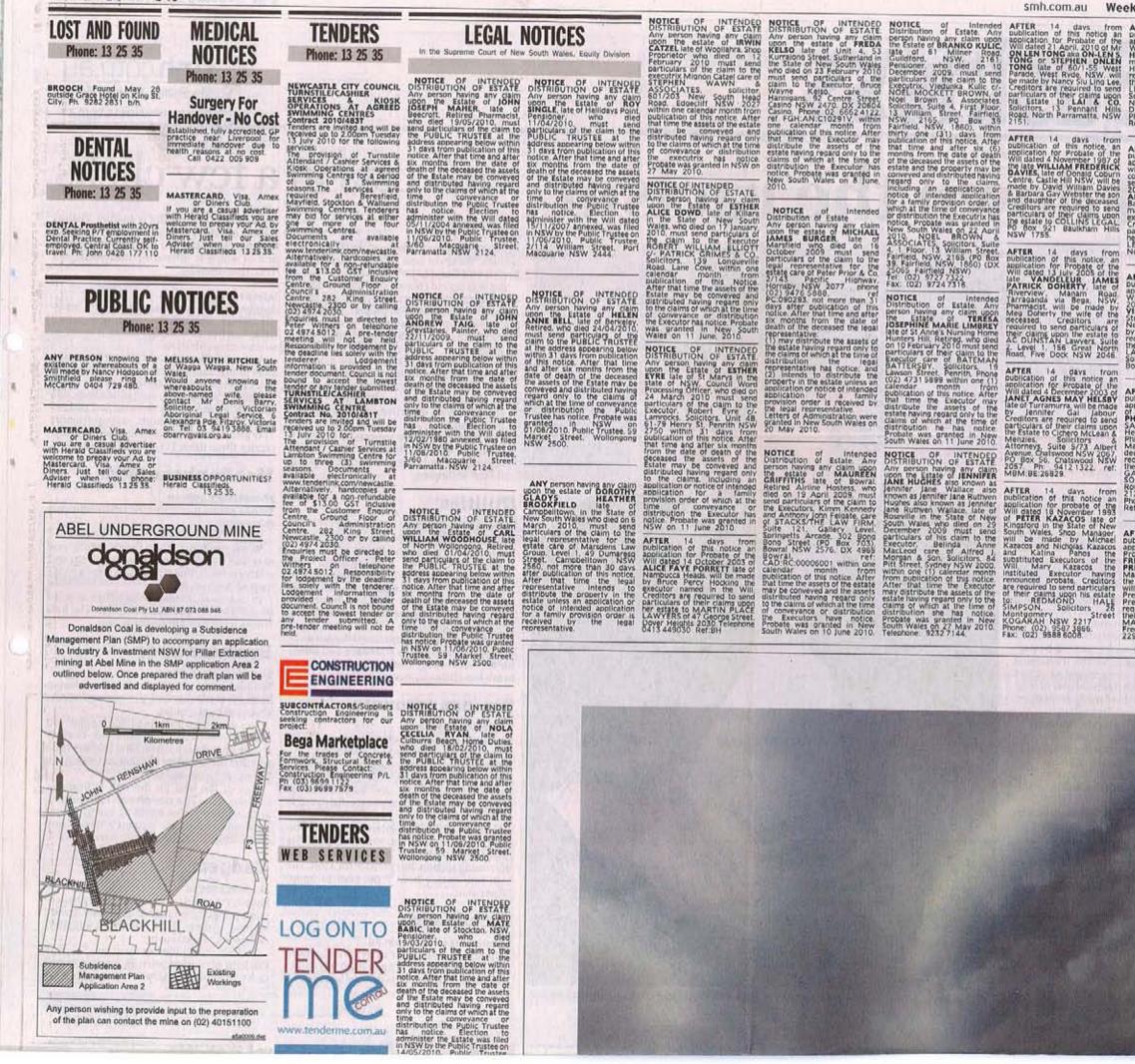
The Sydney Morning Berald



NOTICE of Intended Distribution of Estate Any Derson having any claim upon the estate of MICHAEL JAMES SURGER late of Marsfield who died on 16 October 2009 must send particulars of the claim to the estate care of Peter Prior & Co. 2/143 Pacific Hianway, Hornsby, NSW 2077 infone (027.9476.5980. Hianway, Hornsby, NSW 2077 infone (027.9476.5980. eff CC/9002933, not more than 31 days after publication of this notice. After that time and after six months from the date of death of the deceased the legal representative. H) may distribute the assets of the detate having regard only to the detate of the detate unless an application or notice intended application or not a family provision order is received by the legal representative. Letters of Administration were granted in New South Wales on 20 May 2010.

NOTICE of intended Distribution of Estate Any person having any claim upon the estate of MAUREEN of REITHS late of Bowral service and Anthony John Feigate, care of Strict Late of Late of New South Wales on 10 June 2010 NOTICE OF INTENDED INTENDED NOTICE OF INTENDED INT

estate and the property has be conveyed and distributed having regard only to the calims, including an application or including an application for a tamileended application for a tamileended application of distribution the Executivity has botice. Probate was granted in New South Wales on 22 April 2500, NDEL BROWN & ASSOCIATES, solicitors, Suite 4.1 Floor 13 William Street, Fairlield, NSW, 2165 (PD Box 35) Fairlield, NSW, 1860) (DX 25065 Fairlield NSW) Tel: (02) 9727 322 Fax: (02) 9724 7316

P0 6ox 921 Baulkham Hills NSW 1755 AFTER 14 days from publication of this notice, an application for Probate of the Will dated 13 July 2005 of the late. VANDELEUR JAMES PATRICK DOHERTY late of Riverview. Manam Road. Tarraganda via Bega, NSW, V Pharmacist, will be made by deceased. Creditors are recuired to send particulars of their clamp upon the estate to AC DUNTAN Lawyers Suite 2, Level 1, 156 Great North Road, Five Dock NSW 2046.

Fax: (02) 97247318.
 NOTICE of Intended Distribution of Estate Any person having any claim upon the Estate of TERESA IOSEPHINE MARIE LIMBREY ate of St Annes Nursing Home Hunters Hill Retired Claims to the calification of this notice After had time the Executor may distribution of this notice After hat time the Executor may distribution of Estate in North Evolution of this notice After hat time the Executor may distribution of Estate In North Evolution of this notice After hat time the Executor may distribution of Estate In North Evolution of this notice After hat time the Executor may distribution of Estate In North Evolution of this notice After hat time the Executor may distribution of Estate In North Evolution and In June 2010.
 NOTICE OF INTENDED DISTRIBUTION OF ESTATE Any person having any claim upon the Estate So known as ennifer Jane Wallace allow AFTER 14 days from

AFTER 14 days from publication of this notice an application for Probate of the Will dated 4 November 1967 of the late WILLIAM FREDERICK DAVIES, late of Donald Coburn Centre, Caste Hill NSW will be made by David William Davies & Barbara Gay Webster the son and daughter of the deceased Creditors are required to send particulars of their claims upon the estate to COLLINS LECAL PO Box 921 Bautkham Hills NSW 1755

AFTER 14 days from bublication of this notice an application for probate of the Will dated 29 February 2006 of HELENA PODSIADLY will be made by Sofie Podsadly and Helen Sharp. Creditors are produired to send earliculars of their claims upon her estate to LEWARNE & GOLDSMITH Solicitors, 54 Sorrell Street, North Paramatta NSW 2151, DX 8205 Parramatta Phone: 9630 6877 Ref. RJG:CW:21029188.

AFTER 14 days from publication of this notice an application of this notice an application for probate of the Will date 18 November 1993 of PETER KAZACOS late of Kingsford in the State of New South Wales, Shoo Manager will be made by Michael Kazacos and Nicholas Kazacos and Kalina Pahos the Substituted Executors of the Will Mary Kazacos the Instituted Executor having renounced probate. Creditors are required to send particulars of their claims upon his estate to: REDMOND HALE SIMPSON, Solicitors 26 Montgomery Street KOGARAH NSW 2217 Phone: (02) 9587 3666 Fax: (02) 9588 6008

AFTER 14 days from bublication of this notice an application of the notice an application of the notice an second collid dated 5 June 2007 and Solicitors. TSS Cathedrate Strate to: ASHTON STEDMAN. Solicitors. TSS Cathedrate Strate the claim uson his Estate to: ASHTON STEDMAN. Solicitors. TSS Cathedrate Strate to: ABLAMOWICZ late of Bayview, home outles, will be made by Margaret Ollis, the executive are required to send particulars of their claims upon her estate to: SOMERVILLE LECAL Level 2. 65 Berry St. North Sydney NSW 2050. NOTICE of intended Distribution of estate. Any

AFTER 14 days from Bublication of this notice an application for Probate of the Will dated 22nd September, 2009 of WILLIAM ROBERT VIDLER late of 19/2 Millord Street, Randwick in the State of New South Wales will be made by Paul Overton. Creditors are preduired to send particulars of their claim upon his estate claim. NOONAN LEGAL Solicitors, 9-13 Bronte Road, Bondi Junction, NSW 2022

AFTER 14 days from publication of this notice an application for administration of the estate of SAXON PHILLIP BIRD also known as SAXON BIRD late of Allambie Heights, NSW will be made by Phillip Renneth Bird and Dana Marina Bird the parents of the deceased. Creditors are required to send particulars of their claims upon-fits estate to GARRY PICKERING SOLICITOR, Solicitor, 201 Rowe Street, Eastwood NSW 2122, DX 23507 EASTWOOD, Phone: (02) 3858 5911, Ref 101089

AFTER 14 days from bublication of this notice an application for Letters of Administration with the Will dated 31st January 1992 annexed of RONALD ALBERT SILVERTON late of Princess Julia Retirement Lodge. 10 Murrua Road. North Turramurra NSW. Company Director deceased will be made by Anne Megan Orrell a daughter of the deceased. The Executor marked in the Will, John Henry Codden Silverton. renounced Probate An will be made to

CLASSIFIEDS

AFTER 14 days publication of this not application for Probate AFTER Will dated 12 August, 1996 of DONATO BARONE late of Chester Hill NSW 2162 deceased, will be made by Domenico Sofi and Tommaso Barone, Cardi Domenico Sofi and Tormaso Barone. Creditors are required to send particulars of their claims upon his estate to SHAD PARTNERS. 51 Bickard Road Barkistown NSW 2200 DX 1212 Sydney

AFTER 14 days from the publication of this notice an application for probate of the Will dated 13 October 2009 of MARJORIE CLARE KENNEDY jate of 2 Moncrieft Road, Lalor Park, decessed, will be made by Christine Anne Pinniger, Executor named in the said Will Creditors are required to send Overfloatings of their claim upon Executor named in the said Will Creditors are required to send particulars of their claim upon her estate to PATRICK GRIMES & CO Solicitors 139 Longueville Rd Lane Cove NSW 2066 DX 23310 Lane Cove

NOTICE of intended Distribution of estate. Any person having any claim upon the estate of DENISE MARILYN MOLONEY late of Kanahocka. In the State of New South Wales who died on 21 January 2010. must send particulars of the claim to kenneth Brent Moloney and Kathryn Denise Moloney and Kathryn Denise Moloney and Solicitors, Level 4, 166 Kefra Street. Wollongoon SW 2500. not more than 31 days from publication of this notice. Atter that time and after 6 months from the date of death of the deceased the assets of the estate may be conveyed and distributed having regard and distributed having regard and estate may be conveyed and distributed having regard only to the claims, including an application or notice of intended application for a family provision order of which at the time of conveyance or distribution the executor has notice. Probate was granted on 25 May 2010.

 AFTER
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 Phone: (02) 3858 5911.
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 Mark North Strathled
 from Strathled

AFTER 14 days from publication of this notice an application for Probate of the Will dated 7/ January 1997 of MARK JOHN MULLIGAN late of Bass Mill, will be made by Catherine Mary Mulligan, Vicki Thomas and Belinda Lee Carverth, Creditors are required to send particulars of their claims upon his Estate to HUGHES ATAYLOR, Solicitors 64 Victoria Road, Drummoyne NSW 2047 DX 21001 Drummoyne, Ph. (02) 98197270 Ref.M597:10135

AFTER 14 days from publication of this notice an abolication for probate of the Will dated 3 February 2010 0 OLIVE FINLAY, late of 6 Rosewood Gien, jernatomberra in the State of New South Wales. Home Duties will be made by Gillian Margaret Barnes the Executor named in the said Will. Creditors are required to sind particulars of their claims upon her estate to BRADLEY ALLEN LAWYERS. C⁴. ESPREON, Level 7.400 George Street. Sydney NSW Cr. ESPREON, Level 7 400 George Street, Sydney NSW 2000.

AFTER 14 days from publication of this notice an application for Probate of the Will dated 2 March 2010 of GABRIELLE MOOD late of 10 GABRIELLE HOOD late of 10 Warwick Avenue, Cammerav NSW Retired Secretary deceased will be made by Christopher Vernon Hood Executor named in the said will. Creditors are required to send particulars of their claims upon ber estate to ASHTON STEDMAN, Solicitors 155 Cathedral Street, Woolloomooloo NSW 2011 or DX879 Sydney

13



ABEL UNDERGROUND MINE COMMUNITY NEWSLETTER, JUNE 2010

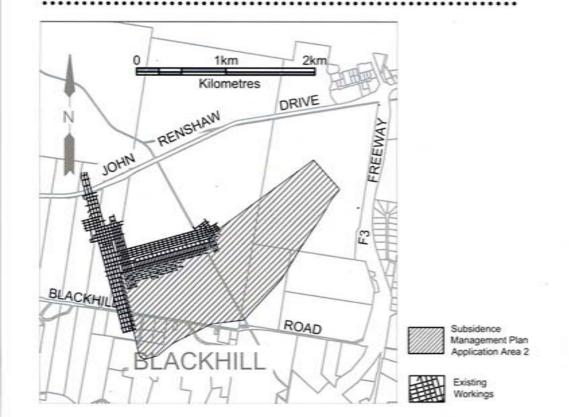
ABEL UNDERGROUND MINE

ABEL UNDERGROUND MINE



Donaldson Coal is developing a Subsidence Management Plan (SMP) to accompany an application to Industry & Investment NSW for Pillar Extraction mining at Abel Mine in the SMP application Area 2 outlined below. Once prepared the draft plan will be advertised and displayed for comment.

Donaldson Coal Pty Ltd ABN 87 073 088 945



Any person wishing to provide input to the preparation of the plan can contact the mine on (02) 40151100



Community Newsletter



Welcome to the Abel Underground Mine Community Newsletter.

Abel is an underground coal mine owned by Donaldson Coal, which commenced operation in March 2008.

Coal is extracted using the bord and pillar method, which uses continuous miners for first workings and secondary extraction. This two stage process accommodates irregular shaped coal deposits, enables adjustment to extraction to control subsidence and maximizes the efficiency of the operation. To date it has produced over 965.000 tonne of Run of Mine (ROM) coal. The mine is currently manned by over 167 employees and 14 contractors. An increasing number of Donaldson's employees have joined the mine through an innovative training program developed to equip inexperienced miners with the skills to work in an underground coal mine. In addition to helping meet Donaldson's needs, the program has provided an innovative way for people to learn new skills and gain entry into the mining industry.



Donaldson Coal takes its environmental responsibility very seriously and at present is conducting amphibian and aquatic studies within the project area.

The mine is also in the process of developing a Subsidence Management Plan (SMP) for application Area 2 and is seeking community feedback. Please see the back page of the newsletter for a map and further information.

Helping the Local Community

From its inception, Donaldson Coal has made a commitment to support vital programs to address issues such as skill shortages and unemployment, education and the environment in local lower Hunter communities.

To ensure this commitment is properly administered, the company has set up a number of Trusts and allocated funds to allow them to take the initiative. The Donaldson Job Creation

Trust is designed to fund programs to help generate employment in the Hunter Region. The Donaldson Conservation Trust funds environmental initiatives, and the Donaldson Community

Donaldson Conservation Trust

Donaldson Coal takes its environmental responsibility very seriously and for this reason has committed to contributing \$1-million over ten years to environmental conservation.

The Donaldson Conservation Trust has been set up specifically to fund environmental education. research, environmental management works or activities within State Conservation Area lands or other environmentally valuable lands that lie within or above Donaldson's mining leases,

exploration licenses or other land owned by the company. The Trust has recently commissioned the development of a multilayered GIS computer model that incorporates significant natural and man-made features within the geographical area, including information sourced from all public domain data

and private studies. This report will form the basis for all decision making to ensure that funds are most appropriately spent.

The Trust has also recently released \$22,000 in funds for a terrestrial bat study as part of PHD study being undertaken by a student at Newcastle University.

Donaldson Job Creation Trust

Through the Donaldson Job Creation Trust, Donaldson Coal has given the undertaking to distribute \$1-million to encourage employment and training in the Hunter region, not just within the mining industry but across a range of industries.

| The aim of this Trust is to |
|------------------------------|
| provide training and job |
| experience to improve the |
| ability of people to compete |
| |

in the job market, and fill skills

gaps in the Region. Since 2002, the Job Creation Trust has funded a number of training programs run by the Hunter Valley Training

Company, including a number of school based courses specifically designed to help youth at risk. A grant has also been given to John Renshaw Drive / Black Hill Intersection

Trust helps local communities achieve their objectives. The Trusts are independently administered by representatives from both Donaldson and the community, ensuring that target areas and

issues important to the local community are identified. In addition to the Trusts. Donaldson Coal also supports a range of local projects. To help improve road safety, for example, Donaldson

contributed \$250 000 towards the upgrade of the Black Hill Road intersection on John Renshaw Drive.



To contribute to community welfare, Donaldson Coal has committed \$250,000 over five years on educational needs, community works or other activities of benefit to the community within the Abel Underground Mine Area.

The Donaldson Community Welfare Trust allocates funding every six months, with a minimum of \$10,000 dedicated In addition to funding for to educational projects linked to Black Hill Public School each round. An additional \$15,000 is made available for

Trainees at Hunter Valley Training Company with HVTC Chair Milton Morris and Mark McPherson

the Maitland Region Art Gallery to further support local talent and boost its promotions effort with the appointment of a fulltime graphic designer.

other projects of benefit to the community within the Abel underground mine area. the School, the Trust has recently provided \$12,000 in funding for the restoration of the historical cemetery at



Benwerrin Rural Fire Brigade Station.

Black Hill and \$30,000 for the Benwerrin Rural Fire Brigade Station.





Donaldson Coal Abel Mine SMP STAKEHOLDER MEETING ABEL SMP AREA 2

9 September 2010

1





- Introduction and Meeting Objectives
- Donaldson Coal Background
- The Subsidence Management Plan (SMP) Process
- Abel Mine
 - Project Approval
 - Mine Planning
 - Mining Methods
 - Area 1
 - Area 2
 - SMP Area Surface Environment Assessment
- SMP Area 1 Approvals and conditions, Management Plans, Monitoring Programs





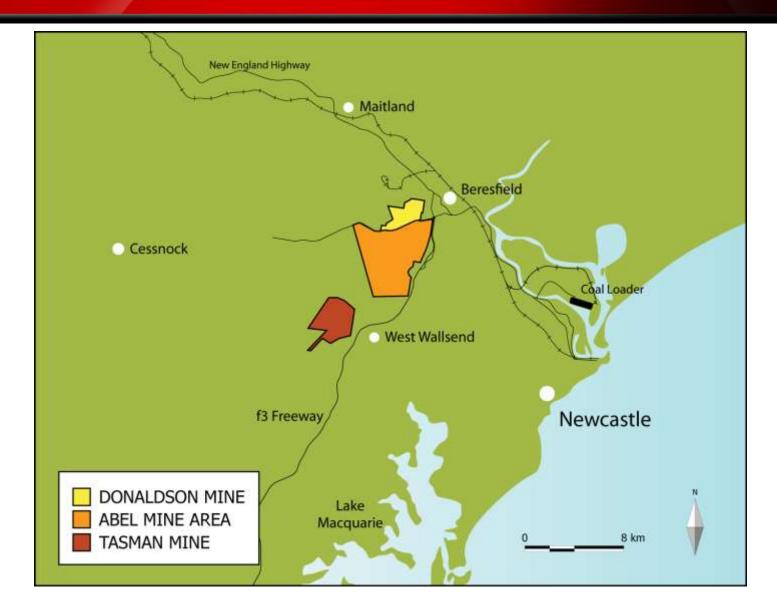
- Panel 1 (SMP Area 1) Progress to date
- Subsidence Results Panel 1, impacts and remediation
- SMP Area 2 Key surface features
 - Man made and Natural features potentially impacted by subsidence, including
 - Properties
 - Roads
 - Powerlines
 - Waterlines
 - Dams
 - Other infrastructure
- Abel SMP Area 2 Subsidence Assessment and Predictions
- Abel SMP Area 2 Subsidence Impacts
- Abel SMP Area 2 Proposed Monitoring
- Abel SMP Area 2 Mining Schedule
- Field Visit SMP Area 1/2

Meeting Objectives

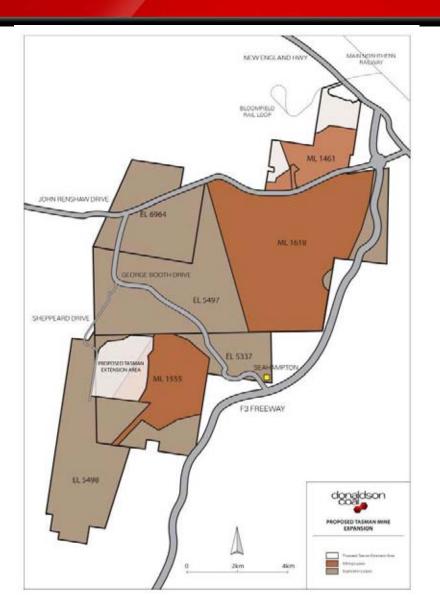
- 1. Provide interested parties with an introduction to both the Subsidence Management Planning Process, review the approval procedure, update the results of mining Area 1 to date and outline the planning and baseline studies conducted in relation to the Abel mining proposal for Abel Area 2
- 2. Consult with interested parties to identify any potential issues or relevant concerns to be considered and addressed in the preparation of the Subsidence Management Plan for Abel Area 2.

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Location of Donaldson Coal Operations denaldson



Lease Areas

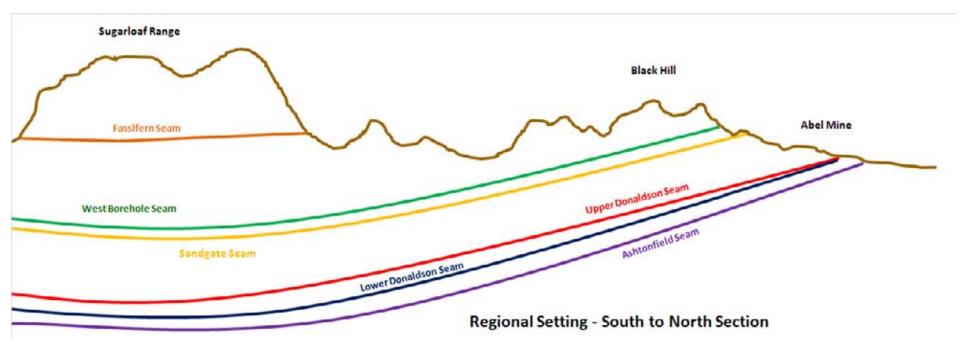


- Current Mining Leases:
 - ML 1461 (Donaldson O/C)
 - ML 1618 (Abel U/G)
 - ML 1555 (Tasman U/G)
- Current Exploration Areas:
 - EL 5337 (Tasman)
 - EL 5498 (Tasman)
 - EL 5497 (Abel)
 - EL 6964 (Abel)

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Geological & Mining Setting

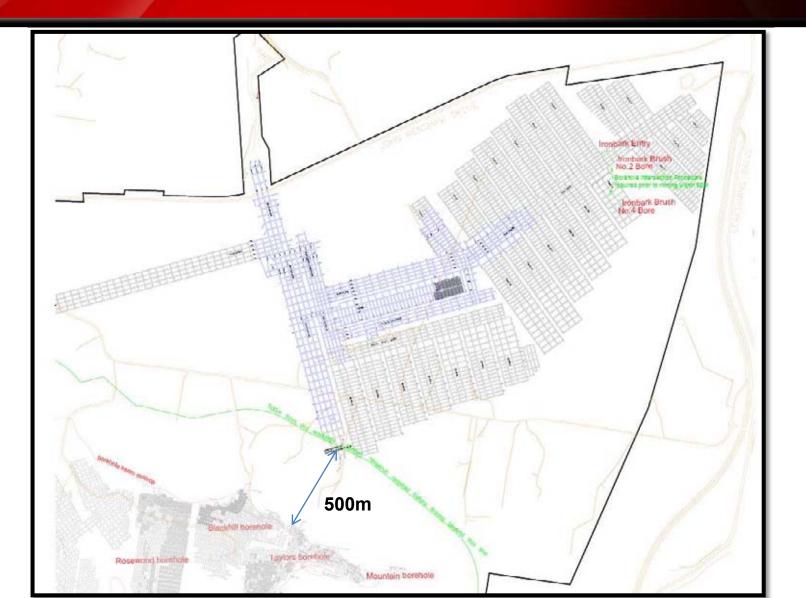
- Target seams are part of the East Maitland/Tomago district Four Mile creek formation
- Seams dips to south



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Old Workings Borehole Seam





SMP Application Process

- Approval process introduced in March 2004 for the management of coal mining subsidence (New Approval Process for Management of Coal Mining Subsidence – NSW)
- Condition of Abel's Mining Lease 1618 that the leaseholder shall prepare a Subsidence Management Plan prior to commencing underground mining operations which will potentially lead to subsidence of the land surface
- This SMP process is currently being reviewed by Industry & Investment and Department of Planning.



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Definitions

- donaldson
- Subsidence- Vertical movement of the land surface caused by underground coal mining. For the purposes of the SMP approval process, subsidence is defined as mining-induced movements and deformations at the ground surface where:
 - i) the vertical downward surface movements are greater than 20mm; or
 - *ii) the potential impacts on major surface infrastructure, structures or natural features may be significant, notwithstanding that the vertical downward surface movements are less than 20mm.*
- Mitigation Measures Subsidence management measures which aim to reduce subsidence impacts, usually implemented prior to or during mining.
- Remediation Measures Subsidence management measures which aim to repair any adverse effects of subsidence, usually implemented after mining.
- First workings- Roadways driven to form pillars. Development of main headings and panel roads to establish access to the coal in the Pillar Extraction panels.
- Second workings Extraction of coal from pillars formed during development.

Definitions

- Full extraction Systematic mining of all safely accessible coal within the formed pillars
- Partial extraction Mining of a only a proportion of the formed pillars to reduce subsidence
- Public Safety Management Plan prepared in consultation with I & I to ensure public safety in the mining area.
- Principal Residence Principal Residence existing and defined at the date of Project Approval of this project. A Principal Residence is defined as an existing building capable of being occupied as a separate domicile and used for such purpose. Basically the main residential building on a property.
- Effective subsidence 95% of predicted subsidence has occurred.
- **Goaf** The mined-out area into which the immediate roof strata break.

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Definitions

- Statement of Commitments The commitments by Donaldson Coal Pty Limited set out in Appendix 3 of the Project Approval.
- Safe, serviceable & repairable Safe means no danger to users, serviceable means available for its intended use, and repairable means damaged components can be repaired
- **SMP** Subsidence Management Plan
- Angle of Draw The angle between the vertical line joining the edge of the mining void with the limit of vertical subsidence (usually taken as 20mm) at the surface
- Cover Depth The depth of the coal seam from the ground surface (metres)
- Property Management Plan Developed by Donaldson Coal in consultation with the property owner and Mine Subsidence Board to address the management / mitigation of any subsidence impacts.

