



Community consultation strategy

West Muswellbrook Exploration Project

Prepared for Muswellbrook Coal Company
May 2020



Community consultation strategy

West Muswellbrook Exploration Project

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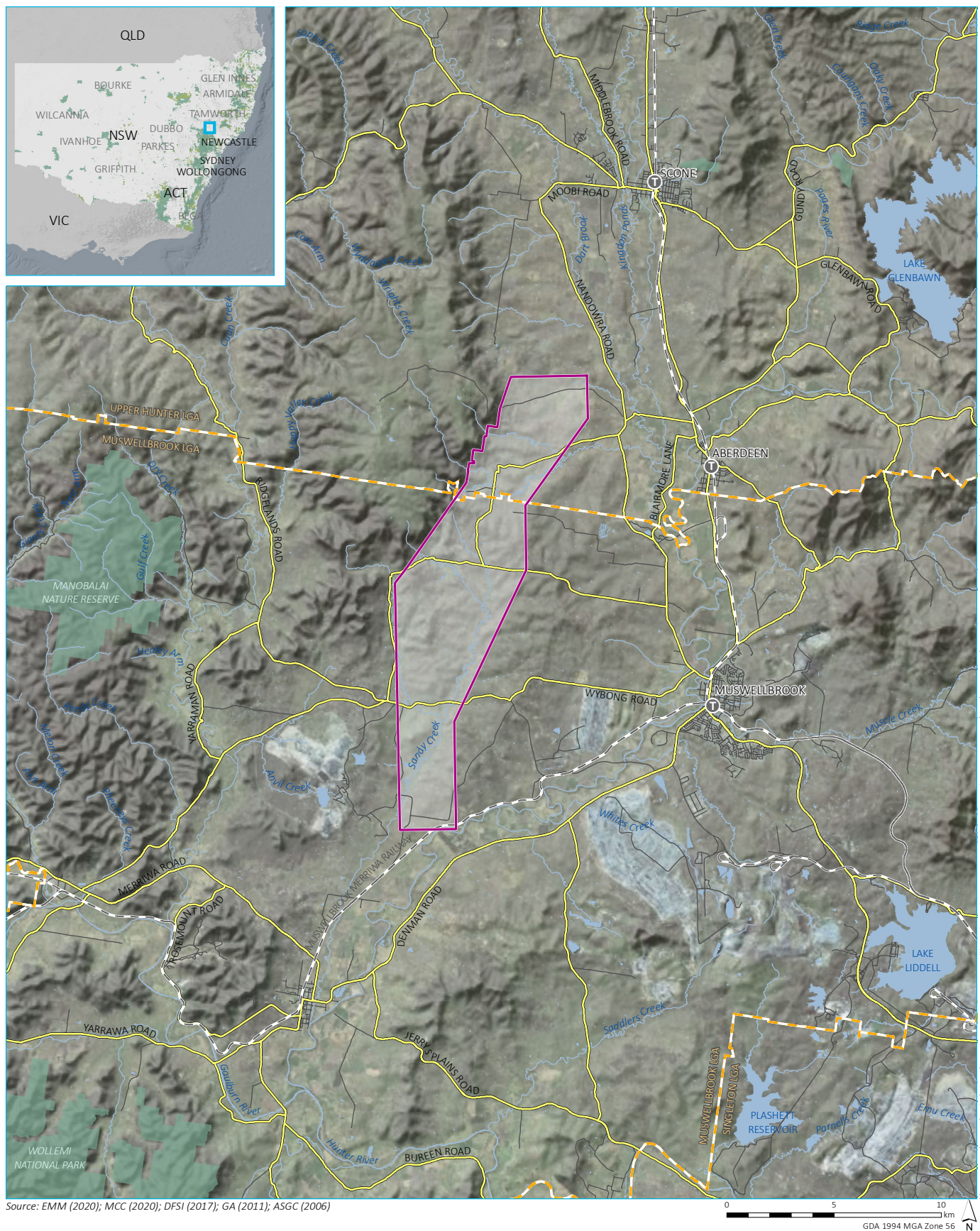
1 Introduction

In 2009, Muswellbrook Coal Company (MCC), fully owned by Idemitsu Australia Resources (IAR), was granted Assessment Lease 19 (AL 19) by the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS) over 8,101 hectares of land located 18 kilometres (km) west of Muswellbrook in New South Wales (hereto referred to as the West Muswellbrook Project) (see Figure 1.1). A renewal application has been lodged and is currently under consideration by the approving authority.

IAR has been operating in Australia for over 40 years, as a subsidiary of Japanese company Idemitsu Kosan Co. Ltd. In the past seven years, IAR has continued to build on the earlier exploration activities in the area, collected additional data on the coal resource, conducted preliminary technical studies, and identified the potential to develop an open-cut coal mine. In recognition of community concerns surrounding open-cut mining generally, IAR conducted a review and identified the risks associated with the development of an open cut mine in the project area. An initial concept level study on underground options was commissioned and that identified the potential viability of an underground mine. The concept study identified the requirement for additional exploration and technical studies to fully assess potential viability.

Prospecting titles require the development of a Community Consultation Strategy (CCS) under section 378D of the *Mining Act 1992* or section 136A of the *Petroleum (onshore) Act 1991*. As such this CCS will support the proposed exploration program for the West Muswellbrook Project for AL 19 (see Section 2) and has been prepared in accordance with the *Exploration Code of Practice: Community Consultation NSW* (NSW Department of Industry 2016) (hereto referred to as the Code of Practice). The Code of Practice identifies a CCS as:

The establishment of a process of community consultation that considers the stakeholders, methods of communication, and the monitoring of, and response to, consultation events. It identifies what a title holder may seek to achieve whilst recognising that there may be uncertainty in the process of achieving it. The level of detail in the community consultation strategy will be guided by the level of the impact of the exploration activity and the need to demonstrate how compliance with this code is met, and how the risks will be managed.



KEY

- Project area
- Local government area
- Waterbody
- NPWS reserve
- State forest (refer to inset)
- Rail line
- Major road
- Minor road
- Named watercourse
- Train station

Project area

Muswellbrook Coal Company
Community consultation strategy
Figure 1.1

1.1 Purpose

The purpose of this CCS is to keep project stakeholders and the local community informed and comply with the conditions outlined in the:

- *Mining Act 1992* or section 136A of the *Petroleum (onshore) Act 1991*;
- *Exploration guideline: work for prospecting titles*; and
- the Code of Practice.

This strategy will allow IAR to identify potential risks to their ongoing social licence to operate and establish adequate and appropriate means of community consultation to minimise negative impacts and maximise positive community and company benefits.

Other objectives include ongoing monitoring of the CCS and recording feedback from community stakeholders to ensure adequate consultation and inform any necessary revisions.

