



MEDIA RELEASE

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Boral to transition Berrima (Medway) Colliery to care and maintenance

Boral Ltd announced today that it would transition mining operations at its Berrima (Medway) Colliery into 'care and maintenance'.

The decision has been attributed to uncertainties arising from the planning system and the need to reduce costs to remain competitive in difficult market conditions.

The small-scale colliery, which has been in operation since the 1920s, is managed by Delta Mining on Boral's behalf and provides about 220 000 tonnes of coal a year to Boral's nearby Berrima Cement Works.

The Operations Manager for both Berrima sites, Stuart Hutchings, said the decision to transition the Colliery to 'care and maintenance' had been a difficult one to make for Boral.

"Boral remains committed to its cement operations at Berrima, which employ some 130 staff and continue to make a major social and economic contribution to the Southern Highlands," he said.

"Instead of using coal from the Colliery for cement manufacturing, we will start buying coal from third parties."

"Our decision to enter 'care and maintenance' at the Colliery follows a review which confirmed that continuing mining at Medway was unsustainable in the current market. This is due to increased costs, in turn making it difficult for Boral to compete with imported cement material, and the flat outlook for cement sales generally."

"The other major consideration was the uncertainty currently surrounding the future of the Colliery as a result of the appeal lodged against our project approval by the Southern Highlands Coal Action Group (SHCAG)."

"We remain disappointed that, despite a lengthy and rigorous assessment process over more than two years to secure the project approval as granted by the Government's expert panel in 2012, this approval was overturned by the Land and Environment Court at SHCAG's instigation."

"Although coal mining has been undertaken in the district for more than 100 years, this decision and the subsequent appeal proceedings have placed additional pressure on the Colliery."

Mr Hutchings said the decision regrettably would impact more than 30 staff employed by Delta Mining. He said Boral would work with Delta Mining to support those individuals affected by the decision.

For more information:

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