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SMP Requirements

SMP Area 2 Application to include:

- Description of the surface area
- Mine workings and extraction schedule
- Subsidence predictions
- Assessment of impacts and socioeconomic benefits
- Extracts of relevant conditions from Project Approval, Leases, Licences, Approvals
- Description of previous subsidence predictions, results and impact assessments from previous approvals
- Baseline monitoring / assessment including flora, fauna, surface water and groundwater

- Monitoring proposals
- Proposals to minimise surface impacts where required
- Proposals for ground and surface water management
- Proposals for rehabilitation if or where necessary
- Results of consultation with relevant stakeholders (community)
- Results of Risk Assessments carried out for the SMP Application
- Details of ongoing community consultation process

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SMP Preparation Stages

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Stage 1 – Information Collection and Review

- Initial Consultation and Advertisement
- Review of Statutes, Baseline Monitoring, Subsidence Prediction, Mine planning and initial Mine layout

Stage 2 – SMP Development

- Assessment and consideration of community input (Stakeholder Meeting, CCC)
- Impact and Risk Assessment, monitoring program, mitigation / rehabilitation planning
- Finalise Mine plan
- Preparation of SMP written report and Subsidence Management Plan

Stage 3 – Assessment

- Submission of application to Industry & Investment NSW
- Advertise and public display opportunity for comment and submission
- SMP Inter Agency review committee and Industry & Investment NSW assessment

SMP Preparation Stages

Stage 4 – Implementation if Approval Granted

Implement SMP subject to Approval Conditions

Stage 5 – Reporting, Review and Ongoing Consultation

- Review monitoring results in relation to predictions
- Review impacts in relation to predictions
- Report monitoring results, impacts and compliance with SMP through AEMR, reporting as required by Approval Conditions and through Community Consultation Process

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Abel Mine

- Planning Focus November 2005
- EA lodged 2006
- Project approval granted June 2007
- Mining Lease ML1618 granted May 2008
- Abel commenced underground production from highwall in May 2008
- SMP Area 1 approved May 2010
- Pillar extraction production from Area 1 commenced July 2010
- SMP Area 2 = 221ha (ML1618 area = 2,755ha)
- Depth of cover in SMP 2 Area 95m to 150m
- Current workforce 200 including contractors
- 2010 planned ROM production 1.3mt.







Abel Mine SMP Area 2

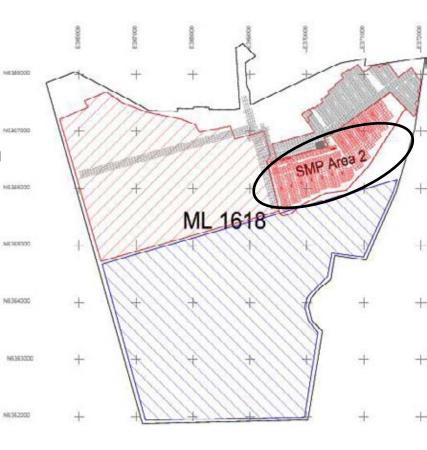






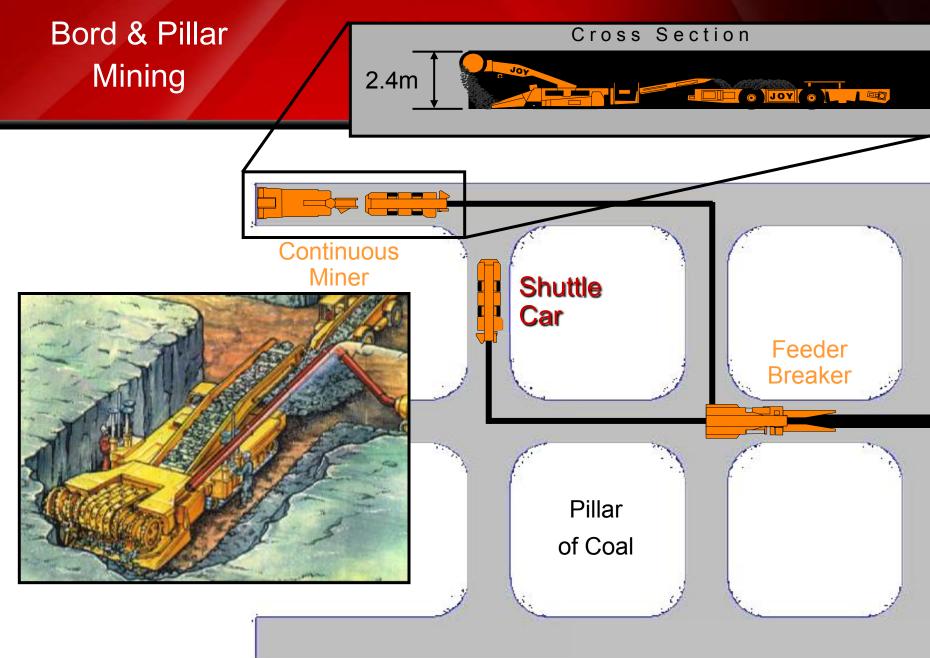
Abel Mine Plan

- Commenced coal production in May 2008 and will ramp up to 4.5mtpa and maintain that rate for >20yrs
- Target seams are the Upper and Lower Donaldson which range in thickness from 1.9m to 2.6m
- Soft coking and thermal products from the Upper Donaldson. Thermal from the Lower Donaldson
- At full production of 4.5mtpa will employ >350 people
- ML1618 area = 2,755 ha
- SMP Area 2 = 221ha



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Upper Donaldson 18



Abel Mine Plan



anet Panel 5 panel A pane panel 2 Panel IT SOUTH 1 HEADINGS EAST MAINS SOUTH MAINS Panel 18 1861m Panel PANEL 1 TAILGATE HDGS SOUTH FAST MAINS panel 20 panel 2 panel 23 panel 24 panel 25 panel 28

~ 40km of Development driveage completed to date Current face areas up to 2km from Surface Portal

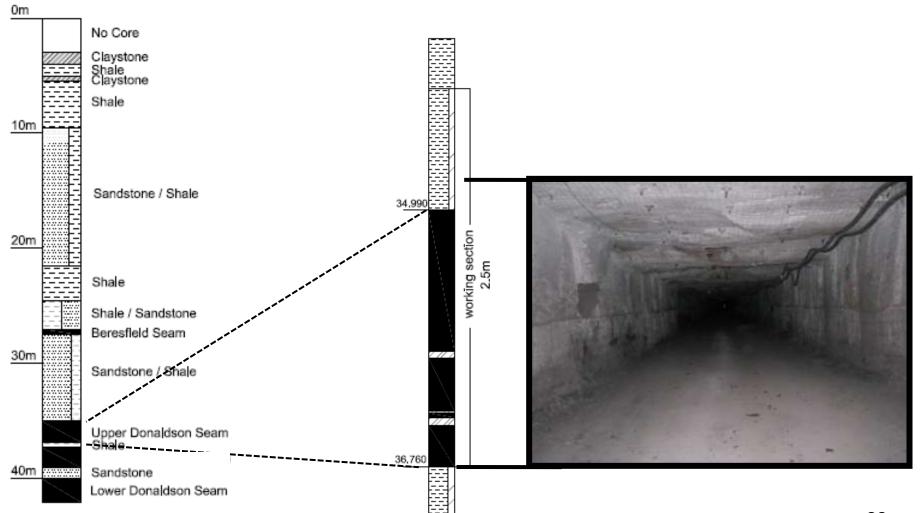
Mine Planning - Area 2

- Full extraction panels with the flexibility to retain long-term stable pillars for the protection of surface features
- Full extraction represents up to 85% reserve recovery within a mining panel
- Subsidence protection by either first workings or partial extraction
- No Pillar extraction below 50m depth of cover
- Panel width of 160m with appropriately designed barrier pillars



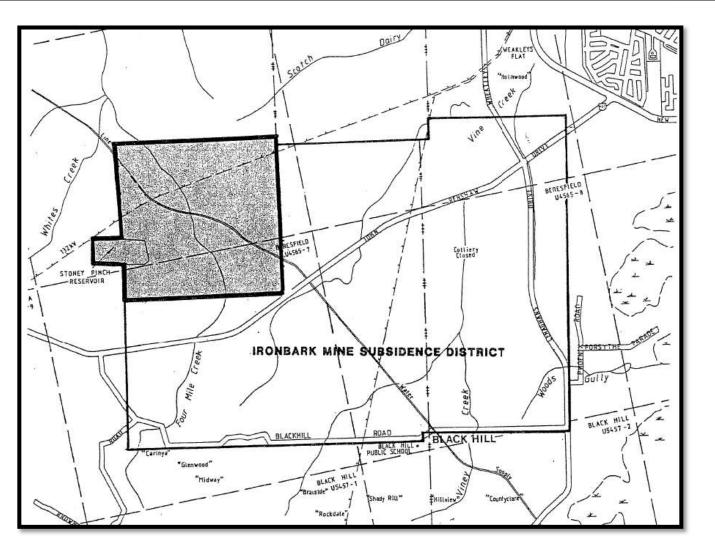
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Typical Stratigraphic column (C086)



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Historical Mine Subsidence District



Ironbark Subsidence District

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Initially gazetted in 1971

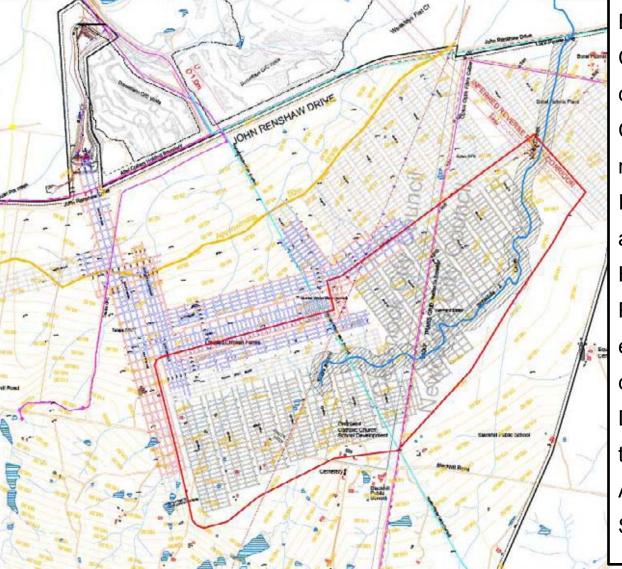
Extended in 1978

Revoked in 1994

New Subsidence District proposed for ML1618 area

SMP Application Area 2





Embraces 221ha Contains 6.3m tonnes of insitu coal Contains 3.7m tonnes of recoverable coal Is divided into 13 Panels & 2 areas of Main Headings Has an operating life of ~3 years Project Approval conditioneffective Subsidence to be completed by June 2013 Depth of cover ranges from 95m to 150m Area to be re-classified as a Subsidence District by MSB

SMP Application Area 2





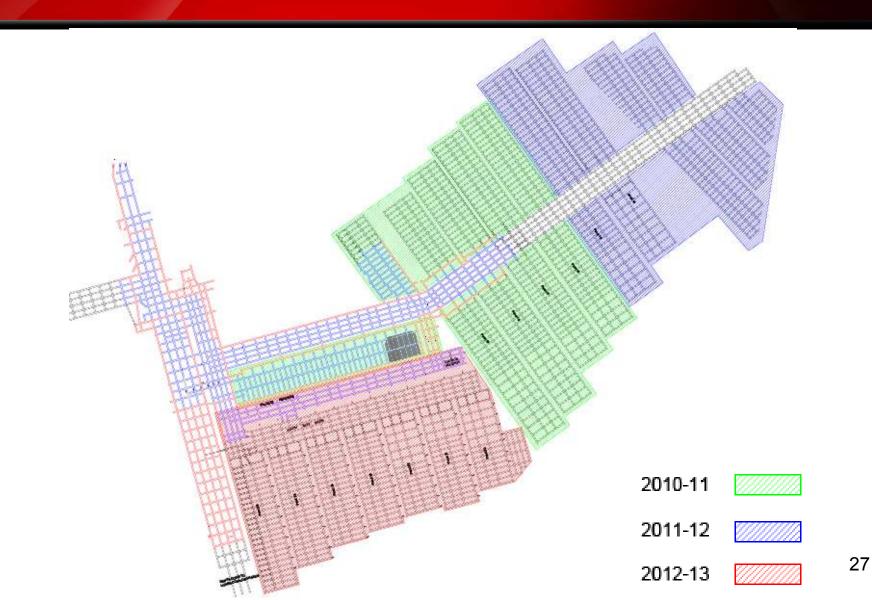
SMP Area 2 Panel tonnages



| | | | development | extraction | | |
|------------------|--------|--------|-------------|---------------------------------------|-----------|--|
| Total Tonnes | Length | Metres | tonnes | tonnes | Total | - |
| Panel 14 | 400 | 2,984 | 57,442 | 57,442 | 114,884 | |
| Panel 15 | 490 | 4,175 | 80,376 | 115,526 | 195,903 | |
| Panel 16 | 560 | 5,010 | 96,435 | 155,608 | 252,043 | |
| Panel 17 | 610 | 5,487 | 105,617 | 172,798 | 278,415 | 10000000000000 100000 100000 |
| Panel 18 | 690 | 5,917 | 113,902 | 168,271 | 282,173 | |
| Panel 19 | 720 | 6,141 | 118,210 | 172,579 | 290,789 | |
| Panel 20 | 450 | 3,815 | 73,431 | 103,776 | 177,207 | |
| Panel 21 | 500 | 4,437 | 85,416 | 134,980 | 220,396 | |
| Panel 22 | 475 | 4,032 | 77,622 | 110,369 | 187,991 | |
| Panel 23 | 500 | 4,770 | 91,823 | 167,011 | 258,834 | |
| Panel 24 | 525 | 5,009 | 96,414 | 175,606 | 272,020 | |
| Panel 25 | 550 | 5,247 | 101,005 | 184,201 | 285,206 | 100 00 00 00 00 00 00 00 00 00 00 00 00 |
| Panel 26 | 650 | 6,201 | 119,369 | 201,391 | 320,760 | MAUNS CONTRACTOR |
| South East Mains | 1100 | 7,403 | 142,508 | 237,616 | 380,124 | AST MAINS |
| Tailgate hdgs | 1060 | 5,703 | 109,779 | 182,095 | 291,874 | |
| | | 76,330 | 1,469,349 | 2,339,269 | 3,808,617 | |
| | | | | S S S S S S S S S S S S S S S S S S S | TAIL | GATE HDGS |
| | | | | HI I | | Existing Workings Proposed Workings SMP Application Area Collery Holding Boundary Collery Holding Boundary |

SMP Area 2 Schedule





Abel Mining Method

- Continuous miner based bord and pillar system
- Layout designed to minimise impact on sensitive surface areas while minimising resource sterilisation
- Panels 160m wide
 - 4 heading layout
- 1st workings (Roadway development)
 - Single Continuous Miner (CM) Unit (20-30m /shift)
 - Dual CM Unit (35- 45m/shift)
- 2nd workings (Pillar extraction)
 - 1,000 tonnes per shift
- 6 day rotating roster
- Depth of cover range 95m to 150m

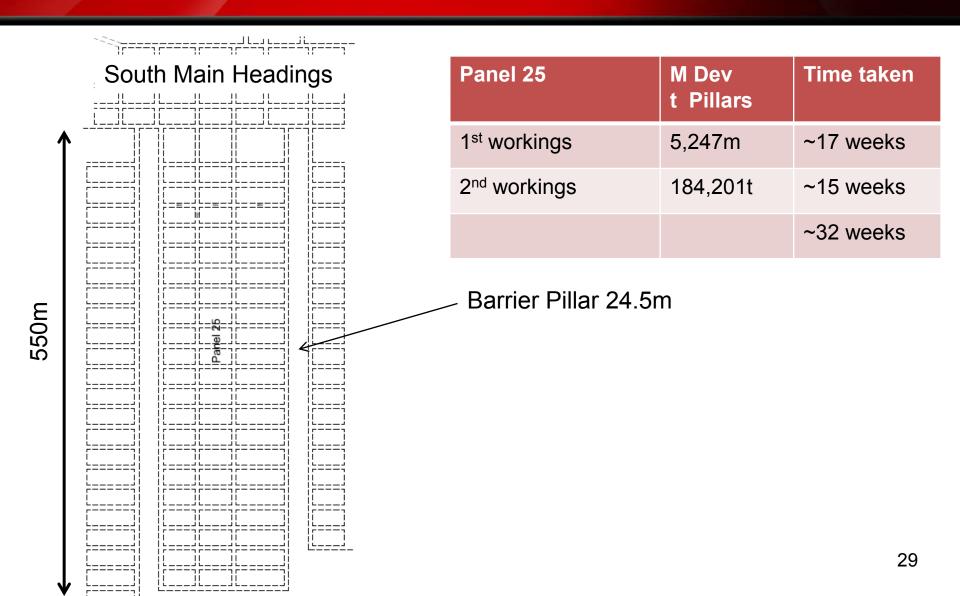






Abel Typical Panel Layout - Panel 25



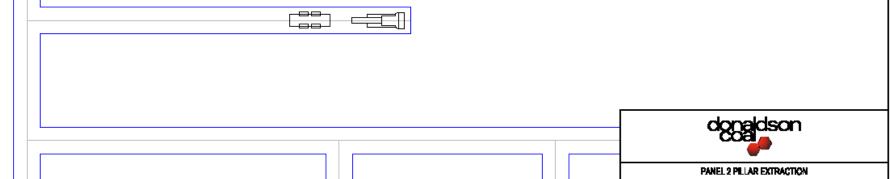


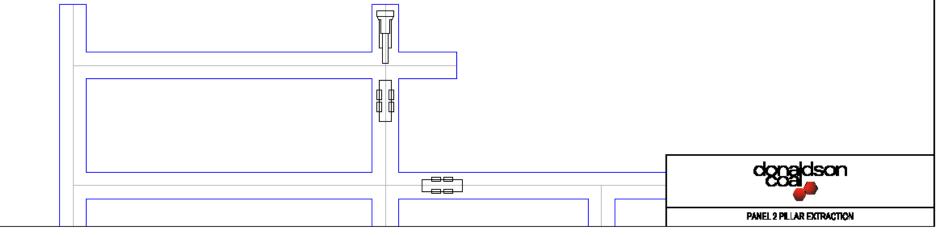
FIRST WORKINGS

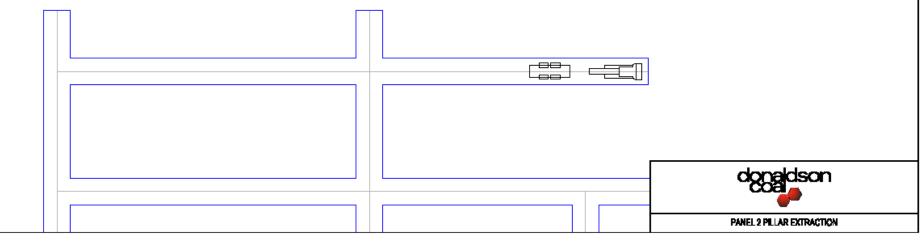


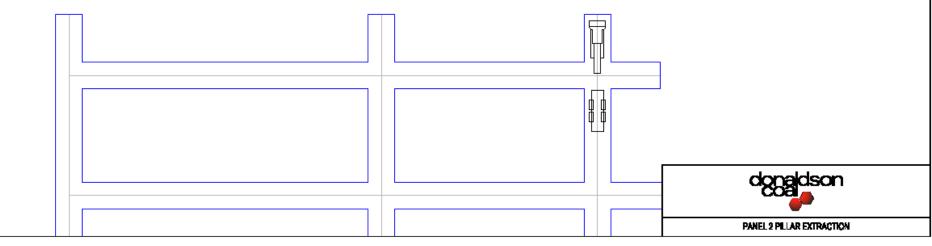
Roadways driven to form pillars. Development of main headings and panel roads to establish access to the coal in the Pillar Extraction panels.

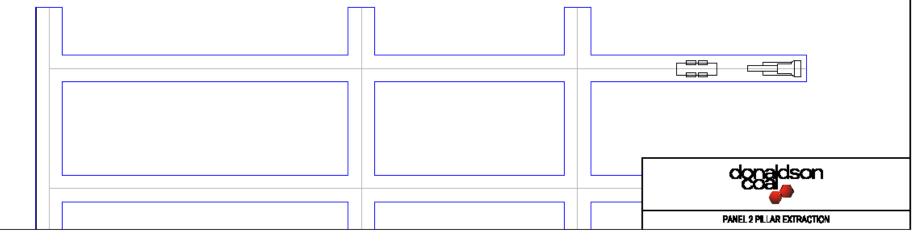
| PANEL 2 PLLAR EXTRACTION |
|--------------------------|

