



FOXLEIGH PLAINS PROJECT

The Foxleigh Plains Project is a joint venture between Anglo Coal (Foxleigh) Pty Ltd, CAML Resources Pty Ltd and ICRA Foxleigh Pty Ltd (collectively the proponent). The project is managed by Anglo Coal (Foxleigh Management) Pty Ltd (ACFM) on behalf of the proponent. ACFM also manages the existing Foxleigh Mine on behalf of the proponent.

This Community Information Sheet provides an introduction to the Foxleigh Plains Project and an overview of the environmental impact assessment process.

Overview

The current Foxleigh Mine is an established open cut coal mining operation. The mine is located 12 km south east of the town of Middlemount within Central Queensland's Bowen Basin (Figure 1).

ACFM is seeking approval for an extension to the Foxleigh Mine to provide for future expansion of the existing open cut operation.

The extension to the existing operations is called "Foxleigh Plains Project" (the project).

The project would be located on new mining leases directly north of the current Foxleigh Mine.

An Environmental Impact Statement (EIS) is being prepared for the project under the *Queensland Environmental Protection Act 1994*. The EIS will assess the project's environmental impacts and will be used as part of the Queensland government's approval process for the project. The EIS process includes consultation with stakeholders who have an interest in the project.

Hansen Bailey, a specialist environmental consulting company, has been engaged to prepare the EIS for the project.

This information sheet is designed to assist stakeholders in understanding the project. Its purpose is to provide:

- ▶ An introduction to the Foxleigh Plains Project; and
- ▶ A description of the environmental approval and stakeholder consultation process.

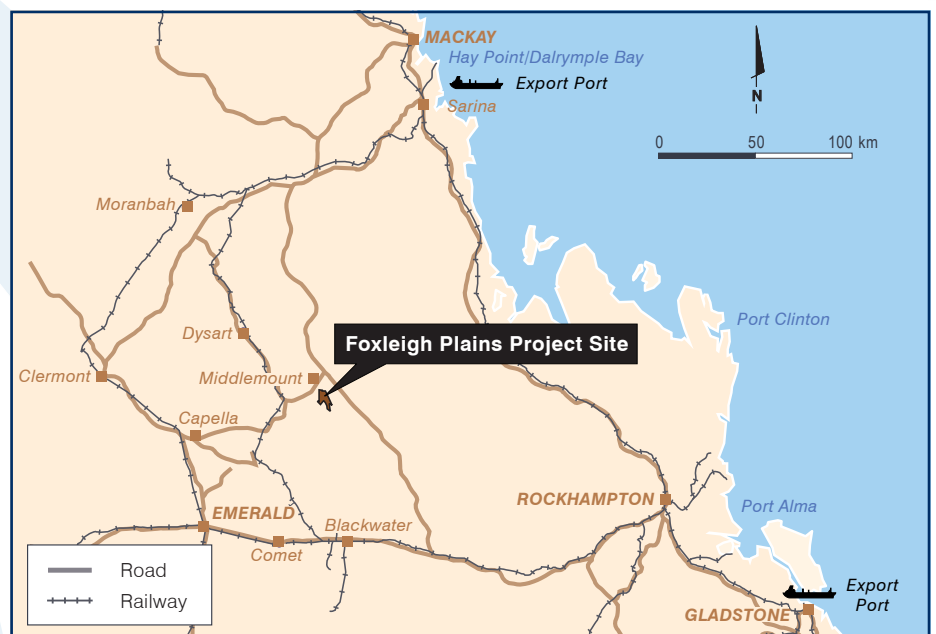


Figure 1 - Location Plan

Project Description

Mine

The Foxleigh Plains Project is an expansion of the current Foxleigh Mine (Figure 2).

The current Foxleigh Mine is an open cut mine extracting 2.6 million tonnes per annum (Mtpa) of Run-of-Mine (ROM) coal by truck and shovel methods. The development of Foxleigh Plains will increase ROM production to 4 Mtpa and increase the life of the Foxleigh Mine by up to 15 years.

Coal will continue to be mined using truck and shovel methods.

Coal Handling & Processing

Mined coal will be trucked to remote ROM stockpiles within the project site (Figure 3), before being hauled to the existing Coal Handling and Preparation Plant (CHPP) at Foxleigh Mine.

At the CHPP, the ROM coal will be washed and graded, separating the product coal from reject materials. Reject materials will be handled under the existing operational arrangements at the Foxleigh Mine.

Coal Transportation

Product coal will be trucked along the existing privately owned haul road between the CHPP and the Foxleigh owned and operated train loading facility at German Creek Mine (Figure 2).

Product coal will be transported by rail to Dalrymple Bay Coal Terminal for export.