1.2 Approach to community consultation

IAR has developed an approach to community consultation for the West Muswellbrook Project that is informed by the International Association for Public Participation (IAP2) framework (Appendix A.1) which is recognised good practice in community consultation. In addition, the approach supports IAR's ongoing social license to operate by adopting a shared value approach (Figure 1.2) to ensure benefits are experienced by IAR and the community that address local community issues.

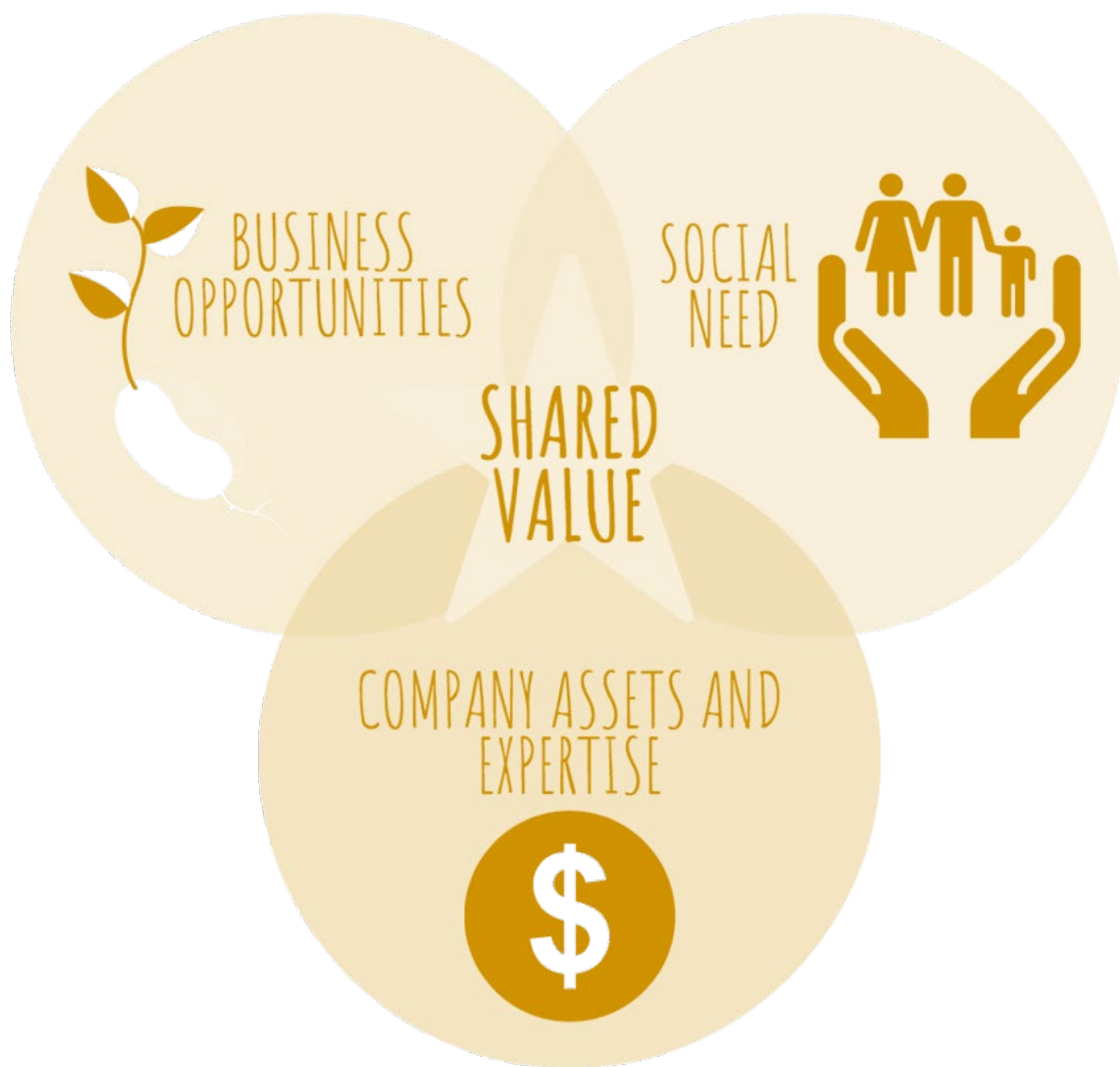


Figure 1.2 Shared value approach

IAR will ensure that community and key stakeholders are provided ample opportunity to engage with IAR and the West Muswellbrook Project through meaningful and appropriate consultation methods.

IAR is committed to the safety and wellbeing of their people and working with local communities to create sustainable outcomes. They have maintained an ongoing stakeholder engagement program with directly affected landholders, near neighbours, and the broader community over the life of exploration activities for both the AL and the preceding Exploration Licence (EL).

IAR prioritises direct engagement with the local and regional community.

2 Exploration activities

IAR has developed a work program for the renewal of AL 19 to aid in filling the gaps in the geological data set to support future underground technical and feasibility studies. Key targets of the proposed work program include:

- drill up to 58 boreholes targeting seams down to the Glen Munro seam;
- collect additional geotechnical, gas and structural data on the target seams;
- update the geological model to support underground mine design;
- identify additional underground coal resources within the project area including seams below current targets (Glen Munro to Bayswater); and
- continue to collect background environmental monitoring and groundwater data.

IAR has also committed to complete additional exploration to support underground studies and will, subject to exploration results, complete additional conceptual studies during the term.

Renewal of the AL for an additional five-year term is justified to allow further work to identify a viable, lower impact, underground mining operation. Future activities depend on the outcomes of the completed underground assessment but could include commencement of the project description, SEARS application and pre-lodgement activities.

2.1 Hours of operation

Standard work hours for the project will be 7:00 am to 5:00 pm, 5 days per week.

2.2 Land access

Exploration activities for AL 19 will be undertaken on primarily IAR-owned land. Access to this land will primary be via Castlerock Road.

2.3 Likely impact of the exploration activities

To develop the Project CCS, an activity impact assessment was conducted to establish the potential impact level of the exploration activity as high, medium, or low as determined by the cumulative score of the issues identified in *Exploration code of practice: community consultation* (2016), where:

- High impact is a cumulative score of 20 or more;
- Medium impact is a cumulative score between 10 and 19 (inclusive); and
- Low impact is a cumulative score of 9 or below.

The results of the activity impact assessment are show in Table 2.1. According to the following activity impact assessment, the West Muswellbrook Project has a medium potential activity impact, with a final score of 17. This result determines the mandatory community stakeholders requiring consultation, as well as the mandatory forms of community consultation actions and events that must be undertaken.

