

**Appendices**

**Appendix 1 — Mine Location Maps**

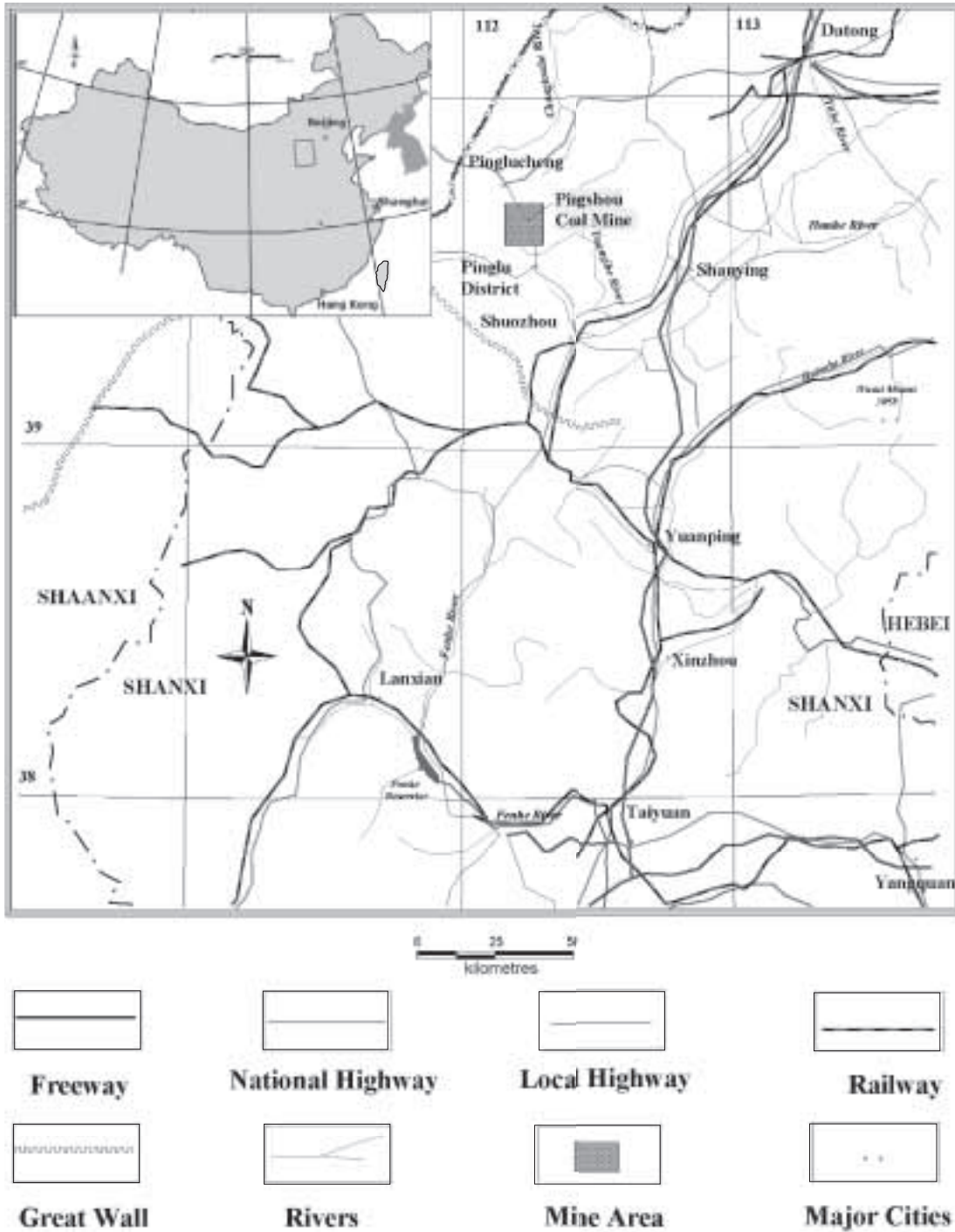


Figure A1.1: Location Map — Pingshuo Mines

