

Collie Basin Consolidation Taskforce

August 2026

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Purpose and structure of the report

The Collie Basin Consolidation Taskforce was established in early 2026 as a time-limited forum to consider the future structure of coal mining assets in the Collie Basin, having regard to objectives for:

- the ongoing security of coal supply from the Collie Basin;
- the orderly phase out of coal mining over time;
- a Just Transition for the coal workforce and community, including the development of future industries;
- the rehabilitation of mining and decommissioning of related infrastructure; and
- the future use of land in the Collie Basin.

This report sets out the Taskforce's considerations. Its purpose is to inform consideration of the perspectives, challenges and opportunities involved in decisions about the future structure of coal mining assets in the Collie Basin.

The Taskforce comprises:

- Mining and Energy Union WA
- Australian Manufacturing Workers' Union
- Griffin Coal Receivers and Managers / Alvarez & Marsal
- Bluewaters Power Station
- Premier Coal Pty Ltd
- South32
- Newmont
- Shire of Collie
- Member for Collie-Preston
- Department of the Premier and Cabinet (Chair)
- Department of Energy and Economic Diversification.

The Taskforce met eight times between February and July 2026, complemented by individual discussions and feedback provided by members to inform its work.

The views expressed in those discussions, and in the meetings of the Taskforce, are reflected in this report without attribution to any individual member or organisation.

This report reflects the information available to the Taskforce, and the Government's announced transition settings, as of August 2026. Production, reserve and workforce figures were provided by the operators during the course of the Taskforce's work and reflect the position at the time they were supplied. The Taskforce notes that conditions in the Basin will continue to evolve from this point.

Background and context

The Collie Basin, located in south-west Western Australia, is the State's only coal producing region and continues to play a crucial role in supplying coal for electricity generation.

It is central to Western Australia's energy system, providing coal to major coal-fired power stations that supply electricity to the South-West Interconnected System (SWIS). In addition to power generation, coal also supports industrial operations such as alumina refining and production of titanium dioxide feedstock (synthetic rutile), reinforcing the importance of the Collie region to the State's economy.

In recent years, the Basin has entered a period of structural transition, as decarbonisation policies, declining coal demand, and a shift toward renewable energy reshape its long-term role. This transition presents both economic challenges and opportunities for the Collie region.

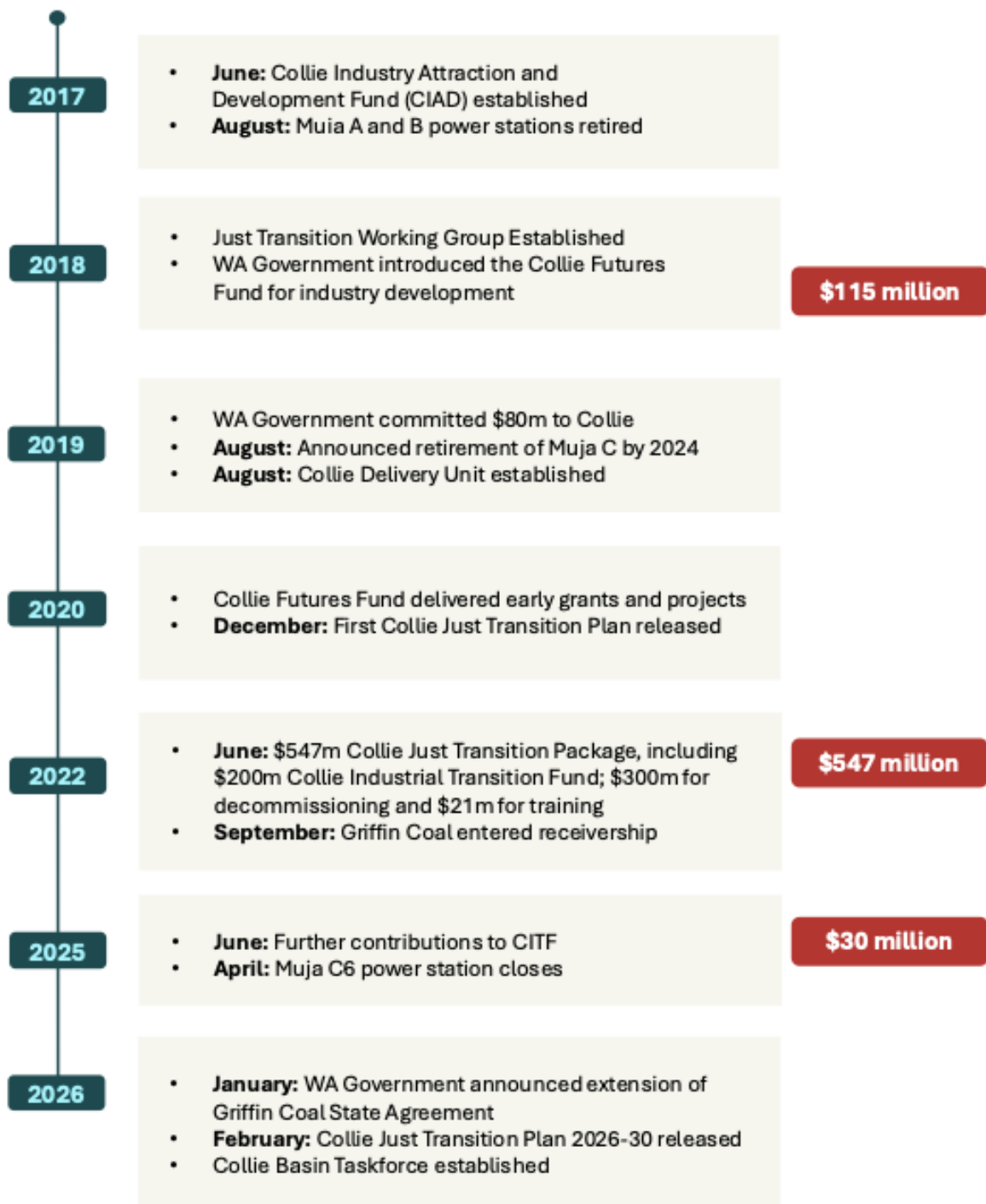
In 2022, the State Government announced that Collie's remaining state-owned coal-fired power stations would be retired in a phased, managed approach by 2030, alongside a commitment to support the town's transition to new industries. With closures now approaching, the importance of realising those transition commitments is increasing.

The transition is, above all, a change for the people of Collie. Approximately 1,300 workers were directly affected by the 2022 announcement, spanning the two mines, Synergy and Bluewaters. Decisions about the future structure of the Basin's coal assets are therefore decisions about the pace and manner of change for a substantial share of the local workforce, their families, and the businesses that depend on them.

In 2018, representatives from the community, industry employers, unions, State and Local Governments came together to form the Collie Just Transition Working Group, which developed and agreed on principles to guide the town's transition. Their efforts culminated in the development of the first [Collie Just Transition Plan 2021-2025](#), which was followed by the [Just Transition Plan 2026-2030](#). These plans have informed and guided more than \$700 million of commitments by the WA Government to support the transition of Collie's industry, economy and community.

The State has also committed more than \$300 million to maintain Griffin Coal's operations through this period. In turn this support enabled the continuation of energy supply and industrial uses, as well as jobs for Collie and the broader region. Support arrangements have also been put in place for affected Premier Coal workers following recent reductions in production. This report should be read in the context of that continuing commitment, and of the opportunities the transition presents for the community as well as the challenges.

Figure 1: Collie transition timeline.



Overview of coal assets in the Collie Basin

The Collie Basin comprises two coal miners, Griffin Coal and Premier Coal. Each miner operates an active open-pit coal mine and has a power station as a primary customer. Griffin Coal also has secondary customers (i.e. industrial users).

Griffin Coal was owned and operated by a subsidiary of Lanco Infratech following acquisition in 2011; however, ownership transferred to creditors in 2017 after Lanco went into liquidation. In 2022 Griffin Coal entered receivership and is currently managed by Alvarez & Marsal. Griffin Coal has been supported by the State since late 2022.

Griffin Coal operates under a State Agreement. In June 2026 amending legislation extended the State Agreement, and the associated coal mining leases, to 30 June 2031.

Griffin Coal mines two pits. The Ewington I pit largely services coal demand from Bluewaters Power Station and South32, while Ewington II pit largely services industrial customers such as Iluka and Tronox.

At Griffin Coal's Ewington complex, a centralised coal handling plant located to the west of Ewington II integrates crushing, screening, stockpiling and dispatch functions. This facility incorporates conveyor systems that transport coal directly to Bluewaters Power Station via an overland conveyor, enabling a continuous, mine-to-plant supply chain. Bluewaters Power Station is Griffin Coal's largest customer. A long-term coal supply contract underpins the commercial arrangement between the two parties.

Premier Coal is owned by Yankuang Energy, which acquired the mine in 2011. Yancoal Australia provides management services to Premier Coal.

Premier Coal operates under its own State Agreement.

Premier Coal currently mines two pits. Premier Pit 1 and Premier Pit 3 largely service coal demand from Synergy but also maintain a contract with South32. Premier Coal uses overland conveyor systems to transport coal from its mining operations (including Pit 1 and Pit 3) to Collie Power Station, with the conveyor corridor running adjacent to the Ewington II processing area. In addition, Premier Coal operates a conveyor system extending south toward Muja Power Station, providing direct mine-to-plant supply without reliance on long-distance road or rail haulage.

Premier Coal operations are downsizing as Synergy's demand for coal declines.

The Collie Basin is supported by established rail load-out infrastructure across both Griffin Coal and Premier Coal operations. These facilities feed into the dedicated Ewington Rail Spur and then through the regional rail network, which connects both operators to major industrial users, power stations and Bunbury Port.

Overview of coal customers in the Collie Basin

Coal customers in the Collie Basin have historically been dominated by domestic electricity providers such as Synergy and Bluewaters. Other users such as South32, Tronox and Iluka have also contributed to coal sales.

