

GROSVENOR PROJECT

INITIAL ADVICE STATEMENT

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For:

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GROSVENOR PROJECT INITIAL ADVICE STATEMENT

for
Anglo Coal (Grosvenor) Pty Ltd

1 INTRODUCTION

1.1 BACKGROUND

The Grosvenor Project involves the development of a Greenfield underground coal mine. The project site is located north of Moranbah in Central Queensland (Figure 1). The proposed mine will produce up to 6 Million tonnes per annum (Mtpa) of coking coal for the export market. The mine will utilise the longwall mining method and will have a mine life in excess of 25 years.

The Mining Lease Application for the project (MLA 70378) was lodged with the Department of Natural Resources, Mines and Energy on 31 July 2007. The boundary of MLA 70378 is shown in Figure 2.

The Proponent is Anglo Coal (Grosvenor) Pty Ltd (ACG). ACG is a subsidiary of Anglo Coal Australia, which is a wholly owned division of Anglo American plc.

1.2 PURPOSE OF THIS DOCUMENT

This Initial Advice Statement (IAS) provides introductory information on the Grosvenor Project. It has been prepared for submission to the Environment Protection Agency (EPA) with Draft Terms of Reference for an Environmental Impact Statement (EIS) for the project. The IAS has been prepared following EPA approval for the preparation of a voluntary EIS for the project in August 2007 and a pre-lodgement meeting with the EPA on 30 August 2007.

2 PROJECT DESCRIPTION

2.1 PROJECT SITE

The project site is located north of Moranbah in Central Queensland (Figure 1). The site is defined by the boundary of the MLA which covers an area of approximately 9,500 ha (Figure 2).

The site has gently undulating topography and is traversed by the Isaac River and tributary creeks. Large areas of the site have been cleared in the past for grazing and there are some areas of remnant vegetation. The majority of the site is owned by two private landowners. The site is currently used for grazing and Arrow Energy is also currently extracting coal seam gas on the site. The Blair Athol to Hay Point rail line, and numerous power transmission lines and water pipelines, also traverse the site.

The site adjoins the Moranbah North Mine site to the north and is surrounded by grazing land to the east and west. Goonyella Access Road runs along the western boundary of the site. The township of Moranbah adjoins the site boundary to the south. The mine surface infrastructure is located approximately 7 km from the Moranbah township (Figure 2).

2.2 PROJECT DESCRIPTION

The Grosvenor Project involves the development of a Greenfield underground coal mine. The proposed mine will produce up to 6 Mtpa of coking coal for the export market. The mine will utilise the longwall mining method and will have a mine life in excess of 25 years. The proposed underground mining area is shown in Figure 2.

The mine surface facilities will be located in the north-western corner of the project site. The surface facilities site is located approximately 7 km from the Moranbah township (Figure 2). Surface mine infrastructure will include:

- Administration buildings;
- Workshop and vehicle servicing facilities;
- Warehouse;
- Bath house and employee facilities;
- Run-of-Mine (ROM) coal stockpiles and overland conveyors; and
- Portal entrance to the underground mine access drift.

Other minor surface infrastructure will also be located above the underground mine workings. These will include ventilation shafts, gas drainage boreholes, underground communication cables, services and boreholes for supply of materials from the surface.

ROM coal from the Grosvenor Mine will be transported from the site by overland conveyor to the existing Moranbah North Mine Coal Handling and Preparation Plant (CHPP) (Figure 2). Grosvenor coal will be washed and loaded to trains using the Moranbah North Mine infrastructure. Coal waste generated from the processing of Grosvenor coal at the Moranbah North CHPP will be disposed of in the Moranbah North rejects co-disposal area. Grosvenor coal will be transported from the Moranbah North Mine by train to the Dalrymple Bay Coal Terminal for export.

The Moranbah North Mine coal handling and reject disposal facilities will be upgraded as necessary to cater for Grosvenor coal. Regulatory approval for the new overland conveyor on the Moranbah North Mine site and any upgrading works to Moranbah North Mine infrastructure will be sought, as necessary, via an amendment to the Moranbah North Mine Environmental Authority. Any amendment of the Moranbah North Environmental Authority will be independent of the Grosvenor Mine Environmental Authority application. The Grosvenor Project EIS will therefore not specifically address the impacts of any new or upgraded infrastructure at the Moranbah North Mine.

