

**MINUTES OF THE MEETING OF GLOUCESTER EXPLORATION
PROJECT, COMMUNITY CONSULTATIVE COMMITTEE,
HELD AT SCHOOL OF SCHOOL OF ARTS
DENISON STREET, GLOUCESTER
ON 23 SEPTEMBER 2011**

PRESENT: Mr Terrence Healey, CHAIRMAN
Mr Keith Ross, GLOUCESTER RESOURCES LIMITED
Mr Grant Polwarth, GLOUCESTER RESOURCES LIMITED
Mr Bob Corbett, GLOUCESTER RESOURCES LIMITED
Julie Moloney, DEPARTMENT OF MINERAL RESOURCES
Cr Jim Henderson
Mr Glenn Wilcox, GLOUCESTER SHIRE COUNCIL
Mrs Terry Hardwick
Mr Graham Holley, GLOUCESTER RESOURCES LIMITED
Cr Karen Hutchinson, GREAT LAKES COUNCIL
Dr Steve Robinson
Mr Ray Dawes

APOLOGIES: Mr John Woodford
Dr Gerald McCalden

OPENING OF MEETING: Mr Healey declared the meeting open at 10.02 am

**CONFIRMATION
OF MINUTES OF
LAST MEETING:**

Moved: Dr Steve Robinson
Seconded: Mr Ray Dawes

**BUSINESS
ARISING FROM
THE MINUTES:**

Jim Henderson requested a copy of the Charter for the Gloucester Community Consultative Committee. Julie Moloney will email a copy to all Committee Members.

Ray Dawes requested a copy of the map of the Gloucester Basin. Grant Polwarth had sent out a copy but will email a copy to Committee Members.

Jim Henderson asked Grant Polwarth in relation to the challenging geology at Woods Road area, the stratigraphic layers varying from other areas within the basin. Is this caused by erosion over time?

Grant Polwarth advised they have a geologist working on the geology in the area. Original mapping from the 1960's and 1970's indicated the basal seams were not there. In the south of the Basin, Gloucester Coal mine the basal seams being the Clareval and Weismantel and it is not until they move up north in the basin that they pick up that the full stratigraphic section of the Gloucester deposit. So, it could either be a result of the way it was deposited or the way the seams were laid down or been bound by faults and shifted.

Keith Ross and Julie Moloney also spoke to the Committee in this regard.

Ray Dawes requested to look at the data regarding stratigraphical column. Grant Polwarth will email information to all Committee Members.

Julie Moloney advised the committee members the data referred to by Ray Dawes can be found on www.dpi.nsw.gov.au and the program is call "Minview"

Karen Hutchinson advised there are maps you can access through the AGL website as well.

CORRESPONDENCE:

Incoming:

- 1 Newspaper article compiled by Committee Members.
- 2 Email from Steve Robinson to Grant Polwarth dated 6 September 2011

Steve Robinson advised:

- 1 He had been approached by two (2) separate people, one was second hand, who had observed water being sprayed, coming from a drilling rig on the side of Waukivory Road.
- 2 Steve Robinson advised Grant Polwarth at the time
- 3 Grant Polwarth's response was that the Company were operating within their conditions of consent.
- 4 Steve Robinson requested Grant Polwarth expand on this.
- 5 Steve Robinson not sure if Grant Polwarth believed him. Steve stated Grant had been told by his workers that nothing unusual happened on that day.

Grant Polwarth replied that:

- 1 He received allegation from Steve Robinson via email.
- 2 On that same evening GRL initiated an investigation.

- 3 Steve Robinson's comments about GRL not believing him or fobbing him off were rejected. Grant would like to state for the record that the matter was taken very seriously.
- 4 An investigation was engaged that involved interviews with drillers, supervisors, geologists, environmental manager and others;
- 5 There was no evidence of any water spraying outside of GRL's drilling area or anything to that effect.
- 6 Grant then explained the process of drilling a hole, the paper work required, check sheets, photographs before and after, the rehabilitation check sheets. They all show that the hole was drilled as per consent conditions through the Department.
- 7 Perhaps there is a lack of understanding of what people saw and what is essentially an industrial process.
- 8 There are a multitude of safeguards in place.
- 9 There is no evidence of water spraying out of control. GRL did do the investigation and nothing showed up to be out of order.
- 10 The allegation was taken seriously. As per requirements GRL spoke to the Department about it because they have an obligation to communicate complaints – despite this being an allegation.
- 11 Grant noted that the assertion of “health issues to the community” and “that it was an accident” went straight to Terrence Healey before an investigation was held.
- 12 Would like future correspondence and future questions worded in the framing of a question is not made as an allegation until the process of investigation is complete.
- 13 Grant stated he is serious about wanting to have an open dialogue with Committee Members but would like it to be in the spirit of how it has been previously.
- 14 Grant stated that GRL take their OH&S and environmental obligations very seriously

