

Author: Vijaya Kodali
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3746

3 March 2008

Ribfield Pty Ltd
C/- Kayleen O'Dowd
PO Box 7146
Riverside Centre
BRISBANE QLD 4001

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to your request received by the Department on 27 February 2008 to record the change of address for service of correspondence for the abovementioned tenures, pursuant to section 388 of the *Mineral Resources Act 1989* and advise that this change has been recorded on the register.

The department also received s.49 - Business Affairs additional financial assurance for EPA

Yours faithfully

s.49 - Signature

Vijaya Kodali
A/Senior Tenures Office
Brisbane District Office

Southern Region
Dept Mines and Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102

PO Box 1475
Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3746
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au

Departmental Correspondence Action Sheet

File: MDL 282

Loose
Doc: MIO 02424

1 SRA

Date of Entry: 29/2/08

Urgent

Signature: Peter Hoppner

Routine

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: / /

Additional FA received 27/2/08.

Address changed on the system

3/3/08 s.49 - Signature

Comments (if any)

- SECURITY PAYMENT & CHANGE OF ADDRESS.
- ALSO SEND CHANGE OF ADDRESS TO EMERALD OFFICE

DESIGNATED OFFICER

Signature: s.49 - Signature

Date: 29/2/08

FINAL ACTION

Departmental Minute Prepared Yes No

Comments

Signature:

Date: DL Documents / /

Received in Document Management

REQUEST TO RECORD CHANGE OF ADDRESS FOR SERVICE OF CORRESPONDENCE

Section 388
Mineral Resources Act 1989
Form Number MRA-33 Version Number 3

OFFICIAL USE ONLY	
EP/MDL/MC/ML No.	
PART A	
Received AT <i>SLM</i>	Received BY <i>mm</i>
DATE <i>27/2/08</i>	TIME <i>2:30</i> AM/PM
PART B	
ENTERED on register by	
s.49 - Signature <i>[Redacted]</i>	
(SIGNATURE) s.78B <i>[Redacted]</i>	
DATE <i>3/3/08</i>	

The completed original of this document and any attachments must be submitted with the prescribed fee at the Office of the Mining Registrar.

Note: A document containing information that is false or misleading will attract a maximum penalty of 200 penalty points.

If form is to be completed by hand please print clearly in ink and use block letters.

1. MINING TENEMENT DETAILS

1.1	Tenement Type	Tick	Number(s)
	Mining Claim	<input type="checkbox"/>	
	Exploration Permit for Minerals	<input type="checkbox"/>	
	Exploration Permit for Coal	<input type="checkbox"/>	
	Exploration Permit for Specific Minerals	<input type="checkbox"/>	
	Mineral Development Licence	<input checked="" type="checkbox"/>	MDL 282
	Mining Lease	<input checked="" type="checkbox"/>	MLA 70369

GUIDE FOR APPLICANTS

Question 1.1

Nominate tenure type(s) and number(s) for change in nominated holder or change in address for service of correspondence.

Question 2.1

Specify nominated holder.

Question 2.2 – 2.5

Insert new address and contact details of nominated holder for service of correspondence

2. NEW ADDRESS

Nominated Person

2.1	Kayleen O'Dowd
-----	----------------

Address

2.2	Level 18, 215 Adelaide Street, Brisbane Qld 4000 PO Box 7146 Riverside Centre, Brisbane Qld 4001
-----	---

Phone Number

2.3	(07) 3239 7661
-----	----------------

Fax Number

2.4	(07) 3229 1776
-----	----------------

E-mail

2.5	kodowd@maccoal.com.au
-----	-----------------------

GUIDE FOR APPLICANTS

Question 3.1

Enter the name of place where the application was signed, the day of the month, the month and the year when the form is signed.

Question 3.2

Insert full name of the holder(s).

Question 3.3

Signature of holder(s).

Question 3.4

Insert full name of Witness.

Question 3.5

Signature of Witness.

3. SIGNATURES

I/We:

- solemnly sincerely and truly declare that the information provided in this form is true and correct.
- understand that any false or misleading information will attract a maximum penalty of 200 penalty points.

3.1	Signed at Brisbane this 26th day of February , 2008		
-----	--	--	--

3.2	Ribfield Pty Ltd ABN 26 080 772 283 Nicole Hollows, Director	3.3	s.49 - Signature
-----	---	-----	------------------

3.2		3.3	
-----	--	-----	--

3.2		3.3	
-----	--	-----	--

3.2		3.3	
-----	--	-----	--

	Full name and title of Applicant(s)		Signature
3.4	KAYLEEN O'DOWD	3.5	s.49 - Signature
	Full name of Witness		Signature of Witness

Execution of Documents by an Agent

If an agent or the holder of a power of attorney is signing a document, required to be lodged by an Act, on behalf of another, the agent or holder of the power of attorney must produce current, written evidence of their authority to act at the time of lodgement.

All of the holders of the tenure MUST execute the appointment of agent or the power of attorney for the appointment or power of attorney to be effective. A company signing an appointment of agent or power of attorney must do so in accordance with the corporation law and/or the articles of association of the company.

4. PRIVACY STATEMENT

The Department of Mines and Energy is collecting the information on this form to process a request to record the change of nominated holder or address for service of correspondence. This is required by section 388 of the *Mineral Resources Act 1989* (the Act).

Information collected on this form may be provided to other Queensland Government Agencies to assist in the processing of applications, where such disclosure is necessary for the effective management of the mineral resources and industry in Queensland. These agencies may include the Environmental Protection Agency, the Department of Primary Industries and Fisheries and the Department of Natural Resources and Water.

For more information on Information Privacy, please contact the Privacy Contact Officer for the Department of Mines and Energy on (07) 324 73239.

RIBFIELD PTY LTD

ABN 26 080 772 283

Level 18, 215 Adelaide Street
Brisbane Qld 4000
PO Box 7146 Riverside Centre
Brisbane Qld 4001
Tel: (617) 3239 7673
Fax: (617) 3229 1776
Email: mgray@maccoal.com.au

26 February 2008

Ms Viaya Kodali
A/Senior Tenures Officer
Department of Mines & Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
WOOLLOONGABBA QLD 4102

Re: Mineral Development Licence 282

I refer to your letter dated 23 January 2008 regarding additional financial assurance for Mineral Development Licence 282.

Please find enclosed payment of s.49 - Business Affairs for lodgement of additional financial assurance for the attention of the Environmental Protection Agency.

On behalf of Ribfield Pty Ltd please accept our apology for this late payment and to assist with the timely management of future payments and reporting I request for the Department's records to be updated with the following contact details for all invoices, notifications and correspondence. I have also attached a completed request to record change of address for service of correspondence and included the prescribed fee of \$14.00 in enclosed payment.

IN COLLECT

Contact person: Kayleen O'Dowd
Position: Tenement Coordinator
Office address: Level 18, 215 Adelaide Street, Brisbane Qld 4000
Postal address: PO Box 7146 Riverside Centre Brisbane Qld 4001
Contact number: (07) 3239 7661
Email address: kodowd@maccoal.com.au

If you require any further information, please do not hesitate to contact our office.

Yours faithfully
RIBFIELD PTY LTD

s.49 - Signature

NICOLE HOLLOWES
Director

Enc

Department of Mines & Energy
SOUTHERN REGION (MINES)

FEE *14.00* s.49 - Business Affairs

DATE PAID *28-2-08*

RECEIPT No *BR708978*

FOR *s.49 - Business Affairs SECURITY*

INITIALS *MDE-282*

TO BE REFUNDED

Department of Mines & Energy
RECEIVED

27 FEB 2008

2:30 am (pm) s.49 - Signature

TIME BY
SOUTH EAST REGION MINES

File: *MDL 282*

Loose
Doc: ~~MI07/01980~~

Departmental Correspondence Action Sheet

1 *SR 4*

Date of Entry: *19 12 08*

Urgent

Signature: *Peter Hoppner*

Routine

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: / /

Form re-submitted. Address changed on the system.

s.49 - Signature

Comments (if any)

- REGISTER CHANGE OF ADDRESS
- NOTE RENT PAYMENT.

DESIGNATED OFFICER

Signature:

s.49 - Signature

Date:

19 12 08

FINAL ACTION

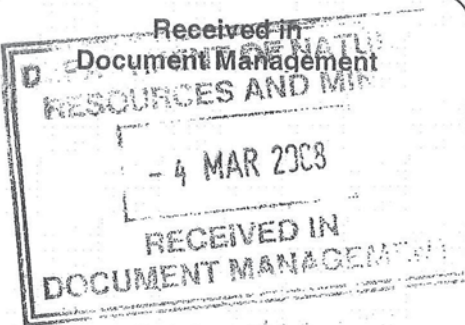
Departmental Minute Prepared

Yes No

Comments

Signature:

Date: DL Documents / /



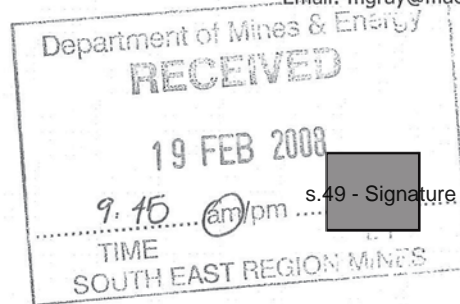
CUSTOM MINING (MIDDLEMOUNT) PTY LTD

ABN 49 122 348 412

Level 18, 215 Adelaide Street
Brisbane Qld 4000
PO Box 7146 Riverside Centre
Brisbane Qld 4001
Tel: (617) 3239 7673
Fax: (617) 3229 1776
Email: mgray@maccoal.com.au

12 February 2008

Ms Jillian Mannix
Senior Revenue Officer, Royalty & Rent
Department of Mines & Energy
PO Box 15216
CITY EAST QLD 4002



Re: Annual Rental – Mineral Development Licences 282

I refer to your letter dated 29 January 2008 regarding unpaid annual rental for Mineral Development Licences 282.

Custom Mining (Middlemount) Pty Ltd which is owned 70% by Macarthur Coal Limited and 30% by Noble Group, is the incorporated joint venture company that is the owner of the MDL 282.

Pursuant to section 193(5)(a) of the *Mineral Resources Act 1989*, I enclose payment of \$49 - Business Affairs for the additional amount imposed due to the annual rental for 2008 not being paid by 31 December 2007.

On behalf of Custom Mining (Middlemount) Pty Ltd please accept our apology for this late payment and to assist with the timely management of future payments and reporting I request for the Department's records to be updated with the following contact details for all invoices, notifications and correspondence. I have also attached a completed request to record change of address for service of correspondence and included the prescribed fee of \$14.00 in enclosed payment.

Contact person: Kayleen O'Dowd
Position: Tenement Coordinator
Office address: Level 18, 215 Adelaide Street, Brisbane Qld 4000
Postal address: PO Box 7146 Riverside Centre Brisbane Qld 4001
Contact number: (07) 3239 7661
Email address: kodowd@maccoal.com.au

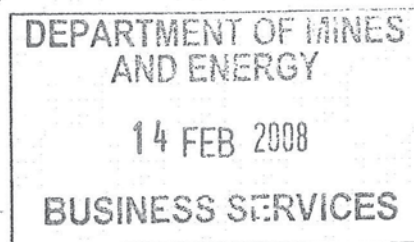
If you require any further information, please do not hesitate to contact our office.

Yours faithfully
CUSTOM MINING (MIDDLEMOUNT) PTY LTD

s.49 - Signature
Officer

Encs

HAS BEEN NOTED BY ROYALTY AND RENT
s.49 - Signature
14/2/08



Dealing Number:

(Office Use Only)

REQUEST TO RECORD CHANGE OF ADDRESS FOR SERVICE OF CORRESPONDENCE

Section 388

Mineral Resources Act 1989

Form Number MRA-33 Version Number 3

OFFICIAL USE ONLY	
EP/MDL/MC/ML No.	
PART A	
Received AT	Received BY
DATE	TIME
/ /	: AM PM
PART B	
ENTERED on register by	
(SIGNATURE)	
DATE / /	

The completed original of this document and any attachments must be submitted with the prescribed fee at the Office of the Mining Registrar.

Note: A document containing information that is false or misleading will attract a maximum penalty of 200 penalty points.

If form is to be completed by hand please print clearly in ink and use block letters.

1. MINING TENEMENT DETAILS

1.1	Tenement Type	Tick	Number(s)
	Mining Claim	<input type="checkbox"/>	
	Exploration Permit for Minerals	<input type="checkbox"/>	
	Exploration Permit for Coal	<input type="checkbox"/>	
	Exploration Permit for Specific Minerals	<input type="checkbox"/>	
	Mineral Development Licence	<input checked="" type="checkbox"/>	282
	Mining Lease	<input type="checkbox"/>	

GUIDE FOR APPLICANTS

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Specify nominated holder.

Question 2.2 – 2.5

Insert new address and contact details of nominated holder for service of correspondence

2. NEW ADDRESS

Nominated Person

2.1

Kayleen O'Dowd

Address

2.2

Level 18, 215 Adelaide Street, Brisbane Qld 4000
PO Box 7146 Riverside Centre, Brisbane Qld 4001

Phone Number

2.3

(07) 3239 7661

Fax Number

2.4

(07) 3229 1776

E-mail

2.5

kodowd@maccoal.com.au

GUIDE FOR APPLICANTS

Question 3.1

Enter the name of place where the application was signed, the day of the month, the month and the year when the form is signed.

Question 3.2

Insert full name of the holder(s).

Question 3.3

Signature of holder(s).

Question 3.4

Insert full name of Witness.

Question 3.5

Signature of Witness.

Execution of Documents by an Agent

If an agent or the holder of a power of attorney is signing a document, required to be lodged by an Act, on behalf of another, the agent or holder of the power of attorney must produce current, written evidence of their authority to act at the time of lodgement.

All of the holders of the tenure MUST execute the appointment of agent or the power of attorney for the appointment or power of attorney to be effective. A company signing an appointment of agent or power of attorney must do so in accordance with the corporation law and/or the articles of association of the company.

3. SIGNATURES

I/We:

- solemnly sincerely and truly declare that the information provided in this form is true and correct.
- understand that any false or misleading information will attract a maximum penalty of 200 penalty points.

3.1	Signed at Brisbane this 12th day of February , 2008
3.2	Custom Mining (Middlemount) Pty Ltd ABN 49 122 348 412
3.3	s.49 - Signature
	Michael Gray, Chief Executive Officer
3.2	
3.3	
3.2	
3.3	
3.2	
3.3	
	Full name and title of Applicant(s)
	Signature
3.4	KAYUEEN O'DOWD
3.5	s.49 - Signature
	Full name of Witness
	Signature of Witness

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For more information on Information Privacy, please contact the Privacy Contact Officer for the Department of Mines and Energy on (07) 324 73239.

Page 10 redacted for the following reason:

s.49 - Business Affairs - Bank Cheque

DNRM RTI DL Release

Our Ref: MDL 282
Contact: Vijaya Kodali
Unit: Brisbane District Office
Phone: (07) 3238 3746
Fax: (07) 3405 5346
E-Mail: vijaya.kodali@dme.qld.gov.au

23 January 2008

B/u 3R4 15/2/08

Ribfield Pty Ltd
C8, 1 Honeysuckle Drive
NEWCASTLE NSW 2300

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to our correspondence dated 7 December 2007, and advice received from the Environmental Protection Agency (EPA) that the financial assurance for the Middlemount Project (MDL 282) has been assessed at s.49 - Business Affairs

This office currently holds financial assurance of s.49 - Business Affairs. Please lodge with this office a replacement financial assurance for the amount of s.49 - Business Affairs within 10 business days from the date of this letter. Alternatively you may lodge an assurance for s.49 - Business Affairs which is the difference between the amount held, and the amount required.

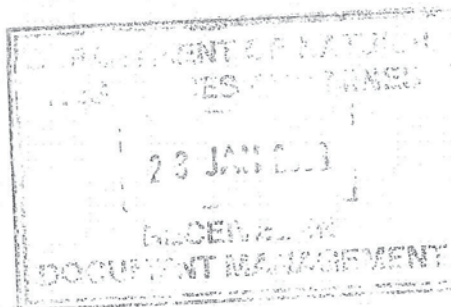
Failure to lodge the required amount for financial assurance may result in the termination of MDL.

I have enclosed a copy of the required format a Bank Guarantee. If you have any further queries, please do not hesitate to contact me on the number above.

Yours faithfully

s.49 - Signature

Viaya Kodali
A/Senior Tenures Officer
Brisbane District Office



Southern Region
Dept Mines and Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102
PO Box 1475
Coorparoo QLD 4151 Australia
Telephone + 61 7 3238 3746
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au

Our Ref: MDL 282
Contact: Kerrie Musgrave
Unit: Brisbane District Office
Phone: (07) 3238 3746
Fax: (07) 3405 5346
E-Mail: kerrie.musgrave@dme.qld.gov.au

11 December 2007

B/M SR4 8/11/08

Ribfield Pty Ltd
C8, 1 Honeysuckle Drive
NEWCASTLE NSW 2300

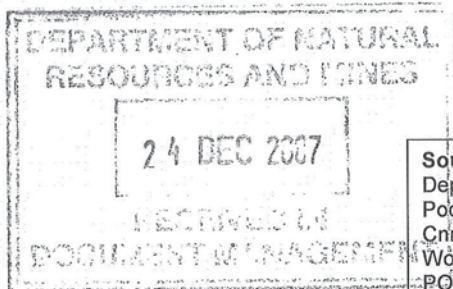
Dear Sir/Madam

**MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282
ENVIRONMENTAL AUTHORITY MIN100580807**

This office has received advice from the Environmental Protection Agency (EPA) informing us that the financial assurance for the Middlemount Project (MDL 282) has been calculated in accordance with EPA Guideline 17 "Financial Assurance for Mining Activities" and has been assessed at \$49 - Business Affairs

This office currently holds financial assurance of \$49 - Business Affairs. Please lodge with this office a replacement financial assurance for the amount of \$49 - Business Affairs within 28 days of the date of this letter. Alternatively you may lodge an assurance for \$49 - Business Affairs which is the difference between the amount held, and the amount required.

I have enclosed a copy of the required format a Bank Guarantee.



Southern Region
Dept Mines and Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102
PO Box 1475
Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3746
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au

If you have any further queries, please do not hesitate to contact me on the number above.

Yours faithfully

s.49 - Signature

Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office

DNRM RTI DL Release

File: MDL 282

Loose

Doc: MI07114089

Departmental Correspondence Action Sheet

1

SR 4

Date of Entry: 11 / 12 / 07

Urgent

Signature: Peter Hoppner

Routine

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: 1 / 1

2) Additional FA requested on 11/10/07.

s49 - Signature

Records - file away.
MERLIN updated.

Comments (if any)

ASSESSMENT OF EA + FA
IN RELATION TO BULK SAMPLING

DESIGNATED OFFICER

Signatures: s49 - Signature

Date: 11 / 12 / 07

FINAL ACTION

Departmental Minute Prepared

Yes No

Comments

Signature:

Date: / /

Received in
Document Management

DEPARTMENT OF NATURAL
RESOURCES AND MINES

24 DEC 2007

RECEIVED IN
DOCUMENT MANAGEMENT



Enquiries Rebecca Blades
Telephone 07 4982 4555
Your reference MDL282
Our reference EMD2213

Environmental Protection Agency
Incorporating the
Queensland Parks and Wildlife Service

7 December 2007

Tenures Support Unit
Department of Mines & Energy
PO Box 1475
COORPAROO QLD 4151

Dear Sir/Madam

**Re: Financial Assurance Middlemount Project - Environmental Authority (EA)
MIN100580807**

I refer to the Environmental Management Plan titled: Custom Mining Middlemount Pty Ltd Amended Environmental Management Plan MDL282 Bulk Sampling Program August 2007 for the Middlemount Project (MDL282), lodged by Ribfield Pty Ltd on 28 August 2007.

The Environmental Management Plan meets the content requirements under s189 of the *Environmental Protection Act 1994* and includes a rehabilitation plan with proposed financial assurance.

The financial assurance has been calculated in accordance with EPA Guideline 17 "*Financial Assurance for Mining Activities*" and has been assessed at s.49 - Business Affairs

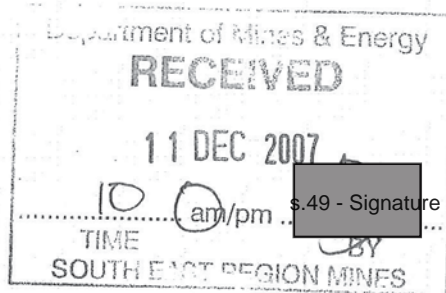
It would be appreciated if you could calculate the proportion of financial assurance required by your Department under the *Mineral Resources Act 1989*, and advise our client accordingly of the total financial assurance requirement for the project.

If you have any inquiries in relation to the above details please contact Rebecca Blades on (07) 4982 4555.

Yours sincerely

s.49 - Signature

Michael Rodgerson
District Manager





Enquiries Rebecca Blades
Telephone (07) 4982 4555
Your reference MDL282
Our reference EMD2213

Environmental Protection Agency

Incorporating the
Queensland Parks and Wildlife Service

7 December 2007

Mr Nathan Tinkler
Director
Ribfield Pty Ltd
C8/1 Honeysuckle Drive
NEWCASTLE NSW 2300

Attention: Mr Nathan Tinkler

**Re: Financial Assurance for the Middlemount Project – Environmental Authority (EA)
MIN100580807.**

I would like to advise you that the Environmental Management Plan for the Middlemount Project (MDL282) which was submitted on 28 August 2007:

- complies with the content requirements of section 189 of the *Environmental Protection Act 1994 (EP Act 1994)*; and
- includes a rehabilitation program stating a proposed amount of financial assurance.

A notice advising the calculated amount of financial assurance required under the *EP Act 1994* for the Middlemount Project has been sent to the Mining Registrar of the Department of Mines & Energy. The Registrar will calculate any financial assurance required under the *Mineral Resources Act 1989* and advise you of the required amount of financial assurance and the process for lodging it. The amount stated above will be reviewed in any future amendment to, or replacement of, the Environmental Management Plan.

If you have any inquiries in relation to the above details please contact Rebecca Blades on (07) 4982 4555.

Yours sincerely

s.49 - Signature

Michael Rodgers
District Manager

Musgrave Kerrie

From: Rebecca Blades [Rebecca.Blades@epa.qld.gov.au]
Sent: Monday, 3 December 2007 9:59 AM
To: Musgrave Kerrie
Subject: FW: MDL282
Attachments: amend ea1 m4533.mdi

Hi Kerrie,

I've attached all the decision notices for you for MDL282.

Cheers,

Rebecca Blades

Senior Environmental Officer

Environmental Protection Agency
 Environmental Operations - Central West
 99 Hospital Road, Emerald, Queensland 4720
 PO Box 906, Emerald, Queensland 4720
 Telephone: (07) 4982 4555
 Fax: (07) 4982 2568
 Email: Rebecca.Blades@epa.qld.gov.au

Visit the EPA online at: www.epa.qld.gov.au

From: Rebecca Blades
Sent: Thursday, 29 November 2007 1:46 PM
To: 'Kerrie.Musgrave@dme.qld.gov.au'
Subject: MDL282

Kerrie,

Would you like copies of the notification letters as well? It looks like they went to the Emerald DME office rather than your office. I am currently doing up the letters with regard to Financial Assurance for MDL282 so those should come through to you within a couple of weeks. s.49 - Business Affairs will need to be lodged for MDL282.

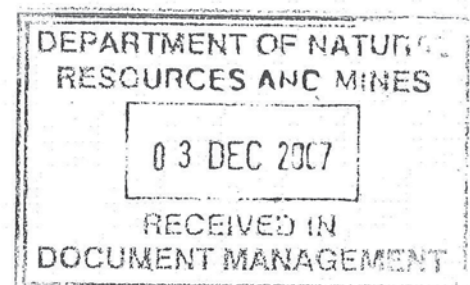
Cheers,

Rebecca Blades

Senior Environmental Officer

Environmental Protection Agency
 Environmental Operations - Central West
 99 Hospital Road, Emerald, Queensland 4720
 PO Box 906, Emerald, Queensland 4720
 Telephone: (07) 4982 4555
 Fax: (07) 4982 2568
 Email: Rebecca.Blades@epa.qld.gov.au

Visit the EPA online at: www.epa.qld.gov.au



Disclaimer

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E-mails sent to and from the Environmental Protection Agency will be electronically stored, managed and may be audited, in accordance with the law and Queensland Government Information Standards (IS31, IS38, IS40, IS41 and IS42) to the extent they are consistent with the law.

DNRM RTI DL Release

Author Mrs Kerrie Musgrave
 File / Ref number MDL 282
 Directorate / Unit Brisbane District Office
 Phone (07) 3238 3746

30 November 2007

Mr Nathan Tinkler
 Director
 Ribfield Pty Ltd
 C8, 1 Honeysuckle Drive
 NEWCASTLE NSW 2300

Dear Mr Tinkler

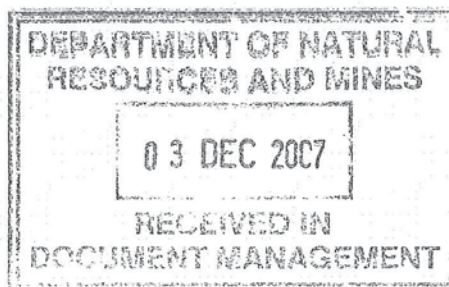
MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to the application to vary the conditions of MDL 282 to include a bulk sampling program.

Under section 194AC(3)(a) of the *Mineral Resources Act 1989*, the Minister has approved the variation of the conditions of the mineral development licence.

The work program has been varied with the following conditions:-

- The bulk sample will be collected from a double strip approximately 200 metres x 250 metres (see Figures 4a and 4b of the Environmental Management Plan for location);
- A single bulk sample of approximately 366,000 tonnes (no greater than 370,000 tonnes) of coal is to be taken from a single location within MDL 282 Middlemount deposit by surface excavation;
- The sampled coal will be trucked to the German Creek CHPP for processing and



Southern Region
 Dept of Mines and Energy
 Podium 2, Ground Floor,
 Landcentre Building,
 Cnr Main and Vulture Streets,
 WOOLLOONGABBA QLD 4102
 PO Box 1475 Coorparoo
 Queensland 4151 Australia
Telephone + 61 7 3238 3746
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au

- washing. After washing a processing yield of around 70% should result in approximately 256,000 tonnes of coal to export for marketing purposes to four potential overseas customers (four samples of approximately 64,000 tonnes each).
- Prior to commencement of bulk sampling, the Mining Registrar is to be notified by phone or email.
- Royalties will be payable as per Part 9 and Schedule 4, section 3 of the Mineral Resources Regulation 2003 and Policy Number 140 (attached). For further details regarding royalties contact Ms Jillian Mannix on (07) 323 71402. A royalty return is required in the quarter after the coal is processed.

Also, the assignment of a 5% interest from DJB Coal Pty Ltd to Custom Mining (Middlemount) Pty Ltd was approved on 29 November 2007.

Please find enclosed the duly endorsed licence document.

Yours sincerely

s.49 - Signature

Mark Hartland
A/Mining Registrar
Southern Region

DNRM RTI DL Release

Musgrave Kerrie

From: Musgrave Kerrie
Sent: Friday, 30 November 2007 7:45 AM
To: 'Peter Bannister'
Subject: RE: Custom Mining Middlemount Signed Copy of EA

Hello Peter

The request to vary the conditions of MDL 282 to include the bulk sampling work program and the assignment of 5% interest from DJB Coal Pty Ltd to Custom Mining (Middlemount) Pty Ltd were both approved yesterday - 29 November 2007.

The duly endorsed original licence document and letters advising of the approval will be sent in today's mail.

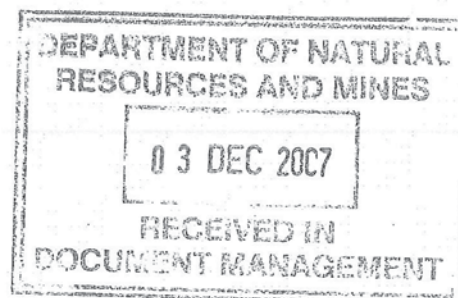
Regards
Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office
Ph: (07) 3238 3746

From: Peter Bannister [mailto:pbannister@custommining.com.au]
Sent: Thursday, 29 November 2007 2:09 PM
To: Musgrave Kerrie
Cc: ntinkler@custommining.com.au; 'Tom Todd'
Subject: Custom Mining Middlemount Signed Copy of EA

Hi Kerrie

Attached is a copy of the signed Environmental Authority for the Custom Mining Middlemount Bulk Sample Pit.

Kind Regards
Peter Bannister
Chief Operating Officer
Custom Mining Ltd
Tel 61 7 3121 3160 | Fax 61 7 3121 3030 | Mobile s.49



From: Rebecca Blades [mailto:Rebecca.Blades@epa.qld.gov.au]
Sent: Thursday, 29 November 2007 2:02 PM
To: Peter Bannister
Subject: Copy of EA

Rebecca Blades
Senior Environmental Officer

Environmental Protection Agency
Environmental Operations - Central West
99 Hospital Road, Emerald, Queensland 4720
PO Box 906, Emerald, Queensland 4720
Telephone: (07) 4982 4555
Fax: (07) 4982 2568
Email: Rebecca.Blades@epa.qld.gov.au

Visit the EPA online at: www.epa.qld.gov.au

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CTS [Insert CTS number if known]

Department of Mines & Energy
BRIEFING NOTE FOR APPROVAL

Under Delegation from the Minister
~~Approved~~ / ~~not Approved~~
 Further information required

s.49 - Signature

Acting Mining Registrar
 Dated 29, Nov, 2007

TO Acting Mining Registrar
Brisbane District Office

SUBJECT VARIATION OF CONDITIONS FOR MINERAL DEVELOPMENT LICENCE
NUMBER 282

PURPOSE

To seek approval, pursuant to section 194AC(3)(a) of the *Mineral Resources Act 1989*, of an application to vary the conditions of Mineral Development Licence (MDL) Number 282.

BACKGROUND

- Ribfield Pty Ltd (95%) and DJB Coal Pty Ltd (5%) are the holders of MDL 282.
- MDL 282 was granted on 10 April 2002 over an area of 1831ha and for a term of 5 years.

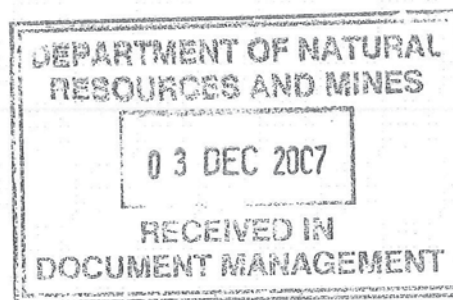
CURRENT ISSUES

- On 24 September 2007, this Department received a letter requesting a variation to the conditions attaching to the licence to allow for bulk sampling.
- A native title assessment at folio 108 indicates that native title will not be affected by the variation.
- Environmental Authority Number MIN100580807 was issued by the EPA on 5 November 2007 that includes the Environmentally Relevant Activities for the bulk sampling program.
- Technical assessment is at folios 102 and 109 and the variation is acceptable on technical grounds.
- The holder has been advised of the varied conditions and has accepted those conditions 29 November 2007.

RECOMMENDATION

That, pursuant to section 194AC(3)(a) of the *Mineral Resources Act 1989*, that the conditions for MDL 282 be varied to include bulk sampling.

ACTING MINING REGISTRAR'S COMMENTS (If any)



Department of Mines and Energy

Under Delegation from the Minister
Pursuant to S.198(1) of *Mineral Resources Act 1989*

Approved

s.49 - Signature

A/Mining Registrar, Brisbane District Office

Dated 29 Nov, 2007.

TO A/MINING REGISTRAR
BRISBANE DISTRICT OFFICE

SUBJECT ASSIGNMENT OF MINERAL
DEVELOPMENT LICENCE (MDL)
NO. 282

PURPOSE

To seek approval in relation to the assignment of interest in respect of Mineral Development Licence (MDL) No.282, pursuant to section 198(1) of the *Mineral Resources Act 1989* (the Act).

BACKGROUND

Ribfield Pty Ltd (95%) and DJB Coal Pty Ltd (5%) are the current holders of this Licence.

An assignment of 5% interest from DJB Coal Pty Ltd to Custom Mining (Middlemount) Pty Ltd was received on 29 August 2007.

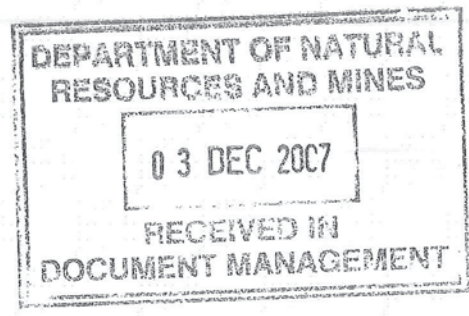
CURRENT ISSUES

- On 31 May 2007, an indication was given under section 198(5) of the Act that, subject to compliance with the Act and certain additional requirements, the Minister would approve the assignment of MDL 282 from DJB Coal Pty Ltd to Custom Mining (Middlemount) Pty Ltd.
- The application is in order (see attached checklist) and may be approved.
- Environmental Authority Number MIN100580807 was issued in the name of Ribfield Pty Ltd and Custom Mining (Middlemount) Pty Ltd on 5 November 2007.
- This assignment is acceptable and can be approved. Dealing Number 1010077 has been allocated.

RECOMMENDATION

- It is recommended that the A/Mining Registrar, Brisbane District Office, under delegation from Minister, pursuant to section 198(1) of the *Mineral Resources Act 1989*, approve assignment of 5% interest from DJB Coal Pty Ltd to Custom Mining (Middlemount) Pty Ltd for Mineral Development Licence (MDL) No. 282.

- Note MERLIN
- Advise Holder
- Endorse Document



Briefing Officer	Kerrie Musgrave Senior Tenures Officer	Approved	A/Mining Registrar Brisbane District Office
Telephone	323 83746	Date	29 November 2007
File Path			
File Ref MDL 282			



ASIC
 Australian Securities & Investments
 Commission

**National Names
 Index**

Index of corporate and
 business names

SEARCHTIPS

Extracted from ASIC's database at AEST 15:39:58 on 29/11/2007

Name CUSTOM MINING (MIDDLEMOUNT) PTY LTD

ACN 122 348 412

ABN 49 122 348 412

Type Australian Proprietary Company, Limited By Shares

Registration Date 24/10/2006

Next Review Date 24/10/2008

Status Registered

Locality of Registered Office Newcastle NSW 2300

Jurisdiction Australian Securities & Investments Commission

Former Name(s) CUSTOM MINING HOLDINGS PTY LTD

These are the documents that ASIC has most recently received from or in relation to this organisation. Page numbers are shown if processing is complete and the document is available for purchase.

Date	Number	Pages	Description
21/11/2007	1E3857069	2	484A1 Change to Company Details Change Officeholder Name Or Address
14/11/2007	1E3833749	2	484C Change to Company Details Change of Principal Place Of Business (Address)
18/07/2007	023914986	1	350 Certification of Compliance With Stamp Duties Law By Provisional Charge

COMPLETE DOCUMENT LISTING



Billor Code: 17301
 Ref: 2291223484125

You can find out more about this company or order copies of the documents from the following ASIC information brokers:

[Access Business Information](#)

[Espreon](#)


[ABR Pty Ltd](#)

[Dun & Bradstreet \(Australia\) Pty Limited](#)

[National Data Centre Pty Ltd](#)

[Universal Title Searches](#)
[Shelco Searches and Services](#)
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DNRM RTI DL Release

Musgrave Kerrie

From: Klemm Maree
Sent: Thursday, 29 November 2007 1:58 PM
To: Musgrave Kerrie; Hartland Mark
Subject: FW: provision of co-ordinates
Attachments: Bulk Sample Pit Plan with Co-ordinates Nov07.pdf; MDL282BulkSamplePermit27 11 07.doc

Hello Kerrie and Mark Here are the co-ordinates and the perfect map for permiotting purposes. cheers Maree

Maree Klemm
 Senior Geologist, Technical Assessment
 Department of Mines and Energy
 Ph: 07 323 83753 Fax: 07 3405 5349
 Email: maree.klemm@dme.qld.gov.au

From: Peter Bannister [mailto:pbannister@custommining.com.au]
Sent: Tuesday, 27 November 2007 4:28 PM
To: Klemm Maree
Subject: RE: provision of co-ordinates

Hi Maree,

I have attached;

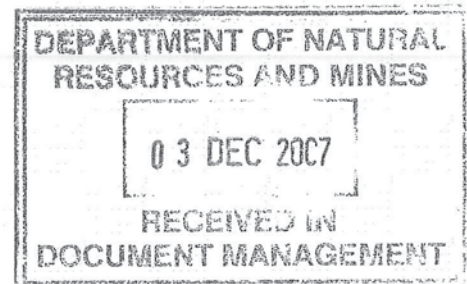
1. A plan of the proposed Bulk Sample Pit with co-ordinates of the 4 corners displayed
2. The MDL282 Bulk Sample Pit Permit updated with the co-ordinates of the 4 corners as required

I look forward to hearing from you in the near future on completion of the permitting process.

If there is any further information required please do not hesitate to get in touch

ind Regards

Peter Bannister
 Chief Operating Officer
 Custom Mining Ltd
 Tel 61 7 3121 3160 | Fax 61 7 3121 3030 | Mobile s.49



From: Klemm Maree [mailto:Maree.Klemm@dme.qld.gov.au]
Sent: Tuesday, 27 November 2007 3:00 PM
To: pbannister@custommining.com.au
Subject: provision of co-ordinates

Hello Paul

Apologies for the delay with this. Can you provide the co-ordinates for the corners of the proposed bulk sampling pit, please? The permitting activity will progress in the interim. with thanks Maree

Maree Klemm
Senior Geologist, Technical Assessment
Department of Mines and Energy
Ph: 07 323 83753 Fax: 07 3405 5349
Email: maree.klemm@dme.qld.gov.au

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DNRM RTI DL Release

TO: Registrar Mining Title (Tenure Management)

FROM: Senior Geologist

DATE: 27 NOVEMBER 2007

SUBJECT: Variation of conditions of MDL 282 Work Program to Permit a Major Bulk Sample

This is to certify that pursuant to the provisions of Section 194(3)(a) of the Mineral Resources Act 1989, approval has been given to vary the conditions of Mineral development Licence No. 282 to allow bulk sampling as follows.

DETAILS for PERMIT:

The Resource

The bulk sample will be taken from the shallow portion* of the total resource:

Coal Resources Mt	Measured	Indicated	Inferred	TOTAL
<100m deep	16.75*	13.47	7.50	37.7
100-150m	10.81	14.20	7.75	32.8
150-300m	3.03	10.13	16.40	29.6
TOTAL	30.6	37.8	31.7	100.1

The Bulk Sample

The Bulk sample is required to establish hard coking coal performance in the coke ovens of potential export customers. Product coal of approximately 256,000t is expected to be produced from Run-of-Mine coal of approximately 366,000t.

Excavation Location

The proposed location for the pit for the bulk sample is shown on the attached maps. The co-ordinates of the corners of the pit are:-

North corner	N 7471363.1	E 668968.3
East corner	N 7471153.0	E 669073.1
South corner	N 7470785.5	E 668740.0
West corner	N 7471206.2	E 668589.3

Grid reference: projection MGA Zone 55 GDA 94

Excavation Parameters

Bulk Sample Pit Material	Unit	Material Moved/Area Affected
Bulk sample pit area	hectares (ha)	15
Topsoil	Bank cubic metres '000s (bcm)	44
Overburden dump area	ha	28

Overburden dump	bcm 000s	5,050
Run-Of-Mine coal extracted	t 000s	366
Haul road	ha	16
Sediment pond	ha	2
Infrastructure & ROM pad	ha	4

Reject and tailings material will be produced and will remain at the German Creek Coal Handling Preparation Plant, not on MDL 282.

Excavation Operation

The coal bulk sample will be extracted, transported and beneficiated in accordance with the description contained in the Amended Environmental Management Plan MDL 282 Bulk Sampling Program August 2007 by McCollum Environmental Management Services for Custom Mining Middlemount Project. The operations will be 24 hours per day seven days per week.

Duration of Permit to Excavate Bulk Sample

This permit to bulk sample will expire within 12 months of the date of endorsement.

Infrastructure Requirements

- Haul road infrastructure construction;
- Mining contractor equipment, maintenance and operation facilities, including maintenance workshops and fuel and lubricant storage;
- Water management infrastructure;
- Temporary buildings for use as crib huts and contractor site offices;
- Other support infrastructure such as a package plant style sewage treatment plant and associated toilet facilities.

This infrastructure will be located on MDL 282.

Rehabilitation

Not required on the basis of progression to a Mining Lease and full scale mining operations.

COMMENTS

TO: Registrar Mining Title ([Redacted])
FROM: Senior Geologist
DATE: 27 NOVEMBER 2007

[Redacted Signature Box]
s.49 - Signature

29.11.07

SUBJECT: Variation of conditions of MDL 282 Work Program to Permit a Major Bulk Sample

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East corner	N 7471153.0	E 669073.1
South corner	N 7470785.5	E 668740.0
West corner	N 7471206.2	E 668589.3

Grid reference: projection MGA Zone 55 GDA 94

DEPARTMENT OF NATURAL RESOURCES AND MINES
 03 DEC 2007
 RECEIVED IN DOCUMENT MANAGEMENT

Excavation Parameters

Bulk Sample Pit Material	Unit	Material Moved/Area Affected
Bulk sample pit area	hectares (ha)	15
Topsoil	Bank cubic metres '000s (bcm)	44
Overburden dump area	ha	28



Queensland Government
Natural Resources and Water

**INDIGENOUS SERVICES, MINES ASSESSMENT AND ADVICE FUNCTION
NATIVE TITLE WORK PROCEDURE FOR DECISION MAKING
DOCUMENTED DECISION**

Tenure No.: MDL 282 Lodgement Date: 23 February 1998

Mining District: EMERALD

Local Authority: Broadsound

Prerequisite Tenure (if applicable): N/A

Date of Expiry of Prerequisite Tenure: _____

Background Tenure: Lot 3 on plan RP904207 - Private Freehold Land

Lot 5 on plan RP904207 - Private Freehold Land

Lot 14 on plan SP128608 - Private Freehold Land

Lot 11 on plan TT443 - Special Lease 12/49571

Lot 9 on plan CNS131 - Special Lease 12/42193

Dysart - Middlemount Road

Road Reserve

(See Annexures 1 & 2)

Proposed Action: Bulk Sampling in MDL 282

Decision: RECOMMEND THE BULK SAMPLING IN MDL 282 PROCEED AT THE SITE SPECIFIED
WITHIN LOT 3 ON PLAN RP904207.

Basis for Decision: (Attach documentation as necessary):

Lot 3 on plan RP904207 - Private Freehold Land (Title Reference 50141224) created on 20
September 1996. (Annexure 3)

Original Deed of Grant (Title Reference 40005257) created on 11 June 1996. Annexure 4)

Previously held as Grazing Homestead Freeholding Lease 12/2116B granted under the Land Act 1962 on
21 June 1984 for a term of 28 1/2 years from 1 July 1983. (Annexure 5)

The bulk sampling site is located within the boundaries of Lot 3 on plan RP904207 in MDL 282. This
tenure was granted before 24 December 1996 and is a previous exclusive possession act in
accordance with s.23(B)(1) and (2) of the Native Title Act 1993 (Cth) and Module BA of the

Therefore, the bulk sampling in MDL 282 may proceed without further reference to the *Native Title Act* 1993 (Cth).

Refer to copies of MERLIN, Tenure Reports & Lease Document (Annexures 1 to 5).

Name: (Please Print): Geoff Balke

Position: Principal Tenures Officer – Indigenous Services

Signature: s.49 - Signature


Date: 13 November 2007

DNRM RTI DL Release

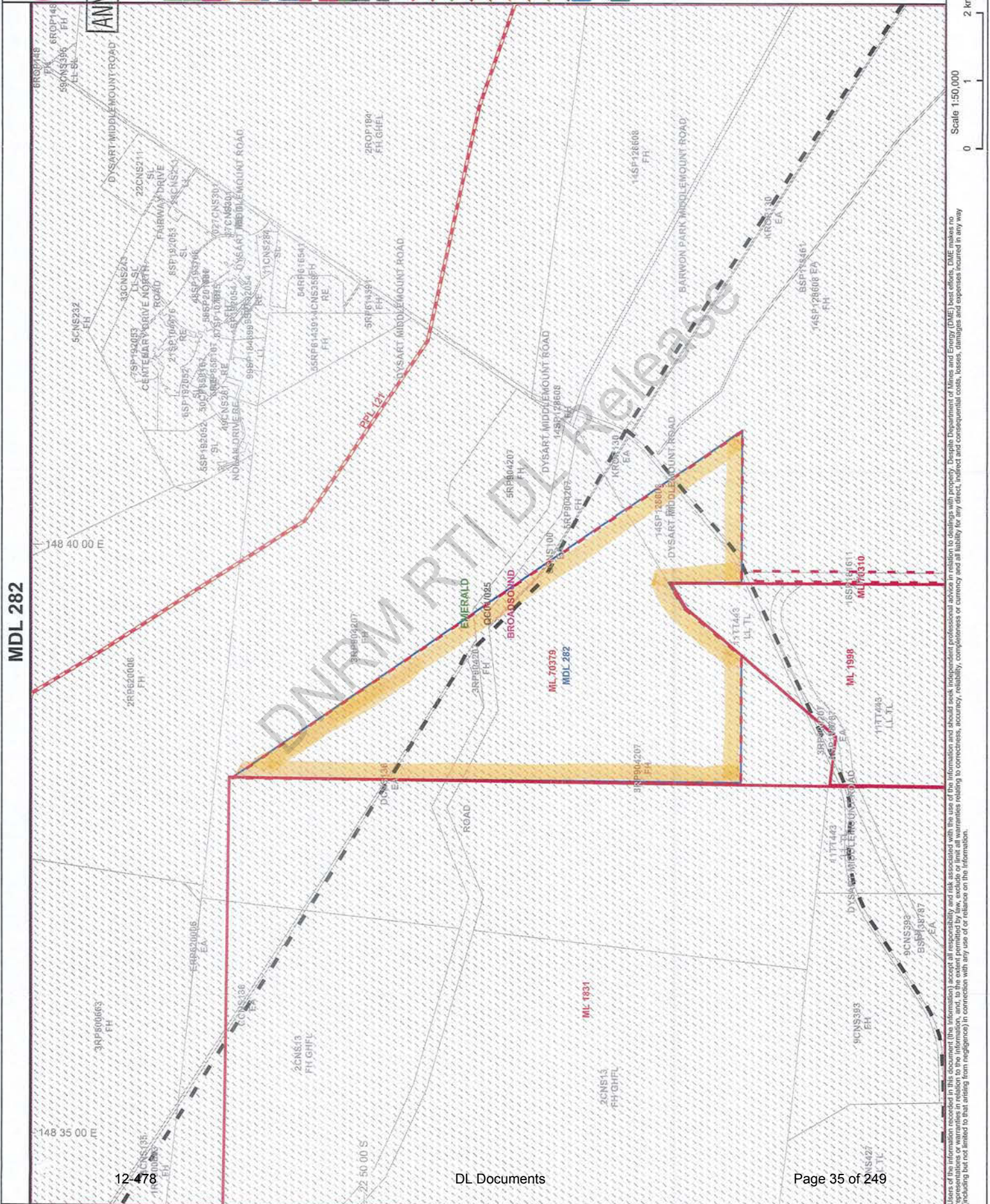
LEGEND

- DCDB > 1km perimeter
- EPC Application [Nil]
- EPC Application (Rejected) [Nil]
- Local Authority Area
- MC Application [Nil]
- MC Grant [Nil]
- MDL Application [Nil]
- MDL Grant
- ML Application
- ML Grant
- Mining District
- NT Claim - Application
- NT Claim - Determination [Nil]
- PPL - Constructed CSG [Nil]
- PPL - Constructed Gas [Nil]
- PPL - Constructed Oil [Nil]
- PPL - Offshore Constructed Gas [Nil]
- PPL - Offshore Proposed Gas [Nil]
- PPL - Proposed CSG
- PPL - Proposed Gas [Nil]
- PPL - Proposed Oil [Nil]
- PPL - Unclassified
- Restricted Area [Nil]
- STATE [Nil]
- Sterile Land [Nil]

Requested By: lobodimp
 Date: 11/2/07 11:15:51 AM



Projection: UTM (GDA94)
 Zone: 55



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INTERNAL CURRENT TITLE SEARCH
NATURAL RESOURCES AND WATER, QUEENSLAND

Search Date: 08/08/2007 12:28

Title Reference: 50141224
Date Created: 20/09/1996

Previous Title: 50128478

REGISTERED OWNER

Interest

Dealing No: 709662224 .07/06/2006

Section 78B(2) RTI Act

1/4
1/4
1/2

AS TENANTS IN COMMON

ESTATE AND LAND

Estate in Fee Simple

LOT 3 REGISTERED PLAN 904207
County of CAIRNS Parish of WYNDHAM
Local Government: BROADSOUND SHIRE

EASEMENTS, ENCUMBRANCES AND INTERESTS

1. Rights and interests reserved to the Crown by
Deed of Grant No. 40005257 (Lot 3 on CP CNS289)
2. EASEMENT No 602798647 (A1218) 15/03/1979
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENT E ON CP CNS136
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979
3. EASEMENT No 602798648 (A1219) 15/03/1979
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENT L IN CP CNS100
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979
4. EASEMENT No 602798649 (A1220) 15/03/1979
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENT D ON CP CNS136
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979

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Page 1/2

INTERNAL CURRENT TITLE SEARCH
NATURAL RESOURCES AND WATER, QUEENSLAND

Search Date: 08/08/2007 12:28

Title Reference: 50141224
Date Created: 20/09/1996

EASEMENTS, ENCUMBRANCES AND INTERESTS

5. SEC 174 NOTATION No 701357362 13/06/1996 at 08:48
The provisions of Section 174(1) of the Land Act 1994
apply to a Transfer of the whole or part of the land
Produced at 08:48 on 13/06/1996 Recorded at 08:59 on 13/06/1996
6. EASEMENT No 701741619 07/01/1997 at 10:09
burdening the land to
LOT 5 ON RP 904207 OVER
EASEMENT A ON RP 904207
Produced at 10:09 on 07/01/1997 Recorded at 08:51 on 10/01/1997
7. MORTGAGE No 709662229 07/06/2006 at 12:59
WESTPAC BANKING CORPORATION A.B.N. 33 007 457 141
Produced at 12:59 on 07/06/2006 Recorded at 15:16 on 15/06/2006

ADMINISTRATIVE ADVICES - NIL
UNREGISTERED DEALINGS - NIL

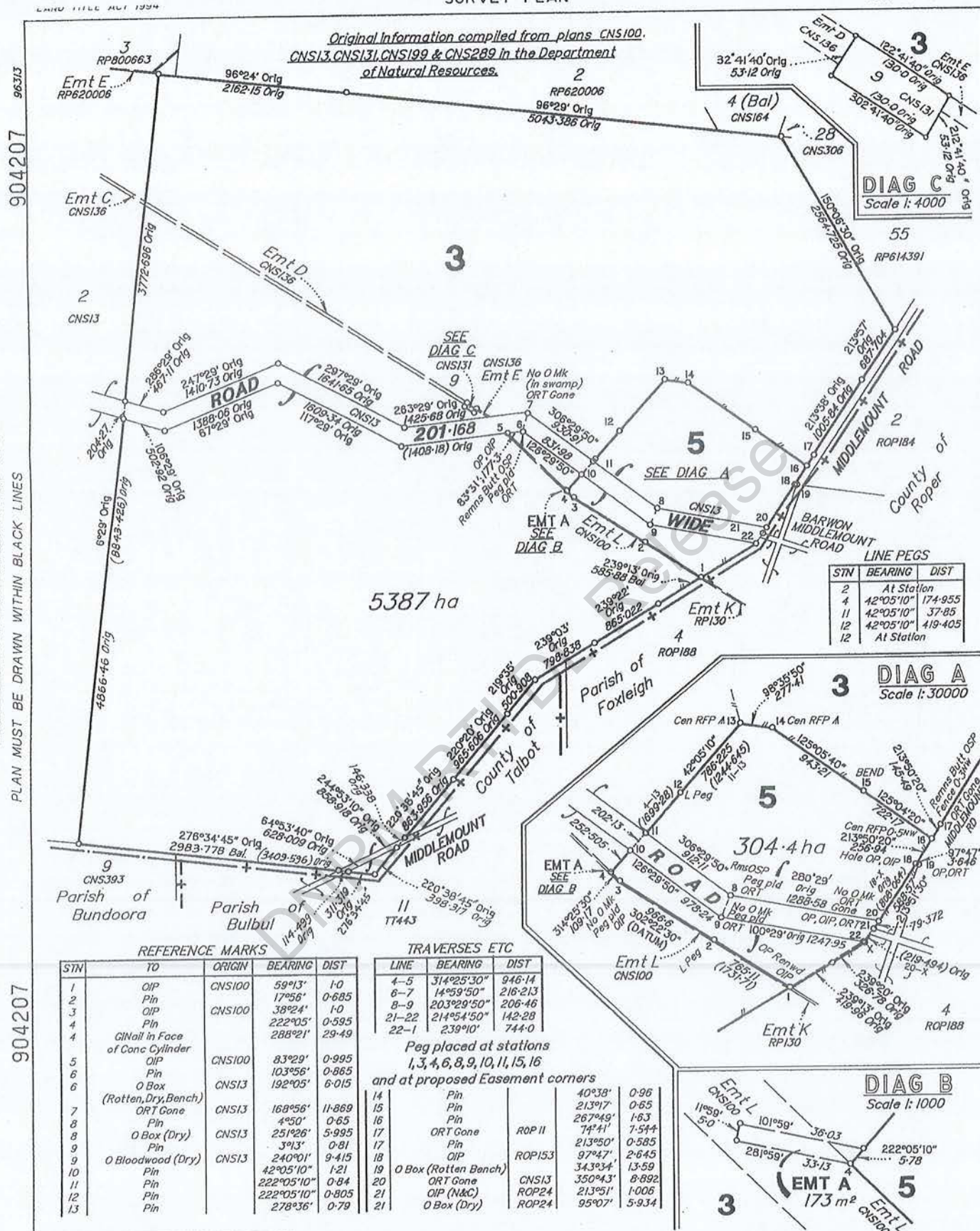
CERTIFICATE OF TITLE ISSUED - No

Caution - Charges do not necessarily appear in order of priority

** End of Current Title Search **

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Page 2/2



LINE PEGS

STN	BEARING	DIST
2	At Station	
4	42°05'10"	174-955
11	42°05'10"	37-85
12	42°05'10"	419-405
12	At Station	

DIAG A Scale 1:30000

REFERENCE MARKS

STN	TD	ORIGIN	BEARING	DIST
1	OIP	CNS100	59°13'	1-0
2	Pin		17°56'	0-685
3	OIP	CNS100	38°24'	1-0
4	Pin		222°05'	0-595
4	C/Nail in Face of Conc Cylinder		288°21'	29-49
5	OIP	CNS100	83°29'	0-995
6	Pin		103°56'	0-865
6	O Box	CNS13	192°05'	6-015
7	(Rotten, Dry, Bench) ORT Gone	CNS13	168°56'	11-869
8	Pin		4°50'	0-65
8	O Box (Dry)	CNS13	251°26'	5-995
9	Pin		3°13'	0-81
9	O Bloodwood (Dry)	CNS13	240°01'	9-415
10	Pin		42°05'10"	1-21
11	Pin		222°05'10"	0-84
12	Pin		222°05'10"	0-805
13	Pin		278°36'	0-79

TRAVERSES ETC

LINE	BEARING	DIST
4-5	314°25'30"	946-14
6-7	14°59'50"	216-213
8-9	203°29'50"	206-46
21-22	214°54'50"	142-28
22-1	239°10'	744-0

Peg placed at stations 1, 3, 4, 6, 8, 9, 10, 11, 15, 16 and at proposed Easement corners

14	Pin	40°38'	0-96
15	Pin	213°17'	0-65
16	Pin	267°49'	1-63
17	ORT Gone	74°41'	7-544
17	Pin	213°50'	0-585
18	OIP	97°47'	2-645
19	O Box (Rotten Bench)	34°34'	13-59
20	ORT Gone	350°43'	8-892
21	OIP (N&C)	213°51'	1-006
21	O Box (Dry)	95°07'	5-934

DIAG B Scale 1:1000

EVAN WESTLAKE NOMINEES PTY LTD
 ACN 008 965 477, hereby certify that the company has surveyed the land comprised in this plan by Evan Herbert Westlake (Licensed Surveyor) for whose work the Company accepts responsibility, that the plan is accurate, that the said survey was performed in accordance with the Surveyors Act 1977 and the Surveyors Regulation 1992, and that the said survey was completed on 19/4/1996

[Signature] Licensed Surveyor/Director
 Director
 Date 12.5.1996

PLAN OF Lots 3 & 5 and Proposed Easement A in Lot 3
 Cancelling Lot 3 on plan CNS289

ORIGINAL Lot 3 on CNS289 NO SURVEY RECORDS DEPOSITED

MERIDIAN, AMG - derived from CNS100	MAP REF 8652	SCALE 1:40000	ENDORSED TDJ 24/1/196	ARCHIVED CENTRAL REGISTERED
-------------------------------------	--------------	---------------	-----------------------	-----------------------------

PARISH WYNDHAM
 COUNTY Cairns
 TOWN/LOCALITY MIDDLEMOUNT
 LOCAL GOVERNMENT BROADSOUND S.C.
 LANDS REGION MACKAY
 MINING DISTRICT

PLAN 904207



701550111

\$181.00
16/09/1996 11:01

RN 400 PLAN OF SURV ORIG

Lodged by

AC Fox + Assoc.
Rackhampton

608

(Include address, phone number and reference)

Particulars entered in the Register on the Titles listed below,

REGISTERED
20 SEP 1996
\$49 - Signature
EXAM INT

I/We
s.49

Title Reference	Description	New Lots	Emts
5012847B	Lot 3 on CNS289	3, 5	A

For Additional Plan & Instrument Notings
Refer to CDP

(Names in full)

* As Registered Owner of this land * As Lessee/s of Miners Homestead agree to this Plan, # and dedicate the Public Use Land as shown hereon in accordance with Section 50 of the Land Title Act 1994.