Longwall mining at the Grosvenor Mine will result in subsidence of overlying surface areas. Subsidence results in the progressive formation of gentle trough-like depressions on the surface relative to the natural topography. In gently undulating topography, like the Grosvenor site, subsided areas are difficult to distinguish from natural topography. Subsidence will also result in surface cracking in limited areas. The EIS will specify rehabilitation strategies for subsidence cracks and mitigation and management measures for other subsidence impacts.

2.3 ENVIRONMENTAL IMPACT ASSESSMENT

An EIS will be prepared for the Grosvenor Project. The EIS will address the EPA's EIS Terms of Reference for the project. The key areas that will be studied during preparation of the EIS include the following:

- Flora and fauna;
- Water management including water supply, surface water and groundwater;
- Soils and land capability;
- Subsidence and rehabilitation;
- Noise;
- Air quality;
- Traffic and transportation;
- Greenhouse gas issues; and
- Social and economic impact assessment.

The EIS will also include an Environmental Management Plan (EM Plan) for the project.

2.4 ENVIRONMENTALLY RELEVANT ACTIVITIES

Level 1 Environmentally Relevant Activities (ERAs) proposed to be carried out as part of the Grosvenor Project include the following:

- ERA 11 – Petroleum product storage;
- ERA 14(b) – Mining;
- ERA 15 – Sewage treatment; and
- ERA 84(b) – Regulated waste storage.

3 STAKEHOLDER CONSULTATION

3.1 STAKEHOLDER CONSULTATION PROGRAM

A comprehensive stakeholder consultation program will be conducted for the Grosvenor Project. The program will be conducted throughout the EIS preparation phase and will be integrated with environmental impact assessment and project planning. The program will include consultation with all affected and interested persons listed in Sections 3.2 and 3.3, and any other relevant stakeholders identified during the consultation program.

The objectives of the stakeholder consultation program will be:

- establish open communication with all stakeholders;
- identify stakeholder issues and concerns with the project;
- address all stakeholder issues through environmental impact assessment, project planning or communication;
- provide feedback to stakeholders in relation to their issues and how they have been addressed; and
- facilitate stakeholder understanding of the project.

The initial phase of the stakeholder consultation program will involve the identification of stakeholder issues. This phase will involve individual semi-structured interviews with all stakeholders. The interviews will include provision of an overview of the project; the EIS and project approval process; and the consultation program. A project information sheet will be provided to stakeholders to assist with this phase.

Once the initial phase has been completed, strategies will be developed to address stakeholders' issues. The consultation methods used during subsequent consultation and feedback phases will be dependent on the stakeholder, the issues raised and the proposed response strategies. It is anticipated that a range of methods may be used, including individual meetings, group presentations and distribution of information sheets.

Aboriginal Group Consultation

Consultation with the registered Native Title claimants will be conducted in relation to Native Title issues in accordance with the requirements of the *Native Title Act 1993*. Consultation in relation to Aboriginal cultural heritage will be conducted with the registered Native Title claimants in accordance with the requirements of the *Aboriginal Cultural Heritage Act 2003*.

3.2 AFFECTED PERSONS

Table 1 contains a list of Affected Persons for the Project.

**Table 1
 Affected Persons**

Category	Affected Person		Address
Local Government	Belyando Shire Council		P.O. Box 229 Clermont QLD 4721
Category	Affected Person	Real Property Description	Address
Landowners within the MLA	Belyando Shire Council	Lot 1 Plan CP GV120, Lot 44 Plan CP GV203 and Lot 23 Plan SP158749	P.O. Box 229 Clermont QLD 4721
	Belyando Shire Council - Trustees	Red Hill Road	P.O. Box 229 Clermont QLD 4721
	Eungella Water Pipeline Pty Ltd	Lot 20 Plan SP102355	Level 9, 120 Edward Street Brisbane QLD 4000
	Queensland Rail	Lot 2 Plan CP GV239, Lot 5 Plan CP GV241, Lot 4 Plan CP GV243, Lot 2 Plan CP GV251, Lot 3 Plan CP GV251 and Lot 2 Plan CP GV69	305 Edward St GPO Box 1429 Brisbane QLD 4001
	Margaret Mary Flohr	Lot 6 Plan CP GV324 and Lot 2 Plan RP904445	"Wotonga" via Moranbah QLD 4711
	Ross William Flohr	Lot 3 Plan CP GV252	"Wotonga" via Moranbah QLD 4711

