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TRANSCRIPT OF PROCEEDINGS

TRANSCRIPT IN CONFIDENCE

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INDEPENDENT PLANNING COMMISSION

MEETING WITH RESOURCE REGULATOR

RE: RUSSELL VALE COAL UNDERGROUND EXPANSION PROJECT

PANEL:	**PROFESSOR ALICE CLARKE (CHAIR)** **PROFESSOR CHRIS FELL AM** **DR PETER WILLIAMS**
OFFICE OF THE IPC:	**STEPHEN BARRY** **BRAD JAMES** **BEN PORGES**
RESOURCE REGULATOR:	**MATTHEW NEWTON** **GANG LI**
DEPARTMENT:	**MIKE YOUNG**
LOCATION:	**VIDEO CONFERENCE**
DATE:	**3.08 PM, TUESDAY, 13 OCTOBER, 2020**

THIS PROCEEDING WAS CONDUCTED BY VIDEO CONFERENCE

PROF A. CLARKE: Good afternoon and welcome. Before we begin, I would like to acknowledge the traditional owners of the land on which we meet and I would also like to pay my respects to their elders, past and present, and to the elders from other communities who may be here today. Welcome to the meeting today. Wollongong Coal Limited owns and operates the Russell Vale Colliery located in the Illawarra region, approximately eight kilometres north of Wollongong and 70 kilometres south of Sydney. Wollongong Coal is seeking approval for the Russell Vale underground expansion project, which involves mining by means of bord and pillar mining technique.

Wollongong Coal proposes to extract up to 3.7 million tonnes of runoff mine over five years at a production rate that would not exceed one million tonne of product coal per year. My name is Professor Alice Clarke. I am the chair of this IPC panel. Joining me are fellow commissioners Professor Chris Fell and Dr Peter Williams. Brad James and Ben Porges from the Office of the Commission are also in attendance. In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a full transcript will be produced and made available on the commission's website.

This meeting is one part of the commission's decision-making process and is taking place at a preliminary stage of this process. It will form one of several sources of information upon which the commission will base its decision. It is important for the commissioners to ask questions of attendees and to clarify issues whenever we consider it appropriate. If you are asked a question and are not in a position to answer, please feel free to ..... question on notice and provide any additional information in writing, which we will then put up on our website. I request that all members here today introduce themselves before speaking for the first time and for all members to ensure that ..... over the top of each other, to ensure accuracy of the transcript.

As you are aware, we are meeting via video link. Should we experience technical issues or lose connectivity, Brad James ..... those participants still connected or on hold, so please stay connected. If your connection has been lost, please contact Brad on 9383 2165. The meeting will be temporarily adjourned and the transcript will be paused until we can reconnect participants. We will now begin. Thank you. I needed to add, we also have Stephen Barry here from the IPC commission office. Thank you.

MR S. BARRY: Thanks.

PROF CLARKE: Okay. I'll hand over now to the Resources Regulator. I'm not sure who would like to kick off the – the conversation here. And then we'll ask questions as you go through or at the end.

MR M. NEWTON: Are we running off the – sorry. It's Matthew Newton from the Resources Regulator. I'm the principal inspector for environment and rehab operations, primarily looking over matters related to the Mining – Mining Act. We have Gang Li, who is principal inspector (subsidence), who is overseeing mine subsidence related matters.

PROF CLARKE: Thank you. Do you have a presentation today or are there any issues that you would like to present or discuss with the panel?

MR NEWTON: I note the letter that was sent through from Bradley, so how would you like us – would you like us just to answer to those questions?

PROF CLARKE: Yes. That – that might be a very good way to start. Thank you.

DR G. LI: Well, I also prepared a short note to the members of the panel today.

PROF CLARKE: Thank you, Gang.

MR NEWTON: So, Gang, I might let you lead your part and I can finish off with the mine closure and rehab part.

