

SPUR HILL

UNDERGROUND COKING COAL

SPUR HILL UNDERGROUND COKING COAL PROJECT COMMUNITY NEWSLETTER

MARCH 2015 | No.4

THE SPUR HILL UNDERGROUND COKING COAL PROJECT

The Spur Hill Underground Coking Coal Project (Project) is a proposed underground mine near Denman in the Upper Hunter Valley. This newsletter provides an overview of the current status of the Project and its approval process.

The Project has a proposed mine life of up to 25 years, and involves mining up to 8 Mtpa of run-of-mine (ROM or pre-processed) coal. The proposed underground mining area is located within Exploration Licence (EL) 7429.

If approved, the Project will create around 300 permanent job opportunities, and bring a range of economic benefits to the local area.

The Project is exclusively an underground mining operation, allowing the impacts on the environment and the community to be significantly reduced. The Project does not include any open cut mining.

Our management team is committed to providing regular and accurate information about the Project to the community. We welcome your feedback and questions.

We are also actively contributing to the local community, and have provided donations and sponsorships to many local organisations and events (see www.spurhillunderground.com.au/community).

COMMUNITY CONSULTATIVE COMMITTEE

The Spur Hill Underground Coal Exploration Project Community Consultative Committee (CCC) has been established by the Minister for Resources and Energy.

The purpose of the CCC is to provide a forum for open discussion between the company and stakeholder representatives, on behalf of the local community during the exploration phase of the proposal. The CCC provides a valuable conduit in identifying concerns and interests and facilitating frank communication between all parties.

Presentations and draft minutes from the meeting are available on the Project website. The next CCC meeting is scheduled for April 2015 and updates will continue to be provided on the website.

Each member of the committee plays an integral role. The contact details of the community representatives are:

Noel Downs | wanarua@bigpond.net.au
02 65431288 or 0429773900

Brett Keeping | brett@tworivers.com.au
02 6547 2556

Les Jones | les_jones98@hotmail.com

Aaron Moon | Aaron.moon@mn.catholic.edu.au
02 65472496

Susan Pickersgill | denmannewsads@denmanonline.com
0408 419 987

John Sowter | sowters@nobbys.net.au

Fiona Webber | i.fwebber1@bigpond.com

Tim Wolfgang | 0429 600 984

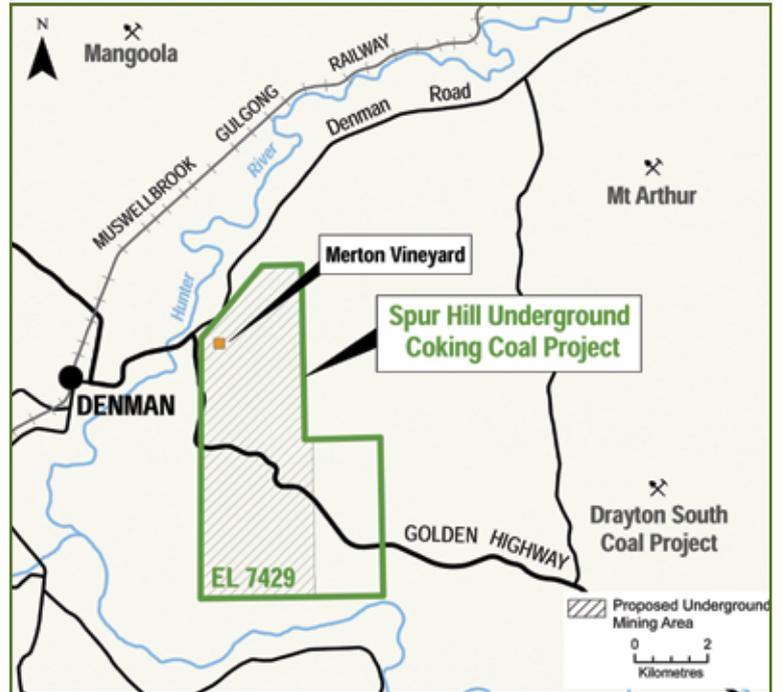
Other members include:

Christine Phelps | **Muswellbrook Council representative** | phelpsc.wybong@hotmail.com

Julie Moloney | **Division of Resources and Energy** | julie.moloney@trade.nsw.gov.au

Graeme Booth | **Spur Hill Management**
Gbooth@spurhill.com.au

Margaret MacDonald-Hill | **Independent Chair**
0448 414 888



UNDERGROUND PROJECT

The Project is exclusively an underground longwall mining operation. The Project does not include any open cut mining. An underground mine:

- Minimises the effect on visual amenity and the landscape in comparison to an open cut mine;
- Leaves no final hole or void at the end of the project;
- Avoids the widespread noise emissions and impacts commonly associated with an open cut mine;
- Similarly avoids the widespread air quality and dust concerns associated with an open cut mine (e.g. from open cut blasting);
- Does not involve the large scale blasting and removal and dumping of overburden required at open cut mines; and
- Does not consume and alter the large areas of land that an open cut mine covers – existing agricultural and other commercial activities above and surrounding an underground mine can continue to operate when an underground mine is developed.

