

**DURALIE COAL PTY LTD**

ABN 81 070 318 259

NEWSLETTER

FOR DURALIE COAL MINE COMMUNITY CONSULTATIVE COMMITTEE

Background

Duralie Coal Pty Ltd (DCPL) is seeking approval from the NSW Minister for Planning to allow for the continued operation of the Duralie mine (DCM) once reserves within existing areas currently approved for mining have been exhausted.

The purpose of this Community Newsletter (No.4) is to provide the status of the approval process and a comparison of the approved DCM and the proposed project.

Status of Approval Process

An application including a Project Description and Preliminary Environmental Assessment was submitted to the Department of Planning (DoP) in September 2008 (refer Figure 1 Consultation and Approval Process).

Comparison of the Approved DCM and the Proposed Project

Feature	Approved DCM	DCM with the Project
Life of Mine ROM Coal	<ul style="list-style-type: none"> 12.3 Million tonnes (Mt). 	<ul style="list-style-type: none"> Approximately 40 Mt.
Coal Seam/Pits	<ul style="list-style-type: none"> Single pit mining the Weismantel Coal Seam. 	<ul style="list-style-type: none"> Extension of the existing pit (Weismantel Extension). Two additional open cut pits mining the Clareval Coal Seam (Clareval North-West and Clareval West).
Annual ROM Coal Production	<ul style="list-style-type: none"> Up to 1.8 million tonnes per annum (Mtpa). 	<ul style="list-style-type: none"> Up to 3 Mtpa.
Waste Emplacement	<ul style="list-style-type: none"> Combination of in-pit and out-of-pit waste emplacement. 	<ul style="list-style-type: none"> Unchanged.
Life of Mine Waste Mined	<ul style="list-style-type: none"> 34.2 million bank cubic metres (Mbcm). 	<ul style="list-style-type: none"> Approximately 155 Mbcm.
Maximum Waste Rock Production per Annum	<ul style="list-style-type: none"> Up to 5.6 Mbcm. 	<ul style="list-style-type: none"> Up to 12 Mbcm.
Mine Fleet	<ul style="list-style-type: none"> Excavators, haul trucks, water truck, dozers, grader, scraper, drills. 14 major fleet items. 	<ul style="list-style-type: none"> Additional fleet items (up to a total of 24).
Life of Mine	<ul style="list-style-type: none"> 8 years. 	<ul style="list-style-type: none"> 20 Years.
ROM Coal Train Movement Hours	<ul style="list-style-type: none"> 7.00 am to 10.00 pm. 	<ul style="list-style-type: none"> 6.00 am to 2.00 am.
Maximum ROM Trains per Day to Stratford	<ul style="list-style-type: none"> Four. 	<ul style="list-style-type: none"> Six.
Rail Loading	<ul style="list-style-type: none"> Load-out bin on rail siding. 	<ul style="list-style-type: none"> Unchanged.
Operating Hours	<ul style="list-style-type: none"> Mining 24 hours per day seven days per week. 	<ul style="list-style-type: none"> Unchanged.
Water Supply	<ul style="list-style-type: none"> Groundwater inflows to the pit and surface water runoff from disturbed areas. 	<ul style="list-style-type: none"> Unchanged supply sources.
Water Management	<ul style="list-style-type: none"> Irrigation and on-site storage. 	<ul style="list-style-type: none"> Increased irrigation areas. Increased on-site storage. Controlled release system to Coal Shaft Creek and/or Mammy Johnsons River.
Coal Processing	<ul style="list-style-type: none"> Rotary breaker to size coal. 	<ul style="list-style-type: none"> Unchanged.
Road Transport Requirements	<ul style="list-style-type: none"> Road traffic associated with the workforce, consumables, visitors and general deliveries and maintenance vehicles. 	<ul style="list-style-type: none"> Additional movements associated with increased workforce, maintenance and deliveries.
Final Void	<ul style="list-style-type: none"> Final void in the north of the Weismantel Pit, possibly to be connected to Coal Shaft Creek, post-mining. 	<ul style="list-style-type: none"> Final Voids in the north of the Weismantel, Clareval North-West and Clareval West Pits.



