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HILLBOROUGH RESOURCES LTD. (HLB-1)

DEEP WATER PORT TO BE ENGINEERED - Hillsborough Resources has awarded Sandwell Inc. of Vancouver, B.C. the initial phase of a \$1,200,000 engineering study for the location, design and development of a deep water coal loading facility to be located at or near Middle Point, north of Campbell River on Vancouver Island, B.C. The facility will handle vessels up to 80,000 tonnes capacity, for the purpose of exporting thermal coal from it's Comox Quinsam Coal Mine primarily to Pacific Rim markets.

Under the mine's current operations, clean thermal coal is trucked to a loading facility at Middle Point. The coal is then barged south to a deep water facility on Texada Island for loading on Panamax ships of up to 70,000 tonnes capacity.

George Voro, president of Hillsborough, states that preliminary studies indicate the reduction in handling costs as a result of a new deep water port would lower transport costs by about \$6 per tonne.

Hillsborough, as a result of a merger with Consolidated Brinco, owns 100% of the Quinsam Coal Mine on Vancouver Island. The company expects to achieve a level of annual coal production of 500,000 tonnes in 1992, about 750,000 tonnes by 1993 and 1,000,000 tonnes by 1994. (SEE GCNL No.28, 10Feb92, P.2 FOR RELATED DATA)

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