

HUNTER VALLEY COAL REPORT

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In its 30th year of publication

LD Operations fined \$136,000 for Mannering Colliery safety breach

LD Operations Pty Ltd has been convicted and fined \$136,000 for failing to comply with a health and safety duty under the Work Health and Safety Act 2011, following a serious injury to a worker at the Mannering Colliery at Doyalson.

The conviction and fine in the NSW District Court was the result of a prosecution by the NSW Resources Regulator over an incident in January 2016, in which a worker received a serious head injury.

The Company was also ordered to pay the prosecutor's costs.

LD Operations provided labour and services to the mine operator and was the employer of the injured worker.

Judge David Russell found that the potential consequences of the incident were very serious and there were steps available to the defendant to eliminate or minimise the risk.

NSW Resources Regulator Director of Compliance Steve Orr said that the judgement reflected community standards expected of mine safety.

"The Court's ruling sends a strong message that the community expects mine operators to protect their workers and comply with their work health and safety obligations," Mr. Orr said.

"This matter serves as a timely reminder to companies to ensure they have appropriate controls in place."

The worker was seriously injured while driving a loader underground at the colliery, when a damaged support strap hanging from the roof struck the man's head near his left eye.

The incident left the employee with a severe head laceration which required medical treatment.

At the time of the incident, the mine was in a state of care and maintenance.

The conviction and fine follows the NSW Resources Regulator's prosecution of the mine operator LakeCoal Pty Ltd in relation to the same incident. LakeCoal was convicted and fined \$180,000 and ordered to pay the prosecutor's costs.

Ulan Underground Mine contractor hospitalised following safety incident

The NSW Resources Regulator has been notified of an incident that occurred on Saturday 07 December 2019 at Ulan Underground Mine located in the Western Coal Fields of New South Wales.

A contractor is reported to have his foot trapped whilst undertaking a maintenance task on longwall equipment. The worker sustained serious injuries to their lower leg and foot and was airlifted to Westmead Hospital for treatment.

Inspectors from the NSW Resources Regulator were deployed to the site and have begun an investigation into the matter.

"Inspectors have issued a notice prohibiting the maintenance task from being undertaken until procedures and risk assessments have been reviewed," said the Resources Regulator.

The Resources Regulator said that no further comment will be made while the investigation is ongoing.

Inland Rail Narrabri to North Star proposal – Comment invited

Australian Rail Track Corporation Ltd (ARTC) is seeking approval to construct and operate the Narrabri to North Star section of Inland Rail.

The proposal would involve upgrading the existing rail line between Narrabri and North Star, including upgrading the existing track and track formation, replacement of culverts and bridges and construction of five new passing loops, potentially at Bobbiwaa, Penny's Road, Moree, Coolleearlee and Croppa Creek.

The proposal would form part of the rail network managed and maintained by ARTC. Train services would be provided by a variety of operators.

The proponent has submitted a Preferred Infrastructure Report and Response to Submissions Report for the proposal which may be viewed electronically at the NSW Department of Planning, Industry and Environment website, at a Service NSW Centre and at the Nature Conservation Council of NSW, Level 14, 338 Pitt Street, Sydney, NSW.

The Environmental Impact Statement (EIS) may be viewed by prior appointment. Please call 02 9516 1488 for appointments and for details of locations where a hard copy of the EIS may be viewed.

The EIS may be viewed and written submissions about the Critical State Significant Infrastructure Application may be made from 11 December to 31 January 2020.

Public submissions invited on Glendell / Mt Owen proposed open cut coal mine expansion

Glendell Tenements and Mt Owen Pty Limited has lodged an application with the NSW Government to modify the development consent for the Glendell Coal Mine.

The project includes, but is not limited to:

- Extending the Glendell pit to the north to extract an additional 135 million tonnes of run of mine coal over the life of the project
- Extending the life of the Glendell Mine to December 2044
- Continued use of the Mount Owen coal handling and preparation plant, mine infrastructure area and rail and extending the life of these facilities
- Changes to the approved final landform.

The State Significant Development Application, Environmental Impact Statement and accompanying documents may be viewed on the Department of Planning, Industry and Environment website, at 320 Pitt Street, Sydney, or at a Service NSW Centre from 11 December 2019 to 31 January 2020.

As of 20 January 2020, the Departments new address will be 4 Paramatta Square, 12 Darcy Street, Parramatta, NSW.

Hard copies may be viewed at Singleton Council, Singleton Library and at Nature Conservation of NSW in Sydney.

Public submission is invited from 11 December 2019 to 31 January 2020.

Whitehaven Coal Maules Creek drought and staffing issues impact FY2020 forecast

Whitehaven Coal Limited has announced the revision of its Full Year (FY) 2020 production forecasts due to ongoing drought conditions in North West New South Wales and to difficulties in recruiting skilled operators for its Maules Creek open cut mine.

Maules Creek is now forecast to produce between 10.0 to 11.0 million tonnes per annum (Mtpa) in Full Year 2020 compared to 12 to 12.5Mtpa previously.

Guidance at Narrabri and the Gunnedah open cuts remains unchanged at 6.0 – 6.5Mt and 4.0 – 4.5Mt respectively.

