

HVO NEWS

ISSUE ONE | JUNE 2018

Welcome from Tony Galvin, General Manager Hunter Valley Operations



This is my first newsletter as the newly-appointed General Manager of Hunter Valley Operations (HVO) and I'm looking forward to working with, and meeting, all of our near neighbours.

We've put together this newsletter to provide an

update on HVO following recent changes to mine ownership and management.

We hope to continue to provide regular updates on our operations as we move forward under the new arrangements.

HVO Joint Venture

As you would be aware in July 2017, it was announced that Glencore had signed agreements

with Yancoal to acquire a 49 per cent interest in HVO and to form a Joint Venture, subject to a number of regulatory approvals. The agreement followed Yancoal's acquisition of Coal & Allied's Hunter Valley thermal coal interests from Rio Tinto.

Glencore obtained the necessary regulatory approvals for the HVO investment in late April this year and the HVO Joint Venture (JV) was established on May 4, 2018.

The HVO JV is controlled through a JV management committee (JVMC) comprising three representatives of both JV participants. A site management team will run the operations on a day-to-day basis and will report to the JVMC. Glencore is providing operational and support services to the HVO JV.

Glencore's JV arrangement with Yancoal relates solely to HVO. Yancoal owns and operates Mt Thorley Warkworth mining operation, which was purchased by Yancoal in its 2017 acquisition of Coal & Allied.

New contact details for HVO

As part of the transition to the HVO JV, there are changes to the existing HVO contact details, such as the complaints and blasting hotline phone numbers and our websites. The new contact details are provided below:

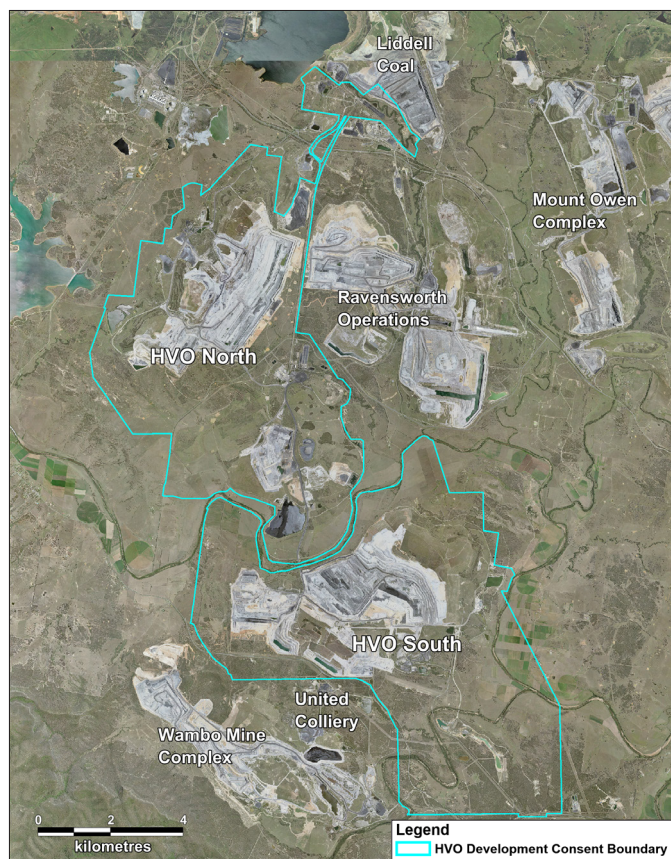
HVO Complaints and Blasting Hotline 1800 888 733 (freecall)

This number can be used for making an environmental complaint about HVO's operations or for finding out road closure times for blasting. It will be attended 24 hours a day / seven days a week.

HVO and Insite Websites

Up to date information about HVO and our environmental monitoring performance is available on our websites. To view this information, go to:

- HVO website: hvo.com.au
- HVO Insite (environmental monitoring performance) Insite.hvo.com.au





HVO South Modification 5 approval

In February, the Independent Planning Assessment Commission granted consent of the HVO South Modification-5 application, subject to conditions. This is an important outcome for the operation and will ensure HVO remains a viable and sustainable mine.

We would like to extend our thanks to the community members who provided feedback on the modification during the approval process. All feedback was considered and helped us with improving the design of our modification to minimise environmental and community impacts. Ahead of any activities commencing in the HVO South area, site teams are developing Management Plans which detail how we will manage water, noise, air quality and rehabilitation for the approved modification.

