



**GLOUCESTER
COAL**

A Member of
UK COAL PLC

Gloucester Coal Ltd
Formerly **CIM Resources Ltd**
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**ASX
ANNOUNCEMENT
31 MAY 2002**

**GLOUCESTER COAL LTD
AND
DURALIE OPERATION**

On 23 May 2002, shareholders approved a change of name from "CIM RESOURCES LTD" to "GLOUCESTER COAL LTD". The Company will trade on ASX code "GCL" from 11 June 2002.

Today GCL announces that it intends to proceed with the Duralie Coal Project, following confirmation of support from its largest shareholder UK COAL PLC. The Duralie Project, located in the Gloucester Basin, is 15 km south of the existing Stratford Operation and 110 km north of Newcastle. Duralie coal will form the foundation for the Gloucester Coal strategy, which aims to produce a marketable suite of coal products from the Gloucester Basin.

All Mining and Statutory approvals are in place for the integration of Duralie into the Stratford operation. First coal production is planned for February 2003. Projected total capital costs of A\$18 million will allow access and integration of 10 million mineable tonnes of low strip ratio coal into the existing Stratford operation. The integration of Duralie into the current Stratford operation reduces the investment normally required to develop a new mine and allows the company to maximize its utilisation of existing infrastructure. Run of mine coal from Duralie will be railed to the Stratford preparation plant for processing and blended with other Stratford coals to produce a suite of Gloucester Coal products, which include Coking, Thermal and Domestic Coals. These products will be used to service Gloucester Coal's broad customer portfolio.

The Board's decision to mine the Duralie reserve is an exciting development for GCL. Along with other coal reserves at Stratford, GCL is on target to ensure saleable production of 2 million tonnes per annum to beyond 2009.

For further information:
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31st May 2002