



20 December 2011

RESOURCE UPGRADE PROGRAM

County Coal is pleased to announce that it has fast tracked its resource upgrade program by acquiring a geological data package over the Shell Creek Project Area. Considerable drilling and exploration activities were undertaken on the Project Area by Texaco (since acquired by Chevron) in the 1980s.

The data package contains extensive drilling and geophysical data extracted from a major drilling program conducted on this area in the past. The package contains geological and geophysical data relating to 18 drill holes in the Shell Creek Project Area, which is in addition to the holes recently drilled by the Company.

A geological assessment is currently being conducted, which should assist in finalising a resource upgrade for the project in January 2012. The Company's second stage drilling program will also be adjusted to incorporate the additional data obtained from the data package.

OPTIONS EXERCISED AND RESOURCE INCREASE

County Coal has exercised its option over the additional property in the Miller Project Area. Accordingly the Company's fully owned Total JORC Resource increases by 89Mt to 642 Mt, of which 310Mt is JORC Measured Resource at the Miller Project Area.

The Company has also recently exercised an option to acquire an additional 90 acres of land (including coal rights) at Shell Creek adjacent to the Shell Creek Project Area. The Company believes the property is likely to contain contiguous seams of similar quality and thickness to that of the current project area and expects to be able to include these in its resource upgrade in January 2012.

MINE PLANS

The Company expects to commence work on the necessary mine plans for its two projects early next year. The new technical data and results of its Stage 2 Drilling Program will be incorporated into the mine plan at Shell Creek. The Miller Project Area already contains a JORC Measured Resource and accordingly the Company will commence its mine plan for this project in early 2012.

PORTS AND LOGISTICS

The Company has commenced discussions with a number of ports and infrastructure providers in North America to enable supply to the Asian markets.

Robert Cameron
Chairman

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