

Premier and NSW Ministers
Parliament House
Macquarie St
Sydney NSW 2000

Re: Anglo American Drayton South Open Cut Mining Proposal

Dear Sirs

I write to you not as a resident of Australia but as a person who has a deep respect and admiration for Australia. I run a bloodstock agency in Ireland called De Burgh Equine Ltd. We are a company with a select base of private high wealth individuals who invest in bloodstock on a global basis. Bloodstock under our management at the moment is valued around US\$800,000,000 and rising.

My reason for writing to you is recently an American client of ours made a visit to the Hunter Valley with the idea of making a substantial investment in both land and bloodstock. He has returned to the USA horrified by what he has seen regarding the invasion by the coal mining industry on one of the world's finest areas for raising thoroughbreds. He has decided not to invest in Australia due to the uncertainty of the future of raising Thoroughbreds in the Hunter Valley..... A regrettable loss to the area from a high wealth individual with substantial foreign investment to put into the industry and Australia.

The Thoroughbred industry is becoming an increasingly global business which was historically controlled by the great breeding empires of Great Britain, Ireland and USA but in the last twenty years Australia has made incredible progress to now become one of the leading Thoroughbred producing countries in the world. To gain this respect you have to produce the results and these results on the racetracks of the world are impressive and the majority of these horses are coming from the Hunter Valley.

The Hunter Valley area has had a large amount of far sighted people who spent a large amount of money importing international bloodlines through their broodmares but that exercise would prove fruitless without the ability to access the bloodlines of the best stallions of the world. These are here mainly through two of the world's largest and most successful breeding entities in Coolmore and Darley....without these stallions you have no industry. A quick example is in the 1970's Ireland was in trouble with its breeding industry. The then Minister of Finance introduced a bill that allowed stallion investment to be tax free. Very quickly all the stallions

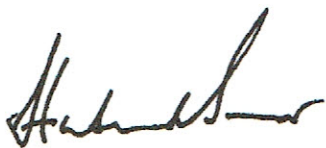
that were being sold annually to the USA stayed in Ireland and immediately foreign investment in stud farms in Ireland started with huge investment from the UAE, Saudi Arabia, the Aga Khan and numerous other high wealth people.... quite simply the broodmares came to where the stallions were based. They then had produce on the ground and bloodstock numbers increased as did employment and all the other ancillary industries built around bloodstock breeding. In other words no stallions = no mares = no foreign investment. You will say this has nothing to do with coal mining but it does as the area will start to lose stallions and its broodmare population due to youngstock being raised in an unhealthy environment.

The Thoroughbred industry takes all things seriously and one of the most important is a healthy environment for raising what is a very fragile commodity.

Each major Thoroughbred/Racing/Breeding country in the World is competing for the International Dollar and each major country is receiving huge foreign investment due mostly to the natural environment of the major breeding countries of the world. None of this happens overnight, it takes decades and more to create a global brand name and the Hunter Valley has done this successfully in the world of Thoroughbred Racing. It would be a real shame to lose this for the short term financial gain from the coal mines versus the long term future of one of Australia's most successfully recognized assets. An area which will only become a greater asset if allowed to stay as the Hunter Valley - one of the worlds recognized great areas for breeding racehorses.

Thank you for your time.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Hubie de Burgh', written in a cursive style.

Hubie de Burgh

deBURGH