

What will be assessed?

Comprehensive assessments will be undertaken to identify the potential environmental and social impacts of the Project and to identify how best to manage these impacts and enhance the benefits of the Project. The detailed design of the project will be informed by these studies to ensure that environmental impacts are mitigated as far as reasonably and feasibly possible, including:

- Biodiversity
- Water Resources (surface water & groundwater)
- Social & Economic Impacts
- Aboriginal Cultural Heritage & Archaeology
- Noise
- Air Quality
- Geotechnical & subsidence
- Rehabilitation & Mine Closure
- Waste
- Greenhouse Gas & Energy
- Public Safety and Health
- Traffic

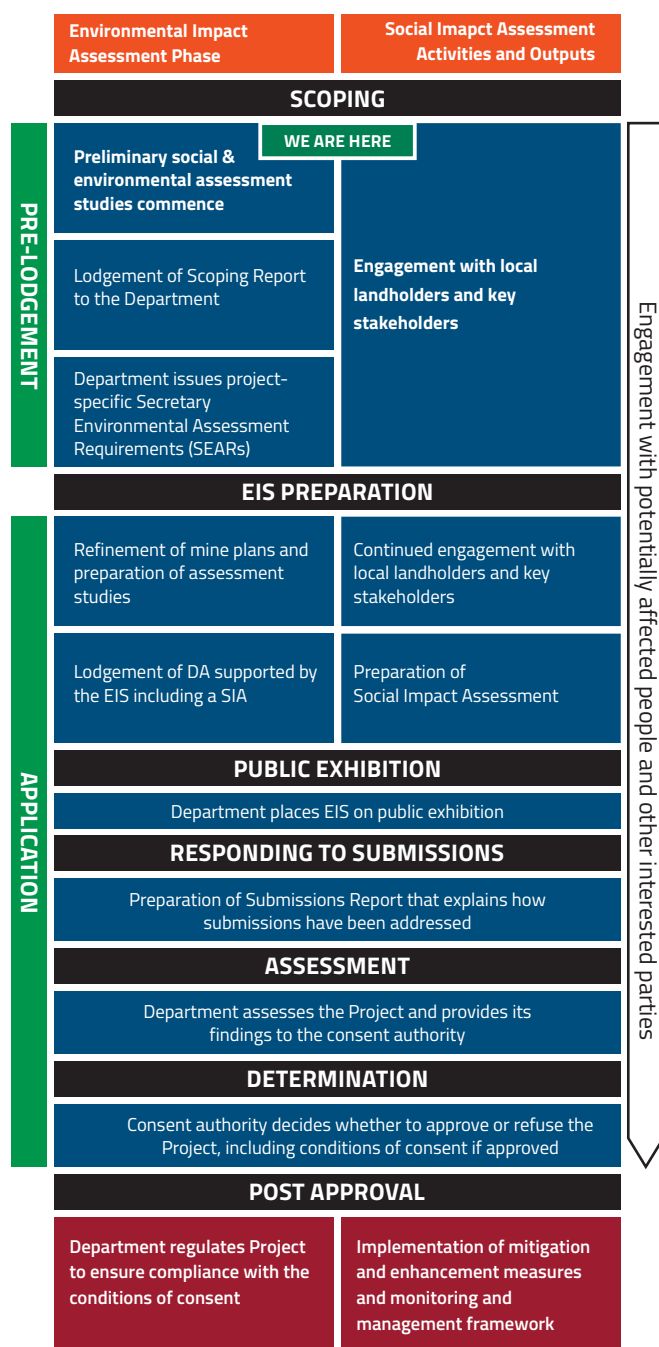


Figure 2: Phases of environmental impact assessment and key social impact assessment activities and outputs

How can I be involved?

As part of the community engagement program, Umwelt and Delta will be proactively contacting landholders in the vicinity of the Project and will also be talking with other key stakeholders within proximal communities and the broader region.

The views of stakeholders in this early phase will help inform the scoping report (to be submitted to DPIE), with consultation with stakeholders then continuing throughout the assessment process and preparation of the EISs. Early engagement will focus on providing information about the project and seeking the community's views on the issues that are of most importance to them. Further information will be provided as the Project progresses and as study findings become available.

