

MEETING MINUTES (First Draft)



SOUTH32 ILLAWARRA METALLURGICAL COAL (IMC) APPIN MINE COMMUNITY CONSULTATIVE COMMITTEE

MEETING: #70
DATE: 10 April 2024 @ 5:00pm
LOCATION: Menangle RFS
90 Menangle Road, Menangle

ATTENDEES: Julie Sheppard (JS) Community Representative
Barbara Weber (BW) Community Representative
Sam Davis (SD) Community Representative
Shane Simpson (SS) Community Representative
Danny Stewart (DS) Community Representative
Michael McGrath (MM) Community Representative
Cr Matt Deeth (MD) Wollondilly Shire Council
Chris Schultz (CS) Illawarra Metallurgical Coal (Superintendent Environment)
Antony Leone (AL) Illawarra Metallurgical Coal (Manager External Affairs)

Mike Archer (MA) Independent Chairperson
Deborah Palmer (DP) Observer – new chairperson from June 2024

APOLOGIES: Andy Hyslop (AH) Illawarra Metallurgical Coal (General Manager)
Barry Durman (BD) Community Representative
Rod Mapstone (RM) Illawarra Metallurgical Coal (Principal External Affairs)

The purpose of the Community Consultative Committee is to facilitate and maintain two-way communication between South32 Illawarra Metallurgical Coal (IMC), key stakeholders and residents.

It is to promote open discussion on the activities of South32 Illawarra Metallurgical Coal's Bulli Seam Operations, including underground mining and surface operations of Appin; environment performance and community relations; and to keep all stakeholders informed on these matters.

AGENDA

- Welcome and introductions
- Acknowledgement to Country
- Apologies and Declaration of Pecuniary Interests
- Code of Conduct
- Minutes of Previous Minutes
- Questions on notice and actions arising from previous minutes
- IMC Update
 - Sale
 - Operations
 - Environment
 - Exploration
 - Projects
 - Complaints

<ul style="list-style-type: none"> ○ Community • General Business <ul style="list-style-type: none"> ○ Round the table ○ Next meeting • Meeting Close

1. WELCOME / APOLOGIES	<p>Meeting opened at 5:05pm. Acknowledgement of country. MA welcomed all members and introduced Deborah Palmer who will take over as Chairperson of the ACCC (and DCCC) from June 2024. MA advised he and Deborah would be handling the minutes and requested that anything specific to be recorded in minutes please advise. MA issued apologies for AH, BD.</p>
2. DECLARATION OF PECUNIARY INTERESTS	<p>MA declared a pecuniary interest, advising that in his role as Independent Chairperson, he is paid for his time by Illawarra Metallurgical Coal. There were no other declarations.</p>
3. PREVIOUS MINUTES	<p>Minutes of February ACCC meeting endorsed by – M.D. Seconded by – B.W.</p>
4. CODE OF CONDUCT	<p>MA - Open and constructive participation, open and shared dialogue, do not interrupt and do not speak publicly on behalf of this committee. Immediately notify the Chairperson of any potential conflict of interest, ensure confidentiality with committee discussions.</p>
5. QUESTIONS ON NOTICE	<ol style="list-style-type: none"> 1. Why was Mountbatten House stables were restored and not the other buildings? <ul style="list-style-type: none"> • Stables were severely damaged and that is why they were fixed. • Stables included in the heritage listing. It is listed as a chapel, but it is a stable and this will be corrected. 2. JS - provide clarification on condition 20. <ul style="list-style-type: none"> • Link to Condition 20, Schedule 4 of the Project Approval– CWEA underground trial is available at https://www.south32.net/docs/default-source/operations/illawarra/appin/approval-documents/projectapproval/consolidated-consent/bulli-seam-operations-consolidated-consent-april-2022.pdf?sfvrsn=57a4762e_1. 3. JS - I find the screen in the meeting room not fit for purpose. Hard to read text and maps. DS - maps should include roads to help with identification. <p>ACTION: A3 hard-copy maps to be brought to meetings.</p> <p>AL showed the ACCC members the community portal where these plans are always accessible: https://www.community.south32.net/appin-mine-plan</p> 4. RM to provide information on coal wash for beneficial use. SD - questioned what is a beneficial reuse. CS noted that one of the main beneficial uses for coal wash is for engineering purposes eg Spring Farm Parkway. SD asked whether the data presented was for IMC as a whole. AL noted that it was for Dendrobium only. CS noted that coal wash generated by the West Cliff Coal Preparation Plant is not directed to beneficial reuse at this time. Our primary aim is to deliver all CWR from

Dendrobium for beneficial use, and only emplace when we can't utilise the product for beneficial purposes, which does occur from time to time based on the quality of the CWR material.