Whitehaven said that it expects that it could take the balance of the financial year to source, select, on-board and train the necessary workers at Maules Creek in order to achieve a return to full utilisation of equipment and increase related operating productivity.

“Production at Maules Creek has also been affected by numerous unscheduled production stoppages during November and December from smoke, dust and haze events which are a function of ongoing severe drought conditions,” the Company said.

“With safety a key consideration, this has led to reduced truck speeds in lower visibility environments and in some cases required operations to be temporarily suspended.”

“As a 24x7 operation still to achieve 100% in-pit dumping, Maules Creek has been disproportionately affected by these conditions relative to our other open cut operations which have shorter haul distances,” said Whitehaven Coal.

Currently no interruption is expected for FY20 operations on account of water supply issues but the Company will update the market in the event regulatory delays around further water supply augmentation measures already in train impact this revised guidance.

Whitehaven Coal said that its other sites are fully manned.

Mastermyne extends Outbye Services Contract at South32 Appin Colliery

Mastermyne Group Limited has executed a variation to extend the completion date for the provision of outbye services to South32's Illawarra Metallurgical Coal Operations at its Appin Colliery.

The short term extension to 30 June 2020, closely aligns the Company's outbye services contract with the roadway development contract also operating in parallel at the mine.

The scope provides for a range of services managing outbye processes and supplementary labour in the Appin Colliery longwall area, and also allows the Company to use this time to finalise an Enterprise Agreement (EA) with its workforce.

“The contract extension is forecast to generate revenue of approximately \$17 million over the seven month period and will continue to employ up to 230 personnel across the combined contracts,” said Mastermyne.

Titles Management System overhauled by NSW Government

The NSW Government has launched phase one of its new Titles Management System, an online platform for the management of exploration and mining licences.

Division of Resources and Geoscience Deputy Secretary Michael Wright said that the new Titles Management System (TMS) is designed to be a one-stop shop for the end-to-end management of mining titles and will ensure greater visibility, transparency and accountability in the process.

“The TMS dashboard function unveiled for phase one allows investors, explorers and industry stakeholders to track progress of lodged applications in real time, with a built-in audit mechanism that ensures transparency and accountability over decision-making,” said Mr. Wright.

The dashboard also allows secure payment of application fees by credit card, allows applications to be saved as a draft for later completion and automatically populates contact details, making the process more streamlined and user-friendly for industry.

New applications for exploration, assessment and mining leases can now all be lodged through TMS, except for applications for Group 9 (coal) and Group 9A (oil shale) minerals, and petroleum, which will be a part of subsequent releases.

Mr. Wright said that the staged roll-out of a more streamlined and user-friendly TMS will also benefit communities impacted by mining, with members of the public able to access the portal to locate applications under assessment or mining licences currently operating in their local area.

Additional functionality and services will be added to TMS over the next 12 months, including the ability to submit other types of applications required by the Mining Act 1992 and Petroleum (Onshore) Act 1991, automated correspondence and a contemporary public register.

The current Titles Administration System will be decommissioned once TMS is fully operational.

NSW Coal Titles Renewal and Applications to renew

Glendell Tenements Pty Limited (ACN 056 693 175), Exploration Licence No. 5736, now Exploration Licence No. 8916, County of Durham, Map Sheet (9133), area of 128.2 hectares, for Group 9, has been granted by the New South Wales (NSW) Government for a term until 2 December 2022.

The following Exploration licence Applications for renewal have been received by the NSW Government: Authorisation No. 406, Whitehaven Coal Mining Limited (ACN 086 426 253), area of 2160 hectares. Application for renewal received 29 November 2019.

Exploration Licence No. 7432, Centennial Inglebrook Pty Limited (ACN 120 159 051), area of 2736 hectares.

Exploration Licence No. 7442, Centennial Inglebrook Pty Limited (ACN 120 159 051), area of 1020 hectares. Application for renewal received 21 November 2019.

Mining Lease No. 1461 (Act 1992), Donaldson Coal Pty Limited (ACN 073 088 945), area of 515.6 hectares. Application for renewal received 27 November 2019.

Queensland's mine dust lung disease reforms among world's best

Queensland's health surveillance programme for coal mine workers is among the best in the world according to Dr Robert Cohen from the University of Illinois at Chicago, USA.

“Queensland's Department of Natural Resources, Mines and Energy, industry and unions, should be commended for working together to support the major improvements to the Coal Mine Workers Health Scheme recommended by the Monash Centre for Occupational and Environmental Health,” Dr. Cohen said.

“The Monash review was undertaken in collaboration with the University of Illinois at Chicago. Both Monash and the UIC assisted in the delivery of many of the Monash reforms, including the development of standards and guidelines, devising the clinical diagnostic pathways, as well as funding and supporting programs to train radiologists, chest physicians, and occupational medicine physicians.”

“The Department has thoroughly incorporated the recommendations made in the Monash review and delivery of the recommendations has resulted in early detection of lung disease,” said Dr. Cohen.

The Department continues to progress work on several fronts following the delivery of the Monash review recommendations including a combination of education and awareness, policy review, health surveillance and compliance to ensure the reforms continue to deliver their intended benefits.

October and November saw a number of engagement, training and information sessions for industry and the medical profession. This is critical to ensure information sharing and common learnings and included the United States National Institute for Occupational Safety and Health delivering another B-reader training course in Brisbane for radiologists seeking to report chest X-rays.

