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**GLOUCESTER
COAL**

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Gloucester to acquire Donaldson Coal and Monash Group and announces an underwritten equity raising of A\$230 million

- Proposed acquisition of 100% interest in Donaldson Coal, subject to shareholder approval (“**Donaldson Acquisition**”)
- Proposed interconditional acquisition of 100% of Monash Group, subject to shareholder approval (“**Monash Acquisition**”)
- Donaldson Acquisition and Monash Acquisition (“**Transaction**”) expected to create a leading Australian coal company with an estimated market capitalisation of approximately A\$2.0 billion
- New export coal marketing arrangements with Noble
- Agreements reached after due diligence and negotiation period led by Gloucester Independent Board Committee
- The Independent Directors of Gloucester unanimously recommend the Transaction
- The Independent Expert has concluded that the Transaction, including the new marketing arrangements, is fair and reasonable to non-Noble Group Limited (“**Noble**”) shareholders
- Gloucester shareholders to vote on the Transaction at a General Meeting (“**GM**”) to be held on or about 8 July 2011
- Gloucester to undertake an equity raising of approximately A\$230 million at \$9.00 per share (“**Offer Price**”) through a fully underwritten non-renounceable accelerated pro-rata entitlement offer (“**Entitlement Offer**”)
- The Entitlement Offer is not conditional on Gloucester shareholders approving the Transaction

Gloucester Coal Ltd (ASX:GCL) (“**Gloucester**”) today announced that it has entered into an agreement with Noble, Gloucester’s largest shareholder, to acquire, subject to shareholder approval, Noble’s 100% interest in Donaldson Coal Holdings Limited (“**Donaldson**”). Donaldson owns (through interposed entities) one open cut and two underground mines producing thermal coal and semi-soft coking coal

products, located approximately 25 kilometres west of Newcastle, New South Wales. It also has an 11.6% founding shareholding in NCIG Holdings Pty Limited, a new coal export terminal at the Port of Newcastle giving it access to critical port capacity to facilitate growth.

Gloucester has also entered into an agreement with the shareholders of Ellembly Holdings Pty Limited ("**Ellembly**") to acquire Ellembly and its controlled entities ("**Monash**"). Monash is a prospective large semi-soft coking and thermal coal development opportunity located near existing infrastructure in the Hunter Valley. Monash owns two exploration licences, EL 6123 and EL 7579, covering 22.19 square kilometres in the Hunter Valley, New South Wales. The exploration licences contain approximately 287 Mt of export grade coking and thermal coal (JORC compliant resource). Subject to exploration success and receipt of approvals, project commissioning and first coal production is targeted for FY2017, ramping up to full production of up to 9 Mtpa ROM coal in FY2022. The resource has potential to support a mine life of 20+ years of majority coking coal production.

Under the agreement with Noble, Gloucester has agreed to acquire Donaldson from Noble for an enterprise value of A\$585 million¹, estimated to comprise:

- \$360 million in new Gloucester shares issued to Noble at A\$9.75 per share, subject to a 12 month escrow period (sale restriction) on all shares issued; and
- \$225 million in debt comprised of: \$186 million of Noble debt (agreed to be repaid) and \$39 million² of debt from a third party lender assumed (expected to be refinanced at completion)

Donaldson will have a number of fixed and floating price contracts in place following completion of the transaction. These include a floating price (linked to market price) contract of 2.5Mt +/- 20% of thermal coal over five years and fixed price contracts with Noble for a total of c.6.8Mt over up to 8 years.

Separately, Gloucester has entered into new marketing arrangements with Noble, which will take effect if the proposed Donaldson Acquisition completes. These arrangements will also be subject to shareholder approval. A summary of the key terms of the arrangements is provided in an Appendix to the accompanying Investor Presentation.

The proposed Donaldson Acquisition is interconditional with the proposed Monash Acquisition and is subject to various conditions, including Gloucester shareholder approval (Noble and its associates will be ineligible to vote on the Donaldson Acquisition), Gloucester sourcing new debt facilities on acceptable terms to Gloucester of an amount determined by Gloucester not exceeding \$500 million and Foreign Investment Review Board approval.

Under the agreement with the shareholders of Ellembly ("**Ellembly Shareholders**"), Gloucester has agreed to acquire 100% of Monash for a Base Purchase Price of A\$30 million, comprising:

- A\$30 million in cash consideration payable to the Ellembly shareholders; and
- Nominal number of new Converting Shares for the provision of additional shares to the Ellembly shareholders, subject to achievement of key milestones.

