

Xinjiang International Industry Company, Ltd.'s Visit to MM&A • May 16-18, 2007

By Hans E. Naumann, P.E. and Jinrong (Kevin) Ma, Ph.D.

Representatives of **Xinjiang International Industry Co, Ltd. (XIIC)**, based in Urumqi, Xinjiang Province, China, met with MM&A staff in Bluefield, Virginia, to discuss its coal mining, processing, and marketing issues.

The company reportedly controls up to 300 million tons of coal deposits and is currently operating 11 modestly-sized underground coal mining operations. XIIC plans to invest and develop two additional large coal mines using advanced mining equipment and a western longwall mine layout system.

XIIC's business interests are far reaching and include coking coal, real-estate, international trade, and ecological agriculture development. With respect to international trade, its activities are directed to a variety of products of which coking coal, coke, crude oil, oil industry equipment, petroleum-chemistry products, steel, fertilizer, cotton, cloth, paper, plastic, agriculture products, and construction materials comprise the bulk of its transactions.

XIIC was established in March 1999, with the investment from **Xinjiang Foreign Trade Group Co., Ltd. (XFTGC)**. Five minor stock holding companies/individuals and public investors make up the balance of the ownership profile of this company.

XIIC's expressed interest in MM&A's experience in China; particularly with respect to MM&A's expertise in the assembly of studies and mine plans that have been used to finance and develop world-class coal mining operations. To that end, Mr. Ding Zhiping CEO of XIIC and Mr. Zhang Jiefu President of XFTGC traveled to Bluefield, Virginia, for a scoping session meeting. A third guest, Mr. Zhao Mingzhi, XIIC's agent in the USA, accompanied the China delegation as a guide and an interpreter.



The XIIC coal mining prospects lay along the southern flanks of one of two deep bowl-like depressions in Xinjiang Province. Multiple coal beds, dipping steeply to the south, add technical complexity to the coal mining process.



Chinese executives Zhao, Zhang and Ding (left-to-right) take in a discussion from Dr. Ma and Gerry Enigk of a world class North American longwall coal mining operation.



East meets West ... a now frequent occurrence at the Bluefield, VA., office of MM&A. Chinese executives pose for a post-briefing photograph with MM&A CEO and founder, Marshall Miller, along with some of his managerial staff.

Jinrong Ma, Joe Overbay, Gerry Enigk, Hans Naumann, John Feddock, and Marshall

Miller, met with the XIIC representatives during a day-long orientation session on May 17th. On May 18th, Hans Naumann and Jinrong Ma accompanied the group to a visit of the Buchanan longwall mine, near Keene Mountain, Virginia. **CONSOL Energy, Inc. (Consol)**, graciously welcomed the group and conducted a personalized tour of the longwall and development faces of the mine.

MM&A is currently engaged in the process of the assembly of a proposal describing the work that can be expected to support XIIC's coal mine expansion objectives.

About the Authors:

Dr. Ma, known as “Kevin” to his North American friends is a native of Ningxia Province, China. Kevin was awarded a BS degree in Mining Engineering, from the LiaoNing Technical University, China, on July 1996. He completed his doctorate requirements in Mining Engineering from Southern Illinois University Carbondale, Illinois, USA. Kevin has added a significant international dimension to MM&A and facilitates Chinese assignments.

Hans Naumann, is a mining engineer, with Bachelors and Masters degrees in that field from Virginia Tech, Blacksburg, Virginia. Hans is a German immigrant and naturalized citizen of the United States of America. He enjoys the international opportunities offered by MM&A. He rarely misses a chance to write about them.