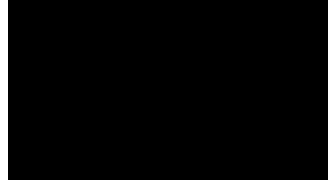
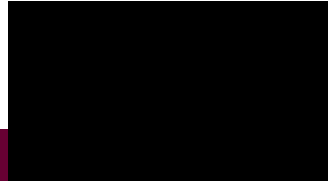
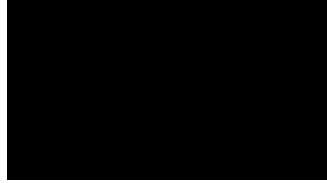
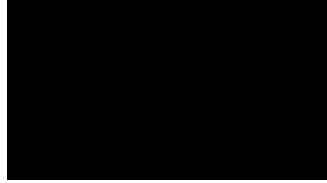
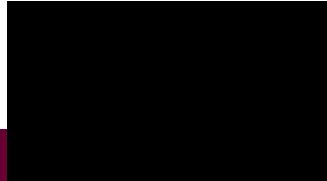
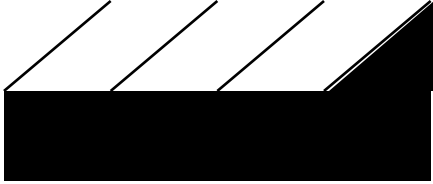
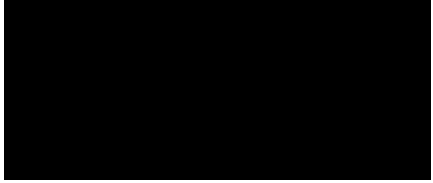
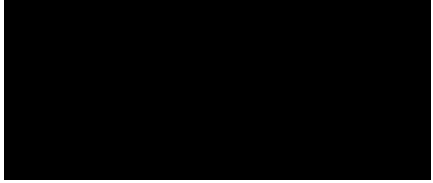
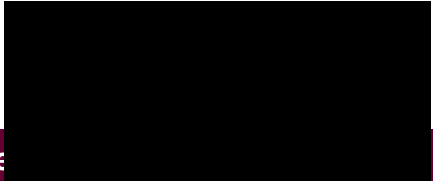


Barrier Pillar

to Abe

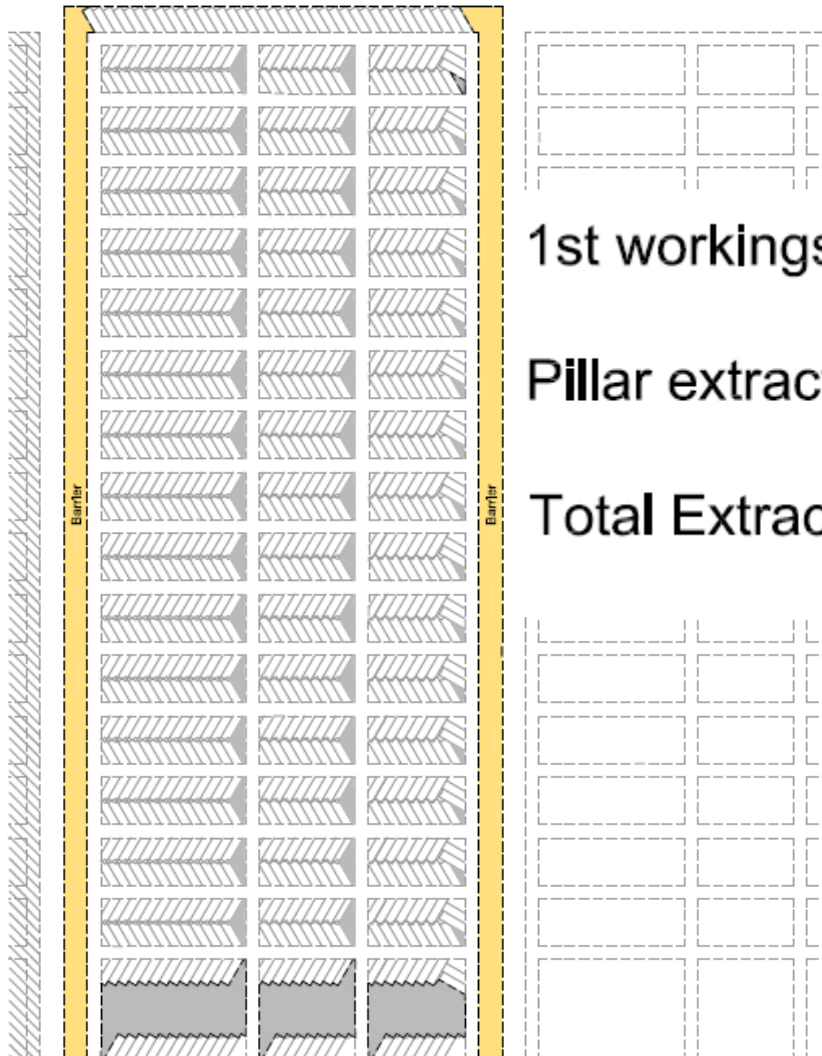
Barrier Pillar

to Abe



Barrier Pillar

2nd workings extraction



1st workings roadways = 80,478 tonnes

Pillar extraction = 158,734 tonnes

Total Extraction = 239,212 tonnes
= 82% extraction

SMP Area 2



Community Reps

- Questions
- Tabled by Alan Brown

Q. I note that there has been a drilling rig along Blackhill Road at various sites over the past few months – is this associated with the Abel Mine and if yes, for what purpose?

