



GLOUCESTER COAL LTD

ABN 66 008 881 712

MARKET RELEASE

RESIGNATION OF MANAGING DIRECTOR

As previously advised, the employment contract of Gloucester Coal's Managing Director and CEO Mr Gavin May expires on 31 July 2007 and as a result Mr May has resigned as CEO and Managing Director effective today.

The Board is in the final stages of a recruitment process, and is confident that it will be able to announce the appointment of a new CEO in the near future. In the interim period, Mr Andy Hogendijk (Chairman) will assume CEO responsibilities.

Mr May has worked for Gloucester Coal for ten years, with the last six years as Managing Director. Mr Andy Hogendijk said the Company had undergone significant development through this period and has built a solid reputation as a leading Australian coal mining business under Mr May's direction.

"Mr May should be complimented for the work he has undertaken on behalf of the Company and all shareholders. Additionally, Gloucester Coal is poised to continue this growth with the recent discovery of new extensive coking coal resources in the Clareval seam."

Mr Hogendijk said that it would be business as usual. "We have a very strong management team in place to cover all facets of our business and continue to implement our business plan and financial and operating strategies. The pursuit of growth opportunities outside the Gloucester basin will be escalated with the appointment of the new CEO".

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