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Stakeholder Engagement



Bengalla continuation

Community Factsheet - February 2012

Bengalla is an open cut mine located approximately four kilometres west of Muswellbrook in the Upper Hunter. For more than 10 years Bengalla has been proud to be part of the Muswellbrook community, generating employment and economic opportunities for the region. Coal & Allied manages Bengalla on behalf of its joint venture partners, and last year the mine produced 7.0 million tonnes of run of mine coal.

Bengalla's existing approvals run until 2017, and in 2012 Coal & Allied is planning to lodge an application with the NSW Department of Planning & Infrastructure for a new Development Consent under Part 4 Division 4.1 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). This will allow mining operations to continue for an additional 21 years beyond 2017, ensuring the mine remains a long term employer in the region.



"Bengalla is seeking to continue mining for another 21 years."

As part of the Government assessment process this proposal must go through a number of rigorous steps before a determination is given. The first stage of the application process will be a request from Bengalla to the Department for its Director-General's Requirements for the proposal. These requirements will explain what will need to be

addressed in an Environmental Impact Statement (EIS) which will accompany Bengalla's Application for Development Consent.

We have developed this factsheet to provide you with information on the Bengalla continuation proposal and how you can provide your feedback during the Government assessment process.

Bengalla continuation

Community Factsheet

About the project

The Bengalla continuation project is aimed at continuing operations at Bengalla for another 21 years beyond 2017.

Mining will continue to the west of current operations, away from Muswellbrook and on land owned by the mine and Coal & Allied. The project area is largely within existing mining tenements.

Our application will also seek to raise the upper production limit to 15 million tonnes of coal per year, so we have the option to increase production in the future.

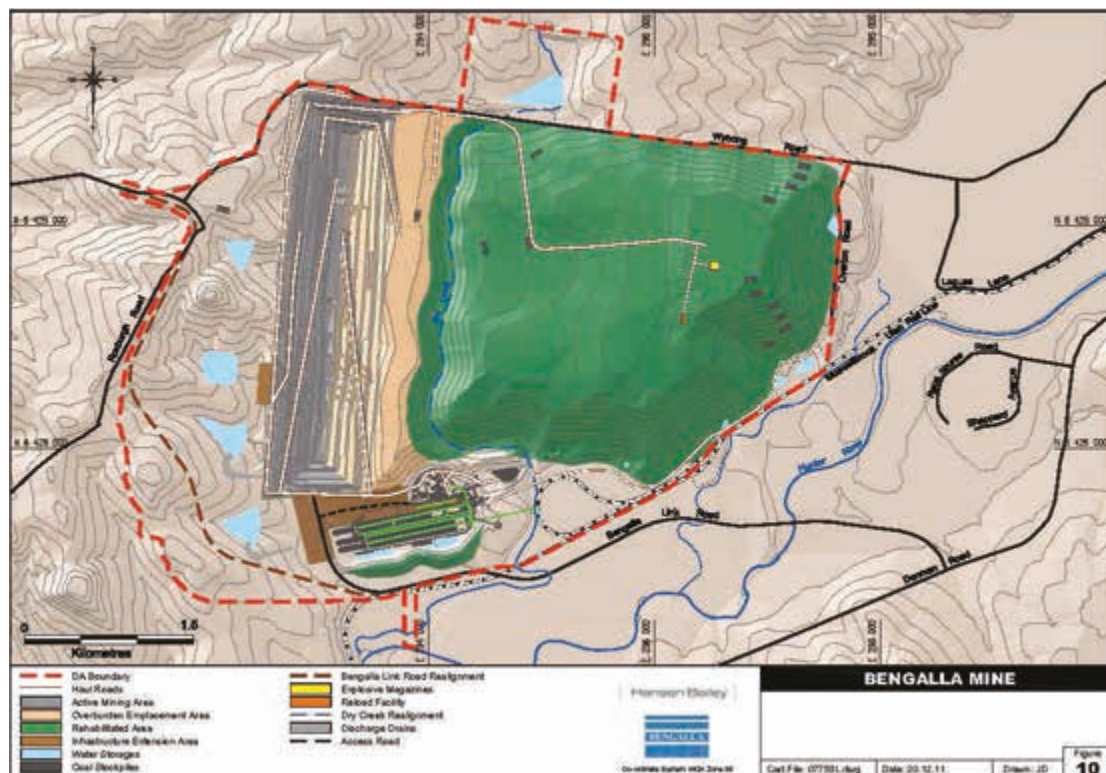
Continuing mining at Bengalla will provide ongoing employment for our entire existing workforce, with the potential to create new jobs in years to come.

