



Wollongong Coal

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ASX Code: **WLC**

Please find attached a copy of press release regarding Wollongong Coal's operational changes at Russell Vale Colliery.

Thank you

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MEDIA RELEASE

Proposed operational changes at Russell Vale Colliery

September 01, 2015

Wollongong Coal today announced operational changes at its Russell Vale Colliery following difficult operating and financial conditions.

Mining operations at the Russell Vale Colliery will be suspended and placed into 'Care and Maintenance', which will result in a reduction of the workforce by approximately 80 employees.

"Wollongong Coal has been facing a tough operating environment for some time including ongoing delays in the approval of the company's Underground Expansion Project (UEP) and significant financial losses," Wollongong Coal Chief Executive Officer, Milind Oza said.

"This decision is not taken lightly and we have continually attempted to avoid this unfortunate situation by undertaking a series of workforce restructurings. "

"With the partial extraction of longwall 6 at the Russell Vale Colliery complete and the company experiencing significant losses, ongoing operations at the Colliery are simply not sustainable at this point in time.

"While this is a very sad day, we are absolutely committed to the region for the long-term, with the company having already invested over \$400 million over the past two years.

"We will be doing absolutely everything we can to ensure this operation which has been in existence since 1887 will be able to provide ongoing employment and support for the local community.

"Wollongong Coal will continue to seek approval for the UEP at the Russell Vale Colliery, which will allow us to recommence extraction of high-quality coking coal which is in high demand by the global steel market.

"This approval will pave the way to the beginning of a continued long term future in the region and we will continue to work closely with the NSW Government to ensure this can happen," Mr Oza said.

The operational changes will affect operators, electricians, fitters, deputies and other staff. A small team will be retained to undertake care and maintenance activities.

Wollongong Coal is currently discussing the changes with employees, the Construction, Forestry, Mining and Energy Union (CFMEU) and Association of Professional Engineers, Scientists & Managers, Australia (APESMA).

Wollongong Coal expects the UEP will be referred back to the Planning Assessment Commission for determination later this year.

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Wollongong Coal Limited (ASX Code: WLC) owns and operates Russell Vale Colliery and Wongawilli Colliery in the Southern Coalfields Region of New South Wales. The Russell Vale Colliery was established in 1887 and has provided ongoing employment and support for the local community for 127 years.

Wollongong Coal is developing to become one of the most modern and progressive coal mines in Australia. Wollongong Coal's proximity to Sydney and Port Kembla Coal Terminal make it a commercially competitive organisation. Port Kembla is located at a close proximity of about 15 KMs from both the Collieries and well connected via both rail and road.