Table 2.1 West Muswellbrook Project activity impact assessment

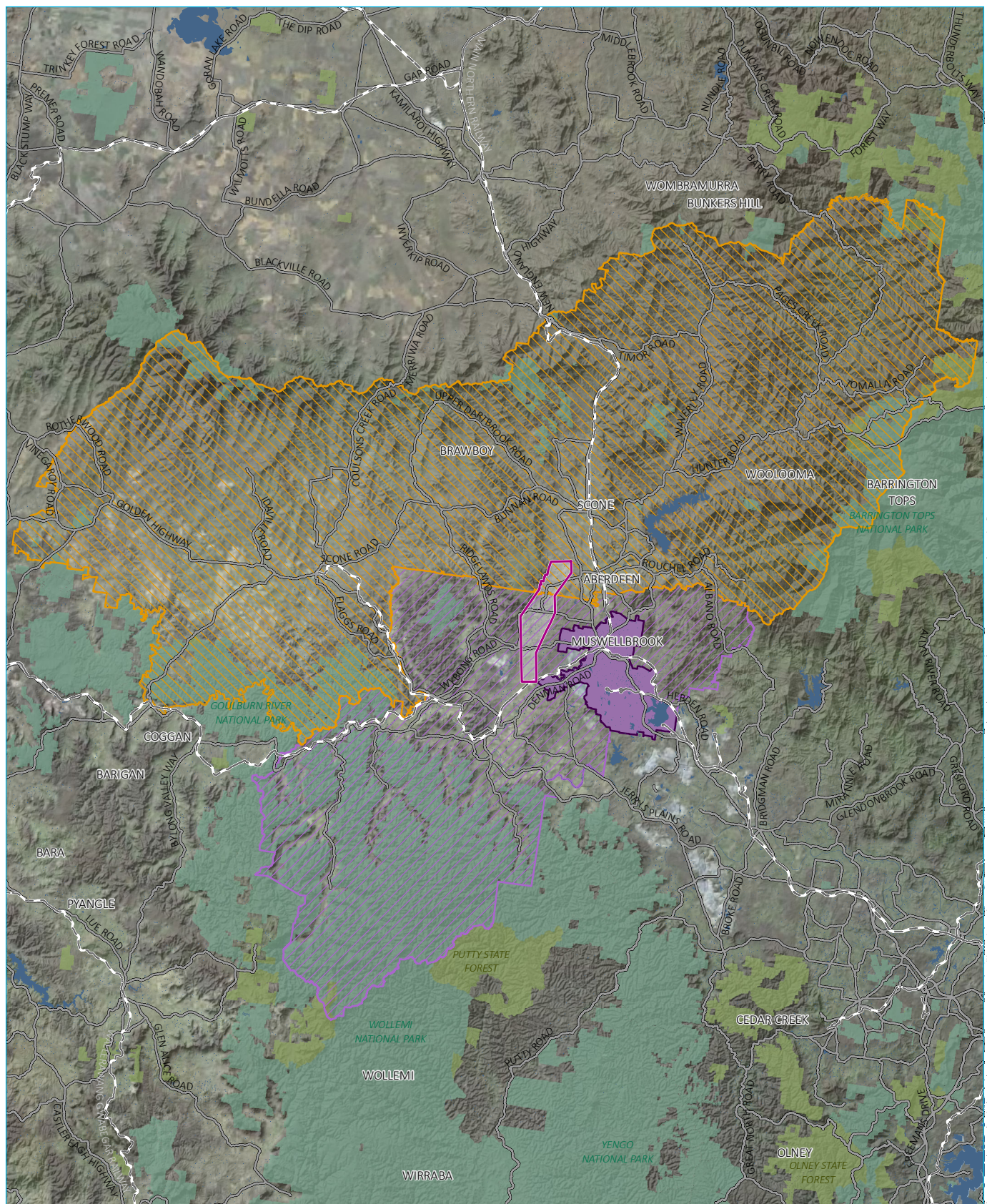
Question	Level of impact			Score
What is the level of community interest in the activity or broader project?	Low level of community concern with no relevant local community interest groups identified.	Intermediate level of community concern with locally known relevant local community interest groups identified.	Significant community and public concern about the project and involvement of regional/national groups.	8
Score	0	8	16	
What is the activity type?	Exempt prospecting operation (means any prospecting operation to which clause 10(2) of the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 applies.	Coal and Mineral Common Exploration Activities, being activities that meet the CEA criteria and are considered likely to significantly affect the environment (as set out in <i>ESG5: Assessment Requirements for Exploration Activities</i>).	Petroleum Exploration Coal and Mineral Non-Common Exploration Activities that do not meet the CEA criteria (as set out in <i>ESG5: Assessment Requirements for Exploration Activities</i>).	4
Score	0	4	8	
What is the population density of statistical local area?	Sparsely populated area (activity within a statistical local area with <10,000 population).	Intermediately populated area (activity within a statistical local area with 10,000-40,000 population).	Largely populated area (activity within a statistical local area with >40,000 population).	1
Score	0	1	2	
How far is the activity from inhabited dwellings?	Activity within 2 km of cluster of <100 dwellings.	Activity within 2 km of cluster of <100–1,000 dwellings.	Activity within 2km of cluster of >1,000 dwellings.	0
Score	0	1	2	
How far is the activity from known sensitive receivers (excluding dwellings)?	Activity within 2 km of a sensitive receiver (excluding dwellings).	Activity between 1 and 2 km of a sensitive receiver (excluding dwellings).	Activity within 1 km of a sensitive receiver (excluding dwellings).	2
Score	0	1	2	
Are there any other extractive industries, mining or petroleum production projects nearby?	Activity further than 5 km from other extractive industries, mining or petroleum production.	Activity between 2 and 5 km from other extractive industries, mining or petroleum production.	Activity closer than 2 km from other extractive industries, mining or petroleum production.	1
Score	0	1	2	
How long will the activity last?	Less than 6 months.	6 to 12 months.	More than 12 months.	1
Score	0	1	2	
Total score				17

3 Community context

The area of social influence includes the local government areas (LGA) of Muswellbrook and Upper Hunter which the West Muswellbrook Project straddles. The West Muswellbrook Project is located about 18 km west of Muswellbrook in New South Wales.

The likely area of influence is identified as the ABS geographical categories of Muswellbrook state suburb code (SSC), Muswellbrook LGA, and Upper Hunter LGA. The communities within these geographical areas are the most likely to be potentially be impacted.

This section provides a summary profile of key socio-economic indicators within these communities. In particular, this data can inform shared value opportunities within the community (see Section 6).



