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GLOUCESTER COAL

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

Gloucester Coal Entitlement Offer – Retail Entitlement Offer

12 AUGUST 2010

The following documents relating to the retail component of Gloucester Coal's Entitlement Offer will be mailed to Eligible Retail Shareholders and are attached for release to the market (in accordance with Listing Rule 3.17):

- Retail Entitlement Offer Booklet; and
- Sample Entitlement and Acceptance Form.

A notification to ineligible retail shareholders will be released to the Australian Securities Exchange separately.

Yours sincerely

Neil McKenzie

Chief Financial Officer and Company Secretary

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act") ("U.S. Person")). Securities may not be offered or sold, directly or indirectly, in the United States or to or for the account or benefit of U.S. Persons unless the securities have been registered under the U.S. Securities Act or an exemption from registration under the U.S. Securities Act and applicable U.S. state securities laws is available. The securities to be offered and sold in the offer have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Neither this announcement nor any of its accompanying documents may be distributed to, or relied upon by, a U.S. Person or a person acting for the account or benefit of a U.S. Person.

Retail Entitlement Offer

Gloucester Coal Ltd (Gloucester)

ABN 66 008 881 712

Details of a 3-for-5 non-renounceable pro-rata Entitlement Offer of Gloucester ordinary shares (“New Shares”) at an offer price of A\$9.25 per New Share

Retail Entitlement Offer closes at 5.00pm (AEST) on Friday, 27 August 2010

Eligible Retail Shareholders may accept the Retail Entitlement Offer even if they have accepted the Noble Offer

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This is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety.

Please call your stockbroker, accountant or other independent professional adviser or the Gloucester Entitlement Offer Information Line if you have any questions.



GLOUCESTER COAL



Important Information

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

No cooling-off rights apply to the Retail Entitlement Offer – you cannot withdraw your application once it has been accepted. This Retail Entitlement Offer Booklet (“Booklet”) contains certain “forward looking statements”. Forward looking statements include those containing words such as: “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “could”, “may”, “target”, “plan”, “consider”, “foresee”, “aim”, “will” and other similar expressions. Any forward looking statements, opinions and estimates provided in this Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Gloucester. This includes any statements about market and industry trends, which are based on interpretations of current market conditions.

An investment in Gloucester's securities is subject to investment risks and other known and unknown risks and factors, some of which are beyond the control of Gloucester, including the volume and price of coal sales, the impact of inflation on operating and development costs, any fluctuations in exchange rates, operational risks, risks associated with the exploration or developmental stage of projects, the imprecise nature of resource and reserve estimates, access to and costs of infrastructure and transport, taxation (including the Mineral Resource Rent Tax), regulatory issues and changes in law and accounting policies, the fluctuating industry and commodity cycles, any reliance on third parties and joint ventures in the development of projects, any imposition of significant obligations under environmental regulations, the impact of competitiveness of the business resulting from carbon trading and carbon tax imposed by Australian and foreign governments, any climate change impact (including regarding water allocations), any increased competition, any loss of key long term contracts, the adverse impact of wars, terrorism, political, economic or natural disasters, any inability to enforce legal rights, any native title claims, the ability to service existing debt and to refinance its debt to meet its expenditure needs and any future acquisitions, further exploration or new projects, loss of key personnel and delays in obtaining or inability to obtain any necessary government approvals or exploration licences, impact of changes in interest rates, effect of new technologies, changes to government fiscal, monetary and regulatory policies, reliance on third parties or risks associated with the acquisition of the Middlemount Assets.

Forward looking statements may include projections, guidance on future production, reserves, resources, sales, earnings, dividends and other estimates. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which those statements are based because events and actual circumstances frequently do not occur as forecast and these differences may be material. These statements may assume the success of Gloucester's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Gloucester's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward looking statements and except as required by law or regulation, Gloucester assumes no obligation to update these forward looking statements. To the maximum extent permitted by law, Gloucester and its directors, officers, employees, agents, associates and advisers disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions, do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of such information, or likelihood of fulfilment of any forward looking statement or any event or results expressed or implied in any forward looking statement, and disclaim all responsibility and liability for these forward looking statements (including, without limitation, liability for negligence).

This Booklet is not an offer or an invitation to acquire Gloucester securities or any other financial products and is not a prospectus, product disclosure statement or other offering document under Australian law or any other law. It is for information purposes only. This Booklet and anything contained in it or accompanying it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (the “U.S. Securities Act”)) (“U.S. Person”) or in any other jurisdiction in which such an offer would be illegal. The New Shares to be offered and sold in the equity raising have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons unless the New Shares are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

The Booklet or material accompanying it must not be distributed to, or relied upon by, a U.S. Person or a person acting for the account or benefit of a U.S. Person.

This Booklet is not financial advice or a recommendation to acquire Gloucester securities and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, you should consider the appropriateness of the information having regard to your own objectives, financial situation and needs and seek such legal, financial and/or taxation advice as you deem necessary or appropriate to your jurisdiction.



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Chairman's Letter

12 August 2010

Dear Shareholder

Gloucester proposes to acquire Noble's Middlemount assets

As stated to in Noble Group's Bidder's Statement dated 1 June 2010 and Gloucester's Target's Statement dated 21 June 2010, Noble Group ("Noble"), Gloucester's largest shareholder, and the independent directors of Gloucester have been engaged in discussions with the purpose of exploring alternative options that could be made available to Gloucester shareholders in light of the existing offer from Noble to acquire the Gloucester shares it does not yet own for A\$12.60 per share ("Noble Offer") and that transaction would involve Gloucester acquiring certain of Noble's Australian coal assets.

On 4 August 2010, Gloucester announced that it had entered into an agreement with Noble to acquire, subject to shareholder approval, Noble's interests in the Middlemount Joint Venture. The Middlemount Joint Venture owns the Middlemount project, a near-term, open-cut metallurgical coal development project located in Queensland's Bowen Basin.

Under the agreement with Noble, Gloucester proposes to acquire the following assets from Noble for A\$269.5 million:

- a 27.52% interest in the Middlemount Joint Venture;
- the right to acquire a further 2.48% interest in the Middlemount Joint Venture for a further A\$8 million, which is payable following completion of a certain shipping milestone; and
- an option to acquire a further 20% interest in the Middlemount Joint Venture from Macarthur Coal Limited for an exercise price of A\$100 million. This option can be exercised at any time up to 18 months from the completion of the Coal Handling and Preparation Plant.

In addition, Gloucester has agreed to acquire from Noble the right to receive a royalty of 4% of Free on Board Trimmed¹ sales from the Middlemount Joint Venture for A\$168 million².

The above assets to be acquired by Gloucester comprise the "Middlemount Assets".

The total day one price payable of A\$437.5 million to Noble for the acquisition of the Middlemount Assets ("Middlemount Acquisition") will comprise A\$337.5 million of cash and the issue of A\$100 million worth of new Gloucester shares to Noble ("Gloucester Consideration"). The Middlemount Acquisition and the A\$100 million share placement to Noble will be subject to shareholder approval (excluding Noble) at a Gloucester general meeting, which is expected to be held on 27 September 2010 ("General Meeting").

If the Middlemount Acquisition is approved, Gloucester will become a major Australian, independent, diversified metallurgical coal producer and will be well placed to benefit from the expected long term strength in metallurgical coal markets.

Further information on the Middlemount Acquisition can be found in the Investor Presentation dated 4 August 2010, which is included in this Booklet.

Equity raising to help fund the Middlemount Acquisition

To help fund the Middlemount Acquisition, Gloucester announced an up to approximately A\$455 million equity raising on 4 August 2010 through an accelerated non-renounceable pro-rata entitlement offer ("Entitlement Offer"). The institutional component of the Entitlement Offer ("Institutional Entitlement Offer") is fully underwritten by RBS Equity Capital Markets (Australia) Limited and UBS AG, Australia Branch (the "Underwriters"). Gloucester has been advised by Noble (Gloucester's largest shareholder) that it will not participate in the Entitlement Offer.

Gloucester announced on Thursday, 5 August 2010 that it had successfully raised approximately A\$434 million from the Institutional Entitlement Offer. The net proceeds of the Entitlement Offer will be used to fund the Middlemount Acquisition³.

This Booklet relates to the up to A\$21 million, non-underwritten retail component of the Entitlement Offer ("Retail Entitlement Offer").

On behalf of the Board of Gloucester, I am pleased to offer you the opportunity to participate in the Retail Entitlement Offer and to remain a shareholder of the new Gloucester.

¹ Excluding ocean freight and insurance (as for Free on Board), but including trimming of cargo after loading

² Or such other amount as Noble receives under the royalty deed

³ Subject to shareholder approval



Details of your Entitlement

As an Eligible Retail Shareholder (as defined in the Additional Information section of this Booklet), you are entitled to apply for 3 new Gloucester ordinary shares ("New Shares") for every 5 existing Gloucester ordinary shares ("Shares") held at 7.00pm (AEST) on Monday, 9 August 2010 ("Entitlement") at the offer price of A\$9.25 ("Offer Price") per New Share. The Offer Price of A\$9.25 per New Share under the Retail Entitlement Offer is the same as that paid by eligible institutional shareholders under the Institutional Entitlement Offer ("Eligible Institutional Shareholders") and Noble for the value per New Share of the A\$100 million New Shares to be issued to Noble as part of the consideration for the Middlemount Acquisition.

Eligible Retail Shareholders may also apply for additional New Shares at the Offer Price in excess of their Entitlements ("Additional New Shares"). Additional New Shares will only be allocated to Eligible Retail Shareholders subject to availability and if and to the extent that Gloucester so determines, in Gloucester's absolute discretion. Gloucester may apply any scale-back to applications for Additional New Shares in its absolute discretion.

Entitlements are non-renounceable and will not be tradeable on the Australian Securities Exchange ("ASX") or otherwise transferable. Eligible Retail Shareholders who do not take up their Entitlement in full will not receive any value in respect of those entitlements they do not take up.

Interaction between the Noble Offer and the Gloucester equity raising and what happens if the Middlemount Acquisition does not proceed

On 28 July 2010 Noble announced that it has extended the Noble Offer and any associated buy-out rights to Friday, 3 September 2010 ("Noble Offer End Date"). Noble has informed Gloucester that all Gloucester shareholders who accepted the Noble Offer prior to the extension on 28 July 2010 have withdrawal rights. Shareholders who accept the Noble Offer after it was extended on 28 July 2010 are not entitled to withdraw their acceptances.

This means that irrespective of whether you have already accepted the Noble Offer, if you are an Eligible Retail Shareholder you are entitled to apply for 3 New Shares for every 5 Shares held at 7.00pm (AEST) on the Record Date, which is Monday, 9 August 2010.

In the current timetable, New Shares (and any Additional New Shares) under the Retail Entitlement Offer will be issued on Monday, 6 September 2010, which is after the Noble Offer End Date. Please note that if the Noble Offer is extended beyond the Noble Offer End Date, New Shares (and any Additional New Shares) to be issued under the Retail Entitlement Offer will not be eligible to be accepted into the Noble Offer. In such event, the New Shares (and any Additional New Shares) to be issued under the Retail Entitlement Offer will trade under a separate ASX code (GCLN) to those on issue as at 1 June 2010 (the Record Date of the Noble Offer) until the Noble Offer and any associated buy-out rights end.

The Middlemount Acquisition is subject to various conditions, including receiving Gloucester shareholder approval (excluding Noble). If the Entitlement Offer occurs, but the Middlemount Acquisition does not proceed (due to failure of receiving shareholder approval or for any other reason), then Gloucester will use the monies raised under the Entitlement Offer to fund new opportunities and strategic initiatives in line with its strategy to become a major, independent, diversified metallurgical coal producer and fund its capital expenditure and working capital. In this instance, the A\$100 million worth of new Gloucester shares as part of the consideration payable to Noble under the Middlemount Acquisition will not be issued to Noble.

Further information

In this Booklet you will find the following:

- Key dates for the Retail Entitlement Offer, Noble Offer and the General Meeting;
- Instructions on "How to Apply" setting out how to accept all or part of your Entitlement and apply for Additional New Shares in the Retail Entitlement Offer if you choose to do so;
- Investor Presentation dated 4 August 2010;
- ASX Announcements relating to the Entitlement Offer; and
- Additional information.

Accompanying this Booklet is your personalised Entitlement and Acceptance Form which details your Entitlement and is to be completed in accordance with the instructions provided on the form and the instructions in this Booklet on "How to Apply".

There are two alternative ways you can pay your Application Monies:

- Post to the Registry your completed Entitlement and Acceptance Form, along with your Application Monies by cheque, bank draft or money order. The Registry address is specified on the Entitlement and Acceptance Form; or
- Pay your Application Monies via BPAY®¹. If you pay by BPAY® you do not need to complete and post your Entitlement and Acceptance Form to the Registry.

¹ © Registered to BPAY Pty Ltd ABN 69 079 137 518



Payment of your Application Monies must be received by 5.00pm (AEST) on Friday, 27 August 2010.

See Section 7 of the “How to Apply” section of this Booklet for further information about payment methods.

Further information on the Entitlement Offer and Gloucester’s business is detailed in this Booklet. You should read the entirety of this Booklet carefully, in particular the “Key risks” section in the Investor Presentation, before deciding whether to participate in the Retail Entitlement Offer.

If you would like further information regarding the Retail Entitlement Offer please call the Gloucester Entitlement Offer Information Line on 1300 091 105 (within Australia) or +61 3 9415 4681 (from outside Australia) between 8:30am and 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer. For other questions, you should consult your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser. You should be aware that Gloucester has not had regard to your individual circumstances or needs, including your personal taxation or financial position, in sending this Booklet and accompanying information to you and Gloucester is not licensed to provide financial product advice to you in relation to your Gloucester ordinary shares. If you have any doubt about whether you should invest in the Retail Entitlement Offer, you should seek professional advice before making any investment decision. Please note that no cooling-off period applies in relation to the Retail Entitlement Offer – you cannot withdraw your application once it has been accepted.

On behalf of the independent directors of the Board and management team of Gloucester, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James MacKenzie'.

James MacKenzie
Chairman



Key dates

Event	Date
Record Date for the Entitlement Offer	Monday, 9 August 2010 at 7.00pm (AEST)
Mailing of personalised Entitlement and Acceptance Form and Retail Entitlement Offer Booklet to Eligible Retail Shareholders	Completed by Thursday, 12 August 2010
Retail Entitlement Offer opens	Thursday, 12 August 2010
Retail Entitlement Offer closes	Friday, 27 August 2010 at 5.00pm (AEST)
Noble Offer End Date	Friday, 3 September 2010
Settlement of the Retail Entitlement Offer	Friday, 3 September 2010
Issue of New Shares under the Retail Entitlement Offer	Monday 6 September 2010
Normal trading of New Shares Issued under the Retail Entitlement Offer expected to commence on ASX	Tuesday, 7 September 2010
Dispatch of holding statements and CHES notices	Friday, 10 September 2010
<i>Dates in relation to the General Meeting</i>	
Dispatch of Notice of Meeting and Explanatory Memorandum	27 August 2010
Record Date for the General Meeting	25 September 2010
General Meeting date	27 September 2010

Dates and times in this Booklet are indicative only and subject to change. All references in this Booklet to AEST are to Australian Eastern Standard Time.

Gloucester, in conjunction with the Underwriters, reserves the right, subject to the Corporations Act 2001 (Cth) ("Corporations Act"), ASX Listing Rules and other applicable laws to withdraw or vary the dates of the Entitlement Offer without prior notice. In particular, Gloucester reserves the right to extend the closing date of the Retail Entitlement Offer or accept late applications, either generally or in particular cases, without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible after the Retail Entitlement Offer opens. No cooling-off rights apply to applications submitted under the Retail Entitlement Offer. The commencement of quotation of New Shares is subject to confirmation from ASX.

Enquiries

If you:

- have questions on how to complete the Entitlement and Acceptance Form or how to take up your Entitlement; or
- have lost your Entitlement and Acceptance Form and would like a replacement form;

please call the Gloucester Entitlement Offer Information Line on 1300 091 105 (local call cost from within Australia) or +61 3 9415 4681 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer period. We recommend you consult your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you are in any doubt as to whether to participate in the Retail Entitlement Offer.

Website

www.gloucestercoal.com.au

How to Apply



GLOUCESTER COAL



1. The Retail Entitlement Offer

Eligible Retail Shareholders (as defined in the “Additional Information” section starting on page 60) are being offered the opportunity to apply for 3 New Shares for every 5 existing Gloucester ordinary shares (“Shares”) held at 7.00pm (AEST) on Monday, 9 August 2010 (“Entitlement”), at the offer price of A\$9.25 per New Share (“Offer Price”).

You should note that not all Gloucester shareholders will be eligible to participate in the offer of New Shares. Please read the “Additional Information” section starting on page 60.

Eligible Retail Shareholders may also apply for New Shares in excess of their Entitlement (“Additional New Shares”). Any Additional New Shares will be limited to the extent that there are sufficient New Shares from Eligible Retail Shareholders who do not take up their full Entitlement.

Additional New Shares will only be allocated to Eligible Retail Shareholders if and to the extent that Gloucester so determines, in its absolute discretion, having regard to circumstances as at the time of the close of the Retail Entitlement Offer. Gloucester may apply any scale-back to applications for Additional New Shares in any manner it decides and in its absolute discretion.

New Shares and Additional New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and rank equally with existing Gloucester Shares on issue, but will not be eligible to be accepted into the Noble Offer.

2. Interaction between the Noble Offer and the Retail Entitlement Offer

On 28 July 2010 Noble announced that it had extended the Noble Offer and any associated buy-out rights to Friday, 3 September 2010 (“Noble Offer End Date”). Noble has informed Gloucester that all Gloucester shareholders who accepted the Noble Offer prior to the extension on 28 July 2010 have withdrawal rights. Shareholders who accept the Noble Offer after it was extended on 28 July 2010 are not entitled to withdraw their acceptances. This means that irrespective of whether you have already accepted the Noble Offer, if you are an Eligible Retail Shareholder you are entitled to apply for 3 New Shares for every 5 Shares held at 7.00pm (AEST) on the Record Date, which is Monday, 9 August 2010.

Noble has confirmed the following matters:

- (a) Osendo Pty Ltd, the bidder under the Noble Offer, will not rely on the Middlemount Acquisition, the Gloucester Consideration or the Entitlement Offer as triggering a defeating condition under the Noble Offer;
- (b) the Middlemount Acquisition, the Gloucester Consideration and the Entitlement Offer will not affect the price of A\$12.60 for each Gloucester share offered under the Noble Offer; and
- (c) all Gloucester shareholders registered as such on the Record Date will be entitled to participate in the Entitlement Offer whether or not they have accepted the Noble Offer and whether or not their acceptances are entitled to be withdrawn.

In the current timetable, New Shares (and any Additional New Shares) under the Retail Entitlement Offer will be issued on Monday, 6 September 2010, which is after the Noble Offer End Date. Please note that in the event the Noble Offer is extended beyond the Noble Offer End Date, New Shares (and any Additional New Shares) to be issued under the Retail Entitlement Offer will not be eligible to be accepted into the Noble Offer. In such event, the New Shares (and any Additional New Shares) to be issued under the Retail Entitlement Offer will trade under a separate ASX code (GCLN) to those on issue as at 1 June 2010 (the Record Date of the Noble Offer) until the Noble Offer and any associated buy-out rights end.

3. Please carefully read the information in this Booklet and the personalised Entitlement and Acceptance Form

The Retail Entitlement Offer is not being made under a product disclosure statement or prospectus. Rather, the Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues and related issues to be made without a product disclosure statement or prospectus. Certain confirmations will be provided to the market on the basis that all information that investors and their professional advisers would reasonably require to make an informed investment decision in relation to the Entitlement Offer, when read with this Booklet and the accompanying information, is publicly available. The Booklet does not contain all of the information which may be required in a prospectus or product disclosure statement. As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on Gloucester and the Retail Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement or applying for Additional New Shares. In particular, please read this Booklet in its entirety, and Gloucester’s interim and annual reports and other announcements made available at www.gloucestercoal.com.au or www.asx.com.au.

Note: the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a U.S. Person (see definition of Eligible Retail Shareholder in the “Additional Information” section).



4. Please consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer. You should also refer to the "Key risks" section in the Investor Presentation released to ASX on Wednesday, 4 August 2010 which is included in this Booklet on pages 49 to 51.

