

### REGION GROWS ON NEW COAL DEVELOPMENT

The Mackay community and local industries have measured significant benefits from the Hail Creek Mine Project. New jobs, commercial programs, community investments and regional initiatives have all contributed to economic growth for the Mackay region. \$460 million has been invested to build the first single module 1200 tph coal plant in Australia.

The plant is located in Queensland's Bowen Basin, one of the most important coal producing areas in the world. Pacific Coal, the major Joint Venture owner of the coal mine received a Highly Commended as a Major Queensland Project at the 2003 Local Content Awards. According to the project team involving local community has been a key factor since the project's early days. According to Pacific Coal's General Manager Grant Thorne, Hail Creek Mine illustrates Pacific Coal's commitment.

Over 86 per cent of the total cost for the project has been sourced locally with contracts worth \$391 million. From the project's localisation strategies, eighteen contractors from Queensland won contract work for the project. Eleven of these were from Mackay representing a positive win for the industry in the region.

"One of the key benefits of local industry participation was that the project could work effectively with local engineering and construction," commented Mr. Thorne. "As a result, major savings were achieved though changes made for efficiencies in plant operations and improvement," he added. According to Mr. Thorne, local industries contributed a major savings during the project making it possible to deliver on time and within budget.

"I believe our success is due to the highly commitment to a safe workplace, minimal environmental management and a strong community relation," he concluded. Hail Creek Coal Mine is expected to produce 5.5 million tonnes for prime hard coking coal annually. The mine has stimulated growth for Mackay's engineering and manufacturing capabilities by supporting the mining and mineral process industry.

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