

MT ARTHUR MINE COMPLEX
Community Consultative Committee Meeting
13 May 2019
Community Response Line: 1800 882 044



Attendance

Chairperson

Dr. Colin Gellatly Independent Chair MAC CCC

Company Representatives

Leah Scheepers Specialist Community
Kat Stojakovic Corporate Affairs, NSW
Damien Perkins Manager Production Planning
Jimmy Nixon Environment Specialist

Community Representatives

John Bancroft Community Representative
Jennifer Lecky Community Representative
Rosemary Munn Community Representative

1. **Welcome by Chairperson:** The meeting was opened at 9am. The Chair (Col) welcomed members to the CCC meeting.
2. **Apologies:** Di Gee
3. **Declaration of Pecuniary Interests: *Ongoing Declaration*** - Col has been engaged by BHP to provide the role of Independent Chairperson. A new minute taker, Brooke York from Final Form Regeneration (FFR) was introduced to the CCC members. Brooke has been engaged by BHP to attend the CCC meetings and prepare the minutes.
4. **Approval of the previous Meeting's Minutes:** Col confirmed that the Minutes for the Meeting held 11 February 2019 had been circulated and updated to "Endorsed by Chair" after the comments period close and called for formalisation of member acceptance at today's meeting. John indicated that he had issues with the minutes from the November meeting which had not been addressed and asked that the matter be discussed further in General Business. John stated that he had provided feedback on the previous minutes which had not been captured. John also noted that the minutes from the February meeting were not on the website. Kat apologised and stated that she would follow up with the online team to ensure the minutes were posted.
ACTION 1 – Kat to follow up with BHP online team to ensure the February minutes are uploaded to the website.
Action Complete – Upload confirmed 29th May 2019

5. Matters Arising from the previous Meeting – Action Items

Action 1: Jimmy to clarify the location of the remaining depositional dust gauges in relation to the position of the operation.

✓ Actioned by Jimmy.

The CCC were shown a map of the dust monitors for the site. Jimmy discussed the location and type of equipment on the map. Jimmy noted that Depositional Dust (DD) gauges and High-Volume Air Samplers (HVAS) were being decommissioned but Tapered Element Oscillating Microbalance (TEOM) monitors would remain in operation. DD08 and DD14 depositional dust gauges were of interest to the CCC. Jimmy explained that these monitors were located close to sensitive receptors and had TEOM's located with them for real-time data collection. While the monitors may be located approximately upwind and downwind of the operation (in relation to prevailing winds), there is no requirement for upwind and downwind dust monitoring. The differences between DD, HVA and TEOM's were discussed. Jimmy explained that upwind and downwind can not be applied to DD or HVAS as these samples are taken over one month and one 24-hour period every six days respectively. An assessment of upwind and downwind can only applied to real-time data. All real-time monitors are to be retained. John asked where the DP&E monitors

are located. Jimmy replied that Mt Arthur Coal (MAC) own and run the monitors. The map shown to the CCC was not provided in the CCC Pre-read Report and was presented separately to the CCC presentation. John asked that a copy of the map be distributed to the CCC members.

ACTION 2 – Kat to distribute a copy of the map showing the MAC dust monitoring locations to the CCC members.

Action Complete – Map sent via email 29th May 2019

Action 2: Col to get in touch with DP&E to ascertain if a Department representative could attend a future CCC meeting to speak about the cumulative impacts of dust.

Col stated that he had been in touch with DP&E to try to arrange a representative to attend the meeting. The action is still open pending a response from the Department.

Action 3: Jimmy to provide the CCC with an email link & map to MAC's Water Management Plan so members can reference to where Water Monitoring is located.

Jimmy noted that the approved Water Management Plan and Map are available on the MAC website. John asked if they can be provided to the CCC to save them having to download the documents themselves.

ACTION 3 – Jimmy to distribute a copy of the Water Management Plan and the map showing the MAC water monitoring locations to the CCC members.

Action Complete – Jimmy shared a link during the meeting. Kat mailed a copy to CCC members who requested it.

Col sought the approval of the CCC to record this and future meetings. The CCC members in attendance all agreed that the meetings may be recorded by MAC. There is a recording of the remainder of the meeting.

ACTION 4: Damien to seek detail around the requirement for MAC to conduct dumping at night in response to community concerns being raised around lighting impacts during this process.

✓ Actioned by Damien.

