

TARRAWONGA COAL MINE Community Newsletter

Issue 1, Autumn 2011



Tarrawonga Coal Pty Ltd

From the Project Manager

Mining operations at the Tarrawonga Coal Mine commenced in 2006. Now in its fifth year of operation, the site currently employs 70 full time personnel with production levels near our approved maximum output level of 2 million tonnes of Run of Mine (ROM) Coal per annum.

This will be a significant year for us as we evaluate a significant expansion (the Tarrawonga Coal 'Life of Mine' Project). In this newsletter we have provided a preliminary outline of the proposed Project and the environmental studies currently being undertaken.

Over the next 12 to 18 months we will be issuing regular newsletters updating the community about the Tarrawonga mine. The newsletters will provide updates on the Project and key findings of the studies. Contact details are provided in this newsletter for anyone seeking additional information or wishing to discuss the existing Tarrawonga Coal Mine or the proposed Project further.

Regards
Jason Conomos
Project Manager

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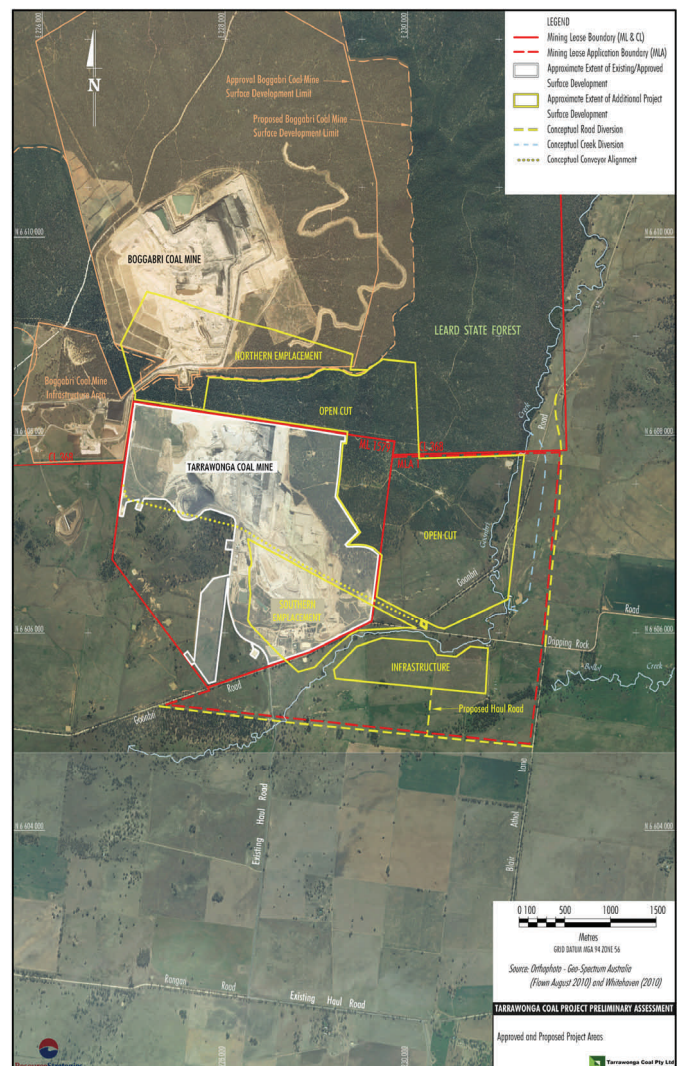
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Overview of the Proposed Tarrawonga 'Life of Mine' Coal Project

The proposed extension to the Tarrawonga Coal Mine would involve mining to the east and to the north of the existing Mining Lease (ML1579). The main components of the proposed Project include:

- Open cut mining of an additional 39 million tonnes of coal (approximately).
- An increase in the total mine life from approximately 10 years to 23 years.
- An increase in the coal production rate from 2 to 3 million tonnes per annum, which would involve an increase in the mining fleet and road transport to the Whitehaven Coal Handling and Preparation Plant.
- Extension of the open pit by approximately 1,500 metres to the east and 400 m to the north of the current open pit.
- Extension of the existing Northern Emplacement, Southern Emplacement and open cut infill areas.
- Relocation of the existing on-site coal crushing and screening facilities, workshops and administration areas to a new, more centralised, location on the mine site.
- Potential construction of a conveyor to transport coal to the Boggabri Coal Mine coal processing plant and rail load-out facility.
- Construction and use of dams, channels, dewatering bores and other control measures to manage groundwater and surface water within and around the mine site, including the diversion of Goonbri Creek to the east around the open cut.
- Re-alignment of sections of Goonbri Road and Dripping Rock Road to the south and east of the mine site, respectively.

This project requires significant community and stakeholder consultation, as outlined on the following page. If approved the mine would be subject to strict approval conditions and environmental monitoring and management requirements.



