Dendrobium Colliery

Update on Outburst Issues in the Wongawilli Seam 28-11-07



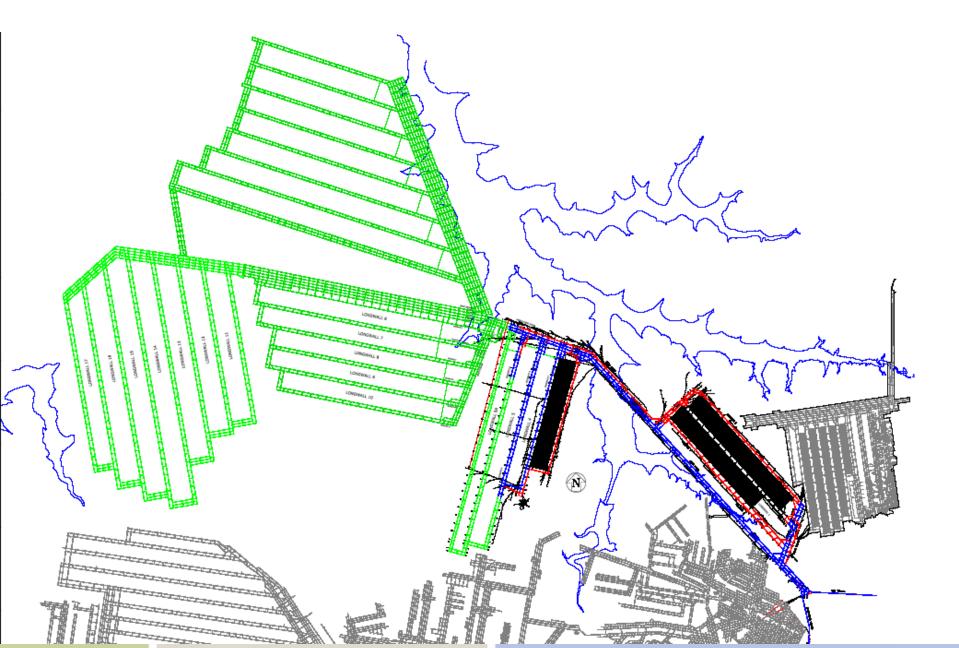
Aim

- Focus on Wongawilli Seam
- Current status of Dendrobiums gas levels and outburst propensity
- Outburst considerations as the mines move towards deeper and higher gas regimes
- Strategies Forward

Background in the No. 3 Seam

- > 100 years of mining
- Mines close to the escarpment
- Relatively low depth of cover
- Not regarded as "gassy"
- No recorded outburst events

