

RECOMMENDATIONS

The success of the exploration to date generates two types of recommendations, firstly a more detailed evaluation of the areas already tested by scout drilling, and secondly a continuation of the regional appraisal of coal potential over the licence areas.

1. DETAILED EVALUATION

Within this category it is recommended that:

1.1. Cored holes be drilled in the areas for which inferred coal reserves have been estimated.

Initially this drilling should be done at 2 to 5 km centres to enable assessment of coal quality (proximate analyses), and to permit calibration of this quality with geophysical responses.

1.2. Pending satisfactory results from the above work, further drilling (both open and cored holes), should be undertaken to allow a more detailed evaluation of both the physical and chemical characteristics of the coal seams. This drilling should be done at 1 km centres to enable the status of the reserves to be upgraded, and the estimation of recoverable reserves, the potential for open cut extraction, etc.

2. REGIONAL EVALUATION

Within this category it is recommended that:

2.1. The program of drilling open holes be continued (but with a strong bias toward Sequence 1), to complete the assessment of untested ground in the principal grabens. This will necessitate access to private land.

2.2. The priority of this work should be biased in favour of the York Plains Graben, and the northern portion of the Jericho Graben.

2.3. The Melton Mowbray Graben to be investigated initially by logging holes put down by the Geological Survey (currently neither lithologically nor wire-line logged); Pending the outcome of this work, the decision to conduct further drilling should then be made.