



ASX Announcement

19th April 2002

Roche Mining signs \$470 million Mining Services Contract for Coppabella Coal Mine

Installation of dragline to lead to substantial cost savings

Macarthur Coal Limited (ASX: MCC) today announced that Coppabella coal mine manager Australian Premium Coals (APC) signed off on a \$470m mining services contract with Roche Mining that will result in the operation of a Marion 8200 dragline at the mine.

The dragline will provide significant cost savings in overburden removal at Coppabella's Johnson Pit.

Commenting on the deal, Macarthur Coal's Managing Director and Chief Executive Officer Mr Ken Talbot said, "the appointment of Roche Mining continues the strong working relationship between the companies.

"The contract appoints Roche Mining as Mining Contractor, beginning when the dragline becomes operational, which is anticipated to be at the end of the first quarter 2003. The contract runs until 30 June 2008."

The dragline is scheduled to arrive in Mackay next month. Roche Mining will be responsible for refurbishing and assembling the dragline, as well as mine planning and the mining of the resource.

Additionally, the existing mining agreement between Roche Mining and APC has been extended to coincide with the commencement of the new services contract. The variation to the existing contract also provides for increased production by Roche Mining and their appointment as mining contractor in the Creek Pit.

The new contractual arrangements will lead to a rationalisation of mining contractors at the mine site.

Macarthur Coal currently holds a 45% interest in the Coppabella coal mine, which will increase to 50% at the beginning of July 2002.

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