DR LI: Okay. I note the first question under mining method related to clarification in relation to other mining methods. At this point in time, I'm not in a position to provide comments. I hope it may become clearer later on when I provide in my note why I say so, so let's - - -

PROF CLARKE: Thank you, Gang.

DR LI: ..... that. The next question - - -

MR M. YOUNG: Gang, it's Mike Young here. Just – just to clarify, because I – I guess the question is has any other mining methods been considered by Wollongong Coal, I – I can confirm that the EIS and the relevant documentation, other than the previous longwall mining that was proposed obviously for the extraction of the coal, the latest amendment to the development application is for bord and pillar mining. And no such – no other types of mining in terms of pine feather or indeed other sorts of extraction in the latest application were considered. And so – so the – the proposal is from Wollongong Coal to extract those resources via bord and pillar mining, and that's what they've put forward for a consideration by the consent authority.

So I guess that's a – really a matter for what's – what – what is the – the development application for and, I guess, I can confirm that it's for bord and pillar mining, just to save Gang – Gang the trouble in terms of investigating that. It's quite clear from the application that no other methods were – were proposed.

DR LI: That's .....

PROF CLARKE: Thank you, Mike. That – that clarifies it for us. Thank you very much.

DR LI: Mike, thank you. That's clear now. I thought that was asking about any mining method, so now I note your comments. I won't come back to this question. The next question related to monitoring. I'm not clear the objective for this monitoring stated in this question, what this monitoring is for.

PROF CLARKE: Gang, I can provide some background there. The question was really looking to see from the applicant's perspective what monitoring they would be using to test for stresses that might be encountered during the mining due to unsubsidised upper seams. So it was – it was related to how are they going to, I guess, predict when they might be under some of these areas whether there's questions around whether or not it had already subsidised. That was the – the – the thinking behind constructing that particular clarification point.

DR LI: I'm ..... I'm doing ..... monitoring mainly is ..... I'm not very clear still the intention of this question. Can we skip this one for the time being?

PROF CLARKE: Gang, we can.

DR LI: I'm just not clear why .....

PROF CLARKE: Yes, absolutely. The question is predominately put to the applicant to ask them what monitoring they would be doing as they progressed ..... mine.

DR LI: Because, to me, it looks like a – it's intended for detecting whether or not the existing workings has subsided.

PROF CLARKE: That's - - -

DR LI: ..... you would need a baseline monitoring done. I don't think that that was done. Those overlying workings ..... mine ..... many years ago, so I – I'm – I don't think that the baseline data ..... or – or in existence. Maybe ask the mine. Maybe they know better, but I'm not aware of that.

PROF CLARKE: Thank you, Gang.

DR LI: Can I go on?

PROF CLARKE: Yes, please.

DR LI: Because we expected to – to talk ..... Resources Regulator. Under subsidence, in answering the first question, impact on subsidence of pillars in the underlying Bulli and all Balgownie seams have not collapsed. I prepared a short note for the panel. I hope that provide not only information for that particular question,

but also some additional background information and our thoughts in this regard or regarding this mining application. Okay. I start.

PROF CLARKE: Thank you, Gang. Yes.

DR LI: My comments today will focus on the overlying Bulli pillar workings as the single most important factor or risk factor in relation to Russell Vale Colliery's proposed revised underground expansion project – expansion project. In September 2011, the then Gujarat NRE Coking Coal Limited applied under the SMP policy for extraction of Longwalls 4 and 5. Both longwalls add to that same subject site besides the proposed first workings or bord and pillar, as Mike said. The company argued that at the time when they lodged their application, they argued that the overlying Bulli pillar workings have completely collapsed. That's their wording.

They recorded a subsidence after the completion of the two longwalls, 1.78 metres above the two longwalls. Actually, both longwalls give very, very similar results – 1.78. One is 1.77. One is 1.75 – was substantially higher than Gujarat predicted as subsidence. So this is a strong indication that there were standing pillars ..... and open voids within the overlying Bulli workings. Otherwise, how can you explain this high subsidence when there is standing pillars, open voids with ..... the – the – as result have collapsed, resulting in subsidence of the service – surface. And this is also consistent with my observations made during an underground inspection of the Bulli pillar workings on 13 December 2011.

