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Coal project plan ready in year - named Wallarrah No 2

The company exploring the Wyong coal reserves, Wyong Areas Coal Joint Venture, today announced that an environmental assessment for the coal licence area west of the F3 could be submitted to the NSW Government early in 2007.

The company will seek approval to extract coal from seams between 350 and 650 metres below the surface. There are no plans to mine the eastern area beneath Tuggerah Lake.

Coal will be mined over 42 years from beneath the Dooralong Valley and State Forest and brought by a four-kilometre underground drift to the pit top at Tooheys Road near the intersection of the Doyalson Link Road and the F3. Coal will be moved from the site by rail.

The company has revised investigation material in the past year and says it can satisfy technical, environmental, economic and social expectations that will make the mine viable.

As is the tradition in the mining industry, the project has reached the stage where there is confidence a mine can be developed and so it is given a name. It is called Wallarrah No 2 Coal Project.

The word Wallarrah has strong historical links in the region's coal industry. It is the name of the major seam in which this mine will operate as well as the former Wallarrah Colliery in the northern part of Wyong and a ship that was used to carry coal from the Catherine Hill Bay mines to Newcastle.

Minority shareholder Kores replaced BHPBilliton as the majority shareholder in 2005.

Mr In-Sik Kim, General Manager of Wallarrah No 2, said today that advancing the project would boost the already resurgent minerals industry in NSW.

He said the company had appointed mining industry specialist company, Minarco, to progress the feasibility and environmental studies. A final mine plan would depend on the results of these continuing studies.

"The Wyong community has been kept informed throughout the project and this will certainly continue as the project gears up."

He said that Mr Peter Smith, Environment and External Affairs Manager for Wallarrah No 2 Project, had briefed the Community Liaison Committee in the past few days.

Mr Smith said the project application would reflect the stringent requirements for environmental management that the local and wider NSW communities expected in the 21st Century.

“Various project modifications and exciting new initiatives are being explored and, as has been done right through this process, we will keep the community informed as the facts become available.”

For further information: Peter Smith 0412 574 650

NB News editors: Following are some background notes that may be useful.

Also attached is a diagram of the proposed mine plan. This plan is not necessarily the final mine plan and some surface features have to be updated.

Background information:

- **Kores Australia** is a wholly owned subsidiary of the Korea Resources Corporation, a mining and investment agency of the Government of the Republic of Korea. Kores has been a shareholder in this project since its inception
- With SK Corporation, Kores also owns 50% of the **Springvale Colliery** near Lithgow and holds a minor interest in the **Togarah North** coal project in Queensland.
- The exploration licence of the Wyong project was awarded initially to **Coal Operations Australia Limited**. That company later became part of the **Ingwe** coal group, which in turn became part of the **Billiton** group. Following a merger **BHPBilliton** became the majority shareholder.
- Most of the coal from the Wallarah No 2 mine will be exported through the **Port of Newcastle** to Korean and Japanese markets. Korea relies entirely on imported coal.
- Over \$60 million has already been invested in the exploration and investigations process for the project.

