



## **Bulk Sample Update**

### **Background**

Bickham Coal Company is jointly owned by the Cant and Foster families who have a long history in the Hunter Valley mining industry. Bickham Coal Company holds exploration licences approximately 12km south-east of Murrurundi where a reserve of 25-30 million tonnes of low-ash thermal coal has been identified.

### **The Bulk Sample**

The Company has purchased the land, which contains this reserve. An application to extract a 25,000 tonne bulk sample was approved by the Minister for Mineral Resources in January 2004. (The approval is for the bulk sample only. Any proposal for an open cut mine will be required to undertake the full EIS process.)

The bulk sample will allow potential South East Asia customers to conduct trial combustion burns of coal. These trials are essential as the major part of the reserve has, compared to other Hunter Valley coals, higher levels of iron in the ash. This may result in boiler fouling and ash disposal issues.

The bulk sample approval allows the removal of 331,000 bcm of overburden and the 25,000 tonnes of coal. The overburden will be used to rehabilitate an existing flint clay void.

The operation will use existing road systems established for the flint clay mining operation.

### **Community Consultation and Issues**

A comprehensive Review of Environmental Factors (REF) was placed on exhibition for comment in 2002 following an extensive consultation process, both with the community and relevant Government departments.

A number of concerns were raised during the community consultation process, mainly related to extraction of ground water and its use. After the exhibition

period the then Minister for Mineral Resources requested that the company undertake further studies, which were carried out early in 2003.

Following the direction of the previous Minister for Mineral Resources additional investigations were undertaken at South Bickham.

### **Findings**

- The ground water to be removed during the bulk sample excavation is far less than originally predicted – less than 16 megalitres over the six-month duration of the excavation.
- Reconfirmation that ground water is from a hard rock aquifer only and water is planned to be extracted under an industrial licence for safety and environmental dust suppression.
- There is evidence of some hydrological connection between the ground water in the bulk sample area and the Pages River with minor amounts of water flowing into the river. The net reduction of ground water flow into the Pages River during the bulk sample excavation will be less than one megalitre.
- Geological studies show structures are simpler than previously modeled. Any faults, if present, exist only as minor localised structures.
- The blasting report confirms that the maximum potential for minor cracking of the rock in the highwall is 10-15m and therefore will not impact on the Pages River, which is more than 70m distant from the excavation.

### **Progress**

A new Bickham Community Consultative Committee has been appointed, under the chairmanship of Warren Cook.

The Community Consultative Committee, formed as part of the approval conditions, is the voice of the community in addressing operational and environmental issues. The committee also has representatives of State and local government as well as the Bickham Coal Company.

The members are:

- Nat Doonan, former Mayor and Councillor of Murrurundi Shire
- Neville Moxon, Murrurundi newsagent
- Jocelyn Roberts, Murrurundi resident and former school teacher
- Lloyd Rossington, an irrigation farmer and consultant
- Michael Satara, the closest adjoining landholder to the Bickham site.

The committee had its first meeting on site on 21 June 2004.

Seven local people have been employed on the project, and work has now commenced on extraction of the overburden, which will continue until late August.

A water licence has been obtained to allow the extraction of up to 20 megalitres of water during the excavation. Among other things this will be used for dust suppression and watering of the site.

A variation to the Conditions of Consent has also been approved to allow the transport of bulk sample coal from Bickham to the Rix's Creek mine near Singleton. Transport of coal is not likely to begin until the end of August.

### **Further Information**

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