



Duralie Coal CCC Meeting

Presentation -
Company Report & Overview of
Activities

February 2015

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 - DCM Modification



1. Progress at the Mine

Mining 4th Quarter 2014

■ Waste BCM	2,951,000 BCM
■ Coal tonnes	490,000 tonnes
■ Total BCM	3,326,000 BCM



2. Environmental Projects/Activities

Management Area	Project	Status
Reporting	2015 Biodiversity Management Plan Annual Report	<ul style="list-style-type: none"> Completed and submitted to Commonwealth Department of the Environment (DotE).
Environmental Management Plans	Annual reviews	<ul style="list-style-type: none"> Draft EMP documents submitted to NSW Department of Planning & Environment (DP&E) in 2014 and are awaiting approval. DCPL submitted revised copies of the Giant Barred Frog Management Plan and Blast Management Plan to DP&E during the quarter. Following approval of the DEP Modification several EMP's will require further revision.
Air Quality	<p>Pollution Reduction Programs</p> <p>Real-time dust management</p>	<ul style="list-style-type: none"> PRP U3 Handling overburden in adverse weather conditions – weather station alarming and response protocol is now being implemented. Request received from the EPA to complete an Air Emissions Inventory for 2013. Several alarms received from the real time TEOM unit in November 2014 resulting from local bushfires and hazy conditions in the valley. Alarms also received on 25-Dec and 31-Dec when no operations were occurring at the mine.
Biodiversity	Year 2 offset area deliverables	<ul style="list-style-type: none"> Biodiversity Annual Report submitted to DotE. New works since last CCC include: <ul style="list-style-type: none"> Nest box monitoring ongoing; weeds management program recommenced October and ongoing; maintenance and slashing of offset access tracks; scheduling of 2015 works.
Blast	Routine	<ul style="list-style-type: none"> No exceedances of licence criteria during the quarter. One blast above 115dB(L) on 18-Oct-14, total remains below 5%. Annual servicing and calibration of all blast monitors completed. All monitors remained in calibration.
Heritage	Routine	<ul style="list-style-type: none"> Routine monitoring ongoing

2. Environmental Projects/Activities – cont.

Management Area	Project	Status
Noise	Evaporative sprays Real-time noise management Routine	<ul style="list-style-type: none"> • Development of an Evaporative Fan Operational Protocol. • Planning for long-term positioning of evaporative fans. • Real-time noise monitoring profiles continue to be monitored and generally indicate no exceedence of the performance criteria due to mining operations. No management alarms received. • Routine quarterly monitoring of operations and train noise completed October 2014. Report available on Duralie Coal website. Next scheduled in January.
Surface Water	Ecotoxicity monitoring BTEX, hydrocarbons Irrigation	<ul style="list-style-type: none"> • 6 monthly monitoring undertaken in January 2015. Results yet to be received. • Annual BTEX monitoring completed in January 2015. • Full use of irrigation system with warm, dry weather.
Groundwater	Routine monitoring	<ul style="list-style-type: none"> • Routine monitoring continued.
Giant Barred Frog	2014/15 survey	<ul style="list-style-type: none"> • 2014/15 program commenced in October 2014 and will run through to February 2015. Initial results from 2014/15 surveys indicate good survival rates and high number of juveniles from the 2013/14 breeding season.
Rehabilitation	Waste Dumps Southern Waste Emplacement Annual monitoring	<ul style="list-style-type: none"> • No new rehabilitation during quarter. • Good growth observed in establishing rehabilitation areas 2 years old. • Bulk shaping and rehabilitation works are scheduled for the first quarter 2015. • Rehabilitation monitoring was completed in December, report pending.
Bushfire Management	Bushfire Management	<ul style="list-style-type: none"> • RFS visited site with Alan Andrews to discuss a bushfire reduction burning plan. Due to RFS resources and weather condition during previous quarter back-burning was not possible. RFS have proposed a plan the next 2-3 years management.

