



# West Muswellbrook Project

Community Newsletter

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## Introduction

Muswellbrook Coal Company (MCC) was granted Assessment Lease 19 (AL 19) by the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS), previously Industry and Investment NSW, on 9 September 2009 for five years over an area of 8,101 hectares. Since that time, MCC has continued its program of exploration within AL 19 to obtain additional data on the coal resource present in the area.

As noted in the previous newsletter, MCC completed a Prefeasibility Study in late 2011 and early 2012 to assess

potential options for developing an open cut coal mine within AL 19.

During the Pre-feasibility Study assessment period, the NSW Government released a Strategic Regional Land Use Policy (SRLUP) for the Upper Hunter. This policy outlines a new assessment process to ensure that potential impacts of mining development are balanced against the need to protect significant Biophysical Strategic Agricultural Lands (BSAL) and water resources. An assessment of the Project against the SRLUP is now required for the Project.

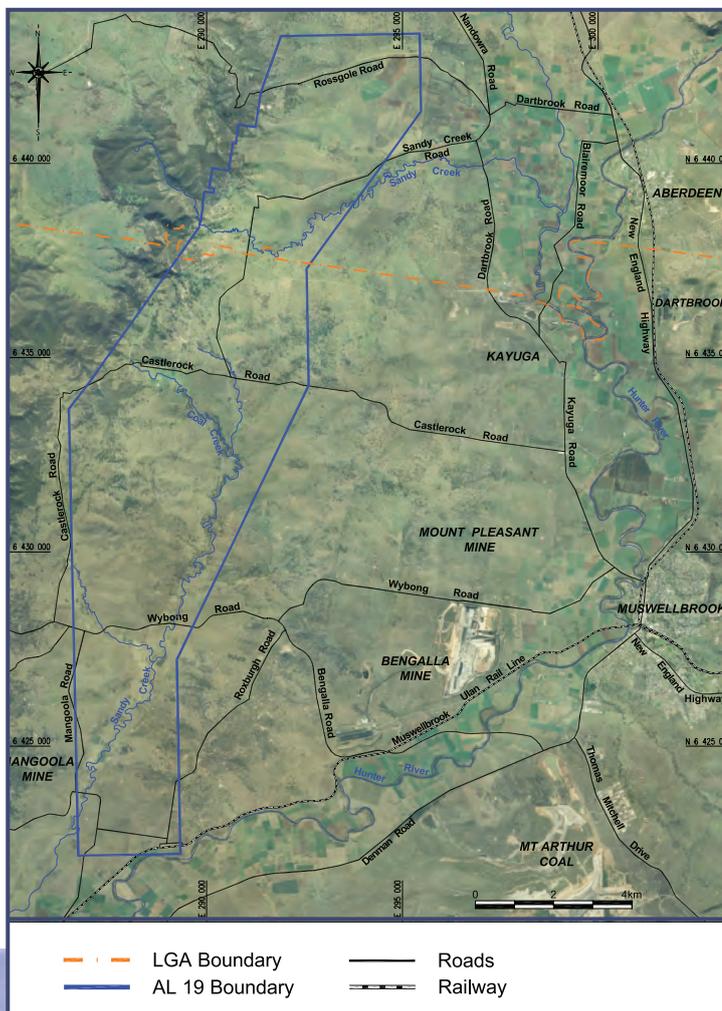


FIGURE 1 ASSESSMENT LEASE BOUNDARY

## Upper Hunter Strategic Regional Land Use Policy

Before lodging a Development Application and the commencement of an Environmental Assessment for the Project, the SRLUP requires that potential impacts to BSAL, the Equine Critical Industry Cluster and local aquifers be reviewed via the Gateway assessment process. The Gateway assessment process for the Project will include the preparation of technical assessments for (at least) agricultural, soils and land use, surface water, groundwater and visual impacts. These assessments will be subject to scientific review by an independent panel of experts yet to be established by the NSW Government. A Gateway Certificate from the expert panel is required for the Project to proceed to the Development Application stage.

To accommodate the Gateway process, the conceptual Project timeline will need to be revised. This timeline will be presented in the next newsletter once the Gateway assessment process has been formalised. However we assume that the technical studies required for the Gateway assessment could be successfully completed for regulatory review in mid to late 2013. A determination on whether the Project could proceed to the Environmental Impact Assessment phase would therefore be expected in early 2014.

## Moving Forward

If a Gateway Certificate is issued for the Project, MCC will submit a Development Application for the Project, based on the findings of the Project Feasibility Study. During this time, a further exploration works program may be required to target specific areas within AL19. If required, this additional program of works will provide additional information for development of a Project mine plan to allow efficient mining of the coal resource and minimisation of impacts to the environment and local community. In particular, this new mine plan will need to avoid impacts to BSAL and Equine Critical Industry Cluster Land where possible.

During this period, landholder requests for acquisition under the current conditions described in AL 19 should be directed to James Bailey, the Environmental Advisor & Stakeholder Consultation Co-ordinator for the Project or to John Furner at MCC.

## Land Acquisition Provision

In accordance with the conditions of AL 19, affected landowners will retain the opportunity under certain circumstances to have their properties acquired by MCC at a fair and reasonable, independently determined market-value at any time while the AL is held.

### AL 19 provides landowners with the following assurance:

*"The property acquisition strategy must make provision for the purchase of land which is within the lease area from any land owners who can demonstrate hardship and despite bona fide efforts, have been unable to sell for Rural Land Values as a consequence of the proposed open cut mining..."*

*...the lease holder must be prepared to purchase the land at a price which is in accordance with Rural Land Value."*

The above offer will continue to remain in place for the duration of AL 19. Going beyond this, MCC is committed to maintaining the above offer while any form of mining authority is held by the company over the area in question.

To date, MCC have purchased nine properties in accordance with condition 44 of AL 19.

Copies of the AL 19 document are available from DTIRIS by emailing [webcoaltitles@industry.nsw.gov.au](mailto:webcoaltitles@industry.nsw.gov.au) or by contacting Hansen Bailey.



## Environmental Studies

As part of MCC's participation in the draft Upper Hunter Strategic Biodiversity Assessment Interim Policy administered by the NSW Department of Planning & Infrastructure, field surveys to record the flora and fauna species and ecological communities present within AL 19 will also be undertaken in the coming months. Information gathered during the biodiversity surveys will be used to assist in the development of a Biodiversity Plan for the region. This plan will identify the potential cumulative ecological impacts of future proposed mining developments and strategic priority biodiversity offset lands in the region. Any results of these surveys on freehold land will not change the status of protection to ecological communities currently provided by the Native Vegetation Act 2003.

MCC will be contacting affected landowners in the following weeks to discuss property access for these studies.

Environmental monitoring studies for meteorology, air quality, surface water and groundwater within and surrounding AL 19 are also continuing to provide background data for use in the development of the EIS for the Project.



## Contacts and Further Information

If you have any enquiries you would like to make regarding the ongoing West Muswellbrook Project works, please contact either:

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