Source: EMM (2020); MCC (2020); DFSI (2017); GA (2011); ASGC (2006)

KEY

- Project area
- Muswellbrook SSC
- Muswellbrook LGA
- Upper Hunter LGA
- Named waterbody
- NPWS reserve
- State forest
- Rail line
- Major road

Project area of social influence

Muswellbrook Coal Company
Community consultation strategy
Figure 3.1

3.1 Demographics

According to the 2016 ABS Census of Population and Housing, Muswellbrook SSC has a population of 12,075 persons, constituting most of the population of Muswellbrook LGA (16,086 persons). The population distribution of each community in the area of influence is relatively even between males and females. The median age of Muswellbrook SSC (34 years) and Muswellbrook LGA (35 years) are lower than that of NSW (38 years), while the median age of Upper Hunter LGA is higher (41 years).

Table 3.1 Population of the study area, 2016

Area	Population	Male (%)	Female (%)	Median age
Muswellbrook SSC	12,075	51.2%	48.8%	34
Muswellbrook LGA	16,086	51.3%	48.7%	35
Upper Hunter LGA	14,112	49.4%	50.6%	41
NSW	7,480,228	49.3%	50.7%	38

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

The age group distribution within the area of influence is mostly consistent with the distribution of NSW. However, in Muswellbrook SSC and Muswellbrook LGA there is a smaller proportion of the population aged 65 years and over (11.05 and 13.0% respectively), and slightly more children aged 0-14 years. Alternatively, the trends in Upper Hunter LGA reveal a smaller proportion of children aged 0-14 years (13.6%) and a higher proportion of persons aged 65 years and over (18.5%). These trends are reflective of the median ages presented in Table 3.1. Most of the population in the study area are working age (15-65 years).

Table 3.2 Aged group distribution, 2016

Age group	Muswellbrook SSC	Muswellbrook LGA	Upper Hunter LGA	NSW
0-14 years	22.9%	22.5%	13.6%	18.5%
15-64 years	65.2%	64.6%	67.9%	65.1%
65 years and over	11.0%	13.0%	18.5%	16.2%

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

Indigenous persons constitute a relatively large percentage of the population of Muswellbrook SSC at 9.3%, while the Muswellbrook LGA (8.3%) and the Upper Hunter LGA (5.1%) also have a greater proportion of their populations who identifies as Indigenous and/or Torres Strait Islander compared to NSW (2.9%). Table 3.3 summarises the Indigenous demographics in the area of influence.

Table 3.3 Summary Indigenous status, 2016

Area	Indigenous population	Indigenous population as % total	Male (%)	Female (%)	Median age
Muswellbrook SSC	1,122	9.3%	49.1%	50.9%	20
Muswellbrook LGA	1,342	8.3%	50.8%	49.2%	20
Upper Hunter LGA	723	5.1%	50.3%	49.7%	20
NSW	216,176	2.9%	49.7%	50.3%	22

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

3.2 Education

In Muswellbrook SSC, there is a significantly lower proportion of persons with a Year 12 or equivalent level of schooling completed (34.7%) compared to NSW (59.1%). This trend is also evident in Muswellbrook LGA (34.3%) and Upper Hunter LGA (39.2%). This suggests that there is a high percentage of unskilled or low-skilled persons in the area of influence population.

Table 3.4 Highest year of school completed, 2016

Age group	Muswellbrook SSC	Muswellbrook LGA	Upper Hunter LGA	NSW
Year 12 or equivalent	34.7%	34.3%	39.2%	59.1%
Year 11 or equivalent	9.0%	8.7%	6.8%	5.3%
Year 10 or equivalent	38.3%	39.1%	36.6%	23.4%
Year 9 or equivalent	11.2%	11.1%	10.0%	6.0%
Year 8 or below	6.4%	6.5%	7.1%	5.0%

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

Throughout the study area, there is a high proportion of persons with a certificate qualification of those persons who have a non-school qualification, indicating that most persons in the study area pursue qualifications in the area of trades and hands-on skills.

Table 3.5 Non-school qualifications, 2016

Age group	Muswellbrook SSC	Muswellbrook LGA	Upper Hunter LGA	NSW
Postgraduate Degree Level	2.4%	2.1%	2.3%	9.3%
Graduate Diploma and Graduate Certificate Level	1.4%	1.5%	1.7%	2.8%
Bachelor Degree Level	11.5%	11.3%	14.5%	26.3%
Advanced Diploma and Diploma Level	11.0%	11.4%	12.5%	14.6%
Certificates	49.5%	49.6%	43.6%	29.7%

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

3.3 Employment

Muswellbrook SSC has a higher unemployment rate (9.6%) compared to both the rest of the area of influence and NSW. However, most significant is the high youth unemployment rate in Muswellbrook SSC (23.7%) compared to the wider study area and NSW. The unemployment rate and youth unemployment rate in Upper Hunter LGA (4.8% and 10.9% respectively) are both lower than NSW averages.

Table 3.6 Unemployment and labour force participation rates, 2016

Area	Unemployment rate	Youth unemployment rate	Labour force participation rate (15 years and older)
Muswellbrook SSC	9.6%	23.7%	57.9%
Muswellbrook LGA	8.2%	17.3%	58.9%
Upper Hunter LGA	4.8%	10.9%	59.0%
NSW	6.3%	16.1%	59.2%

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

The top employers are consistent throughout the area of interest. The mining industry employs the largest proportion of the population, particularly in Muswellbrook SSC (23.2%) and Muswellbrook (LGA). While the top employer in Upper Hunter LGA is agriculture, forestry and fishing (18.7%), mining and health care and social assistance still play a significant role. Technicians and trades workers are the top occupation for all communities in the area of influence. The top three industries of employment and occupations in each community are presented in Table 3.7.

Table 3.7 Top industries of employment and occupations, 2016

Muswellbrook SSC	Muswellbrook LGA	Upper Hunter LGA
Industry of employment		
Mining (23.2%)	Mining (21.9%)	Agriculture, forestry and fishing (18.7%)
Retail trade (9.9%)	Retail trade (8.8%)	Mining (11.6%)
Health care and social assistance (8.9%)	Health care and social assistance (8.2%)	Health care and social assistance (7.7%)
Occupation		
Technicians and trades workers (20.8%)	Technicians and trades workers (20.0%)	Technicians and trades workers (16.8%)
Machinery operators and drivers (18.3%)	Machinery operators and drivers (17.8%)	Managers (16.4%)
Labourers (12.4%)	Labourers (12.9%)	Labourers (16.0%)

Source: ABS 2016, *Census of Population and Housing: General Community Profiles*.

4 Stakeholder risk assessment

A stakeholder risk assessment has been conducted to recognise the risks and opportunities associated with community consultation and engagement for the project.

4.1 Stakeholder identification

The community stakeholders likely to be impacted by the exploration activity are provided in Table 4.1. Consultation with these stakeholders has been identified as being mandatory or non-mandatory, based on the minimum identified community stakeholders for medium impact level as outlined in the Code of Practice.