An investment in Gloucester shares is subject to investment and other known and unknown risks, some of which are beyond the control of Gloucester, including possible loss of income and principal invested. Gloucester does not guarantee any particular rate of return or the performance of Gloucester, nor does it guarantee the repayment of capital from Gloucester or any particular tax treatment. In considering an investment in Gloucester shares, investors should have regard to (amongst other things) the "Key risks" section in the Investor Presentation and the disclaimers outlined in this Booklet.

5. Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 3 New Shares for every 5 Shares you held as at the Record Date of 7.00pm (AEST) on Monday, 9 August 2010 rounded up to the nearest whole New Share. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Shares, including in respect of entitlement to dividends.

If you decide to take up all or part of your Entitlement, or apply for Additional New Shares, please refer to the personalised Entitlement and Acceptance Form and apply for New Shares (and Additional New Shares, if any) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form. If you take no action you will not be allocated New Shares and your Entitlement will lapse. Eligible Retail Shareholders who do not take up their Entitlement in full will not receive any payment or value for that part of their Entitlement they do not take up.

Gloucester will treat you as applying for as many New Shares as your payment will pay for in full up to your full Entitlement and, in respect of amounts received by Gloucester in excess of your Entitlement ("Excess Amount"), may treat your application as applying for as many Additional New Shares as your Excess Amount will pay for in full, subject to any scale-back it may determine to implement in its absolute discretion in respect of Additional New Shares.

6. Acceptance of the Retail Entitlement Offer

If you are an Eligible Retail Shareholder, you may do any one of the following:

- take up all or part of your Entitlement;
- take up all of your Entitlement and also apply for Additional New Shares in excess of your Entitlement; or
- do nothing, in which case all of your Entitlement will lapse and you will not receive any payment or value for those Entitlements.

If you decide to take up all or part of your Entitlement, or apply for Additional New Shares, please complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies using the reply paid self-addressed envelope provided with this Booklet or pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form.

Gloucester will treat you as applying for as many New Shares as your payment will pay for in full, subject to any scale-back it may determine to implement in its absolute discretion in respect of Additional New Shares. Amounts received by Gloucester in excess of your Entitlement ("Excess Amount") may be treated as an application to apply for as many Additional New Shares as your Excess Amount will pay for in full.

No New Shares or Additional New Shares will be issued to you in respect of an application if payment of the Application Monies is not received by Gloucester by no later than 5.00pm (AEST) on Friday, 27 August 2010.

If you take up and pay for all or part of your Entitlement before the close of the Retail Entitlement Offer, you will be allotted your New Shares on Monday, 6 September 2010. If you apply for Additional New Shares then, subject to Gloucester's absolute discretion to scale-back your application for Additional New Shares (in whole or part), you will be issued these on Monday, 6 September 2010. Gloucester's decision on the number of Additional New Shares to be allocated to you will be final.

Your application for Additional New Shares may not be successful (wholly or partially). Any surplus Application Monies received for more than your final allocation of Additional New Shares will be refunded. You are not entitled to any interest that accrues on any Application Monies received or returned (wholly or partially).



Gloucester reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or otherwise incorrect or if they fail to provide information to substantiate their claims.

If you take no action you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

7. Payment methods

7.1 BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Customer Reference Number ("CRN")). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares (and Additional New Shares, if any) as is covered in full by your Application Monies.

When completing your BPAY® payment, please be sure to use the specific Biller Code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements, you will be deemed to have applied only for New Shares (and Additional New Shares, if any) on the Entitlement to which that CRN applies.

Should you choose to pay by BPAY® it is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5.00pm (AEST) on Friday, 27 August 2010 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. Gloucester takes no responsibility for any failure to receive Application Monies or payment by BPAY® before the Retail Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

Any Application Monies received for more than your final allocation of New Shares and Additional New Shares (only where the amount is A\$1.00 or greater) will be refunded on or around Friday, 10 September 2010. No interest will be paid to Applicants on Application Monies received or refunded.

7.2 Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to "Gloucester Entitlement Offer" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- for an amount equal to A\$9.25 multiplied by the number of New Shares (and Additional New Shares, if any) that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

The completed Entitlement and Acceptance Form, together with Application Monies, should be mailed using the reply paid envelope provided with this Booklet or otherwise mailed to the Registry at the following address:

Gloucester Entitlement Offer
c/o Computershare Investor Services Pty Limited
GPO Box 253
Sydney NSW 2001
Australia

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies is insufficient to pay for the number of New Shares (and Additional New Shares, if any) you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares (and Additional New Shares, if any) as your cleared Application Monies will pay



for and to have specified that number of New Shares (and Additional New Shares, if any) on your personalised Entitlement and Acceptance Form. Alternatively, your Application will not be accepted.

Any Application Monies received for more than your final allocation of New Shares and Additional New Shares (only where the amount is A\$1.00 or greater) will be refunded on or around Friday, 10 September 2010. No interest will be paid to Applicants on Application Monies received or refunded.

Should you choose to pay by cheque, bank draft or money order it is your responsibility to ensure that your payment is received by the Registry by no later than 5.00pm (AEST) on Friday, 27 August 2010 (subject to variation). Cash payments will not be accepted. Receipts for payment will not be issued.

8. Warranties made on acceptance of the Retail Entitlement Offer

The method of acceptance of the Retail Entitlement Offer will depend on your method of payment being:

- by BPAY®; or
- by cheque, bank draft or money order.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have acknowledged, represented and warranted that you, and each person on whose account you are acting, are an Eligible Retail Shareholder (as defined in the “Additional Information” section) or otherwise eligible to participate.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) you and each person on whose account you are acting are not in the United States or a U.S. Person, or acting for the account or benefit of a U.S. Person, and are not otherwise a person to whom it would be illegal to make an offer of or issue of New Shares (and Additional New Shares) under the Retail Entitlement Offer and under any applicable laws and regulations;
- (b) the Entitlements and the New Shares (and Additional New Shares) have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand and, accordingly, the New Shares (and Additional New Shares, if any) may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws; and
- (c) you and each person on whose account you are acting have not and will not send any materials relating to the Entitlement Offer to any person in the United States, or that is, or is acting for the account or benefit, of a U.S. Person.

9. Refunds

Any Application Monies received for more than your final allocation of New Shares and Additional New Shares will be refunded on or around Friday, 10 September 2010 (except for where the amount is less than A\$1.00, in which case it will be donated to a charity chosen by Gloucester). No interest will be paid to applicants on any Application Monies received or refunded.

10. Withdrawals

You cannot, in most circumstances, withdraw your application once it has been accepted. Cooling-off rights do not apply to an investment in New Shares (and Additional New Shares, if any).

11. Confirmation of your application and managing your holding

You may access information on your holding, including your Record Date balance and the issue of New Shares (and Additional New Shares, if any) from this Entitlement Offer, and manage the standing instructions the Registry records on your holding on the Investor Centre website www.investorcentre.com. To access the Investor Centre you will need your SRN or HIN and you will need to pass the security challenge on the site.

ASX Offer Announcement dated 4 August 2010



GLOUCESTER COAL



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Gloucester to acquire Noble's interests in the Middlemount Joint Venture and announces an underwritten equity raising of A\$410 million

4 August 2010

- Acquisition of the Middlemount Assets and Middlemount Royalty from Noble, subject to shareholder approval
- Independent Expert has provided an opinion that the acquisition is fair and reasonable to Gloucester shareholders
- Underwritten equity raising of A\$410 million

Gloucester Coal Limited (ASX: GCL) ("Gloucester") today announced that it has entered into an agreement with Noble Group Limited ("Noble"), Gloucester's largest shareholder, to acquire, subject to shareholder approval, Noble's interests in the Middlemount Joint Venture (the "Middlemount JV"¹). The Middlemount JV owns the Middlemount project, a near-term, open-cut metallurgical coal development project located in Queensland's Bowen Basin ("Middlemount").

Under the agreement with Noble, Gloucester proposes to acquire the following assets from Noble for A\$269.5 million:

- a 27.52% interest in the Middlemount JV;
- the right to acquire a further 2.48% interest in the Middlemount JV from Macarthur for a further A\$8 million, which is payable following completion of a certain shipping milestone (the "Middlemount Deferred Equity"); and

¹ The Middlemount JV is an incorporated joint venture (Middlemount Coal Pty Ltd) between Macarthur Coal Limited ("Macarthur") and Noble, through their respective interposed entities. As at the date of this announcement, Macarthur and Noble own 72.48% and 27.52% of the Middlemount JV respectively.



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- an option to acquire a further 20% interest in the Middlemount JV from Macarthur for an exercise price of A\$100 million. This option can be exercised at any time up to 18 months from completion of the CHPP² (the "Middlemount Option").

In addition, Gloucester proposes to acquire from Noble the right to receive a royalty of 4% of Free On Board Trimmed³ ("FOB-T") sales⁴ from the Middlemount JV for A\$168 million (the "Middlemount Royalty").

The above assets to be acquired by Gloucester comprise the "Middlemount Assets". The proposed acquisition of the Middlemount Assets is referred to as the "Middlemount Acquisition".

The total purchase price of A\$437.5 million payable to Noble for the Middlemount Acquisition will comprise a cash component of A\$337.5 million and the issue of A\$100 million worth of new Gloucester shares to Noble ("Gloucester Consideration") (which will be issued at the same price per share as the shares that are to be issued under the up to A\$455 million equity raising, which Gloucester has announced today). The cash component will be funded via the equity raising (further details on the equity raising are set out below).

Gloucester's Chief Executive Officer, Mr Barry Tudor, said "The proposed Middlemount Acquisition from Noble marks a significant step forward in Gloucester's strategy to become a major Australian, independent, diversified metallurgical coal producer. Middlemount is a high quality development project that will not only provide Gloucester with product and geographical diversification, but considerable near-term production growth to ensure we will be well placed to benefit from the expected long-term strength in metallurgical coal markets. Furthermore, the equity raising announced today will increase Gloucester's free float and liquidity."

Shareholder approval required for the Middlemount Acquisition

The proposed Middlemount Acquisition and issue of new Gloucester shares to Noble are subject to various conditions, including an independent expert's report that concludes that the proposal is fair and reasonable and the approval of Gloucester shareholders (excluding Noble), to be obtained at a General Meeting, which is expected to take place on 27 September 2010.

The Independent Directors of Gloucester have engaged Deloitte Corporate Finance Pty Limited to prepare an Independent Expert's Report ("IER"). The Independent Expert has provided an opinion that the Middlemount Acquisition is fair and reasonable to Gloucester shareholders that are not associated with Noble. The IER will be included in the notice of meeting ("Notice of Meeting") and accompanying explanatory memorandum setting out the details of the Middlemount Acquisition and the various shareholder resolutions sought by Gloucester. The full IER and Notice of Meeting are expected to be filed with the ASX and despatched to shareholders on or about 27 August 2010.

The Independent Directors of Gloucester encourage Gloucester shareholders to read the IER and Notice of Meeting in their entirety when they are released.

Equity raising

To fund the cash consideration for the Middlemount Acquisition, Gloucester has today announced an equity raising of up to c.A\$455 million through a 3 for 5 accelerated, non-renounceable pro rata entitlement offer ("Entitlement Offer"). The Entitlement Offer comprises:

- c.A\$410 million underwritten institutional component ("Institutional Entitlement Offer"); and
- up to c.A\$45 million, non-underwritten retail component ("Retail Entitlement Offer").

² Coal handling and preparation plant

³ Excluding ocean freight and insurance (as for FOB), but including trimming of cargo after loading

⁴ Or such other amount as Noble receives under the Royalty Deed

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Subject to sufficient demand, Gloucester reserves the right to raise up to an additional c.A\$90 million through an institutional placement ("Placement"). The offer price for the equity raising is A\$9.25 per new share (the "Offer Price"), which is also the price at which new shares will be issued to Noble as part of the consideration for the Middlemount Acquisition.

The equity raising is not conditional on Gloucester shareholders approving the Middlemount Acquisition. If the equity raising is successfully completed, but the Middlemount Acquisition does not proceed (due to failure to receive shareholder approval or for any other reason), then Gloucester will use the monies raised under the equity raising to fund new opportunities and strategic initiatives in line with its strategy to become a major Australian independent, diversified metallurgical coal producer and fund its capital expenditure and working capital. In this instance, the A\$100 million worth of new Gloucester shares as part of the consideration payable to Noble under the Middlemount Acquisition will not be issued to Noble.

Noble, which currently holds 87.7% of Gloucester⁵, will not participate in the Entitlement Offer and, as a result, its shareholding in Gloucester following completion of the equity raising and the acquisition of the Middlemount Assets (taking into account the A\$100 million worth of new Gloucester shares to be issued to Noble at the Offer Price) is expected to reduce to c.61-63%⁶. If Gloucester proceeds with an institutional placement to raise an additional A\$90 million, Noble's shareholding in Gloucester is expected to reduce to c.57-59%⁶.

The Institutional Entitlement Offer is fully underwritten by RBS Equity Capital Markets (Australia) Limited and UBS AG, Australia Branch ("UBS"), who are Joint Lead Managers to the equity raising. UBS is also acting as financial advisor to Gloucester on the Middlemount Acquisition.

Further details of the equity raising are provided in the Appendices.

Interaction between the Noble Offer and the equity raising

On 6 April 2010 Noble announced its intention to acquire the Gloucester shares it did not own for A\$12.60 per share ("Noble Offer"). As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2%, which would increase its shareholding to c.93%.

Acceptances under the Noble Offer are not final and may increase or decrease. On 28 July 2010, Noble extended the Noble Offer to 7.00pm (AEST) on 3 September 2010 (unless further extended or withdrawn). Under the Corporations Act, certain Gloucester shareholders who have accepted the Noble Offer are entitled to withdraw their acceptances under the Noble Offer if they wish to do so. Noble has informed Gloucester that all Gloucester shareholders who accepted the Noble Offer prior to the extension on 28 July 2010 have withdrawal rights. Shareholders who accept the Noble Offer after it was extended on 28 July 2010 are not entitled to withdraw their acceptances. All Gloucester shareholders registered on the record date for the Entitlement Offer will be entitled to participate in the Entitlement Offer whether or not they have accepted the Noble Offer and whether or not their acceptances are entitled to be withdrawn.

Noble has confirmed the following matters:

- (a) Osendo Pty Ltd, the bidder under the Noble Offer, will not rely on the Middlemount Acquisition, the Gloucester Consideration, the Entitlement Offer or the Placement as triggering a defeating condition under the Noble Offer;

⁵ As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester

⁶ Noble's final shareholding will depend on various matters including the level of participation in the Retail Entitlement Offer, the level and timing of acceptances and transfers under the Noble Offer and the extent to which withdrawal rights are exercised

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- (b) the Middlemount Acquisition, the Gloucester Consideration, the Entitlement Offer and the Placement will not affect the price of A\$12.60 for each Gloucester Share offered under the Noble Offer; and
- (c) all Gloucester Shareholders registered as such on the record date for the Entitlement Offer will be entitled to participate in the Entitlement Offer whether or not they have accepted the Noble Offer and whether or not their acceptances are entitled to be withdrawn.

New shares issued through the equity raising will rank equally with existing Gloucester shares, however, these new shares are not eligible to be accepted into the Noble Offer and will trade under a separate ASX code to those on issue at 1 June 2010 until the Noble Offer and any associated buy-out rights end.

.....

The Middlemount Acquisition, the equity raising and other information described in this announcement is also set out in an investor presentation which Gloucester has filed with the ASX today. This investor presentation contains important information including risk factors and foreign selling restrictions with respect to the equity raising.

FOR FURTHER INFORMATION**Barry Tudor**

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Appendices

About Middlemount

Middlemount is a near-term, open-cut metallurgical coal development project located in Queensland's Bowen Basin. The Middlemount JV owns Middlemount and is currently 72.48% owned by Macarthur and 27.52% owned by Noble. The project is planned to be developed in two stages, with Stage 1 production expected to commence in FY2012.

- Mining lease granted in September 2009
- Stage 1 production of 1.8Mtpa (gross) ROM coal is expected to commence in FY2012⁷
- Stage 2 approval for 5.0-5.4 Mtpa (gross) ROM coal production capacity is expected in the second half of CY2012⁸
- Published JORC reserves of 57.0Mt, with further drilling work underway
- Targeted product mix of c.70% semi-hard coking coal and c.30% LV PCI, at a yield of c.78%⁹
- Construction underway - CHPP to be completed during the year ending June 2011
- Gross capex of c.A\$200 million has been spent to date on the project and a further A\$200 million of development capex expected to be spent between now and June 2012¹⁰
- Rail loop is expected to be completed during FY2012, subject to regulatory approvals
- Long term take or pay haulage contract with Pacific National for 3Mt from January 2010 and 3Mt port capacity at Abbot Point Coal Terminal.

About Noble

Noble is a market leader in managing the global supply chain of agricultural, industrial and energy products. The company is incorporated in Bermuda and listed on the SGX (SGX code: N21), with its head office in Hong Kong. The company has grown to become one of the world leaders in supply chain management over the past 20 years.

The Noble global network encompasses more than 150 offices and plant locations in 38 countries, employing approximately 70 nationalities.

Noble specialises in the origination and delivery of strategic raw materials in the agriculture, energy, metals and minerals markets. Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation.

Noble's 2009 annual revenues exceeded US\$31 billion and Noble owns and manages an array of strategic assets, sourcing from low cost producers such as Brazil, Argentina, Australia and Indonesia and supplying to high growth demand markets including China, India and the Middle East. Noble has interests in grain crushing facilities, coal and iron ore mines, fuel terminals and storage facilities, sugar and ethanol plants, vessels, ports and other infrastructure to ensure high quality products are delivered in the most efficient and timely manner to its customers.

^{7,8,9,10} Projected production, product yield and capex figures are estimates only and are subject to the risks outlined in "Key Risks" section of the Investor Presentation that Gloucester released to the ASX on 4 August 2010



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Sources and Uses of Funds¹

The various sources and uses of funds in relation to the proposed Middlemount Acquisition can be summarised as follows:

Sources (A\$m)		Uses (A\$m)	
Equity raising ⁴	409.4	Purchase of Middlemount Assets ⁵	269.5
Issue of shares to Noble ³	100.0	Purchase of Middlemount Royalty	168.0
Debt required by Gloucester ⁴	140.6		437.5
		Consideration of the Middlemount Deferred Equity and payment for the exercise of the Middlemount Option	108.0
		Share of Middlemount capex ⁶	60.0
		Contingency, working capital, fees and cash balance	44.5
Total sources of funds	650.0	Total uses of funds	650.0

1. Indicative only. Assumes that the Middlemount Acquisition occurs, and includes incremental sources and uses of funds between now and FY2012 as a result of the Middlemount Acquisition. It excludes the impact of cashflows within the existing Gloucester business

2. Excludes any proceeds from the non-underwritten Retail Entitlement Offer or any institutional placement

3. Assumes A\$100 million of new Gloucester shares are issued to Noble as part consideration for the Middlemount Acquisition, and this is approved by Gloucester shareholders (excluding Noble)

4. Debt to be primarily incurred when the Middlemount Option is exercised

5. Excluding Middlemount Royalty

6. Assumes Gloucester funds 30% (A\$60 million) of Middlemount capex between now and the end of FY2012

Further equity raising details

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 3 new Gloucester shares ("New Shares") for every 5 existing Gloucester shares held at 7.00pm (AEST) on 9 August 2010 ("Record Date").

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value in respect of those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value in respect of Entitlements they would have received had they been eligible.

For the Institutional Entitlement Offer, New Shares equal in number to those not taken up by Gloucester's eligible institutional shareholders (including Noble) and those which would otherwise have been offered to ineligible institutional shareholders will be offered for subscription to eligible institutional shareholders and selected institutional investors through a volume bookbuild process at the Offer Price.

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Eligible Retail Shareholders will receive a retail offer booklet including a personalised Entitlement and Acceptance Form in relation to the Retail Entitlement Offer which will provide further details of how to participate.

Stock lending and other transactions

Pursuant to a waiver from ASX and for the purposes of determining shareholder entitlements under the Entitlement Offer, Gloucester will disregard transactions in the shares after implementation of the trading halt in Gloucester Shares on 4 August 2010, except for settlement of Integrated Trading System (ITS) on-market transactions that occurred prior to the implementation of the trading halt.

Accordingly, a person who is a registered Gloucester shareholder at the Record Date as a result of a dealing after the commencement of the trading halt that commenced on 4 August 2010 (other than registrations of transactions that were effected through ITS before that halt) may not be entitled to receive an Entitlement under the Entitlement Offer.

