

COUNTY COAL

Level 2
27 Macquarie Place
SYDNEY NSW 2000
AUSTRALIA

Tel: +61 2 9251 3007
Fax: +61 2 9251 6550
www.countycoal.com



The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

10th November 2011

Dear Sir/Madam,

County Coal Limited wishes to confirm the following in relation to the Company's pending listing.

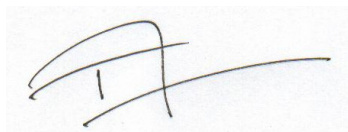
1. The Company has entered into escrow agreements as detailed below:

Type of Security	Number securities	Escrow period
Fully paid ordinary shares	44,940,000	24 months from date of listing
Fully paid ordinary shares	3,325,000	Until 4 th April 2012
Fully paid ordinary shares	3,481,254	Until 5 th April 2012
Fully paid ordinary shares	250,000	Until 29 th September 2012
Options Exercisable at \$0.40 from 30-09-2011 and expiring on 31-03-2015	3,250,000	Until 4 th April 2012
Options Exercisable at \$0.40 from 30-09-2012 and expiring on 31-03-2015	3,500,000	24 months from date of listing
Options Exercisable at \$0.40 from 30-06-2011 and expiring on 31-03-2015	450,000	24 months from date of listing

For personal use only

2. Completion has occurred on the Shell Creek Agreement and the Miller Agreements.
3. The Company confirms its intention to exercise the respective options pursuant to the following agreements:
- Miller Agreement
 - Piney Creek Option Agreement, and the
 - BAT Option Agreement.
4. A Property Purchase Agreement for the Miller Coal Properties Campbell County Wyoming was executed between County Coal Company LLC and Miller & Associates LLC dated 11 March 2011. County Coal Company LLC and Miller & Associates LLC have agreed on 7th November 2011 that the entitlement of Miller & Associates to Advance Royalty Payments (as defined therein), Option payments and the Option extension payments as a cash payment shall be waived to the extent that any such payments would result in the aggregate cash amount of all payments received by Miller & Associates LLC exceeding US\$377,520 or such other amount as ASX approves, within 2 years of IPO listing on the ASX. For the avoidance of doubt, the parties acknowledged that this waiver shall not affect the entitlement of Miller & Associates LLC to receive royalties payable under the agreement.

Yours faithfully,



T A Flitcroft
Company Secretary