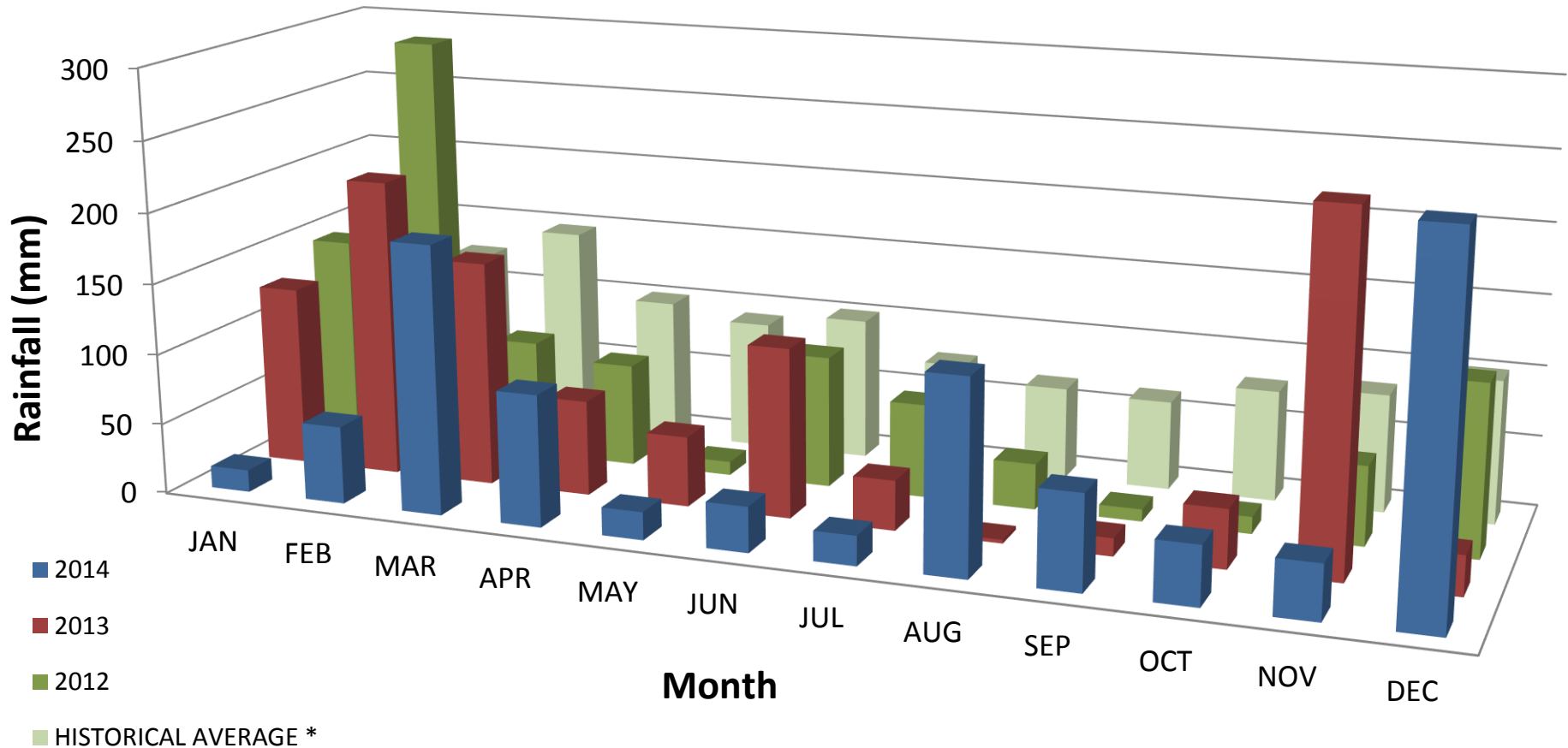
3. Environmental Monitoring Performance

1. Rainfall
2. Surface Water
 - a) Total Suspended Solids
 - b) pH
 - c) Electrical Conductivity
3. Air Quality
 - a) Dust Deposition
 - b) High Volume Air Sampler
 - c) High Volume Air Sampler-Rolling Average
4. Blasting



