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New Ensham dragline one of nation's biggest

ENSHAM Resources has ordered a state-of-the-art \$100 million dragline to support its expansion plans.

Ensham chief executive officer John Pegler said the company had finalised arrangements with specialist mining equipment manufacturer, Bucyrus, to acquire a Bucyrus 8750 dragline.

The 6600 tonne machine is one of the largest draglines ever built and will be one of only a few operating in Australia.

Mr Pegler said the investment was a significant step in progressing the Ensham Central Development Project east of Emerald.

"This machine will help reduce the cost of overburden removal and help secure the competitiveness of the open cut

operations into the 2020s," Mr Pegler said.

"The company has been conducting preliminary environmental assessments into the extension of its existing open cut mine and has also commenced feasibility studies into the development of an adjacent high capacity underground longwall mine.

"Ensham intends lodging an Environmental Impact Statement (EIS) and development application in early 2005.

"Subject to rail and port capability to move the coal to our customers, the combined open cut and underground operation has the potential to become Queensland's largest thermal coal exporter, with a target of producing up to 20 million

tonnes of coal per annum over the next 20 years."

In addition to generating significant export earnings for the state, Mr Pegler said the Ensham Central project would deliver significant economic benefits to the region.

"Obviously, an expansion of this size requires further capital investment, but importantly we will be expanding our workforce at Ensham from around 400 people to between 600 and 700 people," he said.

"There will be a strong direct flow-on effect to various equipment and service providers based in Emerald, Rockhampton, Mackay and Brisbane from our continued operations over the next 20 years."