

# NARRABRI MINE Community Newsletter

Issue 2, February 2013



WHITEHAVEN COAL

## Inside This Issue:

From the General Manager	1	Longwall Facts	3
Construction and Production Update	1	Gas Management and Safety	3
Biodiversity Offset Strategy	2	Longwall Extraction Plan	3
Whitehaven Safety Days	2	Environmental Incidents	4
'Cleanskin' Programme	2	Narrabri Mine CCC report	4
Sponsorship and AMRC Meeting	2	Environmental and Community Enquiries	4

## From the General Manager

Welcome to the latest Narrabri Mine community newsletter.

I am the new Narrabri Mine General Manager, taking over from Greig Duncan in August 2012. I have spent more than 32 years working in the mining industry including technical and operational management positions with BHP Billiton and its coal operations in the Illawarra region. Most recently I was Head of Operations for Gujarat NRE Coking Coal.

This is an exciting time to be involved in the Narrabri Mine's development, with construction works now completed and longwall production underway. The ramp up to full production continues with over 3 million tonnes of coal for the export market expected to be produced this financial year.

Narrabri Mine now has approximately 180 permanent employees and some 190 contractors onsite. Of the permanent employees approximately 80% are from north west NSW including Narrabri, Gunnedah and Tamworth. Our "Cleanskin" program for training inexperienced underground miners is continuing and is one way we are working towards our aim of having the majority of our workforce "locals" and, over-time, reducing the number of "fly in fly out" contractors.

If you have any questions about the mine and its operations we encourage you to contact us directly or talk with the members of the Community Consultative Committee (CCC). Contact details are provided on Page 4.

Regards,  
Steve Bow  
General Manager — Narrabri Mine

## Construction and Production Update

The major construction milestones achieved to date at the Narrabri Mine include: the Coal Handling and Preparation Plant (CHPP) and associated infrastructure; the No. 1 ventilation shaft and fan site, completed in January 2012; the longwall unit surface build, completed in April 2012; and the transport of the longwall underground and its ongoing commissioning.

The commissioning period for both the longwall and the CHPP allows for operations to slowly increase while providing the necessary training for personnel as well as ensuring a safe progression of activities to planned production levels.

The No. 1 ventilation fans have been operational since January 2012, averaging 320m<sup>3</sup>/s of flow. The ventilation fans allow for the safe operation of the mine with the ventilation network underground directing the air flow to where it is required to allow for safe operations.

The only major construction activity currently planned for the next 1-2 years is the extension to the run-of-mine (ROM) coal pad. The capacity of the pad will be increased from 150,000 t to 300,000 t.

Gas from the coal seam has been pre-drained from the first four longwall panels. Unfortunately, the relatively high carbon dioxide levels in the coal seam limit the potential for electricity production and other beneficial uses that come with methane rich coal seams.

The amount of ROM coal produced during FY 2012 was 362,000t. Between the beginning of FY 2013 and the end of December — 1,575,761 t of ROM coal has been produced. For the life of the mine to 31 December 2012 — 2,171,198 t of ROM coal has been produced.



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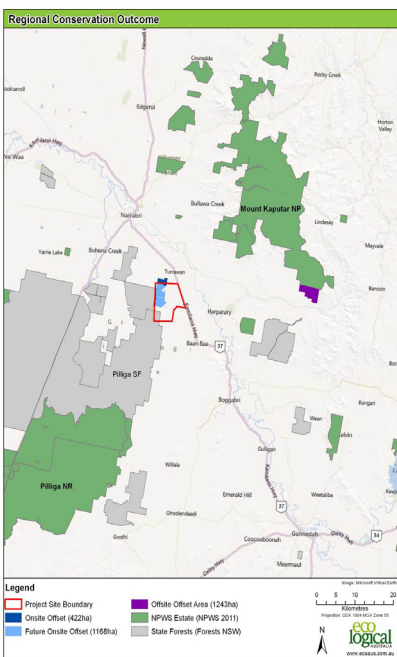


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## Biodiversity Offset Strategy

The Narrabri Mine Biodiversity Offset Strategy has been prepared in consultation with the NSW Department of Planning and Infrastructure, the Office of Environment and Heritage and the Commonwealth Department of Sustainability, Environment, Water, Population and Communities.

The proposed offset comprises 1,243ha of the "Kenna" property located in the Maules Creek area, as well as an additional 422ha adjacent to the mine site that will be unaffected by subsidence.



These offset areas will be subject to a management plan to be developed in consultation with government agencies, with the intent that the offset areas will be transferred to the state over time for incorporation into the reserve system.

