

Wallarrah 2 Coal Project SSD 4974 Amended Development Application

The use of coal as an energy source is declining worldwide. Both China and India have plans to reduce use and to transition rapidly to cleaner energy sources with fewer harmful emissions. The recent upturn in coal price is due to China's withdrawal from mining their own coal as they stage the job losses in their own economy. In no way can it be taken as indicative of sustained demand leading to a coal market recovery. Likewise, India. These two markets are the largest in the world. Whilst Australia exports to both Japan and Korea their demand will not reduce the glut caused by the gradual exit of China and India. Obviously, with the two largest markets withdrawing from coal imports the glut of coal will increase. Supply and demand economics dictate the price of coal will decrease rapidly.

KORES is withdrawing from overseas development due to massive debt ratios adding even more uncertainty to the overly optimistic projections. Uncertainty also to the future royalties (as prices inevitably fall) and a distinct possibility that this will be yet another project where the proponents "walk away" from their rehabilitation obligations leaving devastation of the landscape and water supplies in their wake.

The mine is projected to continue for 28 years. The world appetite for coal is declining and will continue to do so as renewable technologies increase in output and decrease in price, it is highly unlikely that the yields and sales forecast will ever be met.

As in all mine proposals dust, noise and water impacts are considerable. Health impacts are also considerable, despite being externalised the costs are real and come from the same Public Purse that hopes to garner the dwindling royalties. Cost benefit analysis can be expected to be negative well before 28 years and this with the added risk of a Company already in alarming debt. The possibility/likelihood that revenue from tax payers of NSW will be needed to establish balance is alarmingly real.

NSW should not continue down this path of profitless prosperity and pointless politics. It is time to look seriously at the flawed policy of deeming coal-mining will lead to jobs and growth. It cannot as the world demand changes. Expansion of mines is an imperfect policy

This Amendment should be rejected and the whole project put aside due to many areas of risk.

Yours faithfully

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