Keith Ross commented as follows:

- 1 That Steve Robinson and all Committee Members also have a responsibility to know who the people are that have made the complaint and also obtain a Statement from that person.
- 2 That details of “health issues” suspected or feared be advised and that there be some contact with the Company by way of a written allegation before emails go shooting around.
- 3 If you have or suspect evidence of toxicity in any way that you give GRL some evidence, otherwise, it becomes a scare campaign.

General discussion between Committee Members in regard to:

- 1 People wanting to put their name to a complaints;
- 2 Health affects;

- 3 Safety and welfare of community members and company workers;
- 4 Process of complaints to GRL;
- 5 Process of complaints to the Department (ph: 4931 6666) and its process;
- 6 That there still be good and open communication with the Committee and Company.

PROJECT UPDATE BY GRANT POLWARTH

- Stage 2 Exploration. Completed open hole drilling. Completed Woods Road exploration. Four (4) additional holes drilled (notification forwarded to Committee Members). Woods Road exploration has been demobilised.
- EL6523. Completed the required open hole drilling and the required coring. We have furnished ourselves with information we required. All exploration of a drilling nature for GRL has been demobilised.
- Project. Geological modelling being done now hole drilling complete. GRL encouraged by results. Doing detailed mine planning and environmental constraints identification of the application in the baseline studies.
- Still yet to be a process through which a project can be referred to the Government. Notwithstanding that, the company is still making the assessment on these deposits.
- Ray Dawes asks if any chemical (quality) studies of the coal?
- Grant Polwarth: The purpose of the coring was to understand the quality of the coal.
- Keith Ross advised the quality of the coal is similar to the Stratford seams.
- Ray Dawes asked if results would be available on website?
- Grant Polwarth: No. Commercial in confidence.
- Jim Henderson asked if any plans to do further exploration at Woods Road?
- Grant Polwarth advised that at this stage they have to go and have it all modelled. There are no immediate plans to head back to that area. GRL may need to re-engage but will communicate with the GCCC if that occurs.
- Karen Hutchinson asked when the exploration licences expire?
- Grant Polwarth: next year.

GENERAL BUSINESS:

Terrence Healey commented that the Company has reached the stage, subject to GRL making assessments of core sampling and obtain professional and commercial advice, that they are heading in a closer direction towards the next decision that has to be made by Company. Is this the normal stage that follows?

Julie Moloney: Yes. It appears to be a very standard process that this Company is going through. The old Part 3A has been repealed and is in a transitional period and there has been no information given on how these projects will be assessed.

The SEPP is on display for comment but no final decision yet.

Steve Robinson believes a Health Impact Assessment should be part of the Environmental Impact Study. Who should he write to?

Grant Polwarth advised that as they are yet to make an application, the Director General would not have any information about GRL but should be done if and when an application is made, which will be communicated to the CCC.

Julie Moloney advised she would recommend Steve Robinson write to the Director General, Department of Planning and Infrastructure, the Minister for Planning and Infrastructure but at this stage, as Grant said, they won't have heard of this project because this Company has not put in a project application. When the Company makes an application to the Department, the Department and all agencies will come together to look at the project. Local Council would be a place to approach as well.

Glenn Wilcox also commented in this regard.

Jim Henderson asked Grant Polwarth regarding Chris Maslen's dairy and any holes drilled?

Grant Polwarth advised "no".