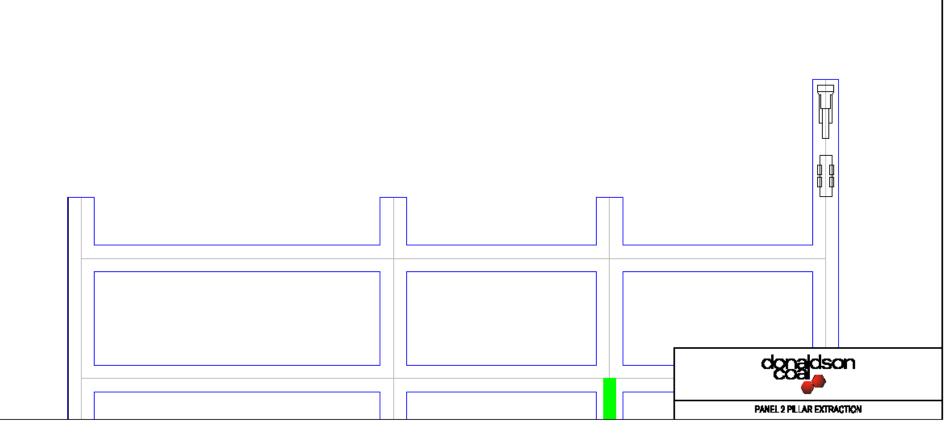


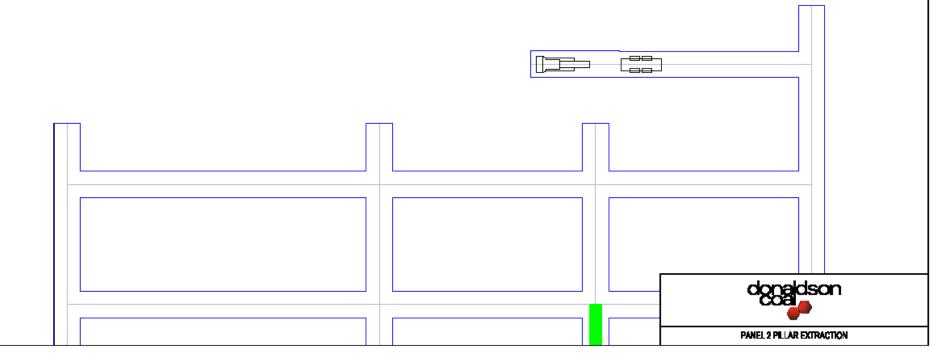


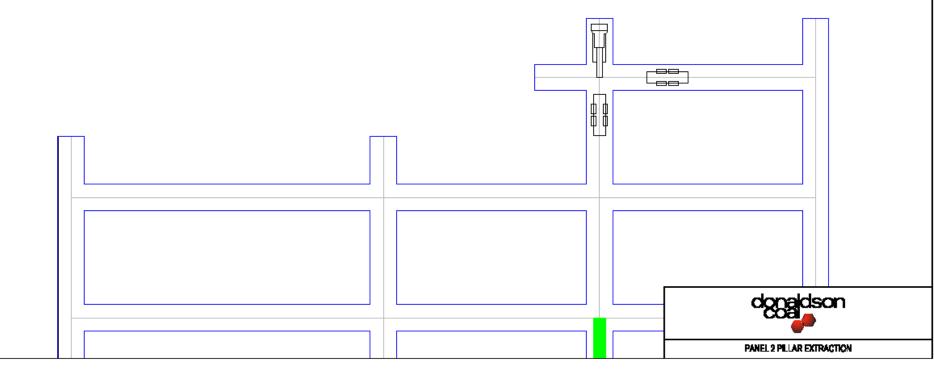


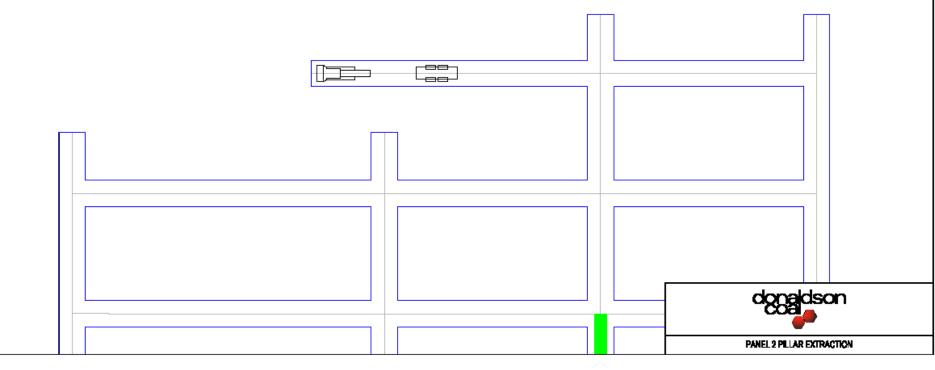


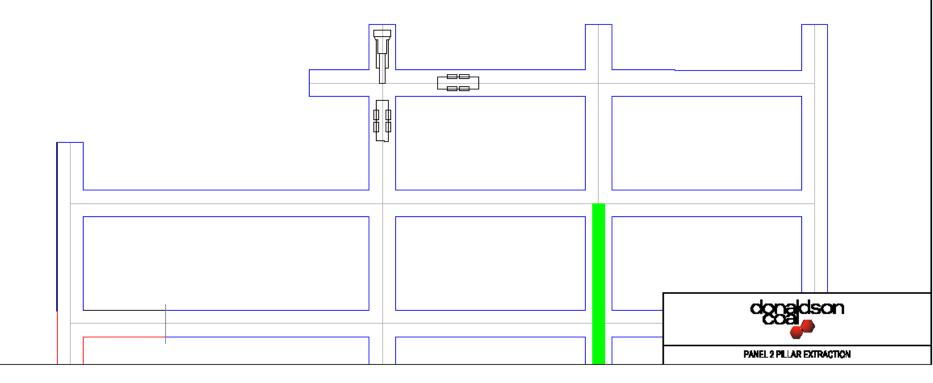


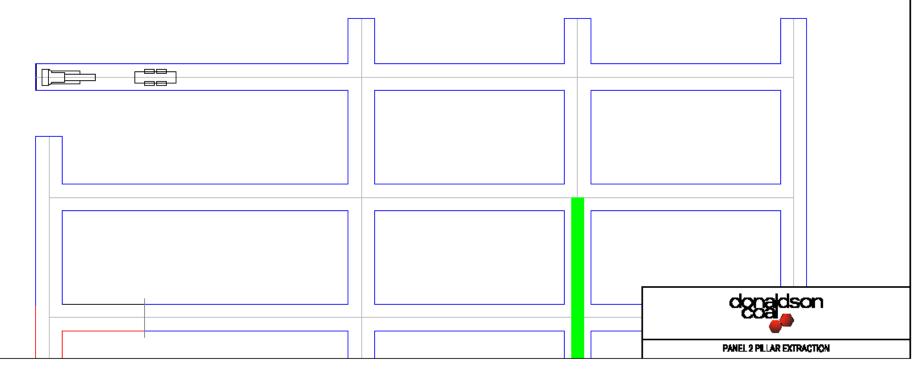


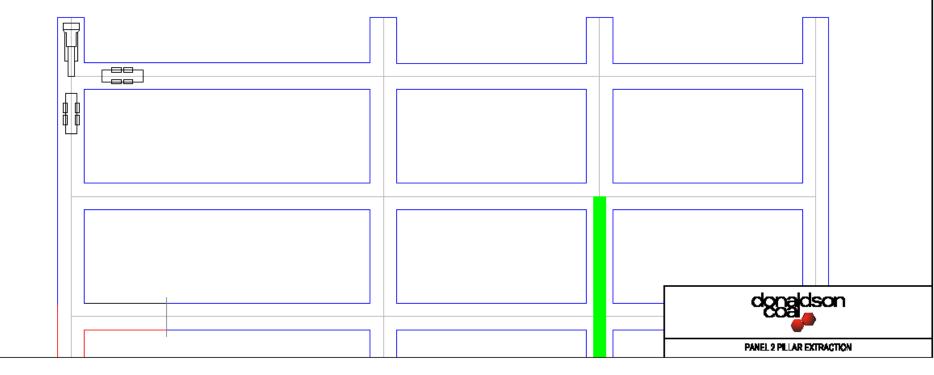


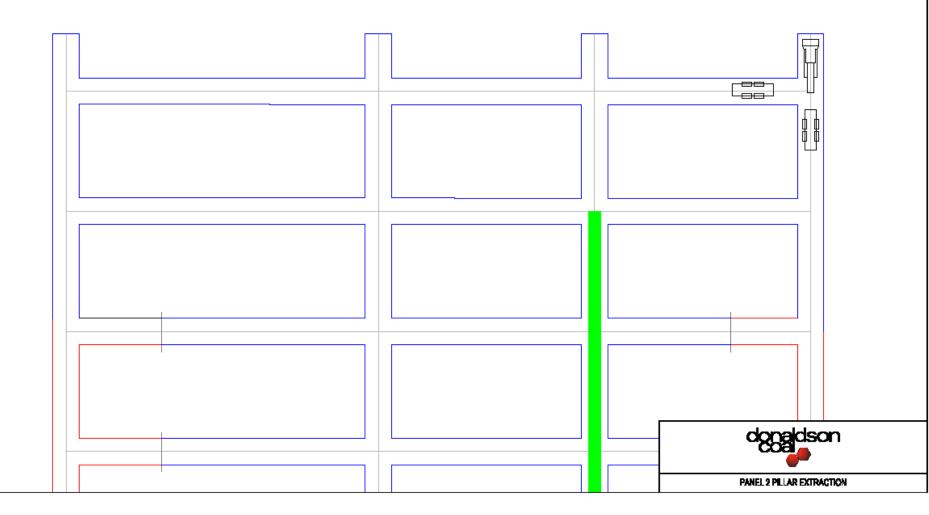


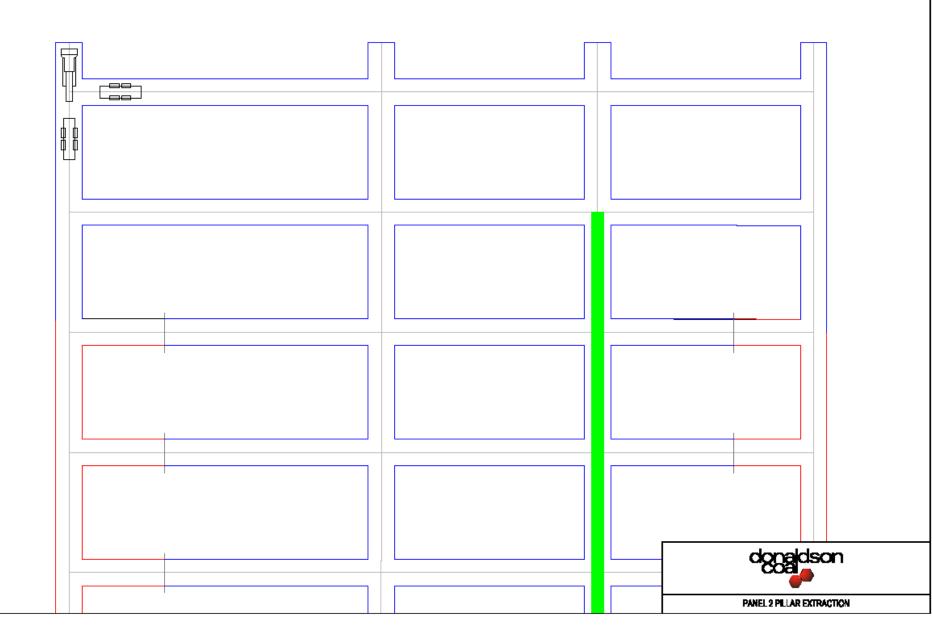


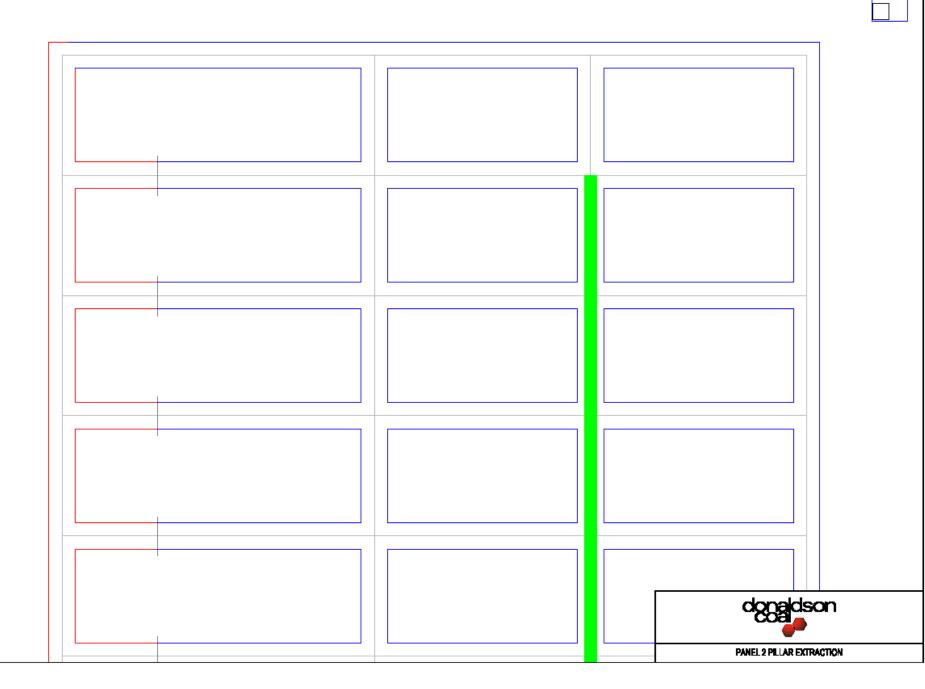








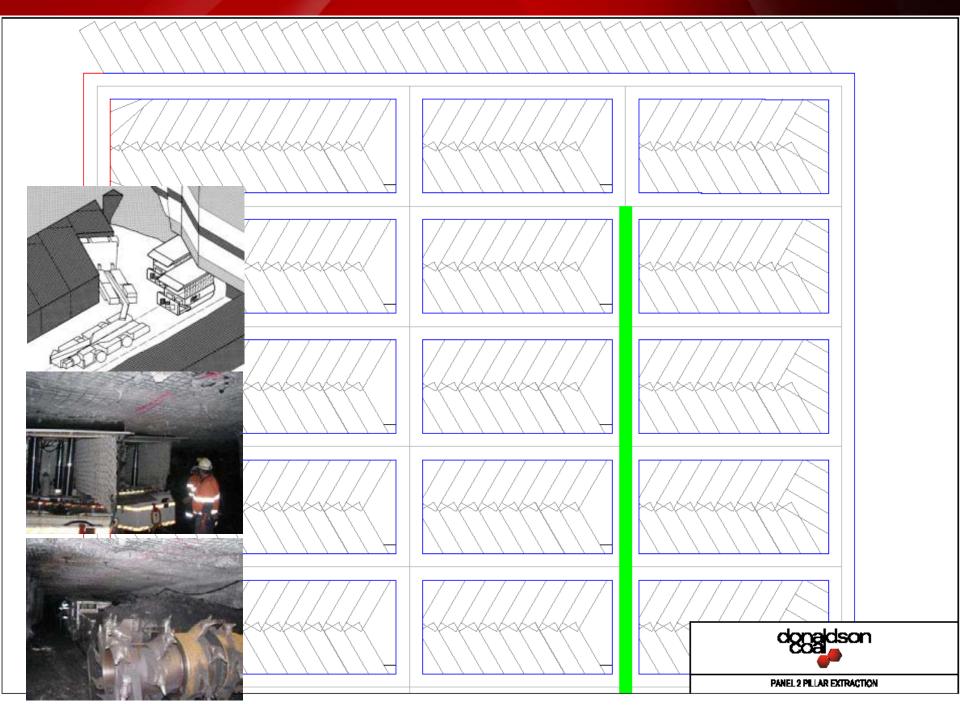


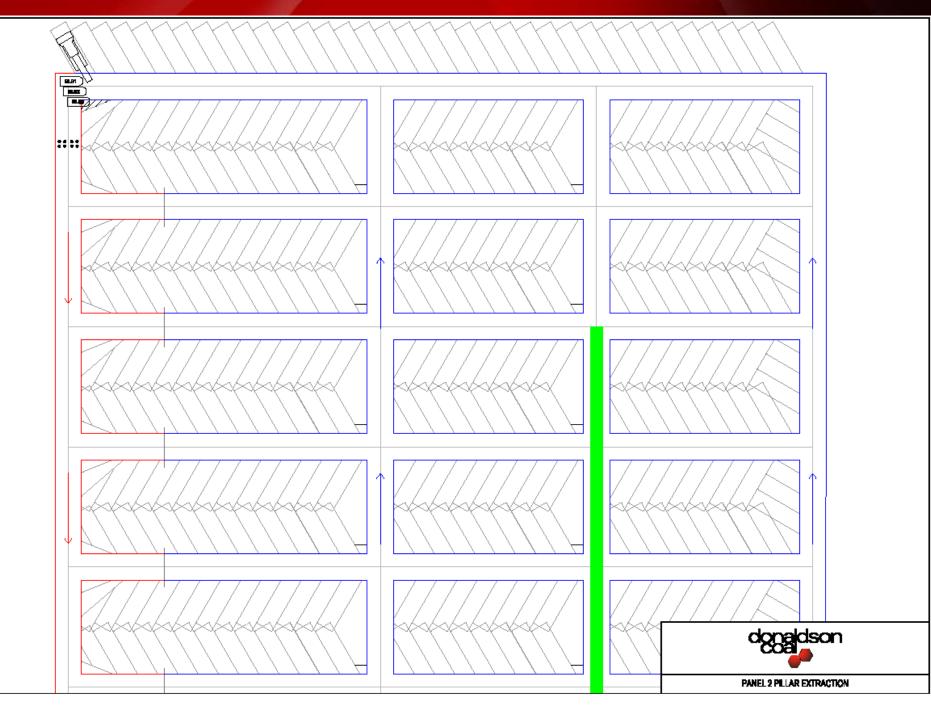


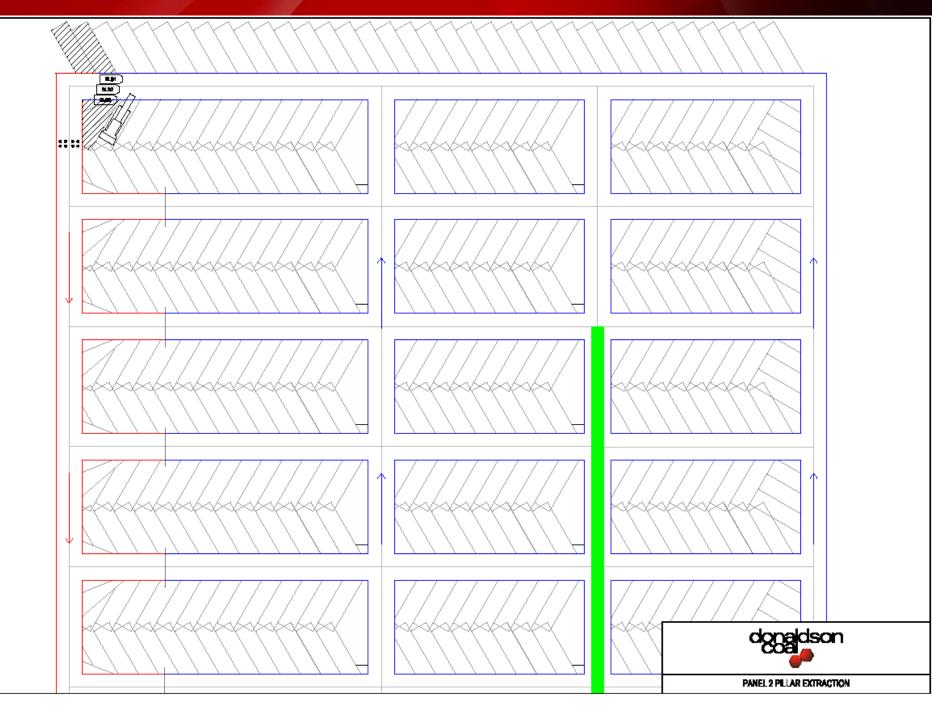
2nd WORKINGS

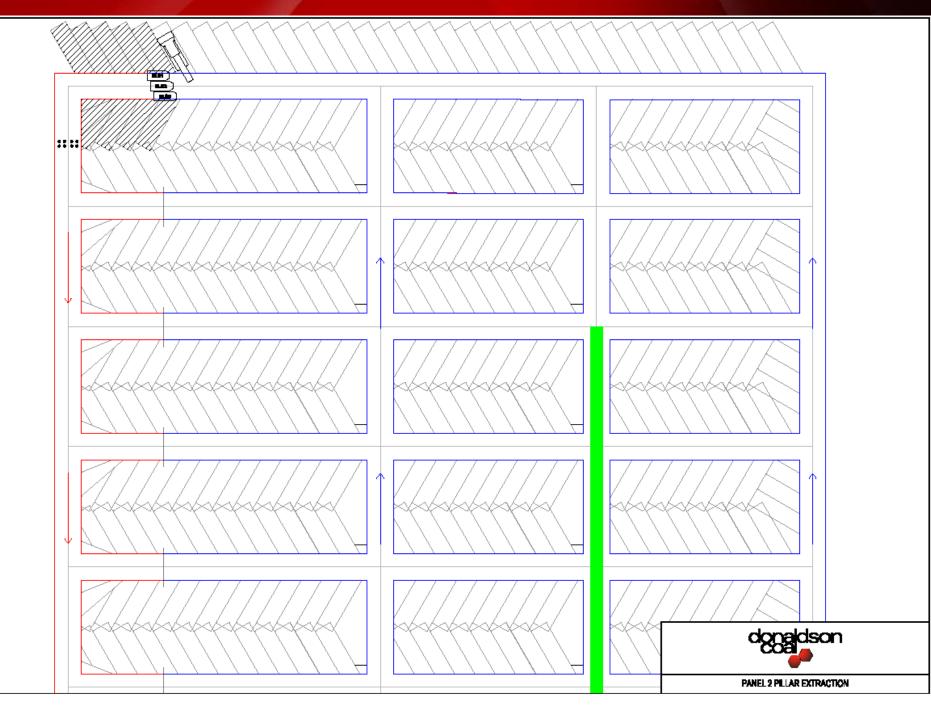


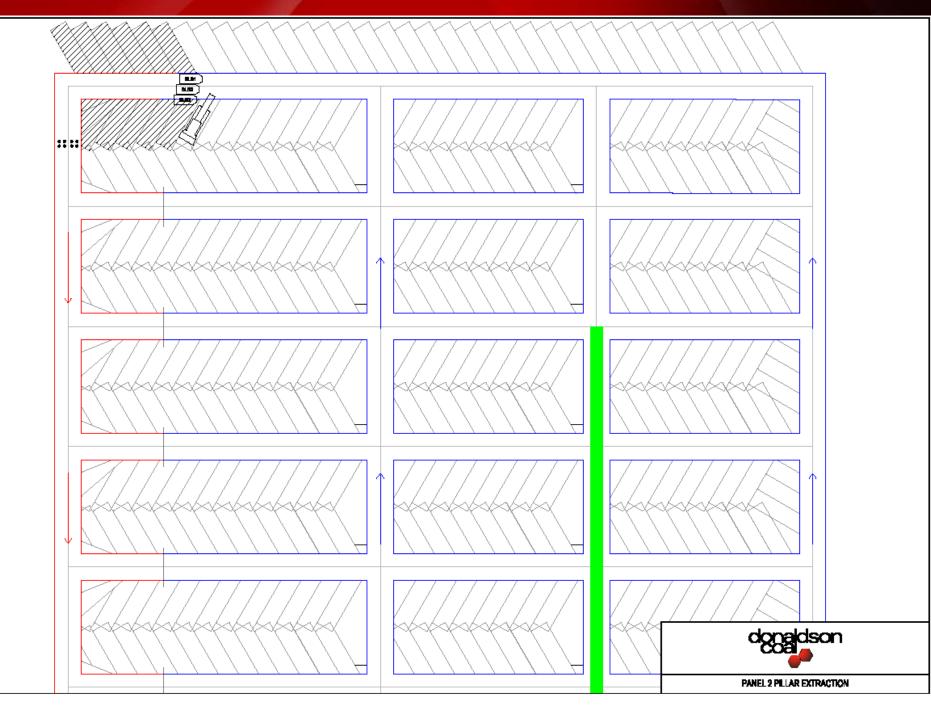
- Once 1st workings Development is completed, 2ndary extraction commences
- Extraction of coal from pillars formed during development

