



UPDATE



June 2004

One of the new excavators that will be working on the development of Awaroa 4 (see story overleaf)



Awaroa 4 gets Green Light

Resource consents for the Awaroa 4 opencast pit at Solid Energy's Rotowaro operation in Huntly have been granted and the first stages of development have begun. Awaroa 4 is being developed between the existing Awaroa 3 and Waipuna pits. This pit will help to supply coal to Genesis Energy's Huntly Power Station and other North Island industrial markets. The coal reserves at Awaroa 4 are estimated at 11 million tonnes (mt) and have an expected economic life of eight years.

After consultation, resource consents for the Awaroa 4 pit were lodged in October 2003. Consents were granted by Environment Waikato in November 2003. Waikato Tainui appealed against the grant

of consent. The Tangata Whenua Solid Energy Working Party was formed, which included members from Waikato Tainui and Solid Energy senior management to deal with mitigation issues surrounding the resource consent process and Solid Energy's plans for the region. The Waikato Tainui appeal has since been settled by consent in March 2004.

Solid Energy and contractor Henry Walker Eltin (HWE) have begun creating comprehensive management and environmental plans for the Awaroa 4 pit.

An environmental concern for the proposed pit is its effect on water quality. As discussed during the consultation process, a water management system which has been successfully employed at the Township, Awaroa

3 and Waipuna pits over the last 10 years, will continue to be used. This will ensure that water used on the site is collected at a Central Treatment Plant and Waipuna Treatment Plant for clarification before it is discharged. These processes are in conjunction with current water monitoring programmes.

At the conclusion of mining Solid Energy will rehabilitate the Rotowaro Mine site consistent with its long-term plan. The land will be returned to conservation pasture, native plantings, associated stream diversions and production forestry plantings. The final area of the Awaroa 4 pit and the Awaroa 3 pit will be filled with water, creating a lake.

HWE's new 400 tonne excavator.



New Machinery, more jobs at Awaroa 4

Henry Walker Eltin (HWE) and Solid Energy have signed a new agreement for mining at Rotowaro. The agreement will see HWE complete the Township pit and mine the new Awaroa 4 pit.

Around 15 new jobs will be established by HWE as the Awaroa 4 pit begins mining. Joining these new staff members will be an impressive set of machinery. HWE will have a range of equipment on the Rotowaro site with the capability of mining 20 million m³

(cubic metres) of overburden per annum and 2.4 million tonnes of coal per annum.

Joining the existing fleet at Rotowaro is the 400 tonne excavator, Komatsu PC4000 and the 190 tonne rear dump truck, Komatsu 730e. HWE is mobilising two of these

excavators and eight of these trucks to the Rotowaro site. One excavator and two trucks have already been assembled. The remainder will be assembled over the next two months.

Development of Awaroa 4

Initial mining works have begun at Awaroa 4 Opencast pit from within the old Mahon's mine area in accordance with the approved site monitoring environmental plan.

Topsoils from the Awaroa 4 area will be recovered and stockpiled for future land rehabilitation. Initial overburden material will be placed in the mined out Waipuna Pit void. Following initial overburden removal and coal mining the Mangatukutuku Stream will be diverted to allow Awaroa 4 mining to continue to the northwest. Diversion of the stream is likely to occur around mid 2006.

Overburden from Awaroa 4 Pit will also be used to backfill the Township Pit following completion of mining in Township. Backfilling of Township Pit will commence in 2006. Solid Energy is investigating various design options to transport the overburden from Awaroa 4 to Township across the Rotowaro Road. All of these options keep mine traffic separate from Rotowaro Road traffic.

Coal from the Awaroa 4 Pit will be trucked along a new haul road. This road is planned to be constructed between October 2004 and January 2005. The alignment of the road is across the top of the old Maori Farm opencast mining area and below the ridgeline of the existing Waipuna Coal Haul Road. The old Waipuna Coal Haul Road will be used for light vehicle access to the new contractors workshop that will be established in the Mahon's area. Over 100,000 tonnes of coal per month will be mined from the Awaroa 4 Pit. This coal will be processed at the existing blending plant facility adjacent to Waikokowai Road.

Awaroa 4 is a very deep openpit mine and has multiple coal seams. The major seams have been worked by underground mining methods over many decades. This project presents many challenges and Solid Energy has invested considerable resources into planning and design to ensure the project is a success.

Site Visit

Site visits to Rotowaro for local residents and interested groups will be held later this year. We will keep you informed on these visits closer to the time.



The Solid Energy Rotowaro Management Team, from left to right, Mark Paris, Neville Tyler and Reuben Mills

Contact

For further information, or to make any comments on any aspects of the development of Awaroa 4 please contact the Awaroa 4 Solid Energy Management team in the first instance on 07 828 0800:

Mark Paris, **Rotowaro Operations Manager**
Neville Tyler, **Contract Supervisor**
Reuben Mills, **Environmental Manager**

The HWE Awaroa 4 Management team can be contacted at the mine office on 07 828 4971:

On-duty Supervisor
Risk Co-ordinator,
Ferdinand Kruger
Project Manager,
Douglas McQuater.

