



Caroona Coal Action Group Inc.

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10th May 2013

NSW Government Planning & Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Director, Mining and Industry Projects
Re: Watermark Coal Mine
App No.: SSD – 4975, Watermark Coal Project

The Caroona Coal Action Group is a volunteer community group comprising of a wide range of residents of the Liverpool Plains.

CCAG was formed and incorporated in April 2006 following the granting of a five year coal Exploration Licence (Caroona EL6505) by the now disgraced New South Wales Minister for Mineral Resources, Ian Macdonald to Coal Mines Australia Limited (CMAL), a wholly owned subsidiary of BHP Billiton. The company paid the NSW Government a record sum of \$100 million for the license. For the first time in the history of New South Wales, a fee of \$100 million is also payable to the State Government upon the granting of consent to mine.

In November 2008, Shenhua Watermark Coal Pty Ltd, a Chinese State owned company was granted an Exploration Licence (Watermark EL7223) over the Watermark Exploration Area for a record \$300 million. Once again a fee of \$300 million is payable to the NSW Government upon the granting of consent to mine.

When the Watermark license was issued considerable concerns had already been raised by the community regarding security of its water supplies. The Namoi Water Study, a jointly funded Commonwealth/Industry project had already commenced, Shenhua was in full knowledge of the concerns over potential harm to agricultural and town water resources.

The Namoi Water Study has identified that the cumulative impacts of the proposed projects in the Namoi Catchment area will have a permanent impact on the agricultural water resources.

The Namoi Catchment is one of the Nation's most productive areas of food and fibre and the protection of the integrity of the water resources is essential to maintain its agricultural viability.

The CCAG believe that the proposed developments will pose unacceptable risks to the agricultural future of the Namoi Valley and that the term "co-existence" whilst providing a comfort for the extractive industries is not possible here. The Namoi Valley has featured willingness by the Agricultural sector to relinquish water entitlement to ensure that Agriculture has a sustainable co-existence with these water resources. Through this process the residual entitlements provided a significant property right to ensure ongoing investment confidence for water entitlement holders following this very painful process.

The CCAG have raised considerable funds to commission the attached reports and are available to comment further in any planning process pertaining to this project.

We would like to thank the Department of Planning for its cooperation in providing the missing water data associated with the EIS and the granting of an extension allowing us the extra time to consider its content and lodge our submissions.

Yours sincerely

Tim Duddy
CEO CCAG Inc.
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"We must ensure mining does not destroy our environment, agricultural production, people's livelihoods, health and attachment to the land"