That inspection was specifically done for the purpose of evaluating what could happen if mining take place in the underlying Wongawilli Seam. That time Longwall 4 and 5 did not happen yet. Importantly, this also means that what may happen to the overlying Bulli workings – sorry. This observation is – also means that what may happen to the overlying Bulli workings – whatever happens to the overlying Bulli workings may critically determine the outcomes of subsidence ..... due to mining within the Wongawilli Seam, now the proposed – the proposed bord and pillar mining ..... workings. That's also why I said earlier the overlying Bulli pillar workings ..... the single most important effect or risk effect.

In the revised underground extension project, Russell Vale Colliery proposed to mine first workings instead of longwalls underneath the Bulli pillar workings. This is the most significant difference between the current mining application under the case of the extracted Longwalls 4 and 5 ..... to the subject site. Longwalls 4 and 5 does provide a very useful reference. Okay? I go on. The question now is will the proposed first workings cause destabilisation of the overlying Bulli pillar workings? The argument presented by Russell Vale Colliery this time in their application is that first workings ..... proposed would be long term stable and will therefore not cause destabilisation or for the overlying Bulli workings. That's their argument.

However, within a context of stability of the overlying Bulli pillar workings, I did not notice the applicant's consideration of a number of additional effects of the first workings. For example, subsidence. In the report by SCT, subsidence is predicted

ranging from 30 to 100 ml. What this subsidence could do to the Bulli workings? When subsidence occurs, it never ..... perfectly horizontal. There will be differential movements. What will happen? That's the first additional factor in relation to the stability of the overlying workings, Bulli workings. Next, reduction of stiffness of the system. When I say the system, I refer to that whole area.

Over 100 years ago, Bulli Seam started to be mined ..... mine, so one layer of coal was removed. That will certainly, common sense, reduce the stiffness of that system. Subsequently, many years later, longwalls in Balgownie Seam took place. Another layer of coal extracted. That will further reduce the stiffness of the system. And now we deal with a proposed first workings. I will find it hard to accept that if people said to me, "That won't change the stiffness of that system" – common sense. I hope you guys understand that. We're talking about global stability here. So that's a second aspect. That's not considered or mentioned or assessed.

Another one is when those first working pillars were removed – were – were mined, there will be these stressing effects, what happens then, and groundwater change. So you make consider or the mining company may argue I didn't say some – some indications of that. Individually, each of these affected may not be substantial, may not be significant. Accumulatively – cumulatively what – what could happen – what would – is the cumulative effect of those above I mentioned ..... effect could trigger – "trigger", that's a key word – the instability of what are called by the SCT – that's the mine's subsidence specialist under the peer review of the coal – marginally-stable pillars in their overlying pillar workings.

Now, I perhaps needed to explain what marginally-stable pillars mean. These are terminology used by SCTs report and the reviewer's report. To be marginally-stable, there are specific meanings for subsidence engineers or geotechnical engineers. Such pillars become unstable when affected by certain external factors, for example or such as, substance movement. Even such movements are very low in magnitude. They're just triggering effects, because whatever that system or thing is marginally stable, it may not need a lot of external factor or force to force it to become unstable. I give you an example in relation to a section of Douglas Park Drive near the suburb of Douglas Park.

I assume a number of people in this panel have been there, inspected Nepean River. When you go to the Douglas Park, you drive across the Nepean River and then drive towards Douglas Park or drive onto that section of Douglas Park Drive. Immediately beside that road is cliff formations and those cliff formations, as an example of marginally-stable rock, formations. Rocks within the cliff formation could fall, even if subsidence movements due to the nearby longwall extraction are very low. The risk management to control the hazard of rockfalls along that section of road due to any marginally-stable rock masses has been intensive over the past years and overseen by a special committee of experts.