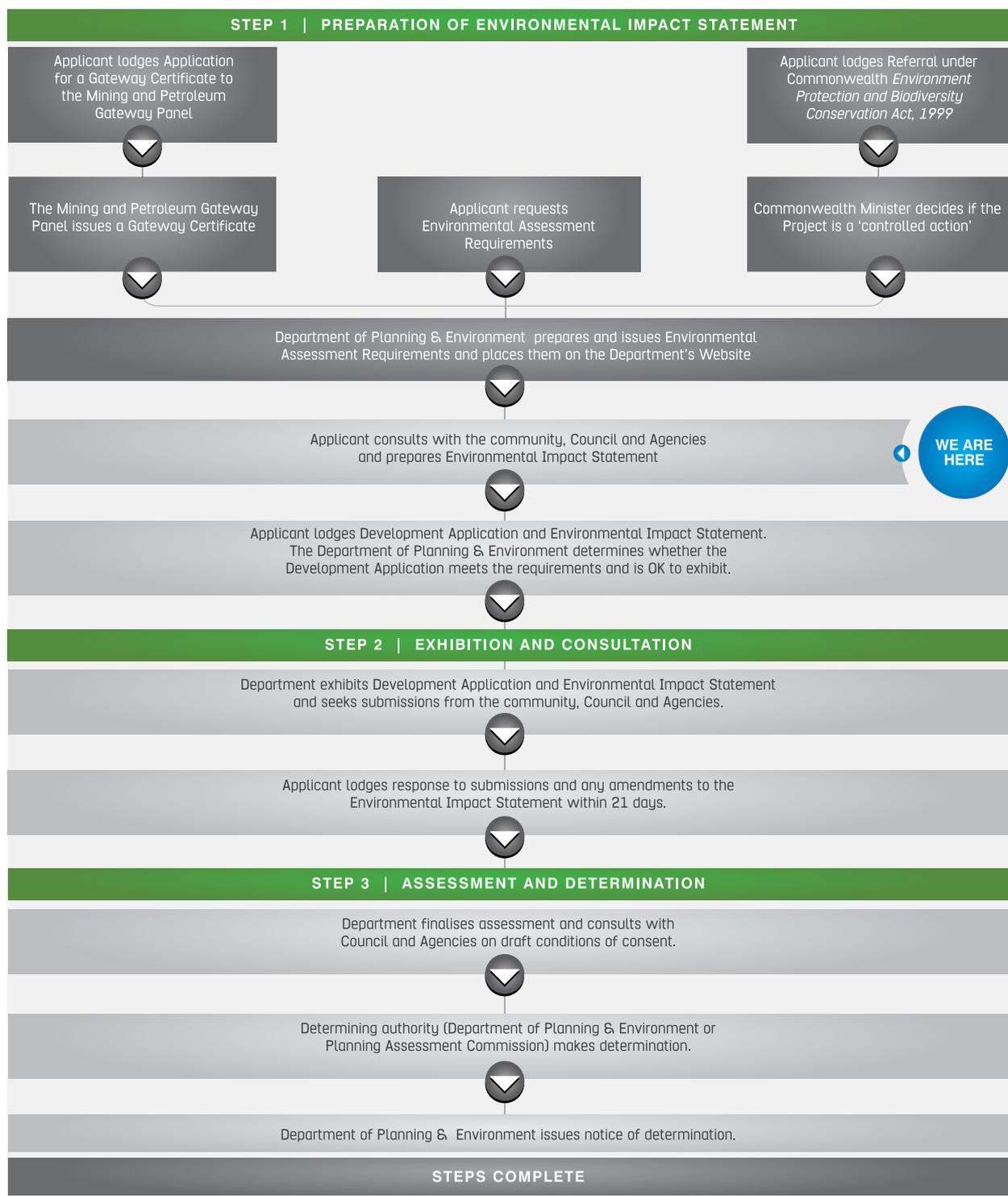
ABOUT US

The Project is a joint venture between Malabar Coal Limited (Malabar), an ASX listed company, and Spur Hill U.T. Pty Ltd. Malabar manages the Project via Spur Hill Management Pty Ltd (SHM).