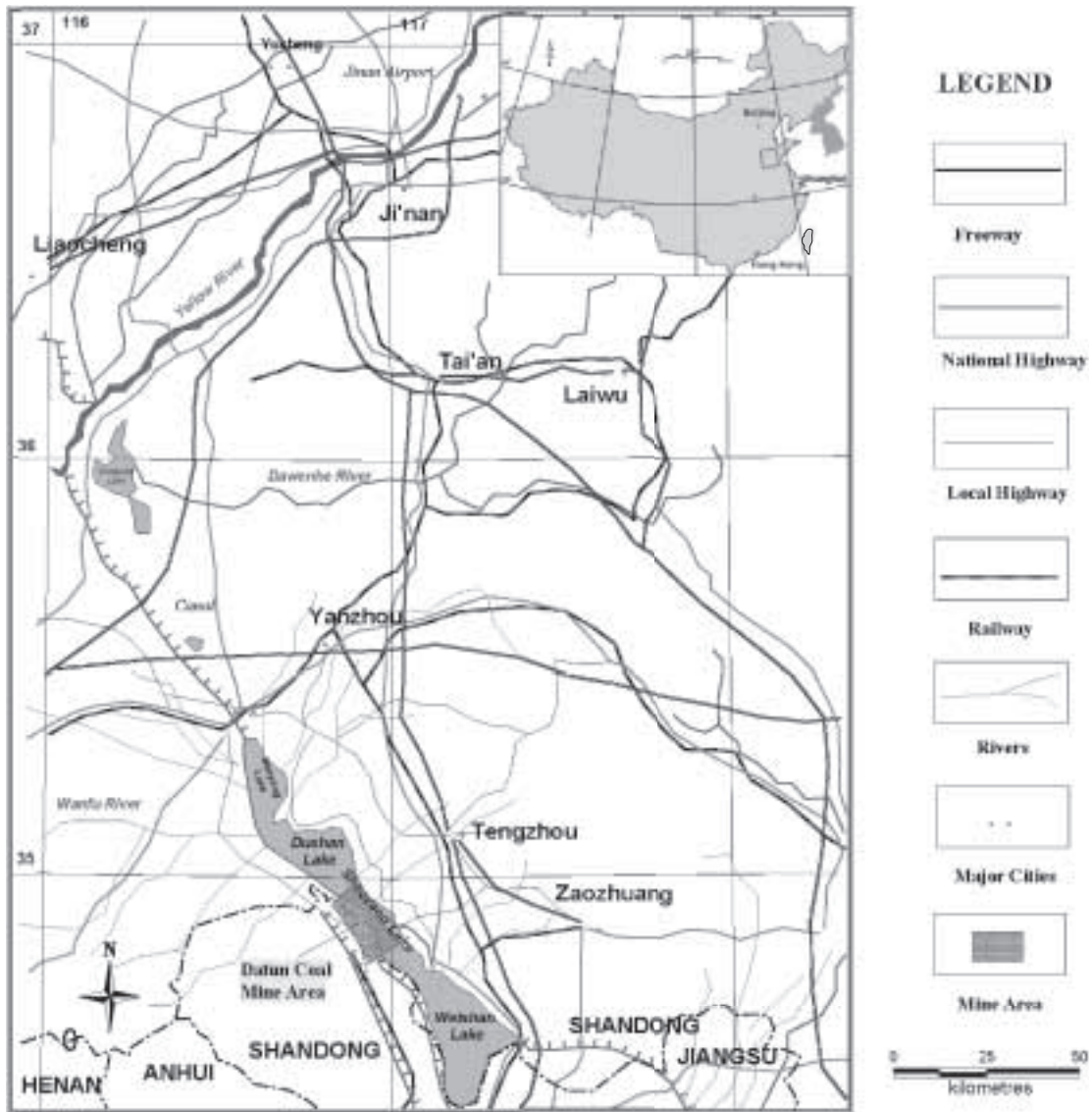


Figure A1.2: Location Map — Datun Mines

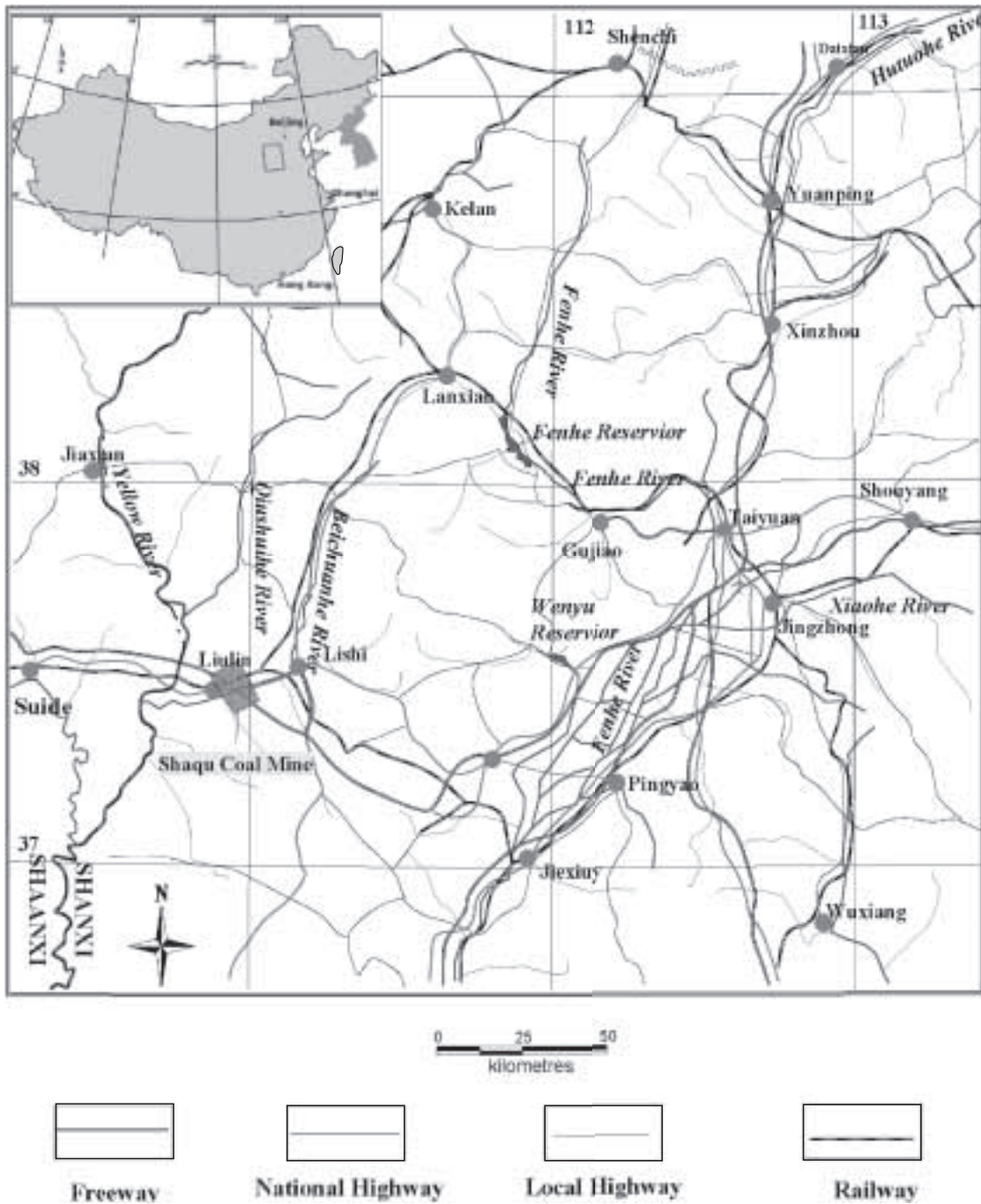