¹ Subject to completion adjustments

² Based on forecast debt balance upon completion



Additional Gloucester shares to be provided in stages, subject to a 12 month escrow period (sale restriction) on 50% of the shares provided, as follows:

- Stage 1: A\$1.16 per Proven or Probable Reserves tonne capped at A\$70 million (indexed to CPI) satisfied by provision of additional Gloucester shares³ on completion of approved drilling program if the holders of Converting Shares provide Gloucester with a JORC compliant report in relation to ore reserves prior to completion of the drilling program; and
- Stage 2: A\$ 0.70 per Proven or Probable Reserves tonne capped at A\$50 million (indexed to CPI) satisfied by provision of additional Gloucester shares³ upon receipt of mining lease and planning approval.

Gloucester will spend up to \$20 million over three years on an agreed drilling program to prove reserves and up to \$15 million on a program to be agreed to secure a mining lease and related authorisations in accordance with the Works Agreement.

Additional shares equal in value to 2.5% of the total indexed to CPI Stage 2 Payment are to be provided for each complete calendar quarter between finalisation of the Stage 2 JORC report (following grant of the mining lease and planning approval) and 31 December 2016. The provision⁴ of additional Gloucester Shares under the terms of the Converting Shares will be at the prevailing 20 business day VWAP of Gloucester shares prior to the time the additional Gloucester shares are provided.

The proposed Monash Acquisition is interconditional with the proposed Donaldson Acquisition and is subject to various conditions, including Gloucester shareholder approval.

If the Transaction proceeds and after the provision of the additional Gloucester shares to Noble, Noble's shareholding in Gloucester will reduce from 65.3% to approximately 63.4%⁵. Also in this case, Gloucester's free float will increase from approximately \$482 million⁶ to approximately \$724 million.

Independent Directors' Recommendation

The consideration and negotiation of the Transaction has been under the supervision and control of a committee of Gloucester's Independent Directors, Mr James MacKenzie, Mr Greg Fletcher and Mr Denis Gately (the "**Independent Board Committee**"). The Directors of Gloucester who are officers of Noble, Mr Ricardo Leiman and Mr William Randall, have stood aside from all considerations and decisions concerning the Transaction. A company owned and controlled by Gloucester's CEO, Brendan McPherson, and his spouse is currently a minority shareholder of Monash.

On behalf of the Independent Board Committee, Independent Non-Executive Chairman, Mr James MacKenzie, said "the proposed acquisition of Donaldson and Monash presents an opportunity to comprehensively transform Gloucester into a leading Australian coal producer. The transaction gives

³ At then 20 business day VWAP.

⁴ Gloucester reserves the right to procure the transfer of additional existing shares already on issue as an alternative to issuing the additional shares.

⁵ Before provision of new Gloucester shares under the terms of unlisted Converting Shares for Monash deferred consideration

⁶ Based on Noble holding post capital raising of 63.4% and pro forma market capitalisation of \$2.0 billion based on implied Gloucester market capitalisation using the theoretical Gloucester share price, after adjusting for the impact of the pro rata Entitlement Offer and the Transaction.



Gloucester the opportunity to significantly enhance its resource and existing production base and provide opportunities to improve its product offering through blending opportunities, further diversifying Gloucester's production and exploration risks as well as adding significant tonnage growth to its production profile over the medium term."

"The enlarged Gloucester, particularly through Donaldson's shareholding in NCIG, should also have a significantly enhanced platform for growth with port capacity to deliver its stated growth plans and ability to develop other early stage projects such as Monash with this port capacity. The corresponding equity raising announced today also provides increased free float and liquidity for Gloucester's shareholders."

"The Independent Directors of Gloucester unanimously recommend the Transaction to Gloucester shareholders", Mr MacKenzie said.

Shareholders in Gloucester will be asked to vote on the Transaction at the Company's GM which is expected to be held on or about 8 July 2011. Noble and its associates will be ineligible to vote on the resolutions in connection with the Donaldson Acquisition or the proposed new marketing arrangements.

