



Draft Media Response

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Securing Our Region's Mining Heritage

Wollongong Coal will focus on developing underground roadways needed for future growth at its two South Coast mines while waiting for State Government approvals in an effort to keep as many workers in employment as possible.

"Market prices are the main driver of our current detailed and structured review of existing operations and projects," Chief Operating Officer David Stone said.

"Wollongong Coal and its principle shareholder are staunchly committed to developing and operating their underground operations, despite these unprecedented economic times which sees current global coking coal market prices at historical lows."

Mr Stone said that in the immediate future the company intended to develop roadways in preparation of the recommencement of longwall operations at Russell Vale and was also fast tracking the Wongawilli South Underground Project, which would provide a sustainable future for the mine and deliver a world class underground operation.

"If possible we would like to be able to accommodate workers from our Wongawilli operation to Russell Vale.

"We have worked closely with the workers representatives at a local and district level and presented several options to negate the need for any forced redundancies," he said.

Mr Stone said the management was currently assessing the response to its voluntary redundancy scheme, which closes today following the closure of the VRS we will determine an appropriate and sustainable course of action with an intention of keeping any forced reductions to an absolute minimum."

He said until the completion and approval of the new Wongawilli South Project, the remnant mining that had been occurring in the Old Nebo workings was currently uneconomic for either longwall or partial extraction with continuous miners.

"The current intent is to leave the old longwall equipment in Nebo in-situ at this time with a recovery process developed but on hold until market conditions change," he said.

"We intend developing the old workings for future continuous miner full extraction once the correct cost structure can be obtained. "

Wollongong Coal will further discuss options to potentially maintain employment at Wongawilli Colliery at a workforce meeting on Monday morning.

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