

Mediaportal Report

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Company reports

This information is summarised from company reports and announcements lodged with the Australian Stock Exchange (ASX) and company web sites, as well as daily alerts and various regional geologist information sources. This report largely represents a selection of company information updates from ASX listed mineral, coal and petroleum companies active in the central region.

Minerals

Aussie Q Resources Ltd has now received assay data on 75 completed drill holes at the Whitewash copper-molybdenum prospect. Drilling has outlined molybdenum mineralisation over a strike length of 1200 m. Results will be used to produce an initial resource estimate for the project in the next quarter. Drilling on the northern extension (Gordon's Knob) has encountered high grade sections of molybdenum mineralisation. Significant down hole intersections include 64 m grading 0.20% molybdenum and 0.10% copper from 64 m depth (hole 08WW075) and 10 m grading 0.14% molybdenum and 0.06% copper from 35 m depth (hole 08WW073). A 3000 m (12 holes) diamond drilling program is expected to commence in mid-August at Gordon's Knob.

A 12,500 m resource definition drilling program is underway at the Kroombit copper-zinc project (Argonaut Resources NL). Some 6300 m of reverse circulation (RC) percussion drilling was completed during the quarter, targeting intercepts of the folded, stratabound skarn mineralisation every 25 m. Drilling to date has shown the mineralised sequences to be thicker and deeper than anticipated in certain locations, and as expected in others. The sulphide mineralisation is thickest and best developed in the keel of syncline structures.

Rotary-mud drilling of the pre-collars at the Machattie and Mulligan copper-gold prospects within the Diamantina area (AusQuest Ltd) was completed at 960 m and 902 m respectively. Diamond drilling below the pre-collar at Machattie commenced in mid-July with drilling of the target zone expected to take several weeks to be completed and assessed.

First pass drilling has commenced at the Native Dog molybdenum-tungsten prospect within the Lake Monduran

project area (ActivEx Ltd). The program consists of ten RC percussion holes to test a 2 km structurally controlled greisen zone that hosts sheeted quartz veins in dilational structures. Previous work by ActivEX has defined an anomalous molybdenum soil zone, 2 km by up to 490 m wide, associated with the greisen. Visible molybdenite mineralisation was seen in the drilling chips through the first completed hole (ND005), associated with both quartz veining and disseminated through the siliceous greisenised granite host rock.

Several wide zones of copper and molybdenum mineralisation have been intersected by two diamond drill holes at the Waitara prospect (Midas Resources 77%, SmartTrans Holdings 13% and Australia Oriental Minerals 10%). Significant intersections include 102 m grading 0.22% copper and 44 ppm molybdenum from 28 m depth (hole WTDH001) and 99 m grading 0.26% copper and 78 ppm molybdenum from 11 m depth (hole WTDH002). Copper-molybdenum mineralisation is present in steeply dipping quartz veinlets within Dacitic volcanics and porphyritic diorite.

Diatreme Resources Ltd has completed two diamond drill holes totalling 811 m at the Dooloo Creek copper-gold prospect. Deep feeder zones related to surface mineralisation were targeted by this drilling. Hole DCDHo8 intersected three alteration zones with minor sulphide (pyrite with traces of chalcopyrite) mineralisation.

Macmin Silver Ltd has announced an initial resource estimate for the Tally Ho silver-zinc-gold prospect. An Inferred Resource of 733,000 t grading 49g/t silver and 0.06g/t gold and 0.83% zinc was derived using 1 m down hole composites from 58 drill holes. Some 1500 m of RC drilling (16 holes) was completed during the quarter. This is part of a 3000 m drilling program intended to test prospective areas adjacent to the mineral Resource.

