



GYMPIE GOLD

2002 ANNUAL REPORT

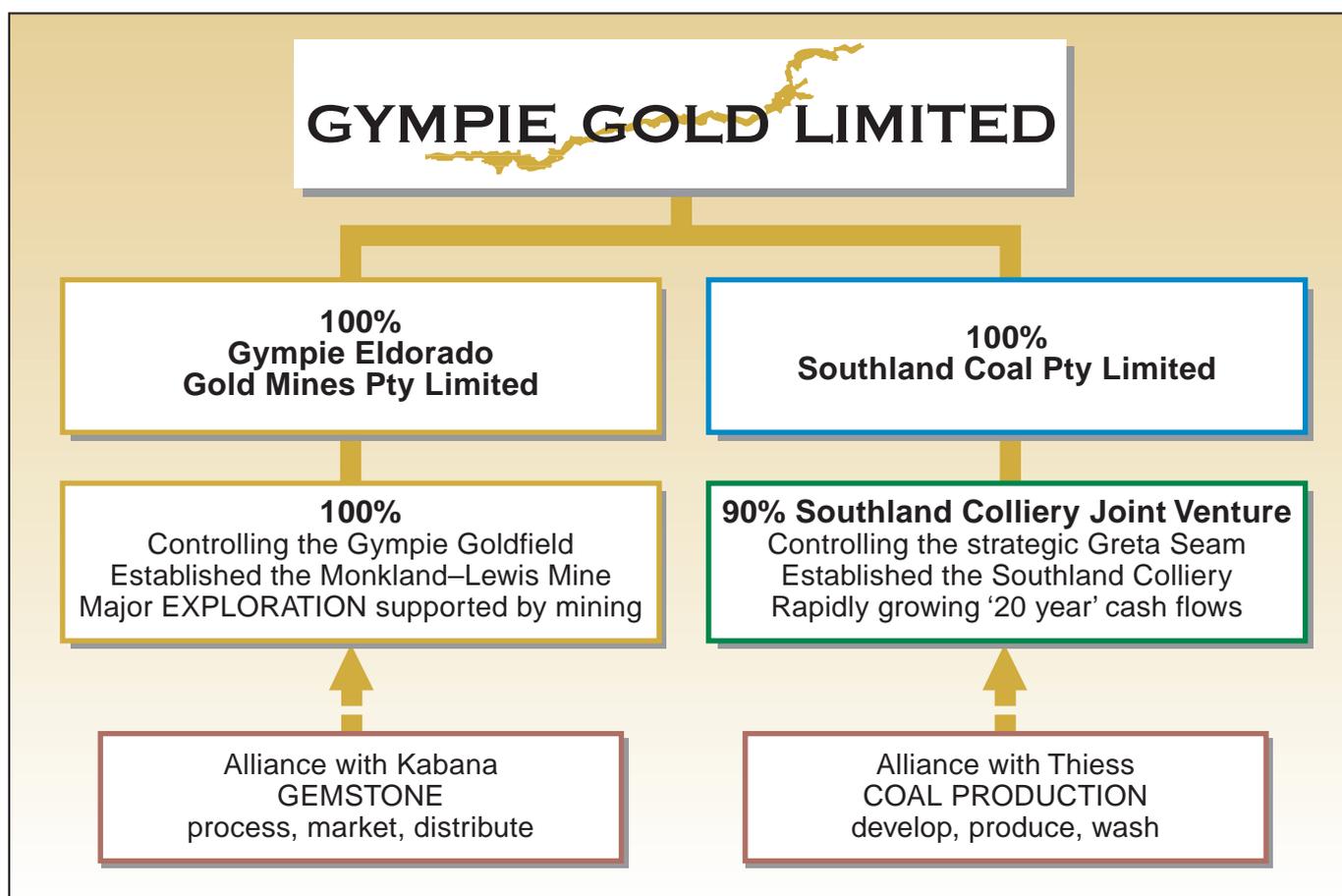
HIGH GRADES
VALUE ADDING

SUPERIOR SHAREHOLDER RETURNS
HIGH SOCIAL STANDARDS

EMERGING CASH FLOW FROM HIGH-QUALITY COAL
TURBO-CHARGING EXPLORATION OF A HIGH-GRADE GOLDFIELD

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FOCUS

Gympie Gold Limited is an Australian exploration, production and marketing company. Since a change in management six years ago Gympie Gold has delivered **shareholder returns averaging about 20% per year** as at 30 June 2002, principally from share price appreciation. This has been achieved by focusing on opportunities to add value by applying the organisation's core skills and capital to underdeveloped mineral deposits.