Table 4.1 Project stakeholders

Community stakeholders	Mandatory or non-mandatory for medium impact
Landholders and residents/tenants of AL 19	Mandatory
Gomeri People – Registered Native Title Claimants	Mandatory
Muswellbrook Shire Council	Mandatory
Upper Hunter Shire Council	Mandatory
Landholders, residents, and businesses within 5km of the operational area	Mandatory
Wanaruah Local Aboriginal Land Council	Mandatory
NSW State Member for Upper Hunter	Mandatory
NSW government departments and agencies	Non-mandatory
Federal MP	Non-mandatory
Indigenous groups ¹	Non-mandatory
Muswellbrook Coal Company Community Consultative Committee (CCC)	Non-mandatory
Local chamber of commerce	Non-mandatory
Business organisations	Non-mandatory
Community groups	Non-mandatory
Environment groups	Non-mandatory
Mining companies	Non-mandatory
Media	Non-mandatory
Unions	Non-mandatory

¹ Indigenous groups include other Indigenous persons and groups outside of the Gomeri People Registered Native Title Claimants and the Wanaruah Local Aboriginal Land Council.

4.2 Risk assessment

An assessment of the risk that identified community stakeholders pose to the exploration activities and IAR's continued social license to operate is provided in Table 4.2. The risk assessment is informed by the IAP2 Public Participation Spectrum (see Appendix A). The stakeholder risk assessment identifies:

- the likely concerns that each stakeholder may have in relation to the project and/or their interests in the project;
- the likely impacts the exploration activity may have on each stakeholder (positive and negative); and
- the associated risk that each stakeholder poses to IAR's continued social license to operate.

Table 4.2 Stakeholder risk assessment

Community stakeholder	Likely areas of concern/interest in the project	Likely impact (low, medium, high)	Goal	Risk to social license
Landholders and residents/tenants of AL 19	<ul style="list-style-type: none"> • Water • Property values • Noise • Air quality (dust) • Traffic • Ecology • Cumulative impacts • Company transparency • Employment opportunities • Economic impacts • Community investment/shared value opportunities 	Medium due to drilling on their land and/or property where they reside or do business.	Mitigate and manage. Foster healthy, transparent relationships.	High if not well-managed and mitigated.
Gomerai People – Registered Native Title Claimants	<ul style="list-style-type: none"> • Aboriginal heritage • Land access • Community investment/shared value opportunities 	Medium due to sensitivities around Aboriginal and cultural heritage.	Mitigate and manage. Foster healthy, transparent relationships.	High if not well-managed and mitigated.
Muswellbrook Shire Council	<ul style="list-style-type: none"> • Water • Noise • Air quality (dust) • Traffic • Ecology • Social infrastructure • Cumulative impacts • Economic impacts • Community investment/shared value opportunities 	Medium due to influence in the community.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.

Table 4.2 Stakeholder risk assessment

Community stakeholder	Likely areas of concern/interest in the project	Likely impact (low, medium, high)	Goal	Risk to social license
Upper Hunter Shire Council	<ul style="list-style-type: none"> • Water • Noise • Air quality (dust) • Traffic • Ecology • Social infrastructure • Cumulative impacts • Economic impacts • Community investment/shared value opportunities 	Medium due to influence in the community.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.
Landholders, residents, and businesses within 5 km of the operational area	<ul style="list-style-type: none"> • Water • Property values • Noise • Air quality (dust) • Traffic • Ecology • Cumulative impacts • Company transparency • Employment opportunities • Economic impacts • Community investment/shared value opportunities 	Low due to low level of exploration-related activities.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.
Wanaruah Local Aboriginal Land Council	<ul style="list-style-type: none"> • Aboriginal heritage • Land access • Community investment/shared value opportunities 	Medium due to sensitivities around Aboriginal and cultural heritage.	Mitigate and manage. Foster healthy, transparent relationships.	High if not well-managed and mitigated.
NSW State Member for Upper Hunter	<ul style="list-style-type: none"> • Economic impacts • Environmental impacts • Compliance with exploration license conditions • Adherence to appropriate codes, guidelines, and legislation 	Medium due to influence in the broader community.	Gain support for the project.	Low.
NSW government departments and agencies	<ul style="list-style-type: none"> • Economic impacts • Environmental impacts • Social impacts • Compliance with exploration license conditions • Adherence to appropriate codes, guidelines, and legislation 	High due to decision-making.	Gain support for the project.	Low.

Table 4.2 Stakeholder risk assessment

Community stakeholder	Likely areas of concern/interest in the project	Likely impact (low, medium, high)	Goal	Risk to social license
Federal MP	<ul style="list-style-type: none"> Economic impacts Environmental impacts Social impacts Adherence to appropriate codes, guidelines, and legislation 	High due to decision-making.	Gain support for the project.	Low.
Indigenous groups	<ul style="list-style-type: none"> Aboriginal heritage Land access Community investment/shared value opportunities 	Medium due to sensitivities around Aboriginal and cultural heritage.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.
Muswellbrook Coal Company Community Consultative Committee (CCC)	<ul style="list-style-type: none"> Water Property values Noise Air quality (dust) Traffic Ecology Cumulative impacts Company transparency Social infrastructure Employment opportunities Economic impacts Community investment/shared value opportunities 	Medium due to influence in the community.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.
Muswellbrook Chamber of Commerce and Industry	<ul style="list-style-type: none"> Industry procurement Employment opportunities Economic impacts Community investment/shared value opportunities 	Low due to low level of exploration-related activities.	Inform and consult.	Low.
Singleton Chamber of Commerce and Industry	<ul style="list-style-type: none"> Industry procurement Employment opportunities Economic impacts Community investment/shared value opportunities 	Low due to low level of exploration-related activities.	Inform and consult.	Low.
Business organisations	<ul style="list-style-type: none"> Industry procurement Employment opportunities Economic impacts 	Low due to low level of exploration-related activities.	Mitigate and manage. Foster healthy, transparent relationships.	Low.
Community groups	<ul style="list-style-type: none"> Cumulative impacts Economic impacts Social infrastructure Community investment/shared value opportunities 	Low due to low level of exploration-related activities.	Mitigate and manage. Foster healthy, transparent relationships.	Medium.

Table 4.2 Stakeholder risk assessment

Community stakeholder	Likely areas of concern/interest in the project	Likely impact (low, medium, high)	Goal	Risk to social license
Environment groups	<ul style="list-style-type: none">• Water• Property values• Noise• Air quality (dust)• Ecology• Cumulative impacts	Low due to low level of exploration-related activities.	Mitigate and manage. Foster healthy, transparent relationships.	High if not well-managed and mitigated.
Mining companies	<ul style="list-style-type: none">• Land access• Economic impacts	Low due to low level of exploration-related activities.	Inform.	Low.
Media		Medium due to influence in the community.	Mitigate and manage.	High if not well-managed and mitigated.
Unions	<ul style="list-style-type: none">• Employment opportunities• Economic impacts	Low due to low level of exploration-related activities.	Inform.	Low.

