



PIKE RIVER COAL

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PIKE RIVER COAL CELEBRATES MILESTONE

Pike River is marking a milestone in the history of the company today with the first export shipment of its premium hard coking coal to India.

“This is a significant event for the company and the culmination of intensive efforts to bring the mine into production,” says Pike River’s chief executive Gordon Ward.

Pike River’s inaugural export shipment of 20,000 tonnes of premium hard coking coal is being shipped from the Port of Lyttelton on board the Tian Bai Feng to Bedi Port in Gujarat, India.

From there, it will be transported to coke-maker, Gujarat NRE – one of Pike River’s life-of-mine customers.

Gujarat and fellow Indian life-of-mine customer, Saurashtra Fuels have agreed to take 55 percent of Pike River’s coal.

Pike River also has three-year supply contracts with Japanese steel mills. These contracts account for the supply of 22% of Pike’s total coal production.

Mr Ward says the next export shipment is scheduled for the April – June 2010 quarter.

“Once hydro-mining is underway in the July-September 2010 quarter, the typical export shipment size of premium hard coking coal will be approximately 60,000 tonnes.

“Once full production rates from hydro-mining are achieved, the mine is expected to produce an average of approximately one million tonnes of premium hard coking coal a year.”

Pike River’s inaugural export shipment coincides with a buoyant international market in which world coking coal prices are expected to rise even higher than previously forecast.

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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. All of Pike River’s coal is used in steel-making.

1. *The value of Pike River’s first shipment is approximately \$NZ3.4 million.*
2. *The Pike River coal deposit has an estimated mine life of at least 18 years –approximately \$4 billion worth of coal based on an average price of US\$140 a tonne and assuming a life-of mine exchange rate of 59 cents.*

Pike River shares are quoted on the NZSX and the ASX under the code “PRC”; and options are quoted on the NZSX under code “PRCOA”, and the ASX under code “PRCO”.