

Delta Coal

Community Information

Sheet

Chain Valley Colliery and Mannering Colliery Consent Consolidation Project Update
July 2022

Introduction

Delta Coal owns and operates the underground coal mines Chain Valley Colliery (CVC) and Mannering Colliery (MC), with the pit-top facilities located within the suburbs of Mannering Park and Doyalson North. Both collieries commenced operation in the early 1960's and have extracted coal from the Wallarah, Great Northern and Fassifern seams. The operation is currently approved to continue mining coal until 31 December 2027.

Chain Valley Colliery Consolidation Project

Delta Coal is seeking to consolidate its two separate approvals (SSD-5465 and PA 06_0311) into one approval. This project is referred to as the Chain Valley Colliery Consolidation Project (consolidation project). In a previous Community Newsletter (August 2021), Delta Coal communicated that it was undertaking the consolidation project and that it was seeking approval for proposed mining in the Eastern Mining Area, extending southeast from Chain Valley Bay.

Delta Coal has reviewed its mining operations and will **discontinue its application for approval in the Eastern Mining Area within the Consent Consolidation Project**, this area is identified in Figure 1. The purpose of removing the Eastern Mining Area from the Consent Consolidation Project is to align life of mine operations with the mines current business strategy. Delta Coal will continue its planned production from the areas already approved for mining in its two existing approvals.

Delta Coal will continue to prepare an Environmental Impact Statement for the consent consolidation project to combine its two separate approvals into one approval. The current stage of the consolidation project is identified in Table 1 and the proposed changes to existing approvals are detailed in Table 2.

If you would like to discuss any aspect of our mining operations or environment and community management issues, please don't hesitate to contact Delta Coal via email (info@deltacoal.com.au) or phone (1800 687 260), or for further information on Delta Coal's operations visit www.deltacoal.com.au.

Table 1 - Current Stage of the Consent Consolidation Project.

