BYLONG COAL
KEPCO BYLONG AUSTRALIA

AGRICULTURAL LAND MANAGEMENT

KEPCO Bylong Australia (KEPCO) has implemented active farming initiatives aimed at maintaining the agricultural viability of purchased properties. KEPCO has appointed a Farm Manager to oversee the agricultural aspects of KEPCO owned properties and has developed farm management plans and systems to efficiently utilise the land for the duration of the Bylong Coal Project (the Project) and beyond. Regular weed and pest management activities will continue to take place on site and in surrounding areas as part of ongoing property management practices. Areas within the Project's disturbance footprint will be returned to agricultural land use as soon as possible following rehabilitation.

The Project study area consists of cleared agricultural land with native vegetation, a section of the Bylong State Forest and other portions of Crown Land.

In general, current and historical agricultural activities in the Bylong Valley include:

- Beef cattle grazing
- Fodder cropping
- Irrigated cropping
- Sheep grazing
- Limited equine activities.

Agricultural land use in the Upper Bylong Valley

The short-term nature of the Project's proposed open cut mining activities means there will be minimal loss of agricultural production within the Project boundary, and the Project will not affect the total productivity of agricultural land outside the Project boundary.

As the overall agricultural contribution of land within the Project disturbance footprint is small when compared to the total agricultural production on a regional, state and national scale, the reduced availability and productivity of this land during the Project's lifecycle will have a minimal impact to the region's agricultural production.

The Project will require approximately 1,047 ha of direct land surface disturbance. In additional, approximately 1,714 ha of land is located within the Subsidence Study Area. Within the project disturbance footprint, approximately 400.4 ha of land verified as Biophysical Strategic Agricultural Land (BSAL) may be impacted.

The Project disturbance footprint consists predominantly of moderate capability land (Classes 4 and 5; 68.5%), followed by relatively similar amounts of high capability land (Class 3, 16.8%) and low capability land (Classes 6 and 7; 14.7%).

KEPCO is aiming to reinstate 400.4ha of BSAL. Rehabilitation will also reinstate an equivalent amount of Class 3 land, mitigating the long-term impact of mining activities on better quality agricultural lands. Areas within the Project's disturbance footprint will be returned to agricultural land use as soon as practicable following rehabilitation.

MINE REHABILITATION

Overall, the objective of long-term mine rehabilitation is to provide a landform that is safe, low maintenance, geotechnically stable; and visually integrated with the surrounding topography. Land use will provide for a mixture of rehabilitated native vegetation, pastoral land and cropping areas.

KEPCO is committed to implementing an industry-leading rehabilitation program. Accordingly, a *Rehabilitation Strategy and BSAL Reinstatement Strategy* and a draft Rehabilitation Management Plan have been prepared for the Project. A trial area will be established on site to investigate the benefits of soil hydrology techniques (pioneered in the local district) in mine site rehabilitation. While the exact location has yet to be finalised, the trial will draw on local farming experience and expertise and will likely involve other organisations such as academic institutions.

Rehabilitation will be undertaken progressively, commencing in the third year of the Project to minimise the time land is removed from agricultural use. It is anticipated that the majority of open cut mining areas will be rehabilitated and returned to pre-mining landforms within 10 years of Project commencement and at the start of underground operations. The void remaining at the end of open cut mining operations will be progressively backfilled with coarse and fine reject materials generated by coal processing for the underground mining operations. Overburden material and stockpiled topsoil will be used to create the final rehabilitated land surface. The rehabilitation program has been assessed by independent consultants who advise that there will be sufficient suitable soils available to meet this objective.

FARM MANAGEMENT PLAN

KEPCO is committed to maintaining agricultural production on the land it owns over the duration of the Project. KEPCO has prepared a Farm Management Plan and appointed a Farm Manager to run KEPCO-owned properties. The plan brings together previously disparate farms under a single management plan and KEPCO is confident the agricultural output from the area can be maintained to current levels.

Cattle on KEPCO-owned property

EQUINE CRITICAL INDUSTRY CLUSTER

The mapped Equine Critical Industry Cluster (CIC) located in the Bylong Valley is an isolated pocket located at the absolute extremity of the mapped Equine CIC, approximately 1½ hours' drive from the centre of the thoroughbred breeding industry in Scone. The mapped equine CIC within the Project boundary accounts for less than 1% of total mapped Equine CIC within the Upper Hunter region.

Government mapping shows three properties within the Project boundary that wholly or partially fall within the Upper Hunter Equine CIC. This mapping reflects historical use of these properties, as no intensive equine industry activities have occurred on these properties for a considerable period of time.

The potential impacts of the Project on the Upper Hunter Equine CIC are considered minor given the small size of the impacted area, and the location of the mapped Equine CIC. KEPCO is committed to a rehabilitation strategy that ensures the capability of the rehabilitated mine land is reinstated to its pre-mining land use capability and is suitable for equine related activities.

BIODIVERSITY OFFSET AREAS

The Biodiversity Offset Areas (offset areas) for the Project comprise approximately 4,100 ha of land which will be largely removed from potential agricultural use.

However, all land within the offset areas that are currently cultivated will remain available for agricultural production. A large proportion of the offset is composed of 'Agricultural Domain C', which is generally unsuitable for cultivation and only capable of a low carrying capacity.

The Project proposes to utilise the offset areas for ecological conservation. Actively regenerating and preserving the areas to native woodland and grassland is considered a priority land use for preservation of native biodiversity in the region. As such, the offset areas will experience some changes in land use as a result of the Project; however, the inherent agricultural productivity of the land will not be reduced.

CONTACT US:

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