Bluewaters Power Station was acquired by the Japanese consortium Sumitomo Corporation and Kansai Electric Power Co. in 2013. The power station contains two subcritical coal-fired units, with a total capacity of 434 MW output.

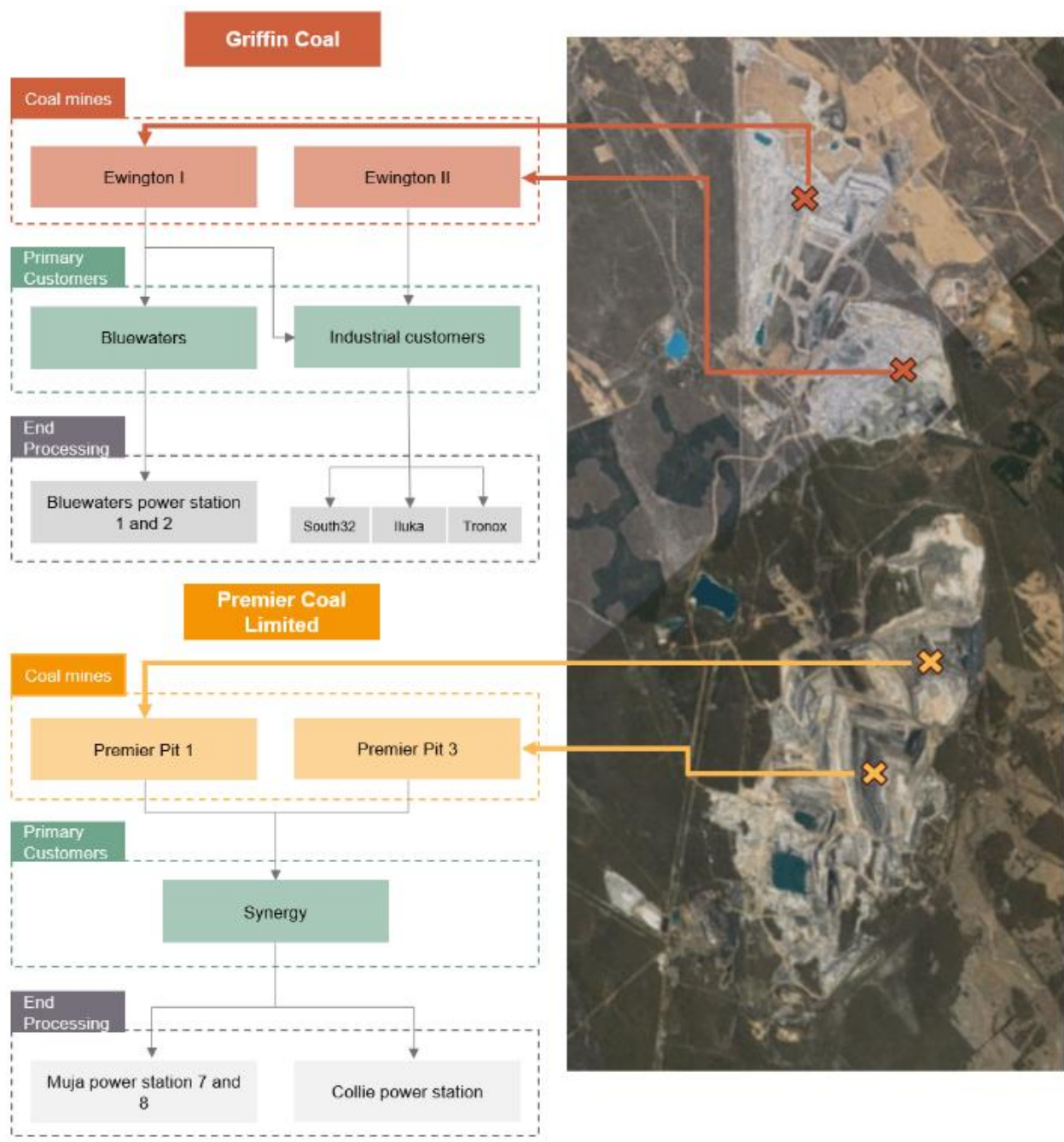
Bluewaters owners wrote off the value of the assets in 2020. The Bluewaters Power Station supplies power to Western Australia's electricity grid.

Synergy operates the Collie Power Station and Muja Power Station. Collie Power Station's capacity is 340 MW, while the remaining two units at Muja have capacity of 454 MW. Collie Power Station is scheduled to shut down in October 2027, followed by Muja Units 7 and 8 in October 2029.

The book values of the State-owned assets were written down to zero in 2025.

Figure 2 summarises the coal mines, primary customers and end processing that occurs within the Collie Basin.

Figure 2: Overview of coal assets in the Collie Basin.



Coal demand in the Basin

Demand for coal from the Collie Basin peaked in the early 2010s, driven by growth in industrial sectors and increasing electricity consumption in the State. Bluewaters power station was developed in 2004. Bluewaters' two 217 MW power units were completed in 2009 and contributed to the subsequent increases in the demand for coal.

Over many years, Western Australia has seen a shift towards renewable energy, consistent with global trends and supported by government policies and initiatives. Like many other locations across Australia and the world, this trend has had an impact on the demand for coal-fired energy and, consequently, coal from the Collie Basin.

The WA Government has committed to close government-owned coal-fired power by 2030. The Australian Energy Market Operator (AEMO) has allocated capacity credits to Bluewaters until October 2028. In its 2026 Wholesale Electricity Market (WEM) Electricity Statement of Opportunities (ESOO) AEMO forecasts Bluewaters to remain available until 2030-31, subject to certification requirements including demonstrated access to coal supply.

The 2026 WEM ESOO presents an improved reliability outlook compared with the previous year. It forecasts a capacity surplus for the first three years of its outlook period, reflecting committed investment in new generation and storage and the forecast availability of Bluewaters. Beyond that period, AEMO forecasts capacity shortfalls emerging from 2029-30 in the absence of further investment, while identifying a substantial pipeline of proposed projects that could address them.

The contribution of coal to meeting any future requirement will depend on a range of factors, including the availability of alternative sources of generation and storage, and its cost-competitiveness relative to them.

The amount of coal required from the Collie Basin in future years will be determined by the demand from Bluewaters (from the WEM and major customers such as Newmont Boddington Gold Mine), and the needs of other customers such as South32, Iluka and Tronox.

Many customers are already taking steps to find alternative energy sources. South32 has begun conversion of their coal-fired boilers to natural gas to reduce its operational emissions and meet broader decarbonisation targets. Newmont has entered into a long-term renewable Power Purchase Agreement with Collgar Wind Farm Pty Ltd, committing to purchase 100% of the electricity generated at the wind farm from 2027 to 2042.

Coal demand scenarios

Three high-level coal demand scenarios are outlined below, which were considered by the Taskforce. Each is based on information provided to DPC and is underpinned by differing operational assumptions.

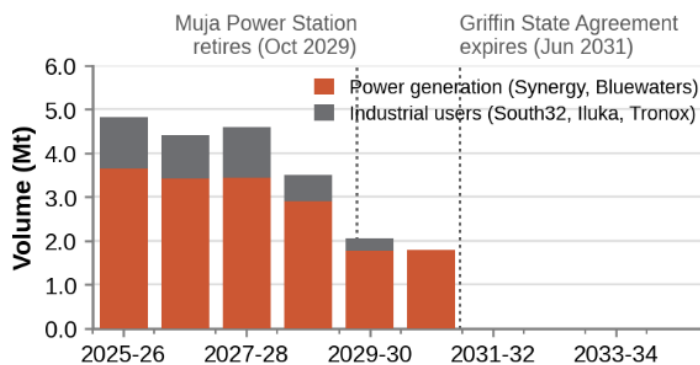
The three scenarios are intended to outline a range of potential futures for coal demand aligned to primary customers of Premier Coal and Griffin Coal as depicted in Figure 2. They are not forecasts but have instead been used to help the Taskforce consider the need, costs and benefits of the future structure of mining assets in the Collie Basin under low, medium and high demand scenarios.

Members noted that demand is closely tied to the operating decisions of a small number of customers. As power stations retire or industrial users change energy sources, demand is likely to move in tranches rather than gradually, and the scenarios should be read with that in mind.

Low demand scenario

- **Bluewaters:** Demand remains stable to 2030-31 before falling to 0 Mt in 2031-32.
- **Synergy:** Demand declines gradually year-on-year and as coal power stations reach closure, reaching 0 Mt by 2029-30.
- **South32:** Demand remains stable to 2027-28 then declines gradually and as it stages its transition to alternative energy sources, reaching 0 Mt by 2030-31.
- **Iluka and Tronox:** Demand remains stable to 2027-28 then ceases in 2028-29.

Figure 3: Low demand trajectory (2025-2035).

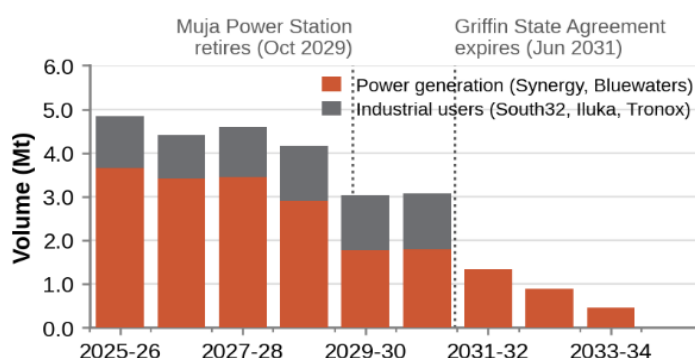


Source: information provided to the Taskforce. Financial-year totals; values within years are indicative of timing only.

Medium demand scenario

- **Bluewaters:** Demand remains stable to 2030-31 then declines to 0 Mt by 2034-35.
- **Synergy:** Demand declines gradually year-on-year and as coal power stations reach closure, reaching 0 Mt by 2029-30.
- **South32:** Demand remains stable to 2030-31 then ceases in 2031-32.
- **Iluka and Tronox:** Demand remains stable to 2030-31 then ceases in 2031-32.