Later phases of the stakeholder engagement process will focus on capturing the views of stakeholders regarding the nature of impacts (positive and negative) associated with the Project, as these impacts are more fully understood through the relevant assessment studies undertaken.

The views of all stakeholders captured through the stakeholder engagement process will inform the preparation of the SIA and EIS for the Project.

Contact Information

If you would like to know more about the Project or be involved in the SIA community engagement program, please contact Sarah or Chris from the Project team using the details below.

We look forward to your involvement.

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DELTA COAL CONSOLIDATION PROJECT Community Information Sheet



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Introduction

The purpose of this Information Sheet is to invite you to be involved in providing input into the assessment of the proposed Consolidation Project through the Social Impact Assessment (SIA) and community engagement program.

Delta Coal owns and operates the Chain Valley Colliery (CVC) and the Mannering Colliery (MC). The pit top facilities are located within the suburbs of Mannering Park and Doyalson North with approved mining areas within both the Lake Macquarie and Central Coast Local Government Areas (LGA) in NSW.

Both CVC and MC are underground coal mines which commenced operation in the early 1960s. CVC has previously extracted coal from the Wallarah, Great Northern and Fassifern Seams while MC has included extraction within both the Great Northern and the Fassifern Seams. Both operations are currently approved to carry out mining operations to 31 December 2027. The two operations currently operate under separate development consents and environment protection licences.

Delta Coal operates CVC and MC as an integrated operation with access to the underground mining area by employees predominately occurring via the CVC pit top.

What is the Chain Valley Colliery Consolidation Project?

Delta Coal is seeking to consolidate the existing operations of CVC and MC under one approval (referred to as the Chain Valley Colliery Consolidation Project or the Consolidation Project). The consolidation of the existing consents aims to streamline administrative requirements for both Delta Coal, Government Regulators and our stakeholders. The consolidation of the consents into a new consent would also contemporise the environmental protection provisions applicable to the operations. Following consolidation of the consents, a consolidation of the environment protection licences would also occur.

The Consolidation Project would enable the continuation of mining within existing approved areas. The Project also includes an extension of mining into the Great Northern Seam to the east of the former CVC Great Northern Seam workings within the proposed Eastern Mining Area (shown on Figure 1).

Consistent with requirements for mining under land areas in the existing CVC and MC approvals, mining in the proposed Eastern Mining Area will be undertaken in a manner that has negligible subsidence impacts (maximum 20 mm). The continued extraction of coal resources under Lake Macquarie would be undertaken consistent with subsidence limits applicable to the existing CVC operations. All mining areas would be within existing CVC and MC mining lease areas. The ability to bring coal to the surface at either CVC or MC will be retained, with overall production capped at 2.8 million tonne per annum (Mtpa) (a reduction from the approved 3.2 Mtpa). An overview of the key aspects of the Consolidation Project are provided in Table 1.

What approvals will be required?

The consolidation of the two consents requires a new development consent under the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act). A development application (DA) will be prepared and submitted to DPIE in accordance with the EP&A Act. As a State significant development (SSD), the DA will be required to be accompanied by a comprehensive Environmental Impact Statement (EIS) and this must address specific assessment requirements specified by the Secretary for the DPIE (SEARs). A scoping report outlining the proposed Consolidation Project and potential environmental impacts will be prepared to inform the preparation of the SEARs. The Scoping Report is expected to be lodged with DPIE in Quarter 1 2021.