Figure A1.3: Location Map — Shaqu Mine

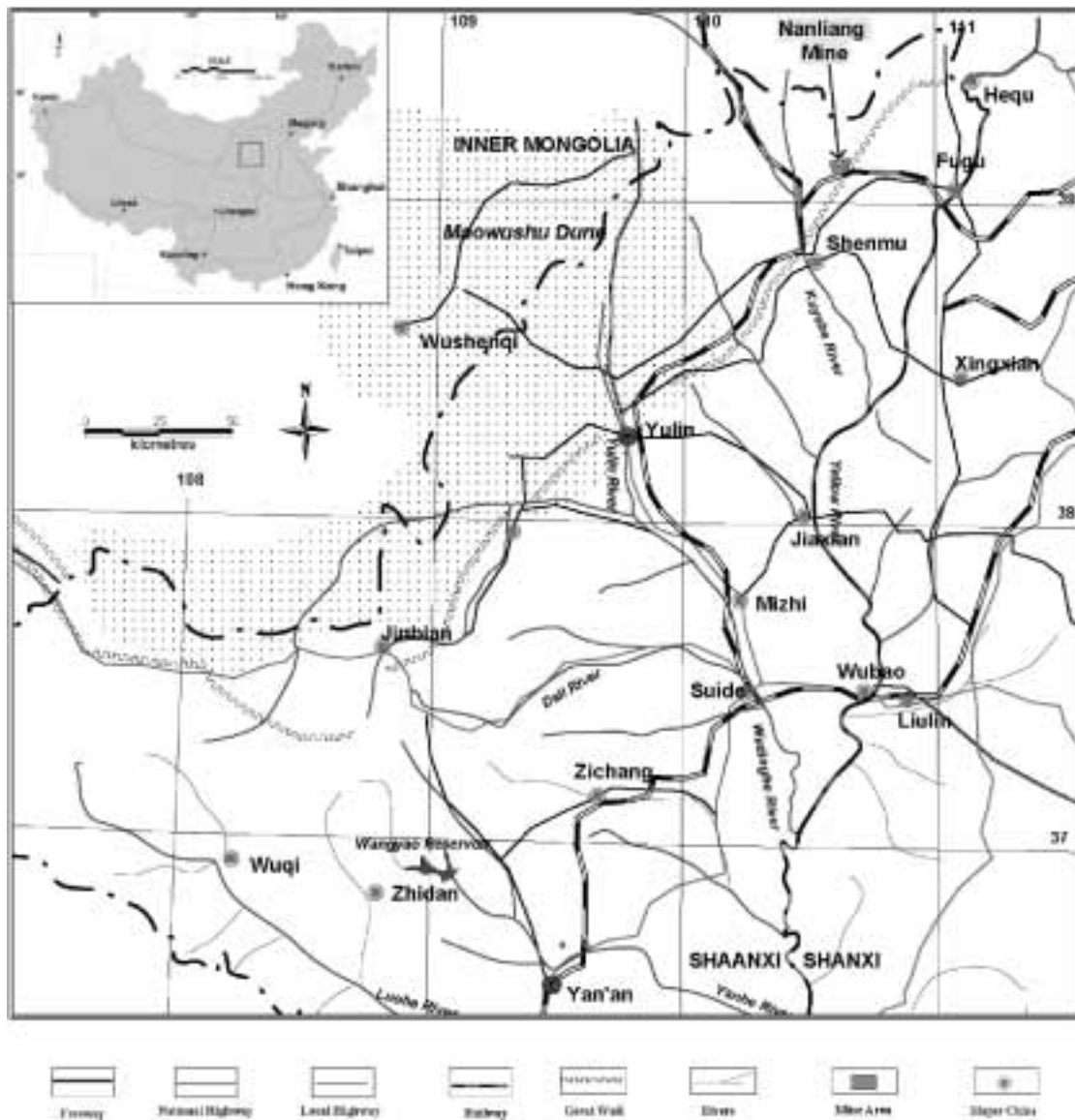
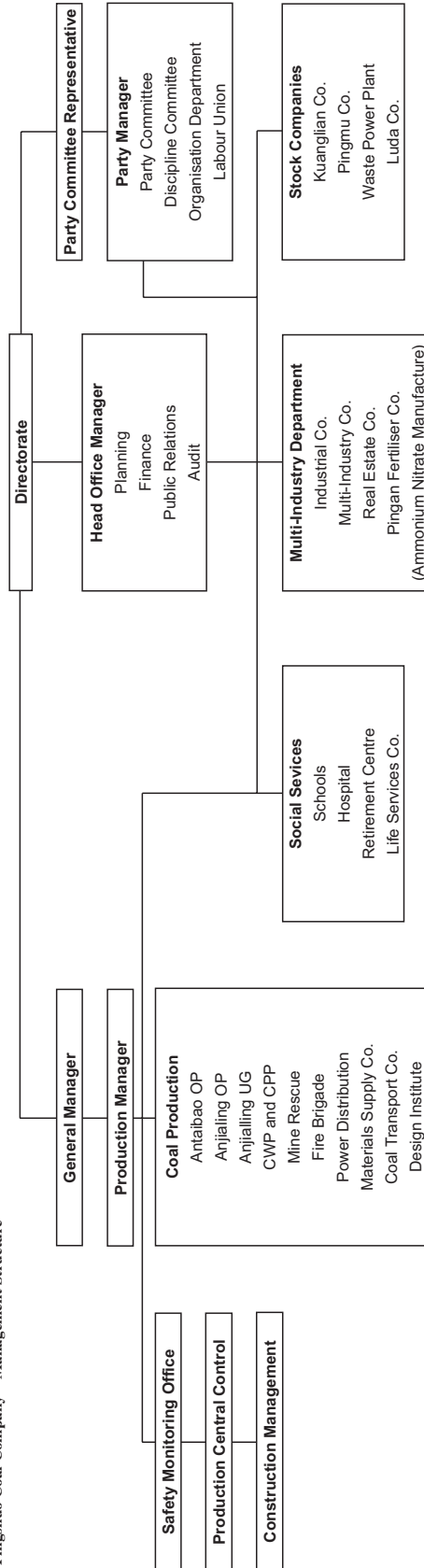


