

Pathway to 2030: Mt Arthur Coal Modification 2 Project



BHP is seeking approval for a modification to Mt Arthur Coal's planning approval for an additional four years until 2030, providing time to plan and prepare a pathway to closure of the operation.

Overview

The Mt Arthur Coal Mine (MAC) is an open-cut thermal coal mine in the Hunter Valley region of New South Wales. MAC is located approximately five kilometres south-west of Muswellbrook and engages a workforce of around 2,200 people.

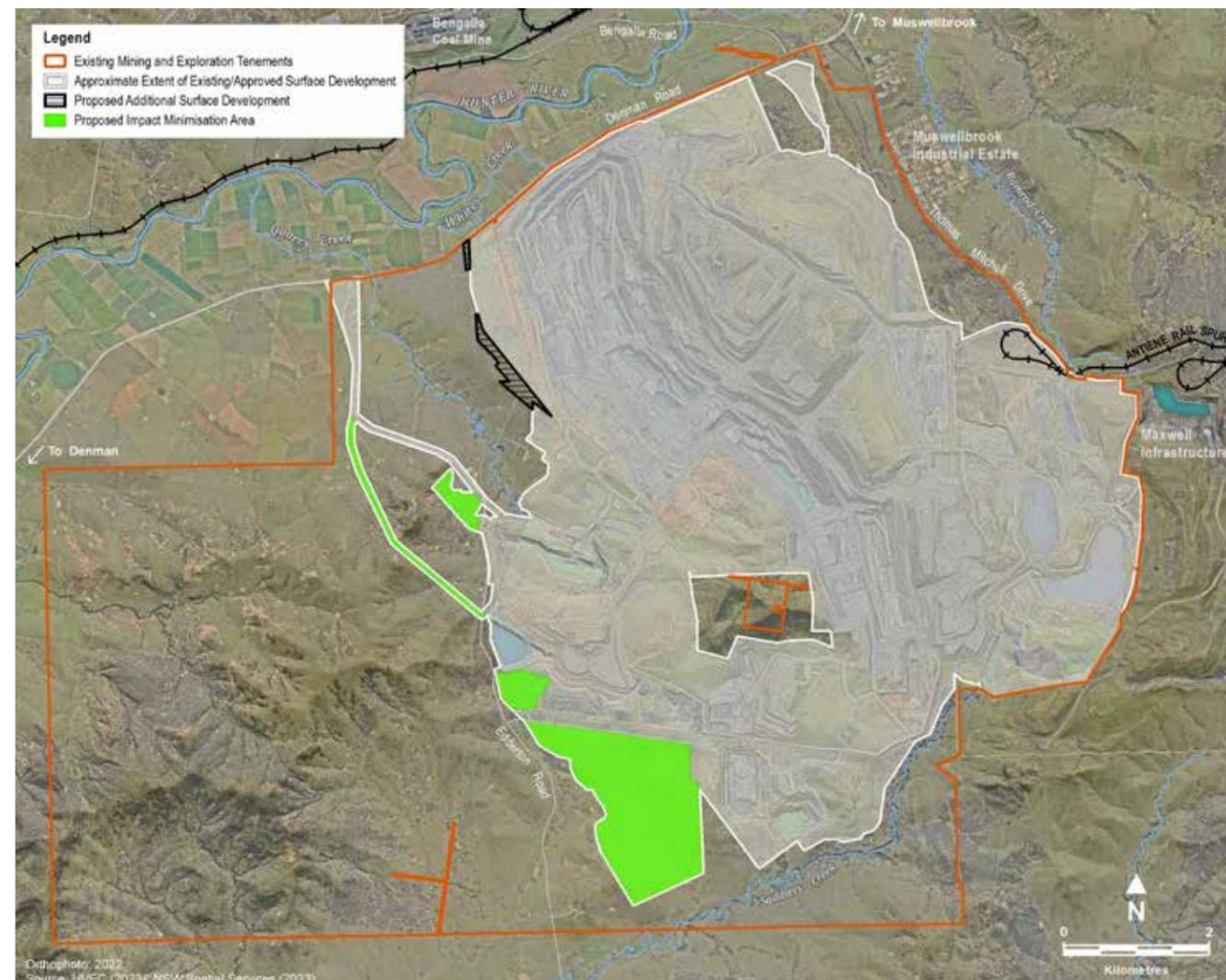
In 2022, BHP announced a decision to cease mining activities at MAC in 2030, as part of a plan to provide a pathway to closure of the operation. Accordingly, BHP is seeking a modification to the current Project Approval (MP 09_0062) to enable a four-year extension to 30 June 2030 (the Modification 2 Project).

