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GLOUCESTER COAL

Independent Directors Release

The Independent Directors of Gloucester Coal Ltd confirm recommendation to accept the Macarthur Offer for Gloucester Coal in the absence of a superior proposal

On 22 December 2009, Gloucester Coal Ltd ("Gloucester") announced it had received a takeover offer from Macarthur Coal Limited ("Macarthur") for all the shares in Gloucester (the "Offer"). Under the Offer, Macarthur is offering Gloucester Shareholders a choice of either:

- 0.84 Macarthur shares for every one Gloucester share ("Scrip Alternative"); or
- A\$8.00 cash for every one Gloucester share ("Cash Alternative").

Following receipt of the Independent Expert's Report, the Independent Directors of Gloucester today confirmed their recommendation that Gloucester Shareholders accept the Macarthur Offer in the absence of a superior proposal.

Gloucester has today lodged with ASIC its Target's Statement in relation to the Offer in response to the Macarthur Bidder's Statement received on 26 February 2010.

As announced on 22 December 2009, the Independent Directors of Gloucester have appointed Deloitte Corporate Finance Pty Limited ("Deloitte Corporate Finance") to prepare an Independent Expert's Report for Gloucester Shareholders to determine whether Noble Group or any Associate of Noble Group will receive a collateral benefit as a result of the Middlemount Acquisition.

Deloitte Corporate Finance has provided its Independent Expert's Report which is contained in the Target's Statement lodged today.



The key conclusions of Deloitte Corporate Finance in respect of the Offer are listed below:

- The Offer is fair and reasonable to Gloucester Shareholders
- The estimated fair market value of a share in Gloucester is in the range of \$7.75 to \$8.75 on a control basis
- The valuation range for a share in the Merged Entity has been estimated in the range of \$8.90 to \$10.80 based on a sum of the parts method
- Based on the share market trading activity in Macarthur since the announcement of the Offer, the assessed value of a share in the Merged Entity is in the range of \$10.00 to \$11.00
- Having regard to the value of a share in the Merged Entity derived using a sum of the parts valuation and the recent share market trading activity in shares in Macarthur, the Independent Expert has estimated the value of a share in the Merged Entity has been estimated in the range of \$9.50 to \$11.00
- The value of the Scrip Alternative has been estimated to be in the range of \$8.00 to \$9.25 per Gloucester share
- Based on a qualitative and quantitative analysis of the Middlemount Transaction and having regard to the limitations set out in the Independent Expert's Report nothing has come to the attention of the Independent Expert to cause the Independent Expert to believe that the Middlemount Transaction would constitute a receipt by Noble of a collateral benefit (Note: in determining whether there is any collateral benefit to Noble or any of its Associates arising as a result of the Middlemount Transaction, the Independent Expert has evaluated the net benefits to Noble or any of its Associates under the Middlemount Transaction).

Gloucester Shareholders are encouraged to read the Independent Expert's Report in its entirety in conjunction with the Target's Statement and Bidder's Statement before making a decision regarding the Offer.

FOR FURTHER INFORMATION

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About Macarthur

Macarthur Coal (ASX: MCC) is the world's largest producer of seaborne low volatile pulverized coal injection coal (LV PCI) used for steel making. As a supplier to the world's leading steel producers, Macarthur exports its entire product around the globe. The company currently holds 73.3% of the Coppabella and Moorvale mines, located in Queensland's Bowen Basin.

The company is focused on organic growth through developing new mines from grass roots level and identifying and pursuing high growth market segments.

About Gloucester

Gloucester Coal (ASX: GCL) is a coal mining company with two mining operations, Stratford and Duralie, both located in the New South Wales Gloucester geological basin. The company also holds coal exploration licences which cover a large proportion of the basin and include a number of known coal deposits. Gloucester is focused on the production of both coking and thermal coal products. These products are produced through the efficient blending of coal from its Stratford, Duralie and satellite operations.

About Middelmount

Located 6 kilometres south-west of the township of Middelmount in central Queensland, Middelmount is expected to produce low volatile PCI coal and semi-hard coking coal.

About Noble

Noble Group (SGX: N21) is a market leader in managing the global supply chain of agricultural, industrial and energy products. The Group operates from over 100 offices in more than 40 countries, serving 4000+ customers. Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation. With 2008 annual revenues exceeding US\$36 billion, 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. Today, 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.

In late 2009, Noble Group was honored at the DHL SCMP Hong Kong Business Awards by winning the coveted International Award. During the year, Noble ranked #218 on the Fortune Global 500 and achieved "Investment Grade" ratings (Baa3) from Moody's Investors Service and (BBB-) from Standard & Poor's, complementing its initial "Investment Grade" rating (BBB-) from Fitch the previous year. In addition, Noble appears on the Forbes Global 2000 and Forbes Fab 50 lists of leading companies. Noble Group is among the 30 securities listed on the Straits Times Index.

Forward-looking statements

This announcement may include 'forward-looking statements'. These can be identified by the use of forward-looking words such as 'may', 'can', 'intend', 'expect', 'believe', 'should' or similar words. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Gloucester, and its officers, employees, agents or associates. Actual outcomes may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and Gloucester assumes no obligation to update such information.