



**GUILDFORD**  
COAL

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Company Announcements Platform  
Australian Stock Exchange  
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Sydney NSW 2000

## **INSTITUTIONAL PLACEMENT RAISES \$25 MILLION**

Guildford Coal Limited (ASX: GUF, "the Company") is pleased to announce that it has raised \$25 million (before costs) through a placement of ordinary fully paid shares to institutional and sophisticated investors (the "Placement").

Under the Placement, approximately 35.7 million shares will be issued at a price of \$0.70 representing a discount of 1.4% to the last closing share price. The Placement is consistent with the Company's strategy of broadening and strengthening its institutional shareholder base and is within the Company's 15% capacity in accordance with ASX Listing Rule 7.1.

Proceeds from the Placement will be used by the Company for the following:

- Ongoing definition, upgrade and expansion of JORC coal resources in both Australia and Mongolia;
- Scoping Studies and application for a second Mining License for the South Gobi Project in readiness for first coal production in 2012;
- Completion of Pre-feasibility Studies and application for a Mining Licence on the White Mountain and Hughenden Coal Projects, including finalising infrastructure agreements;
- Evaluation of recently identified non coal mineral occurrences on tenements in Mongolia;
- Evaluation of potential synergistic and accretive acquisitions in both Australia and Mongolia; and
- General working capital.

Guildford Coal Chairman Mr Craig Ransley commented: *"We are delighted to receive strong support from new institutional investors in Guildford Coal and feel it is a positive reflection on the Company's growth prospects as it transitions from an explorer to a producer of coal in 2012. Funds raised from the Placement will continue the rapid progression of projects in both Australia and Mongolia, including the commencement of mining in the South Gobi Project in 2012."*

Foster Stockbroking Pty Ltd acted as Lead Manager to the Placement.

Yours faithfully

Mick Avery  
**Managing Director**