

Approval Process

The following flowchart provides a summary of the approval process for the Grosvenor Project.



The EIS will address the potential impacts of the proposed underground mine and the upgrades required to the MNM Facilities to accommodate the Grosvenor Coal Mine.

The EIS will include an assessment of the project's environmental impacts. EIS studies include:

- ▶ Social and economic impact assessment
- ▶ Flora and fauna
- ▶ Surface water and mine water management
- ▶ Groundwater
- ▶ Soils and land capability
- ▶ Subsidence and rehabilitation
- ▶ Noise
- ▶ Air quality
- ▶ Traffic and Transportation
- ▶ Waste Management

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 do not hesitate to contact:

Bronwyn Pressland - Hansen Bailey
 (07) 3226 0900
 bpressland@hansenbailey.com.au

We look forward to your input.

Hansen Bailey
 ENVIRONMENTAL CONSULTANTS



EIS Terms of Reference

The revised project requires a new EIS ToR. DERM is responsible for developing the EIS ToR. The ToR outlines the issues required to be addressed in the EIS studies. A draft ToR is on public exhibition between the 17th of April and the 9th of June 2010. During this period stakeholders can comment on the draft ToR and DERM will consider these comments when finalising the ToR.

If you have comments in relation to the draft ToR for the revised Grosvenor Project, please make a submission to DERM.

The draft ToR can be downloaded from DERM's website www.derm.qld.gov.au.

Following the preparation of the Final ToR by DERM, the EIS will be completed. The EIS will then be submitted to DERM and placed on public exhibition. During the public exhibition period stakeholders will be invited to make submissions to DERM on the EIS. DERM will consider any submission 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 during April and May 2010.

Anglo Coal (Grosvenor) Pty Ltd (ACG) is the Proponent for the Grosvenor Project. ACG is a subsidiary of Anglo American Metallurgical Coal Pty Ltd (AAMC), which is a wholly owned division of Anglo American plc. ACG currently operates the Moranbah North Mine which adjoins the Grosvenor Project site to the north.



Grosvenor Project

Community Information Sheet 3 | April 2010



Figure 1 Location Plan

Community Information Sheet 3 provides an update on the current status of the Grosvenor Project and the environmental impact assessment process.

Overview

The Grosvenor Project involves the development of a new underground coal mine north of Moranbah in Central Queensland. The project site adjoins the southern boundary of the existing Moranbah North Mine (MNM) and the northern boundary of the township of Moranbah (Figure 2).

The Queensland *Environmental Protection Act 1994* requires that an Environmental Impact Statement (EIS) be prepared for the project to assess its environmental impacts. The EIS 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 Grosvenor Project.

This information sheet is designed to assist in the EIS consultation process. Its purpose is to provide:

- ▶ An explanation of the project background;
- ▶ An introduction to the revised Grosvenor Project; and
- ▶ A description of the environmental approval and stakeholder consultation process.



Project Background

Preparation of an EIS for the Grosvenor Project, and associated stakeholder consultation, commenced in January 2008. In April 2008 a decision was made by ACG to review the project development plan. The project EIS process was subsequently placed on hold pending the outcome of the review. In late 2009 ACG completed the review phase and identified a preferred alternative project development plan.



Due to the changes from the original project and the time which has lapsed since the initial round of consultation, ACG decided to recommence the EIS process, and the associated stakeholder consultation, for the revised project.

Recommencement of the EIS process will involve the preparation and exhibition of new draft Terms of Reference (ToR) for the EIS by the Department of Environment and Resource Management (DERM).

Project Description

The Grosvenor Project involves the development of a greenfield underground mine which will produce up to an estimated 5 Mtpa of product coal for the export market. The mine life will be approximately 30 years. Coal will be extracted using the longwall mining method utilising a single longwall operation.

Figure 2 shows an indicative project layout including the extent of the underground mining area and the location of proposed mine surface infrastructure.

Grosvenor Mine surface infrastructure will be located approximately 3 km from the Moranbah township. Mine surface infrastructure includes raw coal stockpiles, an overland conveyor, administration and bathhouse facilities, underground mine access drifts and ventilation shafts. Coal from the Grosvenor Mine will be transported by overland conveyor to the existing MNM where it will be washed and loaded on to trains using the MNM facilities. The Grosvenor Project may require the relocation of a section of the Blair Athol Rail Line where it crosses the underground mining area.

