



HELENSBURGH COAL PTY LTD

THE METROPOLITAN COAL PROJECT

Information Handout - September 2007

BACKGROUND

Metropolitan Colliery is an underground coal mining operation located near Helensburgh, approximately 30 kilometres north of Wollongong in NSW. Metropolitan Colliery is owned and operated by Helensburgh Coal Pty Ltd (HCPL), a wholly owned subsidiary of Peabody Pacific Pty Limited.

Metropolitan Colliery is one of the longest running coal mining operations in Australia and has an operational workforce of some 320 staff and on-site contractors. Metropolitan Colliery enjoys positive relationships with the local community and contributes significantly to business turnover, household income and employment in the local region, as well as contributing to state and federal government revenues.

The underground mining operations are supported by Metropolitan Colliery's surface facilities. The major surface facilities of Metropolitan Colliery are situated off Parkes Street in Helensburgh (see Figure 1 overleaf).

Metropolitan Colliery currently produces up to approximately 1.5 Million tonnes per annum (Mtpa) of hard coking and semi-hard coking product coal. The majority of product coal is transported by train to the Port Kembla Coal Terminal to domestic and overseas customers. A proportion of the product coal is also transported by truck to the Corrimal and Coalcliff Coke Works for domestic use.

THE METROPOLITAN COAL PROJECT

The Metropolitan Coal Project (the Project) would involve the continuation of underground mining operations at Metropolitan Colliery. The area of proposed underground mining is situated to the west and north of the current longwall mining areas (see Figure 1 overleaf). The Project would extend the life of Metropolitan Colliery by approximately 25 years.

Significant components of the Project include the following:

- Continued development of underground mining areas.
- Increased saleable coal production (from 1.5 Mtpa up to 2.6 Mtpa).
- Continued transport of product coal by train to the Port Kembla Coal Terminal and by truck to the Corrimal and Coalcliff Coke Works.
- The Coal Handling and Preparation Plant and associated surface facilities would be upgraded as necessary.
- Coal rejects would continue to be produced, with production to increase in line with increased coal production. A combination of coal reject disposal options would be utilised including continued transport of coal reject material to the Glenlee Washery, disposal of coal rejects in the Camp Gully coal reject emplacement and on-site underground disposal within mined out areas. An additional option being investigated is to rail coal rejects to an off-site facility.

- Supporting infrastructure systems (e.g. ventilation, water management and underground mining systems) would be upgraded and extended as required.
- The operational workforce (i.e. staff and on-site contractors) is expected to remain stable at 320 people.
- An additional short-term construction workforce of up to 50 people is anticipated.

THE APPROVAL PROCESS

Approval for the Project will be sought under Part 3A of the *Environmental Planning and Assessment Act, 1979* (EP&A Act). In accordance with Section 75D(1) of the EP&A Act, the Minister for Planning is the approval authority for the Project.

It is anticipated that the Project Approval would consolidate and replace existing approvals for Metropolitan Colliery.

CURRENT STATUS AND TIMING

HCPL has submitted a Project Application and Project Description and Preliminary Assessment Report to the Department of Planning (DoP). These documents will be made publicly available on the DoP website. HCPL will consult with the DoP to organise a Planning Focus Meeting with relevant regulatory agencies prior to the issuing of Environmental Assessment Requirements for the Project by the DoP.

An Environmental Assessment will be prepared for the Project which will include relevant environmental baseline and impact assessment studies. As a component of the preparation of the Environmental Assessment, a range of consultation will be conducted with public, non-government and government stakeholders. The Environmental Assessment is currently scheduled for submission by mid 2008. Current planning is targeting Project Approval by early 2009.

HOW TO OBTAIN MORE INFORMATION

If you would like to know more about the Project, a copy of the Project Application - including the Project Description and Preliminary Assessment Report will be made publicly available on the DoP website (<http://www.planning.nsw.gov.au>) under "Major Project Assessments - Register of Major Projects".

You can also contact Scott Lowe (General Manager) at Metropolitan Colliery for more information regarding the Project (02 4294 7201).

