

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 | 1,000,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 500,000 Options vesting 17 June 2012
500,000 Options vesting 17 June 2014

Exercise price \$5.65 per option. |

+ See chapter 19 for defined terms.

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<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>No</p> <p>On exercise of the options the Ordinary Shares will rank equally with Ordinary Fully Paid Shares on issue.</p>				
<p>5 Issue price or consideration</p>	<p>Consideration is equal to the valuation determined in accordance with Accounting Standard AASB2.</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 ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>20 November 2009. Options granted following shareholder approval at the Company's Annual General Meeting.</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1321 997 1355">Number</th> <th data-bbox="997 1321 1283 1355">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1355 997 1576">81,962,133</td> <td data-bbox="997 1355 1283 1576">Fully paid Ordinary Shares.</td> </tr> </tbody> </table>	Number	⁺ Class	81,962,133	Fully paid Ordinary Shares.
Number	⁺ Class				
81,962,133	Fully paid Ordinary Shares.				

+ See chapter 19 for defined terms.

<p>9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th> <th>⁺Class</th> </tr> </thead> <tbody> <tr> <td>1,000,000</td> <td>Unlisted Options over Ordinary Shares.</td> </tr> <tr> <td></td> <td>500,000 Vesting 17 June 2012.</td> </tr> <tr> <td></td> <td>500,000 Vesting 17 June 2014.</td> </tr> <tr> <td></td> <td>Exercise price of \$5.65 per Option.</td> </tr> </tbody> </table>	Number	⁺ Class	1,000,000	Unlisted Options over Ordinary Shares.		500,000 Vesting 17 June 2012.		500,000 Vesting 17 June 2014.		Exercise price of \$5.65 per Option.	
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	500,000 Vesting 17 June 2014.											
	Exercise price of \$5.65 per Option.											
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>On exercise of the options the shares will rank equally with existing fully paid Ordinary Shares in regard to future dividends</p>											

Part 2 - Bonus issue or pro rata issue

<p>11 Is security holder approval to 33 required?</p>	<p>Questions 11 to 33 are not applicable</p>
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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

+ See chapter 19 for defined terms.

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Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +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 +securities

Entities that have ticked box 34(b)

38 Number of securities for which
to +quotation is sought
42

Questions 38 to 42 are not applicable

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.

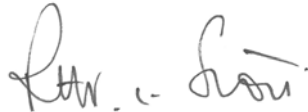
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) 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.

+ See chapter 19 for defined terms.

- 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: 26 November 2009.
(Company Secretary)

Print name: Peter Scott

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