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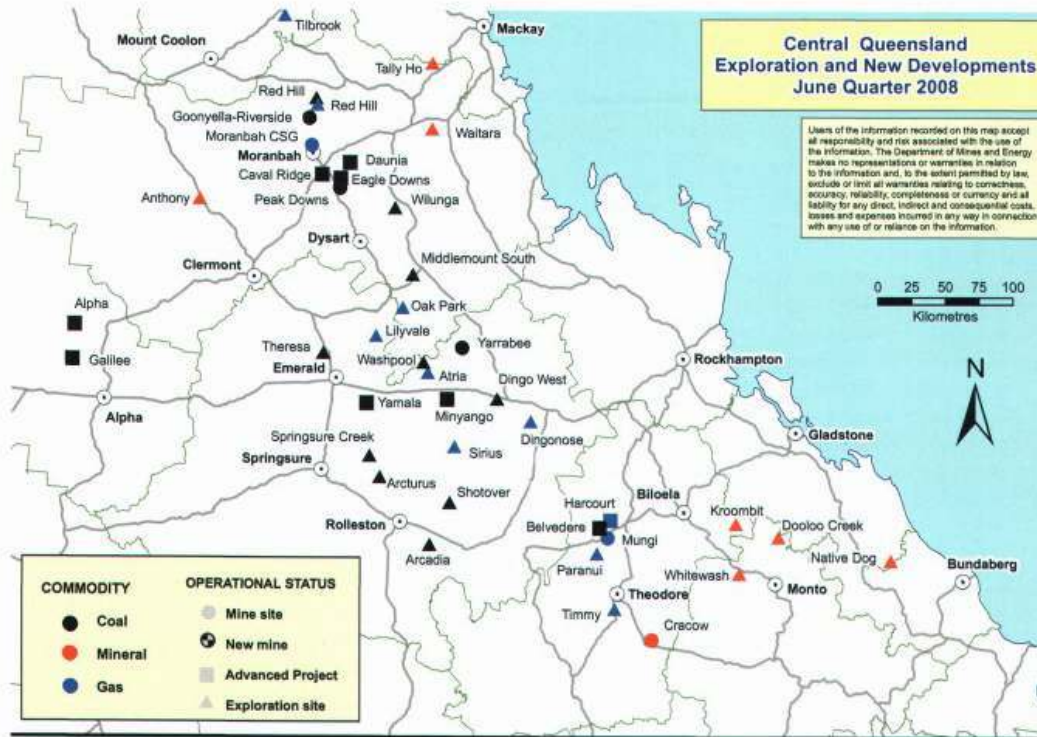
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Ongoing exploration at Cracow (Newcrest 70%, Lion Selection 30%) has resulted in the discovery of a new zone of high grade gold mineralisation south of the Kilkenny deposit. Drill hole CBK226 intersected a wide zone veining hosting high grade mineralisation of 42.1 m (19.8 m true width) grading 6.0g/t gold including 14.4 m (6.8 m true width) grading 11.2g/t gold. This result is located along the Kilkenny Footwall Structure about 300 m south of the Kilkenny deposit.

Zamia Gold Mines Ltd has commenced an eight-hole diamond drilling program over the Anthony molybdenum prospect. Three holes were completed during the quarter. Significant intersections include 22 m grading 0.07% molybdenum from 44 m depth (hole DDo8A 016) and 12 m grading 0.07% molybdenum from 69 m depth (hole DDo8A 015). Drilling to date has defined stockwork mineralisation over a 650 x 300 m area within hornfelsed Anakie Inlier Metamorphics. Rhenium (a very rare transition metal) is associated

with the molybdenite mineralisation, with grades up to 0.2g/t Rhenium present in mineralised zones containing about 0.06% molybdenum.

Coal

Aquila Resources Ltd has announced initial resource estimates for the Washpool and Red Hill coal projects. An Indicated resource of 33.8 Mt and Inferred resource of 104.3 Mt is estimated within the Scorpio and Centaur seams in the Burngrove Formation at the Washpool coking coal project. The open cut coal resource lies within a raised basin 6 km long by 3 km wide, with a maximum overburden of 60 m in the middle. The moderately high ash coal seam has an average thickness of about 6 m. A Mineral Development Licence (MDL 403) application has been lodged over the project area.

