

## Eastern looks to further expand Takitimu coal mine as demand grows

6 November 2009 - Brisbane-based coal company Eastern Corporation Ltd expects to continue increasing output from its sub-bituminous Takitimu open cut mine in the Ohai/Nightcaps area of western Southland.

Eastern says in its 2009 annual report that the closure of Solid Energy's nearby Ohai mine in August 2009 has presented more sales opportunities for sub-bituminous coal in the southern South Island.

As well as the mine's major contract to supply up to 170,000 tonnes a year to dairy processor Fonterra for its Clandeboye plant near Timaru, other large customers are New Zealand Dairies and several dairy and food processing plants operated by the Talley's Group.

Eastern said a four hole drilling programme at Takitimu has now been completed to confirm resources as part of the next phase of mine planning.

A coal testing laboratory has also been established at Takitimu in conjunction with SGS Minerals who previously provided external coal testing facilities. Testing can now be conducted on site to the required standards rather than having samples dispatched to Wellington for analysis.

Sources: Eastern Corporation and Lindsay Clark

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