5 Community consultation strategy

5.1 Objectives

This CCS aims to manage the stakeholder risks that have been identified in the risk assessment, encourage community consultation beyond the minimum requirements, and cultivate shared value opportunities by creating an open dialogue to facilitate a trustworthy and productive relationship between IAR and community stakeholders. This strategy will be undertaken to ensure that IAR recognises and acts on their obligations in the implementation of their CCS and continues to implement and revise the strategy where relevant through monitoring and reporting of the strategy.

The CCS endeavours to:

- identify all relevant community stakeholders and their likely concerns regarding the exploration activities;
- provide timely and accessible information to landholders and community stakeholders on IAR's exploration activities and future plans;
- establish channels of communication to allow community feedback and identification of potential issues;
- include processes for the provision of feedback to participants on the results of their contribution;
- maintain a register of complaints and feedback, with details of actions taken in response;
- describe the mechanisms to monitor, review, and report on the Consultation Strategy, to satisfy the requirements of the Code of Practice; and
- identify community investment opportunities that provide shared value for the community and IAR.

5.2 Consultation activities and implementation

The consultation activities that will be undertaken by IAR are outlined in Table 5.1, including consultation events and meetings with stakeholders. The consultation activities have been identified as being mandatory or non-mandatory, based on the minimum community consultation actions for medium impact level as outlined in the *Code of Practice*.

Table 5.1 Consultation activities

Consultation activity	Target stakeholders	Frequency	Mandatory or non-mandatory
Consultation events			
Respond to correspondence/submissions via telephone, email, letter, and in person, as appropriate.	<ul style="list-style-type: none"> All community stakeholders 	Responded to in a timely manner as correspondence/submissions are received.	Mandatory
Publish notice in the Muswellbrook Shire Council Community Newsletter advising of the undertaking of the activity.	<ul style="list-style-type: none"> Local community within Muswellbrook Shire and Upper Hunter Shire 	Once for the general informing of the activity, then for any high visibility activities that may proceed as they occur.	Mandatory
Distribute letter to key stakeholders and community groups inviting comment via letterbox drop and email.	<ul style="list-style-type: none"> Key stakeholders surrounding the project sites and community groups within Muswellbrook Shire and Upper Hunter Shire (letterbox drop) 	Prior to the commencement of exploration activities in stakeholders' vicinity and then as required.	Mandatory
Distribute public notice to Muswellbrook LGA and Upper Hunter LGA via letterbox drop advising of the undertaking of the activity and publish notice on the Muswellbrook Chronicle online website ²	<ul style="list-style-type: none"> Local community within Muswellbrook Shire and Upper Hunter Shire 	Once for the general informing of the activity, then for any high visibility activities that may proceed as they occur.	Mandatory
Distribute company newsletters throughout the community to provide relevant information relating to the undertaking of the activity, via letterbox drop, through email to distribution lists, and provide online.	<ul style="list-style-type: none"> Landholders and local community within Muswellbrook Shire and Upper Hunter Shire (letterbox drop) All community stakeholders (available online) 	Annual Project newsletter with updates provided intermittently on major event.	Non-mandatory
Provide results of technical investigations data and quarterly monitoring results to stakeholders upon request.	<ul style="list-style-type: none"> All community stakeholders 	When requested and as available.	Non-mandatory

² Due to COVID-19, the Muswellbrook Chronicle (local paper for the area) is currently out of print. To meet the consultation requirement of publishing notice in the local newspaper advising of the undertaking of the activity, IAR will instead distribute a public notice via letterbox drop to available letterboxes within Muswellbrook LGA and Upper Hunter LGA using a letterbox and flyer and distribution company. The company will distribute the flyers using the Australia Post unaddressed mail system.

Table 5.1 Consultation activities

Consultation activity	Target stakeholders	Frequency	Mandatory or non-mandatory
Maintain information about the West Muswellbrook Project on the Idemitsu website, including project information, the project email, phone number, access to previous community newsletters, and access to project and application documents.	<ul style="list-style-type: none"> All community stakeholders 	Available 24 hours and updated regularly.	Non-mandatory
Manage the dedicated West Muswellbrook email address and project phone number.	<ul style="list-style-type: none"> All community stakeholders 	Monitored during normal business hours, Monday to Friday.	Non-mandatory
Community stakeholder meetings			
Hold meetings/interviews with key individuals and/or group representatives (either face to face, over video, or over the phone as requested and appropriate).	<ul style="list-style-type: none"> Landholders Gomeri People Local businesses Muswellbrook Shire Council Upper Hunter Shire Council Wanaruah Local Aboriginal Land Council NSW State Member for Upper Hunter 	As required and as requested.	Mandatory
Hold meetings with local committees/organisations, and other representatives from local, state, and federal government (either face to face or over the phone as requested and appropriate).	<ul style="list-style-type: none"> Muswellbrook Chamber of Commerce and Industry Singleton Chamber of Commerce and Industry NSW government departments and agencies Federal MP Indigenous groups 	As required and as requested.	Non-mandatory
Meet with Muswellbrook Coal CCC.	<ul style="list-style-type: none"> Muswellbrook Coal CCC members 	As possible within the 2x per year meetings held by the CCC.	Non-mandatory

5.2.1 Consultation during COVID-19

The approach to community and stakeholder engagement adopted during COVID-19 will be mindful of the importance of the safety of the West Muswellbrook Project community and key stakeholders, technical experts, and IAR staff.

Prior to any engagement, the project team will consider those who are at the greatest risk if COVID-19 is contracted, including:

- Aboriginal and Torres Strait Islander peoples over the age of 50; and
- those aged 60 years and over.

The default option for interviews and meetings will be remote via video or telephone. In the instances where stakeholders insist that a face to face meeting is required, IAR will implement a checklist to determine what form of interaction is most appropriate. Wherever possible the project team will provide community and stakeholders options that best suit their circumstances while keeping them and the project team members safe.

5.3 Feedback and response

Mandatory and non-mandatory stakeholders will be provided with the contact details of the Maintenance Superintendent at Muswellbrook Coal Company. The project has a 1800 number and a project email address to allow stakeholders contact the project directly should they wish to enquire, provide feedback, or lodge a complaint related to the project. Currently, IAR relies on their company Project Newsletter as the primary community feedback mechanism. Through this CCS, IAR contact information and invitation to enquire, provide feedback, or lodge a complaint will also be provided via the project website, the Muswellbrook Shire Council Community Newsletter, the Muswellbrook Chronicle newspaper advertisement, and letters distributed directly to landholders and community/special interest groups.

