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NS: Xstrata

[Print](#) Apr 23, 2010

announces go-ahead for Donkin

mine

By **Erin Pottie, Transcontinental Media**
Source: The Cape Breton Post, Feb. 11, 2010

[DONKIN, NS] — Nearly a decade after the closure of Cape Breton's last underground mine, coal will once again be king.

Xstrata Coal Donkin Management announced it will move ahead with an underground mining operation in Donkin but on a smaller scale than what was expected.



Chief development officer of Xstrata Coal Jeff Gerard, right, fields questions from a large crowd.

— Erin Pottie, Cape Breton Post photo

contributed to the economy and show potential for further growth should be able to receive assistance in reaching their goals

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Hundreds of people attended a public meeting at the Donkin fire hall to hear Australia-based mining corporation Xstrata and Erdene Resource Development of Dartmouth, N.S., announce that the scope of the project has changed.

Instead of mining for thermal coal used to fire large generating plants, the Donkin coal project will focus on mining coking coal used in many industrial processes. The coking coal project includes the building a coal washing plant on the Donkin site and creating a barge where coal will be loaded onto large ships.

Xstrata Coal chief development officer Jeff Gerard said about 200 onsite jobs will be created for Cape Breton and another 1,000 spinoff jobs. Most of the onsite jobs would be underground.

Gerard said under a new proposal, Xstrata and Erdene expect to produce approximately 2.75 million tonnes of washed, export-grade coking coal per year. It will likely be sold to markets in Europe, South America, India and China.

“The resource size of this mine is capable of supporting that size of operation for well over 25 years,” he said. “So it’s a long-term proposition.”

Changes to project come after Nova Scotia Power announced in late 2009 that it would not purchase raw coal produced during the Donkin exploration phase. The private company has said unwashed Donkin coal contains too much mercury and sulphur to be usable under existing environmental regulations.

Project partners said they have been given environmental approval to begin the project. However, the project requires both provincial and federal approval for changes to infrastructure. They expect to begin mining Donkin next year.

“I think it’s a pretty good night,” said Cape Breton West MLA Alfie MacLeod, who was among the politicians on hand for the announcement. “There will be some hurdles that we have to meet but

we will meet them as a community.”

Though the history of coal in Cape Breton dates back 250 years, the Donkin mine will be the first underground mining operation in Cape Breton since the last shift at the Prince colliery in Point Aconi in November 2001.

Tags:[coal](#), [Donkin coal mine](#), [Erdene](#), [move ahead on mine](#), [smaller scale](#), [Xstrata](#), [Xstrata Coal Donkin Management](#)

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