

Thank you for the opportunity to address you today. I am speaking to register my ongoing opposition to the Drayton South Project.

I am the owner and operator of The Hunted Gourmet, we have provided catering services in the Upper Hunter for nearly 25 years. Much of my business comes from the Thoroughbred Breeders of the region, many of whom I have served on a long-term basis. We are proud to have long associations with both Coolmore Stud (for whom we provide all corporate catering in both Jerry's Plains and Sydney) and Darley Stud (for whom we operate staff canteens at both their Woodlands and Kelvinside studs and whose clients we have catered for since Darley started operations in NSW in 2001. I employ 3 full time and 2 part time staff to service Darley's canteens and up to 80 casuals at other times. Other clients include Scone Race Club, Vinery Stud, Segenhoe Stud and Yarraman Park Stud.

I came here over 30 years ago to work at Segenhoe Stud and as a long term resident of the Upper Hunter I have witnessed the changing nature of the valley and the detrimental impacts of the mines as they expand relentlessly. Air quality is a particular concern, travelling to and from Coolmore and Woodlands I regularly see the thick dust blowing out, and off, the Mt Arthur and Bengalla mines. The air quality monitoring network masks these spikes with their rolling 24 hour averages but we residents feel their impacts, the dust is in our lungs, our veggie patches and our water tanks.

The Minerals Council talks up their world's best practice and "dialogues with the community", how they're cleaning up their act, yet they blast when they want to and there is a net increase in un-rehabilitated land and overburden areas across our region, all of which leads to further deterioration in air quality. To illustrate this, the Hunter Valley Air Quality Network has issued well over a hundred air quality alerts this year already. I note that Anglo say in their RTS that some of these alerts could be the result of - and I quote - "a vehicle idling close to the monitor".

I believe that the Drayton South proposal, on it's own, poses a very real danger to the ongoing viability of both Coolmore Australia and Darley's Woodlands operations. When combined with the other projects in the immediate vicinity, that threat is multiplied exponentially, to the point where breeding equine athletes will no longer be feasible. Woodlands has the Spur Hill underground proposal directly to its north and the Ferndale Project, both open cut and underground, further to its west.

Coolmore has Drayton South just over the road and within 500 metres of their boundary and they also have Nucoal pursuing plans to mine directly underneath them. Additionally Nucoal, pursuing Chairman Gordon Galt's stated objective of becoming a multi mine coal company, is finalising the acquisition of the Plashett Exploration Licence - which borders Anglo's tenement across the road from Coolmore, and where Mr Galt has already said they will target the shallower seams amenable to open cut mining.

According to the Minerals Council, BHP and Anglo American having large scale open cut mines as immediate neighbours isn't a problem for a thoroughbred stud. They base this opinion on the widely promoted case study of Edinglassie Stud which was first published in April 2012 and is part of a series of case studies designed to show that coexistence between coal-mines and other rural industries is still possible. Sadly I believe that this is no longer the case and these studies are just PR spin.

Mick and Michelle Talty who lease Edinglassie from BHP Billiton are popular members of our community, yet it is widely understood that their Lease contains a 'no nuisance' or non-disparagement clause which precludes them from providing any adverse on the record commentary or complaints regarding the impacts of their landlord's and neighbour's mining activities. Such clauses are a standard insertion to lease agreements with mining companies.

The case study states that Mt Arthur monitors its impacts - such as vibrations from blasting, dust and noise using a range of monitors located on the property, yet not one of those monitor's results are included in the document. However, it is possible by gathering information from other sources such as the National Pollutant Inventory and the two mines Annual Environmental Management Reports (which are publicly available) to gain an insight into the tangible and at times alarming impacts the two mines have on the property.

Readings from the High Volume Air Sampler located on the farm have never been publicly released. Dust is monitored via dust deposition gauges at Edinglassie by both Mt Arthur at gauge DD16 and Bengalla at gauges D12A and D12B with samples recorded and weighed monthly.

The criteria standard for deposited dust is 4 grams per square metre per month. Mt Arthur explain the 'elevated depositional dust results' for gauge DD16 by stating "This monitor is located on land owned by Mt. Arthur Coal and is used for management purposes only; it is not indicative of nearby privately owned residences" and they say that the monitor is "3.5ks from the

nearest sensitive receptor” which will be a great comfort to their tenants at Edinglassie. By such means Mt Arthur claim that they have “achieved 100% compliance with air quality criteria”, even though the criteria for depositional dust was exceeded at Edinglassie in ten out of twelve months in 2011 and that the annual criteria was exceeded by 31%. In both 2009 and 2010 the criteria was exceeded in 7 individual months at their gauge.

