

DRAKE COAL PROJECT

QCoal is proposing to develop the Drake Coal Project (the Project), which involves the development of a greenfield open cut-coal mine located approximately 17 kilometres (km) south of Collinsville, in north Queensland. The proposed mine will produce up to 6 million tonnes per annum (Mtpa) of product coal. The mine will have a mine life of 30 years, inclusive of construction, operation and closure.

An Environmental Impact Statement (EIS) is underway to explore the potential environmental, social, economic and cultural impacts of the proposed development. As part of the EIS, various technical and specialist studies are being undertaken on site to assess current environmental and potential impacts of the mine.

The proposed development has the potential to significantly benefit the local Collinsville community, the broader Central Queensland region and the Queensland economy. The proposed mine will create a number of employment opportunities for local workers, particularly in engineering and technical trade areas.

LOCATION

The Drake Project is situated approximately 17 km south of Collinsville, in the Bowen Basin. The Sonoma Coal Mine is located directly to the north.

MINING ACTIVITIES AND INFRASTRUCTURE

Mining activities will involve vegetation clearing, topsoil and waste rock removal, coal mining and progressive rehabilitation of the 30 year life of the mine. Waste rock will be managed through replacement in pit and some permanent spoil dumps out of pit.

The following mine infrastructure is proposed at the site:

- » Site water management controls including sediment control dams;
- » Coal handling civil works, including Run of Mine (ROM) pad;
- » Construction and commissioning of Coal Handling and Preparation Plant (CHPP);
- » Construction of the Drake Mine rail loop and load-out and connection to the existing Newlands Rail Line;
- » Construction of Mine Infrastructure Area (MIA) including administration, ablution buildings and vehicle maintenance;
- » Site access and intersection works on the Bowen Developmental Road; and
- » Construction of main water storage and distribution system.

PROPONENT INFORMATION

The Drake Coal Project is being delivered by Drake Coal Pty Ltd (Drake Coal), a subsidiary of QCoal. QCoal is a joint venture partner in the Sonoma Mine located approximately 6 km north of the Drake Project Area.

QCoal is a privately owned Queensland company based in Brisbane. QCoal has been active in the Queensland coal exploration and mining industry for over 16 years.



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ENVIRONMENTAL IMPACT STATEMENT

WHAT IS AN ENVIRONMENTAL IMPACT STATEMENT?

An Environmental Impact Statement (EIS) explores the potential environmental, social and economic impacts that may be associated with a proposed project. An EIS also examines ways of managing these impacts. A voluntary EIS is now underway for the Drake Project. As part of the EIS, various technical and specialist studies are being undertaken on site. The Terms of Reference (ToR) is a document which sets out the scope of these investigations.

WHY DOES AN EIS NEED TO BE COMPLETED?

All projects with potentially significant environmental impacts require environmental approval from the Queensland Government, and occasionally from the Australian Government, before work begins. The EIS will be prepared in order to comply with the legislative requirements of the *Environmental Protection Act 1994*. One of the objectives of the *Environmental Protection Act 1994* is to promote the principles of ecologically sustainable development to protect Queensland's environment while allowing development that improves quality of life, both now and in the future.

TECHNICAL AND ENVIRONMENTAL STUDIES

The following studies will guide and inform the EIS process. They will also assist the Queensland Department of Environment and Resource Management in assessing the Drake Project.

Social Environment Studies

- » Air Quality
- » Social Impact Assessment
- » Community Consultation
- » Transport Infrastructure
- » Noise
- » Visual Amenity
- » Land Use Planning
- » Hazard and Risk
- » Cultural Heritage
- » Economic Assessment
- » Greenhouse Gas Assessment
- » Waste Management