Expected Benefits of the Transaction

The Independent Board Committee considers that the Transaction will deliver significant benefits for Gloucester shareholders, including:

- The Transaction positions Gloucester for further NSW growth:
 - Expansion of existing production base and significant increase in resource base from 340Mt to 1,512Mt;
 - Significant expansion in port capacity through 11.6% shareholding in NCIG; and
 - Major new Hunter Valley coking and thermal coal development opportunity in Monash
- Significantly enhances Gloucester's production profile in both near and medium term:
 - Gloucester will be a multi-mine operator with operations across all stages of the development curve;
 - Expected increase in medium term annual production from 5.5Mtpa to c.10Mtpa
 - Capability to produce 40 – 50% metallurgical coal post ramp up of Middlemount, including up to 1Mtpa of semi-soft coking coal from the Donaldson Abel mine; and
 - Creates opportunities to blend existing Gloucester product with Donaldson product
- Infrastructure holdings to deliver growth:
 - Donaldson delivers Newcastle port capacity to facilitate growth of the enlarged Gloucester group
- Centralised new export coal marketing arrangements with Noble with capacity to develop alternative in house capability



- Monash provides potential large scale development opportunity
 - Potential large semi-soft and thermal coal resource, located in area where coal seams are well understood;
 - Potential for large scale underground operation (up to 7Mtpa), with majority of product expected to be semi-soft coking coal; and
 - Located close to rail and port infrastructure relative to development opportunities which are located in the Gunnedah and Mudgee Basins
- Increased market capitalisation and free float, which is expected to improve index weighting, liquidity and investor interest:
 - Noble shareholding diluted to approximately c.63.4%

Independent Expert's Report

The Independent Directors appointed Deloitte Corporate Finance Pty Limited ("**Independent Expert**") to prepare an Independent Expert's Report ("**IER**") on the Transaction. The Independent Expert has concluded that the Donaldson and Monash Acquisitions including the new marketing arrangements are fair and reasonable to Gloucester shareholders that are not associated with Noble. The IER will accompany the Notice of Meeting and Explanatory Memorandum ("**Notice of Meeting**") which are expected to be dispatched to Shareholders following ASIC review of those documents, which is expected to be completed on or around 3 June 2011. The IER may need to be updated to reflect any material changes in market conditions and circumstances and the outcome of ASIC's review prior to the date of issue of the Notice of Meeting.

The IER has been prepared for the sole use by Gloucester shareholders with respect to their decision whether or not to approve the resolutions required by ASX Listing Rule 10.1 and sections 217-227 of the Corporations Act (essentially shareholder approval of related party transactions). A copy of the IER has been provided by Gloucester to ASX with this announcement. A draft of the Notice of Meeting (including the IER) is expected to be lodged today with ASIC, for its review.

Gloucester Shareholder Meeting

The Transaction will be conditional on, among other things, Gloucester shareholders passing certain resolutions at Gloucester's GM which is expected to be held on or around 8 July 2011. Noble and its associates will be excluded from voting on the resolutions to approve the Donaldson Acquisition including the proposed new marketing arrangements with Noble.

Detailed information concerning the Transaction, including its advantages, risks and disadvantages and the IER, will accompany the Notice of Meeting which is expected to be dispatched to Gloucester shareholders on or around 7 June 2011.

The Independent Directors of Gloucester encourage Gloucester shareholders to read the IER, Notice of Meeting and Explanatory Memorandum in their entirety when they are released. Gloucester shareholders should consult their accountant, tax adviser and/or financial adviser if they are uncertain about the impact of the Transaction on their particular investment objectives.



Equity Raising

To fund the cash consideration for the Transaction (if it proceeds), partly fund repayment of existing Noble debt owed by Donaldson and payment of associated transaction costs, Gloucester has today announced an equity raising of approximately A\$230 million through a fully underwritten 2 for 11 non-renounceable accelerated pro-rata Entitlement Offer. The Entitlement Offer comprises:

- approximately A\$210 million underwritten institutional component (“**Institutional Entitlements Offer**”); and
- approximately A\$20 million, underwritten retail component (“**Retail Entitlements Offer**”).

The Offer Price for the equity raising is A\$9.00 per new share which is a 9.1% discount to last close and 7.8% discount to TERP⁷.

Noble, which currently holds 65.3% of Gloucester, has announced that it will not accept its entitlement under the Entitlement Offer. As a result, Noble's shareholding in Gloucester will reduce to 63.4% following completion of the equity raising and the Acquisitions.

Eligible Retail Shareholders who accept their Entitlement in full will have the opportunity to apply for additional shares in excess of their Entitlement up to a maximum number equal to twice their Entitlement (subject to any scaleback rule to be set out in the retail offer booklet).