Damien provided the CCC with information regarding the MAC protocols for night operations. Damien noted that trucks and equipment are fitted with yellow lights for night activities. These yellow lights are less intense than the bright white lights otherwise used. Past complaints have been linked to dozers with high intensity driving lights. Dumps are also set up with the lights facing away from external edges and sensitive receivers. John questioned why high-profile dumps are active at night, given the high number of complaints received regarding lighting. John noted that 5 of the 11 complaints received in January were relating to lighting (almost 50%). Damien responded that MAC have procedures in place to reduce the potential impact on the community from night-time operations including avoiding dumping on external edges (e.g. McLean's Hill), facing lights away from external edges and responding to individual complaints by making changes to operations. John asked whether complainants were generally satisfied with the response or if repeated complaints were not recorded due to the callers being added to a "vexation list" maintained by MAC. Jennifer asked if MAC has a "vexation list" of people whose complaints are not recorded on the register. Kat replied that MAC does not keep a list of vexatious complainants and that all complaints are recorded and reported to the CCC.

6. Update from BHP for the reporting period 1 January to 31 March 2019

OVERVIEW OF OPERATIONS - Presented by Damien

Damien presented the "heat maps" showing areas of workings for the past 3 months and plans for operations over the next 3 months. Maps include dig and dump areas as well as rehab areas.

Jennifer asked if McLean's Hill has been seeded and Jimmy replied that it has not yet been seeded. MAC is working with the regulator to improve rehabilitation outcomes by delaying timing of seeding until there are more favourable climatic conditions.

John asked about areas to be shaped and the geofluv rehab areas. Damien pointed out the specific areas of interest on the map. The CCC was interested to know if the geofluv area can be seen from the road and Damien confirmed

that it is visible from Denman Road. The area is shaped but has not yet been seeded pending better seasonal conditions.

John had questions regarding the timing of rehabilitation being pushed for two years from when it was previously planned. Jimmy explained that while the locations differed compared to the plan, the overall area of rehabilitation to be completed (90Ha) was consistent with the plan. An area of tailing emplacement which was previously scheduled for rehabilitation but is not suitable due to heating was discussed with the CCC. John asked if the spontaneous combustion was likely to be an issue for the community. Damien responded that the area does not have smoke issuing and does not have visible, active spontaneous combustion but that the heating has been identified during thermal surveys and requires further work prior to rehabilitation.

Rosemary noted that the main issue for the community is that there is a lot of exposed area during mining and asked how long this would take to cover up. Damien responded that the disturbance area would remain close to its current size for the life of the operation due to progressive rehabilitation to be completed in approximately equal areas to the areas cleared for advancement of mining. Rosemary commented that the rehabilitation areas seem small compared to the disturbed area and that this creates a dust issue for Muswellbrook. The CCC noted that MAC rehab seems less progressive than another local operation. Damien responded that MAC is mining deeper than that operation and so requires a larger footprint. The progress of the rehab was discussed, and Damien noted that McLean's Hill is lagging but the plan over the next two years will bring the rehabilitation back in line. The process of filling and rehabilitating the land as the mine progresses was discussed. Damien noted that there is an animation of the progression which can be shared with the CCC.

ACTION 4: Damien to share pit sequence animation with the CCC to demonstrate the process of progressive rehabilitation.

A table showing the production overview was shown and the results presented by Damien.

Production

| | Last 3 months | Previous 3 months | Previous Year 3 months | | |
|------------------------|---------------|-------------------|------------------------|-------------------|-------------------------|
| Production Information | Q3, FY19 | Q2, FY19 | Q3, FY18 | Q-on-Q Difference | Year-on-Year Difference |
| OB Movement (Mbcm) | 28.9 | 30.2 | 25.3 | -4% | 14% |
| Coal Mined (Mt) | 6.4 | 5.7 | 5.2 | 12% | 23% |
| Coal Uncovered (Mt) | 6.6 | 5.0 | 5.6 | 32% | 19% |
| Product Coal (Mt) | 4.6 | 4.3 | 3.7 | 6% | 24% |

ENVIRONMENT - Presentation by Jimmy

Air Quality Monitoring (Period 1 January to 31 March 2019)

- The presentation (for the reporting period of 1 January 2019 to 31 March 2019) covers the performance of all six statutory PM10 monitoring sites using TEOMs, and the two dust deposition gauges covered by the updated Air Quality Management Plan.
- 16 days within the reporting period experienced elevated absolute PM10 TEOM monitoring results. These events were investigated accordingly, finding the incremental MAC contribution not exceeding the impact assessment criteria. The investigations were provided to the NSW Government Department of Planning and Environment (DP&E). For exceedances on the 19/2/19 and 5-6/03/19, the DP&E considered these events to be regional dust events.
- No exceedances occurred for deposited dust. Graphs of DD08 and DD14 results were presented in the CCC Pre-read Report
- Table of notifications provided in the CCC Pre-read Report.

