



ASX Announcement

31st May 2002

Business as usual for Coppabella operations during dry spell

As part of Macarthur Coal Limited's (ASX:MCC) initiative to enhance water management, Australian Premium Coals Pty Ltd (APC), manager of the Coppabella Mine, is undertaking measures that significantly reduce the risk of periods of extended dry weather impacting the Coppabella operation.

A major initiative being undertaken by APC involves the installation of a pipeline between Coppabella and a large source of water, a previously scheduled longer-term plan brought forward in response to current dry conditions affecting the region. The water source will meet the future requirements of both the Coppabella and the proposed Moorvale operations. The pipeline is currently being installed and is scheduled for completion in July 2002.

Directors believe that with the implementation of the pipeline, the Coppabella Mine will not be adversely affected during the 2002 dry season and beyond, even if dry conditions continue.

For further information contact:

Bob Adams
Company Secretary and Chief Financial Officer
Macarthur Coal Limited
Tel: 07 3221 7210

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