

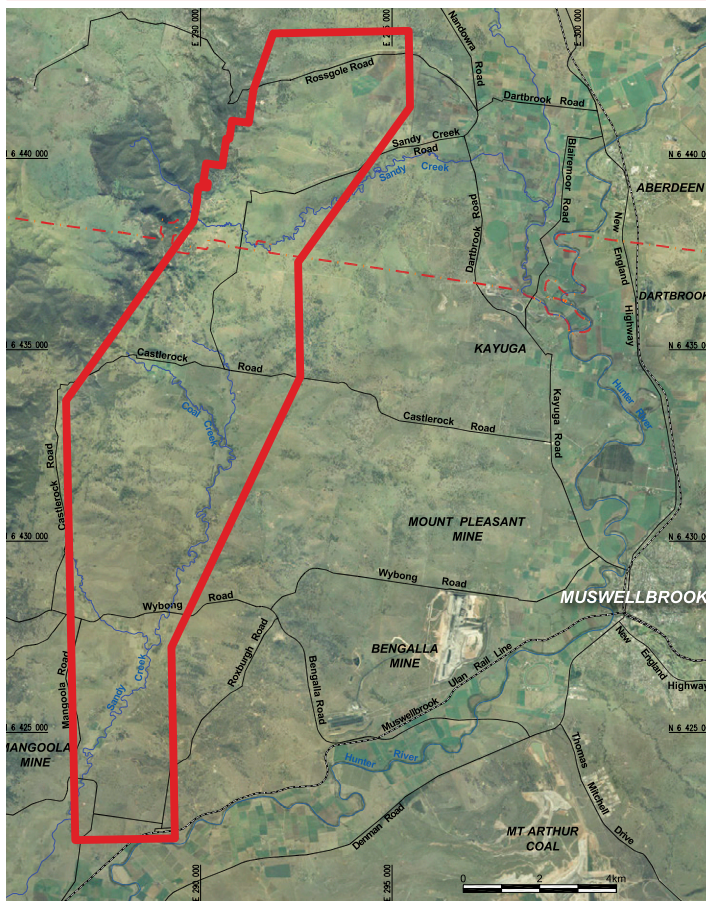
West Muswellbrook Project

Introduction

Muswellbrook Coal Company has a long history in the Muswellbrook community, dating back to the establishment of the original Muswellbrook Coal Mine in 1907. Since 1989 Muswellbrook Coal Company has been wholly owned and operated by Idemitsu Australia Resources.

Muswellbrook Coal Company's Assessment Lease 19 (AL 19) for a potential new mine at West Muswellbrook covers 8,101 hectares. AL 19 was granted in 2009 for five years and an application has been submitted for its renewal.

Assessment Lease Boundary



--- LGA Boundary — AL 19 Boundary — Roads - - - Railway

Planning and Environment Gateway Assessment

The next stage for the West Muswellbrook Project is to submit an application to the Mining & Petroleum Gateway Panel for a Gateway assessment. The Gateway process is an upfront, independent scientific assessment of the impact of mining proposals on agricultural land and its associated water resources. The Gateway Panel is a panel of experts in agriculture, groundwater, geology, and mining.

Muswellbrook Coal Company's Gateway application will contain the results of studies undertaken within AL 19 to identify any potential impacts of mining on surrounding agricultural land and associated water resources. Studies undertaken to date include:

- Agricultural assessment
- Soil assessment
- Water assessment

The application is likely to be submitted late November 2014. About three months after submission, the Panel will issue a Gateway Certificate. This may contain conditions such as additional studies that must be undertaken or amendments to the project that must be made prior to the lodgement of a development application. The role of the Gateway Panel is not to approve or reject the proposal, but rather to decide what further assessments or amendments may be required to protect agricultural land and water resources.

More information about the Gateway process can be found at <http://www.planning.nsw.gov.au/srlup>.

Public consultation

While the Gateway process is an independent scientific assessment, rather than a public consultation process, the Gateway Panel's advice on the proposal will be publicly available on the Mining & Petroleum Gateway Panel website at <http://www.mpgp.nsw.gov.au>.