“These reforms have not been easy; requiring new training programmes, standards and systems to be developed that have not been available in Australia before,” Dr Cohen said.

“These improvements have resulted in a much better health surveillance system, which has been leveraged to respond to other occupational diseases including the discovery of advanced and severe silicosis in artificial stone fabricators.”

“While there is always work to be done to ensure that the system continues to deliver its improved performance—Queensland's health surveillance of coal miners is now the envy of the world, and other jurisdictions including the United States, should strongly consider adopting these changes Queensland has led.

Dr Cohen recently delivered the annual training workshop for doctors approved to perform health assessments as well as the key-note address at the third annual Dust and Respiratory Health Forum at the University of Queensland. More than 60 industry and department participants also met in Blackwater at the second Health and Hygiene Forum held in regional locations.

Commissioner for Mine Safety and Health, Kate du Preez, said that the Department's reform agenda has included reviewing the interaction between fitness for work and health surveillance under the Coal Mine Workers' Health Scheme.

“It is also anticipated the department will be proposing changes to health surveillance for mineral mine and quarry workers to provide greater certainty for workers. This will be in addition to free lung health checks the department already provides for all retired or former coal, mineral mine or quarry workers,” said Ms. du Preez.

Group health surveillance and research also continues to be a focus.

“Following the Wesley Dust Disease Research Centre report on confirm cases of coal mine dust disease released in June this year, subsequent work is already in progress,” she said.

“In September the Department released a tender for a coal mine dust disease prevalence study and in November were successful in receiving a National Health and Medical Research Council funding grant in partnership with Monash University to undertake a multi-year cancer and mortality study of Queensland coal miners. A review of High Resolution Computed Tomography scans has also commenced by a joint-team of Australian and American specialist radiologists.”

“Compliance activity has commenced and will ramp up over the coming months. The Thoracic Society of Australia and New Zealand has commenced a clinical audit of spirometry tests and the department continues to review doctor compliance with the Clinical Pathways Guideline to ensure workers with abnormal screening results are investigated correctly.”

“Next year the department expects to deliver a mobile health unit after releasing an expression of interest during the last week of November for the design, build and operation of the mobile service to improve accessibility in regional Queensland,” said Ms. du Preez.

Glencore Rolleston Coal mined land rehabilitation receives Government certification

Glencore’s Rolleston open cut coal operations in central Queensland have received Government certification on 166 hectares (ha) of rehabilitated mined land.

“The Government sign off means that Rolleston now has certification for almost 400ha of its rehabilitation representing almost 40% of the total amount of mined land that has been rehabilitated at the site,” Glencore said.

Glencore said that across all of its coal operations, planning for rehabilitation commences almost before first coal is mined.

These annual plans include targeted areas for disturbance as well as areas for shaping and seeding; forecasts for rehabilitation across the life of mine to avoid large, end of mine legacies; and plans to address legacy issues.

Glencore Queensland Environment and Community Manager, Pieter Swart said that the certification at Rolleston follows a similar achievement at the Company’s Newlands operation in 2017 and that Glencore’s coal operations across Queensland and New South Wales will again achieve more than 1,000ha of rehabilitation, the fourth successive year that this has been achieved.

Adani North Galilee Water Scheme requires further assessment under EPBC Act

The Australian Department of Environment and Energy determined that the North Galilee Water Scheme Project is a controlled action and as such requires further assessment under the Environment Protection and Biodiversity Conservation Act 1999.

In response to the decision, Adani Australia said that Adani Mining will continue to work with the Australian Government to meet its environmental obligations and requirements on the North Galilee Water Scheme Project.

“The North Galilee Water Scheme Project comprises a water pipeline, pump station infrastructure and the expansion of an existing dam in the Belyando/Suttor River catchment, to supply water to the Carmichael mine in central Queensland,” said an Adani spokesperson.

“The extraction of flood water to be pumped from the Belyando/Suttor River catchment was originally assessed and approved as part of the Environmental Impact Statement process in 2015, and then through the granting of a water licence by the Queensland Government in 2017.”

“It equates to 12.5GL of water or less than 1% of the annual water flow available in the Belyando/Suttor River catchment. This water can only be taken when the river system is in flood, after other users, like farmers, have taken their share, and only when the river is flowing at a rate of 2,592 mega litres per day. Furthermore, Adani must pay upfront for this water at a similar rate to other industrial water users. These are some of the conditions of Adani’s water licence, which was granted in 2017,” the spokesperson said.

“The dam, which will be used to store the water harvested, holds an additional approval, which was granted in 2015 under Queensland Government planning legislation (Sustainable Planning Act 2009).”

“In 2015 Adani received Queensland and Australian Government approvals to build the Carmichael mine in the Galilee Basin, located more than 300km west of the Queensland Coast line following the consideration of its Environmental Impact Statement.”

“The Environmental Impact Statement was assessed against a number of provisions under the Commonwealth Environment Protection and Biodiversity Conservation Act including the Water Trigger,” the spokesperson said.

“Work has already commenced on the Carmichael Mine and Rail Project and importantly, the North Galilee Water Scheme project is not required for these construction activities, however the water is required for safe mining operations.”