- Graphs of air quality monitoring data from monitors DC02; DC04; DC05; DC06; DC07; DC09 for the reporting period of 1 January 2019 to 31 March 2019 were provided in the CCC Pre-read Report.

Water Monitoring (Period 1 January to 31 March 2019):

- There was one occurrence within the reporting period whereby a single surface water sampling location exceeded the electrical conductivity (EC) trigger level. This event was investigated accordingly finding MAC operations not a contributing factor. The primary reason was deemed due to very low flows occurring. The investigations were provided to the DP&E.
- There were no occurrences within the reporting period where a groundwater sampling point exceeded trigger levels.
- Table of notifications was provided in the CCC Pre-read Report.

Blast Monitoring (Period 1 January to 31 March 2019):

- There were no exceedances of blasting criteria during the reporting period.

Environmental Incidents: No incidents during reporting period.

Environmental Reporting; MAC has completed, and therefore complied with, all annual reporting requirements under licence conditions. These are available to view on the BHP website using the following link:

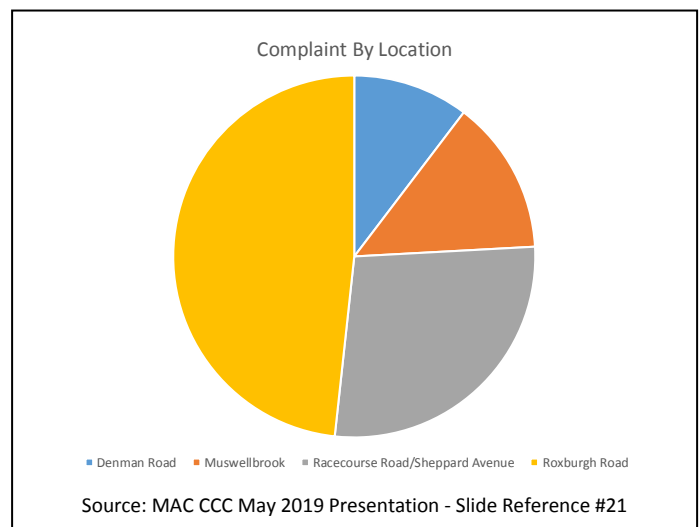
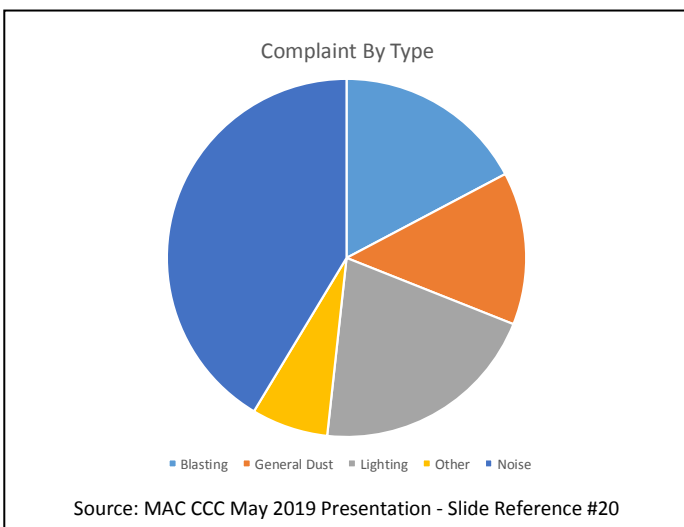
<https://www.bhp.com/environment/regulatory-information#>

Jimmy noted that the monthly reporting is available on the website. John asked if it is possible to give the MAC contribution as a daily percentage in the reporting. Jimmy noted that the graphs added after previous consultation with John show the MAC contribution to the overall result as an orange line. While there is no daily percentage, the MAC contribution is shown in a form that is clear and can be read for each day in the three-month reporting period. John feels that the data is not being presented in a form that the community can understand. Jimmy responded that he will explain the graphs to John so that John can explain to the community members he meets with. (After the close of the meeting, Jimmy and John remained behind to review and discuss the graphs).