Production is being expanded at our coal and gold operations. Positive **cash flows and profits should emerge from mining our high-quality coal**. Our gold operations provide a technical and financial base for aggressive exploration of the multi-million ounce, **high-grade**

Gympie Goldfield which should provide the catalyst to generate further value appreciation for shareholders.



Innovative marketing **adds further value** to our coal and gold products. Coal products are customised to meet the specific requirements of our diverse customers around the world. Gympie Gold® Gemstone captures more value by creating a unique product that is sold for much more than its contained gold content.



The cyclical commodity price weakness of the past six years provided the opportunity for Gympie Gold to build strong foundations in a cost-effective way. The Company is well positioned to benefit from the recent upturn in commodity prices and take advantage of new opportunities over the next few years.

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CORPORATE OVERVIEW

Gympie Gold Limited is owned by over 6,000 holders of ordinary shares and convertible notes which are quoted on the Australian Stock Exchange and AIM, the London Stock Exchange's international market for high-growth companies. The group has two principal wholly-owned subsidiaries which explore for, extract, process and market mineral products:



Exploration drilling in the Southern Gympie Goldfield.

GYMPIE GOLD'S ORGANISATIONAL STRUCTURE IS FOUNDED ON A SMALL CORPORATE OFFICE WITH OPERATIONS MANAGEMENT BASED AT THE MINE SITES AND MARKETING MANAGEMENT TRAVELLING GLOBALLY TO MEET CUSTOMERS' NEEDS.

- Gympie Eldorado Gold conducts exploration and early-stage production of gold and gemstone at the high-grade Gympie Goldfield, which produced over 3.5 million ounces between 1867 and 1927 at the grade of 24 grams per tonne (three-quarters of an ounce per tonne). Exploration programs are targeting a number of large structures with the potential to host new high-grade gold systems of more than one million ounces each while production is currently at only approximately 60,000 ounces per annum.
- Southland Coal has now established long-term production of high-quality coking coal from the Greta Seam, which has yielded continuous production for more than 100 years. In August 2002, Southland Coal commenced production from the largest-ever mine production zone (panel SL3) in the Greta Seam, containing 1.7 million tonnes of recoverable coal out of a Recoverable Coal Reserve of 48 million tonnes. Targeted 2002–03 production of about 1.5 million tonnes represents only two-thirds of infrastructure capacity.

Gympie Gold's organisational structure is founded on a small corporate office with operations management based at the mine sites and marketing management travelling globally to meet customers' needs. Accountability is measured against performance indicators covering all facets of the business, starting with safety and environmental management.

The Company's recent history demonstrates its values, core skills and vision for the future:

The Company's recent history demonstrates its values, core skills and vision for the future:

- **Our corporate team** has identified and executed carefully selected acquisitions, divestments and business start-ups to tighten and reinforce the Company's focus. Interests in hydrocarbons and industrial minerals were divested in 1996 and 1997. Colliery infrastructure adjoining a wholly owned and undeveloped coal deposit was acquired in 1998. The start-up of the Gympie Gold® Gemstone business commenced in 2000.
- **Our mining team** has expanded production and reduced unit costs at projects previously owned by major international mining groups, who were no longer the "owners of best fit". Since completion of the fore-mentioned divestments in June 1997, group revenues have increased from \$19 million to \$85 million and unit costs of the acquired projects have been reduced.
- **Our exploration team** has increased Mineral Resources and Ore Reserves for both gold and coal and has now triggered the Gympie Goldfield exploration program targeting an ultimately 10-fold increase of currently delineated resources of 783,000 ounces.
- **Our marketing team** has broadened our customer base for gemstone and coal products from being purely domestic into every continent other than Africa.

- Our capital management team has applied a range of finance techniques across the debt and equity market spectrum to fund bold exploration and development programs. Since 30 June 1995, shareholders' funds have increased by 49% and shareholder returns of about 20% per annum were achieved during a period of cyclical weakness.