Figure 4: Medium demand trajectory (2025-2035).

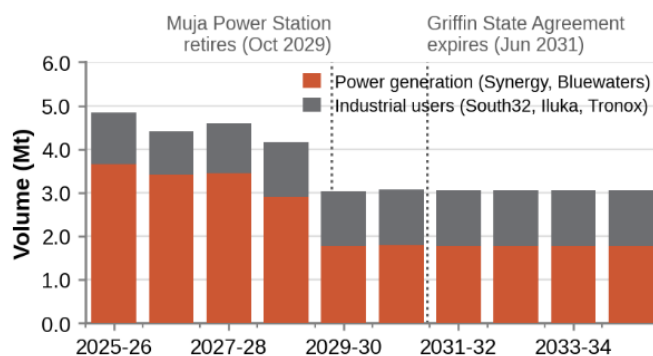


Source: information provided to the Taskforce. Financial-year totals; values within years are indicative of timing only.

High demand scenario

- **Bluewaters:** Demand remains stable to 2034-35.
- **Synergy:** Demand declines gradually year-on-year and as coal power stations reach closure, reaching 0 Mt by 2029-30.
- **South32:** Demand remains stable to 2034-35.
- **Iluka and Tronox:** Demand remains stable to 2034-35.

Figure 5: High demand trajectory (2025-2035).



Source: information provided to the Taskforce. Financial-year totals; values within years are indicative of timing only.

Coal supply in the Basin

Coal supply in the Collie Basin peaked in the early 2010s, with both operators contributing to an estimated annual output of approximately 6.5-7 Mt.

Supply contracts were entered into between the then related entities Griffin Coal and Griffin Energy (now Bluewaters) after a decision by the Griffin Group in 2002 to develop the coal-fired power station, which came into commercial operation in 2009. In 2012, coal-fired power stations supplied nearly 50% of generation in the SWIS. This heightened coal supply was supported by the opening of additional mining areas such as Ewington I in 2009.

By the late 2010s, coal supply commenced a downward trend in line with decreasing demand resulting from the uptake of renewable energy, a flat lining of demand growth, and the consequent fall in demand from power station customers such as Synergy. This trend has continued, with state-owned coal-fired power stations Muja A, B and C closing.

Griffin Coal reserves

Griffin Coal is estimated to have approximately 37 Mt of coal reserves spread across its two operational mine pits, with Ewington II hosting around 68% and Ewington I hosting around 32% of Griffin Coal's total reserves. Ewington I is the primary source of coal for Griffin's largest customer, Bluewaters.

The average strip ratio is approximately 5.9 at Ewington I and 9.6 at Ewington II on a life of mine basis. Once Ewington I is fully depleted, coal reserves at Ewington II are substantial enough to allow continued operation until approximately 2037 (based on a 3 Mt production profile).

Premier Coal reserves

Premier Coal has lower reported reserves across its current disturbance area (Pits 1D, 3 and 5). Premier Coal has advised that approximately 5.1 Mt of coal reserves now falls within its current mine plan, which runs to 2029, following the restructure of its operations in April 2026 in response to reduced demand from its major customers. A strip ratio of 14.1 was expected throughout this mining period.

An additional 11.4 Mt is reportedly available for mining after 2029 if required by customers. At present, Premier Coal is not planning to mine beyond 2029 due to the planned closure of the Synergy power stations, in which case, these additional reserves would be left in situ. Further reserves exist outside the current disturbance area (Pits 2 and 7).

The table below outlines sources of coal reserves across the Collie Basin within current disturbance areas.

Table 1: Coal reserves data of Griffin Coal and Premier Coal.

Coal reserves		
Mine	Reported mine reserves	Proportion of combined basin reserves
Ewington I	12 Mt	~22%
Ewington II	25 Mt	~47%
Griffin Coal (total)	37 Mt	~69%
Premier Coal (planned for mining)	5.1 Mt	~10%
Premier Coal (additional reserves)	11.4 Mt	~21%
Premier Coal (total)	16.5 Mt	~31%
Combined basin reserves	53.5 Mt	100%

Percentages are each entry's share of combined basin reserves (Griffin plus Premier). Premier Coal total is in relation to Pits 1D, 3 and 5. Components may not sum to 100 per cent due to rounding. Reserve figures reflect the most recent information provided to the Taskforce by the operators and are subject to ongoing mine planning cycles. Premier Coal figures are as advised in August 2026.

Coal production capacity limits

Griffin Coal has a licensed production capacity of up to 5.4 Mtpa, while Premier Coal has a licensed capacity of up to 5 Mtpa. Griffin Coal and Premier Coal are producing significantly under their capacities, at 3.1 Mtpa and 2.7 Mtpa respectively.

Table 2: Coal annual production data of Griffin Coal and Premier Coal 2025.

Coal supply	
Griffin Coal	~ Annual production: 3.1 Mt
Bulk customer groups	~ Annual product received
Bluewaters power	1.83 Mtpa
Industrial sites	1.08 Mtpa
Premier Coal	~ Annual production: 2.7 Mt
Bulk customer groups	~ Annual product received
Muja Power	1.55 Mtpa
Collie Power	0.54 Mtpa
Industrial sites	0.61 Mtpa

Annual product received by customer group may not sum to annual production. Production and workforce figures reflect the most recent information provided to the Taskforce by the operators.

The forecasted production at both Griffin Coal and Premier Coal can be affected by changing dynamics in the energy and coal markets, as seen with the April 2026

announcement by Premier Coal to restructure its operations in response to declining demand for coal-fired power. Premier Coal has advised that its production is expected to be approximately 1.3 Mt in 2026 and to decline from 2027 to closure.

In addition to future supply, several key entities in the Basin are holding large stockpiles of coal. As at July 2026, Synergy and Premier Coal are holding approximately 850,000 and 250,000 tonnes respectively, as advised by Premier Coal. Customers are also maintaining significant contingency stockpiles including South32 who have 700,000 tonnes.

Financial profile of the Basin

The financial health of the coal mines and power stations within the Collie Basin has deteriorated in the last 10 years, with both sectors experiencing sustained losses, heavy debt burdens and asset write-downs.

Amid new energy market opportunities in the early 2010s, conditions for Griffin Coal and Premier Coal became increasingly competitive in a constrained local market. This dynamic proved costly, and by the late 2010s both operators were exposed to significant financial strain.

Some fixed-price, long-term supply contracts that were entered into almost two decades ago resulted in thin or negative margins for coal miners, limiting their ability to undertake capital expenditure and in turn compromising their production capacity due to ageing infrastructure. Strains on operational capacity were further heightened due to the geological composition of the Collie Basin and the required overburden to be moved. This contributed to increased operational costs and wear and tear of mining assets.

A consequence of these challenges is that Griffin Coal and Premier Coal will not have the financial capacity to fully meet their post-closure rehabilitation obligations.

The financial position of Bluewaters and Synergy's coal-fired power stations has declined materially, with asset values repeatedly written down, often to a value of zero.

In 2020 Bluewaters owners wrote down the value of the power plant to \$0, which was once a \$1.2 billion investment. This was followed by Synergy announcing losses of \$778 million for FY24-25 after writing off the entire value of its coal-fired power stations.

Synergy's Collie and Muja power stations are scheduled to close in October 2027 and October 2029 respectively.

Griffin Coal

Griffin Coal has been loss-making for an extended period, largely due to its long-term Coal Supply Agreement with Bluewaters. Originally, this agreement functioned as an internal price transfer between related parties, Griffin Coal and the then Griffin Energy. That arrangement changed when Lanco Infratech acquired Griffin, taking on the domestic

supply agreement despite its loss-making terms. This decision entrenched the low coal pricing that persists today.

In recent years, revenue has improved as a result of increased sales to Bluewaters and the introduction of sales to industrial customers. Despite this, Griffin delivers coal to Bluewaters at a loss and has been reliant on Government assistance to cover its costs.

Premier Coal

Premier Coal is operating in a declining Western Australian coal market as the State Government progresses towards a 2030 closure of state-owned coal-fired electricity generators. Premier Coal is experiencing short-term demand volatility as well as a longer-term structural decline in demand.

As a result, the State Government has been supporting Premier Coal's viability through a coal price paid by Synergy that accommodates the closure schedule for Synergy's power stations. That price does not provide for Premier Coal's own mine closure and rehabilitation costs.

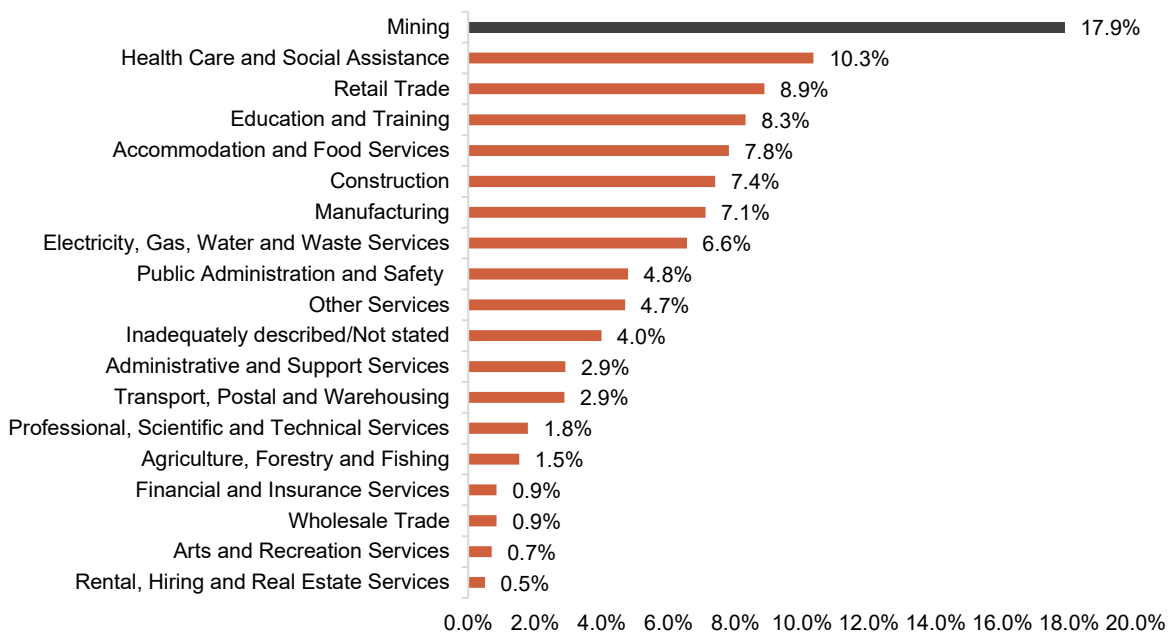
Premier Coal indicated that it is focused on minimising operating and financial risk and facilitating safe and effective mining operations. Capital expenditure and maintenance spend has materially reduced which has limited the reinvestment in productive capacity, placing greater reliance on the performance and reliability of existing assets. In a constrained investment environment, variability in demand heightens risk to cost efficiency and the ability to flex operations in response to market conditions.

