

HD Report: Vale facing A\$63M bill from closing Integra **coal** complex, according to CFMEU

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Vale SA's planned closure of its Integra **coal** mine complex in New South Wales' Hunter Valley could cost the global miner A\$63 **million** in canceled contracts, Australian **Mining** reported June 2, citing the Construction, Forestry, **Mining** and **Energy** Union, or CFMEU.

Vale is planning to place the Integra complex into care and maintenance as the operation is not economically feasible under current market conditions, a move which is expected to impact about 500 **coal mining** jobs.

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Canceling the **coal** contract itself will cost Vale A\$33 **million** in penalties, according to Peter Jordan, district president of the CFMEU, while canceling the port and rail access contracts would add another A\$30 **million**.

The A\$63 **million** figure for canceling these contracts has been fuelling rumors that Vale has sold the **coal** mine complex.

"We are hearing reports that the open cut mine has been sold to a **Chinese company**, the Shenhua Group who are involved in the Watermark project near Gunnedah and the closure is just about changing the workforce arrangements," Jordan said.

The trade union district president, while also noting that Vale has vehemently denied the rumored **sale**, expects Integra to be shut down by June 28 upon completion of contract work to remove the longwall and other equipment.

CO shengc : Shenhua Group Corp | cufymu : Construction, Forestry, Mining and Energy Union | cvrd : Vale S.A.

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