



Established 1907  
**MUSWELLBROOK COAL**  
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*This sixth newsletter provides an update on the progress of the Rosehill and Castlerock Coal Projects, and is in line with Muswellbrook Coal Company's policy of keeping the community informed of activities at all stages of the Project.*

### **current status of the project**

The Stage 2 exploration programme which commenced in November 1999 is planned to be finished by December 2000. A total of 62 shallow boreholes have been completed in Stage 2, ranging from 15 metres up to 120 metres in depth. By the end of the programme, four deep boreholes up to 310 metres in depth will have been completed. The number of boreholes has been reduced due to budget constraints and the need to report on the results by the end of the year. The majority of boreholes have intersected the target Whynot and Blakefield coal seams, in addition to other potential mineable seams. Wet weather during winter, along with drilling problems, has put the programme behind by around three months. Please refer to the map over the page for details of the Rosehill and Castlerock areas and the location of boreholes completed in the Stage 1 and 2 exploration programmes.

A geophysical study was finalised in June which included the completion of a ground magnetic survey, along with re-interpretation of existing aeromagnetic and ground magnetic data conducted by other organisations. The studies identified a number of volcanic plugs, dykes and sills and possible faulting which would act as constraints to mining.

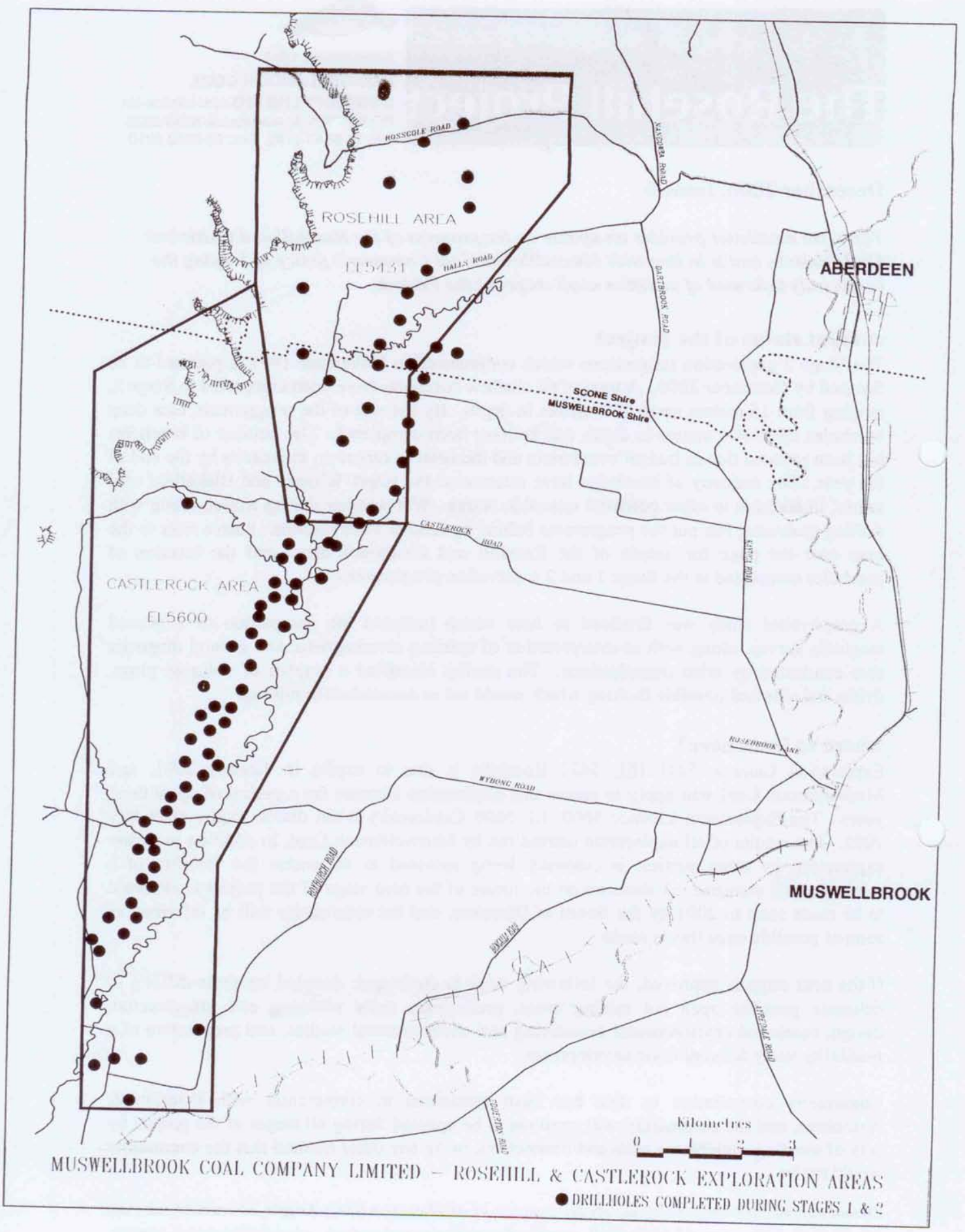
### **where to from here?**

Exploration Licence 5431 (EL 5431 Rosehill) is due to expire in January 2001, and Muswellbrook Coal will apply to renew this Exploration Licence for a period of up to three years. The Exploration Licence 5600 (EL 5600 Castlerock) is not due to expire until July 2002. The results of all exploration carried out by Muswellbrook Coal, in addition to earlier exploration by other parties, is currently being assessed to determine the viability of a mineable coal resource. A decision on the future of the next stage of the project is expected to be made soon in 2001 by the Board of Directors, and the community will be informed as soon as possible once this is made.

If the next stage is approved, the following work is envisaged: detailed borehole drilling to delineate possible open cut mining areas, preliminary mine planning and infrastructure design, continued environmental monitoring and environmental studies, and preparation of a feasibility study for coal mine development.

Community consultation to date has been conducted in conjunction with Peterkin & Associates, and the community will continue to be updated during all stages of the project by way of meetings, telephone calls and newsletters, or by any other method that the community would prefer.

*Should anyone have any questions, please contact: Mark Howes or Chris Knight, Muswellbrook Coal  
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MUSWELLBROOK COAL COMPANY LIMITED - ROSEHILL & CASTLEROCK EXPLORATION AREAS

● DRILLHOLES COMPLETED DURING STAGES 1 & 2