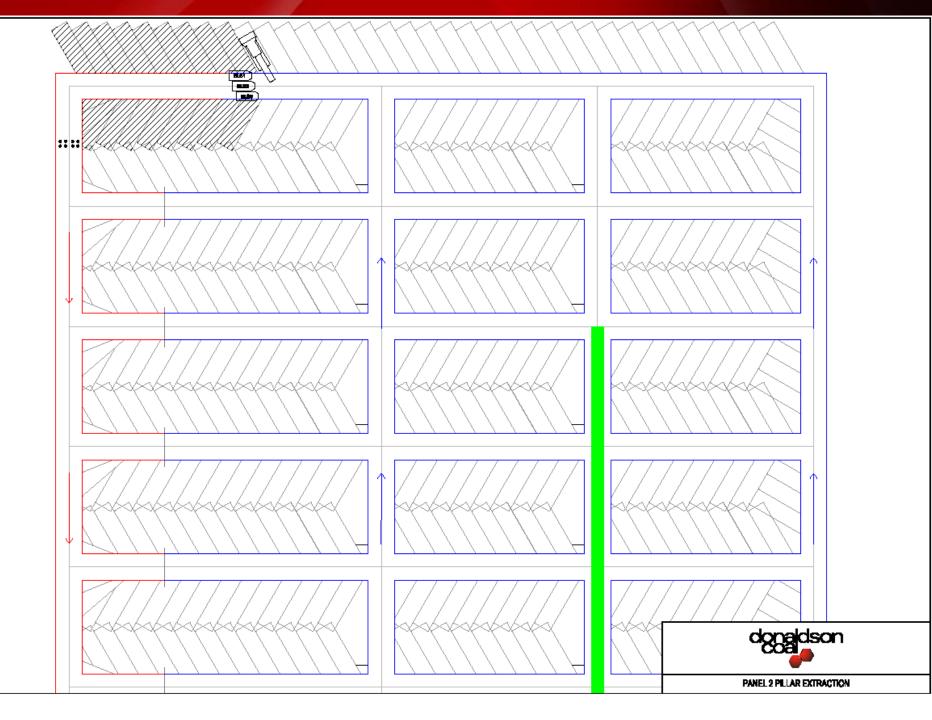


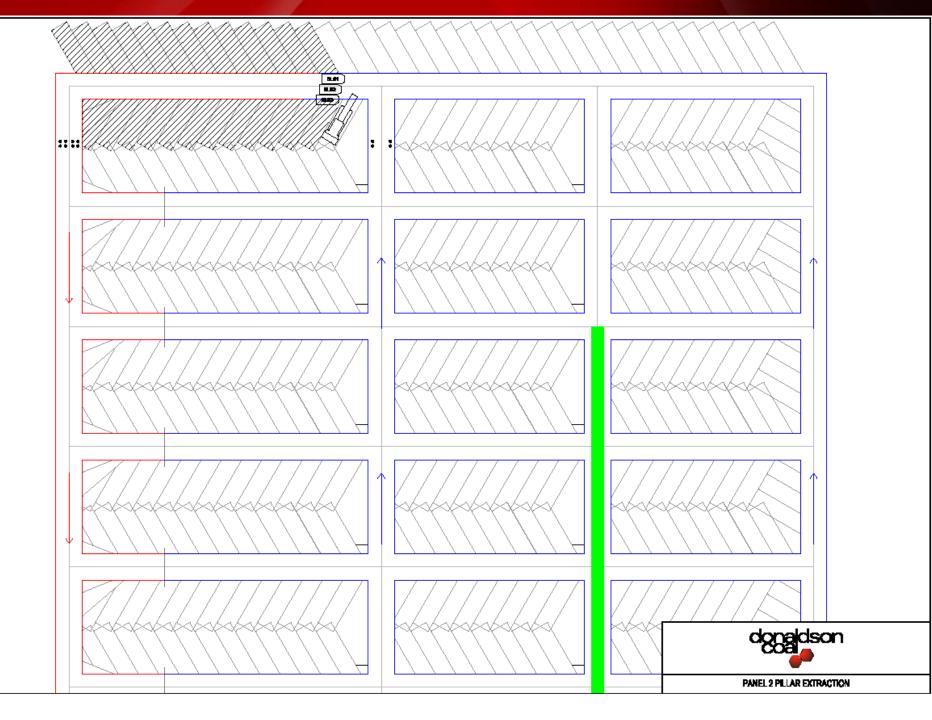


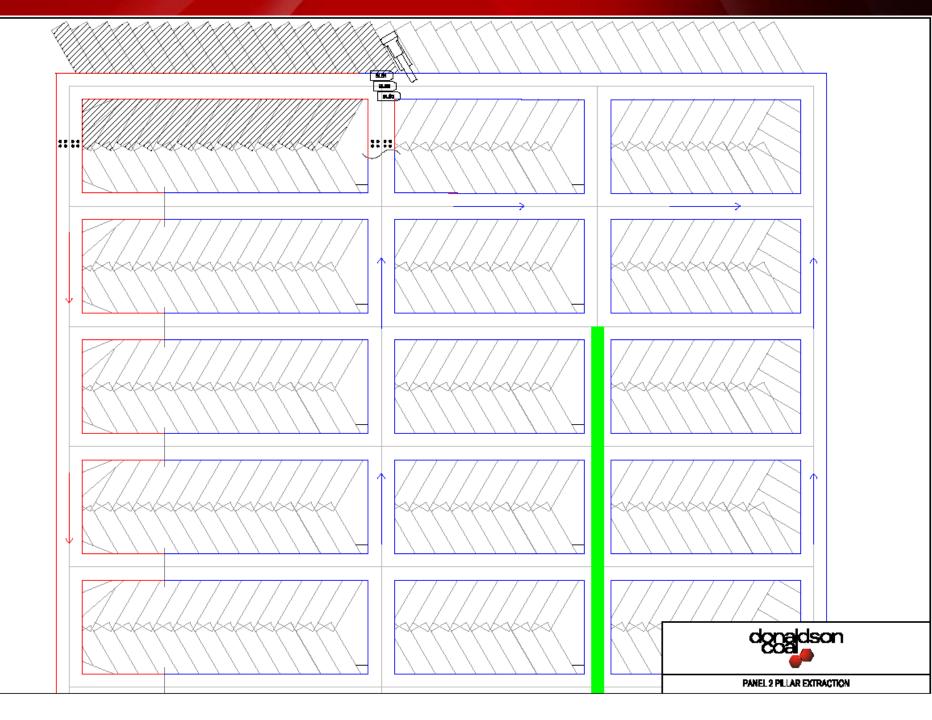


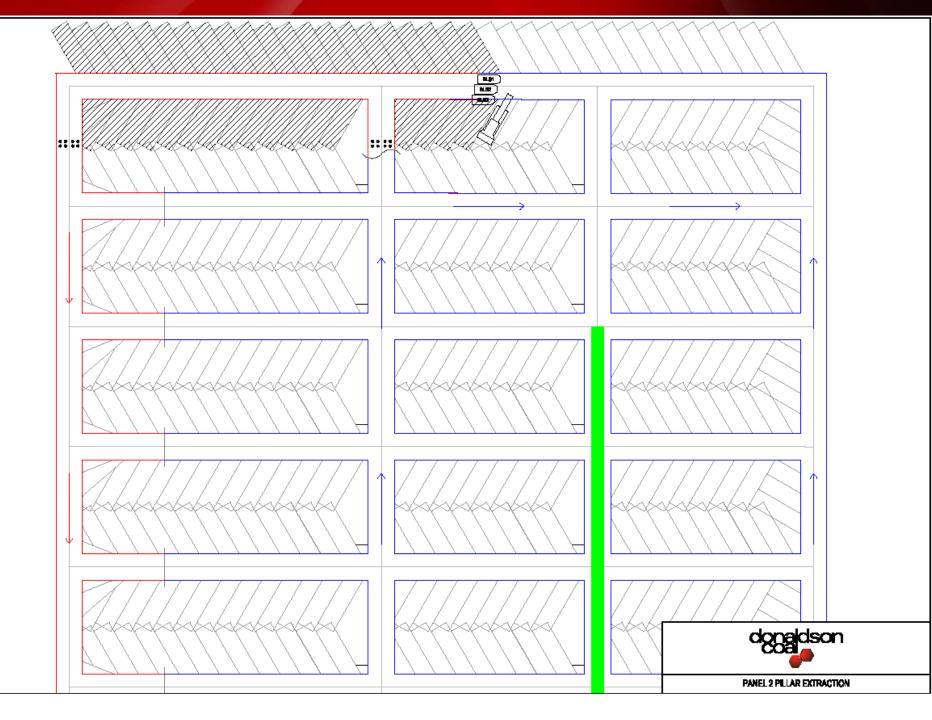


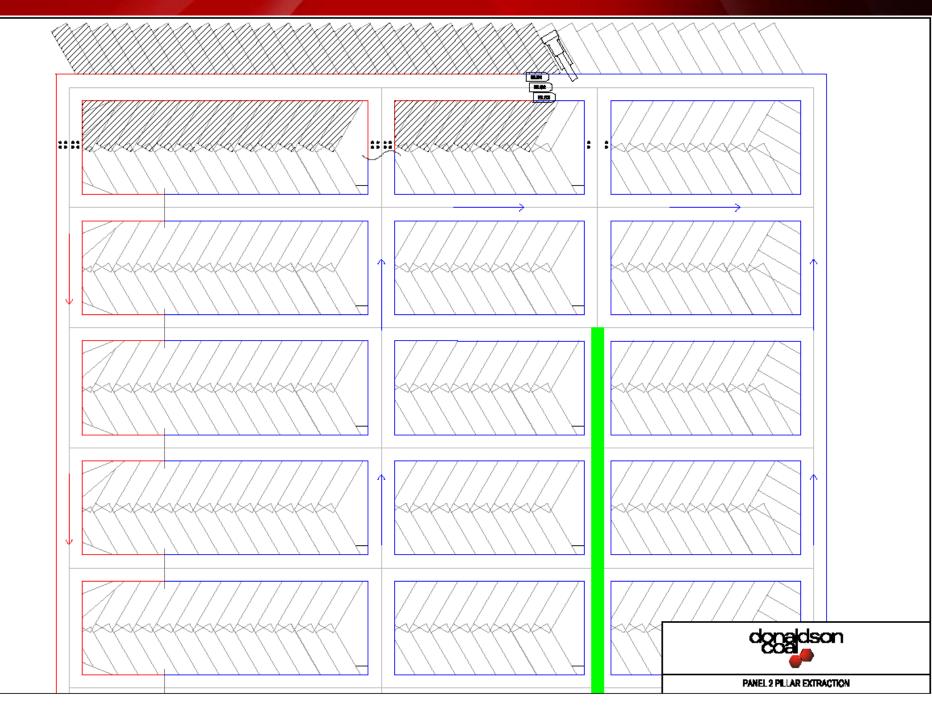


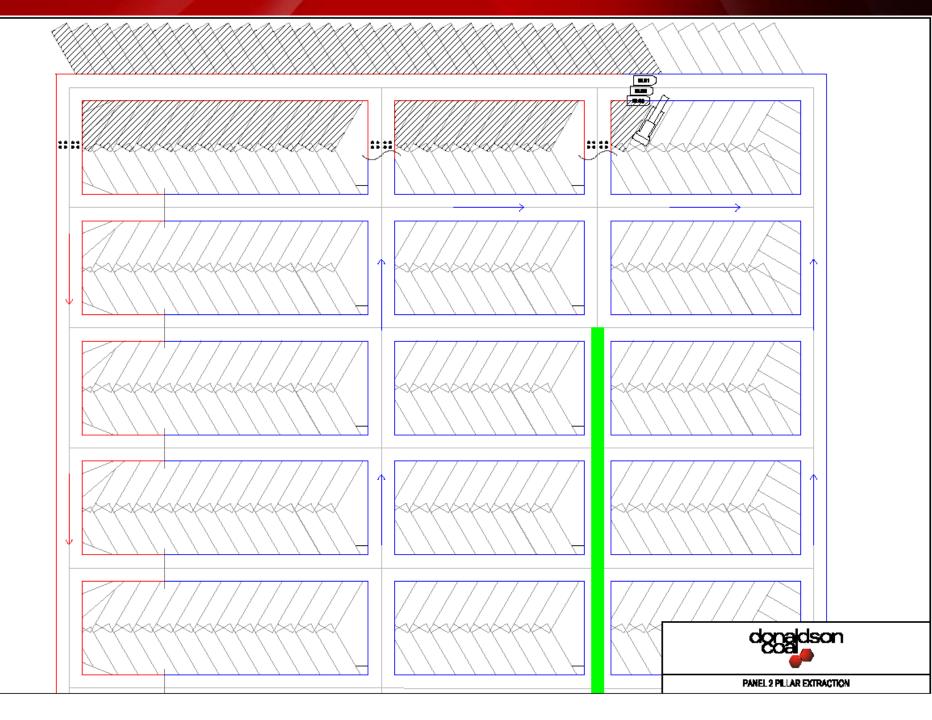


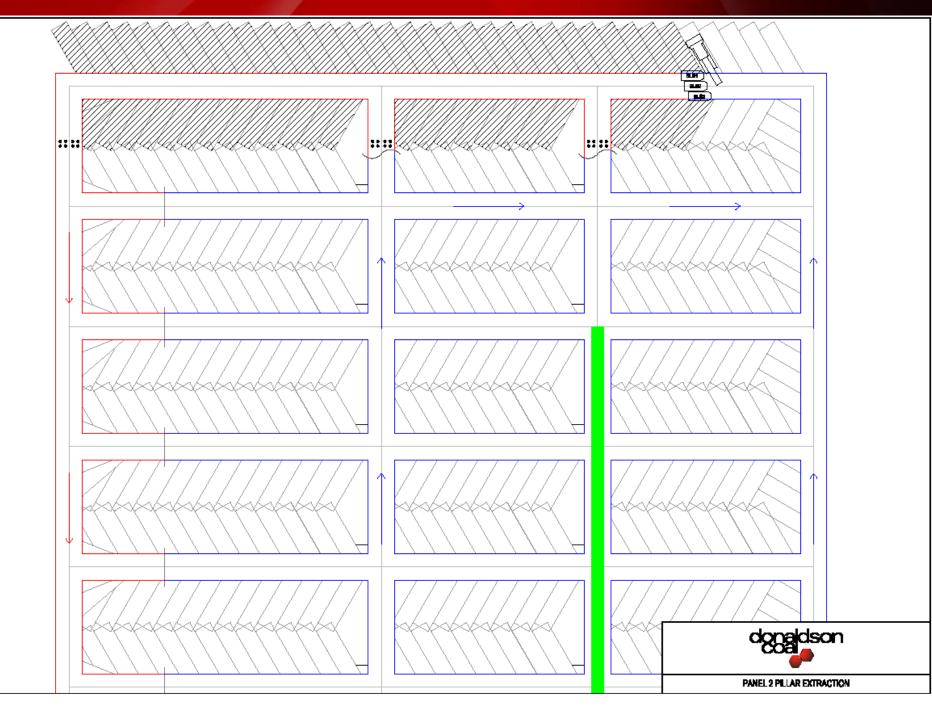


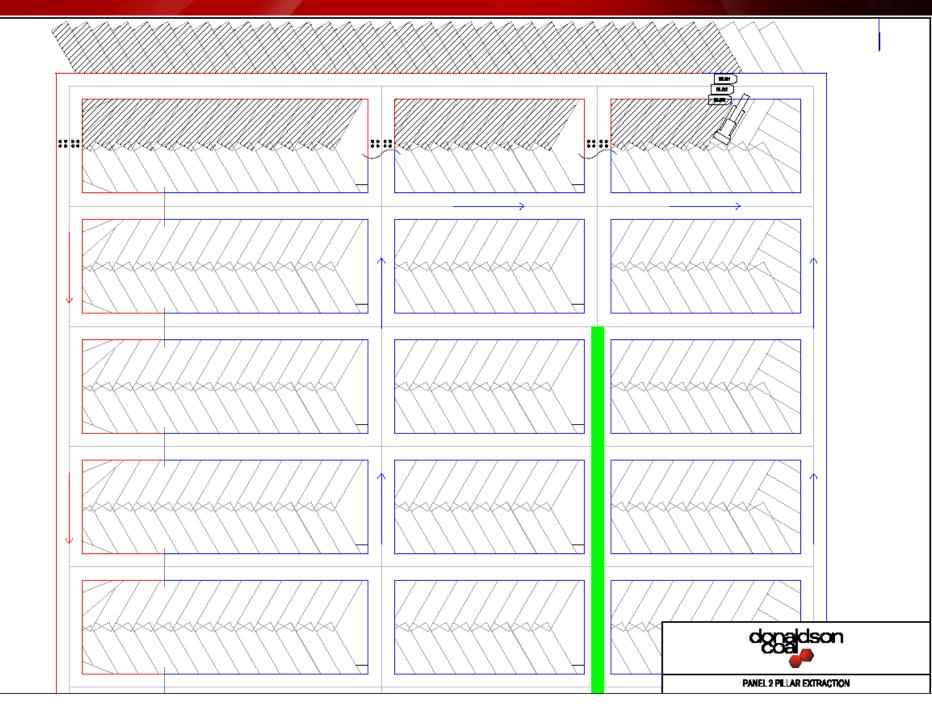


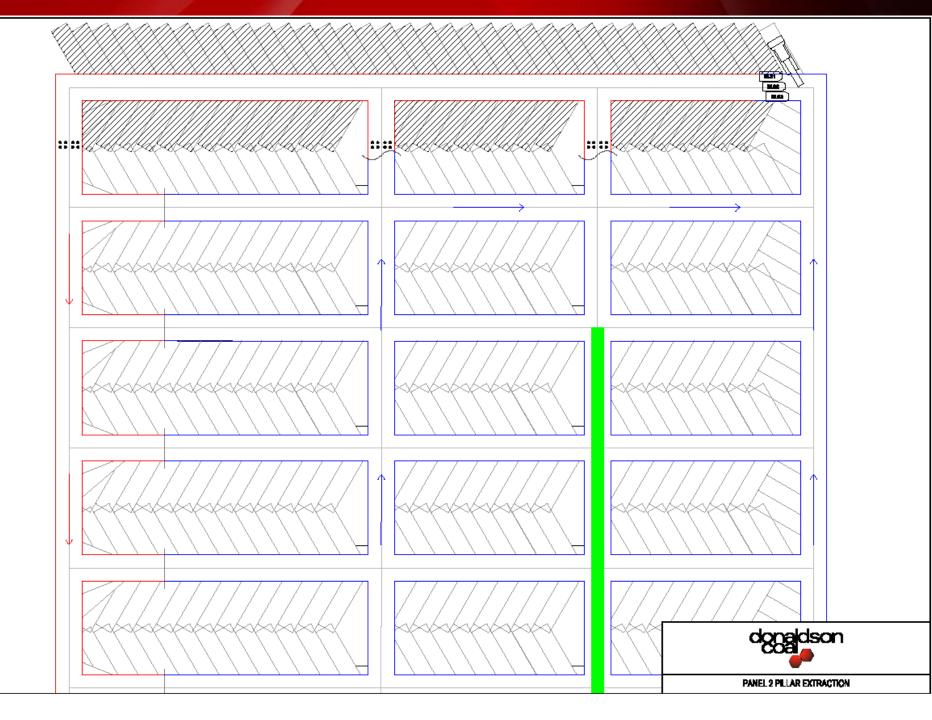


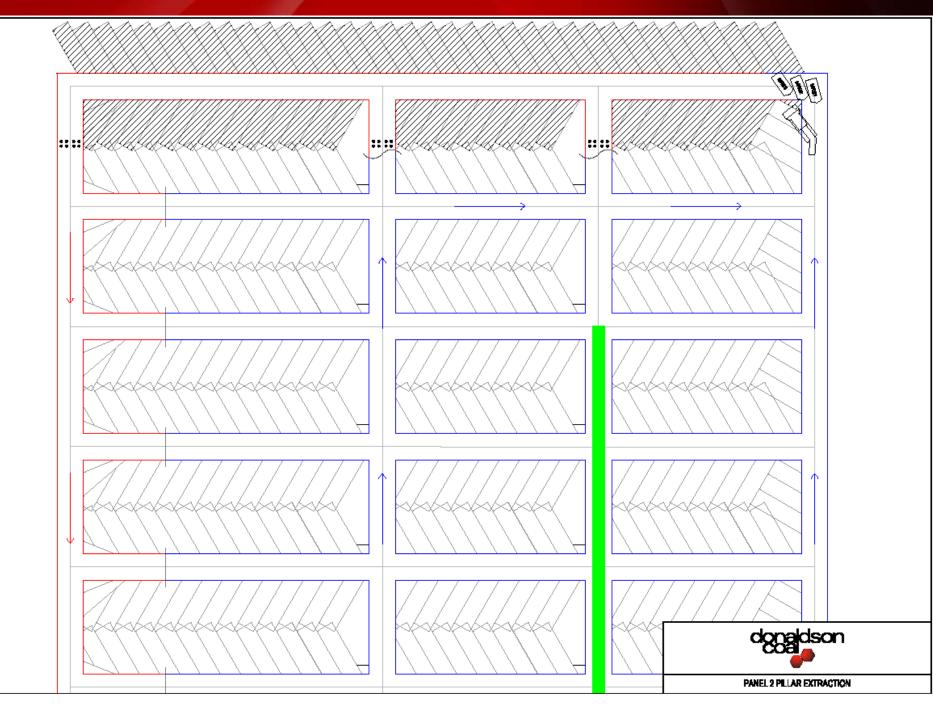


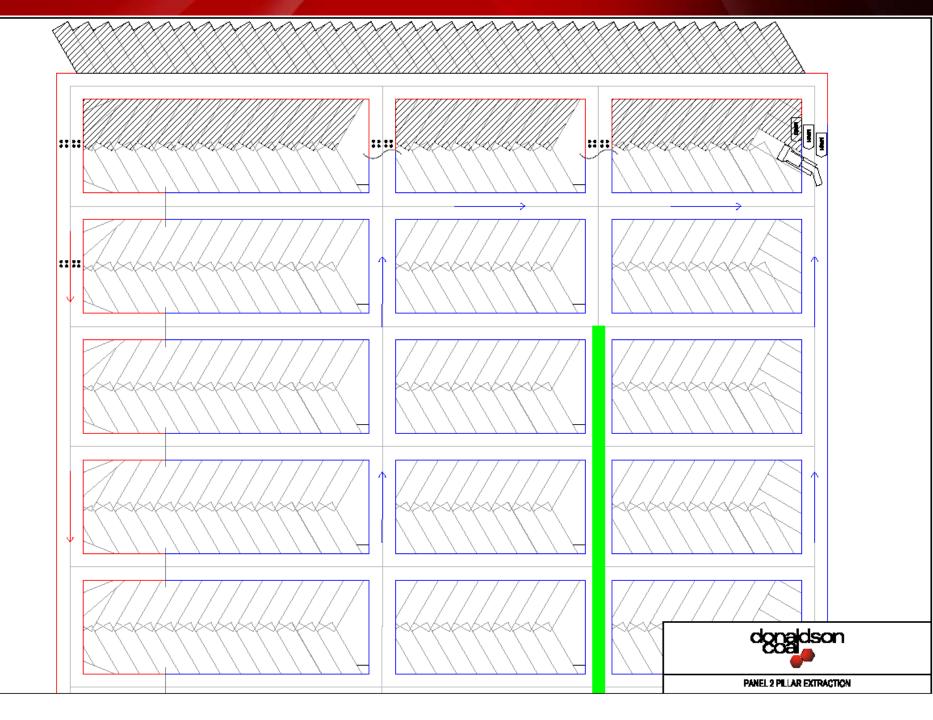


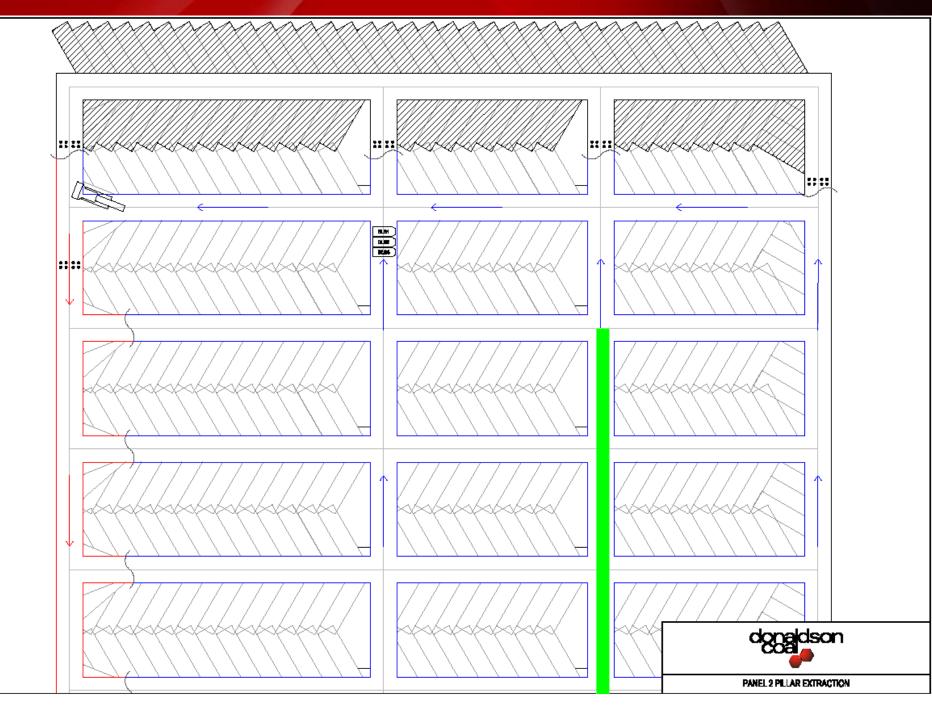


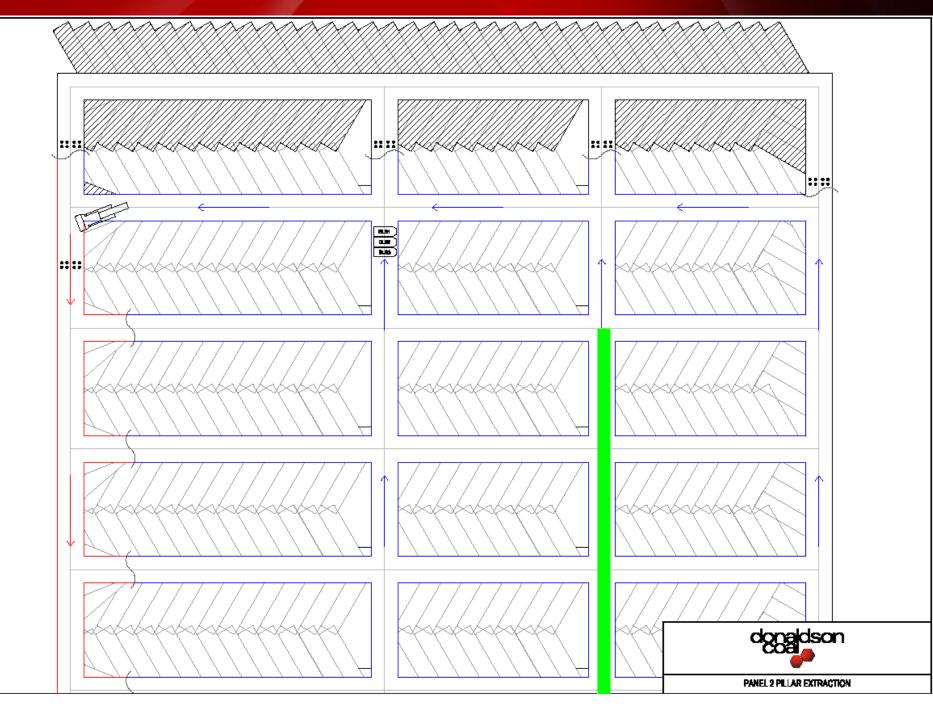


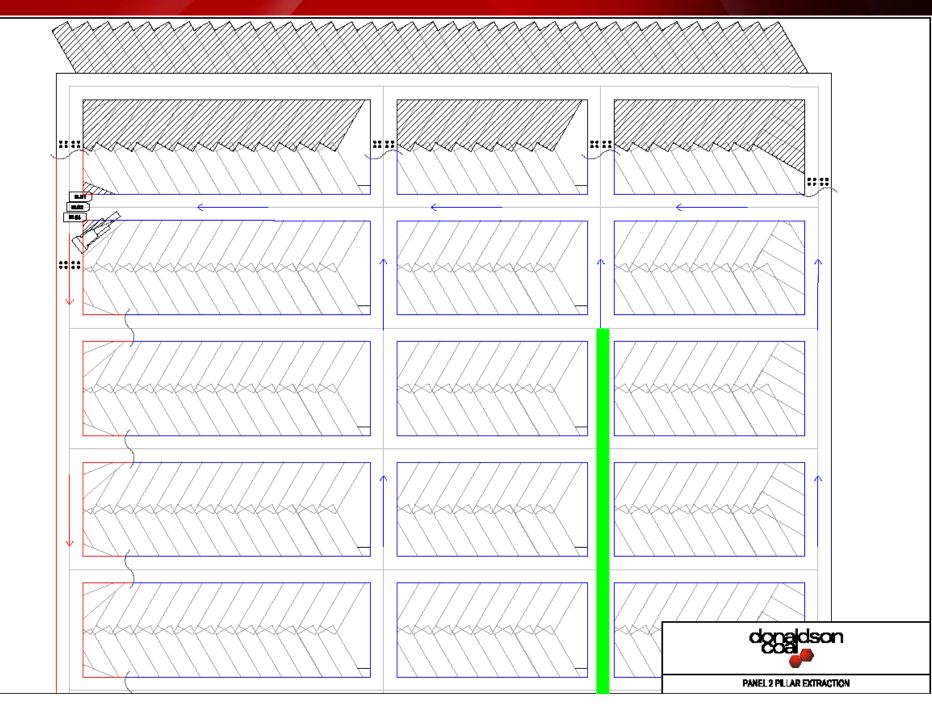


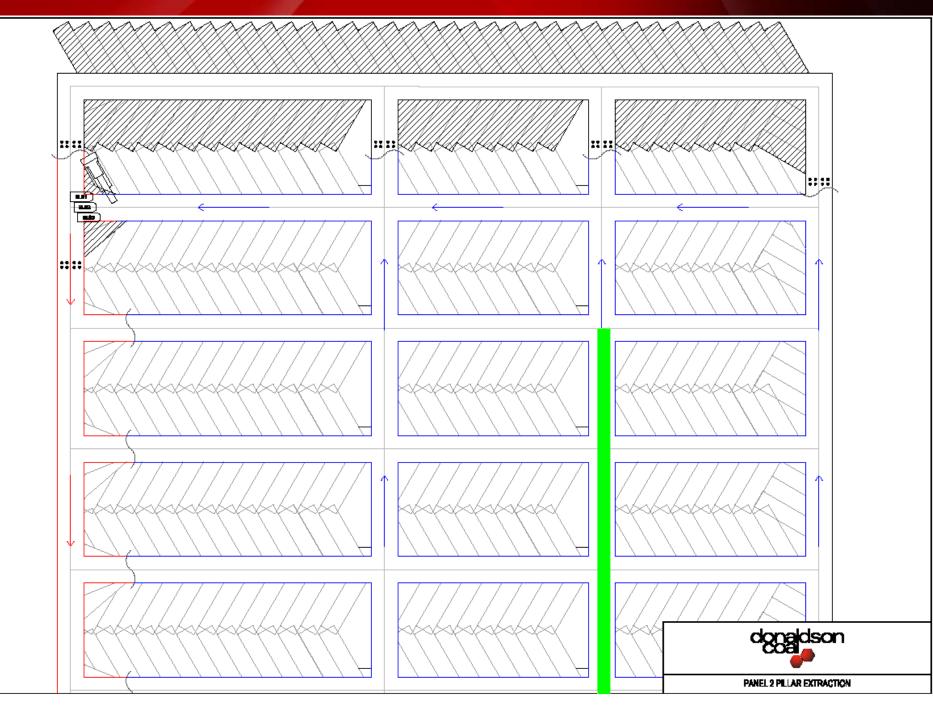


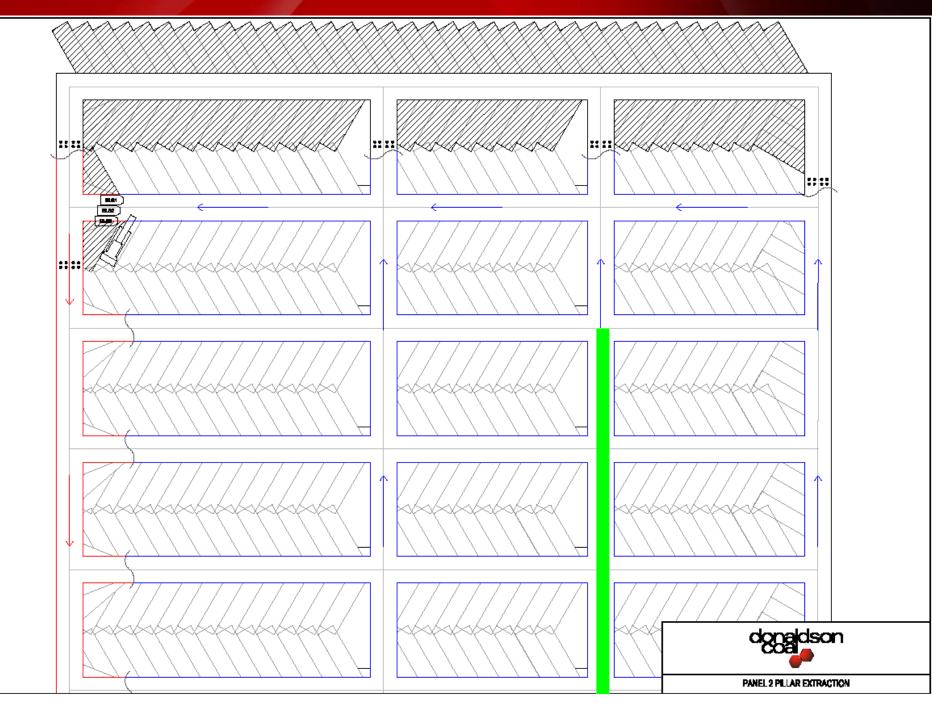


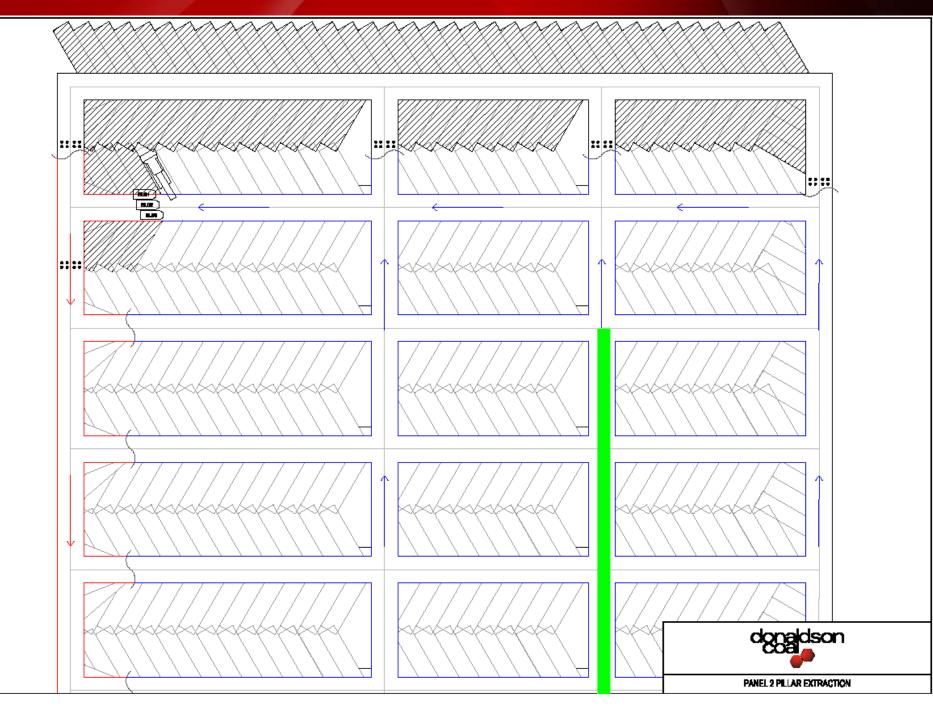


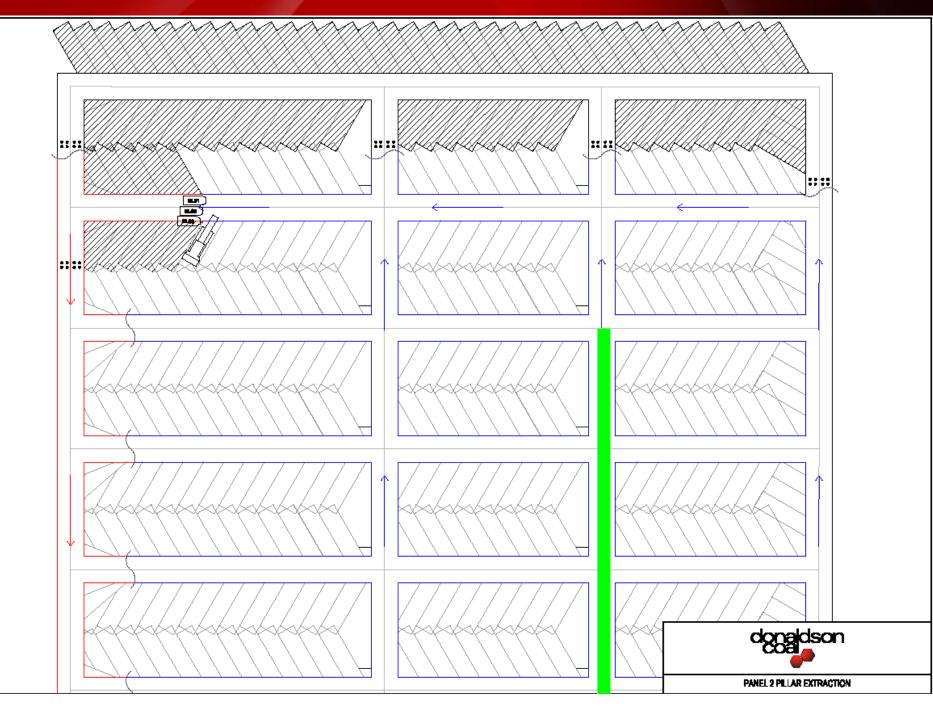


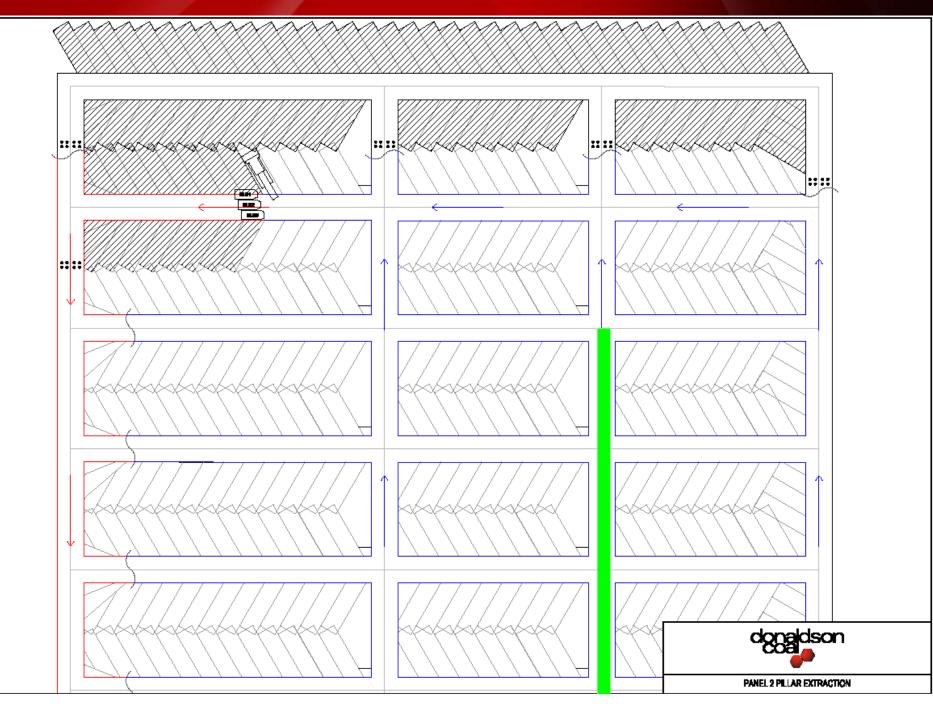


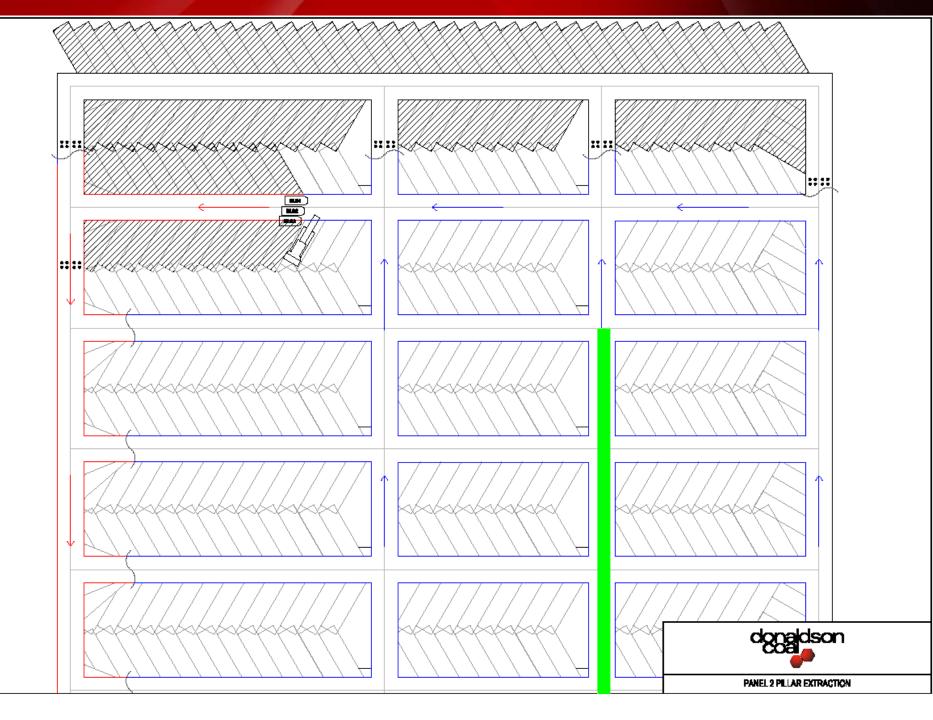


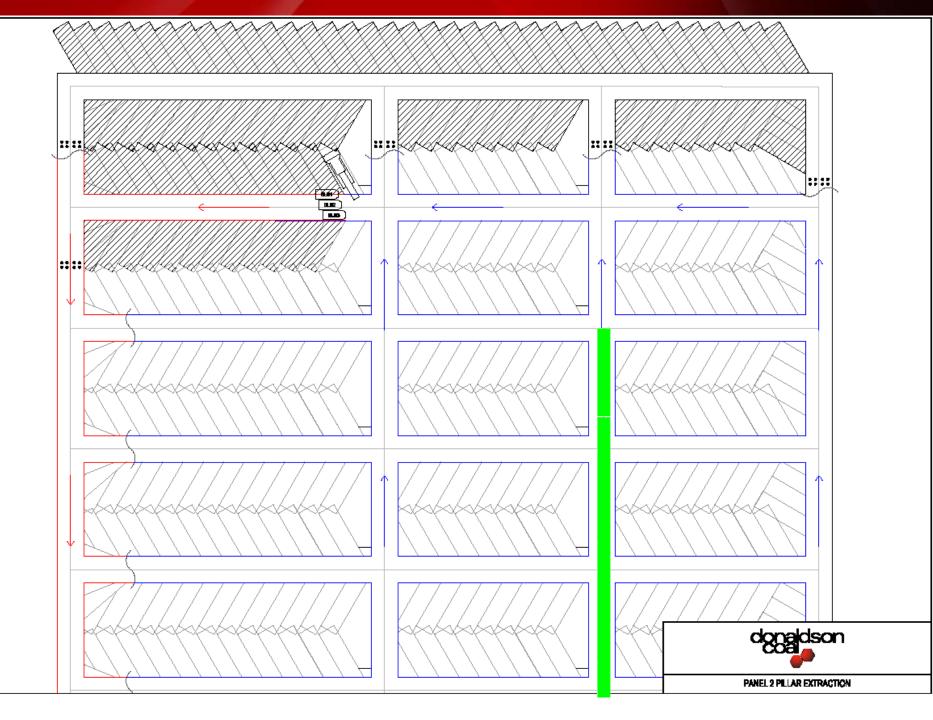


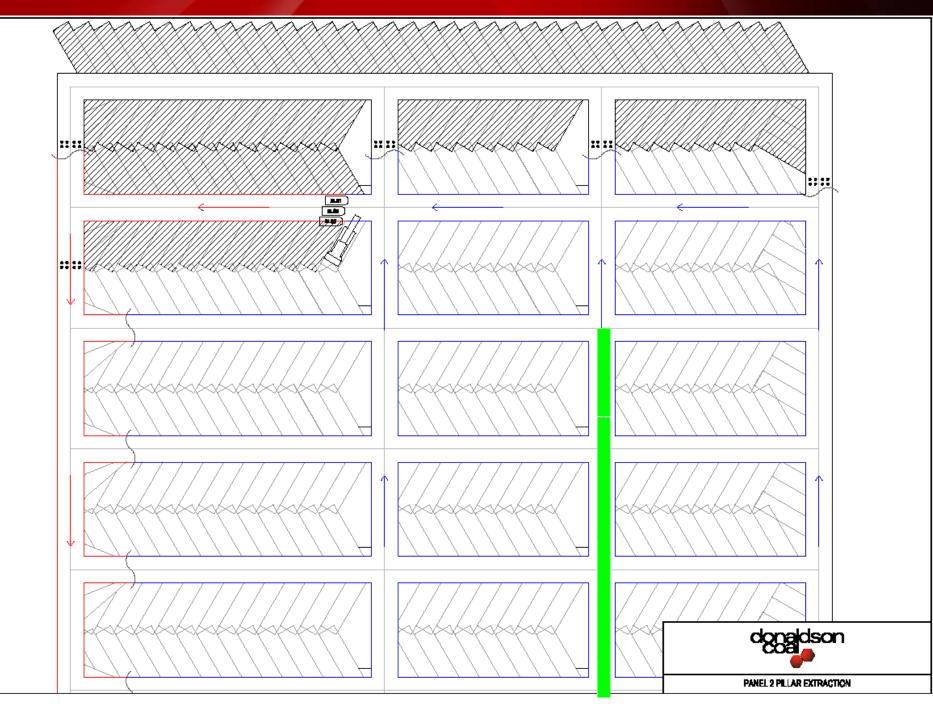


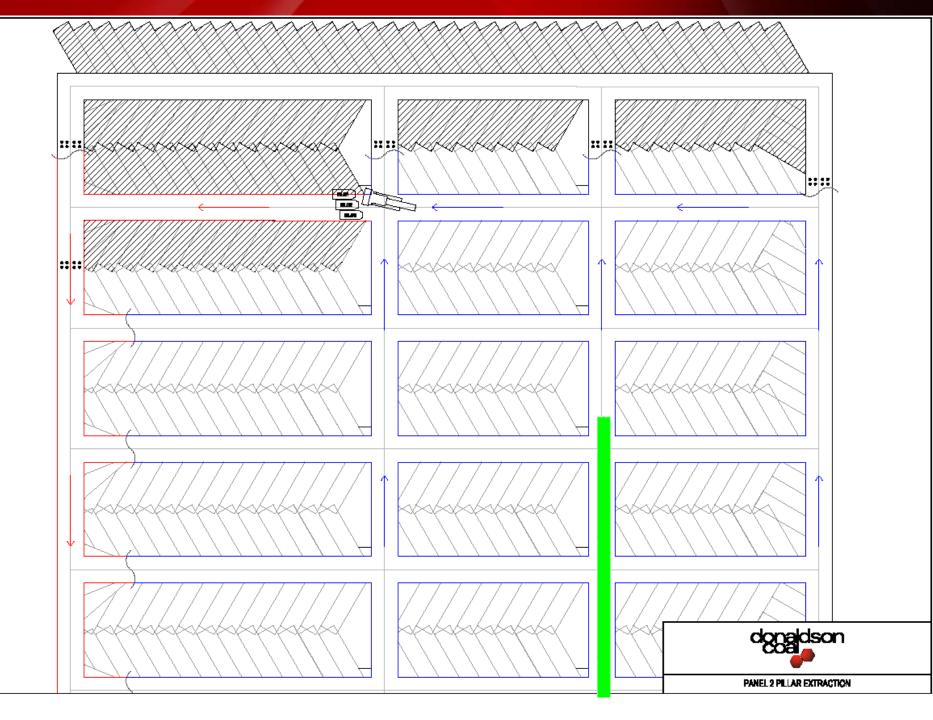


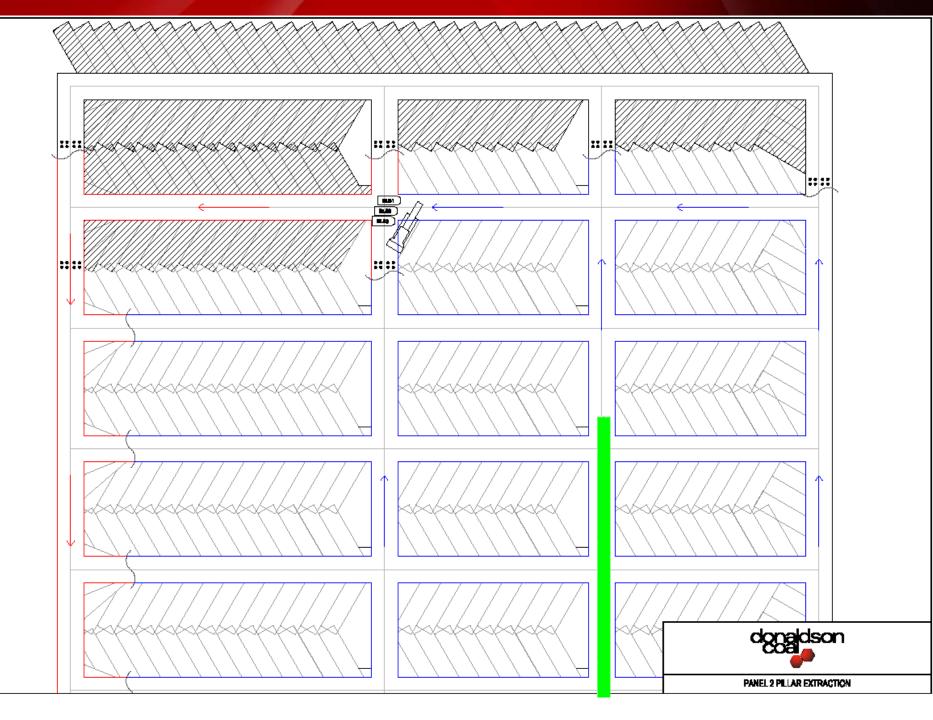


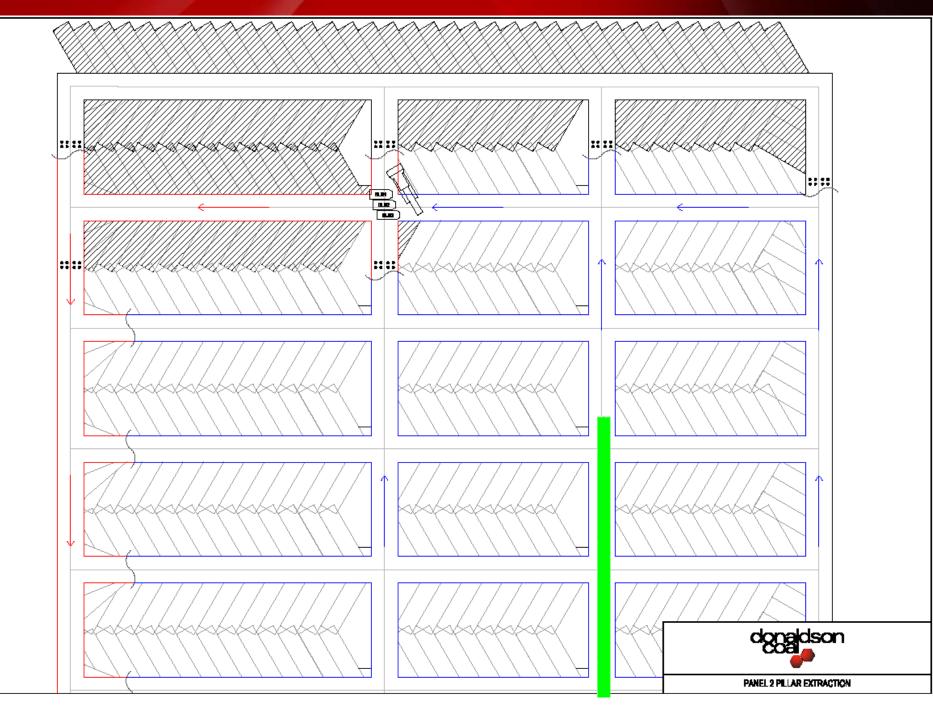


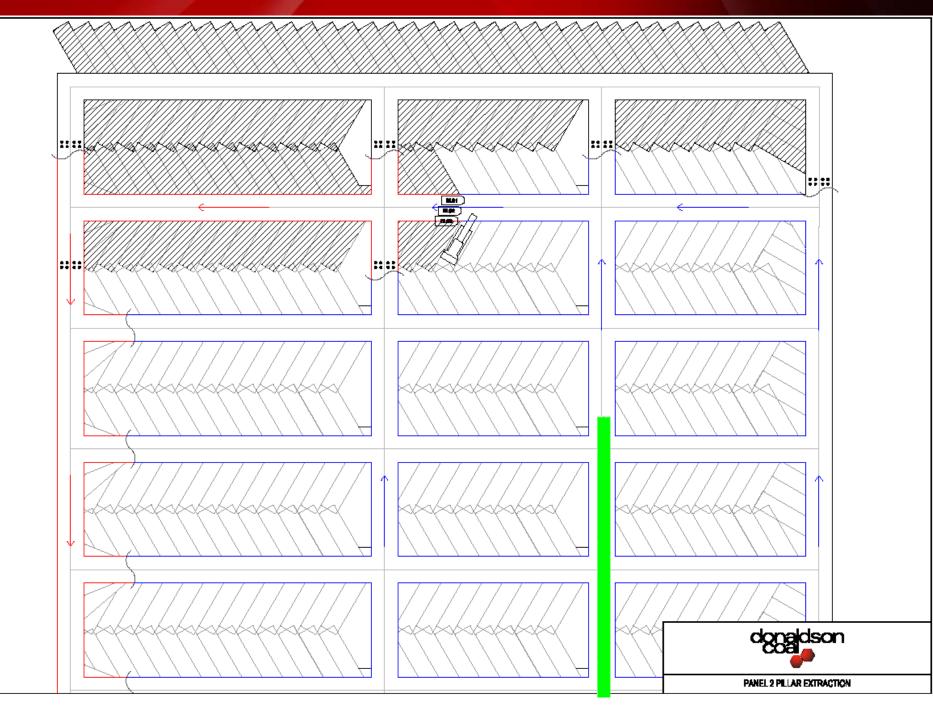


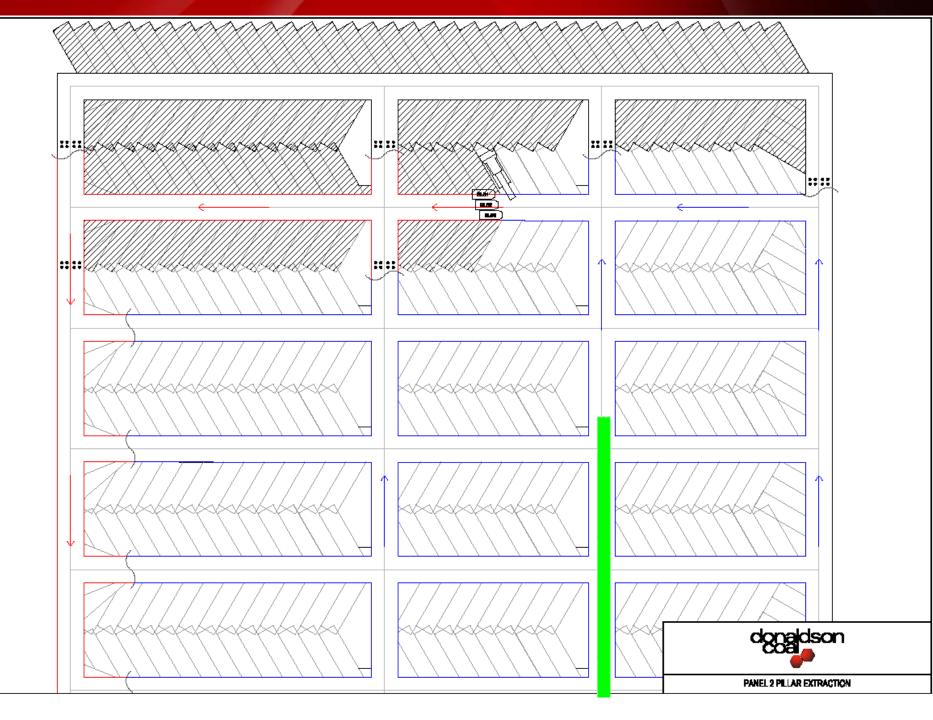


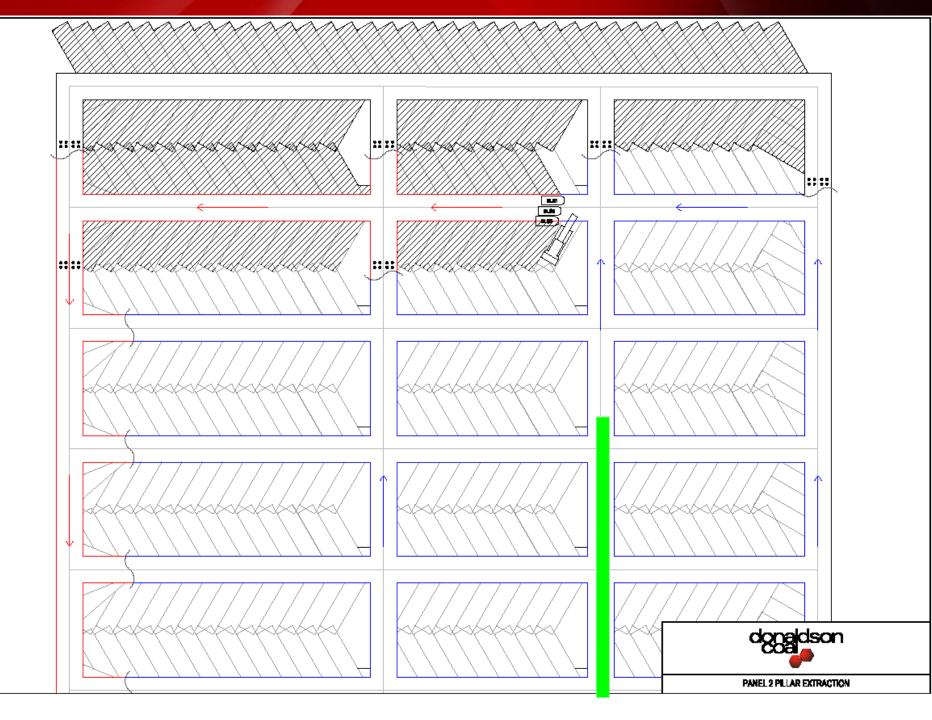


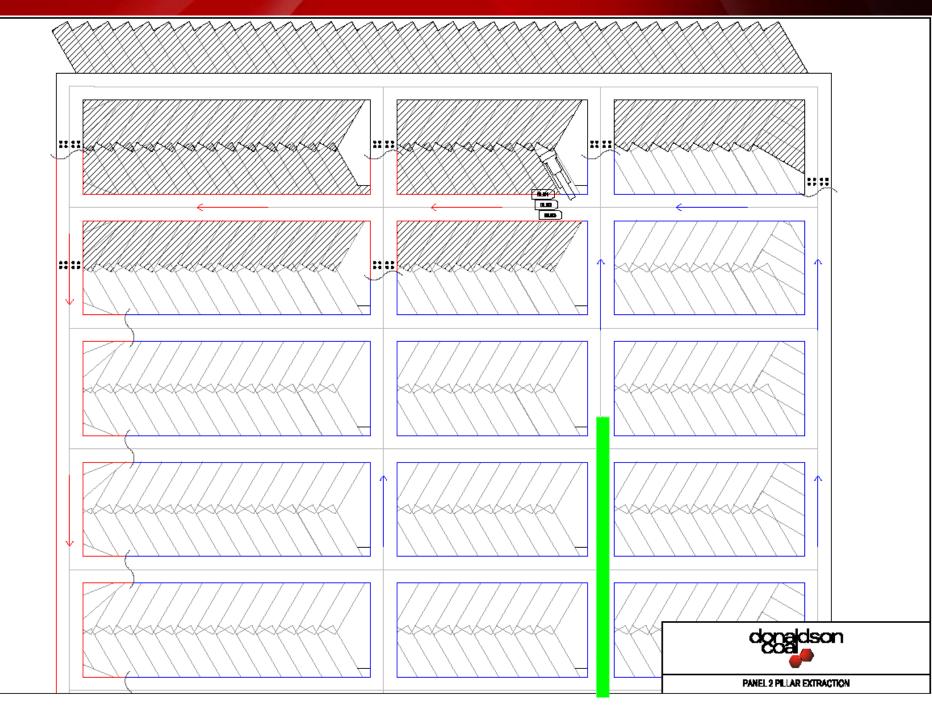


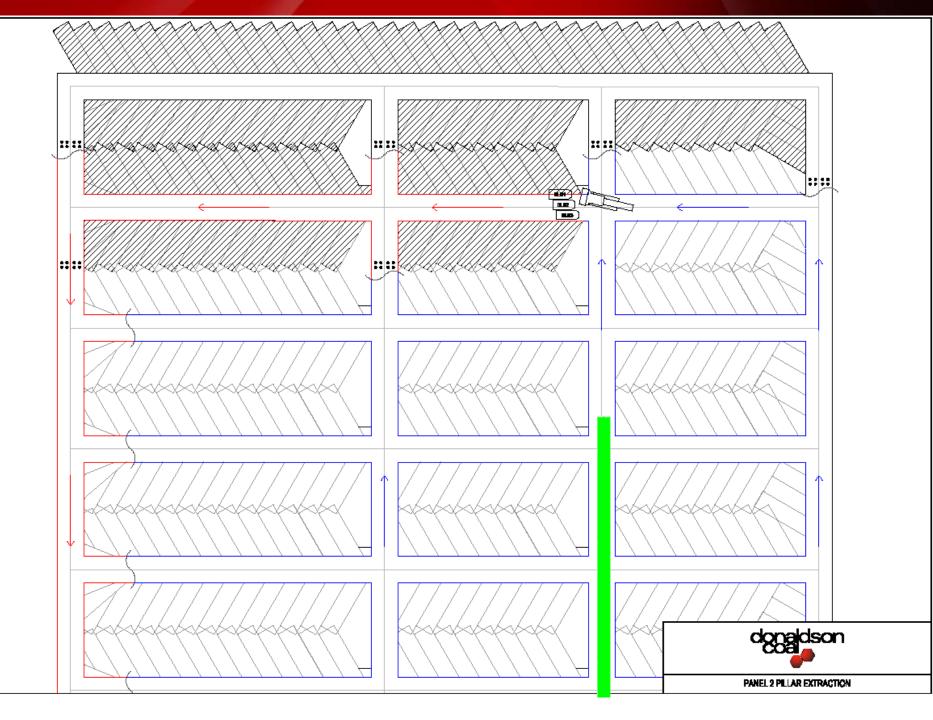


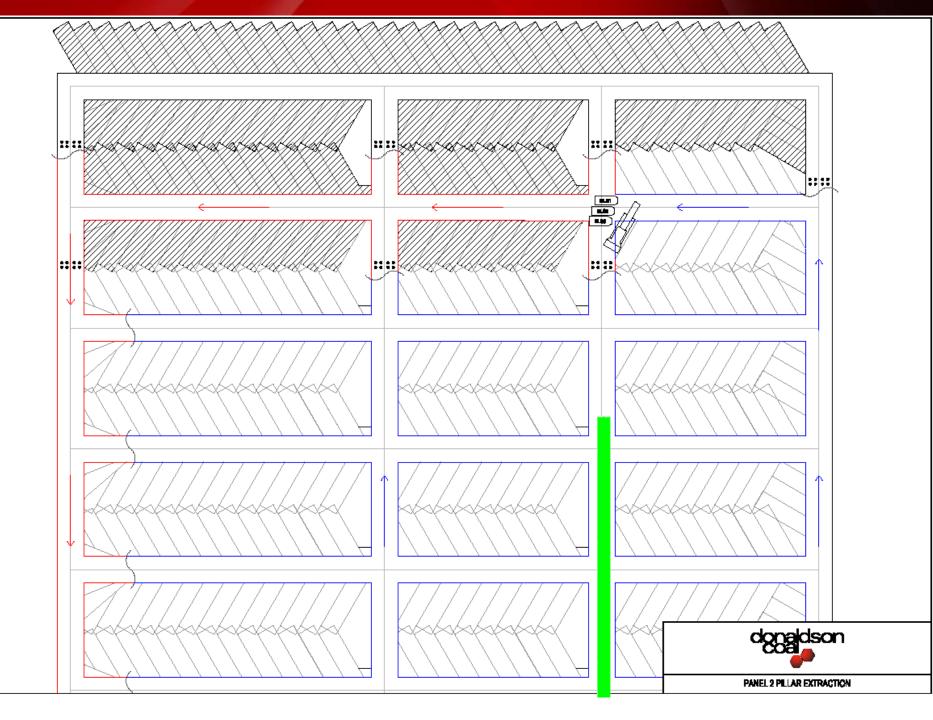


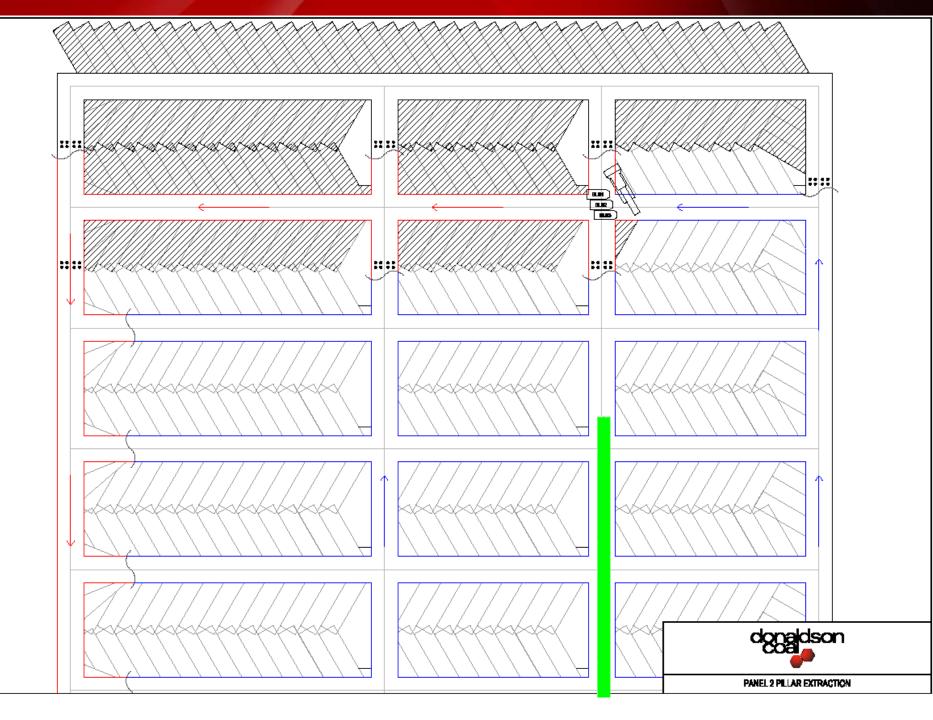


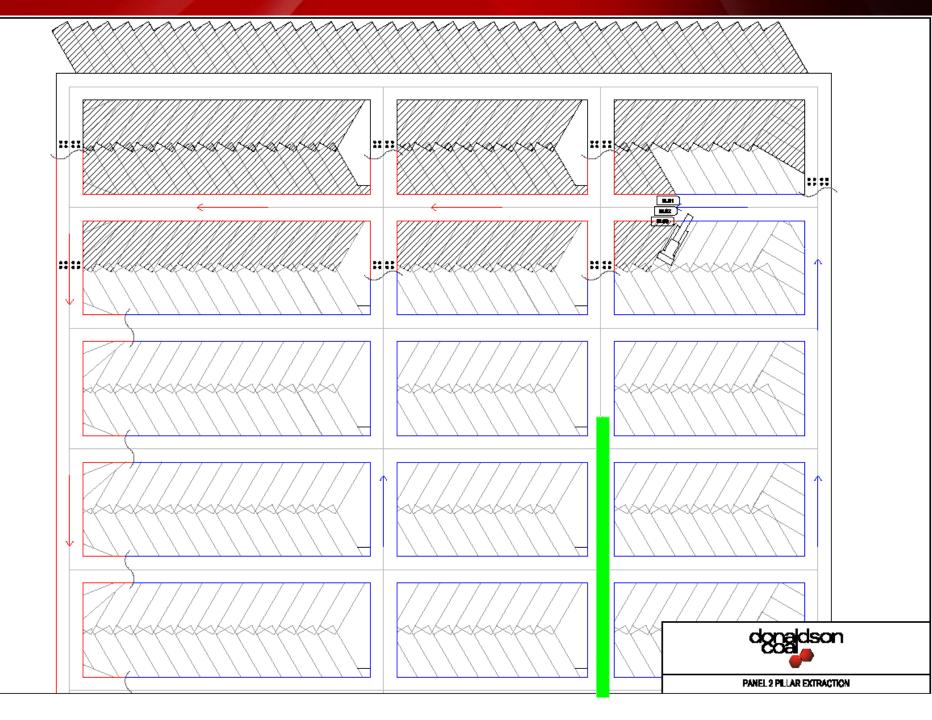


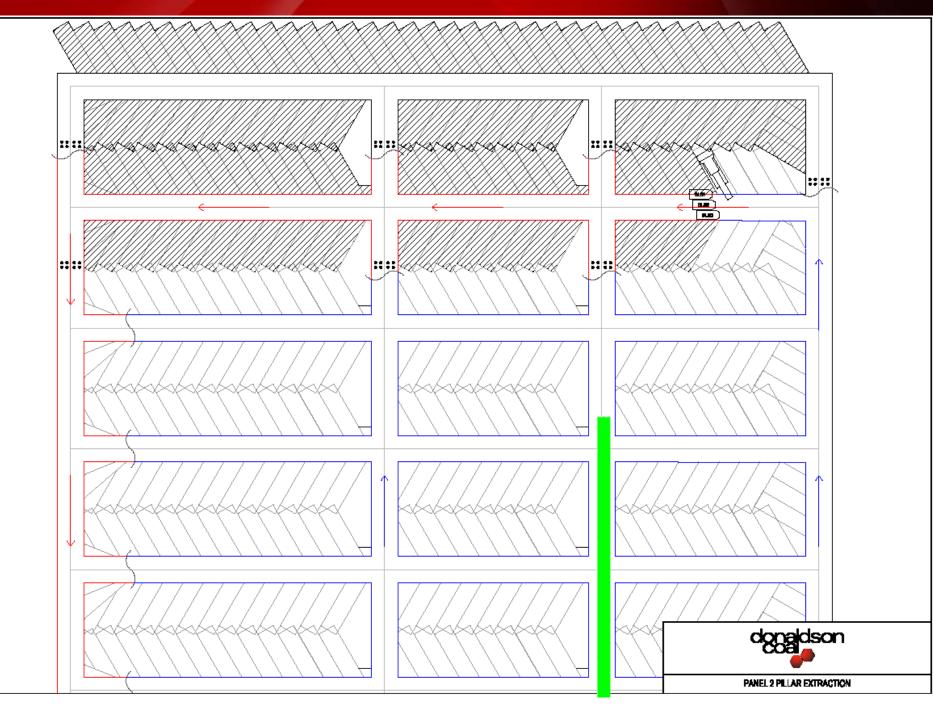


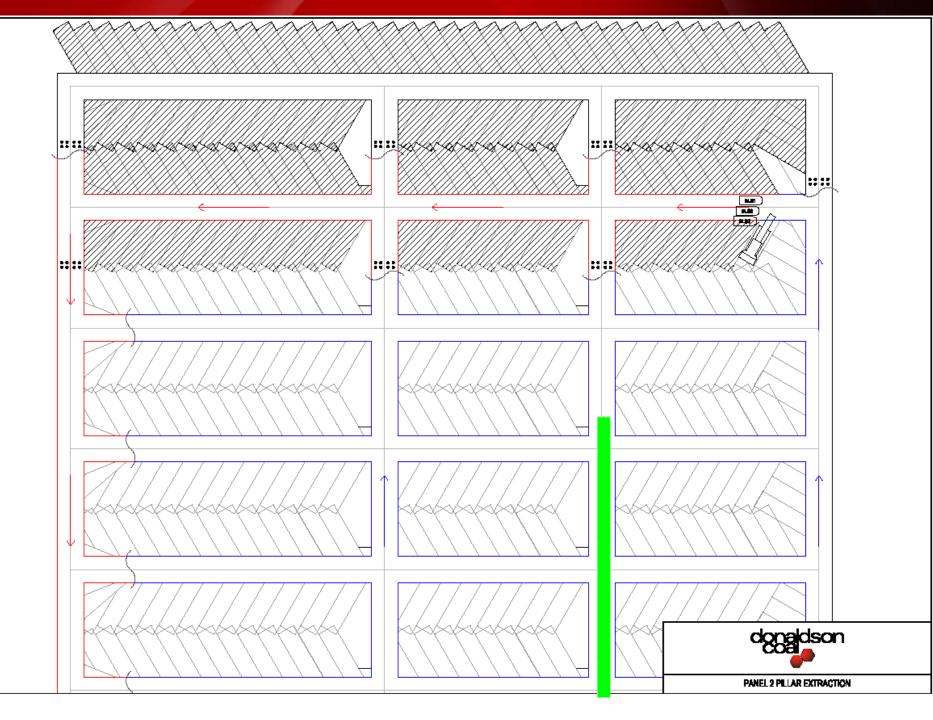


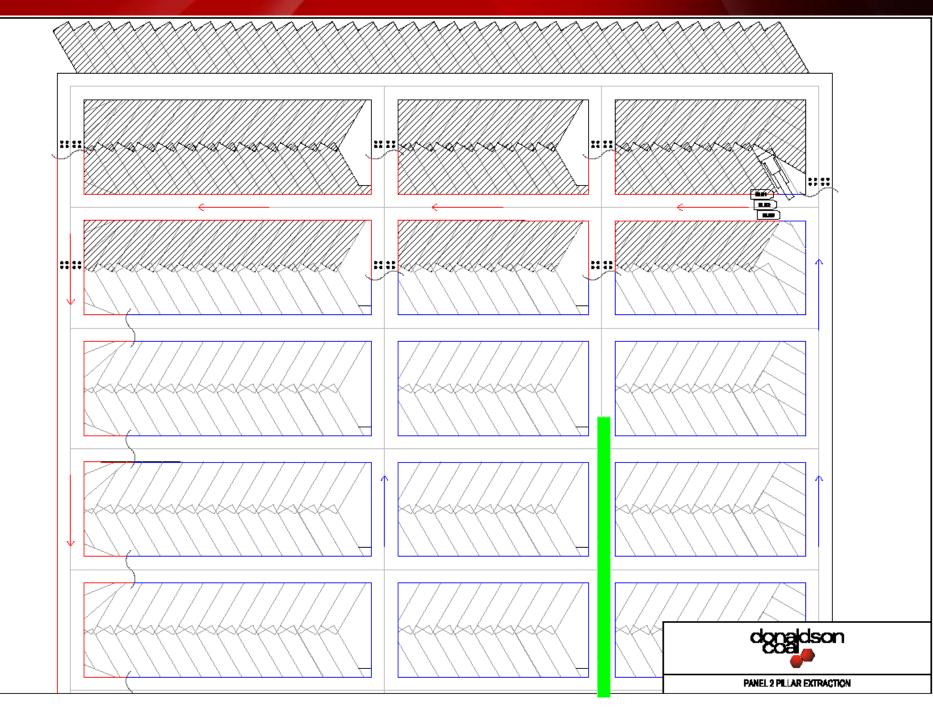


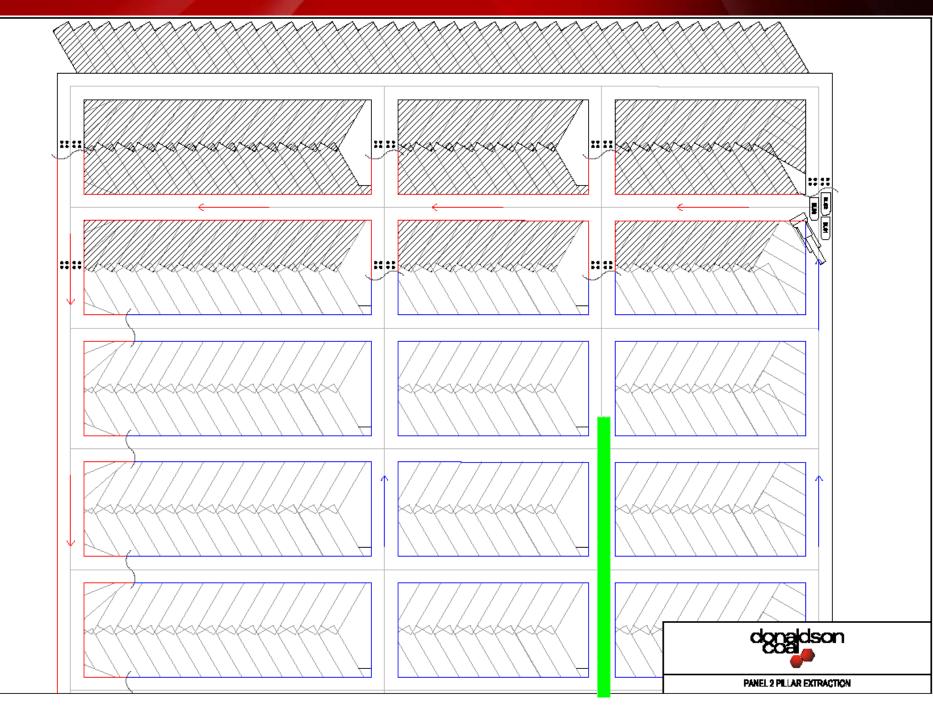


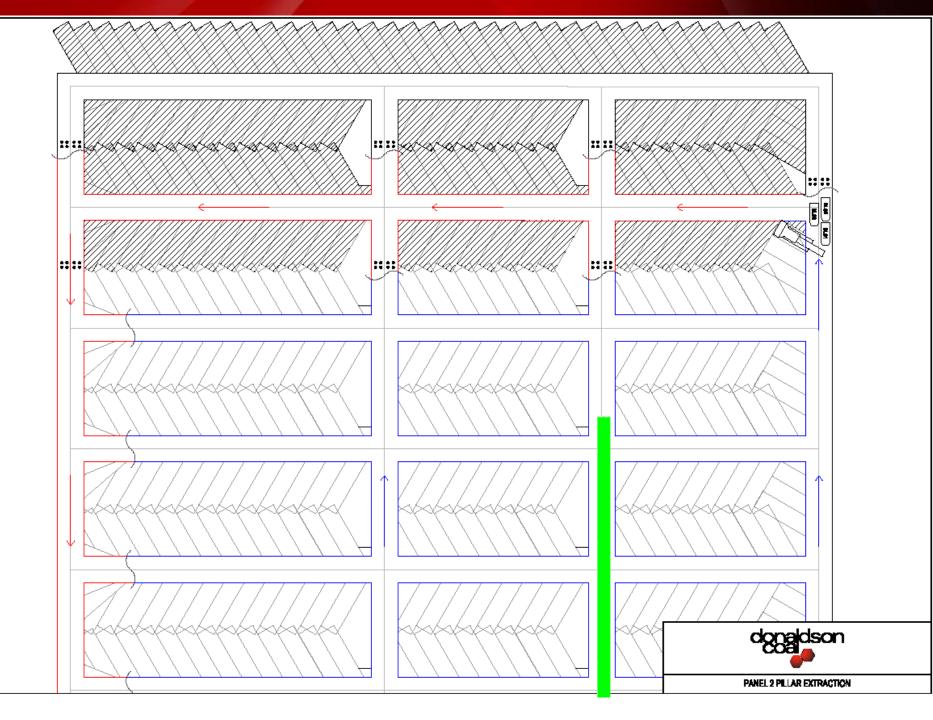


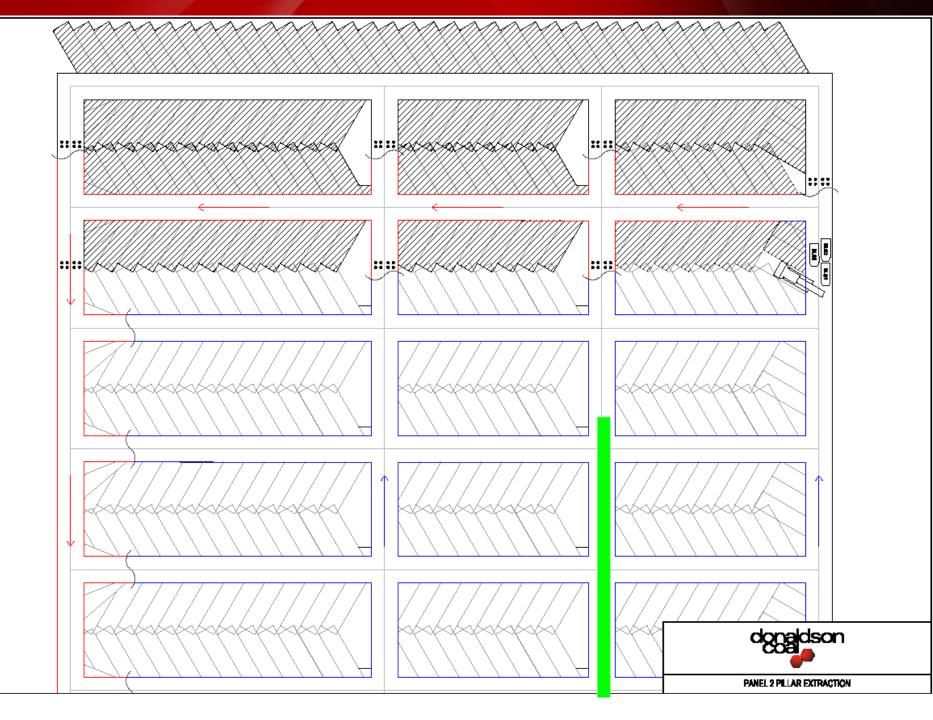


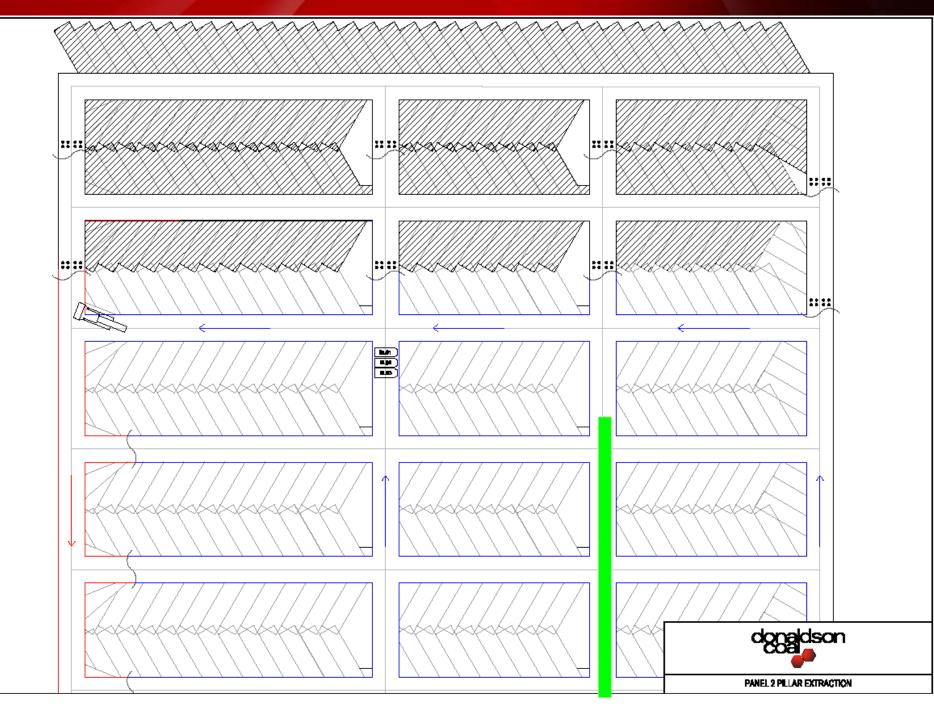












Surface Features



Abel Mine Lease- Full ML 1618 Area

- Pambalong Nature Reserve
- Black Hill cemetry
- Cliff Lines
- Private property and residences (100+)
- Numerous dams (approx 175)
- Black Hill school
- Church and cemetry
- Viney, Blue Gum, Long Gully, Buttai Creeks
- Boral Asphalt Plant (Black Hill Depot)
- Catholic Diocese Land
- C&A land (Black Hill Land Pty Ltd)
- Transgrid 330kV
- EA 132kV power line
- Rural 11kV power lines
- Aboriginal Artefacts
- Telstra/Optus Fibre optic cables
- Telstra copper comms cables
- Hunter water pipeline
- Agility gas pipeline
- Public Roads
- State survey marks
- Overlying mine workings
- Disused Richmond Vale railway line
- Black Hill & Stockrington Quarries