Physical Environment Studies

- » Groundwater Assessment
- » Surface Water Assessment
- » Soil Assessment

Natural Environment Studies

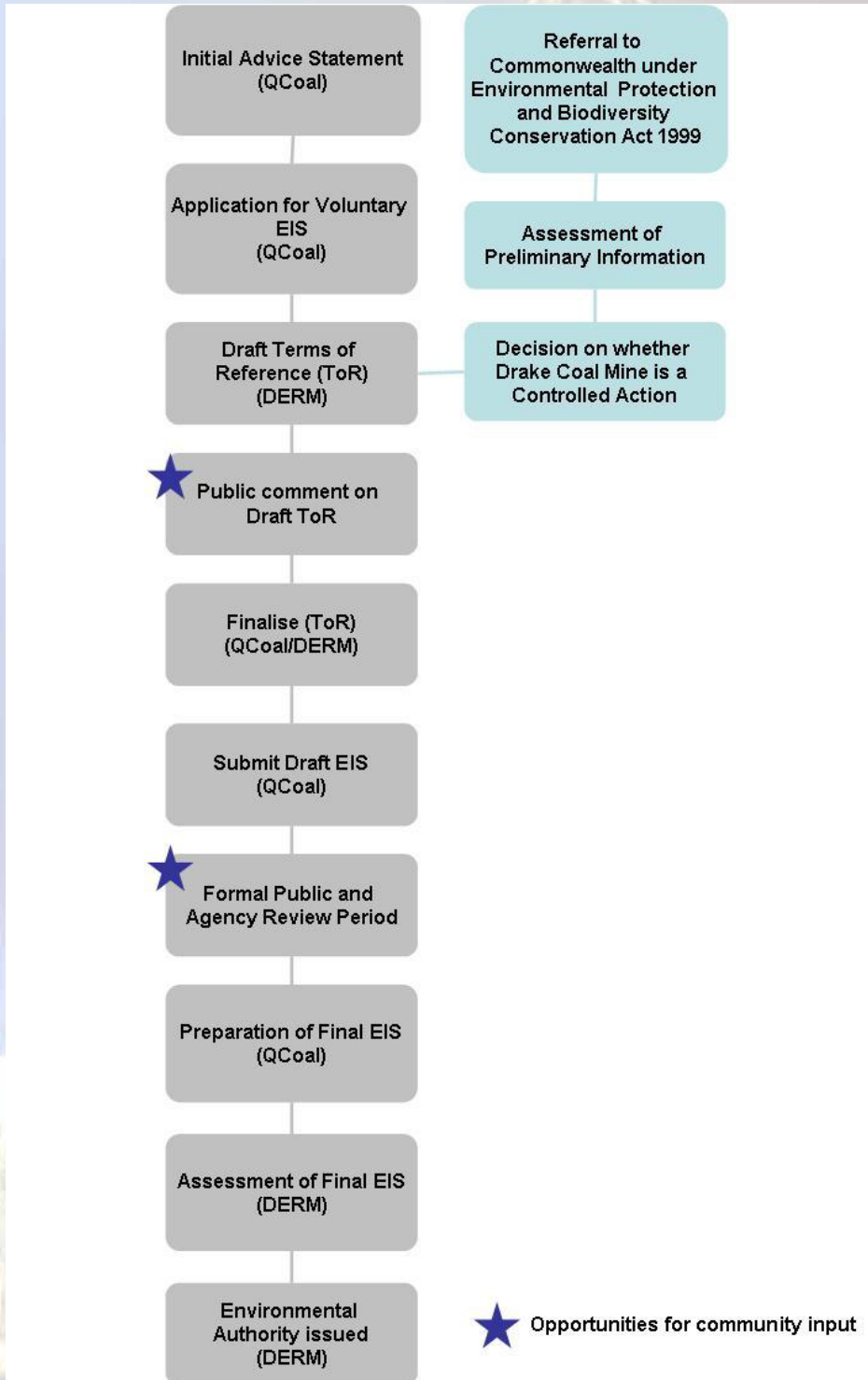
- » Ecology (terrestrial and aquatic)
- » Environmental Management Plan



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ENVIRONMENTAL IMPACT STATEMENT PROCESS

The Flow Chart below indicates the EIS process and key milestones.



Note: the flow chart above assumes the project is deemed not a controlled action under the *Environmental Protection and Biodiversity Conservation Act 1999*.



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COMMUNITY INPUT

An essential part of the EIS process involves consultation with community members near the proposed Drake Coal Mine site.

HOW CAN COMMUNITY MEMBERS PROVIDE THEIR INPUT?

Nominate for the Community Values Workshop

Community members willing to provide the Project Team with their views on community values are encouraged to nominate by writing a letter or sending an email to the addresses below. Nominees can also optionally include their resume. **All nominations must be received by Wednesday 21 April 2010.** Nominees must be available to attend the Workshop on **Wednesday 28 April** at the Collinsville Community Hall between 10am and 1pm.

Attend an information session

View more detailed information and maps or ask questions of the Project Team by attending an information session. Drop in at any time over the four hours to find out more about the Project.

Community Information Session 1 at Collinsville Community Hall, Conway Street, Collinsville.

Between **3pm and 7pm on Wednesday 28 April 2010.**

Contact the Project Team

Contact the Project Team for more information or to be included on the mailing list for future project updates:

Phone 07 3229 2202

Fax 07 3229 2272

Email drake@ghd.com

Post PO Box 10630
BRISBANE QLD 4001

Further Opportunities

Community members will also be able to comment on the Draft Terms of Reference for the EIS, and on the Draft EIS.

Further information will be provided on these opportunities. Register your interest **here** if you wish to be placed on a mailing list for notification of invitation for comment.



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