The movements recorded over the past years that now two longwalls are already extracted, they are – we're talking about the third longwall coming close. And to this

moment of time recorded a substance 23 ml horizontal, 20 ml vertical, 43 closer. Think about that. It's a substantial effort ..... to control the risk hazard of those marginally stable rock masses, because the – by nature, by definition, they do not need a lot of external force to become non-stable. That's what marginally stable means. And now I give you quote, what's said, in the report by SCT. You guys familiar with that SCT? That's the mine's subsidence – mine subsidence expert provided .....

PROF CLARKE: Yes, we are familiar.

DR LI: I just quote their comments about the marginally-stable pillars:

> *Interaction with the underlying seam is expected to be negligible, but there are areas of Bulli and the Balgownie Seam pillars that may be marginally stable, including one area of Bulli Seam pillars that is considered to be marginally stable. If this areas of pillars are destabilised for any reason, there may be perceptible subsidence –*

in the body of the report, that subsidence, perceptible subsidence, is quote as one to two metres. Comma –

> *but this potential exists irrespective of any proposed mining.*

And I will come back to this statement in a moment. I'll continue to read:

> *The Bulli seam in the general area of the proposed mining was mined at a time when there was no legal requirement to keep "accurate" mine records. A small area of marginally-stable standing pillars in the Bulli Seam is known to the exist to the east of Mount Ousley Road. Although this area is shown on the mine plans –*

this is important –

> *there is uncertainty about whether there may be other areas marginally-stable pillars elsewhere across the area given that most of these workings are now inaccessible.*

I also note that the peer review of Professor Hebblewhite made a comment in relation to the marginally-stable pillars. His comment is those pillars need to be identified. Now, I go back to what that quantifier says, this potential exists irrespective of any proposed mining. It may be true, but when the proposed mining take place, if that is related to any external factors or – or forces that trigger the marginally-stable pillar to ..... how can we face the question of the community? That is because of history. How can we tell that apart? I can give you many, many examples we deal with these things. Mining companies will have to manage the risk of whatever happens, subsidence; how can you tell that apart?

It's hard. Anyway – so that's a comment about marginally-stable pillars. So once I say – earlier on, I made a comment saying my comments today will focus on the overlying Bulli pillar workings as the single most important factor or risk factor. I now refine that comment to say this: in relation to the proposed – the first workings, the existence and the distribution of the marginally-stable pillars in the overlying Bulli workings will critically determine the outcomes of subsidence. That is, the occurrence, nature, magnitude, distribution, timing, duration of subsidence development due to the proposed first workings.

Importantly, without a reasonable understanding of this key risk factor, we are in the dark in making decisions in relation to Russell Vale Colliery's proposed revised underground expansion project. That's an important message. I also note in considering development applications for multiple storey buildings, highways or other important civil structures above old workings, New South Wales Government will require the applicants to investigate the old workings involved before consideration of applications. As a subsidence engineer, I know that is very critical ..... and that doesn't appear to be the case for the – for the – for the – for the mining application we are considering today.

In view of the abovementioned lack of understanding of the key risk factor related to Russell Vale Colliery's mining application, it would be appropriate to consider the same approach – that's what I mentioned a moment ago – to require the company to undertake relevant investigations into the overlying Bulli pillar workings, considering the existence of significant surface features at the subject site, which is near a major population centre. So now it comes to my suggestion. The first one. I suggest the applicant be required to identify, as Bruce Hebblewhite commented, to identify the existence of the marginally-stable pillars in the overlying Bulli workings and to undertake investigations into the distribution of site's marginally-stable pillars.