Consultation and Approval Process

General consultation and approval process is presented in Figure 1.

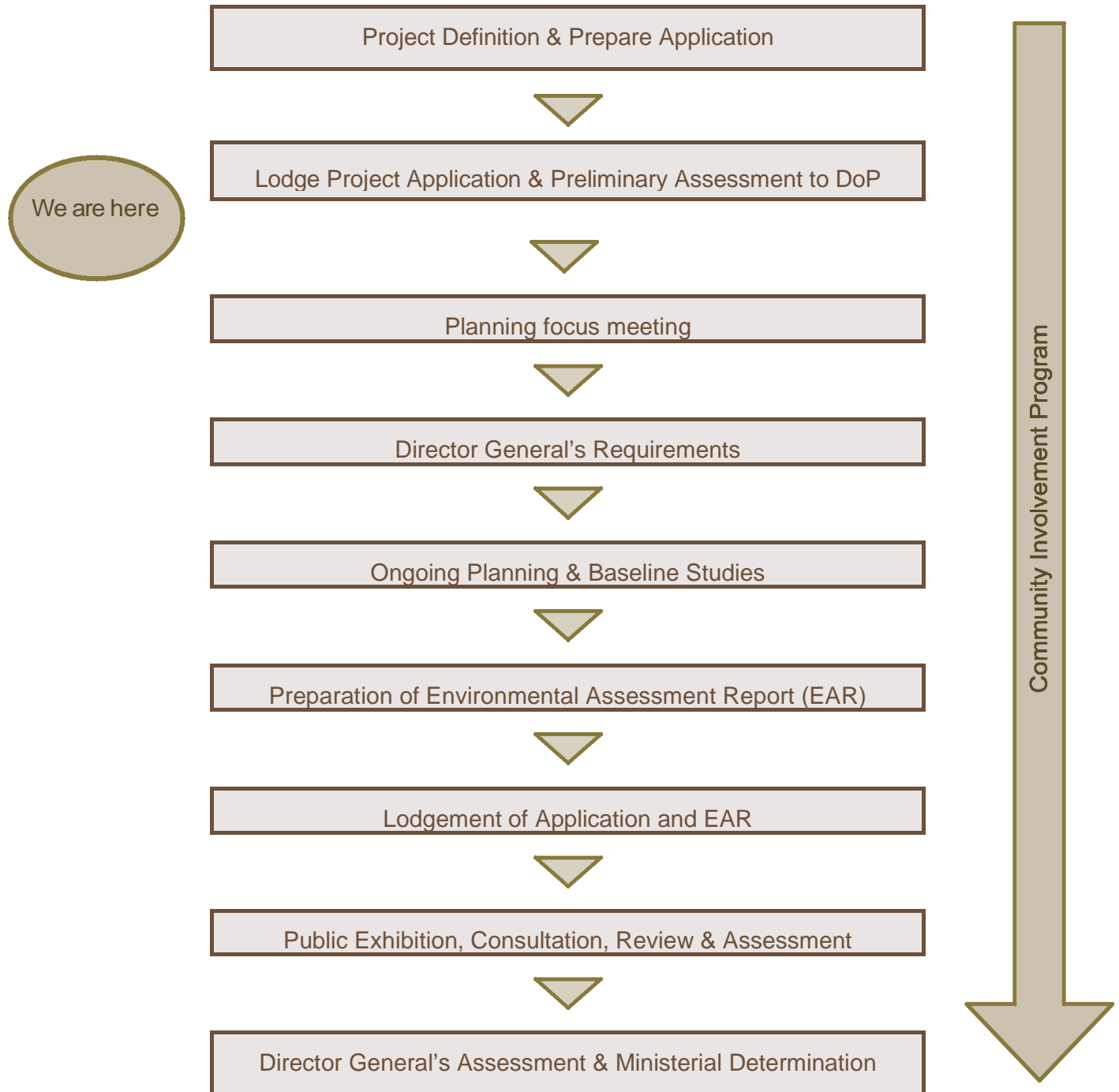


Figure 1: Consultation and Approval Process