Infrastructure Requirements

The project will require infrastructure and equipment to meet this increase in mine production. New remote ROM stockpiles will be required (Figure 3).

New surface facilities will include minor staff facilities, vehicle repair and workshop units and water management systems within the project site.

No upgrades will be required to the existing CHPP, or the train loading facility.

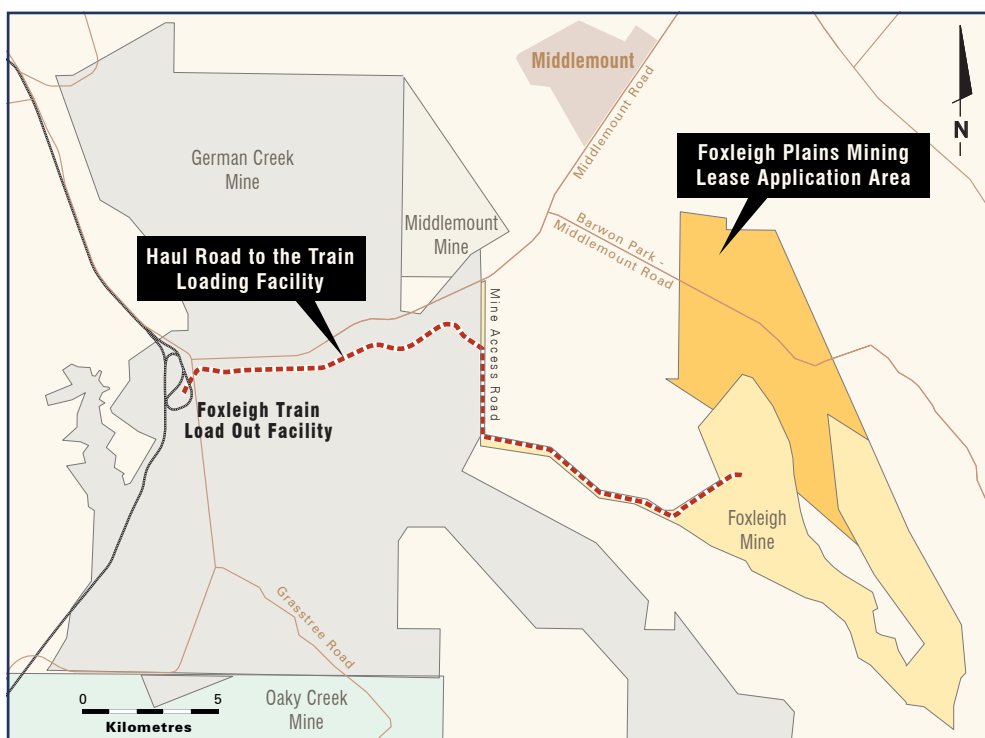


Figure 2 - Local Setting

Workforce Requirements

Approximately 90 additional permanent full-time employees will be required to meet the project needs.

Employees will be housed within the Middlemount community in accommodation villages and houses. Shift arrangements and transport from Middlemount to the mine will be similar to the current Foxleigh Mine provisions.

Environmental Impact Assessment

The EIS will include an assessment of the project's environmental impacts. Key impacts to be considered during the EIS process include potential impacts on:

- ▶ **Existing creek systems traversing the project site**
The proposed open cut mining area extends across Cockatoo Creek.
- ▶ **Local community services and facilities**
The EIS will assess the effects of an increased workforce on the demand and supply of services and facilities in Middlemount.

▶ Residential amenity

The EIS will assess the geographic extent of dust, noise and vibration impacts from the project.

Studies to be completed as part of the EIS include:

- ▶ Surface water and mine water management
- ▶ Flora and fauna
- ▶ Soils and land capability
- ▶ Noise
- ▶ Air quality
- ▶ Rehabilitation
- ▶ Groundwater
- ▶ Social and economic impact assessment
- ▶ Waste management
- ▶ Traffic and transportation

The proponent will hold discussions with the owner of any infrastructure such as roads, pipelines or powerlines required to be relocated as part of the project.

