



PIKE RIVER COAL

7 December 2009

CONTINUOUS MINER BACK ON TRACK

Mining operations at Pike River Coal have received a boost with one of the company's continuous miners back at the mine face following completion of a software upgrade to the new traction system, says Pike River chief executive Gordon Ward.

"The software upgrade was the final step in getting this piece of machinery 100% operational," says Mr Ward.

"Having this upgrade completed means the electric drives on the continuous miner are now back to being fully functional and complementary with the crawler traction systems they run".

Mr Ward says the continuous miners – the machines which actually cut the coal to create the mine roadways – are an essential part of Pike River's mining operation so today's news is a welcome development.

"We have experienced a few issues with the continuous miners over past months, the major one being with the tracks that were fixed at the German manufacturer's expense."

"Now the software upgrade is completed, we expect to see these machines operate with far greater reliability and enhanced performance."

Mr Ward says good progress is being made at three drill and blast faces and the company is on track to getting through the rock graben (a faulted area) by late December/early January 2010.

"Once we get through the graben we are back into coal," says Mr Ward.

"The graben is only 100 metres in extent so once we are through that we'll be driving towards the first hydro panels and on our way to hydro-mining in the April – June 2010 quarter."

Further information:

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Pike River 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"; and options are quoted on the NZSX under code "PRCOA", and the ASX under code "PRCO".