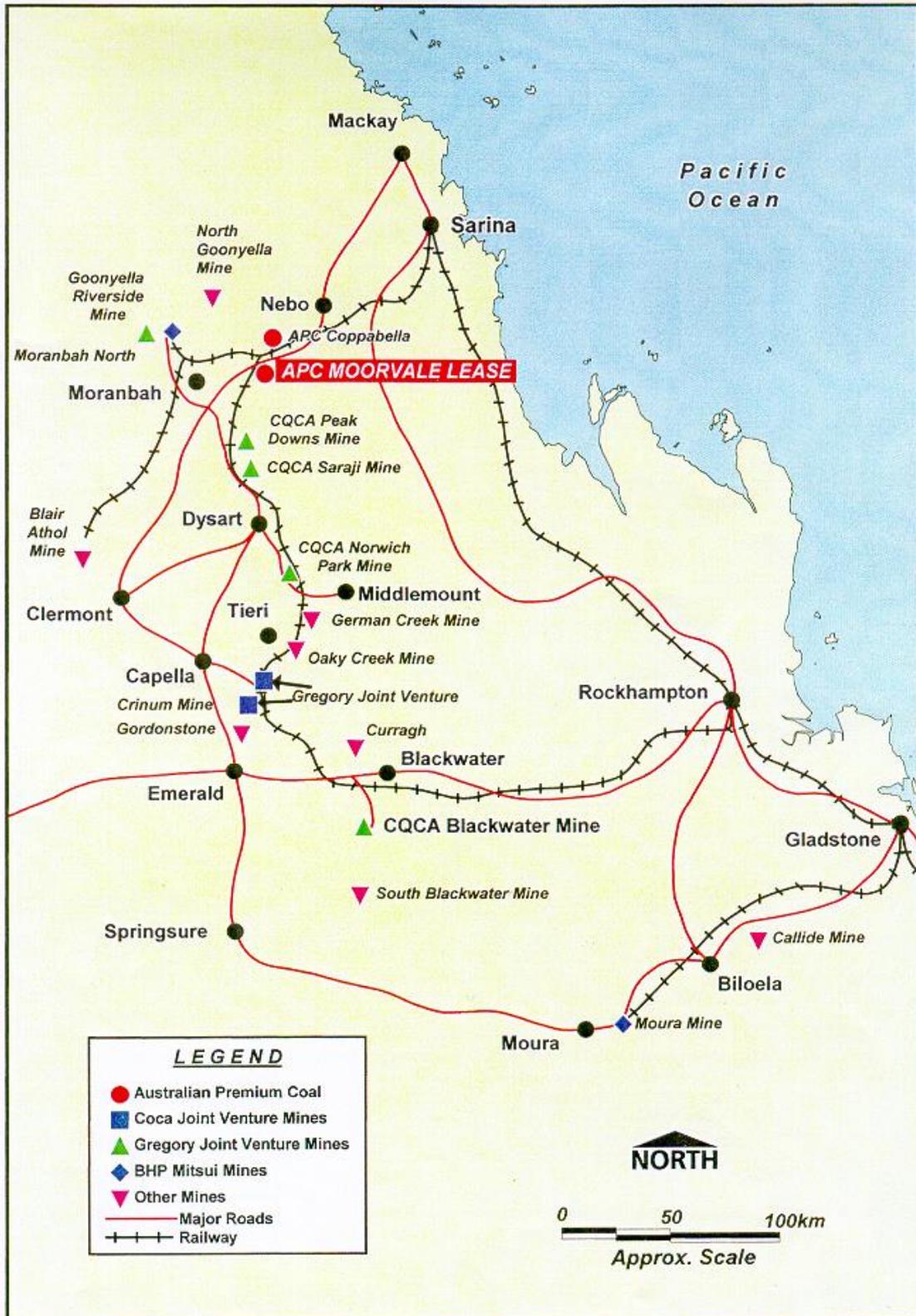


**SUBMISSION
TO THE
ENVIRONMENTAL PROTECTION AGENCY
FROM
AUSTRALIAN PREMIUM COALS PTY LTD**

**MOORVALE COAL PROJECT
PROJECT DESCRIPTION
DRAFT TERMS OF REFERENCE FOR THE ENVIRONMENTAL
IMPACT STATEMENT**



 AUSTRALIAN PREMIUM COALS	MOORVALE COAL PROJECT			FIGURE
	LOCALITY MAP			
Source: WBM Oceanics Australia	05.2001	Cad File: MV01P001.CDR	VERSION 1.0	
Drawn: WBM Oceanics Australia	06.2001	Scale:		