THE CONSOLIDATION INTO FOREIGN HANDS OF THE AUSTRALIAN RESOURCES SECTOR PROVIDES OPPORTUNITIES FOR COMPANIES LIKE GYMPIE GOLD, WHICH IS NOW ONE OF ONLY A FEW MEDIUM-SIZED AUSTRALIAN RESOURCE COMPANIES.

Strategic alliances have been formed with appropriate organisations to complement the group's financial position and skills:

- Kabana Inc for market and product development in the gemstone and gold jewellery industry;
- Roche Mining Pty Ltd and IK Mining Pty Ltd for certain mining operations at Gympie Eldorado Gold;
- AMCI Australia Pty Ltd for assisting in customer-servicing in the coking coal industry; and
- Thiess Pty Ltd for mining and processing operations at Southland Colliery.

The consolidation into foreign hands of the Australian resources sector provides opportunities for companies like Gympie Gold, which is now one of only a few medium-sized Australian resource companies. Accordingly during 2001–02, Gympie Gold has established a platform for further successful growth – board and management systems have been further tightened, the balance sheet has been strengthened, bold gold exploration programs have been triggered.

BUSINESS SUMMARY

2001/02 PERFORMANCE

2002/03 TARGETS

Group Financial Results

- Sales revenue up 76% to \$85 million
- Operating surplus up \$4.1 million to \$17.5 million
- Net loss of \$2.5 million after tax

- Increase revenue by at least 50%
- More than double operating surplus
- Positive cash flows and profits from second half

Southland Coal

- Exceptional safety performance
- Largest ever production zone SL3 fully developed
- Achieved price increases and won new customers in South America and Korea
- Production doubled to over one million tonnes for a loss of \$2.1 million

- Reduce core risks
- Reduce unit costs
- Increase \$A revenue by 15% per tonne
- Further diversify customers geographically
- Increase production to 1.5 million tonnes for healthy second-half profit

Gympie Eldorado Gold

- Safety performance improved
- Lewis Decline developed on schedule
- Prepared launch of major goldfield exploration program
- First grassroots resource defined away from mine workings
- Gold production increased 15% to 51,702 ounces for a profit of \$4.3 million

- Further improve safety performance
- Connect Lewis Decline with Monkland Mine by early 2003
- Discover major new gold systems in Gympie Goldfield
- Develop mine access to first grassroots discovery in goldfield
- Further increase gold production and profit

Gympie Gold® Gemstone

- Revenue doubled to \$1.6 million
- Processing techniques refined
- New distribution channels established

- Increase revenue to more than \$2 million
- Further establish brand of Gympie Gold® Gemstone
- Launch Gympie Gold® Jewellery

CHAIRMAN'S REPORT

Gympie Gold has over the last year clearly emerged as a mid-sized Australian resources company. The company is now poised to reap the benefits of the last decade of development of its gold and coal businesses.

Fortuitously, the company's new maturity has coincided with much greater interest and support in capital markets for resource investments. After having languished for some years, the resource sector has recently performed well for investors. At the same time the number of listed companies in the sector has shrunk through takeovers, rationalisation and attrition. Those that remain and have good prospects are more conspicuous today than in the past.

WE NOW HAVE THE ADVANTAGE OF INCREASING OUTPUT FROM OUR TWO BUSINESSES WHEN PRICES HAVE IMPROVED.

Gympie Gold has followed a deliberate policy of continuing to invest so as to be ready to benefit immediately from an improving commodity cycle. We now have the advantage of increasing output from our two businesses when prices have improved.

The gold price increased during the year to above \$US300 per ounce for the first time since early 2000. Through a combination of hedging, value-adding and spot sales, the Company achieved \$A573 per ounce of gold sold, more than the average spot price for the year of \$A552 per ounce. Strengthening \$US prices for our coal products combined with a lower \$A/\$US exchange rate should result in a 15% increase in our realised \$A price for 2002-03.

It is always hazardous to predict markets, but my own view is that the gold market has come alive and will be increasingly considered by investors attempting to navigate the stormy seas of falling equity markets, turbulent currencies and uncertain real growth prospects. The "barbaric relic" is now being recommended by investment strategists, bought by investors and supported on the long side by hedge funds. Significantly, gold producers are selling less gold forward. The last to change will be Central Banks, particularly in the Western World, but with the US dollar no longer regarded as a one-way bet they too may reconsider and slow their selling.