Premier Coal indicated that it would continue to attempt to minimise losses, manage downside risk and ensure operational resilience through the wind-down period.

Economic profile of Collie

Collie's economy has been underpinned by coal mining since the early 1900s, driving investment, employment and population growth.

Figure 6: Employment share by industry, Collie.



Source: ABS, Census (2021); ABS, Detailed Labour Force Survey (2025)

The mining industry directly accounts for just under 18% of Collie's working population as demonstrated in Figure 6, but some mine jobs may also be included in other job categories, such as Professional, Scientific and Technical Services.

Key drivers

The Collie Basin can deliver the required coal supply in the near term. However, this is likely to become increasingly difficult to sustain over time without placing greater cost pressures on coal mines, power stations and those parties that financially support these operations. Greater cost pressures can elevate risks to supply continuity.

Coal demand has also declined, and this is expected to continue, largely driven by factors outside the control of market participants in coal mining. Further, the upstream market was developed to support substantially higher levels of demand with relatively high fixed and sustaining capital requirements. As demand has fallen, the mismatch between the scale of the industry and the level of demand it now serves grows, this is likely to become more pronounced over time.

These supply and demand dynamics reflect a broader structural shift within the industry across Australia and present challenges for industry participants.

However, the current situation in the Basin has been shaped over time by the commercial decisions and investment choices of its operators. Despite sustained government support, these arrangements have not delivered consistent operational, workforce or financial performance.

Any structural change will require the parties to recognise the present economic value of the assets they hold, including the losses already incurred, and to continue meeting their legal and financial obligations in the Basin. Structural change can support better outcomes but does not displace these obligations. Further, any State support, which is necessarily limited, should be directed towards the objectives for the Basin and the community.

In this context, there is an opportunity for the Taskforce to consider how the industry structure and cost base within the Collie Basin might evolve to remain fit-for-purpose under conditions of lower and declining demand. This not only presents opportunities for coal mining, but also the coordination and planning of rehabilitation, and the consideration of a range of post-mining land uses that align with the longer-term economic, social and environmental needs of the local community.

Replacement industry and land activation

The Taskforce's considerations also complement and build on the many years of effort and investment by the WA Government and Just Transition Working Group into Collie's economic diversification and long-term future through the Collie Just Transition Plan.

Managing the wind-down of coal is only part of the transition; its success depends equally on the new industry and jobs that allow Collie to diversify beyond coal. This work, led by the Department of Energy and Economic Diversification (DEED), forms part of the WA Government's commitment to Collie's transition.

Land activation

The State is activating industrial land to attract large-scale, job-creating industries to replace coal-based employment, with the Coolangatta Industrial Estate as the primary focus. Following land capability assessment, Coolangatta was prioritised for its alignment with proponent requirements and its capacity for staged development, with the support of the Just Transition Working Group.

The Structure Plan for the 1,432-hectare estate has been approved by the Western Australian Planning Commission. Around \$134 million from the \$230 million Collie Industrial Transition Fund has been notionally allocated to activate the estate through an infrastructure-led approach: land has been purchased, and design work is underway on the power, water and road connections needed to make the estate investment-ready, with the first development sites scheduled for release in late 2026.

New industry

The Collie Industrial Transition Fund is the State's primary vehicle for attracting large-scale industrial projects, supported by earlier grant programs that have built a pipeline across manufacturing, training and emerging industries.

Several major proponents are progressing in Collie, each supported by Government funding and each expected to create long-term local jobs: International Graphite, developing a graphite processing hub; Magnium Australia, developing a decarbonised magnesium plant; and Generation Steel, developing a low-emissions steel mill expected to support over 200 ongoing local jobs.

DEED is working with each proponent to align the Coolangatta infrastructure program with project needs and continues to assess further enquiries in priority sectors including defence-related industry and low-carbon fuels. The community and its representatives have indicated openness to a broad range of new industries, including defence-related manufacturing, where these deliver secure, high-quality local employment.

Establishing replacement industry of scale will take time and depends on proponents reaching final investment decisions, with most projects still subject to financing and

commercial confirmation. As closure periods draw closer, efforts are underway to accelerate these activities where possible.

While it is key to building the Collie Basin's future, land activation and industry attraction can and will proceed independent of any structural path the Basin's coal operations may follow. Further detail on land activation and individual projects is at Appendix 1.

The Taskforce's objectives and assessment criteria

The Taskforce considered the future structure of the Basin's coal mining assets against the objectives for the Basin, including any implementation implications, and set out its assessment for the Government's consideration.

The Taskforce's work is anchored by five objectives for the Basin:

- the ongoing security of coal supply from the Collie Basin;
- the orderly phase out of coal mining over time;
- a Just Transition for the coal workforce and community, including the development of future industries;
- the rehabilitation of mining and decommissioning of related infrastructure; and
- the future use of land in the Collie Basin.

Further to the objectives, the Taskforce also agreed a set of evaluation criteria.

Objectives and evaluation criteria

The objectives and evaluation criteria are outlined in the figure below.

Figure 7: Objectives and evaluation criteria.

Key objective	Evaluation criteria	
1 The ongoing security of coal supply from the Collie Basin <i>Ensure coal miners are supported to meet the demands of coal-fired power stations so as to safeguard reliable electricity supply to Western Australia.</i>	The degree to which the structure can securely produce the quantity and quality of coal over the required timeframe	The extent to which the structure supports short, medium and long-term energy security
2 The orderly phase out of coal mining over time <i>Prevent long-term reliance on coal and make progress towards the Government's broader emission reduction objectives for the economy and electricity sector.</i>	The extent to which the structure can phase out coal aligned with Government commitments	The degree to which the structure limits perverse outcomes in cost of supply of coal
3 A Just Transition for the coal workforce and community , including the development of future industries <i>Support the community of Collie, existing workers and relevant stakeholders in prosperous economic outcomes and future employment opportunities relating to mine rehabilitation, land use or developing industries.</i>	The workforce impacts of the structure over short and long term	Compatibility with the Government's Just Transition Plan
4 The rehabilitation of mining and decommissioning of related infrastructure <i>Ensure the mine assets, environment and related infrastructure are rehabilitated in a cost-effective and timely manner so as to support employment and environmental outcomes.</i>	The extent to which the structure can maximise rehabilitation outcomes in a timely manner	The extent to which the structure can decommission related infrastructure in a safe, cost-effective manner
5 The future use of land in the Collie Basin <i>Ensure opportunities for future land use maximise social welfare and environmental outcomes of the Collie community.</i>	The extent to which the structure enables sustainable post-closure land use	The extent to which the structure enables the highest value use of land

The objective of an orderly phase out of coal mining reflects the announced retirement of State-owned coal-fired generation. Industrial users have their own transition pathways and timeframes, and continued supply to those customers through the transition is consistent with this objective.

Future structure of assets in the Basin

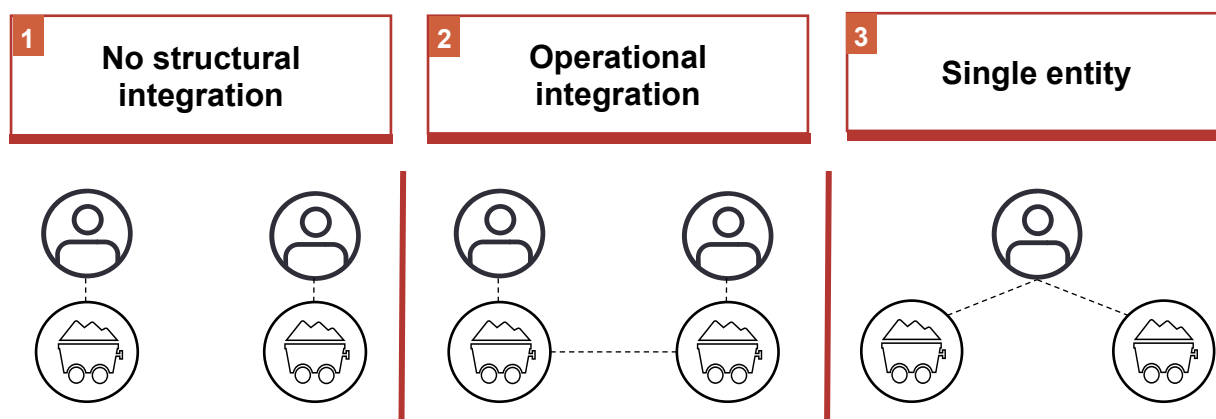
The Taskforce identified three broad structures to test the high-level benefits, challenges and implications of consolidating assets within the Basin. Each was characterised by differences in operational structure and ownership of assets (Figure 8). Assumptions were made to inform the operating environment for each.