The proposed Bengalla continuation project involves:

- Adding an additional Overburden Emplacement Area to the west of Dry Creek which may be used for excess spoil material until rejoined by mining operations
- Using upgraded existing facilities to process, handle and transport coal
- An additional washery coal stockpile and Run of Mine coal stockpile

- Relocating a section of the Bengalla Link Road near the existing mine access road to enable coal extraction
- Relocating Bengalla's Explosives Magazine and Reload Facility
- Temporarily diverting a section of Dry Creek via dams and pipework with a later permanent realignment of Dry Creek through rehabilitation areas once stability is established
- Relocating existing water storage infrastructure with the construction of new clean and raw water dams
- Relocating and building a new supporting power and communications reticulation infrastructure.

Conceptual 21 Year Mine Plan



Planning Approvals Process & Environmental Impact Statement

Our Bengalla team is working with local environmental consultancy firm, Hansen Bailey, to prepare a detailed EIS to be submitted in support of the application for Development Consent.

A range of specialist technical studies are currently underway for inclusion in the EIS including:

- Ecology
- Air Quality and Greenhouse Gas
- Aboriginal and non-Indigenous Heritage
- Acoustics (noise and blasting)
- Water Resources (surface and groundwater)
- Geochemistry and Acid Rock Drainage
- Soils and Land Capability
- Agricultural Productivity
- Economics
- Social
- Rehabilitation and Final Landform
- Visual and Lighting
- Traffic and Transport
- Waste and Hazardous Materials
- Spontaneous Combustion
- Flooding
- Bushfire.

“Continuing mining will ensure Bengalla remains a long term employer in the region.”



Commitment to the community: Bengalla has been proud to be a long term supporter of the Upper Hunter Show, including the annual Bursting with Energy Expo now in its 11th year.

Stakeholder Consultation

Coal & Allied and Bengalla are committed to continuing their strong engagement approach with the local community. We have identified a range of key community, regulatory and industry stakeholders relevant to this project and will remain focused on building strong and effective relationships, consistent with our policies and values.

Our consultation programme is now underway and we will be meeting with community and other interested people/parties to better understand their concerns and identify issues for consideration in the EIS.

Engagement feedback from the community will also be integrated with a Social Impact Assessment developed for inclusion in the EIS.

Face-to-face briefings and presentations to State and Local Government agencies will also take place throughout the EIS preparation state including:

