

18 November 2015

Mr Jeremy Buckingham MLC
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Buckingham

I am writing to correct factually inaccurate comments made in communications materials attributed to you regarding Whitehaven's Werris Creek Coal Mine. Particularly, I draw your attention to your media release of 6 November 2015, "Werris Creek Coal Mine water disaster should prompt buy-back of Shenhua licence" and posts made by you on your Facebook page.

It is disappointing but perhaps not unsurprising that you have repeated these incorrect allegations on the public record despite my letter to you (dated 1 September, 2015), which clearly outlined the facts about the Werris Creek Coal Mine.

I note you have chosen not to respond to that letter.

There are two issues I will address:

1. That the UNSW memo found "the Werris Creek coal mine is partially responsible for nearby farmer's water bores going dry"; and
2. Your continued assertion, despite being provided detailed evidence to the contrary, that the Werris Creek Mine "has hit serious problems and the government investigation must be thorough and the results of the investigation should be made public".

While I will not repeat the lengthy analysis included in my previous correspondence to you, I will point out further factual inaccuracies in your comments and ask, once again, that you remove these statements from your website and Facebook page and issue a public clarification.

The UNSW memo

I would note that the key feature of this preliminary report is that it contains a number of inconsistencies and inaccuracies in its assumptions, analysis and recommendations.

By its own admission it wasn't developed using a robust scientific process. WRL did not complete any on-ground assessment or confirmation works and the document does not constitute a WRL Technical Report as defined by its own Quality Management System. This contrasts with Whitehaven's own analysis and research, which has been independently peer reviewed and verified.

Whitehaven welcomes a further review of our operations by the Department of Primary Industries Water (DPI Water). DPI Water has been intimately involved with water management at the Werris Creek Mine since it commenced operations. It is our expectation that this review will be independent and robust, as distinct from the UNSW memo.



The fact that your media release seeks to use a spurious desktop study to make highly generalised predictions about water use in an entirely different location with different geology is illustrative of your preference for scare campaigning over sound methodology.

Water Management at Werris Creek

I reiterate the following information about the Werris Creek Mine:

1. No aquifer has been pierced or intercepted by workings at the Werris Creek Mine.
2. Some seepage does occur through the aquitard into the Mine, but this seepage is:
 - a. An ordinary and anticipated part of open cut mining operations; and
 - b. Authorised by the Mine's Water Access Licence
3. The use of evaporators, as shown in your video, is standard practice in the mining industry, and does not imply that any aquifer has been breached or intercepted. Spraying stored water into the air over storage dams hastens evaporation and consequently reduces the amount of land needed to accommodate such dams. This leaves more land available for agriculture.
4. The NSW Office of Water and the NSW Department of Planning and Environment have visited the Mine as recently as 23 July 2015 and confirmed the water management on site was in compliance with all relevant regulations.

It is disappointing that you have now twice ignored your responsibility to test information put before you, especially where that information has the potential to cause reputational harm or alarm within the community, before entering it into the public record as fact.

Whitehaven has made every effort to provide you with the facts and to address your concerns about our water management plans at Werris Creek. Unfortunately, it appears you have little interest in accuracy and are simply using these media opportunities to progress your anti-mining agenda.

Should you continue to disregard the facts and publish information you know to be incorrect, we will be left with little option other than to refer the matter to our legal advisers.

To facilitate fact checking of any future comments you may have about Whitehaven, I would ask you again to contact our communications adviser Michael van Maanen at michael.vanmaanen@newgatecomms.com.au.

Yours sincerely

Paul Flynn
Managing Director & CEO
Whitehaven Coal Limited