Against this background we have been making the major decisions taken over the last year. The Company has taken advantage of investor support to raise some \$50 million in new funding and has continued to both reduce its gold hedge book and expand gold exploration.

Board of Directors, from left, Roy Woodall, Chris Rawlings, Peter Cadwallader, Harry Adams, Michael Darling, John Leach and Company Secretary Anne Adaley. In the background is an exploration drill rig at Gympie.



RESULTS AND OUTLOOK

Key results in 2001–02 were:

- A very substantial increase in knowledge and the assessed potential of the Gympie Goldfield was achieved over the year. This has led directly to the launch in August 2002 of a major \$25 million exploration program with \$7 million to be spent in 2002–03. Combined with exploratory development programs in the mine workings at Gympie, this is the largest gold exploration program in Queensland and one of the 10 largest in Australia;
- Sales revenue increased by 76% to \$85 million. Total operating surplus increased by 31% to \$17.5 million;
- Net loss after tax of \$2.5 million was \$8.9 million less than the previous year's profit of \$6.5 million, primarily because of:
 - a) absence of the prior year's one-off profit of \$7.7 million on sale of 10% of the Southland Colliery;
 - b) coal production was restricted to approximately 1 million tonnes by the extensive remediation works completed. This delayed completion of prior-year currency hedge contracts until after the 2001–02 financial year, thus further suppressing revenue;
 - c) high expenses and write-offs during the start-up year of the new contractor at Southland Colliery; and
 - d) modest profit increase at Gympie Eldorado Gold;
- \$50.5 million was raised by share placement and convertible note issue, together representing 24% of the Company's ownership on a fully-diluted basis;
- The Company's shares and convertible notes were admitted for quotation on AIM, the London Stock Exchange's Alternative Investment Market for high-growth companies;
- Cash at bank increased from \$9 million to \$26 million and secured loan facilities were expanded by \$25 million. The Company has a strong balance sheet to support ongoing growth; and
- Development at Southland Coal set up the largest ever production zone in the Greta Seam. Production from this zone has commenced and is targeted to provide about 1.5 million tonnes in 2002–03, with output increasing over the course of the year as ground conditions improve.

A VERY SUBSTANTIAL INCREASE IN KNOWLEDGE AND THE ASSESSED POTENTIAL OF THE GYMPIE GOLDFIELD WAS ACHIEVED OVER THE YEAR.



Underground drilling rig extending the Lewis Decline, which was developed to facilitate exploration and provide access to new areas of mineralisation.

Priorities for 2002–03 are to:

- Begin a major gold exploration program at Gympie Eldorado to substantiate estimates of the plus 6 million ounce potential while targeting to maintain excellent historical discovery costs of \$14 per ounce of resource;
- Substantially increase sales of coal and, to a lesser extent, gold.
- Reduce unit costs at Southland Coal by efficiency improvements and scale economies and, at Gympie Eldorado, by integrating the two mine operations and increasing mechanisation;
- Extend the Gympie Gold® Gemstone business further to new markets and downstream into Gympie Gold® Jewellery as gemstone recovery from the mines permits; and
- Take advantage of opportunities to maintain and improve current \$A product pricing, which for both gold and coal is higher than the average prevailing in the past 10 years.



Unprocessed Gympie Gold® Gemstone as recovered from the mine.

FUNDING AND CAPITAL STRUCTURE

In line with the rapid growth of operations, the Company's capital base was significantly expanded during the year. Longer term borrowing facilities were established which better reflect the increased production profile of our operations.

Over \$50 million in new capital was raised, \$10.5 million via a share placement and \$40.0 million from a Convertible Note issue. These capital raisings were both by way of private placements because of the speed and surety this method provided. The alternative fund raising method considered was a rights issue, which involves a process that takes several months to complete. During this time market conditions can change dramatically, leading to failure to raise the required funds. In the uncertain markets that prevailed at the time this alternative method was considered too great a risk.

The \$10.5 million placement announced in December was made at \$0.75 per share, only a small discount to the prevailing share price which had been trading between \$0.75 and \$0.83 per share for the previous five weeks.