	Orica Australia Pty Ltd	Lot 15 Plan CP GV133 and Lot 16 Plan CP GV133	Head Office: 1 Nicolson St East Melbourne VIC 3002
	Judith Flora Camm	Lot 10 Plan SP191699	"Natal" via Charters Towers QLD 4820
Category	Affected Person		Address
Native Title Claimants	Barada Barna, Kabalbara and Yetimarla People # 4		c/o Dillon Lawyers Attn: Jeffrey Dillon 62 Blackwood St Townsville QLD 4810
	Wiri People # 2		c/o D&G Lawyers Attn: Susan Gilmour PO Box 1830 Aitkenvale QLD 4814
Landowners adjoining the MLA	Nevtan Investments P/L		PO Box 15 Mackay QLD 4740
	Belyando Shire Council		Bachelor St. Moranbah QLD 4744 P.O. Box 229 Clermont QLD 4721
	Moranbah North Coal P/L		GPO Box 1410 Brisbane QLD 4001
	JFE Mineral Australia P/L		Suite 3A, Level 33 52 Martin Place Sydney NSW 2000
	Shinsho Austria P/L		PO Box A2224 Sydney NSW 1235
	NS Resources Australia P/L		Level 2, Navision House 10 Market St Brisbane QLD 4000
	Nippon Steel Australia P/L		GPO Box 2650 Sydney NSW 2001
	Mitsui Moranbah North Investment P/L		Level 9, Waterfront Place 1 Eagle St PO Box 7826 Brisbane QLD 4001
	BHP Coal P/L		Level 27, BHP Billiton Centre 180 Lonsdale St GP Box 86A Melbourne VIC 3000
	QCT Mining P/L		Level 4, 35 Clarence Street Sydney NSW 2000
	Mitsubishi Development P/L		Level 43, Gateway 1 Macquarie Place Sydney NSW 2000
QCT Investment P/L		Level 4, 35 Clarence Street Sydney NSW 2000	

	BHP Qld Coal Investments P/L	Level 27, BHP Billiton Centre 180 Lonsdale St GP Box 86A Melbourne VIC 3000
	UMAL Consolidated P/L	Level 27, BHP Billiton Centre 180 Lonsdale St GP Box 86A Melbourne VIC 3000
Landowners adjoining the MLA	QCT Resources P/L	Level 43, Gateway 1 Macquarie Place Sydney NSW 2000
	Dyno Nobel Moranbah P/L	Level 20, 111 Pacific Highway Locked Bag No 2113 North Sydney NSW 2060
	Enertrade (NQ) Pipeline No 2 P/L	Level 10, 12 Creek St GPO Box 10 Brisbane QLD 4001
	Enertrade (NQ) Pipeline No 1 P/L	Level 10, 12 Creek St GPO Box 10 Brisbane QLD 4001
	Belyando Shire Council - Trustees	P.O. Box 229 Clermont QLD 4721
	Lawrence Edwin Tomasini	Po Box 417 Moranbah QLD 4744
	Kevin Ronald Byrne	20 Cuthbert Moranbah QLD 4744
	Powerlink Qld	33 Harold Street PO Box 1193 Virginia QLD 4014
	The Mac Services Group Limited	PO Box 281 Cremorne Junction NSW 2090
	The State of Qld (represented by the Dept of Natural Resources & Water)	Mineral House 41 George St GPO Box 2454 Brisbane QLD 4001
	Crown Plan	305 Edwards St GPO Box 1429 Brisbane QLD 4001
	Tabeen P/L	GPO Box 5942 North Rockhampton QLD 4701
	Persal & Co Engineering P/L	PO Box 768 Maryborough QLD 4650
	Kenneth J. Cody	70 Mills Ave Moranbah 4744 PO Box 123 Moranbah QLD 4744
Raelene Ann Sacchi Franco Sacchi	13 Raleigh Street Mackay QLD 4740	