The unaccepted Noble Entitlement will be offered to eligible institutional shareholders and other institutional investors.

The equity raising is not conditional on Gloucester shareholders approving the Transactions. If the equity raising is successfully completed, but the Transaction does not proceed (due to failure to receive shareholder approval or for any other reason), then Gloucester will use the monies raised under the equity raising to fund new opportunities and strategic initiatives in line with its strategy to create a leading Australian coal company and fund its capital expenditure and working capital. In this instance, the 36.9 million shares at an issue price of A\$9.75 of new Gloucester shares as part of the consideration payable to Noble Shareholders under the Transaction will not be issued.

The Institutional Entitlements Offer and the Retail Entitlements Offer are fully underwritten by UBS AG (Australia Branch) and Citigroup Global Markets Australia Pty Limited

Further details of the equity raising are provided in the Appendices.

The Transaction, the equity raising and other information described in this announcement is also set out in an investor presentation which Gloucester has provided to ASX today (“**Investor Presentation**”). The Investor Presentation contains important information including risk factors and foreign selling restrictions with respect to the equity raising.

⁷ The theoretical ex-rights price is the theoretical price at which Gloucester shares should trade immediately after the ex-date for the entitlement offer. The theoretical ex-rights price is a theoretical calculation only and the actual price at which Gloucester shares trade immediately at the ex-date for the entitlement offer will depend on many factors and may not be equal to the theoretical ex-rights price.



Lazard is acting as financial advisor and Minter Ellison as legal advisor to Gloucester on the Transaction and equity raising.

For Further Information

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Appendices

About Donaldson

Donaldson owns one open cut (Donaldson) and two underground operating mines (Abel and Tasman) located approximately 25 kilometres west of Newcastle, New South Wales.

- JORC compliant reserves of 152Mt and resources of 885Mt
- Abel and Tasman mine life expected to be in excess of 20 years based on current JORC reserves and resources
- Saleable production from all mines of 2.0Mt in CY10 (actual), with plans to increase to 4.5–5.0Mt in CY16 (target)
- Production of high quality thermal coal consistent with Newcastle benchmark specifications, a higher ash thermal coal and a semi-soft coking product
- Expansion of the Abel and Tasman underground mines, including the introduction of two longwall units at Abel, is expected to enhance production and reduce operating costs
- Forecast capital expenditure program at Donaldson of: Abel underground extension, including longwall installation, of c.\$192m over five years, Tasman underground development of c.\$128m over the next 8 years and c.\$81m expansion of Bloomfield CHPP to add an additional 4Mtpa of washing capacity to meet forecast production growth
- Long term service contract with a third party for the provision of coal preparation and handling for up to 3.95Mtpa of ROM production
- 11.6% founding shareholding in NCIG Holdings Pty Limited. Allocation port capacity from the new NCIG export terminal at the Port of Newcastle is expected to be c.6.3Mtpa in FY2015 from planned capacity expansions
- Rolling ten year port allocation at Port Waratah Coal Services terminals at Port of Newcastle

About Monash

Monash owns 100% of two exploration licences, EL 6123 and EL 7579, covering approximately 22.19 square kilometres in the Hunter Valley, New South Wales.

- Site located 95 kilometres from the Port of Newcastle, 12 kilometres from existing rail lines and 12 km from Xstrata's Bulga mine
- Potential large scale underground operation (up to 7Mtpa)
- JORC indicated and inferred resources of 287 Mt
- Expected majority semi-soft coking coal
- Resource has potential to support mine life of 20+ years
- Subject to exploration success and approvals targeting project commissioning and first coal production in FY2017 ramping up to full production of up to 9 Mtpa ROM in FY2022



About Noble

Noble is a market leader in managing the global supply chain of agricultural, industrial and energy products. The company is incorporated in Bermuda and listed on the SGX (SGX code: N21), with its head office in Hong Kong. The company has grown to become one of the world leaders in supply chain management over the past 20 years.

The Noble global network encompasses more than 150 offices and plant locations in 38 countries employing approximately 70 nationalities.

Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation.

Noble's 2010 annual revenues exceeded US\$56 billion and Noble owns and manages an array of strategic assets, sourcing to high growth demand markets including China, India and the Middle East. Noble has interests in grain crushing facilities, coal and iron ore mines, fuel terminal and storage facilities, sugar and ethanol plants, vessels, ports and other infrastructure to ensure high quality products are delivered in the most efficient and timely manner to its customers.