The Convertible Notes allowed the Company to raise further capital without issuing shares at a discount to the prevailing share price, thus minimising potential dilution of current shareholders. The notes allow the holder to receive an 8.5% yield and the opportunity to participate in a stronger share price by converting the notes into shares. The conversion price is the equivalent of \$1.35 per share and was a substantial premium to the share price prevailing at the time of the issue.



SHARE PRICE PERFORMANCE

The share price performed strongly over the course of the year. While this is pleasing and has been helpful in raising new capital, we are not focused on short-term share price performance but on building long-term wealth for shareholders. Of note is the fact that the market capitalisation of the Company has roughly trebled since the current management took over in 1995, while the shares on issue have increased by only 26%.

STRATEGY

Different priorities are being given to the gold and coal businesses which reflect their different circumstances and levels of maturity as businesses.

Gold: Our priority at Gympie Eldorado is for exploration success to demonstrate the goldfield's potential of over 6 million ounces, with current operations providing both funding and vital knowledge.

Coal: The priority is to solidly expand production to at least 1.5 million tonnes per year while lowering unit costs. This should produce shareholder value through profits and cash flow.

PEOPLE

In October 2001, Dr Chris Rawlings, a person with a strong background in the coal industry, was appointed to chair a newly formed Physical Risks Committee of the Board. Mr Peter Hayes was appointed General Manager – Operations at Southland Coal in April 2002.

A rapidly growing mid-sized company with fairly ambitious goals is very dependent on the quality of its people. In this respect Gympie Gold is particularly fortunate. To my Board colleagues, to Harry Adams and to all personnel I record my thanks and appreciation for their efforts and contribution.

Michael Darling
Chairman

FINANCIAL SUMMARY

FINANCIAL RESULTS

Increasing coal and gold production lifted Group sales revenue to \$85.0 million for 2001–02, 76% more than the previous year. Operating costs also increased as the mines prepared for significantly higher future levels of production, leading to the Company recording a loss after tax of \$2.5 million for 2001–02. This is not dissimilar to last year's result which, although recording a profit of \$6.5 million, included a profit of \$7.7 million from the sale of a 10% joint venture interest in the Southland Colliery during 2000–01.

The past two years have been very challenging and expensive years of setting up operations, particularly at Southland. As a result, the Group is now poised for significantly improved profitability from the second half of 2002–03 as sufficient mine development is now in place to further increase production and achieve operating cost efficiencies.

The operating surplus (EBITDA) from the gold operations increased to \$9.7 million (2000–01 \$9.0 million) and contributed a before tax profit of \$4.3 million (2000–01 \$4.1 million) as gold production was up 15% and unit costs improved.

The operating surplus (EBITDA) from the coal operations increased to \$8.2 million (2000–01 \$4.4 million). Despite coal production doubling over the previous year, the colliery contributed a small loss of \$2.1 million (2000–01 \$7.3 million before tax profit including a \$7.7 million one-off gain) as unit costs and write-offs were high during the new mine operator's first year on site. Product prices have improved and Southland is now set up to deliver profits from the second half of 2002–03 as production increases.

Corporate costs include the write-off of \$1.0 million associated with listing the Company's securities in the United Kingdom and the development of the proposed Southern Gympie Goldfield Exploration Joint Venture.

SUMMARY GROUP FINANCIAL PERFORMANCE

(\$ millions)	2001–02	2000–01	Variance
Gold sales revenue	28.5	24.1	4.4
Coal sales revenue	56.5	24.1	32.4
Total sales revenue	85.0	48.2	36.8
Other revenue	0.7	10.8	(10.1)
Total revenue	85.7	59.0	26.7
Operating costs	(68.2)	(37.9)	(30.3)
Sub-total	17.5	21.1	(3.6)
comprising: Operating surplus	17.5	13.4	4.1
Gain on asset sale	0.0	7.7	(7.7)
	17.5	21.1	(3.6)
Corporate costs	(3.8)	(1.7)	(2.1)
Earnings before interest expense, tax, depreciation and amortisation (EBITDA)	13.8	19.5	(5.7)
Depreciation and amortisation	(15.7)	(9.7)	(6.0)
Borrowing costs	(1.3)	(1.7)	0.4
(Loss)/profit before tax	(3.3)	8.1	(11.4)
Income tax benefit (expense)	0.8	(1.6)	2.4
(Loss)/profit after tax	(2.5)	6.5	(8.9)

SUMMARY OF GROUP FINANCIAL POSITION

(\$ millions)			
Current assets	64.4	33.0	31.5
Current liabilities	(38.8)	(20.5)	(18.3)
Net current assets	25.6	12.4	13.2
Non-current assets	138.4	106.5	31.9
Non-current liabilities	(62.2)	(25.7)	(36.5)
Net non-current assets	76.2	80.8	(4.6)
Total equity	101.8	93.2	8.6

Note: The convertible notes' \$40 million face value is included in non-current liabilities and excluded from total equity. Figures are rounded on the underlying actual amounts and thus may not add precisely.