An Inferred resource of 75 Mt is estimated within Leichhardt Upper and Vermont seams at the Red Hill underground coal project. The

Leichhardt Upper seam was intersected 60 to 80 m depth and ranges from 1.5 m to greater than 2.5 m in thickness. The Vermont seam piles are typically 2.5 m thick in total, increasing down dip to about 3 m towards the northeast.

The Stage 4 exploration program continued during the quarter at the Eagle Downs coal project (Aquila Resources Ltd and Vale Australia Ltd) with four drilling rigs operating on site completing 68 drill holes totaling 29,140 m. Some 38 km of 2D seismic was also acquired during the quarter. Conceptual mining studies indicate conventional longwall mining is preferred for the two upper seams (Q and Harrow Creek Upper) and longwall top coal caving for the two lower seams (Harrow Creek Lower and Dysart) due to their respective seam thicknesses (HCL: 7-9 m, DY: 5 m).

BHP Billiton Mitsubishi Alliance (BMA) has lodged an Initial Advice Statement for the Caval Ridge and Dauria coal projects, which have been given "significant project" status by



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the Coordinator-General. The Bowen Basin Coal Growth Project proposal also encompasses the Goonyella-Riverside mine expansion and airport infrastructure at Moranbah. The potential increase in BMA annual saleable coal production is about 20 million tonnes (Caval Ridge 5.5 Mtpa, Daunia 4 Mtpa, Goonyella-Riverside Expansion 8 Mtpa and Peak Downs Expansion 2.5 Mtpa). The total project has the potential to generate 2450 new jobs during construction and an operational employment of 1240.

Bowen Energy Ltd has completed nine of the 60 drill holes planned at the Shotover coal project (EPC 1045) located about 50 km northeast of Rolleston. Eight of the holes have intersected multiple coal seams ranging from 0.5 to 3 m in thickness between 157 and 538 m depth. The company has four drill rigs operating on site

and expects to announce a JORC code compliant coal resource estimate by the end of 2008.

Caledon Resources PLC has announced a 52 Mt upgrade to the underground coal resource estimate at Minyango to 292.1 Mt, comprising 53.1 Mt Measured, 94 Mt Indicated and 145 Mt Inferred resources. A cut off of less than 350 m depth of cover to the basal seam (Pollux) was applied, with most drill hole intersections between 200 and 300 m. Wash simulation results of drill core coal samples indicate a possible product mix containing a 60.9% coke product yield with a 7.2% ash content and a 30.4% thermal product yield with 13.9% ash.

East Energy Resources Ltd commenced a first pass rotary air blast (RAB) drilling program at the Blackall coal project. Some 35 holes totalling 2950 m were completed during the quarter over

the south east portion of EPC 1149. Initial results have been encouraging with multiple coal seam intersections from 0.5 to 4.0 m thick in several of the drill holes. The depth of the coal seams intersected range from 10 to 100 m below surface. Further drilling is planned during the September quarter to better define the coal quality, extent and continuity of the seams.

Enterprise Energy Ltd has announced several initial resource estimates for coal projects in the southern Bowen Basin within four EPC's currently held by Bandanna Coal Ltd. An Inferred resource of 171 Mt plus an Indicated resource of 17.6 Mt have been estimated for the Springsure Creek (EPC 891) deposit based on 44 drill holes. The coal resources lie within the Aries 2 Seam, at depths ranging from 220 to 294 m with seam thickness ranging from 2.7 to 3.2 m.



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An Inferred resource of 138 Mt of high volatile, low rank bituminous coal has been estimated at Arcturus (EPC 1221) to 80 m depth based on 38 historic exploration drill holes. An Inferred coal resource of 240.9 Mt has been estimated for the Arcadia (EPC's 892 and 1204) project near Rolleston. The estimate is based on 18 drill holes over Rolleston Anticline and 19 holes over the Purbrook Anticline with supporting pre-existing petroleum seismic data. An Inferred coal resource of 91.1 Mt has been estimated for the Dingo West (EPC 881) coal deposit located 36 km east of Blackwater. The thermal coal resource estimate is based on 61 drill holes and contains an overburden to coal strip ratio of less than 20:1.