Table below shows the percentage of CWR utilization from Dendrobium Mine:

	FY23	FY24 (H1)
Emplacement	16%	1%
Beneficial Use	50%	75%
Stockpiled for beneficial use	34%	24%

5. CS to provide map of discharge points

- A map showing the location of all license discharge points is available on the IMC website, including the monitoring results for these water discharge points, air quality and noise monitoring locations.
- The link to the 14 day Report is <https://equis.south32.net/Default.aspx?d=44778901&auth=basic%20SU1DcHVibGJjMTpJTUNwdWJsaWMx>.

5. JS - what is the story with Appin East?

- CS sought clarification and responded that coal continues to be transported to the surface at Appin East and trucked to the coal preparation plant for washing.
- JS expressed that this seems inefficient
- CS advised that coal extracted from underground is directed either to Appin East or to the bulk coal winder at the coal preparation plant depending on where it is generated within the mine. It also provides flexibility for continued operations

DS: Interested to understand the monitoring of the railway line. Does monitoring still happen between Douglas Park and Menangle?

CS. Yes, monitoring continues but has been wound down.

OPERATIONS UPDATE

Sale of South32/IMC

- On 29 February 2024, South32 announced that it had entered into a binding agreement to sell IMC to an entity owned by Golden Energy and Resources Pty Ltd (GEAR) and M Resources Pty Ltd.
- The sale is expected to complete in H1 FY25, subject to the satisfaction of certain conditions.
- South32 will continue to own and operate IMC until completion and has agreed to provide transitional services to IMC for up to six months following completion of the transaction.
- For now, it is business as usual for IMC.
- Over the coming months we will work with the buyer, our workforce, the local community, government, customers, and suppliers to support a successful transition of ownership.
- Details of the sale found here: [CLICK HERE](#)

DS – When will the new buyer take over the operations. Response: July - Dec 2025. The new buyer is Golden Energy Resources (70%) and M Resources (30%) who have established a company called GEAR M Illawarra Met Coal Pty Ltd

MD – With the proposed changes to the ACC and new regulatory approach to mergers how will that impact the transaction? Response: Although I'm familiar with the specifics you mentioned, the Transaction Team is undergoing the appropriate diligence

SD - What do you know about the foreign investment rules? Response - our team will be across this

MA - Where will IMC employees sit/how will they be impacted? Response: staff employed under 'Illawarra Coal Holdings' will transition across. There may be some changes of structure from the buyer.

SD – For employees, I imagine it is just a new logo on shirt? Response: - Yes, imagine this is the case for most staff.

MA – Jenny from the Dendrobium CCC has asked a question which is relevant to this CCC. What happens to the leases and licences? Do they transition to the new buyer? Response: Yes

SD - May be some issues on foreign ownership regulations.

OPERATIONS

LW710A

- Commenced 1 November 2023 with approximately 400m remaining
- LW710A extracted 1,132.5m to date
- Completion planned June/July 2024

AL- We are currently engaging with 81 landowners for the next longwall, LW710B, around inspection and subsidence.

MM- how long until go you to LW711? Response – 1st quarter 2025 and will take approximately 18 months to complete.

SD – when will the next plan for extraction be developed? Response – It is being worked on and will cover a 5-year extraction period.

