*Rule 5.3*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Guildford Coal Ltd

ABN

35 143 533 537

Quarter ended ("current quarter")

31/03/2013

### Consolidated statement of cash flows

| | | Current quarter $A 000s | Year to date $A 000s |
|---|---|---|---|
| **Cash flows related to operating activities** | | | |
| 1.1 | Receipts from product sales and related debtors | | |
| 1.2 | Payments for (a) exploration & evaluation @ | (1,619) | (13,440) |
| | (b) development | | |
| | (c) production | | |
| | (d) administration # | (2,811) | (4,510) |
| 1.3 | Dividends received | | |
| 1.4 | Interest and other items of a similar nature received | 24 | 137 |
| 1.5 | Interest and other costs of finance paid | | (4) |
| 1.6 | Income taxes paid | | |
| 1.7 | Other (provide details if material) | | |
| | **Net Operating Cash Flows** | **(4,406)** | **(15,817)** |
| | **Cash flows related to investing activities** | | |
| 1.8 | Payment for purchases of: | | |
| | (a) prospects | | |
| | (b) equity investments | (2,000) | (2,000) |
| | (c) other fixed assets | | (15) |
| | (d) formation expenses | | |
| 1.9 | Proceeds from sale of: | | |
| | (a) prospects | | |
| | (b) equity investments | | |
| | (c) other fixed assets | | |
| 1.10 | Loans to other entities | (6,126) | (19,895) |
| 1.11 | Loans repaid by other entities | | 1,125 |
| 1.12 | Other (provide details if material) | | |
| | **Net investing cash flows** | **(8,126)** | **(22,785)** |
| 1.13 | Total operating and investing cash flows (carried forward) | (12,532) | (38,602) |

+ See chapter 19 for defined terms.

| | | | |
|---|---|---|---|
| 1.13 | Total operating and investing cash flows (brought forward) | (12,532) | (38,602) |
| | **Cash flows related to financing activities** | | |
| 1.14 | Proceeds from issues of shares, options, etc. | | 996 |
| 1.15 | Proceeds from sale of forfeited shares | | |
| 1.16 | Proceeds from borrowings | 5,015 | 28,757 |
| 1.17 | Repayment of borrowings | | |
| 1.18 | Dividends paid | | |
| 1.19 | Other (provide details if material) | | |
| | **Net financing cash flows** | **5,015** | **29,753** |
| | **Net increase (decrease) in cash held** | (7,517) | (8,849) |
| 1.20 | Cash at beginning of quarter/year to date | 13,154 | 14,486 |
| 1.21 | Exchange rate adjustments to item 1.20 | n/a | n/a |
| 1.22 | **Cash at end of quarter** | **5,637** | **5,637** |

*@ Item 1.2 (a) Exploration and Evaluation includes an allocation of the Management Fee paid to TheChairmen1 Pty Ltd as set out in the IPO prospectus*

*# Item 1.2 (d) Administration includes an allocation of the Management Fee paid to TheChairmen1 Pty Ltd as set out in the IPO prospectus*

## Payments to directors of the entity and associates of the directors
## Payments to related entities of the entity and associates of the related entities

| | | Current quarter $A 000s |
|---|---|---|
| 1.2 | Aggregate amount of payments to the parties included in item 1.2 | 884 |
| 1.2 | Aggregate amount of loans to the parties included in item 1.10 | Nil |

1.2 Explanation necessary for an understanding of the transactions

**Current quarter**

Item 1.2 includes directors' fees, net wages of directors and the Management Fee paid to The Chairmen1 Pty Ltd as set out in the IPO prospectus.

**Year to Date**

Item 1.2 includes directors' fees, net wages of directors and the Management Fee paid to The Chairmen1 Pty Ltd as set out in the IPO prospectus.

## Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

+ See chapter 19 for defined terms.

