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GUILDFORD

COAL

3 August 2012

Company Announcements Office
ASX Limited

Issue of shares to TheChairmen1 Pty Ltd

Guildford Coal Limited (**Company**) advises that it has today issued 44,179,369 fully paid ordinary shares (**Shares**) to TheChairmen1 Pty Ltd (**Chairmen**). The Shares have been issued without shareholder approval pursuant to a waiver of listing rules 7.1 and 10.11 granted by ASX.

The Shares have been issued in payment of a success fee of \$20,000,000 due to Chairmen under the terms of the Management Agreement between the Company and Chairmen dated 26 May 2010 (as amended on 20 July 2010) (**Success Fee**). The Success Fee is payable to Chairmen as a result of the Company delineating 100,000,000 tonnes of coal classified as an indicated resource in accordance with the JORC Code as announced to the market on 9 July 2012 (**Resource Announcement**).

The issue price for the Shares is \$0.4527 per Share, being the volume weighted average price for the Company's shares on the ASX for a 30 business day period, made up of 15 business days prior to the date of the Resource Announcement (9 July 2012) and 15 business days after that date.

The Company released a statement from an independent geologist confirming the delineation in excess of 100,000,000 tonnes of coal classified as an indicated resource in accordance with the JORC Code to the market on 26 July 2012.

An Appendix 3B in relation to the issue of the Shares accompanies this announcement.

Yours faithfully

Louis Chait
Joint Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Guildford Coal Limited

ABN

35 143 533 537

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares (each fully paid) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 44,179,369 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary Shares (each fully paid) |

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$0.4527 per share, being the volume weighted average price of the company's shares on the ASX for the period of 30 business days, made up of 15 business days prior to the date of the company announcing 100,000,000 tonnes of JORC indicated resource of coal in connection with its projects (9 July 2012) and 15 business days following that date.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued as consideration for the payment of the success fee due to TheChairmen1 Pty Ltd under the terms of the management agreement between Guildford Coal Limited and TheChairmen1 Pty Ltd dated 26 May 2012 (as varied on 20 July 2010).</p> <p>The terms of the management agreement were announced to ASX as part of the company's initial public offer in July 2010.</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>3 August 2012</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="766 1668 1069 1713">Number</th> <th data-bbox="1069 1668 1388 1713">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 1713 1069 1930">521,046,899</td> <td data-bbox="1069 1713 1388 1930">Ordinary Shares (each fully paid)</td> </tr> </tbody> </table>	Number	⁺ Class	521,046,899	Ordinary Shares (each fully paid)
Number	⁺ Class				
521,046,899	Ordinary Shares (each fully paid)				

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	N/A	
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not changed	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A
18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19 Closing date for receipt of acceptances or renunciations	N/A

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)? N/A
- 33 ⁺Despatch date N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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	Number	+Class
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 3 August 2012
(Director/Company secretary)

Print name: Louis Chait
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