Signature of *Owner/s *Lessee/s-

s.49 - Signature

* Rule out whichever is inapplicable
NOTE: A Lessee of a Miners Homestead is unable to dedicate Public Use Land.

* BROADSOUND SHIRE COUNCIL certifies that all the requirements of this Council, the Local Government Act 1993, the Local Government (Planning and Environment) Act 1990 and all Local Laws, # and the City of Brisbane Act 1924 and all Ordinances thereunder, have been complied with and approves this plan of Subdivision, SUBJECT TO

Dated this Sixteenth day of July 1996

[Signature] Mayor
Appointed Officer
s.49 - Signature
Chief Executive Officer

* Insert the name of the Local Government
Delete for Local Governments other than the City of Brisbane

SURVEY EXAMINATION	ORIGINAL GRANT	CHARTING	LODGEMENT FEES	REFERENCES
Exam. Fee \$ <u>115-</u> Receipt No. <u>115533</u> Date <u>24/6/96</u> Deposited <u>24/6/96</u> Examined <u>9/7/96 TDS</u> Passed <u>24/7/96 TDS</u>	<u>OK print 16/7/96</u> <u>CJP</u>	Charted	Survey Exam \$ <u>—</u> Lodg, Exam & Ass \$ <u>97.00</u> New Titles \$ <u>50.00</u> Photocopy \$ <u>14.00</u> Postage \$ <u>—</u> TOTAL \$ <u>181.00</u>	Lands File <u>904207</u> Local Government Reference Surveyors Reference

REGISTERED PLAN 904207

904207

904207

INTERNAL HISTORICAL TITLE SEARCH
NATURAL RESOURCES AND WATER, QUEENSLAND

Search Date: 08/08/2007 12:30

Title Reference: 40005257
Date Created: 11/06/1996

This Title Has Been Fully Cancelled.

[Form 1.1] Title Reference: 40005257

QUEENSLAND

DEED OF GRANT OF LAND

Land Act 1994

Elizabeth the Second, by the Grace of God, Queen of Australia,
and Her other Realms and Territories, Head of the Commonwealth:-

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WE, with the advice of the Executive Council, under the Land Act 1994,
grant in fee simple all that parcel of land described in Schedule 1 to the
person described in Schedule 2,

SUBJECT TO the reservations and conditions specified, and such other
reservations and conditions as may be contained in and declared by the
laws of the State.

Specified Reservations -

- (a) All minerals (as defined by the Mineral Resources Act 1989) on and below the surface of the land
- (b) The right of access for the purpose of searching for and working any mines (as defined by the Mineral Resources Act 1989) in any part of the land
- (c) All petroleum (as defined by the Petroleum Act 1923) on and below the surface of the land
- (d) All rights of access for the purpose of searching for and for the operations of obtaining petroleum in any part of the land, and all rights of way for access and for pipelines and other purposes requisite for obtaining and conveying petroleum in the event of petroleum being obtained in any part of the said land
- (e) All quarry material (as defined by the Forestry Act 1959) on and below the surface of the land

Specified Conditions -

- (a) The provisions of Section 174(1) of the Land Act 1994 apply to a transfer of the whole or part of the land

IN TESTIMONY WHEREOF, WE have caused this OUR grant to be sealed with the Seal of the State of Queensland.

For Internal Use Only - Not to be used for External Viewing

INTERNAL HISTORICAL TITLE SEARCH
NATURAL RESOURCES AND WATER, QUEENSLAND

Search Date: 08/08/2007 12:30

Title Reference: 40005257
Date Created: 11/06/1996

WITNESS our Trusty and Well-beloved Her Excellency Leneen Forde, Companion of the Order of Australia, Governor in and over the State of Queensland and its Dependencies, in the Commonwealth of Australia at Government House, Brisbane, in Queensland aforesaid, this 6th day of June, in the 45th Year of Our Reign and in the year of Our Lord 1996.

REGISTERED OWNER

Interest

s.49

1/4
1/4
1/4
1/4

AS TENANTS IN COMMON

ESTATE AND LAND

Estate in Fee Simple

LOT 3 CROWN PLAN CNS289 Parish of WYNDHAM
County of CAIRNS

EASEMENTS, ENCUMBRANCES AND INTERESTS

1. REQUEST FOR INDEFEASIBLE TITLE No 701358633
A new title is requested for the whole of the land
Produced at 13:56 on 13/06/1996 Recorded at 09:03 on 17/06/1996
2. SEC 174 NOTATION No 701357362
The provisions of Section 174(1) of the Land Act 1994
apply to a Transfer of the whole or part of the land
Produced at 08:48 on 13/06/1996 Recorded at 08:59 on 13/06/1996
3. EASEMENT No 602798649 (A1220)
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENT D ON CP CNS100
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979

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Page 2/3

INTERNAL HISTORICAL TITLE SEARCH
NATURAL RESOURCES AND WATER, QUEENSLAND

Search Date: 08/08/2007 12:30

Title Reference: 40005257
Date Created: 11/06/1996

EASEMENTS, ENCUMBRANCES AND INTERESTS

4. EASEMENT No 602798648 (A1219)
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENT L AND M IN CP CNS100
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979
5. EASEMENT No 602798647 (A1218)
Burdening
THE LAND TO UTAH DEVELOPMENT COMPANY
OVER EASEMENTS D AND E ON CP CNS136
UNDER SECTION 467(2) OF THE LAND ACT 1994
Produced at 00:00 on 15/03/1979 Recorded at 00:00 on 15/03/1979
6. Rights and interests reserved to the Crown by
Deed of Grant No. 40005257 (Lot 3 on CP CNS289)

ADMINISTRATIVE ADVICES - NIL
UNREGISTERED DEALINGS - NIL

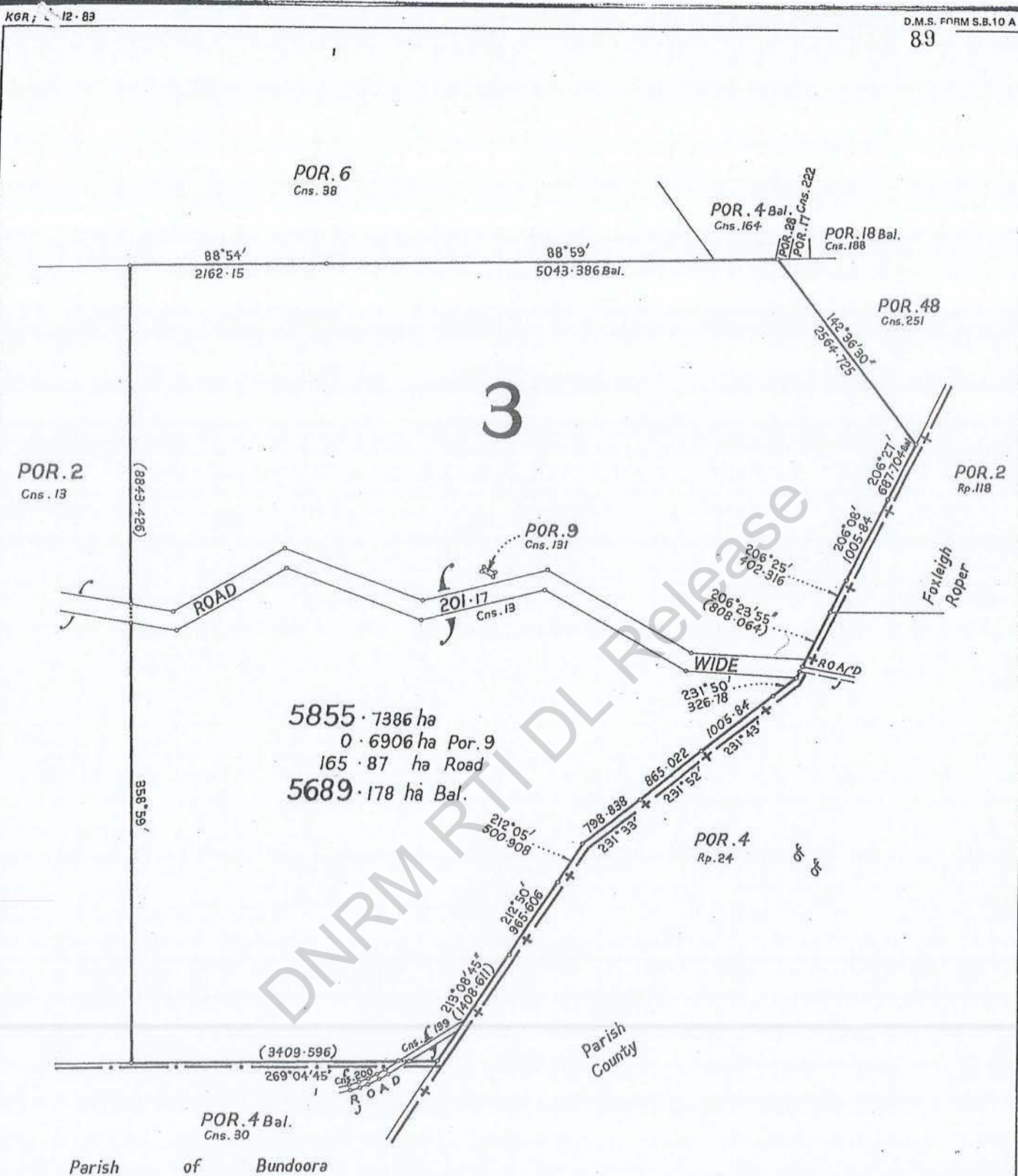
CERTIFICATE OF TITLE ISSUED - No

Caution - Charges do not necessarily appear in order of priority

** End of Historical Title Search **

For Internal Use Only - Not to be used for External Viewing

Page 3/3



5855.7386 ha
0.6906 ha Por. 4
165.87 ha Road
5689.178 ha Bal.

DNRM RT/DL Release

For Additional Plan & Document Notings Refer to CISP

For Embs D & E in Por. 3 see Cns. 136.
For Emb L in Por. 3 see Cns. 100.

PROCLAIMED SURVEY AREA	MINING FIELD	LAND AGENTS DISTRICT	CLERMONT	LOCAL AUTHORITY	BROADSOUND S.C.
COMPILED FROM... Cns. 199 & Cns. 251		PLAN OF Portion 3		TOWN	
CHIEF EXAMINER I, the ... hereby certify that the Department of Mapping and Surveying has made this plan pursuant to Regulation 29 of the Surveyors Regulations 1978 and that the plan is		sunmap		PARISH	WYNDHAM
s.49 - Signature 27 JAN 1984		SCALE 1:40,000		County	Cairns
CAM Vide Cns. 199		AUTHORITY		PLAN Cns. 289	
F.2116 Clermont		CHECKED	REGISTERED	CHARTED	MAP REF.
11-1-84		31-1-84	11-1-84	8652	

Section 271
Section 147A(1)

VOL: S 7622 FOL: 151



17622151

QUEENSLAND.

GRAZING HOMESTEAD ^{12/}
FREEHOLDING LEASE NO. 2116B

CLERMONT DISTRICT.

Lease of Subdivision of ^{VOL.} 7622 ^{FOL.} 151

GRAZING HOMESTEAD FREEHOLDING LEASE

Elizabeth the Second, by the Grace of God, Queen of Australia, and Her other Realms and Territories, Head of the Commonwealth:—

To All to whom these Presents shall come, Greeting :

Whereas,

on the date next hereinafter mentioned s.49

s.49 his wife, as tenants in common in the interests of three-fourths and one-fourth respectively were the Lessees under the Land Act 1962-1984 (hereinafter referred to as "the said Act"), of Grazing Homestead Freeholding Lease No.2116, Clermont District

AND WHEREAS, the said s.49 s.49 as tenants in common in such interests as aforesaid

on or about the Eleventh day of January, in the year One thousand nine hundred and eighty-three, duly made application to the Minister for Lands, Forestry and Police of Our State of Queensland that the said holding should be subdivided, and that a new Lease for Subdivision Two of the said holding should be issued in the name of the said s.49

s.49 as tenants in common in such interests as aforesaid and also surrendered to Us their Lease of the said holding: AND WHEREAS the said holding was subdivided and thereupon the said s.49 as tenants in common in such interests as aforesaid

became entitled to receive from Us a Lease for Subdivision Two of the said holding for the residue of the term granted in the said surrendered Lease,

at the yearly rent hereinafter mentioned, and with, under, and subject to the rights, powers, privileges, terms, conditions, provisions, exceptions, restrictions, reservations, and provisos in the said Act and hereinafter contained: Now KNOW YE that, in consideration of the premises and of the rent hereby reserved, and in pursuance of the said Act, WE DO HEREBY; for Us, Our Heirs and Successors, Demise and Lease unto the said s.49

s.49 as tenants in common in such interests as aforesaid (hereinafter with their Successors in title designated "the Lessees ") and their Lawful Assigns,

ALL that parcel of Land particularly described in the Schedule endorsed on these Presents, being Subdivision Two of the said holding, To HOLD the same unto the Lessees and their lawful Assigns for and during the term of Twenty-eight and one-half years (being the residue of the term of the said surrendered Lease) to be computed

from the First day of July in the year One thousand nine hundred and eighty-three subject to the reservations and conditions hereinafter particularly mentioned; and with, under, and subject to the several rights, powers, privileges, terms, conditions, provisions, exceptions, restrictions, reservations, and provisos applicable to the same contained in the said surrendered Lease and contained or prescribed in and by the said Act, the Mining Act 1968-1983 and the Petroleum Act 1923-1983, or any Regulations made or which may hereafter be made under the aforesaid Acts or any of them: YIELDING AND PAYING unto Us, Our Heirs and Successors, on or before the Thirty-first day of March in each and every year during the said term the yearly rent or sum of Five hundred and sixty-two dollars nineteen cents

DUTY STAMP

[Form 24]

such payments to be made at the Office in Brisbane of the Department of Lands, or at any District Land Office, in Our said State, or at such other place as may from time to time be appointed by the Governor of Our said State in Council: AND subject to the condition of Occupation as defined by the said Act,

7622-151

PROVIDED ALWAYS AND WE DO HEREBY RESERVE unto Us, Our Heirs and Successors, all Gold and Minerals (the term "Minerals" to have the same meaning as in the *Mining Act 1968-1983*), on and below the surface of the said Land, and all Mines of Gold and Minerals, on and below the surface of the said Land: AND WE DO HEREBY ALSO RESERVE unto Us, Our Heirs and Successors, and to such persons as shall from time to time be duly authorised by Us in that behalf, during the term of the said Lease, the free right and privilege of access, including ingress, egress, and regress, into, upon, over, and out of the said Land, for the purpose of searching for or working Gold and Minerals, or any of them, or Mines of Gold and Minerals, or any of them, in any part of the said Land: AND WE DO HEREBY ALSO RESERVE unto Us, Our Heirs and Successors, all Petroleum (the term "Petroleum" to have the same meaning as in the *Petroleum Act 1923-1983*), on or below the surface of the said Land: AND ALSO all rights of access for the purpose of searching for and for the operations of obtaining Petroleum in any part of the said Land: AND ALSO all rights of way for access and for pipe lines and other purposes requisite for obtaining and conveying Petroleum in the event of Petroleum being obtained in any part of the said Land: AND WE DO FURTHER RESERVE the right of any person duly authorised in that behalf by the Governor of Our said State in Council at all times to go upon the said Land, or any part thereof, for any purpose whatsoever, or to make any survey, inspection, or examination of the same.

IN TESTIMONY WHEREOF, We have caused this Our Lease to be sealed with the Seal of Our said State.

WITNESS Our Trusty and Well-beloved His Excellency Commodore Sir JAMES MAXWELL RAMSAY, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Royal Victorian Order, Commander of the Most Excellent Order of the British Empire, upon whom has been conferred the Decoration of the Distinguished Service Cross, and Commodore in the Royal Australian Navy (Retired), Governor in and over the State of Queensland and its Dependencies in the Commonwealth of Australia, at Government House, Brisbane, in Queensland aforesaid, this Twenty-first day of June, in the thirty-third year of Our Reign and in the year of Our Lord One thousand nine hundred and eighty-four.

s.49 - Signature

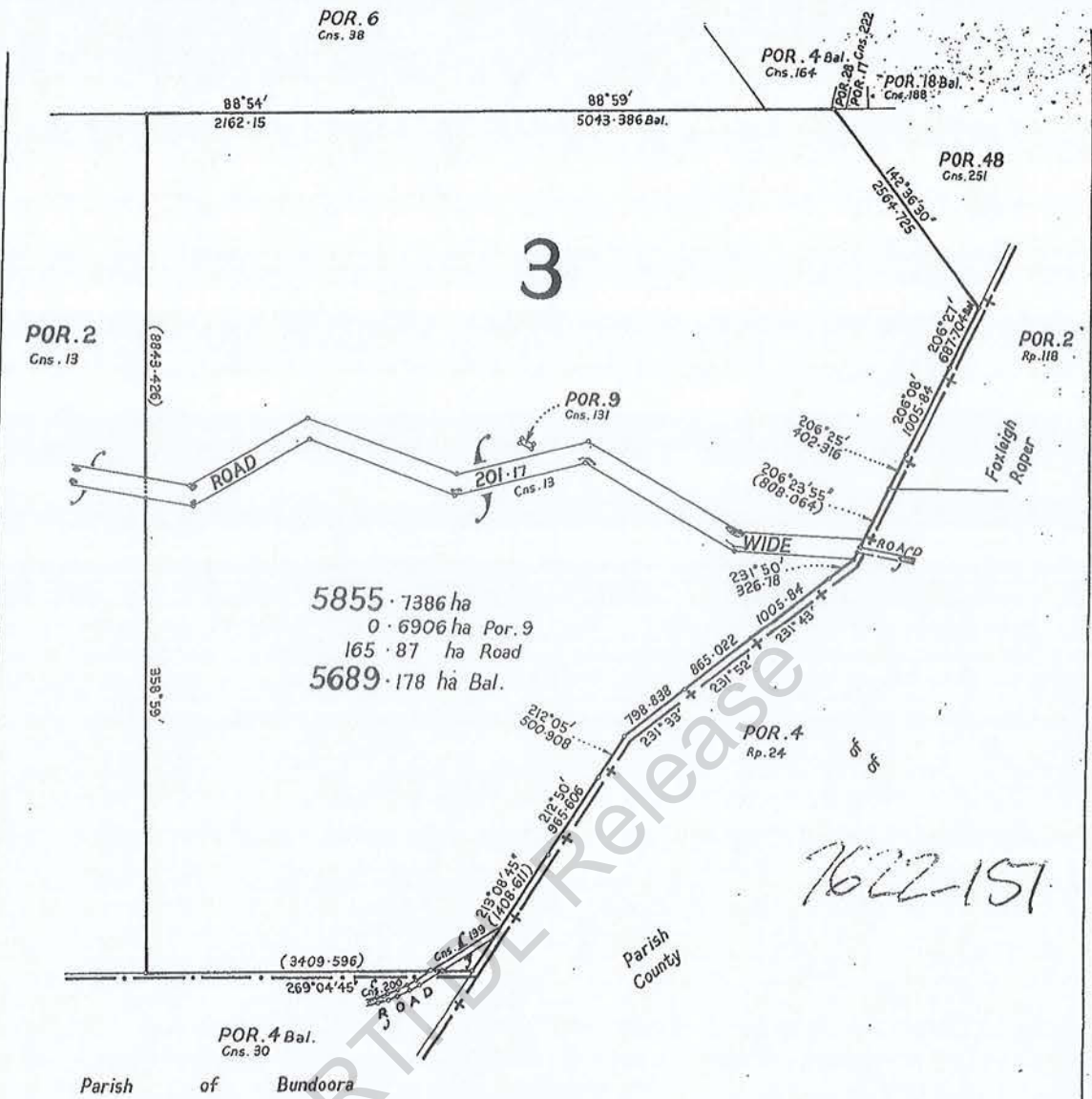
12/ SCHEDULE

Registered No. of Selection 2116B Clermont District
County Cairns Parish Wyndham
Portion Three Lot 2 on Plan Cns 289
Area 5689.178 hectares.



Plan Cat. No. Cns 289 Scale

SEE ATTACHED DIAGRAM



5855.7386 ha
 0.6906 ha Por. 9
 165.87 ha Road
 5689.178 ha Bal.

THIS PLAN IS PART OF THE INSTRUMENT OF LEASE AND SHOULD NOT BE REMOVED

For Embs D & E in Por. 3 see Cns. 136.
 For Emb L in Por. 3 see Cns. 100.

PROCLAIMED SURVEY AREA	MINING FIELD	LAND AGENTS DISTRICT	CLERMONT	LOCAL AUTHORITY	BROADSOUND S.C.
COMPILED FROM... Cns. 199 & Cns. 251		PLAN OF Portion 3		TOWN	WYNDHAM
I, the CHIEF EXAMINER hereby certify that the Department of Mapping and Surveying has made this plan pursuant to Regulation 29 of the Surveyors Regulations 1978 and that the plan is accurate.		SCALE 1:40,000		PARISH	Cairns
s.49 - Signature	27 JAN 1984	CAM Vide Cns. 199	AUTHORITY	County	Cairns
	Date		Checked	Registered	Charted
			F.2116 Clermont	s.78	s.49 - Signature
			11.1.84	31.1.84	8652
			PLAN Cns. 289		

CROWN COPYRIGHT RESERVED, DEPARTMENT OF MAPPING AND SURVEYING, QUEENSLAND.

Transfers, Mortgages, Etc., Registered (continued)

7622-151

EASEMENT No. A1218 in pursuance of an Agreement dated the 18th day of September, 1978 between the lessor of the within-described holding and UTAH DEVELOPMENT COMPANY for purposes as defined in such Agreement. Registered: 15 MAR 1979

[Signature Box] s.49 - Signature
Registrar of Dealing

Sec.284

Clarence Marsh Baker, Shirley Claire Baker, John Thomas Baker and Jocelyn Birch Baker as tenants in common in equal interests are now the registered lessees of the within-described holding.

TRANSFER No. L55294SB
PRODUCED 6 JUL 1993
REGISTERED 11 NOV 1993 s.49 - Signature
REGISTRAR OF TITLES

EASEMENT No. A1219 in pursuance of an Agreement dated the 18th day of September, 1978 between the lessor of the within-described holding and UTAH DEVELOPMENT COMPANY for purposes as defined in such Agreement. Registered: 15 MAR 1979

[Signature Box] s.49 - Signature
Registrar of Dealing

Sec.284

EASEMENT No. A1220 in pursuance of an Agreement dated the 18th day of September, 1978 between the lessor of the within-described holding and UTAH DEVELOPMENT COMPANY for purposes as defined in such Agreement. Registered: 15 MAR 1979

[Signature Box] s.49 - Signature
Registrar of Dealing

Sec.284

TRANSFER of the Lessee's Interest in the within-described holding to CLARENCE MARSH BAKER, SHIRLEY CLAIRE BAKER, JOHN THOMAS BAKER and COLIN MARSH BAKER as tenants in common in equal interests

Registered: 18 JUN 1986
Registrar of Dealing

IN terms of Regulation 41A (1) of the Land Regulations, the description of the Land comprised in the within lease is amended to lot 3 on plan CNS289

[Signature Box] s.49 - Signature
Registrar of Dealing

Departmental Correspondence Action Sheet

File: MDL 282

Loose

Doc: M107/12702

1 SR 4

Date of Entry: 9/11/07

Urgent

Signature: Peter Hoppner

Routine

ACTION OFFICER USE

DUE DATE: / /

2) Register updated.

3) Marcel Klemm - for assessment of Variation lodged on 29/9/07 - request to allow bulk sampling.
KM 9/11/07.

Label 109...

s.49 - Signature

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

Comments (if any)

APPROVAL
AMEND
ENVIRONMENTAL
AUTHORITY

DESIGNATED OFFICER

Signature: s.49 - Signature

Date: 9/11/07

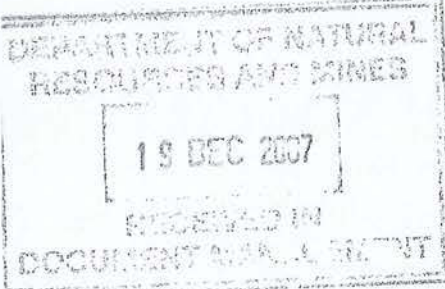
FINAL ACTION

Departmental Minute Prepared Yes No

Comments

Signature:

Date: DL Documents / /



Enquiries Rebecca Blades
Telephone (07) 49824555
Your reference MIN100562607
Our reference EMD2213

Environmental Protection Agency
Incorporating the
Queensland Parks and Wildlife Service

5 November 2007

Mining Registrar
Department of Mines and Energy
99 Hospital Road
EMERALD QLD 4720

Dear Sir/Madam

Re: Application for amendment to a Level 1 Environmental Authority (mineral development) MIN100562607.

I refer to the amendment application for a level 1 environmental authority for M4533 (now MIN100562607) lodged by Ribfield Pty Ltd. I am pleased to advise that this application has been granted as of 5 November 2007.

The amended Environmental Authority has been transferred to the holders Ribfield Pty Ltd and Custom Mining (Middlemount) Pty Ltd as MIN100580807. A copy of the transferred amended environmental authority (mineral development) MIN100580807 has been attached for your records.

Should you have any queries regarding this issue, please contact Rebecca Blades on (07) 4982 4555.

Yours sincerely

s.49 - Signature

Michael Rodgerston
District Manager



Notice of decision - Permit¹ transfer or amendment

This notice is issued by the Environmental Protection Agency to advise of a statutory decision made under environmental or conservation legislation for an application to transfer or amend a permit.

RIBFIELD PTY LTD
1 Honeysuckle Drive "The Broadwalk"
NEWCASTLE NSW 2300

Our reference: 171784

Attention: Nathan Tinkler

Dear Mr Tinkler

Re: Decision made in relation to your application under legislation administered by the Environmental Protection Agency (EPA).

The EPA has assessed your application received on 03-AUG-2007 and wishes to advise you of the following decision:

Permit Applied For	Permit Number	Decision
Environmental Authority (Mining Lease) Non Code Compliant Level 1 Mining Project under Environmental Protection Act 1994	MIN100580807	Granted

Where the application has been granted, the permit has been re-issued and is attached. Where the application has been refused a Statement of Reasons is attached. Please note that for each approval, this Notice of Decision and the relevant attachments constitute the new permit documentation. Please retain this approval documentation for your records.

Included with this Notice is advice on review and appeal processes available to you. Should you wish to seek a review or appeal, the EPA advises that you seek independent advice before taking such action.

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service

If you require more information, please contact Rebecca Blades, the Project Manager, on the telephone number listed below.

Yours sincerely

s.49 - Signature

Michael Rodgerson
Environmental Protection Agency
~~09~~-NOV-2007

S/11/07 MR

Enquiries:
Central West District Office (EPA) Emerald
PO Box 906
EMERALD QLD 4720
Phone: (07) 4982 4555
Fax: (07) 4982 2568

Attachment

DNRM RTI DL Release



Enquiries Rebecca Blades
Telephone (07) 4982 4555
Your reference MDL282
Our reference EMD2213

Environmental Protection Agency
Incorporating the
Queensland Parks and Wildlife Service

5 November 2007

RIBFIELD PTY LTD
1 Honeysuckle Drive "The Boardwalk"
NEWCASTLE NSW 2300

Dear Mr Tinkler

**RE: Transfer of Environmental Authority (Mining Activities) MIN100580807
(previously MIN10056207)**

I refer to the transfer application for environmental authorities (mining) received at this office on 3 August 2007. The authorities have been transferred from:

Tenure	Environmental Authority	Transferred From	Transferred To
MDL282	MIN100580807	Ribfield Pty Ltd DJB Coal Pty Ltd	Ribfield Pty Ltd Custom Mining (Middlemount) Pty Ltd

Please find attached the transferred environmental authority and a "Notice of transfer of an environmental authority (mining activities)" to be forwarded to the applicant pursuant to subsection 266(2) of the *Environmental Protection Act 1994*.

It should be noted that when an environmental authority is transferred the transferee must, within ten (10) days, give the landowners written notice of the transfer.

A replacement of financial assurance equal to the current amount held is to be arranged and lodged by the new holders of the Environmental Authorities if necessary.

If you have any queries in relation to this matter please contact Rebecca Blades on (07) 4982 4555.

Yours sincerely

s.49 - Signature

Michael Rodgers
District Manger

Permit¹

**S238 Environmental Protection Act 1994
Environmental Authority (Mineral Development and Exploration) Non-Code Compliant
Level 1 Mining Project**

Permit¹ number: MIN100580807

This environmental authority is granted under the Environmental Protection Act 1994 and includes conditions to minimise environmental harm caused, or likely to be caused, by the authorised mining activities. An environmental authority (mining activities) may be for mining activities authorised (under the Mineral Resources Act 1989) to occur under one of the following mining tenements: a prospecting permit; mining claim; exploration permit; mineral development licence; or mining lease. In general, a mining activity means: prospecting, exploring, mining; or processing minerals; remediation; rehabilitation; and includes facilitation and supporting activities and any action taken to prevent environmental harm.

Under the provisions of the *Environmental Protection Act 1994* this environmental authority is issued to:

Permit Holder(s)	Name	Address
Principal Holder	Ribfield Pty Ltd	C8 /1 Honeysuckle Drive Newcastle NSW 2300
Joint Holder	Custom Mining (Middlemount) Pty Ltd	C8 /1 Honeysuckle Drive Newcastle NSW 2300

Activity(s)	Location(s)
Mineral Development	MDL 282

This Environmental Authority takes effect from: 9 November 2007.

The environmental authority is subject to the attached conditions of approval.

s.49 - Signature

Michael Rodgerson
Delegate of the Administering Authority
Environmental Protection Agency
Date: 9/11/07

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service

Schedule of conditions

This environmental authority consists of the following schedules of conditions relevant to various issues:

- Schedule A - General
- Schedule B - Air
- Schedule C - Water
- Schedule D - Noise and vibration
- Schedule E - Waste management
- Schedule F - Land
- Schedule G - Community
- Schedule H - Definitions

Schedule A – General

(A1) Financial Assurance

- (A1-1) Provide a financial assurance in the amount and form required by the administering authority prior to the commencement of activities proposed under this environmental authority.
- (A1-2) The financial assurance is to remain in force until the administering authority is satisfied that no claim on the assurance is likely.
 Note: Where progressive rehabilitation is completed and acceptable to the administering authority, progressive reductions to the amount of financial assurance will be applicable where rehabilitation has been completed in accordance with the acceptance criteria defined within this environmental authority.
- (A1-3) The conditions of this environmental authority are in force until a surrender of the authority is accepted pursuant to the *Environmental Protection Act 1994*. The conditions apply unless an amendment is approved pursuant to the *Environmental Protection Act 1994*.
- (A1-4) The environmental authority holder must develop and implement during the continuation of this authority, a program to ensure that all employees and contractors on site are aware of and comply with the relevant requirements for this authority.

(A2) Maintenance of measures, plant and equipment

- (A2-1) The environmental authority holder must ensure:
 - a) that all measures, plant and equipment necessary to ensure compliance with the conditions of this environmental authority are installed;
 - b) that such measures, plant and equipment are maintained in a proper conditions; and
 - c) that such measures, plant and equipment are operated in a proper manner.

(A3) Monitoring

- (A3-1) Record, compile and keep for a minimum of five years all monitoring results required by this environmental authority and make available for inspection all or any of these records upon request by the administering authority.
- (A3-2) Where monitoring is a requirement of this environmental authority, ensure that a competent person(s) conducts all monitoring.
- (A3-3) All instruments, equipment and measuring devices used for measuring or monitoring in accordance with any condition of this approval must be calibrated, and appropriately operated and maintained.

(A4) Storage and handling of flammable and combustible liquids

- (A4-1) All flammable and combustible liquids must be contained within an on-site containment system and controlled in a manner that prevents environmental harm and maintained in accordance with the current version of AS 1940 – Storage and Handling of Flammable and Combustible Liquids.
- (A4-2) Spillage of all flammable and combustible liquids must be controlled in a manner that prevents environmental harm.

(A5) Storage and handling of chemicals

- (A5-1) All chemicals must be contained within an on-site containment system and controlled in a manner that prevents environmental harm and maintained in accordance with the current version of the relevant Australian Standard.
- (A5-2) Spillage of all chemicals must be controlled in a manner that prevents environmental harm.

(A6) Spill Kits

- (A6-1) An appropriate spill kit, personal protective equipment and relevant operator instructions/emergency procedure guides for the management of wastes and chemicals associated with the activity must be kept at the site, and in each vehicle used.
- (A6-2) Anyone operating under this approval must be trained in the use of the spill kit.

(A7) Notification of Emergencies and Incidents

- (A7-1) All reasonable actions are to be taken to minimise environmental harm, or the risk thereof, resulting from any emergency, incident or circumstances not in accordance with the conditions of this environmental authority.
- (A7-2) The environmental authority holder must notify the administering authority as soon as reasonably practicable after becoming aware of any emergency or incident resulting in the release of contaminants, or which threatens the release of contaminants, not authorised to be caused under this environmental authority.

- (A7-3) The notification in condition (A7-2) must include, but not be limited, to the following:
- a) the environmental authority number and name of holder;
 - b) the name and telephone number of the designated contact person;
 - c) the location of the emergency or incident;
 - d) the date and time of the release;
 - e) the time the holder of the environmental authority became aware of the release;
 - f) the estimated quantity and type of substance released;
 - g) the suspected cause of the release;
 - h) a description of the effects of the release including environmental harm and/or environmental nuisance caused, threatened, or suspected to be caused by the release;
 - i) any sampling conducted or proposed, relevant to the emergency or incident; and
 - j) immediate actions taken to prevent any further release and mitigate any environmental harm and/or environmental nuisance caused by the release.
- (A7-4) Not more than fourteen (14) days following the initial notification of an emergency or incident, further written advice must be provided to the administering authority, including the following:
- a) results and interpretation of any samples taken and analysed;
 - b) outcomes of actions taken at the time to prevent or minimise environmental harm or environmental nuisance; and
 - c) proposed actions to prevent a recurrence of the emergency or incident.

(A8) Definitions

- (A8-1) Words and phrases used throughout this environmental authority are defined in Schedule H – Definitions. Where a definition for a term used in this environmental authority is sought and the term is not defined within this environmental authority, the definitions in the *Environmental Protection Act 1994*, its Regulations and Environmental Protection Policies must be used.

Schedule B – Air

(B1) Dust nuisance

- (B1-1) Subject to Conditions (B1-2) and (B1-3) the release of dust and/or particulate matter resulting from the mining activity must not cause an environmental nuisance, at any sensitive or commercial place.
- (B1-2) When requested by the administering authority, dust and particulate monitoring must be undertaken within a reasonable and practicable timeframe nominated by the administering authority to investigate any complaint (which is neither frivolous nor vexatious nor based on mistaken belief in the opinion of the authorised officer) of environmental nuisance at any sensitive or commercial place, and the results must be notified within fourteen (14) days to the administering authority following completion of monitoring.

(B1-3) If the environmental authority holder can provide evidence through monitoring that the following limits are not being exceeded then the holder is not in breach of (B1-1):

- a) Dust deposition of 120 milligrams per square metre per day, averaged over one month when monitored in accordance with AS 3580.10.1 Methods for sampling and analysis of ambient air - Determination of particulates - Deposited matter - Gravimetric method of 1991; and
- b) A concentration of particulate matter with an aerodynamic diameter of less than 10 micrometre (μm) (PM10) suspended in the atmosphere of 150 micrograms per cubic metre over a 24 hour averaging time, at a sensitive or commercial place downwind of the operational land, when monitored in accordance with:
 - i) Particulate matter - Determination of suspended particulate PM10 high-volume sampler with size-selective inlet - Gravimetric method, when monitored in accordance with AS 3580.9.6 Methods for sampling and analysis of ambient air - Determination of suspended particulate matter - PM (sub) 10 high volume sampler with size-selective inlet - Gravimetric method of 1990;
 - or
 - ii) Any alternative method of sampling PM10, which may be permitted by the 'Air Quality Sampling Manual' as published from time to time by the administering authority.

(B1-4) If monitoring indicates exceedence of the relevant limits in Condition (B1-3), then the environmental authority holder must investigate whether the exceedance is due to emissions of dust from the activity. If the mining activity is found to be the cause of the exceedance then the environmental authority holder must:

- a) address the complaint including the use of appropriate dispute resolution if required; and
- b) immediately implement dust abatement measures so that emissions of dust from the activity do not result in further environmental nuisance.

(B2) Odour Nuisance

(B2-1) Subject to requirement of condition (B2-2), the release of noxious or offensive odour(s) or any other noxious or offensive airborne contaminant(s) resulting from the mining activity must not cause an environmental nuisance at any sensitive or commercial place.

(B2-2) When requested by the administering authority, odour monitoring must be undertaken within a reasonable and practicable timeframe nominated by the administering authority to investigate any complaint (which is neither frivolous nor vexatious nor based on mistaken belief in the opinion of the authorised officer) of environmental nuisance at any sensitive or commercial place, and the results must be notified within fourteen (14) days to the administering authority following completion of monitoring.

Schedule C – Water

(C1) Authorised Releases

(C1-1) Process water and storm water contaminated by mining activities must only be released to surface waters at the authorised release points as defined in Schedule C – Table 1 (Discharge Location) and in compliance with the release limits listed in Schedule C – Table 2 (End of pipe contaminant release limits).

Schedule C – Table 1 (Discharge Location)

Authorised Discharge Point	Latitude (GDA94)	Longitude (GDA94)	Location
Discharge Point 1	671,767.0E	7,469,082.1N	Roper Creek (SE corner)

(C1-2) End of pipe release limits for process water and storm water contaminated by mining activities must be monitored at the locations and frequencies defined in Schedule C – Table 3 (End of pipe monitoring location and frequency) and Map (Attachment A) and comply with the contaminant limits defined in Schedule C – Table 2 (End of pipe contaminant release limits).

Schedule C – Table 2 (End of pipe contaminant release limits)

		Contaminant Limits	
Quality characteristics	Units	Minimum	Maximum
pH	pH units	6.5	8.5
Electrical Conductivity	$\mu\text{s.cm}^{-1}$	N/A	1,500
Total Suspended Solids	mg/L	N/A	50
Dissolved Oxygen	%	85	-
Total Petroleum Hydrocarbons (C6-C9)	mg/L	-	15
Total Petroleum Hydrocarbons (C10-C36)	mg/L	-	15

(C1-3) Monitoring must be undertaken and records kept of a monitoring program of contaminant releases to Roper Creek at the monitoring points specified in Schedule C – Table 3 (End of pipe monitoring location and frequency), and for the parameters specified in Schedule C – Table 2 (End of pipe contaminant release limits).

Schedule C – Table 3 (End of pipe monitoring location and frequency)

Monitoring Point	Latitude (GDA94)	Longitude (GDA94)	Frequency
Monitoring Point 1 – (Release from Discharge Point 1)	671,767.0E	7,469,082.1N	Daily during discharge

(C1-4) Authorised releases of process water and storm water contaminated by mining activities to Roper Creek in accordance with conditions (C1-1), (C1-2) and (C1-3) shall be only during periods of natural flow events. The duration of a natural flow event shall not be extended as a consequence of the mine water release.

(C1-5) The authority holder must, within twenty-eight (28) days of a water release, provide a report to the administering authority detailing:

- a) the reason for the release;
- b) the location of the release;
- c) all water quality monitoring results;
- d) any general observations;
- e) all calculations; and
- f) any other matters pertinent to the water release event.

(C1-6) In addition to the quality characteristic limits specified in Schedule C Table 2 (End of pipe contaminant release limits), process water and storm water contaminated by mining activities released in accordance with conditions (C1-1), (C1-2), (C1-3) and (C1-4) must not have any properties nor contain any organisms or other contaminants in concentrations that are capable of causing environmental harm.

(C2) Impacted Sites

(C2-1) Waters must be monitored at the locations and frequency defined in Schedule C – Table 4 (Receiving water monitoring locations and frequency) and Map (Attachment B) for the parameters in Schedule C – Table 4 (Receiving water contaminant trigger levels).

Schedule C – Table 4 (Receiving water monitoring locations and frequency)

Sampling location	Latitude (GDA94)	Longitude (GDA94)	Map reference	Monitoring frequency
Impacted sites (Receiving waters)				
Monitoring Point 2	671,894.2E	7,469,020.1N	Attachment B – Monitoring Point 2	Daily during flow
Reference sites				
Monitoring Point 3	668,378.9E	7,473,143.7N	Attachment B – Monitoring Point 3	Daily during flow
Monitoring Point 4	668,238.2E	7,470,137.0N	Attachment B – Monitoring Point 4	Daily during flow

(C2-2) If water quality of the 'impacted sites' during authorised release and non-release flow events outlined in Schedule C – Table 4 – (Receiving water monitoring locations and frequency), exceed any of the contaminant trigger levels stated in Schedule C – Table 5 (Receiving water contaminant trigger levels), the environmental authority holder must:

- a) complete an investigation in accordance with the ANZECC (2000) methodology, into the potential for environmental harm; and
- b) provide a written report to the administering authority within twenty-eight (28) days of the date of the original exceedence, outlining:
 - i) details of the investigations carried out; and
 - ii) actions taken to prevent environmental harm.

Schedule C – Table 5 (Receiving water contaminant trigger levels)

Parameter	Unit	Trigger Levels	Limit Type
pH	pH units	< 6.0 – > 8.5	Minimum/Maximum
Electrical Conductivity	$\mu\text{s.cm}^{-1}$	80 th percentile ² of reference ¹ or 1,500 $\mu\text{s.cm}^{-1}$ whichever is higher	Median ²
Total Suspended Solids	mg/L	80 th percentile ² of reference ¹ or 50 mg/L whichever is higher	Median ²
Aluminium	mg/L	5 mg/L ³	Maximum
Arsenic	mg/L	0.5 mg/L ³	Maximum
Cadmium	mg/L	0.01mg/L ³	Maximum
Chromium	mg/L	1 mg/L ³	Maximum
Lead	mg/L	0.1 mg/L ³	Maximum
Iron	$\mu\text{g/L}$	10 $\mu\text{g/L}$ ³	Maximum
Nitrate (NO ₂)	$\mu\text{g/L}$	100 $\mu\text{g/L}$ ³	Maximum
Phosphate	$\mu\text{g/L}$	100 $\mu\text{g/L}$ ³	Maximum
Zinc	$\mu\text{g/L}$	5 $\mu\text{g/L}$ ³	Maximum
Sulphate	mg/L	500 mg/L ⁴	Maximum

¹ Trigger levels based on the 80th percentile are derived using ANZECC (2000) and QWG methodology and are based on the reference sites defined in Schedule C Table 4 (Receiving water monitoring location and frequency) and note that if a local data set of a minimum of 18 data points set is available then use those to set a trigger limit (QWG page 77).

² The median must be determined based on a minimum of five (5) and a maximum of ten (10) consecutive samples.

³ ANZECC (2000) guidelines – primary industries.

⁴ ANZECC (2000) guidelines – recreational water.

(C3) Monitoring

(C3-1) The following information must be recorded in relation to all water sampling:

- a) the date on which the sample was taken;
- b) the time at which the sample was taken;
- c) the monitoring point at which the sample was taken;
- d) the measured or estimated daily flow of water contaminated by mining activities at the time of sampling; and
- e) the results of all monitoring.

(C3-2) The method of water sampling required by this environmental authority must comply with that set out in the latest edition of the Environmental Protection Agency's Water Quality Sampling Manual.

(C4) Sewage Treatment

(C4-1) The daily operation of the sewage treatment plant and pollution control equipment must be carried out by a person(s) with appropriate experience and/or qualifications to ensure the effective operation of that treatment system and control equipment.

(C4-2) Pipelines and fittings associated with the sewage treatment plant must be clearly identified. Lockable valves or removable handles must be fitted to all release pipelines situated in public access areas.

(C4-3) Treated effluent from the sewage treatment plant must only be discharged from the authorised discharge point, as specified in Schedule C – Table 5 (Effluent discharge locations).

Schedule C – Table 6 (Effluent discharge locations)

Authorised Discharge Points	Location
Discharge Point 2	Sewage Treatment Plant Holding Tank

(C4-4) Treated effluent must not be released to land.

(C4-5) Treated effluent must not be released from the site to any waters or the bed and banks of any waters.

(C4-6) Water or storm water contaminated by sewage treatment activities must not be released to any waters or the bed and banks of any waters.

(C4-7) If the responsibility of the treated effluent is given or transferred to another person:

- a) the responsibility of such effluent must only be given or transferred in accordance with a written agreement (the third party agreement);
- b) include in the third party agreement a commitment from the person utilising the effluent to use effluent in such a way as to prevent environmental harm or public health incidences and specifically make the persons aware of the General Environmental Duty (GED) under section 319 of the *Environmental Protection Act 1994*, environmental sustainability of any effluent disposal and protection of environmental values of waters; and
- c) upon being notified or otherwise becoming aware that the person's use of effluent is causing or threatens to cause environmental harm or is posing a human health risk, and if the person does not rectify the situation upon written request, the giving and transferring responsibility for such effluent must cease.

(C4-8) Biosolids produced by the activity for re-use must be:

- a) sampled, analysed, graded and classified according to the procedures specified in the administering authorities systems and standards; and
- b) re-used under an Environmental Management Program or other Environmentally Relevant Activity with the administering authorities approval.

(C5) Sediment contaminant levels

(C5-1) All reasonable and practicable erosion protection measures and sediment control measures must be implemented and maintained to minimise erosion and the movement of sediment including:

- a) all clean drainage waters, from undisturbed areas, kept separate from dirty waters from disturbed areas;
- b) water from disturbed catchments diverted into the mine water management system and sedimentation dams;
- c) sedimentation dams designed to contain a 6 hour, 10 year average recurrence interval rainfall event; and
- d) sediment shall be excavated from sediment dams as required to maintain design capacity.

(C6) Water and stormwater management

- (C6-1) A water management, erosion and sediment control plan must be prepared and implemented prior to commencement of activities on mineral development licence 282 and must include a site water balance indicating sources and quality of water for mineral development activities use as well as identifying methods to:
- a) manage recycling, reuse and treatment;
 - b) manage contaminants;
 - c) manage stormwater and on site water flows;
 - d) develop and implement a system for emergency spills or discharges;
 - e) separate clean water from undisturbed areas and water from disturbed areas;
 - f) separate and process hydrocarbons and washdown water from other surface water sources;
 - g) design and monitor sediment detention structures;
 - h) design and monitor mine water dams;
 - i) manage off site water releases and minimise sediments and salinity releases;
 - j) ensure protection of the environmental values of the receiving waters downstream as it relates to the activity;
 - k) incorporate a risk management approach to how changing levels of floods, drought and water quality risks should be addressed;
 - l) minimize the potential for soil and spoil erosion, soil contamination and acid rock drainage, particularly with regard to first flush flows following rainfall events; and
 - m) review and monitor the water management system, hydrological processes performance indicators and sediment retention pond capacities.

(C7) Regulated Dams

- (C7-1) No regulated dams are authorised under this environmental authority.

Schedule D – Noise and Vibration**(D1) Noise Nuisance**

- (D1-1) Subject to Conditions (D1-2) and (D1-3) noise from the mining activity must not cause an environmental nuisance, at any sensitive or commercial place.
- (D1-2) When requested by the administering authority, noise monitoring must be undertaken within a reasonable and practicable timeframe nominated by the administering authority to investigate any complaint (which is neither frivolous nor vexatious nor based on mistaken belief in the opinion of the authorised officer) of environmental nuisance at any sensitive or commercial place, and the results must be notified within fourteen (14) days to the administering authority following completion of monitoring.

(D1-3) Noise monitoring must include the following descriptors, characteristics and conditions:

- a) LA, eq adj, T;
- b) the level and frequency of occurrence and adjustments for impulsive or tonal noise;
- c) atmospheric conditions including wind speed, wind direction and rain;
- d) effects due to extraneous factors such as traffic noise; and
- e) location, date and time of monitoring.

(D1-4) If monitoring indicated exceedance of the limits in Schedule D – Table 1 (Noise Limits), then the environmental holder must:

- a) address the complaint including the use of appropriate dispute resolution if required; and
- b) immediately implement noise abatement measures so that emissions of noise from the activity do not result in further environmental nuisance.

Schedule D – Table 1 (Noise Limits)

Noise level dB(A) measured as	Monday to Saturday			Sundays and Public Holidays		
	7am - 6pm	6pm - 10pm	10pm - 7am	9am - 6pm	6pm - 10pm	10pm - 9am
Noise measured at a 'Noise sensitive place'						
L _{A10} , adj, 10 mins	B/g + 5	B/g + 5	B/g + 3	B/g + 5	B/g + 5	B/g + 0
L _{A1} , adj, 10 mins	B/g + 10	B/g + 10	B/g + 5	B/g + 10	B/g + 10	B/g + 5
Noise measured at a 'Commercial place'						
L _{A10} , adj, 10 mins	B/g + 10	B/g + 10	B/g + 5	B/g + 10	B/g + 10	B/g + 5
L _{A1} , adj, 10 mins	B/g + 15	B/g + 15	B/g + 10	B/g + 15	B/g + 15	B/g + 10

Background (B/g)

(D1-5) The method of measurement and reporting of noise levels must comply with the latest edition of the Environmental Protection Agency's Noise Measurement Manual.

(D2) Airblast Overpressure Nuisance

(D2-1) Subject to conditions (D2-2) and (D2-3), the airblast overpressure level from blasting operations on the premises must not exceed the limits defined in Schedule D - Table 2 (Airblast Overpressure Level) at any sensitive place.

Schedule D - Table 2 (Airblast Overpressure Level)

Location	Airblast Overpressure Measured
Sensitive or commercial place	Air blast overpressure level of 115 db (Linear peak) for nine (9) out of ten (10) consecutive blasts initiated and not greater than 120 db (Linear peak) at any time.

- (D2-2) When requested by the administering authority, airblast overpressure monitoring must be undertaken within a reasonable and practicable timeframe nominated by the administering authority to investigate any complaint (which is neither frivolous nor vexatious nor based on mistaken belief in the opinion of the authorised officer) of environmental nuisance at any sensitive or commercial place, and the results must be notified within fourteen (14) days to the administering authority following completion of monitoring.
- (D2-3) Airblast overpressure monitoring must include the following descriptors, characteristics and conditions:
- a) location of the blast(s) within the mining area (including which bench level);
 - b) atmospheric conditions including temperature, relative humidity and wind speed and direction; and
 - c) location, date and time of recording.
- (D2-4) If monitoring indicates exceedence of the relevant limits in Schedule D - Table 2 (Airblast Overpressure Level), then the environmental authority holder must:
- a) address the complaint including the use of appropriate dispute resolution if required; and
 - b) immediately implement airblast overpressure abatement measures so that airblast overpressure from the activity does not result in further environmental nuisance.
- (D2-5) The method of measurement and reporting of airblast overpressure levels must comply with the latest edition of the Environmental Protection Agency's Noise Measurement Manual.

(D3) Vibration nuisance

- (D3-1) Subject to Conditions (D3-2) and (D3-3) vibration from the mining activity must not cause an environmental nuisance, at any sensitive or commercial place.
- (D3-2) When requested by the administering authority, vibration monitoring must be undertaken within a reasonable and practicable timeframe nominated by the administering authority to investigate any complaint (which is neither frivolous nor vexatious nor based on mistaken belief in the opinion of the authorised officer) of environmental nuisance at any sensitive or commercial place, and the results must be notified within fourteen (14) days to the administering authority following completion of monitoring.
- (D3-3) Vibration monitoring must include the following descriptors, characteristics and conditions:
- a) location of the blast(s) within the mining area (including which bench level);
 - b) atmospheric conditions including temperature, relative humidity and wind speed and direction; and
 - c) location, date and time of recording.

