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MACARTHUR COAL ANNOUNCES HALF YEAR PROFIT OF \$39.6 MILLION

About Macarthur Coal

Macarthur Coal Limited is the world's largest producer of seaborne low Volatile pulverised injection coal (LVPC) used for steel making. As a supplier to the world's leading steel producers, Macarthur Coal exports its entire product around the globe.

The Company currently operates two mines in Queensland's Bowen Basin and plans to double its production capacity in the next five years through the development of the Middlemount Mine project and an additional mine from its extensive project portfolio.

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Macarthur Coal Limited (ASX: MCC) has today reported a half-year net profit after tax (NPAT) of \$39.6 million for the six months to 31 December 2009.

Other key performance results include:

		6 months to 31 Dec 2009	6 months to 31 Dec 2008	Variance
Sales Revenue	A\$M	318.5	419.0	(24%)
Underlying Operating EBITDA	A\$M	95.9	204.3	(53%)
Significant Items	A\$M	(9.5)	(39.3)	(76%)
EBITDA	A\$M	86.4	165.0	(48%)
EBIT	A\$M	70.4	155.7	(55%)
Profit Before Tax	A\$M	63.3	149.6	(58%)
NPAT	A\$M	39.6	106.9	(63%)
EPS Diluted	cps	15.7	50.4	(69%)

The result is within the profit guidance range of \$37 million to \$42 million provided by the Company on 15 January 2010.

The Company also reported that an interim dividend of 8 cents per share fully franked is to be paid on 21 April 2010.

CEO and Managing Director, Nicole Hollows, said "the coal market is benefiting from the global steel production recovery. Improved market conditions and innovative marketing strategies have allowed Coppabella and Moorvale mines to resume full production with two excavator fleets returning to service. The Company is on track to meet its forecasted sales tonnage of 4.8 to 5.0Mt for the 2010 financial year, with a record half year sales result of 2.77Mt."

Other highlights for the half were:

- A 24.8% reduction in FOB costs on the previous corresponding period
 - Start of construction of the coal handling and preparation plant at the Middlemount Mine which is expected to be completed in the September 2010 quarter. Plans are underway for Middlemount to develop its own rail loop and water supply pipeline to allow the project to operate on a stand-alone basis
 - the announcement of a takeover offer for 100% of Gloucester Coal Limited which is 87.7% owned by Noble Group Limited (Gloucester Offer) and the proposed acquisition from Noble of:
 - Noble's 25.34% interest in Middlemount Coal Pty Ltd (MCPL) and associated rights held by Noble to increase that interest
 - 100% of the marketing rights over coal produced from the Middlemount Mine
 - A reduction from 4% to 1% in the royalty payable by MCPL to Noble for the marketing of Middlemount coal
- (Middlemount Transaction)



- the announcement of the proposed acquisition from CITIC Resources Holdings Limited of CITIC's 7% interest in the Coppabella and Moorvale Joint Venture (CMJV) and cancellation of CITIC's marketing rights into China and India for coal produced by the CMJV (CITIC Transaction).

It has been a busy six months, said Ms Hollows and we are currently finalising documentation to progress the Gloucester Offer, the Middlemount Transaction and the CITIC Transaction.

"Both the Gloucester Offer and the Middlemount Transaction are subject to conditions that we are working through. If all of these conditions are met then the combination of the Macarthur Group, the Gloucester Group and 100% of Middlemount will create a major Australian coal company with enhanced scale and market presence", she said.



Tentative dates for Gloucester, Middlemount and CITIC transactions

4 March 2010	Despatch of bidder's statement to shareholders
12 April 2010	Macarthur shareholder meeting
27 April 2010	Noble shareholder meeting (tentative date)
6 May 2010	Offer period ends
Mid May 2010	Issue of Macarthur shares and payment of cash under the bid
31 May 2010	Completion of the Middlemount acquisition
15 June 2010	Macarthur shareholder meeting to approve CITIC transaction
Late June 2010	Completion of compulsory acquisition
30 June 2010	Completion of the CITIC transaction

Note: These dates are subject to change at the discretion of the Macarthur Directors in accordance with the Corporations Act and ASX Listing Rules.