Sources and Uses of Funds⁸

The various sources and uses of funds in relation to the proposed Transaction can be summarised as follows:

Sources (A\$m)		Uses (A\$m)	
Gloucester Equity Raising	\$230m	Cash Consideration for Monash	\$30m
Debt Facility ⁹	\$35m	Stamp Duty, Taxes and Transaction costs	\$49m
		Repayment of Donaldson Debt	\$186m
Total sources of funds	\$265m	Total uses of funds	\$265m

Under the Entitlement Offer, eligible shareholders may apply for 2 new Gloucester shares ("New Shares") for every 11 existing Gloucester shares held at 7.00pm (Sydney Time) on 12 May 2011 ("Record Date"). Fractional entitlements will be disregarded.

The Entitlements will not be tradeable on ASX or otherwise transferable. Shareholders who are not eligible to receive entitlements will not receive any value in respect of entitlements they would have received had they been eligible.

⁸ Indicative only. Totals may not add up due to rounding. Assumes that the Donaldson Acquisition and the Monash Acquisition both complete. It excludes the impact of cash flows within the existing Gloucester business.

⁹ Net of debt raising costs. Represents debt required to be drawn down at completion from the new facility to be put in place prior to transaction completion. In addition \$39.3m of third party debt in Donaldson is expected to be refinanced at completion. Donaldson transaction is conditional on Gloucester securing debt financing on terms acceptable to Gloucester.



New shares equal in number to those not taken up by Gloucester's eligible institutional shareholders (including Noble) will be offered for subscription to eligible institutional shareholders and selected institutional investors through a volume bookbuild process at the Offer Price.

Eligible Retail Shareholders will receive a retail offer booklet including a personalised entitlement and acceptance form in relation to the Retail Entitlement Offer which will provide further details of how to participate. Eligible Retail Shareholders who accept their Entitlement in full will have the opportunity to apply for additional shares in excess of their Entitlement up to a maximum number equal to twice their Entitlement (subject to any scaleback rule to be set out in the retail offer booklet).

Stock Lending and Other Transactions

Pursuant to a waiver from ASX and for the purposes of determining shareholder entitlements under the Entitlements Offer, Gloucester will disregard transactions in the shares occurring on or after 9 May 2011, during a period of trading halt and voluntary suspension that commenced on 9 May 2011, except for settlement of Integrated Trading System (ITS) on-market transactions that occurred prior to that date.

Accordingly, a person who is a registered Gloucester shareholder at the Record Date as a result of a dealing on or after 9 May 2011 (other than registrations of transactions that were effected through ITS before that halt) may not be entitled to receive an entitlement under the Entitlement Offer.

If a shareholder has existing Gloucester shares out on loan at the Record Date, the borrower will be regarded as the shareholder for the purposes of determining the Entitlement (provided that those borrowed shares have not been on-sold or used to cover a short sale).

Shareholder Enquires

Retail shareholders who have further questions regarding the Retail Entitlement Offer please call the Gloucester Entitlement Offer Information Line on 1300 579 638 (within Australia) or +61 3 9415 4336 (from outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer. For other questions, you should consult your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.



Equity Raising Timetable

The following outlines an indicative timetable for the equity raising:

Event	Date
Record Date – Retail Entitlement Offer	12 May 2011
Announcement date – Entitlement Offer	16 May 2011
Institutional Entitlement Offer materials released to ASX, including Offer Price	16 May 2011
Institutional Entitlement Offer – open date	16 May 2011
Institutional Entitlement Offer – close date	16 May 2011
Trading recommences	17 May 2011
Retail Entitlement Offer – open date	20 May 2011
Dispatch of Retail Entitlement Offer materials to eligible retail investors	20 May 2011
Lodgement of Retail Entitlement Offer materials with ASX	20 May 2011
Institutional Entitlement Offer settlement date	23 May 2011
Institutional Entitlement Offer allotment date	24 May 2011
Normal trading – Institutional Entitlement	24 May 2011
Retail Entitlement Offer – close date	6 June 2011
Dispatch of Notice of General Meeting and Explanatory Memorandum including the Independent Expert's Report	On or around 7 June 2011
Retail Entitlement Offer – settlement date	15 June 2011
Retail Entitlement Offer – allotment date	16 June 2011
Normal trading commences	17 June 2011
Register date for the General Meeting	7pm (Sydney time) on 6 July 2011
General Meeting Date	8 July 2011



