



PIKE RIVER COAL

11 May 2009

Mr Gonzalo Valencia
Senior Adviser, Issuers (Melbourne)
Level 45, South Tower
525 Collins Street
Melbourne VIC 3000

By e-mail to: Gonzalo.Valencia@asx.com.au

Dear Mr Valencia

PRICE QUERY

We have received your letter dated 8 May 2009, noting a change in the price of Pike River Coal Limited (PRC) shares from A\$0.61 at close of trading on 1 May 2009 to a high of A\$0.85 on the 8 May 2009.

In reference to your questions the Company responds as follows:

- 1 The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
- 2 Not applicable.
- 3 This question is not pertinent to PRC which has been developing its Pike River mine for the past three years and is about to commence first mining operations once ventilation is restored to the mine. Accordingly it does not have an operating history against which this years operating results can be meaningfully compared.
- 4 There is no reason to think that the Company may record any material abnormal or extraordinary item for the full year ending 30 June 2009 which is not already known to the market.
- 5 At the end of April 2009, PRC completed the allotment of shares and options from its successful NZ\$45 million capital raising and shareholders received confirmation of allotments in late April/early May.

The Company also notes there have been two recent broker analyst reports which have re-rated the Company's share price outlook, and positive news reports relating to the steel industries in China and India.

The graphs of the PRC share price in comparison with relevant ASX indices (ASX200, ASX 300, ASX Energy, ASX Metals & Mining) over the last month show that the PRC share price has generally tracked those indices.

- 6 The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours faithfully



Gordon Ward

Managing Director



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8 May 2009

Brian Roulston
Company Secretary
Pike River Coal Limited

By e-mail only – brian@diversified.co.nz

Pike River Coal Limited (the “Company”) RE: PRICE QUERY

We have noted a change in the price of the Company’s securities from 61 cents as at close of trading on 1 May 2009 to a high of 85 cents as at the time of writing today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.

Please note that as recent trading in the Company’s securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in operating results so that the figure for the full year ending 30 June 2009 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.

4. Is there any reason to think that the Company may record any material abnormal or extraordinary item for the full year ending 30 June 2009? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at Gonzalo.Valencia@asx.com.au or by facsimile on facsimile number 9614 0303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. EDST) on Monday, 11 May 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the 's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'G. Valencia', with a horizontal line underneath.

Gonzalo Valencia

Senior Adviser, Issuers (Melbourne)