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29 June 2009

MACARTHUR COAL: SHARE PURCHASE PLAN

About Macarthur Coal

Macarthur Coal is an Australian coal company developing a new generation of coal assets in Queensland's Bowen Basin. The company currently holds 73.3% of the Coppabella and Moorvale mines.

The company's operations produce approximately one third of the seaborne global demand for low volatile PCI coal, which is a high-growth coal market.

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

For further information contact:

Ian McAleese
EGM, Investor Relations
Macarthur Coal Limited
Tel: 07 3221 7210

Or visit the website:
www.macarthurcoal.com.au

Share Purchase Plan

As announced on 18th June 2009, Macarthur Coal Limited (ASX: MCC) is conducting a Share Purchase Plan (SPP) to provide eligible shareholders with the opportunity to subscribe for up to A\$15,000 worth of new MCC ordinary shares.

Macarthur Coal will today send to all eligible shareholders, the attached documentation to enable them to participate in Macarthur Coal's SPP.

The SPP is being offered to all existing eligible shareholders who were on Macarthur Coal's share register as at 7.00pm Wednesday 24th June, 2009.

The SPP will open on Tuesday, 30th June 2009 and close at 5pm on Thursday, 16th July 2009.

Macarthur Coal's CEO, Nicole Hollows and the company's senior management team will host a special presentation for eligible shareholders on Thursday, 9th July from 11am to 12.30pm at the Brisbane Convention & Exhibition Centre in Room M1, Mezzanine Level. The presentation will allow shareholders to ask questions of management and hear about company progress and growth plans. Further details are contained in the attached letter from the Chairman to shareholders.

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For personal use only

29 June 2009

MACARTHUR COAL
ABN 40 096 001 955



Level 5, 100 Melbourne Street
South Brisbane Qld 4101
GPO Box 1025
Brisbane Qld 4001
Tel: (617) 3221 7210
Fax: (617) 3229 1776

Dear Shareholder

Macarthur Coal Limited: Share Purchase Plan

On behalf of the Macarthur Coal Board, I am pleased to invite you to participate in Macarthur Coal's Share Purchase Plan (**Plan**). Participation in the Plan will give you an opportunity to purchase Macarthur Coal shares up to the value of A\$15,000 without incurring brokerage or transaction costs.

You will be eligible to participate in the plan if:

1. You were registered as a shareholder of Macarthur Coal as at 7.00pm (AEST) on 24 June 2009 (**Record Date**); AND
2. Your registered address is either in Australia or New Zealand (**Eligible Shareholders**).

The offer to participate in the Plan follows the successful completion by Macarthur Coal, on 19 June 2009, of a A\$190 million share placement at an issue price of A\$6.00 per ordinary share (**Share**) to various sophisticated and professional investors.

The Plan is entirely voluntary and enables Eligible Shareholders, regardless of the number of Shares they hold on the Record Date, to subscribe for a maximum of 2,500 Shares at A\$6.00 per Share (representing a maximum subscription of A\$15,000 per Eligible Shareholder).

The minimum parcel of Shares Eligible Shareholders can subscribe for is A\$1,500 (or 250 shares).

The price of A\$6.00 per Share represents a discount of 16% to the average market closing price of Shares for the five trading days before the announcement of the Plan on 18 June 2009. This is the same price at which sophisticated and professional investors acquired Shares under the placement.

Instructions on how to apply for a share allocation and key terms of the Offer are contained in the accompanying Plan documentation.

Management Presentation

Macarthur Coal CEO, Nicole Hollows and the Company's senior management team will host a special presentation for Eligible Shareholders on Thursday 9 July from 11.00am to 12.30pm. Details of the venue are as follows:

Brisbane Convention & Exhibition Centre
Room M1, Mezzanine Level
Grey Street
South Brisbane Qld 4101

This presentation will allow shareholders to ask questions of management and hear about Company progress and growth plans.

A phone-in facility will also be available for those shareholders not able to attend the presentation. The dial-in phone number is: 1800 064 278 (New Zealand callers +61 7 3025 7501) PIN# 9994.

Use of Funds

The funds raised by the share placement and the Plan will be used to strengthen the balance sheet providing enhanced financial flexibility.