Annex A
Competent Person Statement for Gloucester Coal

Resources statement as at 30 June 2010					
Region	Area	Measured	Indicated	Measured & Indicated	Inferred
Stratford	Bowens Road North (A)	2.7	0.6	3.3	-
	Avon North (A)	-	3.0	3.0	-
	Roseville West (A)	-	35.5	35.5	5
	Co-disposal Area	-	2.3	2.3	-
	Stratford East (B)	-	5.8	5.8	4
Grant & Chainey (B)	Grant & Chainey	-	56.8	56.8	25
Duralie (A)	Duralie Main Pit	0.7	8.3	9.0	-
	Duralie North West	9.9	4.5	14.4	1
	Duralie East	-	9.2	9.2	3
	Railway Pit	1.2	0.5	1.7	-
Total	Open Cut	14.5	126.5	141.0	38
Duralie (A)	Duralie Underground	0.9	39.9	40.8	59
Total	Open Cut & Underground	15.4	166.4	181.8	97

Reserves statement as at 30 June 2010				
Region	Area	Proven	Probable	Proven & Probable
Duralie	Main Pit (B)	-	6.2	6.2
	Clareval West (B)	10.6	0.6	11.2
	Railway Pit (A)	0.9	-	0.9
	North East (A)	-	6.5	6.5
Stratford (B)	Avon North	-	3.1	3.1
	Bowens Road North	1.8	0.4	2.2
	Co-disposal area	-	2.2	2.2
	Grant & Chainey	-	15.0	15.0
	Stratford East	-	2.9	2.9
	Stratford South	-	6.5	6.5
	Roseville West (& South)	-	18.1	18.1
Total	Open Cut Reserves	13.3	61.5	74.8

This Competent Persons Statement is in relation to Gloucester's reserves and resources only, and does not cover reserves and resources reported for Middlemount.



Notes on JORC resources

The estimates of coal resources have been carried out in accordance with the “2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)” prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources).

Coal resources have been updated by subtraction of mined tonnes for Duralie Main Pit, Roseville West and Co-disposal area.

The information that relates to Gloucester’s coal resources in this ASX Announcement is based on information compiled by:

- (A) Ms Janet Bartolo, a full-time employee of McElroy Bryan Geological Services Pty Ltd; and
- (B) Mr Shaun Tamplin, a full time employee of Tamplin Resources Pty Ltd.

Ms Janet Bartolo and Mr Shaun Tamplin are members of the Australasian Institute of Mining and Metallurgy and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the JORC Code. Ms Janet Bartolo and Mr Shaun Tamplin consent to the inclusion in this ASX Announcement of the matters based on their information in the form and context in which it appears.

Notes on JORC reserves

The estimates of coal reserves have been carried out in accordance with the “2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)” prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources).

The information that relates to Gloucester’s coal reserves in this ASX Announcement is based on information compiled by:

- (A) Mr Robert MacKenzie, a full-time employee of Runge Ltd trading as Minarco-MineConsult; and
- (B) Mr Shaun Tamplin, a full-time employee of Tamplin Resources Pty Ltd.

Mr Robert MacKenzie and Mr Shaun Tamplin are members of the Australasian Institute of Mining and Metallurgy. Mr Robert MacKenzie and Mr Shaun Tamplin have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the JORC Code.

Mr Robert MacKenzie and Mr Shaun Tamplin consent to the inclusion in this ASX Announcement of the matters based on their information in the form and context in which it appears.



**Annex B
Competent Person Statement for Middlemount**

Resources and Reserves statement as at 30 June 2010 (100% basis)							
	Resources (Mt)				Reserves (Mt)		
	Measured	Indicated	Measured & Indicated	Inferred	Proved	Probable	Total
Middlemount	89.3	31.5	120.8	1.8	69	27	96

This Competent Persons Statement is in relation to Middlemount’s reserves and resources only.

Notes on JORC resources

The estimates of coal resources have been carried out in accordance with the “2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)” prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources).

The information that relates to Middlemount’s coal resources in this ASX Announcement is based on information compiled by:

(A) Mr Greg Jones, a full-time employee of JB Mining Services Pty Ltd

Mr Greg Jones is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the JORC Code. Mr Greg Jones consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

Notes on JORC reserves

The estimates of coal reserves have been carried out in accordance with the “2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)” prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources).