John noted that there were 54 days within the reporting period when data was missing from one or more monitors. John questioned why the monitors were not working on those days. Jimmy responded that TEOM’s keep records which can be downloaded manually. Jimmy noted that it may have been due to Telstra outage or technical issues.

COMMUNITY - Presentation by Kat

Community Complaints – January to March 2019: Community Response Line: 1800 882 044



Kat noted that operational noise was the main issue for complainants during the period. John noted that lighting complaints were also high, particularly for January. The details of incidents provided in the CCC Pre-read Report were discussed. John noted that the complaint on the 17th January does not have any detail and asked that this be provided at the next meeting.

ACTION 5: Kat to investigate and provide detail for the complaint received 17th January 2019.

Action Complete – Actions listed as “other” are non-operational complaints. 17th January complaint was traffic related.

John noted that there were several noise complaints made in February when the real-time data was not available and could not be provided to the complainant because the monitor was non-operational. John asked if there was a back-up monitor. Kat responded that attended monitoring was still occurring as per regulatory requirements. Jimmy noted that the OCE’s have a handheld noise monitor but that there is no back-up real-time monitor to replace a monitor with while it is non-operational. John stated that the monitoring was non-operational for a significant period and asked if the CCC could be provided with an explanation for this.

ACTION 6: Jimmy to investigate and provide an explanation for the duration of the Roxburgh Road noise monitor outage in February.

There was a discussion of how complaints are categorised. Kat explained that complaints are categorised according to regulatory requirements. Some complaints are easily categorised, and some are categorised as “other” due to not being relevant to regulatory categories e.g. a complaint about being delayed at a road closure may be blasting related but does not relate to regulatory limits.

John noted that four complaints had been attributed to “low frequency noise.” John asked how MAC define “low frequency noise,” if it is produced by the mine operation normally or if it is an unusual occurrence. Kat explained that “low frequency noise” is a term used by the community department when recording noise complaints relating to the operation that have no known source. John noted that “low frequency noise” is a technical term and may be confusing to the community. John further noted that it is unclear from the record of the complaints, whether MAC is responsible for the noise or not as other noise related complaints have been categorised as “operational noise.”

ACTION 7: Leah to explain why these complaints have been attributed to “low frequency noise” rather than “operational noise.” Define “low frequency noise” and give examples of likely sources of this noise.

Community Support

- Ongoing support of Muswellbrook Chamber of Commerce and Industry, Singleton Business Chamber, Scone Business Chamber and Hunter Business Chamber
- 10 applications received for the final round of Benefiting My Community Program (BMCP)
- Visit by the Deputy Premier at Mt Arthur Coal
- Muswellbrook Primary School Visit
- Successful MAC Family Day 2019
- UHCS Open Day – MAC Cooking BBQ – 9 May

Kat reflected on the visits by the NSW Deputy Premier and Muswellbrook Primary School. The MAC family day was considered a great success by MAC and the CCC members with approximately 1300 visitors. John conveyed his compliments on the MAC family day which was enjoyed by the community and also conveyed positive feedback from Toybox on their new truck.

Coming up

- AUSIM Site Visit – July

CSIRO Local Voices project - Leah presented an update

Leah informed the CCC that the project includes an anchor survey and follow-up monthly surveys for participants. Leah asked the CCC members about their participation in the project. Both John and Jennifer confirmed that they had been contacted by the CSIRO and were actively participating in the project.

BHP is committed to using community insights in their decision-making. The CSIRO Local Voices project aims to improve engagement between BHP and the community by providing an opportunity for:

- increased understanding of views and experiences, and
- encouraging the building of trust through actions.

MAC is inviting employees, as members of the local community, to give feedback in our community survey facilitated by CSIRO. Every completed anchor survey is worth \$10 in tokens for a registered charity of your choice (limited time only). Register to participate at research.csiro.au/bhplocalvoices

The CCC members were provided with an information pamphlet on the project entitled “Introducing Local Voices” and Leah committed to sending out a link to the survey (link subsequently sent by Kat to CCC members via email on 16th May 2019). Leah urged the CCC to encourage people to participate in the survey.

SkyTEM Update – Johnathan Low presented (joined the CCC meeting specifically for the SkyTEM update and left immediately after the presentation)

Airborne Geophysical Survey

To better understand the Mt Arthur Coal resource and its surrounding hydrogeological and geotechnical environment, Mt Arthur Coal has engaged a specialist geoscience consultant to undertake a helicopter supported geophysical survey over the northern end of Mt Arthur Coal and surrounding areas.