If the West Muswellbrook Project proceeds to the development application stage, a full Environmental Impact Statement will be prepared and placed on exhibition for public comment before determination by the NSW Department of Planning and Environment. Muswellbrook Coal Company will consult with stakeholders and the local community during the preparation of these applications.

You can also get in touch with us by contacting:

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Land Acquisition Provision

In accordance with the conditions of AL 19, affected landowners retain the opportunity under certain circumstances to have their properties acquired by Muswellbrook Coal Company at a fair and reasonable, independently determined market value at any time while the AL is held.

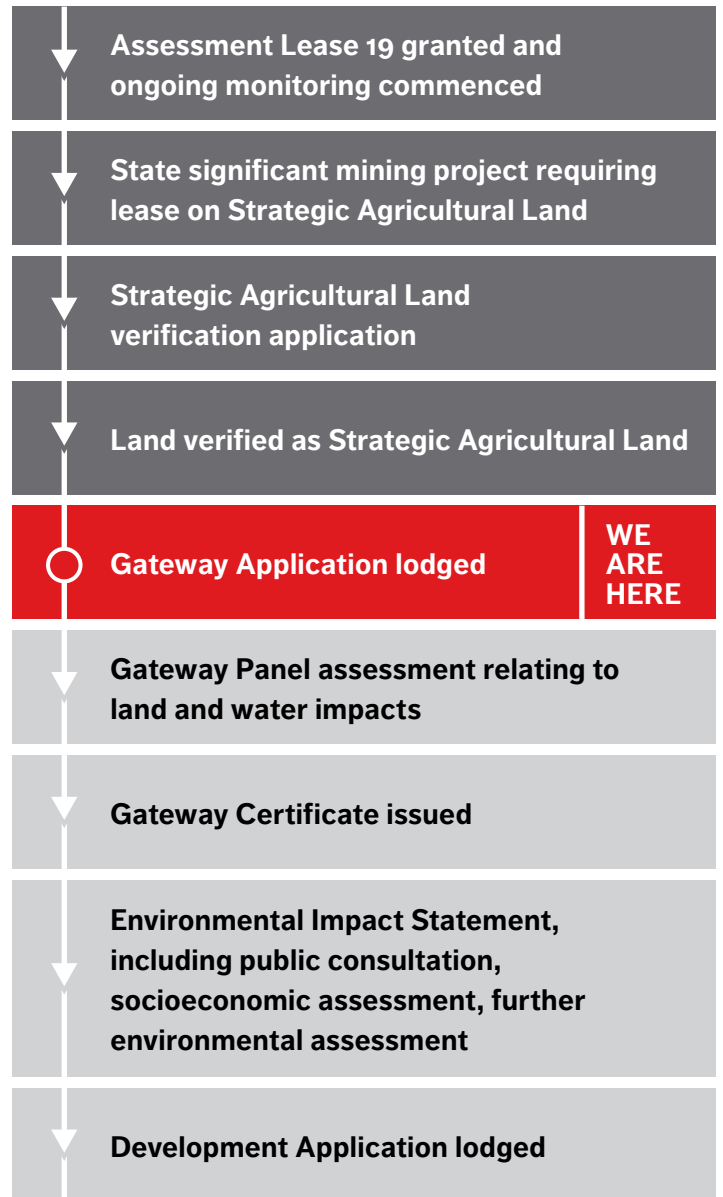
AL 19 Provides landowners with the following assurance:

“The property acquisition strategy must make provision for the purchase of land which is within the lease area from any land owners who can demonstrate hardship and despite bona fide efforts, have been unable to sell for Rural Land Values as a consequence of the proposed open cut mining...”

...the lease holder must be prepared to purchase the land at a price which is in accordance with Rural Land Value.”

The above offer will continue to remain in place for the duration of AL 19. Going beyond this, Muswellbrook Coal Company is committed to maintaining the above offer while any form of mining authority is held by the company over the area in question.

Copies of the AL 19 document are available from the NSW Department of Trade & Investment, Regional Infrastructure and Services by emailing webcoaltitles@industry.nsw.gov.au.



Soil sampling undertaken to inform the Gateway assesment