The information that relates to Middlemount’s coal reserves in this ASX Announcement is based on information compiled by:

(A) Mr Mark Bryant, Principal Mining Consultant of Bryant Mining Pty Ltd and a member of The Minserve Group Pty Ltd

Mr Mark Bryant is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the JORC Code. Mr Mark Bryant consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.



Annex C Competent Person Statement for Donaldson

Mine	Seam	Resources (Mt) ^{1,2}				Reserves (Mt) ¹		
		Measured _{3,5}	Indicated _{3,5}	Measured & Indicated _{3,5}	Inferred _{3,5}	Proven ROM ^{4,6}	Probable ROM ^{4,6}	Total ROM ^{4,6}
Opencut						2.5		2.5
Tasman	Fassifern	29.7	9.3	39.0	6	12.9	5.1	18.0
	West Borehole	19.2	11.4	30.6	6	6.6	1.1	7.7
Tasman Extension	Great Northern	0.4	0.6	1.0	0	-	-	-
	West Borehole	28.8	17.1	45.9	9	0.3	7.8	8.2
	Sandgate	50.6	38.6	89.2	28	0.7	0.4	1.1
Abel	Upper Donaldson	63.4	9.5	72.9	0	24.2	7.7	31.9
	Lower Donaldson	94.0	14.9	108.9	0	21.7	8.6	30.3
	Upper Big Ben	123.8	36.9	160.7	3	-	-	-
	Ashtonfield	6.9	2.0	8.9	0	-	-	-
Abel Extension	Upper Donaldson	19.7	18.9	38.6	28	1.7	10.0	11.7
	Lower Donaldson	28.4	28.7	57.1	42	7.3	11.7	19.0
	Lower Big Ben	16.0	5.5	21.5	0	-	-	-
	Ashtonfield	54.5	13.9	68.4	0	17.4	4.7	22.1
	Rathluba	10.1	10.2	20.3	0	-	-	-
Total		545.5	217.5	763.0	122	95.4	57.1	152.4

This Competent Persons Statement is in relation to Donaldson's reserves and resources only.

- As at 1 July 2009.
- Resources are inclusive of Reserves.
- Air dried basis (ad).
- As received moisture basis (ar): ROM = 6.0%, Marketable = 8.0%.
- All resources comply with the JORC Code 2004. The information in this ASX Announcement relates to Coal Resources at the Tasman Underground Mine and Abel Underground Mine, and the two prospects, the Abel Extension and Tasman Extension, is based on information compiled by Ian D. Blayden, employed by Geological and Management Services Pty Ltd ABN 47001 256 248. Ian Blayden is a Member of the Mineral Industry Consultants Association, The Australian Institute of Geoscientists and AusIMM.
- The Reserves Statement complies with the JORC Code 2004. The information in this ASX Announcement relates to Coal Reserves at the Tasman Underground Mine and Abel Underground Mine, and the two prospects, the Abel Extension and Tasman Extension, is based on information compiled by David A. Thomas, employed by IMC Mining Group Pty Ltd. Mr. Thomas is a member of AusIMM.

Both Dr. Blayden and Mr. Thomas have sufficient experience which is relevant to the style and mineralisation, and type of deposit under consideration, and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves.

Dr Blayden and Mr Thomas consent to the inclusion in this ASX Announcement of the matters based on their information in the form and context in which it appears.



Annex D
Competent Person Statement for Monash

Resources and Reserves statement as at 2 September 2010			
Coal Seams	Indicated (Mt)	Inferred (Mt)	Indicated and Inferred (Mt)
Woodlands Hill	2.1	43	45
Blakefield	2.4	48	50
Whynot	2.9	57	60
Whybrow	2.8	46	49
Borehole	2.2	57	59
Fassifern	0.7	23	24
Total	13.0	274	287

This Competent Persons Statement is in relation to Monash's resources only.

All resources comply with the JORC Code 2004. The information in this ASX Announcement that relates to EL 6123 and EL7579 (Monash Project Area), is based on information compiled by Ian D. Blayden, employed by Geological and Management Services Pty Ltd ABN 47001 256 248. Ian Blayden is a Member of the Mineral Industry Consultants Association, The Australian Institute of Geoscientists and AusIMM.

Dr. Blayden has sufficient experience which is relevant to the style and mineralisation, and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves.

Dr Blayden consents to the inclusion in this ASX Announcement of the matters based on their information in the form and context in which it appears.

