



News

Plan for coal mine

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A NEW mine proposed for the Galilee Basin could begin generating jobs and coal by 2030.

Waratah Coal is behind the project and has lodged an environmental application with the Federal Government.

Waratah Coal is owned by Clive Palmer's private company Mineralogy. According to the submission lodged with the Federal Government, construction on the Alpha North Coal Mine Project could start in 2027.

"The initial mine life is 30 years for both Mining Area North and Mining Area South," the application reads.

"Mining Area North will be designed to integrate into the northern Galilee Basin State Development Area and the Northern Galilee Basin rail system being developed by Adani.

"Mining Area South will be designed to integrate into the southern GBSDA and GVK rail system. Should the GVK rail system not be developed, Mining Area South will integrate into the China First rail system." It is unclear if the project would go ahead, given its reliance on rail infrastructure that does not exist yet and there are serious doubts surrounding that project.

The total area of the mining lease is about 144,000ha.

According to the environmental application, the project intends to produce 40 million tonnes of thermal coal a year.

Besides the uncertainty over transporting coal, University of Queensland business school strategy discipline leader John Steen raised doubts over thermal coal.

"The interesting thing at the moment is you're seeing ... big miners reducing their exposures to coal," he said.

"You've got the companies like Rio and BHP getting out." His comments come after Rio Tinto sold its stake in the Kestrel underground coal mine in Central Queensland last month.

Associate Prof Steen said he would not be betting against companies like Rio Tinto and BHP.

"In the short term, with thermal coal you can make money out of it," he said. However, he questioned the long-term viability of thermal coal, but emphasised there was a major difference between it and metallurgical coal.

"If you think that there is still a market in 40 years (for thermal coal, yes) but if you're not sure I'd be wary to put that infrastructure in place for any mines," he said. Waratah Coal was contacted for comment.

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