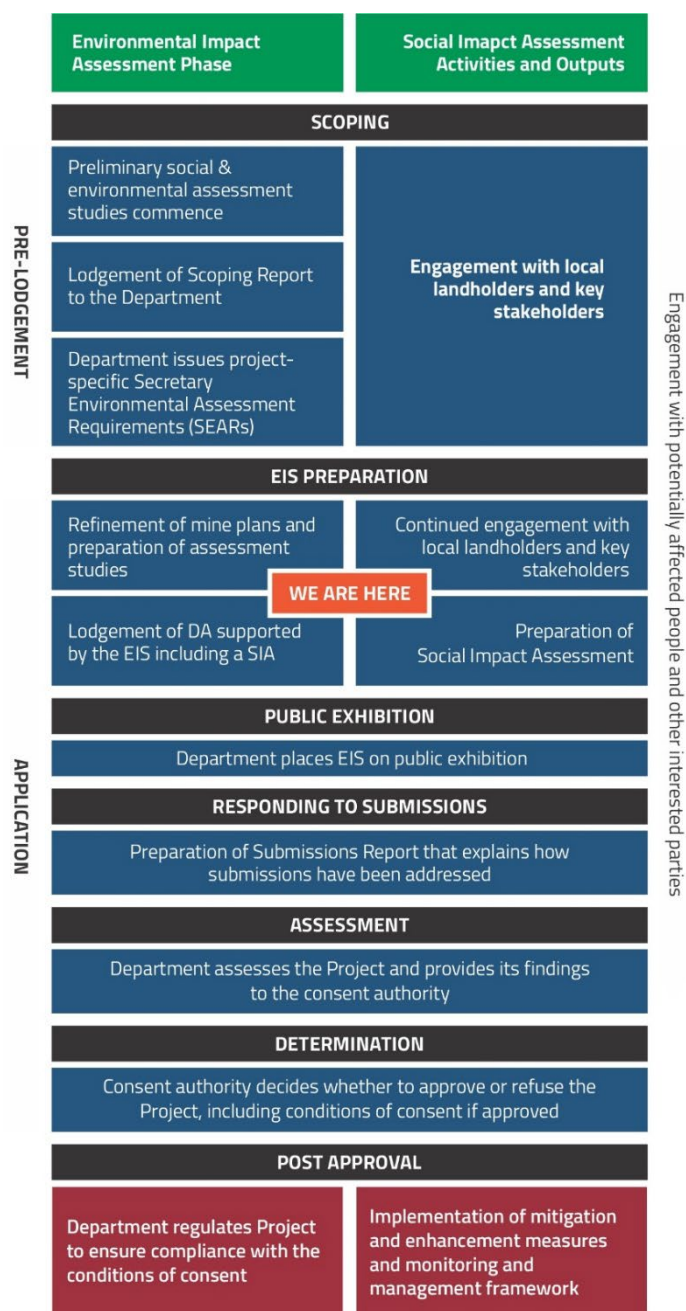


Table 2 - Key Aspects of the Chain Valley Colliery Consent Consolidation Project

Comparison of Approved CVC and MC Operations and

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	Extraction of up to 2.1 Mtpa ROM coal	Extraction of up to 1.1 Mtpa of ROM coal	Up to 2.8 Mtpa ROM (total from all mining areas)
Annual Surface Handling	Up to 1.5 Mtpa ROM Coal	Up to 2.1 Mtpa ROM Coal	Combined handling cap of up to 2.8 Mtpa ROM coal. Up to 1.5 Mtpa from CVC and up to 2.8 at MC
Resource	Fassifern seam	Fassifern seam Great Northern seam	Fassifern seam Great Northern seam
Mining Method	First workings only under land areas. Pillar extraction and miniwall mining only under lake and subject to 20 mm subsidence limits on sea grass beds and foreshore areas	First workings only	First workings only under land areas Pillar extraction and miniwall mining limited to areas under the lake and subject to 20 mm subsidence limits on sea grass beds and foreshore areas
Underground Mining Areas	Shown on Figure 1 (includes CVC Mod 4 Application Northern Mining Area)	Shown on Figure 1	Consolidation of MC and CVC approved Mining Areas
Subsidence Commitments	<ul style="list-style-type: none"> 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
Mine Infrastructure	<ul style="list-style-type: none"> Personnel-and-material drifts, ROM coal conveyor drift to MC Upcast and downcast ventilation shaft and fans Coal handling facilities for breaking, crushing, sizing and storing product coal Administration and workshop facilities Water management infrastructure 	<ul style="list-style-type: none"> Coal handling (breaking, crushing, sizing and storing product coal) upcast and downcast ventilation shaft and fans Overland conveyor (from MC Pit Top to VPPS) Underground conveyor to CVC Administration and workshop facilities Water management infrastructure 	<ul style="list-style-type: none"> Continued use of existing CVC and MC infrastructure Coal handling infrastructure recently demolished at CVC will be replaced as required Minor upgrades to surface facilities proposed to support extended LOM and the increase to ROM throughput (including water management structures)
Product Coal Handling and Transportation	<ul style="list-style-type: none"> Product coal from CVC Pit Top to VPPS via truck on private roads only (up to 1.5Mtpa) Transport product coal from approved CVC mining area to MC via the existing underground linkage up 2.1 Mtpa, for subsequent delivery to VPPS via conveyor A maximum of 660,000 tpa of product coal from CVC Pit Top on public roads to the Port of Newcastle for export A maximum of 180,000 tpa of product coal from CVC Pit Top 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 1.5 Mtpa product coal transport from CVC to VPPS via internal haul road and sections of privately-owned Construction Road Up to 2.8 Mtpa product coal transport from MC to VPPS via existing conveyor maintain current approval of 660,000 tpa for export and 180,000 domestic limit
Hours of Operation	24 hours per day, 7 days per week	24 hours per day, 7 days per week	No change
Workforce (Operations)	Up to approximately 330 FTE personnel at CVC and within an overall CVC/MC workforce of approximately 390	Up to approximately 330 FTE personnel at CVC and within an overall CVC/MC workforce of approximately 390	<ul style="list-style-type: none"> No change Approximately 390 FTE personnel across the two operations
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 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 current water discharge requirements Potable water utilised for surface facilities and underground operations supplied by Central Coast Council

Figure 1 - Consolidation Project Boundary and removed Eastern Mining Area