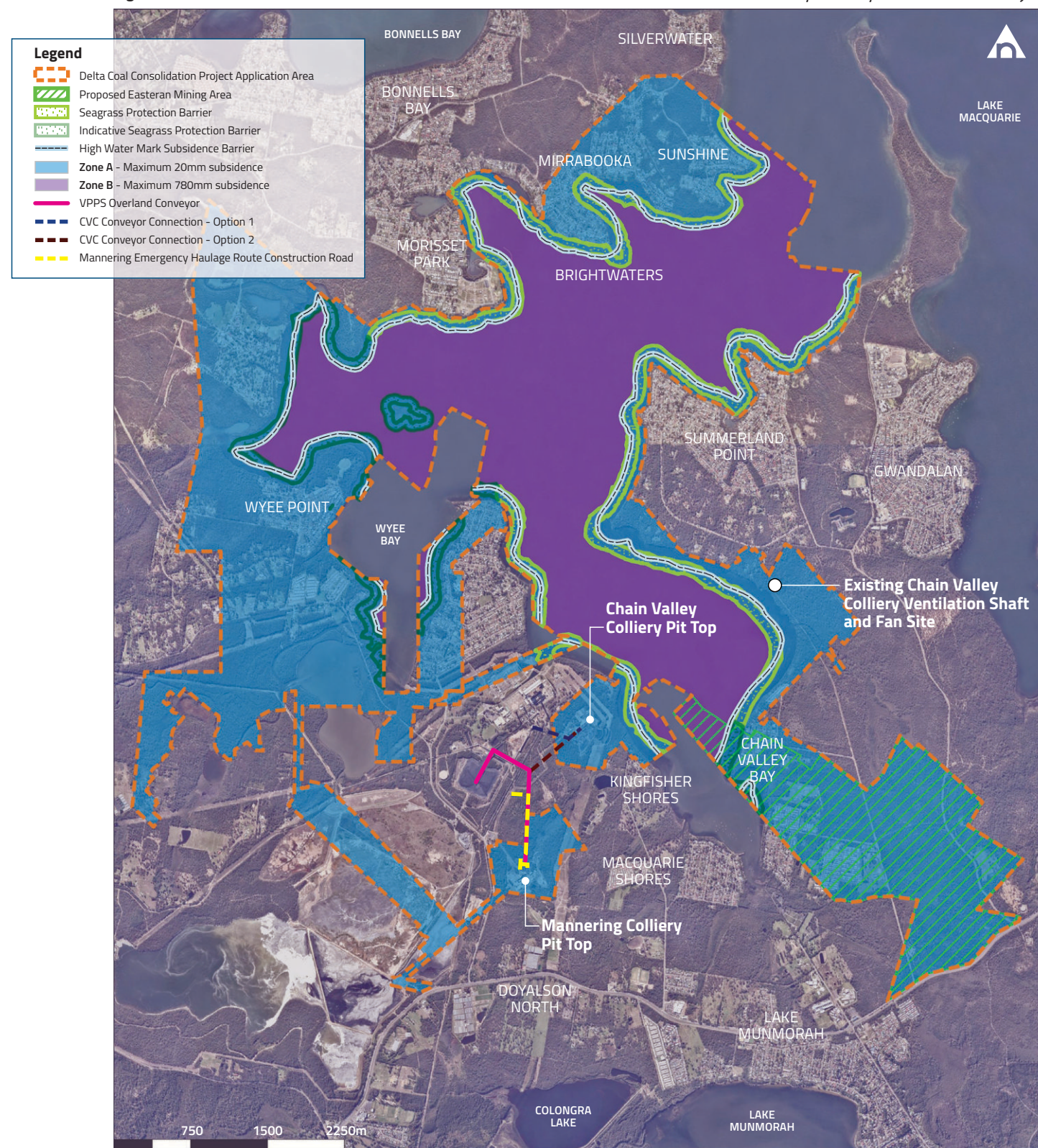
A detailed Social Impact Assessment (SIA) will be prepared in accordance with the DPIE's *Social impact assessment guideline for State significant mining, petroleum production and extractive industry development*. The indicative planning and approvals process and SIA processes (including stakeholder engagement) applicable to the Project are summarised in Figure 2.