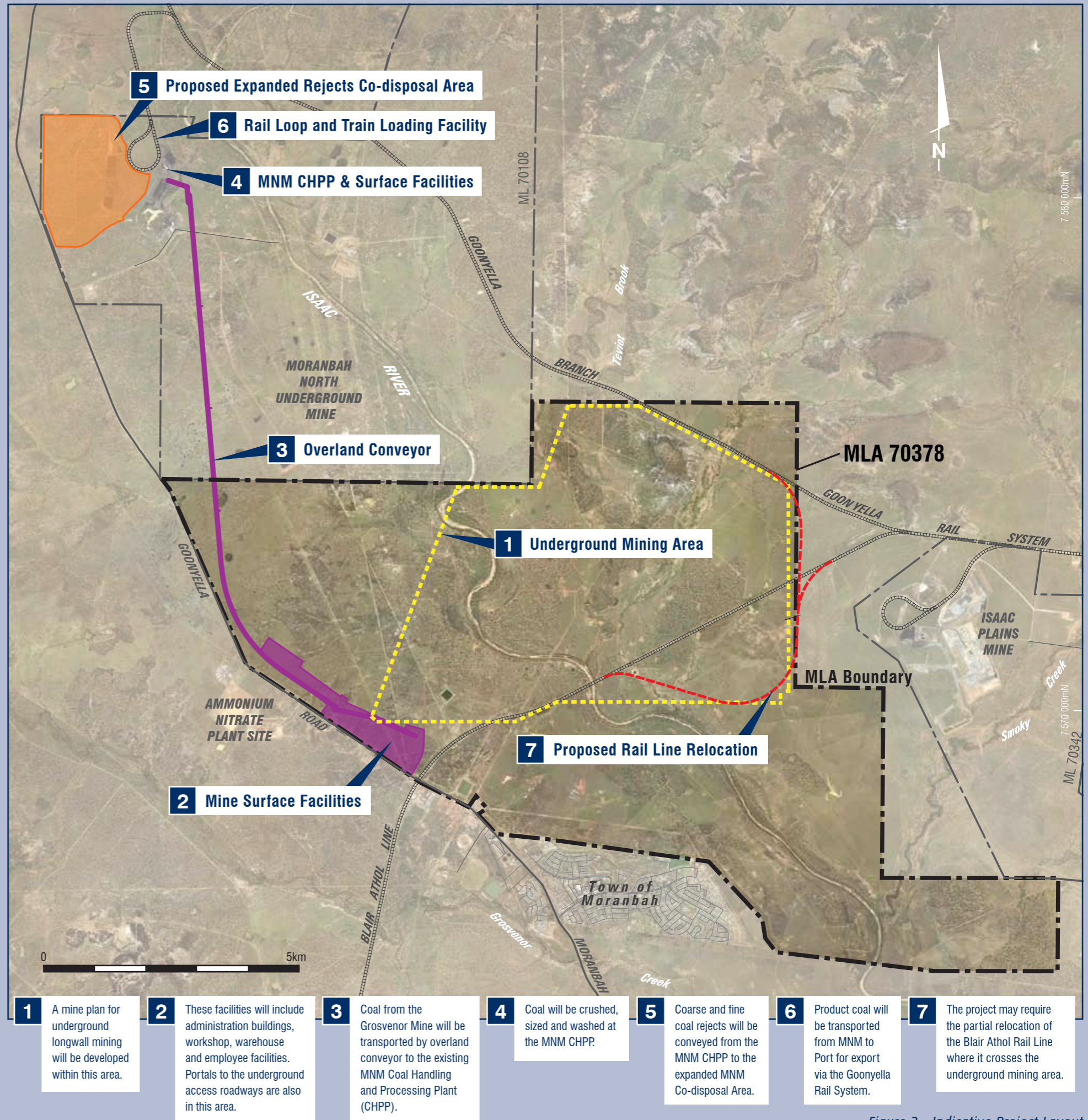


Figure 2 - Indicative Project Layout