

# ILLAWARRA COAL COMMUNITY UPDATE



*Illawarra Coal has received approval for the construction of the No 6 Ventilation Shaft on property owned by the Company located between the Douglas Park township and the Hume Highway.*

## FUTURE OPERATIONS IN YOUR REGION

### WHO IS ILLAWARRA COAL?

Illawarra Coal is a subsidiary of BHP Billiton and operates three underground coal mines – Appin and West Cliff in the Wollondilly region, and Dendrobium Mine in the Illawarra region. Using longwall technology, these mines produce premium quality hard coking coal for steelmaking. Illawarra Coal supplies more than 70 percent of the coal used by the Australian steel industry for the manufacture of things such as whitegoods, building materials, cars, railway lines, and many other every day items. The Bulli Seam Operations incorporate the West Cliff and Appin Mines and their associated infrastructure. Both of these mines extract coal from the seam known as the Bulli Seam which is some 550-600 metres below the surface.

The Appin Mine pit-top is situated on Douglas Park Drive, Douglas Park and has an additional site near the village of Appin. The West Cliff Mine and its associated infrastructure are situated on the Appin Road, east of Appin.

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**THE PURPOSE OF THIS INFORMATION SHEET IS TO PROVIDE YOU WITH AN UPDATE REGARDING ILLAWARRA COAL'S NO 6 VENTILATION SHAFT PROJECT. THE PROJECT HAS BEEN APPROVED BY THE NSW DEPARTMENT OF PLANNING AND THE FEDERAL GOVERNMENT'S ENVIRONMENT DEPARTMENT. THIS DOCUMENT INCLUDES INFORMATION RELATING TO THE CONDITIONS OF THE CONSENT OUTLINED IN APPROVAL BY THE NSW DEPARTMENT OF PLANNING.**

A full copy of the Approval document which includes all conditions of consent is available on the Department of Planning website: [majorprojects.planning.nsw.gov.au/page/determinations](http://majorprojects.planning.nsw.gov.au/page/determinations)

In April 2010 Illawarra Coal began talking with the Douglas Park Community regarding future plans for its next stage of mining, and the proposed Ventilation Shaft which is to be constructed on property owned by the Company between the Douglas Park township and the Hume Highway.

The Environmental Assessment (EA) for the Ventilation Shaft was submitted

to the NSW Department of Planning in September 2010 and the project was also referred under the Federal Government's Environment Protection and Biodiversity Conservation (EPBC) Act 1999 for assessment.

Preparation of the Ventilation Shaft EA was made in consultation with a Community Advisory Panel which was formed to provide input to this process. Thank you to the Douglas Park community representatives who joined the Panel. The Company hopes to continue working with the Panel throughout the Ventilation Shaft construction process.

## THE VENTILATION SHAFT APPROVED – WHERE TO FROM HERE?

TO BE KNOWN AS NO 6 VENTILATION SHAFT, THE SHAFT WILL BE AN IMPORTANT ELEMENT IN THE SYSTEM WHICH PROVIDES FRESH AIR TO OUR EMPLOYEES UNDERGROUND. THE PROCESS OF MINE VENTILATION INVOLVES TAKING AIR IN AT ONE PART OF THE MINING AREA, AND DRAWING IT OUT FROM ANOTHER. THE NO 6 VENTILATION SHAFT WILL BE AN "UP-CAST" SHAFT WITH FANS – MEANING THAT THE AIR IS DRAWN THROUGH THE MINE FROM ELSEWHERE AND EMITTED TO THE ATMOSPHERE VIA NO 6 VENTILATION SHAFT. THIS INFRASTRUCTURE WILL ENSURE THE PROCESS OF VENTILATION FOR THE EXISTING APPIN AREA 7 WORKINGS AND FUTURE OPERATIONS.



# WHEN WILL WORKS COMMENCE?

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## ACCESS AND TRAFFIC

**CONSTRUCTION WILL COMMENCE ON THE ACCESS AND ROADWAY TO THE SHAFT SITE FIRST. THE FIRST OF THESE WORKS IS SCHEDULED TO COMMENCE IN JULY THIS YEAR WITH THE START OF CONSTRUCTION OF THE INTERSECTION AT MENANGLE ROAD. COMPLETION OF THE INTERSECTION IS EXPECTED TO BE COMPLETE BY SEPTEMBER 2011.**

The access will commence from Menangle Road, north of the Camden Road intersection as depicted in the diagram on this page. The approval by government for construction of the Ventilation Shaft includes construction of the roadway and will be in accordance with strict conditions.

