

## Environmental impact assessment process

### About ambreCTL

Brisbane-based mining and technology company, Ambre Energy, is proposing Australia's first commercial-scale coal-to-liquids project in the Felton area, 30km south west of Toowoomba and 10km south east of Pittsworth.

This project involves constructing an open-cut coal mine and above-ground gasification facility to produce 940 million litres of unleaded petrol and 150 million litres of LPG every year for the next 35 to 40 years.

The project (ambreCTL) requires mining eight million tonnes per annum (Mtpa) of material. This run-of-mine coal (coal as it comes from the mine prior to screening or any other treatment) is then washed to leave four million tonnes of product coal.

Established international technologies will be used in the ambreCTL facility to convert the feed coal to unleaded fuels in a three-stage process.

In the gasifier, the coal is converted to a syngas (or synthetic gas), then to methanol, and finally to 18,000 barrels a day of premium quality zero-sulphur unleaded petrol, which currently represents more than 20% of Queensland's annual demand.

The site will also contain dams, a coal stockpile, conveyor systems and a power generation plant to support the mine and gasification process.

Using local coal for gasification will bring new industry to Queensland and play a significant part in the evolution of alternative fuels from coal. Independent economic consultants, ACIL Tasman, estimate economic benefits from this \$3.5 billion+ project are estimated to be \$20 billion for the Darling Downs alone over the project's lifetime.

Before ambreCTL can proceed, Ambre Energy must gain a number of approvals from the Queensland and Commonwealth governments. As a result, an Environmental Impact Statement (EIS) will be prepared which requires a thorough examination of all ambreCTL's direct and indirect impacts, and identification of measures to avoid or mitigate these potential impacts.

### Why an EIS is developed

An EIS is developed to ensure the environmental, social and economic impacts associated with ambreCTL are appropriately identified and properly assessed. Ambre Energy aims to conduct its business in a socially and environmentally-responsible way, and to be valued by the communities in which it operates. It will ensure the EIS studies are complete, comprehensive and inclusive.

The EIS for ambreCTL will:

- build on previous environmental and social impact assessment studies undertaken for the proposed dimethyl ether (DME) 'clean coal' demonstration project
- ensure community and stakeholder issues and views are actively sought, captured and understood at each stage of the process, and represented accurately in the final report
- involve detailed analysis of all potential project impacts and benefits
- identify appropriate environmental management strategies and activities
- identify practical and effective ways to protect environmental, social and economic values.

### The EIS approval process

Ambre Energy has developed an Initial Advice Statement (IAS) detailing the proposed project's scope and scale, to assist the Queensland Government to develop draft Terms of Reference for the EIS. The IAS is publicly available from Ambre Energy's website.

Ambre Energy has also applied to the Queensland Government for the project to be declared a 'significant project' under the *State Development and Public Works Organisation Act 1971*.

For significant projects, the Department of Infrastructure and Planning coordinates the discussion between Queensland and Commonwealth governments on the complex range of environmental processes and approvals needed.

Ambre Energy considers a significant project declaration would acknowledge the complexity of the legislative and regulatory approvals required, the potential impacts of ambreCTL and its potential benefits to national, state and local economies. This declaration does not infer government approval or result in a 'fast tracked' process.

If the declaration is not received, ambreCTL will proceed through state assessment and approval processes, and an EIS will still be required. A determination is expected in late 2010.

In addition to state approvals, Ambre Energy will apply to the Commonwealth Government for ambreCTL to be considered a 'controlled action' under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC) which requires federal Ministerial approval due to potential environmental impacts.

Ambre Energy needs to demonstrate the project meets EPBC Act requirements by demonstrating that its activities will not significantly affect 'matters of national environmental significance', which include threatened species and ecological communities.

## EIS studies

Ambre Energy has engaged leading environmental consultants Sinclair Knight Mertz (SKM), to coordinate its studies and identify mitigation measures to address all issues or impacts associated with the project through the EIS process.

SKM will build on the findings of studies undertaken previously for the Felton DME project.