No Structural Integration (no structural integration or continuation of the current state) is defined as the continuation of current operations as they are, meaning mining operators are no more integrated than they are at present.

Operational Integration (operational integration) is defined as the selective sharing of assets and integration of functions and workforces between the mine operators, formalised through service level agreements (or similar) subject to competition laws.

Single Entity is defined by a single entity taking operational and financial control of the coal mining assets in the Collie Basin. This could occur in a number of ways, through a range of different corporate structures.

Figure 8: Summary of structural consolidation states.  Entity  Operation



The structures have been considered by the Taskforce at a conceptual level, which have informed the Taskforce's comparative assessments. In practical terms, operational integration and a single entity can be implemented in many ways. The Taskforce considered issues affecting implementation with each level of potential structural integration.

An outline of the Taskforce assessment is provided below.

No structural integration

Description

With no structural integration, the two mines continue as they are. Griffin Coal continues under State-supported receivership and Premier Coal scales down in line with customer demand. Neither mine's ownership nor operating model changes, and the operators remain no more integrated than they are at present.

The Basin may still move toward a single operating mine over time, as Premier Coal winds down and closes and Griffin Coal continues. This follows the existing trajectory of the two businesses rather than any deliberate consolidation and is distinct from the single entity structure.

No changes to operations or established synergies are assumed. The operating cost drivers for each mine, including wages, consumables, capital expenditure, electricity and fuel, remain consistent. Both mines collaborate where opportunities arise, guided by legislation and competition requirements.

Mine closure plans in place for each site remain unchanged, although iteration is likely as progressive rehabilitation continues at both mines. Customer contracts remain unchanged until 2029, and Griffin Coal is assumed able to continue absorbing the supply contracts of industrial customers in the Basin. Workforce composition changes in line with reduced coal supply over time.

Assessment against the objectives

Security of coal supply

This objective is partially met. Both mines currently have sufficient coal reserves to meet customer demand. Established arrangements are in place with key customers, noting that industrial and energy customers may have different profiles and require different, and in some cases, specific coal quality requirements in the short, medium and longer term.

However, financial viability for both mines is challenged. In the context of the Basin as a whole, two separately owned operations carry duplicated overheads and limit scope to focus production on lower-cost reserves. The financial position of each operator, particularly Griffin Coal, constrains the capacity to sustain supply without continued support.

To meet this objective more fully, customer demand would need to be confirmed, and the financial position of each operation placed on a sustainable footing.

Orderly phase out of coal mining

This structure makes a limited contribution to an orderly phase out. The Basin may move toward a single operating mine through attrition as Premier Coal reaches the end of its economic life and Griffin Coal continues. Members did not regard the current structures as an orderly or planned route to that end: continuation leaves the timing and the workforce consequences to separate commercial decisions, which can result in forced rather than managed change.

Meeting this objective more fully depends on confirmed customer demand profiles and agreed closure plans for each site that are sufficiently funded to enable a proactive, managed schedule.

A Just Transition for the workforce and community

This approach makes a limited contribution to the objective for a Just Transition. Continuation maintains the existing employment arrangements in the near term, but this is likely to be challenging because workforce reduction occurs in line with changes in supply and production, rather than through a planned and coordinated approach. Changes in the underlying approach of sponsors or customers within the Basin are spread across a smaller base of operations, making it more difficult to absorb changes in demand or price outcomes.

An additional challenge is that each mine manages its own workforce separately. Meeting this objective depends on supported workforce-transition arrangements and the establishment of replacement industry, regardless of structure.

Rehabilitation and decommissioning

This structure can only meet the objective for rehabilitation and decommissioning if each mine fully funds the long run cost and delivery of all necessary rehabilitation. Both mines are financially challenged and even if they can meet these costs, adopting two different commercial approaches to rehabilitation is unlikely to maximise end land use outcomes or meet community expectations. Each mine remains responsible for its own statutory obligations, and continuation does not resolve how these are funded.

Members consistently identified rehabilitation as the central long-term challenge for the Basin, and one that no structural mining arrangement resolves on its own. Meeting it requires a structured and planned approach to rehabilitation and post-mining land use along with appropriate funding.

Future use of land

This structure makes a limited contribution to coordinated future land use, as planning for each site remains separate and tied to each mine's own closure plan.

Meeting this objective depends on the rehabilitation and land-use planning required under any structure, as well as a confirmed approach to management of the land in the longer term, noting the Shire of Collie does not have the capacity or legislative authority to do so.

Summary

An approach that involves no structural integration leaves the current arrangements in place. To address the central challenges facing the Basin and the wind-down of each mine, significant additional supporting activity would be required. The prevailing view is that while no change can partially meet some objectives it meets none fully. Many of the actions required to meet the objectives, set out in the evaluation criteria, are required if no additional structural integration occurs in the Basin.

Operational integration

Description

Operational integration assumes no change in the ownership arrangements of Griffin Coal and Premier Coal. Instead, service level agreements would be developed to define the services that could be shared or provided by one mine to the other, the way those services would be provided, the allocation of obligations and risk between the parties, and the payments to be made between them.

Examples include equipment transfers, shared maintenance services, an enhanced ability to hire displaced local workers, and the coordination of certain progressive rehabilitation activities. The scope of integration is subject to competition law and other legal requirements, which will limit the extent to which operational integration may be undertaken and leave both mines operating at arm's length and less efficiently.

Considerable alignment of the two mines' production and maintenance enterprise agreements has occurred recently, which may improve the capacity to integrate.

Assessment against the objectives

Security of coal supply

Operational integration contributes to security of coal supply because shared services and better-coordinated use of equipment and workforce can deliver modest improvements in efficiency and unit costs, and a slightly enhanced ability to produce the required quantity and quality of coal over the timeframe. However, the extent of integration and its benefits are limited by competition and other legal requirements.

It is challenged because the achievable scope of integration is narrow while two separately owned mines continue to operate. Service level agreements allocate risk between the parties in ways that can affect supply if responsibility for a fault or shortfall is contested.

Some members observed that this objective can only be partially met and the maximum efficiency to be gained by moving most activity to the lower-cost mining areas is not available without bringing the mines under common ownership. To meet it more fully, the parties would need service level agreements with cost and risk allocation agreed, and a detailed review to identify where supply responsibilities could change.

Orderly phase out of coal mining

This structure makes some contribution to an orderly phase out. Coordinated arrangements could allow some sharing of resources as each mine winds down.

It is challenged because the duration of any benefit is short given the remaining operational life of the assets, and because the wind-down of each mine remains governed by separate ownership and separate commercial decisions. It partially meets the objective in a limited way. Meeting it more fully depends on the same confirmation of demand profiles and closure planning required under any structure.

A Just Transition for the workforce and community

Operational integration contributes to a Just Transition to the extent that shared arrangements could provide some additional opportunities to redeploy displaced workers between the two operations. It is challenged because workforce opportunities are constrained by the separate industrial and operational arrangements of each mine, which service level agreements do not change, and because the benefit is modest and short-lived.

Some members noted that customer support for integration is limited, as customers expect a share of any benefit it produces, which would limit the extent to which it could contribute to achieving Just Transition outcomes. Operational integration does not, on its own, meet this objective, which depends on workforce-transition and replacement-industry actions regardless of structure.

Rehabilitation and decommissioning

This structure contributes to rehabilitation because coordinated arrangements could enable some shared and better-sequenced progressive rehabilitation activity across the two operations.

It is challenged because the boundary between the two operations, and the separate obligations attached to each, remain in place. Integration does not materially change the capacity of the mines to meet their rehabilitation obligations. It partially meets the objective, primarily through better coordination of progressive rehabilitation during operations. It does not, in itself, ensure that legacy and post-closure rehabilitation are addressed, which must occur regardless of structure.

Future use of land

This structure makes a limited contribution to coordinated future land use, through better-sequenced progressive rehabilitation noted above. It is challenged because it does not establish coordinated land-use and rehabilitation requirements across the two mines, which are governed by separate closure plans. It partially meets the objective, in a limited way. Meeting the objectives requires rehabilitation and land-use planning actions required under any structure.

Summary

Operational integration offers some improvements against the Taskforce objectives (subject to competition law restrictions), but it does not address the central challenges facing the Basin. The benefits are modest and short-lived given the remaining operational life of the assets.

The Taskforce's view is that it partially meets several objectives but meets none fully. Many of the actions required to meet the objectives, set out in the evaluation criteria, will be required under this level of structural integration.

Single entity

Description

A single entity is the most significant structural change to the existing arrangements. A single owner takes operational and financial control of coal mining in the Basin. This can take different forms, including integration of both ownership and operations or common underlying ownership with the separate mining entities remaining in place. It does not, of itself, require that the two mines combine into a single operation.

Common ownership would allow operations to be better directed across both mines: production could be concentrated in the lower-cost mining areas across both mines, equipment and workforce deployed across the combined resource base, and rehabilitation planned and sequenced across the Basin as a whole.

Bringing the mines under common ownership would require a commercial transaction, the support of parent companies and financiers, and the assumption of the existing obligations of both operations, including rehabilitation liabilities and customer contracts. Each mine operates under its own State Agreement, and any change in ownership or structure would need to be reconciled with those instruments and the tenure they confer. Achievement of a single entity in the Basin would require the injection of significant new capital.

Assessment against the objectives

Security of coal supply

A single entity contributes most to security of coal supply because a single owner can direct production across a combined resource base, concentrate output in the lower-cost mining areas, and deploy equipment and workforce where they are most needed. It offers the greatest capacity to manage demand volatility and to sustain supply over the timeframe. It is challenged because it depends on a transaction proceeding, parent companies and financiers supporting it, the transaction costs being met, and the new entity assuming the existing obligations of both operations.

While it supports this objective to a greater extent than other levels of integration, the preconditions required to meet this outcome, though not insurmountable, are significant.

