

PRIVATE No. 122

27th September, 1945.

The Manager,
Australian Blue Asbestos Limited,
WITTENOOK GORGE.

Dear Sir,

MINING MATTERS. It has been decided to endeavour to engage from abroad a suitable man to take charge of our mining operations at Wittenook and to advise on our plans for the general development of the blue asbestos industry in N.S.W.

With this main object in view I am leaving here on Friday 1st October and will probably visit England, U.S.A. and Canada. As it appears most likely that a suitable man may be found in America or Canada, arrangements are being made for Mr. K.G. King to meet me in U.S.A. so that he will be available to discuss any technical questions that require a detailed knowledge of our problems at Wittenook.

It is also possible that arrangements may be made for Mr. King to visit the South African blue asbestos deposits and mills. In any case, Mr. King will endeavour to obtain overseas as much information on our mining and milling problems as is possible.

I anticipate I may be away about three months but this period depends of course on what success is achieved in locating suitable applicants.

With regard to the progress of A.B.A. Ltd. in the meantime, it is proposed to authorise additions to the mill to enable it to produce up to 2,500 tons fibre per annum and also to purchase mine equipment to enable such tonnage to be obtained. It is also the intention to order some additional equipment against the possible future expansion to 5,000 tons per annum output.

Full details of any equipment to be purchased under this programme will be submitted later. Briefly, the proposals are:

PLAINTIFF'S
EXHIBIT
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PLAINTIFF'S
EXHIBIT

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- 1) Press ahead with our diamond drilling programme in Colonial Gorge.
- 2) Press ahead with the items already authorized for the township.
- 3) Increase the capacity of the mill to 2,000 tons p.w. (3 shift operation) by intensive picking on the existing belt by completing the return conveyor from No. 2 screen to No. 1 rolls and by the following expenditure:

(a) Dust Collection	£8,000
(b) Installation of Vampire Rolls	700
(c) Installation No. 5 Screen	500
(d) Condensers to improve power position	500
	<u>£9,700.</u>

- 4) Order equipment to a value of £14,000 to increase capacity to 2,500 tons per annum and install this if it appears that necessary labour can be obtained to achieve this output. The equipment covered is:
 - (a) Secondary picking arrangement.
 - (b) Surge bin before grading line
 - (c) Battery locomotive
 - (d) Additional drifters and gear
 - (e) Installation of 600 cu.ft. electric driven compressor.
- 5) In preparation for expansion to 6,000 tons per annum, and in addition to items already ordered which total £48,574, order equipment to cost approximately \$44,000. The items covered are:-

Already ordered:

2 Diesel Compressors HSLB (C.E.F. 50)	£20,652
1 Diesel Alternator 400 KW (C.E.F. 50)	18,741
Transformer etc. (C.E.F. 52)	4,796
Excavation (C.E.F. 54)	700
Boston 340 H.P. engine & alternator (C.E.F. 55)	15
	<u>£44,894</u>

Manager,
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To be ordered now (Mostly Fixed Plant)

2 Battery locomotives	£14,000
1 600 H.P. Engine & alternator	14,000
1 1,000 cu.ft. Compressor	11,000
Steelwork & crans for power house	5,000
	£44,000

It is most important for our future plans that we obtain complete and accurate information from our diamond drilling and it is also very important that we endeavour to get to the 2,000 and 2,500 tons per annum rates mentioned above and prove the economics on these tonages. In order to keep a check on the progress made and to keep us fully informed regarding prospects it is the present intention that Mr. E.O. Myers should pay fairly frequent visits to Witbank.

Yours faithfully,

Managing Director.