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Longwall provides company bonanza

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ONE of the Illawarra's biggest coal-miners has reported its highest quarterly coal production, more than doubling volumes compared to the same period last year.

Gujarat NRE Coking Coal's result follows the start of longwall mining at its Russell Vale colliery after delays earlier this year.

In a statement to the Australian Securities Exchange the company said coal production from its two mines in the region had topped 362,000 tonnes between April and June.

The figure was almost 250 per cent more than during the same period in 2011 and almost 150 per cent higher than in the first three months of 2012.

Commissioning the longwall at Russell Vale was a critical step for Gujarat after it announced in May that it had experienced a 60 per cent profit slump for the financial year ended March 31, down to \$9.77 million.

That result was caused in part by lower total production, which was restricted to just above one million tonnes when workers were diverted from coal production to help bring the new piece of machinery online.

The latest quarterly report said longwall production at Russell Vale had ramped up to 216,000 tonnes over the three months.

Geotechnical and operational conditions were better than expected and there were "only minor commissioning issues" experienced with the new equipment.

"It is anticipated a longwall change-out will commence in the next quarter, supporting the extraction of the next longwall block," the report said.

It is understood the shift to the next longwall panel depends on approval from the Department of Planning. Gujarat lodged an application to modify its approval in May.

The application included the new mining block and the development of roadways "to ensure longwall extraction continuity" between the current longwall and future panels, the company said.

In March, the Department of Primary Industries ruled Gujarat could use its new longwall equipment in



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Gujarat report

just one underground panel at Russell Vale.

Approval for the company's major expansion project, to increase production at the mine to three million tonnes annually, lies with the planning department.

Yesterday's statement said "all essential reports" for the application were "nearing finality" and were expected to be lodged in the next quarter.

Gujarat has mines at Russell Vale and Wongawilli. The company did not respond to requests for comment.