If a shareholder has existing Gloucester shares out on loan at the Record Date, the borrower will be regarded as the shareholder for the purposes of determining the Entitlement (provided that those borrowed shares have not been on-sold or used to cover a short sale).

Shareholder enquiries

Retail shareholders who have further questions regarding the Retail Entitlement Offer please call the Gloucester Entitlement Offer Information Line on 1300 091 105 (within Australia) or +61 3 9415 4681 (from outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Retail Entitlement Offer. For other questions, you should consult your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.



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Equity raising timetable

The following outlines an indicative timetable for the equity raising:

Event	Date
Commence trading halt	4 August 2010
Institutional Entitlement Offer	4 August 2010
Gloucester shares recommence trading	5 August 2010
Record Date for the Entitlement Offer	9 August 2010
Retail Entitlement Offer opens	12 August 2010
Offer document despatched to Eligible Retail Shareholders	12 August 2010
Institutional Entitlement Offer settlement	17 August 2010
Allotment and trading of New Shares issued under the Institutional Entitlement Offer	18 August 2010
Retail Entitlement Offer closes	27 August 2010
Retail Entitlement Offer settlement	3 September 2010
Allotment of New Shares issued under the Retail Entitlement Offer	6 September 2010
Retail Trading date	7 September 2010
<i>Dates in relation to the General Meeting</i>	
Despatch of Notice of Meeting and Explanatory Memorandum including the Independent Expert's Report	27 August 2010
Record Date for the General Meeting	25 September 2010
General Meeting date	27 September 2010

The timetable is subject to change. Subject to its obligations under the underwriting agreement, Gloucester reserves the right to withdraw or vary the timetable for the offer without notice. In particular, subject to its obligations under the underwriting agreement, Gloucester reserves the right to extend the closing date for the retail entitlement offer, to accept late applications either generally or in particular cases or to withdraw the retail entitlement offer without prior notice. The commencement of quotation of new shares is subject to confirmation from ASX.



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Important Information

This announcement does not constitute an offer for subscription, invitation, recommendation or sale with respect to the purchase or sale of any securities in any jurisdiction. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") ("U.S. Persons"). Neither the Entitlements nor the New Shares have been, or will be, registered under the Securities Act or any securities laws of any state or other jurisdiction of the United States and may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "consider", "foresee", "aim", "will" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future production, resources, reserves, sales, capital expenditure, earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Gloucester. These factors may include the volume and price of coal sales, the impact of inflation on operating and development costs, any fluctuations in exchange rates, operational risks, risks associated with the exploration or developmental stage of projects, the imprecise nature of resource and reserve estimates, access to and costs of infrastructure and transport, taxation (including the Minerals Resource Rent Tax), regulatory issues and changes in law and accounting policies, the fluctuating industry and commodity cycles, any reliance on third parties and joint ventures in the development of projects, any imposition of significant obligations under environmental regulations, the impact on competitiveness of the business resulting from carbon trading and carbon tax imposed by Australian and foreign governments, any climate change impact (including regarding water allocations), any increased competition, any loss of key long term contracts, the adverse impact of wars, terrorism, political, economic or natural disasters, any inability to enforce legal rights, any native title claims, the ability to service existing debt and to refinance its debt to meet its expenditure needs and any future acquisitions, further exploration or new projects, loss of key personnel and delays in obtaining or inability to obtain any necessary government approvals or exploration licences, impact of changes in interest rates, effect of new technologies, changes to government fiscal, monetary and regulatory policies, reliance on third parties or risks associated with the acquisition of the Middlemount Assets. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Investors are cautioned not to place undue reliance on projections or forward-looking statements and none of Gloucester, any of its officers or any person named in this announcement or involved in the preparation of this announcement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statements or any event or results expressed or implied in any forward looking statement.

This announcement is not financial product or investment advice nor a recommendation to acquire Gloucester shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Gloucester is not licensed to provide financial product advice in respect of Gloucester shares.

An investment in Gloucester shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Gloucester Group, including possible loss of income and principal invested. Gloucester does not guarantee any particular rate of return or the performance of the Gloucester Group, nor does it guarantee the repayment of capital from Gloucester or any particular tax treatment. In considering an investment in Gloucester shares, investors should have regard to (amongst other things) the risks and disclaimers outlined in the Investor Presentation released to ASX on 4 August 2010.

Investor Presentation dated 4 August 2010



GLOUCESTER COAL

GLOUCESTER COAL



Middlemount Acquisition and Equity Raising Investor Presentation – August 2010

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Disclaimer

This Presentation has been prepared by Gloucester Coal Ltd ACN 008 881 712.

Summary of information

This Presentation contains summary information about Gloucester and its subsidiaries and their activities as at 4 August 2010. The information in this Presentation does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with:

- Gloucester's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au; and
- In respect of the Middlemount project, Macarthur's periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

You acknowledge and agree that Macarthur does not make any representations or warranties as to the currency, accuracy, reliability or completeness of its periodic and continuous disclosure announcements and/or public announcements and nor do they make any representations or warranties to you concerning the offer and whether you should participate.

Not financial product advice

This Presentation is not a financial product or investment advice nor a recommendation to acquire Gloucester shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Gloucester is not licensed to provide financial product advice in respect of Gloucester shares. Cooling off rights do not apply to the acquisition of Gloucester shares.

Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented within the financial year ended 30 June unless otherwise stated.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

Risks of investment

An investment in Gloucester shares is subject to investment and other known and unknown risks, some of which are beyond the control of Gloucester, including possible loss of income and principal invested. Gloucester does not guarantee any particular rate of return or the performance of Gloucester, nor does it guarantee the repayment of capital from Gloucester or any particular tax treatment. In considering an investment in Gloucester shares, investors should have regard to (amongst other things) the risks and disclaimers outlined in this Presentation.

Forward-looking statements

This Presentation contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "consider", "foresee", "aim", "will" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future production, resources, reserves, sales, capital expenditure, earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Gloucester.

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Disclaimer

Forward-looking statements (cont'd)

These factors may include the volume and price of coal sales, the impact of inflation on operating and development costs, any fluctuations in exchange rates, operational risks, risks associated with the exploration or developmental stage of projects, the imprecise nature of resource and reserve estimates, access to and costs of infrastructure and transport, taxation (including the Minerals Resource Rent Tax), regulatory issues and changes in law and accounting policies, the fluctuating industry and commodity cycles, any reliance on third parties and joint ventures in the development of projects, any imposition of significant obligations under environmental regulations, the impact on competitiveness of the business resulting from carbon trading and carbon tax imposed by Australian and foreign governments, any climate change impact (including regarding water allocations), any increased competition, any loss of key long term contracts, the adverse impact of wars, terrorism, political, economic or natural disasters, any inability to enforce legal rights, any native title claims, the ability to service existing debt and to refinance its debt to meet its expenditure needs and any future acquisitions, further exploration or new projects, loss of key personnel and delays in obtaining or inability to obtain any necessary government approvals or exploration licences, impact of changes in interest rates, effect of new technologies, changes to government fiscal, monetary and regulatory policies, reliance on third parties or risks associated with the acquisition of the Middlemount Assets.

Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Investors are cautioned not to place undue reliance on projections or forward-looking statements and none of Gloucester, any of its officers or any person named in this Presentation or involved in the preparation of this Presentation makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statements or any event or results expressed or implied in any forward looking statement.

Past Performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Not an offer

This Presentation is not and should not be considered an offer or an invitation to acquire Gloucester shares or any other financial products.

Each recipient of this Presentation should make its own enquiries and investigations regarding all information included in this Presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of Gloucester and the values and the impact that different future outcomes may have on Gloucester.

This Presentation does not constitute an offer to sell, or solicitation of an offer to buy securities in the United States or to any "U.S. Person" as defined in Regulation S under the Securities Act of 1933, as amended (the "U.S. Securities Act"). This Presentation may not be distributed or released in the United States or to, or for the account or benefit of, any U.S. Person. The shares in the proposed offering have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States.

Accordingly, the shares in the proposed offering may not be offered, or sold, directly or indirectly, within the United States or to, or for the account or benefit of U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Intermediaries – disclaimer

Noble and its affiliates (excluding Gloucester), the Joint Lead Managers, advisers and their affiliates, and each of their respective directors, officers and employees (Other Persons) to Gloucester have not been involved in the preparation of, and have not authorised, permitted or caused the issue, lodgement, admission, dispatch or provision of this Presentation and do not make or purport to make any statement in this Presentation and you acknowledge that there is no statement in this Presentation which is based on any statement made by the Other Persons. You acknowledge and agree that none of the Other Persons, makes any representation or warranty as to the currency, accuracy, reliability or completeness of information and nor do they make any representations or warranties to you concerning the offer and whether you should participate. The Other Persons to the maximum extent permitted by law, expressly disclaim all liabilities:

- (a) in respect of (make no representations regarding, and take no responsibility for) any part of this document or in relation to the offer; and
- (b) for any expenses, losses, damages or costs that may be incurred by you as a result of that information being inaccurate or incomplete in any way for any reason.

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United States

This Presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and neither this Presentation nor anything contained in it shall form the basis of any contract or commitment. In particular, this Presentation does not constitute an offer to sell, or solicitation of an offer to buy securities in the United States or to any "U.S. Person" as defined in Regulation S under the Securities Act of 1933, as amended (the "U.S. Securities Act"). This Presentation may not be distributed or released in the United States or to, or for the account or benefit of, any U.S. Person.

The shares in the proposed offering have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States.

Accordingly, the shares in the proposed offering may not be offered, or sold, directly or indirectly, within the United States or to, or for the account or benefit of U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting this Presentation, you agree to be bound by the foregoing limitations.

Norway

This Presentation has not been approved by, or registered with, any Norwegian securities regulators pursuant to the Norwegian Securities Trading Act of 29 June 2007, as amended. This Presentation and any other materials in connection with the offer relating to Norway have not been approved or disapproved by, or registered with the Oslo Stock Exchange, the Norwegian FSA, the Norwegian Registry of Business Enterprises or any other Norwegian authority. Accordingly, neither this Presentation nor any other offering material relating to the offering of the new shares and entitlements constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 29 June 2007. The new shares and entitlements may not be offered or sold, directly or indirectly, in Norway except:

- i. in respect of an offer of new shares and entitlements addressed to investors subject to a minimum purchase of new shares and entitlements for a total consideration of not less than €50,000 per investor;
- ii. to "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876, being:
 - A. legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
 - B. any legal entity which is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and which has two or more of:
 - I. an average of at least 250 employees during the last financial year;
 - II. a total balance sheet of more than €43,000,000; and
 - III. an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
 - C. any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who has two or more of:
 - I. an average executive of at least ten – 10 – transactions in securities of significant volume per quarter for the last four quarters;
 - II. a portfolio of securities with a market value of at least €500,000; and
 - III. at least one – 1 – year of experience working within the financial markets in a position which presupposes knowledge of investing in securities;
- iii. to fewer than 100 natural or legal persons (other than "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876), subject to obtaining the prior consent of the underwriter for any such offer; or
- iv. in any other circumstances provided that no such offer of new shares and entitlements shall result in a requirement for the registration, or the publication by Gloucester or the underwriter of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

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Selling restrictions

United Kingdom

This Presentation is only being distributed to, and is only directed at, persons in the United Kingdom that are existing shareholders of Gloucester or qualified investors and also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FSMA Order"); or (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the FSMA Order (all such persons together being referred to as "Relevant Persons"). This Presentation and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom as this may contravene the Financial Services Markets Act 2000 ("FSMA"). Any investment or investment activity to which this Presentation relates is available in the United Kingdom, to Relevant Persons only. Any person in the United Kingdom that is not a Relevant Person should not review it or act or rely on this Presentation or any of its contents and is requested to return this Presentation to the person who made it available to them.

Ireland

This Presentation and any other related material relating to Ireland do not, of themselves, or in conjunction with any other material, constitute (i) a prospectus within the meaning of the Companies Act 1963 or Part 5 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland ("the 2005 Act"); (ii) an offering document (a "Local Offering Document") within the meaning of section 49 of the 2005 Act; (iii) an investment advertisement within the meaning of section 23 of the Investment Intermediaries Act 1995 of Ireland, or (iv) investment advice or the provision of investment or ancillary services (or the advertisement thereof or in relation thereto) within the meaning of the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland (as amended) or otherwise.

No offer of securities to the public is made, or will be made, that requires the publication of (i) a prospectus pursuant to Irish prospectus law (within the meaning of Part 5 of the 2005 Act) in general, or in particular pursuant to the Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations"); or (ii) a Local Offering Document under the 2005 Act. This Presentation is being distributed to fewer than 100 persons in Ireland and accordingly there is no requirement to publish a prospectus under the Prospectus Regulations or a Local Offering Document under the 2005 Act.

This Presentation has not been approved, reviewed or registered with the Irish Financial Services Regulatory Authority or any other competent authority in Ireland.

Gloucester is not an authorised investment firm within the meaning of the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland (as amended) and the recipients of this Presentation should seek independent legal and financial advice in determining their actions in respect of or pursuant to this Presentation.

Belgium

The new shares and entitlements may only be offered, sold, transferred or delivered at any time by anyone in or from Belgium as part of their initial distribution or any time thereafter, directly or indirectly to qualified investors (investisseurs qualifiés/gekwalificeerde beleggers) as such term is defined in article 10 of the Belgian law on public offers of investment instruments (loi relative aux offres publiques d'instrument de placement/wet op de openbare aanbieder van beleggingsinstrumenten), including - but not limited to - credit institutions, investment firms, insurance companies, undertakings for collective investment and their management companies, pension funds and their management companies.

Germany

No offer in respect of the new shares will be made in Germany, other than to qualified investors as defined in Sec. 2 No. 6 of the German Securities Prospectus Act (Wertpapierprospektgesetz) or in circumstances where the offer of new shares is exempt from the publication of a prospectus according to the German Securities Prospectus Act.

Therefore, neither this Presentation nor any other document has been or will be submitted for approval to the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin) and accordingly no such Presentation or document shall be communicated to the public in Germany in any form and by any means. Any offer or solicitation within Germany made in connection with the new shares must be in full compliance with the German Securities Prospectus Act.

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Selling restrictions

Switzerland

The new shares and entitlements may not be offered or sold in Switzerland except in circumstances that will not result in the offer of the new shares and the entitlements being a public offering in Switzerland pursuant to article 652a of the Swiss Code of Obligations ("CO"). Accordingly, investors will not be protected by the provisions of the CO or any other Swiss law. Neither the disclosure materials nor any other offering or marketing material relating to the new shares and the entitlements constitute a prospectus pursuant to article 652a CO or any other Swiss law.

Netherlands

The new shares and entitlements may only be offered, sold, transferred or delivered at any time by anyone in or from the Netherlands as part of their initial distribution or any time thereafter, directly or indirectly to qualified investors (gekwalificeerde beleggers) as such term is defined in Section 1:1 of the Act on Financial Supervision (Wet op het financieel toezicht), including - but not limited to - banks, brokers, dealers, and institutional investors holding a license or being otherwise regulated to be active on the financial markets or undertakings whose only corporate object is investing in securities.

France

Prospective investors are informed that no prospectus (including any amendment, supplement or replacement thereto) has been or will be prepared in connection with the offering of the new shares and entitlements that has been approved by the French Market Authority (Autorité des Marchés Financiers) or by the competent authority of another State that is contracting party to the agreement on the European Economic Area and notified to the Autorité des Marchés Financiers. No prospectus subject to the approval (visa) of the Autorité des Marchés Financiers has been, or will be, prepared in connection with the new shares.

The new shares and entitlements are not issued in the French Republic and the new shares and entitlements may not be offered or sold, nor will be offered or sold, to the public in the French Republic and neither this Presentation nor any other material or information relating to the new shares may be released, issued or distributed, caused to be released, issued or distributed, to the public in France, or used in connection with any offering of the new shares to the public in France, except that the new shares and entitlements may be offered exclusively to (i) persons licensed to provide the investment service of portfolio management for the account of third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers); and/or (ii) qualified investors (investisseurs qualifiés) or restricted group of investors, provided that said investors act for their own account, all as defined and in accordance with Article L. 411-1 and L. 411-2 II of the French Code Monétaire et Financier and applicable regulations thereunder.

Prospective investors are informed that (i) the transaction does not require a prospectus to be filed with the Autorité des Marchés Financiers for approval, (ii) such prospective investors may only take part in the transaction solely for their own account, as provided in Articles D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code Monétaire et Financier and (iii) the new shares and entitlements may not be further distributed, directly or indirectly, to the public in the French Republic otherwise than in accordance with Article L. 411-1, L. 411-2 II, L. L. 412-1 and L. 621-8 to L. 621-8-3 of the French Code Monétaire et Financier and applicable regulations thereunder.

Singapore

This offer is made in reliance on certain exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), and is not made in or accompanied by a prospectus that is registered by the Monetary Authority of Singapore (the "Authority"). Conversely, the disclosure materials have not been and will not be registered as a prospectus with the Authority. Accordingly, the disclosure materials and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of new shares and entitlements may not be circulated or distributed, nor may new shares and entitlements be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA; (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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Selling restrictions

Singapore (cont'd)

Where new shares and entitlements are subscribed for or purchased under Section 275 by a relevant person which is:

- i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, then the securities (as defined in Section 2 of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the new shares and entitlements pursuant to an offer made under Section 275 except:

- A. to an institutional investor or to a relevant person as defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such securities of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further (in the case of the corporation), the transfer of securities of that corporation arise from an offer made in accordance with the conditions specified in Section 275 of the SFA;
- B. where no consideration is or will be given for the transfer; or
- C. where the transfer is by operation of law.

Hong Kong

Important information for "professional" and other legally permitted Hong Kong investors:

WARNING

The contents of this Presentation have not been reviewed or approved by any regulatory authority in Hong Kong. Recipients are advised to exercise caution in relation to any offer of new shares by Gloucester. If recipients are in any doubt about any of the contents of this document, they should obtain independent professional advice.

The new shares and entitlements have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than:

- i. to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that ordinance; or
- ii. in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance.

Further, no person shall issue or have in its possession for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the new shares and entitlements, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the new shares and entitlements which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made under that ordinance.

The information relating to the offering contained herein may not be used other than by the person to whom it is addressed and may not be reproduced in any form or transferred to any person in Hong Kong.

This offering is not an offer for sale to the public in Hong Kong and it is not the intention of Gloucester that the new shares and entitlements be offered for sale to the public in Hong Kong. *A person acquiring the new shares and entitlements under this offering must not offer those new shares and entitlements or any of them to the public within 6 months after their allotment.*

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Selling restrictions

Canada

This Presentation constitutes an offering of the securities described herein only in those jurisdictions of Canada and to those persons where and to whom they may be lawfully distributed in Canada, and therein only by authorised persons. This Presentation is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities referred to in this document in Canada.

This Presentation must only be distributed in Canada to persons that are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus and Registration Exemptions (NI 45-106) of the Canadian Securities Administrators.

No securities commission or similar authority in Canada has reviewed or in any way passed upon this Presentation or the offering of new shares in the offer or the merits of the securities described herein and any representation to the contrary is an offence.

No prospectus has been or will be filed in Canada with respect to the offering of new shares in the offer or with respect to the resale of such securities. As such, any person in Canada lawfully participating in the offer will not receive the information, legal rights and protections that would be afforded to such persons had a prospectus been filed and received by the applicable securities commission or similar authority in Canada. Any resale of the new shares must be made in accordance with applicable Canadian securities laws.

New Zealand

This Presentation does not constitute a prospectus or investment statement and has not been registered, filed with or approved by any New Zealand regulatory authority under or in connection with the Securities Act 1978 (New Zealand). The disclosure materials are being distributed in New Zealand only to (a) persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; (b) persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the new shares before the allotment of those new shares; or (c) persons to whom securities may be offered in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2002. Under the offer new shares are not being offered to any other person in New Zealand.

Japan

No information in this Presentation is intended as either an offer to sell or a solicitation of an offer to sell any securities of Gloucester to residents of Japan or in Japan.

The shares have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan ("FIEL"). Solicitation of an order for subscription to the shares in Japan is being made pursuant to an exemption in accordance with Article 2, Paragraph 3, Item 2(a) of FIEL for offers of shares to Qualified Institutional Investors (as defined in Article 2, Paragraph 3, Item 1 of FIEL, the "Qualified Institutional Investors") only. Accordingly, neither solicitation of an order for subscription to the shares nor offer or sale of the shares may be made to non-Qualified Institutional Investors in Japan. Further, transfer of the shares is subject to certain transfer restrictions.

