

GLENCORE

Media statement
20 March 2017
Brisbane, Australia

Glencore rejects QCoal allegations

Glencore rejects allegations made by QCoal in relation to the legality of our Newlands coal operations.

We have been lawfully mining at Suttor Creek since 2004, using the same registered access land and haul road linking Suttor Creek to the Newlands complex.

Our Newlands mine continues to make an important contribution to employment and the Queensland economy. The mine is a significant and longstanding operating mine which employs approximately 450 people and supports the township of Glenden. It last year generated royalties of approximately \$26 million for the Queensland Government and contributed about \$250 million to the economy.

Glencore has always supported a view that both our operation and QCoal's Byerwen Project can successfully coexist and we believe that this is in the best interests of Queensland.

Our objection to the Byerwen mining lease application – via the Queensland Land Court – has always been focused on ensuring our continued access to the Newlands Suttor Creek haul road which is essential to our ongoing mining operations. Without appropriate conditions, the grant of Byerwen's mining lease would enable it to prevent our ongoing use of the haul road.

On 7 December 2015, the Queensland Land Court judgment stated that there is:

"...no reason why the mining operations of Glencore and those proposed by Byerwen cannot live in harmony, and thus lead to the interests of the State in having both these projects proceed to the greatest extent that commercial realities allow, occur."

The Land Court set out its reasoning as:

"...based on the evidence that Byerwen has no intention of mining what is referred to as East Pit 1 and East Pit 2, which lie to the east of the [Suttor Creek Haul Road] access, until about year 26 of operations, which equates about 27 years after the grant of MLA 70434. Assuming that MLA 70434 is granted in 2016, this means that mining operations will not commence to the east of the access until 2043."

The Land Court also recommended that QCoal's mining lease should include a special condition that specifically prevents the company from mining the Suttor Creek haul road before 1 January 2033.

It is notable that QCoal does not plan to mine the land over which we currently haul coal for more than 25 years and its mining lease application has recently been amended to exclude surface rights over this area.

Ends

For further information please contact:

Francis De Rosa
M: +61 (0) 417 074 751
francis.de.rosa@glencore.com

Agata Graham
M: + +61 478 304 345
agata.graham@glencore.com.au

Notes for Editors

Glencore's coal business in Australia

Glencore is one of Australia's largest coal producers with 13 mining complexes – including 17 operational mines – across New South Wales and Queensland.

We employ about 7,000 Australians and in 2016 managed the production of nearly 93 million tonnes of thermal and coking coal, predominantly for export.

We have a strong safety and environmental performance and play an active role in the development of low emission coal technology.

For more information, visit www.glencore.com.au