



GUILDFORD
COAL

16th JULY 2010

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BOARD OF DIRECTORS

Chairman: Craig Ransley
MD: Mick Avery
NED: Mike Chester

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KEY PROJECTS

HUGHENDEN (80%)
Location:
Galilee Basin, QLD

SIERRA (100%)
Location:
Bowen Basin, QLD

MARYBOROUGH (100%)
Location:
Maryborough Basin, QLD

CHAIRMAN'S UPDATE

COAL INTERSECTIONS AT HUGHENDEN PROJECT IN THE FIRST EXPLORATION HOLE DRILLED BY GUILDFORD COAL LIMITED IN ITS INAUGURAL DRILLING PROGRAM

ANNOUNCEMENT HIGHLIGHTS

- Introduction and Welcome from the Chairman
- Appointment of Exploration Manager
- Establishment of Technical Office in Brisbane
- Granting of Further Tenements
- Commencement of Drilling on Hughenden
- Coal Intersections at Hughenden



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INTRODUCTION AND WELCOME FROM THE CHAIRMAN

On behalf of the Directors of Guildford Coal Limited (Guildford or the Company), I am pleased to welcome and introduce you to the Guildford Coal website.

Guildford has been incorporated to explore and, if proven economically viable, to develop the assets selected by TheChairmen1 Pty Ltd (Chairmen). Chairmen was formed to identify and secure a diversified portfolio of coal exploration assets within Australia's current world class producing coal basins and to take advantage of the growing coal market globally. Asset selection criteria included close proximity to direct or indirect rail infrastructure with the ability for ease of access to port facilities and export markets.

Guildford has secured this substantial coal exploration portfolio in the Galilee, Maryborough and Bowen basins, with some potential existing in the Eromanga Basin. With in excess of an estimated 21,000km² granted or under various stages of application, Guildford's objective is to create shareholder value through the exploration and identification and potential subsequent development of coal deposits through existing tenements and prospective future acquisitions.

In summary Guildford Coal has the following key investment features:

- Substantial and diversified coal tenement position
- Pure coal play with exploration targets for diversified coal products
- Strategically selected positioning of tenements
- Projects located in close proximity to infrastructure
- Highly experienced Board and Management Team
- Coal market strength

APPOINTMENT OF EXPLORATION MANAGER

Mr Cameron Switzer BSc (Hons) has been engaged as the Exploration Manager for Guildford Coal to manage all exploration activities for the company.

Mr Switzer is an exploration geologist with in excess of 23 years experience spanning numerous commodities including coal, copper and gold. Mr Switzer's experience includes grassroots exploration activities, project evaluation and definition, mine gate production as well as high-end project generation, business development and evaluation roles.

Mr Switzer has worked for several major companies including MIM Exploration for 7 years up until the Xstrata acquisition in 2003. Since then he has been a consultant to the industry based out of Brisbane including work with Waratah Coal Ltd.

Mr Switzer is a member of the AUSIMM (112798) and the AIG (3384) and is a Competent Person as defined by the 2004 JORC Code.

ESTABLISHMENT OF TECHNICAL OFFICE IN BRISBANE

To support the intensive exploration program planned for the next 2-3 years a Technical Office has been established in Brisbane for the Exploration Manager and supporting consulting geologists and engineers.

GRANTING OF FURTHER TENEMENTS

Guildford (or subsidiaries) has recently had further tenements granted in the following projects:

Hughenden Project

There are now eight (8) granted tenements totaling an estimated 6,333 square kilometres of exploration area targeting potentially export thermal coal contained within the Galilee and Eromanga Basins including EPC1394, EPC1477, EPC1300, EPC1576, EPC1574, EPC2046, EPC2048, EPC2049.

Maryborough Project

There is now also a granted tenement in the Maryborough Project totaling an estimated 144 square kilometres of exploration area targeting potentially hard coking coal contained with the Maryborough Basin:

- EPC1872

COMMENCEMENT OF DRILLING ON HUGHENDEN

The Hughenden Project consists of three sections:

- Hughenden West (FTB(Qld) Pty Ltd which is 80% owned and managed by Guildford)
- Hughenden East (Orion Mining Pty Ltd which is 80% owned and managed by Guildford)
- Oxley Creek (100% Guildford)

Drilling has commenced on Hughenden West with two open holes completed on the first granted tenement, EPC1394. The photo shown below is of drilling operations on the inaugural hole:



There are potentially two coal bearing stratigraphic horizons within the Hughenden Project which are the primary exploration targets for drilling:

- Permian aged Betts Creek Beds of the Galilee Basin;
- Jurassic aged Blantyre Beds (Injune Creek Group) of the Eromanga Basin

COAL INTERSECTION AT HUGHENDEN

These initial holes were located in the centre of the Hughenden Project and were designed to confirm Guildford's stratigraphic and structural model for the northern end of the Galilee Basin which was targeting the Betts Creek Beds which are relatively deep in this central location.

The drilling has intersected coal that is believed to be from the Betts Creek Beds at an estimated depth of 300m, some 100m shallower than the previously interpreted.

This proof of concept suggests a shallow dip of the coal beds down from the north to the south.

The recent granting of adjacent tenements to the north and north-east of EPC1394, will allow the drilling pattern to progress in a north-easterly direction onto EPC1477 and further towards the basin edge, targeting shallower and thicker intersections.

The Queensland Geological Survey cored drill hole, GSQ Hughenden 6 is located adjacent to EPC1477 and some 50km north-east of the initial drilling on EPC1394 and recorded a net coal intersection of approximately 9m across four separate seams of the Betts Creek Beds in the Galilee Basin at 200m - 300m depths.

The Hughenden Project - Oxley Creek (EPC1250) is located a further 40km east of GSQ Hughenden 6 on the north eastern edge of the Galilee Basin and contained up to 5m of coal from the Betts Creek Beds at or near the surface.

ABOUT GUILDFORD COAL

Guildford Coal has established a portfolio of coal exploration tenement areas in Queensland, Australia. Guildford Coal's tenements cover an estimated area of in excess of 21,000 square kilometres and are defined within project areas as follows:

- Hughenden Project (Galilee / Eromanga Basins);
 - FTB (Qld) Pty Ltd (Guildford 80%)
 - Orion Mining Pty Ltd (Guildford 80%)
 - Oxley Creek (Guildford 100%)
- Sierra Project (Bowen Basin);
- Comet Project (Bowen Basin);
- Sunrise Project (Surat/Bowen Basin);
- Monto Project (Nagoorin Graben); and
- Maryborough Project (Maryborough Basin).

Guildford Coal's key objective is to create shareholder value through the identification, securing and exploration and potential development of coal deposits, with a focus on the prime coal regions of Queensland. In order to achieve this objective, Guildford Coal intends to:

- Drill and assess its existing exploration permit's coal (EPC's) with the aim of establishing JORC compliant resources;
- Complement and diversify Guildford Coal's existing portfolio through potential application for, and acquisition of additional coal assets;
- Undertake project development for high priority targets where economic coal deposits are proven; and
- Ultimately produce and sell a variety of coal products into export markets if successful in exploration objectives.



CRAIG RANSLEY
Non Executive Chairman

The information in this report is based on information compiled by Mr Cameron Switzer, who is a Member of the Australasian Institute of Mining and Metallurgy (112798) and the AIG (3384) and has had sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Switzer is the Exploration Manager for Guildford Coal Limited and consents to the inclusion of the matters based on his information in the form and



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context in which it appears. Mr Switzer is an exploration geologist with in excess of 23 years experience spanning numerous commodities including coal, copper and gold.