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 Mitsubishi Development Pty Ltd

17 May 2013

The Hon. Barry O'Farrell MP
NSW Premier
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Premier and Ministers of the NSW Government,

Open letter regarding Land and Environment Court rejection of the Warkworth Extension Project

We the undersigned represent companies that share a long term interest in the Australian resources industry. We have made substantial investments in the sector, totalling billions of dollars over several decades. Much of this has been in NSW, where we are partners with the operators of numerous mines and hold a common interest with the State Government in strong economic development.

We have noted with alarm the Land and Environment Court's decision to overturn the approval that had been granted by the NSW Government for the Warkworth Extension Project. In our view, this sets a dangerous precedent that places the future of the NSW mining industry at risk. It has cast great uncertainty over the ability to gain the necessary approvals for the continuation of existing mines and for new projects.

Mining is a risky and uncertain business. Substantial capital investments are required at the beginning of project, while the returns are realised over decades and are subject to global economic volatility. The relative stability and certainty offered by Australia's fiscal and regulatory environment over past decades has been a key factor in attracting investment in its mining industry.

Unfortunately, the decision regarding the Warkworth Extension Project brings the risk and uncertainty in NSW to unacceptable levels. It is a major disincentive for foreign investment and will impede the state's economic development.

In our view, this has become a matter of State significance and is being watched closely by resource companies around the world. It is essential that the NSW Government restores certainty to the state's planning system. We would welcome the opportunity to work with Members of the NSW Cabinet to ensure the mining industry has a bright future in this state and can continue to provide jobs and economic prosperity into the future.

Yours faithfully,

Tatsuo Ouchi
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