



BYLONG COAL

KEPCO BYLONG AUSTRALIA

MEDIA RELEASE

9 October 2018

STATEMENT ON DEPARTMENT OF PLANNING ASSESSMENT REPORT

The NSW Department of Planning and Environment has released its Assessment Report for the Bylong Coal Project, which includes recommended conditions requiring open cut mining to remain off the KEPCO owned Tarwyn Park property. KEPCO provided supplementary information for a revised mine plan in accordance with a request made by the Department.

Chief Operating Officer Bill Vatovec said that the revised mine plan will significantly reduce impacts to Tarwyn Park and maximise integration of the final landform with the surrounding topography of the Bylong Valley; and will no longer require removal of the former Upper Bylong Catholic Church and cemetery.

“The revised mine plan for the Bylong Coal Project is economically viable. This Project will be an economic and employment boon for the Mid-Western Region,” Mr Vatovec said.

“KEPCO has already invested over \$700 million - if approved, the Project will require further capital expenditure of \$1.3 billion and a total investment over the next 10 years of \$3.8 billion, with a substantial proportion of this within the local region.”

“The Bylong Coal Project will remain a major local employment generator in the region for 25 years, with 645 jobs at peak construction phase and 450 jobs during the peak operational phase of the Project.”

Mr Vatovec said that KEPCO is pleased that the Department of Planning and Environment has stated the Bylong Coal Project is approvable, subject to its stringent conditions.

“Independent economic modelling has demonstrated the Project will provide a benefit of \$4.8 to \$5 billion for the Mid-Western Regional Council local government area and \$6.4 to \$6.8 billion for the NSW economy.”

“KEPCO Bylong Australia is fully committed to the Project. The Bylong Coal Project will play an essential role in the future energy security of the Republic of Korea.”

Mid-Western Regional Council Mayor Des Kennedy said that the Bylong Coal Project will help the region prosper.

“We want to see the Kandos, Rylstone, Bylong, Mudgee, Gulgong towns grow with new families coming into the region. The Bylong Coal Project will deliver significant employment opportunities, and substantial long-term economic and social benefits to the Mid-West”.

Greg Dowker, President of Mudgee Chamber of Commerce said the project will generate significant opportunities for businesses and suppliers in Mudgee and surrounding areas.

Mr Vatovec said that “KEPCO looks forward to the determination process by the Independent Planning Commission”.

ABOUT THE BYLONG COAL PROJECT:

KEPCO Bylong Australia (KEPCO) proposes to develop the Bylong Coal Project, located approximately 55 km north-east of Mudgee and 53 km from Denman in New South Wales, Australia. The mine is likely to employ up to 645 people during peak construction and up to 450 people during peak operation. The Bylong coal mine proposes to recover up to 6.5 million tonnes of raw coal per annum, with open-cut operations commencing first and lasting approximately nine years (including 2 years decommissioning), and underground mining commencing thereafter.

MEDIA CONTACT:

Jinesh Patel, GRACosway, 0430 509 239, jpatel@gracosway.com.au



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Bylong Coal Project Comparison Table

Aspect	'EIS' Mine Plan	Revised Mine Plan
Project Duration	<ul style="list-style-type: none"> 25 years; incl. 8 years for open cut 	<ul style="list-style-type: none"> 25 years; incl. 7 years for open cut
Mining	<ul style="list-style-type: none"> 124 MT of ROM coal; 33 MT from open cut operations 	<ul style="list-style-type: none"> 119.8 MT; 28.3 MT from open cut operations (4.6 MT reduction)
Overburden	<ul style="list-style-type: none"> 152 Mbcm of overburden material from open cut operations 	<ul style="list-style-type: none"> 116 Mbcm of overburden from open cut operations (36 Mbcm reduction)
Employment	<ul style="list-style-type: none"> 800 people at peak construction 470 people at peak production 	<ul style="list-style-type: none"> 645 people at peak construction 450 people at peak production
Disturbance Area	<ul style="list-style-type: none"> 1,160 ha in total Disturbance area includes 90.5 ha on Tarwyn Park for open cut operations 	<ul style="list-style-type: none"> Reduction of 113 ha to 1,047 ha in total No open cut mining or overburden emplacement on Tarwyn Park, removing 90.5 ha of disturbance area Removal of 22.5 ha of disturbance through reducing the Western Open Cut mining area
Rehabilitation and Final Landform	<ul style="list-style-type: none"> Final landform based on standard mine planning principles (No final void) 	<ul style="list-style-type: none"> Final landform responds to Heritage Council concerns to variously reduce landform height and slope, retain a wooded ridgeline and retain a valley (No final void)
Visual Impact	<ul style="list-style-type: none"> Generally low visual impacts from Bylong Village Eastern Overburden Emplacement Area (OEA) screens some views to Upper Bylong Valley from Tarwyn Park 	<ul style="list-style-type: none"> Further reduction in visual impacts from various locations Eastern OEA developed further to the south; retains existing views
Heritage	<ul style="list-style-type: none"> Remove former Upper Bylong Catholic Church and Cemetery Remove Tarwyn Park horse burial location 	<ul style="list-style-type: none"> Retain former Church and Cemetery Retain horse burial site Improved visual and landscape impacts from Tarwyn Park
Blasting	<ul style="list-style-type: none"> Tarwyn Park Homestead and Stables 190 m and 107 m, respectively from nearest blasting activities 	<ul style="list-style-type: none"> Blasting activities over 1.4 km from Homestead and Stables
Economic	<ul style="list-style-type: none"> Net production benefit to NSW: \$315M, incl. \$290M royalties Economic benefit to NSW: \$6.9 to \$7.3B Economic benefit to Mid-Western Regional Council LGA: \$5.2 to \$5.3B 	<ul style="list-style-type: none"> Net benefit to NSW: \$302 million, incl. \$278M royalties Economic benefit to NSW: \$6.4 to \$6.8B Economic benefit to Mid-Western Regional Council LGA: \$4.8 to \$5B

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