Rainfall

Duralie Mine Site - Monthly Rainfall

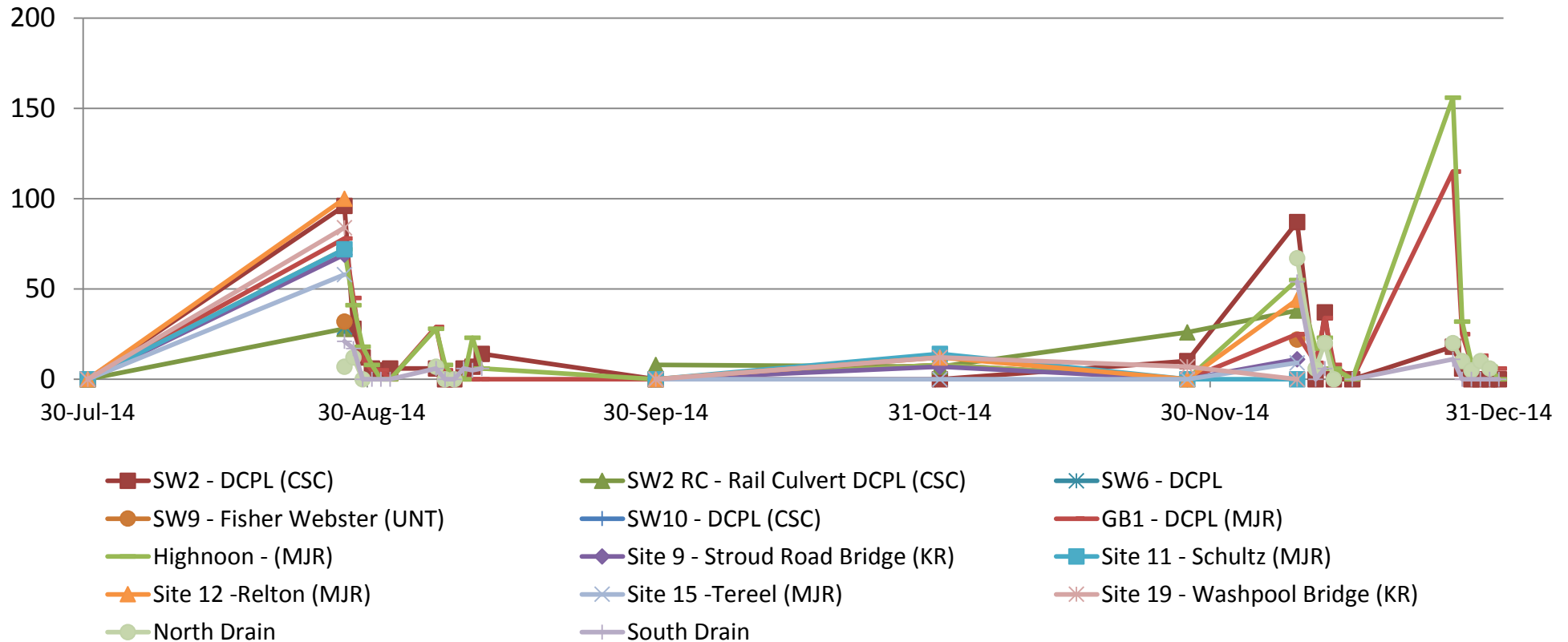


- December 2014 Rainfall: 255.6mm
- 2014 Annual Total: 963.8mm



Surface Water – Total Suspended Solids

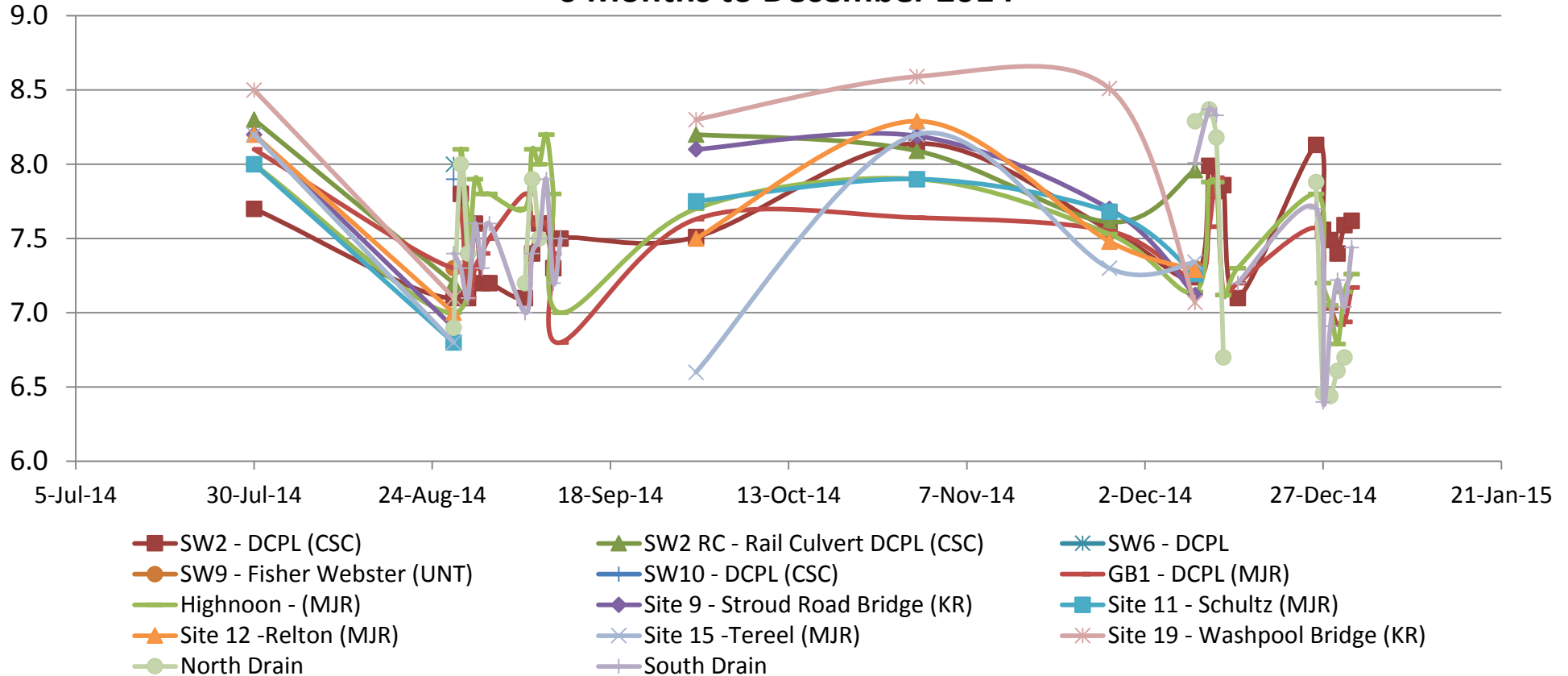
Duralie Surface Water Monitoring - TSS (mg/L)
6 Months to December 2014



- All sites returned generally low TSS. Highest results occurred on 27-Aug-14 and 26-Dec-14 both up and down stream (GB1 and Highnoon) of the operations following heavy rainfall.
- Gaps indicate no flow