Figure A1.4: Location Map — Nanliang Mine

**Appendix 2 — Corporate Management Structures**



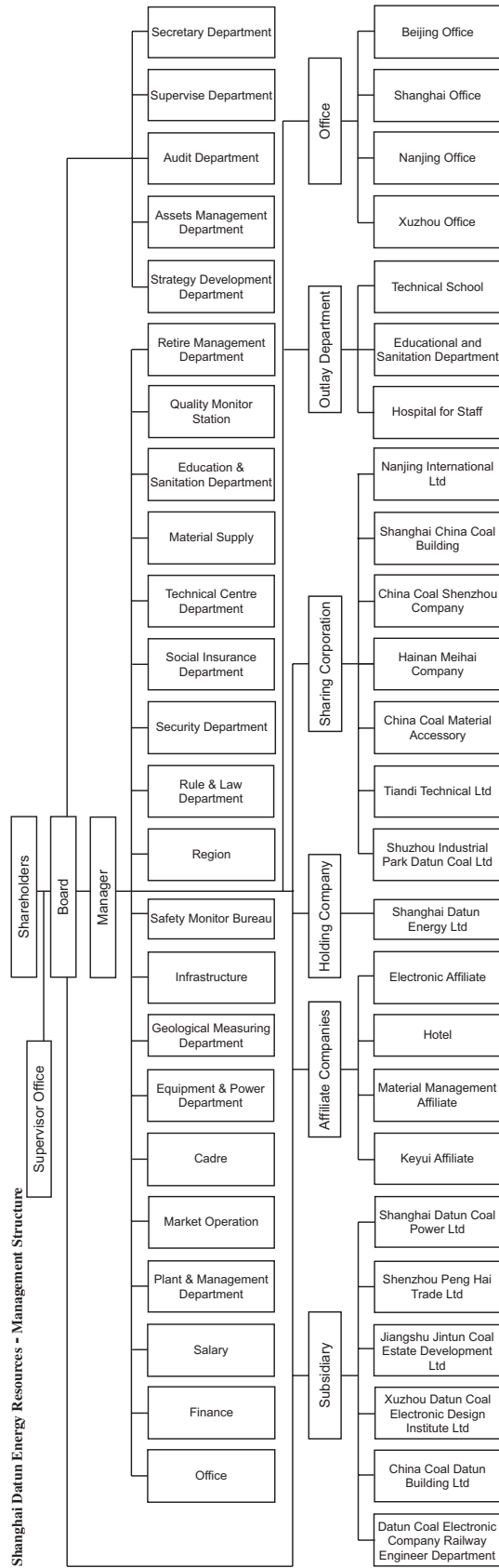
Pingshuo Coal Company – Management Structure