- (D3-4) If monitoring indicates exceedence of the relevant limits in Schedule D - Table 3 (Vibration Limits), then the environmental authority holder must:
- a) address the complaint including the use of appropriate dispute resolution if required; and
 - b) immediately implement vibration abatement measures so that vibration from the activity does not result in further environmental nuisance.

Schedule D - Table 3 (Vibration Limits)

Location	Vibration measured
Sensitive or commercial place	5 mm/s peak particle velocity for nine (9) out of ten (10) consecutive blasts and not greater than 10 mm/s peak particle velocity at any time

Note: The method of measurement and reporting of vibration levels must comply with the latest edition of the Environmental Protection Agency's vibration and air blast overpressure monitoring guideline.

Schedule E – Waste Management

(E1) Waste Management Plan

- (E1-1) A Waste Management Plan, in accordance with the waste management hierarchy and waste management principles of the *Environmental Protection (Waste Management) Policy 2000*, must be implemented prior to commencement of activities and maintained. The Waste Management Plan must include:
- a) waste management practices that will ensure that recyclables are diverted from landfill;
 - b) procedures for identifying and implementing opportunities to improve the waste management practices employed including information and education packages for waste generators to assist in maximising the diversion of recyclable materials from landfill;
 - c) details of any accredited management system employed, or planned to be employed, to implement the waste management practices;
 - d) procedures for dealing with accidents, spills and other incidents that may impact on the waste management;
 - e) disposal procedures for hazardous wastes;
 - f) procedures for auditing waste loads to identify material to be removed for recycling;
 - g) how often the performance of the waste management practices will be assessed (at least annually);
 - h) the indicators or other criteria, taking into account economic, social and environmental factors on which the performance of the waste management practices will be assessed;
 - i) training programs and guidance for waste transport contractors in the identification and source separation of recyclable materials; and
 - j) a staff awareness and induction program that encourages re-use and recycling.

(E2) Waste Storage

- (E2-1) Waste is not permitted to be disposed of within mineral development licence 282.

- (E2-2) General waste may be temporarily stored on mineral development licence 282 before being directed to a facility that can lawfully accept such waste.
- (E2-3) The following regulated waste may be temporarily stored on mineral development licence 282 before being directed to a facility that can lawfully accept such waste:
- a) tyres;
 - b) batteries;
 - c) hydrocarbons
 - d) oils;
 - e) oil interceptor sludges;
 - f) oil water emulsions and mixtures; and
 - g) chemicals listed under Schedule 7 of the *Environmental Protection Regulation 1998*.
- (E2-3) A designated area or storage containers must be set aside for the laydown and segregation of wastes.
- (E2-4) An effective fire break must be provided and maintained around all waste laydown areas.
- (E2-5) All reasonable and practicable fire prevention measures must be implemented, including removal of grass and other materials within a 10m radius of the scrap tyre storage area.
- (E2-6) Waste must not be burned or allowed to be burned on mineral development licence unless by approval of the administering authority.
- (E2-7) Waste batteries must be stored:
- a) in a bunded and roofed area; or
 - b) palletised and plastic wrapped.
- (E2-8) A record of all wastes must be kept detailing the following information:
- a) date of pickup of waste;
 - b) description of waste;
 - c) quantity of waste;
 - d) origin of the waste; and
 - e) destination of the waste.

Note: Trackable wastes as listed in Schedule 1 of the *Environmental Protection (Waste Management) Regulation 2000* are not covered by this condition. Trackable wastes have similar recording requirements to this condition in accordance with a waste tracking system established under the above Regulation.

(E2-9) All regulated waste removed from the site must be removed by a person who holds a current approval to transport such waste under the provisions of the *Environmental Protection Act 1994*.

(E2-10) Each container of regulated waste must be marked to identify the waste contained therein.

Schedule F - Land***(F1) Rehabilitation***

(F1-1) All areas significantly disturbed by the mineral development activities must be rehabilitated to a stable landform with a self-sustaining vegetation cover in accordance with Schedule F – Table 1 (Final Land Use and Rehabilitation) and Schedule F – Table 2 (Landform Design Criteria).

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Schedule F – Table 1 (Final Land Use and Rehabilitation)

Disturbance Type	Disturbance area (ha)	Pre-mine land description	Post-mine land suitability description	Pre-mine land suitability classification	Post-mine land suitability classification	Reference site identification
Elevated landforms	28	Cattle grazing on cleared and partially cleared land. Native pastures and improved pasture species are established.	Self-sustaining recreated landscape that is populated with native species.	Land Suitability Classification Class 2, 3 and 4.	Self-sustaining recreated landscape that is populated with native species.	Land adjacent to MDL282 on L3 RP904207 described as 666,684.6E 7,471,091.4N (which is representative of three differing native vegetation communities within the area).
Voids	15	As above	Water filled voids to complement conservation requirements of migratory species.	Land Suitability Classification Class 2, 3 & 4.	Water filled voids.	N/A. Rehabilitated land will have unique features.
Disturbed by Infrastructure however remains at approximate original contour.	22	As above.	Self-sustaining native vegetation.	Land Suitability Classification Class 2, 3 and 4.	Self-sustaining recreated landscape that is populated with native species.	Adjacent land although species mix may be different.

s.49 - Signature

Schedule F – Table 2 (Landform Design Criteria)

Disturbance Type	Maximum Slope Range	Vertical Height (m) Range	Maximum Length (m) Range	Projective Surface Area (ha)
Elevated Landforms	10-15%	20-22	133-220	28
Infrastructure Areas	<5%	26-28	520-900	22
Voids	53 degrees	60	75	15

- (F1-2) Progressive rehabilitation must commence within six (6) months of operations ceasing within an area.
- (F1-3) A Rehabilitation Management Plan must be prepared and implemented by **31 October 2008** for the activities on mineral development licence 282 and must include:
- proposed acceptance criteria to meet the outcomes in Schedule F – Table 1 (Final Land Use and Rehabilitation) and Schedule F – Table 2 (Landform Design Criteria);
 - a description of end of mine landform design and post mining land uses across the mine;
 - details of the rehabilitation methods to be applied;
 - the success criteria for rehabilitated land;
 - identify the reference sites to be used to develop the rehabilitation success criteria;
 - detailed future rehabilitation actions to be completed;
 - landform design criteria including end of mineral development design;
 - details on how landform design will be consistent and integrated with the surrounding topography;
 - a description of rehabilitation monitoring and maintenance requirements to be applied to all areas of disturbance;
 - a cost benefit analysis/triple bottom line assessment of the proposed final landform design criteria and alternatives; and
 - the identification of potential problems and how they will be addressed.

(F2) Voids

- (F2-1) Residual voids must not cause any serious environmental harm to land, surface waters or any recognised groundwater aquifer, other than the environmental harm constituted by the existence of the residual void itself and subject to any other condition within this environmental authority.
- (F2-2) Complete an investigation into residual voids and submit a report to the administering authority proposing acceptance criteria to meet the outcomes in condition (F2-1) by **31 October 2008**.

s.49 - Signature

(F3) Infrastructure

(F3-1) All infrastructure constructed by or for the environmental authority holder during the mining activities including water storage structures, must be removed from the site prior to mineral development licence surrender, except where agreed in writing by the post mining land owner/holder.

(F4) Contaminants

(F4-1) Contaminants must not be released to land.

Schedule G – Community

(G1) Complaint Response

(G1-1) All complaints received must be recorded, including details of complaint, reasons for the complaint, investigations undertaken, conclusions formed and actions taken. This information must be made available for inspection by the administering authority on request.

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Schedule H - Definitions

Words and phrases used throughout this licence are defined below except where identified in the EP Act or subordinate legislation. Where a word or term is not defined, the ordinary English meaning applies, and regard should be given to the Macquarie Dictionary.

“**acceptance criteria**” means the measures by which the actions implemented to rehabilitate the land are deemed to be complete. The acceptance criteria indicate the success of the rehabilitation outcome or remediation of areas which have been significantly been disturbed by the mining activities. Acceptance criteria may include information regarding:

- vegetation establishment, survival and succession;
- vegetation productivity, sustained growth and structure development;
- fauna colonisation and habitat development;
- ecosystem processes such as soil development and nutrient cycling, and the recolonisation of specific fauna groups such as collembola, mites and termites which are involved in these processes;
- microbiological studies including recolonisation by mycorrhizal fungi, microbial biomass and respiration;
- effects of various establishment treatments such as deep ripping, topsoil handling, seeding and fertiliser application on vegetation growth and development;
- resilience of vegetation to disease, insect attack, drought and fire;
- vegetation water use and effects on ground water levels and catchment yields.

“**administering authority**” means the Environmental Protection Agency or its successor.

“**airblast overpressure**” means energy transmitted from the blast site within the atmosphere in the form of pressure waves. The maximum excess pressure in this wave, above ambient pressure is the peak airblast overpressure measured in decibels linear (dBL).

“**ambient (or total) noise**” at a place, means the level of noise at the place from all sources (near and far), measured as the Leq for an appropriate time interval.

“**ANZECC**” means the Australian and New Zealand Guidelines for Fresh Marine Water Quality 2000

“**authority**” means environmental authority (mining activities) under the *Environmental Protection Act 1994*.

“**bed and banks**” for a waters, river, creek, stream, lake, lagoon, pond, swamp, wetland or dam means land over which the water of the waters, lake, lagoon, pond, swamp, wetland or dam normally flows or that is normally covered by the water, whether permanently or intermittently; but does not include land adjoining or adjacent to the bed and banks that is from time to time covered by floodwater.

“**biosolids**” means the treated and stabilised solids from sewage.

“**blasting**” means the use of explosive materials to fracture-

- (a) rock, coal and other minerals for later recovery; or
- (b) structural components or other items to facilitate removal from a site or for reuse.

“**bunded**” means within bunding consistent with Australian Standard 1940.

“**chemical**” means –

- a) an agricultural chemical product or veterinary chemical product within the meaning of the *Agricultural and Veterinary Chemicals Code Act 1994* (Commonwealth); or
- b) a dangerous good under the dangerous goods code; or
- c) a lead hazardous substance within the meaning of the *Workplace Health and Safety Regulation 1997*; or
- d) a drug or poison in the Standard for the Uniform Scheduling of Drugs and Poisons prepared by the Australian Health Ministers' Advisory Council and published by the Commonwealth; or

- e) any substance used as, or intended for use as –
- i) a pesticide, insecticide, fungicide, herbicide, rodenticide, nematocide, miticide, fumigant or related product; or
 - ii) a surface active agent, including, for example, soap or related detergent; or
 - iii) a paint solvent, pigment, dye, printing ink, industrial polish, adhesive, sealant, food additive, bleach, sanitiser, disinfectant, or biocide; or
 - iv) a fertiliser for agricultural, horticultural or garden use; or
- f) a substance used for, or intended for use for –
- i) mineral processing or treatment of metal, pulp and paper, textile, timber, water or wastewater; or
 - ii) manufacture of plastic or synthetic rubber.

“commercial place” means a work place used as an office or for business or commercial purposes, which is not part of the mining activity and does not include employees accommodation or public roads.

“competent person” means a person with the demonstrated skill and knowledge required to carry out the task to a standard necessary for the reliance upon collected data or protection of the environment.

“construction” includes building a new dam and modifying or lifting an existing dam.

“contaminate” means to render impure by contact or mixture.

“contaminated” means the substance has come into contact with a contaminant.

“contaminant” A contaminant can be –

- a) a gas, liquid or solid; or
- b) an odour; or
- c) an organism (whether alive or dead), including a virus; or
- d) energy, including noise, heat, radioactivity and electromagnetic radiation; or
- e) a combination of contaminants.

“control measure” means any action or activity that can be used to prevent or eliminate a hazard or reduce it to an acceptable level.

“cover material” means any soil or rock suitable as a germination medium or landform armouring.

“dam” means a land-based structure or a void that is designed to contain, divert or control flowable substances - including any substances that are thereby contained, diverted or controlled by that land-based structure or void; but does *not* mean a fabricated or manufactured tank or container designed to a recognised standard. In case there is any doubt, a levee dyke or bund is a dam.

“domestic waste” means waste, other than domestic clean-up waste, green waste, recyclable waste, interceptor waste or waste discharged to a sewer, produced as a result of the ordinary use or occupation of domestic premises.

“dwelling” means any of the following structures or vehicles that is principally used as a residence –

- a) a house, unit, motel, nursing home or other building or part of a building; or
- b) a caravan, mobile home or other vehicle or structure on land; or
- c) a water craft in a marina.

“effluent” treated waste water discharged from sewage treatment plants.

“end of pipe” means the location at which water is released to waters or land.

“environmental authority” means an environmental authority under Chapter 5 of the *Environmental Protection Act 1994*.

“**environmental authority holder**” means the holder of this environmental authority.

“**environmentally relevant activity**” means an environmentally relevant activity as defined under Section 18 of the *Environmental Protection Act 1994* and listed under Schedule 1 of the *Environmental Protection Regulation 1998*.

“**financial assurance**” means a security required under the *Environmental Protection Act 1994* by the Administering Authority to cover the cost of rehabilitation or remediation of disturbed land or to secure compliance with the environmental authority.

“**floodwater**” means water overflowing, or that has overflowed, from waters, river, creek, stream, lake, pond, wetland or dam onto or over riparian land that is not submerged when the watercourse or lake flows between or is contained within its bed and banks.

“**flowable substance**” means matter or a mixture of materials which can be forced to or otherwise flow under any conditions possible in a situation. It includes water, other liquids or a mixture that includes water or any other liquid or suspended solids.

“**general waste**” means waste other than regulated waste.

“**hazardous waste**” means a substance, whether liquid, solid or gaseous that, if improperly treated, stored, disposed of or otherwise managed, is likely to cause environmental harm.

“**hazard**” in relation to a dam as defined in this environmental authority, means the potential for environmental harm resulting from the collapse, or failure of the dam to perform its primary purpose of containing, diverting or controlling flowable substances.

“**infrastructure**” means water storage dams, roads and tracks, buildings and other structures built for the purpose of mining activities but does not include other facilities required for the long term management of mining impacts or the protection of potential resources. Such other facilities include dams, waste rock dumps, voids, or ore stockpiles and buildings as well as other structures whose ownership can be transferred and which have a residual beneficial use for the next owner of the operational land or the background land owner.

“**L_{A 10, adj, 10 mins}**” means the A-weighted sound pressure level, (*adjusted for tonal character and impulsiveness of the sound*) exceeded for 10% of any 10-minute measurement period, using Fast response.

“**L_{A 1, adj, 10 mins}**” means the A-weighted sound pressure level, (*adjusted for tonal character and impulsiveness of the sound*) exceeded for 1% of any 10-minute measurement period, using Fast response

“**L_{A, max adj, T}**” means the average maximum A-weighted sound pressure level, adjusted for noise character and measured over any 10 minute period, using Fast response.

“**lake**” includes –

- a) lagoon, swamp or other natural collection of water, whether permanent or intermittent; and
- b) the bed and banks and any other element confining or containing the water.

“**land**” in the “land schedule” of this document means land excluding waters and the atmosphere.

“**land capability**” as defined in the DME 1995 Technical Guidelines for the Environmental Management of Exploration and Mining in Queensland.

“**land suitability**” as defined in the DME 1995 Technical Guidelines for the Environmental Management of Exploration and Mining in Queensland.

“**land use**” term to describe the selected post mining use of the land, which is planned to occur after the cessation of mining operations.

“**landfill**” means land used as a waste disposal site for lawfully putting solid waste on the land.

“**mg/L**” means milligrams per litre.

“**mineral**” means a substance which normally occurs naturally as part of the earth’s crust or is dissolved or suspended in water within or upon the earth’s crust and includes a substance which may be extracted from such a substance, and includes—

- (a) clay if mined for use for its ceramic properties, kaolin and bentonite;
- (b) foundry sand;
- (c) hydrocarbons and other substances or matter occurring in association with shale or coal and necessarily mined, extracted, produced or released by or in connection with mining for shale or coal or for the purpose of enhancing the safety of current or future mining operations for coal or the extraction or production of mineral oil therefrom;
- (d) limestone if mined for use for its chemical properties;
- (e) marble;
- (f) mineral oil or gas extracted or produced from shale or coal by in situ processes;
- (g) peat;
- (h) salt including brine;
- (i) shale from which mineral oil may be extracted or produced;
- (j) silica, including silica sand, if mined for use for its chemical properties;
- (k) rock mined in block or slab form for building or monumental purposes;

But does not include—

- (l) living matter;
- (m) petroleum within the meaning of the Petroleum Act 1923;
- (n) soil, sand, gravel or rock (other than rock mined in block or slab form for building or monumental purposes) to be used or to be supplied for use as such, whether intact or in broken form;
- (o) water.

“mine water” means process water and contaminated storm water.

“natural flow” means the flow of water through waters caused by nature.

“nature” includes:

- a) ecosystems and their constituent parts; and
- b) all natural and physical resources; and
- c) natural dynamic processes.

“noxious” means harmful or injurious to health or physical well being.

“offensive” means causing reasonable offence or displeasure; is disagreeable to the sense; disgusting, nauseous or repulsive, other than trivial harm.

“operational land” means the land associated with the project for which this environmental authority has been issued.

“palletised” means stored on a movable platform on which batteries are placed for storage or transportation.

“peak particle velocity (ppv)” means a measure of ground vibration magnitude which is the maximum rate of change of ground displacement with time, usually measured in millimetres/second (mms^{-1}).

“protected area” means - a protected area under the *Nature Conservation Act 1992*; or

- a marine park under the *Marine Parks Act 1992*; or

- a World Heritage Area.

“progressive rehabilitation” means rehabilitation (defined below) undertaken progressively or a staged approach to rehabilitation as mining operations are ongoing.

“process water” means water used or produced during the mineral development activities.

“**recycled water**” means appropriately treated effluent and urban stormwater suitable for further use.

“**reference site**” (or analogue site) may reflect the original location, adjacent area or another area where rehabilitation success has been completed for a similar biodiversity. Details of the reference site may be as photographs, computer generated images and vegetation models etc.

“**regulated dam**” means any dam in the significant or high hazard category as assessed using the Site Water Management Technical Guideline for Environmental Management of Exploration and Mining in Queensland (DME 1995).

“**regulated waste**” means non-domestic waste mentioned in schedule 7 of the *Environmental Protection Regulation 1998* (whether or not it has been treated or immobilised), and includes –

- a) for an element – any chemical compound containing the element; and
- b) anything that has contained the waste.

“**rehabilitation**” the process of reshaping and revegetating land to restore it to a stable landform and in accordance with the acceptance criteria set out in this environmental authority and, where relevant, includes remediation of contaminated land.

“**representative**” means a sample set which covers the variance in monitoring or other data either due to natural changes or operational phases of the mining activities.

“**residual void**” means an open pit resulting from the removal of ore and/or waste rock which will remain following the cessation of all mining activities and completion of rehabilitation processes.

“**self sustaining**” means an area of land which has been rehabilitated and has maintained the required acceptance criteria without human intervention for a period nominated by the administering authority.

“**sensitive place**” means;

- a dwelling, residential allotment, mobile home or caravan park, residential marina or other residential premises; or
- a motel, hotel or hostel; or
- an educational institution; or
- a medical center or hospital; or
- a protected area under the *Nature Conservation Act 1992*, the *Marine Parks Act 1992* or a World Heritage Area; or
- a public park or gardens.

“**sewage**” means the used water of person's to be treated at a sewage treatment plant.

“**spillway**” means passage or outlet from the dam through which surplus water flows.

“**stable**” means geotechnical stability of the rehabilitated landform where instability related to the excessive settlement and subsidence caused by consolidation / settlement of the wastes deposited, and sliding / slumping instability has ceased.

“**storm water**” means all surface water runoff from rainfall.

“**trackable waste**” means a waste or combination of waste stated in Schedule 1 of the *Environmental Protection (Waste Management) Regulation 2000*.

“**trivial harm**” means environmental harm which is not material or serious environmental harm and will not cause actual or potential loss or damage to property of an amount of, or amounts totalling more than \$5,000.

“**waste**” as defined in section 13 of the *Environmental Protection Act 1994*.

“**waste management hierarchy**” has the meaning given by the *Environmental Protection (Waste Management) Policy 2000*.

“**waste management principles**” has the meaning given by the *Environmental Protection (Waste Management) Policy 2000*.

“water” means –

- a) water in waters or spring;
- b) underground water;
- c) overland flow water; or
- d) water that has been collected in a dam.

“waste water” means used water from the activity, process water or contaminated storm water.

“water quality” means the chemical, physical and biological condition of water.

DNRM RTI DL Release

s.49 - Signature

“waters” includes –

- a) river, creek, stream in which water flows permanently or intermittently either:
 - i) in a natural channel, whether artificially improved or not; or
 - ii) in an artificial channel that has changed the course of the river, creek or stream; or
- b) lake, lagoon, pond, swamp, wetland, dam; or
- c) unconfined surface water; or
- d) storm water channel, storm water drain, roadside gutter; or
- e) bed and banks and any other element of a river, creek, stream, lake, lagoon, pond, swamp, wetland, storm water channel, storm water drain, roadside gutter or dam confining or containing water; or
- f) groundwater; or
- g) non-tidal or tidal waters (including the sea); or
- h) any part thereof.

“ $\mu\text{g/L}$ ” means micrograms per litre

“ $\mu\text{s.cm}^{-1}$ ” means microsiemens per centimetre

END OF CONDITIONS

DNRM RTI DL Release

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3746

1 October 2007

Mr Matthew Higgins
Director
Ribfield Pty Ltd
C8, 1 Honeysuckle Drive
NEWCASTLE NSW 2300

13/11 SR 95 8/10/07

Dear Mr Higgins

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to our recent discussions in relation to the Notice issued by the Environmental Protection Agency and your requirement to provide written confirmation from this Department that the Environmentally Relevant Activities (ERAs) for the proposed bulk sample program are authorised to occur on MDL 282.

Upon consideration of your proposed activities on MDL 282 and further review of the legislation and policies the Department advises that the following ERAs can be specified as activities allowable under MDL 282:-

- Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L;
- Sewage Treatment (21 to 100 equivalent persons); and
- Motor Vehicle Workshop.

The Department will be in a position to consider the approval of the request to vary the



Southern Region
 Dept Mines and Energy
 Podium 2, Ground Floor
 Cnr Main and Vulture Streets
 Woolloongabba QLD 4102

PO Box 1475
 Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3746
 Facsimile + 61 7 3405 5346
 Website www.dme.qld.gov.au

conditions to include bulk sampling upon receipt of written advice from the Environmental Protection Agency that a relevant environmental authority is in place.

Yours sincerely

s.49 - Signature

Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office
Southern Region

B/C Rebecca Blades, EPA, Emerald

DNRM RTI DL Release

Musgrave Kerrie

From: Musgrave Kerrie
Sent: Monday, 1 October 2007 2:36 PM
To: 'pbannister@custommining.com.au'
Subject: FW: Attached image data

Attachments: Scan6595.pdf



Scan6595.pdf (37 KB)

Hello Peter

Here is an email that I sent today for your information.

Regards
Kerrie

-----Original Message-----

From: Musgrave Kerrie
Sent: Monday, 1 October 2007 2:11 PM
To: 'rebecca.blade@epa.qld.gov.au'
Cc: 'enquiries@custommining.com.au'
Subject: FW: Attached image data

Dear Rebecca

Please find attached a letter providing written confirmation from this Department that the following Environmentally Relevant Activities (ERAs) for the proposed bulk sample program are authorised to occur on MDL 282:-

- Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L;
- Sewage Treatment (21 to 100 equivalent persons); and
- Motor Vehicle Workshop.

Please advise when a relevant environmental authority has been issued so that we can consider the current request for bulk sampling on the MDL.

The original letter has been put in today's outgoing mail.

Yours sincerely
Kerrie Musgrave
Senior Tenures Officer

-----Original Message-----

From: kon7145@nrm.qld.gov.au [mailto:kon7145@nrm.qld.gov.au]
Sent: Monday, 1 October 2007 11:58 PM
To: Musgrave Kerrie
Subject: Attached image data

DIY RELEASE

Musgrave Kerrie

From: Peter Bannister [pbannister@custommining.com.au]
Sent: Monday, 1 October 2007 2:34 PM
To: Musgrave Kerrie
Cc: ntinkler@custommining.com.au
Subject: Custom Mining Middlemount - Bulk Sample Pit

Hello Kerrie,

Thank you for meeting with Matthew and I last Monday 24th September 2007 to discuss the Bulk Sample Pit request made by Ribfield Pty Ltd on MDL282 (Custom Mining Ltd is the parent company of Ribfield Pty Ltd and Custom Mining Middlemount Pty Ltd).

The purpose of the meeting was to resolve 2 issues:

1. The administration issue associated with the name of the request being inconsistent with the holder of the MDL.

This issue was resolved by hand delivering a revised letter on Monday 24th September 2007 with the request for the Bulk Sample Pit being made in the correct name of the holder of MDL282

2. The allowance of the following ERA's on MDL282;
 - a. 11(a) - Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L.
 - b. 15(a) - Sewage Treatment (21 to 100 equivalent persons).
 - c. 28 - Motor Vehicle Workshop

In relation to the 2nd issue above, it was discussed that these activities have been previously allowed on other MDL's and that a path was available to allow these ERA's on MDL282 as part of the Bulk Sample Pit request.

It was agreed that a revised letter would be issued by the Department of Mines and Energy confirming that the above ERA's would be allowed as specified activities. The revised letter, confirming that the above ERA's would be allowed as specified activities, would subsequently allow the EPA to approve the EM plan for the Bulk Sample Pit.

As discussed on the phone today, it would be greatly appreciated if a copy of the revised letter could be scanned and emailed through to me when completed.

Would you also be able to confirm when we could expect the revised letter, confirming that the above ERA's would be allowed as specified activities, will be issued.

Thank you for your co-operation.

Regards,

Peter Bannister
 General Manager Mining
 Custom Mining Ltd
 Tel 61 7 3121 3160 | Fax 61 7 3121 3030 | Mobile

s.49

DNRM RTI DL Release

Musgrave Kerrie

From: Musgrave Kerrie
Sent: Monday, 1 October 2007 2:11 PM
To: 'rebecca.blade@epa.qld.gov.au'
Cc: 'enquiries@custommining.com.au'
Subject: FW: Attached image data

Attachments: Scan6595.pdf



Scan6595.pdf (37 KB)

Dear Rebecca

Please find attached a letter providing written confirmation from this Department that the following Environmentally Relevant Activities (ERAs) for the proposed bulk sample program are authorised to occur on MDL 282:-

- Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L;
- Sewage Treatment (21 to 100 equivalent persons); and
- Motor Vehicle Workshop.

Please advise when a relevant environmental authority has been issued so that we can consider the current request for bulk sampling on the MDL.

The original letter has been put in today's outgoing mail.

Yours sincerely
Kerrie Musgrave
Senior Tenures Officer

-----Original Message-----
From: kon7145@nrm.qld.gov.au [mailto:kon7145@nrm.qld.gov.au]
Sent: Monday, 1 October 2007 11:58 PM
To: Musgrave Kerrie
Subject: Attached image data

DNR/RTI DL/Release

File: MDL 282

Loose

Doc: MI07/

Departmental Correspondence Action Sheet

Date of Entry: 1 1

Signature: Peter Hoppner

Urgent

Routine

1 SR 4

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: 1 1

2) Request to vary conditions to allow bulk sampling recorded on register. (Request filed @ SSA.)

3) PF - technical assessment of request to vary or assess ERA's.

KM 29/9/07.

Comments (if any)

Request to vary to include bulk sampling.

Additional info. to support ERA's variation.

DESIGNATED OFFICER

Signature: [Signature] - Signature

Date: 29/9/07

Received in Document Management

FINAL ACTION

Departmental Minute Prepared Yes No

Comments

Signature:

Date: 1 1



**TECHNICAL ASSESSMENT
CHECKLIST AND RECOMMENDATIONS
MDL 282**

Date of Grant: 10 April 2002

Pre-requisite Tenure: EPC 597 (expired)

Applicant(s):

Holder(s): RIBFIELD PTY LTD

Project Name: MIDDLEMOUNT PROJECT

Commodity: COAL

Area (hectares): 1894

Variation at: folio: 86

Assessment Summary

Performance History: Satisfactory

Proposed work program: Satisfactory

Location: 6km SW of Middlemount Township

Does the applicant need to submit further information in support of the application? **No** Information requested at folio
Information provided on (see folio)

Recommendations and History

Yr	From	To	Prop\$	Actual \$	Program	Key	Report	Comments
1	10/4/02	9/4/03	0		General Work Program		A	Granted for 5 years. Annual report is satisfactory
2	10/4/03	9/4/04	0				A	Annual report is satisfactory
3	10/4/04	9/4/05	0		Section 78B(2) RTI Act		A	Annual report is satisfactory
4	10/4/05	9/4/06	0				A	Annual Report is satisfactory. Leave on File
5	10/4/06	9/4/07	0					
6	10/4/07	9/4/08			Section 78B(2) RTI Act			RENEWED FOR 4 YEARS.
7	10/4/08	9/4/09			Recommend vary General Work Program			
8	10/4/09	9/4/10			to include Bulk Sample Work Program Conditions.			
9	10/4/10	9/4/11						

Bulk Sample Work Program

Conditions of the Bulk Sampling:

A bulk sampling program within MDL 282 is allowed on the following conditions;

- The bulk sample will collected from a double strip ~ 200m X 250m (see Figure 4a and 4b of Environmental Management Plan for location)
- a single bulk sample of approximately 366,000 tonnes (no greater than 370,000 tonnes) of coal is to be taken from a single location within MDL 282 Middlemount deposit by surface excavation.
- The sampled coal will be trucked to the German Creek CHPP for processing and washing. After washing a processing yield of around 70% should result in approximately 256,000t of coal to export for marketing purposes to four potential overseas customers (4 samples of ~64,000t each).
- Prior to commencement of bulk sampling, the Mining Registrar is to be notified by phone or email.

VARIATION TO INCLUDE BULK SAMPLE

- Royalties will be payable as per Part 9 and Schedule 4, section 3 of the Mineral Resources Regulation 2003 and policy number 140 attached. For further details regarding royalties ph Jillian Mannix 07 323 71402. A royalty return is required in the quarter after the coal is processed.

MT – please ensure Royalty Policy is attached (PDF FILE

LOCATED AT G:\Tenures\Technical Assessment\Minerals and Coal\TAS Policies, Procedures, Forms, Guidelines, Guides\Policy min140 Valuation of Coal for Royalty Purposes.pdf

SIGN-OFF		
Technical assessment for the application has now been completed and it is recommended that the application proceed toward grant subject to the proposed terms and conditions listed above. <i>Print file, sign-off, forward to Tenures Management</i>		
Signed	s.49 - Signature	Date: 16.10.07 Title: Geologist – Andrew McNamara
Signed		Date: 16.10.07 Title: A/Senior Geologist – Ian Rienks

DNRM RTI DL Release

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3746

17 September 2007

Ms Sandy Lai
Solicitor
Freemills
GPO Box 3124
BRISBANE QLD 4001

Dear Ms Lai

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to your application lodged pursuant to section 205 of the *Mineral Resources Act 1989*.

The Deed of Termination dated 21 June 2007 between Ribfield Pty Ltd and DJB Coal Pty Ltd in respect of Mineral Development Licence Number 282 has been recorded on the register and Dealing Number 1010221 allocated.

The copy of the document lodged by you has been retained for our records and the original document, endorsed as required, is returned herewith.

Please note that the Chief Executive is not required to examine any document produced under this section or to determine the validity of the agreement, arrangement, dealing or interest.

If further information is required, I can be contacted on (07) 3238 3746.

Yours sincerely

s.49 - Signature

Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office



Southern Region
Dept Mines and Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102

PO Box 1475
Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3746
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3746

10 September 2007

Mr Matthew Higgins
Director
Ribfield Pty Ltd
C8, 1 Honeysuckle Drive
NEWCASTLE NSW 2300

Dear Mr Higgins

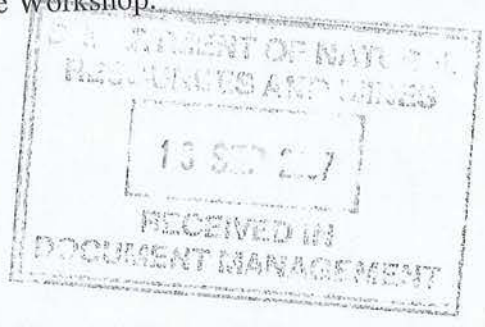
MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to your letter of 16 August 2007 in relation to the Notice issued by the Environmental Protection Agency and your requirement to provide written confirmation from this Department that the Environmentally Relevant Activities (ERAs) for the proposed bulk sample program are authorised to occur on MDL 282.

You are reminded that the request to vary the conditions that was received by the Department on 28 June 2007 for the approval to undertake a bulk sample program on MDL 282 was not considered to be a valid request as the request was not made by the holder, pursuant to section 194AC(1) of the *Mineral Resources Act 1989*.

The Department advises that the following ERAs will not be specified as activities allowable under MDL 282:-

- Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L;
- Sewage Treatment (21 to 100 equivalent persons); and
- Motor Vehicle Workshop.



Southern Region
 Dept Mines and Energy
 Podium 2, Ground Floor
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Telephone + 61 7 3238 3746
 Facsimile + 61 7 3405 5346
 Website www.dme.qld.gov.au

These activities may only be approved for a granted mining lease and in this case could be dealt with as part of your application for Mining Lease (ML) Number 70379.

Yours sincerely

s.49 - Signature

Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office
Southern Region

B/C Rebecca Blades, EPA, Emerald

DNRM RTI DL Release



**Mineral Development Licence
Recording of Agreement, Arrangement, Dealing or Interest Assessment form**

This checklist is to be completed to determine whether the application to record an agreement, arrangement, dealing or interest is acceptable.

This checklist comprises two parts:

- Part A is to be completed to ensure all requirements are met.
- Part B is to be completed to confirm that all requirements are met. Requirements that are not met are identified where the tick is within the shaded boxes.

MDL No: 282

Holder: Ribfield Pty Ltd (95%) + DFB Coal Pty Ltd (5%)

Part A – Application requirements

Question relation	Requirement	Yes	No	Remarks
1	Has the MDL been granted?	✓		Date of Grant: <u>10/4/02</u>
2	Is the MDL current?			Date of Expiry: <u>30/4/11</u>
3	Is the application in the prescribed form?	✓		
4	Has the prescribed fee been paid?	✓		
5	Does the form specify the nature of the document?	✓		
6	Does the form correctly identify the parties to the document?	✓		
7	Does the form correctly identify the date of execution of the document?	✓		
8	Does the form identify the MDL numbers?	✓		
9	Has an original and a copy of the document been lodged?	✓		

Compliance conducted by: Kerrie Musgrave

Time: 11 : 00 AM/PM

Date: 17 1 9 107

Part B – Decision by authorised officer

✓ This application complies with the provisions of section 205 of the *Mineral Resources Act 1989* and can be recorded on the register.

This application does not comply with section 205 of the *Mineral Resources Act 1989* and cannot be recorded on the register. A statement outlining the deficiencies has been forwarded to the holders.

Deficient in that:

Authorised by s.49 - Signature Time: 11 : 00 AM/PM Date: 17 9 107

DNRM RTI DL Release



File: MDL 282

Loose

Doc: MI07/10501

Departmental Correspondence Action Sheet

1

SR4

Date of Entry: 21 / 9 / 07

Urgent

Signature: Peter Hoppner

Routine

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: / /

2) Need of Termination recorded on register.
 3) Records - file away

s.49 - Signature

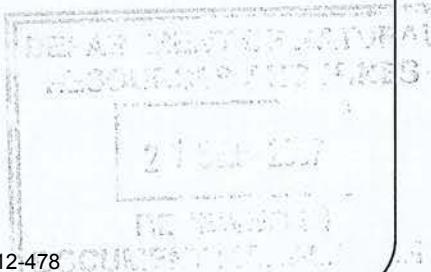
Comments (if any)

DESIGNATED OFFICER

Signature: s.49 - Signature

Date: 11 SEP 2007

Received in
Document Management



12-478

FINAL ACTION

Departmental Minute Prepared

Yes No

Comments

Signature:

Date: / /

DNRM RTI DL Release

Freehills

Mining Registrar
Department of Mines and Energy
Woolloongabba Regional Office
PO Box 1475
COORPAROO QLD 4151

7 September 2007
Matter 81032006
By express post

Dear Sir/Madam

Ribfield Pty Ltd and Custom Mining (Middlemount) Pty Limited - Lodgement of Form MRA-14 - Application to record the Deed of Termination

We act for Ribfield Pty Ltd and Custom Mining (Middlemount) Pty Limited and enclose the following for lodgement:

- 1 Form MRA-14 for recording the details of the Deed of Termination dated 21 June 2007 (**Deed of Termination**); and
- 2 2 certified copies of certified copy Deed of Termination.

We also enclose our cheque in the sum of \$10.70 being the prescribed lodgement fee.

Yours sincerely

s.49 - Signature

Sandy Lai
Solicitor
Freehills
+61 7 3258 6476

sandy.lai@freehills.com

Department of Mines & Energy SOUTHERN REGION (MINES)	
FEE	\$10.70
DATE PAID	10/9/07
RECEIPT No.	B2198 004
FOR	TERMINATION
INITIALS	s.49 - Signature

Department of Mines & Energy	
RECEIVED	
10 SEP 2007	
10	s.49 - Signature
TIME	am/pm
BY	
SOUTH EAST REGION MINES	

004008549v4.doc



APPLICATION TO RECORD AGREEMENT, ARRANGEMENT, DEALING OR INTEREST

Section 158, 205

Mineral Resources Act 1989

Form Number MRA-14 Version Number 2

OFFICIAL USE ONLY	
PART A	
Received AT SERM	Received BY s.49 - Signature
DATE 10/9/07	TIME 10 AM
PART B	
FEE Paid \$10.70	RECEIPT no. B198004
PART C	
ENTERED on register by	
(SIGNATURE)	
DATE / /	

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector. Please refer to the section 42 "Privacy Statement" which provides details about why the personal information is being collected and how it will be handled.

The completed original of this document and any attachments must be accompanied by the prescribed fee at the Office of the Chief Executive. **Note:** All agreements must be lodged at the Department for processing. The Department and all originals and any additional copies will be retained.

Please print clearly in ink and use block letters.

All prescribed forms under the *Mineral Resources Act 1989* are available through the internet on <www.dme.qld.gov.au>.

1. DETAILS OF AGREEMENT, ARRANGEMENT, DEALING OR INTEREST

Nature of agreement, arrangement, dealing or interest:

1.1	Deed of Termination - Farmin and Joint Venture Heads of Agreement - Middlemount Project - MDL 282
-----	---

Parties to agreement, arrangement, dealing or interest

1.2	Ribfield Pty Ltd ACN 080 772 283 DJB Coal Pty Ltd ACN 110 928 213
-----	--

Date of execution of agreement, arrangement, dealing or interest:

1.3	21 June 2007
-----	--------------

GUIDE FOR APPLICANTS

Question 1.1

Provide an example of the nature of agreement, eg. Joint venture, farm in agreement etc.

Question 1.2

Provide the details of the parties involved in the agreement, arrangement, dealing or interest.

Question 1.3

Provide the date the agreement, arrangement, dealing or interest takes effect.

Question 1.4

Tick if tenure is an exploration permit for minerals/coal.

Question 1.5

Tick if tenure is a mineral development licence.

Question 1.6

Provide tenement number.

Type		Tick
An exploration permit for minerals/coal	1.4	<input type="checkbox"/>
Mineral development licence	1.5	<input checked="" type="checkbox"/>
Tenement Number	1.6	282

GUIDE FOR APPLICANTS

Question 2.1

Enter the name of place where the application was signed, the day of the month, the month and the year when the form is signed.

Question 2.2

Insert full name of holder(s).

Question 2.3

Signature of holder(s).

Execution of Documents by an Agent

If an agent or the holder of a power of attorney is signing a document, required to be lodged by an Act, on behalf of another, the agent or holder of the power of attorney must produce current, written evidence of their authority to act at the time of lodgement.

All of the holders of the tenure MUST execute the appointment of agent or the power of attorney for the appointment or power of attorney to be effective. A company signing an appointment of agent or power of attorney must do so in accordance with the corporation law and/or the articles of association of the company.

Question 3.1

Tick the appropriate boxes to indicate compliance.

2. SIGNATURES

2.1	Signed at	this 5 day of September, 2007	
2.2	Ribfield Pty Ltd	2.3	s.49 - Signature
	Nathan Tinkler, Director		
2.2	Ribfield Pty Ltd	2.3	
	Matthew Higgins, Director		
2.2	Custom Mining (Middlemount) Pty Ltd	2.3	
	Nathan Tinkler, Director		
2.2	Custom Mining (Middlemount) Pty Ltd	2.3	
	Matthew Higgins, Director		

Full name and title of Holder(s) Signature

3. ACCOMPANIMENTS

The following must accompany this form:

3.1		Tick
	<ul style="list-style-type: none"> • Certified copies of the original Agreement, Arrangement, Dealing or Interest 	<input checked="" type="checkbox"/>
	<ul style="list-style-type: none"> • All other copies of the Agreement, Arrangement, Dealing or Interest 	<input type="checkbox"/>
	<ul style="list-style-type: none"> • The prescribed application fee 	<input checked="" type="checkbox"/>

4. PRIVACY STATEMENT

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector.

The Department of Mines and Energy is collecting the information on this form to process your application to record an agreement, arrangement, dealing or interest. This is required by sections 158 and 205 of the *Mineral Resources Act 1989* (the Act).

The Department is required to facilitate and regulate the carrying out of responsible mining activities and the development of a safe, efficient and viable mining industry in Queensland under the Act.

The Department maintains a Register under section 387 of the Act. This register contains information collected from a variety of sources, including application forms submitted under the Act. The particulars to be recorded in the register are prescribed in Part 11 of the *Mineral Resources Regulation 2003* (the Regulations).

Under section 68 of the Regulations, the public can inspect the Register between the hours of 8.30 am and 4.30 pm on business days, and anyone may take extracts from the register and acquire, upon payment of the prescribed fee, a copy of all or part of a

notice, document or information held in the register. Information contained in the register includes (but is not limited to):

- the mining tenement number;
- the full name of the holder/s of the mining tenement;
- the annual rent for the mining tenement; and
- any permitted dealings relating to the mining tenement that are approved by the Minister.

Information collected on this form, whether or not it is contained in the Register, may be provided to other Queensland Government Agencies, where such disclosure is necessary for the effective management of the mineral resources and industry in Queensland. These agencies may include the Environmental Protection Agency and the Department of Primary Industries and Fisheries.

Where information provided is commercial in confidence, it will be treated as confidential and not included in the Register or be disclosed outside the agency unless the Department is legally required to do so.

For more information on Information Privacy, please contact the Privacy Contact Officer for the Department of Mines and Energy on (07) 3247 3239.

DNRM RTI DL Release

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3746

3 September 2007

Mr Jordan Phillips
Minter Ellison
Lawyers
Waterfront Place
1 Eagle Street
BRISBANE QLD 4000

Dear Mr Phillips

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to your correspondence dated 31 August 2007 requesting information in relation to MDL 282 and enclose:-

- A copy of the licence document for MDL 282 with the Approved Work Program and environmental authority;
- A copy of the Farming and Joint Venture Heads of Agreement – Middlemount Deposit, referred to as dealing number 1004121;
- Public Enquiry Report for MDL 282; and
- Security Deposit Control Reports showing details of the cash amounts held by the Department for financial assurance.

I advise that rental has been paid and the next due date for rent to be paid is 31 December 2007.



Southern Region
 Dept Mines and Energy
 Podium 2, Ground Floor
 Cnr Main and Vulture Streets
 Woolloongabba QLD 4102

PO Box 1475
 Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3746
 Facsimile + 61 7 3405 5346
 Website www.dme.qld.gov.au

I confirm that there are no existing or proposed proceedings that could result in forfeiture of these tenements and the Department is not aware of anything that might cause such proceedings to be brought.

As the application for ML 70379 is in the Emerald Mining District, you will have to seek information pertaining to the status of this application from the Mining Registrar at Emerald.

Yours faithfully

s.49 - Signature

Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office
Southern Region

DNRM RTI DL Release

Departmental Correspondence Action Sheet

File MDL 282
Loose Doc.

1

Date of Entry:

Urgent

Signature:

Routine



ACTION OFFICER USE

ACTVAL

s.49 - Business Affairs

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

Comments (if any)

SOE for P/E 30/4/07
T/N 70809

DESIGNATED OFFICER

Signature:

Date:

FINAL ACTION

Departmental Minute Prepared

Yes

No



Comments

Signature:

Date:

Received in Records



Clark Sally

From: Matthew Higgins [mhiggins@custommining.com.au]
Sent: Monday, 13 August 2007 10:48 AM
To: Clark Sally
Subject: Custom Mining Middlemount MDL282 - Expenditure 30Apr07
Attachments: MDL282 Expenditure 30Apr07.pdf

Hello Sally,

Thank you for your and Anne's assistance last Wednesday. Please find attached the Expenditure for MDL282 30Apr07. The QDEX Lodgement ID# I have for the Annual Report is 46142.

If you have any questions, feel free to contact me.

Regards,

Matthew Higgins

Chief Operations Manager
Custom Mining
Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD

Ph: (07) 3121 3160
Mob: 0427 354 564
Fax: (07) 3121 3030
Email: mhiggins@custommining.com.au

DNRM RTI DL Release



MDL-282

STATEMENT OF EXPENDITURE FOR PERIOD ENDING 30 April 2007

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

1

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au



CONTENTS

1.	<u>Introduction</u>	<u>3</u>
2.	<u>Activities undertaken during the year</u>	<u>3</u>
3.	<u>Statement of Expenditures during the year</u>	<u>3</u>
4.	<u>Conclusions</u>	<u>4</u>

DNRM RTI DL Release

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

2

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au



1. Introduction

This report covers the expenditures made in Mineral Development Licence No 282 located in the Bowen Basin near the township of Middlemount in Central Queensland during the Year ending 22nd June, 2007.

2. Activities undertaken during the Year

Physical exploration, appraisal and development work was carried out within the area of MDL-282 by Custom Mining Ltd as the Appointed Operator for DJB Coal Pty Ltd. This was part of an agreed due diligence process, culminating in Custom Mining Middlemount Pty Ltd purchasing DJB Coal Pty Ltd's 5% share in MDL282 and the acquisition of Ribfield Pty Ltd.

This exploration has concentrated on targeting the two main seams being 'Middlemount' and 'Pisces'.

A potential 'initial mining' area was identified with the view of developing a drill program to test the economic viability of mining. This program consisted of six large core (200mm) holes for raw analysis and twenty open holes for structure observations.

3. Statement of Expenditures during the Year

During the year a total of \$49 - Business Affairs expended on geological advice, drilling, geological assessment, coal analysis, travel, negotiations, etc and legal advice associated with the assessment of the geology and potential development of this coal deposit.

Negotiations	s.49 - Business Affairs
Drilling	
Geology	
Analysis	
Modelling	
Travel / Accommodation	
Legal / Administration	



4. Conclusions

Custom Mining Middlemount Pty Ltd's assessment of MDL282 has been favourable and plans to make application to amend the Environmental Authority so as to move to a Bulk Sampling Program for potential 'end users' to test the 'Middlemount Coal' comprehensively. This would conceptually see four bulk sample shipments of ~60,000t each go to Japan, Korea, Taiwan and India. A drilling program is being developed to bring the entire MDL to a JORC Status.

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

4

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3737

31 August 2007

Environmental Protection Agency
Licence and Permit Co-ordination Unit
PO Box 155
BRISBANE ALBERT STREET QLD 4002

B/U AT SR 4 31/10/07

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE 282

The attached application for assignment of Mineral Development Licence 282 and the transfer of environmental authority were lodged with this Department on 29 August 2007. The EPA prescribed fee for the transfer of the environmental authority has been received.

Please assess the application to transfer the environmental authority and advise of the outcome.

Where the transfer is approved, please forward the amended environmental authority to this office so that we can complete the approval of the assignment.

If further information is required, please contact the nominated contact officer referred to above in this letter.

Yours faithfully

s.49 - Signature

**Kerrie Musgrave
Senior Tenures Officer
Brisbane District Office
Southern Region**



Southern Region
Dept Mines and Energy
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102

PO Box 1475
Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3737
Facsimile + 61 7 3405 5346
Website www.dme.qld.gov.au



APPLICATION FOR ASSIGNMENT OR MORTGAGE CHECKLIST

This checklist is to be completed to determine whether the requirements have been met.

This checklist comprises 3 parts:

- Part A is to be completed by the receiving officer.
- Part B is to be completed by the receiving officer to establish compliance with requirements. Part B is split into three sections:
 - Section 1 – Application for Assignment
 - Section 2 – Application for Mortgage
- Part C is to be completed to confirm that all requirements are met.

PART A – RECEIVING DETAILS

MDL No: 282 Time: 1 :00 AM/PM Date: 29/8/07

Holder(s)/Applicant(s): Ribfield Pty Ltd (95%) DJB Coal Pty Ltd (5%)

Assignee/Mortgagee/Sublessee: Ribfield Pty Ltd (95%) Custom Mining (Middlemount) Pty Ltd (5%)

PART B – APPLICATION REQUIREMENTS

Question relation	Requirement	Yes	No	Remarks
1	Is the MDL current?	<input checked="" type="checkbox"/>		
2	Is the application in the prescribed form?	<input checked="" type="checkbox"/>		
3	Has the prescribed fee been paid?	<input checked="" type="checkbox"/>		
4	Have the application documents been duly executed and stamped? Note: Ensure person/s signing documents have authority.	<input checked="" type="checkbox"/>		
5	Has prior approval of this application been given?	<input checked="" type="checkbox"/>		
6	Have all conditions of the indicative approval been met?	<input checked="" type="checkbox"/>		
7	Has the Instrument of Licence been lodged?	<input checked="" type="checkbox"/>		
8	Is this an application for assignment or mortgage?	<input checked="" type="checkbox"/>		A <input checked="" type="checkbox"/> M <input type="checkbox"/>



Assignment – refer to Section 1			
Mortgage – refer to Section 2			

Section 1 – Application for Assignment

Question relation	Requirement	Yes	No	Remarks
1	Is the assignee an eligible person under the MRA? Note: If the assignee is a company refer to ASIC website at www.asic.gov.au to verify A.C.N and status of company ie. Registered.	✓		ACN 122 348 912
2	Has a Transfer of Environmental Authority application been lodged?	✓		
3	Has the prescribed EPA fee for the Transfer of Environmental Authority been paid?	✓		
4	Have the assignees been specified with respective percentages that total 100%?	✓		
5	Have the assignees specified the name and address for service of 1 (one) person upon whom any notice may be served on their behalf?	✓		
6	Has a commitment to the work program been lodged?	✓		
7	Have the assignees provided a statement detailing their financial and technical resources?	✓		
8	Is there a caveat registered over the mineral development licence?		✓	
8a	If yes to 8 - does the caveat allow for an assignment?			N/A
8b	If no to 8a - has a removal of caveat form been lodged or the consent of the caveator been lodged?			N/A
9	Is there a mortgage registered over the mineral development licence?		✓	
9a	If yes to 9 - has the consent of the mortgagee been lodged?			N/A
10	Has the rent been paid to date?	✓		

11	Is the assignment application in respect of the whole of the land?	✓		
12	Is replacement security required under the MRA?	✓		
12a	If yes to 12 – has the replacement been lodged?	✓		s.49 - Business Affairs 15197270 29/8/07.
13	Is replacement financial assurance required under the EP Act?			await advice from
13a	If yes to 13 – has the replacement been lodged?			EPA EM 31/8/07.

Section 2 – Application for Mortgage

Question relation	Requirement	Yes	No	Remarks
1	Is there a caveat registered over the mineral development licence?			
1a	If yes to 1 - does the caveat allow for a mortgage?			
1b	If no to 1a - has a removal of caveat been lodged or the consent of the caveator been lodged?			
2	Is the mortgage application in respect of the whole of the land?			

Compliance conducted by *Kervie MUGRAVE*

Time: 1 : 30 AM/PM

Date: 31 / 8 / 07

PART C – DECISION BY AUTHORIZED OFFICER

This assignment/mortgage complies with sections 198 and 201 of the *Mineral Resources Act 1989* and can be recorded on the register.

Financial assurance held: s.49 - Business Affairs

Security Deposit held: \$ -

Replacement bank guarantee lodged: YES NO
OR
Transfer of cash security letter lodged: YES NO
OR
New cash security lodged: YES NO

Replacement bank guarantee lodged: YES NO
OR
Transfer of cash security letter lodged: YES NO
OR
New cash security lodged: YES NO

This assignment/mortgage does not comply with section 198 or 201 of the *Mineral Resources Act 1989* and cannot be recorded on the register. A statement outlining the deficiencies has been forwarded to the holders:

Signed by

Time: : AM/PM

Date: / /

MinterEllison

LAWYERS

WATERFRONT PLACE, 1 EAGLE STREET, BRISBANE QLD 4000, DX 102 BRISBANE

To Nicole Freeman
Department of Mines and Energy
Facsimile 3405 5346

From Jordan Phillips
Email Jordan.Phillips@minterellison.com
Facsimile +61 7 3119 1432
Direct line +61 7 3119 6432
Our Ref SXJ 40-5598980

Date 31 August 2007
Number of pages (including this one): 4

Subject Request for information - MDL282 and ML70379

Letter follows.

DNRM RTI DL Release

If you do not receive all pages please telephone +61 7 3119 6432

IMPORTANT - The contents of this facsimile may be privileged and confidential. Any unauthorised use of the contents is expressly prohibited. If you have received the document in error, please advise us by telephone (reverse charges) immediately and then shred the document. Thank you.

MinterEllison

LAWYERS

31 August 2007

WATERFRONT PLACE 1 EAGLE STREET BRISBANE
PO BOX 7844 WATERFRONT PLACE QLD 4001 AUSTRALIA
DX 102 BRISBANE www.minterellison.com
TELEPHONE +61 7 3119 6000 FACSIMILE +61 7 3119 1000

BY FACSIMILE: (07) 3405 5346

Nicole Freeman
Mining Registrar
Department of Mines and Energy
Level 3, Mineral House
41 George Street
BRISBANE QLD 4000

Dear Ms Freeman

Information required for Due Diligence

We act for Anglo Coal Australia Pty Ltd in respect of a due diligence on MDL 282.

Please find **attached** a copy of a letter of authority from Ribfield Pty Ltd authorising us to access the records of the Department of Mines and Energy (DME) in relation to certain tenements that it is the registered holder of.

Could you please provide us with the following information in respect of MDL 282:

- (a) details of annual rent payable for the current year;
- (b) details of the amount of work program expenditure required for the current term;
- (c) details of the financial assurances and performance bonds held by DME;
- (d) details of any breach of conditions of the MDL;
- (e) details of any outstanding rent due and payable;
- (f) copies of documents noted as dealings on the public enquiry reports.