5.4 Record keeping

IAR manages a stakeholder database using Consultation Manager, which will record all consultation. Consultation Manager will include:

- the most recent version of the CCS and details of any previous revisions or amendments to the Strategy;
- the date and time the consultation event started and ended, including at what stage(s) of the exploration program the community was engaged;
- the expected achievements of the community consultation program and activities;
- details of feedback provided to community stakeholders as a result of the consultation activities undertaken;
- a stakeholder registry, including stakeholder contact information and stakeholder groups;
- how community stakeholders were involved, and the methods used, including all emails, calls (incoming and outgoing), meetings (formal and informal), letters, newsletter mailouts, media publicity, and other forms of consultation as they arise with any stakeholder;
- community complaints, enquiries, and feedback;
- the letter distribution lists each stakeholder is included in;
- relevant properties and their owners and property groups;
- the issues related to each instance of consultation;
- a summary of the consultation that took place;
- the comments provided by the stakeholder;
- responses by IAR;
- requested actions, the action taken, and action status; and

- documents including project newsletters, notification letters, media articles, presentations, images, and land purchases.

Record keeping will be the responsibility of the owner of Consultation Manager. Records will be kept up-to-date and retained to support the completion of the annual consultation reporting requirements.

As outlined in the Code of Practice, consultation records will be used in the consideration of IAR's compliance with the objectives of the CCS and to inform any required revisions to the strategy (see Section 7.2).

6 Shared-value opportunities

IAR is underpinned by core values that translate into viewing work as an opportunity for growth, committing to operating with integrity, and striving to constantly learn and improve. In addition to consultation related to its exploration activities, IAR is dedicated to exploring and pursuing shared value opportunities through this project.

Creating shared value is an approach to business that emphasises the mutual dependency of the competitiveness of a company and the health of surrounding communities. Creating shared value involves the interaction between company assets and expertise, business opportunities, and social need (Shared Value Project 2020).

Through this approach, social challenges are solved through business activities themselves.

6.1 Local communities

IAR is embedded in the local communities and proactively develop and maintain relationship with key stakeholders including the support of local community and business groups. These relationships have been delivered over many years and underpin the strong social licence to operate that is intentionally maintained and built.

IAR play a proactive role in diversifying Australia's energy portfolio through mining, retail fuels, agriculture, and renewable initiatives.

With a focus on innovation, IAR are currently exploring solar, hydro, wind and battery hybrid alternatives across Queensland and New South Wales.

6.1.1 Current initiatives

Muswellbrook

IAR sponsor the Girls Academy at Gunnedah and Muswellbrook High Schools in NSW

IAR was an inaugural sponsor of the Girls Academy in Gunnedah and Muswellbrook in NSW in 2017.

The Girls Academy is the leading provider of school-based engagement programs for Aboriginal and Torres Strait Islander girls in Australia. The Girls Academy program was founded in 2004 by Olympian and champion basketballer Ricky Grace (AM, MEdL, BPolSc). The Academy works within the school system to drive community-led solutions aimed at overcoming the obstacles that prevent Aboriginal and Torres Strait Islander girls from attending and achieving at school. Girls receive intensive one-on-one mentoring and support from the Girls Academy team of skilled field staff, 74% of whom are highly accomplished Aboriginal and Torres Strait Islander women.

The program increases the skills, employability, mental health and wellbeing of Aboriginal and Torres Strait Islander girls around Australia – providing them with better opportunities to contribute to the social and economic outcomes of the wider community. The Girls Academy equips girls with the tools they need to engage in their education, achieve their goals and change their

Feasibility Study for a 250MW pumped hydroelectric storage facility at the Muswellbrook Coal Mine

Idemitsu Kosan has a long history with renewable energy projects in Japan and IAR is proud to bring that practice to Australia. We are committed to exploring diverse natural resources such as sunlight, wind, water, waves, geothermal heat and biomass.

We are exploring options to develop renewable power projects across our sites in Queensland and New South Wales, including solar and wind power in conjunction with battery storage.

The concept studies we are conducting focus on hybrid renewable energy technologies that are intended to provide a stable renewable power source to the grid in their local regions as well as support existing mining operations.

This includes IAR signing a Memorandum of Understanding with AGL Energy (AGL) committing to fund a joint Engineering Feasibility Study for a 250 MW pumped hydroelectric storage facility at the Muswellbrook Coal Mine. This work will include design, engineering and geotechnical investigations is expected to take up to 18 months.

Muswellbrook

communities. Girls participating in the Academy are ready to make an economic contribution to our nation and to be part of the social change that is Closing the Gap.

IAR sponsor indigenous groups to Japan for a cultural exchange program (in conjunction with the Girls Academy)

In addition to sponsoring the Girls Academy, IAR facilitates attendees of the Academy attending a Japanese cultural exchange program where they travel and stay in Japan and experience the rich and proud history of Japan and all that its people have to offer. This cultural exchange program expands on the extremely successful work undertaken by the Girls Academy and further broadens their appreciation of what the world has to offer.

Muswellbrook Coal Mine has been a mainstay in the community for 111 years and this agreement has the potential to continue providing economic and social benefits to the community by utilising one of the mine's voids which is no longer being mined. Innovative rehabilitation solutions such as the reuse of mine voids for renewable energy generation can provide towns like Muswellbrook with a long-term sustainable resource and attract further investment.

Boggabri and Emerald

Sponsored the development of an Aboriginal cultural heritage video

Idemitsu Boggabri Coal sponsored the development of an Aboriginal cultural heritage video 'The Kamilaroi' which was subsequently awarded the NSW Mining Community Award 2019.

Idemitsu Boggabri Coal is in the Gunnedah Basin of NSW and as part of its approval, Idemitsu Boggabri Coal was required to record the culture and traditions of the local indigenous people from the area.

As part of the planning Idemitsu Boggabri Coal developed a concept to make this recording in the form of a video and then to make this video available as an education and awareness tool throughout the region and further afield. The result was an outstanding and highly professional 20-minute film which records a broad cross section of the Kamilaroi people discussing and detailing awareness of their culture and traditions.

Nogoa Pastoral

Managed by local couple Peter and Vicki Howard, Nogoa Pastoral is a farming joint venture majority owned by Idemitsu and has been a staple in the community for over 25 years.

Nogoa Pastoral is predominantly a cattle operation, with approximately 1500 head of cattle.

There are also dry land farming initiatives including sorghum, wheat, mung beans and chickpeas, and some land leased for cotton.

Nogoa is a positive demonstration of agriculture co-existing with mining operations for the greater benefit of the local Emerald community.

7 Reporting and revision

7.1 Annual community consultation report

In accordance with Appendix 2 of the Code of Practice, IAR will submit an Annual Community Consultation Report to the Division of Resources and Energy within 1 calendar month of the anniversary of the grant of AL 19 (ie by 8 October annually).

