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PIKE RIVER WELCOMES GOVERNMENT INITIATIVES

Pike River Coal welcomes the Government's new minerals initiatives and success in raising public awareness of the country's mineral wealth.

Chief Executive Gordon Ward says the consultation process around the Government's proposal to remove areas of land from Schedule 4 for exploration has increased understanding of the benefits of the mining industry for the country as a whole.

"Energy Minister Gerry Brownlee has opened up a much needed discussion that has, sadly, been virtually non-existent in New Zealand up until now."

"New Zealanders now have a greater understanding of the vast potential of the resource sector and how that can impact positively on the economy and individual prosperity."

Mr Ward says the Government's decision to conduct aeromagnetic surveys in Northland and the West Coast of the South Island is welcome news for the mining sector.

"This is a very encouraging sign. The Government is keen to enhance public awareness of the mineral potential in these areas and to promote discussion around the economic benefits to the communities of both of these regions."

"We are also encouraged by the strong signal the Government is sending in announcing that decisions around access to Crown land will, in future, be made by both the Minister of Energy and Resources and the Minister of Conservation. It shows the Government is serious about giving equal weight to the economic and environmental considerations inherent in such a decision."

Mr Ward adds that it is regrettable that much of the debate around the Government's discussion document was derailed by misinformation from the anti-mining lobby.

"The discussion was never about mining in National Parks as opponents claimed. The Government had only identified a small part of one National Park (Paparoa) for potential mineral exploration and made it very clear that no firm decisions had been made."

"It was about having a look at the mineral potential of some areas in Schedule 4 – areas that only made up around 75 square kilometres out of 34,000 square kilometres of land in Schedule 4 – and then making a balanced decision."

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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.

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".