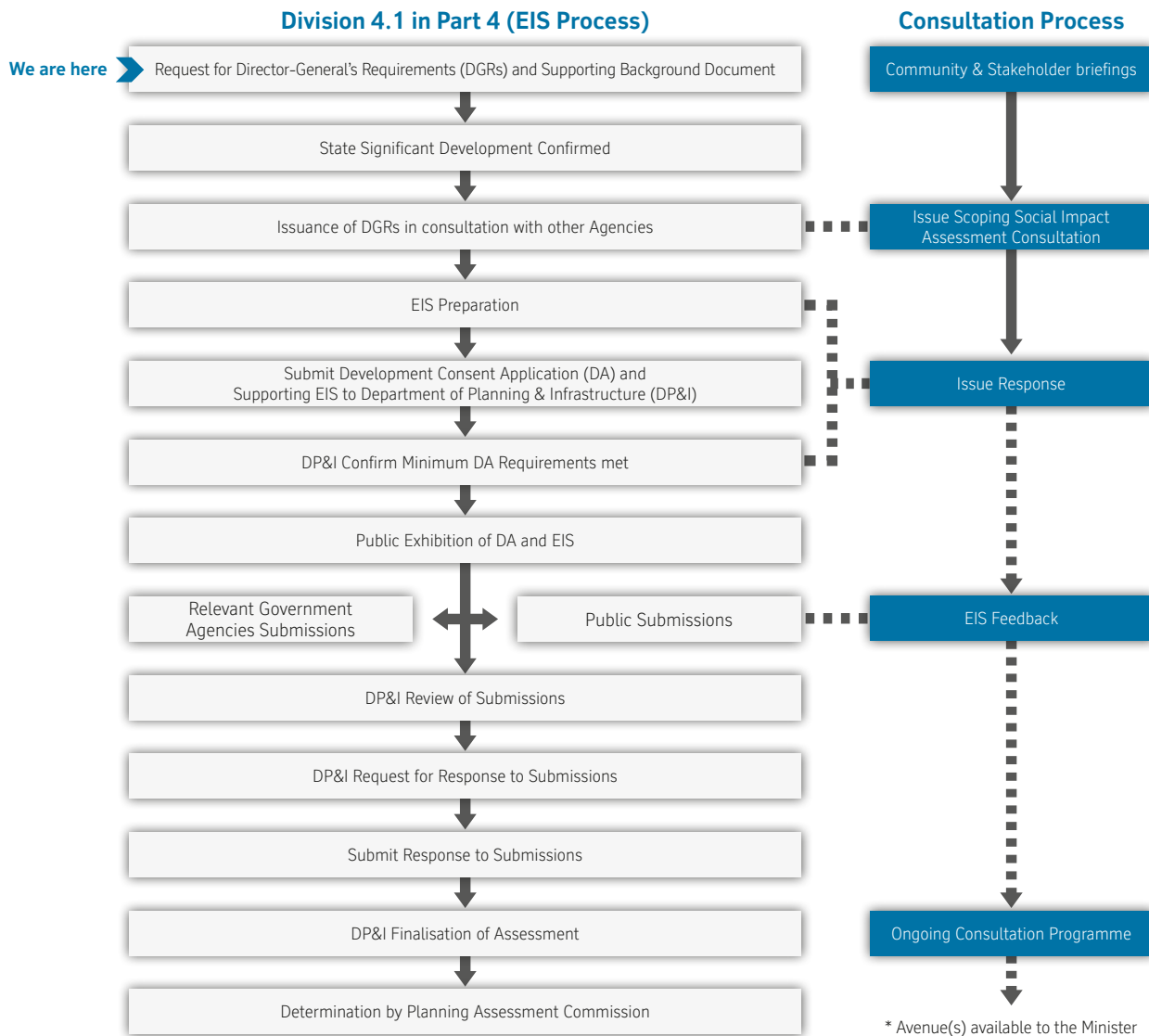
- Department of Planning & Infrastructure
- Division of Resources and Energy NSW
- Bengalla Community Consultative Committee (CCC)
- Office of Environment & Heritage
- Muswellbrook Shire Council
- Commonwealth Department of Sustainability, Environment, Water, Population and Communities
- Other relevant government regulators.

These presentations will be designed to provide Government stakeholders with an initial overview of the Bengalla Extension project, and to identify issues that will require assessment in the EIS.



Where to from here?

EIS preparations are now underway with specialist technical studies anticipated to continue throughout 2012. Bengalla plans to submit this continuation proposal EIS to the Department of Planning & Infrastructure later in the year. Key consultation stages in relation to the EIS are shown below:



Further information

If you have any questions regarding this project:

Visit – Muswellbrook Shopfront, 19 Bridge Street

Phone – **1800 727 745** our freecall Community Info Line

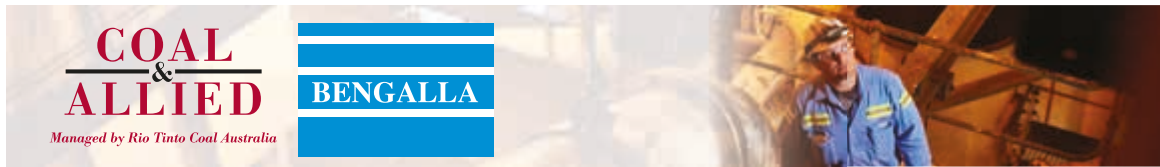
Email – cnacommunityrelations@riotinto.com

Web – www.coalandallied.com.au – visit the projects page under Our Operations.

Contact Craig White – Bengalla Approvals Specialist
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Continuation of Bengalla mine

Project update - October 2012

Introduction

Bengalla mine (Bengalla), managed by Coal & Allied is located approximately 4km west of Muswellbrook. Bengalla operates in accordance with Development Consent (DA 211/93 as amended) issued in 1996 to facilitate open cut coal mining and associated activities. Bengalla has approval to extract up to 10.7 Million tonnes per annum (Mtpa) of Run of Mine (ROM) coal until 2017.

