



ACN 117 763 443

ASX ANNOUNCEMENT

20 April 2011

Columboola Coal Project JV

Drilling Update

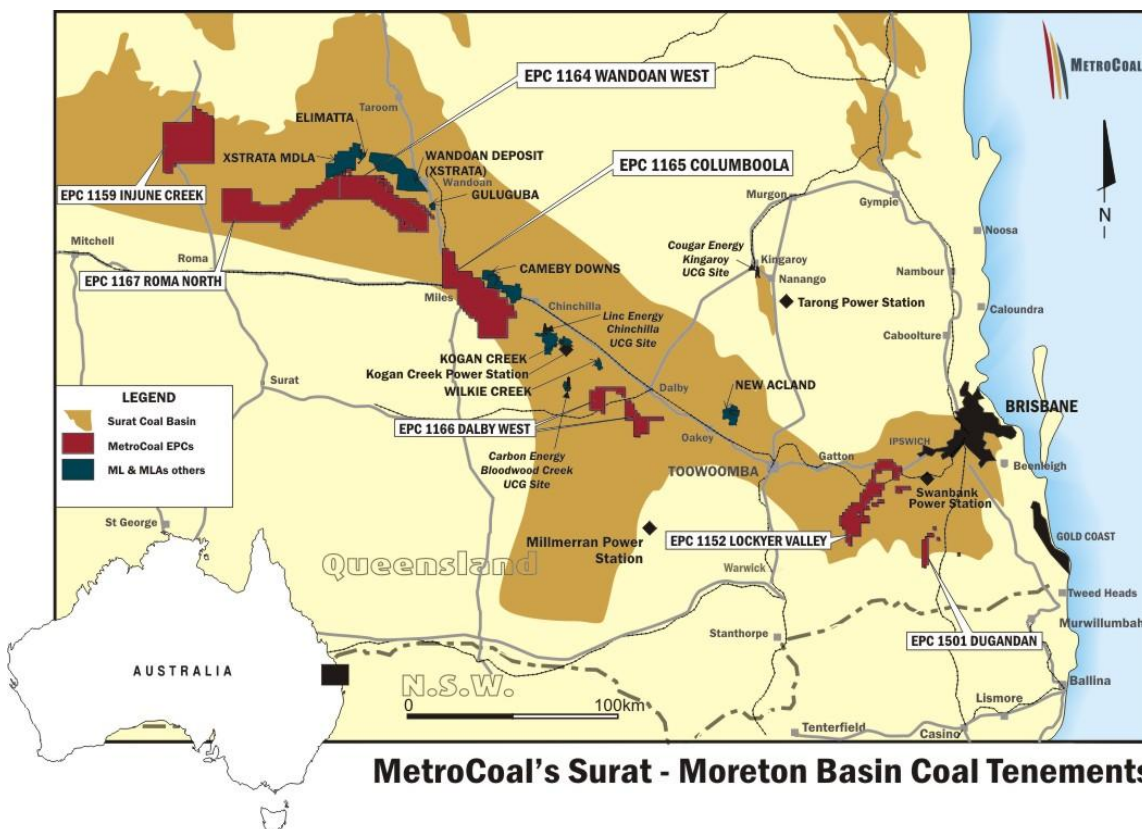
Highlights

- First nine (9) holes completed over a 25km strike
- Testing Walloon Sub Group including Juandah and Taroom Coal Measures north and east of Miles township central Surat Basin
- Identifying target seams of Macalister, Bulwer and Condamine at depths from 130 to 516m
- Three rigs onsite , drilling continues