Stockpile management at Southland Colliery.

SOURCES OF FUNDING

The following funding initiatives help ensure that the Company's rapid growth can be sustained and further enhanced:

- Listing of Gympie Gold Limited on London Stock Exchange's Alternative Investment Market (AIM) in November 2001;
- Placement of 14 million shares raised \$10.5 million in January 2002;
- Convertible Note issue raised \$40.0 million in June 2002; and
- Loan facility expanded by \$25 million.

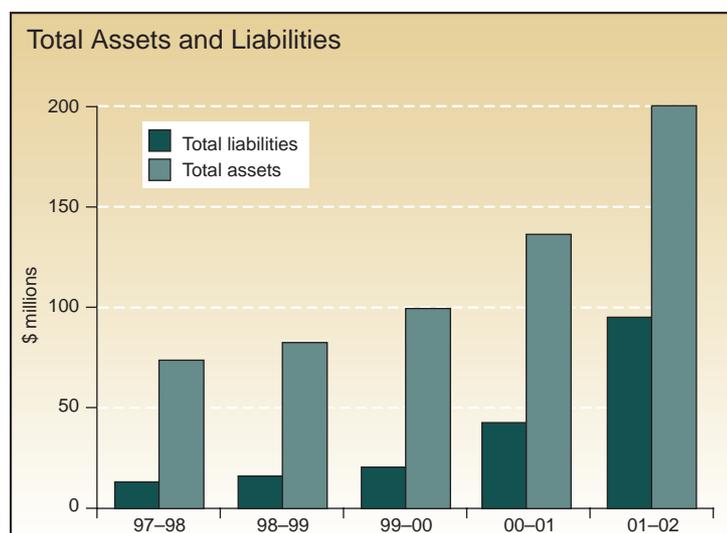
These initiatives have resulted in a strong balance sheet, a broadened investor base and have provided funding flexibility.

The Convertible Note issue was over-subscribed and was taken up by institutional and retail investors in Australia, the United Kingdom and Continental Europe. These Convertible Notes are traded on both the Australian Stock Exchange and AIM.

A total of 40.0 million Convertible Notes were issued at a price of \$1.00 each, bearing interest at a fixed rate of 8.5% per annum. Noteholders may elect to convert their notes into Gympie Gold shares at a fixed conversion price of \$1.35 per Gympie Gold share, thereby potentially leading to the issue of 30 million ordinary shares. If the noteholder elects not to convert the notes into Gympie Gold shares, then the Company will simply redeem the notes at par value (\$1.00) at the end of their five-year life.

Below: Total assets include \$91 million relating to coal and \$76 million relating to gold. Liabilities of \$101 million include \$40 million of Convertible Notes.

Bottom: Southland product stockpile.



FINANCIAL POSITION

Capital raised during the year placed the Company in the following strong financial position at 30 June 2002:

- Working capital of \$25.6 million;
- Total liabilities represent only 50% of total assets;
- Of the total liabilities of \$101.0 million, \$40.0 million is attributable to the Convertible Notes which are unsecured and subordinated; and
- Total equity increased to \$101.8 million.



RISK MANAGEMENT

In order to mitigate financial risk during its current rapid growth phase, the Company has adopted the following risk management practices:

- Sharing mine development and operating risks with suitably qualified contractors, Thiess at Southland Coal and Roche at Gympie Eldorado;
- Using increasing levels of medium to long-term debt as operating risk stabilises and raising equity capital to maintain an appropriate gearing level; and
- Hedging product revenues in \$A to support cost commitments of four years for gold and about one year for coal.