At the end of the mine life, the area of woodland vegetation in the western area of the mining lease, that has been subject to subsidence, but progressively rehabilitated, will be added to the offset to account for indirect impacts of the Narrabri Mine (approx. 1,168ha).

The Offset areas, which account for both direct (tree clearing) and indirect (subsidence) impacts as a consequence of Narrabri Mines' operations, will be secured to ensure they are maintained in perpetuity.

## Whitehaven Safety Days

During July and August 2012 Whitehaven held safety days for all employees and contractors. While Whitehaven's safety performance is strong and improving, there is always a need to improve and ensure all employees share a uniform "safety culture". More than 1255 employees and contractors attended the safety which were designed to provide further safety education, promote discussions and suggestions around safety, and provide the workforce with tailored presentations from a range of external speakers and safety training experts. Feedback from employees and contractors for the days was extremely positive and constructive. Feedback also resulted in some actions for the management team to act upon and these improvements are ongoing.

The safety day initiative also included a children's drawing competition for employees families. The four best drawings were chosen from three age groups and the pictures are being used to develop the 2013 Whitehaven Safety Calendar. Prizes were awarded for the best pictures. Whitehaven recognises that family is a large part of the reason and motivation for staying safe at work and the drawing competition was aimed to involve our workforce's families in the safety initiatives. Photo: Rocglen Safety Day, 30 July 2012.



## 'Cleanskin' Programme

As part of the commitment to employ people from the local area, Narrabri Mine has implemented a 'Cleanskin' induction programme. 'Cleanskin' is the term used in the industry to describe someone that has no, or limited, underground experience. The programme provides the participants with the training required to become experienced coal miners. The intake process begins with a response to a job advertisement (keep an eye out in The Courier), interviews, aptitude tests and a three week series of inductions. The inductions include: the Mine's Rescue Generic Induction, Narrabri Mine Generic and Surface Inductions, a first aid course; and participating in a week of presentations given by Narrabri Mine personnel summarising the Narrabri Mine operation. The presentations include: mine safety and training, mine ventilation, environmental requirements, geology and surveying.

The December 2012 intake included 13 people—10 operators and 3 fitters.



Photo: 'Cleanskins' who commenced work with Narrabri Coal 12 months ago.

## Sponsorship

Narrabri Mine has continued to sponsor local events during the year with more than \$34,000 directed to projects which benefit the broader community, including a donation of more than \$12,000 to the Narrabri Public School. The Narrabri Mine is also a proud supporter of the 2012 Narrabri BEST Business Awards; the Australian Museum's Science Unleashed regional program —'Science in the Bush'; and the Narrabri Show Society.

These sponsorships are in addition to the community funding committed to under the approvals process, which includes more than \$1.5M toward community assets such as the Narrabri Pool Redevelopment. In FY 2012 Whitehaven's total sponsorships, including Narrabri and its other mines were well over \$100,000, and a further \$26 million was committed under Voluntary Planning Agreements.

## AMRC Meeting

During November 2012 the Association of Mining Related Councils (AMRC) held a meeting hosted by the Narrabri Shire Council that included a tour of the Narrabri Mine.

The tour was well received by the delegates. During the meeting it was raised with the AMRC that while Narrabri Mine aimed to train, 'up-skill' and source labour locally due to the shortages in skilled labour the mine has had to resort to fly-in fly-out (FIFO) labour. The aim for the mine is to get a workforce of more than 80% of local people within the next few years compared to the current 50%.

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## Longwall Facts



Key facts about the longwall unit installed at the Narrabri Mine:

- \* Total width of the Longwall Block is 295.6m with planned cutting height of 4.2m;
- \* Because of the number of moving components on the Longwall the operators utilise computers and automation software to help them operate the Longwall system;
- \* 146 Shields make up the 'heart' of the Longwall;
- \* Each Shield weighs approximately 50 tonnes and can support 1350 tonnes of weight, the equivalent of two Airbus A380 Jumbo Jets;
- \* The entire Longwall System weighs in at 10,000 tonnes, the equivalent 100 Train Locomotives;
- \* The Shearer is the machine that actually cuts the coal and is capable of producing coal at 3500 tonnes per hour; and
- \* To allow us to transport the Longwall it breaks down into 400 major components that are then transported and reassembled. This is a major undertaking and is known as a Longwall Move.



## Gas Management and Safety

All coal seams contain gas in some form. This gas is produced during the coal formation process and can include methane and carbon dioxide. At Narrabri Mine the principal seam gas is carbon dioxide with small amounts of methane.

This means that Narrabri mine is highly unlikely to ever face a situation like the Pike River tragedy in New Zealand because it is the methane gas that is flammable and may explode whilst carbon dioxide is inert (i.e. will not ignite).

