Whitehaven Coal is proposing to re-commence open cut coal mining operations at the Vickery Coal Mine, located approximately 25 km northwest of Gunnedah. Mining operations at the Vickery Coal Mine were conducted during the 1990s, with the site closing in 1998 due to economic constraints. Whitehaven Coal acquired the mine site in 2010.

The Vickery Coal Project would be a significant project for Whitehaven Coal and a significant project for the region. It is estimated that a construction workforce of approximately 60 personnel and a full-time operational workforce of approximately 250 would be required for the Project.

Over the next 12 to 18 months Whitehaven Coal will be issuing regular newsletters updating the community about the Vickery Coal Project. The newsletters will provide updates on the Project and key findings of the studies. Contact details are provided in this newsletter for anyone seeking additional information or wishing to discuss the proposed Project further.

Regards
Ben Bomford
Project Manager

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Overview of the Proposed Vickery Coal Project

The main components of the proposed Vickery Coal Project would include:

- Use of conventional mining equipment, haul trucks and excavators to remove waste rock and coal.
- Open cut mining extracting coal at a rate up to 4.5 million tonnes per annum for a period of approximately 30 years.
- Production of approximately 140 million tonnes of coal over the life of the mine.
- Development of external waste rock emplacements to the west and east of the planned open cut.
- Development of an infrastructure area including coal crushing and screening facilities.
- Road haulage of run-of-mine coal to the existing Whitehaven Coal Handling and Preparation Plant (CHPP) north of Gunnedah.
- Construction of a private haul road and a Kamilaroi Highway overpass between Blue Vale Road and the CHPP.
- Realignment of sections of Blue Vale Road and Shannon Harbour Road.
- Construction and use of dams, channels, dewatering bores and other control measures to manage groundwater and surface water within and around the mine site.
As required under NSW legislation, Whitehaven Coal would seek approval under the Environmental Planning & Assessment Act, 1979 for the Vickery Coal Project. The flowchart below provides a summary of the process.

In order to initiate the process, Whitehaven Coal has recently lodged a Project Description and Preliminary Environmental Assessment (PEA) with the NSW Department of Planning and Infrastructure (DP&I). The PEA can be viewed on Whitehaven Coal’s website (www.whitehavencoal.com.au) and DP&I’s website (www.planning.nsw.gov.au).

A Planning Focus Meeting was held at the beginning of December with relevant government agencies to discuss the Project and the environmental assessment requirements. The outcomes of this meeting will be considered during the development of the Environmental Impact Statement (EIS) for the Project, and are anticipated to be reflected in the Director-General’s Requirements for the EIS which will be placed on public exhibition on the DP&I’s website.

A number of baseline studies are currently being undertaken for the EIS by specialist environmental consultants, as described below.

**Project Community Consultation**

Community consultation will be undertaken to provide information about the Project, identify community issues and concerns, and to enable Whitehaven Coal to factor them into the Environmental Impact Statement. The following activities will be undertaken to enable comment and input:

- Newsletters, such as this, will be circulated to surrounding residences and relevant stakeholders to provide Project status updates, study findings, and outcomes.
- Meetings with groups and/or individual stakeholders will be held to discuss issues and provide updates on the specialist environmental studies. This will include a community consultation day prior to lodgement of an EIS.
- Copies of the EIS will be made available for public review and comment.

We welcome your input into the development of this Project and encourage you to either contact us with any questions or concerns, or to provide your views through the formal process outlined above.

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**Environmental Assessment of the Vickery Coal Project**

**Project Timeline**

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**Status of Environmental Studies**

**Surface Water Assessment:**
- Characterisation of existing environment (Nov 2011).
- Development of conceptual surface water management system (early 2012).

**Groundwater Assessment:**
- Groundwater investigation program (Dec 2011).
- Development of groundwater monitoring network (early 2012).

**Flora and Fauna Assessment:**
- Spring/summer surveys (Nov-Dec 2011).
- Investigation of potential biodiversity offset areas (early 2012).

**Aboriginal Cultural Heritage Assessment:**
- Heritage surveys (Dec 2011).

**Noise Assessment:**
- Background noise monitoring (Nov-Dec 2011).

**Air Quality Assessment:**
- Development of air quality and meteorological monitoring network (early 2012).

**Agricultural Impact Assessment:**
- Soil investigation (Nov-Dec 2011).
- Electromagnetic survey (Dec 2011).

**Road Transport Assessment:**
- Background traffic counts (Nov 2011).

**Geochemistry Assessment:**
- Sampling and testwork program (Nov-Dec 2011).
- Visual Assessment:
  - Visual simulations (Jan 2012).

**Community Enquiries:**

Danny Young
Group Environmental Manager
Phone: (02) 6741 9316
Fax: (02) 6742 3607
Email: dyoung@whitehavencoal.com.au

Tim Muldoon
Community Liaison Officer
Phone: (02) 6741 9302
Fax: (02) 6742 3607
Email: tmuldoon@whitehavencoal.com.au

For more information on Whitehaven Coal, please visit: www.whitehavencoal.com.au
From the Project Manager

This is second community newsletter for Whitehaven’s Vickery Coal Project. Since issue of the first newsletter in January 2012, Whitehaven has identified a wider area for community consultation. As a result, some people will be receiving both newsletters during this round of distribution.

