

AUSTRALIAN PACIFIC COAL

Company Announcement



20 December 2011

Australian Pacific Coal

Australian Pacific Coal ASX: AQC

Australian Pacific Coal (AQC) is an emerging ASX coal explorer focused on the Bowen Basin, Queensland.

Through a series of acquisitions, AQC has positioned itself with both metallurgical and thermal coal projects potentially suited for underground and open cut mining.

The focus of AQC's operations is to value add the coal projects through evaluation of resource potential of the projects followed up with drilling as required to prove up the resource. Early stage drilling has commenced on selected projects.

Following on from the value add process, AQC's exploitation opportunities for individual coal projects include development of the project in its own right, farm-in, joint venture exploration, joint venture development or outright sale.

AQC's long term strategic focus is based on seeking out and identifying potentially lucrative resource investment opportunities.

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Chief Executive Officer
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Update 2012 Drilling Program

To include additional Drilling EPC 1996 "Churchyard Creek"

- EPC 1996 "Churchyard Creek" located in the Blackwater region of Central Queensland.
- Proposed Quarter 2, 2012 drilling is to include coring of shallow coal seams of the Fairhill Formation. This will be in addition to prior proposed drilling of the deeper German Creek Formation.
- Up to 30m of coal seams have been identified in the shallow (less than 100m) interval of the Fort Cooper Coal Measures in the northernmost sub-blocks of EPC 1996 "Churchyard Creek". These include seams being actively investigated by other explorers in the area.
- Fort Cooper Coal Measure Seams are generally low yielding with the potential to produce a hard coking coal product.

AQC Drilling Schedule 2012	2012			
	Q1	Q2	Q3	Q4
First Pass Drilling EPC 1996				
Infill Drilling EPC 1827				
Infill Drilling EPC's 1859, 1894				

EPC1996 Church-yard Creek



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Proposed Work Program

- Two chip/core holes
- Primary Target (chip) - Coking coal
- Tieri Seam (~2m thick)
- 250m – 350m depth with potential for shallower upthrust fault blocks
- Secondary Target (core) - Low yielding Shallow Fairhill Formation (~30m thick)
- Lithology and structure logging
- Sampling / Analysis of coal
- Geophysical wireline logging

TARGET: German Creek Coal Measures
Fairhill Formation

STATUS: Modelled, Proposed drilling