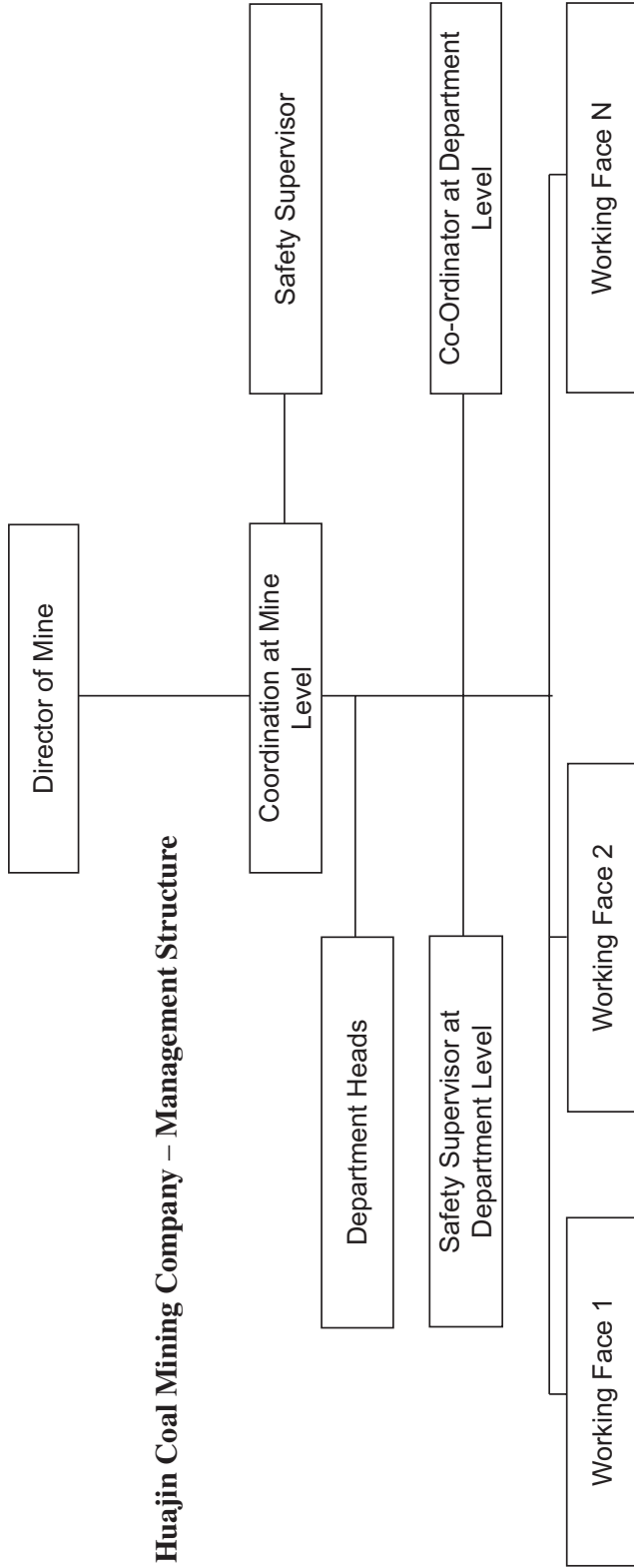


a. After this report was written China Coal informed SRK of a restructure in Pingshuo Coal Company, China Coal reported: “All coal mines, mining rights permits, and other coal business related assets were transferred to China Coal Energy Company Limited during the restructuring of China Coal Group, effective from August 22, 2006.” China Coal also reported: “...except the mining assets, all the other assets in the “Pingshuo Coal Company” remained in the China Coal Group, not China Coal, so many of the subsidiaries are no longer in the listed company.”

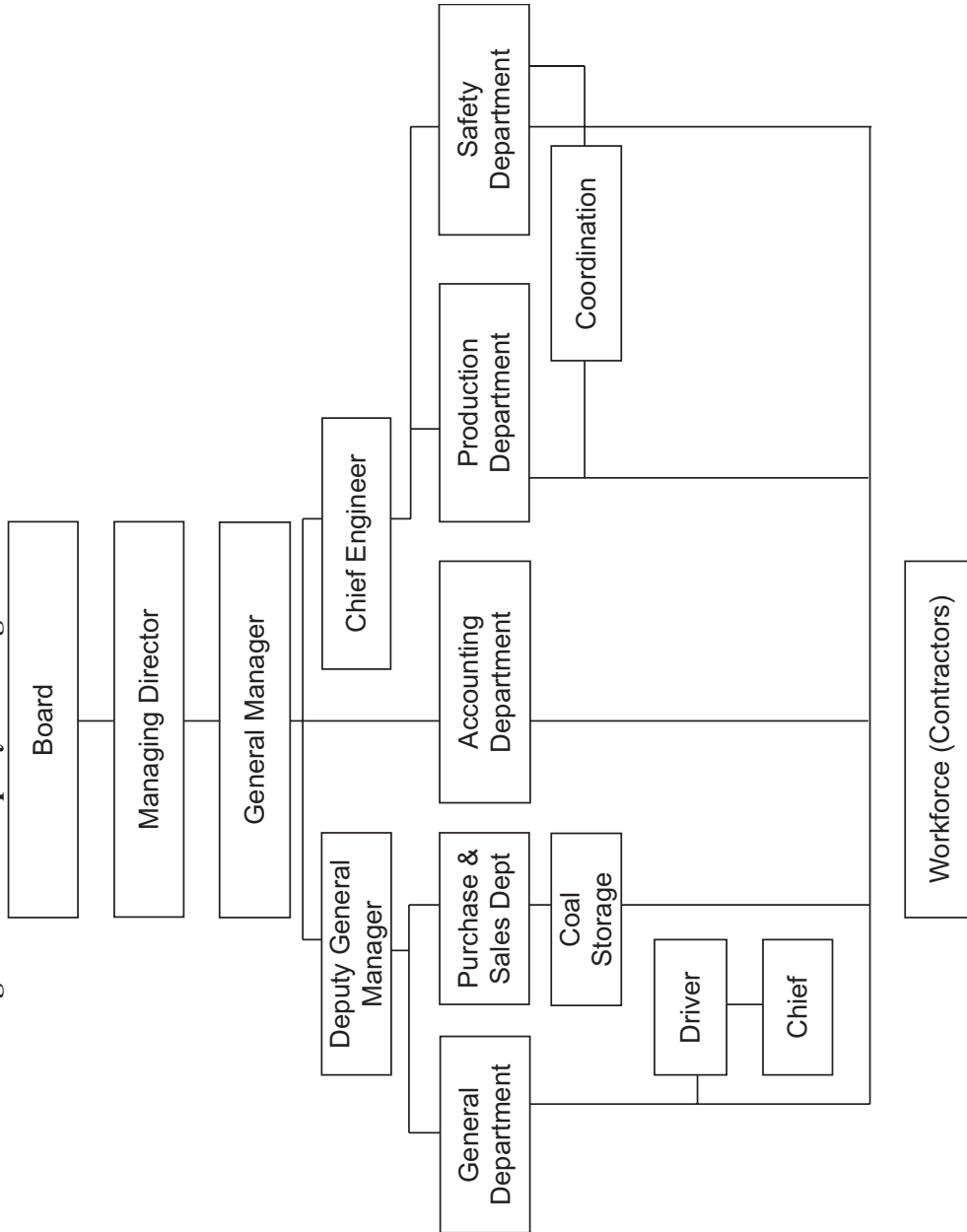
The structure illustrated above does not necessarily reflect these comments.