Nonetheless, it is necessary to drain to reduce the amount of gas to allow mining to progress effectively. Where gas content is above defined limits, mining does not progress until the gas content has been lowered.

Narrabri Mine uses both surface and underground gas drainage techniques to reduce the gas content in the seam to be able to safely mine.

Compliance testing to establish how much gas remains within the coal seam is undertaken regularly in advance of the mining process. This compliance testing is required under the legislative framework that heavily regulates coal mining activities.

## Longwall Extraction Plan

The Extraction Plan for Longwall Panels 101 to 105 was approved by the Department of Planning and Infrastructure (DP&I) on 27 March 2012 and the Subsidence Monitoring Program approval was received from the Division of Resources and Energy (DRE) on 5 June 2012.

The Extraction Plan sets out the proposed monitoring, management, and reporting activities developed to address the predicted subsidence impacts. The maximum predicted depth of subsidence is 2.44m in the middle of the longwall panels.

Other plans are also required by the Extraction Plan, including plans to manage public infrastructure. Narrabri Mine is developing a management plan for a small electricity distribution line. A management plan has now been developed and approved by Narrabri Shire Council to manage the subsidence impacts to Greylands Road.



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## Environmental Incidents

During the period November 2011 to April 2012, Narrabri Mine recorded (5) environmental incidents. The majority of incidents related to surface water discharges associated with the extremely heavy rainfall events experienced at the mine during late November 2011 and early February 2012.

These incidents have been discussed widely with the Environment Protection Authority (EPA), Narrabri Shire Council and local residents, as well as the Narrabri Mine Community Consultative Committee. A number of actions have been put in place to ensure the events do not reoccur and no environmental damage occurred as a result of the incidents.

The incidents comprised:

- Two discharges of water from the coal processing area in November 2011 and February 2012;
- Two discharges of water from the rejects emplacement area (REA) in November 2011 and February 2012, importantly, no reject material has been emplaced and the dam is being used as a sediment dam;
- Coal impacted water discharge from Vertical Production Well (VPW) 26 during early February 2012. The water was recovered immediately and water samples were collected to confirm residual water quality was suitable for stock consumption; and
- Coal impacted water leaked from the main water pipeline that transfers pre-drained water to the pit top area for use in the mine during April 2012. The impacted area was immediately stripped and rehabilitated to contain the spill.

To prevent re-occurrences the mine has undertaken the following actions:

- Increased the capacity of the dams in the coal processing area to account for a 1:100 year storm event;
- Modified the catchment of the dam at the REA and corrected a by-wash wall within the dam that was limiting capacity (photo to the right);
- Updated mine procedures for accessing well heads; and
- Replaced couplings on the water pipeline with welded 'T' pieces to avoid future leaks.

Six Penalty Infringement Notices were issued by the EPA as a result of the incidents. Further details are available on Whitehaven's website in the Environmental Report for CCC meeting #17.



## Narrabri Mine Community Consultative Committee (CCC) Report

The last meeting of the CCC was held Thursday 1<sup>st</sup> November with committee members, a Narrabri Shire Council representative and Narrabri Coal present.

Mine management reported to the CCC on operations, environmental, complaints and general business.

The CCC is continuing to press for a baseline dust monitoring station to be setup in the Baan Baa area, although the mine has 11 sites in proximity we believe that with all the development in the area, an independent station would be helpful.

As locals would know Greylands Road has been closed because of subsidence and to allow for remediation. The CCC will be inspecting this at our next quarterly meeting.

The CCC is also hoping that Narrabri Coal can organise another open day in October to co-inside with the Motor Home national rally being held in Narrabri.

Community members are reminded that the CCC is an avenue for the public to discuss with Narrabri Coal any issues that they may have.

The CCC members are:

Mr Terry Miller (Independent Chair), Narrabri  
Mrs Sally Hunter, Boggabri;  
Mr James Steiger, Baan Baa;  
Mr Peter Webb, Baan Baa;  
Mr Mark Foster, Baan Baa; and  
Cr Catherine Redding, Narrabri Shire Council Representative.

Regards,

Terry Miller,  
Independent Chair — Narrabri CCC

## Environmental & Community Enquiries

### Environmental Enquiries:

Steve Farrar

Environmental Officer

Phone: (02) 6794 4755

Email: sfarrar@whitehavencoal.com.au

### Community Enquiries:

Tim Muldoon

Manager Community Relations

Phone: (02) 6741 9302

Email: tmuldoon@whitehavencoal.com.au

### Complaints Hotline:

0447 934 755

### General Enquiries:

(02) 6794 4755

For more information on Whitehaven Coal and the Narrabri Mine, please visit:  
**[www.whitehavencoal.com.au](http://www.whitehavencoal.com.au)**