Next meeting Friday 25 November 2011 at 10.00 am

Meeting closed at 11.00 am

Lara Mitchell

From: Lara Mitchell [lara.mitchell@bigpond.com.au]
Sent: Friday, 30 September 2011 6:19 PM
To: Lara Mitchell
Subject: FW: Gloucester CCC Charter
Attachments: Indicative Stratigraphy of the Basin.pdf

From: Grant Polwarth [mailto:gpolarth@amci.com.au]
Sent: Friday, 30 September 2011 10:21 AM
To: julie.moloney@industry.nsw.gov.au; terlough@bigpond.com.au; aross@bigpond.net.au; Bob Corbett; grholley@bigpond.com; 'Glenn Wilcox'; 'Terry Hardwick (BP)'; 'John Woodford'; 'Jim Henderson'; 'karen hutchinson'; 'Keith Ross'; 'Gerald McCalden'; ray_dawes@hotmail.com; 'Trevor sansom'; 'Steve Robinson'; Lara Mitchell
Subject: RE: Gloucester CCC Charter

Good Morning,

As requested during the previous CCC meeting – please find attached an indicative stratigraphy of the Gloucester Basin.

Also – as raised by Julie, the link for the NSW Minerals database is as follows:

<http://www.minerals.nsw.gov.au/mv2web/mv2?>

Regards
Grant Polwarth

From: julie.moloney@industry.nsw.gov.au [mailto:julie.moloney@industry.nsw.gov.au]
Sent: Friday, 23 September 2011 3:23 PM
To: terlough@bigpond.com.au; aross@bigpond.net.au; Bob Corbett; Grant Polwarth; grholley@bigpond.com; 'Glenn Wilcox'; 'Terry Hardwick (BP)'; julie.moloney@industry.nsw.gov.au; 'John Woodford'; 'Jim Henderson'; julie.moloney@industry.nsw.gov.au; 'karen hutchinson'; 'Keith Ross'; 'Gerald McCalden'; ray_dawes@hotmail.com; 'Trevor sansom'; 'Steve Robinson'; Lara Mitchell
Subject: Gloucester CCC Charter

As discussed at todays meeting attached is the Charter for our CCC

Regards

Julie

Julie Moloney | Principal Adviser | Mineral Resources, Development Coordination
Industry & Investment NSW | 516 High St | Maitland NSW 2320 | PO Box 344 | Hunter Region Mail Centre NSW 2310
T: 02 4931 6549 | F: 02 4931 6776 | M: 0407 921 462 | E: julie.moloney@industry.nsw.gov.au
W: www.industry.nsw.gov.au

This message is intended for the addressee named and may contain confidential information. If you are not the intended recipient, please delete it and notify the sender. Views expressed in this message are those of the individual sender, and are not necessarily the views of their organisation.

Lara Mitchell

From: Lara Mitchell [lara.mitchell@bigpond.com.au]
Sent: Friday, 5 August 2011 9:49 AM
To: Lara Mitchell; Lara Mitchell
Subject: FW: Reply to GRL CCC Question
Attachments: Stage 1 Drilling & EEC.pdf