Orderly phase out of coal mining

A single entity contributes to an orderly phase out, because a single entity can plan and sequence the wind-down of the two mines as a unified process, rather than leaving the timing to separate commercial decisions. Members observed that this is the structure most able to convert the current pathway toward a single operating mine into a more planned and managed transition.

An orderly transition will primarily be supported by the potential cost savings being available as cash flow to the combined entity. This will be subject to the same transaction requirements of parent companies and financiers as the previous objective.

This level of integration has the potential to meet this objective more fully than other integration scenarios.

A Just Transition for the workforce and community

A single, well-financed entity may contribute well to a Just Transition. A single owner can plan and coordinate workforce transition across both operations, redeploy workers between sites, and align the wind-down of the workforce with the development of new industry. It will bring forward the efficiencies of consolidation and have consequent workforce impacts, which would need a response to support worker transition.

Any realised benefits are likely to be partially offset by the complexity and cost of the transaction, and the limited timeframes involved given Premier Coal's closure trajectory.

The workforce-transition and replacement-industry actions are required regardless of this structure, which meets the objective most fully of the three approaches, but is not sufficient on its own.

Rehabilitation and decommissioning

A single entity can make modest contributions to rehabilitation in the Basin. It may generate savings that can assist in funding some, but not all, rehabilitation obligations. A single owner can also plan and sequence rehabilitation across the Basin as a whole and coordinate progressive rehabilitation across both operations. However, without a full recapitalisation of the mine sites, it will not address the financial challenges associated with achieving an acceptable long-term rehabilitation outcome. It is challenged because the existing obligations remain in place and common ownership does not, in itself, resolve these.

Members agreed that rehabilitation is the central long-term challenge for the Basin, and one that consolidation organises but does not, on its own, resolve. A single entity may support the achievement of this objective but does not meet it on its own.

Future use of land

A single entity may contribute to coordinated future land use, because a single owner has more capacity to plan and sequence rehabilitation and land use across the Basin as a whole. It is however challenged because realising the benefit depends on the transaction completing, as well as the rehabilitation and land-use planning and funding required being available.

As with other structures, a single entity does not address long-term responsibility for land use and management.

Summary

A single entity offers the potential to support a Just Transition for Collie, because common ownership allows production, workforce transition, rehabilitation and land use to be planned and sequenced across the Basin as a whole.

The Taskforce noted that realising this potential depends on successful transaction completion, on parent company and financier support, and on the new entity assuming the existing obligations of both operations. These obligations include the substantial funding required for rehabilitation and the workforce reductions that consolidation brings forward, the preservation of existing customer contracts, and the organisational capacity to operate efficiently.

A single entity may improve commercial viability, but this is unlikely to translate into profitability. As with all structures considered, single entity integration in the Basin still requires the injection of significant new capital into loss-making assets labouring under already onerous capital structures. The source of new capital for the Basin is unclear and if not addressed, the potential advantages are unlikely to be realised.

Members saw common ownership as a sound long-term end state, while consistently noting that the complexity, time and cost of establishing it, set against the remaining life of the assets, are likely to affect its commercial attractiveness. They also noted that the Basin will reach a single operating mine under all scenarios once Premier Coal stops operations.

This analysis highlights that a broader set of considerations and actions are required to meet the objectives in all structural scenarios.

Considerations beyond structure

The assessment of the three structures found that none, on its own, meets the objectives for the Basin. Each structure was tested against the same objectives, and in every case the same underlying challenges remained: securing coal supply through the transition, funding rehabilitation and closure, supporting the workforce and community, and directing finite government support to the most durable outcome. The Taskforce observed that these issues need to be addressed whichever structure is adopted, and are the matters on which the success of the transition ultimately depends. The Taskforce considered each in turn.

Securing coal supply through the transition

Both mines currently hold sufficient reserves to meet customer demand, but the Basin faces declining and uncertain coal demand as the State's coal-fired power stations retire. Members observed that this volatility is a feature of the market rather than of any particular structure, and that even a consolidated entity would face it unless supply and demand are addressed directly.

Several members noted that certainty of supply, quality and cost can be supported through confirmed demand profiles and contractual arrangements as much as through structural change. These also enable managed workforce planning and transition. Meeting this objective depends on customers confirming their demand as far as possible, and on the financial position of the supplying operation being placed on a sustainable footing. Members with direct experience of these arrangements noted that they are complex and can take considerable time to renegotiate.

Funding rehabilitation and closure

Members consistently identified rehabilitation as the central long-term challenge for the Basin, and one that structure does not resolve on its own. The existing rehabilitation and closure obligations sit with each mine and remain in place under every structure. Consolidation can organise and sequence rehabilitation across the Basin, but it does not, in itself, address the challenges associated with supporting and delivering it.

The Taskforce noted that two separate commercial approaches to rehabilitation are unlikely to deliver the best end land-use outcomes or to meet community expectations. Meeting this objective requires a structured and planned approach to rehabilitation and post-mining land use, supported by appropriate capitalisation, regulatory and delivery arrangements, regardless of the structure adopted.

A more flexible approach to rehabilitation, integrated with land-use planning, may allow parts of the rehabilitated estate to turn into land with the capacity to generate income. There may be scope to attract private capital or committed end users to share in the cost of delivering them in return for the potential returns they could generate. The scale of the task, however, exceeds the capacity of the current Basin participants alone. Members emphasised that a clear approach to oversee the rehabilitation, development and

management of post-mining land uses was needed to ensure that economic, environmental and community outcomes were realised.

Supporting the workforce and community

The Basin's workforce will reduce over time as coal demand declines, under every structure. Members observed that achieving a managed transition depended on whether workforce change is planned, sequenced and supported, and is complemented with the development of replacement industries. Confirming coal demand as much as possible also plays a key role.

A continuation of separate operations leaves workforce reductions to follow separate commercial decisions. A single entity can help to coordinate transition across both operations. It is likely to bring forward the reductions that consolidation enables, but could do so in a more managed and coordinated way. In each case workforce-transition and replacement-industry actions are required, and are not delivered by the structure itself.

The land activation and industry attraction work already underway, described in this report, is central to meeting this objective. The decommissioning and rehabilitation of mining and energy assets across the Basin also provides important opportunities that should be pursued.

Prioritising government support

Government capacity to support the Basin's transition is not unlimited. In this context the Taskforce recognised the importance of focusing and prioritising any Government assistance that may be provided. Members observed that it should be guided by the most effective outcomes for the Basin: supporting the most rational and lowest-cost source of supply, sequencing rehabilitation where it delivers the most enduring benefit, and aligning workforce support with genuine transition opportunities. Some members further observed that the cost of supporting the existing operations through the transition should be considered against the cost of the alternatives required to maintain energy security if that support were not provided.

This consideration applies under every structure. It bears on where production is best concentrated, on which obligations are met and in what order, and on the mechanism through which support is provided. The Taskforce did not seek to resolve these questions, which are matters for Government. It considered, however, that the finite nature of public support, and the importance of directing it toward the most durable outcomes, should frame any decision that follows from this report.

Findings

The preceding sections assess each structure against the Taskforce objectives and evaluation criteria. From that assessment the Taskforce made a number of findings:

1. On balance, the Taskforce considered that **a single entity structure may best be able to meet the objectives**. It offers some capacity to manage demand volatility across a combined resource base, to coordinate workforce transition in a more orderly way, and to plan and sequence rehabilitation across the Basin. However, it is likely to be more complex and costly and take time to implement.
2. The Taskforce found that **a single entity is not, in itself, sufficient to meet the objectives**. The central challenges of funding rehabilitation and future land use, supporting a workforce transition, and preserving secure and affordable coal supply while it is required are not resolved by structural integration alone.
3. The Taskforce found that **the Basin will move toward a single operating mine irrespective of any intervention in the commercial structures** as Premier Coal closes and Griffin Coal continues. Members observed that an unmanaged path to a single entity would increase uncertainty for workers and the community. Addressing and minimising those workforce impacts should be prioritised.
4. The Taskforce noted that **Government capacity to support the Basin is finite and should be prioritised towards meeting objectives that benefit the community**, rather than compensating business owners.
5. The Taskforce noted that **stakeholders should remain open to considering any formal proposals for integration or consolidation**, which should be assessed against the objectives, as well as their cost, benefits and timeframes for delivery.
6. The Taskforce found that certainty and coordination are key underlying priorities for the Basin, but neither depends only on structural consolidation. **Separate actions are needed to achieve the objectives, which rely on all stakeholders including Taskforce member organisations**. These should be progressed in parallel to any proposals for integration and may include:
 - **confirming demand profiles and settling contractual arrangements for key users**, including Synergy, as quickly as possible, to support ongoing supply, planned mine closure and workforce transition;
 - **establishing a structured and planned approach to long-term rehabilitation and post-mining land use** that supports community outcomes at both sites;
 - **all parties creating and supporting workforce-transition opportunities** that maintain or create local jobs, align with their obligations, and maximise outcomes for the Basin, including redeployment, training and appropriate

separation support, and alignment of public sector and Government Trading Enterprise opportunities with the region;

- **aligning closure, decommissioning and rehabilitation activity across the Basin within a single plan**, and identifying the associated employment opportunities;
- **accelerating the activation of the Coolangatta Industrial Estate, expanding the search for proponents, and identifying other sites across the Basin well suited to post-mining land use**; and
- **exploring options to attract private sector finance to support rehabilitation and post-mining land use.**

Appendix 1:

Replacement industry and land activation

Section 2 summarised the program of Government work already underway to build Collie's future economy. This appendix sets out that work in more detail: the activation of industrial land at Coolangatta, and the attraction and development of new industry in the region. Both are led by the Department of Energy and Economic Diversification and supported by existing State commitments.

Collie land activation

Industrial land development in support of the Collie Just Transition has evolved since 2022 in response to the need to attract large-scale, job-creating industries to replace coal-based employment and underpin long-term regional economic diversification. This approach has been shaped by a combination of strategic land use analysis, targeted infrastructure investment, and active industry facilitation led by the Department of Energy and Economic Diversification (DEED) in coordination with other agencies.