Company Highlights

On 18 June 2009, Macarthur Coal provided profit guidance for the financial year ending 30 June 2009 of between A\$155 million and A\$170 million (2008 NPAT: A\$72.7 million). The forecast profit is based on achieving sales volumes for the financial year of between 4.5Mt to 4.8Mt which exceeds previous guidance of 3.9Mt. The significant increase in sales tonnage is due to better than forecast spot thermal and short-term LV PCI coal sales during the second half of the financial year.

The forecast profit is the highest in the Company's history. It is the result of significant effort and dedication of our people, given the substantial volatility in coal markets following the unprecedented reduction in steel demand in the second quarter of this financial year. It demonstrates the underlying strength of the Company and our ability to adapt quickly by changing our production mix and markets where possible to meet rapidly changing demand.

The full year profit guidance remains sensitive to:

- achieving the revised shipping schedule given current congestion in the Goonyella coal chain
- changes in the valuation of financial derivatives from 31 December 2008
- there being no material non-cash accounting adjustments and/or no material impairment of the carrying value of mining assets.

The actual profit will be subject to the finalisation of audited year end accounts and approval by the Board.

Foreign Jurisdictions

The documents contained in the accompanying Plan booklet do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any US Person as defined in Regulation S under the US Securities Act of 1933, as amended (**US Securities Act**). Shares referred to in this letter and the accompanying Plan booklet may not be offered or sold in the United States absent registration or an exemption from registration. This letter and the Plan booklet have been prepared for publication in Australia and New Zealand only and may not be released elsewhere.

Risks

Your directors encourage your continued support of the Company. Before making an investment decision however, you should read the terms of the Plan Offer and the Plan Rules accompanying this letter in their entirety. Shareholders should be aware that there is a risk that the market price for the Company's shares may change between the announcement date and the date of allotment. The issue price of the Shares under the Plan will not, however, change during this period.

If you have any doubts about whether you should participate in the Plan, you should consult your stockbroker, accountant or professional adviser.

If you have any questions about how to apply to participate in the Plan, please contact our Share Registry:

Computershare Investor Services Pty Limited

Tel: 1300 552 270 (within Australia)
+61 3 9415 4000 (outside Australia)

Please refer to the accompanying Macarthur Coal Share Purchase Plan Offer and Rules for further details.

Thank you for your continuing support and I look forward to meeting with some of you at the information session on 9 July.

Yours faithfully



Keith De Lacy
Chairman

For further information contact:

Ian McAleese
Executive General Manager, Investor Relations
Macarthur Coal Limited ACN 096 001 955
Telephone: (07) 3221 7210
Facsimile: (07) 3229 1776
Website: www.macarthurcoal.com.au

MACARTHUR
ABN 40 096 001 955

COAL

LIMITED

Macarthur Coal share purchase plan

Macarthur Coal Limited ACN 096 001 955

29 June 2009

This is an important document.

If you have any doubts as to what you should do, please consult your stockbroker, accountant or other professional adviser.

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Offer at a glance

Macarthur Coal Limited ACN 096 001 955 (**Macarthur Coal**) is pleased to provide Eligible Shareholders with the opportunity to participate in the Macarthur Coal Share Purchase Plan by investing up to A\$15,000 to subscribe for additional ordinary shares in the Company (**Shares**) without incurring brokerage or transaction costs.

Key dates

Announcement Date	18 June 2009	Share Purchase Plan is announced to the market
Record Date	24 June 2009 at 7.00pm (AEST)	Date for deciding Eligible Shareholders
Opening Date	30 June 2009	Share Purchase Plan opens
Closing Date	16 July 2009	Share Purchase Plan closes at 5.00pm (AEST) on this date
Allotment Date	24 July 2009	Shares to be issued under Share Purchase Plan are allotted
Quotation Date	27 July 2009	Date on which time Shares are expected to be traded on ASX
Despatch Date	28 July 2009	Confirmation of transaction despatched to shareholders (Allotment Notice)

Note: Dates are indicative only and Macarthur Coal retains the right to vary these dates without advance notice.

