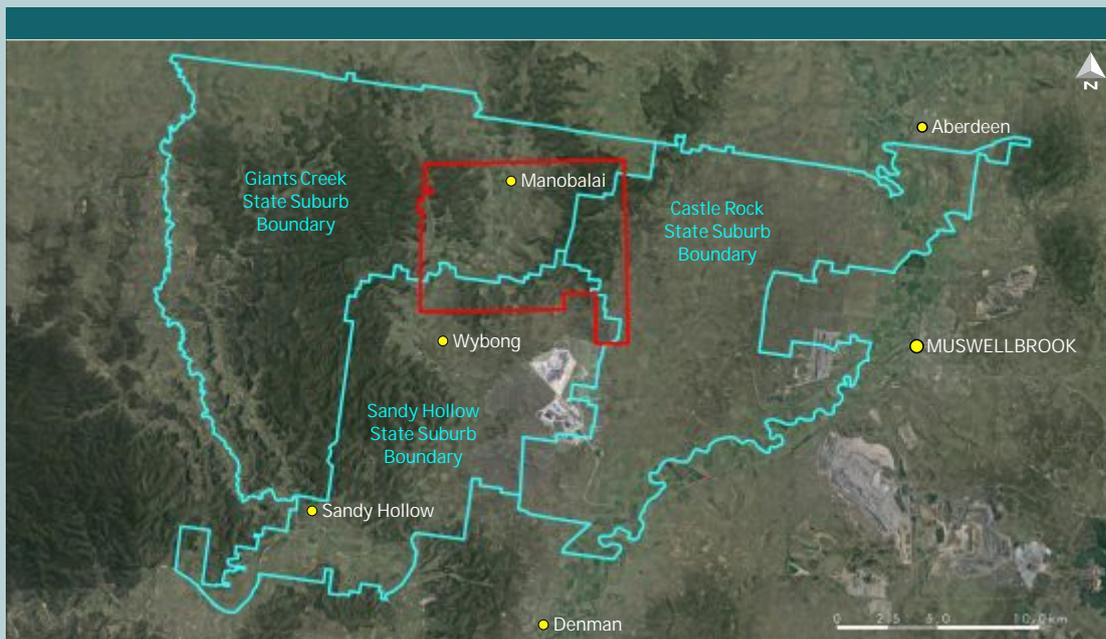


Community Information Sheet

OCTOBER 2014
SHEET 1

Ridgeland's Exploration Project

This Information Sheet introduces the Ridgeland's Exploration Project and outlines the key processes of land access and community engagement for the planned schedule of exploration activities.



Ridgeland's
Exploration
Project Area

Project Area
State Suburb Boundary

Who is Ridgeland's?

Ridgeland's Coal Resources Pty Limited is an Australian registered company with headquarters in Sydney, part of the Ridgeland's group, ultimately owned by a Hong Kong-based parent company. The Exploration Licence will be Ridgeland's' only current coal interest in NSW.

To assist Ridgeland's in implementing the exploration project, geological and mining consultancy SRK Consulting (Australasia) Pty Ltd (SRK) has been commissioned to manage exploration activities.

In addition, Umwelt- an environmental and social impact consulting firm with experience in the Hunter region - has been engaged by the licence proponents to help work with landholders and other stakeholders to facilitate the exploration process and comply with established government guidelines.

Exploration Licence

The Ridgeland's exploration licence, EL8064, covers an area of approximately 7643 hectares in the Manobalai area, around 20km west north-west of Muswellbrook. The EL is located within the Muswellbrook Local Government Area.

The licence was granted to Ridgeland's Coal Resources Pty Ltd (Ridgeland's) on 27 February 2013 and gives the company the right to explore for coal resources within the licence for up to 5 years. It also places certain obligations on the way exploration is conducted.

Activities covered by the project include:

- Pre-drilling approvals with various government agencies will include flora and fauna surveys, and archaeological surveys.
- Completion of exploration drill holes which may include geotechnical testing on some drill holes.
- Installation of groundwater monitoring well network.
- Airborne and possible ground-based geophysical surveying.

Ridgелands Exploration Project

Exploration regulation

Exploration processes in NSW are regulated by the NSW Department of Trade and Investment, Division of Resources and Energy (DRE) who grant exploration licences and determine and regulate licence conditions.

The Ridgелands licence conditions detail measures to manage potential impacts on the environment and local residents from exploration activities.

These include requirements for flora and fauna baseline surveys and protection measures, environmental controls such as erosion control measures, management of drilling fluids and rehabilitation, and restrictions on operating hours for drilling.

Procedures for exploration projects are becoming increasingly regulated, and include clear guidelines for land access and consultation with landholders and the wider community.

Other industry bodies, such as the NSW Minerals Council and the NSW Farmers Association, have also developed exploration guidelines, which set standards for consultation, land access and communication.



▲ Typical exploration setup with geologist logging drill core

Engagement with Landholders

It is recognised that there is a wide range of community attitudes and experiences regarding coal and coal operations in the Upper Hunter, and, as such, there is likely to be a high level of interest in the exploration project.

Consultation will be in line with the new government requirements, as outlined in the DRE's Guidelines for Community Consultation for Exploration Projects. These guidelines were formalised in 2013 and define clear standards for consultation and are being continually developed and refined.

