

Robyn Murray  
Editor and Chief-of-Staff  
Mudgee Guardian  
PO Box 255  
Mudgee NSW 2850

29<sup>th</sup> December, 2010

Dear Ms Murray,

**Re: “Mt Penny claims simply wrong” (24/12)**

The Minister for Planning, Mr Tony Kelly, has made a number of assertions in his letter to the Guardian last week (“Mt Penny claims simply wrong”, 24/12) that we feel demand further scrutiny and a response on our part.

Minister Kelly says that Eddie Obeid’s properties are not involved in the proposed Mt Penny development. We would like to make the following points regarding that statement:

1. The report in the Guardian referred to Mr Obeid, along with *family associates*, owning a “considerable amount of land within the Mount Penny exploration licence”. This is most definitely true, despite what the Minister says. The exploration licence in question (EL7406) includes the properties “Cherrydale Park”, owned by an Obeid family company, Locaway Pty Ltd, and “Coggan Creek”, owned by Justin Kennedy Lewis, who has known the Obeid sons since childhood.
2. The Minister now seems to be deliberately referring to the “proposed project area” rather than the totality of exploration licence (which is what we were talking about). At this stage, information on the “proposed project area” is *not* publicly available, as he would well know. And even if Mr Obeid’s “Cherrydale Park” is not included in this area, it is difficult to imagine that Mr Lewis’ “Coggan Creek” also isn’t included. (Perhaps Minister Kelly would care to enlighten us on this point?)

The Minister also explains that, on receiving the Director General’s requirements (DGRs) regarding the proposed mine, the proponent “must then prepare its environmental assessment”, which “takes months, sometimes years”.

Given the intention announced to the ASX on 30/11/10 to commence *production* by 2013 (since modified to commencing *construction* by that date), it’s difficult to imagine the process taking “years” in this particular case. This is especially true given that those involved in the proposed development are experienced ‘coal barons’ (to use the *Australian Financial Review*’s description), i.e. would have a very good idea as to what to expect, and that on-the-ground environmental work has been carried out in the project area since at least the first half of 2010. (Note that some of the key people involved were also involved

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in the development of the Ulan and Moolarben mines and therefore already know the area quite well.)

In other words, we anticipate that much of the drafting of the environmental assessment will have already been completed prior to the DGRs being issued, helping to minimise the amount of time elapsing between their release and the lodging of the EA. We will be watching with great interest to see just how long this period turns out to be.

In relation to our claim that Mr Kelly and Mr Obeid would both be retiring prior to the state election in March, that was what I personally had believed, but was clearly mistaken and should have double checked my facts prior to our release. I apologise unreservedly for this error.

Finally, we would make one last point. Mr Kelly refers to the Bylong Valley Protection Alliance (BVPA) – as “this environmental group”. We are not an “environmental group”. We are a community-based organisation made up of concerned local landholders, residents and others, doing the best we can in a David-and-Goliath battle to protect the beautiful and agriculturally productive Bylong Valley area – from Mt Penny in the west, to Murrumbo in the east - from destructive harm of all kinds, including mining.

Craig Shaw  
Interim Secretary  
Bylong Valley Protection Alliance