

20 December 2018

Press Release:
**Pembroke Resources Awards Processing Plant Contract for
Olive Downs Coking Coal Project**

Pembroke Resources is pleased to advise that it has awarded to CIMIC Group companies Sedgman and CPB Contractors, the Engineering Procurement and Construction Contract (“EPC Contract”) for the design, procurement, construction and commissioning of the Coal Handling and Preparation Plant (“CHPP”) for the Olive Downs Coking Coal Project, near Moranbah, Queensland.

In total, the contract will involve up to \$184 million of capital expenditure over the construction period estimated to conclude in early 2020. Design and early procurement work for the CHPP will commence immediately. Mineral processing company Sedgman and construction company CPB Contractors will work together with Pembroke Olive Downs to deliver a CHPP that will have sufficient capacity to process the first phase of annual production of up to 6 million tonnes of ROM coal from the Olive Downs Coking Coal Project.

Pembroke Chairman and CEO Barry Tudor said: “The awarding of the contract is a key milestone in the development of the Olive Downs Coking Coal Project. The contract demonstrates Pembroke’s commitment to develop the project. Fully developed, the Olive Downs Coking Coal Project will be among the largest metallurgical coal mines in the world, producing up to 15 million tonnes of metallurgical coal per annum for almost 80 years.

“We are pleased to partner with Sedgman and CPB Contractors on an integrated solution to deliver one of the largest and most exciting new developments to occur in the Bowen Basin.”

Pembroke, an Australian specialist metallurgical coal company, owns 100% of the asset and its experienced management team and shareholders are committed to bringing the company’s flagship Olive Downs Coking Coal Project through to production. The significant progress since its acquisition, and especially in the time since its Coordinated Project status was announced, attest to the company’s intentions to deliver the completed project in a challenging timeframe.

The project also includes centralised coal handling and processing facilities, infrastructure links for rail, water and power, and site access. In addition to mining, the overall project will create opportunities across a range of support and ancillary operations and businesses.

The Olive Downs Coking Coal Project will create over 500 jobs during the construction phase and when fully operational approximately 1,000 jobs will be required across the project’s almost 80-year mine life, ramping up from the commencement planned in 2020.

With JORC Resources totaling 813 million tonnes (Mt) including 514Mt of Reserves, the Olive Downs Coking Coal Project will primarily target export markets, including servicing the demand of Asia’s steel industries. Fully developed, the project will be one of the largest metallurgical mines in the world, producing up to 15 million tonnes of metallurgical coal per annum for almost 80 years.

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About Pembroke Resources

Pembroke Resources is an Australian-based company focused on the acquisition and development of a portfolio of high quality, metallurgical coal assets.

The company is currently developing the Olive Downs Coking Coal Project (“Olive Downs”), a large-scale world class metallurgical coal mine located in the Bowen Basin, approximately 40 kilometres south east of Moranbah, Queensland. In February 2017, Olive Downs was accredited Coordinated Project status by the Queensland government.

A construction workforce of between 500 and 700 people will be required for the Project. At full development, the Project will have an operational workforce of approximately 1000 people. The Project delivers high quality metallurgical coal of up to 15 million tonnes per annum for almost 80 years, and is expected to commence, and then ramp up, operations from 2020. Visit www.pembrokeresources.com.au