Key Offer details

Issue Price	A\$6.00 per Share
Minimum Application Amount	A\$1,500 (250 Shares) and multiples of A\$1,500 after that (250 Shares)
Maximum Application Amount	A\$15,000 (2,500 Shares)

Important Notice

These materials do not constitute an offer of securities for sale in any place outside Australia or New Zealand. This Offer is only made to eligible Macarthur Coal shareholders who, as at the Record Date, are registered shareholders with a registered address in Australia or New Zealand. Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand or who are 'US Persons' (as defined in Regulation S of the US Securities Act of 1933) (**US Persons**) or who act for the account or benefit of a US Person are not entitled to participate in the Plan.

Directors of Macarthur Coal who are Eligible Shareholders, may participate in the Plan.

The Plan may be varied, suspended or terminated by the Board at any time without advance notice. Neither the Company nor the Board accepts nor assumes any liability to shareholders because of variation, suspension or termination of the Plan.

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The acquisition of Shares under the Plan will have different ramifications depending upon the circumstances of each Eligible Shareholder. Eligible Shareholders wanting to participate in the Plan should obtain independent advice about the taxation consequences of an investment under the Plan.

Macarthur Coal may refuse any application made, for example, if a cheque is returned unpaid or if the Application Form has not been properly completed, or where there are grounds for believing that the applicant is not acting in good faith or if holdings have been split into smaller parcels for the purpose of multiple applications under the Plan. Application Forms received after the Closing Date will not be accepted.

Questions and answers

Background

As announced to the ASX on 19 June 2009, Macarthur Coal successfully completed a A\$190 million share Placement to sophisticated and professional investors at an issue price of A\$6.00 per Share. Macarthur Coal is now inviting Eligible Shareholders to participate in the Plan.

Note: Capitalised terms are defined in the Share Purchase Plan Rules.

What is the Share Purchase Plan?

The Plan being offered by Macarthur Coal gives Eligible Shareholders the opportunity to purchase additional Shares (without incurring brokerage and transaction costs) at A\$6.00 per Share, to raise approximately A\$20 million to A\$40 million closing on 16 July 2009 and completing on 28 July 2009.

The Plan will be offered under the Plan Rules (contained in this Plan booklet) which contain the terms, as well as some important definitions.

Shares issued under the Plan will rank equally in every respect with existing issued fully paid Shares and will be eligible to participate in all dividends paid after the Allotment Date.

Why is Macarthur Coal issuing more Shares?

The Plan is intended to give existing shareholders the opportunity to purchase further Shares at A\$6.00 per Share. The funds raised by this Plan will be used for strengthening the balance sheet providing enhanced financial flexibility.

Am I an Eligible Shareholder?

All Macarthur Coal shareholders at the Record Date, having a registered address in Australia or New Zealand, are eligible to participate in the Plan.

The Company is not making this Offer to shareholders in countries outside Australia or New Zealand or shareholders who are 'US persons' (as defined in Regulation S of the US Securities Act of 1933) (**US Persons**) or who act for the account or benefit of a US Person.

Are Eligible Shareholders required to participate in the Plan?

Participation in the Plan is optional for Eligible Shareholders. If an Eligible Shareholder wants to participate in the Plan, it may purchase Shares in accordance with the Plan Rules up to the Maximum Application Amount.

The Offer to acquire Shares in the Company is not a recommendation.

Before deciding on whether to participate in the Plan, and in particular before completing any application for Shares, you should consider the Company's disclosures of operating and financial performance and, if necessary, consult your financial adviser.

The Directors reserve the right to participate in the Plan.

How much can I invest under the Plan?

Eligible Shareholders may subscribe for Shares up to the Maximum Application Amount, being A\$15,000. The Maximum Application Amount is calculated using the Issue Price so that the number of Shares subscribed for, multiplied by the Issue Price, must not exceed A\$15,000.

The Maximum Application Amount applies irrespective of how many Shares you held on the Record Date.

Applications must be for at least the Minimum Application Amount of A\$1,500 and in multiples of A\$1,500 after that.

What is the Issue Price?

The Issue Price is A\$6.00 per Share which is the same price which the Shares were offered under the Placement.

