



**DRUMMOND
COMPANY, INC.**

June 27, 2007

Drummond Co., Inc.
Shoal Creek Mine

This afternoon we had an occurrence at our Shoal Creek Mine. Apparently lightning struck the surface drilling equipment which was in the process of boring an intake air shaft. The lightning ran down the drill steel and ignited methane around the vertical drill hole.

Five men were burned in this incident. One of these men was evacuated from the mine area via helicopter and the other four were transported by ambulance to area hospitals for treatment.

The Mine has been evacuated, all personnel are accounted for and there were no fatalities.

As more information becomes available we will keep you informed.

Mike Tracy
President—Mining