



**ANGLO
COAL**

We are a proud resource company adding value to Australia and the world.

As a good corporate citizen we deliver sustainable business returns and growth to our shareholders through providing 'quality tonnes' of coal to our customers.

We are passionate about our relationships, especially with our people. We demonstrate trust, honesty, openness, integrity and humility.

We strongly value teamwork, coaching and developing our people and their careers.

We celebrate our successes.

28 April 2009

Media Release

CPRS MUST BE AMENDED

Anglo Coal Australia (ACA) CEO Seamus French today called for the Federal Government to amend its proposed Carbon Pollution Reduction Scheme (CPRS) and provide fair transitional assistance for the coal industry to avoid further job losses.

Appearing before the Senate Select Committee on Climate Policy in Brisbane, Mr French said the CPRS would have a severe impact on Anglo Coal Australia.

"There is a very real likelihood of significant job losses if no changes are made," Mr French said.

"Under the current scheme design, our permit costs alone would be \$118 million per annum", Mr French said. "That would have virtually wiped out our average annual profit over the past five years."

"Put simply, if the CPRS had been introduced five years ago in its present form, Anglo Coal Australia probably wouldn't exist today."

"We are not unwilling to reduce our carbon footprint – we have spent more than \$100 million over the past 5 years doing just that – but the reality is that a lack of readily available emissions abatement technology means we will be unable to make further substantial reductions for at least 10 years," Mr French said.

"Worse still, for more than 55% of our emissions, including those from our open-cut mines, there are no technological solutions either available or in development."

Mr French said the current design of the CPRS would require coal companies to pay the full costs of purchasing permits to cover all of their emissions.

"Coal has been excluded from the Emissions Intensive Trade Exposed Assistance Program (EITE) that was meant to protect industry competitiveness and provide support while new abatement technologies were developed and introduced," Mr French said.

Mr French said phasing in the auctioning of permits, or at the very least, inclusion of coal in EITE program, would help the industry to retain competitiveness while new abatement technologies were trialled.

ENDS

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