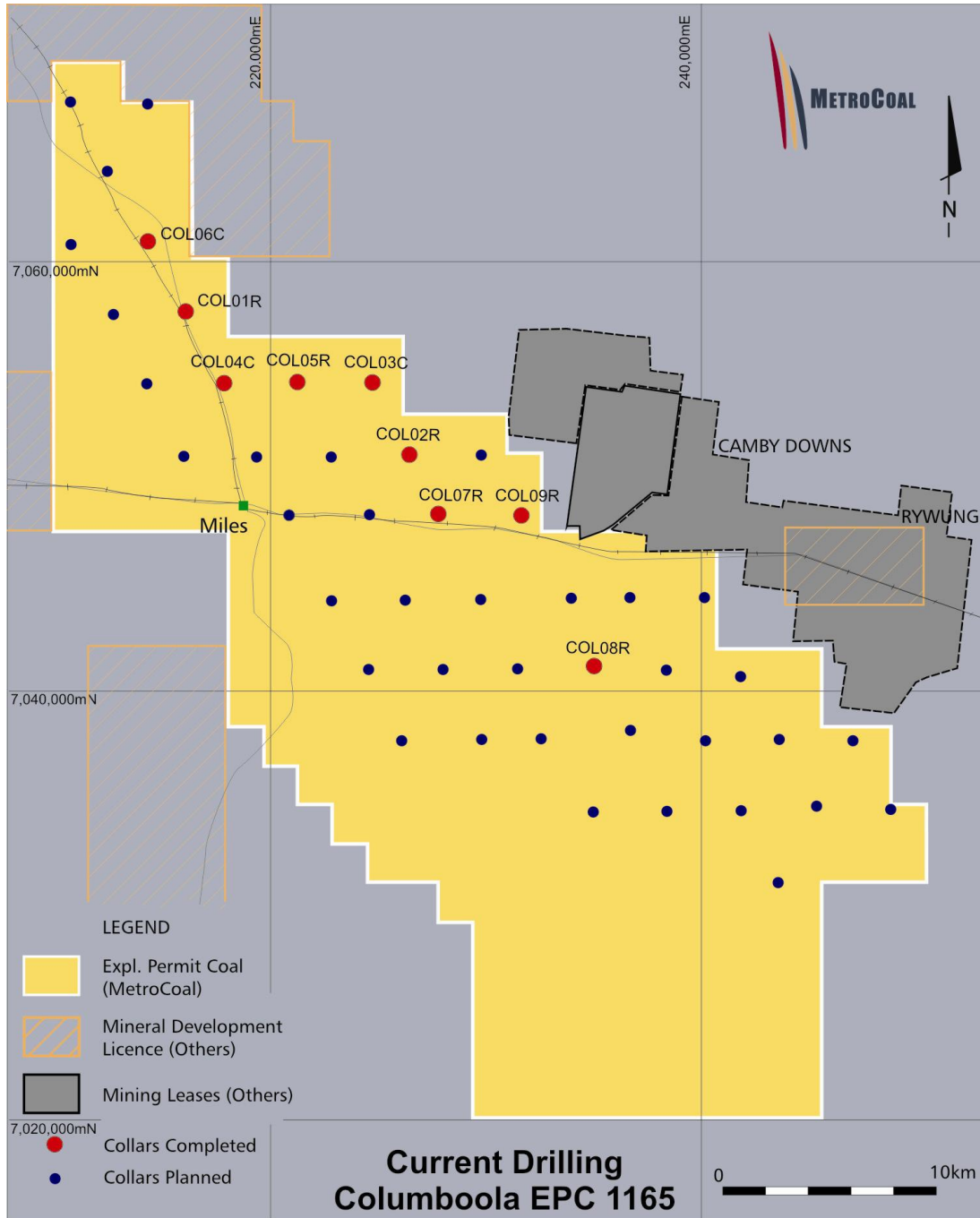
Results Summary

The first 8 holes of a planned 35 hole program have been completed for 5,137m in total. Drilling targeted all known coal packages with the Juandah and Taroom Coal Measures of the Jurassic Walloon Sub Group.

Drilling to date has identified 3 coal packages that have sufficient thickness, continuity and correlation to pursue further for possible underground mining. They are the known Macalister, Bulwer and Condamine Seam Packages.



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Drilling

The Joint Venture currently has three drill rigs on the Columboola Project and is conducting a systematic drilling program on a nominal 3.6 x 3.6 km offset grid across the project area to establish an initial inferred resource and identify project areas for future infill drilling.

Early drilling results have confirmed the Macalister Seam Package is continuous and correlateable across the tenement. In addition, economic thicknesses of the Bulwer and

Condamine Seam have been identified, and there is excellent potential for multi seam thermal coal deposits.

The drill holes are a combination of open holes and partly cored holes with rotary drilling to the roof of the Juandah Coal Measures and core sections through the target Kogan and Macalister Seams.

As ground conditions improve following the wet season, access for our drilling rigs will improve and holes drilled and meterage will increase accordingly.

