

Metropolitan Coal Community Newsletter

October 2016



Operations Update

As you would know, in recent times the Australian mining industry has been impacted significantly by the dramatic drop in the coal price, slowing global growth and weakness in the Chinese economy. Metropolitan and Helensburgh have not been immune to these impacts, and many of us have friends and colleagues directly affected by the prolonged market downturn.

However, I'm pleased to report, we're starting to see signs of improvement for the local mining industry, with an increase in the coal price.

At the mine, we've successfully completed extraction of longwalls 23-26. Following a recent longwall move, we're gearing up to start our next longwall panel 27 which will take us through to the end of January 2017. As part of development of the next block, longwalls 301 to 303 we're currently consulting with local stakeholders and developing management plans which define how we will manage any impacts like noise, dust and subsidence before submission to the NSW Department of Planning and Environment.

On the environmental front, we're tracking well and as we move into the hotter summer months, we'll be working hard to

help ensure we keep dust levels low with our state-of-the-art dust suppression system which uses recycled water on our stockpiles.

Our Mine Rescue Team has also continued its success in the Fire Fighting and best Individual First Aid Rescuer categories at the 57th annual Southern Mines Rescue Competition which Metropolitan recently hosted.

We also continue towards our goal of zero coal waste reject trucks through Helensburgh by 2021 with our coal waste rock emplacement plant scale up on track for late-2016.

Finally we welcome Stephen Love into the role of Environment and Community Superintendent as we farewell Ryan Pascoe. Stephen has been with Metropolitan for four years working across the environment and community portfolio and will be a familiar face to CCC members and community.

I hope you enjoy this edition of the Metropolitan Coal Community Newsletter. As always I would encourage you to contact us if you wish to know more about any aspect of our operations.

Thank you for your interest in Metropolitan Coal.

**Andy Hyslop, Acting General Manager,
Metropolitan Coal**

Underground Emplacement Gears Up

Metropolitan's pioneering coal waste rejects recycling plant will upgrade from pilot to full-scale in the coming weeks. The pilot plant, operated on a limited basis since 2010, emplaces coal waste reject from coal mining into underground abandoned mine workings.

Once complete, this project will allow 60% of coal waste rejects to be disposed of back underground.

By 2021, the plant is expected to eliminate the need to transport coal waste rejects through Helensburgh altogether, reducing the number of trucks on local roads. The pilot plant has already delivered results and we're currently seeing a reduction of 15% on 2011 levels.

Peabody Director, Projects, Quinton Brand said Metropolitan was working towards trials of the full-scale plant this month which will allow 60% of rejects to be disposed of underground into the goaf behind an active longwall operation.

'We're in the process of commissioning the new plant,' he said.

'It's an exciting time because this is something that has not previously been done in a coal mine.'

Quinton explained low-capacity trials would begin later this month, building up to 60% emplacement capacity by 2018.

'Once the plant is working successfully at low-capacity, we will look to upscale and emplace more of our waste rock underground, ultimately working towards an upgrade of the plant which can achieve 100% underground emplacement by 2021.'



Metropolitan Emplacement Plant Project Manager, Phillip Wade during commissioning (September 2016)



Name: Kai Sakakibara
Home town: Helensburgh, NSW
Age: 20
Passion: BMX Racing

Supporting our communities

Metropolitan supports our local communities including local athlete, Kai Sakakibara. This month we talk to Kai about 2016... and what's next for him.

What was the highlight of 2016? Seeing physical and mental improvements in my riding, and putting myself in the mix of the fastest BMX athletes in the world.

You've had a lot of success early, what age are most of your competitors? I race in the Elite class, which is an Open class for riders 19 years and older. My competitors are anywhere between 19 to 30 years old.

What made you take up BMX riding? I've loved riding my bike from a very young age. I spent all day on my bike pedalling as fast as I could, skidding, jumping, and racing my parents! Coincidentally my kindy was located right next to Ashmore BMX track in Queensland, and I started racing at the first opportunity and have been racing ever since.

What keeps you busy off the track? Outside my two track sessions, during the week I complete 4 gym sessions and 2 road sprint sessions, all of which take between 1-4 hours. I'm kept busy in between training sessions working on the marketing and promotional side of my career.

What's the best advice you've ever been given? 'Train as though you are racing, race as though you are training'.

Why have you partnered with Peabody Energy and Metropolitan? Metropolitan has a strong presence in my local community and Peabody's support allows me to chase my dreams of Olympic Gold.

I can't thank Peabody enough for all of the support.



Metropolitan Team, joint winners of the 'Bob Hutton' Memorial Trophy (fire fighting).

Metropolitan On Fire At Mines Rescue Competition

The 57th Southern Mines Rescue Competition was held at Metropolitan Coal recently with our team tying with the team from Appin Blue to win the Fire Fighting scenario and our very own Martin Jackson the winner of the best individual first aid rescuer.

Metropolitan Workplace Health and Safety Coordinator Kristie Davies said the competition involved both surface and underground rescue scenarios.

'The importance of these competitions is significant in that they provide rescue personnel with the opportunity to play out real life critical rescue missions,' she said.



Martin Jackson being presented with the Graham Hughes Memorial Trophy (best individual first aider) by Al Phillips

Summer dust suppression

The summer months are traditionally drier and dustier in our area but thanks to Metropolitan's comprehensive dust suppression sprays, we're ready to keep the dust down!

The spray system is a network of 34 water sprays located across the coal stockpile area to maintain moisture in the coal stockpile and minimise dust generation. The network is connected to our onsite weather station, and automatically increases the frequency of spray operation during periods of higher wind speed when dust levels can increase.





Green shoots at Metropolitan

Peabody has been busy rehabilitating surface areas at Metropolitan. Environment and Community Superintendent, Stephen Love explained how hydromulch was helping set up for the final landform at site.

'Hydromulch is basically a spray on soil and seed mix,' Stephen said.

'In this case we've used it to spread a mix of native plant seed, fertilizer as well as wood fibre in one application.'

He explained hydromulch is an efficient way of establishing vegetation on site.

'All the materials are mixed in the hydromulching tank and then are sprayed as a slurry which binds firmly over areas to be revegetated,' he said.

'We've been able to return vegetation to areas like the banks and batters of our dams using a seed mix of native grasses, shrubs and trees.'

'Metropolitan's post-mining land use includes returning some areas to a natural state so while we don't have the same surface impacts as an open cut mine, we're still re-vegetating as we go,' Stephen said.

DID YOU KNOW...

In FY 2016, Metropolitan paid:



\$1.185 million
to Helensburgh businesses



\$54.52 million
to other local businesses
(within 30km of Helensburgh)



\$56 million
to businesses in NSW outside this radius



\$10.7 million
in royalties to the NSW Government



\$23.6 million
in wages to employees
(not including contractors)

Of our 249 employees:



17.2%
43 live in Helensburgh
(postcode 2508)



54%
134 live within
30km of the mine



METROPOLITAN COAL

If you would like to know more about Peabody Metropolitan Coal visit www.peabodyenergy.com or call Metropolitan Coal's 24 hour Community Line on 1800 115 003.