

14 March 2013

EPC1827 “Cooroorah” – Drilling Update

The Company’s current drilling programme on EPC1827 “Cooroorah” recommenced on the 14th January 2013 and although hampered by monsoon rainfall throughout the Central Queensland Capricornia district, has now been completed.

The drilling programme has been undertaken to support the requirements for the grant of MDL453 application, obtain additional coal quality data and to enable the preparation of the pre-feasibility study for the project.

Drilling of the four proposed sites at Cooroorah has been completed for a combined total of 2,028.63m including 530.56m of HQ core. The final hole suffered significant coal core loss and an additional 540.1m including 162m of HQ core, has been redrilled to obtain coal samples for quality testing. Geophysical logging and site rehabilitation are to be completed.

Drilling successfully intersected all target seams at each of the proposed sites. Main seams including the Castor, Pollux and Pisces averaged 3.40m, 2.38 and 2.72m thickness respectively between the four holes (Table 1).

Early stage coal quality data supports previous interpretations of PCI coal product with potential for significant coking coal fraction in the upper and middle seams where coal swell numbers are commonly in the 3 – 9 range. Coal quality analysis is ongoing and expected to be completed by the end of Q2.

About EPC1827 “Cooroorah”

The Cooroorah project is 100% owned by Australian Pacific Coal. The tenement lies astride the Jellibah fault. The primary resource target is west of the fault. A secondary shallow open cut target lies east of the fault. Located in the Blackwater coal hub of Queensland’s Bowen Basin, surrounded by producing coal mines owned and operated by major mining companies. The region has well developed infrastructure with links to major rail and port facilities.

The current resource estimate presents Indicated (54.9Mt) and Inferred (51.6Mt) for a combined total of 106.5Mt of coal resource within the southern half of the tenement. At present the drilling is insufficient in the northern section to enable a resource calculation, however the existing drilling indicates that potential coal targets could certainly extend into the northern area to the west of the Jellinbah fault. Please refer to the company’s “**EPC 1827 Cooroorah Resource Upgrade**” announcement released to the ASX on 11 February 2013 for full details.

About Australian Pacific Coal Limited

Australian Pacific Coal Limited (ASX:AQC) is an ASX-listed company focused on the exploration and development of metallurgical and thermal coal projects. With interests in 34 coal tenements strategically located in south-east Queensland’s Bowen and Surat Basins, AQC has joint venture agreements in place with mining major Rio Tinto and Cuesta Coal.

Table 1 – Seam Intersections

Hole ID	Seam	From	To	Thickness	Cumulative Thickness	Interburden
DDH008	Aies	410.88	411.74	0.86	0.86	9.58
DDH008	Castor	421.32	424.35	3.03	3.89	63.46
DDH008	Pollux	487.81	490.77	2.96	6.85	25.27
DDH008	Pisces	516.04	518.63	2.59	9.44	-
DDH009	Aies	416.63	417.44	0.81	0.81	0.32
DDH009	Castor	417.76	422.62	4.86	5.67	64.21
DDH009	Pollux	486.83	489.63	2.8	8.47	23.95
DDH009	Pisces	513.58	515.98	2.4	10.87	-
DDH010	Aies	296.05	296.74	0.69	0.69	0.85
DDH010	Castor	297.59	300.3	2.71	3.4	61.8
DDH010	Pollux	362.1	364.12	2.02	5.42	20.16
DDH010	Pisces	384.28	387.25	2.97	8.39	-
DDH011	Aies	436.38	437.22	0.84	0.84	0.00
DDH011	Castor	437.22	440.22	3.00	3.84	63.12
DDH011	Pollux	503.34	505.08	1.74	5.58	20.68
DDH011	Pisces	525.76	528.69	2.93	8.51	-

Competent Person Statement

“This announcement has been prepared in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves “The JORC Code” (2004) and reviewed by Mr Tony Shellshear of Salva Resources Pty Ltd who consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Tony Shellshear (BSc. Applied Geology, Grad. Dip. Comm. Comp., MAusIMM) is a geologist with more than 35 years experience in exploration, mining and resource development, and has been a Member of the Australian Institute of Mining and Metallurgy for 30 years.

Tony is the Principal Resource Geologist, and a full time employee, of Salva Resources Pty Limited. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration (coal) and to the activity (resource estimation) which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and the 2003 Coal Guidelines.”



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