Surface Water - pH

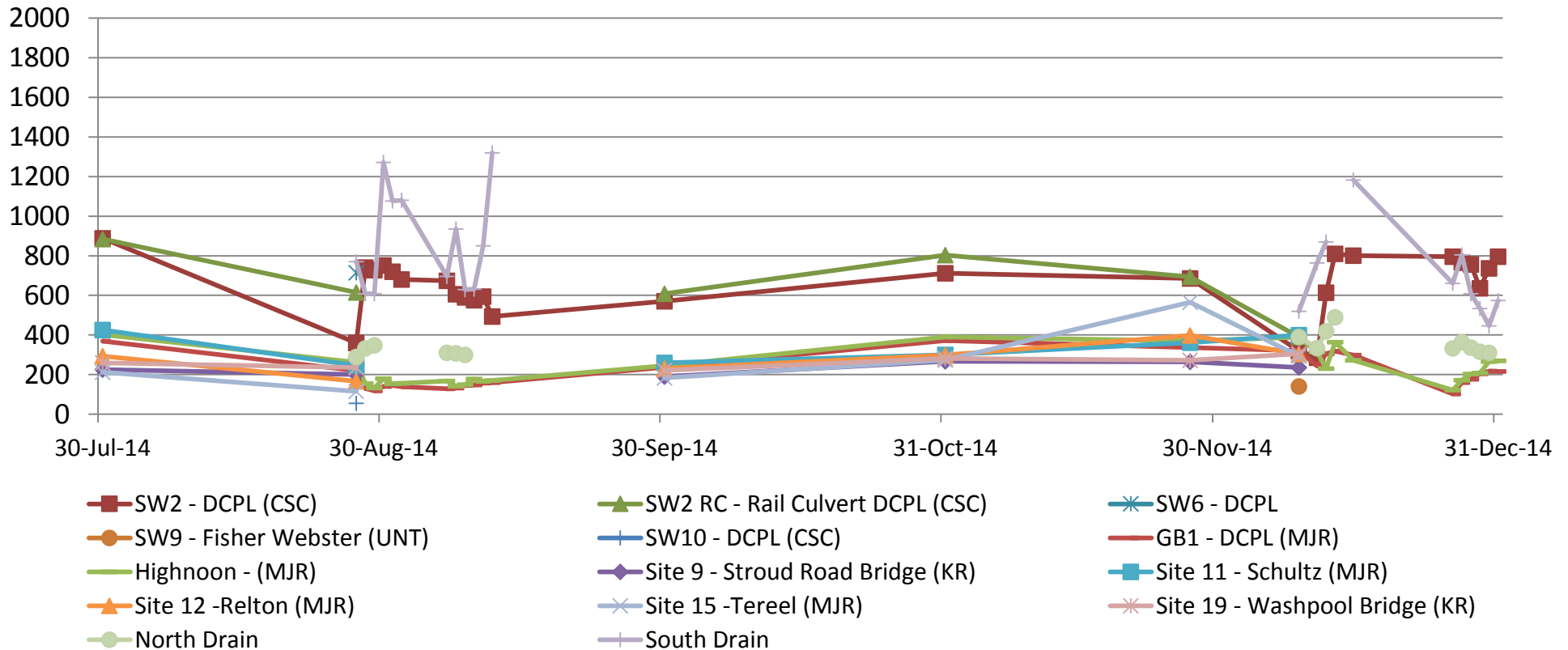
Duralie Surface Water Monitoring - pH 6 Months to December 2014



- All sites generally within ANZECC Guideline range.
- No obvious trending toward ANZECC Guideline limits
- Gaps indicate no flow

Surface Water – Electrical Conductivity

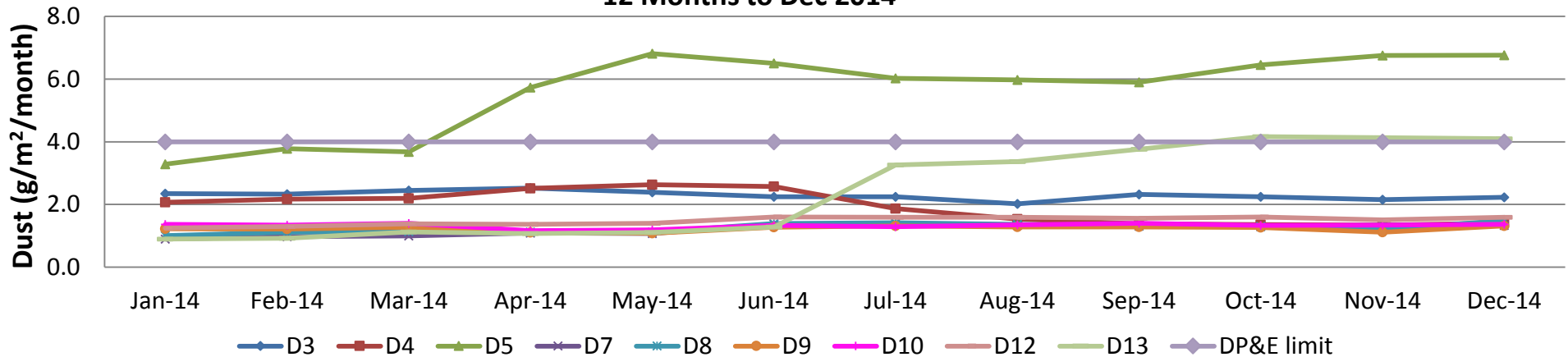
Duralie Surface Water Monitoring - EC ($\mu\text{S}/\text{cm}$)
6 Months to December 2014



