



MEDIA STATEMENT

1 July 2014

Boral to seek approval to permanently close mining operations at Berrima (Medway) Colliery

Boral Limited stated today that it would seek approval from the State Government to permanently close its mining operations at the Berrima (Medway) Colliery.

The colliery was placed into “care and maintenance” almost eight months ago when production was suspended as a result of rising costs, lower cost alternatives, and regulatory and planning uncertainty.

The Operations Manager for Boral’s Berrima Cement Works, Stuart Hutchings, said the decision to move from “care and maintenance” to permanent closure meant the company would also seek to withdraw from its current legal proceedings in the NSW Land and Environment Court.

Those proceedings were brought about by the Southern Highlands Coal Action Group (SHCAG) to overturn the project approval that was issued to continue operations at the colliery.

Mr Hutchings said the decision to close the colliery would not have any impact on Boral’s cement operations at Berrima, which employ about 130 staff, as the cement works already obtains coal from alternative sources.

“The decision to seek approval to close the colliery permanently and to withdraw from the long-running legal proceedings has been a difficult one to make for Boral,” he said.

“Although coal mining has been undertaken in this area for more than 100 years, the decision by SHCAG to pursue an appeal against our project approval, with assistance from the publicly-funded Environmental Defender’s Office, has placed enormous uncertainty on the colliery.

“As announced back in October, we have been reviewing the future of the colliery, including assessing the cost involved in keeping the mine in ‘care and maintenance’ in an environment of protracted planning and legal processes which had created great uncertainty regarding the future of the mine.

“That review has concluded that it is more cost effective to close the mine permanently as the likelihood of the colliery reopening and becoming a viable business in the future is minimal at best.”

Mr Hutchings said Boral remained committed to its operations in the Southern Highlands and would continue to make a major social and economic contribution to the district.