Bengalla’s two gauges have both produced some alarming results. The October 2010 reading for gauge D12A of 28.8 grams was 620% above the concentration standard. In 2010 the annual standard was exceeded by 63% and the other by 49%.

Such readings are understandable when the National Pollutant Inventory figures for the two mines’s emissions are considered. In reporting year 2010/11 their combined PM 10 emissions were 6,100 tonnes and PM 2.5 emissions were 136 tonnes. In 2011 / 2012 their combined PM 10 emissions rose to 10,600 tonnes and PM 2.5 emissions to 177 tonnes. Combined Carbon Monoxide emissions were listed at 1750 tonnes last year. Air quality is an oxymoron.

Another issue is noise. Noise is not measured at Edinglassie by BHP, but is measured by Bengalla via monitor NO3. Bengalla state “Monitoring at this location for Bengalla internal use only”. Bengalla monitor noise at 5 other locations each of which has a differing set of specified decibel limits as set out in the 2008 Bengalla Approval. Noise levels at Edinglassie are routinely higher than the mandated highest limits for privately owned land, sometimes much higher.

The 2010 3rd quarter average measurement of 68 dBA recorded at Edinglassie exceeds the highest limit set by the 2008 Bengalla Modification by 79%. 68 decibels is the equivalent of a commercial petrol-engined generator at 7 meters, and that was the average.

Both Bengalla and Mt Arthur blasts are recorded on geophone monitors at Edinglassie. Mt Arthur’s geophone is even pictured in the case study, but its results are not included. However, from the information that is available it is apparent that Edinglassie is regularly shaken by blasts, with in excess of 100 blasts a year that exceed 100 dBL. In 2009 Mt Arthur initiated 15 blasts which resulted in ground vibration of more than 5 millimeters per second and 13 such blasts in 2011. In both those years there were 4 blasts exceeding overpressure of 115 dBL emanating from Mt Arthur. In 2010 there were 3 Bengalla blasts in excess of 115 dBL one of which exceeded 120 and was

reported. Of course Anglo's Equine Health Impact statement suggested that blast vibrations could be beneficial for horses, an opinion their retained veterinarian arrived at from studying the promotional sales literature of a vibrating floor pad.

My own experience with thoroughbreds is such that I certainly wouldn't want to be handling one when a ground shaking explosion went off nearby. Thoroughbreds can be highly strung, nervy and unpredictable animals who possess a highly evolved flight instinct. Given time resident stock may become accustomed to blasting but others visiting for brief stays during the breeding season will not, with potentially dangerous consequences for both horses and handlers.

Orange plumes of Nitrogen Dioxide are another issue with blasting. Toxic by inhalation, nitrogen dioxide is a large scale pollutant. Resulting from damp explosive charges, such plumes are described by mining companies as rare or unusual events. So rare and unusual are they that it would be hard to find anyone who lives in proximity to an open cut mine who hasn't seen one. Just last month two workers at Mt.Thorley were hospitalised after inhaling these fumes.

My written submission contained a picture of a plume drifting towards Edinglassie from Bengalla taken in 2010. On March 27th this year a Victorian Racehorse trainer inspecting yearlings for sale at Edinglassie reported that a ground shaking explosion was followed by a large orange plume, which was photographed. Imagine that, you are showing your young stock to a potential buyer and an explosion goes off nearby after which a toxic cloud starts drifting overhead. That is coexistence in action. The National Pollutant Inventory lists combined oxides of Nitrogen emissions for the two mines near Edinglassie at 3000 tonnes and the existing Drayton mine at 1700 tonnes for the last reporting year.

The Edinglassie Case study does not present a sustainable blue-print for the future of the Hunter Valley wherein open cut coal mines and horse studs live side by side happily ever after. Indeed, consideration of the facts reveals the case study to be quite the opposite. The Bickham PAC presented a far more realistic and independent assessment when they said "The available evidence supports the view that open cut coal mining and a viable international scale thoroughbred breeding enterprise are incompatible land uses". There you have it all in one sentence, incompatible land uses.

Furthermore, subjecting tenants and neighbours to quite shocking levels of pollution, blasting and noise whilst effectively gagging them and limiting their rights to freedom of speech is behavior few would be proud to brag about in a widely disseminated 'case study'. If BHP, Anglo American and the Minerals Council want to continue to use Edinglassie as a 'case study' they should be required to collate and release all the data (including historical data) from every monitor housed on that property. Then, and only then, can an accurate picture of the impacts be properly assessed.

