



PROJECT UPDATE

Baseline Studies

Difficulties with access and poor ground conditions during the 2010-2011 wet season have hampered the progress of baseline field surveys. Desktop baseline studies are being progressed and AMCI plans to recommence field work as soon as practicable.

Pre-feasibility Study

AMCI has conducted a Pre-feasibility Study to characterise the coal resource and define the preliminary design criteria for the SGCP.

AMCI intends to prepare and refine the preferred mine plan and schedule as part of a Definitive Feasibility Study to be carried out in 2011-2012.

Infrastructure Corridor Options

As part of the proposed development, water, power and rail infrastructure will be required to link to the SGCP. AMCI is considering several infrastructure corridor options, the location of which will depend on various factors, including potential linkages to development proposals by mining proponents to the north.

Community Consultation

AMCI is committed to environmentally and socially responsible development as well as maintaining long-term relationships with the local community. Integral to this is an appreciation of, and respect for, the lifestyle enjoyed by the Alpha community.

Consultation undertaken to date has highlighted the importance that the Alpha community attaches to ensuring development in the Alpha area is consistent with existing environmental and social conditions in the region. AMCI plans to minimise the social impacts of the SGCP on the Alpha community, in part, by accommodating the majority of the mine workforce at the mine site.

A Social Impact Assessment and a Social Impact Management Plan will be prepared as part of the EIS to assess these issues and propose appropriate management strategies and recommendations.

You can have your say by coordinating your comments through the Community Reference Group (CRG) or the Technical Reference Group (TRG) or by attending the next community event. You can also contact the SGCP Stakeholder and Community Engagement Team via the contact details provided on this fact sheet.

Community Reference Group

A CRG has been established to provide a formal communications process to represent the local community interests. Three CRG meetings have been held to date - in August 2010, December 2010 and March 2011. The next CRG meeting will be held in mid-2011. Notes from the CRG meetings are available on the SGCP website. You are invited to contact the CRG members about the SGCP:

- Judy Acutt
- Brant Bettridge
- Lee Clews
- Beryl Dyer
- Aloma Everingham
- Warren Gleeson
- Les and Kayleen Leishman
- Sherri Taylor

Technical Reference Group

A TRG has been established to provide a formal communications process for government agencies and specific interest groups on technical aspects of the SGCP. Two TRG meetings have been held to date – in November 2010 and March 2011. Issues discussed at these meetings include transport, transport infrastructure and emergency services.

Community Information Day

For the second year, a Community Information Day for the SGCP will be held during the Alpha Show on 18 May 2011. You are invited to visit the display to obtain information about the SGCP, meet with company representatives or raise any comments or questions about the SGCP.

Traditional Owners

Indigenous Traditional Owner groups are key stakeholders in the proposed SGCP area. The identified Traditional Owners for the SGCP are the Wangan and Jagalingou People. Other Indigenous parties that have indicated interest in the project include the Bidjara People #3 and the Iningai People.

AMCI is currently working with the Wangan and Jagalingou People towards the development of a Cultural Heritage Management Plan to identify and manage any culturally significant sites and/or artefacts that may be impacted by the SGCP.

CONTACT US

If you require more information or have any questions or concerns about the SGCP, please contact us.

Postal: South Galilee Coal Project
 Stakeholder & Community Engagement Team
 MET Serve
 PO Box 306
 Fortitude Valley Post Office
 Fortitude Valley QLD 4006

Email: info@southgalilee.com.au
 Tel: 1800 214 543 (free call in Australia except from mobile phones)
 Web: www.southgalilee.com.au