The WA Government has been working to transition the Collie economy from its dependence on coal by investing to attract major projects and to bring new and emerging industries to the region.

This work has been implemented using the internationally recognised Just Transition framework, which focuses on supporting workers, industries and communities in the shift from carbon-intensive industries.

In 2022, the State Government announced Collie's remaining state-owned coal-fired power stations were to be retired in a phased, managed approach by 2030 and committed to a Collie Transition Package to support the decision.

The establishment of the \$230 million Collie Industrial Transition Fund (CITF) provided the primary policy and funding mechanism to support industrial land activation and attract implementation-ready projects capable of delivering sustainable industrial jobs as Collie transitions to new forms of industry and power generation.

The CITF reflects a broader State Government commitment, totalling more than \$700 million, to transition Collie from a coal-dependent economy to a diversified industrial hub, with a focus on clean energy, green manufacturing, and mineral processing industries.

Within this context, industrial land development has been approached as a targeted economic intervention, designed to align with coal closure, workforce transition, land supply and infrastructure provision concurrent to actively driving alternative industrial development.

A critical early step in determining the appropriate approach to industrial land supply was in the form of a Land Use Capability Assessment. Undertaken in 2022 the assessment

evaluated potential sites in and around Collie for their suitability to accommodate large-scale strategic industry. This assessment identified the Coolangatta Industrial Estate as the most suitable location for near-term industrial activation, based on its relative capacity to support multiple large-scale proponents and its lower overall development constraints compared to alternative sites.

The selection and prioritisation of the Coolangatta Industrial Estate have also been strongly influenced by demonstrated market interest from proponents. Sites within Coolangatta were assessed as being better aligned with the operational and spatial requirements of emerging projects in targeted high-growth sectors capable of developing to a sustainable industrial hub drawing on the established Collie-based workforce capability.

In contrast, the Shotts Strategic Industrial Area, located 7 km east of Collie, was found to be significantly more constrained and therefore better suited to a single, large-scale proponent with the capacity to undertake substantial upfront investment to address these constraints, rather than serving as a multi-user industrial estate.

This comparative analysis directly informed the decision to prioritise Coolangatta as the primary industrial precinct for the initial phase of the Just Transition and the position was supported by the Just Transition Working Group.

Moving from site analysis to planning

Since then, the State has led a series of detailed planning studies to consider specific land capability and servicing requirements for the Coolangatta Industrial Estate. This early work has enabled practical land assembly and foundational land use and infrastructure planning through the preparation of the Coolangatta Industrial Estate Structure Plan (the Structure Plan).

The preparation of the Structure Plan represents a critical step in moving from site analysis into coordinated planning and implementation for the Collie Just Transition. At a strategic level, the Structure Plan is designed to enable large-scale industrial development aligned with the objectives of the Just Transition, with a clear focus on manufacturing industries, mineral processing and clean energy industries while retaining flexibility to support a broader range of general industrial uses as market demand evolves.

It provides the spatial, infrastructure and staging framework required to translate earlier land capability assessments into a deliverable, investment-ready industrial precinct by establishing a coordinated spatial framework for:

- industrial land parcels and development precincts suitable for large-scale industry and general industrial proponents;
- scalable infrastructure model for major infrastructure corridors and servicing areas including drainage;
- key regional and internal road linkages to support staged development; and

- achieving appropriate buffers and interfaces between industrial uses and surrounding land uses.

This integrated layout is mindful of achieving flexibility and staging, provides clarity for both government and industry, ensuring that land use, infrastructure and transport planning are aligned from the outset.

Reflecting that approximately 40% of the land is already developed and the desire to accommodate a demand-led approach, the Structure Plan adopts a staged development model over 3 phases extending to 2045, allowing infrastructure and land release to be sequenced in line with industry uptake.

The Structure Plan represents the formal transition from strategic planning into a statutory and operational framework. The Structure Plan has been approved by the Western Australian Planning Commission (WAPC).

The approved Structure Plan is now the primary guiding document for subdivision and development across the entire 1,432-hectare estate. Decision-makers are required to have due regard to its provisions when assessing proposals, ensuring that all future development is consistent with the long-term vision, spatial layout and infrastructure planning established for Coolangatta.

Current status

With the Structure Plan now in place, efforts have shifted to focus on the detailed design, costs of critical early phase infrastructure (i.e. water, roads and power) and the release of the first development sites (scheduled for late 2026).

The State has adopted an infrastructure-led approach to industrial land activation. \$134 million from the Collie Industrial Transition Fund has been notionally allocated for the activation of the Coolangatta Industrial Estate (CIE). This includes:

- The purchase of 155 ha of general industrial land – Activity is Complete.
- Transmission network augmentation (as detailed in the SWIS Transmission Plan) – Design work is underway.
- Upgrading the road network from Collie township to the Coolangatta Industrial Estate – Design work is underway.
- Upgrading water supply – Design work is underway.

The State is progressing these workstreams, ensuring that infrastructure provision is aligned with the needs of specific strategic projects. Concurrently the State is facilitating two major projects designated as Strategic Projects under the Lead Agency Framework (LAF), the Collie Steel Mill and Collie Magnesium Refinery, both in planning stage to develop at Coolangatta. Both proposals are being supported by the State to progress their project due diligence which will clarify their site-specific requirements in relation to land area, servicing needs, transport access and utility loads, in preparation for Financial Investment Decision in 2026.

Power

DEED is currently progressing a staged approach to industry connections in partnership with Western Power, ensuring there are ways to connect available for current proponents while concurrently progressing connection arrangements for future proponents. This involves:

- Immediate use of existing in situ infrastructure.
- Enabling connection ready access to the existing Bluewaters Terminal.
- Ongoing design to determine new infrastructure and deliver additional capacity.

Western Power has provided staging arrangements to ensure connections can be delivered for the proponents the State is currently supporting, as well as future connections to support additional job-creating industry projects.

Power infrastructure is expected to be only partly funded by the current CITF, with the State leading design, cost estimates and approach to staging in 2026.

Water supply

In 2023 Water Corporation was engaged to commence planning level activities to determine the infrastructure requirements and associated costs to provide a water supply solution to Coolangatta.

The planning report identified the need for a new conveyancing pipeline from the main pipeline along Collie-Williams Road to storage tanks to be located within Coolangatta, and then further pipeline from the storage tanks to a central point within the general industrial land to be developed.

Following that early planning report, the State is now progressing design of the water supply solution in partnership with Water Corporation. Concept design was completed in 2025, and Water Corporation has now commenced detailed design and further engineering, with design and costings expected by the end of 2026.

Roads

In 2023 Main Roads WA (MRWA) was engaged to assist with reviewing access opportunities to Coolangatta to enable unconstrained access for heavy vehicles. Through this analysis, the preferred approach was to make use of the existing Collie-Williams Road, with a series of upgrades identified to better manage the existing constraints including road and community safety and ensuring the route remains stable with the forecast increase in freight transport demands resulting from development of Coolangatta.

Based on that early planning work the State is now progressing designs of a package of road upgrades in partnership with MRWA.

MRWA has completed concept designs, with further design now underway. Early minor works could commence in late 2026, with the more substantial works to commence in 2027 subject to further detailed design work.

Rail access

Through the Structure Plan and engagement with proponents, the potential to provide direct access from Coolangatta to the freight rail network has been considered by DEED.

A direct connection to the freight rail network would minimise truck movements on local roads, improving community safety and liveability, as well as enhancing the appeal of Coolangatta as an investment location for future industry proponents.

The State has already undertaken work to understand the suitability of existing rail infrastructure that would need to be used for any connection to Coolangatta and is now progressing additional feasibility and due diligence on rail infrastructure in partnership with the Public Transport Authority.

Future opportunities

The State's long-term role in enabling transition and planning for future industrial land supply extends beyond the current Coolangatta Industrial Estate and will continue to evolve in line with market demand, industry uptake, and the timing of major asset retirement/closures.

In the near-to-medium term, the State's priority remains the full activation of Coolangatta Industrial Estate, including the staged release of land and delivery of enabling infrastructure to support industry to establish then scale-up. The \$134 million commitment to secure land and deliver initial power, roading and water infrastructure reflects a deliberate approach to work in step with industry to create "industry-ready" land capable of accommodating large-scale proponents.

Beyond Coolangatta, future opportunities exist to identify and service new greenfield industrial areas within the Collie region, particularly where it can build on previous government investment in infrastructure. It is anticipated that additional land will be progressively made available within both an extended Coolangatta Industrial Estate and the broader precinct encompassing previous industrial uses. This reflects DEED's ongoing role in ensuring that initial land activation is scalable rather than fixed, allowing for future industrial expansion.

The State also recognises that an opportunity lies in the adaptation and repurposing of power station and mining lands as industry demand becomes clearer. Given the scale and complexity of these sites, including the requirement to address environmental constraints and rehabilitation, these opportunities are likely to emerge incrementally and over extended timeframes, reinforcing the importance of flexible, demand-driven planning.

The timing and scale of this work will depend on demonstrated industry demand, with the State playing a central role in coordinating land supply, infrastructure investment and project attraction to support future phases of the Collie Just Transition.

Summary

While early interest by Generation Steel and Magnium Australia is firming, establishing a substantial industrial base will take time and requires a foundation anchor industry of scale. The State is actively exploring new industry opportunities to build a pipeline of proponents scoping or undertaking feasibility studies on Collie as an investment location, and ensuring the planned development of Coolangatta can be responsive to new industry needs.

This state-led model reflects a deliberate approach toward “industry-ready” land supply, where government plans for and makes proportionate investment to deliver, working in step with industry, to reduce development risk and provide coordination and certainty for private sector investors.

This model ensures that land activation, infrastructure provision and industry attraction are progressed concurrently, rather than sequentially, accelerating delivery while maintaining the Collie Just Transition strategic vision.

