



Press Release

17th January 2002

Record sales and overall strong operating performance in December quarter caps off stellar year for Macarthur Coal

Macarthur Coal Limited (ASX: MCC) has achieved record coal sales for the December 2001 quarter, following an excellent operating performance at the company's flagship operation (45% equity stake) Coppabella Coal Mine near Mackay, Queensland.

In the company's December 2001 Quarterly Report released today, Macarthur Coal recorded sales of 1,121,763 tonnes for the quarter, a 26.2% increase over the corresponding period last year.

Commenting on the result, Macarthur Coal's Managing Director and Chief Executive Officer Mr Ken Talbot said that the record sales was driven by strong demand for the company's pulverised injected coal (PCI) product mined at Coppabella.

"PCI continues to be one of the fastest growing market segments within the coal industry, and has certainly contributed to our success given that Macarthur Coal has approximately 30% of the global market for low volatile PCI," Mr Talbot said.

The excellent sales performance at Coppabella caps off a strong year following the company's public listing in July. Since listing, Macarthur Coal has been classified within the ASX 50 All Resources index, which contains the 50 largest resources stocks by market capitalisation and liquidity listed on the Australian Stock Exchange.

During the quarter, Macarthur Coal signed a Heads of Agreement to acquire a 51% interest in the Monto Coal Project, near Gladstone.

"Monto is an advanced open-cut thermal coal project that provides Macarthur Coal with access to another high-growth coal market segment to PCI coal.

"The bankable feasibility study on the development of a 500,000 to 1 million tonnes per annum mine is nearing completion and a decision to commit to development is expected to be made in the next few weeks," Mr Talbot said.

Assuming that the Board decides to proceed with Monto and subject to the granting of a mining lease, production could begin as early as December 2002.

For further information contact:

Ken Talbot
Managing Director and CEO
Macarthur Coal Limited
Tel: 07 3221 7210

Bob Adams
Company Secretary and Chief Financial Officer
Macarthur Coal Limited

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

Macarthur Coal Limited
ABN 40 096 001 955
Level 10, 380 Queen Street, Brisbane QLD 4000
Tel: (617) 3221 7210 Fax: (617) 3229 1776 Email: info@macarthurcoal.com.au