The entire access and roadway, which will be sealed, is expected to be complete by January 2012. Construction updates will be provided to the community via the community notice board and letterbox drop. It is also hoped that a traffic management sub-committee of the Douglas Park Advisory Panel will also be formed to provide feedback to the Company on issues and concerns regarding the movement of heavy equipment to and from the site and its interaction with the township of Douglas Park.

Selection of this site followed the assessment of a range of possible options in consultation

with the Douglas Park Advisory Panel, through which it was determined that access to the property from the current access near Douglas Park Primary School would not be acceptable for heavy traffic.

In accordance with the Government conditions of consent, construction of the road and site access will be conducted during the hours of 7.00am to 6.00pm, Monday to Saturday. No works will be conducted on Sunday or Public Holidays. Some works, which require traffic management measures, might be conducted outside these hours to take advantage of quieter traffic volumes. Other inaudible activities such as on-site electrical works might also be undertaken outside of these hours.

All traffic must comply with the Illawarra Coal Drivers' Code of Conduct. Strict requirements, particularly in relation to travel and school pick up and drop off times apply.

### WHAT ABOUT AIR QUALITY OR DUST ISSUES?

The air which exits from the mine is the same air that the employees underground breathe.

The consent conditions of the approval to build and operate the Ventilation Shaft state that Illawarra Coal shall:

- Ensure no offensive odours are emitted from the site, as defined under the Protection of the Environment Operations Act 1997;
- Ensure that all reasonable and feasible avoidance and mitigation measures are

employed so that the particulate emissions generated by the project do not exceed the criteria listed at any residence or privately owned land (including the School);

- Implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site to the satisfaction of the Director-General.

It is expected that during construction of the road and the shaft site there will be some generation of potential air-borne surface dust which will be suppressed through a schedule of water sprays. On completion, the roadway will be sealed.



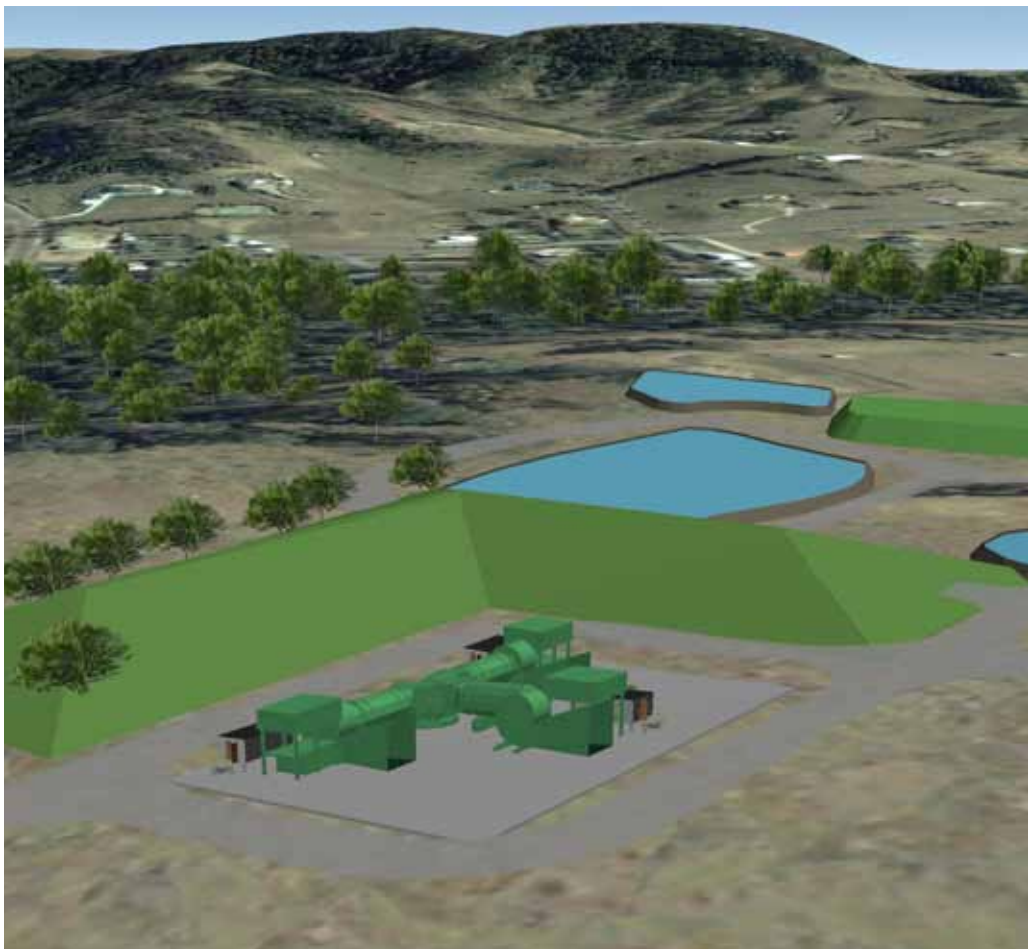
**SITE PREPARATIONS FOR THE VENTILATION SHAFT ARE EXPECTED TO COMMENCE IN SEPTEMBER 2011. PREPARING THE SITE FOR DRILLING OF THE SHAFT WILL OCCUR FIRST, AND TAKE ABOUT 6 MONTHS. IN JULY 2012 IT IS EXPECTED THAT DRILLING GEAR WILL BEGIN ARRIVING AT SITE WITH DRILLING TO COMMENCE SOON AFTER.**