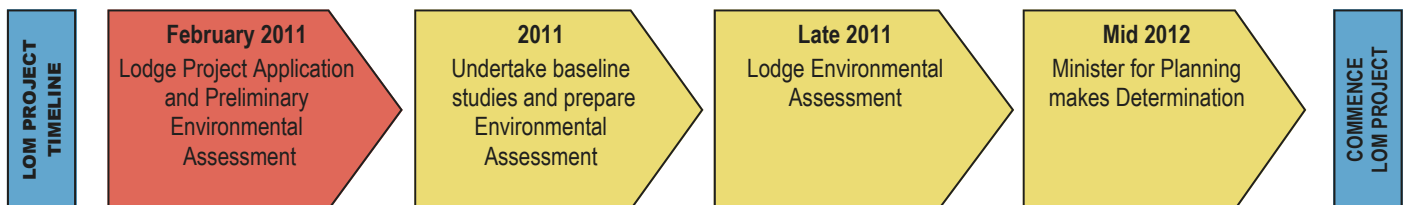
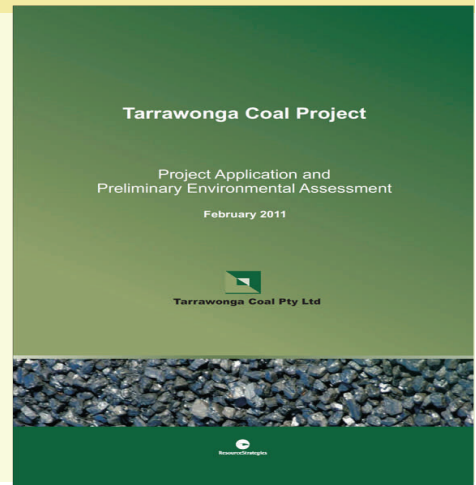
Environmental Assessment of the Tarrawonga 'Life of Mine' Coal Project

As required under NSW legislation, Tarrawonga Coal Pty Ltd would seek approval under the *Environmental Planning & Assessment Act, 1979* for the Life Of Mine Project. The flowchart below provides a summary of the process.

In order to initiate the process, Tarrawonga Coal Pty Ltd has recently lodged a Project Application and Preliminary Environmental Assessment (PEA) with the NSW Department of Planning. The PEA can be viewed on the Whitehaven website (www.whitehavencoal.com.au)

Tarrawonga Coal Pty Ltd has also started to prepare an Environmental Assessment (EA) for the Project. A number of baseline studies are currently being undertaken for the EA by specialist environmental consultants in the following fields;

- Groundwater and surface water;
- Flora and fauna;
- Aboriginal and non-Aboriginal heritage;
- Noise, blasting and air quality;
- Road transport;
- Socio-economic;
- Visual amenity; and
- Soils, land use and rehabilitation.



Proposed Bore Census for the Groundwater Study

As part of the preparation of the Project EA, Tarrawonga Coal Pty Ltd has commissioned specialists to conduct a groundwater study. To do this we will need to obtain basic information about existing bores in the vicinity of the Project through a 'Bore Census' to identify current groundwater users and determine current groundwater levels.

The Bore Census will involve:

- meeting with landowners who have bores and are interested in participating in the Bore Census (i.e. providing basic details about their bores); and
- inspecting bores in the vicinity of the Project (with the permission of the relevant landowner) and recording information such as their location, current groundwater level, water quality and other construction/water

usage details.

We propose to undertake the Bore Census between April and May 2011.

Landowners with bores in the vicinity of the Project who would like to participate in the Bore Census should contact Whitehaven's Environmental manager, Danny Young via the contact details provided in this newsletter.

All participating landowners will be contacted by Tarrawonga Coal Pty Ltd to arrange an appropriate date/time to meet with the landowner and conduct an inspection of their bores and to obtain construction and water use information if available.

Project Community Consultation

Community consultation will be undertaken to provide information about the Project, identify community issues and concerns, and to enable Tarrawonga Coal Pty Ltd to factor them into the Environmental Assessment. The following activities will be undertaken to enable comment and input:

- Newsletters, such as this, will be circulated to surrounding residences and relevant stakeholders to provide Project status updates, study findings, and outcomes.
- The Tarrawonga Community Consultative Committee (CCC) will be kept informed with regard to status of the project so information can be referred back to the community.
- Meetings with groups and/or individual stakeholders will be held to discuss issues and provide updates on the specialist environmental studies. This will include a community consultation day prior to lodgement of an Environmental Assessment.
- Copies of the EA will be made available for public review and comment.

We welcome your input into the development of this project and encourage you to either contact us with any questions or concerns, or to provide your views through the formal process outlined above.

Tarrawonga Environmental and Community Enquiries

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For more information on Whitehaven Coal, please visit:
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