



COALWORKS Limited

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The Manager
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COAL INTERSECTION AT VICKERY SOUTH

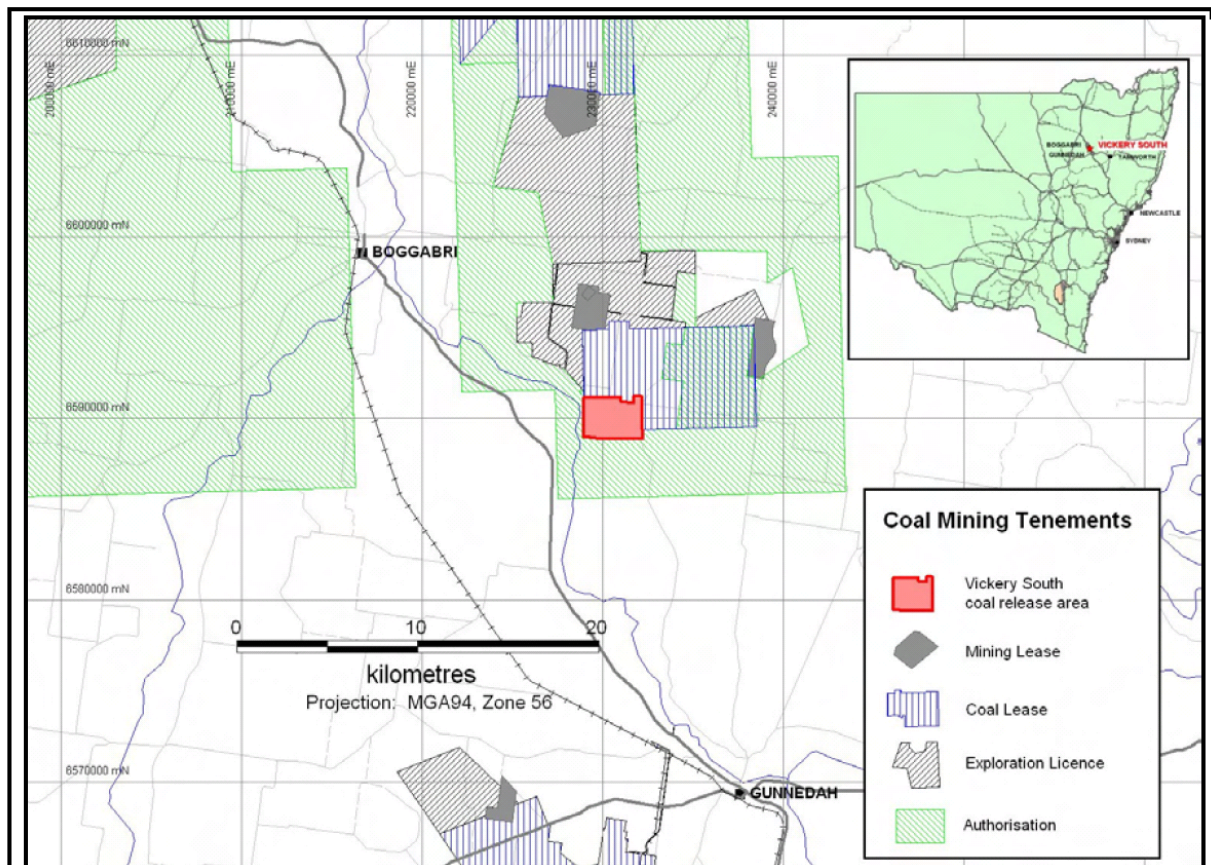
Highlights

- **Coalworks has commenced drilling a programme at Vickery South**
- **Coal intersected within 30 metres in the first hole**
- **Coalworks targets 50mt to 70mt coking/thermal coal**

Coalworks Limited (ASX: CWK) today announced that it has commenced drilling at Vickery South. The Vickery South project is located 22 Kilometres north of Gunnedah and adjoins the Vickery Coal project just purchased by Whitehaven where an open cut mine was operated from 1991 to 1996.

A total of twelve (12) including 8 open (150mm diameter) and 4 cored (100mm diameter) holes are planned. The first hole VS 001 has already intersected coal on the first day of drilling. The holes are being spaced between 750m to 1000m to provide data to combine with historical drill hole data. All holes are being geophysically logged.

Coalworks Managing Director and CEO Andrew Firek said: "We plan to expedite drilling with the objective of providing us with a better understanding of coal seam geometry. All our preparation work has confirmed our confidence in the 50Mt to 70Mt target for coking and thermal coal which we will pursue vigorously."



Vickers South (EL 7407) 100% owned by Coalworks is shown in red

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About COALWORKS

Coalworks has a portfolio of projects in Australia including Oaklands (JORC measured, indicated and inferred 822mt* thermal coal; Bankable Feasibility Study underway), Vickers South (exploration target coking/thermal coal), Hodgson Vale (exploration target thermal coal) and Ashford (limestone deposit with high value lime products as the target). *See Coalworks' ASX announcement 5 November 2009