- Gaps indicate no flow
- Highest EC levels recorded in the South Drain on 30-Aug-14 and 15-Dec-14 as the flow receded. When EC level is above 1326 $\mu\text{S}/\text{cm}$ in the South Drain flow is diverted to the Main Water Dam.

Air Quality – Dust Deposition

Duralie Dust Deposition - Annual Rolling Average
12 Months to Dec 2014



- Feb-14** D5- 7.0 - Very Heavy - 10% dirt, 5% coal, 50% insects, 5% vegetation, 30% polysaccharide slime
- Apr-14** D4- 4.4- Medium/Heavy - 10% dirt, <1% coal, 60% insects, 30% vegetation
D5- 27.5 Very Heavy - 10% dirt, <1% coal, 50% insects, 10% vegetation, 30% polysaccharide slime.
- May-14** D5- 15.3- Very Heavy - 45% dirt, <1% coal, 10% insects, 15% vegetation, 30% polysaccharide slime.
- Jun-14** D5 - 7.4 - Very Heavy - 50% dirt, 5% coal, 10% insects, 5% vegetation, 30% polysaccharide slime
- Jul-14** D13 – 24.0 -Very Heavy - 70% dirt, <1% coal, 10% insects, <1% vegetation, 20% polysaccharide slime
- Sep-14** D3- 4.3 -Heavy- 40% Minerals, 10% Vegetation, 10% Insects, 40% Other. D13– 5.5- Heavy- 20% Minerals, 10% Vegetation, 30% Insects, 40% Other.
- Oct-14** D13 – 5.9 - Very Heavy 40% minerals 10% Vegetation 10% Insects 40% Other
- Nov-14** D5 – 5.6 - 50% minerals, 0% coal, 10% veg, 20% insects, 20% other contamination
- Dec-14** D8 – 5.5 -Very heavy. 20% Minerals. 0% Coal. 10% Vegetation. 0% Insects. 70% Contamination. D9 -4.2 - Heavy - 40% Minerals, 0% Coal, 20% Vegetation, 10% Insects, 30% Contamination.

Guide to Descriptions used by Laboratory

- Coal:** Black sharp angled grains with glossy conchoidal fractures or dull with cellular features.
- Dirt/Minerals:** Subhedral to euhedral crystalline grains including fine sand, clay and other fine mineral particulates.
- Insects:** Whole insects such as spiders, ants, moths or outer parts of insects including wings, legs and exoskeletons.
- Vegetation:** Plant debris and algae including trichomes, decomposed organic matter and charred particulates showing characteristic cellular plant structures.
- Polysaccharide Slime:** Slimy gelatinous material including decomposed soft body parts of insects and vegetation.
- Copper Sludge:** Blue-green subhedral to euhedral crystalline salts, commonly precipitated from the copper sulphate algaecide solution.
- Contamination:** Gelatinous material such as bird droppings