The details to be included in the Annual Community Consultation Report are presented in Table 7.1.

Table 7.1 Annual community consultation report requirements

Requirement	Further details
Title Page	Report title
	Project operator/title holder
	Prospecting title type and number
	Original grant date/expiry date
	Reporting period
	Exploration project name or location
	Date of the report
	Author, including contact details and position
Executive summary	A summary of the consultation undertaken, and outcomes achieved during the reporting period
Community consultation undertaken in reporting period – a detailed summary of engagement with impacted landholders and community groups	Who was consulted and the reason for consultation
	Details of consultation
	Date and times
	Objectives of community consultation events
Government agency consultation undertaken in reporting period – a detailed summary of engagement with relevant government agencies including local councils	What was discussed and the issues that were raised
	Details of consultation
	Dates and times
	Objectives of consultation events
Consideration of compliance with CCS and Community Consultation Plan	What was discussed and issues raised
How feedback was collected	
Responses to issues raised	
Summary of comments received in relation to the exploration activity	
Summary and nature of complaints and actions taken to address them	
Details of any activity alterations in response to issues raised	

Table 7.1 Annual community consultation report requirements

Requirement	Further details
Outcomes of the consultation	
Assessment of how well objectives were met	
Summary of amendments to the CCS or activity	
Commitments for further consultation	

Source: NSW Department of Industry 2016, *Exploration Code of Practice: Community Consultation*

Where on-ground exploration activities have not occurred, resulting in the undertaking of more limited community consultation, and where limited activities are proposed in the next reporting period, IAR may choose to submit a Reduced Annual Community Consultation Report, as outlined in Table 7.2.

Table 7.2 Reduced community consultation report requirements

Requirement	Further details
Title Page	Report title
	Project operator/title holder
	Prospecting title type and number
	Original grant date/expiry date
	Reporting period
	Exploration project name or location
	Date of the report
	Author, including contact details and position
Reason for reduced consultation	
Details of any consultation undertaken in reporting period	
Responses to any issues raised	
Summary and nature of complaints received, and actions taken to address them	

Source: NSW Department of Industry 2016, *Exploration Code of Practice: Community Consultation*

7.2 Revision

IAR will have in place mechanisms to signal the need for the revision of the CCS. Monitoring of community consultation through the kept records will be used to identify any necessary revisions to the strategy. The strategy will require review and revision in the identification if:

- unanticipated issues not considered in the development of the strategy are identified;
- stakeholders are not being adequately or appropriately consulted;
- revisions to the strategy are necessary to ensure the strategy continues to meet the requires of the *Code of Practice*;

- the nature of the exploration activities within AL 19 are planned to be materially different than those described in Section 2;
- the outcomes of the Annual Community Consultation Report reveal the need for the strategy to be revised; and/or
- AL 19 is renewed.

8 Acronyms

ABS	Australian Bureau of Statistics
AL 19	Assessment Lease 19
CCS	Community Consultation Strategy
EL	Exploration Licence
IAR	Idemitsu Australia Resources
MCC	Muswellbrook Coal Company

9 References

Australian Bureau of Statistics (ABS) 2016, *2016 Census of Population and Housing: General Community Profiles*, Australian Government.

International Association for Public Participation, 2007, *IAP2 Spectrum of Public Participation*, www.iap2.org.

NSW Department of Industry 2016, *Exploration Code of Practice: Community Consultation*, NSW Government.

NSW Department of Planning, Industry and Environment 2019, *Exploration Guideline: Work Programs for Prospecting Titles*, NSW Government.

Shared Value Project 2020, *What is Shared Value?*, viewed 11 March 2020, <https://sharedvalue.org.au/about/shared-value/>.

Appendix A

IAP2 framework

A.1 Public participation spectrum

Analysis of the stakeholders involves consideration of the potential sensitivity, impact and outrage the project may generate against the complexity of the project. This is done by mapping stakeholder against the matrix shown in Figure A.1. Depending on where stakeholders fall on the matrix informs the level of engagement required.

Understanding key stakeholders, their relationship and extent of influence is critical to project delivery. The analysis identifies primary and secondary stakeholders as well as what their role, influence and interest in the project is. EMM uses a risk management approach that informs the level and methods of engagement required for each stakeholder. EMM engagement with stakeholders aligns with the needs of each stakeholder group to support risk management and maximise benefits of the project. The IAP2 public participation spectrum is used to guide engagement activities.

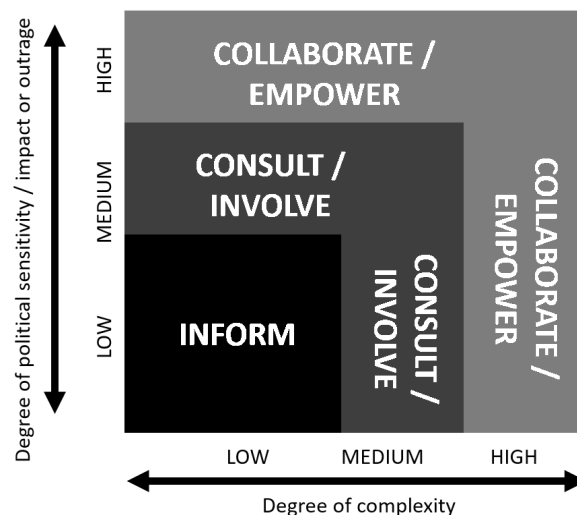


Figure A.1 Stakeholder mapping matrix

Prioritisation of the stakeholder's communication and engagement needs is incorporated in the matrix in Table A.1. For example those stakeholders that pose a greater risk to the project and/or have a greater interest or are more impacted are the ones that need to be more actively engaged (empowered), while those that represent a lower risk or are hardly impacted need to maintain informed.

EMM **engagement** with stakeholders aligns with the needs of each stakeholder group to support risk management and maximise benefits of the project. The IAP2 public participation spectrum is used to guide engagement activities.

Table A.1 IAP2 public participation spectrum³

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Public participation goal	To provide the public with balanced and objective information to assist them in understanding the problems, alternatives and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To partner with the public in each aspect of the decision including the development and the identification of the preferred solution.	To place final decision-making in the hands of the public.
Methods of engagement	<ul style="list-style-type: none"> • Fact sheets • Websites • Information sessions 	<ul style="list-style-type: none"> • Public comment • Focus groups • Surveys • Public meetings 	<ul style="list-style-type: none"> • Facilitated workshops • Deliberate polling 	<ul style="list-style-type: none"> • Citizen advisory committees • Consensus-building • Participatory decision-making 	<ul style="list-style-type: none"> • Citizen juries • Ballots • Delegated decisions

³ Source: International Association for Public Participation 2007, *IAP2 Spectrum of Public Participation*, www.iap2.org