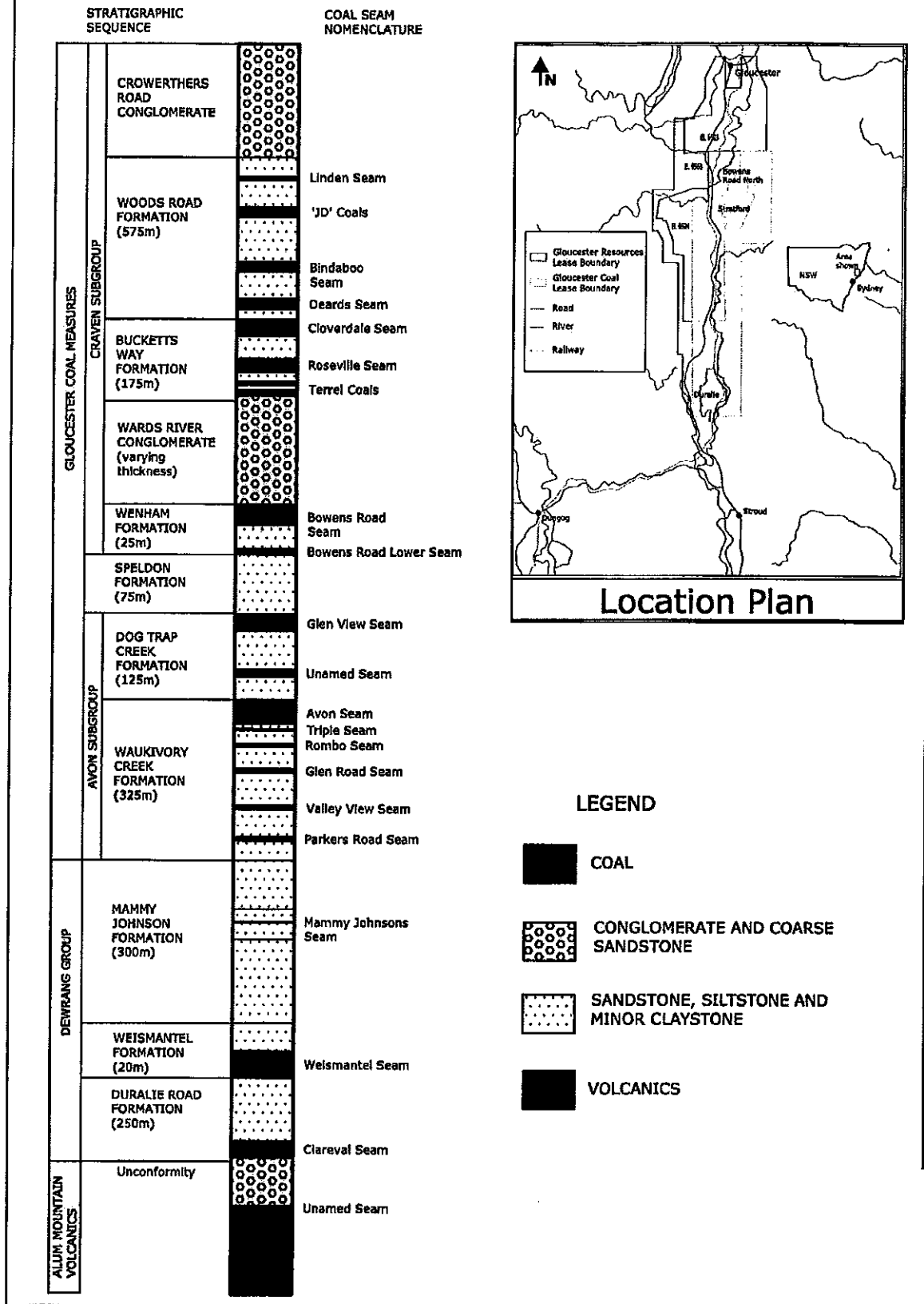
From: Grant Polwarth [mailto:gpolwarth@amci.com.au]
Sent: Thursday, 4 August 2011 1:34 PM
To: Lara Mitchell; aross@bigpond.net.au; grholley@bigpond.com; 'Terry Hardwick (BP)'; 'Steve Robinson'; 'Gerald McCalden'; julie.moloney@industry.nsw.gov.au; council@gloucester.nsw.gov.au; tjsansom@harboursat.com.au; 'karen hutchinson'; 'Jim Henderson'; strathviewmg@gmail.com; terlough@bigpond.com.au
Cc: Bob Corbett
Subject: Reply to GRL CCC Question

Hi All,

As requested at the previous GRL CCC meeting, please find attached a plan showing the mapped EEC and locations within which exploration drilling has been completed in the Stage 1 area.

Regards
Grant

STRATIGRAPHIC SEQUENCE OF THE GLOUCESTER BASIN



Lara Mitchell

From: Lara Mitchell [lara.mitchell@bigpond.com.au]
Sent: Friday, 5 August 2011 9:50 AM
To: Lara Mitchell; Lara Mitchell
Subject: FW: Reply to GRL CCC Question

-----Original Message-----

From: Steve Robinson [mailto:treesteve@gmail.com]
Sent: Friday, 5 August 2011 9:47 AM
To: Grant Polwarth
Cc: Lara Mitchell; aross@bigpond.net.au; grholley@bigpond.com; Terry Hardwick (BP); Gerald McCalden; julie.moloney@industry.nsw.gov.au; council@gloucester.nsw.gov.au; tjsansom@harboursat.com.au; karen hutchinson; Jim Henderson; strathviewmg@gmail.com; terlough@bigpond.com.au; Bob Corbett
Subject: Re: Reply to GRL CCC Question

