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28 November 2012

Company Announcements Office
ASX Limited

Amendments to Notice of Annual General Meeting

Guildford Coal Limited (the **Company**) released its Notice of Annual General Meeting (**Notice**) and an accompanying Explanatory Memorandum (**Explanatory Memorandum**) on 29 October 2012.

Resolution 6 of the Notice proposes that the Company's shareholders approve for the purposes of ASX Listing Rules 7.1 and 7.4 the issue of a convertible bond with a face value of \$10,000,000.

Since the Notice was issued by the Company, the terms of the convertible bond have been amended such that the Company will instead issue 100,000 convertible bonds with a face value of \$100 each. However, the total amount raised by the issue of the convertible bonds (\$10,000,000) remains unchanged.

In addition, the amended terms provide that if any of the convertible bonds are repaid by the Company prior to their maturity date (i.e. 12 months from the date of issue), and a bondholder has not yet exercised its conversion right in respect of its bonds, the Company will issue to the subscriber (Gleneagle Securities Nominees Pty Limited ACN 150 259 877) or its nominee (**Subscriber**), additional warrants for ordinary shares in the Company (**Additional Warrants**).

The Additional Warrants (if issued) may be exercised during the exercise period set out below at the Subscriber's discretion, subject to the Subscriber paying the required exercise price.



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The Additional Warrants (if issued) will have the following terms:

Holder of the Additional Warrants: Gleneagle Securities Nominees Pty Limited ACN 150 259 877 or its nominee.

Number of Additional Warrants to be issued: The number of additional warrants to be issued will be calculated according to the following formula:

$$A = B / C$$

where:

A = the number of Additional Warrants to be issued;

B = the face value of the convertible bonds repaid by the Company; and

C = the conversion price for the convertible bonds (initially \$0.50).

Exercise price: \$0.50 per Additional Warrant

Exercise period: Between the date of issue of the Additional Warrants and the maturity date of the convertible bonds (i.e. 12 months from the date the convertible bonds were issued).

Maximum number of Additional Warrants which may be issued: 20,000,000 (assuming the convertible bonds are repaid in full by the Company)

Conversion ratio (i.e. the number of shares to be issued for each Additional Warrant exercised) 1:1

Maximum number of ordinary shares in the Company to be issued upon exercise of the Additional Warrants: 20,000,000 (assuming the maximum number of Additional Warrants are issued by the Company).

Any ordinary shares issued on exercise of the Additional Warrants will rank equally with the existing ordinary shares issued by the Company, and will be listed on the ASX.



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Transfer of Additional Warrants:

The Additional Warrants are fully transferable (either in whole or in part) to another sophisticated or professional investor (as those terms are defined in the Corporations Act).

Reorganisations of capital:

In the event of any reorganisation of the issued capital of the Company prior to the expiry of the Additional Warrants, the rights of the holder (including, but not limited to, the number of Additional Warrants, the exercise price of the Additional Warrants or both) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

Status of Additional Warrants:

The Additional Warrants will not be listed on the ASX.

The Company is not seeking shareholder approval for the issue of the Additional Warrants under Resolution 6. Separate approval for the Additional Warrants will be obtained by the Company prior to their issue (if required).

Other than the above amendments there have been no other alterations to the terms of the convertible bonds disclosed in the Notice and the Explanatory Memorandum. As noted previously, the total amount raised by the issue of the convertible bonds (\$10,000,000) remains unchanged.

As a result of these amendments, each reference to the convertible bond in the information set out for Resolution 6 in the Explanatory Memorandum should refer to 100,000 convertible bonds with a total face value of \$10,000,000. The maximum number of securities issued and to be issued shown in the table on page 18 of the Explanatory Memorandum (as required under ASX Listing Rules 7.3 and 7.5) should also show 100,000 convertible bonds with a face value of \$100 each.

Accordingly, the text of Resolution 6 will be corrected at the Annual General Meeting to be as follows:

“That for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, the Shareholders approve and ratify the issue and allotment of 100,000 Convertible Bonds with a total face value of \$10,000,000, convertible into Shares at an initial conversion price of \$0.50 per Share, and 12,000,000 Warrants convertible into up to 12,000,000 Shares at an initial conversion price of \$0.55 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting”.



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Shareholders with any queries on the above amendments should contact Mr. Louis Chait, Joint Company Secretary, on (02) 4914 5914.

Yours faithfully

Michael Avery
Joint Company Secretary