Landowners adjoining the MLA	Elizabeth Elfreda Thomas	19 Barcoo Drv Moranbah QLD 4744
	John Aneurin Thomas	19 Barcoo Drv Moranbah QLD 4744
	Bond Street P/L	c/o Fergus Builders 1 Brickworks Glenella QLD 4740
	The Union Co-operative Society Limited	PO Box 110 Paddington QLD 4064
	Shane Joseph Baynton	10 Gordon Tce Moranbah QLD 4744
	Lindacorp P/L	PO Box 24 Mackay QLD 4740
	Warren John Francis Connelly Julie Connelly	PO Box 93 Moranbah QLD 4744
	Faloli P/L	Neil Mansell Transport Building 149 McDougall Street Toowoomba, QLD 4350
	Moranbah Golf Club Inc.	Leichhardt Drive PO Box 40 Moranbah QLD 4744
	R & H Transport Services P/L	Level 7, 380 St. Kilda Road Melbourne, VIC 3004
Petroleum Tenement Holders	Arrow Energy NL	Level 3, 10 Eagle St Brisbane, QLD 4000
	BHP Coal Pty Ltd	Level 27, BHP Billiton Centre 180 Lonsdale St GP Box 86A Melbourne VIC 3000
Easement Holders	Thiess Dampier Mitsui Coal P/L	Level 23, 71 Eagle Street Brisbane QLD 4000
	Ergon Energy Corp Limited	34-46 Dalrymple Road Garbutt, QLD 4814
	Eungella Water Pipeline P/L	Sunwater Level 9, William Buck Centre 120 Edward Street Brisbane QLD 4000
	Powerlink Qld	33 Harold Street PO Box 1193 Virginia QLD 4014
	Millennium Coal P/L	AMP Place Level 27, 10 Eagle Street GPO Box 164 Brisbane QLD 4001
	Utah Development P/L	Level 27, BHP Billiton Centre 180 Lonsdale St GP Box 86A Melbourne VIC 3000

Easement Holders	Mitsubishi Development P/L	Level 43, Gateway 1 Macquarie Place Sydney NSW 2000
	Enertrade (NQ) Pipeline No 1 P/L	Level 10, 12 Creek St GPO Box 10 Brisbane QLD 400
	Enertrade (NQ) Pipeline No 2 P/L	Level 10, 12 Creek St GPO Box 10 Brisbane QLD 400
	BMA Coal Operations P/L	Level 23, 71 Eagle Street Brisbane QLD 4000
	Moranbah North Coal P/L	GPO Box 1410 Brisbane QLD 4001
	JFE Mineral (Au) P/L	Suite 3A, Level 33 52 Martin Place Sydney NSW 2000
	Shinsho Au P/L	PO Box A2224 Sydney NSW 1235
	NS Resources Au P/L	Level 2, Navision House 10 Market St Brisbane QLD 4000
	Nippon Steel Au P/L	GPO Box 2650 Sydney NSW 2001
	Mitsui Moranbah North Investment P/L	Level 9, Waterfront Place 1 Eagle St PO Box 7826 Brisbane QLD 4001

3.3 INTERESTED PERSONS

Table 2 provides a list of Interested Persons for the Project.

Table 2
Interested Persons

Category	Interested Person	Address
Federal Government	Department of Environment and Water Resources	GPO Box 787 Canberra ACT 2601
State Government	Department of Natural Resources, Mines and Energy	PO Box 19 Emerald QLD 4707 PO Box 1762 Rockhampton QLD 4700
	Department of Main Roads	PO Box 1787 Emerald QLD 4720
	Department of Mines and Energy	99 Hospital Road Emerald QLD 4720
	Department of Primary Industries and Fisheries	LMB 6 Emerald QLD 4720
Local Interest Groups	Agforce	18 Egerton Street Emerald QLD 4720
	Fitzroy Basin Association	Building 354 Smart City CQU Rockhampton QLD 4700
	Central Highlands Regional Resource Use Planning Cooperative	PO Box 19 Emerald QLD 4720
	Moranbah Growth Management Group	c/o Belyando Shire Council P.O. Box 229 Clermont QLD 4721

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for
HANSEN BAILEY

A handwritten signature in dark ink, appearing to read 'Peter Hansen', with a long horizontal flourish extending to the right. The signature is written over a faint, light-colored rectangular stamp or watermark.

Peter Hansen
Principal Environmental Engineer

FIGURES