

# FERNDALE

## EXPLORATION PROJECT

COMMUNITY NEWSLETTER  
NOVEMBER 2011

4



### Introduction

Boardwalk Resources (as Boardwalk Ferndale Pty Ltd) and Coalworks Ltd (as Loyal Coal Pty Ltd) entered into an unincorporated joint venture relationship in December 2010 (Ferndale Joint Venture), to progress the exploration activities within Exploration Licence (EL) 7430. EL7430 has been granted for a period of 5 years for the specific purpose of exploring for coal. The boundaries of EL 7430 are shown on Figure 1. The project is known as the Ferndale Exploration Project.

The purpose of this newsletter is to provide an update to the landholders in the area as well as other interested stakeholders, on the management, exploration and environmental studies currently being carried out along with the next steps intended for the Ferndale Exploration Project.

#### FERNDALE COAL JOINT VENTURE

A Joint Venture Project between  
Boardwalk Ferndale Pty Ltd and Loyal Coal Pty Ltd

**boardwalk**  
FERNDALE



**LOYAL COAL**

### Boardwalk senior personnel

- Chairman – Ian Craig
- Director – Nathan Tinkler
- Director – Philip Christensen
- Chief Executive Officer – Peter Kane
- Chief Financial Officer and Company Secretary – Alan Wigan

### New site personnel appointments



#### NSW General Manager – Matt King

Matt is a Mining Engineer with over 16 years' experience in the mining industry in Australia and overseas.

Prior to joining Boardwalk on 26 September 2011, Matt has spent the previous four years in New Zealand, where he managed the largest coal mine in New Zealand being responsible for a wide range of operations, including community and environmental management.

Matt's career began in western New South Wales in Cobar where he gained significant experience in dealing with operations, close to a long term community, with many environmental constraints in both underground and open cut operational roles.

Matt then moved to Central Queensland, running large-scale open cut operations in the Moranbah area, with a focus on sound project management, delivering excellent results in safety, environmental performance and production efficiency.

From Moranbah, Matt moved into Leighton Contractors' New Zealand Operations as the Mine Manager for the Rotowaro Coal Mine near Huntly in the Waikato Region of the North Island and later, as the Operations Manager for all Mining Operations in New Zealand.

#### Office Assistant – Maree Medhurst

Maree recently commenced with Boardwalk on 1 September 2011 in the role of Office Assistant working with Drew Boardman and Matt King in the Denman site office. Maree will be available to assist with enquiries relating to the Ferndale Exploration Project.

### Exploration program status

The initial Review of Environmental Factors (REF) for the Exploration Project sought approval for the drilling of 30 exploration drill holes within EL 7430. Stage 1 of this program involved the drilling of seven holes which has allowed a "first pass geological assessment" to obtain an indication of the coal resources present within the Ferndale Exploration Project area. Stage 1 drilling commenced in June 2010 and was completed in February 2011.

Stage 2 of the Exploration drilling program commenced during March 2011. The Stage 2 program will confirm the continuity of coal seams intersected within the Stage 1 program and assist us in the estimation of its quality and quantity. At the time of the preparation of this newsletter 21 of the planned 23 holes had been drilled.

Two further REFs have been submitted to the Division of Resources and Energy, one on 7 September 2011 for an additional 12 exploration holes which will be known as Stage 3A and a second on 18 October 2011 for Stage 3B drilling of an addition 55 exploration holes.

The aim of these drilling programs will be to provide additional data points to allow estimation of the resources at Ferndale to the JORC status of "Measured". These additional programs will provide enough information to initially determine the feasibility of conducting open cut and/or underground mining within EL 7430.

## Environmental studies

Hansen Bailey based in Singleton has been commissioned to establish an environmental baseline monitoring program for the Ferndale Exploration Project. This will gather background data regarding the existing environment to assist in the evaluation of the potential impacts associated with a future mining operation within EL 7430.

Since the last newsletter a meteorological monitoring station has been installed onsite. Additional baseline monitoring programs currently under development include:

- **Groundwater;**
- **Drill core geochemical analysis; and**
- **Air quality.**

Additionally, ecological surveys will be carried out to identify State and/or Federally listed species and/or communities within the vicinity of EL7430.

## Where to from here?

The Ferndale Joint Venture will continue to progress the exploration activities and implement the environmental monitoring studies outlined above. Depending on the results from the Stage 3A exploration drilling program, a final stage of drilling, Stage 3B, may be initiated. This stage of drilling would be focused on obtaining greater detail on both coal quantity and coal quality. It would assist in the preparation of a Pre-Feasibility Study for a potential future mining project at Ferndale.

Paralleling any Stage 3B drilling program, conceptual infrastructure arrangements would be developed.

Coalworks and Boardwalk are committed to maintaining an open and transparent relationship with the community and will continue to provide regular newsletters and other information forums at all major milestones of the Ferndale Exploration Project.

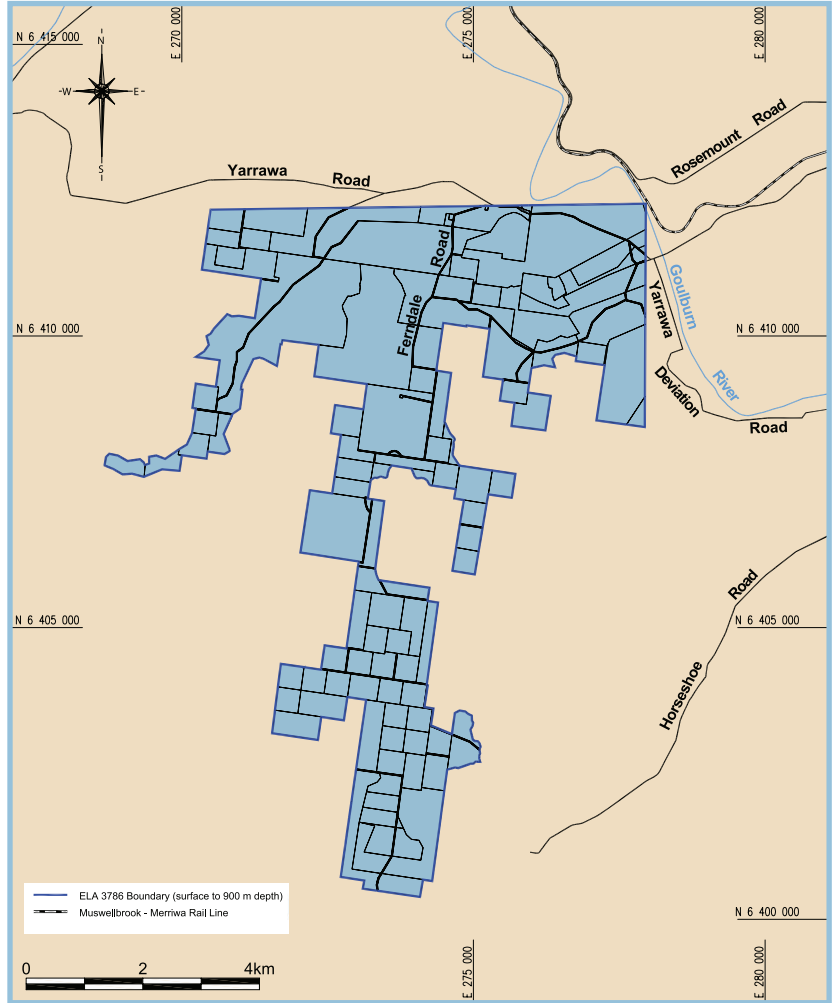


Figure 1: Exploration Licence



## Contact details

If you have any questions in regard to the Ferndale Exploration Project, please contact:

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