



Andrew Constance MP

NSW Treasurer

Minister for Industrial Relations

MEDIA RELEASE

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GOVERNMENT CONSIDERS OPTIONS FOR COBBORA COAL MINE

Treasurer Andrew Constance today announced the NSW Government will continue to consider a range of options for the Cobbora Coal Mine following initial market soundings for the project.

Mr Constance said while a number of potential bidders were involved in the initial market soundings, the NSW Government had not yet secured a satisfactory purchaser for the Cobbora project.

The NSW Government's transaction objectives for the project, located in the State's Central West, include maximising the financial return, while minimising ongoing financial risks and liabilities, for the people of NSW.

"The previous Labor Government's decision to develop the Cobbora Coal Mine exposed taxpayers to the volatile thermal coal market and saddled them with a future liability of more than \$1.5 billion in development costs," Mr Constance said.

"When the people of NSW elected the Liberals & Nationals in 2011, we set about terminating the tremendously onerous coal supply agreements in place for the Cobbora Coal Mine.

"However, the Government was left with the reality that it was now the owner of a coal resource in the State's Central West."

Mr Constance said that further analysis of future coal prices and market conditions would be undertaken before the Government made a decision regarding the future of the Cobbora Holding Company and the development of the mine.

"The thermal coal reserves within the Cobbora Coal Mine area are significant and the possibility remains that with more favourable economic conditions for this type of coal, the mine may yet be developed," Mr Constance said.

"In the meantime, contractual arrangements for current licence holders and other tenants who occupy part of the site will remain in place. The Cobbora Holding Company will continue to engage closely with these land managers and tenants to keep them up to date with the site's future."

MEDIA: Dominic Cuschieri 0467 741 503