



GLOUCESTER COAL LTD

ABN 66 008 881 712

MARKET RELEASE

GLOUCESTER COAL SHAREHOLDERS VOTE AGAINST PROPOSED SCHEME OF ARRANGEMENT

Today Shareholders of Gloucester Coal Ltd (Gloucester) today voted against a resolution proposing agreement to the Scheme of Arrangement (Scheme) for the acquisition of Gloucester by a subsidiary of Xstrata plc (Xstrata). As a result, the proposed Scheme will not be effective and will not be implemented.

Details of the voting on the resolution will follow.

Gloucester Chairman Mr Andy Hogendijk said Gloucester would continue to implement the business plan and financial and operating strategies the Company had in place prior to the proposed Scheme, which he outlined in the Chairman's Address released to the s ASX earlier today.

GLOUCESTER COAL LTD

Level 15

Citadel Towers (Tower B)

799 Pacific Highway

Chatswood NSW 2067

PO Box 137

Chatswood NSW 2057

Telephone

+61 (0)2 9413 2028

Fax

+61 (0)2 9413 4802

Email

gcl@gloucestercoal.com.au

Web

www.gloucestercoal.com.au

For further information

Barry Tudor

Chief Financial Officer

+61 (0)2 9413 2028

Media Enquiries

Stuart Carson

Third Person

0403 527 755

ASX: GCL