We would also be grateful if you could please advise of the status of the application for ML 70379.

The proposed transaction has an initial deadline of 9 September 2007, and we would greatly appreciate it if you could collate the requested material as soon as possible.

If you have any queries, please do not hesitate to contact Jordan Phillips on (07) 3119 6432 or Sonja Ilic on (07) 3119 6452.

Thank you for your assistance.

MINTER ELLISON GROUP AND ASSOCIATED OFFICES

SYDNEY MELBOURNE BRISBANE CANBERRA ADELAIDE PERTH GOLD COAST DARWIN
HONG KONG SHANGHAI JAKARTA SAN FRANCISCO LONDON

DL 196/06/01/0001 WELLINGTON

Ribfield Pty Ltd
Level 36, Riparian Plaza, 71 Eagle Street
Brisbane QLD 4000

30 August 2007

Nicole Freeman
Mining Registrar
Department of Mines and Energy
Level 3, Mineral House
41 George Street
BRISBANE QLD 4000

Dear Ms Freeman

Ribfield Pty Ltd (Ribfield) and Custom Mining (Middlemount) Pty Ltd (Custom)
Authority to Access Records and Files

I, Nathan Tinkler, Director on behalf of Ribfield and Custom, authorise Minter Ellison Lawyers, to obtain the following information in respect of MDL 282 held by Ribfield and Custom:

- (a) details of annual rent payable for the current year;
- (b) details of the amount of work program expenditure required for the current term;
- (c) details of the financial assurances and performance bonds held by DME;
- (d) details of any breach of conditions of the MDL;
- (e) details of any outstanding rent due and payable;
- (f) copies of documents noted as dealings on the public enquiry reports.

I also authorise Minter Ellison Lawyers to obtain information regarding the status of the application for ML 70379

Thank you for your assistance.

Yours faithfully

s.49 - Signature

Nathan Tinkler
Director

ME_73045653_1 (N2007)

Department of Mines and Energy
31 August 2007

Yours faithfully
MINTER ELLISON

s.49 - Signature

Contact:

Email:

Partner responsible:

Our reference:

Jordan Phillips Direct phone: +61 7 3119 6432 Direct fax: +61 7 3119 6142
jordan.phillips@minterellison.com
Simon Scott
SFS SXJ 40-5598980

DNRM RTI DL Release

Departmental Correspondence Action Sheet

Folio 97

File *MFL 282*
Loose Doc.
MI071 ~~09829~~

SR 9

Date of Entry: *30/9/07*

Signature s.49 - Signature

Urgent
Routine

ACTION OFFICER USE

DUE DATE:

2) Application checklist completed, application to transfer EA onforwarded to EPA & application entered on register. s.78B 31/8/07.

3) Records - please file. s.78B 31/8/07

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

Comments (if any)

Assignment application.

DESIGNATED OFFICER

Signature s.49 - Signature

Date: *31/8/07*

Received in Records



FINAL ACTION

Departmental Minute Prepared Yes No

Comments

Signature:

Date:

Department of Mines & Energy

**REC
Freehills**

31 AUG 2007

10 am/pm

s.49 - Signature

TIME BY

SOUTH EAST REGION MINES

Mining Registrar

Department of Mines and Energy
Queensland.

Attention: Ms. Linda Russell, Senior
Tenures Officer
South East Region (Mines)

Dear Ms. Russell

Lodgement - transfer of MDL 282

We act for Ribfield Pty. Limited ACN 080 772 283 (**Ribfield**) and Custom Mining
(Middlemount) Pty Ltd ACN 122 348 412 (**CMM**).

We refer to the Minister's indicative approval of the transfer of MDL 282 dated 1 June
2007 (copy attached) and **enclose** the following documents in compliance with the
indicative approval:

- 1 the original executed and stamped Form MRA-07 for the transfer of MDL 282
from Ribfield (95%) and DJB Coal Pty Ltd (5%) to Ribfield (95%) and CMM
(5%);
- 2 the original executed application form for transfer of EA No.M4533
- 3 the original Mineral Development Licence No.282 with endorsements;
- 4 the original EA Permit No.M4533;
- 5 a copy each of the Certificate of Registration and the Certificate of Registration
on Change of Name regarding CMM;
- 6 the Commitment of Expenditure for the period ending 30 April 2008 from CMM
and Ribfield;
- 7 a copy each of the Annual Report regarding MDL282 for the period ending 30
April 2007 and the electronic confirmation of successful lodgement on 16
August 2007;
- 8 a copy each of the Statement of Financial Resources, the Statement of
Technical Resources and the Annual Report 2006 of Noble Group Limited
(which were lodged with the mining lease application);
- 9 a copy each of the Statement of Expenditure for the period ending 30 April 2007
and the covering email for lodgement on 13 August 2007;
- 10 a cheque in the sum of of Business Affairs for the replacement of the
financial assurance; and

DEPARTMENT OF MINES AND ENERGY
SALES & INFORMATION CENTRE

RECEIPT No.: 15197290

FEE: \$ s.49 - Business Affairs

FOR: Security Deposit

INITIALS: s.49 - Signature DATE: 29/8/07

29 August 2007

Matter 81032006

BY HAND

Department of Mines and Energy

RECEIVED

29 AUG 2007

1 pm am/pm s.49 - Signature

TIME BY
Sales and Information Centre,
Mineral House, Brisbane

11 a cheque in the total sum of [s. 78B] in favour of DME ([s. 78B] being the latest prescribed fee for the Form MRA-07 and [s. 78B] being the latest prescribed fee for the transfer of the EA).

We look forward to the Minister's final approval of the transfer of MDL282.

If, for whatever reason, the requirements under the Minister's indicative approval are not considered as fully complied with, please let us know and treat this letter as an application for extension or renewal of the Minister's indicative approval.

If you require any further information or have any queries, please contact the undersigned.

Yours sincerely

s.49 - Signature

Sandy Lai

Solicitor

Freehills

+61 7 3258 6476

sandy.lai@freehills.com

DNRM RTI DL Release



**Queensland
Government**

Author / Linda Russell
Directorate / South East Region (Mines)
Reference / MDL 282
Phone / 07 3238 3805
Facsimile / 07 3405 5346
Email / linda.russell@dme.qld.gov.au

Department of
Mines and Energy

1 June 2007

Ribfield Pty Ltd
C/- Tenement Administration Services Pty Ltd
Shop 4 Landcentre
Cnr Main & Vulture Streets
WOOLLOONGABBA QLD 4125

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE NO. 282

I refer to your request dated 22 May 2007, for an indication under Section 198(5)(a) of the *Mineral Resources Act 1989* ("the Act) that the Minister will approve an assignment of Mineral development licence 282 from Ribfield Pty Ltd (95%) & DJB Coal Pty Ltd (5%) to Ribfield Pty Ltd (95%) & Custom Mining (Middlemount) Pty Ltd (5%).

I advise that the Minister will approve the assignment of the mineral development licence under Section 198(1) of the Act, subject to compliance with the provisions of the Act and compliance with the following requirements with this Department within three (3) months of the date of this letter:

- Lodgement of a duly executed assigning in the prescribed form stamped by the Office of State Revenue;
- Payment of the prescribed fee, being \$35.80;
- Lodgement of the original Mineral development licence instrument;
- Lodgement of proof of eligibility of the assignee;
- Replacement of the financial assurance of Business Affairs letter of approval to transfer the financial assurance of Business Affairs the assignor to the assignee;
- Lodgement of a statement from the assignee advising this Department of their commitment to the existing work program and expenditure commitment or a statement of the assignee's proposed work program and expenditure commitment which will be acceptable to the Department;

Department of Mines and Energy
South East Region (Mines)
Podium 2, Ground Floor
Landcentre Building
Cnr Main and Vulture Street,
Woolloongabba Qld 4102
PO Box 1475, Coopersoo
Queensland 4151 Australia
Telephone + 61 7 3238 3730
Facsimile + 61 7 3405 5346

- Lodgement of a statement outlining the financial and technical resources available to the assignee;
- Lodgement of Annual Report & Statement of Expenditure for the period ending 30 April 2007;
- Lodgement of a completed application form to transfer the Environmental Authority and the prescribed fee of \$52.80;

If considered necessary, any additional information regarding this assignment will be requested prior to approval being finalised.

The required forms and further information can be obtained from the Department's website at www.nrm.qld.gov.au.

If further information is required, please contact the nominated contact officer referred to above in this letter.

Yours sincerely

s.49 - Signature

Linda Russell
Senior Tenures Officer
South East Region (Mines)

DNRM RTI DL Release



Queensland Government
Natural Resources, Mines and Water

Queensland Duty Paid \$ 134,975.00
 On amount of \$ s.49 - Business Affairs
 Transfer Duty Section 22
 Stamp No. / Lodgement No. / Trans No.
 012 912 780-3
 Signed: s.49 - Signature 24/8/07

Dealing No.
1010077
(Office Use Only)

ASSIGNMENT OF AN EXPLORATION PERMIT OR A MINERAL DEVELOPMENT LICENCE

Section 151, 198
 Mineral Resources Act 1989
 Form Number MRA-07 Version Number 2

OFFICIAL USE ONLY	
EP/MDL No.	
PART A	
Received AT M/House	Received BY s.49 - Signature
DATE 29/8/07	TIME 12:54 PM
PART B	
FEE Paid \$91.30	RECEIPT no. 15197269
PART C	
ENTERED on register by	
(SIGNATURE)	
DATE / /	

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector. Please refer to the section at the end of this form entitled "Privacy Statement" which provides details about why the personal information on this form is being collected and how it will be handled.

The completed original of this application and any attachments, must be submitted with the prescribed fee at the Office of the Chief Executive.

Please print clearly in ink and use block letters.

All prescribed forms under the *Mineral Resources Act 1989* are available through the internet on www.nrm.qld.gov.au.

1. ASSIGNMENT DETAILS

Assignment for:

1.1	Exploration Permit	<input type="checkbox"/> Minerals	<input type="checkbox"/> Coal
1.2	Mineral Development Licence	<input checked="" type="checkbox"/>	
1.3	Tenure Number	282	

GUIDE FOR APPLICANTS

Question 1.1

Tick if tenure is an exploration permit for mineral/coal.

Question 1.2

Tick if tenure is a mineral development licence.

Question 1.3

Insert the number of the tenure (eg. 72812).

Question 1.4

Specify company name or surname of applicant.

Question 1.5

Specify given name(s) of applicant.

Question 1.6

If company, what is the Australian Company Number (ACN)?

Question 1.7

Specify percentage of interest held by applicant.

- ASSIGNORS -

Company Name/Surname

1.4 DJB COAL PTY LTD

Given Name(s)

1.5

ACN (if company)

1.6

110 928 213

Percentage

1.7

5

%

Company Name/Surname

1.4 RIBFIELD PTY LTD

Given Name(s)

1.5

ACN (if company)

1.6

080 772 283

Percentage

1.7

95

%

Company Name/Surname

1.4

Given Name(s)

1.5

ACN (if company)

1.6

Percentage

1.7

%

Company Name/Surname

1.4

GUIDE FOR APPLICANTS

Question 1.8

The total interest must equal 100%. If you are entering these details online, right click the 'O' and select 'Update Field'.

Given Name(s)	1.5				
ACN (if company)	1.6		Percentage	1.7	%
			Total Percentage	1.8	100 %

Question 1.9

Specify company name or surname of assignee.

- ASSIGNEES -

Company Name/Surname	1.9	CUSTOM MINING (MIDDLEMOUNT) PTY LTD
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Question 1.10

Specify given name(s) of assignee.

Given Name(s)	1.10	
---------------	------	--

Question 1.11

If company, what is the Australian Company Number (ACN)?

ACN (if company)	1.11	122 348 412	Percentage	1.12	5 %
------------------	------	-------------	------------	------	-----

Question 1.12

Specify percentage of interest held by assignee.

Company Name/Surname	1.9	RIBFIELD PTY LTD
----------------------	-----	------------------

Question 1.13

The total interest must equal 100%. If you are entering these details online, right click the 'O' and select 'Update Field'.

Given Name(s)	1.10	
---------------	------	--

ACN (if company)	1.11	080 772 283	Percentage	1.12	95 %
------------------	------	-------------	------------	------	------

Company Name/Surname	1.9	
----------------------	-----	--

Given Name(s)	1.10	
---------------	------	--

ACN (if company)	1.11		Percentage	1.12	%
------------------	------	--	------------	------	---

Company Name/Surname	1.9	
----------------------	-----	--

Given Name(s)	1.10	
---------------	------	--

ACN (if company)	1.11		Percentage	1.12	%
------------------	------	--	------------	------	---

Total Percentage	1.13	100	%
-------------------------	------	-----	---

Question 1.14

The assignees are to nominate one person upon whom any correspondence or notice can be served.

Nominated Person	1.14	NATHAN TINKLER
------------------	------	----------------

Question 1.15

Specify address of nominated person.

Address	1.15	C8, 1 HONEYSUCKLE DRIVE, NEWCASTLE NSW 2300
---------	------	--

Question 1.16

Specify phone number of nominated person.

Phone Number	1.16	(02) 4907 4700
--------------	------	----------------

Question 1.17

Specify fax number of nominated person.

Fax Number	1.17	(02) 4907 4799
------------	------	----------------

Question 1.18

Specify e-mail address of nominated person.

E-mail	1.18	ntinkler@custommining.com.au
--------	------	------------------------------

GUIDE FOR APPLICANTS

Question 2.1, 2.2 & 2.3

Tick the corresponding box to indicate if a caveat is registered.

If there is and the caveat forbids the approval of this assignment, the caveator's written consent to this assignment must be lodged.

MDL ONLY

Question 2.4, 2.5 & 2.6

Only answer this question if it is an assignment of a mineral development licence. Tick the corresponding box to indicate if mortgage is registered. If there is, insert the name of the mortgagee and ensure that the mortgagee's written consent to this assignment is lodged.

2. CAVEAT, MORTGAGE

Is there a current caveat recorded in respect of this permit(s) or licence(s)?

2.1	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
-----	------------------------------	--

If yes, who is the caveator?

2.2	
-----	--

Has consent been given to this assignment?

2.3	<input type="checkbox"/> YES → Attach written consent.	<input type="checkbox"/> NO
-----	--	-----------------------------

- MINERAL DEVELOPMENT LICENCE ONLY-

Is there a mortgage registered over the licence?

2.4	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
-----	------------------------------	--

If yes, who is the mortgagee?

2.5	
-----	--

Has consent been given to this assignment?

2.6	<input type="checkbox"/> YES → Attach written consent.	<input type="checkbox"/> NO
-----	--	-----------------------------

Question 3

This form is to be signed by all current holders.

Question 3.1

Enter the name of place where the application was signed, the day of the month, the month and the year when the form is signed.

Question 3.2

Insert full name of assignor(s).

Question 3.3

Signature of assignor(s).

3. SIGNATURES

The assignors assign to the assignees the interest in the tenure as specified. The assignees accept the assignment of the interest in the tenure as specified. The assignees undertake to comply with the terms and conditions of the permit/licence and the relevant legislation.

- SIGNED BY THE ASSIGNOR(S) -

3.1	Signed at	this 21 day of June	, 2007
-----	-----------	---------------------	--------

3.2	REFER TO ANNEXURE A	3.3	
-----	---------------------	-----	--

3.2	REFER TO ANNEXURE A	3.3	
-----	---------------------	-----	--

3.2		3.3	
-----	--	-----	--

Full name and title of Assignor(s)

Signature

GUIDE FOR APPLICANTS

Question 3.4
Insert full name of Witness.

3.4		3.5	
-----	--	-----	--

Full name of Witness

Signature of Witness

Question 3.5
Signature of Witness.

- SIGNED BY THE ASSIGNEE(S) -

Question 3.1
Enter the day of the month, the month and the year when the form is signed.

3.1	Signed at this <u>21</u> day of <u>June</u> , 20 <u>07</u>
-----	--

Question 3.2
Insert full name of assignee(s).

3.2	REFER TO ANNEXURE A	3.3	
-----	---------------------	-----	--

Question 3.3
Signature of assignee(s).

3.2		3.3	
-----	--	-----	--

Question 3.4
Insert full name of Witness.

3.2	REFER TO ANNEXURE A	3.3	
-----	---------------------	-----	--

Question 3.5
Signature of Witness.

3.2		3.3	
-----	--	-----	--

Proof of identify of the assignees must accompany this application. This proof may consist of:

- (a) **For an individual:** a certified copy of Driver's Licence, passport, birth certificate or Card 18+ (must be at least 18 years of age);
- (b) **For a Company:** Certificate of Incorporation or Australian Company Number (A.C.N.) or Australian Registered Business Number (A.R.B.N.).

3.2		3.3	
-----	--	-----	--

Full name and title of Assignee(s)

Signature

3.4		3.5	
-----	--	-----	--

Full name of Witness

Signature of Witness

Execution of Documents by an Agent

If an agent or the holder of a power of attorney is signing a document, required to be lodged by an Act, on behalf of another, the agent or holder of the power of attorney must produce current, written evidence of their authority to act at the time of lodgement.

All of the holders of the tenure **MUST** execute the appointment of agent or the power of attorney for the appointment or power of attorney to be effective. A company signing an appointment of agent or power of attorney must do so in accordance with the corporation law and/or the articles of association of the company.

Question 4.1
Tick the appropriate boxes to indicate compliance.

4. ACCOMPANIMENTS

The following must accompany this form:

4.1		Tick
	• Completed Assignment Form Number	<input checked="" type="checkbox"/>
	• Application to transfer the Environmental Authority	<input checked="" type="checkbox"/>
	• Proof of identity of the assignees	<input checked="" type="checkbox"/>
	• Instrument of Exploration Permit/Mineral Development Licence	<input checked="" type="checkbox"/>
	• Consent of Caveator Form Number	<input type="checkbox"/>
	• Written consent of mortgagee (if there is a mortgage) - MDL ONLY	<input type="checkbox"/>
	• The prescribed application fee	<input checked="" type="checkbox"/>
	• Any further requirements specified in a notice of prior approval issued by this Department	<input checked="" type="checkbox"/>

5. PRIVACY STATEMENT

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector.

The Department of Natural Resources, Mines and Water is collecting the information on this form to process your application for assignment of an exploration permit or mineral development licence. This is required by sections 151 and 198 of the *Mineral Resources Act 1989* (the Act).

The Department is required to facilitate and regulate the carrying out of responsible mining activities and the development of a safe, efficient and viable mining industry in Queensland under the Act.

The Department maintains a Register under section 387 of the Act. This register contains information collected from a variety of sources, including application forms submitted under the Act. The particulars to be recorded in the register are prescribed in Part 11 of the Mineral Resources Regulation 2003 (the Regulations).

Under section 68 of the Regulations, the public can inspect the Register between the hours of 8.30 am and 4.30 pm on business days, and anyone may take extracts from the register and acquire, upon payment of the prescribed fee, a copy of all or part of a notice, document or information held in the register. Information contained in the register includes (but is not limited to):

- the mining tenement number;
- the full name of the holder/s of the mining tenement;
- the annual rent for the mining tenement; and
- any permitted dealings relating to the mining tenement that are approved by the Minister.

Information collected on this form, whether or not it is contained in the Register, may be provided to other Queensland Government Agencies, where such disclosure is necessary for the effective management of the mineral resources and industry in Queensland. These agencies may include the Environmental Protection Agency, the Department of Primary Industries and Fisheries and the Department of Energy.

Where information provided is commercial in confidence, it will be treated as confidential and not included in the Register or be disclosed outside the agency unless the Department is legally required to do so.

For more information on Information Privacy, please contact the Privacy Contact Officer for the Department of Natural Resources, Mines and Water on (07) 389 63705.

Annexure 'A'

This is Annexure 1 of 2 pages referred to in Form Number MRA-07

ASSIGNORS

3.2 **DJB Coal Pty Ltd (ACN 110 928 213);**

3.3

sign here ▶ s.49 - Signature

Director
print name Bruce J W Wood

sign here ▶ s.49 - Signature

Director/Secretary
print name JEREMY WARDE BARLOW

3.2 **Ribfield Pty Ltd (ACN 080 772 283)**

3.3

sign here ▶ s.49 - Signature

Director
print name MATTHEW HUBBINS

sign here ▶ s.49 - Signature

Director/Secretary
print name NATHAN TINKER

ASSIGNEES

3.2 **Custom Mining (Middlemount) Pty Ltd (ACN 122 348 412)**

3.3

s.49 - Signature

sign here ▶

Director

print name

MATTHEW HIGGINS

sign here ▶

Director/Secretary

print name

NATHAN TINKLER

3.2 **Ribfield Pty Ltd (ACN 080 772 283)**

3.3

s.49 - Signature

sign here ▶

Director

print name

MATTHEW HIGGINS

sign here ▶

Director/Secretary

print name

NATHAN TINKLER

Application form

Environmental Protection Act 1994 Section 260

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

OFFICIAL USE ONLY

DATE RECEIVED:

31 | 8 | 07

FILE REF:

PROJECT REF:

COMPLETE FORM

CORRECT AA

COMPLETE FEE

ADMINISTERING DISTRICT:

ENTERED BY [SIGNATURE]:

DATE:

--	--	--

GUIDE

This form may also be used to transfer a transitional EA for a code or non-code compliant level 2 mining project, in which case it may be advisable to apply for either a conversion to an EA for a code or non-code compliant level 2 mining project before making the transfer application.

Question 1:

The transitional authority number is prefixed with a 'T'. It may have replaced an EP Act approval, or in some cases a mining tenement type and number was used as the approval number.

Important information for applicants

This form must be used to transfer an environmental authority (EA) (mining activities) for a code or non-code compliant level 2 mining project, under section 260 of the *Environmental Protection Act 1994*. The EA can be transferred from the current holder to another person/entity, an additional holder can be added to an EA (mining activities) for a code or non-code compliant level 2 mining activity. An EA (prospecting) cannot be transferred.

- You cannot use this form to simply remove a holder from an EA (mining activities). Where multiple holders exist and a holder wishes to be removed from the authority, you must submit an application for amendment of EA. (The authority may be amended if, following the amendment, there would be at least one EA holder remaining).
- An application for transfer will be granted only if all the holders of a relevant mining tenure will also be the holders of the corresponding environmental authority. Questions 18 and 19 refer.
- In this form, reference to an EA is also taken to be a reference to a transitional EA.

In most instances, this form is required to be completed and submitted with the relevant Department of Natural Resources and Mines (NR&M) application for assignment of mining claim, mining lease, exploration permit or mineral development licence. Information (eg proof of identity of transferee) shall be taken from the NR&M form to assist the administering authority in deciding this application for transfer of EA. Please lodge the transfer and assignment forms at your local NR&M district office.

Information to be provided by current EA holder

1. EA (or transitional EA) number

EA NUMBER:
M4533

2. Relevant mining tenement(s) for each mining activity that is to be transferred

TENEMENT TYPE AND NUMBER (EG ML1234):
MDL282

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

For a mining lease project, please provide the NR&M issued project number.

3. Project details, where existing

PROJECT NUMBER:
PROJECT NAME:

Where there are joint holders, list all joint holders. Please provide the full legal names of all persons/entities to which the current EA was issued.

4. Name of current EA holder(s)

NAME(S): Ribfield Pty Ltd ACN 080 772 283 DJB Coal Pty Ltd ACN 110 928 213
--

The registered business address provided should be the head office location or residence of the holder/principal holder, for the purposes of serving legal notices.

The postal address provided shall be used by the administering authority for general correspondence.

5. Address and contact details for current holder/principal EA holder

NAME: Ribfield Pty Ltd	
REGISTERED BUSINESS ADDRESS: C8, 1 Honeysuckle Drive, Newcastle NSW 2300	
FULL POSTAL ADDRESS (WHERE DIFFERENT):	
TELEPHONE: (02) 4907 4700	FACSIMILE: (02) 4907 4799
MOBILE TELEPHONE:	EMAIL: ntinkler@custommining.com.au

If the current EA holder is a person, enter that name. Otherwise, enter the position of the person (eg director, executive officer, manager) delegated to act for the registered entity.

6. Responsible person (i.e. signatory) for holder/principal holder

NAME: Nathan Tinkler
POSITION: Director
POSTAL ADDRESS (WHERE DIFFERENT TO THAT PROVIDED IN QUESTION 5):

Any persons/entities who are not proposed to be holders of relevant mining tenements, are required to be removed.

Where the only intention of your application is to add an additional EA holder, answer 'No' at Question 7.

7. Do you intend for all current holders to be removed (i.e. no longer hold a share of the EA) upon approval of this application?

- Yes → go to Question 10
- No → complete Questions 8 and 9

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

Question 9:

Where there is more than one holder for an EA, one of the holders may make applications and exchange correspondence with the administering authority on behalf of all holders. This principal holder can be a person or entity nominated by all holders. An existing principal holder will not be able to act on behalf of all holders after the application is approved.

Where there is to be a new principal holder following the approval of this application, those who will be joint holders of the EA after the application is approved should complete the Appointment of principal holder section at the end of this form.

Whilst it is the responsibility of the current holder to summarise the conditions of the EA here, it is the responsibility of the proposed transferee to seek further information from the holder regarding the details of the EA conditions and become familiar with those conditions.

Whilst it is the responsibility of the current holder to summarise any currently imposed statutory requirements in relation to the EA here, it is the responsibility of the proposed transferee to seek further information from the holder regarding the details of any such requirements.

¹ Not to be confused with an audit statement required to accompany a planning document or final rehabilitation report.

8. Identify the person(s)/entity to be removed as a holder of this EA

NAME(S):
DJB Coal Pty Ltd

9. Is the existing principal holder retaining an interest in this EA?

- Yes → the new holders will have to agree in writing for this appointment to continue, or may appoint a new principal holder
- No → all holders after the transfer is approved may appoint a new principal holder

10. Please tick the relevant boxes below to summarise the conditions and commitments that currently exist for the EA

- Conditions contained in relevant Code of Environmental Compliance
- Additional conditions (that is, in addition to conditions of a Code)
- EP Act approval (applies to transitional EAs only)
- Tick-a-box EMOS, or EMOS approved under the MR Act (applies to transitional EAs only)
- Plan of Operations
- Financial assurance requirement
- Other (please specify below)

11. Please tick the boxes where any of the following statutory requirements are currently relevant or imposed on the EA

- Environmental management program.
- Environmental protection order.
- Environmental evaluation.
- Prosecution proceedings.
- Environmental audit (pursuant to either sections 280 or 322 of the EP Act)¹.
- Environmental investigation.
- Other (please specify below):

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

Note: For EAs for code or non-code compliant level 2 mining projects, the administering authority may, within 20 business days after this transfer application is made, require the applicants to provide an audit statement for the EA, stating the extent to which activities carried out under each relevant mining tenement have complied with the conditions of the EA.

12. Have you complied fully with the conditions² of the environmental authority?

- Yes → go to Question 13
- No → attach a statement of the extent to which the conditions have been complied with

Tick to indicate attachments

² For a transitional authority, the conditions are the conditions of any pre 2001 EA and conditions of a relevant mining tenement that, under the new system, would reasonably be expected to be conditions of the environmental authority rather than of the tenement. Conditions also include any commitments, obligations, requirements or undertakings contained in the most recent version of any planning document for the mining tenement.

Please read carefully through the certification opposite before signing - if relevant, note the distinction between the 'holder', 'nominated holder' and a person authorised to sign this form on behalf of the holder or principal holder.

Regarding the return of any financial assurance (FA) held for the EA, an 'Application for amendment or discharge of financial assurance for an environmental authority (mining activities)' form is required to be lodged. The application regarding FA shall not be processed until this transfer application is approved.

13. Certification by the current environmental authority holder

I / We, (the current EA holder/s, identified at Question 4):

(please tick relevant option)

- agree to the transfer³ of the environmental authority identified at Question 1.
- agree to the addition of the proposed new holder, identified at Question 14, for the environmental authority identified at Question 1.
- understand that all information supplied on or with this application form may be made available upon request, subject to the provisions of the *Freedom of Information Act 1992* and/or by EPA administrative access arrangements.

³ If the transfer is approved it will not take effect until the financial assurance has been appropriately adjusted.

(1) I, JEREMY WARDE BARLOW (2) Nathan Leslie Tinker
Printed name of person(s) signing this form

- am authorised to sign on behalf of the current environmental authority holder(s), and commit the current environmental authority holder(s) in all matters relevant to this application.
- am aware that under section 480 of the *Environmental Protection Act 1994*, it is an offence to give the administering authority information that I know is false, misleading or incomplete in any material particular. The maximum penalty for such action is 165 penalty units for an individual, or 825 penalty units where the applicant is a corporation (section 181 B (3) of the *Penalties and Sentences Act 1992*). The current penalty unit value is \$75.00.


Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

You may apply for exemption from disclosing information contained in a document submitted, or proposed to be submitted with this application (see section 564 of the EP Act).

Where there is more than one holder, this certification is to be signed by all holders or the person authorised to sign on behalf of all holders (i.e. the current principal holder, if relevant).

Where the holder or current principal holder is a company, this form is to be signed by an authorised person for that company.

NAME:
(1) DJB Coal Pty Ltd and (2) Ribfield Pty Ltd

SIGNATURE:
(1)  s.49 - Signature

DATE:
(1) 7 June 2007 (2) 21 June 2007

Information to be provided by the proposed transferee

The 'transferee' is the person/entity applying to become a holder of the EA. Please provide the full legal name.

14. Name of transferee

NAME:
Custom Mining (Middlemount) Pty Ltd

All bodies registered under Corporations Law will have an Australian Company Number (ACN), except some foreign bodies which will have an Australian Registered Body Number

15. ACN/ARBN number (as appropriate)

NUMBER:
122 348 412

The registered business address provided should be the head office location or residence of the transferee, for the purposes of serving legal notices. You must not provide a post office box.

16. Address details for transferee

REGISTERED BUSINESS ADDRESS: C8/1 Honeysuckle Drive, Newcastle NSW 2300	
FULL POSTAL ADDRESS (WHERE DIFFERENT):	
TELEPHONE: (02) 4907 4700	FACSIMILE: (02) 49074799
MOBILE TELEPHONE:	EMAIL: ntinkler@custommining.com.au

The postal address provided shall be used by the administering authority for general correspondence.

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

17. Responsible person (i.e. signatory) for transferee

NAME: Nathan Tinkler
POSITION: Director
POSTAL ADDRESS (WHERE DIFFERENT TO THAT PROVIDED IN QUESTION 5):

Where there is more than one tenement as part of the project EA and you are not a holder of all tenements, but are a holder of at least one tenement, answer Yes at this question.

18. Are you (i.e. the proposed transferee) a holder of a relevant mining tenement for the EA?

- Yes → list tenements you hold or have an interest in, then go to Question 20
- No

TENEMENT TYPE AND NUMBER:

19. Have you applied under the *Mineral Resources Act 1989* to become a holder of a relevant mining tenement for the EA?

- Yes → list relevant tenements

TENEMENT TYPE AND NUMBER: MDL282

- No

Question 20:
Past criminal activity is one of the factors that the administering authority considers when deciding a transfer application is the suitability of the transferee to hold an EA.

Past criminal activity for environmental offences will not necessarily result in the application being refused. Each case is assessed on its merits.

The EPA may contact you for further information at any time during the decision-making period.

Where the applicant is a corporation, Questions 20 & 21 apply to all executive officers of the corporation (and relates to their current position, and any other executive positions they may have held in other corporations). Under the EP Act, an 'executive officer' includes anyone who is involved in the management of a corporation. You should make reasonable inquiries of all executive officers.

20. Has the transferee been convicted⁴ of an offence against the *Environmental Protection Act 1994* or a corresponding law⁵ in Queensland or another jurisdiction?

- Yes → please attach a brief statement outlining the date, location and nature of the conviction

Tick to indicate attachments

- No

⁴ Under the EP Act, a conviction includes a plea of guilty or a finding of guilt by a court even though a conviction is not recorded.

⁵ "Corresponding law" means a law of the Commonwealth or another state that provides for the same or similar matters as the EP Act.

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

21. Has the transferee held an environmental authority that has been cancelled or suspended under the *Environmental Protection Act 1994* or a corresponding law in Queensland or another jurisdiction?

Yes → please attach a brief statement outlining the date, licence or approval number, and the nature of the cancellation or suspension

Tick to indicate attachments

No

22. Do you wish to apply for an amendment of the EA with this application for transfer?

Yes → complete the relevant⁶ application for amendment form and submit it, as an attachment to this form the Ecoaccess Customer Service Unit (ECSU).

Tick to indicate attachments

No → Attach a statement of the extent to which the conditions have been complied with

Tick to indicate attachments

⁶For a transitional EA: If the activity is eligible to be a code or non-code compliant level 2 mining activity, use the 'Application to convert to environmental authority for a code or non-code compliant level 2 mining project' form, otherwise, a level 1 transfer will apply.

23. Should this application be approved, who is to be the contact person for dealing with the environmental protection issues for the EA?

The contact person may be an operational staff member, a consultant or other relevant person.

Statutory notices will be sent to the principal holder - not the contact person stated here.

NAME: Nathan Tinkler	
POSITION AND COMPANY: Director, Custom Mining (Middlemount) Pty Ltd.	
REGISTERED BUSINESS ADDRESS: C8, 1 Honeysuckle Drive, Newcastle NSW 2300	
FULL POSTAL ADDRESS (WHERE DIFFERENT TO THAT PROVIDED AT QUESTION 16):	
TELEPHONE: (02) 4907 4700	FACSIMILE: (02) 4907 4799
MOBILE TELEPHONE:	EMAIL: ntinkler@custommining.com.au

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

Please read carefully through the certification before signing - if relevant, note the distinction between the 'transferee' and a person authorised to sign this form on behalf of the transferee.

⁷Should this transfer application be approved it will not take effect until the required amount of financial assurance is lodged (in the approved form) for the EA. Please refer to the *Guideline: Financial assurance for mining activities*.

⁸For a transitional EA, it may be advisable to apply for a conversion to an EA for a code or non-code compliant level 2 mining project before making this transfer application.

The fee for an application to transfer environmental authority is \$50.

The fees and charges associated with this application form have been excluded from GST by the Commonwealth Government.

24. Certification by transferee

I/We, (the transferee identified at question 14):

Tick the relevant option:

- apply to transfer⁷ the environmental authority/transitional⁴ environmental authority identified at Question 1;
- apply to become a holder of the environmental authority/transitional⁸ authority identified at Question 1.

I/We,

Tick the options that apply:

- am/are able to comply with the conditions of the existing authority and do not apply for an amendment of the environmental authority;
- have made a separate application to convert the transitional authority into an environmental authority (mining activities) for a code or non-code compliant level 2 mining project;
- accept responsibility for any outstanding rehabilitation and on-going management requirements and liabilities;
- have made a separate application to amend the environmental authority;
- have lodged the correct financial assurance in the approved form;
- enclose the prescribed fee of \$50.00;
- understand that all information supplied on or with this application form may be made available upon request, subject to the provisions of the *Freedom of Information Act 1992* and/or EPA administrative access arrangements.

I,

Nathan Tinkler

Printed name of person signing this form

- am authorised to sign on behalf of the transferee, and commit the transferee in all matters relevant to this application;
- accept that my suitability to hold an environmental authority may be investigated;
- understand that if the application is approved, I am required to notify the landholders concerned;

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

You may apply for exemption from disclosing information contained in a document submitted, or proposed to be submitted with this application (see section 564 of the EP Act).

Transferees are advised that the public register held by the administering authority may contain details of relevance to the proposed transfer. For example, other statutory requirements such as an environmental management program or an environmental protection order might be imposed currently on the existing holder of the EA and/or land contaminated as part of the mining project may require remediation works. Transferees should consider conducting a search on the public register.

- am aware that under section 480 of the *Environmental Protection Act 1994*, it is an offence to give the administering authority a document that contains information that I know is false, misleading or incomplete in any material particular.

The maximum penalty for such actions is 165 penalty units for an individual, or 825 penalty units where the transferee is a corporation (section 183 (b) (3) of the *Penalties and Sentences Act 1992*). The current penalty unit value is \$75.

SIGNATURE	s.49 - Signature	
-----------	------------------	--

POSITION OF SIGNATORY (I.E. DIRECTOR, MANAGER, OWNER, PARTNER, CEO ETC): Director
--

DATE: 21st June 07

25. Applicant checklist

- Application form(s) completed and signed
- Fees paid or enclosed (if applicable)
- Supporting information or accreditation attached (if applicable)

Please return your completed application kit to:

The relevant district office of:

**Mining Registrar
Department of Natural Resources and Mines**

Application to transfer an environmental authority (mining activities) for a code or non-code compliant level 2 mining project

Appointment of principal holder

We, being joint applicants listed below, for the transfer of EA identified in Question 1 who will be holders of this EA following approval of this transfer application, hereby appoint

PRINTED NAME OF PRINCIPAL HOLDER: Ribfield Pty Ltd ACN 080 772 183

as the principal holder for this environmental authority (mining activities), following the approval of this transfer application.

List all joint applicants who will hold the transferred EA

APPLICANT NAME / COMPANY: Ribfield Pty Ltd ACN 080 772 183		
---	--	--

SIGNATORY NAME & POSITION: Nathan Tinkler, Director	s.49 - Signature	DATE: 21/8/07
--	------------------	------------------

s.49 - Signature

APPLICANT NAME / COMPANY: Custom Mining (Middlemount) Pty Ltd ACN 122 348 412		
--	--	--

SIGNATORY NAME & POSITION: Nathan Tinkler, Director	s.49 - Signature	DATE: 21/8/07
--	------------------	------------------

s.49 - Signature

APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:

APPLICANT NAME / COMPANY:		
SIGNATORY NAME & POSITION:	SIGNATURE:	DATE:

The administering authority may:

- give a notice or other document relating to an EA (mining activities) by giving it to the principal holder; or
- make a requirement in relation to an EA (mining activities) by making it of the principal holder.

The principal holder may, for all other holders of the EA (mining activities) give or submit to the administering authority a notice or other document relating to the EA.

The joint applicants may, by signed notice to the EPA, cancel the appointment.



Queensland Government

**Environmental Protection Agency
Queensland Parks and Wildlife Service**

Environmental Protection Agency
Ecoaccess Customer Service Unit
PO Box 15155 CITY EAST QLD 4002
www.epa.qld.gov.au ABN: 87 221 158 786

Notice of assessment level decision: non-code compliant environmental authority for a level 1 mining project

Environmental Protection Act 1994

This notice is issued by the Environmental Protection Agency to advise of statutory decision on a permit¹ application under environmental and/or conservation legislation.

Enquires : Rachael Ryan
Telephone : 1300 368 326
Your reference : M4533
Our reference : 171784

Ellrock Pty Ltd
1st Floor
1304 Hay Street
WEST PERTH WA 6005

Dear Mr John Cooke

Department of Mines & Energy	
RECEIVED	
31 AUG 2007	
10	s.49 - Signature
.....am/pm	
TIME	BY
SOUTH EAST REGION MINES	

Re: Amendment application of environmental authority (mining activities) by Ellrock Pty Ltd for the Environment Authority MDL282.

Thank you for the above mentioned application, received by the Environmental Protection Agency on 17 August 2006.

The administering authority has made an assessment level decision in accordance with section 246 of the *Environmental Protection Act 1994* that the application is to be assessed as a non-code compliant level 1 mining project application and an Environmental Impact Statement is not required for the application. It was also decided that the level of environmental harm is unlikely to be significantly increased from the proposed changes in the mining activities.

The application will be processed at our Emerald District Office. Ms Rebecca Blades, Senior Environmental Officer has been appointed as the district contact. Ms Blades can be contacted on telephone (07) 4982 4555.

Yours sincerely

s.49 - Signature

Armad Kanman
Manager, Ecoaccess Customer Service Unit
Delegate of the Administering Authority
Environmental Protection Act 1994
13 September 2006

Enquiries:
Environmental Protection Agency
PO Box 906
Emerald QLD 4702

CC: Mining Registrar, Winton District, Department of Natural Resources, Mines & Water

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service
Environmental Protection Agency



Notice of Decision - amendment

This notice is issued under section 238 by the Environmental Protection Agency to advise of a statutory decision made under environmental legislation for an application to amend a permit.

Mr John Cook
Ellrock Pty Ltd
1st Floor
1304 Hay Street
WEST PERTH WA 6005

Your reference : M4533

Our reference : PR: 171784, EMD2213

Attention: Mr John Cook

Re: Decision made in relation to your amendment application under legislation administered by the Environmental Protection Agency (EPA).

The EPA has assessed your application received on 17 August 2006 and wishes to advise you of the following decision:

Permit	Permit Number	Current Mining Tenures	Decision
Non-Code Compliant Level 2 Environmental Authority (Mineral Development and Exploration)	M4533	Mineral Development Licence: 282	Granted

If you require more information, please contact Rebecca Blades, the Project Manager, on the telephone number listed below.

Notice of Decision

s.49 - Signature		26.09.06
Signature		Date

Jonathon Dalton
District Manager
Environmental Protection Act 1994

Enquiries:
Janelle O'Neill
Central West District
Telephone: (07) 4982 4555
Facsimile: (07) 4982 2568

Cc. Richard Jennings
Custom Mining

DNRM RTI DL Release

Notice

Environmental Protection Act 1994 Section 555

Notice of extension of decision period

This statutory notice is issued by the administering authority pursuant to section 555 of the Environmental Protection Act 1994, to advise you of a decision to extend the decision period for your application.

John Cooke
Elrock Pty Ltd
1st Floor, 1304 Hay Street
WEST PERTH WA 6005

Your reference : M4533

Our reference : EMD2213 vol.1

Attention: Mr Richard Jennings

Re: Application for amendment of environmental authority number 4533, by Elrock Pty Ltd for Mining Activities at MDL 282.

The administering authority requires an extension of time to decide this application. A decision on the application will be made by 13 September 2006.

The extension of time is required for the following reasons:

The administering authority required additional time to assess the supplied information.

You may apply to the administering authority for a review of this decision within 10 business days after receiving this notice. You may also appeal against this decision to the Planning and Environment Court.

Information outlining the review and appeal processes under the *Environmental Protection Act 1994* is included with this Notice. This information is intended as a guide only. You may have other legal rights and obligations.

Should you have any queries in relation to this Notice, please contact Rebecca Blades of the EPA on telephone (07) 4982 4555.

Notice of extension of decision period

	s.49 - Signature	
--	------------------	--

Signature

22.08.06

Date

Melissa Wells
District Manager
Delegate of Administering Authority
Environmental Protection Act 1994

Enquiries:
99 Hospital Road (PO Box 906),
Emerald 4720
Ph. (07) 4982 4555
Fax. (07) 4982 2568

Cc. Richard Jennings
Custom Mining Pty Ltd

DNRM RTI DL Release

Permit¹

**S238 Environmental Protection Act 1994
Environmental Authority (Mineral Development and Exploration) Non-Code Compliant
Level 2 Mining Project**

Permit¹ number: M4533

This environmental authority is granted under the Environmental Protection Act 1994 and includes conditions to minimise environmental harm caused, or likely to be caused, by the authorised mining activities. An environmental authority (mining activities) may be for mining activities authorised (under the Mineral Resources Act 1989) to occur under one of the following mining tenements: a prospecting permit; mining claim; exploration permit; mineral development licence; or mining lease. In general, a mining activity means: prospecting, exploring, mining; or processing minerals; remediation; rehabilitation; and includes facilitation and supporting activities and any action taken to prevent environmental harm.

Under the provisions of the *Environmental Protection Act 1994* this environmental authority is issued to:

Permit Holder(s)	Name	Address
Principal Holder	Ellrock Pty Ltd	1 st Floor 1304 Hay Street WEST PERTH WA 6005
Joint Holder	Ribfield Pty Ltd	1 st Floor 1304 Hay Street WEST PERTH WA 6005

Activity(s)	Location(s)
Mineral Development	MDL 282

This Environmental Authority takes effect from: 26 September 2006.

The environmental authority is subject to the attached conditions of approval.

s.49 - Signature

Jonathon Dalton
Delegate of the Administering Authority
Environmental Protection Agency
26 September 2006

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service

Schedule of conditions

This environmental authority consists of the following schedules of conditions relevant to various issues:

- Schedule A - General condition
- Schedule B - Activities within Buffer of Endangered Regional Ecosystem
- Schedule C - Definitions

Schedule A - General

- (A1-1) For exploration activities the environmental authority holder must comply with each of the standard environmental conditions contained in the *Code of Environmental Compliance for Exploration and Mineral Development Projects*, except Condition 13, which is replaced by Schedule B conditions.
- (A1-2) The holder of the environmental authority must not carry out exploration activities within a category A or B Environmentally Sensitive Area.
- (A1-3) The holder of the environmental authority must install temporary visual markers on the boundary of the ERE to ensure that exploration activities are not carried out within the environmentally sensitive area.

END OF CONDITIONS FOR SCHEDULE A

Schedule B –Activities within Buffer of Endangered Regional Ecosystem

Drilling or seismic grid

- (B1-1) Spacing of gridlines within the ERE buffer may only be undertaken at no less than 500m apart.
- (B1-2) Four gridline spacings may be reduced to 275m within the Northern ERE buffer.
- (B1-3) Three gridline spacings may be reduced to 250m within the Southern ERE buffer.

Drill sites

- (B2-1) The operational area of the drill site within the ERE buffer must not exceed 1000m².
- (B2-2) Drill holes within the ERE buffer are limited to less than 200mm in diameter.
- (B2-3) The construction of sumps within the ERE buffer must not exceed 10m².
- (B2-4) Topsoil stripping within the ERE buffer is limited to the sump area of 10m².
- (B2-5) The environmental holder must minimise disturbance within the ERE buffer and avoid clearing mature trees.

Tracks

- (B3-1) Existing access and fence line tracks must be used. Any new tracks are to be constructed by linking natural cleared or disturbed areas.

- (B3-2) Tracks are not to be constructed greater than 4m in width.
- (B3-3) Track construction involving blade clearing of established ground cover vegetation and/or clearing of mature trees is prevented or minimised.

Temporary disturbance to waterways

- (B4-1) The authority holder will ensure that the construction of new crossings over watercourse within the ERE buffer is to be avoided and only permitted when no reasonable alternative is available.
- (B4-2) In accordance to the *Water Act 2000*, the holder of this environmental authority is permitted to destroy vegetation, excavate and fill watercourses to establish temporary crossings when there is no flow. Works shall remain in place for no longer than **4 weeks**.

Other land disturbance

- (B5-1) Exploration within the ERE buffer must not involve costeaming or bulk sampling activities.
- (B5-2) Exploration camps must not be established within the ERE buffer.

END OF CONDITIONS FOR SCHEDULE B

Schedule C - Definitions

“**authority**” means environmental authority (mining activities) under the *Environmental Protection Act 1994*.

“**environmental authority holder**” means the holder of this environmental authority.

“**ERE**” means Endangered Regional Ecosystem.

“**land**” in the “land schedule” of this document means land excluding waters and the atmosphere.

“**Northern ERE’s**” are defined as the six polygons located either wholly or partially within MDL 282 north of the east-west line created by the intersection of GDA 94 latitude -22.8552 with GDA 94 longitude 148.6348 and GDA 94 longitude 148.6719.

“**Southern ERE’s**” are defined as the four polygons located either wholly or partially within MDL 282 south of the east-west line created by the intersection of GDA 94 latitude -22.8552 with GDA 94 longitude 148.6348 and GDA 94 longitude 148.6719.

“**watercourse**” means a river, creek or stream in which water flows permanently or intermittently in a visibly defined channel (natural, artificial or artificially improved) with:

- (a) continuous bed and banks;
- (b) an extended period of flow for some months after rain ceases, and
- (c) an adequacy of flow that sustains basic ecological processes and maintains biodiversity.

“**waters**” includes river, stream, lake, lagoon, pond, swamp, wetland, unconfined surface water, bed and bank of any waters, dams, non-tidal or tidal waters (including the sea) or any part thereof.

END OF CONDITIONS

Notice of decision - Permit¹ transfer or amendment

This notice is issued by the Environmental Protection Agency to advise of a statutory decision made under environmental or conservation legislation for an application to transfer or amend a permit.

DJB Coal Pty Ltd
Level 4
100 Eagle Street
BRISBANE
QLD 4000

Our reference: 171784

Dear Sir/Madam

Re: Decision made in relation to your application under legislation administered by the Environmental Protection Agency (EPA).

The EPA has assessed your application received on 03-JAN-2007 and wishes to advise you of the following decision:

Permit Applied For	Permit Number	Decision
Standard Environmental Authority (Mineral Development) under Environmental Protection Act 1994	M4533	Granted

Where the application has been granted, the permit has been re-issued and is attached. Where the application has been refused a Statement of Reasons is attached. Please note that for each approval, this Notice of Decision and the relevant attachments constitute the new permit documentation. Please retain this approval documentation for your records.

Included with this Notice is advice on review and appeal processes available to you. Should you wish to seek a review or appeal, the EPA advises that you seek independent advice before taking such action.

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service

Notice of decision - Permit¹ transfer or amendment

This notice is issued by the Environmental Protection Agency to advise of a statutory decision made under environmental or conservation legislation for an application to transfer or amend a permit.

RIBFIELD PTY LTD
1st Floor
1304 Hay Street
WEST PERTH WA 6005

Our reference: 171784

Attention: Lyn Wilkinson

Dear Ms Wilkinson

Re: Decision made in relation to your application under legislation administered by the Environmental Protection Agency (EPA).

The EPA has assessed your application received on 03-JAN-2007 and wishes to advise you of the following decision:

Permit Applied For	Permit Number	Decision
Standard Environmental Authority (Mineral Development) under Environmental Protection Act 1994	M4533	Granted

Where the application has been granted, the permit has been re-issued and is attached. Where the application has been refused a Statement of Reasons is attached. Please note that for each approval, this Notice of Decision and the relevant attachments constitute the new permit documentation. Please retain this approval documentation for your records.

Included with this Notice is advice on review and appeal processes available to you. Should you wish to seek a review or appeal, the EPA advises that you seek independent advice before taking such action.

¹ Permit includes licences, approvals, permits, authorisations, certificates, sanctions or equivalent/similar as required by legislation administered by the Environmental Protection Agency and the Queensland Parks and Wildlife Service

Certificate of Registration of a Company

This is to certify that

CUSTOM MINING HOLDINGS PTY LTD

Australian Company Number 122 348 412

is a registered company under the Corporations Act 2001 and
is taken to be registered in Victoria.

The company **is limited by shares.**

The company is a **proprietary** company.

The day of commencement of registration is
the twenty-fourth day of October 2006.



CERTIFICATE

Issued by the
Australian Securities and Investments Commission
on this twenty-fourth day of October, 2006.

Jeffrey Lucy
Chairman

Sidcor Chartered Accountants Attn: Lee-Anne Bender
PO Box 831
Newcastle NSW 2300

Remove this top section if desired before framing.



Certificate of Registration on Change of Name

This is to certify that

CUSTOM MINING HOLDINGS PTY LTD

Australian Company Number 122 348 412

did on the fourteenth day of November 2006 change its name to

CUSTOM MINING (MIDDLEMOUNT) PTY LTD

Australian Company Number 122 348 412

The company is a proprietary company.

The company is limited by shares.

The company is registered under the Corporations Act 2001 and is taken to be registered in Victoria and the date of commencement of registration is the twenty-fourth day of October, 2006.

Issued by the
Australian Securities and Investments Commission
on this fourteenth day of November, 2006.

A handwritten signature in black ink, appearing to read 'Jeffrey Lucy'.

Jeffrey Lucy
Chairman



CERTIFICATE



MDL-282

COMMITMENT TO EXPENDITURE FOR PERIOD ENDING 30 April 2008

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007



CONTENTS

1.	Introduction	3
2.	Activities to be undertaken during the year	3
3.	Statement of Expenditures during the year	3

DNRM RTI DL Release



1. Introduction

This report covers the commitment to expenditures to be made in Mineral Development Licence No 282 located in the Bowen Basin near the township of Middlemount in Central Queensland during the Year ending 30th April, 2008.

2. Activities to be undertaken during the Year

Further physical exploration, appraisal and development work is to be carried out within the area of MDL-282 by Custom Mining Middlemount Pty Ltd / Ribfield Pty Ltd.

This exploration will continue to concentrate on targeting the two main seams being 'Middlemount' and 'Pisces'.

A potential 'initial mining' area was identified with the view of developing a drill program to test the economic viability of mining. A Stage 2 drill program has been developed to bring the entire MDL to a 'JORC Measured' status. This Stage 2 program will extend the 'initial mining' area, with a combination of open holes for structure observations and slim-core holes for quality and structure observations.

Timing for completion of program is largely dictated by rig availability.

Custom Mining Middlemount Pty Ltd / Ribfield Pty Ltd have made an application to amend the Environmental Authority for MDL282, so as to move to a Bulk Sampling Program for potential 'end users' to test the 'Middlemount Coal' comprehensively. This would conceptually see four bulk sample shipments of ~60,000t each go to Japan, Korea, Taiwan and India. This approval is yet to be granted.

3. Statement of Expenditures during the Year

During this stage 2 drilling program the budgeted expenditure is expected to be a total of

s.49 - Business Affairs

- Negotiations
- Drilling
- Geology
- Analysis
- Modelling
- Travel / Accommodation
- Legal / Administration

s.49 - Business Affairs



s.49 - Signature

Custom Mining Middlemount Pty Ltd & Kibbeld Pty Ltd

June 22, 2007

DNRM RTI DL Release

Lai, Sandy

From: Tom Todd [ttodd@custommining.com.au]
Sent: Wednesday, 22 August 2007 4:39 PM
To: Lai, Sandy
Subject: FW: QDEX System: Lodged (submitted Report(ID:46142)) successfully Accepted.

Follow Up Flag: Follow up
Flag Status: Green

Tom Todd
Chief Financial Officer
Custom Mining
Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD

Ph: (07) 3121 3160
Mob:
Fax: (07) 3121 3030
Email: ttodd@custommining.com.au

-----Original Message-----

From: Matthew Higgins [mailto:mhiggins@custommining.com.au]
Sent: Monday, 20 August 2007 2:21 PM
To: 'Tom Todd'
Subject: FW: QDEX System: Lodged (submitted Report (ID:46142)) successfully Accepted.

Found it!

Regards,

Matthew Higgins

Chief Operations Manager
Custom Mining
Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD

Ph: (07) 3121 3160
Mob:
Fax: (07) 3121 3030
Email: mhiggins@custommining.com.au

-----Original Message-----

From: geological_info@nrm.qld.gov.au [mailto:geological_info@nrm.qld.gov.au]
Sent: Thursday, 16 August 2007 12:10 PM
To: Qdexirtmsupport@nrm.qld.gov.au; mhiggins@custommining.com.au
Subject: QDEX System: Lodged (submitted Report (ID:46142)) successfully Accepted.

Status:
Report ID 47053 has been generated.

MDL 282, ANNUAL REPORT FOR PERIOD ENDING 30/4/07 Additional Notes:

Modification Date/Time:
Aug 16, 2007 12:10:11 PM

Modifier:
CLARKS

The information in this email together with any attachments is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material.

