



## **ATTACHMENT 13**

Capital Investment Value Report



Chris McEvoy  
Approvals Manager  
Illawarra Metallurgical Coal  
Port Kembla Road, Inner Harbour  
Wollongong NSW 2500  
23 April 2022

Dear Chris

As requested WT Partnership has prepared a Capital Investment Value (CIV) estimate for the Dendrobium Mine Extension Project (the Project) in accordance with the definition contained in the *State Environmental Planning Policy (Planning Systems) 2021*, and as required by the *Planning Secretary's Environmental Assessment Requirements, issued 23 December 2021*. Under the policy, the CIV has the meaning as in Clause 3 of the *Environmental Planning Assessment Regulation 2000*;

A 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 7.1 or 7.2 of the 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 \$853,262,014 (excl GST), as per the estimate in the attached report.

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

Yours faithfully

David Quincey

WT



## SUMMARY OF ESTIMATED COST

This Capital Investment Value (CIV) estimate has been prepared in accordance with the State Environmental Planning Policy (Planning Systems) 2021, and totals **\$853,262,014**. The breakdown of this value is tabled below.

| ITEM DESCRIPTION  | WTP ASSESSMENT        |
|---|-----------------------|
| <b><u>Direct cost</u></b>   |                       |
| Capital underground equipment<br><i>Major mining equipment purchase, support (eg Continuous Miners, shuttle cars, Feeder Breaker, auxiliary fans, LHDs, Personnel Transports, Longwall); minor equipment purchase, support; Main run equipment; HV &amp; LV cabling and electrical installations; water and dewatering pipelines &amp; pumps; conveyors and installation; communication equipment; major fans</i> | \$ 259,707,248        |
| Capital surface equipment<br><i>HV connections, distribution; LV distribution, construction of vent shafts and ancillaries, boreholes &amp; fire trails; water system pump stations; coal handling plant, conveyors</i>   | \$ 140,439,356        |
| Installation underground infrastructure<br><i>Continuous Miner development installation, roof &amp; rib supports, in-seam drilling; roadheader hire, maintenance, mob &amp; demob; longwall operation; general equipment hire, OpEx, maintenance</i>  | \$ 301,769,799        |
| Installation surface infrastructure<br><i>Vent shaft OpEx, bore holes</i>   | \$ 2,780,023          |
| <b><u>Indirect cost</u></b>   |                       |
| <i>Project team, external consultants, facilities and systems, office &amp; running costs, licences, spares</i>   | \$ 58,111,287         |
| Escalation  | Excluded              |
| Contingency   | \$ 90,454,300         |
| <b>TOTAL PROJECT COST</b>   | <b>\$ 853,262,014</b> |

NOTE; the overhaul, operation, ongoing maintenance of owned equipment, and the hire, mobilise & demobilisation, and replacement of plant and equipment is included within each relevant section of the estimate, for the planned duration of the extension project