

14 December 2016
Press Release

Jobs boost at historic Collinsville coal mine

Increased coal demand from South East Asia has led to a Glencore decision to ramp up operations at the historic Collinsville mine in Queensland's Bowen Basin, with the company undertaking a recruitment process for more than 200 additional jobs.



A Glencore coal operation in Queensland's Bowen Basin. *Photo courtesy Glencore.*

It is the third recent announcement concerning restarting a Queensland coal operation with others being Stanmore Coal at Isaac Plains and Cockatoo Coal at Baralaba North while TerraCom Resources is attempting to restart the mothballed Blair Athol mine.

Glencore has scaled back production at Collinsville in the past few years owing to depressed prices however it says demand for the specific type of coal produced by Collinsville has prompted it to increase production.

The open cut mine is in the northern part of the basin, about 270km southeast of Townsville, and annual run of mine capacity is 6 million tonnes. It is part of the NCA Project, which also includes the Newlands coal operation and Abbot Point Bulk Coal Terminal. It produces a variety of coking and thermal coal products for domestic and overseas markets.

There has been very little active mining from the Collinsville pit throughout 2016 with most activities focused on drawing down stockpiles and in-pit inventories which had built up when coal demand eased. Head of Glencore's open cut coal business in Queensland Tony Galvin acknowledges that the last three years saw some difficult decisions made in order to maintain Collinsville's long-term viability. "Collinsville has made material progress in increasing operational efficiencies and reducing costs in the current market and the decision to return to greater production is positive news for the local community and the wider region."



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He said in 2016 there had been a focus on rehabilitation work and management of mine water. "We have also continued to support a number of community initiatives, including the funding of a revitalisation master plan that aims to increase tourism in Collinsville and surrounding areas."

Collinsville is Queensland's oldest coal mine, having operated for almost 100 years. It was first recognised as a potential coalfield as early as 1866 with first underground mining beginning in 1919. Mt Isa Mines (MIM) acquired an interest and gained control in 1972, merging private and state-owned mines. Glencore acquired MIM in 2003.

The mine moved from underground to open cut operations progressively from the 1950s with large-scale open cut operations occurring in 1982 and the last underground mine completing operations in 1997. Glencore has further demonstrated its commitment to the Bowen Basin coal industry by acquiring the interests of its joint venture partners in Collinsville and Newlands. The partners were Japan's Itochu (35%) and Sumisho (10%) with the acquisitions resulting in Glencore becoming sole owner of the mines. A Glencore spokesman said full production was likely to restart at Collinsville early in 2017 while it would be business as usual at the Newlands open cut mine.

Techenomics serves Australia's mining industry with oil analysis and fluid management services from its Newcastle facility. CEO Chris Adsett says revitalisation of the coal industry in the Bowen Basin is very welcome as it has been the region's lifeblood for many years. "At Techenomics we can help the industry achieve sustainable maintenance through our innovative, cost-saving services."

Contact Chris Adsett, c.adsett@techenomics.com, or Leo Valenz, leo.valenz@techenomics.com, or phone +61 2 6571 2699.