The drilling or “sinking” of the shaft will take approximately 18 months to complete. Once the drilling of the shaft is complete, installation of the fans and other infrastructure will begin. If all of these works proceed according to schedule, the Ventilation Shaft and its associated infrastructure will be complete by June 2015.

To be situated on the southern end of the Mountbatten Stud property, the Shaft structure will not be visible to the main township of Douglas Park. Approximately six metres high on completion, the top of the shaft structure will be visible from Spaniards Hill and some other surrounding high points.

To assist with noise mitigation and provide further screening a vegetated earth bund will be constructed to surround the Shaft structure.

ACTIVITY	COMMENCEMENT	SCHEDULED COMPLETION
Menangle Road intersection	July 2011	September 2011
Access Road	August 2011	January 2012
VS#6 Site Preparation	September 2011	January 2012
VS#6 Shaft Construction	February 2012	December 2014
VS#6 Fan Installation	July 2013	June 2015
Demobilisation, Noise Bund & Revegetation	January 2015	October 2015



*Illawarra Coal will construct a vegetated earth bund around the Ventilation Shaft structure to assist with noise mitigation.*

# HOW MUCH NOISE WILL THERE BE?

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**GIVEN THE PROPOSED LOCATION OF THE SHAFT, CLOSE TO THE HUME HIGHWAY AND SEPARATED FROM THE TOWNSHIP BY TREES, THE OPERATION OF THE SHAFT IS NOT EXPECTED TO HAVE AN AUDIBLE IMPACT ON THE TOWNSHIP OF DOUGLAS PARK. (THE CLOSEST RESIDENCE TO THE SHAFT ITSELF IS APPROXIMATELY 600 METRES AWAY.)**

To properly assess this, however, noise studies were conducted and noise impact conditions are outlined in the Government Approval for both construction and operation.

Construction noise must not exceed the levels outlined in Table 1.

N.B. All noise levels are measured in decibels.

TABLE 1

LOCATION	DAY	EVENING	NIGHT	
	dBA (15 minute intervals)		dBA (1 minute intervals)	
All privately owned residences – 7am to 6pm, Monday to Saturday and 8am to 1pm Saturday	50	45	39	49
All privately owned residences – outside the above hours	45	45	39	49

When the Ventilation Shaft is in operation, noise must not exceed the levels outlined in Table 2.

TABLE 2

LOCATION	DAY/EVENING	NIGHT	
	dBA (15 minute intervals)	dBA (1 minute intervals)	dBA (1 minute intervals)
All privately owned residences	45	39	49

As demonstrated in the adjacent chart, the noise levels of the Ventilation Shaft when measured at any residential property will be roughly equivalent to the noise levels of an average lounge room.