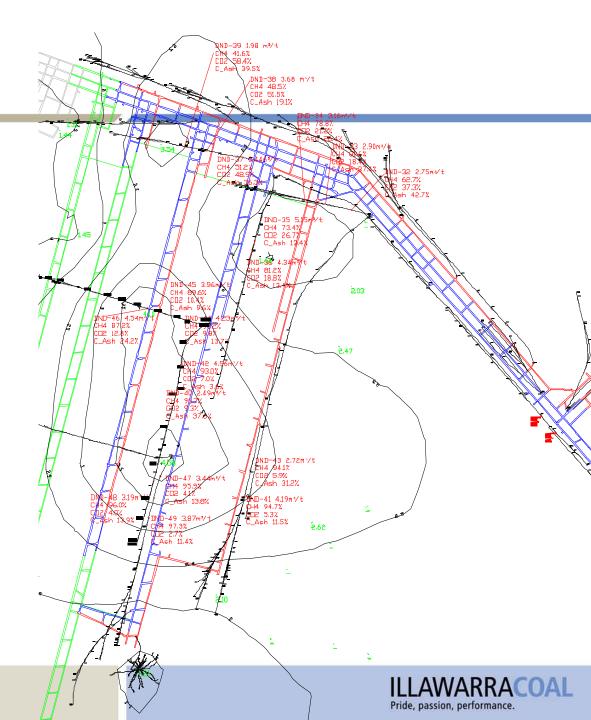
Dendrobium Mine Plan



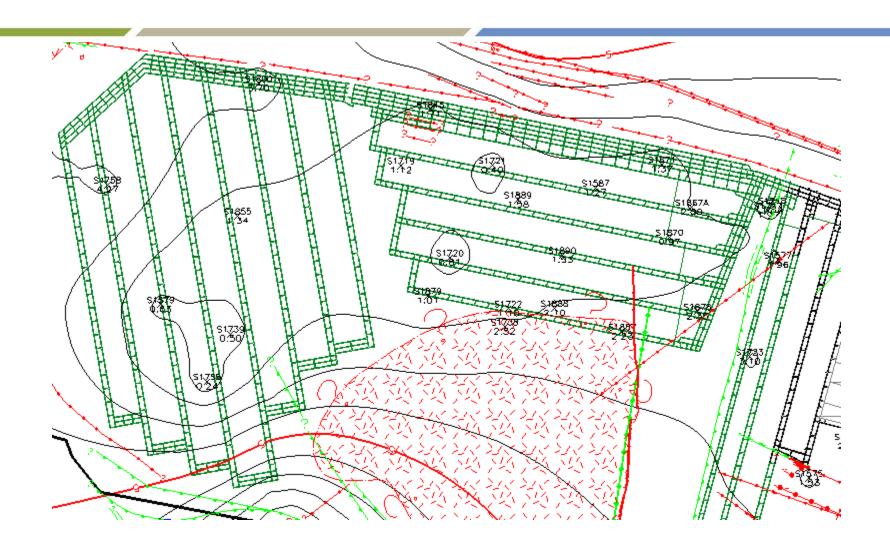
Dendrobium

- Low gas regime
- Low outburst risk
- Some Co2
- Area 3C first instance of high gas levels
- Don't have an OBMP to be reviewed for Area 3a
- Geogas currently reviewing the risk.

