

Feb. 5/07 → Wab/Ken

Xuzhou Coal Meeting

Presentations

① William Boden - First Coal Corp. (+ Michael - fluent Chinese → Brule Hunter Tumbler Ridge)

- private (32% - Mkt/70% individuals)
- > 80k ha - lease application (~130km long)
- pp. pres

a) Goodrich Central-South - "substantial damage + grad grade"

- commence mining (sub. to financing) - 2 yrs!
- (small mine)
- total amount sent + w/g

b) South Cirque - objective = 130 Mt - surface resource (est. by Can. Conf) - drilling in progress

→ "Ideal stage to join with partner"

→ preparing for production → "inv. equity + JV oppor"

- very enthusiastic re- Chinese technology + investment opp.

+ w/g opportunities!

- importance of strip ratio to extend mine life

Bilkent Study - Q2-2007
Feas. Study # → req. S&P

15-30 day wait for ship to get into Westshore Terminal - Roberts Bank

② Kobi Koorhof - Pine Valley Coal - sep: Handout (ex-geologist)

Reason for stopping? - "yield in the washing plant" (ie. PCI vs coking transition)

Orig. Cap. Cost ~ \$18M (Cdn)

③ Paul Brent - Western Can. Coal - pp. pres. (Cumbria Mining owns 72% of co) - India/China/Japan/Europe market

NE Coal - Rail: 10-20 Mt/yr - add. capacity - raised close to \$400m over last 4 yrs.

- Port - 150 km closer than SE coalfield

Res. ~ 300 Mt
PCI - 10 Mt/yr (start 2011/2012)
~ 55% of a 75% expected

\$1.5 B - 1980s cost of Tumbler Ridge (~3500 pp) + port + rail

MINES

① Wolverine (July 20/06) - spent ~ \$300M Cdn - Perry Creek - already shipped in 600kt

② Dillon - PCI coal (closed 04) - 1.38 Mt prod. (~80,000 t/yr) - 3 Mt/yr over next 15 yrs.

③ Brule - PCI - in prod. (850kt/yr) - Entire res. ~ 22.5 Mt - Full rate → 2 Mt/yr. (ie. ~12 yrs life)

EB Hermann w/g @ plus - Betanul S&P Partnership Perry Crk