Nominations open for 2020 Indigenous Awards

The Queensland Resources Council (QRC) is calling for nominations for its 2020 Indigenous Awards across six awards categories.

The 7th annual awards on 01 June 2020 will be presented during National Reconciliation Week at the Howard Smith Wharves in Brisbane.

The audience will hear from Fiona Jose, Chief Executive Officer at Cape York Partnership as the keynote speaker.

QRC Chief Executive Ian Macfarlane said that the resources sector was committed to providing economic pathways and opportunities to Indigenous Australians from Brisbane to Cape York.

“Our sector is a significant economic resource which can drive wealth and prosperity for Indigenous people and communities,” he said.

“Indigenous people comprise 4 percent of the State’s workforce in resources and Queensland’s Indigenous population is 4 percent. We are one of only two sectors with a true representation of Indigenous people in our workforce.”

“Another milestone is Indigenous women in resources who represent 24 percent of the Indigenous workforce, which is close to twice the non-Indigenous rate.

“Separately, land agreements under the Native Title Act provide benefits such as community development, education and heritage initiatives.”

The Closing the Gap 2018 update reported that 6,599 Indigenous Australians were employed by the mining industry, an increase by 250 percent since 2006. The number of non-Indigenous Australians employed in mining had increased by 150 percent over the same period.

“The same report stated that the mining industry itself is employing significantly more Indigenous Australians than previously and we need to champion these employees,” Mr. Macfarlane said.

Nominations close on Friday 27 March 2020.

Company News – Adani Australia, Aspire Mining, Bathurst Resources, Coronado Global Resources, NRW Holdings.

Adani Australia has awarded a contract to deliver rail signaling systems for the Carmichael Rail Network to Siemens. The signalling systems equipment will be delivered from workshops and offices across regional Queensland, ensuring that Queenslanders benefit from the resulting jobs and economic activity. This project will create and preserve up to 50 local jobs in Queensland including project staff, engineers, construction workers and tradesmen. Carmichael Project Director, David Boshoff, “Siemens is known for its exceptional experience in building rail signalling infrastructure around the world; We are confident that Siemens will provide the signalling systems that will ensure the safety of train drivers and workers who will operate our new rail network in Central Queensland.” The 200km long Carmichael Rail Network will link Adani’s Carmichael Mine in Central Queensland, now under construction, to the existing rail network so coal can be transported 300km to the coast for export to overseas markets where it will be used to generate electricity to help improve living standards in Asia.

Aspire Mining Limited has signed a Non-binding Memorandum of Understanding with Sinosteel Equipment & Engineering Co., Ltd. (Sinosteel MECC) in relation to the early development of the Ovoot Coking Coal Project in Mongolia. Aspire said that the MoU covers potential Engineering, Procurement and Construction (EPC) and trade-based funding opportunities for the Ovoot Early Development Project (OEDP). The OEDP Pre-feasibility Study includes the construction of a 5 million tonnes per annum Coal Handling and Preparation Plant at the Ovoot Mine Site at an anticipated cost of US\$37 million. The Parties will discuss a possible Engineering, Procurement and Construction contract and funding opportunities.

Bathurst Resources Limited has elected to meet the first Tranche 2 Option advance request to continue funding the Bankable Feasibility Study, Environmental Assessment, and other expenses associated with Jameson Resources and the Crown Mountain Coking Coal Project in British Columbia, Canada. In September 2019, Bathurst exercised its Tranche One option, increasing its ownership in NWP Coal Canada Limited to 20 percent. With the Tranche Two advance, Bathurst continues to support the move toward development of Crown Mountain.

Coronado Global Resources Inc. has advised that the address of its registered office has changed to: Level 33 345 Queen Street Brisbane QLD 4001 Australia. The Company’s postal address, telephone and facsimile numbers remain unchanged. The Company’s principal place of business details also remains unchanged.

NRW Holdings Limited has completed the acquisition of BGC Contracting Pty Ltd. The 2300 strong BGC Contracting workforce have now joined NRW. As part of completion process, the BGC Contracting Pty Ltd. entity will be renamed to NRW Contracting Pty Ltd in accordance with the terms of the sale agreement. The Australian business number (ABN) of 88 008 766 407 remains unchanged. The DIAB Engineering business which will continue to operate under its existing name and ABN.

Personnel

Aspire Mining Limited has advised the following Board changes: **Archit-Erdene Darambazar** has been appointed to the position of Managing Director. **Alexander Passmore** and **Gan-Ochir Zunduisuren** have both agreed to resign as Directors of Aspire. Gan-Ochir Zunduisuren will continue in an Executive Management role with the Company in Mongolia.

BHP Group has announced the appointment of **Gary Goldberg** to the BHP Board as an Independent Non Executive Director, effective 01 February 2020.

LogiCamms Limited Chief Financial Officer and Company Secretary **Dan Drewe** has notified the Company he will be stepping down from his role, with his last day with LogiCamms being the 28 February 2020.

Perenti Global Limited has announced the appointment of experienced Company Director, **Andrea Hall** as a Non Executive Director, effective from 15 December 2019.

