

Frequently Asked Questions (FAQs)

West Muswellbrook Exploration Project

1. What is the West Muswellbrook Exploration program?

The current 12-month West Muswellbrook exploration program involves the collection of information and geological data to assess the viability of an underground mine. A decision to pursue an underground mine on AL 19 will be based on findings from these exploration activities.

2. Why is Muswellbrook Coal assessing the feasibility of an underground mine?

Due to a range of factors Muswellbrook Coal Company are now assessing the feasibility of an underground mine on AL 19. This decision took into consideration community sentiment around the social, environmental (including noise and air quality impacts), and cumulative impacts associated with open-cut mining.

3. Where and when are the exploration activities taking place?

The exploration activity consists of the drilling of 14 boreholes, with 10 of the drill sites located on land owned by Muswellbrook Coal and the other 4 located on private land. Land access arrangements have been developed with the private landholders.

Although AL 19 does span into the Upper Hunter Shire Council area, the current 12-month exploration program does not include any drilling activity in the Upper Hunter Shire Council area with all exploration drilling being conducted in the Muswellbrook Shire Council area.

Drilling commenced mid-July 2020 and is anticipated to finish around mid-2021. However, the onset of wet weather may delay the program. Drilling activities will occur from 7 am to 5 pm from Monday to Friday.

4. Will the drilling activities significantly impact the local area?

Muswellbrook Coal has implemented multiple procedures to reduce the impacts of the exploration program in the local area. These include:

- a wet drilling process to prevent dust creation;
- controlled and limited equipment and vehicle movements, particularly during peak hours in the morning and afternoon to ensure safety and reduce dust; and
- a minimum disturbance procedure which only permits small amounts of earthworks to allow level drill pads and on completion of drilling, requiring post-activity site rehabilitation.

5. What are the requirements for consultation?

Muswellbrook Coal Company has voluntarily adopted the consultation criteria for exploration activities as outlined in the *Exploration Code of Practice: Community Consultation* as best practice to ensure adequate community consultation. Idemitsu is committed to their goal of adhering to and exceeding the consultation requirements of the *Exploration Code of Practice: Community Consultation*.

An activity impact assessment was undertaken for the West Muswellbrook Exploration project which assessed the project as having a medium potential impact (see Community Consultation Strategy, Section 2.3). The minimum requirements for consultation are presented in the prepared Community Consultation Strategy, Section 4 and 5, which is available on the project webpage here:

<https://www.idemitsu.com.au/mining/projects/west-muswellbrook/>.

Muswellbrook Coal recognises the importance of community consultation and are committed to their goal of adhering to and exceeding the consultation requirements of the Code of Practice.

6. What consultation is taking place?

The scope of the consultation currently being conducted relates specifically to the exploration program taking place. The *Exploration Code of Practice: Community Consultation* outlines who should be consulted and the method in relation to the potential impact.

Due to the impact to landholders in Muswellbrook Shire Council where the drilling is being conducted as part of this exploration program, community consultation focuses in the first instance on affected landholders and nearby neighbours. In addition, the consultation includes informing local council and their representatives, other key stakeholders, businesses, and notifying the broader community.

The recent notification (ie circulation of public notification flyer and posting in the Muswellbrook Chronicle) were to announce the exploration program. This has been followed with discussions with landholders, nearby neighbours and other interested stakeholders. These communication activities mark the beginning of the discussion around the current West Muswellbrook exploration program and as the project progresses landholders, nearby neighbours, community members and other interested stakeholders will continue to be kept informed through a variety of means, including newsletters and meetings.

7. What are the reasons for not receiving the public notification flyer?

Muswellbrook Coal has been advised that some members of the community did not receive the public notification flyer. This may be due to the inability for Australia Post to deliver post to addresses with a 'No Junk Mail' or similar signage on their mailboxes via their unaddressed mail system. Muswellbrook Coal will endeavor to liaise with our distributors to improve this process and minimize errors as the communications program moves forward.

The flyer was posted on the electronic version of the Muswellbrook Chronicle, in lieu of a print version, as is usual practice for public notifications. The letterbox drop was designed to maximize receipt of the public notification for those who do not read the Muswellbrook Chronicle or do not have access to the internet. COVID-19 does present some challenges regarding communications and we welcome any suggestions on how best to improve our process for future updates and information as the project progresses.

If you did not receive a public notification flyer and would like to receive correspondence regarding the West Muswellbrook Exploration into the future, please contact Muswellbrook Coal and provide your preferred correspondence details (eg post address, email, telephone) to ensure information is sent using the appropriate means.

8. When does the current AL expire?

AL 19 was granted on 9 September 2009 for a five-year term with an expiry date of 9 September 2014. The lease was renewed for a further five-year term until 8 September 2019. The most recent renewal for AL 19 was submitted on 5 September 2019, for a further 5-year term, with acknowledgement of lodgement on 6 September 2019.

9. Is the West Muswellbrook Land Acquisition Strategy still applicable to the AL renewal?

Muswellbrook Coal have confirmed that the land acquisition strategy remains as a condition in the AL and is proposed to remain in the existing draft conditions provided by the Regulator.

Muswellbrook Coal has proposed the current property acquisition strategy will remain unchanged for the duration of the current AL 19 term, even though the project has been refocused as an underground mine assessment. The application of the property acquisition strategy will continue to be based on landowners meeting the criteria and any associated acquisition offer will be based on market valuation.