GOLD HEDGING POSITION AS AT 30 JUNE 2002

Disclosure as per Australian Gold Council standard		02-03	03-04	04-05	05-06	Totals/ Averages
Total Hedged (Forward Sales)	ounces	63,000	74,100	36,000	36,000	209,100
Estimated Net Realisable Price	\$A/oz	528	530	520	520	526
Call Options Sold	ounces	10,750	–	–	–	10,750
Strike Price	\$A/oz	520	–	–	–	520
Total Committed (Forward Sales + Calls)	ounces	73,750	74,100	36,000	36,000	219,850
Estimated Net Realisable Price	\$A/oz	527	530	520	520	526

Estimated Net Realisable Price is after allowing for gold lease fees on all ounces, which are fixed until March 2003 or later, and then assumed to be 1.5% per annum thereafter.

Margin calls do not apply to gold hedging contracts. No contingent hedging contracts exist.

Mark-to-market of negative \$A15 million at year-end gold price of \$A558/oz.

Some hedging is seen as necessary insurance and the general rationale of our hedging policies is to protect the company's exposure where a change in product pricing would be damaging, but to leave upside potential unhedged as much as practical. Gold revenue received (including by-product credits) for 2001-02 was \$A573 per ounce, exceeding the average spot gold price of \$A552 for the year.

Our gold hedging policy is to sell forward enough gold to cover operating costs and committed capital expenditure. Such costs are covered to 30 June 2006, with the forward sales of 209,100 ounces at an average net price of \$A526 per ounce.

...THE GENERAL RATIONALE OF OUR HEDGING POLICIES IS TO PROTECT THE COMPANY'S EXPOSURE WHERE A CHANGE IN PRODUCT PRICING WOULD BE DAMAGING, BUT TO LEAVE UPSIDE POTENTIAL UNHEDGED AS MUCH AS PRACTICAL.

Only 28% of Mineral Resources at Gympie Eldorado are subject to price caps (hedging commitments) – down from 51% at 30 June 2000 and 40% at 30 June 2001. The remaining 72% and all additional gold discovered is fully exposed to gold price movements.

Our coal hedging policy is to lock in sufficient \$A/\$US forward sales to cover approximately 12 months of production. Between 1 July 2002 and 31 August 2002 the Company put in place additional currency hedging in line with this policy and thereby increased forward cover from \$US6.5 million at an \$A/\$US rate of 0.63 to \$US47.7 million at an \$A/\$US rate of 0.55.

Our realised \$A coal price for 2002/03 should be approximately 15% more than 2001-02 due to the combination of stronger \$US prices for our coal products and a lower \$A/\$US exchange rate.

CONTINUAL IMPROVEMENT



Top: Researchers from Griffith University monitoring environmental impact at Gympie.



Above: Mine rescue practice at Gympie with Queensland Fire Brigade.

Below: Lost time injury frequency rate is merely one common measure of safety performance. Of importance to Gympie Gold is that both Southland and Gympie Eldorado demonstrate a clear trend of improvement as compared with the poor safety record inherited from the previous operators.

Gympie Gold is dedicated to continual improvement of all aspects of its businesses, focusing on the principal objective of generating superior returns for shareholders while maintaining a strong sense of social responsibility and accountability. The Company's performance indicators reflect an approach which fully integrates the economic and other aspects of prosperous long-term businesses.

PEOPLE

Our achievements to date and our prospects for further success are attributable to teams of excellent people. Performance is measured in ways which emphasise the accountability of teams.

At Gympie Eldorado the Company works closely with its directly-employed 135 personnel and with contractors IK Mining and Roche to optimise operations and plans. At Southland, the company is working closely with mining contractor Thiess to optimise the change to an "alliancing" contract by the end of the 2002-03 financial year.

TRAINING

Gympie Gold ensures that employees and contractors have access to training that assists in developing skills in all aspects of the business including productivity, safety, health, social and environmental matters.