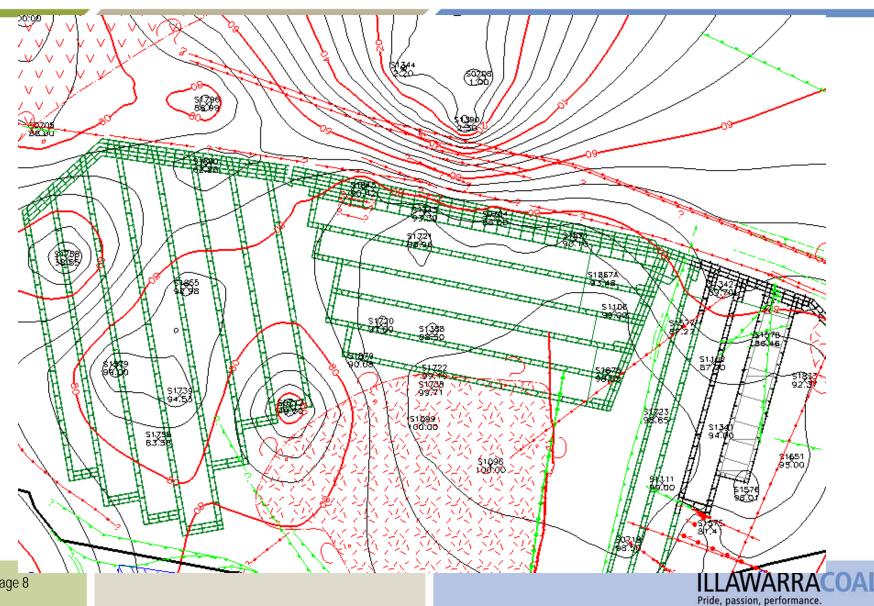
Area 2 Gas Content



Area 3a & 3b Gas Content



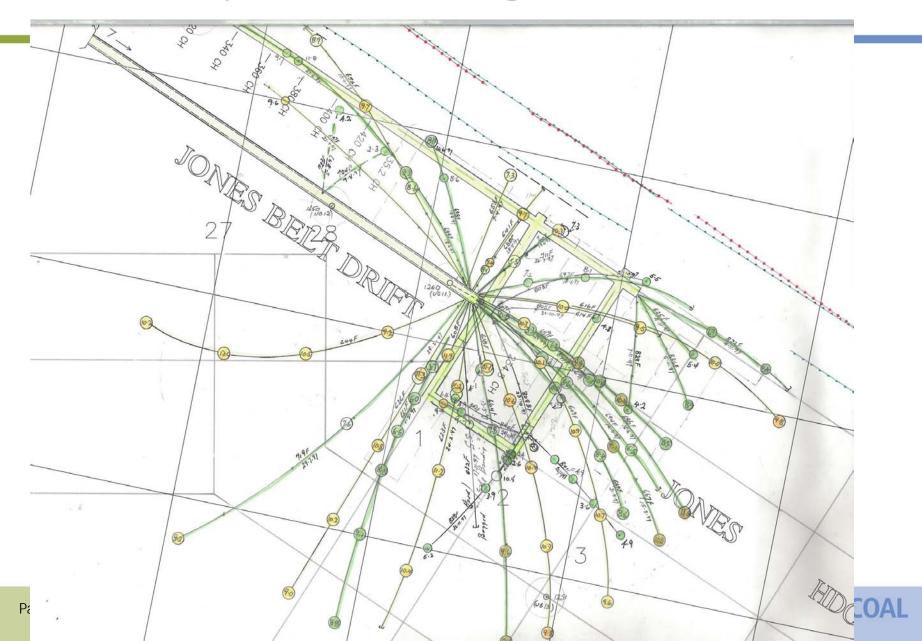
Area 3 Gas Composition



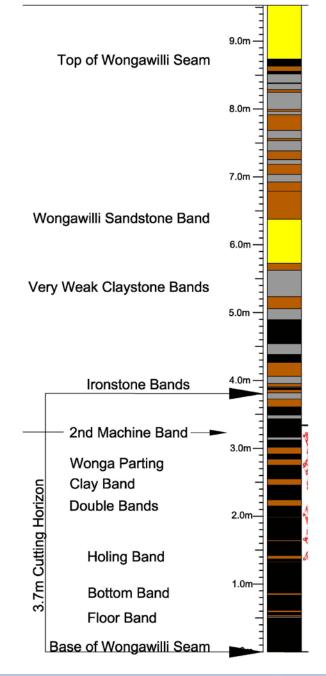
Cordeaux Colliery

- Mine withdrew from No. 3 Seam in 1996
- Very limited first workings
- Outburst risk issue was recognised
- Issues raised
 - What is the outburst gas limit
 - Impacts of thick seam and various impermeable layers
 - Drainage effectiveness in No. 3 Seam
- Initial recommendations made and OBMP developed
- Mine Closed prior to resolution
 - Limited opportunity to build the No. 3 Seam data base.

Cx Colliery No. 3 Seam gas core results



Wongawilli Seam Cross Section



Variation in Gas Content over Seam Section

- Cx studies into variation in gas content relative to different layers of strata
 - See tables below

- Dendrobium
 - Significant variation in the sample ash levels and the relationship to gas content.

