



# Coal deposits lure mining operation

**Another mining operation is set to explore coal deposits west of Dalby as local authorities consider how best to manage the mining boom.**

Last week MetroCoal Limited announced the three sites as the start of its Surat 5000m drilling program ahead of the company's public float by early next year.

MetroCoal is a subsidiary of listed Queensland resources group Metallica Minerals Limited.

The initial 15-hole drilling program, likely to be completed within four weeks, is expected to confirm historic coal seam intersections, and the continuity of the Wandoan coal seams within each of the exploration areas.

In a media release the company said the initial exploration would provide information about significant Surat Basin coal deposits suitable for both conventional underground and open pit coal mining for export, and Underground Coal Gasification (UCG) for coal

gas feedstock for liquid fuels.

MetroCoal holds seven exploration tenements covering some 4000 square kilometres of thermal coal bearing strata within the Basin.

The primary target is the highly prospective Macalister Seam in the Juandah Coal Measures of the Walloon sub-group known to host the one billion tonne-plus Wandoan deposit located adjacent to MetroCoal's lease.

Historic drilling and earlier seismic programs confirmed the extension of this seam into MetroCoal's tenements.

Previous drilling stopped at depths around 80-100m, creating a number of gaps in the data base, and several holes in the new campaign will be drilled in the most prospective areas to fill these data gaps.

Other areas being tested are near Miles and the Wilkie Creek deposit west of Dalby.

Meanwhile Dalby Regional Council is coming to terms with a

resource boom that is still in its infancy, particularly the UCG and coal mining areas

Mayor Ray Brown is excited about the prospects for the region, but has grave concerns about the region's agriculture with another coal lease threatening prime agricultural land between Dalby and Jimbour Creek.

"That's some of the best agricultural land in Australia," he said.

"I know Toowoomba Regional Council are having problems with a project at Felton. This one is exactly the same.

"It's magnificent soil. In 50 years time what will it produce if it's a big open-cut mine?

"We really have to look at where these major projects are going.

"A lot of the coal gasification and underground coal projects are in marginal land.

"We can deal with that a lot easier than dealing with open plain — beautiful agricultural land.

"There are issues there and we will be fighting them."



Drilling for coal seam information.