



NEWGATE

The Secretary
Department of Planning, Industry and Environment
GPO Box 39,
Sydney 2000

24 September 2019

Dear Sir,

MAXWELL UNDERGROUND COAL MINE PROJECT SSD-9526

Thank you for the opportunity to comment on the Environmental Impact Statement submitted by Malabar Coal regarding their application for an underground coal mine at the former Drayton South site (now known as Maxwell). The Newgate Group (Newgate) objects to this proposal.

NEWGATE

Newgate runs a thoroughbred breeding operation and was founded by Henry Field in 2010 with only a handful of mares on a 250 acre leased property. Today, Newgate is one of the leading thoroughbred stud farms in Australia encompassing 1,700 acres of prime Hunter Valley land. With a foundation based upon quality bloodstock and quality people, Newgate has flourished.

Newgate is a major force within the Australasian Thoroughbred Industry and has grown exponentially since the acquisition of the high-class Group 1 winning sprinter Foxwedge.

In 2013 Newgate purchased one of the finest properties in the Hunter Valley, the historic Brooklyn Lodge Stud, which has already produced Golden Slipper winners, Classic winners, and Cup winners - the equivalent of Gold medal Olympic winners, among countless others.

In the 2018 breeding season Newgate stood 14 stallions, which have an estimated value in excess of \$70m. These stallions covered just under 1,800 mares in 2018.

The extraordinary growth of the Newgate business in the last 9 years is based on the willingness of the owners to invest in the Hunter Valley and the confidence that the stallion and broodmare owners have in both Newgate and the Hunter Valley. Newgate is now one of the major Australian thoroughbred breeding operations.

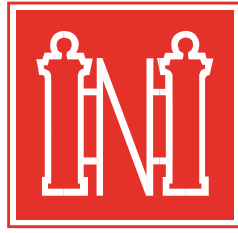
Newgate also ranks among the top consignors at major Australian thoroughbred auctions having a record of producing high priced, quality yearlings that go on to perform successfully on the racetrack. We are an integral part of the Hunter's Equine Critical Industry Cluster and like all of the studs in the Upper Hunter, our livelihoods and reputations rest on clean air, water and scenic peaceful landscape. It is well known that we are very vulnerable to the impacts and threat of mining. Investment confidence is being eroded every time a new mine is approved, and the mines move closer and closer to our operations.

Newgate Operations Pty Ltd ABN: 14 162 416 104

Newgate Stallions Pty Ltd ABN: 48 158 624 349

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www.newgate.com.au



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Newgate and the other thoroughbred studs care for thousands of very valuable horses. The owners of these horses have an expectation that their horses will receive the best of care in a pristine environment.

The reason the studs exist in the Hunter Valley is the quality of the land and the clean environment. This has been beyond reproach until the coal mine creep that has happened in the last 10 -15 years.

Broodmare and stallion owners do not want and will not accept having their valuable bloodstock exposed to the outcomes that come with coal mining - such as threats to our water supplies, dust, noise, and the visual impacts of mining.

Our industry is responsible for the employment of nearly 6,000 people in this region and over half a billion dollars in value is added to the regional economy every year.

Newgate has invested millions of dollars in the last 2 years building a new office, covering shed, roads and housing. All this money went into the local economy. The major horse studs are all pristine and beautiful environments and they need to be protected. Five (5) previous Independent Planning Assessment Commissions have already come to that conclusion.

It continues to confound the owners of Newgate and all our clients as to why the thoroughbred industry in the Hunter Valley, which is considered as one of the best in the world, is continually put at risk by coal mining and is not protected like the other major breeding centres around the world.

The thoroughbred industry in the Hunter Valley is a sustainable industry and has been here for nearly 200 years. To place this industry at risk for a short-term coal mine makes no sense.

ISSUES OF CONCERN

Water is a major issue for our business and all local landholders.

Water security can never be taken for granted, particularly given the risks associated with water availability and allocations during drought conditions, which unfortunately are becoming more regular and prolonged.

We note the Independent Expert Scientific Committee's (IESC) concerns, inter alia, regarding:

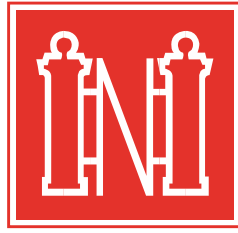
- long term changes (which could be serious and irreversible) to the Hunter's aquifers and surface watercourses;
- changes to groundwater levels in alluvial aquifers;
- changes to surface water flow regimes and increase in sediment deposition (particularly to Saddlers Creek and its tributaries)
- groundwater drawdown impacts to groundwater-dependent ecosystems; and
- decreased groundwater and surface water quality should seepage occur from the rejects, tailing and bring in the East Void.

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Given the potentially severe and irreversible impacts to ground and surface water, we share the IESC's concerns which, in our reading of Malabar Coal's EIS, have not been adequately addressed. Allowing mines to operate in close proximity to key horse studs, and the threat of potentially severe and irreversible impacts, does not make sense.

Air quality in the Upper Hunter is a serious concern for our industry, our employees, our community, our clients and us. Given the serious misgivings that have been raised with the Department and Independent Planning Commissions in recent years, particularly the health risks to the community, we question why the Department continues to accept coal mining applications in the absence of an authoritative appraisal of cumulative air quality and health related impacts in the Upper Hunter.

Cumulative impacts of this mine and all the other mines in the area have not been adequately assessed. Given the serious concerns regarding water and air quality alone, it is critical that a cumulative assessment of the impacts of all stages and all impacts of this proposal is undertaken as required by the Secretary's Environmental Assessment Requirements.

Visual impacts are important to our industry. In addition to landscape changes and visual reminders of mining, an approval of yet another mine creates uncertainty and negativity in people's minds when they see this mine's proximity to key horse studs and potential threats to vital water resources.

No serious or meaningful analysis of impacts on the ECIC has been undertaken by Malabar Coal.

The impact of this mine on clients or guests, including real and perceived impacts, has the potential to damage our businesses, our reputation and that of our industry. In our business reputation is everything and perception is reality.

As mentioned earlier, we are concerned with the negative effects mining is having on our ability to attract and secure further investment in the region. It is common knowledge in our industry that the uncertainty associated with constant mining applications is turning investment away and inhibiting us from making confident decisions about our future.

Yours sincerely

Henry Field
Managing Director

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