A. *Yes, drilling was associated with operations aspect of the Abel mine. This a is normal as we further define the coal seams and the structures in the area. Also quality was being checked for coking parameters to define the potential for semi soft coking product. The nature of the Tomago measures is that individuals seams do float about a bit and it is important to define them prior to mining.*

Q. There has been newspaper articles of late referring to the Macarthur Coal Ltd buyout of the Noble Group Ltd, Donaldson coal unit as part of its A\$888 million takeover of Noble's assets. This part of the buyout has been rejected and I observed that the reported interest of Noble in Donaldson is 79.9% compared to the web-site 68.5%, plus I understand that Noble are now the 100% owner of Donaldson Coal. Is this the case and if yes, what impact does this have with transfer of responsibilities and future liaison with Company senior management and the role of the CCC with Donaldson Coal?

A. *Noble now own 100% of Donaldson. Brendan McPherson is still the CEO and he has instructed that operations will continue as before unless he instructs otherwise.*

Mr A Brown advise that it was brought up at the initial Community meetings that people were concerned about eh “nice blokes” walking away then what would happen. Mr A Osborne said that the project will still run for 25 years.

Mr Morris advised that it will be business as usual.

Q. Any baseline and photographic monitoring reference – anticipated completion date?

A. Donaldson is currently preparing an access agreement with the Catholic Diocese that will allow this baseline subsidence and photographic monitoring to take place prior to commencing Pillar Extraction in Panel 1.

Q. Status report (incorporating panel report) – anticipated circulation date?

A. One of the SMP approval conditions will be for the mine to prepare a 4 monthly Subsidence Management Status Report which will be posted on the Donaldson Coal web site.

Q. Field Visit SMP Area missing detail in the Minutes – albeit noted, when will there be an amendment issued?

A. An amended version of the SMP application will not be issued. More detail on any future SMP Field visits will be included in the relevant SMP application.

Q. Status of the Company Contribution Initiatives

– Conservation (\$1 M over 10 years)

- A. Approximately \$7000 spent developing a GIS model with 29 different layers. The information was gathered from public domain and private studies that we could access in the area.

A \$2000 grant was considered in today's meeting to study bats in the area.

– Community Welfare (\$250 k over 5 years)

- A. Blackhill school has been the main beneficiary to date.

Methodist Cemetery restoration has received \$12000 and the Ben Werring fire station has been approved a substantial amount but is yet to access it.

– Road Safety (\$250 k towards JRD Blackhill Rd intersection)

- A. An invoice for \$250,000 for road works at Blackhill road and JRD intersection was approved for payment today.

– Employment Generation (Donaldson Job Creation Trust \$1 M over 10 years; \$500 k remained as of 28/5/07)

- A. \$845000 including GST spent to date. In excess of \$500,000 of this was spent with Hunter Valley training on technical trades development . Some of the courses specifically targeted Youths at Risk.
Other beneficiaries: Maitland Art Gallery for trainee curator, Cessnock Mayoral Academic Awards, A few of the schools in the region.

- *Mine Plan – has there been a change to the time-frame for development in different production panels (refer to Part 3A EA Executive Summary Figure 3)*
- A. Mr M Blackman advised that there is a focus on mining beneath the Catholic land and Coal and Allied land. We are also looking at increasing production.
- Mr. A Brown asked if the layout of the mine could be recolor-coded for production years.

AEMR questions



Q. Mineral Processing – 213,000 t ROM for 81,400 t Product. I assume the 131,600 t Reject (waste) is accountable by Bloomfield CPP? (It is also well below the anticipated 80% product recovery).

A. Yes - all reject and tailings are disposed of by Bloomfield under contract to Donaldson.

Q. Table 3.6 – this comment is for clarification only, observation is that results of ‘Attended Monitoring’ all exceeded the ‘Project Noise Goal’. Are these results acceptable?

A. The attended monitoring includes all noises recorded including animal noises and traffic. The Consultants have advised that Abel is in compliance with Conditions. The Table will be revised/reworded for the next AEMR.

Q. Section 4.2 Community Liaison – P32 *“The Minutes of community consultative meetings are placed on the mine’s website after ratification at the following meeting or by committee members although some delays in uploading of the files has been experienced. The Company is committed to minimising future delays.”*

- This is an issue that has been flagged since 2008 and as often mentioned, the “housekeeping” of any meeting is a laborious but necessary task. I believe that we should attempt to be as compliant as possible with the DoP guidelines as well as try and meet the agreed meeting protocols of distribution of meeting **agenda topic material prior to attendance** as previously agreed.

- A. Noted. The Agenda will be emailed to Committee members during the week before the meeting.
- B. Mr A Brown also reiterated his previous comment that it is awkward for a member of the Committee to be taking the minutes as well as participating in the discussion.

Q. AEMR P36 “..... It is expected that a further two meetings will be held during this time but additional meetings will be conducted if required.” There will need to be 4 meetings at least. The guidelines state “*It is suggested that the Committee meet at least four times per annum during the period of mine construction and during the first two years of mining operations.*”

A. The Conditions of Consent state at least two meetings per year. The Chairman and or Committee member may request a meeting at anytime through the year.

Q. AEMR Table A1.1 Cond. N^o. 8 & 9 - refer to earlier comments. As well, the meeting minutes posted on the website commence from Meeting #3, Meetings #1 and #2 should be added for completeness.

A. All minutes are now available on the website.

General Business

donaldson
coal



Hotline

1800 111 271