As a subsidence engineer working many, many years, I say this: this is fundamentally important for a meaningful subsidence prediction/assessment and the subsequent development of risk-management plans. I also suggest that once the applicant has completed the work outlined above and also I assume if that's the case, approval is granted the proposed mining commence east of the Mount Ousley Road as a means to further manage the uncertainty. The reason being, on the – no. Sorry – commence west of – sorry – west of the Mount Ousley Road. On the east – on the eastern side of Mount Ousley Road, a number of factors that magnify the uncertainty: (1) shallow depth of cover; second, existence of critical infrastructure items; three is government. So that's my note today.

PROF CLARKE: Thank you, Gang.

MR YOUNG: It's Mike Young here. I'd just like to make a couple of comments, if I may - - -

PROF CLARKE: Of course.

MR YOUNG: - - - with permission – yes. Thank you. Mike Young. I'm the Executive Director of Mining, Energy and Resource Assessment for the Department of Planning, Industry and Environment. Gang, is it fair to say that many of those issues you've raised would be things that – not untypical of underground mining projects and that would typically be managed through a post-approval extraction plan process, etcetera, noting – noting that the Resources Regulator didn't raise any of these kind of concerns in its correspondence to the department during the assessment process to date.

DR LI: To give you a generic response, you – when you consider not – nearly all – nearly all mining applications I understand were approved grey, nearly all. It's just a matter of how grey is that grey? And usually conditions approval were imposed to managed those greys. So – but in this case, in my view, it's too grey. The key risk factors is not clear. We have no clear understanding without where and how this marginally-stable pillars in the overlaying Bulli workings ..... now where they are. Then it's very, very difficult to understand this: the magnitude of subsidence, the distribution of subsidence, how to manage the subsidence risk.

For example, if you are given an area that – application area, if you don't understand this critical risk of ..... how do you know when to start risk management? How do – how do you know when to finish risk management? That's what I mean by saying it's the dark. This very fundamental aspect of subsidence engineering is not clear.

MR YOUNG: So it's Mike Young here again. I – I wonder whether given this is very different to the advice that's been received to date from the Resource Regulator, I would put it to the commission that maybe if this is the formal advice of the Resource Regulator that – that this ought to be put – clarified in writing and potentially a response sought from the company, because clearly this is – either hasn't been raised or is not consistent with the technical advice that we've received to date from a range of consultants and technical experts and from the Resource Regulator. So I'm very concerned that – that this – this advice has been raised now at the end of the process by the Resource Regulator and the manner in which it has been raised.

So I would put it to the commission that – that this – this process needs to be considered further before – and that the advice of the Resource Regulator is formalised, because it's – it's – was never identified in the past.

DR LI: Well, I have no further comments on – on this.

PROF CLARKE: And thank – thank you – thank you, Gang, and – and thank you, Mike. I'll – I'll throw to Matthew in – did you have anything to add to that before I make some comments?

MR NEWTON: Not in regards mine subsidence, no.

PROF CLARKE: Okay. This is very different to the information that we have and I understand, Mike ..... your comment there. I'll need to confer with colleagues at the IPC. We are on a timeline now. The clock has started and we have a number of other meetings ahead of us, including a public hearing on Monday and Tuesday. So I'm going to take this one on notice and confer with – with people at the IPC. I think at this stage I would like to request that you consider providing something to us in writing outlining your concerns and outlining what you see is the process that needs to be followed from your perspective. But I'll need to take advice on this.

DR LI: That'll be fine. Not this week. Probably ..... next week.

PROF CLARKE: No.

DR LI: ..... very urgent – urgent projects to – to complete at .....

PROF CLARKE: Gang, I'll leave that for your internal discussions within the Resource Regulator, but from the IPCs perspective, Brad, is there any other comment that you think needs to be made at this stage?

DR LI: No. In response to your - - -

PROF CLARKE: No, no. Sorry, Gang. I was referring to Bradley James at the IPC for some instruction there.

DR LI: Okay.

MR JAMES: Alice, would you like to take just a five-minute pause adjournment and - - -

PROF CLARKE: Yes, please.

MR JAMES: - - - we can discuss. Sorry. I think ..... Great, I might – Matt, Gang, I might just put you in the waiting room for a second and we'll just – we'll just have a moment if you don't mind.....