 AUSTRALIAN PREMIUM COAL SERVICES		MOORVALE COAL PROJECT
Source: Terra Pty Ltd Drawn: Terra Pty Ltd		LOCALITY MAP
Cap File: M001.MXD Scale:		FIGURE 1.2

SECTION 1

1. Moorvale Proposal Concept: Base Case

This proposal for the mining and preparation of coal from the Moorvale Deposit has the following features:

1. The identified mining area provides 2 million ROM tonnes per annum for a period in excess of 17 years. Total ROM tonnage at an average 4.6 : 1 strip ratio is 35.4 million tonnes.
2. The mine plan produces 26.8 million tonnes of product at 10% ash. A year by year summary is given in Table 1. Annual average production over the first 5 years is 1.63MTPA.
3. The mining method utilises a down dip process to minimise the impact of steeper dips. A combination of cast blast, bulk doze and excavation are used to remove the overburden. A significant level of floor preparation is necessary to provide adequate low wall stability.

Major equipment includes:

- ◆ 1CatD9 and 2Cat D11 dozers
 - ◆ 1 Liebherr R994 excavator
 - ◆ 3 Cat 785 trucks
4. The coal is mined, stockpiled and processed in 3 separate working sections to ensure flexibility in product mix. The base case however assumes that all coal is blended prior to washing to produce a 10% ash product. This coal will be railed to Dalrymple Bay and blended as required with Coppabella product to suit market requirements.
 5. The ROM stockpile has a capacity of 250,000 tonnes, with all coal stockpiled and blended into the reclaim using a front-end loader.
 6. The Coal Handling and Preparation Plant is designed to handle 400 TPH of feed. It will run only 5 days per week in processing 2 MTPA of ROM feed. 7-day operation would allow up to 2.9 MTPA of ROM to be processed.
 7. The CHPP is a single product dense medium cyclone, spiral and froth flotation plant. A bypass facility is included and tailings are handled using co-disposal.
 8. Product coal is stockpiled on a 90,00 tonne stockpile with 30,000 tonne direct stacked. Train load out rate is at 3000 TPH.

Table 1 : Summary of Yearly Material Movement

Year	Strip Ratio	MATERIAL		
		Total Waste m ³	ROM Tonne	Product Tonne
1	2.8	5,650,380	2,031,911	1,670,753
2	2.5	5,069,659	2,005,038	1,646,547
3	2.5	4,985,423	2,014,018	1,618,596
4	2.5	4,966,709	2,025,604	1,641,249
5	2.4	4,765,929	2,019,894	1,570,618
6	4.0	8,141,283	2,030,816	1,514,095
7	4.6	8,932,461	1,948,289	1,544,765
8	4.6	9,576,860	2,075,487	1,623,552
9	4.7	9,491,842	2,027,618	1,657,068
10	4.9	9,610,212	1,974,934	1,612,858
11	7.3	14,052,232	1,930,806	1,587,124
12	7.0	14,206,600	2,029,500	1,550,633
13	7.0	14,167,254	2,016,096	1,538,104
14	6.1	12,243,820	1,999,731	1,438,318
15	5.2	10,375,359	1,999,850	1,346,816
16	5.1	10,295,241	1,999,911	1,288,053
17	5.2	10,270,230	1,991,150	1,142,786
18	5.8	7,346,571	1,258,178	834,887
Total	4.6	164,148,068	35,378,831	26,826,822

SECTION 2

1.0 Geology

A geological model and a report entitled, "Exploration Progress Report EPC 649" has been prepared by Lance Grimstone and Associates, December 1999. This information was checked for validity, updated and re-interpreted by JB Mining Services Pty Ltd. A summary of this review is given below:

The estimated Moorvale coal resources as per 1 January 2001 are shown in Million tonnes (Mt) in below table:

Coal Resource (MT)*				
Area	Measured	Indicated	Inferred	Total
Pit A	4.6			4.6
Pit B	9.6			9.6
Pit C	5.8			5.8
Pit D	1.8			1.8
Pit E	10.9			10.9
Pit F		7.3	2.1	9.4
Total	32.7	7.3	2.1	42.1

* Relative Density at 1.36

SECTION 3

1.0 Method of Operation

General

The overall approach to mining the Moorvale Coal deposit has been based on the concept of a combination of load and haul, drill and blast and dozer push. The mine has been separated into two distinct areas based on mining methodology. The initial mining area will be in the A, B and E pits, which have been divided into 3 strips based on strip ratio. These will be mined down dip. The C pit with its steeper dipping seams will be mined using the Burton mining method. To obtain the most cost effective pricing, allowance has been made to use the largest practical equipment.

