

The Rosehill Project

NEWSLETTER



Established 1907

MUSWELLBROOK COAL

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Public Information Session

A public information session will be held on Tuesday, 26 June 2001 at 7:30 pm at the Muswellbrook RSL Club to discuss the Rosehill and Castlerock Projects, and all interested people are welcome to attend. The session will be chaired by Minewatch and is in line with Muswellbrook Coal Company's (MCC) policy of keeping the community informed of activities during all stages of the project. The meeting will cover the following topics:

- project status;
- future work;
- landholder options.

Project Status

MCC has approved Stage 3 of the project, subject to the Department of Mineral Resources granting the renewal of EL5431 (Rosehill area) for a further five years. This work will include:

- further limited borehole drilling to delineate open cut mining areas;
- preliminary mine planning, infrastructure and engineering design;
- completion of a pre-feasibility study for coal mine development;
- continued environmental monitoring;
- continued community consultation.

Future Work

The pre-feasibility study is expected to be completed by the end of 2001, after which a decision will be made on the future of the next stage of the project. If the next stage is approved, the following work is envisaged:

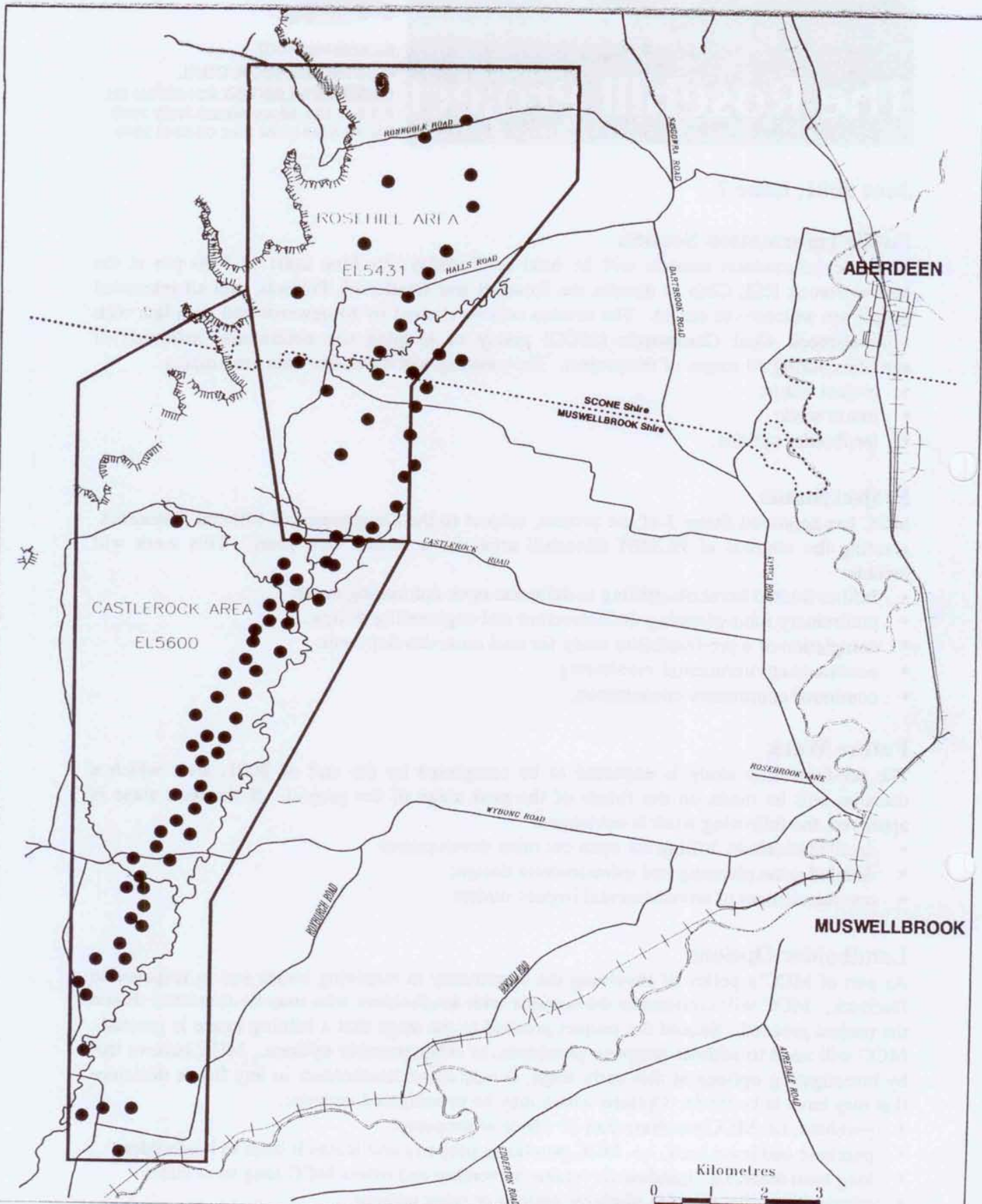
- detailed borehole drilling for open cut mine development;
- detailed mine planning and infrastructure design;
- commencement of environmental impact studies.

Landholder Options

As part of MCC's policy of involving the community in resolving issues and in response to feedback, MCC will commence discussions with landholders who may be impacted should the project proceed. Should the project proceed to the stage that a Mining Lease is granted, MCC will need to address property purchases, or other possible options. MCC believe that by investigating options at this early stage, it may assist landholders in any future decisions that may have to be made. Options which may be investigated include:

- purchase, i.e. MCC purchase part or whole of property;
- purchase and lease back, i.e. MCC purchases property and leases it back to landholder;
- long term lease, i.e. Landowner retains ownership and offers MCC long term lease;
- other options, i.e. mixture of above options or other options.

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