PROF CLARKE: So just while .....

MR JAMES: ..... okay with that Alice?

PROF CLARKE: Brad ..... is cutting in and out, so what we'll do is put you in a waiting room, if you wouldn't mind hanging on, and we'll have a discussion internally. Brad, your voice was just chopping in and out there, so if you could .....

MR JAMES: Okay.

PROF CLARKE: ..... the – the waiting room. Thank you.

MR S. BARRY: And we'll pause the transcript.

PROF CLARKE: Yes, please.

ADJOURNED [3.45 pm]

RESUMED [4.14 pm]

PROF CLARKE: Thank you again for your patience. Some new information presented there from the Resource Regulator. We have decided to make – Chris, would you mind ..... your phone, perhaps, on mute or your – we're getting feedback from your system, Chris. Can you still hear us?

PROF. FELL: I can indeed.

PROF CLARKE: Thank you. We can still hear you. We – we have decided to – that we'll write to you and outline the next steps in terms of the presentation that we heard. And for now we would like to continue with the presentation from the Resources Regulator. And, Matthew, I think you indicated that you had some ..... to present.

MR NEWTON: Yes, sure. So I'll be presenting on rehabilitation and closure. So the first point here is the estimated rehabilitation costs.

PROF CLARKE: Yes.

MR NEWTON: So the current rehabilitation costs for the site based on existing obligations, so that's on current approvals, is $12,354,410.75; not rounded up at all. And what that covers is the infrastructure areas, the rehabilitation of the rejection placement and subsidence management and that has also a range of contingencies in that as well. So that's based on current obligations and under the Mining Act, the Minister may – the Minister may impose a rehab security to fulfil obligations. In this process, in terms of if should this – should this next project proceed for Russell Vale, that would require or trigger a new mining operations plan at which point in time we would also consider a revised rehabilitation cost estimate to account for any changes to those rehab obligations as part of a new project. So that's – that's generally what the process is and what the current rehab security is – was there any specific questions ..... to that or does that cover off on the – the requirements?

PROF CLARKE: Peter, did you have any particular questions with regards to the rehabilitation costs?

MR WILLIAMS: Thanks, Alice. Peter Williams here. Thanks – thanks, Matt. Those current rehab costs of just over $12 million, sorry, is that based at the current obligations or is that in relation to this proposed – this proposed – this project if – if – if they get an approval?

MR NEWTON: No, that's the current obligation, so it's not on this – on this new approval. So the – the process is we can't – we can't impose an obligation that doesn't exist yet.

MR WILLIAMS: Yes.

MR NEWTON: So should – should that become – should that be approved and before they commence that, that's – under our current regime, they're required to submit a mining operations plan, at which point we consider a new rehab cost estimate and potentially revise that accordingly.

MR WILLIAMS: Okay, because I thought I saw somewhere in the reports that the – the security deposit would be increased to $12.3 million.

MR NEWTON: It's already been increased, so just a bit of background here. As one of the appendices to the earlier – and I'll just – just let me look at that in front of me. In appendix 10 of the economic impact assessment of the Russell Vale Colliery, which was prepared by Cadence Economics dated July 2019, appendix 10, page 11, stated that:

> *WCL has advised Cadence Economics that rehabilitation costs up to $215 million would be incurred in 2020 if the project does not go ahead.*

Now, when we say that – that information, we actually issued a notice to the company to engage a suitably-qualified expert to redo a rehabilitation cost estimate. And that – so the current – the security deposit that existed at that time was 7.6 million. And as a result of that independent review, we revised that security deposit up to the – the 12.3 as previously stated. So that is the amount that is currently held - - -

MR WILLIAMS: Right.

MR NEWTON: - - - by the department.

