

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Gloucester Coal Ltd

ABN

66 008 881 712

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |                                       |
|---|---|---------------------------------------|
| 1 | +Class of +securities issued or to be issued  | Unlisted options over ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,000,000                             |

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+ See chapter 19 for defined terms.

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- 3 Principal terms of the <sup>+</sup>securities (eg, if options, exercise price and expiry date; if partly paid <sup>+</sup>securities, the amount outstanding and due dates for payment; if <sup>+</sup>convertible securities, the conversion price and dates for conversion)
- 1,000,000 options vesting on 23 February 2014 and expiring on 23 February 2018
- 1,000,000 options vesting on 23 February 2016 and expiring on 23 February 2018
- The exercise price of each of the options is \$12.03.
- The options shall be issued under and in accordance with the Company's long term incentive plan which was approved by Shareholders at the Company's 2009 AGM. In accordance with the terms of the long term incentive plan, the Board has resolved to apply an additional condition to the grant of these options to provide for accelerated vesting on the occurrence of a change of control (defined in the terms of issue). In summary, upon the occurrence of a change of control, the following shall apply to the options held by participants to which this condition applies:
- (a) so many of the options held by that participant that would vest on or before the immediately following Vesting Date were all performance conditions applicable to those Options satisfied as at that vesting date, immediately vest; and
  - (b) all options held by that participant, other than those covered by paragraph (a) immediately lapse.

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<sup>+</sup> See chapter 19 for defined terms.

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No</p> <p>The ordinary shares issued on exercise of the options will rank equally in all respects with ordinary fully paid shares on issue.</p>				
<p>5 Issue price or consideration</p>	<p>The options have been issued under the Company's long term incentive plan without charge.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issue of Options as part of the Company's long term incentive plan.</p>				
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>13 April 2011</p>				
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">140,447,062</td> <td style="padding: 2px;">Ordinary, fully paid shares</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	140,447,062	Ordinary, fully paid shares
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140,447,062	Ordinary, fully paid shares				

<sup>+</sup> See chapter 19 for defined terms.

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9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="651 250 858 304">Number</th> <th data-bbox="858 250 1283 304"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="651 304 858 358">Unlisted options over</td> <td data-bbox="858 304 1283 358">365,233 vest 1 September 2013</td> </tr> <tr> <td data-bbox="651 358 858 412">Ordinary Shares</td> <td data-bbox="858 358 1283 412">182,617 vest 1 September 2014</td> </tr> <tr> <td data-bbox="651 412 858 465"></td> <td data-bbox="858 412 1283 465">182,617 vest 1 September 2015</td> </tr> <tr> <td data-bbox="651 465 858 519"></td> <td data-bbox="858 465 1283 519">Exercise price \$11.09 per option</td> </tr> <tr> <td data-bbox="651 519 858 573"></td> <td data-bbox="858 519 1283 573">1,000,000 vest 23 February 2014</td> </tr> <tr> <td data-bbox="651 573 858 627"></td> <td data-bbox="858 573 1283 627">1,000,000 vest 23 February 2016</td> </tr> <tr> <td data-bbox="651 627 858 680"></td> <td data-bbox="858 627 1283 680">Exercise price \$12.03</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	Unlisted options over	365,233 vest 1 September 2013	Ordinary Shares	182,617 vest 1 September 2014		182,617 vest 1 September 2015		Exercise price \$11.09 per option		1,000,000 vest 23 February 2014		1,000,000 vest 23 February 2016		Exercise price \$12.03
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The ordinary shares issued on exercise of the options will rank equally with existing fully paid Ordinary Shares in regards to future dividends.																

**Part 2 - Bonus issue or pro rata issue**

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the <sup>+</sup> securities will be offered	Not applicable.
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Not applicable.
15	<sup>+</sup> Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	Not applicable.

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+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.

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- 31 How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which  
+quotation is sought

39 Class of +securities for which  
quotation is sought

40 Do the +securities rank equally in  
all respects from the date of  
allotment with an existing +class  
of quoted +securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next  
dividend, (in the case of a  
trust, distribution) or interest  
payment
- the extent to which they do  
not rank equally, other than in  
relation to the next dividend,  
distribution or interest  
payment

41 Reason for request for quotation  
now

Example: In the case of restricted securities, end  
of restriction period

(if issued upon conversion of  
another security, clearly identify  
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .....Date: .....  
(Director/Company secretary)

Print name: .....

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+ See chapter 19 for defined terms.