



2005/06 First Half Results

“Profit first – Now Growth”

20 February 2006

Gavin May

Chief Executive Officer



THE FIRST HALF 2005/06

Continued Profitable Operations

Paid and Declared Dividends

Brought back 4% of Share Capital

Purchased remaining 10% of Stratford JV

Secured Leighton Mining as Mine Operator

Strategic Purchases of Property in the Gloucester Basin



THE FIRST HALF RESULTS

EBITDA **\$34.7m**

NPAT **\$21.7m**

EPS **27 cents**

Gearing
Net Debt/Mkt **<10%**
Cap

FINANCIAL ACHIEVEMENT

“GCL has capitalised on the strong coal market to deliver a superior financial result”

- EBITDA \$34.7m
- NPAT \$21.7m
- Revenue up 107%



RESPONSIBLE CAPITAL MANAGEMENT

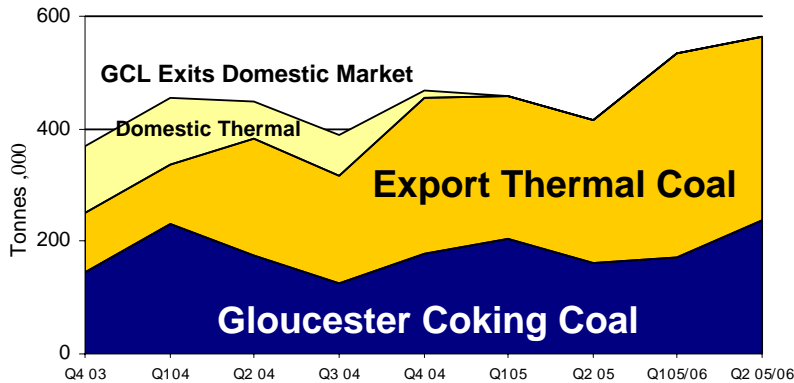
Disciplined capital management demonstrates a commitment to delivering sustained shareholder value.

- Final Dividend of 10 cents per share, paid September 2005 (unfranked)
- Interim Dividend of 11 cents per share, payable 28 February 2006 (unfranked)
- At year end bought back 4% of company stock (A\$6.2 M)
- Strategic property investments/capex/exploration over \$2 million

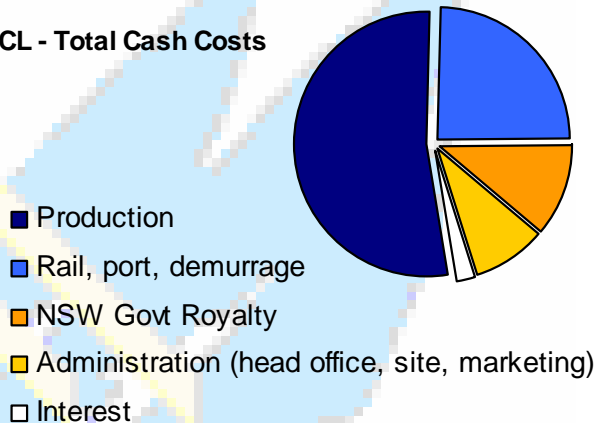


OPERATIONAL ACHIEVEMENTS

GCL maintains constant production



GCL - Total Cash Costs



GCL continues to manage operations to deliver safe production

- GCL managed operations achieved 4 years lost time injury free in December
- Production security and cost pressure alleviated with mining contracts novated to Leighton Mining, following HWE administration
- GCL total average cash cost maintained in the mid A\$40's per product tonne
- Alignment of production and demand to minimise product mismatch, volatility and coal inventory
- Shipped 100% of coking coal production to Japanese steel mills



STRATFORD & BOWENS ROAD NORTH OPERATIONS



- Combined ROM production 565Kt (542Kt corresponding half)
- Roseville open cut extension construction started, production planned April 06
- South Stratford exploration and coal quality drilling completed. JORC resources and reserve statements due before end of March 06
- In the process of acquiring >\$2 M of freehold land around the prospective South Stratford mine extension.





DURALIE OPERATION

- ROM production 852Kt (851Kt corresponding half)
- Additional mineable reserves added as highwall extended
- Exploration and coal quality drilling continues over the western side of the open cut
- Stage 3 irrigation scheme significantly reduces stored mine water volume
- Duralie Resources at 31 December 05

JORC Compliant Resources – Weismantel Seam
(ML 1427 & A315)

Depth Increment	Measured & Indicated Mt	Inferred Mt	Total Mt
0-100m	27.1	0	27
>100m	39.1	58	97



SUMMARY

- **Delivered 100% Ownership of Assets**
- **Delivered Dividends**
- **Delivered Capital Management Buy-back**
- **Defined Exploration for Organic Growth**
- **Initiated evaluation for growth beyond Gloucester Basin**

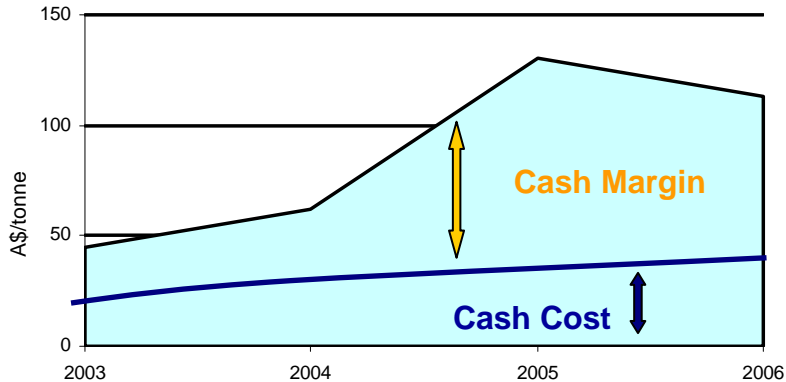


Quality Assets

“The Gloucester Basin operations are a quality asset with a strong financial outlook made even more certain following the recently negotiated coking coal contract prices.”



High Coking Coal Margins



Gloucester Coking Coal 2006 Established price reference point

Semi Soft
US\$53-55

Gloucester Coking Coal US\$83

Hard Coking Coal US\$115

GLOUCESTER COKING COAL

- Gloucester Coking Coal established position mid way between hard coking and semi soft coal benchmark prices
- High fluidity, lower ash content <10%,
- High margins





Exploration, Development & Management

Exploration rights over the most prospective portion of the Gloucester Basin

- Minimal capital expenditure requirement for sustained open cut operations in Gloucester Basin
- Approximately 4,000 Ha of Freehold land with market value in excess of \$17 M
- Quality management team



OUR VISION IS TO GROW

Growth within the Gloucester Basin

- **Continued exploration will allow organic growth for open cut mining operations to continue beyond 2020**
- **Large underground resources available for operations well beyond 2020**

Growth beyond Gloucester horizons

- **GCL looking at options for diversity and volume.**
- **Opportunity for GCL to prudently leverage the solid financial foundation and asset quality established in the Gloucester Basin**



- Consolidation 2004 achieved** ✓
- Profits 2005 achieved** ✓
- Financial Strength achieved** ✓
- Operational Credibility – Discipline** ✓
- Organic Growth – Exploration**
- Growth beyond Gloucester Basin**