HOW THE PROJECT WILL BE ASSESSED

The Project is classified as a State Significant Development, meaning that the NSW Minister for Planning, or the Planning Assessment Commission (under delegation) will assess the Project and make a determination.

NSW legislation provides that this assessment process for the Project is done in accordance with the *Environmental Planning and Assessment Act 1979*. The flow chart below provides a summary of the key steps involved in the process.



COMMUNITY INVOLVEMENT

Spur Hill held an information session for the local community on 8 October 2014. We would like to extend our thanks to those that attended the session.

We will continue to keep the community informed through newsletters (such as these) and sharing information on our website: www.spurhillunderground.com.au

We are committed to positively contributing to the local community and have provided donations and sponsorships to many local organisations and events. Recent contributions have been made to Denman & District Men's Shed, Denman Rugby League Club and the Upper Hunter Education Fund. Spur Hill continues to sponsor the annual Upper Hunter Food & Wine Festival and is proud to be sponsoring the upcoming annual Bush Poets Evening for the 2nd year running.

We understand the importance of buying and sourcing services locally. Spur Hill will continue to support local businesses as the project progresses.

MERTON VINEYARD

The Spur Hill Project owns the 'Merton Vineyard' located on Jerrys Plains Road.



SMALL FOREST

In October 2014, we undertook an extensive grafting project across 10 acres of the vineyard, involving grafting Chardonnay on to the existing root stock of around 7,500 vines. The grafting project is aimed at improving the productivity of the vineyard.

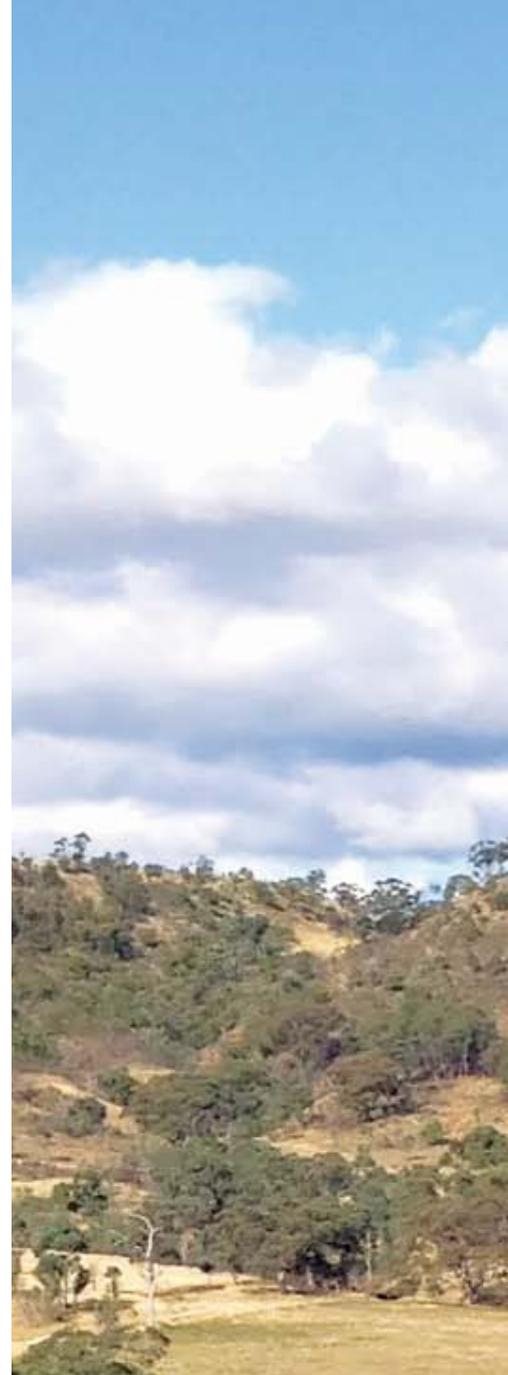
The winery and cellar door operates under the Small Forest label. Details on the Small Forest label and the cellar door are available at smallforest.com.au/.

AIR QUALITY INFORMATION

We installed an ambient air quality monitoring device known as a 'TEOM' in late March 2013 to gather baseline dust concentration data in the vicinity of our Exploration Licence 7429.

Information collected from the air quality monitoring device has been made available on our website for the information of the community at www.spurhillunderground.com.au/community/background-air-quality-monitoring.

The monitoring data shows that the annual average levels of particulate matter (dust) are well under the criteria set by the NSW Government.



HAVE YOUR SAY

We are committed to undertaking extensive consultation with the community, local landholders and other stakeholders to address environmental, economic and social concerns.

For further information please contact:

Graeme Booth

Project Director, Spur Hill Management

Email: gbooth@spurhill.com.au

Website: www.spurhillunderground.com.au

