

7 April 2011

Ms Frances Finucan  
Senior Adviser, Listings (Brisbane)  
ASX Compliance Pty Limited  
Level 5, Riverside Centre  
123 Eagle Street  
Brisbane Qld 4000

Dear Ms Finucan

**Re: Price Query Australian Pacific Coal Limited (the “Company”)**

Our responses to your questions using your numbering:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not Applicable
3. There is no reason to think that there may be a change in the Company’s result so that the figure for the half year ending 31 December 2010 would vary from the previous corresponding period by more than 15%.
4. There is no reason to think that the Company may record any material abnormal or extraordinary profit for the half year ending 31 December 2010.
5. In the normal course of its activities the Company has been conducting an ongoing desktop assessment of the exploration potential of its coal tenements. These assessments enable the Company to identify exploration targets. Further results of these assessments are announced to the market when known.

The ASX has advised the Company that in a review of online information forums there is a statement that the Company has recently been granted two additional coal tenements. The Company has not received formal notification of the grant from the Queensland Department of Mines and Energy and was not previously aware that the tenements had actually been granted. We can confirm that the Department’s website shows that EPC1965 was granted on 28 March 2011 and that EPC1824 was granted on 31 March 2011. AQC holds 33 EPC’s of which 16 are granted and 17 under application. The process of moving EPC’s from application to grant is largely procedural within the Mines Department and considered part of normal activities of both the Company and the Department.

EPC1824, mentioned in the online forum, is included in the Company’s Mt Hillalong project group, covers a known coal target in the Rangal and Fort Cooper coal measures in the northern Bowen basin. The Company announced in November 2010 details of the prospectivity of this project and its plans for further exploration. The projects offer prospectivity for proving underground resources of metallurgical coal in the Rangal coal measures.

The Company has previously identified and announced (November 2010) exploration targets and its intention to commence drilling of those targets this calendar year. Target assessment, planning and budgeting for the 2011 field program is well advanced. The Company’s Quarterly Report will provide details of these plans and findings.

Following the Inaugural Resource Statement announcement to the ASX on 29 November 2010, the Company has fielded a number of general, high-level enquiries from interested parties in relation to the development of its Bowen Basin EPC 1827 "Cooroora" project. The Company is conducting an ongoing evaluation of all of its options in relation to this and all of its Queensland coal projects.

6. The Company is in compliance with the listing rules and, in particular, listing rule 3.1

Yours faithfully

A handwritten signature in black ink, appearing to read "K. Mischewski". The signature is fluid and cursive, with a prominent initial "K" and a long, sweeping underline.

Kevin Mischewski  
Company Secretary



6 April 2011

Mr Kevin Mischewski  
Company Secretary  
Level 7, 10 Felix Street  
BRISBANE QLD 4000

By email: [kevin@pev ltd.com](mailto:kevin@pev ltd.com)

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Dear Mr Mischewski

**Australian Pacific Coal Limited (the "Company")**

**PRICE QUERY**

We have noted an increase in the price of the Company's securities from a close of 5.5 cents on Friday, 1 April 2010 to an intraday high of 7 cents today, at the time of writing. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the Company's result so that the figure for the half year period ending 31 December 2010 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Company may record any material abnormal or extraordinary profit for the half year period ending 31 December 2010? If so, please provide details.
5. Is there any other explanation that the Company may have for the price change in the securities of the Company?
6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at [frances.finucan@asx.com.au](mailto:frances.finucan@asx.com.au). It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, by **9.30am (Brisbane time) tomorrow, Thursday, 7 April 2011**.

Under listing rule 18.7A, a copy of this query and your response **will** be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

**Sent electronically without signature**

Frances Finucan  
**Senior Adviser, Listings (Brisbane)**