Universal Coal Plc has announced the appointments of **Wallace King AO** and **Craig Ransley** to the Board of Universal Coal. Universal Coal announced on 20 November 2019 that it had received a requisition for a general meeting from TerraCom Limited in order to consider resolutions proposing the appointments of Mr. King and Mr. Ransley as Directors of the Company (TerraCom Representative Directors). Universal has resolved to appoint the TerraCom Representative Directors as Non-Executive Directors to the Board of Universal, effective as of 4 December 2019.

Safety

Weekly Incident Summary 2019

Source: NSW Government

View the Weekly Incident Summary for the week ending 29 November [here](#)

Gas Management at Underground Coal Mines

Source: Queensland mines Inspectorate

The Queensland Mines Inspectorate recently published a new guide which provides advice and recommendations for all underground coal mines in how to monitor and manage methane concentration levels.

The Methane management in underground coal mines best practice and recommendations guide was published in June 2019 and aims to ensure that all mines understood the methane gas monitoring regulations and the expectations of the inspectorate.

It provides Queensland coal mines with information to consider when:

- determining location of additional monitor(s) that are interlinked to cut power to the longwall shearer which are critical controls for the management of risks from methane; and
- determining suitable trigger action response plans to prevent dangerous accumulations of methane in areas in the longwall tailgate where there are potential ignition risks.

The guide does not cover the management of other gases which may be present in an underground coal mine.

Kate du Preez

Commissioner for Mine Safety and Health

The guide is available [here](#)

Respirable crystalline silica fact sheets

Commissioner for Mine Safety and Health, Kate du Preez

The Queensland Mines Inspectorate has developed and distributed two information sheets to help educate coal mine workers about the hazards associated with respirable crystalline silica.

The information sheets are tailored to workers who are employed in underground and open-cut mines and contain specific information relevant to those environments.

Fact sheet: [Respirable crystalline silica and Queensland's underground coal mine workers](#)

Fact sheet: [Respirable crystalline silica and Queensland's open-cut coal mine workers](#)

Campaign for Change targets unsafe practices in mineral mines and quarries

Commissioner for Mine Safety and Health, Kate du Preez

In March 2019, the Queensland Mines Inspectorate implemented a major inspection and education campaign which targeted three key areas for action in order to improve the controls which manage these identified risks.

The Campaign for Change focusses on guarding, mobile equipment and isolation and aims to ensure industry has a clear understanding that it is unacceptable to:

- operate plant without effective guarding in place
- use mobile equipment that is not maintained and inspected in accordance with original equipment manufacturer requirements
- allow workers to operate mobile equipment without being appropriately trained and competent
- conduct work on plant that is not correctly isolated and locked out.

The campaign was communicated to mine and quarry sites by regional mines inspectors in March 2019 and further information was communicated to site senior executives by the Chief Inspector of Mines in May 2019.

The campaign message has been reinforced at a number of mining and quarrying industry conferences, seminars and forums across the state.

The campaign will continue into 2019–20 and will include an assessment of its impact on safety and health in the industry.

Diary Dates

**23-24 Jan
2020**

Coaltrans USA
Four Seasons Hotel Miami
Florida
USA

**12 – 14 Feb
2020**

Coal Operators Conference
University of Wollongong
Wollongong
NSW

**05 Mar
2020**

QRC/WIMARQ International Women's Day Breakfast
Royal International Convention Centre, 600 Gregory Terrace
Bowen Hills
QLD

22 Jul 2020	Queensland Mining Awards 2020 Gala Presentation Dinner Mackay Entertainment and Convention Centre QLD
24 – 28 Aug 2020	ACPS Eighteenth Conference & Exhibition Tamworth Regional Entertainment & Conference Centre NSW
24-26 Aug 2021	AIMEX Sydney Showground Sydney NSW

HVCCC Weekly Performance Report

Report for 02 – 08 December 2019

Source: Hunter Valley Coal Chain Co-ordinator (HVCCC)

Coal Delivery

- Planned rates were 473kt below target while Actual inbound performance was 346kt below the Declared Inbound Throughput (DIT). Total losses finished the week at 5.4% compared to the 2019 declared target of 8.0%.
- December month-to-date throughput is currently 3,756kt (171.4Mtpa) which is 325kt below the DIT, with total losses of 6.1%.

Shiploading - Port Waratah Only

- Planned rates were 250kt below target while Actual outbound performance was 95kt below the Declared Outbound Throughput (DOT). December month-to-date shiploading is currently 2,871kt (131.0Mtpa), 166kt below the DOT.
- Port Waratah port stocks finished the week at 1,646kt, a decrease of 245kt from the previous week.

Coal Chain Demand

- December nominations at Port Waratah are currently 9.3Mt.
- Based on terminal demand the Port Waratah vessel queue is estimated to be less than five at the end of the month.
- At Port Waratah, there were eight vessels in the offshore queue at the end of the week.