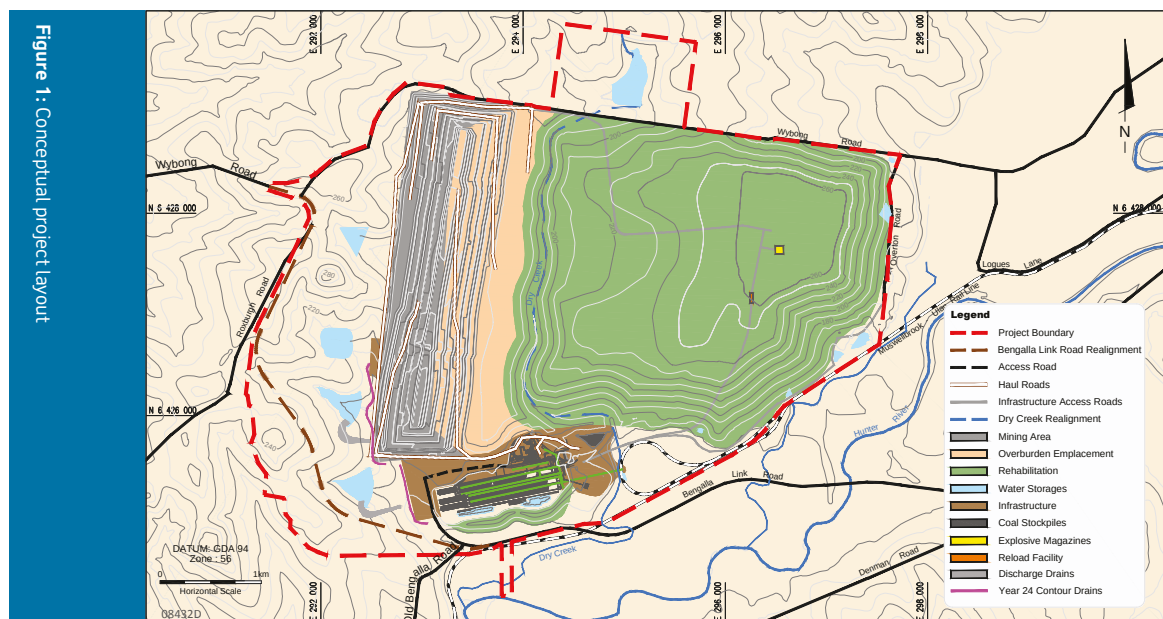
To ensure future operations, Bengalla has commenced the preparation of an Environmental Impact Statement (EIS) that will accompany an Application for a new Development Consent under Part 4, Division 4.1 of the Environmental Planning and Assessment Act 1979. This will facilitate the continuation of open cut coal mining at Bengalla for a further 24 years and will address the Department of Planning and Infrastructure's (DoPI) Director-General's Environmental Assessment Requirements (DGRs) received in March 2012.

Continuation of bengalla

The continuation includes the following features:

- Open cut mining towards the west at a rate of up to 15Mtpa of ROM coal for 24 years to a total of 316Mt
- Continued use of the existing dragline, truck fleet and excavator fleet
- An out of pit overburden emplacement area (OEA) to the west of Dry Creek which may be utilised for excess spoil material until it is intercepted by mining
- Continued use, extension or relocation to existing infrastructure
- Construction and use of various items of new infrastructure (main infrastructure area, water reticulation infrastructure, stockpiles and conveyors)
- Processing, handling and transportation of coal via the (upgraded) coal handling and preparation plant and rail loop for export and domestic sale
- Continued rejects and tailings co-disposal in the Eastern OEA and temporary in pit reject emplacement
- Relocation of a 3km section of Bengalla Link Road around year 15 near the existing mine access road to facilitate coal extraction
- The diversion of Dry Creek via dams and pipe work with a later permanent alignment of Dry Creek through rehabilitation areas when emplacement areas are suitably advanced
- Relocation of water storage infrastructure as mining progresses through existing dams (including the staged discharge dam and raw water dam)
- A workforce of approximately 900 full time equivalent personnel (plus contractors) at peak production.

A general layout of the continuation plan is illustrated in **Figure 1**.



Planning approvals process & environmental impact statement

Specialist technical studies that are currently being undertaken for inclusion in the EIS include:

- Ecology
- Air quality and greenhouse gas
- Aboriginal and non-Indigenous heritage
- Acoustics (noise and blasting)
- Water resources (surface and groundwater)
- Geochemistry
- Soils and land capability
- Agricultural productivity
- Economics
- Social
- Rehabilitation and final landform
- Visual and lighting
- Traffic and transport
- Waste and hazardous materials.