MR WILLIAMS: Yes. Thanks, Matt, because once again it's indicated in the report that there's a – they're described as a business closure cost of $215 million. And we're getting further advice back from the applicant about what that actually means. But I'm just a bit – well, I'm just raising the question about there's a big difference between rehab costs of $215 million and $12.3 million or plus. I just don't know why it's based on this precondition or the assumption that if they don't get an approval, that's what they're – I mean, the argument is the rehab costs are going to be a lot more if we don't get approval than if do get ..... approval.

MR NEWTON: Personally, I don't understand that. And, listen, I'd be speculating without actually seeing a breakdown of that 215 million – $215 million in terms of what that – that covers.

MR WILLIAMS: Yes.

MR NEWTON: There – there is the potential that there may be some employee redundancy costs in that and other – other costs that we don't generally factor into our rehab cost estimate, but, you know, certainly based on our assessed deposit, that's – the 12 – the 12.3 is certainly commensurate with a scale of that type of project.

MR WILLIAMS: Yes. Yes. Good, great. Thanks, Matthew. Thank you very much. Thanks, Alice.

MR NEWTON: Thank you.

PROF CLARKE: Thanks. Chris, do you have any questions regarding the rehabilitation costs? You're on mute.

PROF FELL: .....

PROF CLARKE: Sorry. Repeat that, Chris.

PROF FELL: I'm happy about it.

PROF CLARKE: Okay. I – I have one question, and that question relates to – there's a number of parts of the report that indicate that there is a longer term intent to mine these seams by the company post the proposal that's in front of us. If – what expectation do you have or how do you look at this intention in – in terms of its potential impact on – ongoing rehabilitation commitments? Is there any comment or clarity around that you could offer?

MR NEWTON: We regulate, I guess, in terms of what's approved, so - - -

PROF CLARKE: Yes.

MR NEWTON: - - - we – we would – we would look at regulatory framework or regulatory conditions based on that approval. So similar to the process you're going through now, so if it's – approval is issued by IPC, then we would – we would regulate those conditions that come out of that process. So if there's any further development or future expansions, then we would consider it at that point in time.

PROF CLARKE: Thank you.

PROF FELL: I do have one question. That is - - -

PROF CLARKE: Yes .....

PROF FELL: - - - basically the mine ceased to operate in 2015, because its PWP expired then. It hasn't been asked to do any rehabilitation since that time, as I understand it.

MR NEWTON: That's – that's right, so it's underground operation, so underground operations are – are pretty limited in terms of progressive rehabilitation, because essentially what they're maintaining is the Pit Top areas.

PROF FELL: Yes.

MR NEWTON: Generally all of that is used as part of continuing underground operations.

PROF FELL: Yes, so you make allowance for the possibility there may ..... continuing operation.

MR NEWTON: That's correct. So at the moment they're operating under a care and maintenance mining operations plan, so that acknowledges the fact that they're continuing to retain surface infrastructure for ongoing use. Now, how long's a piece of string? Obviously we're awaiting to see this process, at which point in time we'll be liaising with the company. So, for example, if it did not proceed, then we would be looking to potentially require them to go into a detailed closure planning .....

PROF FELL: ..... if it did proceed and they'd have five years and then the process would start again effectively. Is that correct?

MR NEWTON: Well, the process would continue on. Their mining operations plan would be adjusted to reflect their new operations. And if their new operations were for an extra five years, then we would require a – under the current regime, a new mining operations plan at the end of that point in time to detail the – the - - -

PROF FELL: .....

MR NEWTON: - - - the extent of closure activities.

PROF FELL: Yes, thanks for that.

PROF CLARKE: Thank you. Did you have any more issues you wanted to raise or further things to talk to?

MR NEWTON: I think the other dot point that you were seeking some clarification on was longer-term responsibilities for the adit water discharge.

PROF CLARKE: Yes.

PROF FELL: Yes.