Burrells Road Bridge

- Proactive upgrade to bridge in accordance with Subsidence Management Plan.
- Works due to commence on 10 April 2024 and will take about 16 weeks to complete.
- Construction hours o Mon-Fri: 7am to 5pm o Sat: 9am to 2pm

6. ENVIRONMENT UPDATE

Brennans Creek Dam

- Dam level currently > 12.5 metres (overflowing since Saturday).
- pH 8.9 and EC 924 μ S/cm.
- Discharge from BCD has been sporadic (12/01/24 – 10/02/24, 16/02/24- 11/03/24, 17/03/24 to 20/03/24, 4/04/24 to current) with volumes varying from 600 kL to 3 ML/day.

Appin North Water Treatment Plant

- 558 ML has been discharged through LDP 40 (43.6 ML in February and 46.7 ML in March).
- Engineering underway for pre-treatment plant to be installed.

Extensive discussion re where license conditions apply and where they don't.

Water quality exceedances

- Exceedance of Total Nitrogen 80 percentile limit in March at LDP 24.

Reduced Pressure Zone (RPZ) Valve Installation

- A new RPZ Valve was installed on Sydney Water line into Appin East.
- This valve will prevent backflow of water from site.

Marhnyes Waterhole water level

- Complaint received via EPA. CS indicated that discharge from LDP 40 had been reduced over the period 31 March to 2 April and no discharge from BCD was occurring over this

period. The reduced discharge from the water treatment plant was due to pumping issues underground over that period.

Georges River Rehabilitation Project

- Rehabilitation works at current rehab site Pool 54, 56 and 57- scheduled for completion in April.
- Following that the rehab team will move to upstream rehab site- Pool 38 to Rockbar 40.

Brine discharge

- Allans Creek monitoring program and brine study report is still being reviewed by EPA technical specialists.

North Cliff rehabilitation

- Shaft sealing risk assessment has been reviewed by Appin Mine. Currently being reviewed prior to submission to Mines Inspectorate.
- REF for power line removal has been submitted to NPWS for review.

Nepean River gas zones

- 5 recorded in March; down from 6 in January.
- No new gas zones.

Management Plans

- Water Management Plan submitted for approval.
- Gas Drainage Management Plan submitted for approval.
- Adaptive Management Plan for EPBC Listed Species submitted to DCCEEW for approval.
- Air Quality and Greenhouse Gas MP submitted for consultation.
- Coal Wash Emplacement Area MP and Broad-headed Snake and Southern Brown Bandicoot MP submitted for consultation.
- Heritage Management Plan is under review.

Aquatic Health Monitoring Report

- Latest data are not showing an increase in abundance in contaminant sensitive taxa in discharge sites.
- Treatment of discharge from LDP 40 by adjusting EC reduces ecotoxicity.
- Spring 2023 data are showing some early shifts in chemistry values and biological community shifts.
- Metals in the system have significantly reduced however the ionic imbalance continues to be a concern.
- Alkalinity and EC have been identified as a significant driver of biological communities at points closest to the discharge.
- There is a potential increase in the abundance of contaminant sensitive taxa within downstream pools. There are early signs of macrobenthic community changes, however there is not a clear increase in contaminant sensitive taxa at this time.
- The macrobenthic community structure remains different between reference sites and discharge monitoring sites.
- There was more similarity between the discharge monitoring sites in Autumn 2023 as opposed to Spring 2023, with more variation between Point 10 compared to other discharge and reference sites.
- SIGNAL scores remained higher in reference sites compared to discharge sites, however have remained relatively consistent.

CS noted that it is planned for the report to be submitted to the EPA in the next week. When comment has been received from the EPA it will be uploaded to the IMC website.
General discussion related to monitoring results and efforts to balance water quality.

Emissions Monitoring Methodology

In FY24, facilities which emit greater than 100,000 tonnes CO₂-e per annum will be required to reduce their carbon emissions year on year, under the reformed Safeguard Mechanism (SGM).

- Appin and Dendrobium are both captured by the SGM and will be required to keep their annual emissions below a prescribed limit known as the Safeguard Baseline.
- The largest source of emissions for our operations are the fugitive emissions – that is the emission of methane and carbon dioxide from our ventilation fans.
- In preparation for the SGM, we undertook a review of the monitoring methodology which found that Periodic Emissions Monitoring (PEM) was a more accurate method for measuring fugitive emissions across our ventilation sites.
- The review of the monitoring methodology found an increase in the fugitive emissions between Continuous Emissions Monitoring (CEM) and PEM. This was largely driven by more accurate measurement of air flow volumes.
- The revised methodology is consistent with the NGER Determination, and the change has been communicated to the Clean Energy Regulator.