Abel Mine Lease- Area 1

- -
- _
 - Viney Creek
- Boral Asphalt Plant (Black Hill Depot)
- Catholic Diocese Land
- C&A land (Black Hill Land Pty Ltd)
- Transgrid 330kV
- EA 132kV power line
- Rural 11kV/415V power lines
- Optus Fibre optic cables
- Hunter water pipeline
- •
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Abel Mine Lease-Area 2

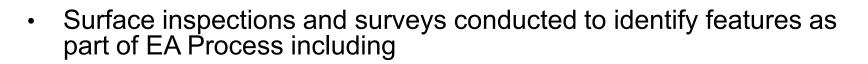
- •
- •
- Private property (13) / Principal residences (4)
- 2 x dams
- Viney Creek
- -
- Catholic Diocese Land
- C&A land (Black Hill Land Pty Ltd)
- Transgrid 330kV
- EA 132kV power line
- Rural 11kV/415V power lines
- -
- Optus Fibre optic cables
- Telstra copper comms cables
- Hunter water pipeline
- ٠
- Public Roads Black Hill Road, Taylors Road
- State survey marks
- •
- •

SMP Area 2 – Key surface features



| 1 Alexandread | Private Properties |
|---------------|-------------------------------------|
| | Viney Creek |
| | Optus Fibre Optic cable |
| | Transgrid 330kV Power Line |
| | EA 132kV/11kV Power Lines |
| | Hunter Water buried pipeline |
| | Principles Residences |
| | Black Hill Road and Taylors Road |
| | Telstra cables ——— |

Surface Environmental Assessment



- Flora/Fauna
- Groundwater
- Surface Water
- Aboriginal & European heritage
- Monitoring programs as required by Project and SMP Approvals
- This information is reviewed and updated as part of each SMP Area submission
- Consultation with Landowners and Stakeholders

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Area 1 Approval and Conditions, Management Plans, Monitoring Programs

- Approval for Abel Area 1 SMP was obtained on 26 May 2010;
- Minor variations have been approved to the layout of Panels 1 and 2 due to geological structures encountered
- Various Management Plans / Programs have been implemented,
 - Subsidence Monitoring Program;
 - Environmental Management Plan;
 - Public Safety Management Plan;
 - Infrastructure Management Plans for Hunter Water Corporation and Energy Australia;
 - Draft Transgrid Management Plan; and
 - Draft Property Management Plans for both the Catholic Diocese and Black Hill Land P/L land.

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Panel 1 progress to date



- Commenced 12 July 2010
- Has retreated 150m
- Panel 2 to commence next week

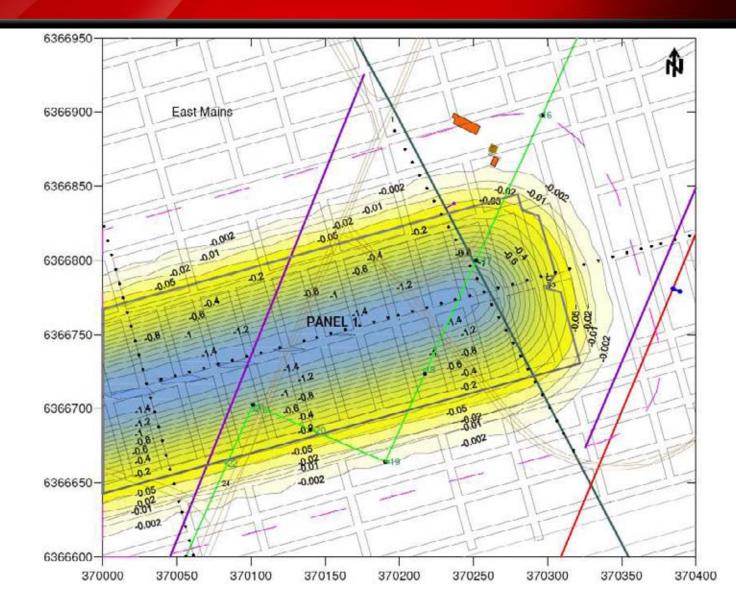
Panel 1 Mining Notification to Landholder





Panel 1 subsidence predictions





