



PROJECT NAME
Takitimu Open Cast
Coal Mine Mining Contract

CLIENT
Eastern Corporation NZ Ltd

LOCATION
Nighthcaps, Southland

AWARD DATE
October - 2006

COMPLETION DATE
December - 2010

CONTRACT CONDITION
Main contractor

QUANTITIES
Up to 150,000 bcm of material per month

VALUE
9 million

STATUS
Currently project to date is 5% ahead of schedule

REFEREE
Craig Pilcher – NZ General Manager
Eastern Corporation NZ LTD
027 244 0788

TAKITIMU

In September 2006, Eastern Corporation of Australia acquired Takitimu Project, a coal mine located in Southland, New Zealand.

The operations are located in 3 separate areas within the Ohai / Nighthcaps region, 70 km NNE of Invercargill, where open cut and underground coal mining has been conducted for more than 50 years. The area has been identified as containing one of only two large known deposits of sub-bituminous coal in the Southland district.

The coal extracted from Takitimu is used predominantly as thermal coal for domestic and industrial purposes throughout the South Island. A large industrial market exists for this product and recent trails with potential customers have demonstrated its value as an energy source. An initial Measured Coal Resource of 2.85 million tonnes has been defined, and it is planned to expand production to meet the increasing market demand.

In November 2006 STRACON was awarded a contract to provide mining services for Stage 1 of this project.