Studies will include, but will not be limited to:

- water resources
- climate change
- land management
- geology and soils
- air quality
- greenhouse emissions
- terrestrial and aquatic flora and fauna
- transport and infrastructure
- noise and vibration
- dust
- community, social and economic impacts
- visual amenity.

To conduct the necessary field work for baseline studies, Ambre Energy requires cooperation from landholders and access to their properties.

Ambre Energy undertakes at all times to treat landholders with consideration and respect, and to ensure the landholder understands the purpose of the field work, its duration and the activity involved before work is commenced.

It is anticipated that the Queensland Government will release draft Terms of Reference (ToR) for public comment shortly and that the final ToR will be available by the end of the year. The ToR will specify the studies and other activities required as part of the EIS.

## EIS timeframes

The EIS process is expected to be completed in late 2011.

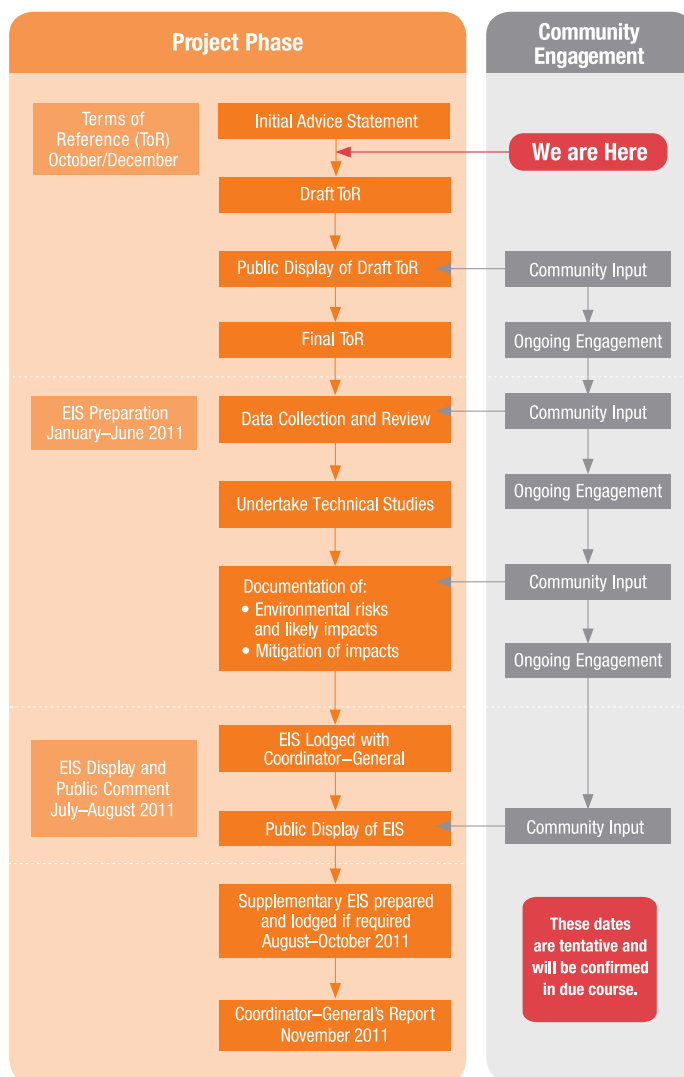
Pending government approvals, construction on ambreCTL could start in early 2012, with commissioning in 2014.

Key project milestones:

- final ToR by end 2010
- EIS preparation continuing until mid-late 2011
- project approvals granted late 2011/early 2012
- design of facility to occur in parallel with EIS process, completion of bankable feasibility study engineering to coincide with project approvals
- project implementation (detailed engineering, procurement, construction and commissioning) completed in 2014
- unleaded fuel produced from 2014.

This schedule is indicative and will change as the process progresses.

The EIS process is shown in the following diagram.



## How to get involved

Ambre Energy welcomes stakeholder input throughout the EIS and beyond. Independent community consultants, JTA Australia, have been engaged to develop and implement a comprehensive program of consultation activities and events.

These include stakeholder briefings, community information sessions, public displays and other events. These will be well advertised.

If you would like to receive project updates, raise questions and issues, contribute to EIS studies, register to attend community information sessions, or request a briefing for your stakeholder group, please note the following contacts.

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