Any form of review, disclosure, modification, distribution and/or publication of this email message is prohibited, unless as a necessary part of Departmental business.

If you have received this message in error, you are asked to inform the sender as quickly as possible and delete this message and any copies of this message from your computer and/or your computer system network.

DNRM RTI DL Release



MDL-282
ANNUAL REPORT
AND
STATEMENT OF EXPENDITURE
FOR PERIOD ENDING
30 April 2007

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

12-478

1

DL Documents

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au

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Released



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3.	<u>Statement of Expenditures during the year</u>	<u>4</u>
4.	<u>Conclusions</u>	<u>5</u>
	<u>Appendix 1</u>	<u>6</u>

DNRM RTI DL Release



1. Introduction

This report covers the operations undertaken and expenditures made in Mineral Development Licence No 282 located in the Bowen Basin near the township of Middlemount in Central Queensland during the Year ending 22nd June, 2007.

2. Activities undertaken during the Year

Physical exploration, appraisal and development work was carried out within the area of MDL-282 by Custom Mining Ltd as the Appointed Operator for DJB Coal Pty Ltd. This was part of an agreed due diligence process, culminating in Custom Mining Middlemount Pty Ltd purchasing DJB Coal Pty Ltd's 5% share in MDL282 and the acquisition of Ribfield Pty Ltd.

This exploration has concentrated on targeting the two main seams being 'Middlemount' and 'Pisces'.

A potential 'initial mining' area was identified with the view of developing a drill program to test the economic viability of mining. This program consisted of six large core (200mm) holes for raw analysis and twenty open holes for structure observations.

Large Core Holes	Detail
• L02	logs, geophysics, survey, raw analysis
• L04	logs, geophysics, survey, raw analysis
• L08	logs, geophysics, survey, raw analysis
• L09	logs, geophysics, survey, raw analysis
• L10	logs, geophysics, survey, raw analysis
• L11	logs, geophysics, survey, raw analysis

This data is included in appendix 1



Open Holes

- POH05
- POH06
- POH07
- POH08
- POH09
- POH09A
- POH11
- POH12
- POH13
- POH14
- POH15
- POH16
- POH17
- POH18
- POH19
- POH21
- POH22
- POH23
- POH24
- POH28

Detail

logs, geophysics, survey
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logs, geophysics, survey

This data is included in appendix 1.

3. Statement of Expenditures during the Year

During the year a total of \$49 - Business Affairs expended on geological advice, drilling, geological assessment, coal analysis, travel, negotiations and legal advice associated with the assessment of the geology and potential development of this coal deposit.



4. Conclusions

Custom Mining Middlemount Pty Ltd's assessment of MDL282 has been favourable and plans to make application to amend the Environmental Authority so as to move to a Bulk Sampling Program for potential 'end users' to test the 'Middlemount Coal' comprehensively. This would conceptually see four bulk sample shipments of ~60,000t each go to Japan, Korea, Taiwan and India. A drilling program is being developed to bring the entire MDL to a JORC Status.

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

5

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au



Appendix 1

DNR MRTI DL Release

Page 160 redacted for the following reason:

s.49 - Business Affairs - Statement of Financial Ability

DNRM RTI DL Release



CUSTOM MINING MIDDLEMOUNT MINE
STATEMENT OF THE TECHNICAL RESOURCES OF THE APPLICANT

In its capacity as manager for the Middlemount Project, Custom Mining has worked extensively with major consultants and service providers to the coal mining industry in Queensland. These include:

- JB Mining - Geology
- Leighton Contractors Pty Ltd - Mine Planning
- MEMS Pty Ltd - Environmental & Cultural Heritage
- Sedgman Pty Ltd - Coal Handling & Infrastructure
- Leighton Contractors Pty Ltd - Mining Operations
- Lambert & Rayburn Pty Ltd - Tailings Dam and Civil Design
- Maunsell Pty Ltd - Rail Balloon Loop Design

Custom Mining Middlemount proposes to use contractors to manage all mining coal preparation and train loading operations. Custom Mining Middlemount will have its own site personnel to administer these contracts and oversee the operations.

Custom Mining Middlemount, through its own personnel and via its Alliance Partners (Leighton Contractors Pty Ltd and Sedgman Pty Ltd) proposes to have the required technical support personnel on site to manage the Middlemount operation. These personnel include, but are not limited to, the following:

- Site Senior Executive (Leighton Contractors Pty Ltd)
- Mine Production Manager (Leighton Contractors Pty Ltd)
- CHPP Manager (Sedgman Pty Ltd)
- Metallurgist (Sedgman Pty Ltd)
- Coal Quality Coordinator (Custom Mining Middlemount)
- Mine Planning Engineer (Leighton Contractors Pty Ltd)
- Consultant – Environment, Community & Government Liaison (MEMS)
- Health, Safety and Environment Manager (Leighton Contractors Pty Ltd)
- Site Surveyor (Leighton Contractors Pty Ltd)
- Office Administration Personnel

At its Brisbane Corporate office, Custom Mining employs technical professionals with extensive experience in exploration, mining, coal preparation, safety, engineering, construction and project management together with staff responsible for finance, accounting and administration.

NOBLE GROUP TO GO



NOBLE GROUP LIMITED

Noble Group is a market leader in managing the global supply chain of agricultural, industrial and energy products.

We bring food to table, raw materials to industry, alternative fuels for transportation and metals for infrastructure projects. We provide trade finance, logistics, risk management and insurance solutions for our customers.

What is our investment proposition?

We operate in strong niche markets with good long-term growth prospects. We work along the whole supply chain, adding value and capturing margin at each step, and we invest in key assets along the supply chain to build critical mass.

We're creating value

In fact, over the past 10 years, we have built a fantastic record of growth and return on investment...

- Revenue: **35.1% CAGR**
- Net profit: **20.8% CAGR**
- Total assets: **38% CAGR**
- Net asset value per share: **25% CAGR**

(CAGR: Compound Annual Growth Rate over the past 10 years)

...but the best is yet to come.

In this report, we explain how we are investing for future growth, how we are shaping the business to generate more for our stakeholders, and how the strategy we employ will make all of this happen.



2006
Revenue US\$13.8 billion
Net Profit US\$134.5 million
Total Assets US\$3.8 billion

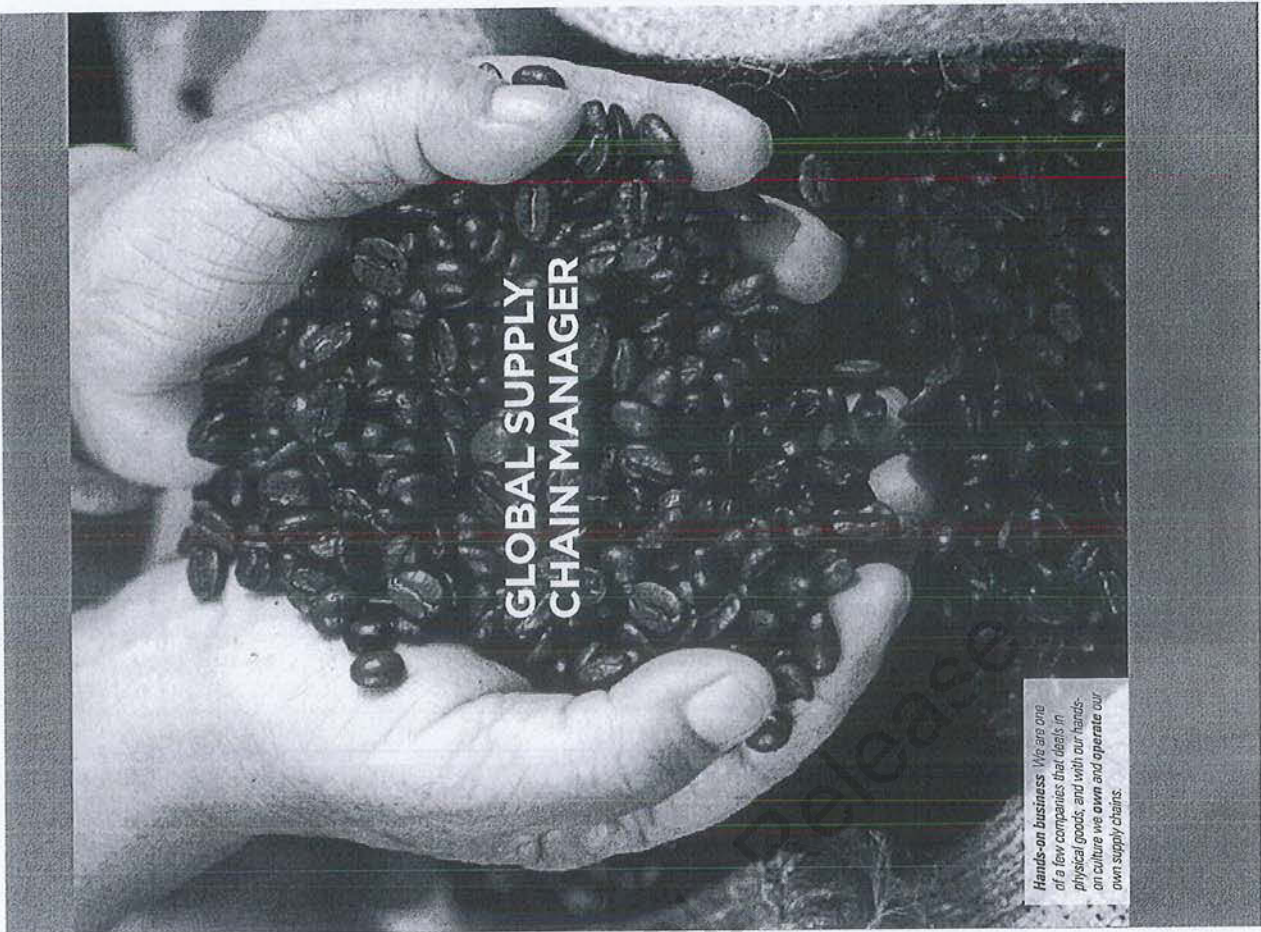
THANK YOU FOR READING THIS ANNUAL REPORT

We have prepared this report with you in mind. The Noble Group annual report provides you with the information you need to make informed decisions about our company. It aims to do this in a clear, orderly and transparent way. We avoid stilted jargon and complex constructions, opting instead for plain English.

We include a comprehensive table of contents, supported by a thumb index and colour coded sections for easy navigation. You will find repeated information or cross-references in provide context. Enjoy the read.

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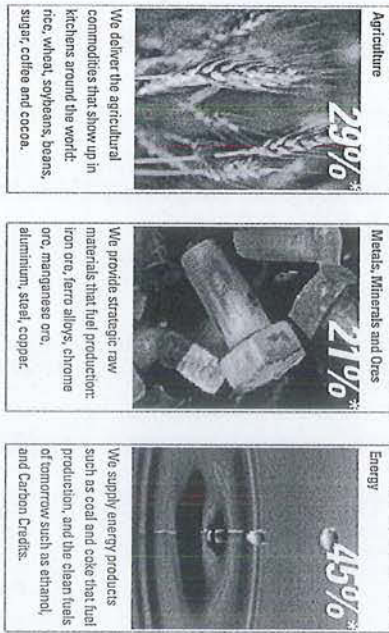


WHAT WE DO

Noble Group is a global supply chain manager of agricultural, industrial and energy products.

We integrate the origination, process, distribution and delivery of strategic commodities with financial and logistics services, adding value at each stage of the supply chain.

Our business model is simple:



Agriculture
We deliver the agricultural commodities that show up in kitchens around the world: rice, wheat, soybeans, beans, sugar, coffee and cocoa.

Metals, Minerals and Ores
We provide strategic raw materials that fuel production: iron ore, ferro alloys, chrome ore, manganese ore, aluminum, steel, copper.

Energy
We supply energy products such as coal and coke that fuel production, and the clean fuels of tomorrow such as ethanol and Carbon Credits.

Logistics
We provide the logistics, vessel chartering, fleet management, storage and distribution necessary to bring the products to market.

Corporate
And we provide trade finance, investment, risk management, arbitrage and insurance for our customers.

* % of revenues

Critical mass
We are continually creating a competitive edge through the acquisition of key infrastructure assets along the supply chain, building critical mass and economies of scale along the way. We aim to own, operate and control every critical step in the supply process to ensure quality control for our customers as we build a long term sustainable business.

"Our strength comes from our ability to integrate every aspect of the supply chain and to control every logistical step, delivering end-to-end solutions to our customers."



Objectives and performance

Global and niche
Global and niche are not incompatible, in fact we have built a very sizeable business based on this approach. Our vision has been to build a global business with strong niche components.

Headquartered in Hong Kong and operating in 38 countries around the world, operating a network of over 80 offices with over 8,700 people, the Group serves over 4,000 customers.

We operate as one company, sharing talent, best practices, systems and a very distinctive and unique entrepreneurial culture across our global operations. With an annual revenue exceeding US\$13 billion, total assets of over US\$3.8 billion and access to capital markets, we have reached a critical mass and become a very significant player in a number of key commodity markets around the world.

At the same time, we are continually innovating, expanding our product lines and investing in new businesses. Today, we feel confident we have developed an optimised portfolio of niche, regional and global businesses anchored by strong trading and arbitrage functions. The key to our success – and challenge – will be to continue to strengthen our competitive position in these businesses while at the same time exploring the growth sectors of tomorrow.

Recipe for success
The business model described throughout this report is not one that is easily replicable, which is why we feel so confident about our future. We have built a large global business with critical mass and economies of scale on which we will fully capitalize in the years to come. At the same time, we have not lost our flexibility and entrepreneurial streak, and our ability to innovate and to move quickly into promising sectors is more developed than ever.

Noble is built on a combination of skills, values and culture which is unique. Throughout this report, we attempt to demonstrate how these run deep within the organization.

OUR OBJECTIVES

Our goal is to create shareholder value, and over the next five years we will endeavour to:

- 1 Double the size of the group
- 2 Deliver 20% ROE for our shareholders

How will we achieve this?

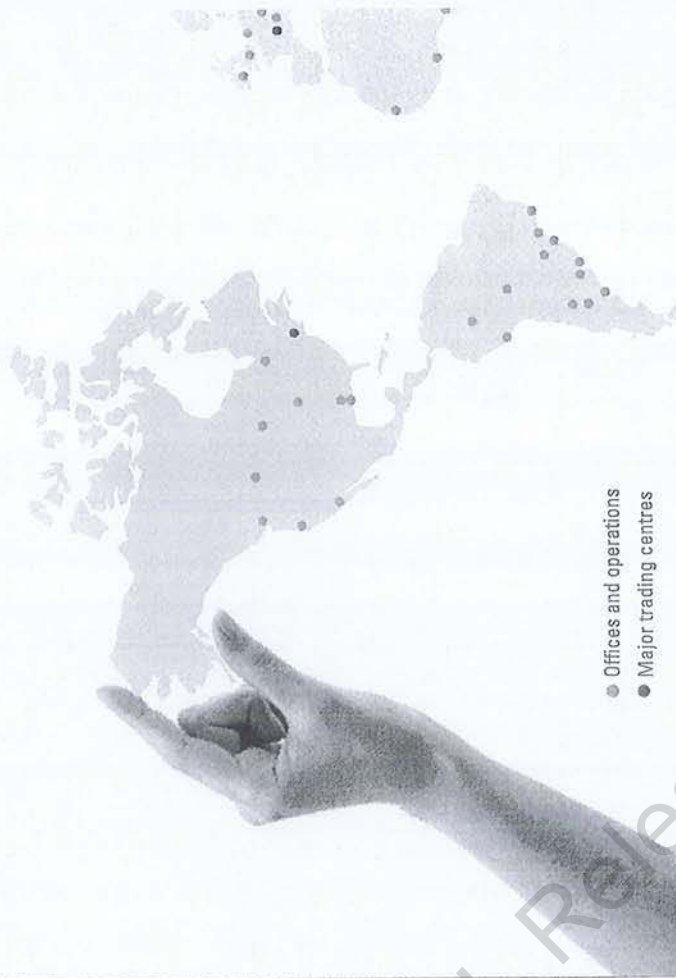
- Organic growth from existing businesses
- New supply chains in carefully selected growth niche categories
- Implement "pipeline" strategy and continue strategic infrastructure investments along supply chains
- Leverage critical mass and ensuing economies of scale

SUCCESS INGREDIENTS

- Talented people
- Entrepreneurial spirit
- Flat and efficient organization
- Hands-on risk management
- Limited bureaucracy
- Diversified portfolio of products
- Diversified portfolio of geographies
- Access to capital markets

We are global

WE ARE GLOBAL



- Offices and operations
- Major trading centres

AMERICAS

- Alberia
- Assiniboia
- Asuncion
- Buenos Aires
- Chicago
- Cuba
- Encarnacion
- Houston
- Lima
- Los Angeles
- Montevideo
- New Orleans
- Portland
- Rio de Janeiro
- Santos
- Sao Paulo
- Stamford
- Surrey
- Tandil
- Tecunmar
- Timbales
- Wolke

EUROPE

- Amsterdam
- Aachen
- Dublin
- Frankfurt
- Hamburg
- Istanbul
- Krasnodar
- Lausanne
- Lille
- London
- Madrid
- Milan
- Moscow
- Rijeka
- Rome
- Voronezh
- Warsaw
- Zurich

Overview

Our Strategy

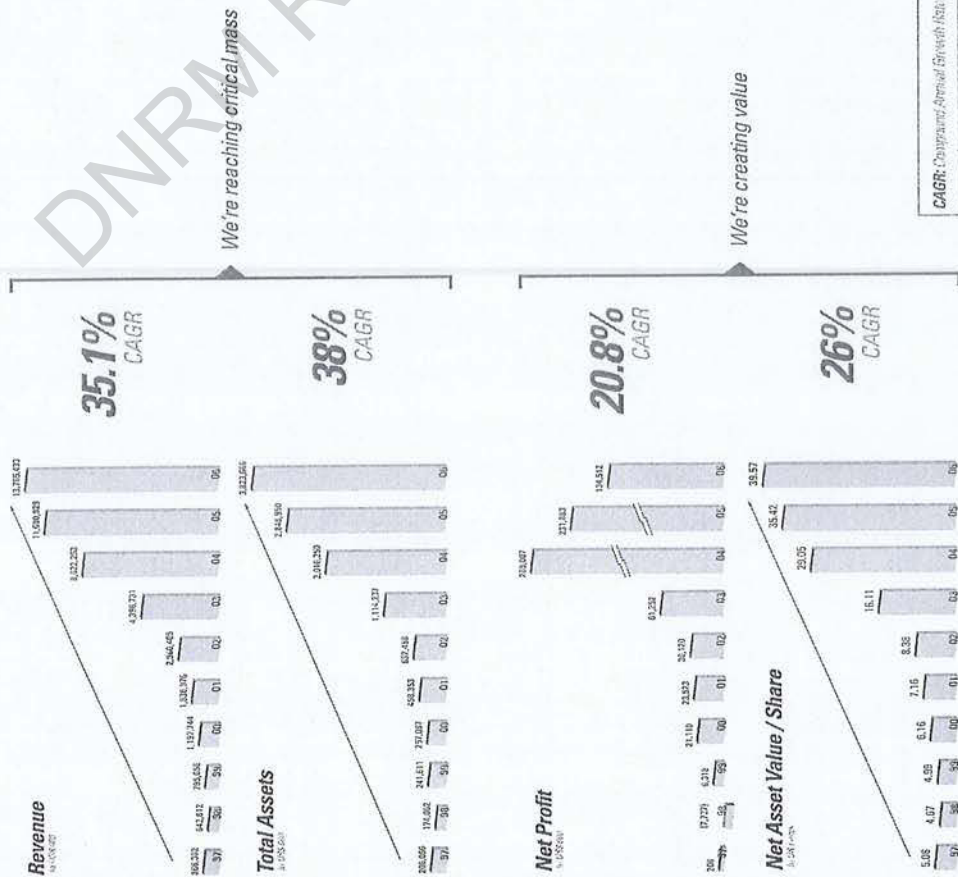
Our Principles

Our Business

Our Accounts

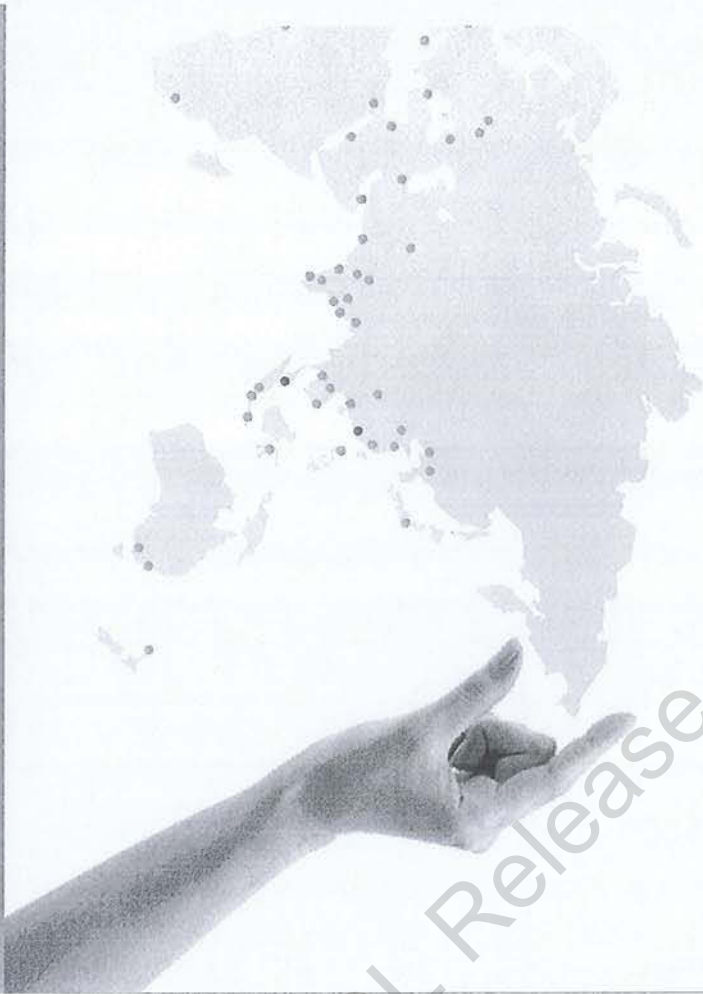
Objectives and performance

HOW WE ARE DOING



We are global

38 countries 80+ offices 8,700+ employees



- | | | | |
|----------------|--|--|--|
| AFRICA | | | |
| Abidjan | | | |
| Amman | | | |
| Cairo | | | |
| Dakar | | | |
| Dubai | | | |
| Jeddah | | | |
| Johannesburg | | | |
| Lagos | | | |
| ASIA | | | |
| Bangkok | | | |
| Banjul | | | |
| Beijing | | | |
| Bombay | | | |
| Buenos Aires | | | |
| Chennai | | | |
| Coast | | | |
| Dalian | | | |
| Hong Kong | | | |
| Hong Kong | | | |
| OCEANIA | | | |
| Auckland | | | |
| Melbourne | | | |
| Wellington | | | |
| AMERICA | | | |
| Buenos Aires | | | |
| Chicago | | | |
| London | | | |
| Madrid | | | |
| Manila | | | |
| Mumbai | | | |
| New York | | | |
| Paris | | | |
| Shanghai | | | |
| Singapore | | | |
| Sydney | | | |
| Tokyo | | | |
| Wangai | | | |
| Wellington | | | |
| Wuhan | | | |
| Xinjiang | | | |

Waste Group Annual Report 2006

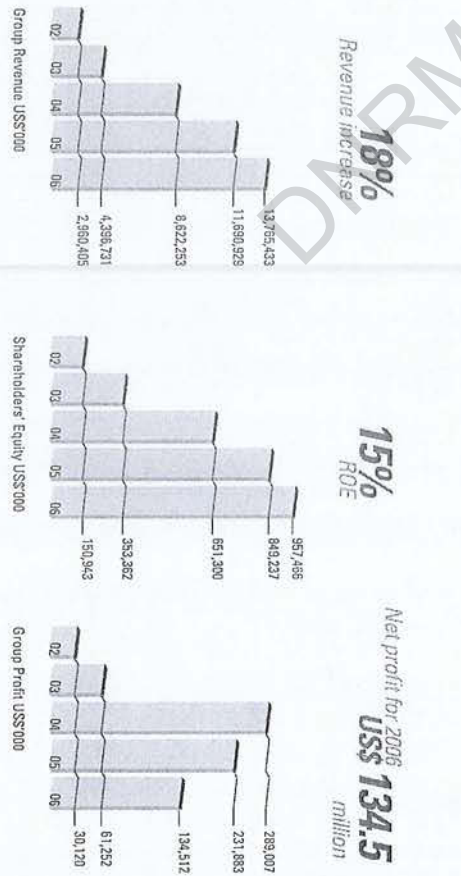
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Financial highlights

FINANCIAL HIGHLIGHTS

	Year ended 31 December 2005 US\$'000	Year ended 31 December 2006 US\$'000
Revenue	13,765,433	11,890,929
Profit from operating activities	172,691	253,626
Share of profits and losses (net of tax) of:		
Jointly-controlled entities	(3,670)	7,667
Associates	351	2,857
Profit before tax	169,372	264,170
Tax	(55,932)	(24,174)
Minority interests, net of tax	1,072	(8,113)
Net profit for the year attributable to shareholders	134,512	231,883
Basic earnings per share (US cents)	5.58	9.89
Diluted earnings per share (US cents)	5.43	9.50

	As at 31 December 2006	As at 31 December 2005
Net assets (US\$'000)	957,466	849,237
Net assets per share (US cents)	40	35



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CEO STATEMENT

Ahead of the growth curve.

Revenue for the year was US\$3.8 billion, an increase of US\$2 billion, or nearly 18% over 2005. Operating and net profits for 2006 were, respectively, US\$173 million and US\$135 million, a decrease of 32% and 42% from their respective figures last year.

The Group's balance sheet remains strong with cash balances standing at US\$496 million, and cash plus cash items (trade receivable and inventories) amounting to US\$2.3 billion.

The return generated on average shareholders' equity for the year was 15%.

We are clearly not satisfied with this return since our long term goal, and in fact our average over the past 10 years, has been 21%. We are, however, very much encouraged that our D4 ROE actually improved to 23% annualised return on equity, as was foreseen in September 2006.

We shall be reporting separately the D4 numbers, re-emphasising our contention that we don't sell hamburgers or for that matter cups of coffee, although we are a very major wholesale green coffee marketer.

Talking about coffee, while on the treadmill on a Sunday afternoon (yes, I actually go to the gym), I turned on the TV and saw an interview with Howard Schultz, Chairman of Starbucks Corporation, during which he summed up exactly where I feel we are as Noble Group.

Schultz said:
"If you want to build a great, enduring company—in America or any other part of the world—you have to invest ahead of the growth curve."

This is what Noble Group has continued to do during this year. We have been sowing the seeds of future growth. We have been investing ahead of the growth curve to build a very large and very successful enterprise.

We are comfortable, though not complacent, in stating that the past 12 months have been an exciting and productive period for the Group. We have not stood still. We have continued our usual practice of taking things up a level, forging ahead into new business lines and expanding our product range. 2005 has been particularly noteworthy as we expanded our business from being an asset-light firm to an asset-medium one. In this Annual Report we give full and further details about the developments of the GRAIN pipelines from South America to China and India to the Middle East, our COAL pipelines from Australia and Indonesia to North Asia and Europe, our ETHANOL pipelines, and other relevant details of our businesses.

When Noble commenced operations we were in a deflationary period; the competitive environment was cutthroat. "It was trial by fire!" as my good friend, Noble Vice-Chairman Harry Banga, once put it. In those days we had to work hard to find our niche, not just to grow, but to survive.

Taking the corporate values that were, indeed, forged by fire Noble has flourished. But we have also had to change the way we operate. We are not a small niche company anymore: Noble is a BIG business, providing a vital role in the international flow of commodities.

As new offices and divisions are added to the over 80 offices we have around the world—and we do add them fast—systems, processes, checks, balances and key personnel have to be put in place. Over the past year, we have been making the necessary, but sometimes hard, decisions involved in preparing for the next five years of growth. Institutional or organisational bottlenecks are simply not an option for Noble.

We have strengthened our very solid risk management principles, reflected in the clear allocation of roles and responsibilities among the Board of Directors, the Executive Board, the Risk and Credit Committees and the Risk Management functions. In 2006, Noble was selected as a member of the Corporate Governance Awards Class of 2006—Best in Asia, by Corporate Governance Asia, which ranked more than 6,000 companies according to board and management practices, media recognition, business ethics and corporate responsibility, as well as investor transparency. It is proof of our evolution as a corporation.

As supply-chain manager of industrial, agricultural and energy products, we have also implemented strict controls and processes to ensure that even if we are hands-on, those hands remain squeaky clean. Through our Social Responsibility Committee, we believe in practising high ethical standards in all that we do, and take concrete action to improve lives in the places where Noble operates.

These organisational enhancements have been implemented to prepare the Group for its next stage of development, to shore up Noble's ongoing goal to be a transparent, well-run, socially responsible and highly efficient global corporation.

Be clear, these changes haven't stymied the innovation and entrepreneurial spirit of Noble Group. Noble is growing and becoming a total supply-chain manager, but that only means that the method of application changes—the values don't change.

We are continuing to innovate, expand our product line and invest in new businesses. We have remained committed to and confident in our fundamental skills and beliefs.

We are reaping the rewards of being first-mover into a number of the "red-hot" sectors of today, and we are investing in the promising sectors of tomorrow.

For example, Noble was one of the first investors in ethanol. So Noble Clean Fuels Team trades this clean-burning fuel on a global basis through an established network of ethanol producers. I believe we made the right investment.

Another example of Noble's ability to move first into a new market is in carbon trading. With the passing of the European Emission Trading Scheme and Kyoto Protocol in 2005, and the US administration's sudden awakening to environmental issues, the trade in global carbon credits is booming. Noble was one of the first to see the potential in this market, and remains a leading player in this red-hot market. Helping clean up the environment is going to be big business for Noble Group.

"We are not a small niche company any more: Noble is a BIG business, providing a vital role in the international flow of commodities."

Howard Schultz
Chairman of Starbucks Corporation

"If you want to build a great, enduring company—in America or any other part of the world—you have to invest ahead of the growth curve."

CEO statement

"As you read through this report, it is worth remembering just one thing: We've only just begun."

Our entrepreneurship and innovation are the tools by which we will meet our goal of doubling the size of the company over the next five years (top and bottom line) while maintaining a 20% return on equity. So that is the state of play for 2006 and beyond.

The Board of Directors has a dividend policy of targeting a cash dividend payout policy of 25% of net earnings each year. The Board will again recommend a payout ratio at this level, meaning that, if approved by shareholders at the Annual General Meeting, Noble will pay out a cash dividend for 2006 totaling just over US\$33.4 million.

Finally, I need to tell you about changes within the Noble boardroom. I would like to thank Toby Brown, Non-Executive Chairman, a major supporter and solid counsel for the last ten years, and also Jamie O'Donnell, an equally supportive and committed professional. We will miss them. They have contributed immensely to the success of Noble. Likewise we thank Gary Mize for his services to the Board over the past years.

Conversely, we are delighted to welcome David Eldon to the board as Non-Executive Chairman. David is a true captain of industry, an outstanding, practical and hands-on banker who brings a great deal of experience and gravitas to the boardroom table. I am sure he won't mind me saying that his arrival on the board is symbolic of Noble Group's move to the next level.

We have completed a very good year for the Group in 2005. In this coming year we will continue to focus on opportunities to grow our business. We could not have achieved our success last year, nor can we have any success in the future, without the great efforts of our employees, the support and interest of our shareholders and the strength of our bondholders, bankers and customers. For this we are sincerely thankful.

As you read through this report, it is worth remembering just one thing: We've only just begun.

Richard Samuel Eiman
Chief Executive Officer
Hong Kong
22 February 2007

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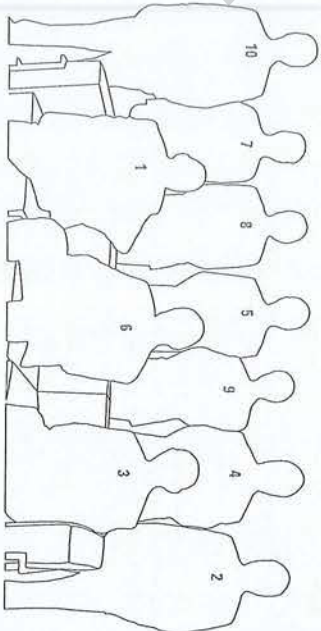
Board of directors

BOARD OF DIRECTORS

The key to good corporate governance is to have a strong and independent Board. After a year of transition for the Board of Noble Group in 2005, we gear up for the next ten years of sustained growth and shareholder value creation.



The Board will remain focused on its objective of maximising shareholder value in a manner that is ethical, socially responsible and environmentally sustainable, with an emphasis on areas that are important to shareholders: people, strategy, investments, risk management, audit and compliance.



CORPORATE GOVERNANCE

BOARD OF DIRECTORS

Executive Directors
Richard Samuel Elman – Chief Executive Officer
Harindarpal Singh Banga – Vice-Chairman

Non-Executive Directors

Milton M. Au
Iain Ferguson Bruce
Robert Tze Leung Chan
David Gordon Eldon – Non-Executive Chairman
Michel Harouche
Ambassador Burton Levin
Edward Walter Rubin
Alan Howard Smith

EXECUTIVE BOARD

Richard Samuel Elman – Chairman
Harindarpal Singh Banga – Vice-Chairman
Ricardo Laiman – Executive Vice-President

EXECUTIVES

Ricardo Laiman – Chief Operating Officer
Stephen Marzo – Group Chief Financial Officer
Louis Tang – Chief Accounting Officer
David Beringer – Group Finance Director
Wladimir de Blank – Group Treasurer
Jeffrey Alam – Group General Counsel
Bharat Sundavira – Assistant General Counsel
Paul de Fries – Group Risk Manager
Lofa Kanyir – Vice-President, Global Human Resources

MANAGEMENT COMMITTEE

Harindarpal Singh Banga – President
Lofa Kanyir – Vice-President

WILLIAM RANIDILL

Thorstun Ausorg
Jeffrey Nasir
Henrietta Lee
B. Rajjumarath
Enesco Leon-Gambotta
Diego Brubero
David Beringer
Tim Eyre
Terence Wong

AUDIT COMMITTEE

Iain Ferguson Bruce – Chairman
Milton M. Au – Vice-Chairman
Edward Walter Rubin

CAPITAL MARKETS COMMITTEE

Alan Howard Smith – Chairman
Richard Samuel Elman
Harindarpal Singh Banga

CREDIT COMMITTEE

Stephen Marzo – Chairman
Ricardo Laiman – Vice-Chairman
Paul de Fries
Wladimir de Blank
Jaime Teke
Louis Tang
Bharat Sundavira
Tony Volobolina

FINANCE COMMITTEE

Richard Samuel Elman – Chairman
Harindarpal Singh Banga
Milton M. Au

NOMINATING COMMITTEE

Ambassador Burton Levin – Chairman
Edward Walter Rubin
Iain Ferguson Bruce

OPERATIONS COMMITTEE

Richard Samuel Elman
Harindarpal Singh Banga
Milton M. Au

REMUNERATION AND OPTIONS COMMITTEE

Edward Walter Rubin – Chairman
Richard Samuel Elman – Ex-officio
Robert Tze Leung Chan

RISK COMMITTEE

Ricardo Laiman – Chairman
Harindarpal Singh Banga
Paul de Fries
Bharat Sundavira
James Enarusele
Raj Kapoor
Stephen Marzo

SOCIAL RESPONSIBILITY COMMITTEE

Ambassador Burton Levin – Chairman
Edward Walter Rubin
Harindarpal Singh Banga

Board of directors

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Detailed directors' biographies
are available on page 66 of this report

Executive directors:

1- **Richard Samuel Elman** is the founder and the Chief Executive Officer of the company. Mr. Elman has more than 40 years of experience in the commodities trading industry. Today, he is responsible for overseeing the Group's management and the formulation of the overall strategic planning of the Group.

2- **Harindarpal Singh Banga** is the Vice-Chairman of the company. A Master Mariner by trade, Mr. Banga has extensive experience in the maritime and logistics industry. Since 1979, he has worked in various levels of the industry all over the world. Mr. Banga joined Noble in 1989 on the establishment of Noble Chartering Limited.

Non-executive directors:

3- **Milton M. Au** is a Non-Executive Director of the company. Mr. Au was, until December 2003, the Chief Financial Officer of the company. He was also the Managing Director of Noble Grain from April 2001 to December 2002. Mr. Au holds a Bachelor of Commerce degree from the University of Alberta in Canada and is a member of the Canadian Institute of Chartered Accountants.

4- **Iain Ferguson Bruce** is an Independent Non-Executive Director of the company. Mr. Bruce had a long and distinguished career with KPMG Hong Kong, joining them in 1984. He was its Senior Partner from 1991 to 1996.

5- **Robert Tze Leung Chan** is an Independent Non-Executive Director of the company. He is currently a Senior Vice-President and the Chief Executive Officer of United Overseas Bank, Hong Kong. He holds a Bachelor of Science (Econ) Hons. from the University of London and a Master of Business Administration from the University of Liverpool, United Kingdom.

6- **David Gordon Eldon** is the Non-Executive Chairman of the company since 1 January 2007. Mr. Eldon recently retired as Chairman of Hongkong and Shanghai Banking Corporation Limited after 37 years with the HSBC Group. Mr. Eldon's contribution to banking has been hugely important and widely recognised, and he brings a formidable wealth of experience to the Noble boardroom.

7- **Michel Harouche** is an Independent Non-Executive Director of the company. He has over 25 years' experience in the apparel business and is currently the Chief Executive Officer of Paul Davril Inc. in the United States of America.

8- **Ambassador Burton Levin** is an Independent Non-Executive Director of the company. He has more than 38 years' experience in the diplomatic service for the United States in Asia.

9- **Edward Walter Rubin** is an Independent Non-Executive Director of the company. Mr. Rubin was, until December 1993, Managing Partner of Phillips & Vineberg, Canadian Lawyers, Hong Kong Office (now Davies, Ward, Phillips & Vineberg). Since January 1980, Mr. Rubin has been Chairman and Managing Director of a private investment company.

10- **Alan Howard Smith** is an Independent Non-Executive Director of the company. Mr. Smith was the Vice-Chairman – Pacific Region of Credit Suisse First Boston, Hong Kong ("CSFB") from 1997 until he retired in 2001. Before joining CSFB, he was the Chairman during 1994 to 1996 and Managing Director during 1983 to 1994 of the Jardine Fleming Group, which he joined in 1972.

CORPORATE INFORMATION

HEAD OFFICE
18th floor, MassMutual Tower
38 Gloucester Road, Hong Kong

COMPANY SECRETARY
Lisa Yim FCL.S.

REGISTERED OFFICE
Clarendon House, Church Street
Hamilton, HM 11, Bermuda

AUDITORS
Ernst & Young
Audit Partner-in-Charge
Peter Pecon-Phillips (since 2004)

SHARE REGISTRAR
The Bank of Bermuda Limited
6 Front Street, Hamilton, HM 11, Bermuda

SHARE TRANSFER AGENT
B.A.C.S. Private Limited
63 Cantonment Road
Singapore 088798

LEGAL ADVISORS TO THE COMPANY
Allen & Cleihl
Lukeders

PRINCIPAL BANKERS
A&N AMRO Bank
Australia & New Zealand Banking Group
Bank of America
Bank of China

Bank of Communications
Banque Cantonale de Genève
CALYON

China Construction Bank
Commonwealth Bank of Australia
Credit Suisse

Deutsche Bank
DWS Bank
Forts Bank

HSH Nordbank
ING Bank
Inessa Sarmadjo

JP Morgan
KBC Bank
KIM IPEX Bank
Mizuno Corporate Bank
Nabors

Rabobank International
Société Générale
Standard Chartered Bank

Suntomo Mitsui Banking Corporation
The Hongkong and Shanghai Banking Corporation
The Royal Bank of Scotland
The Bank of Tokyo-Mitsubishi UFJ
WestLB

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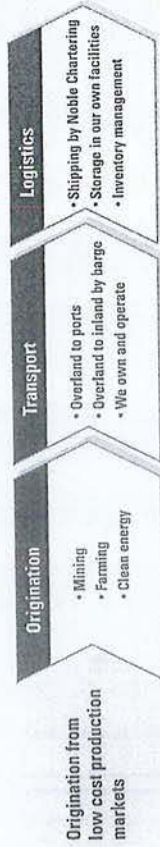
GROUP STRATEGY

Hands-on strategy. In order to achieve our objectives for the company, we have a unique strategy that will propel Mobile on to greater heights. Like everything we do, it's very hands-on.

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THE NOBLE PIPELINE STRATEGY AND HOW IT WORKS

Our strategy is to build integrated supply chains – we call them “pipelines” – in key niche commodity sectors and control every stage of the process, adding value and capturing margin at every link of the chain.



1. We create value

Example: We source rice – custom-grown to a given specification – from various markets around the world, and transport and sell it through our own distribution system to a network of customers in Japan.

2. We add value

Example: We source iron from a mine in India, deliver it to a steel mill in China using our in-house logistics division, and convert it into a downstream product such as pig iron or steel, which we sell to customers throughout the world.

AGRICULTURE

METALS, MINERALS AND ORES

ENERGY

HOW WE DO IT

GROWTH

- Our existing pipelines grow organically
- We add to the existing pipelines by investing in profitable value-adding assets
- We create new pipelines in key growth sectors

ASSET MEDIUM

We have migrated from an asset-light to an asset-medium position, investing heavily into strategic operations along our pipelines. This gives us control, economies of scale and a strong competitive advantage as we constantly raise the barriers to entry.

DIVERSIFICATION

We have a diversified product and geographic base, and we distribute our goods in a variety of markets. This ensures a reliable supply of raw materials, cross-product and logistics synergies, and various opportunities for arbitrage.

GROUP STRATEGY

The next few years hold great promise for the group. Each one of our business segments has made significant progress over the years in building a market leadership position.

We have made significant investments along our supply chains, which give us great confidence in our future. Noble is a stronger company today than it was a year ago, and we are ideally positioned to accelerate growth and enhance returns.

We have a solid, clear and straightforward strategy in place that builds on the inherent strengths of the Group, and allows us to take full advantage of the critical mass and economies of scale that we are creating along the way.

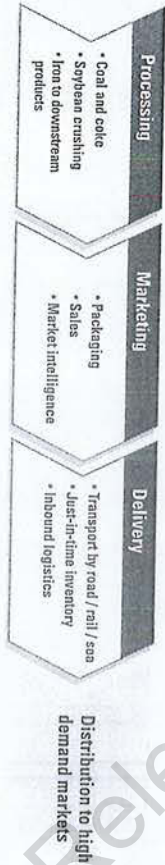
In this section, we explain:

- Our objectives
- Our strategy and how it works
- The pipeline strategy in action
- Case study

Our objectives
We have three clear objectives



We find the most efficient locations around the globe to source raw materials, selling them and their by-products where demand is greatest.

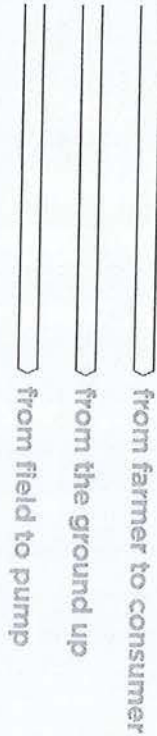


3. We add further value

Example: We purchase soybeans from farmers in Brazil, which we transport to our crushing plants for processing into edible vegetable oil and high-protein animal feed. We provide the farmers with crop financing, but also with fertilizer that we import.

4. And even greater value...

Example: We provide tailor-made financial solutions, such as crop and trade finance, insurance or hedging instruments, to customers across product lines and businesses.



A PASSION FOR SERVICE

We pledge to deliver high-quality goods to customers – at the right place, at the right time, at the right price. This is part of our hands-on approach, and the way we retain a loyal customer base of more than 4,000 companies. We add value through price and risk-management services.

GLOBAL AND NICHE!

We are a global player, and we focus on niche commodity sectors with strong growth potential. Being global allows us to leverage scale, expertise and resources while being fundamentally entrepreneurial and nimble. Steering the red-hot growth sectors of tomorrow gives us first-mover advantage.

CAPITAL MARKETS

Access to capital markets allows us to make strategic investments along the pipelines. It enables us to provide various financial instruments, such as insurance or crop financing, that create additional income streams for the company.

Making our strategy a reality

“Our ability to leverage our existing client relationship across a wider product platform enhances our competitive position and allows us to introduce new products with low customer acquisition costs”

MAKING OUR STRATEGY A REALITY

We've put the business on FAST FORWARD.

In the last 10 years, Noble has undoubtedly produced unparalleled growth and today we have reached a critical size and mass, which will allow us to further accelerate this growth.

In 2008, while continuing to deliver growth and ROE, we have focused on developing and putting in place the systems to transform the culture of the whole business.

We are able to make strategic investments at key points along the supply chain, which generate critical mass, economies of scale and barriers to entry.

These will increase our market competitiveness by ensuring that we meet the standards of quality and reliability that our customers expect and have become accustomed to, and at prices they expect to pay.

We will continue to deliver operational excellence, reducing production and operational costs so that we can improve margins to create more shareholder value.

We believe Noble is in a unique position to meet its objectives through:

Incentives to excel – our people have a strong sense of ownership and are highly motivated to succeed.

An entrepreneurial spirit and a flat organisation – very little bureaucracy and a top-down / bottom-up approach gives us the flexibility we need and first-mover advantage in tomorrow's growth sectors as we are able to quickly identify and capitalise on market opportunities.

Diversified portfolio of commodities and geographies – we can hedge our risks and be well-positioned to take advantage of changing market conditions.

A hands-on approach – we invest in, operate and add value at every stage of the supply chain, and we are one of the few that focus on physical goods.

Access to capital markets – we have a demonstrated ability to raise capital to fund our strategic investments.

Sound risk management – we make calculated investment decisions based on good corporate governance and management accountability.

We are positioning Noble Group for the future.

OUR STRATEGY IN ACTION

To the next level.

In 2006, we continued to focus on executing our strategy to create additional value-added products and services for our clients through the continuing diversification of our origination and distribution activities, the continued integration of our global supply chain operations supported by investments in key infrastructure assets, and selected investments in natural resource assets.

"In the past 10 years, revenue has increased 35.1% CAGR"

In the Agricultural segment, we accelerated the integration of our supply chain operation through our investment in Timbúes, an Argentinean river port located close to key production markets, as well as three other ports in Argentina, Uruguay and Paraguay. We also significantly increased our owned and leased storage capacity which enabled us to increase our purchase commitments while enhancing our own trading flexibility. The storage tanks' geographical proximity to rail facilities, as well as the acquisition of barge operations, created an increasingly efficient inland transportation and logistics operation.

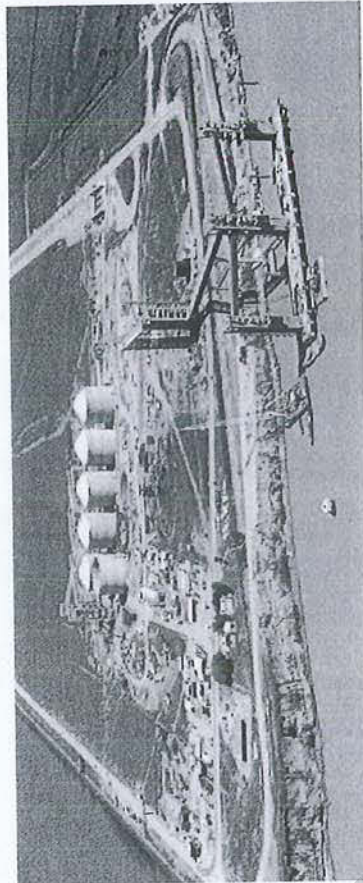
- Investment in resource assets such as our coal mining operations in Indonesia and Australia provide a sustainable contribution to our long-term growth given their low cost competitiveness
- Investment in new ethanol plants demonstrates our commitment to the renewable energy sector
- Acquisition of a Brazilian sugar mill and alcohol refinery underscores our commitment to investing in the most cost-competitive origination markets
- New trading arbitrage opportunities between the confluence of the agricultural and energy markets were achieved
- Our Carbon Credits business utilised its first-mover position and its unique market and product expertise to create a leading position in the supply of carbon credits

Investment in Precious Metals Australia and its mining operation, Windimurra Vanadium, together with a life of mine offtake and marketing agreement for vanadium expands our product offering to the steel sector

In 2006, we added more than 10 new offices, lifting our global network to more than 80 offices. Our global footprint represents a tremendous strategic investment and creates increasingly competitive strength as we are well positioned to serve our 4,000 clients from a broader origination and distribution platform. In addition, our ability to leverage our existing client relationship across a wider product platform enhances our competitive position and allows us to introduce new products with low customer acquisition costs. **Our success in serving clients is evidenced by the growth of our business.**

CASE STUDY

Our investment in Timbúes Port, Argentina, is a case study in how we implement our pipeline strategy: leveraging strategic assets to generate margin and volume growth.



Volume growth

- Loading platforms that can move 20,000 tonnes per day
- Silos that can store 135,000 tonnes
- The port can move a total of three million tonnes per year
- Ability to triple or quadruple capacity



Adding value

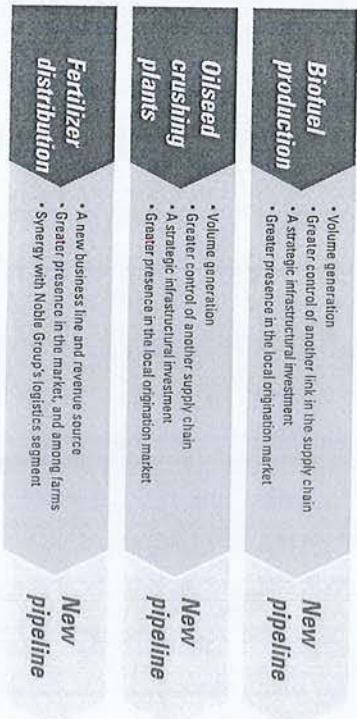
- The provision of financing for farmers, adding another revenue stream to Noble Group's business
- The ability to provide financial services to suppliers/customers
 - insurance, payment solutions, trade finance, etc
- Third-party transportation and logistics solutions through Noble Group's logistics segment
- Supply of fertilizers

BENEFITS

- Critical mass
- Margin growth and economies of scale
- New product/pipelines/revenue streams

- Economies of scale for the logistics segment
- Barriers to entry created
- Control of a vital point in the supply chain

We have expanded our pipeline, adding value, investing in more strategic assets and creating new business lines.



A strategic asset

- Timbibus is located on the Paraná River, which runs through the heart of some of Argentina's richest grain-growing areas and exits into the South Atlantic near Buenos Aires
- The Paraná is Latin America's second largest river and serves as a waterway for destinations in Argentina, Uruguay and Paraguay
- The new port can handle significant grain and soybean exports and is expandable
- Timbibus addresses the previous inadequate infrastructure for Argentinian agricultural exporters
- Noble controls one of the most profitable parts of the grain supply chain
- Timbibus port will be a multipurpose terminal for non-competing third parties, further enhancing Noble Group's position in this growing hub for global agribusiness

In Argentina we are well positioned to benefit from the country's resurgence as a major food supplier to the world.

- Capital investment
- Market potential for other Noble Group divisions
- The creation of a skilled labour pool

- Storage facilities to enhance origination efforts
- Relationship building with suppliers

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OUR PRINCIPLES

Hands-on principles Strong principles, ethical business values and good governance will always contribute to a more valuable company.

RISK MANAGEMENT

In life and business, there is risk. You can't avoid it.

However, we manage and mitigate our risks with an exhaustive system that is central to our business culture and to upholding our reputation as a leading international supply-chain manager.

We clearly allocate the roles and accountabilities involved in controlling risk among various management and executive functions. They are accountable to shareholders to ensure Noble Group possesses appropriate risk management processes, systems and policies, enabling effective monitoring and control.

In all cases, we at Noble Group are mindful of the potential dangers involved in supplying raw materials needed by industry. We are also vigilant in terms of protecting ourselves and our shareholders. For us, risk management is one aspect of generating long-term, sustainable value.

The risks we face

Risk taking is inherent to business. We are exposed to a variety of risks every day, including credit, market, operational, liquidity and risk to our reputation. All of these risks are material and require a multi-tiered risk-management strategy.

How we manage risk

The following principles provide a framework that is implemented throughout the Noble Group:

- Ultimate responsibility for risk management lies with the Board
- Review of risk management processes are conducted by the Audit Committee
- Risk management is driven from the top down, by the people charged with the overall responsibility for running the business
- The Board and the Executive Board recognise that a wide variety of risk types can have an impact on the business – they ensure that the control framework adequately covers all of these
- Support and control functions are an integral part of the overall risk management framework
- Risk management objectives and policies are key drivers of the overall business strategy, and must be implemented through supporting operational procedures and controls
- Risk tolerance levels are clearly defined, communicated and reviewed to ensure consistency with the approved business strategy, capital structure and current market conditions

Noble Group's risk management framework has four areas, which overlay the risk principles.

They include:

1. Risk governance

Risk governance is the structural framework that links the company's business strategy to its risk-management objectives. It is a system of responsibilities and functions that come from the Board and is implemented at the operational level, taking into account the company's risk tolerance, overall business strategy and management expertise. Complete transparency is assured by the Risk Management function.

Risk management

"The responsibility for a business unit's risk remains clearly with the business unit head, who contributes through regular meetings with the Risk Committee and through the business review process"



Noble Group's board and management at work during the 2006 Global Strategy Meeting

The Executive Board:

- Reviews the policies, procedures and exposures through the use of value at risk (VAR) and other methodologies
- Approves tolerance levels and material changes to the risk policies as proposed by the Risk Committee
- Decides on acquisitions and organisational restructuring efforts that may have an impact
- Effects due diligence on new products with a materially different risk profile from those in the existing portfolio
- Ensures the segregation of duties between the Trade and Traffic Execution office (front office), the Trade Support and Risk Management office (operations office) and the back office functions

The Risk Committee:

- Implements and monitors approved tolerance levels
- Ensures that the Risk Management function remains independent of the trading and execution functions

The Credit Committee:

- Approves and monitors all counterparty risk exposure
- Ensures compliance with credit approval process

2. Risk Management

The day-to-day responsibility for monitoring, measuring and evaluating risk resides with Noble Group's Risk Management function, which reports directly to the Risk Committee. The Risk Management function is managed by an Executive Board-appointed head of risk, who is also a member of the Risk and Credit Committees.

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"We clearly allocate the roles and accountabilities involved in controlling risk among various management and executive functions"

The Risk Management function ensures all exposures are:

- Within the approved tolerance levels
- Properly understood and evaluated before transactions are undertaken
- Monitored on an ongoing basis

The responsibility for a business unit's risk remains clearly with the business unit head, who contributes through regular meetings with the Risk Committee and through the business review process.