This represents a discount of 16% to the average market price of the Shares for the last five trading days before the Announcement Date.

What risks are associated with investing under the Plan?

The market price for Shares may change between the Announcement Date and the Allotment Date, but the Issue Price will not change during this period. If the market price of Shares falls below the Issue Price, you may be financially disadvantaged by purchasing Shares under the Plan.

Before making an investment decision, you should read the terms of the Offer set out in the accompanying offer letter and the terms of the Offer contained in the Plan Rules.

When can I sell Shares purchased under the Plan?

Shares issued under the Plan may be sold or transferred on ASX at any time after quotation.

The Company will apply for quotation on the Quotation Date of all Shares issued under the Plan on the Official List of ASX following the processing of those Applications received from Eligible Shareholders by the Closing Date.

How do I apply for Shares under the Plan?

Eligible Shareholders can subscribe for Shares under the Plan in one of two ways, depending upon whether payment is to be made by cheque or by BPAY®.

For payment by cheque, bank draft or money order

Eligible Shareholders must complete the personalised Application Form enclosed with this Plan booklet and return it with a cheque, bank draft or money order in payment of the Application Amount so it is received by the Share Registry before 5.00pm (AEST) on Thursday 16 July 2009:

Macarthur Coal SPP
Computershare Investor Services Pty Limited
GPO Box 5240
Brisbane, QLD 4001

AUSTRALIA

or deliver it to:

The Share Registry - Macarthur Coal
Computershare Investor Services Pty Limited
Level 19, 307 Queen Street
Brisbane, QLD 4000

For payment by BPAY

Eligible Shareholders who wish to pay by BPAY, must follow the instructions on the Application Form so that it is received by the Share Registry before 5.00pm (AEST) on Thursday 16 July 2009.

What is the subscription amount?

The subscription amount is calculated as the number of Shares you applied for, multiplied by the Issue Price.

Example:

$$1,000 \text{ Shares} \times \text{A\$}6.00 = \text{A\$}6,000$$

How many Shares will I receive?

Eligible Shareholders will receive the number of Shares applied for up to the Maximum Application Amount, subject to the Company doing a Scaleback.

The Company may do a Scaleback (including for the purpose of complying with Listing Rule 7.2, Exception 15) so that not more than 30% of the number of Shares already on issue are issued under the Plan. If the Company does a Scaleback, the number of Shares applied for on each Application will be scaled back on a pro rata basis.

Will the Offer be available again?

The Plan is intended to be a one off offer to Eligible Shareholders, giving them an opportunity to purchase additional Shares without transaction costs or brokerage. However, the Board retains the right to make similar offers under future Share Purchase Plans.

Contact details

If you have any further queries about the Plan, please contact the Share Registry on 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia).

Applications and payment must be received by the Share Registry before 5.00pm (AEST) on Thursday 16 July 2009.

Share Purchase Plan Rules

1 Definitions and interpretations

1.1 Definitions

In these Rules:

Term	Definition
AEST	means Australian Eastern standard time.
Announcement Date	means the date on which the Plan is announced to the market on ASX, being 18 June 2009.
Allotment Date	means the date on which the Shares to be issued under the Plan are allotted, being 24 July 2009.
Allotment Notice	means a notice sent to Shareholders confirming allotment of Shares issued under the Plan.
Application	means an application for Shares under this Plan.
Application Amount	means the amount of Shares to be purchased under an Application Form having regard to the Minimum Application Amount and Maximum Application Amount.
Application Form	means a personalised application form in which Eligible Shareholders may apply for Shares under the Plan.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691.
Beneficiary	means a person for whom a Custodian holds Shares.
Board	means the board of directors of Macarthur Coal.
Company or Macarthur Coal	means Macarthur Coal Limited ACN 096 001 955.
Constitution	means the constitution of Macarthur Coal.
Closing Date	means the closing date for the Plan, being 16 July 2009.
Custodian	means an Eligible Shareholder who: (a) holds Shares as a custodian or nominee for one or more Beneficiaries; and (b) falls within the definition of custodian set out in ASIC Class Order 09/425.
Despatch Date	means the date on which Allotment Notices will be sent to shareholders, being 28 July 2009.
Eligible Shareholder	means a shareholder in Macarthur Coal at the Record Date with a Registered Address in Australia or New Zealand.
Issue Price	means the price at which new Shares will be allotted under rule 4.4, being A\$6.00, representing a discount of 16% to the average market price of the Shares for the five trading days before the Announcement Date.
Minimum Application Amount	means A\$1,500 (250 Shares) and multiples of A\$1,500 after that (250 Shares).
Maximum Application Amount	means A\$15,000 (2,500 Shares).

