

2 February 2012

Stephen O'Donoghue
Senior Planner, Mining and Industry Projects
Department of Planning and Infrastructure
GPO Box 39 Sydney
NSW 2001

Re: Cobbora Coal Project (MP 10_0001) – project update

Dear Stephen

This letter is to inform the Department of Planning and Infrastructure of changes to the Cobbora Coal Project (the Project) (MP 10_0001) since the submission of the *Cobbora Coal Project, Project Update Report* on 22 August 2011. These changes have been introduced to generally avoid or minimise environmental impacts that have been identified as part of the ongoing environmental assessment.

An updated project layout is provided in the attached figure.

Coal conveyor

The *Project Update Report* describes the transport of coal from the coal handling and preparation plant (CHPP) to a rail loop and spur by a 12-km long conveyor. The conveyor required a cleared corridor between the two sections of Tuckland State Forest which are part of a larger continuous area of remnant vegetation. This would have required the removal of approximately 6 ha of endangered ecological community. It also required that a product coal stockpile and coal loader was located within approximately 1,500 m of 11 houses along Suzanne road.

It is no longer proposed to build this conveyor. Instead, the rail spur will extend from the Dunedoo-Gulgong rail line to the CHPP that will be adjacent to the mine area. The proposed rail spur will be approximately 28 km long, including the balloon loop. The rail spur will pass largely through cleared agricultural areas (Agricultural Suitability Class 3 and 4). It will be constructed on land owned by Cobbora Holding Company Pty Limited.

Coal handling and preparation plant

The CHPP and associated coal stockpiles have been moved approximately 1 km to the east to be adjacent to the rail loop. This is further from the banks of Laheys Creek.

Rearrangement of the infrastructure in this area, along with the removal of the coal conveyor, has avoided the largest known population of *Zieria ingramii* in the Project Application Area. *Zieria ingramii* is a small shrub which grows to 0.6 m high. It is listed as an endangered species in both NSW and Commonwealth legislation.

Local roads

Development of the mine will require the closure of a northern section of Spring Ridge Road, a section of Sandy Creek Road and Danabar Road early in the mine development. Dapper Road will need to be closed in approximately Year 12 of operations.

It is proposed to construct a Spring Ridge Road diversion that will join Spring Ridge Road to Sweeneys Lane and to realign the northern section of Sweeneys Lane to improve access to the Golden Highway. A road realignment will also be required south of Suzanne Road to accommodate the rail spur.

Construction accommodation village

An assessment of potential workforce accommodation has been undertaken. The assessment indicates that accommodation of the construction workforce in nearby towns is achievable. However, to ensure that CHC can attract and retain a skilled construction workforce, it is proposed to construct a temporary construction accommodation village for up to 400 people. This will be located close to the mine construction area within the footprint of one of the future mine pits.

The construction accommodation village will reduce pressure on the local accommodation market and traffic volumes on the highways during construction.

The majority of mine workers will be accommodated in the region during the operation of the mine. Therefore, an operations accommodation village is not warranted and is not part of the project application.

Water pipeline

The indicative route of the water pipeline from the Cudgegong River has been refined to minimise archaeological impacts and to avoid unavailable land.

Project application area

The Project Application Area provided in the *Cobbora Coal Project, Project Update Report* (August 2011) has been modified to ensure that the road diversions, rail spur and water pipeline are contained within this area, increasing it from 246 km² to 274 km².

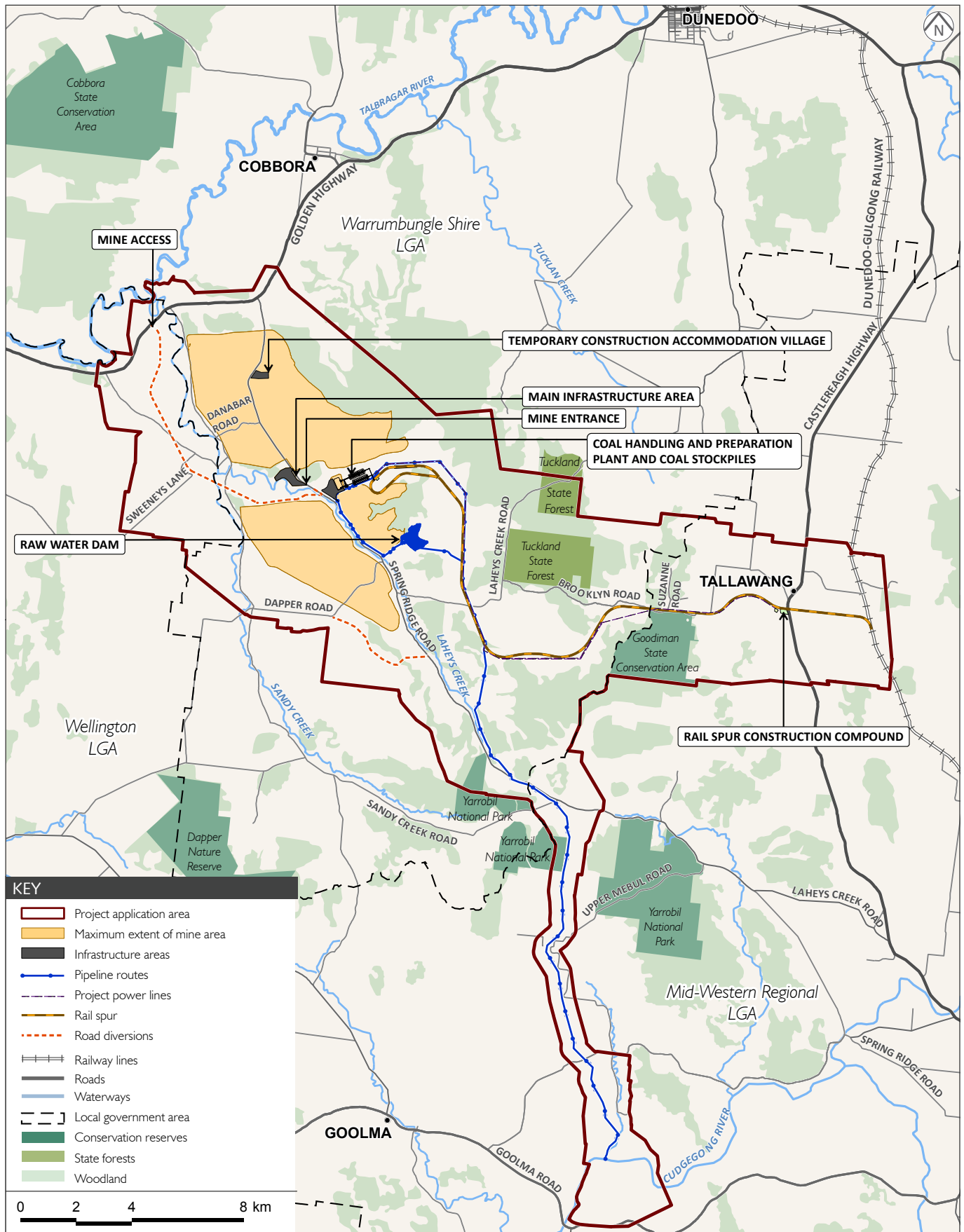
Director General's Environmental Assessment Requirements

Each of the issues above are encompassed within the revised Director General's Environmental Assessment Requirements issued on 23 December 2011 and will be thoroughly assessed in accordance with these requirements. We believe that further revision of these requirements is not required.

Yours sincerely



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Project Application Area
Cobora Coal Project