People's Republic of China (PRC)

This Presentation does not constitute, or form part of any offer for subscription or sale of, or solicitation of any offer to subscribe for or sale of any securities of Gloucester, nor shall be construed as the invitation of any such offer, nor shall it for the basis of, nor can it be relied on in connection with, or act as an inducement, advertisement or promotion to enter into any contract or commitment whatsoever.

Neither this Presentation nor any copy of it may be taken or transmitted into the PRC, its territory or possession, or distributed to any PRC entities or individuals, in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe any securities or in the context where its distribution may be construed as such offer, solicitation or invitation.

Reading information in this Presentation or otherwise receiving information in relation to the investment in Gloucester may not be lawful in certain jurisdictions. In other jurisdictions only certain categories of person may be allowed to receive this information. Any persons who wish to receive information from this Presentation must first satisfy themselves that they are not subject to any local requirements, which prohibit or restrict them from doing so. If you are not permitted to read or receive materials in this Presentation or are in any doubt as to whether you are permitted to read or receive these materials, please discontinue reading or receiving information in this Presentation.

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Selling restrictions

Italy

The offering of the shares has not been registered with the Commissione Nazionale per le Società e la Borsa ("Consob"), in accordance with Italian securities legislation. Accordingly, the shares may not be offered or sold, and copies of this offering document or any other document relating to the shares may not be distributed in Italy except to qualified investors, as defined in Article 34-ter of the Consob's Regulation 11971/1999 (the "Issuers' Regulation") or in any other circumstance where an exemption applies to complying with public offering restrictions provided by Legislative Decree no. 58 of February 24, 1998 (the "Consolidated Financial Act") or Issuers' Regulation, including those provided for under Article 100 of the Finance Law and Article 34-ter of the Issuers' Regulation, and provided, however, that any such offer or sale of the shares or distribution of copies of this offering document or any other document relating to the shares in Italy must (i) be made in accordance with all applicable Italian laws and regulations; (ii) be conducted in accordance with any relevant limitations or procedural requirements that Consob may impose upon the offer or sale of the shares; and (iii) be made only by (a) banks, investment firms or financial companies enrolled in the special register provided for in Article 107 of Legislative Decree no. 385 of September 1, 1993, to the extent duly authorized to engage in the placement and/or underwriting of financial instruments in Italy in accordance with the Consolidated Financial Act and the relevant implementing regulations; or (b) foreign banks or financial institutions (the controlling shareholding of which is owned by one or more banks located in the same EU Member State) authorised to place and distribute securities in the Republic of Italy pursuant to Articles 15, 16 and 18 of the Banking Act, in each case acting in compliance with all applicable laws and regulations.

Sweden

This Presentation or any other documentation in connection with the offer is not a prospectus for the purposes of the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) om handel med finansiella instrument). The securities are being offered to qualified investors and the securities are being offered to a limited number of investors therefore this Presentation has not been or will not be approved by the Swedish Financial Supervisory Authority and may not be published or otherwise distributed, in whole or in part, in Sweden. This Presentation has been prepared on the basis that this offer of securities within Sweden will be made pursuant to an exemption under the Swedish Financial Instruments Trading Act from the requirement to prepare and register a prospectus for offers of securities. Accordingly, this Presentation may not be made available, nor may the offering otherwise be marketed in Sweden, other than in circumstances which are deemed not to be an offer for which a prospectus is required to be prepared and registered pursuant to the Swedish Financial Instruments Trading Act.

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- 1 Executive summary
- 2 Gloucester's strategy
- 3 Overview of Gloucester
- 4 Overview of Middlemount
- 5 Acquisition of the Middlemount Assets
- 6 Equity raising
- 7 Appendices

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Executive summary – Gloucester overview

Gloucester's strategy

- To create a major Australian independent, diversified metallurgical coal producer
 - target annual production of c.4.0Mt (equity share) of metallurgical coal by financial year (ending 30 June) ("FY") 2014^{1,2}

Overview of Gloucester

- FY10 sales of c.2.0Mt, including 0.75Mt of metallurgical coal
- Targeting c.3.5Mtpa of product coal (c.2.0Mtpa metallurgical coal) by FY14 from its existing operations¹
- Currently has 74.8Mt of JORC reserves
 - 31% increase announced late July 2010
 - target of c.130Mt by mid calendar year (ending 31 December) ("CY") 2011
 - on track to deliver 12 months ahead of schedule¹

Noble's position

- Noble owns 87.7%³ of Gloucester
- Noble has made a takeover offer to acquire all Gloucester shares (on issue as at 1 June 2010) it does not own for \$12.60 per share (the "Noble Offer")
- However, Noble has a preference to maintain Gloucester as a listed company
- Any new shares issued under the equity raising will **not** be eligible to accept the Noble Offer

Notes:

1. Projected saleable production, reserves and resources figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)
2. Assumes that the acquisition of the Middlemount Assets, completion of the acquisition of the Middlemount Deferred Equity and exercise of the Middlemount Option occurs
3. As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester. Refer to page 42 for further details

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Executive summary – Middlemount overview

Overview of Middlemount

- Middlemount is a metallurgical coal development project in Queensland's Bowen Basin
- Middlemount has published JORC reserves of 57.0Mt
 - further drilling work is underway at Middlemount and has been since the initial reserve was defined in early 2009. Gloucester management has based its analysis on its expectation that total coal mined over the life of mine will be approximately 100Mt, consistent with the Middlemount Coal Project Stage 2 Initial Advice Statement¹
- Stage 1 production of 1.8Mtpa (gross) ROM coal is expected to commence in FY12²
- Stage 2 approval for 5.0-5.4Mtpa (gross) ROM coal production capacity is expected in the second half of CY12²
- Targeted product mix of c.70% semi-hard coking coal and c.30% LV PCI, at a yield of c.78%²
- c.\$200 million has been spent to date on the project and a further \$200 million of development capex is expected to be spent between now and June 2012²

Middlemount JV

- The Middlemount JV owns Middlemount and is currently 72.48% owned by Macarthur and 27.52% owned by Noble

Notes:

1. This is a Gloucester internal management assumption only. There are a number of factors that will influence the total amount of coal mined at Middlemount and investors should refer to the risks outlined in "Key risks" (refer to Appendices)
2. Projected production, product yield and capex figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)

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Executive summary – Middlemount acquisition

Acquisition of the Middlemount Assets

- Gloucester proposes to acquire the following assets from Noble for \$269.5 million:
 - a 27.52% interest in the Middlemount JV (the “Middlemount Equity”)
 - a further 2.48% interest in the Middlemount JV for a further \$8 million payable following completion of a certain shipping milestone (the “Middlemount Deferred Equity”)
 - an option to acquire a further 20% interest in the Middlemount JV from Macarthur for an exercise price of \$100 million. This option can be exercised at any time up to 18 months from after CHPP completion (the “Middlemount Option”)
- In addition, Gloucester proposes to acquire from Noble the right to receive a royalty of 4% of FOBT sales from the Middlemount JV¹ for \$168 million (the “Middlemount Royalty”)
- The total day one price payable of \$437.5 million will comprise cash of \$337.5 million and the issue of \$100 million of new Gloucester shares to Noble, which will be issued at the same price per share as the shares to be issued to investors under the equity raising
- The proposed acquisition of the Middlemount Assets and the issue of \$100 million of new Gloucester shares to Noble is subject to various conditions, including Gloucester shareholder approval (excluding Noble)
 - an Independent Expert’s Report will be prepared in relation to the above

Note:

1. Or such other amount as Noble receives under the Royalty Deed

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Executive summary – Equity raising

Equity raising

- Gloucester is undertaking an accelerated non-renounceable pro-rata entitlement offer of up to c.\$455 million at an offer price of \$9.25/share:
 - underwritten institutional component of c.\$410 million; and
 - non-underwritten retail component of up to c.\$45 million
- Subject to sufficient demand, Gloucester reserves the right to raise up to an additional c.\$90 million through an institutional placement (at the same offer price as under the entitlement offer)
- Noble is not participating in the equity raising
- The equity raising is **not** conditional on Gloucester shareholders approving the acquisition of the Middlemount Assets
- The equity raising will significantly increase the size and liquidity of Gloucester
- After the equity raising and the issue of \$100 million of new Gloucester shares to Noble, Noble’s ownership of Gloucester will be c.61-63%^{1,2,3}

Notes:

1. Figures are approximations based on shareholdings and acceptances under the Noble Offer as at 30 July 2010 assuming that the issue of \$100 million of new Gloucester shares to Noble is approved by Gloucester shareholders, Noble does not acquire any further shares and shareholders that have previously accepted the Noble Offer do not withdraw their acceptances
2. Final shareholdings will depend on various matters including the level of participation in the equity raising by retail shareholders, the level and timing of acceptances and transfers under the Noble Offer and the extent to which withdrawal rights are exercised
3. If Gloucester proceeds with an institutional placement to raise an additional c.\$90 million, Noble’s shareholding in Gloucester is expected to reduce to c.57-59%

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Executive summary – If the acquisition does not proceed

What if the acquisition of the Middlemount Assets does not proceed?

- The acquisition of the Middlemount Assets will be subject to various conditions, including Gloucester shareholder approval (excluding Noble)
- If the acquisition of the Middlemount Assets does not proceed (due to failure of shareholder approval or for any other reason), then monies raised under the equity raising will be used to:
 - fund new opportunities and strategic initiatives in line with Gloucester’s strategy of becoming a major Australian independent, diversified metallurgical coal producer; and
 - fund capex and working capital
- In this instance, \$100 million worth of new Gloucester shares as part of the consideration payable for the Middlemount Assets will not be issued to Noble

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Executive summary – Sources & uses of funds¹

Sources		Uses	
	\$m		\$m
Gloucester equity raising ²	409.4	Purchase of Middlemount Assets ⁵	269.5
Issue of shares to Noble ³	100.0	Purchase of Middlemount Royalty	168.0
Debt required by Gloucester ⁴	140.6		437.5
		Consideration for the Middlemount Deferred Equity and payment for exercise of the Middlemount Option	108.0
		Share of Middlemount capex ⁶	60.0
		Contingency, working capital, fees and cash balance	44.5
Total sources of funds	650.0	Total uses of funds	650.0

Notes:

1. Indicative only. Assumes that the acquisition of the Middlemount Assets occurs, and includes incremental sources and uses of funds between now and FY12 as a result of the acquisition of the Middlemount Assets. It excludes the impact of cashflows within the existing Gloucester business
2. Excludes any proceeds from the non-underwritten retail entitlement offer or any institutional placement
3. Assumes \$100 million of new Gloucester shares are issued to Noble as part consideration for the acquisition of the Middlemount Assets, and this is approved by Gloucester shareholders (excluding Noble)
4. Debt to be primarily incurred when the Middlemount Option is exercised
5. Excluding Middlemount Royalty
6. Assumes Gloucester funds 30% (\$60 million) of Middlemount capex between now and the end of FY12

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Gloucester's objectives

✓ Create a major Australian independent, diversified metallurgical coal producer

- Sole producer in the Gloucester Basin of New South Wales, with two producing assets (Duralie and Stratford), established infrastructure and port capacity
- The addition of the Middlemount Assets – relating to a high quality development project in the Bowen Basin of Queensland – will provide Gloucester with geographical diversification over two coal basins
- Clearly defined growth strategy, with a focus on increasing metallurgical coal production
 - equity share of metallurgical coal production expected to grow from 0.6Mt in FY10 to c.4Mtpa by FY14 (post acquisition of the Middlemount Assets)^{1,2}
- 328.9Mt resources and 103.3Mt reserves (equity share) post the acquisition of the Middlemount Assets², with further work ongoing to define additional reserves
- Well placed to benefit from expected long term strength in metallurgical coal markets
 - strong long term relationships with major customers including JFE, Nisshin Steel, Nippon Steel and Kobe Steel
- Strategic value-adding shareholder in Noble
- Increased free float and liquidity following the equity raising

Notes:

1. Projected saleable production figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)
2. Assumes that the completion of the acquisition of the Middlemount Deferred Equity and exercise of the Middlemount Option occurs

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Why focus on metallurgical coal?

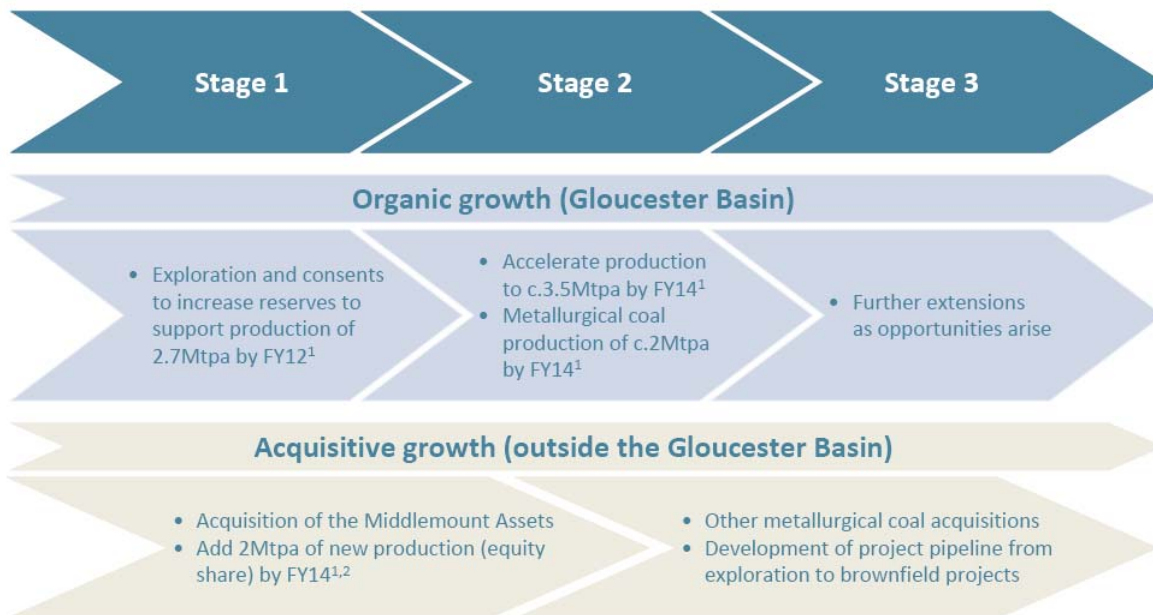
1. Tight supply (heavily influenced by one major producer) and fragmented demand drive potential for higher margins and sustainable profitability
2. Customers are expected to encourage development of independent producers to reduce their reliance on major producers
3. Potential for increased demand from China and India to drive higher margins
4. Value accretive opportunities for “specialised” projects which the major producers/end users may be overlooking
5. Specialised opportunities align with Gloucester’s capabilities in project development, marketing, mining and culture

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Growth considerations – The future



Notes:

1. Projected saleable production figures are estimates only and are subject to the risks outlined in “Key risks” (refer to Appendices)
2. Assumes that the completion of the acquisition of the Middlemount Deferred Equity and exercise of the Middlemount Option occurs

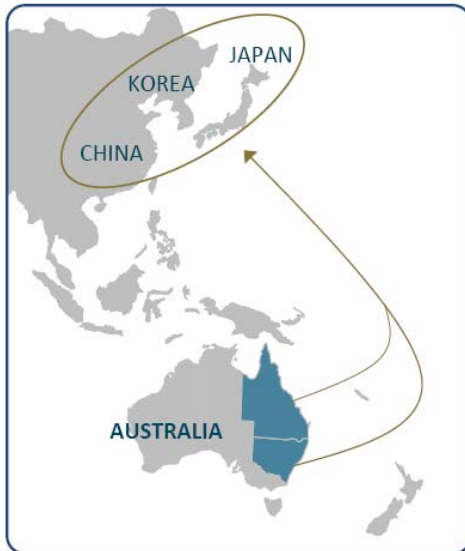
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Strong support for coal markets

Australia has some of the world's highest quality coking coal basins, in which Gloucester holds its assets



- Tight supply and robust demand growth for metallurgical coal expected to continue in the medium term
- Emergence of China as a net importer of metallurgical coal supporting demand and pricing
 - China moved from being a net exporter of metallurgical coal in 2008 to a net importer in 2009 (34Mt)
 - BMA negotiation (concluded on 1 June 2010) for September quarter hard coking coal settled at US\$225/t – a 12.5% uplift over the previous quarter
 - June 2010 quarter pricing for PCI and semi soft coking coal settled at narrower discounts to hard coking coal prices than observed historically
- Energy demand in India and China expected to support coal prices in the medium term

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Gloucester’s operations



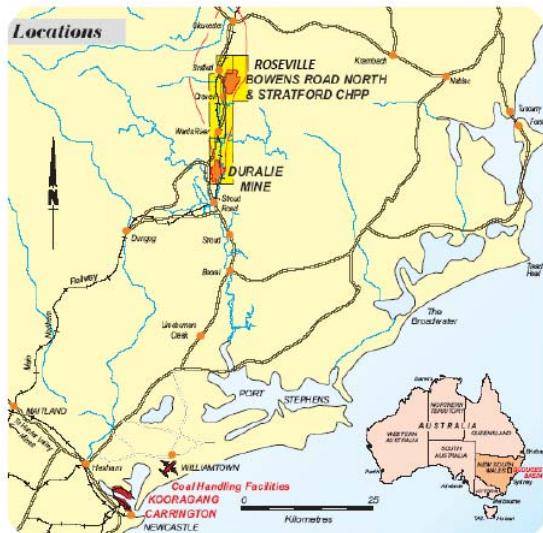
- ASX listed metallurgical and thermal coal producer with open cut mining operations
- Sole producer in the Gloucester Basin of New South Wales
- Gloucester’s metallurgical coal is a premium, high-value product and is noted for its high fluidity, which enhances pricing and supports demand
- FY10 sales of c.2.0Mt, including 0.75Mt of metallurgical coal
- Coal exported to Asia through the port of Newcastle
- Access to rail and port infrastructure
 - Gloucester currently holds 10 year take or pay contracts with PWCS for 90% of planned capacity expansions, and plans to acquire the final 10% in 2010
- Future mining of Clareval and Roseville seams is expected to deliver superior coking product yield
- Potentially significant exploration upside to extend mine life

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Gloucester’s operations



- Two operating mining areas – Duralie and Stratford
- Integration of operations and blending of coal quality, with Duralie ROM coal transported to the Stratford CHPP for processing
- Coal is also blended from both mines
- Production expansion planned:
 - from 1.9Mtpa to 2.7Mtpa by FY12¹
 - 2.7Mtpa to c.3.5Mtpa by FY14¹
- Focusing on increasing the proportion of coking coal
 - FY14 target of c.2Mtpa of metallurgical coal¹

Note:

1. Projected saleable production figures are estimates only and are subject to the risks outlined in “Key risks” (refer to Appendices)

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Recent achievements



- ✓ Strategic review undertaken since appointment of new CEO and Board in June 2009
- ✓ Aggressive exploration program underway, with delivered results ahead of plan
 - 31% increase in JORC reserves announced in July 2010
 - further increases expected over the next 12 months
- ✓ Repositioned thermal coal products
- ✓ 100% increase in metallurgical coal price settlements reflecting continuing demand for Gloucester product in Asia
 - new markets opened in Korea
- ✓ Substantial overhaul of operations to maximise operating efficiency and development potential
 - optimisation of production through higher strip ratio

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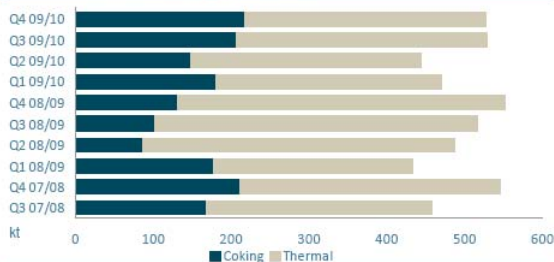
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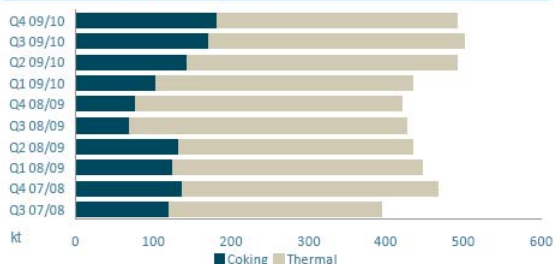
Financial and operating performance

Consistent operating performance with growth expected from expansion plans and greater volumes of higher priced metallurgical coal⁴