Port of Newcastle Monthly Coal Trade Report

Report for April 2018

Source: Port of Newcastle

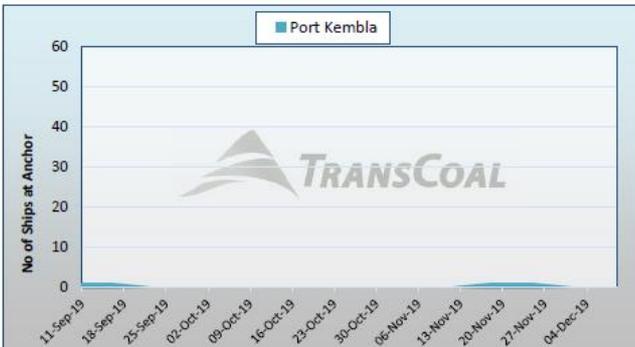
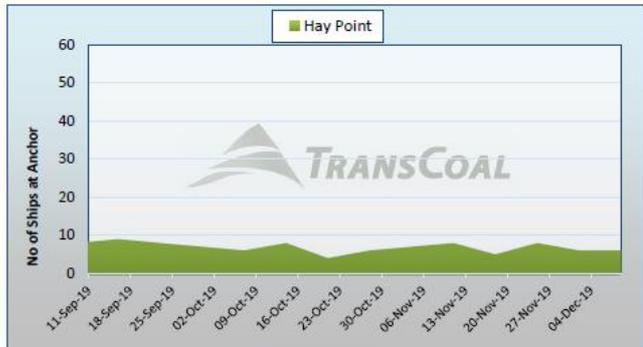
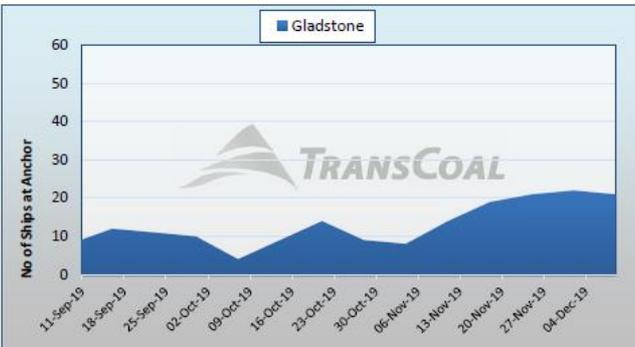
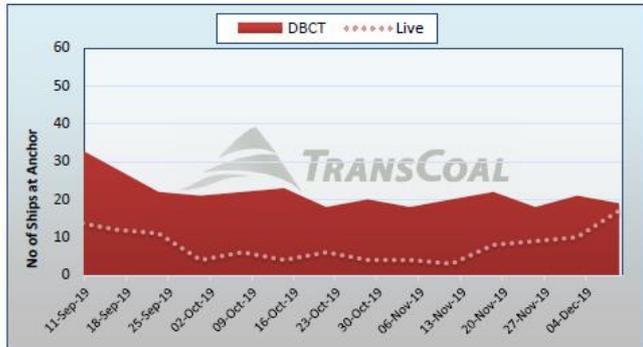
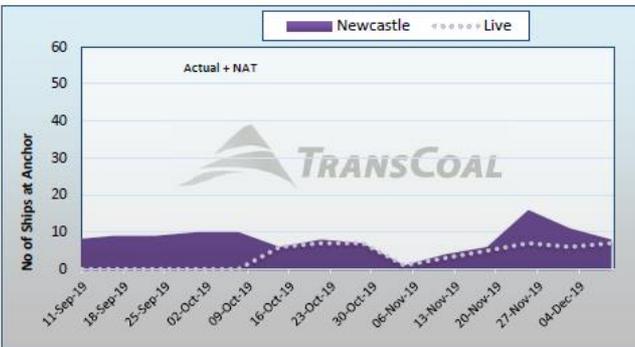
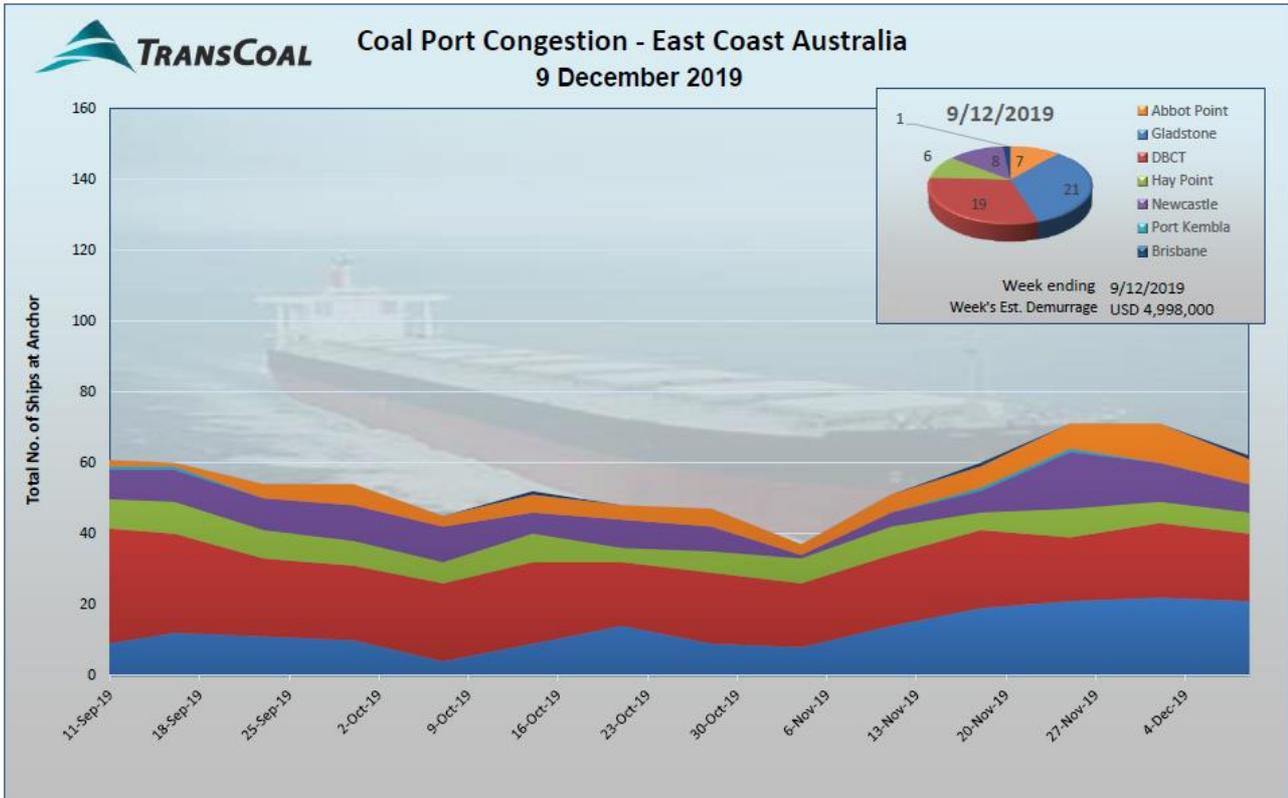
Coal Exports