The first newsletter provided an overview of the proposed Project including the project layout, project timeline and environmental studies.

Studies are progressing well as detailed in the Environmental Impact Study and Bore Census sections below. The project layout has changed slightly from that shown on the initial newsletter and is provided overleaf.

Future newsletters will provide updates on the Project and key findings of the studies. Contact details are provided for anyone seeking additional information or wishing to discuss the proposed Project further.

Regards

Ben Bomford
Project Manager

Environmental Impact Study (EIS) and Environmental Studies

The Vickery Coal Project Environmental Impact Statement (EIS) is currently being developed and is anticipated to be lodged with the Department of Planning and Infrastructure later this year. Environmental studies have progressed and preliminary results have influenced the design of the Project to minimise potential environmental impacts, including:

- A refined mine plan to minimise night-time noise impacts during adverse meteorological conditions (e.g. temperature inversions).
- Moving the proposed location of the eastern waste rock emplacement to stand-off a fourth order stream and the associated riparian vegetation.
- A water management strategy to divert watercourses around active mining areas.
- Identification of potential biodiversity offset areas in the region.

The following specialist consultant studies have been progressing well and are at draft report stage:

- Aboriginal Cultural Heritage Assessment.
- Flora and Fauna Assessment.
- Geochemical Assessment.

Bore Census

During April 2012, landholders in the vicinity of the Project were approached by the Vickery Coal Project environmental specialists to participate as part of a bore census. Nineteen properties surrounding the Project were visited and 53 bores were surveyed to verify locations of groundwater bores in the region and develop a database of the existing groundwater conditions.

Groundwater levels and water quality were recorded where possible, and the information from the landholders regarding the history of groundwater usage, bore construction and water level over time was noted.

This information will be used in the groundwater assessment for the Project, and will provide a valuable database of baseline groundwater data for the region.

Acquisition of Aston Resources

You may be aware that Whitehaven recently purchased Aston Resources and as such we now own the nearby Maules Creek project. By combining our existing Gunnedah Basin operations with the Maules Creek and Vickery developments, we can ensure the most economic and sustainable development of the combined coal resources. At the same time we can ensure that any feedback we receive from the community is factored into our broader involvement in the region.

We recognise that the scale and nature of our operations demand a high level of corporate responsibility, in terms of the safety of our workforce, consultation with local communities and environmental management.

The merged company, which will continue to be called Whitehaven Coal Limited, will maintain a small head office in Sydney and will continue to expand its regional presence, with more than 1500 employees working in the region by 2015.

If you have any questions or comments about the recent corporate changes please don’t hesitate to contact us.

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Group Environmental Manager
Phone: (02) 6741 9316
Fax: (02) 6742 3607
Email: dyoung@whitehavencoal.com.au

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For more information on Whitehaven Coal, please visit www.whitehavencoal.com.au
From the Project Manager

This is the third community newsletter from Whitehaven’s Vickery Coal Project. Since the publication of our last newsletter, our specialist consultants have been working to finalise their reports for inclusion in the Vickery Coal Project Environmental Impact Statement (EIS).

In addition, our project design process is nearing completion and we can now provide further detail on the likely scope of the development. This includes a proposed overpass that would allow coal haulage trucks to access the Whitehaven Coal Handling and Preparation Plant west of Gunnedah without travelling on the Kamilaro Highway. An overview of the project mining area and the proposed private haul road and highway overpass is presented on Figures 1 and 2 on the following pages.

Community Information Day

In order to update the community in relation to these developments and the findings of the specialist consultants assessments we will be holding a Community Information Day at the Boggabri Bowling Club on the 13th September 2012.

The day will provide an opportunity to learn more about the Project and its impacts and all members of the community with an interest in the Project are invited to attend.

Attendees will be welcome to view the findings from studies undertaken for the EIS and access information about how Whitehaven plans to address any identified potential impacts.

Key Whitehaven representatives will be present and a number of the specialist consultants that conducted the studies for the EIS will also attend on the day to answer any specific queries you may have.

We welcome your input into the development of the Project and encourage you to contact us with any questions or concerns and participate in the Community Information Day.

Regards

Ben Bomford
Project Manager

Agricultural Impact Assessment

As part of the Vickery EIS development, an agricultural impact assessment is being completed. The agricultural impact assessment will include discussion on the agricultural productivity of the general area, including that of the Project site.

To assist in gathering appropriate information on agricultural productivity, Whitehaven will contact several local landholders to discuss agricultural productivity trends of the general area, including historical information associated with the Project site. This will take place over the next few weeks in order to incorporate this information into the final assessment report for the EIS.

Community Information Day - Key Information

Location: Boggabri Bowling Club
65 Laidlaw Street Boggabri

Date & Time: Thursday 13th September 2012
12pm - 6pm

Catering: BBQ Lunch, afternoon tea and non-alcoholic beverages provided
Project Update

An update on the Project, and the key environmental studies being conducted for the EIS, is presented below. Further information on the Project and EIS studies will be available at the Community Information Day.