SD – how was the baseline determined? Response: it was based on the emissions from previous years.

SD- Does the periodic emissions monitoring method (PEM) result in a bigger number?

CS- Yes, it is approximately 30% higher. A combination of CEM and PEM will be undertaken.

Underground Coal Wash Trial

In 2019, Mine Advice was commissioned by IMC to undertake a “Technical and Economic Evaluation of the Underground Emplacement of Coal Wash” at the Appin Complex. In summary, the study concluded:

- There is a very long distance (>12 km) between Appin North CHPP and active mining areas resulting in the need to reduce material top-sizing to 8 mm (by way of a crushing circuit) and add specific polymers to aid slurry pumping.
- Appin mine workings may not allow substantial volumes of material to be emplaced by virtue of:
 - restrictions due to the declaration of Dharawal National Park, the large numbers of roadways used within the current mine ventilation system, the compacted nature of the immediate overburden above extracted longwall panels, some goaf areas being flooded and all containing large quantities of methane.
- Emplacing pumped rejects immediately behind the shields during active longwall mining for surface subsidence mitigation, contains several substantial technical problems:
 - how to effectively confine the emplaced material in a low seam dip environment so that it does not directly impact face operations, how to emplace sufficient volumes as part of high production longwall extraction, without effective solutions to the above, the inevitable conclusion would be as per that reached by Palarski 2005, namely that “it should be stated that at present the use of traditional hydraulic and high-density fill (cemented fill) in existing longwalls of a very high output is from a technological point of view, impossible”.

General discussion relating to timing of the report, challenges in in UG disposal to safety and operations, goaf etc.

Stage 3-4 Coal Wash Emplacement Area (CWEA)

	<p>11 Aboriginal cultural heritage sites have been recorded and listed within and in the vicinity of the Stage 3 and 4 CWEA footprint.</p> <ul style="list-style-type: none"> • 4 sites are located within the footprint for Stage 3. • 2 sites are located within the footprint for Stage 4. • 5 sites are adjacent to the Stage 4 footprint. <p>The design of the Stage 3 CWEA was reviewed in 2023.</p> <ul style="list-style-type: none"> • A revised design that avoids direct impacts to Aboriginal sites (that have not been previously impacted) has been developed. <p>Proposed management includes:</p> <ul style="list-style-type: none"> • demarcation of the site to minimise the potential for accidental impacts from mobile machinery working in the area; and • implementation of dust mitigation measures on the adjacent CWEA <p>Registered Aboriginal Parties participated in a tour and consultation for the management of these heritage sites – positive feedback received.</p> <p>The design of the Stage 4 CWEA has not yet been finalised, however it is planned to avoid both Aboriginal heritage sites.</p>
<p>7. EXPLORATION</p>	
	<p>Exploration</p> <ul style="list-style-type: none"> • Currently operating 2 rigs • Located within EL4470 and A248 • Drilling to continue on EMAI and private property <p>Seismic Survey</p> <p>3D:</p> <ul style="list-style-type: none"> – Phase 1 completed in mid-2023. – Phase 2 proposed to commence in late April 2024. – Private property only. <p>2D – Phase 1:</p> <ul style="list-style-type: none"> – Due to commence following 3D (in April/May 2024). – Public roads and some private properties. – Notification Letters sent to all landholders/dwellings within 50 m of the public roads. – Land Access and Neighbour Agreements in place, where required. <p>2D – Phase 2:</p> <ul style="list-style-type: none"> – Proposed to commence in late 2024 – TBA
<p>8. PROJECTS</p>	
	<p>AMVA Project</p> <p>Siteworks</p> <ul style="list-style-type: none"> • Global Soil Solutions has been engaged to undertake tree planting. • Sediment pond water level being dropped to ~5 ML to maintain freeboard. • Borehole for electrical power down to 260m • Quiet work is being undertaken out of standard construction hours, e.g. office work, maintenance, fitting electrical systems and shaft preparation. <p>VS7</p> <ul style="list-style-type: none"> • Noise monitors installed on South32-owned land (x3). • Pre-sink activities commenced on 2 April.