Key elements of the Modification 2 Project

- Four-year extension of mining activities to 30 June 2030.
- Reduction in the approved mining rate from 32 Million Tonnes Per Annum (Mtpa) of run-of-mine (ROM) coal to a maximum of 25 Mtpa (similar to actual production).
- A minor extension (25 hectares) of the approved disturbance area, however an overall reduction (387 hectares) in approved disturbance, as some previously approved disturbance areas are no longer required (refer to Proposed Impact Minimisation Area within map below).
- A revised final landform and final void configuration, including an overall reduction in the approved height of overburden emplacement areas.

The Modification 2 Project would not change existing mining tenements, workforce or approved hours of operation.

Map showing Mt Arthur Coal's proposed Modification 2 Project



Key environmental considerations

BHP has prepared a Modification Report which comprises several environmental assessments which have been undertaken to assess the potential impacts of the Modification and identify impact mitigation measures. This includes consideration of the key environmental aspects detailed in the table below.



ASPECT	KEY OUTCOMES
Noise and Blasting	- No new noise and/or blasting exceedances at privately owned dwellings that are not already subject to acquisition and mitigation-upon-request conditions.
Air Quality and Greenhouse Gas Emissions	- No new air quality exceedances at privately owned dwellings. - Continuation of existing greenhouse gas emissions for a further four years.
Social	- The overwhelming response from the community is that the Modification 2 Project provides the opportunity to plan and prepare for cessation of mining and commencement of the closure process. - The Modification 2 Project would allow for continued socio economic benefits associated with MAC including an additional four years of employment for the existing workforce.
Biodiversity	- 25 hectares of vegetation clearance, which would be offset by BHP.
Aboriginal Cultural Heritage	- Comprehensive assessment and engagement with Registered Aboriginal Parties. - Direct disturbance to three Aboriginal cultural heritage sites comprised of two artefact scatters and one isolated find, which are agreed to be of low archaeological significance.
Visual Amenity	- The Modification 2 Project would result in a negligible change in visual impacts from MAC. - Continuation of night lighting for an additional four years.
Surface Water	- Minor changes to the site water management system. - No material changes to on and off-site surface water impacts from the Modification 2 Project (compared to current Project Approval).
Groundwater	- Minimal incremental groundwater drawdown compared to current Project Approval.
Road Transport	- No change required to existing road network which will accommodate future traffic demands associated with the Modification 2 Project.
Economics	- Approximately \$483 million in net present value (NPV) terms in royalties to NSW. - Approximately \$200 million in NPV terms disposable income payments to the MAC workforce. - Overall net benefit of approximately \$1,033 million in NPV terms to NSW. - <i>It is noted these are external estimates calculated for the Economic Assessment. These are not BHP reported estimates.</i>



Key milestones in the approval process

2022

Scoping letter to NSW Department of Planning and Environment



COMPLETE

2023

Environmental studies and preparation of Modification Report



COMPLETE

Modification Report lodged with NSW Department of Planning and Environment



COMPLETE

Modification Report placed on public exhibition — *Opportunity for public submissions* —



COMPLETE

2024–2025

Response to submissions on Modification Report



COMPLETE

NSW Department of Planning and Environment Assessment of Modification Report and submissions

WE ARE HERE

NSW Department of Planning and Environment determines application

Please note: Dates are approximate.

Community involvement

Community involvement and stakeholder engagement is an essential part of the Modification 2 Project. BHP has consulted with a number of key stakeholders and the overwhelming response from nearly all stakeholders was that the four-year extension will provide additional and necessary time to plan for the cessation of mining in 2030.

Public feedback has been considered in the Modification Report which was lodged with the Department of Planning and Environment (DPE) in September 2023, and placed on public exhibition during October–November 2023. Submissions received during the public exhibition period have been addressed by BHP within a Response to Submissions (RTS) Report which was lodged with the NSW Department of Planning, Housing and Infrastructure (DPHI, formerly DPE) in April 2024. The Modification 2 Project is currently in Assessment phase.

If you would like further information on the Modification 2 Project or to arrange a meeting, please call Mt Arthur Coal's Community Response Line on 1800 882 044 or email NSWEC.Community@bhp.com