Historical sales – by quarter



Historical production – by quarter



FY10 operating and financial results¹

Sales (kt)	1,970
- Coking	751
- Thermal	1,219
Production (kt)	1,918
- Coking	600
- Thermal	1,318
Opex (\$/t) ²	85
EBITDA (\$m) ³	57.6
NPAT (\$m) ³	36.4

Notes:

1. These are unaudited figures. Gloucester is in the process of auditing these figures
2. Own coal opex cost – includes royalties but excludes transaction costs, depreciation and interest
3. Excludes transaction costs
4. Projected growth is an estimate only and is subject to the risks outlined in “Key risks” (refer to Appendices)

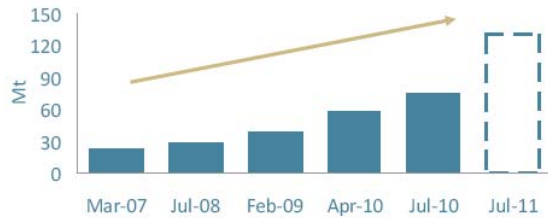
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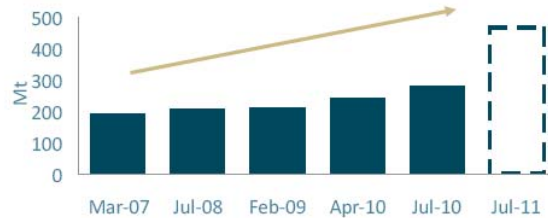
Exploration success

Coal reserves growth¹



- Gloucester is undertaking an aggressive drilling program to target definition of resources in the Clareval and Weismantel seams
- 16 drill rigs operating, with 31,319 metres drilled in Q4 FY10
- Recent 31% reserve upgrade to 74.8Mt demonstrates the success of the drilling program which has been accelerated over the past six months
- Target of c.130Mt within 12 months (on track to deliver 12 months ahead of schedule)¹

Coal resources growth¹



Refer to pages 58-61 for full statement of resources and reserves, and Competent Persons Statement

Note:

1. Projected reserves and resources figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)

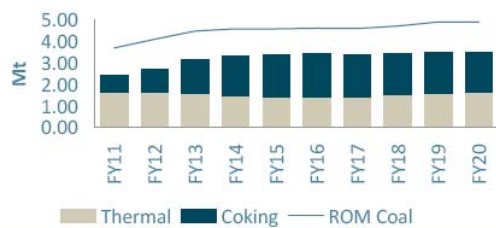
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Growth strategy – Gloucester operations

Targeted production growth¹



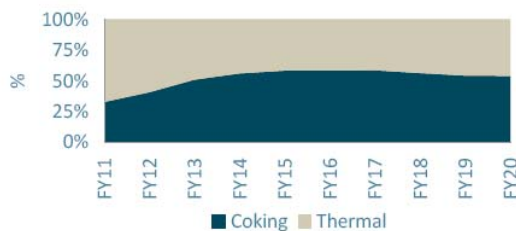
Duralie:

- Part 3A approval application for Duralie Mine
- Extension Plan approval expected by September 2010
- Scope includes:
 - increase up to 3Mtpa ROM
 - extension of Weismantel seam mining
 - expansion into development of Clareval seam, with its high quality metallurgical coal which can be blended with other Gloucester products

Stratford:

- Consent Modification expected by September 2010
- Scope includes:
 - expansion of Roseville West Pit

Increasing coking coal production¹



Note:

1. Projected production figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)

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Value of Noble relationship

- Noble is a market leader in global supply chain management of agricultural, industrial and energy products
- Noble has been Gloucester's largest thermal coal customer over the last five years and a substantial shareholder (currently holds 87.7%¹) of Gloucester since June 2007
 - Noble will hold more than 50% of the shares in Gloucester immediately after the completion of the equity raising. The Board will not change as a result of this transaction
- Noble's intentions are to be a long term strategic investor in a liquid, listed Australian independent metallurgical coal producer
- Over the past 12 months, Noble has added significant tangible value, assisting Gloucester in:
 - repositioning its products
 - opening new markets for products
 - providing strategic marketing experience
 - providing advice, structuring, and project development pipeline opportunities
- On 6 April 2010, Noble announced a takeover offer of \$12.60 per share for all Gloucester shares
 - the Noble Offer extends to all shares on issue as at 1 June 2010
 - shares to be issued under the equity raising are **not** eligible to be accepted into the Noble Offer and will trade under a separate ASX code to those on issue as at 1 June 2010 until the Noble Offer and any associated buy-out rights end (the Noble Offer is currently scheduled to close on 3 September 2010 but may be extended or withdrawn)

Note:

1. As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester. Refer to page 42 for further details

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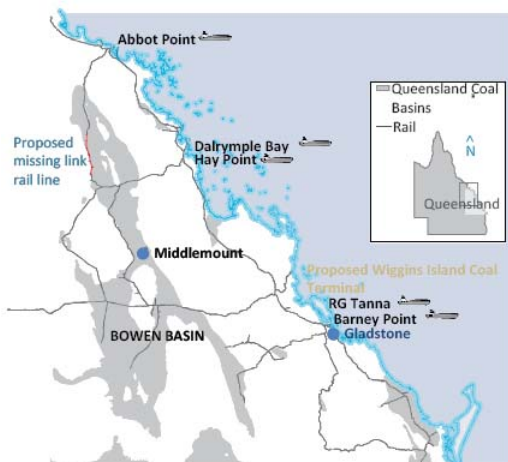
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Middlemount overview



- Near term, open cut development project located in Queensland’s Bowen Basin
- Mining lease granted in September 2009
- Construction underway – CHPP to be completed during the year ending June 2011
- Rail loop expected to be completed during the year ending June 2012, subject to regulatory approvals
- Macarthur has extended a portion of its port allocation
- Below rail access to APCT, secured for 3Mtpa
- Long term take or pay haulage contract with Pacific National for 3Mt from January 2012 and 3Mt port capacity at APCT
- Estimated FOB costs (including state royalties) are c.\$110 to c.\$115/t (life of mine)¹:
 - \$86/t, includes mining costs, washing and handling, site administration and rail and port²
 - in its analysis, Gloucester has allowed for additional costs based on its industry knowledge and as a contingency against possible cost increases, including \$15/t to allow for export through APCT and DBCT access charge

The acquisition of the Middlemount Assets is expected to materially augment Gloucester’s metallurgical coal exposure, add scale and diversify Gloucester’s operations by product, port and mine

Notes:

1. Projected cost figures are estimates only and are subject to the risks outlined in “Key risks” (refer to Appendices)
2. Per Lonergan Edwards report (26 February 2010)

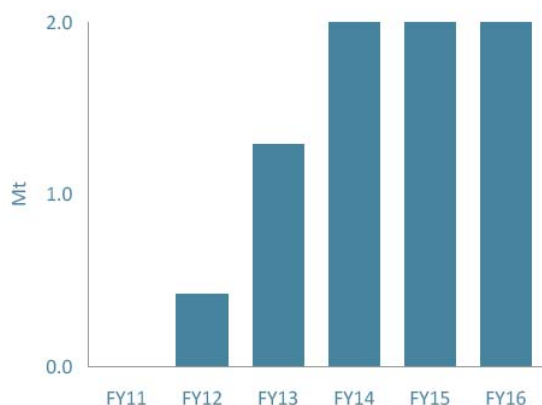
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Middlemount development strategy

Projected saleable production^{1,2}



- Stage 1 development:
 - current mining lease allows for production up to 1.8Mtpa ROM (gross basis) with first production expected in FY12²
- Stage 2 development:
 - expansion to production of 5.0-5.4Mtpa ROM (gross basis)
 - EIS underway in preparation for Environmental Approval to allow for increased production capacity in the second half of CY12
- Growth capital expenditure over the next two years is expected by Gloucester to be c.\$60 million^{3,4}, with sustaining capex expected to be \$20 million⁵ over life of mine
 - key expenditure items include CHPP, rail loop and civil works

Notes:

1. Net to Gloucester, assuming the Middlemount Option is exercised at the start of FY13
2. Projected production figures are estimates only and are subject to the risks outlined in “Key risks” (refer to Appendices)
3. Net to Gloucester, assuming the Middlemount Option is not exercised
4. Gross capex of c.\$200 million has been spent to date on the development of Middlemount by the Middlemount JV
5. Net to Gloucester, assuming the Middlemount Option is exercised

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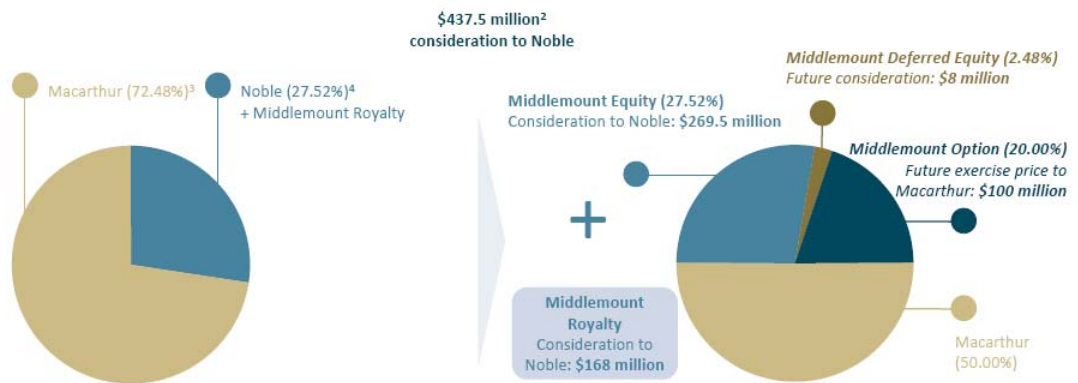
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Middlemount ownership structure

Current structure

Post-transaction structure¹



Notes:

- Subject to approval from Gloucester shareholders (excluding Noble)
- \$437.5 million is payable immediately and will consist of cash of \$337.5 million and the issue of \$100 million worth of new Gloucester shares to Noble
- Reducing to 50% subject to Gloucester completing the acquisition of the Middlemount Deferred Equity and receiving shares on the exercise of the Middlemount Option
- With the right to increase interest to 50%

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Proposed acquisition of the Middlemount Assets

<p>Middlemount Equity, Middlemount Deferred Equity and Middlemount Option</p>	<ul style="list-style-type: none"> Proposal to acquire the following assets from Noble for \$269.5 million: <ul style="list-style-type: none"> Middlemount Equity: Noble's 27.52% interest in the Middlemount JV Middlemount Deferred Equity: a further 2.48% interest in the Middlemount JV for a further \$8 million <ul style="list-style-type: none"> further \$8 million payable following completion of a certain shipping milestone Middlemount Option: option to acquire a further 20% interest in the Middlemount JV from Macarthur for an exercise price of \$100 million <ul style="list-style-type: none"> option can be exercised at any time up to 18 months from after CHPP completion until exercise, Gloucester is not required to contribute funding of capital expenditure in respect of this 20%
<p>Middlemount Royalty</p>	<ul style="list-style-type: none"> Proposal to acquire from Noble the right to receive a royalty for \$168 million: <ul style="list-style-type: none"> royalty of 4% of FOBT sales from the Middlemount JV¹
<p>Cash and shares consideration</p>	<ul style="list-style-type: none"> The total day one price payable to Noble of \$437.5 million will comprise cash of \$337.5 million and the issue of \$100 million of new Gloucester shares to Noble
<p>Subject to shareholder approval</p>	<ul style="list-style-type: none"> The proposed acquisition of the Middlemount Assets and the issue of \$100 million of new Gloucester shares to Noble will be subject to various conditions, including the approval of Gloucester shareholders (excluding Noble), to be obtained at a General Meeting Expected to occur on or around 27 September 2010

Note:

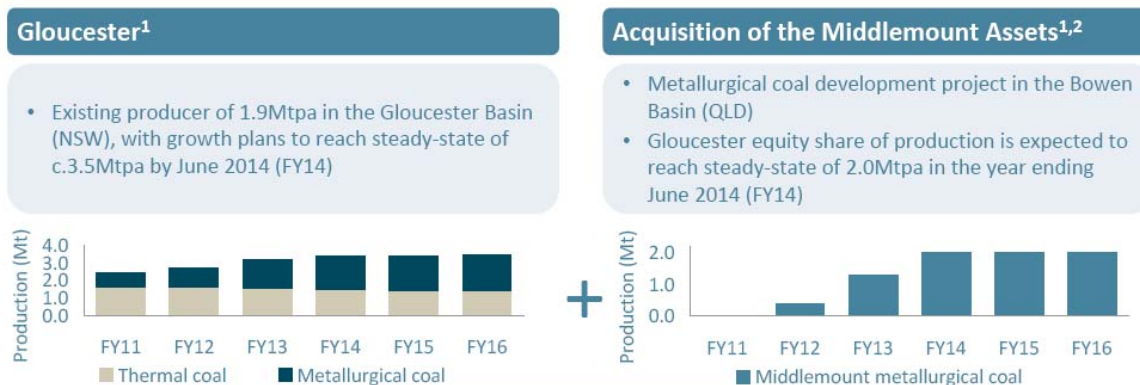
1. Or such other amount as Noble receives under the Royalty Deed

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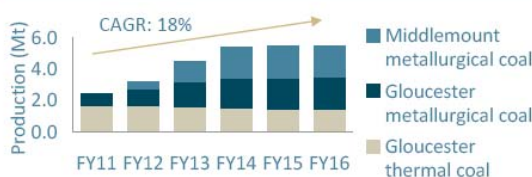
Pro forma impact on equity volumes of the Acquisition



Pro forma Gloucester^{1,2}

Notes:

- Projected saleable production figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)
- Net to Gloucester, assuming Gloucester completes the acquisition of the Middlemount Deferred Equity and exercises the Middlemount Option at the start of FY13

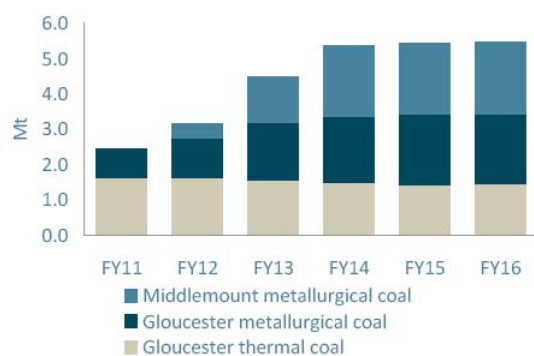


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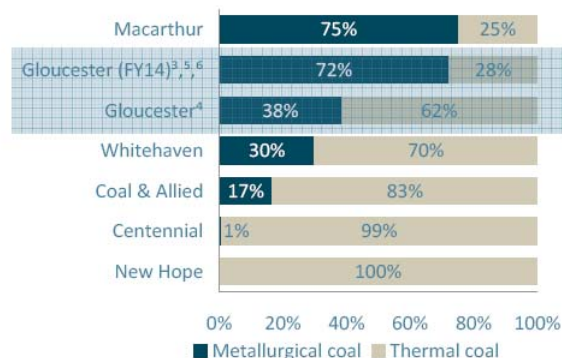
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Pro forma impact of the Middlemount acquisition

Projected saleable production^{1,6}



Production split of selected Australian peers²



Notes:

1. Net to Gloucester, assuming Gloucester completes the acquisition of the Middlemount Deferred Equity and exercises the Middlemount Option at the start of FY13
2. Based on FY09 production/sales figures
3. Planned production split by FY14, assuming Gloucester completes the acquisition of the Middlemount Deferred Equity and exercises the Middlemount Option at the start of FY13
4. Based on FY10 sales
5. Mostly coking coal
6. Projected saleable production figures are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)

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Pro forma summary balance sheet

\$m	Gloucester 30-Jun-10 Unaudited ² (Note 1)	Equity raising Reviewed ^{1,2} (Note 2)	Sub-total	Proportionate Middlemount 31-Dec-09 Not Reviewed ² (Note 3)	Purchase price adjustments Reviewed ^{1,2} (Note 4)	Acquisition of Middlemount Royalty Reviewed ^{1,2} (Note 5)	30-Jun-10 pro forma balance sheet
Total current assets	93.1	397.8	490.9	5.6	(171.8)	(168.0)	156.7
Total non-current assets	171.8	-	171.8	43.1	279.3	168.0	662.2
Total assets	264.9	397.8	662.7	48.7	107.5	-	818.9
Total current liabilities	38.5	-	38.5	35.2	(29.1)	-	44.6
Total non-current liabilities	45.3	-	45.3	2.9	49.5	-	97.7
Total liabilities	83.8	-	83.8	38.1	20.4	-	142.3
Net assets (Note 6) ²	181.1	397.8	578.9	10.6	87.1	-	676.6
Total equity	181.1	397.8	578.9	10.6	87.1	-	676.6

Notes:

1. Review procedures undertaken by Ernst & Young, and primarily consist of analytical review, management inquiries and reading of key documents. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit
2. Refer to page 47 for the comprehensive pro forma balance sheet and page 48 for notes

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Equity raising

Entitlement offer

- Accelerated non-renounceable pro-rata entitlement offer of up to c.\$455 million
- Institutional entitlement offer of c.\$410 million
 - underwritten
 - Noble is not participating in the entitlement offer (87.7%¹ holding)
- Retail entitlement offer of up to c.\$45 million
 - not underwritten
- Gloucester shareholders registered as such at 7:00pm (AEST) on the record date are entitled to participate in the pro-rata entitlement offer, regardless of whether or not they have accepted the Noble Offer

Offer price

- \$9.25/share

Institutional placement

- Subject to sufficient demand, Gloucester reserves the right to raise up to an additional c.\$90 million through an institutional placement (at the same offer price as under the entitlement offer)

JLMs

- UBS and RBS are acting as Joint Lead Managers

Dividends

- New shares issued will rank equally for dividends with existing shares
- Gloucester intends to start paying dividends post completion of Stage 1 of Middlemount (currently expected during FY12)²

Noble Offer

- Shares to be issued under the equity raising are **not** eligible to be accepted into the Noble Offer and will trade under a separate ASX code to those on issue as at 1 June 2010 until the Noble Offer and any associated buy-out rights end (the Noble Offer is currently scheduled to close on 3 September 2010 but may be extended or withdrawn)

Notes:

1. As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester. Refer to page 42 for further details
2. Production commencement figures and timing are estimates only and are subject to the risks outlined in "Key risks" (refer to Appendices)

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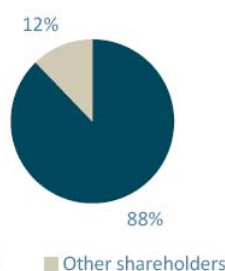
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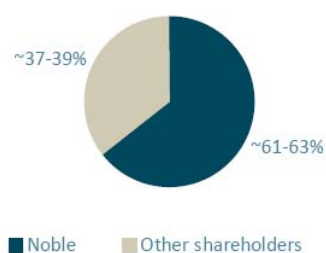
Substantial enhancement of free float

- Enhanced free float is anticipated post equity raising (up to 37-39%)^{1,3,4}
- Potential for inclusion in ASX 200 index (subject to liquidity post raising)

Current Gloucester register²



Gloucester register post equity raising and share issue to Noble^{1,3,5}



Notes:

1. Figures are approximations based on shareholdings and acceptances under the Noble Offer as at 30 July 2010 assuming that the issue of \$100 million of new Gloucester shares to Noble is approved by Gloucester shareholders, Noble does not acquire any further shares and shareholders that have previously accepted the Noble Offer do not withdraw their acceptances
2. As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester. Refer to page 42 for further details
3. Final shareholdings will depend on various matters including the level of participation in the equity raising by retail shareholders, the level and timing of acceptances and transfers under the Noble Offer and the extent to which withdrawal rights are exercised
4. If Gloucester proceeds with an institutional placement to raise an additional c.\$90 million, free float is expected to increase to c.41-43%
5. If Gloucester proceeds with an institutional placement to raise an additional c.\$90 million, Noble's shareholding in Gloucester is expected to reduce to c.57-59%

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Interaction with the Noble Offer

