

112m tonnes of coal found at Canonbie

MILLIONS of tonnes of coal have been identified by an Australian mining company conducting exploratory drilling on the Canonbie coalfield.

New Age Exploration Ltd (NAE) has determined there is the potential to produce 112 million tonnes of low ash coking coal through its flagship Lochinvar Coking Coal Project, along with an additional 28 to 47 million tonnes in other areas of the site.

And further analysis published this week shows that the majority of the resource is at shallow underground mining depths, which will be the focus of a new drilling programme due to commence in December.

Welcoming the results, NAE managing director Gary Fietz said: "The initial Lochinvar Inferred Resource marks a major milestone for NAE. The substantial resource is expected to support a significant underground

mine which will provide long term coking coal supply to UK and Western European steel mills.

"The immediate access to existing rail and port infrastructure is a huge advantage as it reduces capital investment and delivery time for the project.

"We are now focused on delivering the next phase of drilling, upgrading to an Indicated Resource and completing the Lochinvar Scoping Study. This is an exciting time for the project and NAE."

The company, which aims to launch the first major new underground coking coal project in the UK for over 30 years, has previously reported that hundreds of jobs could be created on the 6752 hectare site, with a possible 25 per cent spin-off in other industries.

Initial discussions with UK steelmakers have also indicated that the results are in line with their specification ranges for high volatile coking coal, most of which is currently imported from the USA.