Term	Definition
Offer	means the offer of Shares under the Plan on the terms set out in the Rules.
Official List	means the official list for quotation on ASX.
Opening Date	means the date on which the Plan opens, being 30 June 2009.
Placement	means the placement to sophisticated and professional investors on 18 June 2009 at an issue price of A\$6.00 per Share.
Plan Rules or Rules	means these rules.
Plan	means the Macarthur Coal Share Purchase Plan.
Quotation Date	means the date on which Shares are expected to be traded on the Official List, being 27 July 2009.
Record Date	means the date for deciding who will be an Eligible Shareholder, being 24 June 2009 at 7.00pm (AEST).
Registered Address	means the address of an Eligible Shareholder as shown in the Share Register.
Scaleback	means a pro rata reduction in the number of Shares allotted to Eligible Shareholders who lodge an Application.
Share Register	means the register of all shareholders of Macarthur Coal maintained by the Share Registry.
Share Registry	means Computershare Investor Services Pty Limited ABN 48 078 279 277 of Level 19, 307 Queen Street, Brisbane, QLD 4000.
Share	means a fully paid ordinary share in Macarthur Coal.

1.2 Interpretation

In this document:

- (a) a singular word includes the plural and vice versa;
- (b) a word which suggests one gender includes the other gender;
- (c) a reference to a rule is a reference to a rule under this Plan;
- (d) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity; and
- (f) headings are for convenience of reference only and do not affect interpretation.

2 Offer timetable

- 2.1 This Offer opens on the Opening Date.
- 2.2 Only Eligible Shareholders may participate in the Plan.
- 2.3 This Offer is intended to close on the Closing Date. All Application Forms and payments of the Application Amounts must be received by the Share Registry before the Closing Date.

- 2.4 Shares are intended to be allotted on or about the Allotment Date.
- 2.5 Any Scaleback will be announced on the Allotment Date. Macarthur Coal expects Allotment Notices (and any refund cheques in payment of any Scaleback amount) will be despatched on or about the Despatch Date.
- 2.6 Macarthur Coal anticipates trading of Shares issued under the Plan on ASX will begin on the Quotation Date.
- 2.7 Macarthur Coal may change, at any time, any of the dates in rules 2.1 to 2.6, regardless of whether the Offer has opened or Applications have been received.

3 Participation in the Plan

- 3.1 Participation in the Plan is subject to these Rules. The Offer made under this Plan is made only to Eligible Shareholders.
- 3.2 This Offer is non-renounceable.
- 3.3 The Board may refuse to accept or may suspend or withdraw any Application if that Application might:
- (a) prejudice the effective operation of the Plan; or
 - (b) give rise to breaches of applicable laws by Macarthur Coal or its officers or by the Eligible Shareholders or their associates,
- and may reject any Application if it has reason to believe that the Eligible Shareholder concerned may not be acting in good faith.
- 3.4 Each Eligible Shareholder is responsible for obtaining any necessary approvals to enable them to participate in the Plan.
- 3.5 The Directors who are Eligible Shareholders may participate in the Plan.
- 3.6 The Directors are entitled (but not required) to refuse an Application where an Eligible Shareholder has, in the opinion of the Directors, split a shareholding, or acquired Shares as part of a split of a shareholding, in order to attempt to increase the number of Shares that may be allotted under the Plan to that Eligible Shareholder or another person.

