

Speaking Notes Tom Magnier Determination PAC 4

November 2016

My name is Tom Magnier, I am the principal of Coolmore Australia.

Thank you for the opportunity to address you today and also for the time you spent to come to the farm last month.

Back to basics, Drayton South's impacts, especially dust generation and blasting - real, physical impacts, would seriously damage Coolmore's business and fatally disrupt our operations. It would make it impossible for us to continue and would force us out of the Hunter Valley.

Professor Jeff Bennett in his short report for the Department of Planning argues that Anglo American is best placed to judge Drayton South's viability, because they have most (quote) 'skin in the game'.

By this logic, it must be equally accepted that we and our colleagues in the industry are best placed to judge the threat of Drayton South to our business and viability.

The stakes are an awful lot higher for us than they are for Anglo American, which we now know has zero commitment to Drayton South.

They are an awful lot higher for the thoroughbred industry who have consistently come out in force against this mine, and are here again today, and will still be here for generations as long as the industry is protected.

If Coolmore didn't think the effects of the mine would force us out of the Hunter Valley, if the stakes were not so high, we would not be fighting this hard and this long.

Although our clients are increasingly raising the mining issue with us, a result of the protracted nature of this planning application, it is something we try not to raise with them.

However to prove the risks we face, we felt we had to test the sentiment towards Drayton South among them. We had nearly 500 responses from the people who bring their valuable assets to our farm.

The results were sobering reading for any business.

96% of our clients believe it is not acceptable to locate an open cut coal mine 900 metres from Coolmore.

When asked on a scale of one to five how damaging they believed it would be to the reputation of the entire Hunter Valley as a prime location for bloodstock breeding, 95% put it at the top end of the range.

This is the market reality for us. I knew the answers would be bad, but not this bad.

How does any business survive when its customers are saying - the environment you are in is unacceptable to us.

How does our business survive when our staff, including 90 farm residents, are worried about the future health and wellbeing of their families.

Anglo states categorically: there will be no health and safety risk to anyone on Coolmore.

Anglo - you are in no position to be able to make such a statement. You know nothing about handling thoroughbred racehorses, mares, yearlings and stallions. It shows a continuing and wanton disregard for our staff, our clients, their horses and our business.

One of our clients added: "I work in the mining industry. Mining is important to our national and local economies. It however has **no place** near rare, existing, world class sustainable agricultural practice."

And this is our point.

The Department criticises us for having invested so much into the Hunter Valley economy over the past 30 years. They say we made these investments while the mines expanded.

That's true. What we have now is co-existence. We never objected to any of that expansion, because it was many kilometres away.

We never thought that practicing co-existence would be used to justify a mine 900 metres from our boundary, despite the unique and unprecedented circumstances.

Anglo say they have reduced the mine size and increased the distance. It is a matter of degree. The intensity of mining will be virtually the same for the first 15 years, and the distance is still 900m. These are marginal differences and totally insignificant.

We have agents from Victoria calling us every week. We are now at the stage where we are asking them to look for potential properties.

We remain committed to this process, to our staff, their families, our business.

We have lots of plans for the future, which we fervently hope will be at Jerry's Plains. However, we need certainty to continue to invest, not just in bloodstock, but in agriculture and other related activities.

Only a refusal of Drayton South, and an appropriate buffer between our business and open cut coal mining can provide the certainty we need.

Thank you.