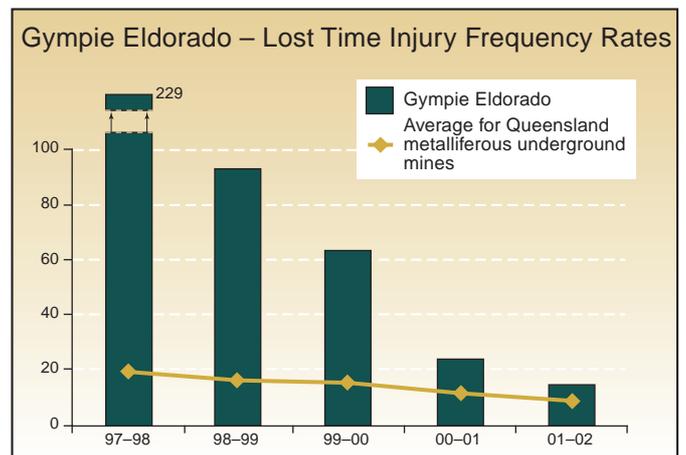
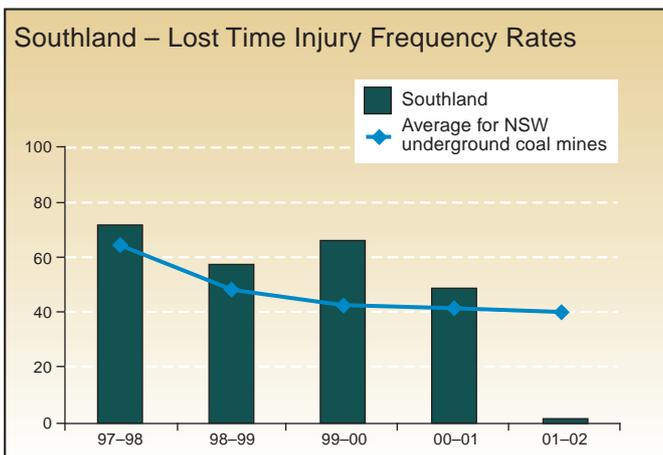
Site enterprise agreements reinforce our philosophy of continuous improvement in operational efficiency and safety largely through the flexibility of work practices.

Gympie Eldorado has won recognition in recent years for its training programs and won a 2002 Queensland Training Award for its region. All training at Gympie Eldorado is recognised nationally and is accredited through Queensland's education system (TAFE).

SAFETY

We are striving to eliminate all injuries and continually improve occupational health.

Gympie Eldorado's safety performance has continued to improve with a lost time injury frequency rate (number of hours lost per million hours worked) of 15 for 2001-02 compared with 24 the previous year. An independent audit of core physical risks has led to a prioritised action-list.





Rehabilitated area adjacent to Southland Colliery's coal washery facilities.

Southland Coal's safety performance in 2001–02 was very pleasing with a lost time injury frequency rate for 2001–02 of only 2, one of the best records in its industry. The mine is conducting an independent review of physical risks and current action plans will be refined accordingly.

ENVIRONMENT

Gympie Gold constantly monitors the environmental impacts of its operations and is committed to continual improvement of its environmental performance. All areas not required for ongoing operations are progressively rehabilitated.

Gympie Eldorado has again attracted strong support for its environmental achievements, receiving a Cooloola Shire 2001 environmental award for best site for a large business. Waste from gold-ore processing is being independently trialled as a soil-conditioner for agricultural applications.

Southland Coal has removed over 190,000 tonnes of old coal refuse and revegetated more than 30 hectares of land associated with coal production by previous operators over some decades. Southland is investigating the water balance on site with the aim of using water pumped from the underground mine for the coal preparation process. This recycling of mine water along with the harvesting of rainfall would provide all industrial water required for the operation.

COMMUNITY

Our mining operations are an integral part of the communities of Gympie, Queensland and Cessnock, New South Wales. We are one of the largest single employers and contributors to the economies of these districts.

Both Gympie Eldorado and Southland Coal have overcome major challenges in successfully re-starting gold and coal production from these historic mining districts. We work hard to openly communicate and to maintain our reputation as good corporate citizens in these communities, which draw heavily on mining for economic activity and social context.

BOTH GYMPIE ELDORADO AND SOUTHLAND COAL HAVE OVERCOME MAJOR CHALLENGES IN SUCCESSFULLY RE-STARTING GOLD AND COAL PRODUCTION FROM THESE HISTORIC MINING DISTRICTS. WE WORK HARD TO OPENLY COMMUNICATE AND MAINTAIN OUR REPUTATION AS GOOD CORPORATE CITIZENS IN THESE COMMUNITIES, WHICH DRAW HEAVILY ON MINING FOR ECONOMIC ACTIVITY AND SOCIAL CONTEXT.