To assist in meeting these requirements, Umwelt will work closely with the project proponents, Ridgелands, geological consulting firm, SRK, and community members to help identify community issues, facilitate discussions and assist in negotiating land access arrangements during the program.

The team will be talking initially with landholders within the licence area and widening conversations to other interested stakeholders as consultation and exploration progresses. An early task will be establishing preferred methods of communication, engagement and information exchange with affected landholders and the wider community.

This consultation will build on community input received during previous formal public exhibition periods during the licence approval process in 2011 and 2012. The company will also progress the development of a Community Fund in accordance with licence conditions and guidelines as the exploration program gets underway.

Biodiversity Surveys

Community feedback, received during the public exhibition process for the licence, indicated that consideration of ecology and biodiversity are important aspects for consideration.

Ridgелands has indicated that it is voluntarily participating in the Upper Hunter Strategic Assessment (UHSA), which is a joint initiative between the NSW and Australian governments and Upper Hunter coal operations to develop a cumulative approach to understanding and planning regarding biodiversity in the region.

As part of the UHSA, Ridgелands is required to comprehensively survey selected areas of the licence area to fully understand its ecology and biodiversity values. This includes surveys of specific threatened species of flora and fauna and will involve detailed analysis and mapping.

The information gathered will contribute to the UHSA in documenting biodiversity values within the region as a whole and will also enable cumulative impacts on biodiversity to be considered.

Further information about the UHSA is available www.environment.gov.au/node/25244.



▲ *Chrysocephalum apiculatum* is likely to be mapped as part of biodiversity surveys



▲ Example of an ecologist moving a possum during a fauna pre-clearance

Exploration Drilling

Drilling will be undertaken to gather detailed information about the rock strata below the ground surface, in order to build knowledge of the resource.

Drill sites will be selected in consultation with landholders and chosen to minimise effects on the local environmental and residential amenity. Each drill hole will comprise about 20 x 20 metres of land, and will be managed according to DRE guidelines, site context, project needs and landholder preference.

Prior to the commencement of drilling, each site will be surveyed and for flora, fauna and aboriginal and cultural heritage and appropriate clearances and other pre-drilling approvals gained. Drilling is expected to take around 2-4 weeks at each site, including time for set up and decommissioning.

Drilling will be undertaken using a truck mounted drill-rig with a support truck and an above ground sump for containment of drilling fluids. A water truck will deliver water to site at various times and a waste disposal truck will remove and dispose of waste drilling fluids from the above ground sump to an accredited waste disposal facility. Other onsite traffic movements may include drilling company, geologist and ecologist vehicles for day to day access.

At some drill holes groundwater monitoring piezometers will be installed for the long-term monitoring of groundwater levels. These will have a data-logger box installed and secured at the well head; which will need to have periodic access over the term of the licence.

Drilling is expected to occur in phased stages over the duration of the licence period. Drill sites will be rehabilitated and replanted with appropriate vegetation to be selected in consultation with landholders. Rehabilitation activities will be scheduled to optimise seasonal conditions.



▲ Exploration drilling in progress

Local amenity

The exploration project will employ experienced contractors and has been designed to minimise impact to resident's local amenity and lifestyle.

Residents may see periodic movements of the drill rig/s and other equipment on public roads, as well as traffic movements of geologist, ecologist and drilling company personnel.

Drilling is not expected to generate odour. Some noise and dust will be generated by the machinery during drilling, but will be minimised where possible and managed in accordance with licence conditions.

Hours of operation have been limited to 7am to 5pm weekdays and 8am to 1pm Saturdays, with no work on Sundays or Public Holidays.

What happens after exploration?

The proposed Ridgeland Exploration Project is currently in an early stage of exploration, and future stages will depend upon exploration results.

Ridgeland has committed to keep landholders, key stakeholders and community members informed as the exploration progresses, with due consideration of commercial in confidence issues.

Umwelt will assist in dissemination of this information, as well as facilitate input from community members.



Next Steps

Over the coming months, landholders within the licence area will be contacted by Umwelt to discuss the exploration project and how it may directly affect them. Land access is probably the major consideration for landholders during the exploration process; and there is a clearly defined government-mandated process for negotiating suitable arrangements that confers rights and obligations on both parties. As a facilitator of the process, Umwelt is committed to ensuring that landholders have all the information that they need to make fair and informed decisions regarding land access and any other aspects of the exploration process.

Ridgeland's intended exploration project has been designed to target preferred drilling areas, but also to retain flexibility to respect and respond to landholder preferences and needs, and taking into account seasonal conditions and physical site access.

As noted, all negotiations and agreements will be undertaken in line with guidelines developed by the DRE, which set out clear expectations and requirements regarding landholder and company rights and responsibilities. These guidelines are available on the DRE website at the web address below or from the Umwelt Project team who will provide copies to landholders during discussions.

<http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/minerals-and-coal/exploration>



We are here

How can you be involved?

Umwelt will be proactively contacting those landholders most directly affected by the exploration project to discuss the program, land access agreements and establish ongoing communication channels.

Umwelt also encourages input from the wider Wybong and Muswellbrook community from individuals and groups with an interest in mining and exploration activities.

Further Information

Ridgелands welcomes your interest in the exploration project, and has established a number of ways for you to obtain and receive further information, provide feedback or ask questions of the team.

We appreciate that we may not have considered all the information that you are interested in on this first information sheet and would like your input as to any further information that could be provided as the program progresses. For more information on the consultation program, see contacts below.

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