



### EIS ADVERTISING PERIOD AND SUBMISSIONS

The EIS is due to be released to the public for comment in May 2011, and public notices will be placed in *The Courier-Mail*, *The Central Queensland News* and *The Rockhampton Morning Bulletin* newspapers. The notice will advise where copies of the EIS are available for inspection and provide information on how to make formal submissions on the EIS.

DERM will invite the public to make submissions on the EIS. Submissions can be made to seek additional data, to correct inaccuracies, to raise issues of concern or provide support for the Project.

All submissions are received and managed by the Department of Environment and Resource Management. Following the formal submission period, Aquila may be required to prepare a Supplementary Report or Addendum to the EIS to address specific matters raised in submissions on the EIS.



### ABOUT THE PROJECT

Washpool Coal Pty Ltd, wholly owned by Aquila Resources Limited (Aquila), is currently proposing to undertake the Washpool Coal Mine Project (the Project). If approved, the Project site will be located in Central Queensland's Bowen Basin within the Central Highlands Regional Council area, between the existing Ensham and Curragh mines.

As part of this process, Aquila is undertaking an Environmental Impact Statement (EIS) which is required under the Queensland *Environmental Protection Act 1994*.

This newsletter and subsequent editions will provide you with the latest information as part of the Project's community consultation program.

### PROPOSED PROJECT AMENDMENTS

For a project of this nature, it is normal for the scope, operation and layout to alter as feasibility and assessment studies are completed. This has been the case with the Washpool Coal Mine Project and the team has sought and developed opportunities to strengthen the Project and mitigate adverse conditions. In addition, the Project team has considered the comments and concerns of community members, government agencies and community organisations received during EIS consultation to date. As a result the following changes have been made to the Project.

- **Annual production** will increase from 1.6 million tonnes per annum, up to a maximum 2.6 million tonnes per annum. **Life of the mine** will decrease from 25 years to approximately 15 to 20 years due to the increase in production. The ultimate life of the mine will depend on a number of factors including weather, mining schedule and customer requirements.

- **Coal Mine Lagoon** and the associated anabranch of the Mackenzie River will remain in place and a 6-kilometre levee placed on the eastern bank of the anabranch to protect the mine, infrastructure and water course from flood waters.
- **Truck and electric shovel** mining fleet will be utilised at Washpool for the duration of mining operations. A dragline mining method is no longer proposed.
- **Accommodation** plans for the construction and operational workforces have not yet been finalised. However, the Project team has listened to concerns raised by local residents and government agencies and are currently undertaking an Accommodation Options Study to determine the most effective and appropriate method of hosting the workforce. The outcome of this study will be communicated in the next newsletter.
- **Mining Lease Application boundaries** have been amended slightly, reducing the total footprint of the mine boundary from 4,536 to 3,792 hectares.
- **Transport options** to both the south-west and east have been considered with the preferred option identified as the eastern option. A mining lease application has been submitted over the eastern option in February 2011. Detailed design over eastern option and landowner consultation will be carried out over the coming months with the outcome of this work communicated in the next newsletter.

These changes have been undertaken to minimise the Project's overall impact to the environment, affected landholders and community stakeholders, and to address economic factors.

### HAVE YOUR SAY

If you would like further information on the Washpool project, please contact Livia Maiorana via:

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### ABOUT AQUILA RESOURCES LTD

Aquila Resources Limited is an ASX200 listed company with a vision to become a significant supplier of raw materials to the global steel industry. It has an expanding portfolio of coal, iron ore and manganese projects in Australia, Africa and Indonesia that are at various stages of exploration and development, generating sustainable value for shareholders and community stakeholders.

Further information about the Company can be found at [www.aquilaresources.com.au](http://www.aquilaresources.com.au)

## PROJECT OVERVIEW

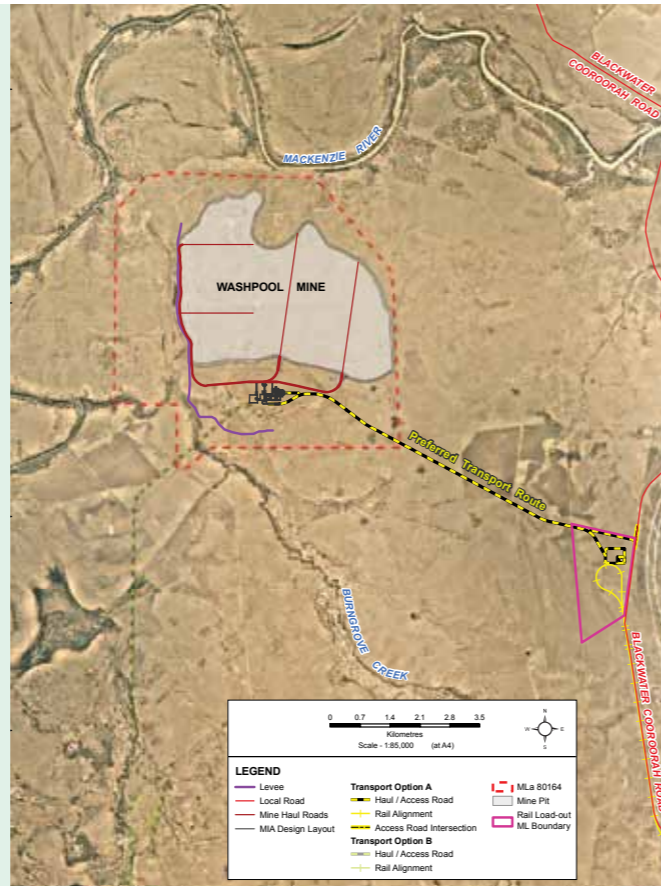
The proposed project consists of the development of a green field open cut coal mine located within MLa 80164. If approved, construction of the project is planned to commence in 2012 with first coal being produced in 2013. The project will include essential infrastructure such as;

- a coal handling and processing plant,
- a mine infrastructure area consisting of offices, workshops, and
- stockpile areas.