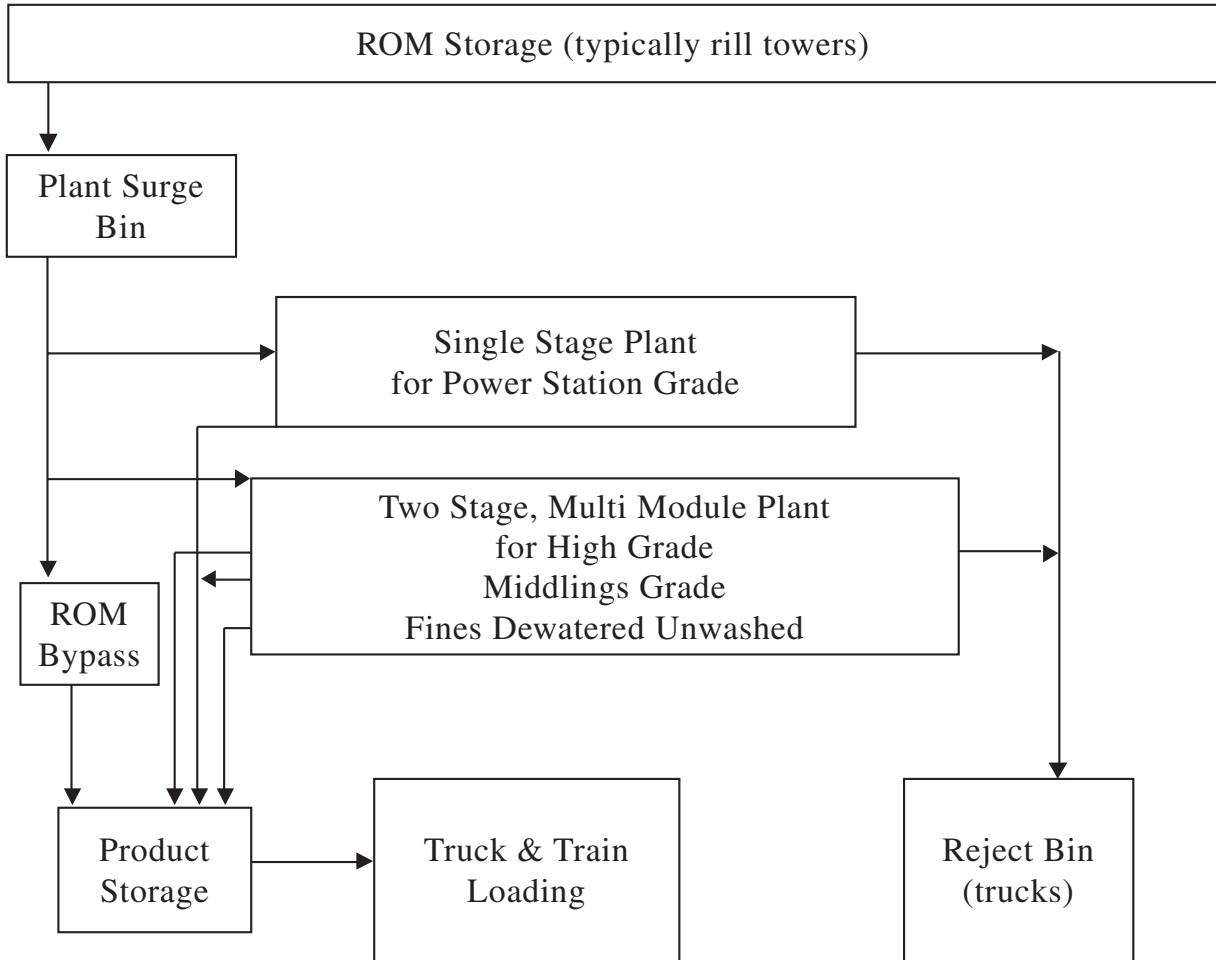


Nanliang Mineral Company - Management Structure

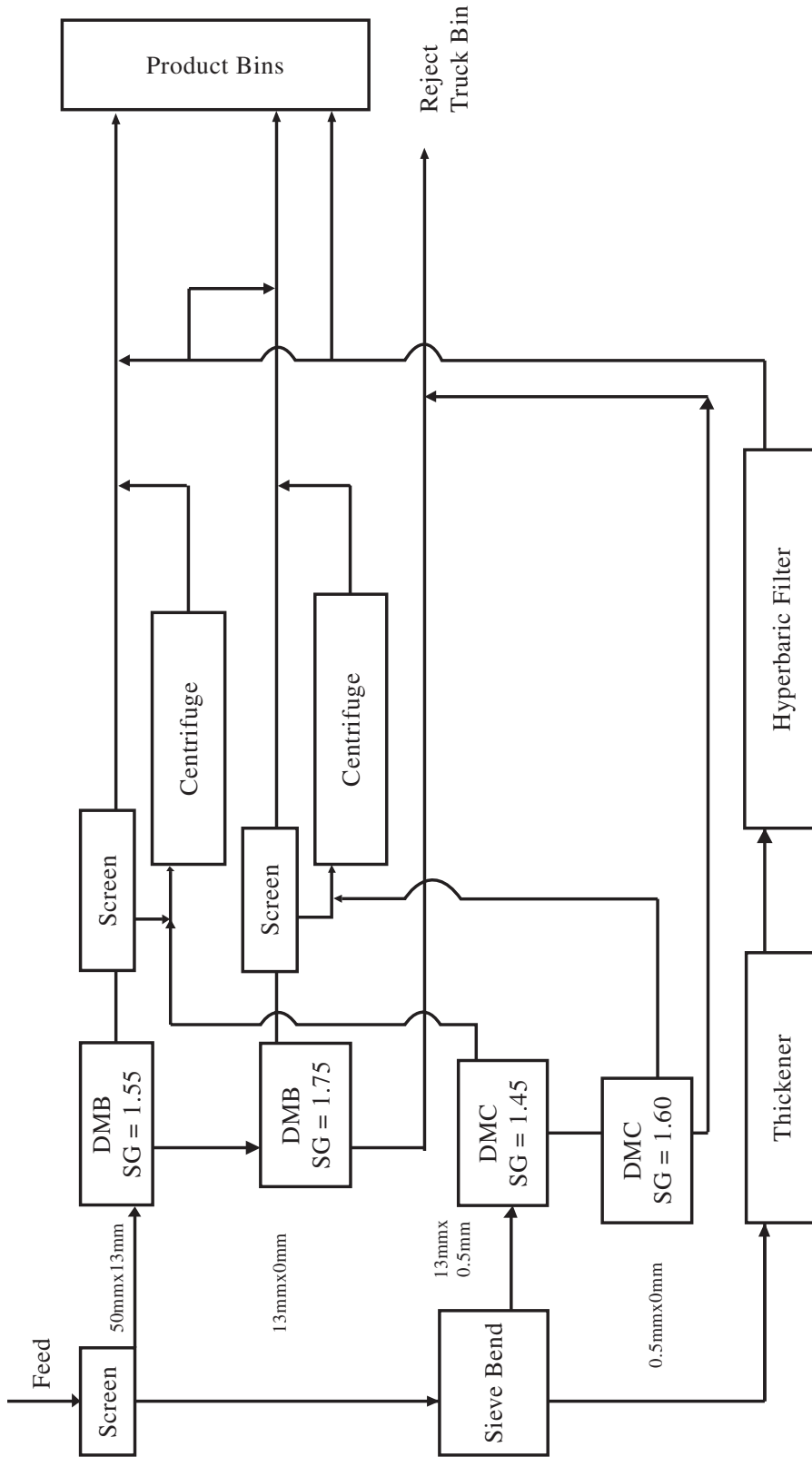


**Appendix 3 — Typical Coal Preparation Plant**

Typical Materials Handling - Pingshuo Plants



Typical Module Flowsheet - Pingshuo Plants



**Appendix 4 — Glossary of Terms**



**Glossary of Terms**

%	Percent
°	Degrees
°C	Degrees Celsius
3D	Three dimensional
AFC	Armoured Face Conveyor
ANFO	Ammonium Nitrate/Fuel Oil
AusIMM	Australasian Institute of Mining and Metallurgy
Bord and Pillar	Method of underground mine extraction characterised by coal removal around non-mined pillars. Also known as room and pillar
Bt	Billion tonnes
China Coal	China Coal Energy Company Limited
cm	Centimetre
Coal Reserve	A Coal Reserve is the economically mineable part of a Measured or Indicated coal resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of the modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Coal reserves are subdivided in order of increasing confidence into Probable coal reserves and Proved coal reserves
Coal Seam	Portion of the strata that contains solid fossil fuel
Competent Person	A geologist or engineer with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination thereof, has experience relevant to the subject matter of the mineral project and the technical report and is a member in good standing of a professional association.
Competent	Strata or rock structure combining sufficient firmness and flexibility to transmit pressure
CPP	Coal Preparation Plant — facility used to selectively remove an undesirable portion (waste) from the ROM/raw coal using chemical or mechanical methods. Also known as a Wash Plant
CSN	Crucible Swelling Number
CV	Calorific Value
Datun Coal	Shanghai Datun Energy Resources Co., Ltd.
Dip	Angle which strata makes with the horizontal