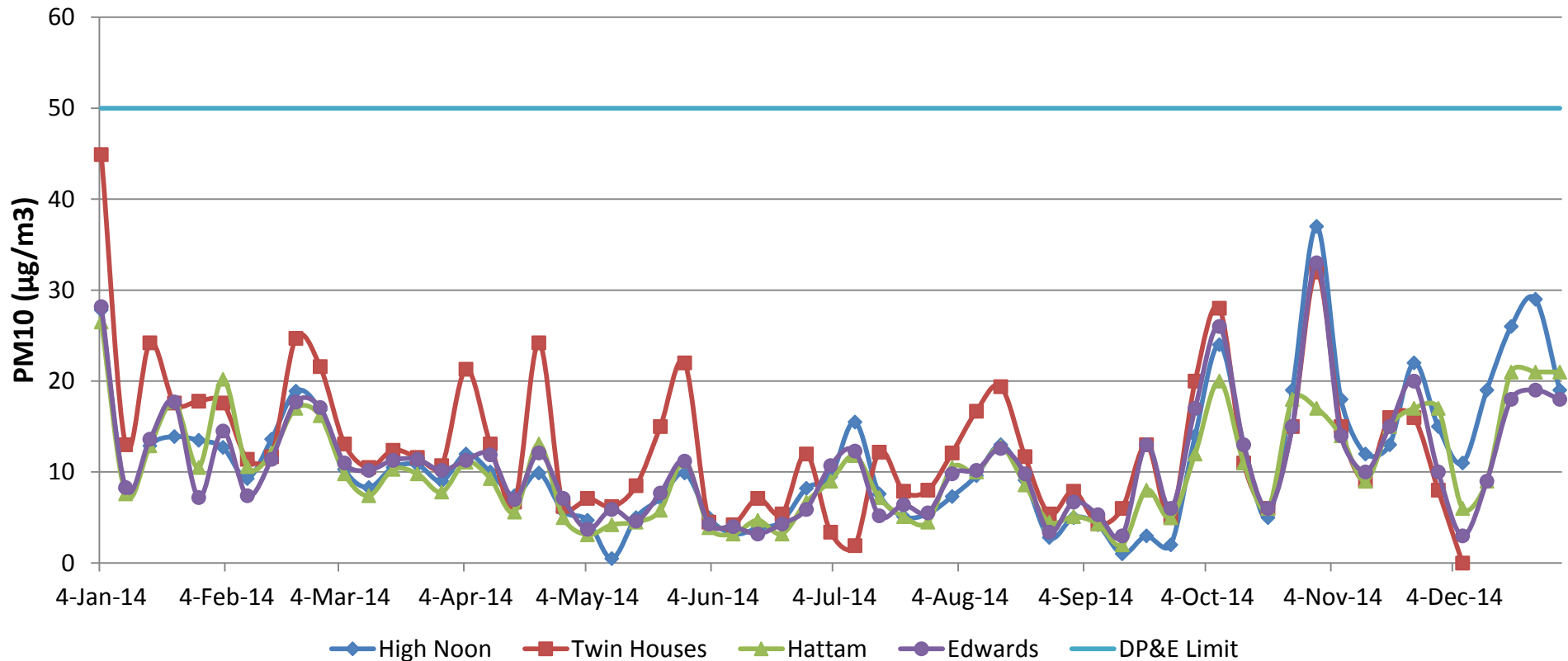
27 January 2015 Significant increase in D5 and D13 due to contamination of multiple samples from bird droppings.



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Part of the Yancoal Australia Group

Air Quality – High Volume Air Sampler

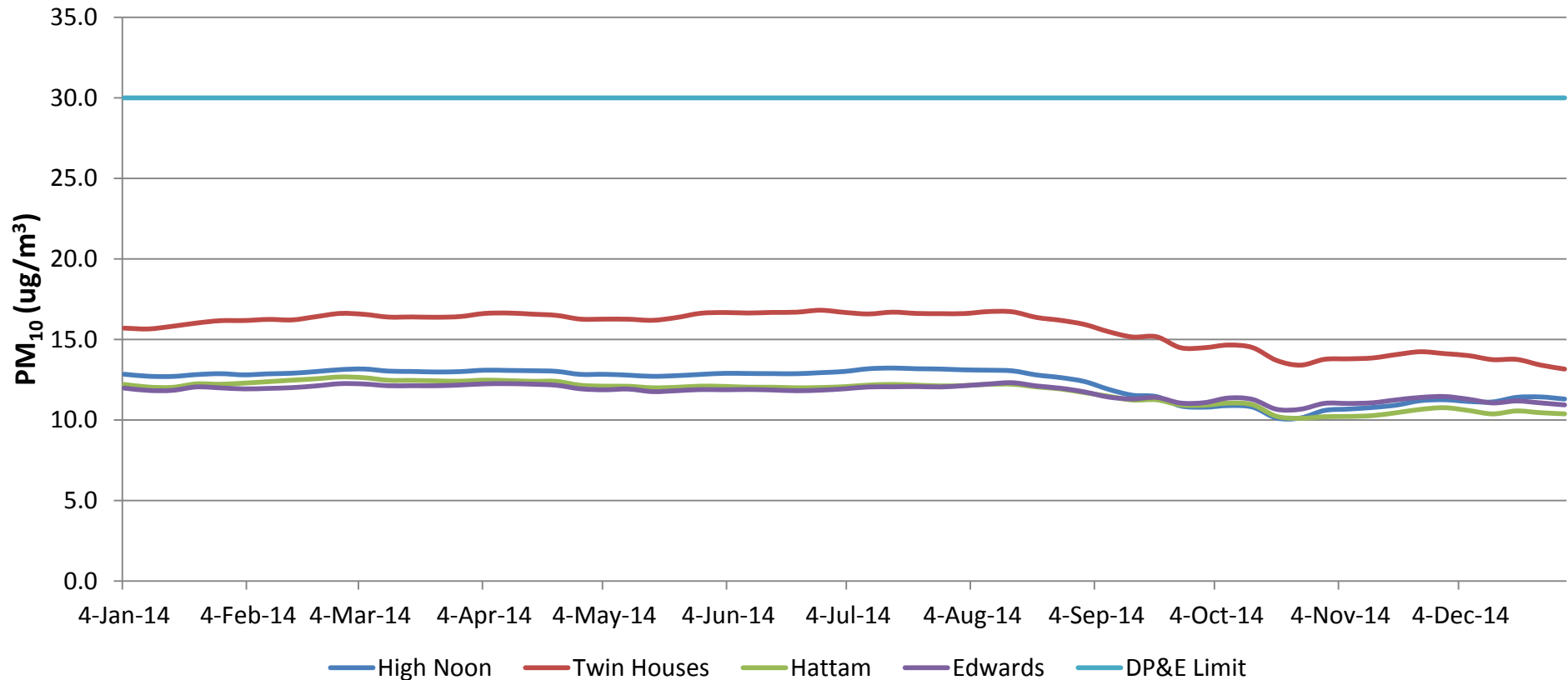
Duralie HVAS Monitoring (PM10) 12 Months to December 2014



• All sites below DP&E limit.