## WHO DO I CONTACT IF I HAVE A CONCERN OR COMPLAINT?

All activities associated with the Ventilation Shaft construction will be closely monitored and controlled. If you have a complaint or query regarding any element of Illawarra Coal's activities in your region please contact the Illawarra Community Call Line on 1800 102 210. This number will be answered 24 hours a day 7 days a week.



Jet take off  
(25m distance)



Pneumatic chipper



Business office

Expected noise levels in Douglas Park from No 6 Ventilation Shaft at any residential property



Bedroom



Rock group



Average street traffic



Lounge room

SOUND PRESSURE LEVEL dB

## GOAF GAS DRAINAGE

**THE "GOAF" IS A MINING TERM WHICH REFERS TO THE AREA UNDERGROUND AFTER MINING OCCURS. THE LONGWALL MACHINE CUTS THE COAL GOING FORWARD, AND THE GOAF IS THE VOID BEHIND IT. METHANE GAS OR "GOAF GAS" IS RELEASED INTO THE GOAF AREA WHEN THE ROCK AND COAL IS BROKEN UP BY THE LONGWALL MINING PROCESS. THIS CAN POSE A SUBSTANTIAL SAFETY RISK TO THOSE WORKING UNDERGROUND. GOAF GAS DRAINAGE IS THE PROCESS OF EXTRACTING THE GAS AWAY FROM THAT AREA TO THE SURFACE TO HELP MINIMISE THAT RISK.**

In February this year, Illawarra Coal commenced drilling a goaf gas well on Company-owned property close to the proposed Ventilation Shaft site. The goaf gas drainage project was initially approved by the NSW Department of Planning in October 2009 and modifications to the project were approved by the Department in December 2010. When complete, the goaf gas well will draw the methane gas away from the goaf of Appin Mine's Longwall 704 which commenced operating to the east of Douglas Park township, early this month.

The gas will be drawn to the surface and used as a fuel at the Company's power plants to make electricity. These plants produce enough electricity for the consumption at the Appin and West Cliff Mines, and also feed back into the state electricity grid. Sometimes in other operations the gas extracted cannot be reticulated to our power plants; in which case the gas is flared (in a system in which the flare is concealed within a flare stack or chimney, and is not visible).

While there has been some recent public discussion regarding coal seam gas mining (CSG mining) and the

process known as "fracking", it might be helpful for you to understand that the process of draining gas from our underground operations for safety reasons is not the same, and the process known as "fracking" is not used in the goaf gas drainage process.

Drilling of the Longwall 704 well is nearing completion and the extraction of gas will soon commence. While every effort has been taken to minimise the impact to our neighbours during this drilling exercise, the Company does realise there may have been some inconvenience and your co-operation has been appreciated.



*Illawarra Coal has been conducting surface goaf gas drainage works on Company-owned property in Douglas Park in order to create a safe working environment underground.*

# FUTURE MINING IN THE AREA

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IN APRIL 2010 WE WROTE TO RESIDENTS TO INFORM THEM THAT PRELIMINARY WORK WAS TO COMMENCE ON PREPARATION OF AN EXTRACTION PLAN FOR FUTURE MINING IN THE AREA. THE PRELIMINARY WORK WHICH IS CONTINUING INCLUDES THE COMMENCEMENT OF STUDIES IN THE AREA OF THE FIRST FOUR LONGWALLS WHICH WERE DEPICTED IN THE BASE CASE LONGWALL LAYOUT FOR THE COMPANY'S BULLI SEAM OPERATIONS PROJECT. THIS LAYOUT IS SUBJECT TO CHANGE PENDING THE FINALISATION OF AN EXTRACTION PLAN WHICH IS TO BE SUBMITTED TO GOVERNMENT FOR APPROVAL.

Before mining can occur, the Company's Bulli Seam Operations Project application must first be approved, and then the Extraction Plan must be approved. Pending these approvals, mining in the area is proposed to start in 2015. Development of the Extraction Plan will involve consultation with all relevant stakeholders, including people who own property and houses in the area. Illawarra Coal will be in contact directly with people who own properties in the proposed mining area to discuss this.