Table 1 Preliminary Drill Hole Details

	Hole ID	MGA 94 Easting	MGA 94 Northing	Rotary	Core	TD	Coal Roof	Coal Floor	Thickness #	Unit							
1	COL01R	216002.6	7057413	462	N/A	462	355.14	356.07	0.93	KOG							
							375.08	376.51	1.43	MAU							
2	COL02R	226740.2	7050724	552.65	N/A	552.65	217.03	218.42	1.39	MAU							
							219.66	222.48	2.82	MAU							
3	COL03C	224949.7	7054122	109.74	432.73	542.47	137.31	138.54	1.23	MAU							
							138.78	141.2	2.42	MAU							
							151.15	152.22	1.07	MAL							
							152.89	154.43	1.54	MAL							
							160.26	161.42	1.16	NAN							
							162.68	163.89	1.21	NAN							
							200.04	201.43	1.39	WAM							
							224.57	227.03	2.46	ION							
							233.85	235.29	1.44	ION							
							258.7	259.74	1.04	ARG							
							360.89	362.03	1.14	AUB							
							367.47	368.54	1.07	AUB							
							388.51	390.91	2.4	BUL							
							409.95	411.63	1.68	CON							
							4	COL04C	217711.3	7054122	180	371.77	551.77	389.52	391.78	2.26	MAL
														392.57	393.99	1.42	MAL
494.75	495.96	1.21	ION														
513.86	516.15	2.29	ARG														
5	COL05R	221346.2	7054150	550	N/A	550	141.08	142.31	1.23	KOG							
							163.37	164.68	1.31	MAU							
							165.96	166.99	1.03	MAU							
							169.72	172.68	2.96	MAU							
							188.71	190.35	1.64	MAL							
							192.07	193.37	1.3	MAL							
							193.69	195.16	1.47	MAL							
							195.43	197.02	1.59	MAL							
							223.9	225.07	1.17	NAN							
							228.45	229.88	1.43	NAN							
							235.55	237.57	2.02	NAN							
							258.56	260.63	2.07	WAM							
							385.13	387.3	2.17	AUB							
							403.07	404.13	1.06	BUL							

	Hole ID	MGA 94 Easting	MGA 94 Northing	Rotary	Core	TD	Coal Roof	Coal Floor	Thickness #	Unit
							426.49	429.35	2.86	CON
							451.97	453	1.03	CON
							463.13	465.33	2.2	CON
6	COL06C*	214131	7060732	192.72	470.48	686.08	359.7	361.6	1.9	KOG
							388.1	393.4	5.3	MAU
							394.6	399	4.4	MAL
							408	411.2	3.2	NAN
							499.2	500	0.8	AUB
							519.5	520.6	1.1	BUL
7	COL07R*	228073	7048036	600	N/A	600	202.63	204.45	1.82	KOG
							208.87	210.93	2.06	MAU
							212.93	213.92	0.99	MAM
							214.59	215.59	1	MAM
							216.7	217.7	1	MAL
							469.12	470.12	1	BUL
8	COL08R*	235779	7040895	630	N/A	630	136.36	140.2	3.84	MAU
							161.98	164.07	2.09	NAN
							165.04	166.54	1.5	NAN
							224.21	225.22	1.01	WAM
							314.52	316.05	1.53	ARG
							407.66	409.01	1.35	BUL
							439.45	441.74	2.29	CON
							457.15	459.83	2.68	CON
9	COL09R*			562	N/A	562				
Total Meters				3839.1	1297.8					
				1	6	5136.97				

* Final Survey Pending

Preliminary Seam Picks, final interpretation pending

Table 2. Stratigraphy Codes

Walloon Sub Group		Code	Coal Package
		KOG	Kogan
Juandah Coal Measures	MAU	Macalister Upper	
	MAM	Macalister Middle	
	MAL	Macalister Lower	
	NAN	Nangram	
	WAM	Wambo	
	ION	Iona	
	ARG	Argyle	
	Tangalooma Sandstone		
Taroom Coal Measures	AUB	Auburn	
	BUL	Bulwer	
	CON	Condamine	

For further information, please contact:

Mr Mike O'Brien
Chief Executive Officer

Theo Psaros
Chief Operating Officer

Phone: +61 (7) 3249 3050

Fax: +61 (7) 3249 3041

Email: admin@metrocoal.com.au

Postal Address: GPO Box 122, Brisbane QLD 4001

Further information on MetroCoal can be found on our website www.metrocoal.com.au

The information in this Announcement that relates to the Compilation and Exploration Results is based on information compiled by Mr Neil Mackenzie-Forbes who is a Member of the Australian Institute of Geoscientists (Membership No 2035). Mr Mackenzie-Forbes is currently the General Manager – Columboola JV and a fulltime employee of MetroCoal Ltd. Mr Mackenzie-Forbes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mackenzie-Forbes has consented in writing for inclusion in this announcement the matters based on the information in the form and context it appears.