3. Risk analysis and quantification

Through effective measurement, reporting and control of risk, our business activities are highly transparent and their performance is properly recorded.

Our framework enables the quantification of market, credit, operational and liquidity risk; the capability to aggregate and monitor exposures; the establishment of a comprehensive set of limits to assess compliance; and a mechanism for evaluating performance on a risk-adjusted basis.

There is, however, no single type of measure that adequately covers all eventualities and satisfies all management requirements, and as a result, a number of complementary measures are used.

Based on all of these measurements, the Risk Management function can provide to the Executive Board and the Risk Committee an overview of the scale and concentrations of risk being run by Noble Group at any time.

4. Risk infrastructure

Robust operational controls ensure segregation between the Trade and Traffic Execution office, the Trade Support and Risk Management office and the back office. Prior to execution of a transaction, the principal areas of control lie in:

- The authorisation of individuals to commit the company to new risks
- The adequacy of information regarding the product
- The transaction type and the counterparty
- The associated approval requirements and any procedures

These robust controls are in place around the models used for pricing transactions and the inputs to those models, as well as around the front office systems.

Risk profile

Noble Group's global business operations create potential risk exposure due to changes in commodity availability and prices, freight costs, foreign currency exchange rates and interest rates. As nearly all of our business is denominated in US dollars we are not directly impacted by currency volatility, though this may affect our customers' purchasing decisions.

In addition, due to our short asset conversion cycle, we do not have significant interest rate exposure and believe in most instances we can effectively pass on the cost impact of changes in interest rates to our customers.

"Robust operational controls ensure segregation between the Trade and Traffic Execution office, the Trade Support and Risk Management office and the back office"

Our diverse business operations include many commodity products which are subject to wide fluctuations in price and thus create price risk. We utilise derivative contracts, primarily exchange-traded futures contracts, with the objective of managing our exposure to adverse price movements. In some instances where there is no exchange-traded futures contract we use over-the-counter contracts to manage our price risk.

We have established policies which are based upon value at risk (VAR) that limit the amount of unhedged fixed-price exposure for each of our commodity products. We calculate our VAR on a daily basis across all our commodities on a net commodities position.

Correlation analysis is then calculated within each individual business segment resulting in a diversified VAR. On a consolidated Group-wide basis our diversified VAR was approximately US\$6 million as of December 31, 2008.

Freight risk

Ocean freight represents a portion of our operating costs. Market prices for freight vary depending on several factors, including supply and demand for vessels, overall economic conditions, port usage and other factors.

We charter vessels for transporting our own and third-party commodity products and maintain a diverse profile with respect to the length of such charter contracts. Typically we charter vessels from a few months to up to five years, occasionally longer. We use exchange-traded and over-the-counter freight contracts to hedge a portion of our freight costs.

Credit risk

The diversified nature of our global business also results in a diversified counterparty risk profile, helping to mitigate the credit risk associated with our purchases and sales of commodity products.

In 2008 our top 10 customers accounted for approximately 15% of our Group revenues, and on an ongoing basis these customers are primarily investment-grade-rated counterparties, often major international energy companies.

Similarly our accounts receivables reflect a comparable diversification with our top 10 counterparties accounting for approximately 21% of our total receivables as of December 31, 2008. The majority of these counterparties are also investment grade-counterparties. In instances where we determine that the credit risk of the counterparty is inadequate we utilise letters of credit and other risk mitigants, including credit insurance markets, to reduce our potential counterparty/risk exposure.

CORPORATE GOVERNANCE

The Noble Group is committed to the highest standard of corporate governance, and has been from its inception. We are in the business of creating value for our stakeholders and we do it with integrity and accountability.

We promise to treat shareholders in the same way we would want to be treated. Noble Group has adopted the principles of openness and integrity set out in the Code of Corporate Governance as recommended by Singapore Exchange Securities Trading Limited (SGX-ST). We have also established, wherever applicable, our own regulatory and monitoring mechanisms to ensure that effective corporate governance is practised.

Some key manifestations of this commitment:

- **The most important factor for good governance is a strong and independent Board.** We believe we have one at Noble Group, working hard to establish mutual trust and respect between the Board and management. Board members have direct and open access to various levels of management.
- **Eight of our 10 directors are independent non-executive directors,** chosen for their professional standing. Not one of them has a close personal connection with the company professionally, with the controlling shareholder, or with one another.
- **The directors and the committees meet frequently to review the operations of the company and question line management.** Attendance records show that they take this job seriously.
- **Noble is a meritocracy** – none of our team's senior managers has the same last name, is related by marriage or has close family ties.
- **A study of our accounts shows no material related party transactions.** Neither does it show a maze of inter-related public and private companies.
- **Our door is always open.** Shareholders can always contact Noble Group directly and any communication will be answered.

Talent and innovation

TALENT AND INNOVATION

To have a successful company, you need the right people and the right culture.

"Entrepreneurship and innovation are the tools by which we will meet our goal of doubling the size of the company over the next five years while maintaining a 20% return on equity."

That's particularly true in Noble Group. There are no functionaries at Noble Group. There are, however, plenty of people with entrepreneurial zest and drive. These are the kind of people we want. It's a funny thing about smart, hard-working people—they tend to want to be around other smart, hard-working people.

From the very beginning of Noble Group, our growth has been tightly connected with our ability to keep attracting and retaining the best talent available. More than ever, our rate of growth will be a function of our ability to hire, develop and retain the best people.

Throughout this report, you have read a lot about building pipelines and it is no different in the Human Resources department. We have created a talent pipeline necessary to achieve our growth plans by consistently attracting top professionals, and also by developing talent from within.

We aren't shy about getting the people we need. We want people with the ambition, energy, drive and imagination to take the Noble Group to new heights of achievement. We then create the right conditions for our people to really shine.

Our success is not an entitlement. We worked hard for it, and we will continue to work hard for it in the future. A smart, capable group of employees at Noble Group gives us the flexibility, creativity and competitiveness to stay at the top of our game.

And despite the size that rapid growth brings, we will never let red tape get in the way of a good idea. An entrepreneurial company attracts entrepreneurial people. We like it that way.

Our United Nations of ability

Give credit where credit is due. It's a simple idea, but it's really amazing to us how so many companies don't do it. The Noble Group has some of the most talented individuals in the industry, and part of the reason for that is we maintain meritocracy and a culture that recognises and rewards results and contribution. We don't care about where someone is from—we care about the job they do.

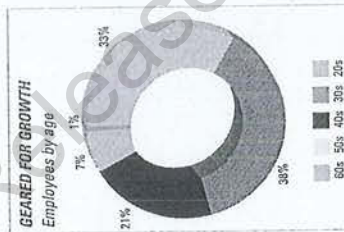
Our people at a glance:

- More than 8,700 employees working in 38 countries on five continents
- 46 nationalities
- Two-thirds of our employees are in their 30s and 40s

In short, Noble Group has a diverse, robust, experienced, and also young and energetic workforce. What more could a global company ask for?

A company of entrepreneurs

We have an entrepreneurial culture and we're proud of that. We encourage creativity and fresh thinking from all our employees.



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Corporate governance

"We promise to treat shareholders in the same way we would want to be treated"

For full details of our corporate governance framework and practices, go to page 60.

The proof is shown in our ability to move first into new growth industries and business lines. In fact, some of our most profitable business lines were started when some upstairs barged into Noble's boardroom with a great idea and a lot of guts. We wouldn't have it any other way.

- We also take concrete steps to ensure that Noble's entrepreneurial drive keeps on ticking, including:
 - A recruitment policy aimed at attracting innovative and dynamic individuals
 - A flat organizational structure, where bureaucracy is limited and creative ideas are prized
 - A remuneration programme that rewards innovation and achievement, and ties people to the long-term future of Noble Group
 - Development programmes to foster talent

Performance and remuneration

We have a common, unified performance evaluation structure in all our divisions and offices. Which means Noble's employees get performance feedback as well as a transparent view of personal remuneration.

To align the interests of our employees with those of shareholders, Noble has compensation plans that provide eligible employees with stock or stock options.

These include:

- The Noble Group Employees' Share Options Scheme
- The Employee Share Options Savings Scheme

Restricted shares also form part of eligible employees' compensation to reward performance, encourage retention and further align employees' interests with those of shareholders.

Fostering talent

Sometimes, you'll find a diamond in the rough, and all it takes is a little polish to have something really valuable. With that in mind, in 2005 we established the **International Trainee Programme**, which identifies and trains junior talent at entry level. This programme gives priority to internal candidates that have recently joined Noble. Once the internal candidates have been selected, we review and select external candidates.

Our 2005 International Trainees finished the programme in September 2006 and have all been offered jobs in Noble's various business divisions. In 2006 we took in our second batch of trainees. We're looking for great things from these young people down the road.

Also in 2005, we launched **Noble Ambassadors**, a programme that recognises, informs and fosters young, proven talent at a more experienced level.

The programmes have several aspects in common:

- Each participant meets Noble's top management and gets a big-picture feel for the Group
- Participants meet managers from different business areas and learn how various business activities fit together
- The programs help participants get to know one another, share information, and understand the Noble culture

NOBLE GROUP'S PHILOSOPHY
1 NEVER TAKE ANYTHING FOR GRANTED
From business, you have to keep learning, and trying to stay ahead of the curve. You've got to profit from change.

2 ALWAYS BE ON CALL...
Life is a global challenge, being a business that makes up 60% of its profits in emerging and developing markets.

3 ... BUT TRY TO RELAX
At the same time, we benefit from being human resources. We switch off when necessary, re-charge, and come back with 10 great ideas buzzing in our heads.

4 IT'S ABOUT PEOPLE
In the same way that a winning football team has a captain, consistently top performing players, we bring in talented new, resource and human talent within.

5 DON'T BE BLINKERED
The 30 days being an ambassador and never see an our trainee. With the proper risk management procedures in place, we lay the entrepreneurial spirit of our people.

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NOBLE GROUP AMBASSADORS AND TRAINEES



Some of our 2005-2006 Noble Group Ambassadors and Trainees in action

By creating personal links across our business lines, we will also help maintain the sense of camaraderie, flexibility and daring that help us succeed.

A culture of communication and inclusion
Lunch & Learn are business information-sharing sessions in which division leaders informally discuss what their business is all about during lunch breaks (over pizzas and soft drinks). They have been highly successful and are popular among staff. After all, everybody likes to know what's going on in different divisions, and smart people do tend to be curious.

In 2006, we expanded the Lunch & Learn initiative to offices outside Hong Kong, where they were initially launched. Stamford, USA and Lausanne, Switzerland were the first to get on board. Topics included Coca, Coffee, Structural Finance, Treasury, Chartering and International Tax.

Then there is the Open House, an informal communication session hosted by the CEO, COO and Vice-Chairman in which senior leaders talk about the Group's strategy and direction, and answer employees' questions about new or ongoing projects and other big-picture issues. Initially started at head office in Hong Kong, in 2006 we expanded participation to offices in Asia, Europe, North America and South America through video-link.

We had eight offices online simultaneously!

Look out for a Noble World

You might get the idea that there's a lot of informal information sharing going on at Noble. You'd be right. We find that getting the word out about what's going on at Noble is a good thing for us, for our people and for our shareholders.

Noble World, our quarterly newsletter, communicates our culture, values and business news, as well as reporting on social and charity events, new offices and colleagues.

An eagerly anticipated publication, *Noble World* has doubled in size this year to include more interviews, news and photos of Noble operations around the world. It's just one more way that we at Noble Group like to keep employees and shareholders up to speed on the fast-paced world of our business.



CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility does not stem from a particular statute or legal requirement.

"We believe our duty to society goes beyond simply complying with legislation."

We believe our duty to society goes beyond simply complying with legislation, and that enterprises should make decisions based on more than financial or economic factors. At Noble Group, we are aware of and concerned with the immediate and long-term social, environmental and other consequences of our activities.

Poverty, environmental issues and human rights are serious concerns for us, particularly since transforming from being a trader to "hands-on" supply chain manager. We are on the ground, our eyes are open, and we do not shirk our responsibilities.

We seek to play a positive role in the communities in which we operate. We recognise the impact of our actions and we act accordingly.

We act as a good corporate citizen in two major ways:

- 1** We rigorously obey the laws of every country in which we operate.
And we go beyond such laws whenever sound and ethical judgement requires us to do so.
- 2** We are involved in trade, finance, employment and development – activities that raise living standards and economic wellbeing, particularly in underdeveloped countries.

Most significantly, we improve lives through concrete action. We are committed to making a positive contribution – from simply participating in sponsored walks for charity to large-scale projects that protect sensitive and important areas of the world's ecosystem. In all cases, our involvement is hands-on: we just do what needs to be done.

The business of clean air

We are also conscious of continuing economic prosperity while protecting the natural systems of the planet and being mindful of the environment. In fact, as well as being involved in specific activities that assist local communities, we create smart businesses out of environmental consciousness – businesses that will benefit future generations throughout the world. In many cases, these businesses have a direct, positive impact on the environment, particularly where it matters most.

Noble Group Charity Foundation

The Noble Group Charity Foundation's mission is to support local charitable causes and projects that serve and benefit communities in places where the Noble Group has operations. We have created a number of programmes to assist local communities as they try to address issues of poverty and underdevelopment. These include scholarships and education assistance, donations to local facilities, donations to family planning and health services.

"Poverty, environmental issues and human rights are serious concerns for us"

OUR BUSINESS

Noble Group's on-the-ground presence in every country in which we operate means we are involved in every step of the supply chain.

OUR BUSINESS

As a global supply chain manager, we manage the flow of commodities across our four distinct business segments.

Noble Group is a market leader in managing the supply chain of agricultural, energy and industrial (Metals, Minerals and Ores) products.

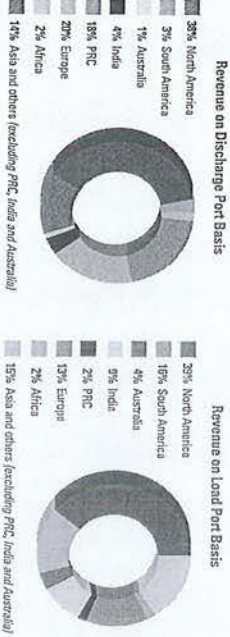
What does that mean?

In practice, Noble Group's business divisions take a hands-on approach to supplying the industrial needs of the world's manufacturing zones with the commodities they need.

Hands-on means that each division aims to provide the most complete service to our buyer-partners by being involved in every part of the supply chain. From controlling stakes in grain ports in Argentina to technical assistance with Carbon Credits procurement, Noble Group's business divisions offer a complete range of synergised services.



GROUP REVENUE BY REGION (Diversified geographical platform evidenced by global sourcing/revenue base)



DNRMPRTI DL Release

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Agriculture

"Nearly all product divisions reported double-digit revenue growth"

AGRICULTURE

The Noble Group moves food from the farm into the hands of brand name food manufacturers through hands-on supply-chain management.

Many necessities such as grain, sugar, cocoa, rice, beans, pulses and cotton are just some of the commodities we plant, grow, harvest, process and deliver to customers.

Our Agriculture segment consists of five divisions:

- Grain (wheat, soybean and corn)
- Coffee
- Cocoa
- Sugar
- Fertilizer

Tonnage 2015: 147.792M
4,047,628
 Value: 2015: \$1,000

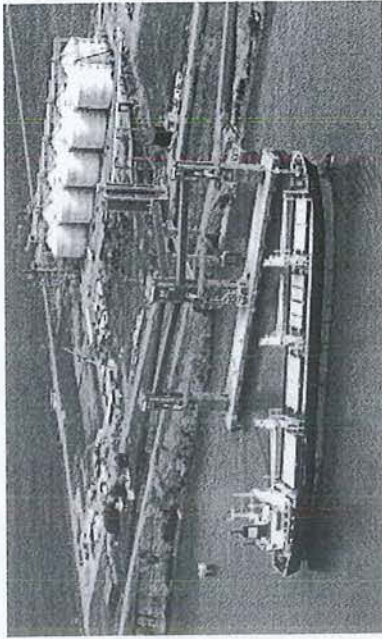
Our pipeline strategy

Grain: from farmer to consumer



In keeping with our overall pipeline strategy, our focus is on:

- Building an integrated supply chain, beginning with strong sourcing capabilities in low cost producer markets
- Enhancing sourcing activities through infrastructural assets, including transportation, port facilities, silos and warehouses
- Leveraging our sourcing strengths to expand sales
- Strengthening our distribution capabilities
- Providing crop financing to local farmers for additional income opportunity
- Supplying compound fertilizers
- Acquiring further assets to build economies of scale



Our investment in Timbales port has significantly strengthened our presence in South America

Cocoa

Our Cocoa Division's revenues rose due to a corresponding percentage increase in tonnage volume as our strategy to focus on sourcing and marketing all quality types created enhanced product flexibility for our clients. We also increased our sourcing capabilities, for example in Ivory Coast, where we opened 11 up-country stations which enhanced our product and market knowledge, reduced inventory levels and improved pricing discipline.

Agricultural investments in 2006

Our investments in 2006 marked a significant step up in our strategy to build an integrated supply chain operation, adding critical mass and economies of scale, while also increasing our competitive strength. Other investments included:

- The purchase of an equity stake in Jordan Grain Handling and Milling Company Limited (JOGCO), including a storage and elevator facility in the one of the world's fastest growing areas for grains, protein meals, pulses, sugar and vegetable oils
- The leasing of crushing facilities in Egypt and warehouse and storage operations
- The acquisition of three Chinese crushing facilities as well as access to three port locations and a river transport system on the Yangtze River
- Investment in five grain storage facilities at Sorriso, Nova Maringa, Maringa, Japura and Jussara, lifting grain sourcing capacity by 180,500 million tonnes
- The setting up of a 140,000-tonne warehouse at Timbales port, a logistics joint venture in Paraguay – to operate along the Parana and Paraguay rivers – and a joint venture for grain storage at Nueva Palmira port in Uruguay
- The acquisition of crushing facilities in India

Agriculture tonnage
rose 25%
in 2006

How we did in 2006

Noble's Agriculture segment reported revenues of US\$1,023.8 million in 4Q 2006, an increase of 50% compared to the US\$684.0 million level in 4Q 2005. The segment's 2006 revenue of US\$4,047.6 million represented a 30% increase compared to the US\$3,101.9 million in 2005. Segment tonnage rose sharply to 11.2 million tonnes compared to 8.9 million tonnes in 2005. Nearly all product divisions reported double-digit revenue growth, demonstrating our ability to expand the business.

Achievements in 2006

Our success in 2006 is largely the result of our strategy to expand our origination activities across a broader supply base, to further build out our integrated supply chain, and to invest in infrastructure assets that support higher volumes and enhance our competitiveness.

Grain

In the Grain Division, we expanded our supply-chain operations, particularly in soybean origination and sourcing in South America. Our ability to add new sourcing markets – such as the US – has created a diversified and competitive capability for the Division.

Our origination efforts have created a significant presence in the South American grain and soybean markets, which has been strengthened by our investment in Timbales, an Argentinian river port located close to key production markets, as well as three other ports in Argentina, Uruguay and Paraguay.

Other investments in 2006 included a significant increase in our owned and leased storage capacity, enabling us to increase our purchase commitments while enhancing our trading flexibility. The storage tanks' geographical proximity to rail facilities, as well as the acquisition of barge operations, created an increasingly efficient inland transportation and logistics operation.

Coffee

The growth of our coffee business reflected our ability to develop new product operations, acquire market share and build a sustainable business operation. In less than five years, the Coffee Division has become the leading export operation in Vietnam. Noble Group is the world's second largest coffee producer and one of the world's top five coffee dealers.

In 2006 we continued to expand and diversify our origination activities with a focus on building an Arabica product capability to combine with our leadership position in Robusta coffee. We expanded our operations in Indonesia and initiated sourcing in Brazil.

Sugar

Our Sugar volumes remained flat, but we experienced a strong increase in our Asian sales particularly in Pakistan. In early 2007 we acquired a sugar and ethanol mill in Brazil, which will create a significant expansion of our sugar marketing activities and also create an arbitrage opportunity between our sugar and ethanol activities. Accordingly, we believe the acquisition will have a material impact on our sugar business in 2007 and increase our overall sugar revenues.

"Good crops in 2007 should ensure a sharp increase in Noble's sourcing volume from South America"

- Key achievements included:**
- The consolidation of our South American origination business, resulting in a doubling of volume
 - Completion of our second year of farm crop pre-financing, with no defaults
 - Increased profitability in our South American operations due to increased tonnage volume, a profitable corn origination programme, and cash and carry programme in soybeans
 - The restructuring of our grain operations to simplify operations

Outlook for 2007 and beyond

- Demand for grain products will continue to be strong
- Good crops should ensure a sharp increase in Noble's sourcing volume from South America
- Tight global supply will result in higher grain prices
- Investment in infrastructure and a more integrated supply chain will accelerate volume growth, improve margins and create the ability to move into new markets, such as the Middle East
- The fertilizer market will grow
- We are moving into cotton, developing operations in Africa, India, Central Asia, North America, Europe and Australia

Key competitive advantages

- Strong sourcing capabilities, combined with infrastructure investment and a strong knowledge of the China and India markets
- Ability to leverage origination capabilities to expand into new distribution markets such as the Middle East and the Mediterranean
- Unique knowledge of South American sourcing markets, and close relationships with major farmers
- A focused niche approach

Energy revenues rose 34% in 2006

ENERGY

Our Energy segment manages the supply chain of energy products.

We supply thermal coal, coking coal and coal products to the global market place as well as investing and trading in a range of clean fuel products. We are one of the world's leading ethanol traders and market makers in the trading of carbon credits.

Our Energy segment consists of five divisions:

- Coal
- Coking
- Clean fuels
- Petrochemicals
- Carbon Credits

Tonnage 2006: 141.7 (2005)
6,232,319
Value 2006: \$179,200

Our Pipeline strategy

Ethanol: from field to pump



Derived from distillers starch crops, ethanol is used in the gasoline, pharmaceutical, cell alcoholic drinks and gain industries	Products processed in ethanol facilities in the Americas and EU. Noble is an equity investor with exclusive off-take agreements in many such plants	Logistics and shipping provided by Noble Chartering and is the sole marketer for the ethanol (C2007) ethanol futures market	Noble markets ethanol internationally and is the sole marketer for the ethanol futures market	By-products of feed corn just less than ethanol and feed ethanol are sold and sold as animal feed, high-methanol livestock feed	Ethanol a high-volume clean burning fuel reducing greenhouse gas emissions and providing a primary source of energy
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In keeping with our overall pipeline strategy, our focus is on:

- Building a product supermarket dealing in a wide range of energy products
- Acquiring low-cost energy resources creating long-term market opportunities and leveraging physical assets to obtain trading arbitrage opportunities
- Strengthening distribution capabilities, and optimising utilisation of existing distribution infrastructure
- Expanding mining capacity and substantially increasing production
- Seeking strategic partners to gain additional management expertise in managing mines
- Sourcing from geographically diverse areas, for example from South Africa
- Offering financial instruments such as hedging and risk-management services to energy producers, as a complement to trading activities
- Building on our early move into the clean energy and fuel market

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"We estimate that we are one of the top five global providers of registered carbon emissions credits with an approximately 15% market share."



The demand for clean energy will provide trading, marketing and investment opportunities for Noble Group

Coal and Coke

The energy coal market remained strong due to supply constraints and increased demand from developing countries such as China. We took advantage of this by expanding origination activities, with a particular focus on Australia – where we have both third-party supply contracts as well as increased domestic production from our Donaldson operation in the Hunter Valley.

We also expanded our Indonesian sourcing operations, where we manage, own and source coal. Our coal export levels continue to rise through further development.

We continued to diversify our sourcing activities. During the year we established a joint venture in South Africa to explore greenfield development opportunities and the acquisition of existing resource assets.

Petrochemicals

In the Petrochemicals Division, we increased our product range and created new distribution outlets for our existing products through the acquisition of Oxide, a European petrochemicals distributor.

The construction of Netpet, a polypropylene production plant in Saudi Arabia in which we have investment and an exclusive off-take arrangement, should be completed in 2007, providing additional volume. It will also allow for Netpet off-take to be sold through our existing distribution network, generating economies of scale for the company.

Carbon Credits

Our Carbon Credits Division reported a very strong first full year of operation. We estimate that we are one of the top five global providers of registered carbon emissions credits with an approximately 15% market share.

"We signed off-take agreements amounting to more than 300 million gallons with ethanol producers with whom we have a minority equity stake."

How we did in 2006

In 2006, Energy segment revenues rose to US\$6,232.3 million, up 34% compared to US\$4,638.1 in 2005, led by a 45% increase in tonnage volume. This impressive performance is attributable to growth in our Clean Fuels and Coal and Coke divisions as well as a significant contribution from our new unit, Carbon Credits.

Achievements in 2006

Our success in 2006 was due to our strategy of diversifying business operations, launching of new business lines and our ability to add new revenue streams to existing product lines.

Clean Fuels

In the Clean Fuels division, we continued to expand our renewable fuels product range to take advantage of US regulatory and tax incentives that are increasing the consumption of clean fuel. Our oxygenated product range benefited from changes to US domestic gasoline specifications and the increased use of renewable fuels, which shifted the relative value of gasoline components.

In 2006 we successfully sold Brazilian-sourced ethanol products in the US domestic market. This diversified our sourcing and allowed us to market the subsequent volume increase to new markets.

We developed ethanol processing capacity in the Caribbean, enabling us to provide a more competitive product offering to US customers. We also invested in Caribbean storage tank capacity and distribution facilities, creating additional trading flexibility.

We signed off-take agreements amounting to more than 300 million gallons with ethanol producers with whom we have a minority equity stake, while providing them with price risk management services. We also finalised an additional 19 off-take agreements with new producers, thereby potentially increasing our off-take capacity to over one billion gallons.

We were able to generate incremental income through the provision of value-added services. For example, in our ethanol division we were paid commission by ethanol producers, which created an annuity-like fee income. In addition, our market-maker role at the Chicago Board of Trade (CBOT) provided hedging and risk management services to ethanol producers.

Other achievements included:

- Traded more than 30 million tonnes of product, including six million tonnes of clean energy
- Initiated offshore sourcing of ethanol
- Became market leader in the New York Harbor gasoline market with 1.5 million barrels of gasoline managed
- Expanded product range and established Noble as preferred distributor for specialised gasoline component producers

Our first-mover status allowed us to expand our sourcing operations, while leveraging Noble Group's business platform and client relationships to create additional volume.

Outlook for 2007 and beyond

- Demand for ethanol products will continue to be strong
- Carbon Credits will provide a fast-growing revenue stream for the company
- Storage capacity will continue to be in short supply due to the increase in biofuel use and need to transport product between regions
- China and India's motor fuel demand will create a market imbalance between producers and consumers
- The Green Effect will:
 - Reduce the dependence on imported fuel
 - Reduce air pollution
 - Indirectly subsidise agriculture, without contravening WTO rules
 - Optimise the utilisation of distribution infrastructure

All of these will create trading, marketing and investment opportunities for our biofuels, gasoline and motor fuel component divisions.

Key competitive advantages

- A total supply-chain approach, including origination, supply, trading, risk control and investment
- A unique player in the market due to an unparalleled knowledge of end-products and a willingness to invest time, knowledge and money along with our trading partners
- First-mover advantage in the ethanol and carbon trading markets
- Size, economics of scale and infrastructural assets in core markets
- Logistics and back-office expertise
- An unparalleled focus on key product niches
- Access to capital markets
- A unique knowledge of markets, products and technology, and risk control

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"We are one of the world's largest non-producer providers of iron ore and aluminium, and one of the largest suppliers of iron ore to China"

METALS, MINERALS AND ORES

Metals, Minerals and Ores are built into nearly every major consumer and industrial product in the world today.

It is a vital supply trade and one that Noble has invested considerable effort in mastering, at nearly every stage of procurement and processing.

Today, we are a major global supply-chain manager of Metals, Minerals and Ores. Our involvement begins with mining and continues right to the delivery of the raw material in the factory. We supply the raw materials for roads, buildings, bridges and other infrastructure projects. As such, we are one of the world's largest non-producing providers of iron ore and aluminium, and one of the largest suppliers of iron ore to China. This segment consists of seven divisions:

- Iron Ore
- Ferro Alloys
- Chrome Ore
- Manganese Ore
- Aluminium/Aluminium
- Steel
- Copper/Nickel

16,457.9
Tonnes/2006, M/T (000)

2,847,585
Value 2006, \$'000M

Noble Group continues to occupy an enviable position in the marketplace. We are a veritable one-stop shop for buyers, particularly in East Asia. As such, we can command the attention of our partners by offering several vital components to develop and expand their production facilities – a feature which is unique to Noble Group.

Our pipeline strategy

Steel: From the ground up



Origination in low-cost locations through strategic alliances

Export logistics based on critical mass and Noble Group's logistics

Situating to high-demand markets by Noble Chartering

Noble markets steel, minerals and ores through its own distribution network

Steel being converted to a downstream product at a steel mill

End product is sold and distributed to customers throughout the world

"With the expected increase in apparent steel consumption and production in China, the demand for iron ore is expected to increase proportionately."



Noble Group has direct relationships with processing facilities and steel mills

In addition, increased PRC purchases under long-term supply contracts with key suppliers in Australia and Indonesia reduced spot market demand. Lower iron ore prices combined with freight price volatility limited our ability to optimise our sourcing and freight price management.

As a result, we reduced our business activity in the division, but positioned ourselves for improved market conditions in 2007. As part of this process, we commenced negotiations for investments in iron ore resources. These will be finalised in early 2007.

Alumina/Aluminium

The Alumina/Aluminium division reported reduced revenues and tonnage in 2006 compared to 2005. The division substantially reduced its business activities in 2006, limiting its operations to essentially fulfilling existing contractual commitments.

A new European management team was installed during the 3Q 2006 and successfully undertook a strategic review that has seen an increase in sourcing contracts and an expansion of our customer base. The division has also signed a series of competitive long-term contracts with key customers.

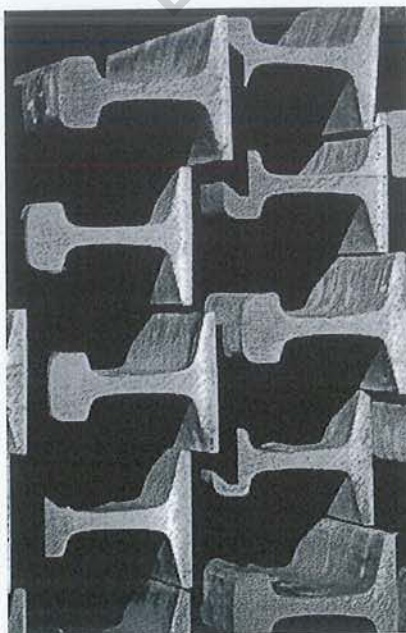
Steel and Ferro Alloys

Our Steel and Ferro Alloys divisions reported full year revenues which were comparable to those of 2006, accompanied by higher tonnage volume, as both businesses focused on geographic expansion.

Copper and Nickel

Our Copper and Nickel Division performed well and made good progress with sales expanding throughout the year.

"We are a veritable one-stop shop for buyers, particularly in East Asia"



Noble Group supplies raw materials as well as downstream products

Our Pipeline Strategy

In line with our strategy focusing on profitably investing in the complete supply chain, we will continue to build critical mass in origination activities. Additionally, Noble Group will expand its trading book in the field, as well as identify and establish strategic alliances aimed at cementing our commanding position in the market.

Critically, we also aim to expand our presence in end-markets, via financing arrangements and other methods.

How we did in 2006

Our Metals, Minerals and Ores Division reported revenues of US\$2,847.6 million in 2006 compared to US\$3,187.1 million in fiscal 2005. The lower revenues were due to lower tonnage levels. Tonnage volume fell 14% due primarily to reduced iron ore and aluminium tonnage volume, while steel and ferro alloy tonnage volumes remained at comparable levels to 2005.

Achievements in 2006

Iron Ore
Revenues from our Iron Ore Division fell due to a combination of lower iron ore prices and a reduction in tonnage. We are one of the leading suppliers to the PRC, whose imports of iron ore rose to an estimated 325 million tonnes in 2006. Nevertheless, we reduced our iron ore sales activities in the PRC due to lower risk-adjusted returns.

Outlook for 2007 and beyond
 With the expected increase in apparent steel consumption and production in China, the demand for iron ore is expected to increase proportionately. This increase is expected to be met by an increase from domestic sources and by imports.

This additional requirement for imported iron ore will be fulfilled by the projected increased production and exports from Australia and Brazil. Imports on a spot basis are likely to remain by and large at the same levels as 2006.

NFL plans to increase its traded spot volume to in 2006 to capture this rebound in the market.

We also expect to develop stakes in production capacity, and to develop financing arrangements to commit third parties to long-term supply contracts.

Alongside the structured finance expertise that Noble Group can offer its buyers, there are synergies with the Carbon Credits team that can be developed to optimise growth in both divisions.

Our increase in market share in our Alumina/Aluminium division should lead to increased profitability.

Key competitive advantages

- Financial strength, generating barriers to entry
- Ability to provide end-to-end supply chain management
- Direct relationships with over 120 steel enterprises in China and all major iron ore exporters in India
- Logistics and back-office expertise

"We also expect to develop stakes in production capacity, and to develop financing arrangements to commit third parties to long-term supply contracts"

"It's an arrangement that puts Noble in the driver's seat when it comes to providing the complete supply chain service that buyers rely on"

GETTING AROUND THE PLANET - LOGISTICS

Of course, being a hands-on supplier of the world's raw materials and commodities requires a commitment to, and investment in, logistics.

A key component of Noble's operations are Noble Chartering and Noble Group's Fleet Management. As independent operations in their own right, Noble's logistical arms have grown into impressive corporate entities.

As part of Noble Group, they provide on-time, high quality support in service of Noble Group's various divisions. They are a critical part of fulfilling our pipeline strategy, ensuring the smooth and reliable transfer of raw materials from the most far-flung location direct to industrial buyers in manufacturing centres.

It's an arrangement that puts Noble in the driver's seat when it comes to providing the complete supply-chain service that buyers rely on. Or should we say, captain's chair?

The companies

Noble Chartering is a leading ship owner and operator, internationally recognised for providing high-quality, cost-effective sea transportation for all types of commodities. Chartering provides freight-chartering services to in-house commodity divisions, grains, iron ore and coal and coke, as well as external parties in respect of their freight-sourcing requirements.

Fleet Management is a wholly owned subsidiary belonging to Noble Group, and is one of the leading providers of third-party ship management services in the world. Fleet Management provides ship management services to ship owners, including ship staffing and recruitment, repairs and dry-dock services.

Our pipeline strategy

- To expand our vessel fleet, creating logistical support for increased supply-chain and trading requirements
- To acquire vessels should it be appropriate

35,733.0
Tonnage 2006, (MFT'000)

510,704
Value 2006, (\$'000)

How we did in 2006

Revenues declined to US\$510.7 million for 2006 from US\$642.4 million in 2005. Lower segment revenues were primarily attributable to lower revenue levels at our Chartering Division, which in turn was due to lower freight prices and reduced tonnage levels. This was related to our reduced shipments of iron ore to the PRC and a reduction in third-party freight activities.

Our Fleet Management division remained very competitive, with the total number of vessels under management increasing to 152 by the end of 2006, up from 141 vessels in 2005.

Achievements in 2006

Chartering

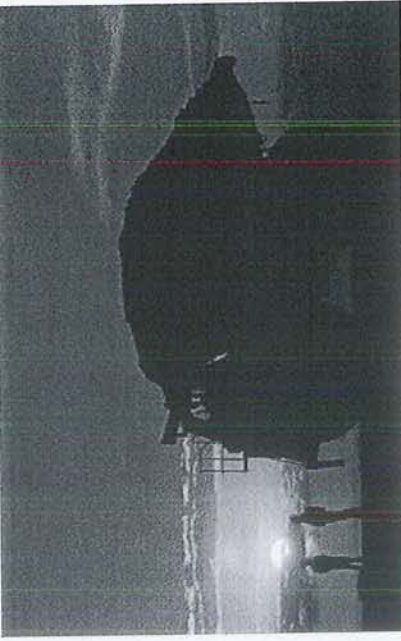
In spite of an extremely volatile market and the legacy of expensive long-term tonnage, we still managed to make reasonable profit and protect the balance sheet.

Internally, we restructured the Global Freight Desk to centralise shipping activities in Hong Kong. In terms of our fleet, we concluded the purchase of *MM Noble Jade* and formed a joint venture with DVB Bank for the purchase of two vessels, *MM Fa Mei Shan* and *MM Wa Mei Shan*.

Fleet Management

The year 2006 was a time of capacity growth for Fleet Management. The goals that were set in 2005 were largely achieved and, on top of that, an award-winning training system was put in place. In short, the capacity needed to guarantee sustained, high-quality logistical service is ready. Among the most notable achievements:

- Achieved the benchmark of 150 ships under management
- We added large container vessels of up to 6,000 TEU (20-foot equivalent units) to the fleet
- 19 vessels taken over as yard deliveries, bringing down the average fleet age to about 10 years
- New building supervision contracts achieved at yards in China, Japan, India and Indonesia
- Contracts signed with eight new ship owners for management of their vessels
- Development of TOLAS (Training on Land and Sea) system, which won several awards
- Expansion of the business through a strategically located branch office capable of independent ship management activity in Singapore
- A new manning office was set up in Patna, India



Noble Group will establish joint ventures with owners and charterers in 2007

Outlook for 2007 and beyond

Chartering

We have positioned ourselves well for 2007 and beyond, through the possible prudent acquisition of tonnage, FFA positions and the expansion of our client base. Our game plan for 2007 and beyond includes:

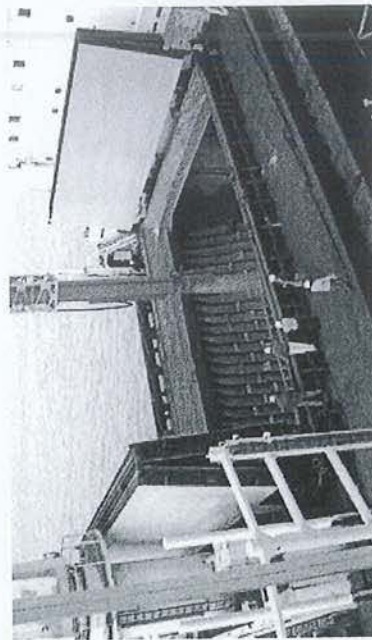
- Building a medium-sized fleet of capes and panamaxs
- Establishing joint ventures with owners and charterers
- Expanding our business model

Fleet Management

We expect a growth in fleet size this year of about 10% and also have plans to increase ship management activity in our Singapore office. We expect similar growth levels in the coming years. Other plans include:

- Taking delivery of new vessels to further modernise our fleet
- Improving our IT infrastructure web-based ship management system
- Hiring more trainees to sustain the company's growth and counter a shortage of seafarers
- Improving our training facility at Mumbai to improve staff awareness and proficiency, together with TOLAS system development
- Establishing contact with future business partners or ship owners

"Our Fleet Management division remained very competitive, with the total number of vessels under management increasing to 152 by the end of 2006"



Noble Chartering is internationally recognised for providing high-quality, cost-effective sea transportation

"We have positioned ourselves well for 2007 and beyond through the possible prudent acquisition of Lanneg, FFA positions and the expansion of our client base."

Key competitive advantages

Chartering

Chartering can continue to rely on first-rate market intelligence, thanks in part to the wide-ranging activities of Noble Group's other divisions, and Chartering's own experience plus a new and robust planned research group. This means competitive freight in a tough market.

Chartering also boasts:

- An impeccable record in volatile markets
- A strong balance sheet
- A focus on relationship building

Fleet Management

Fleet Management is widely recognised as a high-quality provider of ship-management services for all kinds of vessels. It is also well known as one of the largest operators of chemical tankers, having more than 30 vessels under management.

Noble Group's asset investments in key infrastructure assets give Noble Chartering and Fleet

Management a unique position in logistics markets. Port investments provide critical mass and economies of scale for the logistics, stimulating the development of inland transport markets and boosting export tonnage. Significantly, these investments present a sizeable barrier of entry for other operating companies.

"Our Structured Finance Division had its most successful year on record"

CORPORATE

Our Corporate segment oversees investment, financing, risk management and related products and services.

We control the Group's direct and indirect acquisitions along with investments in listed and unlisted companies across the global business platform. Acquisitions and investments include crushing operations and natural resource assets, ports, silos and warehouse facilities, bulk carriers and barges, and distribution-related assets such as our recently acquired Oxyle Chemicals.

The Structured Finance team identifies opportunities to leverage our financing and structuring skills to create new business opportunities to expand the business. We increasingly provide price-risk management capabilities to clients, including price-fixing forward physical sales and the use of derivatives to manage price exposure.

Our pipeline strategy

- To provide the necessary capital and finance for Noble's business model to shift from an "asset-light" to "asset-medium" model
- To add value to Noble's supply chains through the provision of specialised financial services and derivatives

Achievements in 2006

In 2006, Noble Group made a number of important investments and acquisitions, including:

- Three crushing facilities in the PRC, resulting in Noble building a 10% market share for crushing capacity
- Several ethanol producing plants in the US
- Expansion of captive coal production facilities in Australia and Indonesia
- An investment in PMA, accompanied by a long-term off-take agreement in Windamurra, which holds substantial reserves of vanadium

We also made substantial investment in infrastructure, including the completion of our Timbues port acquisition, additional port facilities in South America and the construction of storage facilities and terminals.

Our Structured Finance Division had its most successful year on record with numerous transactions concluded across our global business platform. Key transactions included crop financing for South American grain and soybean farmers, financing capital expansion for a central European aluminium smelter, and the creation of sugar pre-financing facilities for several central American sugar refiners.

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Outlook for 2007 and beyond

We will continue to make selective investments in strategic assets and businesses. Our Corporate segment will thus increasingly reflect our success in building a specialised asset pool that creates a new profit area for Noble.

Our Structured Finance team will continue to expand our scope of operations through an expanded geographic presence. Its ability to provide specialised financing and to reduce balance sheet risk will contribute important contributors to maintaining a conservative financial profile.

Our Structured Finance Division has created a global presence and will be adding additional staff in high growth/high return areas this year. We are also pleased to have developed industry expertise, providing value-added services and building market reputation. Our ability to keep a streamlined internal approval process means we can reduce our client response time and accelerate transaction speeds.

Key competitive advantages

Our key competitive advantage is an ability to respond. Whether it is an investment in a new port facility, a potential corporate acquisition or arrangement of financing for a structured-finance client, we respond rapidly to the challenge and work quickly and effectively.

Our market knowledge also provides us with the ability to understand markets and identify unique opportunities to expand our business. Furthermore, our ability to provide creative solutions and work closely with our clients to build a long-term sustainable business represents a refreshing alternative to today's quick in-and-out investment ethos.

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Report of the directors

Noble Group Limited

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 December 2006.

Principal activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries and associates comprise managing the global supply chain of agricultural, industrial and energy products; ship ownership, chartering and the provision of technical ship management services; trade finance; coal mining and soybean crushing activities.

The Group links producers and consumers through a global supply chain management, integrating the sourcing, marketing, processing and transportation of industrial, agricultural and energy products worldwide. There were no other changes in the nature of the Group's principal activities during the year.

Results and dividends

The Group's profit for the year ended 31 December 2006 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 71 to 124.

Details of the proposed final dividend, which is not incorporated in the financial statements, are set out in note 38 to the financial statements.

Property, plant and equipment

Details of movements in the property, plant and equipment of the Group are set out in note 11 to the financial statements.

Subsidiaries

Particulars of the Company's principal subsidiaries are set out in note 15 to the financial statements.

Jointly controlled entities

Particulars of the Company's major jointly controlled entities are set out in note 16 to the financial statements.

Associates

Particulars of the Group's principal associates are set out in note 17 to the financial statements.

Interest-bearing bank loans and borrowings

Details of the interest-bearing bank loans and borrowings of the Group are set out in note 25 to the financial statements.

Share capital

Details of movements in the Company's share capital during the year are set out in note 29 to the financial statements.

Material contracts involving the interests of the Chief Executive Officer, directors and controlling shareholders

None of the Chief Executive Officer, directors or controlling shareholders had a material interest in any contract of significance to the business of the Group or any loan agreement to which the Company or any of its subsidiaries was a party at any time during the year.

Report of the directors

Noble Group Limited

Board of directors
The directors of the Company during the year were as follows:

Executive directors:
Richard Samuel Eiman, Chief Executive Officer
Harndarpal Singh Banga, Vice Chairman

Non-executive directors:

Milton M. Au	(Resigned, effective on 1 January 2007)
Tobias Josef Brown, Non-Executive Chairman	(Resigned, effective on 1 January 2007)
Iain Ferguson Bruce	
Robert Tze Leung Chan	
Michael Harouche	
Ambassador Burton Levin	
Gary Walter Mize	(Resigned, effective on 1 January 2007)
Peter James O'Donnell	(Resigned, effective on 1 January 2007)
Edward Walter Rubin	
Alan Howard Smith	

Subsequent to the balance sheet date, with effect from 1 January 2007, Mr. David Gordon Eidon was appointed as the Non-Executive Chairman of the Company.

Messrs. Iain Ferguson Bruce, Milton M. Au and Alan Howard Smith, being the directors longest in office since their previous appointment, will retire by rotation in accordance with the Company's Bye-law 8B which require one-third of the directors to retire from office by rotation at each Annual General Meeting, and being eligible, will offer themselves for re-election at the forthcoming Annual General Meeting.

Mr. David Gordon Eidon, being the director appointed pursuant to the Company's Bye-law 8B(2), will retire at the forthcoming Annual General Meeting, and being eligible, will offer himself for re-election at the forthcoming Annual General Meeting.

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Noble Group Limited

Corporate governance

The directors are committed to maintaining a high standard of corporate governance within the Group. Good corporate governance establishes and maintains a legal and ethical environment in the Group which strives to preserve the interests of all shareholders. The Company has, save as disclosed below in relation to areas of non-compliance, adhered to the principles and guidelines set out in the Code of Corporate Governance 2005 (the "Code") and, where applicable, has established various self-regulatory and monitoring mechanisms to ensure that effective corporate governance is practised. The Company believes that it is in compliance in all material respects with the Code. The following describes the Company's corporate governance processes and activities as recommended by the Code.

1. Board of Directors

Key information regarding the directors is provided in the "Directors' biographies" section below. Details of the number of board meetings held during the year ended 31 December 2006 and the attendance of each board member at those meetings are set out below.

The board comprises ten directors at the date of this report, eight of whom are non-executive and whose objective judgement on corporate affairs and collective experience is valuable to the Group. The Board is of the view that its current size is appropriate, taking into account the nature and scope of operations of the Group. The directors as a group provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge.

The non-executive directors' role is to, amongst others, constructively challenge and help develop proposals on strategy, review the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

The following are executive and non-executive directors of the Company.

Executive directors:

Richard Samuel Elman
Harindarpal Singh Banga

Non-executive directors:

Milton M. Au
Iain Ferguson Bruce
Robert Tze Leung Chan
David Gordon Eldon, Non-Executive Chairman
Michel Harouche
Ambassador Burton Levin
Edward Walter Rubin
Alan Howard Smith

Independent directors make up at least one-third of the board.

In order to ensure that the board is able to fulfil its responsibilities, management provides the board with a management report containing complete, adequate and timely information prior to the board meetings as well as a report of the Group's activities. Information provided includes background or explanatory information relating to matters to be brought before the board, copies of disclosure documents, budgets, forecasts and monthly internal financial statements. In respect of budgets, any material variance between the projections and actual results are disclosed and explained.

All directors nevertheless have unrestricted access to the Group's records and information through requests for further explanations, briefings and informal discussions on the Group's operations or business issues from management. The board has separate and independent access to the Company's senior management. The directors are updated on the regulations of the Singapore Exchange Securities Trading Limited ("SGX-ST") and other statutory requirements.

The directors have separate and independent access to the company secretary. The company secretary ensures that all Board procedures are followed. The company secretary, together with key management staff, is responsible for ensuring that the Company complies with applicable

Report of the directors

Noble Group Limited

Directors' interests in shares

As at 21 January 2007, the directors who held office as at 31 December 2006 had the following interests in the shares of the Company:

Number of shares of HK\$0.25 each held:

Name of director	Notes	Direct interest	Deemed interest
Richard Samuel Elman	1	-	908,918,670
Harindarpal Singh Banga	2	-	257,327,137
Milton M. Au	3	-	10,642,500
Iain Ferguson Bruce	4	-	500,000
Michel Harouche	4	-	50,000,000
Gary Walter Mizzi*	5	-	4,637,314

* Gary Walter Mizzi resigned as a director of the Company on 1 January 2007.

Notes:

- The beneficial owner of 905,694,920 shares is Noble Temple Trading Inc. ("NTTI"), NTTI is a company incorporated in Liberia and is wholly-owned by Noble Holdings Inc. ("NHI"), which is also a company incorporated in Liberia. NHI is, in turn, beneficially wholly-owned by Fleet Overseas (New Zealand) Limited ("Fleet"), a company incorporated in New Zealand. Fleet is the trustee of a discretionary trust, the beneficiaries of which include the spouse and children of Mr. Elman, except Mr. Elman himself. 3,423,750 shares are held in the name of a nominee.
- These shares are registered in the name of a nominee. The beneficial owner of these shares is Lexdale International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Harindarpal Singh Banga and his spouse. During the year, no share option was exercised and as at 31 December 2006, the number of outstanding share options granted to Mr. Harindarpal Singh Banga was 11,000,000.
- These shares are registered in the name of a nominee. During the year, 962,500 share options were exercised, and as at 31 December 2006, the number of outstanding share options granted to Mr. Milton M. Au was 962,500.
- These shares are registered in the name of a nominee.
- During the year ended 31 December 2006, Mr Gary Walter Mizzi's 8,800,000 options in respect of 8,800,000 shares were lapsed.

Report of the directors

Noble Group Limited

requirements, rules and regulations. Under the direction of the Chairman, the company secretary's responsibilities include ensuring good information flows within the board and its committees and between senior management and non-executive directors, as well as facilitating and assisting with professional development as required. The company secretary attends all board meetings. The appointment and removal of the company secretary is a matter for the board as a whole. The Company also has procedures in place for directors to take independent professional advice.

The Company has an orientation programme in place for newly appointed directors to ensure that they are familiar with the Group structure, and the Company's businesses and operations.

The Company also has a training budget for its directors to attend courses and seminars to update them on new laws, regulations and changing commercial risks.

Upon the appointment of each new director, the Company provides a formal letter to the director, setting out the director's duties and obligations. The board meets regularly to oversee the business affairs of the Group, approves the financial objectives and business strategies and monitors standards of performance both directly and through its specialised committees. Delegation by the board to board committees on decisions on certain board matters is set out in later sections of this report.

The Company scheduled 11 regular board meetings during the year ended 31 December 2006. To facilitate the board's decision-making process, the Company's By-laws provide for directors to participate in board meetings by conference telephone and similar communications equipment, and for board resolutions to be passed in writing, including by electronic means. The directors' attendances at regular board meetings, audit committee meetings, remuneration and options committees meetings and nominating committee meetings, including attendance by telephone conference and power of attorney during the year ended 31 December 2006 were as follows:

	Board	Audit committee	Remuneration and options committee	Nominating committee
Number of meetings	11	6	8	2
Richard Samuel Eiman	11	*	8	*
Harindaraj Singh Banga	11	*	*	*
Milton M. Au	11	*	*	*
Tobias Josef Brown	7	*	8	*
Iain Ferguson Bruce	11	6	*	2
Robert Tze Leung Chan	11	*	7	*
Michael Harouna	9	*	*	*
Ambassador Burton Levin	8	*	*	2
Gary Walter Mize	11	*	*	*
Peter James O'Donnell	8	3	*	*
Edward Walter Rubin	11	5	8	2
Alan Howard Smith	11	*	*	*

* Not applicable

The Company's Chairman and Chair Executive Officer are separate persons, and they are not related to each other. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly established, set out in writing and agreed by the Board. The Chairman is non-executive and his responsibilities include the following:

- (i) to lead the board to ensure its effectiveness on all aspects of its role and set out its agenda;
- (ii) to ensure that the directors receive accurate, timely and clear information;
- (iii) to ensure effective communication with shareholders;
- (iv) to encourage constructive relations between the board and management;
- (v) to facilitate the effective contribution of non-executive directors in particular;
- (vi) to encourage constructive relations between executive directors and non-executive directors; and
- (vii) to promote high standards of corporate governance.

Report of the directors

Noble Group Limited

2. Audit committee

The audit committee was established in 1997 by the board of directors and comprises four board members, all of whom are non-executive, and a majority of whom including the Chairman, are independent. At least two members of the audit committee have accounting or related financial management expertise or experience, as the board interprets such qualification on its business judgement. The committee held 6 meetings during the year ended 31 December 2006 mainly to review the quarterly and annual financial statements before their announcements. The members of the audit committee at the date of this report are as follows:

Iain Ferguson Bruce (Chairman)
Milton M. Au (Vice Chairman)
Edward Walter Rubin

The audit committee, which has written terms of reference, performs the following delegated functions:

- (i) reviews the annual audit plan of the Company's external auditors;
- (ii) reviews the results of the external auditors' examination and its cost effectiveness, and their evaluation of the Group's internal control system;
- (iii) nominates external auditors of the Company for re-appointment;
- (iv) reviews the Company's quarterly and full year results announcements, the financial statements of the Company and the consolidated financial statements of the Group before the submission to the board of directors for approval of release of the results announcement to the SIX-ST;
- (v) reviews the co-operation given by the Company's officers to the external auditors; and
- (vi) conducts any other reviews as required by the Code.

The audit committee also reviews arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The audit committee's objective in this regard is to ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow up action.

The duties of the audit committee include:

- (i) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance;
- (ii) reviewing the adequacy of the Company's internal controls, as set out in Guideline 12.1 of the Code;
- (iii) reviewing the effectiveness of the Company's internal audit function; and
- (iv) making recommendations to the board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors.

The audit committee has explicit authority to investigate any matter within its terms of reference, full access to and co-operation of management, full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The audit committee meets with the external and internal auditors without the presence of management at least once a year.

The audit committee, having reviewed all non-audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors. The audit committee has recommended to the Board the nomination of the auditors, Ernst & Young, for re-appointment at the forthcoming Annual General Meeting of the Company.

Report of the directors

Noble Group Limited

3. Remuneration and options committee

During the year of 2006, the remuneration and options committee was comprised of four board members, namely Messrs. Edward Walter Rubin (Chairman), Richard Samuel Eiman (Ex officio), Robert Tze Leung Chan and Tobias Josef Brown. Mr. Brown resigned effective 1 January 2007. The majority of the committee members, including the chairman, are non-executive directors.