- Noble has made a takeover offer to acquire all Gloucester shares (on issue as at 1 June 2010) it does not own for \$12.60 per share
- The Noble Offer remains open and is subject to a certain condition. Noble has announced that it will not rely on that condition or reduce the \$12.60 offer price merely as a result of the equity raising and the proposed acquisition of the Middlemount Assets
- The Noble Offer represents a:
 - 35.3% premium to the closing price of Gloucester shares on 1 April 2010, being the last trading day before the announcement of the Noble Offer;
 - 36.5% premium to the 1 month VWAP of Gloucester shares up to and including 1 April 2010; and
 - 43.3% premium to the 3 month VWAP of Gloucester shares up to and including 1 April 2010
- New shares issued through the equity raising will rank equally with existing shares, however, shares to be issued under the equity raising are **not** eligible to be accepted into the Noble Offer and will trade under a separate ASX code to those on issue as at 1 June 2010 until the Noble Offer and any associated buy-out rights end
- As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester. Acceptances under the Noble Offer are not final and may increase or decrease. On 28 July 2010, Noble extended its offer to 7:00pm (AEST) on 3 September 2010 (unless further extended or withdrawn). Noble has informed Gloucester that Gloucester shareholders that have accepted the Noble Offer prior to the extension on 28 July 2010 have withdrawal rights. Shareholders who accepted the Noble Offer after it was extended on 28 July 2010 are not entitled to withdraw their acceptances

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Indicative timetable

Event	Date ¹
Institutional entitlement offer period (bookbuild)	4 Aug
Record date for the entitlement offer	9 Aug
Retail entitlement offer opens	12 Aug
Institutional settlement date	17 Aug
Retail entitlement offer closes	27 Aug
Retail settlement date	3 Sep
Record date for shareholder meeting	25 Sep ²
Shareholder meeting (approve the acquisition of the Middlemount Assets and the issue of \$100 million of new Gloucester shares to Noble)	27 Sep

Notes:

1. All dates are subject to change at the Gloucester Board's discretion
2. Effective 7:00pm (AEST)

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Summary

- ✓ Gloucester is one of the few, independent metallurgical coal companies listed on ASX
- ✓ Gloucester will have exposure to two coal producing basins, the Gloucester Basin and the Bowen Basin if it acquires the Middlemount Assets
- ✓ Gloucester has established strong long-term relationships with major customers
- ✓ Acquisition of the Middlemount Assets will enable Gloucester to increase its exposure to metallurgical coal and assist Gloucester in achieving its objective of becoming a predominantly metallurgical coal producer
- ✓ Increased free float and liquidity expected following the equity raising
- ✓ Gloucester's experienced management team has a proven track record
- ✓ Noble is a strategic value-adding shareholder for Gloucester

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- Pro forma balance sheet & notes
- Gloucester's coking coal quality
- Gloucester's history
- Experienced Board
- The Minerals Resource Rent Tax
- Key risks
- JORC resource and reserve statement
- Competent Persons Statement
- Glossary

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Pro forma balance sheet

\$m	Gloucester 30-Jun-10 Unaudited ² (Note 1)	Equity raising Reviewed ^{1,2} (Note 2)	Sub-total	Proportionate Middlemount 31-Dec-09 Not Reviewed ³ (Note 3)	Purchase price adjustments Reviewed ^{1,2} (Note 4)	Acquisition of Middlemount Royalty Reviewed ^{1,2} (Note 5)	30-Jun-10 pro forma balance sheet
Current assets							
Cash and cash equivalents	27.8	397.8	425.6	0.3	(171.8)	(168.0)	86.1
Inventories	19.2	-	19.2	2.8	-	-	22.0
Property, plant and equipment	29.5	-	29.5	-	-	-	29.5
Other current assets	16.6	-	16.6	2.5	-	-	19.1
Total current assets	93.1	397.8	490.9	5.6	(171.8)	(168.0)	156.7
Non-current assets							
Property, plant and equipment	171.7	-	171.7	36.9	165.0	-	373.6
Middlemount Deferred Equity, Middlemount Option and Middlemount Royalty	-	-	-	-	61.7	168.0	229.7
Goodwill	-	-	-	-	52.6	-	52.6
Other non-current assets	0.1	-	0.1	6.2	-	-	6.3
Total non-current assets	171.8	-	171.8	43.1	279.3	168.0	662.2
Total assets	264.9	397.8	662.7	48.7	107.5	-	818.9
Current liabilities							
Trade and other payables	20.4	-	20.4	4.5	-	-	24.9
Provisions	3.9	-	3.9	-	-	-	3.9
Loans and borrowings	4.5	-	4.5	30.7	(29.1)	-	6.1
Other current liabilities	9.7	-	9.7	-	-	-	9.7
Total current liabilities	38.5	-	38.5	35.2	(29.1)	-	44.6
Non-current liabilities							
Deferred tax liabilities	7.2	-	7.2	2.6	49.5	-	59.3
Provisions	7.9	-	7.9	0.3	-	-	8.2
Loans and borrowings	30.2	-	30.2	-	-	-	30.2
Total non-current liabilities	45.3	-	45.3	2.9	49.5	-	97.7
Total liabilities	83.8	-	83.8	38.1	20.4	-	142.3
Net assets (Note 6)²	181.1	397.8	578.9	10.6	87.1	-	676.6
Equity							
Share capital	137.2	397.8	535.0	17.8	82.2	-	635.0
Reserves	(4.1)	-	(4.1)	-	-	-	(4.1)
Retained earnings	48.0	-	48.0	(7.2)	4.9	-	45.7
Total equity	181.1	397.8	578.9	10.6	87.1	-	676.6

Notes:

1. Review procedures undertaken by Ernst & Young, and primarily consist of analytical review, management inquiries and reading of key documents. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit
2. Refer to the next page for notes

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Pro forma balance sheet (notes)

Note 1: Derived from the unaudited and unreviewed 30 June 2010 Appendix 4E of Gloucester.

Note 2: Represents the issue of new shares raising \$409.4 million (excludes any proceeds from the non-underwritten entitlement offer or any institutional placement) less transaction costs of \$11.6 million.

Note 3: Calculated by multiplying the Middlemount balance sheet as at 31 December 2009, being the most recent available public financial information for Middlemount, (extracted from the bidder's statement released by Macarthur on 26 February 2010) by 27.52%. If 30 June 2010 Middlemount financial information had been used the pro forma assets and liabilities would be different to those presented, however, the pro forma net assets position would be unchanged.

Note 4: Represents the Purchase Price Adjustments relating to the acquisition of the Middlemount Equity, Middlemount Deferred Equity and Middlemount Option. Consideration to Noble for this acquisition is \$169.5 million cash, plus \$2.3 million in incidental transaction costs, and \$100 million in Gloucester shares. The purchase price allocation is considered "provisional" under AASB3: Business Combinations. The pro forma adjustment does not include the impact of the future exercise of the rights and options to acquire the further 22.48%. This acquisition would require the payment of \$108 million plus incidental costs such as land rich duties. Any incidental costs associated with this acquisition would be immediately expensed under AASB3. These amounts are not reflected in the pro forma balance sheet.

As at 31 December 2009, Middlemount had total "Loans and Borrowings" of \$111.5 million. Of this, \$91.3 million was identified in the Macarthur Explanatory Memorandum dated 26 February 2010 as being from Macarthur (\$63.8 million, being 70% of \$91.3 million) and Noble (\$27.5 million, being 30% of \$91.3 million and hereafter referred to as the Noble Shareholder Loan). As part of acquisition of the Middlemount Assets, Noble will transfer the Noble Shareholder Loan to Gloucester for no additional consideration.

Note 5: Represents the acquisition of the Middlemount Royalty for \$168 million.

Note 6: Reconciliation of net assets:

	\$m
Net assets of Gloucester as reported at 30 June 2010	181.1
Shares issued to Noble	100.0
Equity raising (note 2)	409.4
Transaction costs – acquisition of shares (note 4)	(2.3)
Transaction costs – equity raising (note 2)	(11.6)
Pro forma net assets	676.6

Note:

1. Review procedures undertaken by Ernst & Young, and primarily consist of analytical review, management inquiries and reading of key documents. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit

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Gloucester’s coking coal quality

Gloucester’s coking coal is high quality coal

- Gloucester coking coal is a premium product and is noted for its high fluidity
- High fluidity enhances pricing and helps secure demand

Gloucester’s coking coal ¹	
Ash (%)	9.9
CSN (swell index)	8.5
Inherent moisture (%)	1.5
Volatile matter (%)	33.0-34.0
Rank (Ro Max)	0.85
Max. fluidity (ddpm)	> 5,000

Note:

1. The coal quality data is representative based on studies conducted to date, and is subject to the risks outlined in “Key risks” (refer to Appendices)

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Gloucester’s history

2010

- Macarthur obtained consent from ASIC to withdraw all unaccepted offers effective as of 19 May 2010
- Gloucester received a takeover offer from Noble for all of the shares in Gloucester that it did not already own

2009

- Gloucester received a takeover offer from Macarthur, offering 0.84 Macarthur shares for every 1 Gloucester share held or a cash alternative of \$8.00 per share
- Noble became an 87.7% shareholder in Gloucester
- Gloucester announced the withdrawal of the takeover offer for Whitehaven
- Noble, a 21.7% shareholder in Gloucester, announced a cash based takeover offer for Gloucester, conditional on Gloucester’s proposed takeover of Whitehaven not proceeding
- Gloucester announced a scrip takeover offer for Whitehaven

2008

- Reserves and resources increased significantly as a result of extensive exploration works

2007

- Xstrata launched an unsuccessful takeover offer for Gloucester

2006

- Clareval seam discovered at East Duralie

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Experienced Board



James MacKenzie
Chairman and Independent
Non-Executive Director

- Chairman of the Mirvac Group and Pacific Brands Limited, and Director of Melco Crown Entertainment Limited
- Formerly Chairman of the TAC and Victorian WorkCover Authority, Director of Donaldson Coal and Partner in both the Melbourne and Hong Kong offices of a Deloitte antecedent firm



David Brownell
Independent Non-
Executive Director

- Organisation and strategy consultant by background
- Formerly Senior Vice President in Boston Consulting Group's Melbourne Office and the Asia-Pacific Leader of BCG's Organization Practice Group, and Director of Donaldson Coal



Greg Fletcher
Independent Non-
Executive Director

- Chartered Accountant by background with over 30 years of experience, including 16 years as a Senior Partner at Deloitte specialising in external audit, internal audit and risk management
- Currently a Director of WDS Limited, former Director of Railcorp and serves on the Panel of Audit and Risk Committee Independent Chairs and Members for NSW public sector entities



Barry Tudor
Chief Executive Officer and
Managing Director

- Formerly Director – Australian Assets for Noble Energy, responsible for Noble's coal assets in Australia and the group's strategic expansion into coal asset ownership
- Formerly CFO of Gloucester. Commenced his career at KPMG and held several senior regional and international roles
- Chartered Accountant and a Member of the Institute of Company Directors in Australia



Ricardo Leiman
Non-Executive Director

- CEO of Noble
- Formerly COO North America, EMEA and Asia and COO Soft Commodities at Louis Dreyfus, and held management positions with Louis Dreyfus in Brazil, Eximcoop in the Netherlands and Trader Classified Media in London and Paris



William Randall
Non-Executive Director

- Currently Head of the Coal & Coke Division at Noble and member of the Noble Executive Board
- Assumed management of the Steel & Ferro Alloys business of Noble in April 2010
- Formerly Director of Noble Energy Inc, and established Noble's coal operations, mining and supply chain management businesses

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The Minerals Resource Rent Tax¹

1. On 2 July 2010, the Federal Government announced material revisions to its proposed RSPT, replacing it with the newly designed MRRT
 - the new resource tax, if implemented, will apply from 1 July 2012 only to mined iron ore and coal – all other minerals are excluded
2. Key elements of the MRRT include:
 - 30% tax is applied, with unutilised MRRT losses carried forward at the long-term bond rate plus 7% uplift rate
 - projects will be entitled to a 25% extraction allowance
 - miners may elect to use the book or market value as the starting base for project assets
 - book value starting base will be uplifted with the long term bond rate, plus 7% (accelerated depreciation for existing balance still allowed)
 - no uplift if market value is used (must be depreciated over the life of asset, maximum of 25 years)
3. It is proposed that the company tax rate will be reduced to 29% in FY14
4. To ensure the smooth implementation of the new arrangements, the Government is establishing a Policy Transition Group (PTG) led by Resources Minister Martin Ferguson AM and Mr Don Argus AC (former Chairman of BHPB) to consult with industry and advise the Government on the implementation of the new MRRT arrangements

Note:

1. This is a summary only of the MRRT as proposed by the Federal Government and does not include proposals by the major political parties other than the ALP – limited details are available at this stage, and the impact of the MRRT is yet to be determined. Depending on the outcome of the upcoming Federal election, the form of the MRRT and the consequential effect on the company tax rate (if any) may differ from this summary. Investors should seek their own advice to form their own assessment of the impact of the MRRT

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Key risks

There are various risks associated with investing in Gloucester, as with any stock market investment and, specifically, because of the nature of Gloucester's coal exploration and production business and the present stage of development of Gloucester's operations. This includes projects in which Gloucester has an interest including, if acquired, the Middlemount Assets. A reference to Gloucester in this "Key risks" section should therefore be taken to include, where relevant, a reference to those project interests.

Potential investors should consider whether the shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. Many of those risk factors are outside the control of the Directors.

It is important to recognise that share prices might fall or rise and shareholders may or may not be entitled to receive dividends. Factors affecting the operating and financial performance of Gloucester and the market price of Gloucester shares include domestic and international economic conditions and outlook, changes in government fiscal, monetary and regulatory policies, changes in interest rates and inflation rates, changes to commodity prices, the announcement of new technologies and variations in general market conditions and/or market conditions which are specific to a particular industry. In addition, share prices of many companies are affected by factors which might be unrelated to the operating performance of the relevant company. Such factors might adversely affect the market price of Gloucester shares.

The forward-looking information provided in this Presentation with respect to, but not limited to, production forecasts, growth forecasts of Gloucester's resources and reserves, sales, earnings and capital expenditure estimates is based on certain assumptions which are inherently subject to significant uncertainties. The actual results of Gloucester's operations in future years may therefore differ from its current estimates.

Risks related to the acquisition of the Middlemount Assets

If the acquisition of the Middlemount Assets proceeds, Gloucester will initially own 27.52% of the Middlemount JV and 50% following the acquisition of shares on the exercise of its rights under the Middlemount Option and the acquisition of the Middlemount Deferred Equity. As a result, Gloucester is subject to the risks associated with the Middlemount JV, which include potential disagreements with respect to contractual, operational and financial matters, including failure to agree on work programmes and budgets for proposed developments or exploration and/or the JV partners failing to meet their obligations under the Middlemount JV (including contributions to fund capital expenditure). Where a JV partner does not act in the best commercial interest of the Middlemount JV, it could have a material adverse effect on the interests of Gloucester. In addition, any disputes and/or litigation between the Middlemount JV partners on the financial failure of the other JV partner may destabilise the operation of the Middlemount project.

There is also a risk that any potential efficiencies and/or benefits for Gloucester of the acquisition of the Middlemount Assets are not achieved in full or in a timely manner.

In addition, a number of third parties are party to contractual arrangements concerning the Middlemount JV and the Middlemount Assets. Third parties may seek to challenge, set aside or reverse Gloucester's acquisition of the Middlemount Assets. Although Gloucester is confident that its acquisition of the Middlemount Assets will withstand any such challenge, litigation can give rise to uncertainties and the process and consequences of any such challenge may have a material adverse impact on Gloucester's operational and financial performance and/or position.

As Middlemount is a development project, there is a risk that the production rates, product mix, capital and operating costs differ from those currently expected.

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Key risks

Coal sales and prices

Gloucester derives its revenue from the sale of coal. Its coal supply agreements are generally renegotiated quarterly/annually. Difficulties encountered in those negotiations may adversely affect Gloucester's financial performance if the price that customers are willing to pay and/or the quantity of coal required by customers are below expectations.

Coal prices may fall as a result of a number of factors beyond Gloucester's control, including increased global supply, decreased demand, currency exchange rates, general economic conditions and other factors. Gloucester can give no assurance as to the prices it will achieve for any of its coal products in the future.

Impact of inflation on costs

Higher than expected inflation rates generally, or specific to the mining industry in particular, could be expected to increase operating and development costs and potentially reduce the value of future project developments. While, in some cases, such cost increases might be offset by increased selling prices, there is no assurance that this would be possible.

Exchange rate risks and hedging

Gloucester sells the majority of its coal product overseas and such sales are priced in US\$. Accordingly, fluctuations in the A\$ relative to the US\$ may materially affect the cash flow and earnings which Gloucester will realise from its operations in A\$ terms.

Operational risks

Gloucester's mining operations may be affected by (amongst other things) the following: weather/natural disasters; unexpected maintenance or technical problems; unplanned capital expenditure; variations in coal seam thickness and quality; variations in the amount of rock and soil overlaying coal deposits and other variations in geological conditions; and increases in labour costs.

Exploration and development projects

Some of the projects in which Gloucester has an interest, including, if acquired, the Middlemount Assets, are at an exploration or development stage. Coal exploration and mine development generally involves a high degree of risk and is subject to hazards and risks including unusual and unexpected geological formations, seismic activity, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, any facilities, damage to life or property, environmental damage and possible legal liability.

The information provided in this Presentation in relation to Gloucester's projects is the current estimate of coal resources and reserves, capital and operating cost, as determined from geological data obtained from drill holes and other exploration techniques and feasibility studies conducted to date.

Resource and reserve estimates

Resource and reserve estimates are stated to be prepared in accordance with the JORC Code and are expressions of judgment based on knowledge, experience and industry practice. Often these estimates were appropriate when made, but may change significantly when new information becomes available. There are risks associated with such estimates, including that coal mined may be of a different quality, tonnage or strip ratio from the estimates. Resource and reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resources and reserves could affect Gloucester's development and mining plans.

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Key risks

Infrastructure and transport

Gloucester's future growth is contingent on government and private sector delivery of proposed transport infrastructure. The development of this infrastructure and the future cost of access to new and existing infrastructure is outside Gloucester's control. Coal produced from Gloucester's mining operations is transported to customers by a combination of rail and sea. A number of factors could disrupt these transport services, including weather-related problems, rail or port capacity constraints, key equipment and infrastructure failures and industrial action, impairing Gloucester's ability to supply coal to its customers.

Government policy and taxation

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies in Australia may have an adverse effect on the assets, operations and ultimately the financial performance of Gloucester and the market price of Gloucester shares.

Industry and commodity cycles

The demand for, and price of, coal is highly dependent on a variety of factors, including international supply and demand, the price and availability of alternative fuels, actions taken by governments, and global economic and political developments.

Gloucester will be affected by prevailing steel market and electricity generation conditions in the countries and sectors in which it sells its product. Adverse changes in market sentiment or conditions can and will impact Gloucester's ability to manage operating costs and have sales meet installed production capacity. These impacts could lead to a reduction in earnings and the carrying value of assets that are outside of Gloucester's control.

Minerals Resource Rent Tax¹

The Federal Government announced on 2 July 2010 that it intends to introduce a Minerals Resource Rent Tax (MRRT) from 1 July 2012, payable at the rate of 30% on profits made from the exploitation of Australia's non-renewable resources. The MRRT will apply to all coal and iron ore mining projects in Australia. Projects coming under the MRRT regime will also be entitled to a 25% extraction allowance.

Although at this stage, exact details concerning the MRRT remain uncertain and the extent to which the MRRT may impact on Gloucester and/or its operations is yet to be determined, the introduction of the MRRT has the potential to increase Gloucester's effective tax rate, which could adversely affect Gloucester's financial performance and share price. Refer to page 52 for a summary of the MRRT.

Note:

1. This is a summary only of the MRRT as proposed by the Federal Government and does not include proposals by the major political parties other than the ALP – limited details are available at this stage, and the impact of the MRRT is yet to be determined. Depending on the outcome of the upcoming Federal election, the form of the MRRT and the consequential effect on the company tax rate (if any) may differ from this summary. Investors should seek their own advice to form their own assessment of the impact of the MRRT.

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Key risks

Joint ventures and reliance on third parties

Through Gloucester's participation in joint ventures and its use of contractors and other third parties for exploration, mining and other services generally, it is reliant on a number of third parties for the success of its current operations and for the development of its growth projects. While the situation is normal for the mining and exploration industry, problems caused by third parties may arise which have the potential to impact on the performance and operations of Gloucester. Any failure by counterparties to perform their obligations may have a material adverse effect on Gloucester and there can be no assurance that Gloucester would be successful in attempting to enforce any of its contractual rights through legal action.

Environmental regulation

Environmental regulation of mining activities at both State and Federal level imposes significant obligations on mining companies. Changes in these laws and regulations may adversely affect Gloucester's operations, including profitability of the operations.

In addition, mining is an industry that has become subject to increasing environmental responsibility and liability. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environment regulation, if any, will not adversely affect Gloucester's operations.

