

Bathurst Resources is a modern New Zealand coal mining company with operations on the West Coast and Southland.

BATHURST RESOURCES: RESPONSES TO COMMON QUESTIONS AND PERCEPTIONS



Coal mining is sometimes misunderstood. We have outlined some questions and perceptions about Bathurst's coal mining activities and factual responses to them.

Myth: Coal from Bathurst mines is a major contributor to global warming.

Facts: Hard coking coal from Bathurst's mines on the Denniston Plateau will be used in the manufacture of carbon steel; an essential product in many everyday items including bridges, airplanes, buses and cars, water pipes, pots and pans and even wind turbines. This coal can also be used for making carbon filters in dialysis machines, and silicon for computer chips, solar panels, resins, and shampoos. The coal isn't burned in power stations.

The coal from Bathurst's Takitimu mine in Southland is used by local industry such as dairy processing and also for heating hospitals, schools and swimming pools.

Bathurst pays for its carbon emissions as required under the New Zealand Emissions Trading Scheme.

Myth: Coal is everywhere under the Denniston Plateau and Bathurst will dig it all up.

Facts: The Denniston Plateau has a proud mining history stretching back more than 100 years. Decades of mining in the area has shown that coal isn't everywhere on the Plateau. It only exists in pockets.

Bathurst will take a holistic approach to mining on the Plateau to balance the needs of West Coast people, the local economy and the environment.

Myth: Bathurst should "give back" the land it won't be mining.

Facts: The area covered by a mining permit is generally larger than the coal deposit in the ground. In such cases, much of the permitted area will never be mined.

Unlike a farm or other activities, at the end of a mine's life, all of rehabilitated land goes back to the Crown.

Myth: Bathurst is an Australian company exploiting New Zealand to profit overseas investors.

Facts: Bathurst's only assets are in New Zealand. The company is listed on the New Zealand and Australian stock exchanges, but all of the capital raised is being invested in New Zealand to create dozens of local jobs and incomes.

Taxes are paid in New Zealand and dividends will be paid to shareholders, including New Zealanders.

Bathurst will inject about \$1 billion into the New Zealand economy and local communities over six years through the development and operation of the proposed Escarpment Mine Project in Westport. This includes over \$100 million of payments each year to employees, suppliers, contractors, port, rail and shipping companies and the local community of Westport.

In addition, based on current coal prices, Bathurst will pay about \$60 million to the Government in royalties and taxes, annually.

The wealth generated from Bathurst's operations will be used to provide a net gain to the conservation estate.

Bathurst will also use modern mining techniques to minimise environmental impacts while using some of the wealth generated by coal to provide net benefits to the local environment.

Myth: Open cast mining is outdated and destructive and shouldn't be used.

Facts: Bathurst will use a range of mining methods to minimise environmental effects while also restoring and enhancing the local environment over the long-term.

Open cast or "cut and cover" mining is an efficient and safe way to access the hard coking coal on the Denniston Plateau, but it does affect the rock structures and surface contours.

Cut and cover involves removing the top layer of earth to get to the coal seam, extracting the coal, and carefully replacing the top layer together with new trees and native plants.

In some cases Bathurst will use underground mining methods incorporating mechanised boring techniques allowing the surface to remain largely unaffected.

All mining affects the environment, but Bathurst focuses on rehabilitation and protection of flora and fauna and other environmental projects to achieve a net positive gain for the conservation estate.

Myth: Claims of environmental management are just "greenwash".

Facts: Bathurst's environmental management plans cover a wide area and involve significant expenditure. For example, the company has made a commitment to protecting the great spotted kiwi through predator control over 500 hectares of the Heaphy Track for 35 years.

The company has worked with the Department of Conservation to determine how it can achieve a net gain to the conservation estate. The Department identified the Heaphy River as a unique eco-heritage area that would benefit from Bathurst's support.

Bathurst will use modern mining techniques to minimise environmental effects while also restoring and enhancing the local environment over the long term.

Protecting New Zealand's conservation estate and unique biodiversity is something we all care about deeply, but government resources are limited. Bathurst is working with the Department of Conservation to ensure wealth generated from the coal can be used to deliver environmental benefits that exceed impacts.