Project Scale, Materials Handling and Infrastructure

- Development of an open cut coal mine producing up to 4.5 million tonnes per annum of run-of-mine (ROM) coal for approximately 30 years.
- Placement of waste rock within two external waste rock emplacements and within mined out voids.
- Placement of coal rejects and tailings within existing off-site licensed facilities and within mined out voids at the Project.
- Construction of on-site coal crushing, screening and handling facilities to produce sized ROM coal. Sized ROM coal would be transported by truck to the existing Whitehaven CHPP on the outskirts of Gunnedah for processing and rail loadout.

Surface Water

- A water management system including upslope diversions, sediment basins and storage dams has been developed for the Project to manage runoff and groundwater inflows to the open cut.
- The surface water modelling and impact assessment predicts that no significant impacts on downstream water quality and flow characteristics would occur with the implementation of the water management system.
- Water supply requirements from external sources (e.g. licensed extraction from the Namoi River or groundwater aquifers) are anticipated to be relatively low for the majority of the mine life due to the retention of runoff from mining areas.
- No significant changes to the flooding characteristics of the Namoi River are predicted.

Groundwater

- A groundwater investigation program has been conducted which included the installation of a groundwater monitoring network, field tests to measure the yield of aquifers and a bore census of properties surrounding the Project.
- Potential groundwater drawdown impacts will be predicted using a numerical model developed for the Project, and presented in the EIS.

Road Transport

- A private haul road and Kamilaroi Highway overpass between Blue Vale Road and the Whitehaven CHPP would be constructed to allow Whitehaven coal trucks to access the CHPP without the need to travel along the Kamilaroi Highway.
- Sections of Blue Vale Road, Shannon Harbour Road, Hoad Lane and Braymont Road would be realigned to allow continued public access around the Project.
- A cumulative road transport impact assessment has predicted that the surrounding road system would operate satisfactorily during the construction and operation of the Project. The assessment included consideration of existing and proposed mining projects in the region.

Noise and Blasting

- A strategy to mitigate evening and night-time noise impacts has been developed which would involve restricting mining to shielded areas behind the Western Emplacement (away from private receivers) during evening and night-time, and relocation of mining activities during adverse meteorological conditions.
- Blasting controls (e.g. limiting blast sizes) would be implemented to manage blasting impacts where required.
- A real-time noise monitoring system would be used at the Project.

Air Quality

- A meteorological monitoring station and a dust monitor have been installed to monitor real-time meteorological and air quality conditions for the Project.
- Whitehaven is involved in the development of a real-time, predictive air quality and meteorological monitoring network for the region. The Project would be included in this regional monitoring network.

Ecology and Agricultural Resources

- The Project area includes areas of native woodland vegetation, cleared grazing land on unimproved pastures and previously disturbed mining areas.
- Vegetation within the Project area mainly consists of dry sclerophyll woodland and forest and derived native grasslands, often with Speargrass, Wallaby Grass and Wiregrass species.
- An agricultural productivity survey will be conducted with local landholders to discuss existing and historical agricultural practices.
- A biodiversity offset will be proposed to offset Project related impacts to ecological values.

Rehabilitation

- A progressive rehabilitation plan and final landform design concept is being developed for the Project. It is likely to include a combination of grazing and native woodland areas.
- Field investigations have identified topsoil that could be stripped, temporarily stockpiled and then re-used for rehabilitation.

Aboriginal Cultural Heritage

- Surveys for Aboriginal cultural heritage have been conducted and a draft assessment report has been prepared. The draft assessment report is currently being reviewed by relevant stakeholders.

Visual

- Management of visual impacts would involve early rehabilitation of waste rock emplacements and management of night lighting through the restriction of night-time operations on external faces of the Western Emplacement.
For more information on Whitehaven Coal, please visit www.whitehavencoal.com.au
**VICKERY COAL PROJECT COMMUNITY INFORMATION DAY**

Whitehaven Coal will be holding a Community Information Day at the Boggabri Bowling Club to discuss its Vickery Coal Project. All members of the community with an interest in the Project are invited to attend.

The Information Day is an opportunity to learn more about the proposed Vickery Coal Project which comprises open cut mining at a rate of up to 4.5 million tonnes per annum for a period of approximately 30 years.

Attendees will be able to view the results from the Environmental Assessment for the Project and access information about how Whitehaven will be addressing potential impacts from mining on aspects such as noise, air quality, surface and groundwater, biodiversity and rehabilitation management. Key Whitehaven representatives will be available for one-on-one discussions, as will a number of specialist consultants who undertook the environmental studies as part of the Environmental Assessment report.

**KEY INFORMATION:**

- **Location:** Boggabri Bowling Club
  65 Laidlaw Street, Boggabri

- **Date & Time:** Thursday 13th September 2012
  12pm – 6pm

- **Food & Drink:** BBQ Lunch, afternoon tea and non-alcoholic beverages provided

*For further information please contact Danny Young (Group Environmental Manager) on 02 6741 9316 or Tim Muldoon (Community Liaison Officer) on 02 6741 9302.*