

AUSTRALIAN PACIFIC COAL

Company Announcement

8 November 2011



Australian Pacific Coal ASX: AQC

Australian Pacific Coal (AQC) is an emerging ASX coal explorer focused on the Bowen Basin, Queensland.

Through a series of acquisitions, AQC has positioned itself with both metallurgical and thermal coal projects potentially suited for underground and open cut mining.

The focus of AQC's operations is to value add the coal projects through evaluation of resource potential of the projects followed up with drilling as required to prove up the resource. Early stage drilling has commenced on selected projects.

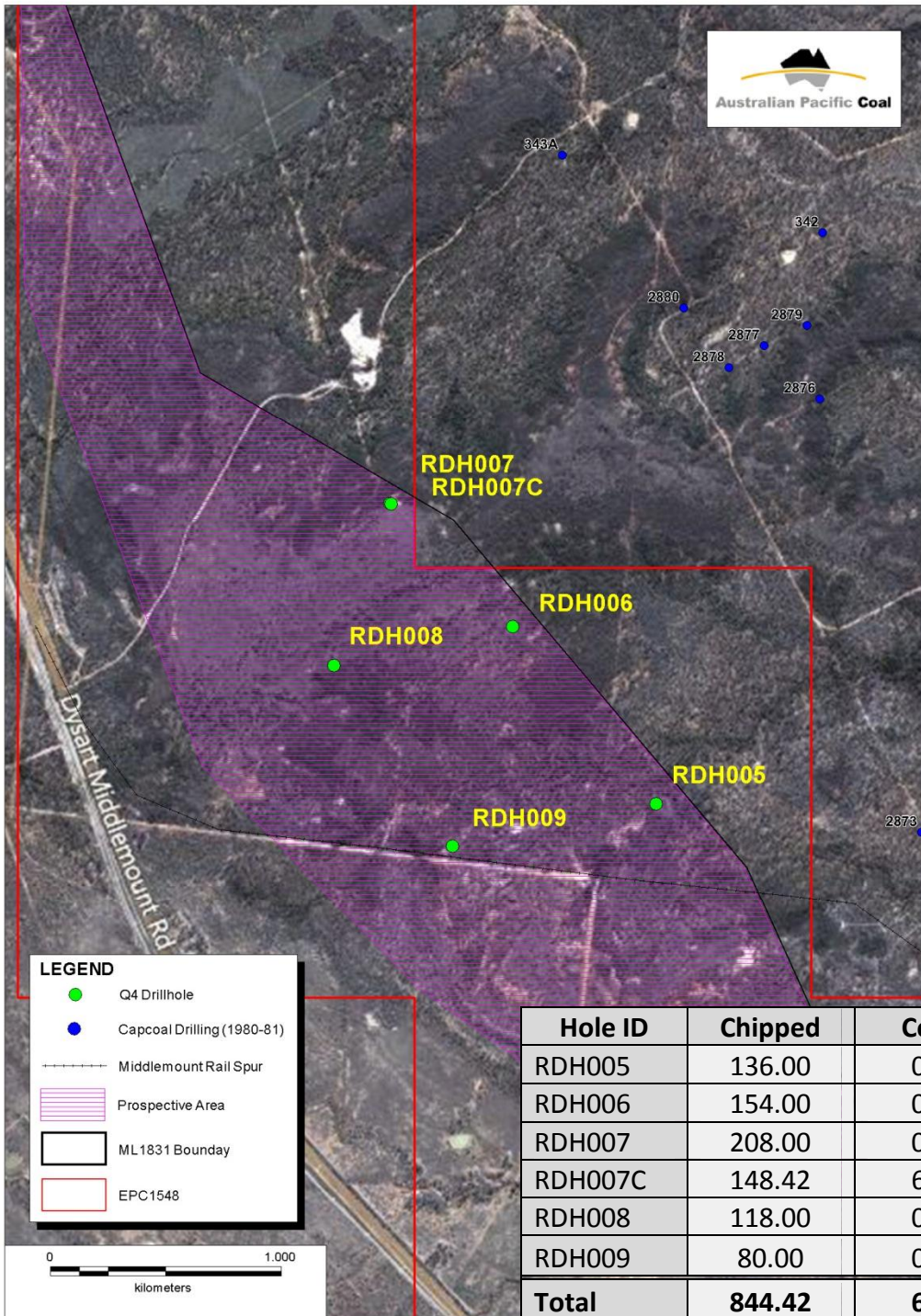
Following on from the value add process, AQC's exploitation opportunities for individual coal projects include development of the project in its own right, farm-in, joint venture exploration, joint venture development or outright sale.

AQC's long term strategic focus is based on seeking out and identifying potentially lucrative resource investment opportunities.