Truck Noise Attenuation Program

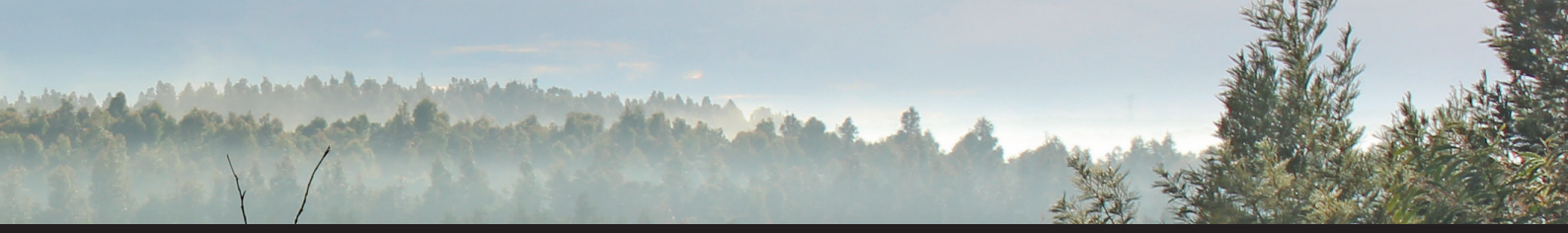
As you would be aware, since 2012/2013 HVO has been progressively attenuating (sound suppressing) its fleet of haul trucks to minimise noise. This year an additional 28 trucks are scheduled to be attenuated. The truck attenuation program is due for completion by the end of 2019 with a further 32 trucks to be attenuated.



Rehabilitation in progress at HVO's Glider Pit

Rehabilitation

Our planned rehabilitation target for 2018 is 100 hectares and we are currently on track to achieve this. Seeding in specified areas across site commenced in autumn.



Noise monitoring

A new, state-of-the-art directional noise monitor has recently been installed in the Maison Dieu area, replacing the existing Barnowl. The environmental noise compass has 26 microphones and is able to more accurately determine the source of noise and monitor directional noise in real-time. The new monitor will increase our current real-time monitoring system to assist with improved management of noise from HVO.



Feral Pest Management

Our feral pest management program continues to show good results with pests being controlled through shooting, trapping and baiting programs across our landholdings.

This year a bounty system was introduced to improve the management of feral pests. Licensed shooters are paid for quantities and certain types of pests culled. This system has proven to be a successful way of increasing the number of feral pests culled.

The year to date results for the 2018 program includes:

- 144 feral pigs culled
- 468 kangaroos culled
- 1080 baiting summer/autumn program targeting wild dogs and foxes (64% success rate).

Community Consultative Committee (CCC)

As a reminder, the CCC business papers, presentations and minutes from previous meetings are available via InSite, which can be accessed at Insite.hvo.com.au. Alternatively, if you require a hard copy, contact us.

The HVO CCC meets regularly, with the next CCC meeting scheduled for Wednesday 22 August 2018. The forum provides for open discussion between the community, Singleton Council and HVO. Topics of discussion include mine operations, environmental performance and community relations.

Community members on the HVO CCC include; Brian Atfield, Di Gee, David Love, Dr Neville Hodgkinson, Charlie Shearer, and Councillor Hollee Jenkins. The CCC is independently chaired by Dr Colin Gellatly AO.



Community Investment

Through our Community Investment Program, HVO has supported a number of local organisations' initiatives which included the Singleton Business Chamber's Hunter Coal Festival. The festival encompassed a variety of events and activities in Singleton, Muswellbrook, Newcastle and surrounding areas over a 10 day period.

One of the highlights of the festival was the Singleton Community Day, which saw more than 5,000 people converge on the Showgrounds to learn more about the coal mining industry and enjoy the day's entertainment. Mine tours provided the general public with the opportunity of getting up close and personal with a coal hauler, grader and a dragline bucket and learn more about site rehabilitation programs.



We are committed to working with our host communities and encourage local community organisations to apply for community funding from HVO. If you or a community group are interested in applying for funding, please contact

Leah Scheepers on 0472 863 836 or email EnvironmentandCommunity@hvo.com.au.

If there is particular information you would like to see included in this newsletter, please let us know.



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