



ATTACHMENT 8

Capital Investment Value Estimate Report

Mr Gary Brassington
 South32 Illawarra Coal
 PO Box 514
 Unanderra, NSW 2526

29 March 2019

Dear Mr Brassington,

**DENDROBIUM NEXT DOMAIN PROJECT
 CAPITAL INVESTMENT VALUE QUANTITY SURVEYOR'S REPORT**

As requested WT Partnership has prepared a Capital Investment Value (CIV) estimate for the Dendrobium Mine – Plan for the Future: Coal for Steelmaking Project (the Project) in accordance with the definition contained in the *State Environmental Planning Policy (Major Development) 2005*. Under this policy, the CIV has the same meaning as in the *Environmental Planning Assessment Regulation 2000* amended 7 May 2010 to the following;

Capital investment value of a development or Project includes all costs necessary to establish and operate the Project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs:

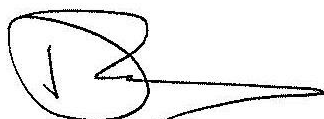
- a) amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A of Part 4 of the *Environmental Planning and Assessment Act* or a planning agreement under that Division
- b) costs relating to any part of the development or project that is the subject of a separate development consent or project approval
- c) land costs (including any costs of marketing and selling land)
- d) GST (as defined by *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth).

Based upon the above definition we estimate the CIV for the Project to be \$956,017,000 (excl GST), as per the estimate in the attached report.

We further estimate the number of jobs which may be created through this development to be 207 full-time equivalent personnel for the construction works, plus a further approximately 100 full-time equivalent operational positions.

Should you require any further information or wish to discuss any aspect of the attached please do not hesitate to contact us.

Yours faithfully,
 WT Partnership



David Quincey
 State Director

Summary of Estimate;

ITEM DESCRIPTION	WTP ASSESSMENT
AREA 5	
Major & Minor equipment	\$ 76,050,000
Conveyors - equipment	\$ 61,003,000
Longwall - equipment	\$ 103,399,000
Infrastructure - equipment	\$ 35,715,000
Surface installations & ventilation	\$ 216,650,000
Installation & underground services	\$ 209,677,000
Project Management	\$ 60,840,000
Contingency	\$ 38,167,000
AREA 6	
Mine ventilation system	\$ 94,036,000
Coal clearance system	\$ 32,030,000
Underground infrastructure	\$ 10,758,000
Surface infrastructure	\$ 4,125,000
Project Management	\$ 2,788,000
Contingency	\$ 10,780,000
TOTAL PROJECT COST	\$ 956,017,000