Mass Tonnes	YTD	TEU's	YTD	Trade Value (\$AU Million)	YTD (\$AU \$Million)	Coal Vessel Visits	YTD
12,560,964	149,778,114	0	0	\$1,418.5	\$16,938.6	138	1,635

Coal Export Destinations: Australia, China, India, Japan, Korea, Malaysia, Mexico, New Caledonia, Taiwan

TransCoal Port Congestion Graph

09 December 2019 - The overall vessel queue decreased from 71 ships last week to 62 this week. Queensland's queue decreased from 60 ships last week to 54 this week. New South Wales' queue decreased from 11 ships last week to 8 this week.



Gladstone Ports Total Monthly Coal Exports

Coal totals for the November 2019

Source: Gladstone ports Corporation

Country	Tonnes exported	%
Japan	1,791,546	30.39%
India	1,517,843	25.74%
Korea Republic of	1,158,555	19.65%
China	725,050	12.30%
Brazil	185,238	3.14%
Taiwan, Province of China	167,231	2.84%
Australia	116,809	1.98%
Malaysia	77,000	1.31%
Indonesia	56,408	0.96%
Vietnam	55,000	0.93%
Chile	45,040	0.76%
Totals	5,895,720	100%

Braemar ACM Weekly Scope

10 December 2019

Vessel DWT	Australian Round Voyage			Far East Mediterranean/Continent			Mediterranean/Continent Far East		
	Last Week	This Week	Change	Last Week	This Week	Change	Last Week	This Week	Change
28,000	\$6,250	\$6,250	\$0	\$4,000	\$4,000	\$0			
32,000	\$7,350	\$7,350	\$0	\$5,100	\$5,100	\$0			
58,000	\$8,000	\$8,300	\$300	\$3,800	\$3,800	\$0	\$16,750	\$16,550	-\$200
74,000	\$10,500	\$11,000	\$500	\$3,700	\$4,200	\$500	\$17,400	\$18,500	\$1,100
180,000	\$27,663	\$28,148	\$485	\$7,198	\$8,8883	\$1,685	\$39,171	\$39,024	-\$147

Note: The trades 28K, 32K, 52K & 58K DWT sizes rates are assumed to be DOP South East Asia. All other sizes are assumed DOP North Asia.

Vessel DWT	1 year period	3 years period
38,000	9,000	8,000
58,000	9,700	9,550
76,000	10,750	10,300
82,000	12,375	11,875
180,000	15,300	13,700
210,000	17,700	16,100

CAPE SIZE

It has been an active start to the week, although not necessarily reflected in volumes. Appetite of Western Australia charterers has not been able to undermine tonnage available for December cancelling. TCE rates have been in the excess of \$25,000/day, which has enticed many owners to remain in the Pacific basin. A question mark looms as to where Brazil volumes will be, but its apparent that at some stage lack of ballasters will be addressed prior to the new year if this model maintains.

PANAMAX

The market has been a little flat although sentiment is still positive. Overall, activity has not picked up this week with some saying that the demand seems a bit less compared to last week with tonnage availability at slightly higher levels. Charterers are looking for cover in preparation for Christmas holidays.

In the Pacific, bunkers continue to be in focus, with some owners not having enough HSFO to get serious interest from charterers and some having too much so have to look at ballasting. Indonesia has had a slow start and there has been an increase in number of vessels in available Southeast Asia. A Panamax is expected to be close to \$9,500/day for an Indonesia-South China voyage, basis South China, and a Kamsarmax close to \$10,750/day. EC Australia and NoPac also has had a much slower start with an eco-Kamsarmax for EC Australia heard fixing at \$12,000/day basis CJK and a normal Panamax expected to be close to \$10,500/day. Meanwhile in Nopac, a Kamsarmax is expected to be close to \$12,500/day basis Japan and \$11,000/day for a Panamax.

