

SUMMARY OF AREAS WITH STATE INVESTMENT IN COAL
COAL DEPOSITS IN “SAN JORGE ALTO” (CÓRDOBA PROVINCE)

Extension: 28.733 Has y 6.404 m²

Base Price: 2.500 million of Colombian pesos.

Three sectors were selected which are promising: “San Jorge” (65 km²), “Northern San Pedro” (95 km²) and “Southern San Pedro” (100 km²); drilling, trenches, coal analyses and other work required to assess and characterize reserves were carried out. 107 coal seams and tapes in the three explored sectors, 16 of which are considered coal seams in evaluating mineral reserves, were identified.

Location, Access and Infrastructure.

The “Puerto Libertador” – “Montelíbano” – “La Apartada” road, approximate length 67 kilometres, communicates the mining area with the Main Western Road (Troncal de Occidente). The section “Puerto Libertador” – “Montelíbano” is in macadam of good specifications; the section “Montelíbano” – “La Apartada” is paved. Access to the “High San Jorge” area, may be by road in dry season and furthermore, there is the possibility of river transportation by the “San Jorge” and “Cauca” rivers.

Level of Geological Knowledge.

Formations which carry coal are “Formación Ciénaga de Oro” and “Formación Cerrito”. Studies indicate that there is coal in that section which vary in rank from high bituminous to Volatil C” up to subbituminous A, B and C, non binder and apt to thermal use, with calorific power between 4.835 and 5.156 cal/gr., with equilibrium humidity and residual between 17.57% and 14.49% from the pondered average value, with 9.24% of ashes and 1.31% of sulphur expressed also as pondered average.

Market Prospects.

Summary of Areas with State Investment for Coal.

Notwithstanding the quality of coals at “High San Jorge”, they are not as excellent as those of the “Cesar” or “La Guajira” sections, their location and excellent neighbouring infrastructure, allows that these coals have possibilities to satisfy the energetic demand of “Cerromatoso” and/or industries of the Caribbean Coast; in turn, a proportion of the production could be destined to mix with coal for export. Another possible source of consumption is the market for thermo-electrical power plants. They are adequate coals for using in dry bottom boilers.

Technical Data

37 pits, 27 trenches were carried out in the study. With 74 tricone drillings, 18,384 metres were reached, and with 13 core drillings, 2,334 metres. 57 geochemical analyses were carried out of the pits and trench samples; 235 of the first phase nucleus samples, and 107 of the second phase nucleus samples. Coals of the study zone were classified for the “Northern San Pedro” and “Southern San Pedro” Sectors, as bituminous type C, for the “High San Jorge” sector vary between Bituminous Type C coals with high contents of volatile matter and subbituminous Type A, as per the ASTM classification.

Summary of Areas with State Investment for Coal.

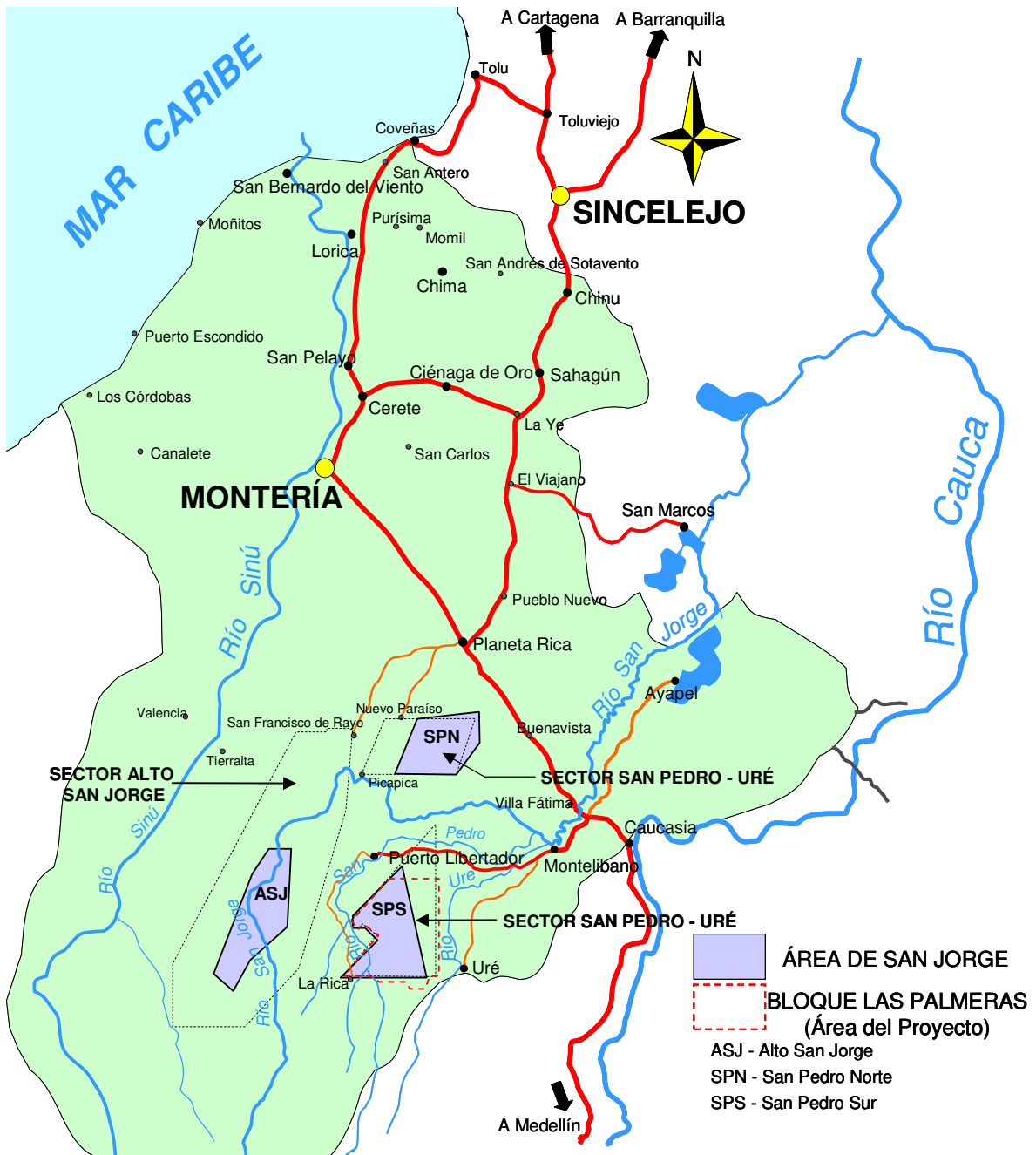


Figura 2. Área de San Jorge.