

5 September 2019

NSW Department of Planning and Environment GPO Box 39 Sydney NSW 2001

Re: Letter of support for the Maxwell Project

Palaris Australia Pty Ltd is an International mining advisory firm (<u>www.palaris.com</u>). We are Australian owned and operated, have been in business for some 20 years and have provided services in more than 27 countries across 15 different commodity types. We employ geologists, mining engineers, environmental scientists, financial analysts, mechanical engineers, electrical engineers, risk management specialists, operations specialists and project managers. We provide independent technical/financial advice on most aspects of mining and our business undertakes project assessment at all stages of project development. There are very few coal mining projects (underground or open cut) in Australia we have not provided services for at some time. Additionally we have advised on coal projects in Indonesia, Vietnam, China, New Zealand, South Korea, Russia, Turkey, Mozambique, Poland, United Kingdom, USA, Canada, Italy, Czech Republic, Bosnia, Iran, Columbia and South Africa.

We are very proud to continue to act as Advisors on the Maxwell Project, in their quest to develop a modern underground mine. Successful development of these plans requires proper consideration of all stakeholders. The development of effective mine plans considers the range of underground mining factors as a well as known sensitive surface facilities. The process of development and assessment of options (technically and financially) is a normal part of International Good Practice for the assessment and optimisation of any mining project. In formulating suitable plans Malabar Coal has engagement a full range of mining, technical and environmental specialists. These measures ensure the minimum possible impacts on groundwater, and surface impacts. The use of an underground mining is also important in minimising the surface effects including noise, dust, surface disturbance and the final rehabilitation of the site when operations cease. The coal mining industry has successfully co-existed with farming and other important land users in the Hunter Valley for many years. This has ultimately been to the benefit of the entire community.

Our association with the proponents of this project extends of almost 20 years with projects in the Illawarra, Upper Hunter, Lower Hunter, Gunnedah and Mudgee Areas. Based on our ongoing association I am very confident of the deep commitment the Malabar team has to the environment and the local community. Their plan to develop a solar farm alongside the project is one example, their deep commitment to local employment is another.

The recent NSW budget forecasts a total mining royalty revenue for the state of some \$7.4billion over the next 4 years – this would pay for the majority of the NSW government's key budget commitments on education, including their \$6 billion commitment to fund 170 new and upgraded schools and the \$500 million plan to deliver air-conditioning in 1000 schools across NSW. This does not take into account the significant financial benefit which will be contributed to the community through the direct employment of many people and the use of local service providers which I am very confident will be foremost in the mind of Malabar Coal.

Newcastle	Brisbane	Perth	Wollongong	Palaris Europe
PO Box 1225, Newcastle NSW 2300 1/384 Hunter St, Newcastle NSW 2300 Australia P: +61 2 4927 5511 F: +61 2 4927 5522	PO Box 1225, Newcastle NSW 2300 11/500 Queen St, Brisbane QLD 4000 Australia P: +61 2 4927 5511 F: +61 2 4927 5522	PO Box 1225, Newcastle NSW 2300 3/1060 Hay Street West Perth WA 6005 Australia P: +61 8 9480 0683 F: +61 2 4927 5522	PO Box 1225, Newcastle NSW 2300 Suite 8, 8-10 Victoria Street Wollongong NSW 2500 Australia P: +61 2 4927 5511 F: +61 2 4927 5522	Palaris Europe Limited 2nd Floor, Hygeia Building 66-68 College Rd, Harrow Middlesex HA1 1BE United Kingdom

palaris.com | ABN: 13 093 424 867



In closing Palaris would like to affirm our strong support for this project, not because of our involvement (i.e. that we get paid for our services) but rather because we have a deep understanding of the effort which has been expended to assess and develop this mine plan. A high priority has been given to the legitimate concerns of the community. The response has been a strong desire to develop a mine that minimises its environmental footprint. Importantly it is indisputable that there will be very significant contribution from this project to our community over the life of the project.

The Malabar Coal team has continually demonstrated they have a deep and ongoing commitment to continually look for ways and means to make this a better project and we have absolute confidence this commitment will continue.

John Pala Managing Director