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Subsidence Results Panel 1, Impacts and Remediation

Monitoring

| Panel | Monitoring Item | SMP Prediction For 156m wide Panel | Actual Survey Measurements to date For 120m wide Panel |
|---------|-----------------|---------------------------------------|---|
| Panel 1 | Subsidence | 1.58 to 1.76m | 1.10m (incomplete) |
| | Strain | 10-15mm/m | 10-11mm/m |
| | Tilt | 38-53mm/m | 47mm/m |

Some further minor subsidence increase is anticipated as extraction of the Panel progresses

Impacts

| Panel | Impacts | SMP Prediction For 156m wide Panel | Actual Impacts to date For 120m wide Panel |
|---------|------------------|--|---|
| Panel 1 | Surface cracking | 100-150mm | 180-200mm across road only (remediated) |
| | Water Line (HWC) | Potential to be assessed by HWC | Minor crack on fitting fed from the HWC 200mm line (remediated in accordance with HWC MP) |
| | Power Line (EA) | Potential for clearance loss was identified | Clearance loss on EA 415V line was observed and EA notified (remediated in accordance with EAMP) |

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Subsidence cracking on access track







Subsidence cracking on access track





415V Conductor Clearance





415V Conductor Clearance





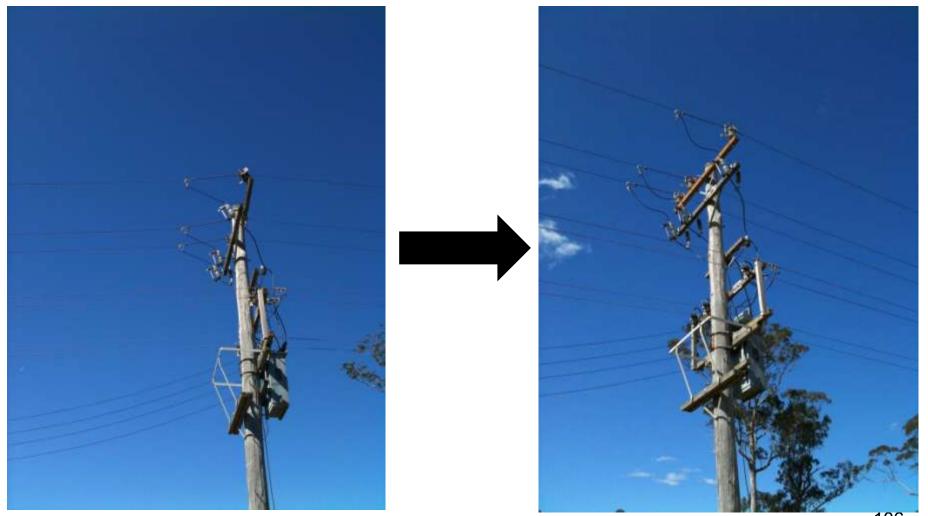
415V conductor lifting





11kV Power pole repairs





Cracking on fitting HWC Water Line



No Damage to 200mm Line, however leak resulting from cracking of disused copper connection to old 375mm Water Line



Subsidence Prediction Methodology



Several industry established empirical models were used to predict the maximum subsidence impact parameters and profiles for the given mining layouts. The predictions involved the following work:

- (i) The development of a geotechnical model for the study area.
- (ii) Review of Stage 1 results to date.
- (iii) Prediction of maximum panel and barrier pillar subsidence and profiles using the DgS Modified ACARP, 2003 subsidence model.
- (iv) Subsidence, tilt, strain, horizontal displacement contours using **SDPS**[®] 3-D influence function software.
- (v) Post-mining topography, potential cracking width, ponding location and surface gradient change contours were estimated using **Surfer8**[®] contouring software.
- (vi) Estimation of sub-surface fracturing heights above the panels using empirically based models in **ACARP**, **2003**, **Forster**, **1995** and **Mark**, **2007**.

