

MACARTHUR COAL



Shareholder Communication Policy

13 May 2004

Version	Date Approved by Board
Initial Version	13 May 2004

1. Introduction

The Shareholder Communication Policy sets out initiatives that:

- Facilitate effective communication with both existing and potential shareholders;
- Ensure ready access to balanced and understandable information about Macarthur Coal (Macarthur); and
- Make it easier for shareholders to participate at general meetings.

Shareholder communication is principally undertaken via the following methods:

- ASX announcements;
- Macarthur website;
- Reports to shareholders;
- General meetings;
- In person presentations.

The Shareholder Communications Policy accords with the following:

- Macarthur's Continuous Disclosure Policy;
- ASX Listing Rules; and
- Corporations Act.
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2. Shareholder Communication Principles

2.1 Timely Communication

In accordance with the Macarthur's Continuous Disclosure Policy, Macarthur aims to ensure that all information with the potential to affect the price or value of Macarthur securities or to influence decisions taken by investors to buy or sell Macarthur's securities is made accessible to existing and potential shareholders in a timely manner.

2.2 Equitable Disclosure

The Shareholder Communications Policy complements Macarthur's Continuous Disclosure Policy. Both policies are aimed at ensuring equitable access to company information for all stakeholders, including current and prospective shareholders.

Selective or differential disclosure is avoided. Accordingly, information is not disclosed to selected individuals or groups or in selected situations unless it is first released to the ASX.

2.3 Balanced Communication

Macarthur seeks to provide balanced communication and existing and potential shareholders are provided with information to enable an informed assessment of the value of the company's securities.

Company announcements are factual and objective, providing both positive and negative information.

If Macarthur discovers that a statement it has made is materially incorrect, or subsequent information renders it incorrect, an announcement to correct the statement is made via the ASX.

For details of the process followed in the production and release of ASX announcements, please refer to the company's Continuous Disclosure Policy which is available on Macarthur's website at:
<http://www.macarthurcoal.com.au>

2.4 Plain Communication

Additionally, shareholder communication is produced in plain language. Specialised language is avoided and a glossary of abbreviations and terminology is provided in annual reports and on the company website.

3. Information Distribution

Macarthur communicates with existing and potential shareholders in the following ways:

3.1 ASX Announcements

Any information with the potential to influence Macarthur's share price is released to the ASX.

All ASX announcements are made immediately available on Macarthur's website following confirmation of receipt by the ASX.

Existing and potential shareholders may subscribe to a mailing list to receive ASX announcements via email.

3.2 Website

The Macarthur website complements the information provided to the ASX.

The website design is "user friendly". The site is fast-loading and ease of navigate is a priority.

Website content is reviewed and updated regularly. Share price information is updated every 20 minutes via a link to the ASX. The Top 20 shareholder list is updated monthly and photographs of operational progress are uploaded several times annually.

The website contains the following information:

- Information on Macarthur's investments;
- Corporate profile:
 - Structure;
 - Leadership;
- Share price;
- ASX announcements;
- Share registry details;
- Quarterly, Half Yearly and Annual reports;
- General Meeting information:
 - Notice of meeting;
 - Chairman's address;
 - Chief Executive Officer's address;
 - Resolution results;
- Corporate governance policies; and
- Marketing details.

An officer has been appointed to deal with shareholder enquiries via the website.

The website address is: <http://www.macarthurcoal.com.au>

3.3 Reports to Shareholders

All existing shareholders are provided Quarterly, Half Yearly and Annual Reports. The reports are available to potential shareholders on request.

All reports are first released to the ASX and then placed immediately onto the Macarthur website following confirmation of receipt by the ASX.

Shareholder reports are produced according to the following ASX timing requirements:

Reports	Date required to be released to the ASX
Quarterly report	Within one month following quarter end
Half year financial results	Within two months following half year end
Full financial year results	Within two months following financial year end
Annual report	Within 17 weeks of financial year end

Shareholders may elect to receive reports in an electronic or printed format by contacting Macarthur.

3.4 General Meetings

Notices of general meetings and meeting agendas are first released to the ASX and then placed on the Macarthur website immediately following confirmation of receipt by the ASX.

Macarthur provides shareholders with an explanatory memorandum to accompany the agenda and notice of meeting. The memorandum provides additional information on the resolutions and business of the general meeting to enable shareholders to make informed decisions at the meeting.

Macarthur understands that not all shareholders will be able to attend the meeting. All notices of meeting and accompanying information relating to the meeting is available from the company website.

Additionally, all presentations made at the meeting are placed immediately onto the Macarthur Coal website following confirmation of receipt by the ASX.

Shareholders are encouraged to attend the company's Annual General Meeting (AGM). Questions may be asked regarding the company's governance and business. The auditor also attends the AGM and is available to receive questions regarding the audit.

Questions can be submitted electronically before the meeting via Macarthur's website.

3.5 In Person Presentations

One on one and group presentations occur on a frequent basis. The presentations are made to keep shareholders and interested parties informed of important events relevant to Macarthur's activities and performance.

Prior to the start of a presentation, presentation text is sent to the ASX as an announcement and placed onto Macarthur's website.

Shareholders are encouraged to contact the company with any queries or comments they may have with respect to its Shareholder Communication Policy and practices.