The committee reviews all matters concerning the remuneration of senior management, including the bonus schemes, to ensure that they are competitive and sufficient to attract, retain and motivate personnel of the quality required to run the Company successfully. The committee also reviews all matters concerning the remuneration of non-executive directors to ensure that the remuneration is commensurate with the contribution and responsibilities of such directors. Details of the directors' remuneration are set out in note 7 to the financial statements. There are no employees who are related to a director or the Chief Executive Officer, and whose remuneration exceed \$5150,000 during the year ended 31 December 2006.

The executive directors are paid a basic salary and a performance-related bonus. Non-executive directors are compensated based on the time spent and effort made by the non-executive directors, and their remuneration is recommended to shareholders for approval at the Annual General Meeting.

The remuneration policy for key management executives takes into consideration the Company's performance and the responsibilities and performance of individual key management executives.

In view of the sensitive nature of remuneration for key management executives, the Board is of the opinion that such disclosure should not be made in the Annual Report.

4. Nominating committee

The nominating committee comprises three directors, namely Messrs. Ambassador Burton Levin (Chairman), Edward Walter Rubin and Iain Ferguson Bruce, all of whom, including the chairman, are independent non-executive directors. No member of the committee is directly associated with a substantial shareholder (with an interest of 5% or more in the voting shares of the Company).

The nominating committee, which has written terms of reference, is responsible for making recommendations to the Board on all board appointments and re-appointments. In accordance with the requirements of the Code, the committee is also responsible for:

- conducting formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board;
- determining annually the independence of each director and the directors for retirement by rotation at each Annual General Meeting; and
- determining whether a director who has multiple board representations is able to and has been adequately carrying out his/her duties as a director of the Company.

All directors are required to submit themselves for re-nomination and re-election at regular intervals pursuant to the provisions of the Bye-laws.

In drawing up objective performance criteria for evaluation and determination, the nominating committee considers a number of factors, including those set out in the Code.

Report of the directors

Noble Group Limited

5. Internal controls

The Board believes that the system of internal controls maintained by the Company's management, which was in place throughout the financial year and up to the date of this report, provides reasonable, but not absolute, assurance against material financial misstatements or loss, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, the compliance with appropriate legislation, regulation and best practices, and the identification and containment of business risk. The Board notes that no system of internal controls could provide absolute assurance against the occurrence of materials errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The audit committee reviews the adequacy of the Company's internal financial controls, operational and compliance controls, and risk management policies and systems established by management. The audit committee also ensures that a review of the effectiveness of the Company's internal controls is conducted at least annually. Where such review is carried out by the external auditor, the audit committee is required to satisfy itself that the independence of the external auditor is not compromised by any other material relationship with the Company.

6. Internal audit

The Company has internal audit, risk management and compliance functions. The internal audit team reports findings and puts forward recommendations to management and to the audit committee.

- The Company's Internal Auditors meet or exceed standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.
- The Audit committee ensures that internal audit function is adequately resourced and has appropriate standing within the Company.
- The Audit committee, at least annually, ensures the adequacy of the internal audit function.

7. Shareholder communications

The Board is mindful of the obligation to provide timely and fair disclosure of material information in accordance with the Corporate Disclosure Policy of the SGX-ST. When relevant information on the Company is disseminated to the SGX-ST, such information is also available on the Company's website at www.thisisnoble.com. The Company adopted quarterly results reporting for the year ended 31 December 2006.

The Board welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad hoc basis. The Company's main forum for dialogue with shareholders takes place at its annual general meeting, whereas members of the board (including the chairpersons of the audit, remuneration and options and nominating committees), senior management and the external auditors are in attendance to address relevant queries. The Company's Bye-laws allow a shareholder to appoint one or two proxies to attend and vote at general meetings in his/her stead.

8. Dealings in securities

The Company has devised and adopted its own internal compliance code to provide guidance to its officers with regard to dealings by the Company and its officers in its securities, taking into account the principles and best practices on dealings in securities as contained in Rule 1207(1)(b) of the Listing Manual of the SGX-ST. Directors and staff are to refrain from dealing in the securities of the Company during the periods commencing one month before and up to the date of announcement of the Company's first, second and third quarter results and one month before and up to the date of announcement of the Company's full-year results, or while in possession of material price sensitive non-public information. They are also encouraged not to deal on considerations of a short-term nature.

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Directors' biographies

Executive directors:

Richard Samuel Elman is the Founder and the Chief Executive Officer of the Company. Mr. Elman first arrived in Asia during the mid 1960s from England and has more than 40 years of experience in the physical commodities trading industry. Prior to setting up the Group in 1986, he spent 10 years with Fibro in New York as Regional Director of their Asia operations, including two years as a board director. Today, he is responsible for overseeing the Group's management and the formulation of the overall strategic planning of the Group. Mr. Elman is also a director of Consolidated Minerals Limited. Mr. Elman was first appointed Director of the Company on 6 April 1994 and was last re-elected at the Annual General Meeting on 28 April 2005.

Hariharan Singh Banga is the Vice Chairman of the Company. A Master Mariner, Mr. Banga has extensive experience in the maritime and logistics industry. Since 1979, he has worked in various levels of the industry all over the world, from London and Europe to Hong Kong, where he first arrived in 1984. Mr. Banga is an associate member of the Institute of Chartered Shipbrokers. He is also a member of the Singapore Institute of Directors and a member of the Executive Committee of the Hong Kong Shipowners Association. Mr. Banga joined Noble in 1989 on the establishment of Noble Chartering Limited. He was first appointed Director of the Company on 5 April 1994. Mr. Banga was last re-elected at the Annual General Meeting on 28 April 2006.

Non-executive directors:

William M. Au is a Non-Executive Director of the Company. Mr. Au was, until December 2003, an executive director and the Chief Financial Officer of the Company. He was also the Managing Director of Noble Grain from April 2001 to December 2002. Mr. Au had worked for a number of listed companies including Hong Seng Bank Limited before he joined the Company in 1995. He holds a Bachelor of Commerce degree from the University of Alberta in Canada and is a member of the Canadian Institute of Chartered Accountants. Mr. Au is also a non-executive director of Giordano International Limited, a casual apparel/retailing company listed in Hong Kong and a member of the board of directors of Hong Kong International Film Festival Society Limited, a non-profit making organisation. Mr. Au was first appointed Director of the Company on 1 December 1995 and was last re-elected at the Annual General Meeting on 30 April 2004. He will be seeking re-election to the board of directors of the Company at the forthcoming Annual General Meeting.

Iain Ferguson Bruce is an Independent Non-Executive Director of the Company. Mr. Bruce joined KPMG Hong Kong in 1984 and was its Senior Partner from 1991 to 1996. He is currently an independent non-executive director of China Medical Technologies, Inc., Paul Y. Engineering Group Limited, Tarent Holdings Limited, Viasoy International Holdings Limited and Wing On Company International Limited, an independent non-executive director of Citibank Hong Kong Limited and is the Chairman of KCS Limited. Mr. Bruce was first appointed Director of the Company on 9 April 2002 and was last re-elected at the Annual General Meeting on 30 April 2004. He will be seeking re-election to the board of directors of the Company at the forthcoming Annual General Meeting.

Robert Tze Leung Chan is an Independent Non-Executive Director of the Company. He is currently a Senior Vice President and the Chief Executive Officer of United Overseas Bank, Hong Kong. He holds a Bachelor of Science (Econ) Honors from the University of London and a Master of Business Administration from the University of Liverpool, United Kingdom. Mr. Chan was first appointed Director of the Company on 16 August 1996 and was last re-elected at the Annual General Meeting on 28 April 2005.

David Gordon Eldon is the Non-Executive Chairman of the Company. Mr. Eldon retired as Chairman of the Hongkong and Shanghai Banking Corporation Limited, and as a main board Director of HSBC Holdings in 2005 after 37 years with the HSBC Group, all of which was spent in the Middle and Far East. He is currently Senior Adviser to PricewaterhouseCoopers, based in Hong Kong. Mr. Eldon is a fellow of the Institute of Bankers (FCIB). Mr. Eldon is Chairman of the Dubai International Financial Centre, Hong Kong General Chamber of Commerce, Deputy Chairman of the Hong Kong Jockey Club, a Director of the Mass Transit Railway Corporation, and a Member of the Trade Development Council. He is a Founding Member of the Seoul International Business Advisory Council, which he chaired for four years, and undertakes a number of community roles in Hong Kong. Mr. Eldon is a Justice of the Peace. He holds an Honorary B.A. from the City University of Hong Kong, was named Distinguished Hong Kong Business Person of the Year for 2003, and in 2004 was awarded the Gold Bauhinia Star by the Government of the Hong Kong SAR. In 2005 he was awarded the Commander of the British Empire (CBE) for his contribution to banking, and awarded Honorary Citizenship of Seoul in recognition of his work for the City. In 2006 he was honoured with a Lifetime Achievement award by the Asian Banker. Mr. Eldon was appointed Director of the Company on 1 January 2007 and will be seeking re-election to the board of directors of the Company at the forthcoming Annual General Meeting.

Report of the directors
Noble Group Limited

Michael Harouchis is an Independent Non-Executive Director of the Company. He has over 25 years' experience in the apparel business and is currently the Chief Executive Officer of Paul David Inc. in the United States of America. Mr. Harouchis was first appointed Director of the Company on 11 April 1995 and was last re-elected at the Annual General Meeting on 28 April 2006.

Ambassador Burton Levin is an Independent Non-Executive Director of the Company. He has more than 38 years' experience in the diplomatic service for the United States of America in Asia. He holds a Bachelor of Arts degree from Brooklyn College, the United States of America and a Master of International Affairs degree from Columbia University, the United States of America. Ambassador Levin is a member of the Board of the Mansfield Foundation as well as an advisor to St. Investment Associates and also Chairman emeritus of the Hopkins-Warling center. Ambassador Levin was first appointed Director of the Company on 16 August 1996 and was last re-elected at the Annual General Meeting on 28 April 2006.

Edward Walter Rubin is an Independent Non-Executive Director of the Company. Mr. Rubin was, until December 1989, Managing Partner of Phillips & Vinograd, Canadian Lawyers, Hong Kong Office (now Davies, Ward, Phillips & Vineberg). Since January 1990, Mr. Rubin has been Chairman and International Director of a private investment company. On 1 January 2007, Mr. Rubin retired as Vice Chairman and as a Board Member of the Hong Kong International Arbitration Centre, after having served over 16 years as a Board Member, and over 5 years as Vice Chairman. Mr. Rubin is a member of Boards of the Asian Domain Name Dispute Resolution Centre and the Alliance Francaise de Hong Kong. He is also a member of the South-East Asia Advisory Board of Rolfs-Royce, Pte. Mr. Rubin was first appointed Director of the Company on 8 December 1999 and was last re-elected at the Annual General Meeting on 28 April 2006.

Alan Howard Smith is an Independent Non-Executive Director of the Company. Mr. Smith was the Vice Chairman - Pacific Region of Credit Suisse First Boston, Hong Kong (CSFB) from 1997 until he retired in 2001. Before joining CSFB, he was the Chairman during 1994 to 1996 and Managing Director during 1982 to 1984 of the Jardine Fleming Group, which he joined in 1972. He graduated with a LLB (Hons) degree from Bristol University in 1964, and was admitted as a Solicitor in England in 1967, and in Hong Kong in 1970. Mr. Smith is also director of Asia Credit Hedge Fund, COS Convertible and Quantitative Strategies Funder Fund Ltd., Frasers Property (China) Limited, KSR Absolute Return FOC Limited, Kinway Brewery Holdings Limited, Lei Shing Hong Limited, LJM Asia Adhira Fund Limited, Star Cruises Limited, United International Securities Limited and VXL Capital Limited. Mr. Smith was first appointed Director of the Company on 22 March 2002 and was last re-elected at the Annual General Meeting on 30 April 2004. He will be seeking re-election to the board of directors of the Company at the forthcoming Annual General Meeting.

Senior head office staff biographies

Ricardo Leitman is the Chief Operating Officer and holds MBAs from the University of Rochester, NY, USA and the University of Nyerode, the Netherlands as well as an Economics degree from the University of Sao Paulo, Brazil. He started his career with Credit Lyonnais Bank in Brazil followed by management positions with Louis Dreyfus in Brazil, Emconop in the Netherlands and Trader Classified Media in London and Paris. In 2002 he rejoined Louis Dreyfus as COO North America, EMEA (Europe, Middle East, Africa) and Asia, later becoming COO Soft Commodities. Mr. Leitman joined Noble in April 2006.

Stephen J. Marzo is the Group Chief Financial Officer. Mr. Marzo graduated from Georgetown University in 1973 with a BS in Business Administration majoring in International Business Management. He worked from 1980 to 1989 for Chase Manhattan Bank in New York and Taiwan before joining the Chase Investment Bank. In 1989, he joined Phibro Energy Inc., a unit of Salomon Inc., initially as Asia Pacific Treasurer, and subsequently moved to London in 1990 to become European Treasurer with responsibility for Asia. In 1994, he joined Bear Stearns (Asia) LLC as the Head of Institutional Credit for Asia Pacific and later joined Goldman Sachs Asia Limited in 1996 as Executive Director and the Head of Credit Risk Management for non-Japan Asia. Mr. Marzo subsequently served as CFO for SMEI and later as Finance Director for the Tom Group. Mr. Marzo joined Noble in November 2003.

Louis Tang is the Chief Accounting Officer. Before joining Noble Group on 1 August 2007, Mr. Tang had been the Chief Financial Officer of the SCMP Group Limited since 1993 and held various senior accounting positions in the Kerry Group since 1988. He has more than 25 years' experience in Hong Kong, PRC China and Paris in accounting, auditing, taxation, financial management and corporate finance matters. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and has an MBA from the Chinese University of Hong Kong.

David J. Beringer is the Group Finance Director. Mr. Beringer studied biochemical engineering at University College London and, after graduating in 1984, joined Ernst & Young in London to train as an accountant specializing in corporate tax. On qualifying he joined Ernst & Young's international tax division in Bahrain before moving to EDS&F Mann Group in London. In 2000 he joined Amerade Hess focusing on oil and gas tax issues in Europe, North Africa and Asia. Mr. Beringer joined Noble in September 2004 as Head of Tax. He is a member of the Institute of Chartered Accountants in England & Wales and a fellow of the Hong Kong Institute of Certified Public Accountants.

Financial summary

Year ended 31 December

The table set out below summarises the consolidated results of the Group for each of the ten years ended 31 December, as extracted from the audited financial statements of the Group.

INCOME STATEMENT

Year ended 31 December

	2006 US\$'000	2005 US\$'000	2004 US\$'000 (Restated)	2003 US\$'000
Revenue	13,765,493	11,950,929	8,622,259	4,398,731
Profit/(loss) from operating activities	172,691	253,626	314,719	68,525
Shares of profits and losses (net of tax) of:				
Jointly-controlled entities	(3,670)	7,687	1,434	-
Associates	351	2,957	6,773	1,810
Profit/(loss) before tax	169,372	264,170	323,025	70,335
Tax	(35,532)	(24,174)	(30,061)	(8,674)
Profit/(loss) for the year	133,440	239,996	292,965	61,661
Attributable to				
Equity holders of the parent	134,512	231,683	289,007	61,252
Minority interests, net of tax	(1,072)	8,113	3,958	409
	133,440	239,996	292,965	61,661

* The amount is after changing exceptional provisions of US\$3 million in 1998 and US\$2.7 million in 1997.

ASSETS AND LIABILITIES

31 December

	2006 US\$'000	2005 US\$'000	2004 US\$'000 (Restated)	2003 US\$'000 (Restated)
Total assets	3,323,666	2,848,950	2,016,250	1,114,237
Total liabilities	(2,860,049)	(1,953,244)	(1,348,020)	(751,834)
Minority interests	(6,161)	(6,469)	(16,930)	(9,041)
Net assets	557,456	849,237	651,300	353,362

Report of the directors

Noble Group Limited

Wilfrid de Blank is the Group Treasurer. He joined Noble in September 2001 and during his first 2 years at the Company ran the treasury for the Group's agricultural division in Singapore. Mr. de Blank started his career in Financial Management with Shell Jakarta before joining MesserPerson in The Netherlands. At MesserPerson/Foris Bank, he advanced through several positions including the Head of Bank Syndications Amsterdam, Senior Manager Commodity Finance Hong Kong, Chief Representative Sydney and Deputy General Manager Shanghai Branch. He holds a Master's degree from the Rotterdam School of Management at the Erasmus University Rotterdam.

Jeffrey M. Alam has been the Group General Counsel since August 2005. He joined Noble after seven years with Morgan Stanley where he was executive director in the Law Division with responsibility for all merchant banking, fund management and real estate businesses in Asia. Prior to Morgan Stanley, Mr. Alam spent eight years with AIG as General Counsel to their Asia investment businesses. He holds a LLB (Hons) from Manchester and is a lawyer qualified to practice in Hong Kong and England.

Bhanat Sundavendra is the Assistant General Counsel and holds a PhD in chemistry from the University of Cambridge and a law degree from Nottingham Law School. He qualified as a solicitor with Linklaters in 1988 and practised corporate and commercial law. He later became legal counsel for the agrochemicals division of AstraZeneca Plc. Dr. Sundavendra joined Noble in April 2002.

Paul de Fries joined Noble in 2001 as the Group Risk Manager. Mr. de Fries started his career at the International Petroleum Exchange for Bright Crude Futures. He later joined Hull as a derivatives trader in offices around the world, eventually becoming the Dealing Director for the Asia region. He later joined ING Bank. Prior to joining Noble, Mr. de Fries was the Head Trader at Macquarie Bank, where among other things, he managed all risk and trading exposure. Mr. de Fries holds a Master's degree in Chemical Bioprocess Engineering from University of Surrey, the United Kingdom, and an MBA from Kellogg - HKUST.

Leita Konyin is the Group Head of Human Resources and holds degrees in International Relations and East Asian Studies from the Hebrew University in Jerusalem, Israel. She contributes 16 years' experience in Asia Pacific, the last 11 years in recruitment and human resources management roles. She started her career in business with the Eisenberg Group, trading and developing sourcing capabilities, and has worked in the Middle East, Europe and Mainland China. Following her move into human resources she worked for Merrill Lynch, Pacific NetMarkets and Links. She speaks 6 languages including Mandarin. Ms. Konyin joined Noble in October 2004.

Securities transactions

An Internal Code on Dealings in Securities (the "Securities Code") is in place to prescribe the internal regulations with regard to dealings in the Company's securities. This Securities Code has been modified to bring it into line with the Best Practices Guide of the SGX-ST. The Company has adopted the Securities Code to provide guidance to its officers with regard to dealings in the Company's shares.

Purchase, sale or redemption of listed securities

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

Post balance sheet events

Details of the post balance sheet events of the Group are set out in note 38 to the financial statements.

Auditors

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

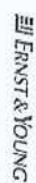
Richard Samuel Elinan
Chief Executive Officer
Hong Kong
22 February 2007

Financial summary
Year ended 31 December

	2002 US\$'000	2001 US\$'000	2000 US\$'000	1999 US\$'000	1998 US\$'000	1997 US\$'000
	2,990,405	1,836,976	1,197,744	795,056	642,912	866,592
	33,012	27,186	24,961	6,629	(7,693)*	269*
	856	62	-	-	-	17
	33,868	27,248	24,961	6,629	(7,693)	277
	(3,816)	(3,731)	(3,851)	(311)	(64)	(13)
	30,052	23,517	21,110	6,318	(7,727)	264
	30,120	23,523	21,110	6,318	(7,727)	208
	(68)	(6)	-	-	-	56
	30,052	23,517	21,110	6,318	(7,727)	264
	532,488	498,353	237,067	241,611	174,062	206,056
	(481,393)	(371,622)	(144,530)	(143,807)	(61,681)	(105,028)
	(152)	(208)	-	-	(61,681)	(449)
	150,943	126,483	112,567	97,804	92,381	100,588

2000
US\$'000
(Restated)

Independent auditors' report
Noble Group Limited



To the shareholders of Noble Group Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Noble Group Limited set out on pages 71 to 124, which comprise the consolidated and company balance sheets as at 31 December 2006, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2006 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Ernst & Young
Certified Public Accountants
Hong Kong
22 February 2007

Consolidated income statement

Year ended 31 December 2006

	Notes	2006 US\$'000	2005 US\$'000
REVENUE			
Cost of sales and services	4	13,765,433 (13,272,858)	11,690,929 (11,237,224)
Gross profit		492,575	453,705
Other income and gains	4	31,388	99,014
Selling, administrative and operating expenses		(272,091)	(232,472)
Finance costs	6	(79,151)	(66,821)
Share of profits and losses (net of tax) of:			
- Jointly-controlled entities		(3,670)	7,887
- Associates		351	2,857
PROFIT BEFORE TAX		168,372	264,170
Tax	8	(35,932)	(24,174)
PROFIT FOR THE YEAR		133,440	239,996
Attributable to			
- Equity holders of the parent		134,512	231,883
- Minority interests, net of tax		(1,072)	8,113
EARNINGS PER SHARE			
- Basic, for profit for the year attributable to ordinary equity holders of the parent (US cents)	9	5.58	9.89
- Diluted, for profit for the year attributable to ordinary equity holders of the parent (US cents)		5.43	9.50

The accounting policies and explanatory notes on pages 79 to 124 form an integral part of the financial statements.

Consolidated balance sheet

31 December 2005

	Notes	2006 US\$'000	2005 US\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	230,464	78,361
Prepaid land lease	12	12,945	18,278
Mine properties	13	46,857	3,241
Inangible assets	14	8,312	11,268
Interests in jointly-controlled entities	16	12,546	11,602
Interests in associates	17	9,520	143,309
Long term investments	18	143,309	121,150
Loan receivables		4,947	9,578
Deferred tax assets	28	5,133	2,692
Total non-current assets		478,004	256,170
CURRENT ASSETS			
Cash and cash equivalents	19	455,833	686,385
Trade receivables	20	800,362	634,773
Prepayments, deposits and other receivables	21	966,758	560,956
Contracts in progress	22	23,076	15,550
Inventories	23	1,031,633	695,115
Total current assets		3,345,662	2,592,780
CURRENT LIABILITIES			
Trade and other payables and accrued liabilities	24	1,213,997	900,496
Excess progress billings over contract costs	22	8,379	27,083
Interest-bearing bank loans and borrowings	25	599,641	192,366
Tax payable		90,422	37,840
Total current liabilities		1,912,439	1,157,785
NET CURRENT ASSETS		1,433,223	1,434,995
TOTAL ASSETS LESS CURRENT LIABILITIES		1,991,227	1,691,165
NON-CURRENT LIABILITIES			
Long term portion of interest-bearing bank loans	25	219,379	5,181
Convertible bonds	26	106,915	139,414
Senior notes	27	682,295	680,328
Deferred tax liabilities	28	17,021	10,536
Total non-current liabilities		1,027,610	835,459
Net assets		963,617	855,706

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Consolidated balance sheet
31 December 2006

	Notes	2006 US\$'000	2005 US\$'000
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	29	77,743	77,028
Share premium		161,843	159,017
Capital redemption reserve		3,785	3,785
Capital reserve	28	6,251	8,108
Hedging reserve		9,238	(7,149)
Long term investment revaluation reserve		20,060	9,332
Revaluation reserve		601	601
Exchange fluctuation reserve		2,703	759
Retained profits		675,192	597,156
		957,466	849,237
Minority interests		6,151	6,489
Total equity		963,617	855,706

Richard Samuel Eiman
Director

Haindarpal Singh Banga
Director

Consolidated statement of changes in equity
Year ended 31 December 2006

	Notes	2006		2005		Number of Shares	
		US\$'000	US\$'000	2006 '000	2005 '000		
Issued capital							
Balance at 1 January		77,028	65,120	2,397,719	2,026,317		
Issues of shares on exercise of share options	29, 30	707	2,246	21,941	70,045		
Issues of shares as management and staff bonus	5, 29	8	717	280	22,387		
Issue of shares upon conversion of convertible bonds	26, 29	-	2,023	-	63,033		
Bonus issue of shares	29	-	6,922	-	215,957		
Balance at 31 December		77,743	77,028	2,419,910	2,397,719		
Share premium							
Balance at 1 January		159,017	90,129				
Issues of shares on exercise of share options	29, 30	2,651	5,174				
Issues of shares as management and staff bonus	5, 29	175	19,897				
Issue of shares upon conversion of convertible bonds	26, 29	-	50,739				
Bonus issue of shares	29	-	(6,922)				
Balance at 31 December		161,843	159,017				
Capital redemption reserve							
Balance at 1 January and 31 December		3,785	3,785				
Capital reserve							
Balance at 1 January		8,108	11,000				
Transfer in respect of convertible bonds redeemed	26	(1,857)	-				
Conversion of convertible bonds		-	(2,892)				
Balance at 31 December		6,251	8,108				
Hedging reserve							
Balance at 1 January		(7,149)	39,110				
Net unrealised losses/(gains) recognised in the income statement during the year		7,411	(43,994)				
Net unrealised gains/(losses) on revaluation for cash flow hedges		8,500	(5,607)				
Share of net unrealised losses on revaluation for cash flow hedges attributable to minority interests		55	3,342				
Balance at 31 December		9,238	(7,149)				
Long term investment revaluation reserve							
Balance at 1 January		9,932	59				
Net unrealised gains/(losses) on long term investments		(21,760)	9,873				
Impairment losses removed from equity and recognised in the income statement		31,888	-				
Balance at 31 December		20,060	9,932				

The accounting policies and explanatory notes on pages 79 to 124 form an integral part of the financial statements.

Consolidated statement of changes in equity

Year ended 31 December 2006

	Notes	2006		2005		Number of Shares	
		US\$'000	US\$'000	US\$'000	US\$'000	'000	'000
Revaluation reserve							
Balance at 1 January		601	1,206				
Disposal during the year		-	(805)				
Balance at 31 December		601	601				
Exchange fluctuation reserve							
Balance at 1 January		759	2,729				
Exchange translation adjustments		1,944	(1,970)				
Balance at 31 December		2,703	759				
Retained profits							
Balance at 1 January		597,156	438,162				
Dividends	10	(57,864)	(75,585)				
Profit for the year		134,512	231,883				
Cost of share options issued	30	1,378	2,696				
Balance at 31 December		675,182	597,156				
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT							
Balance at 1 January		957,466	849,237				
Minority interests		6,469	16,930				
Share of net unrealised losses on revaluation for cash flow hedges attributable to minority interests		(56)	(3,342)				
Profit/(loss) for the year attributable to minority interests		(1,072)	8,113				
Acquisition of additional interest in a subsidiary from minority interests	15	-	(4,652)				
Acquisition of minority interests in a subsidiary	15	584	-				
Contributions from minority interests		2,166	-				
Dividends paid to minority interests		(1,950)	(10,340)				
Balance at 31 December		6,151	6,469				
TOTAL EQUITY AND SHARES OUTSTANDING							
Balance at 31 December		963,617	855,706	2,419,910	2,397,715		
Total net income/(expenses) for the year recognised directly in equity		29,897	(36,265)				
Total net income for the year, including those recognised directly in equity		193,337	205,731				
Net change in equity from non-shareholders sources excluding net profits		26,662	(41,953)				

The accounting policies and explanatory notes on pages 79 to 124 form an integral part of the financial statements.

Consolidated cash flow statement

Year ended 31 December 2006

	Notes	2006	2005
		US\$'000	US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		169,272	264,170
Adjustments for:			
Share of profits and losses of:			
Jointly-controlled entities			
Associates	4	3,670	(7,887)
Interest income	4	(351)	(2,857)
Interest expenses	6	(17,345)	(17,247)
Dividend income from long term investments	6	79,181	66,621
Gain on disposal of property, plant and equipment, net	4	(1,868)	(1,100)
Gain on disposal of long term investments	4	(2,615)	(24,994)
Gain on disposal of interest in an associate	4	(3,791)	(21,424)
Excess over the cost of a business combination	4	-	(34,520)
Depreciation	4	(5,637)	-
Amortisation of prepaid land lease	5	12,534	8,794
Amortisation of mine properties	5	33	-
Amortisation of intangible assets	5	5,452	3,267
Impairment of long term investments	5	490	-
Issues of shares as management and staff bonus	5	31,888	-
Cost of share options issued	5	183	20,614
	5, 30	1,378	2,696
Operating profit before working capital changes		272,480	256,733
Increase in trade receivables		(128,365)	(32,054)
Increase in prepayments, deposits and other receivables		(398,885)	(249,170)
Decrease/(increase) in contracts in progress		(7,566)	4,158
Increase in inventories		(307,966)	(143,559)
Increase in trade and other payables and accrued liabilities		229,910	180,006
Decrease in excess of progress billings over contract costs		(18,704)	(17,306)
Cash used in operations		(369,076)	(194)
Interest received		17,345	17,247
Interest paid		(74,085)	(51,541)
Taxes paid		(27,222)	(11,875)
Net cash outflow from operating activities		(443,038)	(46,363)

Overview

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Consolidated cash flow statement

Year ended 31 December 2006

	Notes	2006 US\$'000	2005 US\$'000
<i>(continued)</i>			
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	17	(79,596)	(40,422)
Proceeds from disposal of property, plant and equipment		5,795	45,035
Increase in mine properties		(23,786)	(1,608)
Net cash paid on acquisition of subsidiaries and a business operation	15	(38,674)	(9,845)
Investment in an associate		(37)	(2,689)
Proceeds from disposal of interest in an associate		99	40,412
Investment in jointly-controlled entities		(4,082)	-
Decrease/(increase) in amounts due from associates		2,136	(8,773)
Increase in amounts due from jointly-controlled entities		(2,116)	(88)
Dividend income from an associate		235	1,248
Dividend income from a jointly-controlled entity		1,200	4,000
Proceeds from disposal of long term investments		6,603	-
Payments for acquisition of long term investments		(38,563)	(74,992)
Contributions by minority interests		4,731	4,895
Dividend paid to minority interests		2,195	914
Dividend income from long term investments		(1,980)	(10,340)
Dividend income from long term investments		1,988	1,100
Net cash outflow from investing activities		(160,922)	(51,130)
CASH FLOWS FROM FINANCING ACTIVITIES			
Exercise of share options		3,358	7,419
Net additions/(repayments) of short term bank loans		332,936	(165,507)
Additions of long term bank loans		255,109	8,265
Repayments of long term bank loans		(95,088)	(12,988)
Redemption of convertible bonds		(33,770)	(4)
Net proceeds from issuance of senior notes		-	678,843
Dividends paid		(57,864)	(75,585)
Net cash inflow from financing activities		474,881	439,463
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS			
Net foreign exchange differences		(199,278)	341,970
Cash and cash equivalents at beginning of year		(1,014)	(454)
		695,982	344,446
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		495,689	685,962
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and short term time deposits	19	448,713	484,964
Money market fund	19	47,120	201,422
Bank overdrafts	25	(164)	(424)
		495,669	685,962

The accounting policies and explanatory notes on pages 79 to 124 form an integral part of the financial statements.

Balance sheet

31 December 2006

	Notes	2006 US\$'000	2005 US\$'000
NON-CURRENT ASSETS			
Investments in subsidiaries	15	9,539	9,539
CURRENT ASSETS			
Due from associates	17	2,053	1,785
Due from subsidiaries	15	1,929,313	1,141,117
Cash and cash equivalents	19	31,933	375,701
Deposits and other receivables	21	1,598	3,415
Total current assets		1,964,897	1,522,018
CURRENT LIABILITIES			
Due to subsidiaries	15	194,447	13,520
Accrued liabilities	24	15,311	14,983
Interest-bearing bank loans and borrowings	25	224,031	50,441
Tax payable		1,200	-
Total current liabilities		434,989	78,944
NET CURRENT ASSETS			
		1,529,908	1,443,074
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,539,447	1,452,613
NON-CURRENT LIABILITIES			
Long term portion of interest-bearing bank loans	25	147,948	-
Convertible bonds	26	108,915	139,414
Senior notes	27	682,295	680,328
Total non-current liabilities		939,158	819,742
Net assets			
		600,289	632,871
EQUITY			
Issued capital	29	77,743	77,028
Share premium		161,343	159,017
Capital redemption reserve		3,785	3,785
Capital reserve	26	6,251	8,108
Hedging reserve		176	(86)
Retained profits		350,491	385,019
Total equity		600,289	632,871

Richard Samuel Eiman
Director

Harindarpal Singh Banga
Director

The accounting policies and explanatory notes on pages 79 to 124 form an integral part of the financial statements.

1. CORPORATE INFORMATION

The consolidated financial statements of Noble Group Limited ("Noble" or the "Company") for the year ended 31 December 2006 were authorised for issue in accordance with a resolution of the directors on 22 February 2007. Noble is a limited liability company incorporated in Bermuda. The registered office of Noble is located at Clarendon House, Church Street, Hamilton HM 11, Bermuda.

During the year, the principal activities of Noble and its subsidiaries and associates (collectively as the "Group") comprised managing the global supply chain of agricultural, industrial and energy products; ship ownership, chartering and the provision of technical ship management services; trade finance; coal mining and soybean crushing activities.

The Group operates over 80 offices worldwide and employed over 2,600 (2005: over 1,200) employees as at 31 December 2006.

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Listing Rules of The Singapore Exchange Securities Trading Limited (the "SGX-ST").

The consolidated financial statements have been prepared on a historical cost basis, except for the periodic remeasurement at fair value of certain items as explained in note 2.3 below.

The financial statements are presented in United States dollars and all values are rounded to the nearest thousand except where otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries for the year ended 31 December 2006. All significant intercompany transactions and balances have been eliminated on consolidation. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Acquisitions of subsidiaries are accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the portion of the results and net assets of the subsidiaries, not held by the Group, and are presented separately in the income statement and within equity in the consolidated balance sheet. Acquisition of minority interests are accounted for using the parent entity extension method whereby the difference between the consideration and the book value of the share of the net assets acquired is recognised as goodwill.

2.2 IMPACT OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that the Group has adopted those new or revised standards mandatory for financial years beginning on or after 1 January 2006.

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements. The adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

IAS 21 Amendment	Net Investment in a Foreign Operation
IAS 39 & IFRS 4 Amendments	Financial Guarantee Contracts
IFRIC-Int 4	Determining whether an Arrangement contains a Lease

The principal changes in accounting policies are as follows:

(a) IAS 21 *The Effects of Changes in Foreign Exchange Rates*

Upon the adoption of the IAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This change has had no material impact on the financial statements as at 31 December 2006 or 31 December 2005.

(b) IAS 39 *Financial Instruments: Recognition and Measurement* - Amendment for financial guarantee contracts

This amendment has revised the scope of IAS 39 to require financial guarantee contracts issued to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18 *Revenue*. The adoption of this amendment has had no material impact on these financial statements.

(c) IFRIC-Int 4 *Determining whether an Arrangement contains a Lease*

The Group has adopted this interpretation as of 1 January 2006, which provides guidance in determining whether arrangements contain a lease to which lease accounting must be applied. This interpretation has had no material impact on these financial statements.

23 IMPACT OF ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IAS 1 Amendment	Capital Disclosures
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRIC-Int 7	Applying the Restatement Approach under IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
IFRIC-Int 8	Scope of IFRS 2
IFRIC-Int 9	Reassessment of Embedded Derivatives
IFRIC-Int 10	Interim Financial Reporting and Impairment
IFRIC-Int 11	IFRS 2: Group and Treasury Share Transaction
IFRIC-Int 12	Service Concession Arrangements

The IAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard requires disclosure of qualitative information about the Group's objectives, policies and processes for managing capital, and quantitative data about what the Company regards as capital.

IFRS 7 shall be applied for annual periods beginning on or after 1 January 2007. The standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments and also incorporates many of the disclosure requirements of IAS 32.

IFRS 8 shall be applied for annual periods beginning on or after 1 January 2009. The standard specifies how an entity should report information about its operating segments in annual financial statements and, as a consequential amendment to IAS 34 *Interim Financial Reporting*, requires an entity to report selected information about its operating segments in interim financial reports. It also sets out requirements for related disclosures about products and services, geographical areas and major customers.

IFRIC-Int 7, IFRIC-Int 8, IFRIC-Int 9, IFRIC-Int 10, IFRIC-Int 11 and IFRIC-Int 12 shall be applied for annual periods beginning on or after 1 March 2006, 1 May 2006, 1 June 2006, 1 November 2006, 1 March 2007 and 1 January 2008, respectively.

The Group has already commenced an assessment of these new and revised IFRSs but is not yet in a position to state whether these new and revised IFRSs would have a significant impact on its results of operations and financial position.

24 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries
A subsidiary is a company or undertaking whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The Company's interests in subsidiaries are stated at cost less any impairment losses. The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable.

Associates
The Group's investments in associates are accounted for under the equity method of accounting. An associate is an entity, not being a subsidiary or jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

Under the equity method of accounting, the investment in the associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the associate. The income statement reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity.

The reporting dates of the Group's associates and the Group are identical and the associates' accounting policies conform to those used by the Group.

Jointly-controlled entity
A jointly-controlled entity is a company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of a jointly-controlled entity is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in a jointly-controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill arising from the acquisition of jointly-controlled entities is included as part of the Group's interests in jointly-controlled entities. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Property, plant and equipment and depreciation
Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset, or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	2½% or over the terms of the leases, if shorter
Leasehold improvements	Over the terms of the leases
Vessels	4% to 10%
Plant and equipment	10% to 33½%
Motor vehicles	22½% to 33%

Land held on a freehold basis is not depreciated.

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

24. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed as at the date of acquisition.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised and is reviewed for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

In the case of associates and jointly-controlled entities, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with IAS 14 "Segment Reporting".

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remained and any relevant reserves, as appropriate.

Mine properties

On acquisition of mining related assets and liabilities, fair values reflecting conditions at the date of acquisition are attributed to the identifiable separable assets and liabilities acquired. Mineral reserves and resources, which can be reliably valued, are recognised in the assessment of fair values on acquisition. Other potential reserves and resources and mineral rights for which, in the directors' opinion, values cannot be reliably determined, are not directly recognised at their fair values. Where the fair value of the consideration paid exceeds the fair value of the identifiable separable assets and liabilities acquired, the difference is treated as mineral reserves and resources. The mineral reserves and resources, and deferred mining costs are amortised over the estimated lives of the mines.

Costs directly attributable to the construction and development of a mine are capitalised as mine development until such time as production commences. These amounts, together with the capitalised exploration costs, are amortised over the estimated life of the resource from the period when production commences. Costs that are not directly attributable to construction and development are expensed as incurred.

Overburden removed in advance for production, relating to the initial box cut of a mine, is capitalised as deferred mining costs. The amounts are deferred and amortised over the estimated life of the resource from the period when production commences.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is charged against profits in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Commodity forward purchase and sale contracts

Certain business divisions of the Group are involved in manufacturing and processing commodities. Commodity contracts that form part of the Group's normal purchase, sale or usage requirements for these activities are accounted for as executory contracts and are recorded when the delivery of the inventories has taken place.

All other commodity contracts are recorded in the balance sheet at their fair values. Changes in fair value are recognised in the income statement in the cost of sales and services in the period of change. When sales contracts have been settled, the associated revenue is recorded in revenue.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on these financial assets are recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and including fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Long term investments

Long term investments are those non-derivative financial assets that are designated as available-for-sale investments. After initial recognition, these long term investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investments are derecognised or until the investments are determined to be impaired at the time when the cumulative gain or loss previously reported in equity is included in the income statement.

For investments actively traded in recognised financial markets, fair value is generally determined by reference to stock exchange quoted market prices at the close of business on the balance sheet date. For investments where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of a substantially similar instrument, or is calculated based on the expected future cash flows of the underlying net asset base of the investments. Equity investments where there is no quoted market price in an active market and where fair value cannot be reliably measured are stated at cost less any impairment losses.

24. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Derivative financial instruments**

All derivative financial instruments are initially recognised at fair value on the date on which the contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are recorded in the income statement for the year.

Futures contracts

Futures contracts are measured at fair value. Unrealised gains and losses are reported in the income statement. Fair value is determined by reference to quoted futures prices of recognised futures markets at the close of business at the balance sheet date.

Initial margin deposits and variation margins on futures contracts are included in other receivables or other payables as appropriate.

Hedge accounting

The Group applies hedge accounting for certain derivative financial instruments that are used to hedge risks associated primarily with foreign currency fluctuations and commodity prices.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting. Such hedges are expected to be highly effective in achieving the task of offsetting changes in fair values or cash flows and are assessed on an ongoing basis to determine that they have been highly effective throughout the financial reporting periods for which they were designated.

For the purposes of hedge accounting, cash flow hedges refer to hedges against exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability, a firm commitment, or a forecast transaction.

In relation to cash flow hedges which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity and the ineffective portion is recognised in the income statement.

When a hedged firm commitment results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in equity are included in the initial measurement of the acquisition cost or the carrying amount of the asset or liability.

For all other cash flow hedges, the gains or losses that are recognised in equity are transferred to the income statement in the same period in which the hedged transaction affects the income statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that point in time, any cumulative gain or loss on the hedging instrument recognised in equity is kept in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the income statement for the year.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, short term liquid investments and assets similar in nature to cash, which are not restricted as to use.

Contracts in progress/excess of progress billings over contract costs

Shipments and voyages in progress, which are stated in the balance sheet as contracts in progress, include inventories in transit and all other direct costs incurred to date plus attributable profits less attributable losses, progress billings and foreseeable losses arising from possible claims. Provision is made for foreseeable losses as soon as such losses are anticipated.

Where progress billings on contracts exceed the costs incurred to date plus attributable profits less attributable losses and foreseeable losses, the excess is shown in the balance sheet as an excess of progress billings over contract costs.

The Group recorded revenues earned and expenditures incurred for vessel chartering and related operations on the basis of stage of completion of voyage. The attributable profits and losses of incomplete voyages are capitalised in contracts in progress/excess of progress billings over contract costs.

Inventories

Inventories principally comprise commodities held for trading and inventories that form part of the Group's normal purchase, sale or usage requirements for its manufacturing or processing activities.

All the inventories of the Group for commodity trading businesses are measured at fair value less cost to sell, with changes in fair value less costs to sell recognised in the income statement in the period of the change.

All the other inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis or on a specific basis if such inventories are not ordinarily interchangeable. Net realisable value is based on estimated selling prices less further costs expected to be incurred to make the sales.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables, and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Financial guarantee contracts

Financial guarantee contracts in the scope of IAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with IAS 37 *Provision, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18 *Revenue*.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Convertible bonds

Upon initial recognition on the issue of the convertible bonds, the debt instrument and the embedded conversion option of the convertible bonds are separated into a liability component and an equity component on the balance sheet.

The fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion right that is recognised and included in the capital reserve of the shareholders' equity, net of transaction costs. The value of the conversion right is not remeasured in subsequent years. The corresponding interest on those bonds is charged as an interest expense in the income statement.

Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

As and when the holders of the convertible bonds exercise their conversion rights to convert the convertible bonds into new ordinary shares of the Company, the value of such conversion rights exercised and recognised in the capital reserve is transferred to the share capital and share premium account. Upon expiry of the conversion rights, any remaining capital reserve will be transferred to retained profits.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

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Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognised in the income statement.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to loans and receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Long term investments

If a long term investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Reversals in respect of equity instruments classified as long term investments are not recognised in profit. Reversals of impairment losses on debt instruments are reversed through the income statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax assets and liabilities.

The principal temporary differences arise from tax losses carried forward, unrealised gains and losses on inventories and derivative financial instruments.

Deferred tax assets relating to the carryforward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Pension costs

The Group operates a number of defined contribution plans throughout the world, the assets of which are held in separate trustee-administered funds. The pension plans are funded by payments from employees and by the relevant Group companies.

The Group's contributions to defined contribution pension plans are charged to the income statement in the period to which the contributions relate.

Share-based payment transactions

Employees (including directors and senior executives) of the Group and other parties receive remuneration in the form of share-based payment transactions, whereby employees and other parties render services in consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. For granting of equity instruments, the goods or services received, and the corresponding increase in equity, are measured with reference to the fair value of the equity instruments granted at the date of grant. For granting of share options, the fair value is determined by using a binomial option pricing model, further details of which are given in note 20 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Noble Group Limited ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

An expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has taken advantage of the transitional provisions of IFRS 2 in respect of equity-settled awards and has applied IFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested on 1 January 2005.

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group, (ii) has an interest in the Group that gives it significant influence over the Group, or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease under operating leases are initially stated at cost and subsequently charged to the income statement on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Foreign currencies

The consolidated financial statements are presented in United States dollars, which is the Company's functional and presentation currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The functional currencies of certain overseas subsidiaries, jointly-controlled entities and associates are currencies other than the United States dollar. As at the reporting date, the assets and liabilities of these entities are translated into the presentation currency of the Company (the United States dollars) at the rate of exchange ruling at the balance sheet date and, their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to exchange fluctuation reserve, a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the consolidated income statement.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) Supply of raw materials
Revenue is recognised when significant risks and rewards of ownership of the goods have been passed to the buyer.
- (b) Vessel chartering and related operations
Revenues earned and expenditures incurred are recognised on the basis of stage of completion of voyage, as explained in the accounting policy headed "Contracts in progress/excess of progress billings over contract costs".
- (c) Others
Commissions and rentals are recognised on an accrual basis. Interest income is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset. Dividends are recognised when the shareholders' right to receive payment has been established.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, an estimated capitalisation rate has been applied to the expenditure on the individual assets.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

25 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Impairment losses

(i) **Assets**
The Group has to exercise judgement in determining whether an asset is impaired or an event previously causing an asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the combined use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.

(ii) **Loans and receivables**

The impairment loss is determined based on the evaluation of collectibility and aging analysis of each account receivable and on management's judgements. A considerable amount of judgement is required in assessing the result on ultimate realisation of the account receivable, including the current creditworthiness and the past repayment history of each account receivable. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required.

(iii) **Long term investments**

The Group determines that financial assets are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is a significant or prolonged decline requires judgement. In making this judgement, the Group evaluates among other factors, the normal volatility in market price. In addition, impairment may be appropriate when there is evidence of a deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes worldwide. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2006 was US\$5,617,000 (2005: US\$2,041,000). More details are given in note 14.

Valuation of the financial instruments, derivative financial instruments and commodity forward purchase and sale contracts

The Group values certain of its financial instruments, derivative financial instruments and commodity forward purchase and sale contracts, using valuation models. Estimating the value of these financial instruments requires the Group to make certain estimates and assumptions.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2006 was US\$6,513,000 (2005: US\$2,892,000). Further details are contained in note 28 to the financial statements.

3. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segment accounting policies are the same as the policies described in note 2.4 above.

Summary details of the business segments are as follows:

- (a) The supply of raw materials segment comprises the Group's businesses of supplying industrial and agricultural raw materials and commodities, coal mining and transport resources; and
- (b) The vessel chartering and related operations segment comprises the Group's ship ownership, chartering and the provision of technical ship management services.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the discharge ports, and assets are attributed to the segments based on the location of the assets.

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were made to third parties at the then prevailing market prices.

Business segments

The following tables present revenue and profit information regarding the Group's business segments for the years ended 31 December 2006 and 2005, and certain asset, liability and expenditure information regarding the Group's business segments at 31 December 2006 and 2005

	Supply of raw materials and related operations		Vessel chartering		Eliminations		Consolidated	
	2006	2005	2006	2005	2006	2005	2006	2005
Segment revenue:								
Sales to external customers	13,254,729	11,048,519	510,794	642,410	-	-	13,765,433	11,690,929
Intersegment sales	8,659	-	196,107	353,273	(204,766)	(353,273)	-	-
Other revenue	28,312	97,873	3,076	5,584	-	(4,443)	31,388	99,014
Total revenue	13,291,700	11,146,392	709,887	1,001,267	(204,766)	(357,716)	13,795,821	11,789,943
Segment results (profit from operating activities)	148,876	149,889	22,815	103,757	-	-	172,691	253,626
Share of profits and losses (net of tax) of jointly-controlled entities	-	-	-	-	-	-	(3,670)	7,687
Associates	-	-	-	-	-	-	351	2,857
Profit before tax	148,876	149,889	22,815	103,757	-	-	169,372	264,170
Tax	-	-	-	-	-	-	(35,952)	(24,174)
Profit for the year	148,876	149,889	22,815	103,757	-	-	133,420	239,996

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Business segments

	Supply of raw materials and related operations		Vessel chartering and related operations		Eliminations		Consolidated	
	2006	2005	2006	2005	2006	2005	2006	2005
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Segment assets	3,670,827	2,675,682	166,402	183,251	(36,709)	(36,853)	3,801,600	2,825,080
Interests in jointly-controlled entities	12,546	11,268	-	-	-	-	12,546	11,268
Interests in associates	9,417	11,434	103	188	-	-	9,520	11,602
Total assets	3,692,790	2,702,384	166,505	183,419	(36,709)	(36,853)	3,823,665	2,848,950
Segment liabilities	(2,763,132)	(1,890,872)	(132,626)	(135,225)	35,709	36,853	(2,860,049)	(1,993,244)
Other segment information:								
Capital expenditure	197,606	41,331	1,184	1,391	-	-	198,790	42,722
Depreciation	12,013	8,479	521	315	-	-	12,534	8,794
Amortisation	5,975	3,267	-	-	-	-	5,975	3,267
Impairment losses	31,888	-	-	-	-	-	31,888	-

Geographical segments

The following table presents revenue information, and certain asset information, regarding the Group's geographical segments for the years ended 31 December 2006 and 2005.

	Asia		Outside Asia		Eliminations		Consolidated	
	2006	2005	2006	2005	2006	2005	2006	2005
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Segment revenue:								
Sales to external customers	4,839,659	5,557,746	6,825,764	6,133,183	-	-	13,765,433	11,690,923
Intersegment sales	230,750	207,948	180,737	126,881	(411,487)	(334,829)	-	-
Other revenue	14,482	46,802	16,946	52,212	-	-	31,388	99,014
Total revenue	5,184,891	5,812,496	9,023,447	6,312,276	(411,487)	(334,829)	13,796,821	11,789,943
Other segment information:								
Segment assets	2,312,927	1,655,675	2,576,300	1,813,487	(1,065,561)	(620,212)	3,823,665	2,848,950
Capital expenditure	86,730	16,540	112,060	26,182	-	-	198,790	42,722

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4. REVENUE, OTHER INCOME AND GAINS

	2006	2005
	US\$'000	US\$'000
Revenue from:		
Supply of raw materials	13,254,729	11,046,519
Vessel chartering and related operations	510,704	642,410
	13,765,433	11,690,923
Other income and gains:		
Interest income	17,245	17,247
Gain on disposal of property, plant and equipment, net	2,615	24,594
Gain on disposal of interest in an associate	-	34,520
Gain on disposal of long term investments	3,791	21,424
Dividend income from long term investments	1,968	1,100
Gross rental income	33	129
Excess over the cost of a business combination (note 15)	5,631	-
	31,388	99,014
Total revenue	13,796,821	11,789,943

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5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2006 US\$'000	2005 US\$'000
<i>Included in "Cost of sales and services":</i>			
Cost of inventories sold		12,008,887	10,390,605
Cost of services provided		483,971	846,619
Minimum lease payments under operating leases on vessels		508,917	646,885
Depreciation	11	1,132	473
<i>Included in "Selling, administrative and operating expenses":</i>			
Minimum lease payments under operating leases on land and buildings		9,579	6,398
Depreciation	11	11,402	8,321
Amortisation of prepaid land lease	12	33	-
Amortisation of mine properties		5,452	3,287
Amortisation of intangible assets	14	490	157,546
Employee benefits expenses*		152,024	187,546
Exchange losses/(gains), net		(5,616)	4,787
Auditors' remuneration:			
Audit fees		2,200	1,800
Non-audit fees		236	548
Impairment of long term investments		31,888	-
* Employee benefits expenses (including directors' and key management personnel's remuneration in note 7):			

	Note	2006 US\$'000	2005 US\$'000
Wages and salaries		148,109	141,703
Pension scheme contributions		2,364	2,533
Cost of ordinary shares issued as bonus ^a		183	20,614
Cost of share options issued	30(c)	1,378	2,995
		152,034	187,546

^a During the year ended 31 December 2006, the Group's profit before tax is arrived at after charging/(crediting) the following items:

6. FINANCE COSTS

	2006 US\$'000	2005 US\$'000
Interest on:		
Bank loans	26,009	18,560
Discounted bills	5,048	5,982
Convertible bonds	2,500	5,012
Senior notes	48,342	38,252
Total interest	82,599	67,806
Less: Interest capitalised	3,518	1,185
	79,181	66,621

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7. DIRECTORS' AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

Directors' remuneration	Note	2006 US\$'000	2005 US\$'000
Fees		453	453
Other emoluments		16,169	12,745
Cost of ordinary shares issued as bonus ^a		-	12,454
Cost of share options issued	30(c)	146	373
Pension scheme contributions		39	39
		16,807	28,064

^a During the year ended 31 December 2006, the Group's profit before tax is arrived at after charging/(crediting) the following items:

	2006	2005
Nil - \$850,000	9	9
\$850,001 - \$499,999	-	-
\$500,000 and above	3	3
	12	12

The Company's remuneration policy for the directors, including non-executive directors, is periodically reviewed by its remuneration committee, which comprises four directors, the majority of whom are non-executive directors. This policy is aimed at ensuring that the remuneration is competitive and commensurate with the contribution and responsibilities of the directors.

Key management personnel's remuneration, including the executive directors' remuneration included above

	2006 US\$'000	2005 US\$'000
Short-term employee benefits	25,317	24,103
Post-employment benefits	73	103
Share-based payments	3,135	13,811
Total compensation paid to key management personnel	28,525	38,017

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8. TAX

Taxes on assessable profits have been calculated at tax rates prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2006 US\$'000	2005 US\$'000
Group:		
Provision for the year	44,050	22,726
Net deferred tax charge/(credit) (note 22)	(8,118)	1,448
Tax expenses for the year	35,932	24,174
A reconciliation between tax expenses of the Group applicable to profit before tax using applicable rates to the tax expenses for the year is as follows:		
	2006 US\$'000	2005 US\$'000
Profit before tax	163,372	264,170
Tax at the applicable rates to profits in the countries concerned	37,040	21,462
Profit and losses attributable to associates and jointly-controlled entities	(102)	(831)
Income not subject to tax	(2,773)	(4,415)
Unrecognised tax losses	2,584	7,589
Others	(817)	369
Tax expenses for the year	35,932	24,174

Share of tax attributable to associates amounted to US\$108,000 (2005: US\$1,199,000) was included in "Share of profits and losses of associates" on the face of the consolidated income statement.

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9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

During the prior year, on 30 May 2005, a scrip dividend in the form of 215,957,437 bonus shares was allotted to the shareholders of the Company on the basis of one new share for every ten then existing issued shares. Accordingly, the basic earnings per share and diluted earnings per share amounts for the year ended 31 December 2005 have been adjusted as if the event had occurred at the beginning of the earliest period reported.