Subsidence Prediction Outcomes

For the 125 m to 160 m wide panels with mining heights of 2.4 to 3.7 m and cover depths of 95m to 150m, the predicted key subsidence impact parameters include:

- Final maximum panel subsidence between 42% and 51% of the mining height e.g. 1.0m to 1.90m.
- Final barrier pillar subsidence from 0.04 m to 0.21 m
- Maximum possible surface cracking widths of between 50 mm and 200 mm and tapering to depths of 5 to 10 m (likely to be mitigated by surface clays/weathered shales). Most cracks likely to be 'self healing' or may not develop at surface at all.
- No cracking or ponding expected along Viney Creek, due to buffer zone.
- Engineered solutions required for man-made features.

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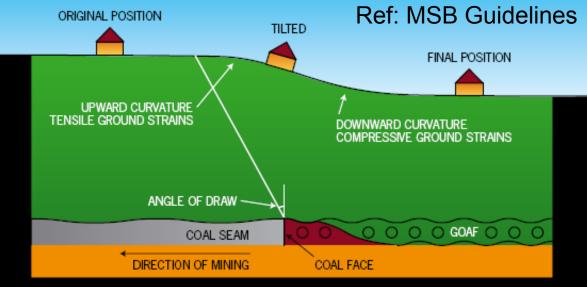
• vertical subsidence (m)

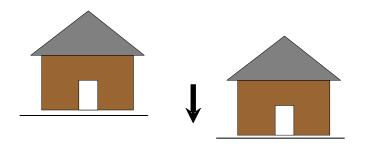
rarely a direct concern, except when adjacent to water bodies or flat terrain with watercourses (i.e. ponding)

Final maximum panel subsidence ranges from 1.0m to 1.9m for the given mining geometries.

SCZs will limit subsidence to <20mm







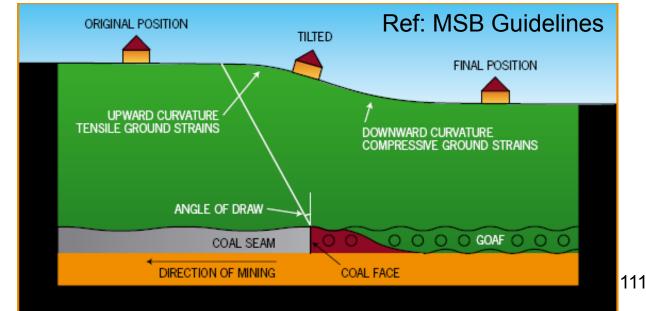


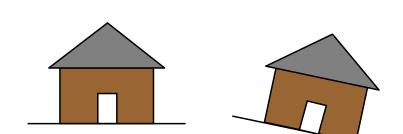
Tilt (mm/m)
 differential subsidence
 does not commonly cause
 structural damage
 affects structure usage, drainage

anects structure usage, urainag

Final maximum panel tilt ranges from 10 to 48 mm/m (30 mm/m typical).

Houses impacted by tilts > 7 mm/m.



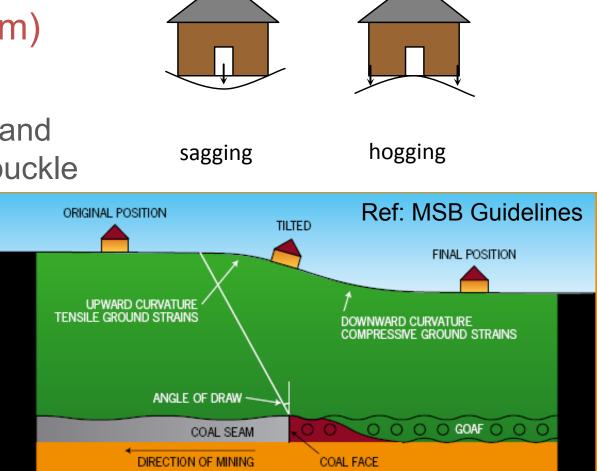




 Curvature (bending) differential tilt (1/km) major damage driver structures deformed and can crack, shear or buckle

> Final maximum panel hogging and sagging curvature ranges from 0.5 to 1.9 1/km or bending radii of 2 km to 0.5 km.

Houses can crack between 2 to 10 km radii.



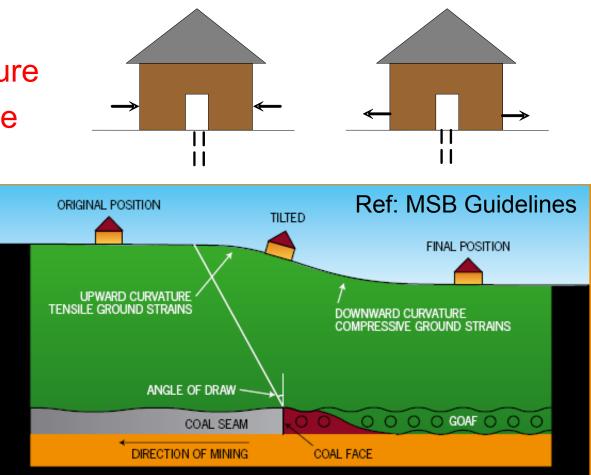
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horizontal strain (mm/m)

tensile or compressive associated with curvature and has similar damage outcomes

Final maximum panel tensile and compressive strain ranges from 5 to 20 mm/m (10 mm/m typical) .

Houses can crack > 3 mm/m



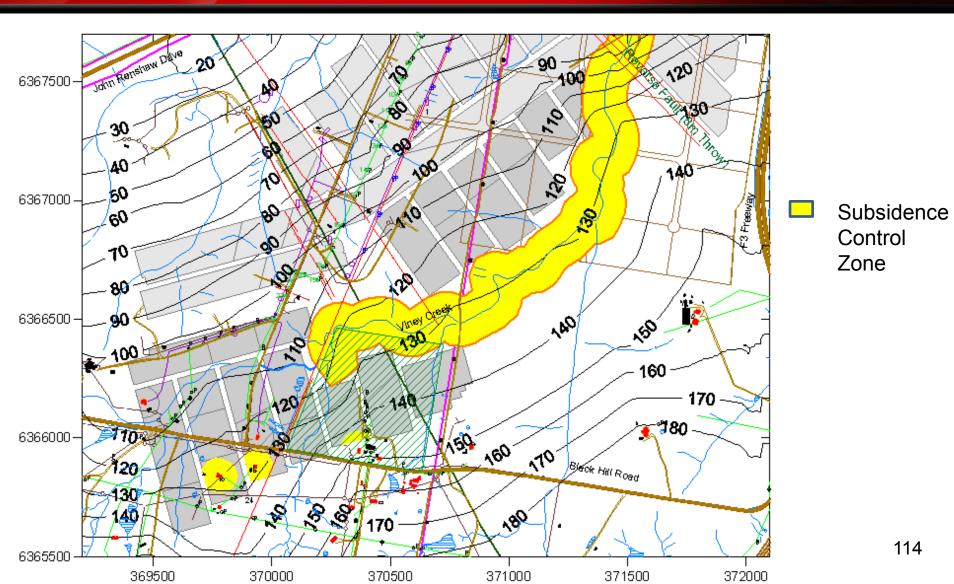
compressive

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tensile

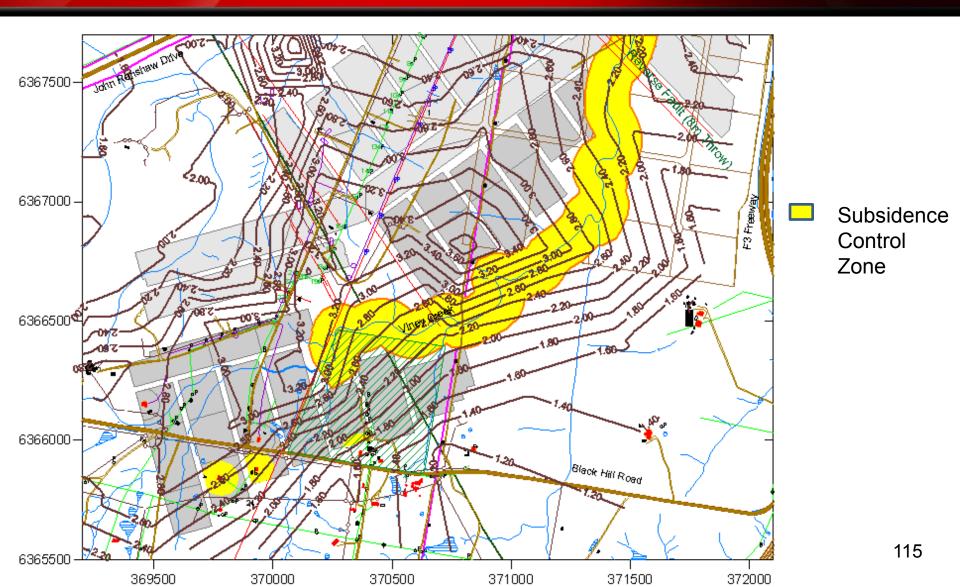
Prediction Input: Cover Depth



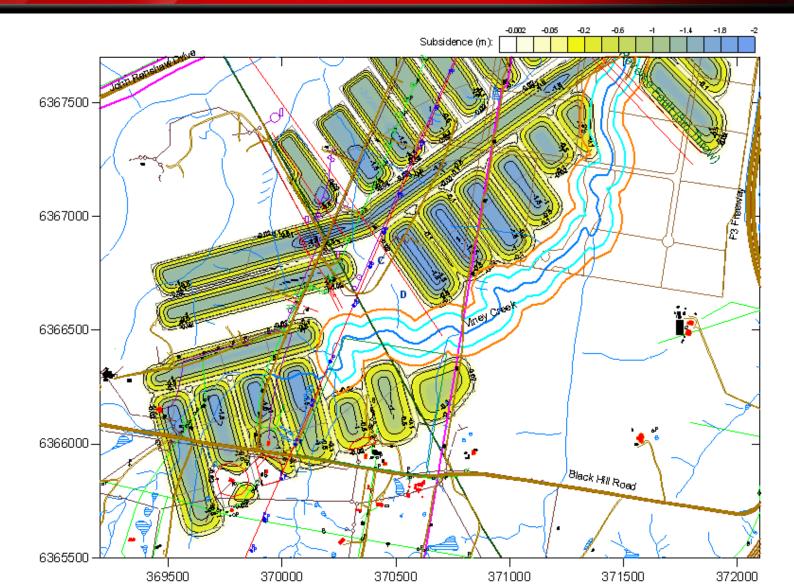


Prediction Input: Mining Height





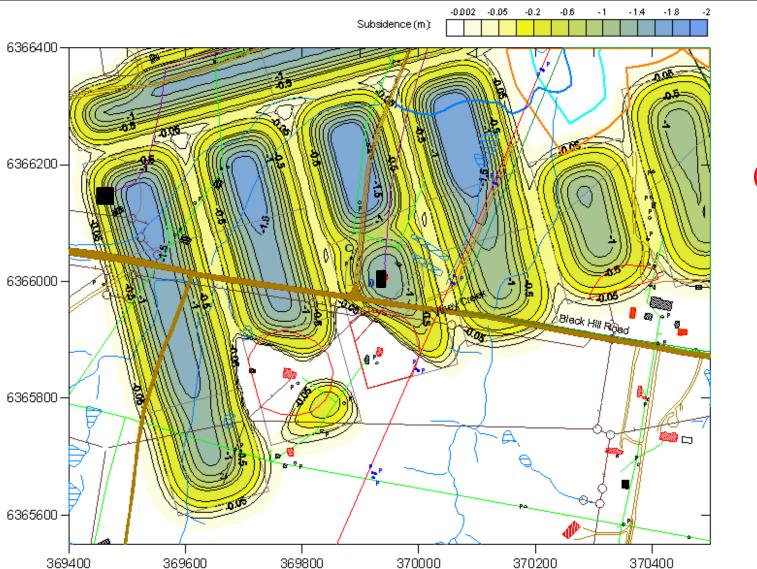
Prediction Outcomes: Subsidence



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Predicted Subsidence at Principle Residences

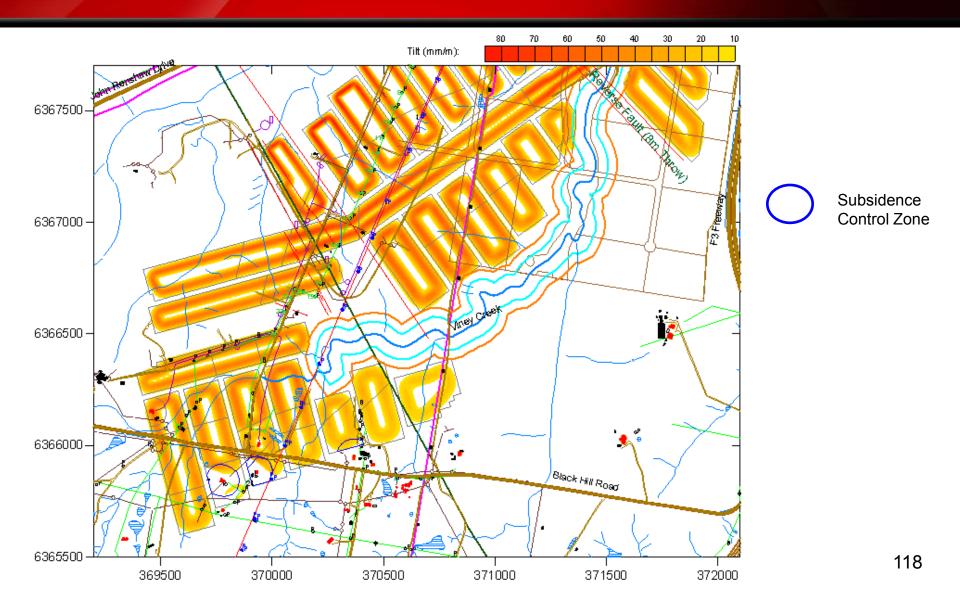




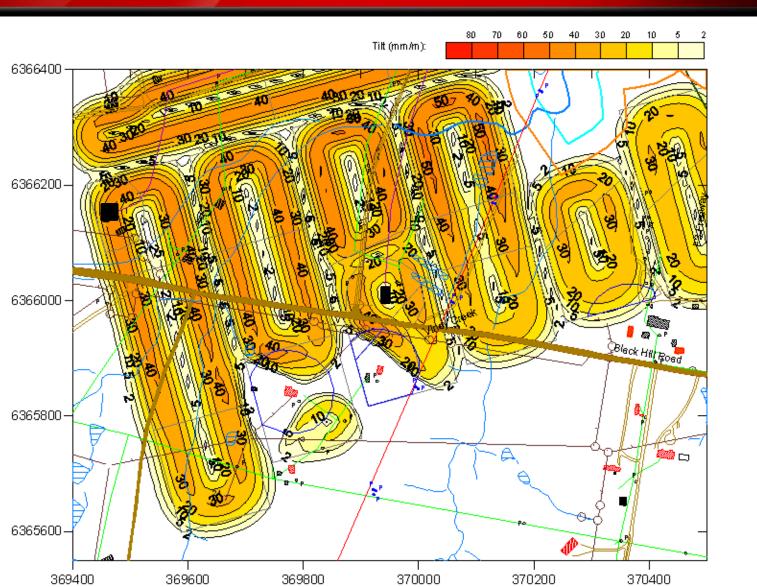


Prediction Outcomes: Tilt





Predicted Tilt at Principle Residences

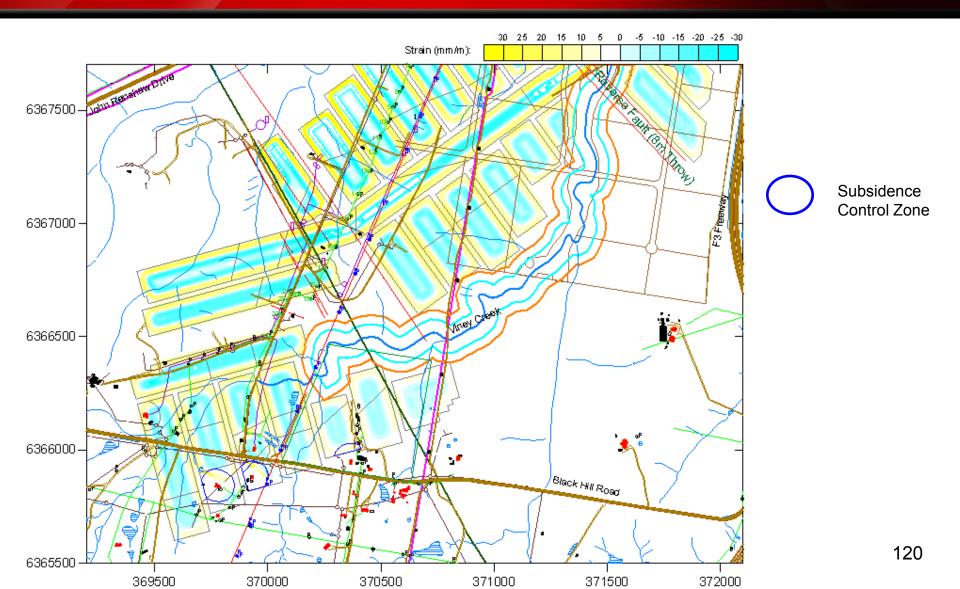




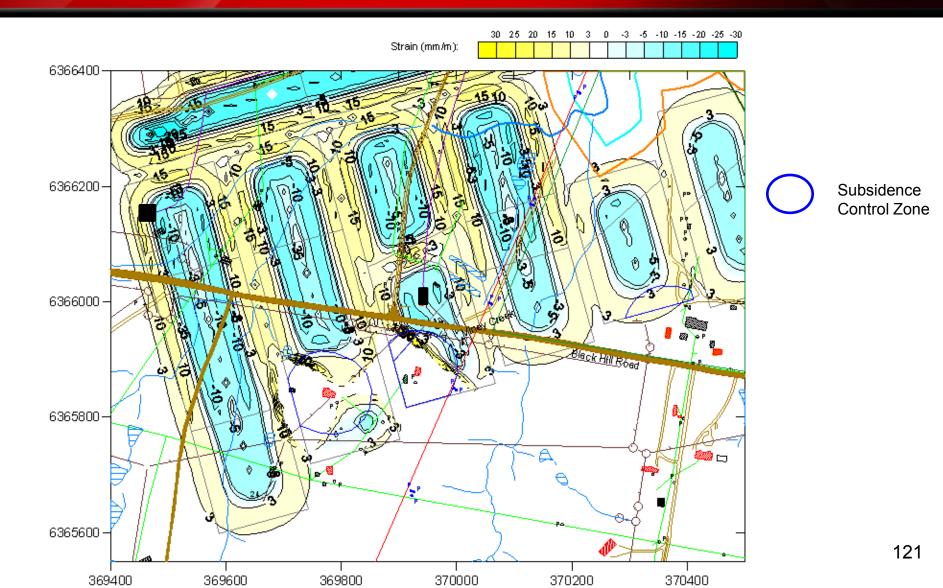


Prediction Outcomes: Strain



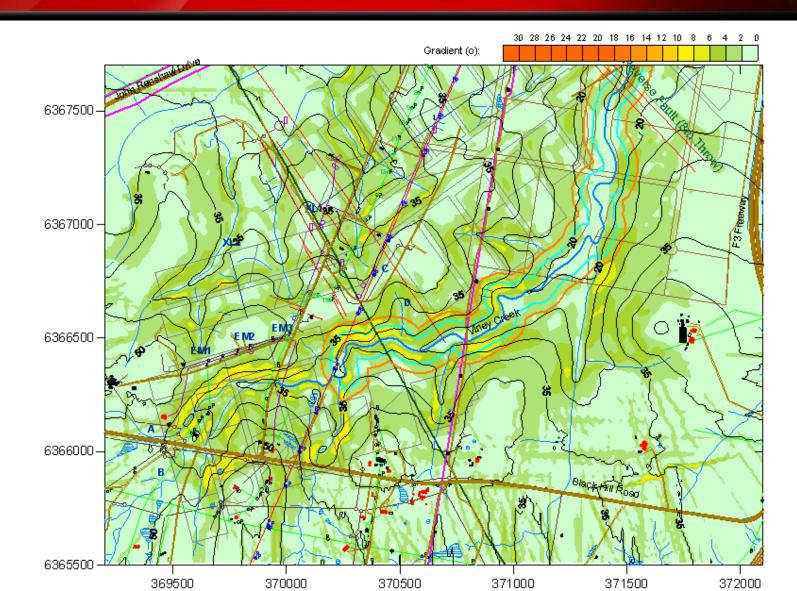


Predicted Strain at Principle Residences



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Prediction Outcomes: Surface Gradients decadeson



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Sub Surface Fracturing Assessment

The ACARP, 2003 model predicts that heights of continuous sub-surface fracturing for the proposed mining heights are > 10 m below the surface for cover depths >100m.

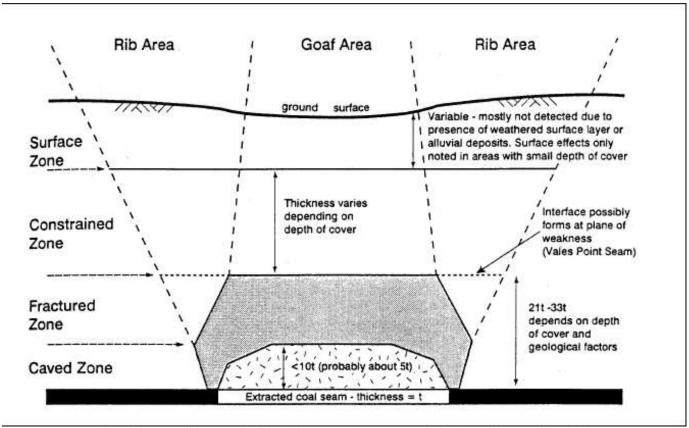
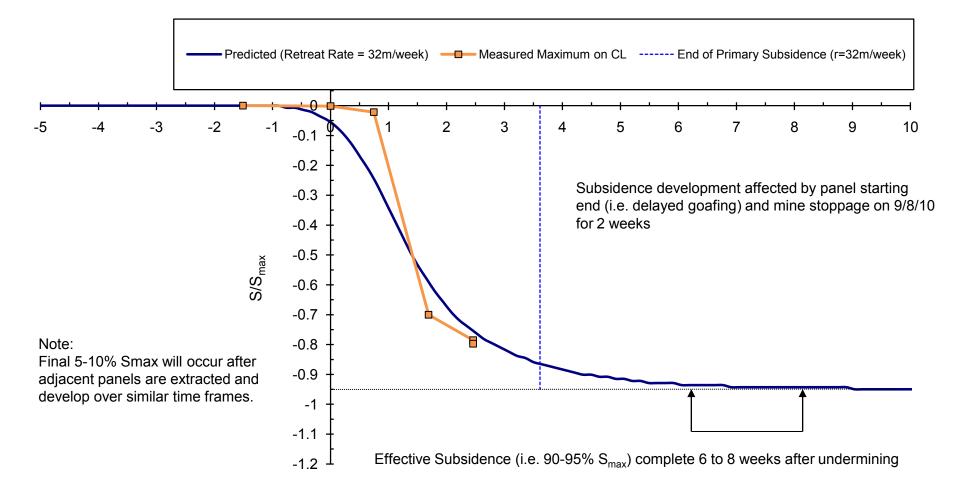


Fig. 1.33 Zones in the Overburden according to Forster (1995)

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Abel Subsidence Development Rates – Area 1



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SMP Area 2

- Surface above application area comprises a combination of land owned by Black Hill Land Pty Ltd, the Catholic Diocese of Maitland and Newcastle, a narrow strip traversing the area owned by Hunter Water Corporation, ten private properties and two public roads;
- Man made and natural features potentially impacted by subsidence arising from mining this area, are
 - Catholic Diocese of Maitland / Newcastle land, Stock water supply line; access roads and tracks; various fences, Principal Residence, disused, unoccupied residences – Property Management Plan to be prepared;
 - Black Hill Land Pty Ltd land, access roads and tracks Property Management Plan to be prepared;

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- Private properties and Principal Residences Property Management Plans to be prepared – to include Mine Subsidence Board inspection, Dam Monitoring & Management Strategy and also consideration of outbuildings and other improvements as `other surface structures'. Discussions will also be held, as part of the SMP application preparation with property owners and the MSB regarding mitigation / rehabilitation and responsibilities
- Black Hill Road Management Plan to be prepared in consultation with Cessnock City Council
- Telstra Copper cables Management Plan to be prepared in consultation with Telstra.
- Hunter Water Corporation water pipeline Existing Infrastructure Management Plan to reviewed;
- Energy Australia rural 11kV and 132kV power lines Existing Infrastructure Management Plan to reviewed;

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Key features

- Transgrid 330kV power line Existing Infrastructure Management Plan to reviewed;
- Optus fibre optic cable continued discussions relating to relocation and/or Management Plan
- Layout of the panels has been designed to provide management outcomes of subsidence impacts in line with the Statement of Commitments and Project Approval
- Maximum predicted subsidence in the application area ranges between 1.0m and 1.9m
- Maximum predicted strains from 5 to 20mm/m, and
- Maximum predicted tilts from 10 to 48mm/m excluding areas nominated to be protected.