	<ul style="list-style-type: none"> • Headframe assembly commenced. • Sinking stage assembly commenced. • Main sink due to commence in September 2024. <p>VS8</p> <ul style="list-style-type: none"> • Pre-commissioning of winders. • Main sink due to commence July 2024. <p>ACTION: AL to send invitation for ACCC members to participate in MAP site visit to AMVA planned 6 May 2024).</p> <p>Third Party Coal Processing</p> <ul style="list-style-type: none"> • Following unforeseen closure/business review of Russell Vale Colliery (as reported), we are currently assessing our options. <p>NRAR Enforceable Undertaking</p> <ul style="list-style-type: none"> • https://www.nrar.nsw.gov.au/about-us/compliance/regulatory-responses/enforceable-undertakings/illawarra-coalholdings-dendrobium-mine • IMC continues to develop a community project for the EU with the Illawarra Local Aboriginal Land Council. • Several draft projects have been submitted to NRAR and feedback has been provided on these drafts. • The latest draft proposal was submitted on 15 March 2024. • IMC, NRAR, WaterNSW and ILALC will continue to progress the community project. • Additional flow monitoring equipment has been installed at Dendrobium to address the EU requirements around improved monitoring of impacts to surface water. <p>VAM Abatement Project</p> <ul style="list-style-type: none"> • No update since last meeting – still undergoing review • Work on the project was paused pending the outcomes of a 60-business day review of its progress and scope, including: <ul style="list-style-type: none"> – Suitability, effectiveness, and scalability of the VAMMIT technology compared with existing technologies, – Potential need for methane enrichment from VS2, – Funding agreement with Coal Innovation NSW, – Noise compliance, and – Budget • The review has been completed and the working group is now refining the scope to overcome these challenges, including: <ul style="list-style-type: none"> – Investigating new technologies to deal with lower methane emissions, – Identifying alternative locations, and – Changing the proposed plant's configuration.
9.	COMPLAINTS
	<p>Complaints Since our last meeting...</p> <ul style="list-style-type: none"> • 0 x complaints • 0 x non-complaints • 4 x enquiries – 1 x AMVA – 3 x exploration <p>Enquiries AMVA – new landholder requesting more information about the site Exploration – more information about upcoming seismic survey (response to mail out)</p>
10	COMMUNITY UPDATE
	Illawarra Metallurgical Coal

	<ul style="list-style-type: none"> • Illawarra Local Aboriginal Land Council – Cultural Waterways Project focusing in the catchment • New grant application site launched (https://www.community.south32.net/community-programs) <p>Community Partnership Program</p> <ul style="list-style-type: none"> • Appin Mens Shed – historic coal skip bin restoration • Douglas Park Wilton Football Club – outdoor kitchen set up • Picton Swim School – electronic score board • River Road Bus – in school creative arts program (schools chosen in our area of influence)
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11	GENERAL BUSINESS
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	<p>AL – Thanked outgoing chair Mike Archer for years of service to the Appin CCC</p> <p>SD – Re the Northcliff emplacement, have you put a seal on the top and have you accepted it is leaking methane. CS - Yes, a concrete cap has been installed on both shafts. It is acknowledged that methane gas is emitted from the shafts.</p> <p>Questions on Notice</p> <ol style="list-style-type: none"> 1. JS – Could we have an inspection of the Northcliff site? 2. JS – Could we have an inspection of the old growth trees to see how it is managed? 3. JS – Could we inspect your Biobanking site? 4. JS – Can the presentation be included in the pack, redacting any confidential information?
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12	MEETING CLOSE
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	<p>Meeting close: 6.35pm</p> <p>Next Meeting: Next meeting was agreed to be Thursday 13 June at 5pm</p> <p>Venue: Menangle RFS</p> <p>Actions:</p> <ul style="list-style-type: none"> • A3 hard-copy of maps to be supplied to CCC members at meetings. • Various links to be inserted into this document (as marked) • AL to send invitation for ACCC members to participate in 6 May MAP site visit to AMVA
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