Paul Byrne
Chief Executive Officer
pbyrne@aqcltd.com

Drilling EPC 1548 "West German Creek" completed

- EPC 1548 "West German Creek" is within the Middlemount project area.
- A total of 851m was drilled in 6 holes (Figure 1) including 844.42m of open chip hole and 6.58m of core (Table 1).
- Three seams were identified as persistent across the area, but these are not interpreted to be the German Creek seams targeted. Seams are likely to be of the lower German Creek Formation and underlying Freitag Formation (possibly the Liskeard seam). The two thickest coal seams, totalling 1.28m average thickness, were sampled in one core hole and one chip hole for indicative coal quality analysis. Interpretation of the data is ongoing.
- South-west of the West German Creek EPC, about 9 km south of Tieri, the Liskeard seam is part of a Measured Resource of 5.6 Mt of potentially open cut coking coal, estimated by BHPB in 2007. Most of the resource is reported to be within the flat-lying, 1.5m thick Liskeard Seam, near the top of the Freitag Formation.



**Figure 1-
Drill hole
locations**

Table 1 – Drilling Totals

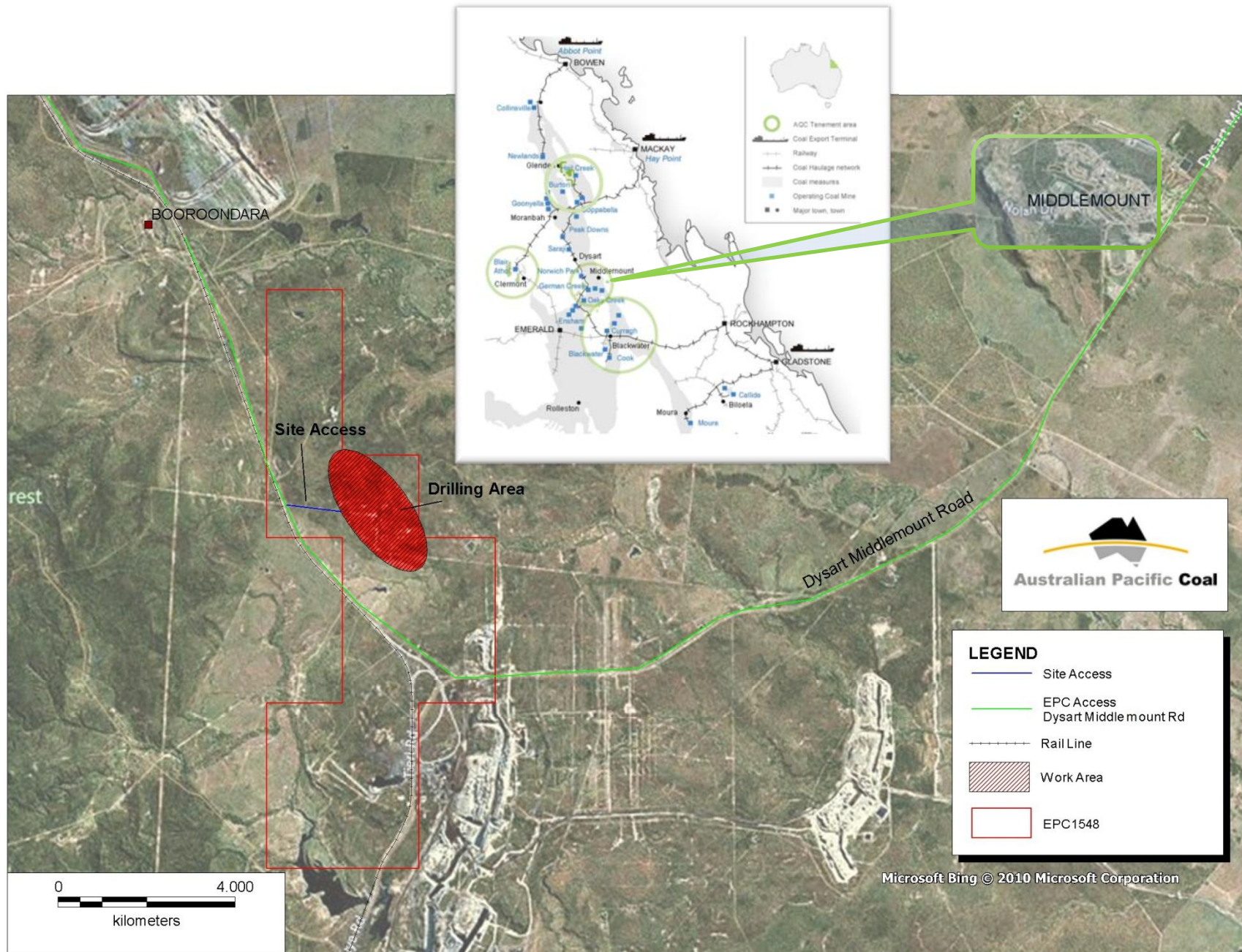
COMPETENT PERSON STATEMENT OF COMPLIANCE

This report has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves "The JORC Code" (2004) and reviewed by Mr S.W (Bill) Hayes of S.W Hayes and Associates who consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Mr Hayes, a member of the AusIMM, is a coal geologist with approximately 30 years' experience relevant to the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined by the Australian Code for Reporting of Exploration Results

Drilling EPC 1548 “West German Creek”





EPC 1548 “West German Creek” drilling location