Cx - Seam Section Gas Contents

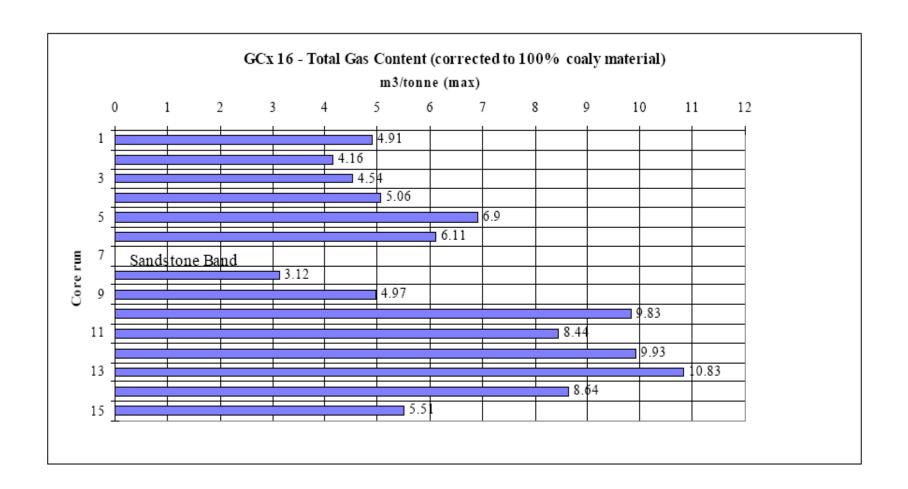
Ww Sm IN-SITU TOTAL GAS CONTENT

(Corrected to 20 deg. C & 100% coally material)

| Location B/H No. | Mack. UCx 7 | Mack. UCx 10 | Mack. UCx 11 | Mack. UCx 12 | Mack. UCx 13 | Bass UCx 8 | Camp/Wiley UCx 17 | Mer l UCx 14 | Mer 1 UCx 9 | Shoob. 6 UCx 15 | Shoob. 6 UCx 16 | Average m3/t | Maximum m3/t |
|---------------------|----------------|-----------------|-----------------|-----------------|-----------------|---------------|----------------------|-----------------|----------------|--------------------|--------------------|-----------------|-----------------|
| Wonga. Roof | | | | | | | | | | | | | |
| | 9.41 | | 7.04 | 5.72 | 6.62 | 8.08 | 7.89 | 5.6 | 7.97 | 8.71 | 4.91 6.9 | 6.73 7.81 | 8.08 9.41 |
| | 9.41 | 6.21 | 6.04 | 7.34 | 9 | 11.4 | 7.61 | 6.58 | 5.92 | 8./1 | 6.11 | 7.50 | 11.4 |
| Sandstone Band | | | | | | | | | | | | | |
| | 8.8 | | 5.39 | 7.03 | 9.51 | 7.05 | 5.85 | 5.12 | 6.89 | 6.92 | 9.83 8.44 | 6.99 7.69 | 9.83 9.51 |
| Wonga. Working Roof | 7.24 | | 8.26 | 6.07 | 7.01 | 10.67 | 6.08 | 0.12 | 8.21 | 11.84 | 9.93 | 8.72 | 11.84 |
| | | | 8.27 | 9.11 | 9.89 | 6.65 | 10.02 | 7.57 | 8.61 | 9.5 | 10.83 | 8.94 | 10.83 |
| Wongawilli Floor | | | 8.78 | 8.3 | 10.78 | 6.65 | 10.02 | 8.64 | 10.28 | 9.5 | 8.64 | 9.07 | 10.78 |

Italics indicate uncertain results - adjacent results used.