There has been a few more end-December and early-January cargoes which has helped stabilise ECSA with a Kamsarmax expected to be close to \$14,500/day + \$450,000 BB APS. Transatlantic remains firm with several cargoes in the market and rates expected be around \$12,500/day for a Panamax basis Gibraltar.

Period interest from charterers remains strong, however with an eco-Kamsarmax owners looking for \$13,000/day or more and most charterers aiming for \$11,500-12,000/day, the market seems to be on a wait and see approach.

HANDYSIZE, HANDYMAX & SUPRAMAX

In Southeast Asia, the Supramax market started the week on a busy note, with most of the cargoes hitting the market early (though not many more on Tuesday). There seem to be a few cargoes bound for India direction, with China cargoes resurfacing but not in the volume we anticipated. Everything is still a function of bunkers. A Supramax in Singapore with some HSFO onboard is seeing rates in the range of \$9,000/day for Indonesia-WCI, and in the \$10,000/day range for Southeast Asia/ South China redelivery –a tick lower than some fixtures of the previous voyages as ships now can't run on HSFO for the whole trip.

There is not much change in the PG/WCI market. There are some fresh requirements, however both charterers and owners are looking to hold on to rates. Several owners prefer to keep their vessels within the region. PG/India rates are going around \$9,000-10,000/day levels DOP basis WCI delivery. For WCI to China, charterers are talking around \$9,000/day levels, whereas owners are asking for around \$11,000/day for the same. There are about 5-8 cargoes and about 40-50 vessels in the region.

South African market saw some rushed activity late last week and Monday, with vessels fixing for Indian subcontinent as well as Far East direction. TC rates seem to have improved slightly with Supramax fixing at about \$11,500/day + mid-\$100,000 BB basis APS South Africa for Far East direction and an Ultramax fixing at approx. \$12,500/day + mid-\$200,000 BB for similar.

In Southeast Asia, the handy market softened a little mainly towards the end of last week due to vessels in North Vietnam / South China lacking employment nearby and the Far East was lagging behind significantly. This week, we have seen similar trends with overall tonnage count remaining fairly well balanced with a slight oversupply in the region.

Rates are pretty difficult to pin down at the moment: 28,000 dw tare fixing anywhere in the \$6,000/day range delivery Singapore for Australian round voyage to Singapore/ Japan. The 32,000 dwt are in the range of \$7,000-8,000/day whilst large ones are fixing anywhere in the \$8,000-9,000/day range. For the remainder of the week, sentiment is for rates to be flat and perhaps decline a little as a few more vessels are running prompt, though overall large market drops are not expected.

In the Far East, there has been some more activity out of CIS this week and expectation is for more CIS steel activity this month. USWC, on the other hand, still remains fairly quiet for handies this week with not too many grain orders seen. In terms of rates, 28,000 dwt are around \$6,000/day for trips south. 32,000 dwt are around mid-\$6,000/day and 38,00 dwt are in the \$7,000/day range for the same. Fixtures for NoPac rounds have been limited, however we expect some rates for these to be slightly higher due to longer duration.

Commodities (USD)						
Coal (Del. China)	Ther.Newc.6.3k	Change	Ther.Kalim 5k	Change	Cok.Prem.Oz	Change
	\$65.60	\$0.00	\$50.05	\$1.60	\$137.75	\$0.00

Bunkers (USD)						
Port	380 IFO	Change	180IFO	Change	MDO	Change
Singapore	\$274.50	\$7.00	\$575.00	\$35.50	\$577.00	-\$0.50
Hong Kong	\$352.50	\$20.00	\$552.50	\$5.00	\$592.50	\$0.00
Japan	\$320.00	\$5.00	\$610.00	-\$5.00	\$652.50	\$10.00
Sth Korea	\$385.00	\$27.50	\$635.00	\$70.00	\$647.50	-\$12.00

As at 10 Dec 2019 (Source: Universal Bunkering Pty Ltd).

Indices			
Date	09 Dec 19	02 Dec 19	Change
BHSI	508	505	3
BSI	837	819	18
-BPI	1,359	1,282	77
BCI 14	3,242	3,231	11
BDI	1,551	1,568	-17

As at 09 Dec 2019 (Source - Baltic Exchange)

Braemar ACM Dry Bulk Research Update - 10 Dec 2019

Chinese coal imports slump 19% MoM in November but still up 9% YoY

- China's coal imports have continued to decline MoM as several ports have halted clearance of cargoes through customs.
- However Beijing's mandate of zero YoY growth in Imports has so far not been not been achieved as imports over 2019 have already reached 297m tonnes, 16m tonnes higher than 2018's total.
- YTD, coal imports are up by 10% YoY.
- The boost in imports that we have recorded so far this year is in part due to end-users within China anticipating the curbs and making purchases early, taking advantage of weak seaborne coking coal prices.
- Towards the end 2018, volumes of coal cleared through customs rapidly declined as China enforced its zero import growth policy, however the effect on freight was muted as vessels hauling coal to China either waited offshore until the 1st of January or discharged into port stockpiles.
- It is likely that China's coal imports will decline further in December, though we do not see this producing a shock to the shipping market.