Felix Resources Ltd have approved the construction of a coal preparation plant at the Yarrabee mine, which will enable this mine to convert from PCI

and thermal coal to primarily PCI coal. Construction will commence once the necessary Government approvals have been received and is expected it be completed by mid 2009. Completion of the wash plant will enable Felix to increase production of PCI coal from 1.7 Mtpa to 2.8 Mtpa.

Hancock Prospecting Ltd has announced plans to develop the Alpha coal project located 50 km northwest of Alpha. The project contains coal resources of 3411 million tonnes, including 304 Mt Measured, 1626 Mt Indicated and 1427 Mt Inferred categories within Mineral Development Licences 333 and 285. An infilling drilling program currently underway is part of a pre-feasibility study that indicates potential for a 30 Mtpa open cut mining operation commencing in 2012.

Geological modelling of historic and recent drilling by Linc Energy Ltd at the Theresa coal project (within EPC 980; previously known as Kingower) has identified an exploration target of 400 to 500 Mt. During the quarter six reverse circulation holes totalling 2320 m were completed, with encouraging intersections of the Corvus 2 and German Creek seams within the German Creek Formation over a 9 km strike length. The company plans to complete another 12 drill holes to enable an estimation of JORC code compliant coal resources for the project.

Stage 2 exploration drilling was completed during the quarter at the Yamala coal project (Northern Energy Corp Ltd and Sojitz Corporation). Processing and interpretation of the data from the 30 line kilometres of seismic surveys was also completed



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and has been incorporated in the structural modelling of the coal resource.

Norton Gold Fields Ltd has completed eleven drill holes totalling 1572 m at the Middlemount South (EPC 1033) coal project. Eight of the holes intersected targeted seams within the Rangal Coal Measures between 22 and 137 m below the surface. Seams intersected include; Leichhardt Seam (2.2 to 5.6 m thick) and Vermont Upper Seam (0.6 to 2.7 m thick). A scoping study to determine the potential for an open cut PCI coal mining operation has commenced. A Phase 2 drilling program of 60 holes totalling 7000 m has been commissioned for the project to define a 35 to 40 Mt open cut coal resource.

Macarthur Coal Ltd has announced an upgraded resource at the Wilunga coal project, located 35 km northeast of Dysart. The new Inferred coal resource

estimate of 164.6 Mt incorporates an eighteen month exploration drilling program conducted in the area, and includes the previous Inferred resource of 38 Mt. Initial coal quality analyses suggest the resource contains medium volatile coking, thermal and PCI coal products.

Vale Australia Ltd has announced a significant (1211 Mt) increase in resources at Belvedere underground coal project. An Indicated resource of 1526 Mt and Inferred resource of 2340 Mt is estimated within five seams (A, B, C, D and E Groups) of the Baralaba Coal Measures. The most favourable seams for mining (B, C and D) have the potential to yield coking and thermal coal products. The joint venture partners have approved a \$25.5 million project work budget for 2008/09. Applications for three Mining Leases (ML 80148, 80149 and 80150) have been lodged over the project area.

Waratah Coal Ltd has proposed a \$5.3 billion plan to develop the Galilee coal project located 35 km northwest of Alpha. The project has been given "significant project" status by the Coordinator-General and involves construction of a \$1.8 billion 25 Mtpa coal mine, a \$2 billion 495 km long rail line and a \$1.5 billion coal export terminal at Shoalwater Bay. An operational workforce of 600 will be required for the mine, with first coal expected in 2012.

Waratah Coal has increased its resource estimate in the South Alpha area (within the Galilee coal project) by 57% (1235 Mt) to 3380 Mt. The Inferred resource is based on intersections from 72 open and partially cored drill holes and includes eight shallow dipping coal seams. This lifts total Inferred resources for the Galilee coal project to 4.355 billion tonnes. Waratah Coal plans to continue drilling at both South



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Alpha and North Alpha sites, with five rigs currently in the field. They will be joined by another four in the September quarter.

