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## Dartbrook Mine's \$174M Loan Default Triggers Creditor Alarm and Administration

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The Dartbrook coal mine in New South Wales' Hunter Valley has plunged into administration after defaulting on a \$174 million loan, leaving creditors fearing substantial losses. The mine's collapse, just months after restarting operations, has sparked outrage among local businesses owed millions. This article examines the financial debacle, its impact on stakeholders, and the broader implications for Australia's coal sector.

Operated by Australian Pacific Coal (APC) and Tetra Resources, Dartbrook resumed production in 2024 after being dormant since 2006. The joint venture defaulted on a \$174 million loan from Vitol Asia, a Singapore-based commodities giant, prompting the appointment of Deloitte administrators and FTI Consulting receivers on July 3, 2025. Muswellbrook Mayor Jeff Drayton told ABC News the debts could “break” local businesses, with half a dozen firms owed over \$3 million collectively. Jim Eastley, co-owner of CE Mining, said his company is owed \$500,000 for coal processing, warning the loss could cripple his business. The Muswellbrook Shire Council is also out hundreds of thousands in unpaid rates, per 2NM reports.

The mine's financial woes stem from a soft coal market and operational challenges. Australian Pacific Coal's executive director John Robinson told the Newcastle Herald in April 2025 that low coal prices necessitated additional funding, including a \$5 million unsecured loan from Trepang Services. Despite Vitol's earlier \$4.2 million injection, the mine's 150,000-tonne coal stockpile failed to stabilize finances. FTI Consulting's Ben Campbell stated operations would continue while assessing long-term options, but APC admitted no value remains in its stake, per Mining Weekly. Posts on X, like those from @nettie3, reflect creditors' panic over potential losses.

Critics argue the Labor government's regulatory environment has failed to support struggling coal operations, exacerbating financial distress in a volatile market. The New South Wales Environmental Protection Authority (EPA) is also investigating an alleged water spill at Dartbrook, adding to the mine's troubles. As receivers explore restructuring or sale, the saga

underscores the risks of reviving high-debt projects in a declining coal market, leaving creditors and workers in limbo.