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Buller Coal Receives Approval for West Coast Mining Project

Bathurst Resources Limited's (ASX & NZX: BTU) wholly owned subsidiary – Buller Coal Limited (**BCL**) – has been granted resource consents (environmental approvals) for its proposed Escarpment Mine Project (**EMP**) in Westport, New Zealand, subject to certain conditions.

BCL applied for the consents required for the development of the EMP from the West Coast Regional Council and Buller District Council in September 2010. The consents are subject to strict conditions to mitigate social and environmental impacts associated with the proposed mining activities.

An independent panel of Commissioners approved BCL's applications for 24 resource consents for the EMP on 26 August, 2011. The granting of the resource consents are still subject to appeal.

BCL has agreed to establish and maintain a trust to support and enhance flora and fauna values on the Denniston Plateau. BCL will also contribute to restoration of historic heritage.

To enhance and monitor populations of the Great Spotted Kiwi and other important fauna, BCL will undertake predator and herbivore management within the Heaphy Flats (237 ha), Southern Heaphy Silver Beach Forest (3,313 ha), Ryan Creek Hard Beech Rimu forest (1,616 ha) and the Heaphy Northern Rata Coastal Forest (738 ha) for a minimum of 35 years.

The conditions also include financial contributions of up to 0.5 per cent of the total value of the project, calculated largely on the construction costs of buildings, haul roads and tree removal costs (approx. NZ\$300,000). This is paid to the Buller District Council for provision of reserves, recreational and community facilities

The company will also set up a Community Liaison Group of neighbours, local residents and businesses of Westport to anticipate and resolve issues before they arise and to discuss the results of the monitoring of mine activities.

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Commenting on today's announcement, Bathurst's CEO Hamish Bohannon said:

"We welcome the decision by the Commissioners to allow the project to proceed. The project will deliver significant economic benefits to not only the West Coast community but to New Zealand as a nation. BCL will comply as a minimum with the conditions set by the Commissioners, which underlines the company's strong commitment to people and the environment."

Mr Bohannon said many of the conditions specifically address concerns raised during the hearing, which includes site rehabilitation and conservation and public safety.

Other conditions that apply to the resource consents include:

- Consulting with the Department of Conservation and the New Zealand Historic Places Trust and preparing a plan to manage any potential or actual effects on historic sites;
- Addressing any disruption to recreational assets – for example, reinstating a circuit cycle track that might be affected during construction of the EMP.
- Developing a contingency plan to manage issues such as accidental spillages, power failures, fires, natural events or disasters;
- Preparing and implementing a traffic safety management plan that will address issues such as safety, noise, dust and the impact of traffic flow on neighbouring properties and the road network; and
- Consulting with Transpower to minimize the risk of any impact upon its infrastructure;

The EMP is an open cast coal operation on a 200 hectare mining permit in the southern part of the Denniston Plateau in the Buller District, which is expected to produce about one million tonnes of premium hard coking coal per year.

BCL anticipates it will be able to start work on the EMP in late 2011, provided there are no appeals to the Commissioners' decision (or any appeals are resolved).

The full decision by the Commissioners is available at www.wcrc.govt.nz

On behalf of Bathurst Resources Ltd



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