Hi Grant

Thank you for the map which appears to show two areas of endangered ecological community (and a number of separate areas where you did exploratory drilling). In the original Forbesdale Stage 2 document there was a description of two different types of EEC and in regard to the Subtropical floodplain Forest were four patches of EEC and in regard to Lowland Rainforest there were two patches of that forest. Bob Corbett seemed unclear about those details at the meeting. Do I take it one of the patches on this new map is Subtropical Floodplain and one Lowland Forest? Was there any inadvertant damage to these areas of EEC before they were discovered? What policy would your company follow in regard to these EEC's should you proceed to mine in this area?
Steve Robinson

On Thu, Aug 4, 2011 at 1:33 PM, Grant Polwarth <gpolarth@amci.com.au> wrote:

> Hi All,
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> As requested at the previous GRL CCC meeting, please find attached a
> plan showing the mapped EEC and locations within which exploration
> drilling has been completed in the Stage 1 area.
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> Regards
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> Grant
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GLOUCESTER RESOURCES CCC Community Representatives Report

The most recent meeting of the GRL Community Consultative Committee was held on Tuesday July 19th. Grant Polwarth, Graham Holley and Bob Corbett attended as representatives of GRL.

Chairman Terrance Healy informed the meeting that he had invited long term Gloucester resident Ray Dawes to join the committee as another community representative to replace Murray Pakes who resigned recently.

Mr Polwarth informed the meeting that their website is now up and running and can be accessed through www.grlcoal.com.au. The company can be contacted through that site or by telephone (07) 3006 1830. Although this number is their head office in Brisbane Mr Polwarth said this was the best way for members of the Gloucester community to have their questions answered as such contacts can be directed to the appropriate person at GRL.

In his report updating the activities of the company Mr Polwarth reported that coal coring was completed in the Stage 1 Area of Fairbairns/McKinleys Lanes. Although they were still awaiting the analysis of the quality of the cores they are encouraged by the results thus far. Mine planning is now the focus in this area although they not at the point of lodging an application.

The exploration in the Woods Road area is also completed indicating a complicated geology. Their knowledge of the geology, coal deposits and viability of this area is a long way behind their knowledge of the Forbesdale area. As the "Review of Environmental Factors" document for this area was such a large document causing some difficulty for members of the public to download and print, Mr Polwarth said he would make a hard copy available to the Gloucester Council for the Library.

Exploration drilling in the Stage 2 Area in the Jacks/Waukivory Road has commenced. Because of the knowledge gained from their drilling in the Stage 1 Area they are able to be more targeted in their activities during Stage 2. A request that a map of the drill sites be provided was agreed to by Mr Polwarth. A question was raised in regard to six areas of endangered dry rainforest communities in the prospect area. Mr Corbett informed the meeting that he believed that this was not correct and that he believed that there was only one such area. The meeting was informed that if an endangered community was affected by a mine proposal it must be addressed in the approval process. He undertook to "take the question on notice" and to report back to the members of the committee as to the location and true number of these areas. GRL was asked how far west (towards Avon River) exploration drilling would extend – Mr Polwarth said that the western extremity of this activity would be restricted by the regulations which forbid exploration within forty metres of watercourses and drainage lines. They plan to drill north up to Waukivory Road.

In responding to a request that feedback be provided on the results of their air quality monitoring Mr Corbett said that it was too early to publish results at this time as data

needed to be collected over a reasonable period and this time frame had not been met as yet.

Two letters from community members were tabled. The first related to the workforce of a mine if it eventuated. Mr Polwarth informed the meeting that if a mine was established he expected it to employ one hundred to one hundred and fifty people who would be living in the Gloucester community and not in a “workers camp”, nor would they be “fly in/fly out” workers.

The second letter related to the current activities in their Stage 2 Area. Mr Polwarth said that residents of the Avon Valley Estate would be informed individually when drilling was to occur within 500 metres of their homes – at present their drilling has been 800 m from this estate. GRL is presently drilling on what is known as the “Wilsons’ Property”. Currently they employ six persons in Gloucester, three of whom are locals and that the drilling was being carried out by contractors who were residing in Gloucester and they were not drilling on Maslens’ Dairy. Mr Polwarth stated that water used in the drilling process was tested for contaminants before disposal as per their Review of Environmental Factors

The next meeting will be held on Friday September 23rd.