



PIKE RIVER COAL

8 June 2009

VENTILATION TO PIKE RIVER MINE FULLY RESTORED

Pike River Coal's main air ventilation shaft blockage has been successfully bypassed, ventilation fully restored and heavy coal cutting machines are now working to build coal production.

Chief Executive Gordon Ward says "the Alimak raise was painstaking work but the bypass was completed on time and within budget over the weekend and production can now push ahead".

The main 108 metre air shaft was completed in January 2009 but then blocked by a rock fall at its lower level before reinforcing bolt-and-mesh had reached down that far.

Pike River Coal plugged the rock fall in February 2009 with concrete poured down from the top of the shaft, commissioned the drilling of a 600 mm 'slimline' air vent to get some air down to pit bottom, and brought in an Alimak team from Australia to work round-the-clock to cut a bypass shaft around the blockage.

The 'slimline' hole was completed in mid-May, providing enough air for the roadheader machine to resume cutting coal and the main shaft bypass holed though yesterday and the shaft top fan was able to start exhausting air up the shaft.

The roadheader has been joined by one of two continuous miners, with the second due to go into operation shortly.

With flow through ventilation restored to pit bottom, final works can now be completed on the coal crusher and the water-fed flumes in pit bottom and the slurry pipeline which, from mid-June, will carry the coal 10 kilometres down to the Coal Preparation Plant for processing and stockpiling.

Mr Ward says Pike River Coal, with all its key infrastructure in place, is on schedule to send its first export shipment of 60,000 tonnes to Japan in the July-September quarter of this year.

The mine is expected to reach its full production rate in the final October-December quarter of this year when roadways in the coal seam have been opened up by the heavy cutting machines to provide access for high pressure water cannons to start blasting coal out of the seam at the rate of up to 2,000 tonnes a day.

Further information:

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Pike River Coal owns the rights to a premium hard coking coal resource located 50 kilometres north-east of Greymouth, New Zealand.

Pike River shares are quoted on the NZSX and the ASX under the code "PRC"