MR NEWTON: So in regards to that issue, there – this is a – a multiagency issue, so Water New South Wales EPA and – and the Resource Regulator. So we would require this issue to be addressed before we would recommend signoff of rehabilitation and – and potential relinquishment of the lease. But we would be working with those other agencies in terms of looking at those – those options for that. Certainly concur with the – the obligation to – for an adit water discharge management plan and the development of that. We would support that that is done well up front, but at – it needs to consider a range of options.

Ultimately, we'd be aiming to make sure that the risks are reduced to as low as reasonably practicable with a passive, if any, treatment system going forward. We hope to do that – we – we would hope that there's no – there's no ongoing residual risk to address, but that's what we want – seek to see that report actually to – to – to rectify. One of the things I think that report needs to look at as well is potentially sealing up and – and allowing that water to accumulate in the underground workings and just re-equilibrate – I can't say that word – back to pre-mining levels.

PROF CLARKE: Yes.

MR NEWTON: And that – that's potentially another option as well that that needs to consider, but this is not – this is not a – an unknown issue. This – this does occur with number of mines and we would just apply the – the current regulatory processes in light – in consultation with those other agencies to come up with that solution.

MR YOUNG: Mike Young here. I'm just wondering for the clarification of the commission, and I guess to confirm with Matt, my understanding is that's an issue that is going to be – need to be managed by the company in consultation with the relevant regulators, regardless of whether the proposed application is approved or not.

MR NEWTON: That is correct. That is correct, so regardless of this application, that is something that's going to have to be addressed.

PROF CLARKE: Thank you, Mike, and thank you, Matthew. Any questions there for – follow-up questions for Matthew? Peter, anything from you on the water? No, you're good. Chris?

PROF FELL: No, thanks.

PROF CLARKE: You're good. Okay. I think the next one, next point, was waste.

MR NEWTON: That's all I had on my list.

PROF CLARKE: Yes, okay. Yes. Of course. Yes. Thanks, Brad. Yes. All right. I guess one question that I'd like to pose or just sort of get your – your view on is the coal waste storage area is very small and in our meeting with the applicant, they've said that they would look to sell the dried processed waste product or place it

underground. And if they're unable to do that, the intention is to exploit any surplus with the – the – the coal that they would exploit anyway, presumably not to inhibit production. Does this raise any issue for the Resource Regulator?

MR NEWTON: No, there's no issues that come to mind. Certainly, we would – we would encourage any beneficial reuse of the material. That – that's all I'd probably make the point on that one.

PROF CLARKE: Okay. Thank you. Chris, do you have any follow-up questions on any other areas for the Resource Regulator?

PROF FELL: Well, it would really get back to putting the waste in the mine. Is that a satisfactory process as far as the Resource Regulator is concerned?

MR NEWTON: From an environmental point of view, I don't see any issues with that. Obviously, there would be potential safety issues that they would have to suitably address to allow that to occur, because when you're looking to, you know, dispose of material in, you know, ventilated areas, etcetera, you need to consider all of those risks to be able to do that, so that's something that we wouldn't be opposing, but it's something that ..... addressed.

PROF FELL: Okay. It's not beyond – yes. It's not beyond the normal set of things that might be considered in a mine.

MR NEWTON: It has its technical challenges - - -

PROF FELL: Yes.

MR NEWTON: - - - in an underground environment, so that would have to be suitably addressed to able to – for that to be a viable option.

PROF FELL: Thank you.

PROF CLARKE: And, Peter, any final questions from yourself?

MR YOUNG: I'm fine. Thanks, Alice. Thank you.

PROF CLARKE: All good?

MR YOUNG: Yes.

PROF CLARKE: Okay. As I said, we'll confer afterwards and respond to this. There's been some new information earlier in the meeting presented and not reflected in the current submissions, so we need – we need to get back to you with how to proceed there and we'll do that in short order. Everything today is reflected in the transcript, so we can – we can always refer to that as well. Can I thank everyone for your time and apologise again for the extension of time and thank you

for your patience through that. We'll draw the meeting to a close now and turn off the transcript.

MATTER ADJOURNED at 4.29 pm INDEFINITELY