Participation by Custodians

- 3.7 Eligible Shareholders who are Custodians may apply for up to a maximum amount of A\$15,000 worth of Shares for each Beneficiary if, in conjunction with an Application Form, it provides Macarthur Coal with a certificate stating:
- (a) that it complies with the definition of Custodian in this Plan;
 - (b) that the Custodian holds Shares on behalf of one or more Beneficiaries on the date of the Offer who have, subsequent to that date, instructed the Custodian to apply for Shares on their behalf under the Plan;
 - (c) the number of Beneficiaries;
 - (d) the name and address of each Beneficiary;
 - (e) in respect of each Beneficiary, the number of Shares that the Custodian holds on their behalf;

- (f) in respect of each Beneficiary, the number of Shares and the Application Amount the Beneficiary instructed the Custodian to apply for on their behalf; and
- (g) that there are no Beneficiaries in respect of whom the total of:
- (i) the Application Price referable to that Beneficiary; and
 - (ii) the price paid for any other Shares issued to the Custodian in the 12 months before the Application as a result of an instruction given by the Beneficiary to the Custodian to apply for Shares on their behalf under an arrangement similar to the Plan,
- exceeds A\$15,000.

4 Application to participate

- 4.1 An Eligible Shareholder may apply to Macarthur Coal to participate in the Plan by completing and signing an Application Form and returning it to the Share Registry with a cheque, bank draft or money order for payment of the Application Amount, so that it is received before the Closing Date or by making a payment by BPAY before the Closing Date following the instructions on the Application Form.
- 4.2 Applications must specify the Application Amount in Australian dollars, for the number of Shares applied for at the Issue Price (being not less than A\$1,500 (and multiples of \$A1,500 after that) and not more than A\$15,000) and be accompanied by a cheque in payment of this amount, unless payment is made by BPay.
- 4.3 Subject to rule 4.2, participation in the Plan may be full or partial.
- 4.4 Shares issued under the Plan will be issued at the Issue Price and allotted as fully paid.
- 4.5 Fractional shares will not be issued. The number of Shares issued for an Application may be subject to rounding at the discretion of the Directors or the Share Registry.

5 Operation of the Plan

An Eligible Shareholder who elects to participate in the Plan will be treated as having:

- (a) confirmed, for all Shares applied for by him or her under the Plan, that he or she does not make the Application for any other person in circumstances which might involve any breach of securities laws of any jurisdiction other than Australia;
- (b) agreed to be bound by the Constitution in respect of all the Shares issued to them under the Plan;
- (c) acknowledged that the Shares have not, and will not be, registered under the US Securities Act or the securities law of any state or other jurisdiction outside Australia or New Zealand and accordingly, the 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 US Securities Act and any other applicable securities laws. You may sell Shares in standard brokered transactions on the ASX where neither you nor any person acting on your behalf has reason to know that the sale has been pre-arranged with a person in the United States; and
- (d) agreed not to send any materials relating to the Plan to any person in the United States or any person that is acting for the account or benefit of a US Person.

6 Shares issued under the Plan

- 6.1 Shares issued under the Plan will rank equally in all respects with existing Shares.
- 6.2 Shares issued to Eligible Shareholders under the Plan will be registered on the Share Register.
- 6.3 Macarthur Coal will promptly, following the issue and allotment of Shares under the Plan:
- (a) apply to ASX for admission to the Official List; and
 - (b) send an Allotment Notice to each Eligible Shareholder to whom Shares are issued, at their Registered Address.

7 Cost to participants

- 7.1 Subject to rule 7.2, no brokerage, commission or other transaction costs will be payable by an Eligible Shareholder in respect of Shares issued under the Plan.
- 7.2 If there is a change in legislation so that at the date of any issue or allotment of Shares, stamp duty or any other tax or duty is payable on Shares issued under the Plan, the amount of that stamp duty or other tax or duty must be paid by the Eligible Shareholder to whom the Shares are issued and, in respect of each of those Shares, included in the calculation of the Issue Price.

8 Non-participation

Participation in the Plan is voluntary. Each Eligible Shareholder may decide whether or not they make an Application for Shares under the Plan.