Global Warming – Carbon trading/carbon tax

The regulatory response to the risk of global warming, including unilateral action by Australia, may affect coal prices and the competitiveness of Gloucester's products in the world energy market. Unilateral action by Australian governments (or multilateral action involving Australian governments which is not universal) may decrease the competitiveness of Australian coal exports relative to competing coal exporters (e.g. South Africa and South American countries).

Water management

Climate changes and changes to water allocations and to government policy may affect Gloucester's access to water and power necessary for existing and future mining operations.

Competition

Competition from Australian and international producers of coal may affect the cash flow and earnings which Gloucester will realise from its operations. Gloucester may also encounter competition from other mining companies for the acquisition of new projects to sustain or increase its coal production, affecting its ability to acquire new interests on acceptable terms.

Reliance on third parties

The use by Gloucester of contractors and other third parties for exploration, mining and other activities creates reliance on others for the success of current operations and for the development of exploration projects. Problems caused by third parties may arise with the potential to affect the financial performance of Gloucester.

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Key risks

Reliance on major customers for sales

Gloucester derives revenues from annual and longer term contracts. If these contracts expire and are not renewed, or customers default and other replacement customers are not found, the financial results of Gloucester may be adversely affected. Active spot markets for coal in Australia and overseas partially mitigate this risk.

Wars, terrorism, political, economic and natural disasters

Events may occur within or outside Australia that could impact upon the world economy, the market for coal, the operations of Gloucester and the price of Gloucester's shares. For example, war, acts of terrorism, civil disturbance, political intervention and natural activities such as earthquakes, floods, fire and poor weather affecting the transport and mining of coal. Gloucester has a limited ability to insure against some of these risks.

Enforcement of legal rights

Gloucester has entered into contracts which are important to the future of their businesses. Any failure by counterparties to perform those agreements may have a material adverse effect on Gloucester and there can be no assurance that it would be successful in enforcing any of its contractual rights through legal action.

Native title

Any native title claims or cultural heritage issues arising in the future may delay production from exploration areas where Gloucester does not already hold mining leases or freehold title.

Current and future finance

No assurance can be given that any refinancing required from time to time will be available on terms favourable to Gloucester. In such circumstances, if Gloucester is unable to secure refinancing or refinancing on favourable terms, this may have a material adverse effect on Gloucester. Gloucester's ability to service its debt will depend on its future performance and cash flows, which will be affected by many factors, certain of which are beyond Gloucester's control. Any inability of Gloucester to service its existing debt may have a material adverse effect on Gloucester.

Existing credit facilities and internally-generated funds may not be sufficient for expenditure that might be required for acquisitions, new projects, further exploration and feasibility studies. Gloucester may need to raise additional debt or equity in the future. There is no assurance that Gloucester will be able to obtain additional debt or equity funding when required, or that the terms associated with that funding will be favourable, which may have an adverse effect on Gloucester.

Key personnel

Gloucester has a number of key management personnel on whom it depends to run Gloucester's business. The loss of any of these officers or other key personnel, coupled with any inability to attract suitably qualified replacement personnel due to a shortage of labour, could have a material adverse effect on Gloucester's financial performance.

Approvals

Gloucester's financial performance could be adversely affected as a result of delays in obtaining necessary government approvals or if applications lodged for exploration licences are not granted, or exploration licences that have been granted for a fixed term are not renewed upon expiry.

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Gloucester – Coal Resources as at 30 June 2010¹

Gloucester's existing portfolio

Region	Area	Resources (Mt)			
		Measured	Indicated	Measured & Indicated	Inferred
Stratford	Bowens Road North (A)	2.7	0.6	3.3	—
	Avon North (A)	—	3.0	3.0	—
	Roseville West (A)	—	35.5	35.5	5
	Co-disposal area (A)	—	2.3	2.3	—
	Stratford East (B)	—	5.8	5.8	4
Grant & Chainey (B)	Grant & Chainey	—	56.8	56.8	25
Duralie (A)	Duralie Main Pit	0.7	8.3	9.0	—
	Duralie North West	9.9	4.5	14.4	1
	Duralie East	—	9.2	9.2	3
	Railway Pit	1.2	0.5	1.7	—
Total	Open Cut	14.5	126.5	141.0	38
Duralie (A)	Duralie Underground	0.9	39.9	40.8	59
Total	Open Cut & Underground	15.4	166.4	181.8	97

Refer to page 61 for the Competent Persons Statement

Note:

1. As detailed in the JORC Coal Reserves and Resources Update in the ASX announcement on 26 July 2010

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Gloucester – Coal Reserves as at 30 June 2010¹

Gloucester's existing portfolio

Region	Area	Reserves (Mt)		
		Proven	Probable	Proven & Probable
Duralie	Main Pit (B)	—	6.2	6.2
	Clareval West (B)	10.6	0.6	11.2
	Railway Pit (A)	0.9	—	0.9
	North East (A)	—	6.5	6.5
Stratford (B)	Avon North	—	3.1	3.1
	Bowens Road North	1.8	0.4	2.2
	Co-disposal area	—	2.2	2.2
	Grant & Chainey	—	15.0	15.0
	Stratford East	—	2.9	2.9
	Stratford South	—	6.5	6.5
	Roseville West (& South)	—	18.1	18.1
Total	Open Cut Reserves	13.3	61.5	74.8

Refer to page 61 for the Competent Persons Statement

Note:

1. As detailed in the JORC Coal Reserves and Resources Update in the ASX announcement on 26 July 2010

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Resource and reserve statements – Middlemount

Middlemount^{1,2}

	Resources (Mt)				Reserves (Mt)		
	Measured	Indicated	Inferred	Total	Proved	Probable	Total
Middlemount	30.6	37.8	31.7	100.1	29.0	28.0	57.0

Notes:

1. Sourced from Macarthur website

2. 100% basis – as at 30 June 2009

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Competent Persons Statement – Gloucester

This Competent Persons Statement is in relation to Gloucester's reserves and resources only, and does not cover reserves and resources reported for Middlemount.

Notes on JORC resources

The estimates of coal resources have been carried out in accordance with the "2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)" prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources). Coal resources have been updated by subtraction of mined tonnes for Duralie Main Pit, Roseville West and Co-disposal area.

The information that relates to Gloucester's coal resources on page 58 is based on information compiled by:

- (A) Ms Janet Bartolo, a full-time employee of McElroy Bryan Geological Services Pty Ltd; and
- (B) Mr Shaun Tamplin, a full time employee of Tamplin Resources Pty Ltd.

Ms Janet Bartolo and Mr Shaun Tamplin are members of the Australasian Institute of Mining and Metallurgy and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the JORC Code. Ms Janet Bartolo and Mr Shaun Tamplin consent to the inclusion in this Presentation of the matters based on their information in the form and context in which it appears.

Notes on JORC reserves

The estimates of coal reserves have been carried out in accordance with the "2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)" prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. Coal resources are reported inclusive of coal reserves (i.e. coal reserves are not additional to coal resources).

The information that relates to Gloucester's coal reserves on page 59 is based on information compiled by:

- (A) Mr Robert MacKenzie, a full-time employee of Runge Ltd trading as Mincarco-MineConsult; and
- (B) Mr Shaun Tamplin, a full-time employee of Tamplin Resources Pty Ltd.

Mr Robert MacKenzie and Mr Shaun Tamplin are members of the Australasian Institute of Mining and Metallurgy. Mr Robert MacKenzie and Mr Shaun Tamplin have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the JORC Code.

Mr Robert MacKenzie and Mr Shaun Tamplin consent to the inclusion in this Presentation of the matters based on their information in the form and context in which it appears.

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Glossary

AASB3	Australian Accounting Standards Board 3: Business Combinations
ALP	Australian Labor Party
APCT	Abbot Point Coal Terminal
ASX	Australian Securities Exchange
ASX 200	Market-capitalisation weighted and float-adjusted stock market index of the top 200 ASX listed stocks
BHPB	BHP Billiton Limited
BMA	BHP Billiton Mitsubishi Alliance
Board	Gloucester Board of Directors
Capex	Capital expenditure
Centennial	Centennial Coal Limited
CHPP	Coal handling and preparation plant
Coal & Allied	Coal & Allied Industries Limited
Consent Modification	Modification of development consent
CSN	Crucible swelling number
CY	Calendar year ending 31 December
DBCT	Dalrymple Bay Coal Terminal
DDPM	Dial divisions per minute
Deloitte	Deloitte Corporate Finance Pty Limited
Directors	James MacKenzie, David Brownell, Greg Fletcher, Barry Tudor, Ricardo Leiman and William Randall
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EIS	Environmental Impact Study
Environmental Approval	Approval sought, for commencement of Stage 2 development at Middlemount, to enable increased production in early FY12
Ernst & Young	Ernst & Young LLP
FOB	Free on board
FOBT	Free on board trimmed

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Glossary

FY	Financial year ending 30 June
General Meeting	Meeting to be held to provide shareholders with information on the running of the company and to approve the acquisition of the Middlemount Assets and issue of shares to Noble. Expected to be held on 27 September 2010
Gloucester	Gloucester Coal Limited
Independent Directors	James MacKenzie, David Brownell and Greg Fletcher
Independent Expert	Deloitte
JLMs	Joint Lead Managers
JORC	Australasian Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
JORC Code	2004 Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by JORC
JV	Joint venture
Loneragan Edwards	Loneragan Edwards & Associates Limited
LV	Low volatile
m	Million
Macarthur	Macarthur Coal Limited
Middlemount Assets	Includes Middlemount Equity, Middlemount Option, Middlemount Deferred Equity and Middlemount Royalty
Middlemount Deferred Equity	Further 2.48% interest in the Middlemount JV to be acquired for a further \$8 million following completion of a certain shipping milestone
Middlemount Equity	Noble's current 27.52% held interest in the Middlemount JV
Middlemount JV	Joint venture between Noble and Macarthur over the Middlemount development project
Middlemount Option	Option to acquire a further 20% interest in the Middlemount JV from Macarthur for \$100 million. Can be exercised at anytime up to 18 months from after CHPP completion
Middlemount Royalty	Right to receive a royalty of 4% of FOBT sales or such other amount as Noble receives under the Royalty Deed for \$168 million
MRRT	Minerals Resource Rent Tax
Mt	Million tonnes

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Glossary

Mtpa	Million tonnes per annum
Noble	Noble Group Limited and its subsidiaries
Noble Offer	Noble's Offer to acquire all Gloucester shares (on issue as at 1 June 2010) it does not own for \$12.60 per share
NAV	Net asset value
NPAT	Net profit after tax
NSW	New South Wales
Opex	Operating expense
Part 3A Approval	Permission granted by the relevant authority to proceed with a project under Part 3A of the <i>NSW Environmental Planning and Assessment Act 1979</i>
PCI	Pulverised coal injection
PTG	Policy Transition Group
Purchase Price Adjustments	Captures the projected change in value of Middlemount between the negotiation and closing
PWCS	Port Waratah Coal Services
QLD	Queensland
ROM coal	Run of mine coal
Ro Max	Mean maximum reflectance of vitrinite in oil
Royalty Deed	Agreement between Macarthur and Noble under which Noble is entitled to a royalty of 4% of FOBT sales or such other amount as Noble receives pursuant to this agreement
RSPT	Resource Super Profits Tax
t	Tonnes
VWAP	Volume weighted average price
Whitehaven	Whitehaven Coal Limited

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ASX Institutional Offer Completion
Announcement dated
5 August 2010



GLOUCESTER COAL



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Gloucester successfully completes the institutional component of its equity raising

5 August 2010

Gloucester Coal Ltd (ASX: GCL) ("Gloucester") today announced the successful completion of the c.A\$434 million underwritten institutional component of its 3 for 5 accelerated, non-renounceable pro rata entitlement offer ("Institutional Entitlement Offer"), which will result in the issue of c.47 million new shares at the offer price of A\$9.25 per new share.

As announced on 4 August 2010, the net proceeds of the Institutional Entitlement Offer will be used to acquire (subject to shareholder approval) Noble Group Limited's ("Noble") interests in the Middlemount Joint Venture (the "Middlemount JV"), which owns the Middlemount project, a near-term, open-cut metallurgical coal development project located in Queensland's Bowen Basin.

Noble, which currently holds 87.7% of Gloucester¹, has not taken up its entitlement under the Institutional Entitlement Offer and, as a result, Noble's entitlement shares and the shares of other non-participating and ineligible shareholders have been offered to institutional investors at the offer price of A\$9.25 per new share. Despite strong demand, Gloucester has decided not to exercise the option to upsize the equity raising via a placement.

The Institutional Offer was very well supported by new shareholders globally, significantly enhancing Gloucester's share register. Following completion of the Institutional Entitlement Offer and issue of A\$100 million worth of new Gloucester shares to Noble (subject to shareholder approval)², Noble's shareholding in Gloucester is expected to reduce to c.62%³ which will significantly increase Gloucester's free-float and liquidity.

Gloucester's Chief Executive Officer, Mr Barry Tudor, said: "We are very pleased with this result and with the strong level of support from new institutional investors. As a result of the transaction,

¹ As at 30 July 2010, Noble has acceptances under the Noble Offer for a further 5.2% of the shares in Gloucester

² The share issue to Noble is at the equity offer price and is part of the consideration for the acquisition of the Middlemount assets

³ Noble's final shareholding will depend on various matters including the level of participation in the Retail Entitlement Offer, the level and timing of acceptances and transfers under the Noble Offer and the extent to which withdrawal rights are exercised



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Gloucester has taken a significant step forward in its strategy to become a major Australian, independent, diversified metallurgical coal producer⁴.

The new shares from the Institutional Entitlement Offer are expected to be issued on 18 August 2010 and commence trading on ASX on the same day.

These new shares will rank equally with existing Gloucester shares, however, these new shares are not eligible to be accepted into the Noble Offer⁴ and will trade under a separate ASX code (GCLN) to those on issue at 1 June 2010 until the Noble Offer and any associated buy-out rights end (the Noble Offer is currently scheduled to close on 3 September 2010, but may be extended).

Gloucester shares are expected to resume trading on the ASX today.

Commencement of the Retail Entitlement Offer

The size of the retail component of the entitlement offer ("Retail Entitlement Offer"), which is non-underwritten, is up to A\$21 million.

The Retail Entitlement Offer will open on 12 August 2010 and is expected to close at 5.00pm (AEST) on 27 August 2010. Eligible retail shareholders will have the opportunity to subscribe for 3 new shares for every 5 existing Gloucester shares held at 7.00pm (AEST) on 9 August 2010 ("Record Date"), at the offer price of A\$9.25 per new share, the same offer price as under the Institutional Offer.

Eligible retail shareholders may apply for new shares in excess of their entitlement subject to availability and scale-back at the sole discretion of Gloucester.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and personalised Entitlement and Acceptance form which is expected to be mailed to eligible retail shareholders by 12 August 2010. The Retail Entitlement Offer is not being extended to shareholders outside Australia or New Zealand. All eligible retail shareholders registered as such on the Record Date will be entitled to participate in the Retail Entitlement Offer whether or not they have accepted the Noble Offer and whether or not their acceptances are entitled to be withdrawn.

Retail shareholders who have further questions regarding the Retail Entitlement Offer should call the Gloucester Entitlement Offer Information Line on 1300 091 105 (within Australia) or +61 3 9415 4681 (from outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer period. For other questions, you should consult your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

Timetable for the Retail Entitlement Offer

Event	Date
Record Date for the Entitlement Offer	9 August 2010
Retail Entitlement Offer opens	12 August 2010
Retail offer booklet and personalised Entitlement and Acceptance form despatched to Eligible Retail Shareholders	12 August 2010
Settlement of Institutional Entitlement Offer	17 August 2010
Allotment and trading of New Shares issued under the Institutional	18 August 2010

⁴ On 8 April 2010 Noble announced its intention to acquire the Gloucester shares it did not own for A\$12.60 per share



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Entitlement Offer	
Retail Entitlement Offer closes	27 August 2010
Retail Entitlement Offer settlement	3 September 2010
Allotment of New Shares issued under the Retail Entitlement Offer	6 September 2010
Retail Trading date	7 September 2010
<i>Dates in relation to the General Meeting</i>	
Despatch of Notice of Meeting and Explanatory Memorandum including the Independent Expert's Report	27 August 2010
Record Date for the General Meeting	25 September 2010
General Meeting date	27 September 2010

The timetable is subject to change. Subject to its obligations under the underwriting agreement, Gloucester reserves the right to withdraw or vary the timetable for the offer without notice. In particular, subject to its obligations under the underwriting agreement, Gloucester reserves the right to extend the closing date for the retail entitlement offer, to accept late applications either generally or in particular cases or to withdraw the retail entitlement offer without prior notice. The commencement of quotation of new shares is subject to confirmation from ASX.

 FOR FURTHER INFORMATION

Barry Tudor

Chief Executive Officer
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Important Information

This announcement does not constitute an offer for subscription, invitation, recommendation or sale with respect to the purchase or sale of any securities in any jurisdiction. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") ("U.S. Persons"). Neither the Entitlements nor the New Shares have been, or will be, registered under the Securities Act or any securities laws of any state or other jurisdiction of the United States and may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

This announcement is not financial product or investment advice nor a recommendation to acquire Gloucester shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of

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the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Gloucester is not licensed to provide financial product advice in respect of Gloucester shares.

An investment in Gloucester shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Gloucester Group, including possible loss of income and principal invested. Gloucester does not guarantee any particular rate of return or the performance of the Gloucester Group, nor does it guarantee the repayment of capital from Gloucester or any particular tax treatment. In considering an investment in Gloucester shares, investors should have regard to (amongst other things) the risks and disclaimers outlined in the Investor Presentation released to ASX on 4 August 2010.

Additional Information



GLOUCESTER COAL



This Booklet (including the ASX announcements and investor presentation in relation to the Entitlement Offer reproduced in it) and accompanying personalised Entitlement and Acceptance Form have been prepared by Gloucester. The information in this Booklet is dated Thursday, 12 August 2010.

No party other than Gloucester has authorised or caused the issue of the information in this Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Booklet.

This information is important and requires your immediate attention. You should read the information in this Booklet carefully and in its entirety before deciding whether to invest in New Shares. In particular, you should consider the risk factors outlined in “Key risks” section of the Investor Presentation released to ASX on Wednesday, 4 August 2010, any of which could affect the operating and financial performance of Gloucester or the value of an investment in Gloucester.

You should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer. Gloucester has applied to ASX for the grant of official quotation of the New Shares and Additional New Shares. It is expected that normal trading on ASX will commence in relation to New Shares and Additional New Shares issued under the Retail Entitlement Offer on Tuesday, 7 September 2010. Gloucester will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade New Shares and Additional New Shares before the New Shares and Additional New Shares are listed on the official list of ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by Gloucester, the share Registry or the Underwriters. ASX accepts no responsibility for any statement in this Booklet.

1. Eligible Retail Shareholders

The information in this Booklet contains an offer of New Shares to Eligible Retail Shareholders in Australia and New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by Australian Securities & Investments Commission (“ASIC”) Class Order 08/35.

“Eligible Retail Shareholders” are those holders of Shares who:

- are registered as a holder of Shares as at 7.00pm (AEST) on Monday, 9 August 2010 (the “Record Date”);
- have a registered address on the share register in Australia or New Zealand;
- are not in the United States and are not “U.S. Persons” (as defined under Regulation S under the United States Securities Act of 1933 (the “U.S. Securities Act”) (“U.S. Persons”)) or acting for the account or benefit of a U.S. Person;
- are not an institutional shareholder (whether or not eligible to participate under the Institutional Entitlement Offer); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail Shareholders who do not satisfy these criteria are “Ineligible Retail Shareholders”.

The Retail Entitlement Offer is not being extended to any shareholders outside Australia or New Zealand. By returning a completed Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is, or is acting for the account or benefit of, a U.S. Person.

2. Additional New Shares

Gloucester reserves the right to allot any Additional New Shares if and to the extent that Gloucester so determines, in its absolute discretion, having regard to circumstances as at the time of the close of the Retail Entitlement Offer. Any New Shares in excess of Entitlements will be limited to the extent that there are sufficient New Shares from Eligible Retail Shareholders who do not take up their full Entitlements. Gloucester may apply any scale-back to applications in any manner it decides and in its absolute discretion. Therefore, your application for Additional New Shares may not be successful (wholly or partially). The decision of Gloucester on the number of Additional New Shares to be allocated to you will be final.

3. No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares or Additional New Shares. You cannot withdraw your application once it has been accepted



4. Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Shares.

