

# NEWS RELEASE

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## **BHP Billiton excludes floodplain from Caroona targeted exploration area**

BHP Billiton today released an Interim Report to Stakeholders on the progress of the Caroona Coal Project and identified an area within the Caroona Exploration Licence Area (ELA) for further targeted exploration.

Caroona Coal Project general manager Stephen David said the area identified for further exploration was generally located under the ridge country of Doona Point (including Doona State Forest), Nicholas Ridge and George's Island.

"These areas are being targeted for further exploration because they represent a significant coal resource that has the potential to be efficiently extracted by underground longwall mining," Mr David said.

The parts of the ELA that are excluded from the targeted exploration area are generally the floodplain and where the deep alluvial aquifers are located.

"While there are significant coal deposits under the floodplain, due the sensitivity of the floodplain and associated agriculture to subsidence, these coal deposits cannot be efficiently extracted with current longwall technology.

"Exploration drilling to date, and other survey work, suggests the surface topography and landuse on the ridge country have potential to co-exist with some level of subsidence associated with longwall mining," Mr David said.

As part of BHP Billiton's commitment to not bring forward a mining proposal that would negatively impact the deep alluvial irrigation aquifer or significantly impact agriculture on the floodplain, BHP Billiton will not pursue a long wall mining proposal in these areas.

The Mooki River and Quirindi Creek are outside the area targeted for further exploration.

BHP Billiton is not considering open cut mining on any part of the ELA.

The targeted exploration area represents approximately 126 square kilometres of the 350 square kilometre ELA.

“The identification of areas for targeted exploration will bring greater certainty for all landholders within the ELA and surrounding region,” Mr David said.

The targeted exploration phase, over the next two years, will enable BHP Billiton to understand the geology and hydrogeology of the targeted area and assess if a mine could be economically viable and could proceed with acceptable environmental impacts.

The Interim Report to Stakeholders covers progress of the regional exploration program, environmental monitoring, community consultation over the past two years, investments by the BHP Billiton Carooona Coal Project Community Fund and BHP Billiton’s plans for the targeted exploration phase.

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