I also feel compelled to comment on the conduct and statements of Anglo American's hierarchy which I believe are creating significant mistrust in the community. Since becoming Chief Executive, Mark Cutifani has delivered keynote speeches on four continents. In both Canada and Brazil he stated

"We must dedicate ourselves to connecting to and working with with local partners to solve the problems our close proximity to their communities creates for them in terms of social development. If we cannot engage constructively with our immediate neighbours how can we expect to lead the world in a new set of conversations around our role in society?"

This contrasts sharply with his disparaging comments in the article "Mine Boss aghast at stud farm's objections" where he's quoted, "I've never seen this anywhere else in the world. What we are talking about is the visual impact on horses. I'm flabbergasted". These Comments belittle and show a fundamental misunderstanding and lack of respect for the legitimate concerns of the project's immediate neighbours. Mr. Cutifani Heal thyself.

You have heard today from Seamus French Anglo's Coal Chief executive. On June 14th last year he told Investors and Analysts in London that the Dartbrook mine near Aberdeen would begin pre-stripping in 2015 and that the Open Cut mine would be commissioned and in full production by 2017. Just 6 days later Anglo's Stakeholder engagement specialist told a Public Meeting in Aberdeen the complete opposite, that there were no plans to proceed and that he was preparing a suspension report. Indeed, Dartbrook's latest Annual Report clearly shows that Mr. French's presentation in London was inaccurate and misleading.

You have also heard today from Rick Fairhurst, Anglo's New South Wales project Manager. His name was attached to Anglo's submission on the Strategic Regional Land Use Plan which was submitted to the NSW state Government and contained numerous inaccuracies. In relation to Drayton South the document states

This area has been a mining precinct since well before the horse studs commenced there and investment decisions have been taken on that basis.

The area of Drayton South has been a mining precinct for many years. The area was originally approved for open cut mining with a development consent and mining lease granted to Pacific Power in the 1980s. This occurred before there were any material horse studs located in the vicinity. The development of the horse studs has post dated the establishment of the area of Drayton South (and its approval) as a coal mine.

Any development of horse studs in the vicinity was, or should have been done, with full knowledge of the pre-existing mining approvals and resource.

All of which is untrue. The Coolmore property, then named Arrowfield was first settled in 1824. The property has been producing thoroughbreds since at least 1912 when the Moses brothers bought it, they were described as “pioneer bloodstock breeders who left an outstanding thoroughbred legacy”. When the current owner Coolmore took control of the Arrowfield property in 1996, Pacific Power’s Mining Lease had already lapsed in 1994.

Woodlands has a similar history, first surveyed in 1822, it has been continuously producing thoroughbreds since at least 1883 and quite possibly much earlier. Numerous owners have ensured that it has been at the pinnacle of racehorse breeding in Australia for well over a century. Thoroughbred Breeding in this area comfortably pre-dates any ‘coal precinct’ and to suggest otherwise is totally misleading.

In relation to the Dartbrook project the submission said -

Similarly the extension of the equine cluster into the area of Dartbrook is not appropriate.

The area simply lacks the relevant “concentration of enterprises” to satisfy the definition within the SRLUP

The nearest horse studs to the Dartbrook Project area are Yarraman Park and Kelvinside Stud and they are located approximately 8 kilometers from the project area.

Again this is factually inaccurate. There are 11 stud farms within Anglo’s designated 8 kilometer radius and a further 13 stud farms close by. Kelvinside Stud is in fact Darley’s stallion Farm, and was redeveloped at a cost of many

millions to stand up to 18 stallions, it is within 4 kilometers of the Dartbrook Coal Handling and Processing Plant and 5 K's of the project's boundary.

That Anglo American could only locate 2 stud farms in the area, incorrectly identify one of them and provide inaccurate distances from their project area to both shows how poorly they do their research. Had they done their homework more thoroughly and honestly they would have found not 2 but 11 studs within their given 8 kilometer radius and a further 13 studs close by.

If Anglo American cannot accept 23 different thoroughbred breeding operations, including three of the four major stallion standing stud farms - as well as Australia's most prestigious Arabian horse stud - as a "concentration of enterprises" they are deluding themselves and misleading others.

In conclusion I firmly believe that if approved the Drayton South project will irreparably damage the Thoroughbred Breeding Industry in NSW and my own business too. I ask you to reject it.