Air Quality – HVAS Rolling Average

Duralie HVAS Monitoring (PM₁₀) Annual Rolling Average - 12 Months to Dec 2014



• All site averages well below DP&E Limit

Blasting

Location	Date	Time	Schultz (AB1)		Fisher-Webster (AAAB3)		Moylan (AAAB4)		Weismantal Inn		Overpressure Site Exceedance ¹	Overpressure "Cumulative" Exceedance ¹	Ground Vibration Site Exceedance ¹	Ground Vibration "Cumulative" Exceedance ¹	Monitored Blasts ¹	Fume Rating
			24hr	mm/s	dBL	mm/s	dBL	mm/s	dBL	mm/s	dBL	%		%		
Clareval Block 6	18-Oct-14	16:48:00	<0.22	<110.0	0.5	115.1 ²	0.54	116.4 ²	2.94		10.0%	1	0.0%	0	10	1B
Clareval Block 5	24-Oct-14	12:43:00	0.39	84.2	0.46	103.9	0.76	105.8	1.69		9.1%	1	0.0%	0	11	Nil
Clareval Block 5	01-Nov-14	12:39:00	0.26	105.8	0.46	105.6	0.86	99.1	3.00		8.3%	1	0.0%	0	12	Nil
Clareval Block 5	06-Nov-14	12:49:00	<0.22	<110.0	0.46	97	0.48	99.1	2.04		7.7%	1	0.0%	0	13	1A
Clareval Block 3	12-Nov-14	12:45:00	0.32	84.2	0.27	99.3	0.56	105.1	1.09		7.1%	1	0.0%	0	14	2A
Clareval Block 2	13-Nov-14	12:40:00	<0.22	<110.0	<0.22	<110.0	<0.22	<110.0	0.35		6.7%	1	0.0%	0	15	Nil
Clareval Block 5	14-Nov-14	12:42:00	<0.22	<110.0	0.3	101.6	0.36	98.3	0.89		6.3%	1	0.0%	0	16	Nil
Clareval Block 3 & 5	19-Nov-14	16:46:00	0.29	92.2	0.32	101.6	0.36	103.9	0.95		5.9%	1	0.0%	0	17	Nil
Clareval Block 6 & 7	21-Nov-14	12:46:00	<0.22	<110.0	0.35	97.8	0.42	101.0	1.7		5.6%	1	0.0%	0	18	Nil
Weismantal Strip 16	25-Nov-14	12:45:00	<0.22	<110.0	<0.22	<110.0	<0.22	<110.0	0.35		5.3%	1	0.0%	0	19	2B
Clareval Block 2	27-Nov-14	12:40:00	<0.22	<110.0	<0.22	<110.0	<0.22	<110.0	0.38		5.0%	1	0.0%	0	20	1A
Clareval Block 6	28-Nov-14	12:36:00	<0.22	<110.0	0.32	95.1	0.28	105.4	0.96		4.8%	1	0.0%	0	21	1A
Clareval Block 2	03-Dec-14	12:36:00	<0.22	<110.0	0.3	96.1	0.38	83.5	0.68		4.5%	1	0.0%	0	22	Nil
Clareval Block 6	08-Dec-14	14:09:00	<0.22	<110.0	0.46	89	0.43	111.5	2.28		4.3%	1	0.0%	0	23	1A
Clareval Block 2	11-Dec-14	13:02:00	<0.22	<110.0	<0.22	<110.0	<0.22	<110.0	0.39		4.2%	1	0.0%	0	24	1A
Clareval Block 6	12-Dec-14	16:43:00	<0.22	<110.0	0.35	91	0.28	109.3	1.15		4.0%	1	0.0%	0	25	Nil
Clareval Block 2	17-Dec-14	12:47:00	0.32	101.7	0.32	93.9	0.67	105.4	0.97		3.8%	1	0.0%	0	26	Nil
Clareval Block 2	23-Dec-14	12:43:00	0.33	95.1	0.3	89	0.59	102.1	1.08		3.7%	1	0.0%	0	27	1A
Clareval Block 7	30-Dec-14	12:37:00	<0.22	<110.0	0.3	89	0.28	91.5	0.92		3.6%	1	0.0%	0	28	Nil
Clareval Block 5	05-Jan-15	12:44:00	0.28	84.2	0.35	89	0.77	103.9	2.17		3.4%	1	0.0%	0	29	Nil
Clareval Block 5	08-Jan-15	12:43:00	0.29	84.2	0.43	89	0.78	103.5	1.76		3.3%	1	0.0%	0	30	Nil

• One blast on 18-Oct-14 exceeded the 115dB(L) level, total remains below 5%.