DMC	Dense Medium Cyclone, used to separate material of differing densities
E	East
Feasibility Study	A Feasibility Study assesses in detail the technical soundness and Economic Viability of an undeveloped mining project, and serves as the basis for the investment decision and as a bankable document for project financing. The study constitutes an audit of all geological, engineering, environmental, legal and economic information accumulated on the project. Generally, a separate environmental impact study is required
FELs	Front-End Loaders
Goaf or gob	Spoil material allowed to subside behind the advancement of a longwall
HKSE	Stock Exchange of Hong Kong Limited
Huajin Coal	Huajin Coking Coal Co., Ltd.
Indicated Coal Resource	An Indicated Coal Resource is that part of a coal resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
Inferred Coal Resource	An Inferred Coal Resource is that part of a coal resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes which may be limited or of uncertain quality and reliability
IPO	Initial Public Offering
ISO	International Standards Organisation
Jig	Gravity concentration process by the application of vertical pulses of water
JORC Code	Australian Code for Reporting of Mineral Resources and Ore Reserves
JORC	Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
kcal/kg	Kilocalories per kilogram, equivalent to 1,000 calories per kilogram

kg	Kilograms
km	Kilometres, equivalent to 1,000 metres
km <sup>2</sup>	Square kilometres
kV	Kilovolt, equivalent to 1,000 volts
kVA	Kilovolt-ampere, equivalent to 1,000 volt-ampere
kWh	Kilowatt-hour, equivalent to 1,000 watt-hour
Larcodem	Large coal dense medium separators similar to dense medium cyclones (DMC) but cylindrical in shape as opposed to cone shaped. Can be fed with larger lump sizes than DMC's and have a large capacity relative to their size. Utilised in China and South Africa
LW	Longwall — underground mining technique
m	Metre/s
M	Million
m <sup>2</sup>	Square metre (also sq. m)
m <sup>3</sup>	Cubic metres
m <sup>3</sup> /day	Cubic metres per day
m <sup>3</sup> /hr	Cubic metres per hour
m <sup>3</sup> /sec	Cubic metres per second
m <sup>3</sup> /tonne	Cubic metres per tonne
mg/m <sup>3</sup>	Milligrams per cubic metre
Marketable Reserves	Saleable coal from Recoverable Reserves after accounting for preparation plant yield where applicable
Measured Coal Resource	A Measured Coal Resource is that part of a coal resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
Methane	A colorless, odorless, explosive gas (CH <sub>4</sub> ) typically associated with coal seams
MI	Megalitres, equivalent to 1,000,000 litres
mm	Millimetre
MOLAR	Ministry of Land and Resources
Mt	Million tonnes
Mtpa	Million tonnes per annum
MVA	Megavolt-ampere, equivalent to 1,000,000 volt-ampere
MW	Megawatt, equivalent to 1,000,000 watt

N	North
Nanliang Coal	Shanxi Nanliang Coal Co., Ltd.
Normal Fault	A fault in which the hanging wall appears to have moved downward relative to the footwall
NQ	NQ-size (47.6 mm diameter) core
OP	Open Pit, a method of mining similar to open-cut, also known as surface mining
Overburden	Waste material overlying a coal seam
Panel	A block of coal designated for extraction utilizing longwall mining
Parting	Rock material within or between mineable coal seams, sometimes extracted with the coal
PCI	Pulverised Coal Injection
pH	A measure of the acidity or alkalinity of a solution, numerically equal to 7 for neutral solutions, increasing with increasing alkalinity and decreasing with increasing acidity. The pH scale commonly in use ranges from 0 to 14
Pillar	Column of coal left behind for support in a mine
PPE	Personal Protective Equipment
ppm	Parts per million
PQ	PQ-size (85 mm diameter) core
PRC	People's Republic of China
Probable Coal Reserve	A Probable Coal Reserve is the economically mineable part of an Indicated, and in some circumstances Measured, Coal Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified
Productivity	Measurements of workers'/equipment efficiency usually expressed in terms of tonnes per unit of time
Proved Coal Reserve	A Proved Coal Reserve is the economically mineable part of a Measured Coal Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified

Raw Coal	Coal on an as-mined basis. May be sold directly or cleaned if necessary
Recoverable Coal	The portion of a coal reserve available for mining exclusive of coal losses due to mining
Recoverable Reserves	Proved and probable reserves prior to adjustment for preparation plant yield
RMB	Renminbi, currency of China, also known as Yuan
ROM	Run-of-Mine — the as-mined material as it leaves the mine prior to any processing
S	South
SG	Specific Gravity
Shearer	Equipment utilized to extract coal from a face in a longwall mine
SRK	SRK Consulting China Limited
Strip ratio	Ratio of overburden to be moved for every corresponding quantity of ROM coal mined, usually expressed as m <sup>3</sup> /t
Syncline	A fold in which the core contains the stratigraphically younger rocks; it is generally concave upward
t	Metric ton equal to 1,000 kilogrammes
t/m <sup>3</sup>	Tonnes per cubic metre
TM	Total moisture
tpa	Tonnes per annum
tph	Tonnes per hour
UG	Underground
V	Volts
Valmin Code	Code for Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports
W	West
WWTP	Waste Water Treatment Plants
Yield	Saleable portion of coal cleaned in a preparation plant relative to the total tonnes cleaned