Petroleum and coal seam gas

AGL Energy Ltd is investing up to \$37 million over two stages in Eastern Corporation Ltd's Rodney Creek coal seam gas (CSG) project in the Galilee Basin. Stage one of the program will see AGL invest \$20 million in the Rodney Creek production pilot and another \$17 million on the second stage, which involves a seven hole exploration and appraisal program, to earn a 50% stake in ATP 529P. AGL will be the operator of the joint venture under a Joint Operating Agreement.

Molopo Australia Ltd has announced a fivefold increase for the total gas-in-place (GIP) estimates for CSG projects in Central Queensland to 7.5 trillion cubic feet or 7760 PJ. CSG projects include:

- Greater Mungi Field 1550 PJ
- Harcourt North & South fields 2590 PJ
- Greater Timmy Field 2380 PJ
- Lilyvale and Oak Park 1030 PJ
- Sirius project 205 PJ

The company also announced upgraded gas reserves for the Harcourt South area of 37 PJ at 2P (42% increase) and 318 PJ at 3P (482% increase) within ATP 564P. Drilling of the second surface to inseam dual lateral production well (Mungi-20) at Mungi has progressed with completion of the vertical well and three radius bends.

Pure Energy Ltd has suggested drilling results from Dingonose-12 exploration well confirms the Dingonose CSG Field extends into ATP 758P. Preliminary results from the upper coal seams confirm the presence of high gas content with good permeability. Some 15 m of net coal has been intersected

while drilling to 480 m (prognosed total depth is 825 m). Pure Energy begun its 2P (proven and probable) reserve certification on the Dingonose discovery in both permits and estimates the 2C contingent resource to be around 800 PJ.

A pilot drilling program commenced during the quarter to trial production from the Goonyella Middle and P seams at depths greater than 500 m at the Moranbah CSG Field (Arrow Energy Ltd). Successful production from these wells is likely to increase reserve coverage across the Field. Preparations are also underway for a program of drilling to trial alternate completion methods in the Moranbah and Fort Cooper Coal Measures in the Field.

Drilling of a non-cored exploration well was completed to support upcoming resource and reserve assessment in the Red Hill area. Preparations are also



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underway to drill a pilot program to test the Goonyella Lower seam in the area. This program will be in addition to previously completed pilot programs in the Goonyella Upper and Goonyella Middle seams.

Sunshine Gas Ltd has completed a seven-well appraisal drilling program within the Atria CSG project, near Blackwater. The Atria appraisal program confirmed the presence of thick, highly gassy coals (up to 20 cubic metres per tonne) throughout the Permian Fair Hill Formation over an area of about 350 square kilometres within ATP 684P. Results at Atria have also confirmed a significant CSG resource and the Company is now in the process of estimating prospective resources for the project area.

Production testing at the Tilbrook CSG pilot project (WestSide

Corporation Ltd and Sunshine Gas Ltd) recommenced during the quarter, and the two appraisal wells are currently dewatering. The four-well Tilbrook pilot includes two appraisal wells (Tilbrook-7 and -8) and two observer wells (Tilbrook-4 and -6). The two appraisal wells are currently being subjected to an extended production test, with reservoir pressure and differential seam production monitored from the observation wells. Plans for further exploratory wells to the north of the Tilbrook pilot are being refined.

The extended Paranui CSG pilot project (WestSide Corporation Ltd and Sunshine Gas Ltd) includes three appraisal wells (Paranui-5R -6R and -8) and a two observer wells (Paranui-4 and -7). Two of the appraisal wells have been subjected to fracture stimulation with one well (Paranui-6R) placed on production test. The second and third

appraisal wells and one observation well will be completed with down-hole equipment and sensors in August. The three appraisal wells will undergo extended production tests when completed, with reservoir pressure and differential seam production monitored from the observation wells. Two core wells are planned for drilling in late 2008 to provide gas saturation data and coal permeability information to the west and north of the existing pilot.

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