This survey is being undertaken in accordance with NSW Department of Planning and Environment’s Guide to airborne geophysical surveying for mineral exploration (May 2017).

About the survey

The geophysical survey will comprise of an electro-magnetic survey (SkyTEM System) which assists with identifying resources and providing geological information for the specified project area without the need for sampling and with no surface disturbance.

The survey will be undertaken using a low flying helicopter which flies in a grid pattern, towing a frame underneath it. The frame is fitted with the SkyTEM system which measures the variations in conductivity and magnetic properties of the physical layers beneath the Earth’s subsurface.

The helicopter will fly at an altitude of between 50 and 60 metres above the ground carrying a large Antenna as a slung load approximately 30 metres below the helicopter. The helicopter will keep the Antenna approximately 20 - 25 metres above the ground and fly straight lines spaced between 25 and 200 metres apart.

As with any low flying aircraft, there is the potential for disturbance to rural residents in close proximity to the project area and potential impact on stock (pet) animals due to the transient noise of the aircraft. To minimise this potential impact, the helicopter will not fly over homesteads or infrastructure.

For all flight operations for the low-flying survey, the helicopter contractor operates under Civil Aviation Safety Authority (CASA) regulations.

When does the survey commence?

The survey is anticipated to be undertaken between, Monday 20 May to Monday 27 May 2019.

Hours of operation for the survey:

- 8am to 5pm Monday to Friday
- 8am to 1pm on Saturday

To find out more

For further information regarding the Airborne Geophysical Survey or for general enquiries regarding Mt Arthur Coal, please contact us via our free-call Community Response Line on 1800 882 044.

The SkyTEM survey methodology and capability was discussed with the CCC. The CCC was interested and asked questions relating to what the survey would show and how far beneath the ground surface it would reach

(approximately 200-300m). Damien noted that the survey would gather valuable information for mine, including for the area to the north of Denman Road which is not covered by an exploration licence. The information gained will give MAC a better idea of the subsurface features allowing more accuracy in determining how close to the road may be mined without impact on the road. Col asked if the results would be made publicly available. Damien responded that the survey would include commercially sensitive information. Due to the CCC's interest, Col suggested that those parts of the data that were not commercially sensitive be shown in summary to the CCC.

ACTION 8: Damien to share the information gained from the SkyTEM survey that are of interest to the community but not commercially sensitive with the CCC.

7. Calendar of Events

- Local Buying Foundation Meeting – 16 May
- WIMnet Mentoring Program Launch – 31 May
- Singleton Business Chamber Awards – 31 May
- NSWMC Women in Mining Awards – June
- Joint CCC – 12 June

8. General Business - Community Feedback

Col

Col asked if anyone had heard from Mark (Bowditch – Council Representative). The CCC members had not heard from Mark and there was no apology recorded. It was noted that Mark has potential conflicts of interest, being a MAC contractor and a Council representative during ongoing legal action against MAC by the Council.

Col stated that he has resigned as the CCC chairperson and that this will be his last meeting. Col will stay on to finalise the minutes from this meeting.

John

John asked about the switch from Stella to Operational Services for labour at MAC. Damien noted that Operational Services is a separate company but a subsidiary of BHP. There was a discussion about rosters for operators. John suggested that a 7 day roster with 7 day shift, 7 off and 7 night shift might be preferable to the current 3 night, 4 day, 4 night, 3 days arrangement. Damien responded that all options are considered but that management of fatigue for personnel who travel to and from work is the reason a 12 hour, 7 day roster is less than optimal. Operational Services is Australia wide for BHP. Rosters are standardised across the country for transferability between sites. John asked why local can't be put on a 7 on, 7 off roster. The 2, 3, 3, 2 roster was discussed. It was noted that current arrangements are protected by the union and that enterprise agreements need to be negotiated with regard to rosters, however the main reasoning behind the roster arrangement is fatigue management for travelling personnel. John asked about an 8 hour roster. Damien responded that productivity is also a consideration making an 8 hour roster for all personnel impractical. Damien noted that crib relief operators are currently on an 8 hour roster. This roster is an attractive option for those who require flexible work arrangements e.g. women needing work hours closer to school hours.

