

Tsunami-like flash floods raced towards Australia's third-largest city of Brisbane on Tuesday, prompting evacuations of its outskirts, flood warnings for the financial district and predictions that the death toll is likely to climb.

The worst flooding in the coal-exporting state of Queensland in half a century has killed 12, but that number is expected to rise, state premier Anna Bligh said in Brisbane, a city of two million people near the mouth of a large river.

"We have a grim and desperate situation," Bligh told a news conference, adding that the flood threat to state capital Brisbane would peak on Wednesday or Thursday.

In Toowoomba, a town west of Brisbane, eight people were killed on Monday night when a "super rainstorm" sent a 2-metre wall of water through streets on Monday, sweeping away cars and pedestrians.

"Early reports would indicate that what hit Toowoomba could best be described as an inland, instant tsunami, with a massive wall of water that's gone down through the Lockyer Valley," Police Commissioner Bob Atkinson said.

TV footage showed brown floodwater gushing through the centre of Toowoomba laden with debris, as people clung to telephone poles and rooftops to survive.

Panicked motorists climbed onto cars to escape the deluge, which destroyed homes and bridges, and hurled cars into trees and buildings like corks.

Police warned people living in up to 32 low-lying Brisbane River suburbs and further west to head to high ground as a second day of torrential rain was expected to see rivers swell by up to 16 metres in height.

Sky TV reported people were evacuating from some parts of downtown Brisbane on Tuesday, but police told Reuters only some city outskirts were being evacuated.

"It's like an atomic bomb hit this place," Steve Jones, mayor of Lockyer, another town affected by the downpour, told the Courier Mail paper. "The intensity was impossible to explain."

Rivers in some areas rose more than eight metres in an hour, catching residents and authorities completely by surprise.

Police said more than 40 people were pulled from rooftops by helicopters in a desperate night operation that saw even media helicopters pressed into action. More than 70 people were missing on Tuesday.

Damage caused by floods in Queensland that started after heavy rains before Christmas could reach \$6 billion (£3.85 billion) after destroying homes, roads and rail lines, as well a paralysing the state's key coal mining sector, economists say.

The Australian dollar has also suffered, sinking to a three-week low on Tuesday on concerns that coal mines may take months to return to working as normal, and that the bill from the disaster could climb.

The floods have paralysed operations that produce 35 percent of Australia's estimated 259 million tonnes of exportable coal. Australia contributes two-thirds of world exports of steelmaking raw material coking coal.

Coal seam gas drilling in the Surat Basin, a big source of gas for an estimated \$200 billion in proposed liquefied natural gas projects, was halted on Monday by flooding.

Global miners Anglo American, Rio Tinto, Xstrata and BHP Billiton, have been hit by the floods, and all have made force majeure declarations, which release firms from delivery commitments.

Flooding has begun to recede in the main Bowen Basin coal region, but many mines remain flooded and will take weeks to drain and resume full production. While some rail links between mines and the ports have been opened, others are under water.

Coal stocks were running low at the key coal port of Dalrymple Bay, but it was receiving enough to keep loading ships, while the port of Gladstone said it could be days to weeks before it starts getting coal supplies back to normal.

## LA NINA

The deluge has been blamed on a La Nina weather pattern in the Pacific, with Australia recording its third wettest year on record in 2010, with two wet season months to go. Weather officials are also forecasting above average cyclone season.

"The Queensland floods are caused by what is one of the strongest, if not the strongest, La Nina events since our records began in the late 19th century," said Professor Neville Nicholls, an environmental science expert at Monash University.

Bligh said a major incident room had been set up in Brisbane to coordinate a search operation as heavy rains hampered rescuers, including the military.

The worst floods in the state in 50 years have at times covered an area the size of France and Germany combined. At least 12 people have been killed, while dozens of towns have been

isolated or partly submerged, with more rains expected.

Authorities in Brisbane have made sandbags available for residents after some experts described conditions as similar to those when the city was hit by deadly floods in 1974.

Hotel operators said the rain had caused cancellations in popular tourist strips on the Sunshine and Gold coasts, which claim a large slice of the \$32 billion tourism industry.

Gerry O'Brien, manager of the riverside Goldsborough Place apartments in downtown Brisbane, said he did not see a repeat of the 1974 disaster, but there were risks.

"In the right conditions it could happen," he said.

(Additional reporting by Amy Pyett, Michael Smith and Michael Perry in Sydney)

(Writing by Rob Taylor; Editing by Mark Bendeich and Daniel Magnowski)