Key Aspects of the Consolidation Project

Component	CVC Approved Operations	MC Approved Operations	Consolidation Project
Life of Mine (LOM)	31 December 2027	31 December 2027	31 December 2029
Annual Underground Extraction	Up to 2.1 Mtpa of ROM coal	Up to 1.1 Mtpa of ROM coal	Up to 2.8 Mtpa ROM
Annual Surface Handling	Up to 1.5 Mtpa ROM Coal	Up to 2.1 Mtpa ROM Coal	Up to 2.8 Mtpa from MC and CVC
Resource	Fassifern seam	Great Northern seam Fassifern seam	Great Northern seam Fassifern seam
Mining Method	First workings only under land areas. Pillar extraction and miniwall mining limited to areas under Lake Macquarie	First workings only	First workings only under land areas. Pillar extraction and miniwall mining limited to areas under Lake Macquarie
Underground Mining Areas	Shown on Figure 1 (includes CVC Mod 4 Application Northern Mining Area)	Shown on Figure 1	<ul style="list-style-type: none"> Consolidation of MC and CVC approved Mining Areas Proposed Eastern Mining Area
Subsidence Commitments	<ul style="list-style-type: none"> Existing subsidence zones (Zone A - maximum 20mm, Zone B - maximum 780mm) seagrass and highwater mark subsidence barrier 	<ul style="list-style-type: none"> Maximum 20mm subsidence seagrass and highwater mark subsidence barrier 	<ul style="list-style-type: none"> Zone A - Maximum 20mm subsidence Zone B - Maximum 780mm subsidence (Shown on Figure 1)
Mine Infrastructure	<ul style="list-style-type: none"> Personnel-and-material drifts, ROM coal conveyor drift to MC Vent shaft and fans Coal handling (breaking, crushing, sizing and storing product coal) Administration and workshop facilities Water management infrastructure Underground conveyor to MC 	<ul style="list-style-type: none"> Coal handling (breaking, crushing, sizing and storing product coal) Coal crushing facility Vent shaft and fans Overland conveyor (from MC pit top are to VPPS) Administration and workshop facilities Water management infrastructure Underground conveyor from CVC 	<ul style="list-style-type: none"> Continued use of existing CVC and MC infrastructure Construction of conveyor from CVC to VPPS Upgrades to surface facilities to support extended LOM and ROM throughput increase (including water management and increased temporary stockpile areas) Internal haul road to provide emergency truck haulage to VPPS No change to coal processing
Product Coal Handling and Transportation	<ul style="list-style-type: none"> Product coal to VPPS via truck Transport product coal to MC via the existing underground linkage up to 2.1 Mtpa, for subsequent delivery to VPPS via conveyor A maximum of 660,000 tonnes of product coal per annum on public roads to Port Waratah Coal Services (PWCS) for export A maximum of 180,000 tonnes of product coal per annum on public roads to domestic customers (other than VPPS) 	<ul style="list-style-type: none"> Up to 2.1 Mtpa ROM Coal via overland conveyor to VPPS 	<ul style="list-style-type: none"> Up to 2.8 Mtpa ROM coal from MC and CVC combined Ability for up to 1.5Mtpa road haulage from CVC to VPPS until conveyor built Ability for coal road haulage from MC to VPPS in emergencies on private roads and Construction Road Retain approved road haulage from CVC for export and other domestic users
Hours of Operation	24 hours per day, 7 days per week	24 hours per day, 7 days per week	24 hours per day, 7 days per week
Workforce (Operations)	220 full time equivalent (FTE) personnel (including approximately 40 contractors) Note - Modification 4 proposes peak 390 FTE across both operations	170 FTE personnel Note - Modification 4 proposes cap of 390 FTE across both operations	No change proposed from CVC Modification 4 (combined 390 FTE)
Water Supply and Demand	<ul style="list-style-type: none"> Licensed daily discharge of up to 12.161 ML/day (EPL) Potable water utilised for surface facilities and underground operations (160 ML per annum) supplied by Central Coast Council from potable water supply mains. 	<ul style="list-style-type: none"> Licensed daily discharge of up to 4 ML/day (EPL) Potable water utilised for surface facilities and underground operations supplied by Central Coast Council via metered pipeline 	<ul style="list-style-type: none"> No change to existing water supply and demand Additional water management infrastructure including pipeline linkages between VPPS and pit top facilities along existing infrastructure easements.

Table 1

Figure 1



What Changes?

- Minor extension of mine life of **2 years** (to end 2029) to align approved extraction and production rates with requirements of Vales Point Power Station (VPPS)
- Extension of approved mining to access high quality coal from Great Northern Seam
- Combined production reduced to **2.8 Mtpa** from MC and CVC and an ability to handle up to **2.8 Mtpa** at either facility

What stays the same?

- Continued concurrent operation of CVC and MC
- Continued use of existing CVC and MC infrastructure
- No change to mining methods, hours of operation and workforce
- No change to coal processing and continued underground crushing
- Negligible subsidence impacts (less than 20mm) under foreshore and land areas