John noted that other operations are required to monitor PM2.5. John stated that it may be to MAC's advantage to monitor PM2.5 even though it is not currently required. John noted that illnesses such as cancer, asthma and breathing difficulties have been linked to PM2.5 and asked that MAC consider monitoring PM2.5 even though it is not a regulatory requirement. Jimmy responded that this may be something to consider as part of the continuation project.

ACTION 9: Jimmy to investigate whether MAC will be carrying out PM2.5 monitoring as part of the continuation project and report back to the CCC.

John questioned the statement in the Air Quality Management Plan that a comprehensive community consultation program had been undertaken by MAC. John stated that the consultation had been less than comprehensive. Jimmy noted that the Air Quality Management Plan had been submitted to the CCC for comment and that the forward plan is to be put on the agenda.

There was a discussion regarding comments made by John and Deidra at the November meeting that had not been included in the minutes. John noted that comments he made had not been included as he believed they should. Col noted that he had made the decision not to include John's comments regarding the royal commission in the minutes from the November meeting. John stated that he had asked for an adjustment to the previous minutes which had not been included in the minutes from the February meeting. John stated that the minutes had referred to a metal company rather than a mining company. John had written what he would like included in the minutes and handed this to the minute taker.

John's notes are included below in full:

MINUTES FROM MEETING 12 November 2018

As I was away when the minutes were made available, I was not aware of the following omissions and errors until the new year. I apologise for not addressing this matter within the required time.

Page 9

I asked the following question of Michael which was not recorded:

Q. "Do you think we should have a Royal Commission, such as the recent one involving the banks and the regulator, into the close association between the DP&E and the mining industry?"

A. "I don't think I could express an opinion but, I could say that, at the last similar enquiry we had, we did not fair very well."

Page 12/13. Item 11

Last paragraph, line 2

"It is funded by industry with nine METAL..." should read MINING companies.

Page 12. Item 12

Last paragraph, last sentence.

"Deidra noted that there is an area in the 2014 consent stating that MAC, Bengalla and Drayton should communicate in relation to dust management and also blasting and she confirmed that they do make each other aware when blasting." However the following was not recorded:

"...but there was nothing stopping you (John) from approaching the other mines to get what you want"

It was noted that this meeting is also Kat's last meeting and that Leah will now take over on the CCC for the MAC community team.

Jennifer questioned whether the independent chair provides the minute taker for the meeting. It was noted that the independent chair can provide the minute taker, but that MAC has engaged a new minute taker directly. John stated that both the chairperson and the minute taker are provided by MAC and are therefore not independent. There was a discussion regarding the DP&E guideline. John noted that he believed that the DP&E controlled the process by paying the independent chairperson through a standard schedule of fees and that MAC would pay the DP&E to engage the independent chairperson who then supplied the minute taker for the CCC meetings. Col responded that the DP&E maintains a list of independent chairs and that they each have their own fee schedules. There is no standard fee schedule.

ACTION 10: Chair to present an interpretation of the guidelines to the CCC at the next meeting to clarify the process of engagement for independent chairperson and minute taker.

The CCC were given handouts containing information on the Edderton Road Realignment Project and the SkyTEM survey. The CCC Pre-read Report contained information on a kangaroo management which was not discussed at the meeting. The meeting was closed at 11am.

9. Next Meetings

MAC CCC : Monday 12 August 2019 at 9.00 a.m.

Malabar Coal Joint CCC : Wednesday 12 June 2019 at 11.00 a.m.

Rosemary advised at the previous meeting she would be an apology.

ACTIONS ARISING FROM THIS MEETING

ACTION 1: Kat to follow up with BHP online team to ensure the February minutes are uploaded to the website.

Action Complete – Upload confirmed 29th May 2019

ACTION 2: Kat to distribute a copy of the map showing the MAC dust monitoring locations to the CCC members.

Action Complete – Map sent via email 29th May 2019

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ACTION 9: Jimmy to investigate whether MAC will be carrying out PM2.5 monitoring as part of the continuation project and report back to the CCC.

ACTION 10: Chair to present an interpretation of the guidelines to the CCC at the next meeting to clarify the process of engagement for independent chairperson and minute taker.

ACTIONS REMAINING OPEN FROM PREVIOUS MEETINGS

ACTION 2 (Feb 2019): Col to get in touch with the DP&E to ascertain if a Department representative could attend a future CCC meeting to speak about the cumulative impacts of dust. Update: DP&E have been contacted.