5. No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other financial market, nor can they be privately transferred.

6. Not investment advice or financial product advice

The Entitlement Offer to which the information in this Booklet relates complies with the requirements of section 708AA of the Corporations Act as modified by ASIC Class Order 08/35. The information in this Booklet is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Gloucester is not licensed to provide financial product advice in respect of the New Shares or Additional New Shares.

The information in this Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares or Additional New Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Gloucester's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au. The information in this Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Shares or Additional New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial objectives and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of ordinary shares of Gloucester, the subject of the Entitlement Offer. If, after reading this Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, solicitor or other independent professional adviser. You should obtain any professional advice you require to evaluate the merits and risks of an investment in Gloucester before making any investment decision based on your investment objectives.

7. Foreign jurisdictions

The information in this Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, and no action has been taken to register ordinary shares of Gloucester or otherwise permit a public offering of the New Shares in any jurisdiction outside of Australia and New Zealand. Return of the personalised Entitlement and Acceptance Form or your BPAY® payment will be taken by Gloucester to constitute a representation by you that there has been no breach of any such laws. Gloucester is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Person. New Shares may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons unless the New Shares have been registered under the U.S. Securities Act or an exemption from registration under the U.S. Securities Act is available. The New Shares to be offered and sold in the Entitlement Offer have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States and, accordingly, the New Shares are only being offered and sold to persons that are not U.S. Persons or acting for the account or benefit of U.S. Persons, in "offshore transactions" within the meaning of Regulation S under the U.S. Securities Act and in compliance therewith. Any U.S. Person or any person that is or is acting for the account or benefit of a U.S. Person with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be a U.S. Person. The distribution of this document outside Australia and New Zealand may be restricted by law. In particular, this document or any copy of it must not be taken into or distributed or released in the United States or distributed or released to any U.S. Person or to any person acting for the account or benefit of a U.S. Person. Persons who come into possession of this document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.



The New Securities are not being offered or sold to the public within New Zealand other than to existing shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

8. Governing law

The information in this Booklet, the Entitlement Offer and the contracts formed on acceptance of the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each shareholder who applies for New Shares and Additional New Shares submits to the jurisdiction of the courts of New South Wales, Australia.

9. Taxation

Taxation implications vary depending upon the particular circumstances of individual Eligible Retail Shareholders. The summary below does not apply to Eligible Retail Shareholders who acquired their Shares through an employee share plan, or who hold their Shares as trading stock or otherwise as revenue assets. The summary below also does not apply to Eligible Retail Shareholders who hold their Shares as an asset of a business or enterprise.

The summary below sets out the Australian tax implications for Eligible Retail Shareholders who are residents of Australia for Australian income tax purposes. The summary below is based on the Australian tax law in effect as at the date of this Booklet, but for the reasons stated above does not take account of any individual circumstances of any particular Eligible Retail Shareholder.

Eligible Retail Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

9.1 Income tax

Issue of Entitlements

Subject to the qualifications noted above, the issue of the Entitlements will not itself result in any amount being included in the assessable income of an Eligible Retail Shareholder. The issue of the Entitlements would satisfy the requirements under section 59-40 of the *Income Tax Assessment Act 1997* (Cth) and would be treated as non-assessable non-exempt income.

Exercise of Entitlements

Eligible Retail Shareholders who exercise their Entitlements and apply for New Shares and, in Gloucester's absolute discretion, Additional New Shares, will acquire those Shares with a cost base for capital gains tax ("CGT") purposes equal to the Offer Price payable by them for those Shares plus any non-deductible incidental costs they incur in acquiring them. Eligible Retail Shareholders will not make any capital gain or loss, or assessable income, from exercising the Entitlements or subscribing for the New Shares or Additional New Shares.

New Shares

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares and, in Gloucester's absolute discretion, Additional New Shares (as applicable). Any future dividends or other distributions made in respect of those New Shares and Additional New Shares will be subject to the same taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

Generally, an Eligible Retail Shareholder would need to hold their New Shares and Additional Shares 'at risk' for at least 45 days, excluding the day of acquisition and the day of disposal, to be eligible for any franking credit benefits attaching to any dividends paid on those shares. This rule does not apply if the Eligible Retail Shareholder is an individual where their total franking credit entitlement for the year of income in which the dividend is paid is below \$5,000.

On any future disposal of New Shares and Additional New Shares, Eligible Retail Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds from that disposal are more than the cost base or less than the reduced cost base of those shares. The cost base of those shares is described above.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Retail Shareholder exercises the Entitlement to apply for them. Additional New Shares will be treated for the purposes of the



CGT discount as having been acquired when Gloucester issues or allots those Additional New Shares. Eligible Retail Shareholders (other than companies or entities taxed as companies) may be able to benefit from the CGT discount in respect of a disposal of those shares, if those shares have been held for at least 12 months before the disposal occurs.

9.2 Goods and Services Tax and Stamp Duty

No Australian Goods and Services Tax ("GST") is payable in respect of the issue or exercise of the Entitlements or the acquisition of those New Shares and Additional New Shares nor will there be any GST liability arising from the receipt of dividends in respect of those New Shares and Additional New Shares. Eligible Retail Shareholders may be charged GST on third party brokerage or advisor costs in respect of the issue or exercise of the Entitlements or the acquisition of those New Shares and Additional New Shares, depending on their individual circumstances.

No Australian stamp duty is payable in respect of the issue or exercise of the Entitlements or the acquisition of the New Shares and Additional New Shares on the basis that such acquisitions do not result in any Shareholder in Gloucester holding (on an associate inclusive basis) 90% or more of the total issued Shares. There will be no Australian stamp duty arising from the receipt of dividends in respect of the New Shares and Additional New Shares.

10. Underwriting

On 4 August 2010 Gloucester has entered into an underwriting agreement with the Underwriters who have agreed to underwrite the Institutional Entitlement Offer on the terms and conditions set out in the underwriting agreement ("Underwriting Agreement"). The obligations of the Underwriters are subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement. Furthermore, in accordance with the Underwriting Agreement, as is customary with these types of underwriting arrangements:

- Gloucester has (subject to certain limitations) agreed to indemnify the Underwriter and its officers, employees, advisers and related bodies corporate against losses in connection with the Entitlement Offer
- Gloucester and the Underwriters have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer
- The Underwriters may each terminate the Underwriting Agreement and be released from their respective obligations if any of a range of events were to occur, including but not limited to the following:
 - a new circumstance arises which is a matter materially adverse to investors and which would have been required by the Corporations Act to be disclosed in the Launch Materials (as that term is defined in the Underwriting Agreement) or otherwise disclosed to the ASX prior to the Entitlement Offer had it arisen before the Launch Materials were given to ASX;
 - ASIC takes certain actions in relation to the Entitlement Offer, the Offer Materials or Gloucester;
 - there is an application to the Takeovers Panel for an order, declaration or remedy in connection with the Entitlement Offer or any agreement entered into in respect of the Entitlement Offer and any such application becomes public and is not withdrawn within 5 Business Days (as that term defined in the Underwriting Agreement) after it is made;
 - Gloucester or a Material Subsidiary (as that term is defined in the Underwriting Agreement) becomes Insolvent (as defined in the Underwriting Agreement); or
 - certain other events relating to the Entitlement Offer or to Gloucester occur.
- The Underwriters will be remunerated by Gloucester for providing these underwriting services at market rates and be reimbursed for certain expenses.

The Underwriters have not authorised or caused the issue of, and takes no responsibility for, this Booklet, and to the maximum extent permitted by law, disclaims all liability in connection with the Entitlement Offer and this Booklet.

11. Financial data

All dollar values in this Booklet are in Australian dollars (\$) or A\$) unless otherwise stated.

The pro forma historical financial information included in this Booklet does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.



12. Information availability

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this information during the period of the Retail Entitlement Offer by calling the Gloucester Entitlement Offer Information Line on 1300 091 105 (within Australia) or +61 3 9415 4681 (from outside Australia) between 8.30am to 5.30pm (AEST) Monday to Friday during the Retail Entitlement Offer period. A replacement Entitlement and Acceptance Form can be requested by calling the Gloucester Entitlement Offer Information Line.

Neither this Booklet nor the accompanying Entitlement and Acceptance Form may be distributed or relied upon by, persons in the United States that are, or are acting on behalf of or for the account or benefit of, a U.S. Person, or otherwise distributed in the United States.

13. Forward-looking statements and future performance

Neither Gloucester, its officers, employees, agents, associates and advisers, nor any other person warrants or guarantees the future performance of the New Shares, Additional New Shares or any return on any investment made pursuant to the information in this Booklet. Forward looking statements, opinions and estimates provided in the information in this Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Any forward looking statements including projections, guidance on future production, reserves, resources, sales, earnings, dividends, and other estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Gloucester and the Board of Gloucester, including the risks described in the accompanying Investor Presentation, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward looking statements in this Booklet.

14. Past performance

Past performance information given in this Booklet is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

15. Nominees

The Retail Entitlement Offer is being made to all shareholders on the register of Gloucester at 7.00pm (AEST) on Monday, 9 August 2010 with an address in Australia or New Zealand, who are not an institutional shareholder (whether or not eligible to participate under the Institutional Entitlement Offer) and who are not in the United States and are neither a "U.S. Person" (as defined under Regulation S under the United States Securities Act of 1933 (the "U.S. Securities Act" ("U.S. Person) or acting for the account or benefit of a U.S. Person. Gloucester is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Any U.S. Person or any person that is or is acting for the account or benefit of a U.S. Person with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be a U.S. Person. Gloucester is not able to advise on foreign laws.

16. Optionholders

Existing optionholders will not be entitled to participate in the Entitlement Offer unless they:

- have become entitled to exercise their existing options under the terms of their issue and do so, so that they are registered as holders of Shares prior to 7.00pm (AEST) on the Record Date; and
- participate in the Entitlement Offer as a result of being a holder of Existing Shares registered on the Register of Gloucester at 7.00pm (AEST) on the Record Date.

17. Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Booklet. Any information or representation that is not in this Booklet may not be relied on as having been authorised by Gloucester, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Gloucester, or any other person, warrants or guarantees the future performance of Gloucester or any return on any investment made pursuant to this Booklet.



Corporate Directory

Registered Office

Gloucester Coal Ltd
Level 15
Citadel Towers (Tower B)
799 Pacific Highway
Chatswood NSW 2057

Registry

Computershare Investor Services Pty Limited
GPO Box 253
Sydney NSW 2001
Tel (within Australia): 1300 855 080
Tel (outside Australia): +61 3 9415 4000

Website

www.gloucestercoal.com.au

Gloucester Entitlement Offer Information Line

Australia: 1300 091 105
International: +61 3 9415 4681
Open 8:30am to 5:00pm (AEST) Monday to Friday during the Retail Entitlement Offer period

Stock Exchange Listing

Gloucester's ordinary shares are listed on the Australian Securities Exchange (code "GCL")



GLOUCESTER COAL



GLOUCESTER COAL LTD
ABN 66 008 881 712

**Entitlement and Acceptance Form for New Shares
(including Additional New Shares)**

Computershare

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 253 Sydney
NSW 2001 Australia
Enquiries (within Australia) 1300 091 105
(outside Australia) +61 3 9415 4681

000001
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SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



I 1234567890 I N D

Use a **black pen**.
Print in **CAPITAL** letters
inside the grey areas.

A	B	C	1	2	3
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For your security keep your SRN/HIN confidential.

New Gloucester Coal Ltd ("Gloucester") Shares at A\$9.25 per New Share

RETAIL ENTITLEMENT OFFER CLOSSES ON 27 AUGUST 2010 AT 5.00PM (AEST)

IMPORTANT:

- This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Entitlement and Acceptance Form ("Form"), please consult your professional adviser.
- Terms used in this Form have the meanings given in this Form and the Retail Entitlement Offer Booklet ("Booklet") (collectively, the "Offer Documents") dated 12 August 2010 (unless otherwise stated). You should read the Offer Documents carefully before completing this Form.
- This Form relates to the non-renounceable Retail Entitlement Offer of 3 New Shares for every 5 existing Gloucester ordinary shares held by Eligible Retail Shareholders on the Record Date at the Offer Price of A\$9.25 per New Share. You may apply for Additional New Shares in excess of your Entitlement.
- You can pay by BPAY®. If you choose to pay by BPAY®, you do not need to return this Form. Please refer overleaf for details.
- Receipt of your payment by 5.00pm (AEST) on 27 August 2010 (together with this Form if you are paying by cheque(s), bank draft(s), or money order(s)) will constitute acceptance of the terms of the Offer Documents.
- If the amount you pay is insufficient to pay for the number of New Shares you apply for, you will be taken to have applied for such lower number of New Shares as that amount will pay for, or your Application will be rejected.
- If the amount you pay is more than the amount payable for your full Entitlement, you will be taken to have applied for Additional New Shares.

I/We enclose my/our payment for the amount shown below being payment of A\$9.25 per New Share and per Additional New Share (if any).

A	Shareholder Entitlement details
Subscriber	Issuer
Entitlement Number	XXX,XXX,XXX
Existing Gloucester shares entitled to participate at Record Date, being 7.00pm (AEST) on 9 August 2010	XXX,XXX,XXX
Entitlement to New Shares on a 3 for 5 basis	X,XXX,XXX.XX
Amount payable on full acceptance of Entitlement at A\$9.25 per New Share	123456789012

Applications can only be made in the name(s) printed on this form. See back of form for completion guidelines.

PLEASE DETACH HERE

Paperclip cheque(s) here. Do not staple.	GLOUCESTER COAL LTD ABN 66 008 881 712	Please see overleaf for Payment Options				Billers Code: 101618 Ref No: 1234 5678 9012 3456 78											
		Ent: X,XXX	Pay: X,XXX														
B	Number of New Shares applied for (being not more than your Entitlement shown in A)	C	Number of Additional New Shares applied for (in excess of your Entitlement shown in Box A)	D	Total number of New Shares and Additional New Shares applied for (add boxes B and C)												
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E	Payment Details – Please note that funds are unable to be directly debited from your bank account				Cheque amount (total in box D multiplied by A\$9.25)												
Drawer	Cheque number	BSB number	Account number	A\$													
<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>																	
Make your cheque(s), bank draft(s) or money order(s) payable to Gloucester Entitlement Offer																	
F	Contact Details				Contact person's daytime telephone number												
Please provide your contact details in case we need to speak to you about this Form																	
Name of contact person					()												
<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>											<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>						

1234567890123456+1234567890-1234+12

How to complete the Entitlement and Acceptance Form

Please complete all relevant sections of this Form using BLOCK LETTERS in black ink. Note that photocopies will not be accepted. These instructions are cross-referenced to each section of this Form. This Form should only be used by/for the Eligible Retail Shareholder(s) whose details appear on the front of this Form.

A	Shareholder Entitlement Details Details of your total Entitlement based on your holding of Gloucester shares at 7.00pm (AEST) on 9 August 2010 are shown in box A on the front of this Form.	E	Payment Details You can apply for New Shares and Additional New Shares utilising the payment options detailed below. For all payment options, payment must be received by no later than 5.00pm (AEST) on 27 August 2010. (1) Payment by BPAY® You can pay by BPAY® using the details set out at the bottom left of this page (under "Payment Options"). If your payment is being made by BPAY® you are not required to return this Form, and you will be deemed to have applied for such whole number of New Shares and Additional New Shares (if any) for which you have paid. (2) Payment by cheque(s), bank draft(s) or money order(s) If you choose this payment method, your cheque(s), bank draft(s) or money order(s) must be made in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to "Gloucester Entitlement Offer" and crossed "Not Negotiable". Payments that are not properly drawn may be rejected. Complete the details in the boxes provided in section E. To calculate the amount payable, multiply the total number of New Shares and Additional New Shares applied for in box D by the Offer Price of A\$9.25. Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Form being rejected. Paperclip (do not staple) your cheque(s), bank draft(s) or money order(s) to this Form where indicated. Cash will not be accepted. Receipt of payment will not be forwarded.
B	New Shares Applied For You can apply to accept either all or part of your Entitlement. Enter in box B the number of New Shares you wish to accept from your Entitlement. <ul style="list-style-type: none">To apply for your Entitlement in full, write in box B the number of New Shares shown in box A as your Entitlement.To apply for part of your Entitlement only, write in box B the number of New Shares for which you wish to apply.	F	Contact Details Enter the name of a contact person and telephone number. These details will only be used in the event that Computershare Investor Services Pty Limited ("Registry") has a query regarding this Form.
C	Additional New Shares Applied For You may apply for Additional New Shares in excess of your Entitlement. No Eligible Retail Shareholder is assured of receiving any Additional New Shares applied for in excess of their Entitlement. Allocations are subject to the absolute discretion of Gloucester. To apply for Additional New Shares, write in box C the number of Additional New Shares for which you wish to apply. Please ensure you complete Section B and Section C (if you are applying for Additional New Shares).		
D	Total Gloucester New Shares Applied For (including Additional New Shares) To calculate the total number of New Shares and Additional New Shares applied for, add box B and box C together and enter this amount in box D Please ensure you complete Section D on the bottom of the form.		

Declaration

By submitting this Form along with your application monies or making a payment by BPAY®, you:

- agree to be bound by the terms of the Offer Documents and the provisions of the constitution of Gloucester;
- agree to be bound by the terms and conditions of issue of the New Shares and Additional New Shares in accordance with the Offer Documents;
- authorise us to register you as the holder(s) of the New Shares and Additional New Shares (if any) allotted to you;
- declare that all details and statements in this Form are complete and accurate;
- declare that if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under this Form;
- acknowledge that once Gloucester receives your Form or payment by BPAY®, you may not withdraw it;
- agree to apply for, and be issued with, the number of New Shares and Additional New Shares (if any) that you apply for at the Offer Price of A\$9.25;
- authorise Gloucester and its officers or agents to do anything on your behalf necessary for the New Shares and Additional New Shares (if any) to be issued to you, including to act on instructions of the Registry upon using the contact details set out in this Form;
- declare that, as at the Record Date, you are the current registered holder(s) of the ordinary shares in your name and are an Australian or New Zealand resident;
- acknowledge that the information contained in the Offer Documents is not investment or financial product advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- acknowledge that a cooling-off regime does not apply;
- represent and warrant that the law of any other place does not prohibit you from being given the Offer Documents or making an application on this Form or for payment by BPAY®;
- represent, warrant and agree (for the benefit of Gloucester, the underwriters and their respective affiliates) that you are not in the United States and you are not a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act")) ("U.S. Person") or acting for the account or benefit of a U.S. Person;
- represent, warrant and agree that the New Shares and Additional New Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares and Additional New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable laws;
- agree not to send this Form, the Offer Documents or any other material relating to the Entitlement Offer to any person in the United States or that is a U.S. Person or is acting for the account or benefit of a U.S. Person; and
- agree that if in the future you decide to sell or otherwise transfer your New Shares or Additional New Shares, in each case you will only do so in transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or a U.S. Person.

If you have any enquiries concerning this Form or your Entitlement, please contact the Gloucester Entitlement Offer Information Line on 1300 091 105 (within Australia) or +61 3 9415 4681 (outside Australia) between 9.30am and 5.00pm (AEST) Monday to Friday.

Lodgement of Acceptance

For all payment options, payment must be received by no later than 5.00pm (AEST) on 27 August 2010. It is the responsibility of the applicant to ensure that funds submitted through BPAY® are received by this time. If you are paying by cheque(s), bank draft(s) or money order(s) a reply paid envelope is enclosed for Eligible Retail Shareholders in Australia. Eligible Retail Shareholders in New Zealand will need to affix the appropriate postage. Return the bottom section of this Form with the cheque(s), bank draft(s) or money order(s) attached.

Neither the Registry nor Gloucester accepts any responsibility if you lodge this Form at any other address or by any other means.


This Form will not be processed if received via facsimile to the Registry. Only hardcopy Forms will be accepted and processed.

CHES holders must contact their Controlling Participant to notify a change of address.

The New Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons.

© Registered to BPAY Pty Ltd ABN 69 079 137 518

Payment Options:

	Bill Code: 101618
	Ref No: 1234 5678 9012 3456 78

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. For more information please refer to www.bpay.com.au. You must check the processing cut off time for BPAY® transactions with your bank, credit union or building society as it may be earlier than the close of the Retail Entitlement Offer. It is the responsibility of the applicant to ensure funds submitted through BPAY® are received by the close of the Retail Entitlement Offer being 5.00pm (AEST) on 27 August 2010.



Gloucester Entitlement Offer
Computershare Investor
Services Pty Limited
GPO Box 253
Sydney, NSW 2001
AUSTRALIA



Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000