



**CITIC Resources Australia Pty Limited**  
ABN 87 107 652 817



**TALBOT GROUP**

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## NEWS RELEASE

### **MACARTHUR COAL AND CITIC STRENGTHEN PARTNERSHIP**

#### **CITIC INCREASES STRATEGIC STAKE TO 19.99%**

CITIC Resources Australia Pty Ltd (CITIC) is pleased to announce it has increased its strategic shareholding in Macarthur Coal Limited (Macarthur Coal) from 11.62% to 19.99%.

CITIC's wholly owned subsidiary CITIC Australia Coal Pty Ltd has acquired 15,683,735 shares in Macarthur Coal at \$7.20 per share for a total purchase consideration of approximately \$112.9 million from the Talbot Group (associated with Ken Talbot, Macarthur Coal's founder and largest shareholder).

Following completion of the sale, Talbot Group will remain the company's largest shareholder with a shareholding of 27.20% (previously 35.57%).

Today's investment by CITIC is a natural extension of its ten year relationship with Macarthur Coal, both as a major shareholder and as a joint venture partner in the Coppabella and Moorvale mines and various exploration and development projects owned and managed by Macarthur Coal in the Bowen Basin of Central Queensland.

Mr Talbot commented: "I am pleased to help CITIC increase its investment in Macarthur Coal. CITIC has been a very supportive shareholder and joint venture partner for the last 10 years. We share a common long term vision for Macarthur Coal to become Australia's leading independent coal company and we share the same optimism and confidence in company's ability to deliver on its growth plans to fulfil this vision".

Chen Zeng, the Managing Director of CITIC's Australian operations, commented: "CITIC has been patiently waiting for the right opportunity to increase its shareholding in Macarthur Coal. The step we have taken today is a demonstration of our long term commitment to and continued support of the company. We are grateful that Mr Talbot facilitated our further investment in Macarthur Coal at this time. Macarthur Coal has an outstanding portfolio of mines, development projects and exploration properties run by an excellent management team".

## About CITIC

CITIC Resources Australia Pty Ltd is a wholly owned subsidiary of CITIC Resources Holdings Limited, a company listed in Hong Kong since 1997. In turn, CITIC Resources Holdings is the 54% owned subsidiary of CITIC Group. CITIC Resources Holdings positions itself as an integrated provider of key commodities and strategic natural resources. The principal activities of CITIC Resources Holdings are in the fields of oil, aluminium, coal, import and export commodities, and manganese. CITIC Resources Holdings has a market capitalisation in excess of US\$2.7 billion.

CITIC Group is one of China's largest state-owned companies, with assets in excess of US\$100 billion. The activities of CITIC Group include banking and financial businesses, industrial investments (including energy and raw materials) and international trade.

The CITIC Group in Australia, comprising CITIC Resources Australia Pty Ltd and CITIC Australia Pty Ltd, together have annual sales of more than \$1 billion. Their principal operations comprise a 19.99% shareholding in Macarthur Coal, a 7% direct joint venture interest in the Coppabella Moorvale Coal Mining Joint Venture and joint venture interests in various coal exploration and development projects operated by Macarthur Coal, a 22.5% interest in the Portland Aluminium Smelter Joint Venture in Victoria, a 76.35% shareholding in the ASX-listed CITIC Australia Trading Limited (CAL) and shareholdings in ASX-listed uranium explorers Marathon Resources Limited (9.74%) and Southern Uranium Limited (8.70%).

## About Macarthur Coal

Macarthur Coal is an Australian coal company developing a new generation of coal assets in Queensland's Bowen Basin. The company currently holds 73.3% of the Coppabella and Moorvale mines.

The company's operations supply approximately 35% of the seaborne global demand for low volatile PCI coal, which is a high growth coal market.

The company is focussed on organic growth through developing new mines from grass roots level and identifying and pursuing high growth market segments.

Macarthur Coal has a market capitalisation in excess of A\$1.2 billion.

### For further information:

<p>Mr Chen Zeng Managing Director CITIC Resources Australia Pty Ltd +613 9614 8000</p>	<p>Mr Denis Wood Director - Resources Talbot Group +61 7 3002 4900</p>
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