Stakeholder consultation

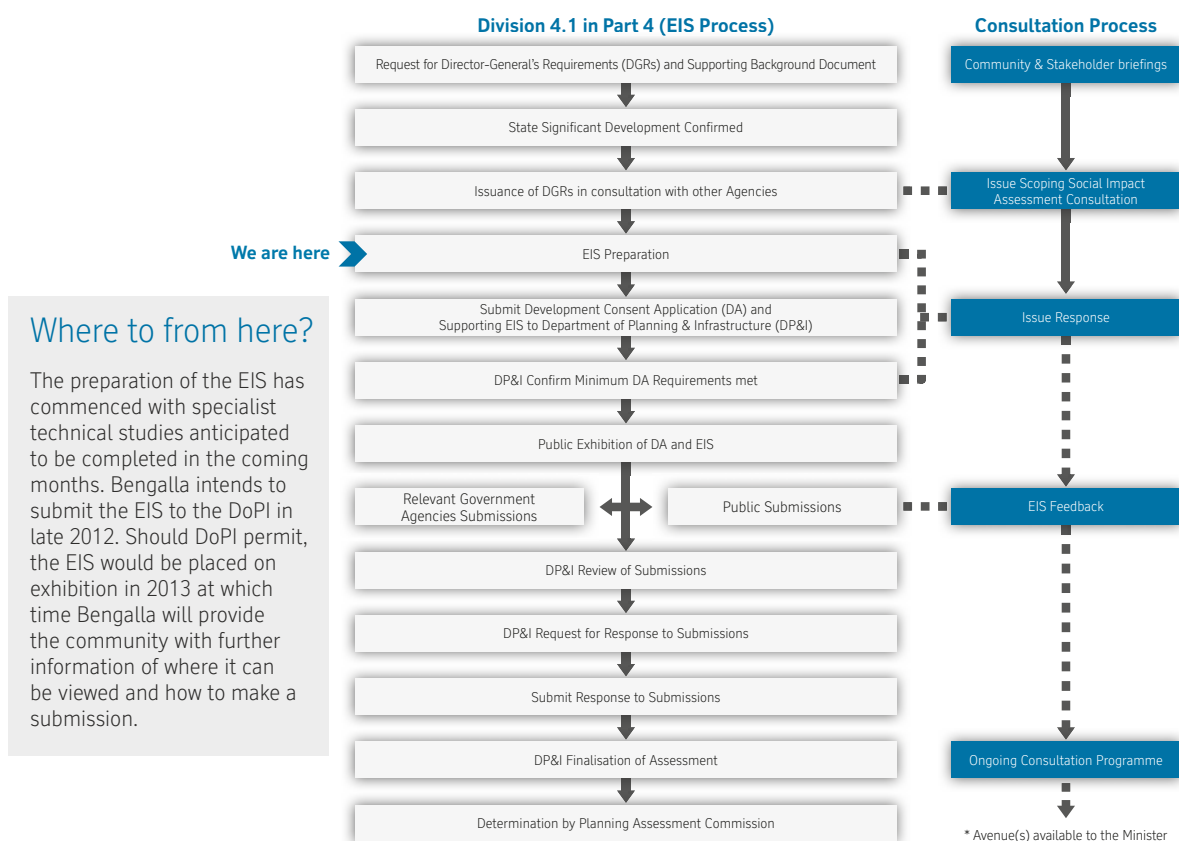
Bengalla is strongly committed to continue to undertake best-practice stakeholder engagement with the local community. Further, Bengalla has identified key community, regulatory and industry stakeholders relevant to the continuation to achieve these goals and will constantly endeavour to build strong and effective relationships, consistent with our policies and values. Engagement feedback from the community will be integrated with the Social Impact Assessment, which will be conducted for inclusion in the EIS.

Face-to-face briefings and presentations to State and Local Government agencies will also continue to be conducted throughout the preparation of the EIS including:

- DoPI
- Division of Resources and Energy
- Office of Environment and Heritage

- Muswellbrook Shire Council
- NSW Office of Water
- Commonwealth Department of Sustainability, Environment, Water, Population and Communities
- Department of Primary Industries
- Hunter-Central Rivers Catchment Management Authority
- Other relevant government regulators.

These meetings have been designed to provide government stakeholders with an initial overview of the continuation and to identify issues that will require assessment in the EIS.



Further information

If you have any questions regarding this Project or the current mining operations at Bengalla, please contact either:

Craig White

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Bengalla
Phone Number (02) 6542 9500
Email: Craig.White2@riotinto.com

Coal & Allied shopfront

19 Bridge Street
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