If you have any questions in the interim please don't hesitate to contact (during business hours):

**Adam West**

Environment and Community Co-ordinator  
T: 4255 3536  
E: Adam.T.West@BHPBilliton.com

**Michael Meurer**

Landholder Relations Co-ordinator  
T: 4255 3584  
E: Michael.Meurer@BHPBilliton.com

or after hours on the Illawarra Coal Community Call Line on **1800 102 210**.



## DOUGLAS PARK COMMUNITY INFORMATION SPOT

If you would also like to discuss anything in relation to these proposed developments or any other parts of Illawarra Coal's operations with a company representative, you can do so by visiting:

**Illawarra Coal's Douglas Park Community Information Spot**

Douglas Park Community Centre

Every 1st Thursday of the month (12pm-4pm)

Every 3rd Saturday of the month (10am-2pm)

## SOME FREQUENTLY ASKED QUESTIONS

### AREN'T YOU ALREADY BUILDING A VENTILATION SHAFT ON THAT PROPERTY?

In 2009, Illawarra Coal received approval to install infrastructure to enable gas to be drained from the current underground workings of Appin Mine's Area 7. Drilling for this purpose has recently been in progress on the property where the Ventilation Shaft is to be built. This system extracts gas from above the coal seam as the coal is mined, and then the gas is transported via underground pipework into a system which uses the gas for power generation. This is resulting in a reduction of greenhouse gas emissions of 200,000 tonnes CO<sub>2</sub>-e per year – the equivalent of removing about 40,000 cars from the road.

### RESIDENTS DO NOT LIKE THE POSITION THAT HAS BEEN CHOSEN FOR THE VENTILATION SHAFT. WHY CAN'T THE VENTILATION SHAFT BE PLACED SOMEWHERE ELSE?

A number of sites have been assessed for possible locations. The selection of this location is based on the layout of underground roadways associated with Appin Mine's current Area 7 workings and the future mine workings. The position has also been chosen to take into account surface and underground constraints. For example, the shaft can't be positioned next to a river or in mountainous terrain. Advantages of the proposed location include: being on the lowest part of the property, it will not be visible to most of the township; for the residential areas closest to the property, and the school, it will be screened by trees and topography of the land.

### HOW WILL ILLAWARRA COAL MINIMISE POLLUTION FROM THE VENTILATION SHAFT?

As previously mentioned, the air vented from the mine is the same air that the underground workers breathe. The Company will be required to comply with strict air quality conditions outlined in the Government's approval.

### WHAT ABOUT ALL THE EXTRA TRAFFIC? WON'T THIS CREATE A SAFETY CONCERN FOR LOCALS USING THE ROADWAYS?

Illawarra Coal is committed to minimising disruption to the community during construction and operation of the No 6 Ventilation Shaft. Safety is a high priority for the Company. As a result of input from the Douglas Park Advisory Panel it was determined that access to the property at the current property entrance, near Douglas Park Public School, will not be acceptable for heavy traffic associated with the shaft construction. Traffic movements via the access to be constructed off Menangle Road will be managed in accordance with government-approved management plans which will address elements such as the timing of traffic movements, speed limits and possible curfews, and in keeping with the Illawarra Coal Drivers' Code of Conduct.

### WILL THIS PROJECT CREATE ANY JOBS FOR LOCALS?

It is expected that construction of the Ventilation Shaft will employ approximately 100 people. While some of these jobs will require employees with special skills, contractors and their sub-contractors working on the project will require also labour. Where practical, they will be encouraged to source local people to work on the site. The Company is committed to advertising job vacancies to the Douglas Park Community.

 **bhpbilliton** resourcing the future  
Illawarra Coal

**Production:** Mitara Empresa Pty Ltd  
[www.mitara.com.au](http://www.mitara.com.au)

**Contact:** Illawarra Coal  
PO Box 514, Unanderra NSW 2526  
Phone: 02 4255 3200  
Fax: 02 4255 3204

**Illawarra Coal Community Call Line**  
Phone 1800 102 210

[www.bhpbilliton.com/illawarracoal](http://www.bhpbilliton.com/illawarracoal)

### FOR FURTHER INFORMATION:

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Email: [Bruce.Blunden@BHPBilliton.com](mailto:Bruce.Blunden@BHPBilliton.com)

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