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18 August 2025

The Director, Resource Assessment
NSW Department of Planning, Housing & Infrastructure

Dear Sir / Madam,

Project Reference: Metropolitan Coal Mine – Longwalls 317 & 318 Modification (Project ID: MP08_0149-Mod-4)

Please find **attached** Port Kembla Coal Terminal's submission in **support** of the project.

Yours sincerely,



David Richards
General Manager

Submission in Support of the Metropolitan Mine Extension Longwalls 317 & 318

From: Port Kembla Coal Terminal (PKCT)

EXECUTIVE SUMMARY

Port Kembla Coal Terminal (PKCT) strongly supports the Metropolitan Mine Extension (Longwalls 317 & 318) modification application. Metropolitan Mine is a critical customer, accounting for 18–22% of PKCT throughput, and its continued operation is essential to maintain terminal viability.

A reduction in throughput would directly increase per-tonne costs, proportionally reduce employment for PKCT's workforce and contractors, and threaten the ongoing operation of the terminal. PKCT's role in exporting coal underpins the viability of other Southern Coalfield mines, supporting high-paying jobs, local suppliers, and the broader Illawarra economy.

The proposed modification is low-impact, working within existing approvals, extending operations by two years, and reducing the mine's surface footprint by 253 hectares. Approval of this modification will sustain employment, protect terminal operations, and maintain regional economic stability, making it a critical step for the future of coal mining in the Illawarra region.

BACKGROUND

Metropolitan Mine is a critical customer for PKCT, supplying an average of 18% of throughput over the past two years, increasing to 22% in 2025 due to other mines being offline. PKCT operates as a cost-recovery terminal, with approximately 80% fixed costs and 20% variable costs. Any reduction in throughput increases the per-tonne loadout costs, threatening the economic viability of the terminal.

Metropolitan Mine is Australia's oldest continually operating underground coal mine, employing a 400-strong local workforce and spending over \$217 million annually with local suppliers, including \$73.5 million in wages, injecting \$324 million into the NSW economy last year.

REASONS FOR SUPPORT

1. Sustaining PKCT Operations and Jobs

PKCT employs 88 direct employees and engages around 100 contractors on an ongoing basis. Annual wages for PKCT employees total approximately \$20 million, with contractor wages additional to this figure. PKCT also spends over \$50 million each year in the local community across suppliers and services. Any reduction in throughput from Metropolitan Mine would have a direct, proportional impact on employment at PKCT, while also raising per-tonne costs for remaining customers and placing the overall viability of the terminal at risk.

2. Regional Economic Impact

Metropolitan Mine produces high-quality coking coal in strong demand for both domestic and export markets. The loss of coal throughput would have cascading effects:

- Threatening the viability of other Southern Coalfield mines due to increased rail and terminal costs.
- Potentially reducing local employment in mining and associated services.

3. Low-Impact Modification

- Extends operations by two years to June 2031, for Longwalls 317 & 318.
- No increase in annual production or overall mine life, and no expansion of surface facilities.
- Relinquishes 14 million tonnes of approved coal resources and reduces the mine's footprint by 253 hectares, avoiding potential surface impacts.
- Underground mining at 500 metres depth with narrow longwall paths reduces subsidence risks.
- \$1.5 million invested in surface water management and real-time water quality monitoring ensures minimal environmental impact.

COMMUNITY AND ECONOMIC CONTRIBUTION

Metropolitan Mine and PKCT together provide substantial economic and social benefits to the Illawarra region. Metropolitan Mine employs a 400-strong local workforce and invests more than \$217 million annually with suppliers, including \$73.5 million in wages, while also contributing more than \$1 million to community and conservation initiatives and \$49 million in royalties. PKCT directly employs 88 people, supports around 100 contractors, and contributes approximately \$65 million per year in local spending, with direct wages of about \$20 million.

The continuation of Metropolitan Mine operations ensures the ongoing flow of coal through PKCT, which is essential to sustaining these jobs, maintaining supplier activity, and supporting the wider regional economy.

CONCLUSION

The Metropolitan Mine Extension is a low-impact modification with significant benefits. For PKCT, it ensures:

- Continued throughput from a critical customer.
- Preservation of direct and contractor jobs.
- Avoidance of increased per-tonne costs threatening terminal viability.

For the broader Southern Coalfield and NSW economy, it supports:

- Sustainable operation of coal mines.
- High-paying employment and regional economic stability.

PKCT strongly supports the approval of the Metropolitan Mine Extension (Longwalls 317 & 318) modification application.