

## Even better resources at Eagle Downs

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**THE Eagle Downs hard coking coal project in Queensland is subject to court action between its equal joint venture partners Aquila Resources and Vale, but in the mean time the measured resources of the longwall project are up 70% to 577 million tonnes.**

Total resources were increased 5.7% to 948Mt but the big change was the amount of resources that were upgraded from the inferred category.

The measured and inferred resources of the project total 790Mt – up 52% from the last resource statement.

Aquila detailed the exploration work behind the recent resource upgrade.

More than 10 cored holes were drilled which include four new sites, four redrills and two large-diameter holes.

Interpretation of the 3D seismic data was completed while there were 65 new raw coal quality seam analyses, and 73 new clean coal composite seam analyses including redrills.

Aquila said large-scale coking tests were ongoing.

Eagle Downs is located immediately down dip from BHP Billiton Mitsubishi Alliance's Peak Downs mine – well known for setting the premium benchmarks for hard coking coal.

The project was on track to start production of 4.6 million tonnes per annum of raw coal production in 2013, but Vale unexpectedly pulled out of the arrangements to secure port capacity at Abbot Point in January.

The project might not secure port capacity until mid-2016.

Aquila is seeking damages from Vale for the expected income from longwall mining at Eagle Downs from 2013.

The project also has the scope for a second longwall operation to lift total production to 8Mtpa.

Aquila shares closed 4% or A33c up on Friday to \$8.33.



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