Clearing and Topsoil Removal

Clearing of natural vegetation would be carried out by subcontractors using suitable dozers pushing into piles and haulage to a suitable location. Subcontract scrapers would then remove up to 300mm of topsoil into stockpiles for subsequent rehandle into final landform for rehabilitation.

Overburden

Overburden removal would be carried out with one Liebherr 994 hydraulic excavator, and two CAT D11R dozers. Hauling would be undertaken with a fleet of CAT 785C 150 tonne rear dump trucks fitted with composite bodies.

Coal

Coal loading operations will be carried out with one Liebherr 994 excavator. Hauling would be undertaken using a fleet of CAT 785C 150 tonne rear dump trucks with composite trays. Coal will be delivered onto the ROM pad in campaigns allowing a CAT 988F front end loader, feeding the crusher feed hopper, to create an appropriate blend,. It is envisaged to extract the coal in three passes each representing a distinct working section. Each working section is in the order of 3 to 3.5m thick.

Rehabilitation

Rehabilitation will occur as areas become available. Profiling of surfaces would be carried out with one CAT D9R dozer and a CAT 14H grader. Topsoil would be placed on the profiled surface. A program of seeding, watering and fertilizing would then be completed until satisfactory levels of re-growth and rehabilitation were achieved.

Equipment List

Description	No Of
Dozer Cat D9R	1
Dozer Cat D11R	2
Excavator R994	1
Trucks Cat 785C	3
Loader Cat 988F	1
Grader Cat 14H	1
Float	1

Drills and Water cart will be subcontracted

SECTION 4

1.0 Civil Infrastructure – Refer to Attached Drawing

The following major civil works have been designed for the Project:

- ◆ 12km mine access road from Peak Downs Highway
- ◆ Earthworks to CHPP, ROM and Product Stockpile pads
- ◆ Earthworks to workshop and office facilities
- ◆ Construction of various dams:
 - Raw water pond
 - Co-disposal dam
 - Dirty water dam
 - Return water dam
 - Environmental dam

Works not included are the Rail spur and balloon loop, overhead power line to service the mine and water supply to feed the raw water pond.

A brief description of each of the main civil works is given below:

1.0 Mine Access Road

- ◆ Existing road requires upgrading for increased traffic
- ◆ 12km gravel road from Peak Downs Highway to site
- ◆ Clear 15 metre wide corridor
- ◆ Minimize earthworks on a 12 metre wide formation
- ◆ Provide 7.4m wide gravel pavement

1.0 CHPP Earthworks

- ◆ Use natural topography
- ◆ Adopt cut to fill and use weak rock from box cut
- ◆ ROM pad and product stockpile built up to suit structure clearances and for drainage.

1.0 Site Facilities Earthworks

- ◆ Layout to suit relocatable style office building and steel portal frame workshop
- ◆ Cut to fill earthworks with sheeting material from pit
- ◆ Coarse rejects used over time to reset surfaces
- ◆ Minimal culvert drainage required
- ◆ Facilities incorporate fuel farm, service bay and wash down facility including environmental measures

1.0 Raw Water Pond

- ◆ 25 Megalitre capacity giving 2 – 3 weeks storage
- ◆ Located on North side of site facilities
- ◆ Turkey's nest style pond with HDPE liner
- ◆ Water treatment plant included to provide potable water needs

1.0 Co-disposal Dam

- ◆ Located to South of CHPP
- ◆ Up to 10m high wall built with local materials using scraper fleet
- ◆ Use natural topography to minimise earthworks

1.0 Dirty Water Dam

- ◆ Located downstream from co-disposal dam
- ◆ Provides sedimentation control from co-disposal
- ◆ Built from locally won materials
- ◆ Grassed spillway with concrete cut-off wall

1.0 Return Water Dam

- ◆ Major environmental dam for all site infrastructure
- ◆ Provides return water to CHPP
- ◆ Built from locally won materials

1.0 Environmental Dam

- ◆ Located on South-east corner of proposed Mining Lease
- ◆ Provides environmental control for mining areas
- ◆ Built from locally won materials
- ◆ Small version of return water dam
- ◆ Contained water may be useful for dust suppression

SECTION 5 GENERAL PROJECT INFORMATION

INTERESTED PERSONS.