Water management systems including approximately 6km of flood protection levees storage and containment dams, a product haul road and train load out area.

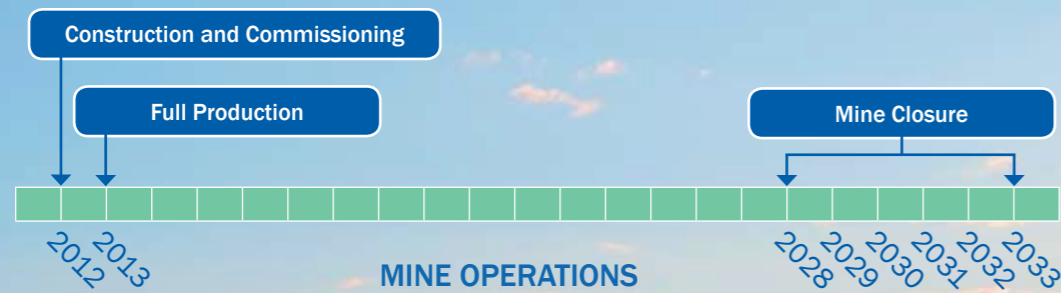
The mine will be an open cut mine using a truck and electric shovel mining fleet and ultimately dispose of dry rejects in-pit.

The mine will produce up to 2.6 million tons of coal per year and approximately 38 million tons of coal over the 15 to 20 year life of the Project. It may potentially leave 2 final voids, totalling 160 ha within a total mining lease area of up to 3,792 ha.



Project layout

The Project timeframes are shown below:



## STATUS OF THE ENVIRONMENTAL IMPACT STATEMENT

Since commencing the EIS in mid 2009, numerous studies have been undertaken in the Project area. A summary of these studies and issues raised is provided in the "Overview of EIS Findings" document which is available on the Aquila website, at locations around the Central Highlands (these locations will be advertised in the press by the Department of Environment and Resource Management) or by contacting the Project team (contact details on page 4).

These studies determine the environmental values of the area and have given the project team a thorough appreciation of the environmental, social and economic factors of building and operating a coal mine in the Central Highlands region.

The EIS for the Project has now been completed, and is due for public release and comment in May 2011. Once the EIS has

been released, a copy will be available for download at <http://www.aquilaresources.com.au/go/projects/coal/washpool-hard-coking-coal-project>

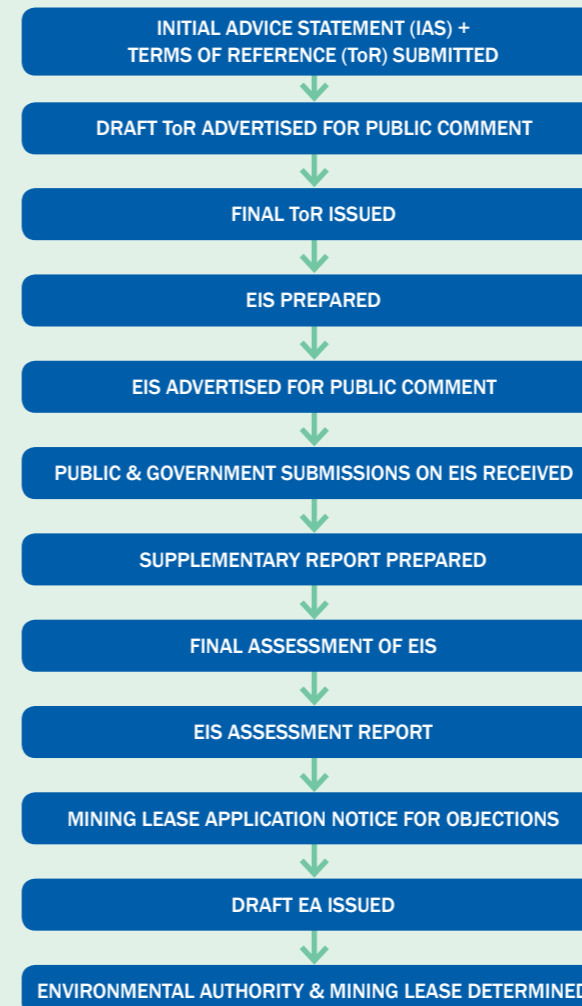
Alternatively, contact Aquila (contact details on page 4) for a CD copy to be posted to you, free of charge.

The updated timeline for the Project's EIS process is shown below.

The EIS was assessed in accordance with the final Terms of Reference for the Washpool Coal Mine Project, which were approved by the Department of Environment and Resource Management on 1 July 2010. Terms of Reference can be viewed on the Department's website at [http://www.derm.qld.gov.au/environmental\\_management/impact\\_assessment/eis-processes/washpool-coalmine.html](http://www.derm.qld.gov.au/environmental_management/impact_assessment/eis-processes/washpool-coalmine.html)

Chapter 18 of the EIS provides a handy cross-referenced table detailing where items in the Terms of Reference have been addressed in the EIS.

## THE ROAD AHEAD



SUBMITTED 19 FEBRUARY 2010

ADVERTISED FROM 15 MARCH TO 28 APRIL 2010

ISSUED 1 JULY 2010

MAY 2011

NOVEMBER 2011

MARCH 2012