• Note: Blast Compliance: No more than 5% of total blasts for annual monitoring period to exceed an overpressure of 115 dBL or ground vibration of 5 mm/s. No blast is to exceed an overpressure of 120 dBL or ground vibration of 10 mm/s.

• Reporting period re-started 04-Sep-2014.

4. Community Complaints

Duralie Complaint Summary

Period: 1/10/14 - 31/12/14

Period: 3 Months

Total No. of Complaints: 14 (11 noise, 2 blast, 1 air quality)

Total No. of Complainants: 7

Time/Date of Complaint	Complainant Location	Method of Complaint	Nature of Complaint	Outcome
8:05hrs 20/10/2014	4.5km NE of noise source	Direct e-mail	Evaporative fan noise	Call returned to complainant. Advised of current operational controls. Feedback provided to operational management and a review of evaporator use under certain times and weather conditions conducted.
23:45 hrs 24/10/2014	Wards River Village	Complaints line	Mine Noise	Call returned to complainant. Complaint was provided direct to OCE to review location of operations and follow-up actions if required. No exceedance of real-time noise alarm levels.
15:36hrs 13/11/2014	Mill Creek, 5.8km SE of noise source	Complaints line	Evaporative Fan Noise	Call returned to complainant. Complainant advised of current operational controls and adjustment to hours of operation of fans.
8:58hrs 15/11/2014	Mill Creek, 5.8km SE of noise source	Complaints line	Mine Noise	Call returned to complainant. Investigation by OCE at time of complaint showed no unusual activities. Review of real-time noise system showed no exceedance of noise alarm levels.
20:00hrs 16/11/2014	Approx. 5km SE of mining activities	Direct email	Mine Noise	Original complaint not received, complaint resent and received on 16/11/2014, complainant contacted and complaint addressed below.
20:00hrs 16/11/2014	Approx. 5km SE of mining activities	Direct email	Mine Noise	Complainant contacted. Investigations at time of complaint revealed no unusual activities. Real-time noise system review showed good profile and no triggering of alarm levels. Complainant advised of current noise controls and adjustment to hours of operation of evaporative fans.
18:30hrs 20/11/2014	Approx. 1.5km W of mining operation	Community Hotline	Mine Noise	Call returned to complainant. Investigation undertaken and showed noise protocol had been followed. Review of real-time noise system showed profile low throughout night. Visit to complainant's location at 19:30hrs revealed only minor mine noise audible.

4. Community Complaints

Duralie Complaint Summary

Period: 1/10/14 - 31/12/14

Period: 3 Months

Total No. of Complaints: 14 (11 noise, 2 blast, 1 air quality)

Total No. of Complainants: 7

Time/Date of Complaint	Complainant Location	Method of Complaint	Nature of Complaint	Outcome
8:57hrs 23/11/2014	Mill Creek, 5.8km SE of noise source	Community Hotline	Evaporative Fan Noise	Complainant contacted and advised of current fan operating hours.
9:30hrs 1/12/2014	Approx. 5km SE of mining activities	Direct email & Community Hotline	Evaporative Fan Noise	Complainant was contacted and advised of fan operating hours, not consistent with complaint time. Complainant revised estimation of when fans were creating problem. Refinement of the fans operating times is ongoing.
15:00hrs 5/12/2014	Approx. 5km SE of mining activities	Direct Email	Evaporative Fan Noise	Call returned to complainant. Investigation showed only noise attenuated fan operating at time of complaint. Real-time noise system below trigger levels. No inversions present.
19:15hrs 7/12/2014	Approx. 5km SE of mining activities	Community Hotline	Evaporative Fan Noise	Call returned to complainant. DCPL advised fans switched off at 19:15hrs due to approaching storm and not switched back that night.
17:00hrs 12/12/2014	Approx. 2.6km SW of blast	Direct to Mobile	Blast and Vibration	Review of blast results indicates no exceedences. Complainant advised they had not received copies of previous dilapidation report. DCPL provided the report to complainant. Complainant then accused mine of blasting at night. DCPL advised the mine has never blasted out of approved hours. DRE investigating complainant's night blasting claims.
12:20hrs 17/12/2014	Wards River	Direct to Mine and EPA	Air Quality	Complainant approached mine staff on blast sentry duty with complaint regarding air quality. Significant levels of haze was present in valley all day which drifted in with southerly change. Blast sentry advised of complaints procedure. Complainant advised they would be contacting the EPA. Investigations by EPA and mine staff determined haze in air not related to mine activity. No action required.
12:40hrs 30/12/2014	Approx. 2.6km SW of blast	Direct to Mobile	Blast and Vibration	DCPL advised blast within criteria. Confirmed receipt of previous building inspections and advised of right to property inspection which was declined. DCPL advised of the right to apply for an independent investigation through DP&E. Complainant stated that mine should just purchase the property to save the mine a lot of headache to which they were advised mine was not obliged to purchase their property.



Action Item 1. Duralie Open Pit Modification

Notes:

- Planning Assessment Commission public meeting held on 25 November 2014 at the Wards River Community Hall.
- Approval of DEP Modification granted 5 December 2015.
- Modification conditions are available both on the Duralie and DP&E websites.