A systematic process of identification of interested persons has not as yet taken place and will be undertaken in the formulation of the Project Community Consultation Program.

At this stage the interested persons are identified as follows:

- Landholders.
- The Nebo Shire Council.
- Nebo Broad sound Land care Group.
- Gutha Bimbi Berri Gubba Anni Burra Aboriginal Corporation.
- Central Queensland Aboriginal Land Council.

AFFECTED PERSONS.

1. The land upon which the Moorvale Project will be developed is held as freehold and as such Native Title has been extinguished. All land which, at this stage has been identified as being the subject of a future mining lease application and all land which may be utilised for infrastructure purposes is free of Native Title.
2. The local government affected is the Nebo Shire Council.
3. The mine will be developed on one property – Moorvale.
4. Neighbouring landholders in particular the proprietors of “Oben Park” will be consulted as affected persons.

MINING TENURE.

The proponents have rights of access and exploration to the Moorvale property and the Moorvale coal resource under Epc’s 649, 680 and 646. Epc’s 649 and 680 are held by Moorvale Coal Pty Ltd (50%) and Moorvale Interests Pty Ltd (50%) which are a wholly owned subsidiary of Macarthur Coal Limited.

EPC 646 is held by the Coppabella Joint Venture in which the beneficial owners are:

Macarthur Limited Pty Ltd	45%
AMCI Australia Pty Ltd	30%
CITIC Australia Pty Ltd	5%
Marubeni Corporation	7.5%
Nissho Iwai Corporation	7.5%
Kawasaki Corporation	3%
Nippon Steel Trading Co Ltd	2%

Approval has been given to Australian Premium Coals Pty Ltd (APC) to manage the Moorvale Project .

PROPOSED CONSULTATION PROGRAM.

The detailed consultation program has not at this stage been developed by the proponents of the Moorvale Project. APC however, as the developer of the Coppabella Mine and the proponent of the current IAS for the Coppabella Transport Corridor Relocation has close contacts with the local community. A detailed consultation strategy will be built on this relationship and will follow generally the pattern of consultation employed on the previous two projects.

In summary, the objectives of the consultation program will be to:

- conduct an open and broad consultation program,
- ensure that those affected by the proposal understand the EIS process and their opportunities for input,
- facilitate feedback from all stakeholders, and

- ensure that consultation activities are integrated with the transport corridor design.

The methodology for the consultation strategy will be designed to inform and incorporate the views of the following groups in the community:

- Referral Bodies
- Other government agencies
- Elected representatives
- Landholders
- Special interest and community groups.

The proposed consultation strategy may involve the following activities.

Referral Bodies.

Site visits may be held for the referral bodies and will include presentations and discussions on all issues relevant to the proposal followed by field inspections.

Other Government and Semi-Government Bodies.

The proposal will be discussed with these groups to impart a general awareness of the proposal. One-on-one discussions will be held so that comments and feedback will be incorporated into the project design wherever practical.

Representative Bodies.

Individual meetings will be held with the State Government representative of the Mirani electorate. Other State and Federal representatives will be consulted as necessary.

Landholders and Neighbours

The landholders and near neighbours are aware of the proposal and further discussions will be conducted individually with the landholders during the development of the EIS. Landholders concerns will be taken into account in the design and construction of the project.

Local Community Groups.

The only community group identified at this time is the local Land care Group. Discussions and presentations will be held with Land care representatives to obtain comments which will be incorporated into the design wherever practical.

The two communities of Nebo and Coppabella do not have community groups such as Apex or Lions Clubs. In the absence of organised community groups the main methods of communication will be by advertisements in the local newspapers, posting notices and project drawings in prominent locations throughout the townships. Contact numbers and addresses will be provided so that if local people would like further information they can make contact with project personnel.

Aboriginal Representative Bodies.

Numerous meetings have been held with local Aboriginal people concerning the previous two projects and it is expected that discussions will continue during the EIS for the Moorvale Project. Discussions will focus on the impacts of the Project on cultural heritage.

PROPOSED POST MINING LAND USE.

Premising land use is cattle grazing based on pastures on land almost entirely cleared of native trees and shrubs. Original native vegetation was Dawson Gum – Brigalow Woodland and Brigalow Open Forest, Poplar Box was also a significant species.

It is proposed that the post mining land use is established to native species so that as far as is possible conservation values are enhanced over the pre mining land use.

It is anticipated that there will be less than 25 hectares of non-beneficial land remaining post-mining on which acceptable alternative uses such as those described above will be required to be identified through the EIS process.