9 Scaleback

- 9.1 Macarthur Coal may undertake a Scaleback to the extent and in the manner it sees appropriate, including for the purpose of compliance with Listing Rule 7.2, Exception 15.
- 9.2 If Macarthur Coal undertakes a Scaleback, the difference between the value of the Shares allotted and the Application Amount paid to the Company by the Eligible Shareholder will be refunded by cheque and mailed to the Eligible Shareholder on the Despatch Date.

10 Applications and notices

- 10.1 Applications and notices for the purposes of the Plan must be in writing in the form and lodged at the place as Macarthur Coal or the Share Registry may from time to time require.
- 10.2 Applications and notices (other than notices of death, bankruptcy or liquidation) in respect of Shares registered in joint names must be completed by all registered holders of those Shares who wish to subscribe for Shares.
- 10.3 Applications and notices will take effect on and from the date on which they are received by the Share Registry, except for an Application to participate in the Plan which is not effective until it has been accepted by the Board and the Application Amount is received.
- 10.4 The Company may:
- (a) accept and treat as valid an Application Form which does not satisfy the provisions of rule 10.1; and

- (b) reject and treat as invalid an Application Form where the Board has decided acceptance of the Application Form would or might prejudice the effective operation of the Plan or would or might otherwise be contrary to the laws of any country.

10.5 The Company has no obligation to correct or amend defective Application Forms on behalf of Eligible Shareholders.

11 Board's powers in the administration, variation, suspension or termination of the Plan

11.1 The Plan will be administered by the Board which has the power to:

- (a) decide appropriate procedures for administration and implementation of the Plan, consistent with the Plan Rules, and to settle any difficulty which may arise generally or in a particular case, in regard to the Plan, as the Board thinks appropriate and its decision binds all shareholders and other persons to whom the decision relates;
- (b) resolve conclusively all questions of fact or interpretation in connection with the Plan; and
- (c) delegate to any one or more persons for a period and on the conditions as it may decide, the exercise of its powers or discretions arising under the Plan, but not any powers under rule 11.4.

11.2 The Company and its officers and employees will not be held responsible or liable for any error or omission which occurs in the administration of the Plan.

11.3 The Board may vary administrative procedures to be followed in the implementation of the Plan. The procedures may be varied at any time by the Board having regard to ASX or ASIC requirements.

11.4 The Board may:

- (a) at any time modify, vary or amend the Plan;
- (b) suspend the operation of the Plan from time to time for any period; or
- (c) terminate the Plan at any time without any need for giving advance notice to shareholders.

12 Taxation

Macarthur Coal makes no representations or warranties about, and accepts no responsibility for, the liability of Eligible Shareholders to pay income tax in respect of any allotment or issue of Shares, payment or other transaction under this Plan.

This document does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction other than Australia and New Zealand. Neither the Plan nor the Shares has been or will be registered under the US Securities Act of 1933, and may not be offered or sold in the United States or to, for the account or benefit of, US Persons absent registration or an applicable exemption from registration.

How to accept the Share Purchase Plan

Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return the slip below if you are paying by electronic means.

By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of the SPP as enclosed with this Application Form.

Make your cheque, bank draft or money order payable to "Macarthur Coal Share Purchase Plan" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided. **Please note that funds are unable to be directly debited from your bank account.**

Return the slip below and your cheque, bank draft or money order in the envelope provided.

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 Application being rejected. Paperclip (do not staple) your cheque(s) to the slip below where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the share registry has a query regarding the slip below.

Lodgement of Application

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 5.00pm (AEST) on 16 July 2009. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. 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, bank draft or money order, the slip below must be received by Computershare Investor Services Pty Limited (CIS) Brisbane by no later than 5.00pm (AEST) on 16 July 2009. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. New Zealand shareholders will need to affix the appropriate postage. Return the slip below with cheque, bank draft or money order attached.

Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 552 270.

This form may not be used to notify your change of address. For information, please contact CIS on 1300 552 270 or visit www.computershare.com (certificated/issuer sponsored holders only).

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

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Payment Options:



Billers Code: 119628
Ref No: 123412341234123412

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



By Mail
Macarthur Coal SPP
Computershare Investor
Services Pty Limited
GPO Box 5240
Brisbane, Queensland 4001
AUSTRALIA



Entitlement Number: <xxxxxxxxxx>

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

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