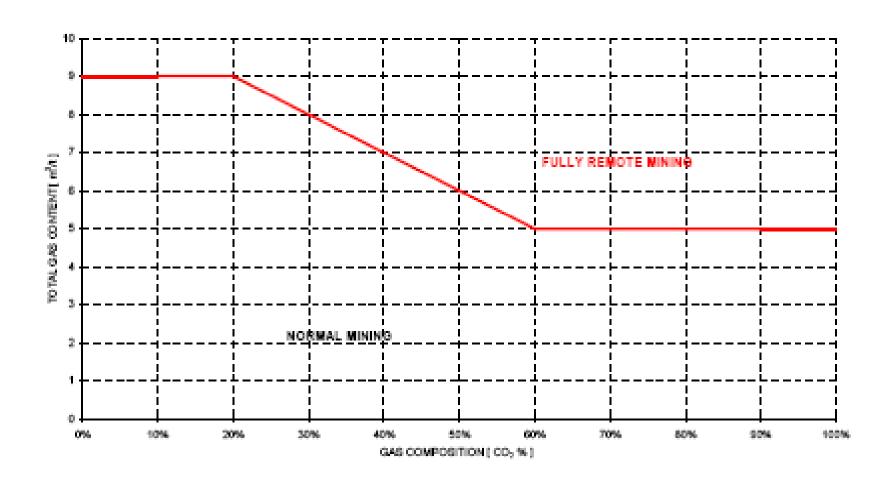
Cx - Seam Section Gas Contents



Permeability

- Bulli Seam
 - 1 to 5 milli darcy
- Dendrobium
 - 1 to 5 milli darcy Area 1, 2, 3, 3a, 3b
 - < 1 milli darcy Area 3c</p>

Appin Colliery Outburst TLV

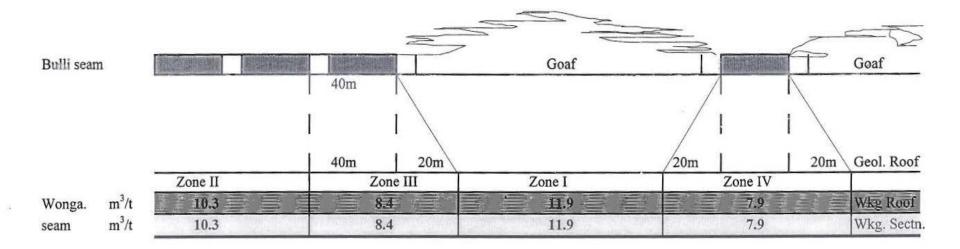


Cx proposed TLV

GAS THRESHOLD LEVELS

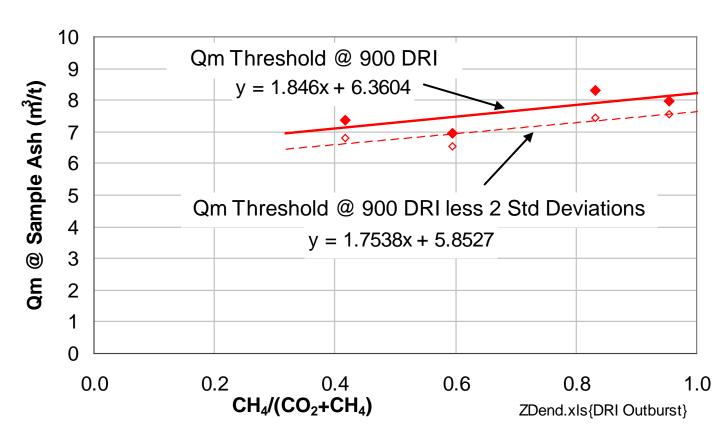
Wongawilli seam - Cordeaux colliery

(TVL, Total NTP, @ 20 deg. C, m3/t)



Geogas – 900 DRI

100% CH4 – 8.2 m3/t 30% CH4 – 6.9 m3/t



Wongawilli Seam Gas Content Thresholds

Miscellaneous Items

- Impact of seam structure on outburst risk
 - Well established in the Bulli Seam
- Variability in the seam mineralisation and it's impact upon permeability
 - le NRE No. 1
- Gas Drainage of the Wongawilli Seam
 - Cx drained readily
 - Appin, WCC gas flows commence after LW passes
 - Dendrobium small gas flows only from holes.



Moving Forward

Short Term

- Finalise review of Outburst Risk for Dendrobium
- Establish guidelines for the mine
- Continue to gather data base

Long Term

- Resolve gas sample quality issues (ie factors unique to Wonga Seam).
- Investigate gas reduction techniques
- Gather more samples for Area 3C
- Involve other experts regarding outburst TLV