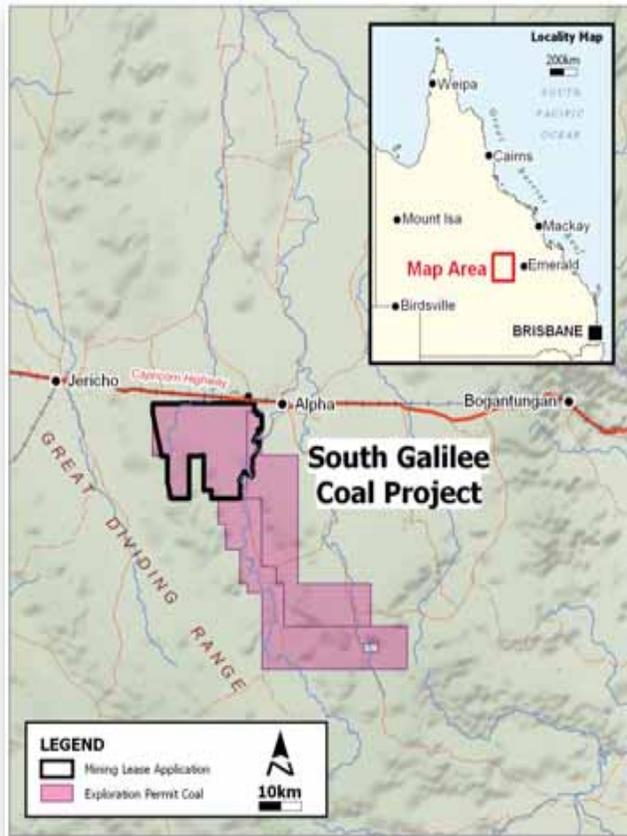
Fact Sheet 3 April 2011

Joint venture participants AMCI (Alpha) Pty Ltd (AMCI) and Alpha Coal Pty Ltd (a subsidiary of Bandanna Energy) propose to establish a new coal mine in the Galilee Basin to the south-west of the township of Alpha. The project is referred to as the South Galilee Coal Project (SGCP).

This project is currently in the Environmental Impact Statement (EIS) development stage as AMCI and Bandanna Energy address the requirements of the Commonwealth and State approvals processes.



SOUTH GALILEE COAL PROJECT



This map shows the regional location of the South Galilee Coal Project, the existing exploration tenements and the proposed Mining Lease Application area. A Mining Lease is required to carry out activities associated with mining.

APPROVALS PROCESS UPDATE

Commonwealth Approval Process

The SGCP was referred to the Commonwealth Department of Environment, Water, Heritage and the Arts (DEWHA) on 17 May 2010 under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act).

On 16 June 2010, DEWHA determined the SGCP to be a controlled action due to potential impacts on the following matters of national environmental significance under the EPBC Act:

- listed threatened species and ecological communities (Section 18 and 18A) and
- listed migratory species (Section 20 and 20A).

DEWHA is now referred to as the Department of Sustainability, Environment, Water, Population and Communities (SEWPaC). As a controlled action, the SGCP will be assessed under the bilateral agreement between the Commonwealth and the State, whereby SEWPaC has accredited the Queensland Environmental Impact Assessment process.

The SGCP will require approval from the Commonwealth Minister for Sustainability, Environment, Water, Population and Communities before it can proceed.

State Environmental Impact Assessment Process

On 11 March 2010, AMCI lodged an Initial Advice Statement and applied for significant project status from the Coordinator General, Department of Infrastructure and Planning (DIP) under the *State Development and Public Works Organisation Act 1971*.

On 26 May 2010, the Coordinator-General declared the SGCP to be a significant project for which an EIS is required. The declaration of the project as significant does not indicate support for, or approval of, the project by the Coordinator-General or the Queensland Government. This declaration means the project is required to undergo a rigorous EIS process.

Final Terms of Reference

As part of the EIS process, DIP (now referred to as the Department of Local Government and Planning) released the draft Terms of Reference (ToR) for public exhibition and comment on 31 July 2010.

Following a comprehensive assessment of comments and submissions received in response to the draft ToR, the final ToR was released on 29 November 2010.

If you are interested in viewing the final ToR, copies are available at the following websites:

- <http://www.dlgp.qld.gov.au/resources/project/south-galilee-coal/south-galilee-coal-terms-of-reference.pdf>
- <http://www.southgalilee.com.au/>

The EIS will be developed in accordance with the requirements of the final ToR. The EIS is expected to be completed in late 2011, when it will be assessed against the ToR before being released for public comment. Comments and submissions will be addressed prior to the EIS being finalised for approval by the Department of Local Government and Planning (DLGP).

Further information on this process can be found on the DLGP website (www.dlgp.qld.gov.au).

EIS Process

Draft Terms of Reference:

Preparation of draft Terms of Reference (ToR) has been completed.

Final Terms of Reference

The final ToR was released following consideration and incorporation of written submissions made by stakeholders on the draft ToR.

Current Status

Preparation of the EIS.

EIS

The EIS is expected to be released for public comment in late 2011.

Supplementary EIS

A supplementary EIS report may be required to address specific matters raised by stakeholders during the public consultation period.

Coordinator General Assessment Report

At the completion of the EIS process, the Coordinator General of the DLGP will issue a report evaluating the EIS and related material, providing an assessment of the project and outlining any environmental protection conditions that will apply to the development.

