

Presentations

Xuzhou Coal Meetings

Feb. 5/07 → Goodrich Central South → South Cirque

- ① William Boden - First Coal Corp. (+ Michael Hunter - fluent Chinese - Hunter Trumbler Ridge)
  - private (30% - mgmt / 70% individuals)
  - > 80k ha - lease application (~130 km long)
  - close to rail/roads
  - Goodrich Central-South - "substantial damage + good grade"
  - a) Commence mining (sub. to financing) - 2 yrs! (small mine) - total about 100 Mt surface resource
  - b) South Cirque (est. by Enbridge Canada) - objective = 130 Mt - 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

10-50 day wait for ship to get into Westshore Terminal - Roberts Bank

Balcount + Saxon Feas. Study - Q2-2007 → req. site #

② Kobile Koorhof - Pine Valley Coal - see: Handout (ex-geologist)

Reason for stopping? - "yield in the washing plant" (ie. PCI vs coking transition)  
 Orig. Cap. Cost ~ \$18M (Cdn) - 80-85% yield

③ Paul Brent - Western Can. Coal - ppr. pres. 300 employees - raised close to \$400m over last 4 yrs.

NE Coal - Rail: 10-20 Mt/yr - add. capacity - part - 150 km closer than SE coalfield  
 Res. ~ 300 Mt - PCI - 10 Mt/yr (start 2012) - 75% expected  
 (needs 100 km rail) - \$1.5B - 1980s cost of town (Tumbler Ridge ~ 3500 pop) + port + rail

- MINES
- ① Wolverine (July 26/06) - spent ~ \$300M Cdn - Perry Creek - already shipped ~ 600kt
  - ② Dillon - PCI coal (closed Oct '06) - 1.38 Mt prod. (~80,000 t/yr) - 2.5-3 Mt/yr over next 15 yrs.
  - ③ Brule - PCI - in prod. (850 kt/yr) - entire res. ~ 22.5 Mt - Full rate → 2 Mt/yr. (ie. ~10 yrs life)
- EB Hermann w/g @ plus Belcount Saxon Partnership Perry Crk