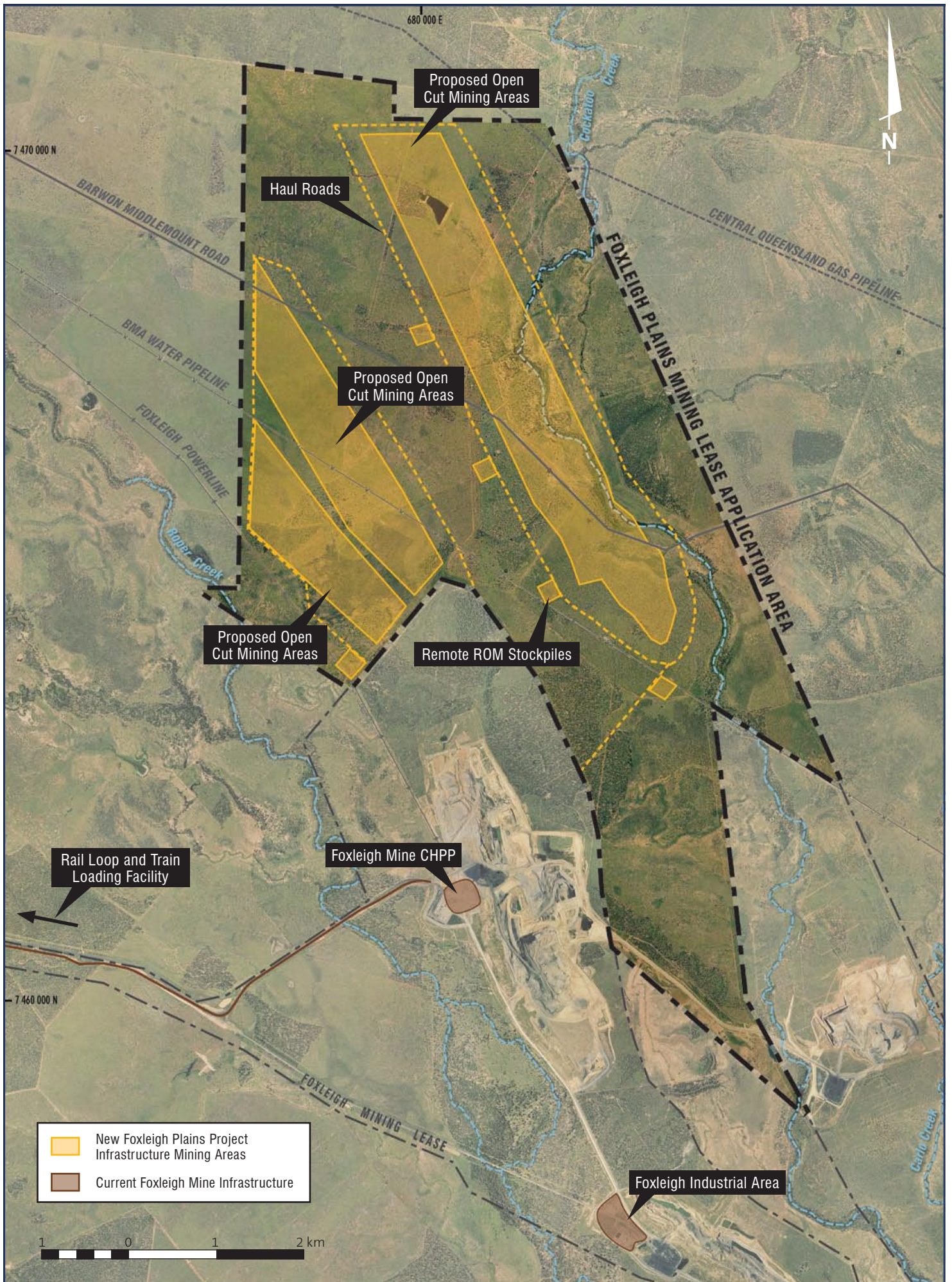


Figure 3 - Indicative Project Layout

Approval Process

The following flow chart provides a summary of the approval process for the Foxleigh Plains Project.



The Foxleigh Plains project will require EIS Terms of Reference (TOR). The Department of Environment and Resource Management (DERM) is responsible for developing the EIS TOR. The TOR outlines the issues which are required to be addressed in the EIS studies. The Draft TOR is placed on public exhibition from Monday the 21st of June 2010. During this period, stakeholders can comment on the draft TOR and the DERM will consider these comments when finalising the TOR.

The Draft TOR can be downloaded from the DERM website www.derm.qld.gov.au or requested by contacting Hansen Bailey on (07) 3226 0900.

Following the release of the Final TOR, the EIS will be prepared. The EIS will be submitted to the DERM and placed on public exhibition. During the public exhibition period stakeholders will be invited to make submissions to the DERM on the EIS. The DERM will consider any submissions as part of its assessment of the EIS.

Stakeholder Consultation

A stakeholder consultation program will be conducted as part of the EIS process. The main purpose of this consultation program is to ensure that stakeholders' issues are identified and considered during project planning and preparation of the EIS. The first phase of consultation will involve meetings with stakeholders to provide information about the project and the EIS process, and to identify any issues associated with the project. These meetings will take place in July 2010.

Further Information

If you would like further information about the EIS or consultation program, or would like to arrange a meeting to discuss the project, please don't hesitate to contact:

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We look forward to your input.

Hansen Bailey

ENVIRONMENTAL CONSULTANTS