Industry progress

The State Government's approach to attracting new industry to Collie has been underpinned by targeted grant programs, such as the Collie Futures Industry Development Fund and Collie Industry Attraction and Development Fund, which are designed to stimulate economic diversification, job creation and industry development.

Various funding rounds have been used to de-risk early-stage investment, support feasibility and capital works, and enable new and expanding businesses to establish in Collie, consistent with the objectives of the Just Transition.

Economic diversification projects funded through these programs include:

- **International Graphite R&D and qualification** facility, supporting the development of critical minerals processing and providing a base from which the company can expand operations in Collie.
- **Quantum Filtration manufacturing** facility, now operational and exporting their unique water filtration media to global markets.
- **Commercial Dive Academy** has been established to deliver accredited training for students to pursue careers in diving in a range of fields including the scientific, aquaculture, construction and salvage sectors.
- **Cannaponics** has built a medicinal cannabis growing and processing operation.
- **WesTrac Technology Training Centre** provides training for globally sought after skills in autonomous mining equipment and is only the second facility of its kind in the world.

Collectively, these early grant programs have supported a pipeline of projects across manufacturing, training, technology and emerging industries, while aligning with broader efforts to attract major industrial proponents and set foundations for Collie's workforce to transition into new sectors.

The \$230 million **Collie Industrial Transition Fund** represents the State Government's primary vehicle for attracting large-scale, job-creating industrial projects and enabling the infrastructure required to support them. The central application of the CITF has been the activation of the Coolangatta Industrial Estate, including the allocation of \$134 million to make industrial land available for development and deliver enabling infrastructure such as power, transport and water services. With a focus on common use infrastructure, this investment is intended to fast-track large-scale projects, improve the attractiveness of Collie to investors, and ensure land is "industry-ready" to accommodate proponents in alignment with the decommissioning of coal-fired power stations.

Support for major job-creating industries

The Government has identified multiple job-creating projects that align with the objectives of the Just Transition, providing a range of support to develop the projects in Collie and generate employment opportunities for the transitioning workforce.

International Graphite

International Graphite is an Australian company building a graphite processing hub in Collie, putting the region at the forefront for advanced manufacturing and materials processing.

The company chose Collie to establish its processing capabilities due to Collie's strategic location, established infrastructure and the Government's efforts to attract new industry. Early support through the Collie Futures Industry Development Fund was used to establish Australia's first qualification scale graphite micronising plant and R&D facility which has been operating in the Collie Light Industrial Area since 2024.

The company is now progressing plans to expand toward a commercial-scale facility, increasing capacity to around 4,000 tonnes per annum, with first operations targeted for 2027.

The Collie facilities form part of a broader mine-to-market strategy, linking a proposed graphite mine at Springdale in Western Australia with further downstream processing in Collie. While the project is still at feasibility stage, it has the potential to establish a new sovereign capability in graphite production and value-adding.

If it proceeds, this work could see the site produce higher-value graphite materials used in electric vehicles, energy storage and other advanced manufacturing applications and will benefit from the Government's planning and early investments in critical infrastructure at Coolangatta Industrial Estate, in particular power and water upgrades.

International Graphite is supported by State and Federal Government funding, helping diversify the local economy and create long-term skilled employment opportunities.

Collie Futures Industry Development Fund

- **\$2 million** to support the establishment of an R&D and qualification facility, enabling early-stage testing, product validation and development of processing capability – Facility in operation.

Collie Industrial Transition Fund

- **\$4.49 million** to support the development of a commercial micronising facility at the Collie Light Industrial Area, representing a key step toward industrial-scale

production of graphite products with construction expected to commence in June 2026;

Once completed in 2027, the facility will support up to 19 jobs as part of a skilled operational team supporting the day-to-day running of the processing plant, including production, maintenance, quality control and site operations in Collie.

- **\$2 million** to support development of a Battery Anode Material (BAM) facility, advancing downstream value-adding and positioning Collie within the battery manufacturing supply chain.

Investment Attraction Fund

- **\$4 million** to accelerate development of the Springdale Graphite Resource, ensuring upstream feedstock supply for Collie-based processing facilities, and to further develop the technology and processes required to produce critical battery materials.

International Graphite received a further \$4.7 million in Federal funding as part of the Critical Minerals Development Program to support its mine-to-market graphite supply chain plans in WA.

Magnium Australia

Magnium Australia is working to develop the world's first decarbonised magnesium metal plant, using breakthrough Australian technology and renewable energy to create zero-carbon magnesium while supporting new job opportunities in Collie.

Magnium established a pilot plant in Collie's Light Industrial Area, supported by State Government investment, paving the way for a future commercial-scale magnesium refinery in Collie that supports local jobs and advances sustainable manufacturing skills in the region.

Magnium's products support the automotive, aerospace, hydrogen storage, and advanced materials industries, and magnesium is the number one defence metal, helping position Collie as a future hub for emerging clean-technology supply chains.

Government support has been structured to enable progression from pilot-scale validation through to potential commercial-scale production, reflecting a staged investment approach aligned with project maturity:

Collie Futures Fund

- **\$280,000** to support a pre-feasibility study exploring the potential for a magnesium refinery in Collie.

Collie Industry Attraction and Development Fund

- **\$2 million** to complete a Definitive Feasibility Study and business case to progress a commercial-scale magnesium refinery, helping to confirm commercial viability and investment readiness.

Collie Industrial Transition Fund

- **\$7.5 million** to establish the pilot plant in the Light Industrial Area, enabling testing at semi-commercial scale and advancing the pathway toward a full-scale magnesium refinery.

Magnium's commercial refinery was recently identified as a key project under the Australia-Japan Joint Declaration on Economic Security Cooperation by the Prime Ministers of Australia and Japan, which has the potential to materially diversify the supply chains for critical minerals. The recognition reinforces the strategic importance of the project as it moves towards the completion of planning stages.

Magnium has identified a suitable project site in the Coolangatta Industrial Estate, with DEED working closely with Magnium to ensure the Government's investments in activating Coolangatta are fit-for-purpose for the project, will expedite project delivery, and support a long-term staged development approach ensuring sufficient infrastructure capacity to support the project to achieve full-scale production.

Generation Steel

The company is developing Australia's first low-emissions steel manufacturing and recycling capability. The Collie Steel Mill project aims to produce steel using electric arc furnace technology powered by renewable energy, positioning Collie as a hub for green steel production.

The mill will process 500,000 tonnes of local scrap steel to produce green steel reinforcing bars (rebar) and wire rod primarily for the Australian construction market, supporting over 200 long-term local operational jobs.

In July 2026 Generation Steel announced a Cut and Bend partnership with fabricator Stride Reinforcement, under which Western Australian-made, site-ready rebar will be supplied to construction customers in Victoria. Generation Steel also announced its own \$40 million Cut and Bend facility in Western Australia, expected to supply 100,000 tonnes of project-ready rebar a year to Western Australian construction customers.

The WA Government has supported the project through feasibility and front-end engineering design, progressing the project toward a Final Investment Decision and establishing the technical and commercial case for development.

Collie Industry Attraction and Development Fund

- **\$4.45 million** to complete a Feasibility Study helping to confirm the project's viability and completion of project approvals.

Collie Industrial Transition Fund

- **\$9.8 million** for the next phase of project development for the steel mill, supporting downstream processing and manufacturing within Western Australia.

DEED is working closely with Generation Steel to ensure investments in infrastructure at Coolangatta can expedite delivery of the project and support long-term viability of the project through timely connection to the electricity network, efficient road and rail freight solutions, and industrial water supply.

Summary

While collectively these projects represent a strong pipeline of opportunity and demonstrate significant progress through feasibility, pilot-scale development and early approvals, most remain subject to final investment decisions, commercial conditions and market factors. The transition from concept and feasibility into full-scale delivery is inherently complex for large industrial projects, particularly in emerging sectors such as green steel, magnesium refining and battery materials, where global demand, technology readiness, capital availability and infrastructure timing all influence outcomes.

While government support has successfully de-risked early stages and positioned Collie as an attractive investment destination, the ultimate delivery, timing and scale of these projects will depend on proponents securing financing, finalising commercial partnerships and proceeding to construction.

Additional industry attraction initiatives

The State continues to receive and assess a pipeline of new project enquiries aligned with the Coolangatta Industrial Estate's priority high-growth sectors, including emerging opportunities in areas such as circular economies (waste-to-product) and low-carbon liquid fuels. These proposals are typically at early concept or pre-feasibility stages, reflecting both the evolving nature of these industries and the longer lead times required to progress complex, capital-intensive projects.

In parallel, the State is working with Defence West to explore defence-related industry opportunities. In May 2026 the State Government invited expressions of interest from industry to help establish an advanced defence manufacturing hub in Western Australia. Collie's industrial land, existing infrastructure and skilled workforce are relevant to that work. No site has been selected, and any decision is a matter for Government.

Ongoing government commitment to the planning and delivery of staged enabling infrastructure at Coolangatta is expected to play a critical role in strengthening Collie's

attractiveness to prospective investors. This includes future access to renewable power and potential common-user rail connections, which are key considerations for energy-intensive and export-oriented industries.

These efforts are complemented by the recent release of the Collie Investment Prospectus in early 2026, which is actively promoting Collie as a competitive destination for new and emerging industries.

Notwithstanding this momentum, it is recognised that these types of projects are inherently complex. Accordingly, the State is continuing to support proponents through early-stage de-risking, planning coordination and targeted facilitation, with the aim of attracting investment and generating sustainable jobs over time.

Taken together, the land activation and industry attraction work represents the part of the transition that builds Collie's future, rather than managing the decline of its past. It runs in parallel with, and is independent of, the structural question considered earlier in this report. No structural change for the coal mines removes the need for this work, and none substitutes for it. A successful transition for Collie requires both: an orderly wind-down of coal, and the establishment of the new industry and employment that follow it.