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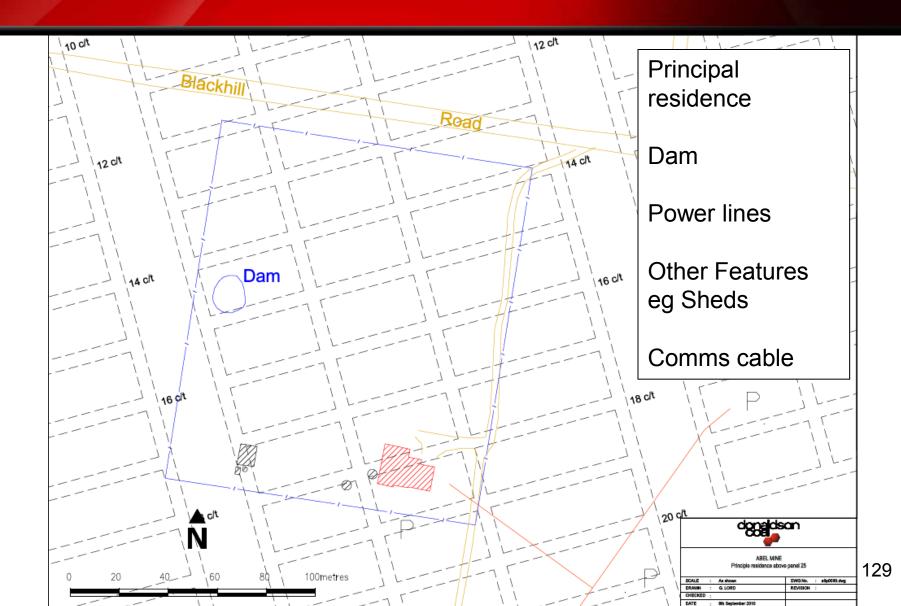
Private Properties



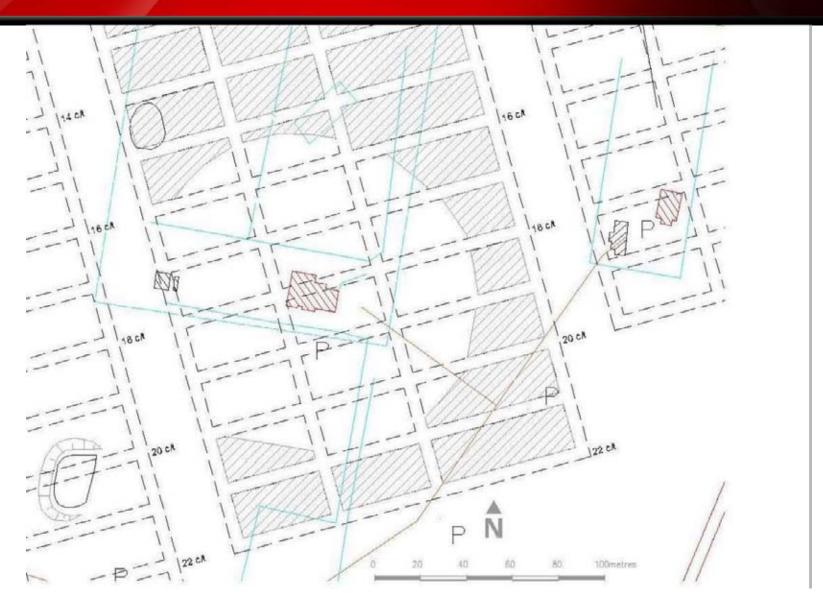
| Timing | Various | |
|--------|---|---------|
| Detail | Property Management Plan to be prepared in consultation with Property owner and MSB. Any Principal Residences to be assessed in accordance with Project Approval A Dam Monitoring and Management Strategy (DMMS) will be developed if required. | Pane 15 |
| | Panel 26 Panel 26 Panel 26 Panel 24 Panel 24 Pan | |

Typical Private Property Infrastructure





Typical Private Property Infrastructure



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Dams



 A Dam Monitoring and Management Strategy (DMMS) will be developed for all dams prior to any mining impact.



Catholic Diocese Land



132

| Timing | Extraction- Panel 19 | |
|---------------------------|---|--|
| Detail | Cattle agistment and stock watering system. Principal Residence area. | |
| Property Management Plan | Draft completed | |
| Access agreement | In place | |
| Mining schedule agreement | In place | |
| | | |

Catholic Diocese Land



- Irrigation system for cattle agistment
- Fences/gates/cattle grids
- Cattle yards/Holding yards
- Access tracks

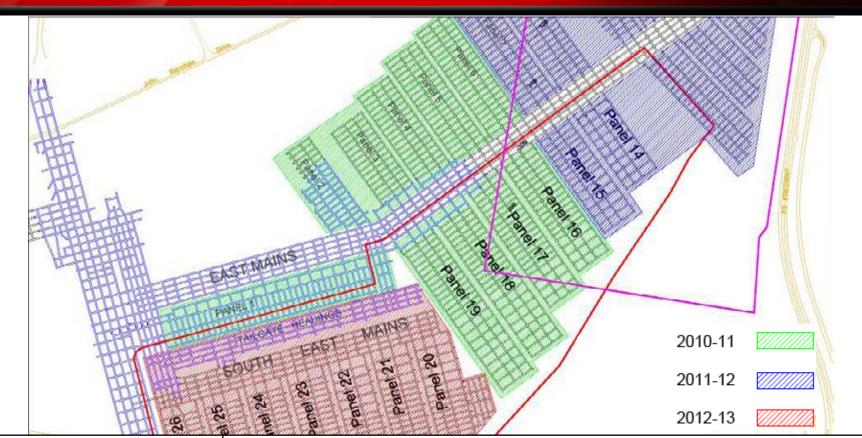






Black Hill Land Pty Limited

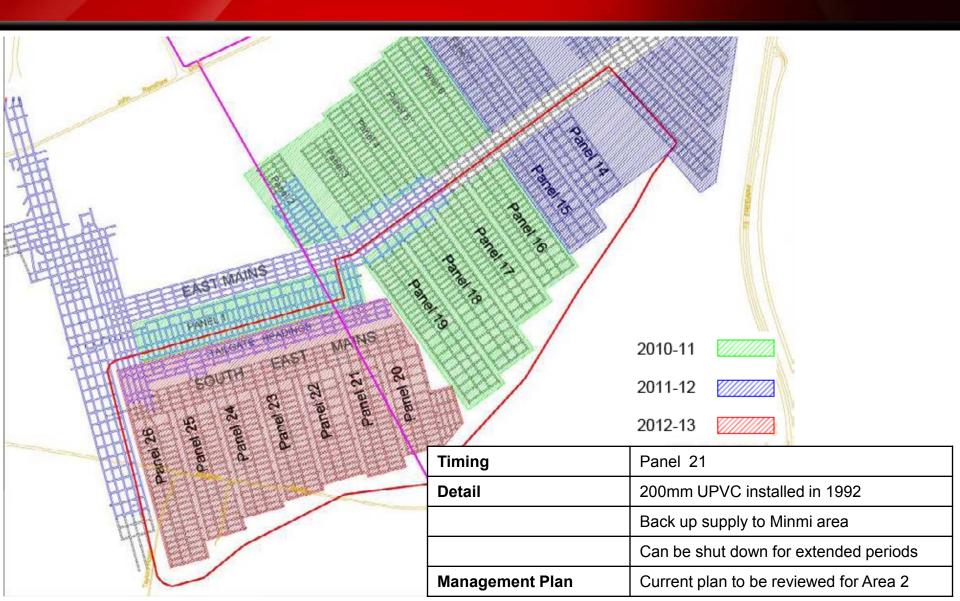




| Timing | Extraction- Panel 18 | |
|---------------------------|---|--|
| Detail | Black Hill Land P/L is seeking concept plan approval for industrial development | |
| Property Management Plan | Draft completed | |
| Access agreement | To be Developed | |
| Mining schedule agreement | Draft completed | |

Hunter Water Pipe line





Hunter Water Pipe line



- 500mm cast iron pipe installed late 1800's
- 200mm UPVC pipe installed 1992 to replace 500mm pipe in anticipation of mining subsidence
- Subsidence lines installed for Panels 1,2
- Management Plans already in Place for Panels 1 and 2

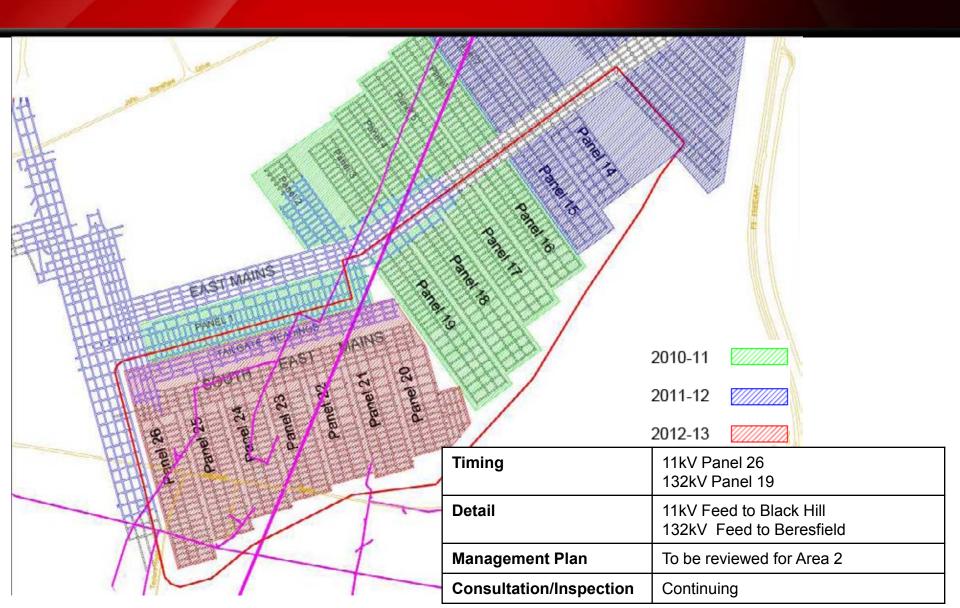






Energy Australia Power Lines







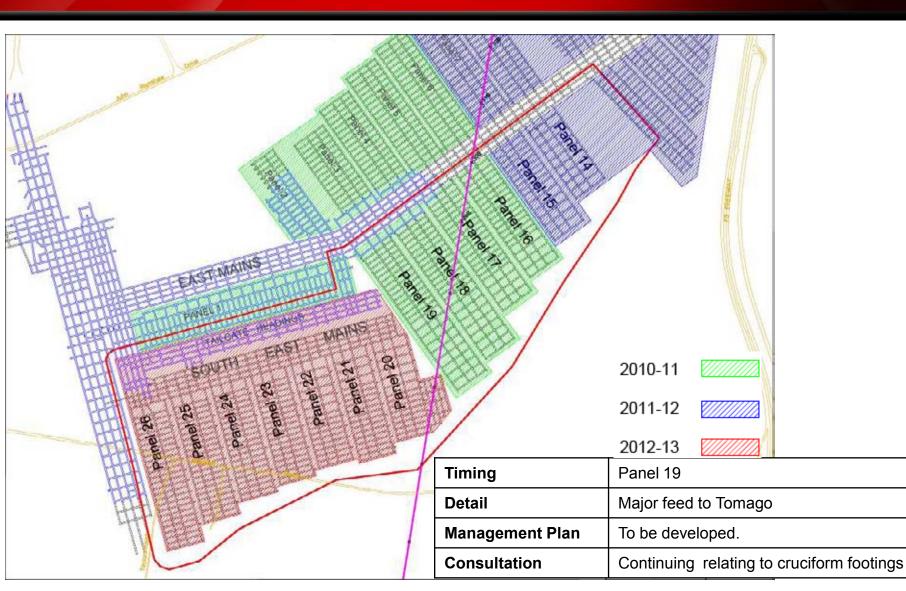
Energy Australia 132kV Power Line



- Installed 1960's
- Feed to Beresfield area from Killingworth 330/132kV sub station
- Critical power supply
- Steel channel cross arm
- 3 power conductors and 2 Earth wires
- •Spacing at ~200m across SMP area
- •Management plan to be developed in consultation with EA to ensure serviceability of power line
- •Timing Panel 19

Transgrid 330kV Power Line





Transgrid 330kV double circuit steel towers



- Installed in 1982/1983
- Critical feed to Tomago area
- 5 suspension towers in SMP Area 2
- Key issues
 - Vertical displacements may reduce clearance from ground surface and lead to infringement of statutory requirements for clearance of transmission lines (6.7m)
 - Horizontal displacement and tilt may affect the alignment and tension of the transmission lines
- Management plan to be developed in consultation with Transgrid to ensure serviceability of power line
- Timing Panel 19

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Transgrid 330kV double circuit steel towers

Cruciform footings

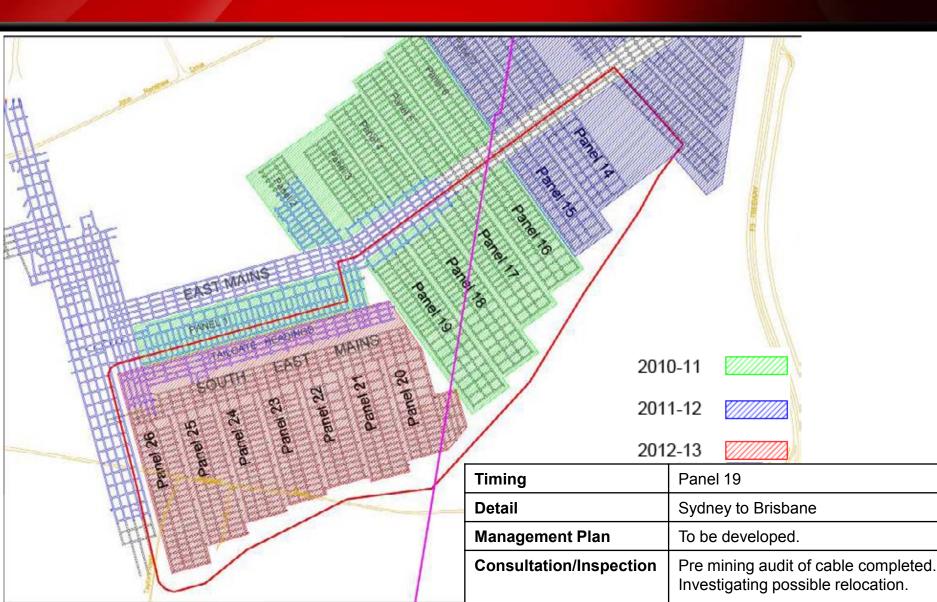
- Cruciform footings installed under suspension towers in 1982 in anticipation of future U/G Mining
- •Designed to withstand 9.1m of sub from multi level seams
- The footing acts to tie the legs of the tower together to prevent spreading and to prevent the transfer of ground strains into the structure itself
- The size of the footing is such that the mass can prevent overturing of the tower in the event of extreme loading
- Similar towers in Newcastle district have been subsided 2m
- MSB have reported that their success has led to significant reserves of coal beneath towers being mined



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Optus Fibre Optic cable





Optus Fibre Optic

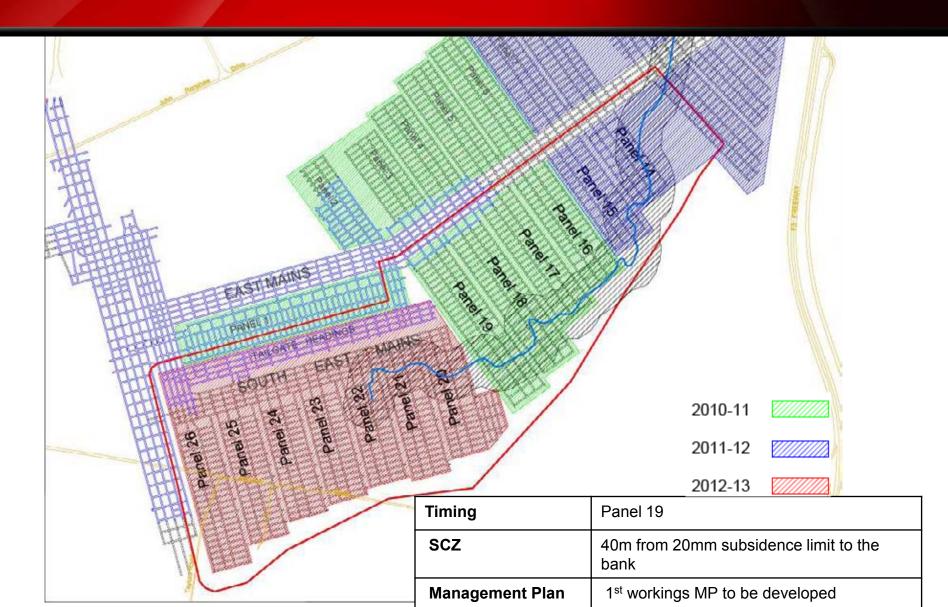
- Installed adjacent to Transgrid 330kV line in early 1980's
- Cable directly buried underground
- Designed to tolerate subsidence parameters based on F3 easement
 - 150mm subsidence
 - 1.0 mm/m strain
- Optus have own internal Management plan (similar to ones developed with other local mining companies)
- Donaldson Coal and Optus consulting on relocation and/or Management Plan
- Timing Panel 19



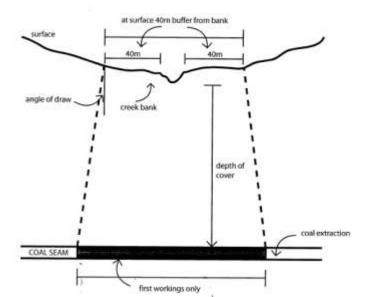








- Schedule 2 Creek (as per Strahler system)
- Viney Creek flows through the SMP area from south to north. It flows under John Renshaw Drive and eventually discharges into Woodberry Swamp, a wetland system of the Hunter River estuary
- Ephemeral flow
- Heavily vegetated, and in places is heavily choked with weeds and reeds
- Depth of cover 115m to 120m in subject area
- As per Project approval, protected by 40m barrier from stream banks to the 20mm vertical subsidence contour



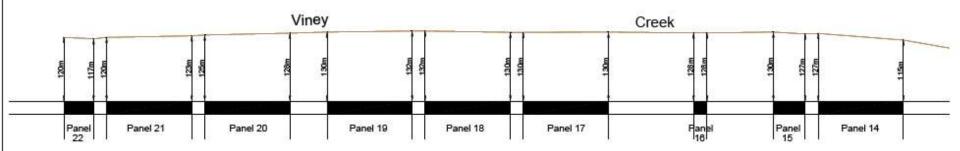












- The stream has a high capacity to reduce erosion effects from subsidence due to its significant natural and introduced (weed/reed) vegetative cover
- In accordance with Project Approval Donaldson may undertake further extraction within this barrier should further studies indicate that such extraction can take place without compromising specified environmental objectives
- Final degree of extraction will depend on an iterative monitoring / assessment / prediction of a suitable degree of extraction under the creek based on observation of prior mining in similar geomorphology / mining layout / depth of cover etc situations in prior panels away from the creek.



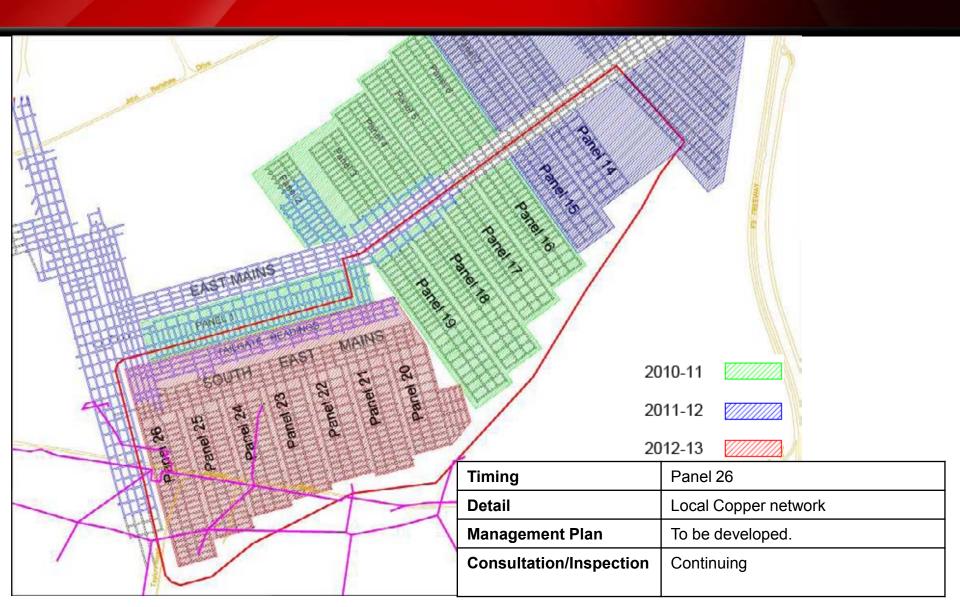
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Timing Panel 19

Telstra Comms cables





Black Hill Road

The Company shall prepare and implement a Management Plan in consultation with Cessnock City Council. This plan of management will ensure the safety and serviceability of Black Hill and Taylors public roads





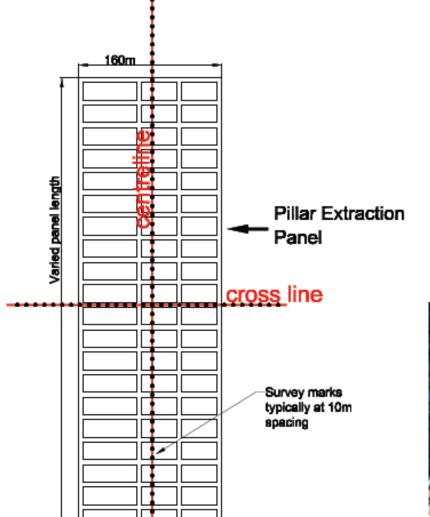
Proposed Monitoring

- Subsidence monitoring consisting of surveys, photographic and visual monitoring, including Principal Residence inspection and surveys;
- Dam and other improvement monitoring, pre and post mining surveys;
- Ecological monitoring, fauna and flora;
- Surface and groundwater monitoring;
- Infrastructure monitoring, survey, photographic and visual.
- Flora specialist consultant
- Fauna specialist consultant
- Groundwater piezometers specialist consultant
- Surface water- flow, water quality
- Subsidence surveys
- Visual inspections
- Photographic records

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Subsidence Monitoring





Typical Subsidence Monitoring Program for Pillar Extraction Panels

- Approved by Industry & Investment NSW
- Panel length ranges from 400m to 1,100m
- Centre and cross line survey marks typically at 10m centres
- Feno survey markers used for SMP Area 1
- Removed after effective subsidence completed



Abel Area 2 SMP Schedule



- Consultation commenced in CCC meeting 2010 and will continue throughout the preparation of the SMP application with
 - Industry & Investment and relevant agencies
 - Abel Community Consultative Committee
 - Landholders, and
 - Infrastructure owners
- Following this presentation and field inspection a Risk Assessment will be conducted to assess all risks and will include items raised from today. A member of the CCC will be in attendance.
- Preparation of the SMP Application will then continue with the aim to lodge the document in mid October 2010.

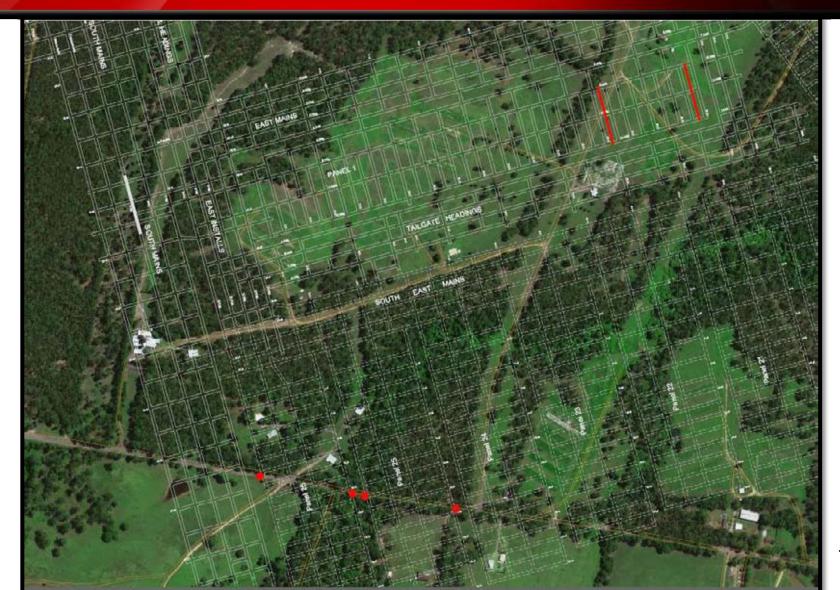
Abel Area 2 SMP Schedule



- Submit SMP Application (October 2010)
- Advertise submission of SMP Application
- Display period and opportunity for further community input (November 2010)
- Review of application (Industry & Investment then Inter Agency Review Committee)
- Determination approval sought for commencement of pillar extraction (February 2011)

Site Inspection SMP Area 1 Panel 1







ABEL UNDERGROUND COAL MINE SMP Area 2 Stakeholder Meeting Thursday 9th September 2010 (9am to 1pm) Abel Underground Mine Administration Building Minutes

1. **Opening and welcome –** Tony Sutherland (Technical Services Manager – Underground Operations

2. Attendees

Terry Lewin (Abel Mine CCC member), Carol Fraser (Resident), Noel & Daphne Blanch (Residents), Peter Allen (Resident), Rodney Lodge (Resident), Rod Taylor (Resident), Bruce & Joyce Doyle (Residents), Anne Clark (Resident), Doug Clark (Resident), Rosalie and Anthony Seton (Residents), Garry Moore (Mine Subsidence Board), Bruce Fraser (Transgrid), Brian Magin (Transgrid), Damien Harrigan & Sean Scanlon (Catholic Diocese of Maitland-Newcastle), Rod Sandell (Cessnock City Council), Steve Ditton (Ditton Geotechnical Services), Geoffrey Rock (Coal & Allied), Jonathon Smith (Industry & Investment NSW), Ray Ramage (Industry & Investment NSW), Colin Dove (Telstra Consultant), Johannes Honnef (Newcastle City Council), Andrew Fulton (Aquaterra), Kevin Price (Brunskill Pty Ltd),

Mark McPherson, Adam Heeney, Phil Brown, Tony Sutherland, Alison Freeman (Donaldson Coal)

3. Apologies

Alan Brown (Abel Mine CCC member), Karen Marler (DECCW), Mark Schneider (Telstra)

4. Meeting agenda

A PowerPoint presentation (*see copy on web site*) was then delivered by Tony Sutherland covering the agenda items below with Steve Ditton from Ditton Geotechnical Services giving an overview on the subsidence results from SMP Area 1 and the subsidence predictions for SMP Area 2.

- Introduction and Meeting Objectives
- Donaldson Coal Background
- The Subsidence Management Plan (SMP) Process
- Abel Mine
 - Project Approval
 - Mine Planning
 - Mining Methods
 - Area 1
 - o Area 2
 - SMP Area Surface Environment Assessment
- SMP Area 1 Approvals and conditions, Management Plans, Monitoring Programs
- Panel 1 (SMP Area 1) Progress to date



- Subsidence Results Panel 1, impacts and remediation
- SMP Area 2 Key surface features
 - Man made and Natural features potentially impacted by subsidence, including
 - Properties
 - o Roads
 - Powerlines
 - Waterlines
 - o Dams
 - Other infrastructure
 - Abel SMP Area 2 Subsidence Assessment and Predictions
- Abel SMP Area 2 Subsidence Impacts
- Abel SMP Area 2 Proposed Subsidence Monitoring
- Abel SMP Area 2 Mining Schedule

5. Surface Filed trip

A Field Visit of the surface areas was then undertaken of SMP Areas 1 & 2 as per attached plan. The surface area where Panel 1 had undermined was pegged out to show both the areas where the surface had already been undermined by Panel 1 and where some of the Panels of SMP Area 2 were located.

6. Lunch/ open forum

Lunch was provided on return to the mine site and an opportunity provided for informal discussions on any items for consideration in the SMP Area 2 preparation. No issues were raised.

The meeting was closed at 1pm.