**Year to Date**

On 22 July 2012, 200 million ordinary shares were released from escrow to TheChairmen1 Pty Ltd as agreed under a restricted security agreement detailed in the IPO (Initial Public Offering) Replacement Prospectus dated 4 June 2010. On 3 August 2012, 44,179 369 ordinary fully paid shares at a nominal price of $0.4527 to a total value of $20 million were issued as consideration for the payment of the success fee due to TheChairmen1 Pty Ltd dated 26 May 2012 (as varied on 20 July 2010). On 21 December 2012, 40 million ordinary fully paid shares at a nominal price of $0.75 to a total value of $30 million were issued as consideration for part payment of the remaining shares (25 per cent) in Terra Energy Ltd. Half of the shares issued will be held in voluntary escrow for a period of six months. On 4 March 2013, 74 million ordinary fully paid shares at a nominal price of $0.525 were issued to TheChairmen1 Pty Ltd as consideration to relieve any further obligation to pay future success fees.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

## Financing facilities available

*Add notes as necessary for an understanding of the position.*

| | | Amount available $A 000s | Amount used $A 000s |
|---|---|---|---|
| 3.1 | Loan facilities | Nil | Nil |
| 3.2 | Credit standby arrangements | Nil | Nil |

## Estimated cash outflows for next quarter

| | | $A 000s |
|---|---|---|
| 4.1 | Exploration and evaluation @ | 870 |
| 4.2 | Development & | |
| 4.3 | Production | |
| 4.4 | Administration # | 490 |
| | **Total** | **1,360** |

*@ Item 4.1 Exploration and Evaluation includes an allocation of the Management Fee paid to TheChairmen1 Pty Ltd as set out in the IPO prospectus*
*& Item 4.2 includes acquisition costs and capital expenditure*
*# Item 4.4 Administration includes an allocation of the Management Fee paid to TheChairmen1 Pty Ltd as set out in the IPO prospectus and payment of directors and executives bonuses and applicable taxes as approved at the Guildford Coal Limited EGM on 20 January 2012.*

# Reconciliation of cash

+ See chapter 19 for defined terms.

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter $A 000s | Previous quarter $A 000s |
|---|---|---|---|
| 5.1 | Cash on hand and at bank | 5,638 | 9,154 |
| 5.2 | Deposits at call | | 4,000 |
| 5.3 | Bank overdraft | | |
| 5.4 | Other (provide details) | | |
| | **Total: cash at end of quarter** (item 1.22) | **5,638** | **13,154** |

## Changes in interests in mining tenements

| | | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---|---|---|---|---|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | | | | |
| 6.2 | Interests in mining tenements acquired or increased | | | | |

## Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|---|---|---|---|---|
| 7.1 | **Preference +securities** *(description)* | Nil | Nil | Nil | Nil |
| 7.2 | Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | Nil | Nil | Nil | Nil |
| 7.3 | **+Ordinary securities** | 635,046,899 | 615,046,899 | Fully paid | Fully paid |

+ See chapter 19 for defined terms.

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|---|---|---|---|---|
| 7.4 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs | 74,000,000 | 74,000,000 | $0.525 | Fully Paid |
| 7.5 | +**Convertible debt securities** (*description*) | N/A | N/A | N/A | N/A |
| 7.6 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted | N/A | N/A | N/A | N/A |
| 7.7 | **Options** *(description and conversion factor)* | Nil | Nil | *Exercise price* | *Expiry date* |
| 7.8 | Issued during quarter | Nil | Nil | N/A | N/A |
| 7.9 | Exercised during quarter | Nil | Nil | N/A | N/A |
| 7.10 | Expired during quarter | Nil | Nil | N/A | N/A |
| 7.11 | **Debentures** *(totals only)* | Nil | Nil | | |
| 7.12 | **Unsecured notes** *(totals only)* | Nil | Nil | | |

+ See chapter 19 for defined terms.

## Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 April 2013
Managing Director

Print name: Peter Westerhuis

## Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.