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year, as adjusted to reflect the rights issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the convertible bonds, where applicable. Interest expense on the convertible bonds had not been calculated during the year as the convertible bonds outstanding had an anti-dilutive effect on the basic earnings per share for the year. The weighted average number of ordinary shares used in the diluted earnings per share calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2006 US\$'000	2005 US\$'000
Earnings		
Profit attributable to ordinary equity holders of the parent for basic and diluted earnings per share	134,512	231,883
Interest expense on convertible bonds	-	1,574
Profit attributable to ordinary equity holders of the parent adjusted for the effect of convertible bonds	134,512	233,457
	2006	2005
Number of shares		

	2006	2005
Shares		
Weighted average number of shares in issue applicable to basic earnings per share calculation *	2,409,403,508	2,344,444,719
Effect of dilution on outstanding:		
Share options *	66,576,763	99,594,749
Convertible bonds	-	13,048,143
Adjusted weighted average number of shares applicable to diluted earnings per share calculation	2,476,980,271	2,457,087,611

* Adjusted as a result of issue of bonus shares in 2005 as mentioned above.

10. DIVIDENDS PAID AND PROPOSED

During the year, a final cash dividend of US\$ 4 cents per share relating to the year ended 31 December 2005 was declared and approved at the Annual General Meeting and was paid during the year.

Details of the proposed final dividend for the year ended 31 December 2006 are included in note 38 to the financial statements.

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11. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings improvements US\$'000	Leasehold US\$'000	Vessels US\$'000	Plant and equipment US\$'000	Motor vehicles US\$'000	Total US\$'000
Cost:						
At 1 January 2005	24,916	7,927	48,715	18,684	2,993	101,215
Additions on acquisition of subsidiaries	-	-	-	692	-	692
Additions	2,777	1,246	2,112	33,544	743	40,422
Disposals	-	(242)	(29,687)	(1,809)	(454)	(31,991)
Exchange adjustments	(428)	(65)	-	(258)	37	(713)
At 31 December 2005 and at 1 January 2006	27,265	8,865	21,140	49,098	3,319	109,625
Additions on acquisition of subsidiaries (note 15)	3,424	-	-	81,452	331	85,207
Additions on acquisition of a business operation (note 15)	-	-	-	1,300	-	1,300
Additions	6,132	1,254	18,757	52,221	1,231	79,596
Disposals	(735)	(26)	(10,214)	(1,222)	(679)	(12,896)
Exchange adjustments	(72)	32	-	2,122	215	2,297
At 31 December 2006	35,995	10,125	29,683	184,908	4,417	265,129
Accumulated depreciation:						
At 1 January 2005	1,818	3,744	20,811	5,441	1,488	34,102
Provided during the year	877	648	2,881	3,891	717	8,794
Disposals	-	(39)	(10,208)	(917)	(288)	(11,550)
Exchange adjustments	11	(111)	-	50	(32)	(82)
At 31 December 2005 and at 1 January 2006	2,706	4,242	13,066	9,465	1,785	31,264
Provided during the year	957	1,078	2,834	5,880	805	12,534
Disposals	(153)	(16)	(8,585)	(694)	(358)	(9,808)
Exchange adjustments	8	(15)	-	427	253	673
At 31 December 2006	3,518	5,289	7,315	16,068	2,485	34,685
Net book value:						
At 31 December 2005	24,559	4,623	8,074	39,571	1,534	78,361
At 31 December 2006	32,477	4,836	22,368	168,851	1,932	230,464

As at 31 December 2006, the above land and buildings are situated in Singapore, the PRC, Indonesia, Canada, India, Australia, Paraguay, Uruguay, Brazil and France and were held under the following terms:

	2006 US\$'000	2005 US\$'000
Freehold	21,430	21,816
Long term leases	14,565	5,449
	35,995	27,265

Certain of the Group's vessels and land and buildings have been pledged to secure the Group's bank loans as set out in note 25 to the financial statements.

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12. PREPAID LAND LEASE

	2006 US\$'000	Group 2005 US\$'000
Additions on acquisition of subsidiaries (note 15)	13,255	-
Amortisation during the year	(33)	-
Carrying amount at 31 December	13,222	-
Current portion included in prepayments, deposits and other receivables	(277)	-
Non-current portion	12,945	-

The leasehold land is held under medium term leases and is situated in the PRC.

13. MINE PROPERTIES

	2006 US\$'000	Group 2005 US\$'000
Mineral reserves and resources	4,184	5,113
Deferred mining costs	2,330	3,102
Mine development	40,343	10,083
	46,857	18,278

During the year, the Group acquired mine properties of US\$8,900,000 (2005: US\$5,936,000), further details of which were set out in note 15 to the financial statement.

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14. INTANGIBLE ASSETS

Group	Goodwill US\$'000	Other intangible assets US\$'000	Total US\$'000
Cost:			
At 1 January 2005	3,359	1,243	4,602
Exchange adjustment	-	(43)	(43)
At 31 December 2005 and 1 January 2006	3,359	1,200	4,559
Acquisition of subsidiaries - note 15	5,576	-	5,576
Exchange adjustment	-	(15)	(15)
At 31 December 2006	8,935	1,185	10,120
Accumulated amortisation:			
At 1 January 2005, 31 December 2005 and 1 January 2006	1,318	-	1,318
Amortisation during the year	-	490	490
At 31 December 2006	1,318	490	1,808
Net carrying amount:			
At 31 December 2005	2,041	1,200	3,241
At 31 December 2006	7,617	695	8,312

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15. INTERESTS IN SUBSIDIARIES

	2006 US\$'000	2005 US\$'000
Unlisted shares, at cost	9,539	9,539
Due from subsidiaries	1,929,313	1,141,117
Due to subsidiaries	(194,447)	(13,520)
	1,744,405	1,137,136

Except for the amounts due from subsidiaries of US\$1,447,861,000 (2005: US\$656,412,000) at 31 December 2006 which are unsecured, bear interest at rates ranging from 1.4% to 1.8% (2005: 1.5% to 1.8%) above the London Interbank Offer Rate ("LIBOR") per annum and have no fixed terms of repayment, the other amounts due from the subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The amounts due to subsidiaries of US\$194,378,000 (2005: US\$10,829,000) in aggregate bear interest at fixed rate of 4.0% or 1.4% above the LIBOR (2005: at a fixed rate of 4.0% or at LIBOR per annum). The balances with subsidiaries were included in the current assets and liabilities on the Company's balance sheet and the carrying amounts of these balances with subsidiaries approximate to their fair values.

All the subsidiaries, other than Noble Resources Group Limited, are indirectly held by the Company. Particulars of the principal subsidiaries are as follows:

Name	Place of incorporation / registration	Nominal value of issued share capital	Percentage of equity attributable to the Company	2006	2005	Principal activities
Noble Resources Group Limited ^	British Virgin Islands	Ordinary US\$1	100	100	100	Investment holding
Baeljia S.A.L.C. ^	Paraguay	Ordinary PYG10,000,000	100	100	100	Operation of loading ports elevators
Coteal Ivore S.A. ^	Ivory Coast	Ordinary Francs CFA 1,850,000,000	100	100	100	Supply of cocoa
Coniston Limited ^	Hong Kong	Ordinary HK\$2	100	100	100	Ship owner
Donaldson Coal Pty Limited ^	Australia	Ordinary AUD6,688,782	78.5	78.5	78.5	Coal mining
Evera S.A.C. ^	Uruguay	Ordinary UYU43,200,000	100	100	100	Trading of agricultural commodities
Finora International Inc. ^	Canada	Ordinary CAD5,000,001	100	100	100	Supply and processing of agricultural commodities
Fleet Management Limited ^	Hong Kong	Ordinary HK\$2	100	100	100	Technical ship management agent

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15. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation / registration	Nominal value of issued share capital	Percentage of equity attributable to the Company 2005	Percentage of equity attributable to the Company 2006	Principal activities
Fleet Shipping Co., Inc. ^a	Republic of Panama	Ordinary US\$2	100	100	Ship owner
Fleet Ship Management Inc. ^a	British Virgin Islands	Ordinary US\$20	100	100	Technical ship management
Newcastle Coal Company Pty Limited ^a	Australia	Ordinary AUD2,300,999	78.5	78.5	Coal mining
Noble Americas Corp. ^a	United States of America	Ordinary US\$8	100	100	Supply and processing of raw materials
Noble Argentina S.A. ^a	Argentina	Ordinary Argentina Peso 55,958,800	100	100	Trading of agricultural commodities
Noble Brasil Ltda. ^a	Brazil	Ordinary BRL30,051,620	100	100	Trading of agricultural commodities
Noble Chartering Inc. ^a	British Virgin Islands	Ordinary US\$50,000	100	100	Ship operations
Noble Chartering Limited ^a	Hong Kong	Ordinary HK\$2	100	100	Provision of management services
Noble Energy Inc. ^a	Cayman Islands	Ordinary US\$1	100	100	Supply of coal and coke
Noble Europe Limited [*]	United Kingdom	Ordinary £520	100	100	Provision of management services
Noble Netherlands B.V. ^a	Netherlands	Ordinary EUR7,377,000	100	100	Investment holding
Noble Resources Pte. Ltd. [#]	Singapore	Ordinary S\$15,090,002	100	100	Trading of agricultural commodities
Noble Resources Limited ^a	Hong Kong	Ordinary HK\$10,000	100	100	Supply and processing of raw materials
Noble Resources S.A. ^a	Switzerland	Ordinary CHF3,900,000	100	100	Supply and processing of raw materials
Noble Trade Finance Hong Kong Limited ^a	Hong Kong	Ordinary HK\$2	100	100	Provision of structured trade finance service

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15. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation / registration	Nominal value of issued share capital	Percentage of equity attributable to the Company 2005	Percentage of equity attributable to the Company 2006	Principal activities
Noble Trade Finance Limited ^a	Bermuda	Ordinary US\$12,000	100	100	Provision of structured trade finance services
Oldham First Limited ^a	British Virgin Islands	Ordinary US\$1	100	100	Investment holding
Siam Agro Trade Limited ^a	Thailand	Ordinary BHT10,000,000	100	100	Trading of agricultural commodities
Noble Grain India Private Limited (formerly Sidharth Soy Products Private Limited) ^a	India	Ordinary INR246,882,990	51	51	Supply and processing of agricultural commodities
Steinmont Group Limited ^a	British Virgin Islands	Ordinary US\$1	100	100	Investment holding
Noble Carbon Credits Limited ^a	Ireland	Ordinary EUR 1	100	100	Trading of carbon emission credit
PT Sanga Coal Indonesia ^a	Indonesia	Ordinary Rp18,240,000,000	100	100	Coal mining
Dwyde Chemicals B.V. ^a	Netherlands	Ordinary EUR2,500,000	100	100	Trading of petrochemical products
Qinzhou Deyang Cereals & Oils Company Limited ^a	The PRC	Ordinary RMB 100,000,000	100	100	Soybean crushing and refining activities
Chongqing Xinlu Food Company Limited ^a	The PRC	Ordinary USD12,000,000	100	100	Soybean crushing and refining activities
Langzhou Xinlong Edible Oil Company Limited ^a	The PRC	Ordinary USD20,000,000	100	100	Soybean crushing and refining activities

^a Audited by Ernst & Young for statutory audit or consolidation purposes
[#] Audited by Ernst & Young Singapore
^{*} Audited by Deloitte Touche Frères

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

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15. INTERESTS IN SUBSIDIARIES (continued)

- Notes:
(i) Acquisition of soybean crushing and refining plants

On 13 April 2006, the Group acquired 100% equity interest of Qinzhou Dayeng Cereals & Oils Company Limited, a soybean crushing and refining plant in the PRC. The fair values of the identifiable assets and liabilities as at date of acquisition immediately before the acquisition were as follows:

	Fair value recognised on acquisition US\$'000
Property, plant and equipment	21,722
Prepaid land lease	4,852
Cash and bank balances	697
Prepayments, deposits and other receivables	7,701
Inventories	7,039
Trade receivables	85
Trade and other payables and accrued liabilities	(1,003)
Bank loans	(27,578)
	13,556
Goodwill arising on acquisition (note 14)	1,991
Satisfied by cash	15,546

On 7 November 2006, the Group acquired 100% equity interests of Chongqing Xinlu Food Company Limited and Longkou Xinlong Edible Oil Company Limited, two soybean crushing and refining plants in the PRC. The fair values of the identifiable assets and liabilities of these two newly acquired subsidiaries as at date of acquisition immediately before the acquisition were as follows:

	Fair value recognised on acquisition US\$'000
Property, plant and equipment	57,268
Prepaid land lease	8,363
Long term investments	82
Deferred tax asset	3,262
Cash and bank balances	28,885
Prepayments, deposits and other receivables	3,385
Inventories	9,877
Trade receivables	2,294
Trade and other payables and accrued liabilities	(46,115)
Bank loans	(39,719)
	27,562
Excess over the cost of a business combination (note 4)	(5,631)
Satisfied by cash	21,931

An analysis of the net cash outflow in respect of the acquisition of these three subsidiaries is as follows:

	US\$'000
Cash consideration paid on acquisition	37,477
Cash and bank balances acquired	(29,582)
Net cash outflow in respect of the acquisition	7,895

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15. INTERESTS IN SUBSIDIARIES (continued)

- Notes:
(ii)

On 3 November 2006, the Group acquired 100% equity interest in Oxyde Chemicals B.V. ("Oxyde"), a Company principally engaged in the trading of petrochemical products. The fair values of the identifiable assets and liabilities as at date of acquisition immediately before the acquisition were as follows:

	Fair value recognised on acquisition US\$'000
Property, plant and equipment	1,645
Deferred tax assets	984
Prepayments, deposits and other receivables	1,032
Inventories	11,616
Trade receivables	42,845
Trade and other payables and accrued liabilities	(35,924)
Bank loans	(11,478)
Minority interests	(594)
	10,125
Goodwill arising on acquisition (note 14)	637
Satisfied by cash and net cash outflow in respect of the acquisition	10,762

(iii) During the year, the Group acquired 100% equity interest in Terminal Maritimo do Maranhao S.A. ("Temmar"), a company incorporated in Brazil, at cash consideration of US\$3,225,000. The fair value of the net tangible assets acquired amounted to US\$277,000 as at date of acquisition. This included cash and cash equivalents of US\$608,000. Goodwill arising on this acquisition amounted to US\$2,948,000 (note 14).

(iv) During the year, the Group, through its 100% wholly-owned subsidiary, PT Sanga Coal Indonesia, acquired mining operations from PT Mitra Internusa Persada at cash consideration of US\$10,200,000. This included property, plant and equipment of US\$1,300,000 and mine properties of US\$8,900,000.

(v) During the year, the Group acquired 100% equity interest in Nobre Comercio De Graos Ltda., a company incorporated in Brazil which operates storage facilities for grains, at cash consideration of US\$4,200,000. The fair value of the net tangible assets amounted to US\$4,200,000 representing property, plants and equipment at the date of acquisition.

The contributions of the results of the above subsidiaries for the period from the date of acquisition to 31 December 2006 to the results of the Group for the year ended 31 December 2006 were not material.

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16. INTERESTS IN JOINTLY CONTROLLED ENTITIES

	Group	
	2006 US\$'000	2005 US\$'000
Share of net assets	2,893	5,122
Due from jointly-controlled entities	8,282	6,146
Goodwill on acquisition	1,591	-
	12,546	11,268

The amounts due from jointly-controlled entities are unsecured, interest-free and have no fixed terms of repayment.

The jointly-controlled entities are indirectly held by the Company. Particulars of the major jointly-controlled entity are as follows:

Name	Place of incorporation/ registration	Ownership interest	Percentage of Voting power	Profit sharing	Principal activity
Jordan Grain Handling and Milling Co. Ltd.*	Middle East	50	50	50	Operation of elevators and storage facilities

* Newly acquired during the year and audited by Ernst & Young.

The following table illustrates the summarised financial information of the Group's jointly-controlled entities:

	2006 US\$'000	2005 US\$'000
Share of the jointly-controlled entities' assets and liabilities:		
Current assets	9,882	1,866
Non-current assets	1,493	21,057
Current liabilities	(8,727)	(10,538)
Non-current liabilities	-	(7,063)
Net assets	2,648	5,122
Share of the jointly-controlled entities' results:		
Revenue	2,712	7,323
Other revenue	248	3,955
Total revenue	2,960	11,278
Total expenses	(6,625)	(3,590)
Profit/(loss) for the year	(3,665)	7,688

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17. INTERESTS IN ASSOCIATES

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Share of net assets	1,502	1,548	-	-
Less: Provisions	(109)	(109)	-	-
	1,494	1,440	-	-
Goodwill on acquisition	1,362	1,362	-	-
Due from associates	6,664	8,800	2,053	1,785
	9,520	11,602	2,053	1,785

The amounts due from the associates are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these balances with the associates approximate to their fair values.

Particulars of the principal associates as at 31 December 2006 are as follows:

Name	Place of incorporation/ registration	Percentage of equity attributable to the Group	Principal activities
Pacific Chartering & Trading (Private) Limited ^	Pakistan	55	Vessel chartering agent
Transport Services International (Private) Limited ^	Pakistan	35	Vessel chartering agent

^ Not audited by Ernst & Young

The above table lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

The following table illustrates the summarised financial information of the Group's associates extracted from their financial statements:

	2006 US\$'000	2005 US\$'000
Assets	14,309	25,218
Liabilities	(12,566)	(12,411)
Revenue	33,474	52,469
Profit/(loss)	(1,236)	288

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18. LONG TERM INVESTMENTS

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Long term investments:				
Unlisted equity investments, at cost	24,027	5,453		
Less: Impairment provisions	(1,981)	(1,949)		
	22,046	3,604		
Listed investments, at market value	120,928	117,134		
Unlisted investments, at fair value	706	412		
	143,380	121,150		

As at 31 December 2006, net losses of the Group's available-for-sale investments recognised directly in equity amounted to US\$21,760,000 (2005: net gains of US\$9,873,000) and impairment losses of US\$31,888,000 (2005: Nil) were transferred from equity and recognised in the income statement during the year.

The Group's long term investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale investments have been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated balance sheet, and the related changes in fair values, which are recorded in the consolidated equity, are reasonable, and that they were the most appropriate values at the balance sheet date.

19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Bank balances and short term deposits	648,713	684,984	31,933	174,279
Money market fund	47,120	201,422	-	201,422
	695,833	886,386	31,933	375,701

As 31 December 2006, the maturity periods of all time deposits were less than 90 days (2005: 30 days), and the effective interest rates ranged from 2.6% to 8% (2005: 0.1% to 6.7%) per annum.

The money market fund is a highly liquid fund which comprises highly rated short term government securities, agency securities, and corporate debt securities, and is subject to insignificant risk of changes in value. The investment objective of the fund is to preserve principal and liquidity while maximising the return.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The carrying amounts of the cash and cash equivalents approximate to their fair values.

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20. TRADE RECEIVABLES

The Group's trading terms with its customers are partly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit risk department to minimise the credit risk. Overdue balances are reviewed regularly by senior management, in view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Prepayments*	225,443	187,008	-	-
Deposits and other receivables	238,594	96,182	1,189	3,415
Fair value gains on commodity forward contracts and derivative financial instruments	522,721	277,786	409	-
	986,758	560,956	1,598	3,415

* As at 31 December 2006, and certain portions of the period pursuant to the Group derecognition accounting policy.

22. CONTRACTS IN PROGRESS/EXCESS OF PROGRESS BILLINGS OVER CONTRACT COSTS

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Contracts in progress:				
Direct costs incurred plus attributable profits less attributable losses to date	63,240	30,858	63,240	30,858
Progress billings received and receivable	(40,164)	(15,308)	(40,164)	(15,308)
	23,076	15,550	23,076	15,550
Excess of progress billings over contract costs:				
Direct costs incurred plus attributable profits less attributable losses to date	33,961	118,030	33,961	118,030
Progress billings received and receivable	(42,340)	(145,113)	(42,340)	(145,113)
	(8,379)	(27,083)	(8,379)	(27,083)

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23. INVENTORIES

	Group	
	2006 US\$'000	2005 US\$'000
Commodity inventories at fair value	909,517	687,217
Other inventories at the lower of cost and net realisable value	122,116	7,898
	1,031,633	695,115

At 31 December 2006 and 2005, certain of the Group's inventories were pledged as security for bank loans, as further detailed in note 24 to the financial statements.

24. TRADE AND OTHER PAYABLES AND ACCRUED LIABILITIES

The trade payables are non-interest-bearing and are normally settled within 30 - 60 days credit.

	Group		Company	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Trade and other payables and accrued liabilities	955,505	705,947	15,311	14,983
Fair value losses on commodity forward contracts and derivative financial instruments	297,412	194,549	-	-
	1,213,997	900,496	15,311	14,983

Notes to financial statements
31 December 2006

25. INTEREST-BEARING BANK LOANS AND BORROWINGS

Details of the Group's short term and long term bank loans and borrowings as at the balance sheet date are as follows:

	2006		2005	
	Effective interest rate (%)	Maturity	Effective interest rate (%)	Maturity
Group		US\$'000		US\$'000
Current:				
Bank overdrafts	9	On demand	12	On demand
Bank loans	6	2007	6	2006
Current portion of long term bank loans	7	2007	6	2006
		559,641		192,286
Non-current:				
Bank loans	7	2017	6	2017
Bank loans	6	2015	-	-
		219,379		5,181
		779,020*		197,467
Company				
Current:				
Bank loans	6	2007	5	2006
Non-current:				
Bank loans	6	2015	-	-
		371,379		50,441

* The weighted average interest rate of bank loans and overdrafts denominated in US dollars of approximately US\$275,517,000 (2005: US\$130,023,000) is 6% (2005: 6%) per annum whereas 20% of bank loans and overdrafts denominated in other currencies of approximately US\$503,503,000 (2005: US\$75,524,000) is 5% (2005: 5%) per annum.

Notes:

(a) Certain short term bank loans and overdrafts of an aggregated amount of US\$110,635,000 (2005: US\$45,562,000) were secured by certain trade receivables and inventories of the Group at 31 December 2006 and 2005.

(b) Certain long term bank loans of an aggregated amount of US\$735,689,000 (2005: US\$9,667,000) were secured by certain of the Group's vessel, and land and buildings, at 31 December 2006 and 2005, as set out in note 11 to the financial statements.

Included in the non-current portion of loans was an amount of US\$147,948,000 (2005: Nil) drawn under a Revolving Credit Facility with a term of 36 months ending 15 August 2008.

(c) During the year, the Company made certain prepayments to suppliers which were funded by bank borrowings (note 21). Total bank loans drawn under these banking facilities as at 31 December 2006 amounted to US\$76,452,000 (2005: Nil) in aggregate, certain portions of which, amounting to US\$59,757,000 (2005: Nil), were derecognised against the associated prepayments pursuant to the derecognition accounting policy.

Notes to financial statements
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26. CONVERTIBLE BONDS

The Convertible Bonds represent the 0.5% convertible bonds of US\$200,000,000 due 20 April 2009 issued in April 2004. The Convertible Bonds are convertible, at the option of the holders, at any time from 20 May 2004 to 21 March 2009, into new ordinary shares of the Company at a conversion price of \$31.333 (using a fixed exchange rate of \$31.718 to US\$1). The conversion price was adjusted from \$35.864 in accordance with the terms of the Convertible Bonds pursuant to the sub-division of shares on 11 June 2004 and the issue of bonus shares on 30 May 2005. The new ordinary shares to be issued upon conversion of the Convertible Bonds when allotted and issued will, in all respects, rank pari passu with the existing shares in issue. Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds will be redeemed at a rate of 100% of the principal amount outstanding on 20 April 2009.

On and at any time after 20 July 2005 but not less than seven business days prior to the maturity date of 20 April 2009, the Group may redeem the Convertible Bonds in whole or in part at their principal amount together with accrued interest, provided that the closing price of the ordinary share of the Company for each of any 20 trading days out of the 30 consecutive trading days, prior to the date upon which such redemption notice is given, is at least 117.5% of the conversion price in effect on such trading day. The Group may also redeem the Convertible Bonds in whole but not in part at their principal amount together with accrued interest if at any time the aggregate principal amount of the Convertible Bonds outstanding is less than 10% of the aggregate principal amount originally issued.

All or some of the Convertible Bonds could be redeemed at the option of the relevant holder on 20 April 2005 for the principal amount of the Convertible Bonds, together with accrued interest, subject to the holder exercising such right not earlier than 60 days and not later than 20 days prior to 20 April 2006. The Convertible Bond could be redeemed at the option of each holder of Convertible Bonds with respect to all, but not only some, of the Convertible Bonds of such holder at the principal amount of the Convertible Bonds plus the accrued interest on the occurrence of a change of control with respect of the Company or in the event that the shares of the Company cease to be listed or admitted to trading on the exchange.

The fair value of the conversion rights of the Convertible Bonds of US\$200,000,000 was deducted from the principal amount and credited to the capital reserve account on issuance.

The effective interest rate on the liability component of the Convertible Bonds is 2.074% (2005: 2.074%).

During the year, Convertible Bonds of US\$33,770,000 were redeemed by paying to the relevant holders equivalent amounts of cash, and no Convertible Bond was converted into ordinary share (2005: Convertible Bonds of US\$52,579,000 were converted into 65,033,281 ordinary shares of the Company).

27. SENIOR NOTES

The Senior Notes represent the 6.625% senior notes of US\$700,000,000 due 17 March 2015 issued by the Company in March 2005.

The Group may redeem some or all of the Senior Notes at any time on or after 17 March 2010 at the redemption prices stipulated in the agreement of the Senior Notes. In addition, the Group may redeem all, but not less than all, of the Senior Notes at a price equal to their principal amount plus the accrued and unpaid interest upon certain changes in the tax laws of any relevant tax jurisdiction. If the Group experiences specific kinds of change of control, the Group must offer to repurchase the Senior Notes.

Notes to financial statements
31 December 2006

28. DEFERRED TAX ASSETS/LIABILITIES

Deferred tax liabilities have been provided at 31 December 2006 and 2005 mainly for the temporary differences arising from the depreciation allowance in excess of related depreciation calculated at prevailing applicable tax rates.

Deferred tax assets have been recognised at 31 December 2006 (2005: Nil) in respect of the tax losses that are available indefinitely for offsetting against foreseeable future taxable profits of the group companies, in which the losses arose.

The movements in deferred tax liabilities and assets during the year are as follows:

Group	Deferred tax liabilities	Depreciation allowance in excess of related depreciation	Fair value adjustments arising from long term investments	Total
	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2005	6,395	-	-	6,395
Deferred tax charged to the income statement during the year	4,140	-	-	4,140
As at 31 December 2005 and 1 January 2006	10,536	-	-	10,536
Deferred tax credited to the income statement during the year	(1,677)	-	-	(1,677)
Deferred tax debited to equity during the year	-	-	8,162	8,162
Gross deferred tax liabilities as at 31 December 2005	8,859	-	8,162	17,021

Deferred tax assets

Group	Losses available for offsetting against future taxable profit	Fair value adjustments arising from derivative financial instruments	Total
	US\$'000	US\$'000	US\$'000
Deferred tax credited to the income statement during the year and as at 31 December 2005 and 1 January 2006	2,692	-	2,692
Deferred tax credited to the income statement during the year	3,821	2,620	6,441
Gross deferred tax assets as at 31 December 2005	6,513	2,620	9,133

The Group has tax losses arising in different tax jurisdictions that are available indefinitely for offsetting against future taxable profits of the group companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At the balance sheet date, there were no material deferred tax liabilities and assets that had not been provided for in the financial statements.

Notes to financial statements
31 December 2006

29. SHARE CAPITAL

	2006 US\$'000	2005 US\$'000
Authorised:		
12,000,000,000 (2005: 12,000,000,000) shares of HK\$0.25 each, equivalent to HK\$3,000,000,000 (2005: HK\$3,000,000,000)	387,097	387,097
Issued and fully paid:		
2,419,909,973 (2005: 2,397,719,079) shares of HK\$0.25 each, equivalent to HK\$604,977,493 (2005: HK\$599,429,770)	77,763	77,028

During the year, the movements in the Company's issued share capital were as follows:

- (a) 21,940,500 shares were issued upon the exercise of share options, further details of which are set out in note 30 to the financial statements.
(b) 250,395 shares were issued to certain employees as management and staff bonus.

Notes to financial statements
31 December 2006

30. EMPLOYEE'S SHARE OPTION SCHEMES

(a) The principal rules of the Noble Group Employee's Share Option Schemes are summarised as follows:

Established on:	1997 Scheme 24 February 1997	2004 Scheme 11 September 2001	2004 Scheme 17 January 2005
Eligible members	Eligible employees	Eligible employees and executive and non-executive directors of the Company, its subsidiaries and associates	Eligible employees and executive and non-executive directors of the Company, its subsidiaries and associates
Exercise price	Average of the last dealt prices of the shares, as determined by reference to the daily official list published by the SGX-ST for the three consecutive trading days immediately preceding the other date of the options, or the nominal value of the shares, whichever is higher.	In no event may the subscription prices of the Market Price Options and Incentive Options be less than the nominal value of the Company's shares. Aggregate number of Market Price Options and Incentive Options over which the Company may grant options on any date, when added to the number of shares issued and issuable in respect of all options granted under the 2004 Scheme and other share option schemes of the Company, may not exceed 15% of the issued share capital of the Company at any time.	Market Price Options - The average of the last dealt price of the Company's shares, as determined by reference to the daily official list published by the SGX-ST for the three consecutive trading days immediately preceding the other date of the options, rounded up to the nearest whole cent. Incentive Options - The exercise price applicable to Market Price Options minus a maximum discount not exceeding 20% of such price with the prior approval obtained from the shareholders of the Company in a general meeting.
Maximum number	May not exceed 5% of the issued share capital of the Company at any time	In no event may the subscription prices of the Market Price Options and Incentive Options be less than the nominal value of the Company's shares. Aggregate number of Market Price Options and Incentive Options over which the Company may grant options on any date, when added to the number of shares issued and issuable in respect of all options granted under the 2004 Scheme and other share option schemes of the Company, may not exceed 15% of the issued share capital of the Company at any time.	In no event may the subscription prices of the Market Price Options and Incentive Options be less than the nominal value of the Company's shares. Aggregate number of Market Price Options and Incentive Options over which the Company may grant options on any date, when added to the number of shares issued and issuable in respect of all options granted under the 2004 Scheme and other share option schemes of the Company, may not exceed 15% of the issued share capital of the Company at any time.
Duration	10 years from the date of its adoption	Minimum vesting period of one year for Market Price Options and two years for Incentive Options	Minimum vesting period of one year for Market Price Options and two years for Incentive Options
Vesting condition	Not available	Not available	Not available
Cash settlement	Not available	Not available	Not available
Remuneration and options committee	Messrs. Richard Samuel Eiman (Ex-officio), Edward Walter Rubin (Chair), Tobias Josef Brown (retired with effect from 1 January 2007) and Robert Tze Leung Chan	Messrs. Richard Samuel Eiman (Ex-officio), Edward Walter Rubin (Chair), Tobias Josef Brown (retired with effect from 1 January 2007) and Robert Tze Leung Chan	Messrs. Richard Samuel Eiman (Ex-officio), Edward Walter Rubin (Chair), Tobias Josef Brown (retired with effect from 1 January 2007) and Robert Tze Leung Chan

(b) A summary of the above share option schemes is as follows:

	1997 Scheme	2001 Scheme	2004 Scheme	Total	Weighted average price US cents
As at 1 January 2005	1,449,748	266,114,000	-	267,563,748	29.48
Granted	-	23,050,000	-	23,050,000	84.93
Exercised	(1,449,748)	(88,595,000)	-	(90,044,748)	9.81
Forfeited	-	(77,691,460)	(250,000)	(78,442,460)	45.40
Adjusted due to the issue of bonus shares	-	20,098,400	-	20,098,400	-
As at 31 December 2005 and at 1 January 2006	-	139,925,940	22,800,000	162,725,940	33.41
Granted	-	-	42,300,000	42,300,000	65.08
Exercised	-	(21,940,500)	(1,950,000)	(23,890,500)	15.34
Forfeited	-	(17,442,440)	(1,930,400)	(19,372,840)	44.83
As at 31 December 2006	-	100,543,000	63,150,000	163,693,000	45.77

^a Balance at 31 December 2006 not available. The options were granted on or before 7 November 2002. These options have not been subsequently modified and therefore do not need to be accounted for in accordance with IFRS 2.

The weighted average remaining contractual life for the share options outstanding as at 31 December 2006 is 5 years (2005: 7 years).

The range of exercise prices for share options outstanding as at 31 December 2006 was US\$0.00 cents to US\$98.41 cents (2005: US\$7.38 cents to US\$0.82 cents).

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Effective risk management is a fundamental aspect of the Group's business operations. The Group engages in business conducted in the ordinary course of business and it is exposed to price risk, interest rate risk, credit risk, political and country risk and foreign currency risk. The policies for managing each of these risks are summarized below.

Price risk

The Group is exposed to price movements of the inventory, it holds and for the products it trades. The Group manages a significant portion of this exposure through futures and option hedging activities transacted on worldwide commodity exchanges or through over-the-counter markets. The Group only enters into over-the-counter transactions with high credit quality counterparties.

Interest rate risk

The Group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its assets and liabilities and cash flows. The matching of assets and liabilities is utilised to hedge interest rate risk.

Credit risk

Financial assets which potentially expose the Group to credit risk consist of cash and cash equivalents, marketable securities, receivables, payables and prepayments and derivative instruments. The Group's cash and cash equivalents and short term deposits are placed with a diversified group of high quality financial institutions. Credit risk arising from purchases and sales transactions, and thus receivables and payables, as well as those associated with prepayments is mitigated by several factors including the Group's diversified business operations across a global customer and geographic base as well as the application of the Group's policies to manage such risk through the banking and insurance markets. Credit risk arising from derivative transactions is limited to a diverse group of high credit quality counterparties. The risk that counterparties may default on their obligations is monitored on an ongoing basis.

Political and country risk

The Group trades its products in many countries and manages its exposure to country risk through its insurance department located in Hong Kong head office and its Singapore office. We mitigate our political and country risk by transferring such risk to or otherwise covering such risk with major financial institutions and in the political risk insurance market. The Group may be required to retain a small portion of the risk in conjunction with the transfer of the risk.

Foreign currency risk

The vast majority of the Group's purchase and sales transactions are denominated in US dollar. In transactions denominated in currencies other than the US dollar, the specific future commitment (receivable or payable) is hedged through a forward exchange contract. The Group also uses foreign exchange hedging in respect of its more significant operating expenses. Foreign exchange management is overseen by the Group's treasury department in Hong Kong, its regional offices and in some operating companies and is subject to the Group's foreign exchange policies.

30. EMPLOYEE'S SHARE OPTION SCHEMES (continued)

(c) The weighted average fair value of share options granted during the year was US\$69.87 cents (2005: US\$94.33 cents).

The fair value of equity-settled share options granted is estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the years ended 31 December 2006 and 31 December 2005.

	2006	2005
Dividend yield (%)	3.36	0.44
Expected volatility (%)	37	34.26 - 40.0
Historical volatility (%)	37	34.26 - 40.0
Risk-free interest rate (%)	2.92 - 3.35	2.39 - 3.19
Expected life of option (years)	1 - 8	2 - 5
Weighted average share price (US\$)	0.70	0.85

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects management's best estimate of the Company's share price volatility to the time to maturity of the share option.

Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled or forfeited prior to their exercise date are deleted from the register of outstanding options.

(d) No share options of the above schemes have been granted to any participants who are controlling shareholders of the Company or their associates. Pursuant to Practice Note 9, Clause 21(b) of the Listing Manual of the SGX-ST, information required for participants of the schemes who are directors has been disclosed in the "Directors' interests in shares" section of the Report of the Directors.

There were no directors or employees who received 5% or more of the total number of share options available under the 2004 Scheme during the year ended 31 December 2006, except as disclosed under note (e) below.

(e) Details in relation to the directors and participants who received 5% or more of the total number of share options available under the share option schemes of the Group in respect of the financial year ended 31 December 2006 are as follows:

Name of participant	Share options granted during the financial year under review (including terms)*	Aggregate number of share options granted since the commencement of the financial year under review*	Aggregate number of share options exercised / lapsed since the commencement of the financial year under review*	Aggregate number of share options outstanding as at the end of the financial year under review*
Hamudjpal Singh Banga	-	37,400,000	26,400,000	11,000,000
Kishore Rajwanshy	-	35,211,750	24,951,750	8,250,000
Paul de Fries	-	17,180,000	660,000	16,500,000

* The number of outstanding share options were adjusted as a result of the Company's bonus issue of shares on 30 May 2005, in accordance with the terms of the share option schemes and were approved by the board of directors.

Notes to financial statements
31 December 2006

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest risk exposures

The following table sets out the carrying amounts, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

Year ended 31 December 2006	On demand		Within 1 year		1-2 years		2-5 years		More than 5 years		Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Fixed rate											
Senior Notes	-	-	-	-	-	-	-	-	-	-	-
Convertible Bonds	-	-	-	-	-	-	108,915	-	592,295	-	682,295
Floating rate											
Loan receivables	-	2,278*	-	1,708	-	3,139	-	-	-	-	7,123
Bank overdrafts	164	-	-	-	-	-	-	-	-	154	154
Bank loans	75,975	483,692	-	155,285	-	24,295	-	38,798	-	778,955	778,955
Year ended 31 December 2005											
Fixed rate											
Senior Notes	-	-	-	-	-	-	-	-	-	-	-
Convertible Bonds	-	-	-	-	-	-	139,414	-	680,328	-	800,328
Floating rate											
Loan receivables	-	5,581*	-	4,099	-	4,729	-	840	-	15,138	15,138
Bank overdrafts	424	-	-	-	-	-	-	-	-	424	424
Bank loans	114,851	77,291	-	533	-	2,134	-	2,514	-	197,123	197,123

* Certain portion of the loan receivables is included in trade receivables.

Credit risk exposures

The Group's maximum exposure to credit risk (not taking into account the value of any collateral held) in the event that the counterparties fail to perform their obligations as at 31 December 2006 in relation to each class of recognised financial assets, other than derivative financial instruments, is the carrying amount of those assets as indicated in the balance sheet.

Significant concentrations of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure.

The Group's exposure to credit risk is broadly diversified along industry, product and geographic lines, and transactions are entered into with a diverse group of counterparties.

Notes to financial statements
31 December 2006

32. DERIVATIVE FINANCIAL INSTRUMENTS

The Group recognises all derivative financial instruments on the balance sheet at fair value. The Group's definition of a derivative financial instrument includes forward purchase and sale contracts for commodities which do not form part of the Group's manufacturing or processing activities. Derivative financial instruments that are not hedges are adjusted to fair value through the income statement. If a derivative financial instrument is a cash flow hedge, changes in the fair value of the derivatives are recognised in a separate component of equity until the hedged item is recognised in earnings. Any ineffective portion of a hedging derivative's change in fair value is recognised in the income statement.

The fair values of derivative financial instruments included in the balance sheet as other receivables/other payables as at 31 December are as follows:

	2006	2005
	US\$'000	US\$'000
Derivative instruments for trading purposes:		
Unrealised gains recorded in other receivables	435,469	155,365
Commodity forward contracts	45,391	88,272
Commodity futures contracts	3,346	42,605
Oil and coal swap contracts	-	-
Unrealised losses recorded in other payables:		
Commodity forward contracts	(149,756)	(91,109)
Commodity futures contracts	(48,738)	(92,903)
Oil and coal swap contracts	(42,043)	(578)
Derivative financial instruments held as cash flow hedges:		
Unrealised gains recorded in other receivables	4,197	-
Foreign exchange forward contracts	28,538	1,434
Forward freight agreements*	1,657	-
Commodity derivative financial instruments	-	-
Unrealised losses recorded in other payables	(27)	(1,303)
Foreign exchange forward contracts	(14,195)	(8,650)
Forward freight agreements*	-	-

Included in the unrealised gains/losses of forward freight agreements recorded in other receivables and other payables were ineffective portions of US\$19,994,000 (2005: US\$1,434,000) and US\$14,195,000 (2005: US\$2,557,000), respectively, which had been recognised in the income statement.

Cash flow hedges

As at 31 December 2006, the Group was a party to foreign exchange forward contracts designated as hedges for the purchases of raw materials and settlement of selling and administrative expenses. Included in equity as at 31 December 2006 were net unrealised gains, after minority interests, of US\$3,305,000 (2005: net unrealised losses of US\$1,041,000) relating to these foreign exchange forward contracts.

As at 31 December 2006, the Group was a party to forward freight agreements designated as hedges for vessel chartering contracts. Included in equity as at 31 December 2006 were net unrealised gains of US\$8,644,000 (2005: net unrealised losses of US\$5,108,000) relating to these forward freight agreements.

As at 31 December 2006, the Group was a party to coal swap contracts designated as hedges for the sales of coal produced from the Group's coal mine. Included in equity as at 31 December 2006 were net unrealised losses after minority interests of US\$2,651,000 (2005: Nil) relating to these coal swap contracts.

Notes to financial statements
31 December 2006

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

	Carrying amount		Fair value	
	2006 US\$'000	2005 US\$'000	2006 US\$'000	2005 US\$'000
Convertible Bonds #	115,166	147,522	116,182	154,346
Senior Notes	632,295	680,328	641,065	645,525

Convertible Bonds comprise the liability component and the equity component of US\$108,915,000 (2005: US\$109,114,000) and US\$2,291,000 (2005: US\$2,291,000), respectively. The Group's long term investments and derivative financial instruments are carried in the balance sheet at their fair values. The carrying amounts of the Group's bank borrowings which all bear floating interest rates approximate to their fair values.

Market values have been used to determine the fair value of listed Convertible Bonds, listed Senior Notes and listed long term investments. The fair value of bank loans and borrowings has been calculated by discounting the expected future cash flows at prevailing interest rates. The fair value of commodity forward purchase and sale contracts and other derivative financial instruments are determined by reference to quoted market/futures prices at the close of business at the balance sheet date.

The following financial assets and liabilities are not carried at fair value in the balance sheet
(i) Unlisted long term equity investments
The unlisted long term equity investments are generally carried at cost as their fair values could not be reliably measured.

(ii) Bank balances, trade receivables and payables, other receivables and payables
The carrying amounts of these balances approximate to their fair values because of the immediate or short term maturity of these financial instruments.

34. OPERATING LEASE COMMITMENTS

(a) As lessor
The Group leases its vessels under operating lease arrangements, with leases negotiated for terms ranging from 7 days to 3 years. Future minimum lease receivables under non-cancellable operating leases with its tenants falling due as at 31 December 2006 were as follows:

	Group	
	2006 US\$'000	2005 US\$'000
Within one year	22,468	18,535
In the second to fifth years, inclusive	27,461	-
	49,929	18,535

(b) As lessee
The Group leases certain of its vessels and office properties under operating lease arrangements for terms ranging from 3 days to 22 years. Future minimum lease rentals payable under non-cancellable operating leases as at 31 December were as follows:

	Group	
	2006 US\$'000	2005 US\$'000
Within one year	123,246	137,659
In the second to fifth years, inclusive	102,488	44,628
After five years	6,165	1,755
	231,899	184,042

Notes to financial statements
31 December 2006

35. CAPITAL COMMITMENTS

The Group had the following capital commitments at the balance sheet date:

	Group	
	2006 US\$'000	2005 US\$'000
Contracted, but not provided for:	-	610
Capital contribution to a subsidiary	-	4,000
Acquisition of a jointly-controlled entity	-	5,120
Acquisition of an investment	-	-
Acquisition of property, plant and equipment by jointly-controlled entities	22,350	-
	22,350	9,730

36. CONTINGENT LIABILITIES

At 31 December 2006, certain banking facilities granted to the subsidiaries were subject to guarantees given to the banks and financial institutions by the Company of US\$3,113 million (2005: US\$2,200 million) which were utilised to the extent of approximately US\$704 million (2005: US\$154 million), and the Company also granted guarantees of US\$660 million (2005: US\$423 million) to certain trade counterparties of its subsidiaries which were utilised to the extent of approximately US\$84 million (2005: US\$90 million).

37. RELATED PARTY TRANSACTIONS

During the prior year, the Group made purchases from Consolidated Minerals Limited ("CML"), an investee company included in the Group's long term investments previously being transferred from investments in associates upon the disposal of certain equity interest during the year ended 31 December 2005, of US\$4,053,000. The directors considered that the purchases from CML were made according to prices and conditions similar to those offered to other customers of CML.

38. POST BALANCE SHEET EVENTS

- (a) Subsequent to the balance sheet date, the directors recommended the payment of a cash dividend of US1.38 cents per share. The dividend proposal is subject to shareholders' approval at the forthcoming Annual General Meeting.
- (b) Subsequent to the balance sheet date, on 6 February 2007, the Group acquired 100% equity interest in Usina Petribu Paulista Ltda. (UPP), a sugar mill company in South Brazil, Sao Paulo State, with a total crushing capacity of 2 million tons of sugar cane and capable of producing both sugar and ethanol at a preliminary consideration of US\$161 million. As part of the same transaction, the Group also acquired 100% equity interest of Usina Meridiano Ltda., a company which owns land and various relevant licenses, at a preliminary consideration of US\$2 million. The above preliminary consideration amounts were subject to certain post closing adjustments. An aggregate deposit payment of US\$8,150,000 was paid as at 31 December 2006.

39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 22 February 2007.

Shareholding and bondholding statistics

8 March 2007

ANALYSIS OF SHAREHOLDERS

Authorised share capital
Issued and fully paid-up capital
Class of shares
Voting rights

HK\$3,000,000,000
HK\$305,356,243
Shares of HK\$0.25 each
The rights and privileges of the shares are stated in the Bye-laws of the Company

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 999	253	6.16	86,183	0.00
1,000 - 10,000	2,672	65.08	15,044,800	0.62
10,001 - 1,000,000	1,158	28.20	47,957,067	1.88
1,000,001 and above	23	0.56	2,359,326,923	97.40
	4,106	100.00	2,421,424,973 [†]	100.00

[†] Based on information provided in the Register of Members and the Depository Register as of 8 March 2007.

SUBSTANTIAL SHAREHOLDER*

Name	Direct interest		Deemed interest	
	No. of Shares Held	% of Shareholdings	No. of Shares Held	% of Shareholdings
Noble Temple Trading Inc.	-	-	905,494,920 Δ	37.40
Tiger Rock Limited	234,448,500	9.68	-	-
Lexdale International Limited	-	-	267,327,137 †	11.04
Newton Investment Management Limited	-	-	144,909,800	5.98

The shareholding spread of the Company complies with Rule 723 of the Listing Manual as of 8 March 2007, 38.23% of the Company's Shares was held in the hands of the public.

* Based on notifications received from substantial shareholders, and as shown in the Register of Substantial Shareholders.

Δ The beneficial owner of 905,494,920 shares is Noble Temple Trading Inc. ("NTTI"). NTTI is a company incorporated in Liberia and is wholly-owned by Noble Holding Inc. ("NHI"), which is also a company incorporated in Liberia. NHI is, in turn, beneficially wholly-owned by Peter Overseas (New Zealand) Limited ("POT"), a company incorporated in New Zealand. POT is the trustee of a discretionary trust, the beneficiaries of which include the spouse and children of Mr. Ebnah, except Mr. Ebnah himself.

† The beneficial owner of 267,327,137 shares is Lexdale International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Hindrajpal Singh Banga and his spouse. These shares are registered in the name of a nominee.

Shareholding and bondholding statistics

8 March 2007

TWENTY LARGEST SHAREHOLDERS

Name	No of Shares held
DBSN Services Pte Ltd	1,016,911,990
Citibank Nominees (S'pore) Pte Ltd	368,072,882
DBS Nominees Pte Ltd	269,114,614
Tiger Rock Limited	234,448,500
HSBC (Singapore) Nominees Pte Ltd	119,571,321
United Overseas Bank Nominees Pte Ltd	98,384,510
Raffles Nominees Pte Ltd	89,123,662
Merrill Lynch (Singapore) Pte Ltd	63,076,806
Morgan Stanley Asia (Singapore) Securities Pte Ltd	25,908,458
OCBC Securities Private Ltd	24,964,310
DB Nominees (S) Pte Ltd	20,651,980
James Mark Emanuel	5,376,282
UOB Key Hian Pte Ltd	4,469,957
ABN AMRO Nominees S'pore Pte Ltd	2,361,683
Steven Mark Bader	2,246,929
BNP Paribas Nominees S'pore Pte Ltd	2,139,360
Phillip Securities Pte Ltd	2,074,152
Boone Sae	1,732,500
Societe Generale S'pore Branch	1,712,692
Macquarie Securities (S) Pte Ltd	1,551,027

BOND HOLDER OF 0.5% CONVERTIBLE BONDS

Due date	20 April 2009
Conversion price (using a fixed exchange rate of S\$1.718 to US\$1)	S\$1,333
Conversion period	20 May 2004 to 21 March 2009

The US\$300,000,000 0.5% Convertible Bonds due 2009 issued by Noble Group Limited on 20 April 2004 (the "Convertible Bonds") are in registered form and are currently represented by beneficial interests in a global certificate (the "Global Certificate"). As at 8 March 2007, Chase Nominees Limited, a nominee of Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking, société anonyme, is entered in the register of holders as the holder of the Global Certificate with a remaining balance of US\$113,647,000. The identity of the holders of the beneficial interests in the Convertible Bonds is not currently known to Noble Group Limited.



www.hisizable.com

DNR MRTI DL Release

Aids in Supply Chain Management is the expression of Nobel
practical knowledge and experience of experienced Supply Chain
Management in the industry. It is a book that has the potential
to help you to understand the Supply Chain better. It is a book
that will help you to understand the Supply Chain better.



Lai, Sandy

From: Matthew Higgins [mhiggins@custommining.com.au]
Sent: Monday, 13 August 2007 10:48 AM
To: sally.clark@dme.qld.gov.au
Subject: Custom Mining Middlemount MDL282 - Expenditure 30Apr07
Attachments: MDL282 Expenditure 30Apr07.pdf

Hello Sally,

Thank you for your and Anne's assistance last Wednesday. Please find attached the Expenditure for MDL282 30Apr07. The QDEX Lodgement ID# I have for the Annual Report is 46142.

If you have any questions, feel free to contact me.

Regards,

Matthew Higgins

Chief Operations Manager
Custom Mining
Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD

Ph: (07) 3121 3160

Mob:

Fax: (07) 3121 3030

Email: mhiggins@custommining.com.au

DNR MRTI DL Release



MDL-282

STATEMENT OF EXPENDITURE FOR PERIOD ENDING 30 April 2007

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007



CONTENTS

1.	<u>Introduction</u>	<u>3</u>
2.	<u>Activities undertaken during the year</u>	<u>3</u>
3.	<u>Statement of Expenditures during the year</u>	<u>3</u>
4.	<u>Conclusions</u>	<u>4</u>

DNRM RTI DL Release



1. Introduction

This report covers the expenditures made in Mineral Development Licence No 282 located in the Bowen Basin near the township of Middlemount in Central Queensland during the Year ending 22nd June, 2007.

2. Activities undertaken during the Year

Physical exploration, appraisal and development work was carried out within the area of MDL-282 by Custom Mining Ltd as the Appointed Operator for DJB Coal Pty Ltd. This was part of an agreed due diligence process, culminating in Custom Mining Middlemount Pty Ltd purchasing DJB Coal Pty Ltd's 5% share in MDL282 and the acquisition of Ribfield Pty Ltd.

This exploration has concentrated on targeting the two main seams being 'Middlemount' and 'Pisces'.

A potential 'initial mining' area was identified with the view of developing a drill program to test the economic viability of mining. This program consisted of six large core (200mm) holes for raw analysis and twenty open holes for structure observations.

3. Statement of Expenditures during the Year

During the year a total of - Business Affairs expended on geological advice, drilling, geological assessment, coal analysis, travel, negotiations, etc and legal advice associated with the assessment of the geology and potential development of this coal deposit.

Negotiations	s.49 - Business Affairs
Drilling	
Geology	
Analysis	
Modelling	
Travel / Accommodation	
Legal / Administration	



4. Conclusions

Custom Mining Middlemount Pty Ltd's assessment of MDL282 has been favourable and plans to make application to amend the Environmental Authority so as to move to a Bulk Sampling Program for potential 'end users' to test the 'Middlemount Coal' comprehensively. This would conceptually see four bulk sample shipments of ~60,000t each go to Japan, Korea, Taiwan and India. A drilling program is being developed to bring the entire MDL to a JORC Status.

Custom Mining Middlemount Pty Ltd & Ribfield Pty Ltd

June 22, 2007

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

4

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au

Hartland Mark

From: Goodwin Ken
Sent: Tuesday, 21 August 2007 11:51 AM
To: Hartland Mark
Subject: MDL 282 - Builk sampling application
Attachments: mdl282.pdf

Mark

I attach a request for some comments to be provided by our Department regarding their application for bulk sampling. As this is an MDL, this one is over to you for comment.

If you have any queries regarding the EPA notice, please give Rebecca Blades at the EPA office in Emerald a ring on 4982 4555. I understand that she is away until next Tuesday.

Any other queries, feel free to give me a ring.

Regards

Ken Goodwin
A/Mining Registrar
Emerald Mining District

DNRM RTI DL Release





16 August 2007

Mr Nathan Brown
Mining Registrar
Department of Mine and Energy
PO Box 19
EMERALD, QLD 4720



Dear Nathan

RE: Middlemount Bulk Sampling Program – MDL282

Further to an Information Request received from the Environmental Protection Agency dated 10 August 2007, regarding an amendment application for MDL282, I, as the applicant, am writing to seek 'written confirmation' from the Department of Mines and Energy (DME) in relation to dot point two of the attached.

The attached Notice seeks written confirmation from DME that the proposed Environmentally Relevant Activities (ERAs) for the bulk sample program are authorised to occur on MDL282.

In our meeting of 10 July 2007, it was advised that the bulk sample program would involve the following ERAs:

- 11(a) - Self Bunded Crude Oil or Petroleum Product Storage 10,000L or more but less than 500,000L.
- 15(a) - Sewage Treatment (21 to 100 equivalent persons).
- 28 - Motor Vehicle Workshop

During the discussion of the above issues and as per your advice, it was understood that no 'approval' as such was required. The requirement was to include the activities within the work plan to be submitted for the MDL on renewal and/or transfer.

Level 36, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

Ph: 07 3121 3160
Fax: 07 3121 3030
Email: enquiries@custommining.com.au



However, as a formal Notice has been received from the EPA, I would sincerely appreciate written confirmation that the proposed ERAs are authorised to occur on MDL282.

Should you wish to discuss, please feel free to contact me on

Your sincerely,

Matthew Higgins
Director, Ribfield Pty Ltd

Enc: Notice, Environmental Operations, Additional information required.

DNRM RTI DL Release

eco access

environmental licences and permits

Notice

Environmental Operations

27 FEB 2007 12:12

Additional information required

This statutory notice is issued by the administering authority pursuant to Section 556 of the Environmental Protection Act 1994, to advise you of a decision to require additional information for your application.

Mr Matthew Higgins
Director
C8 Honeysuckle Drive
'The Boardwalk'
NEWCASTLE, NSW 2300

Your reference : MIN100562607

Our reference : EMD2213

Attention: Mr Matthew Higgins,

Re: Application for approval of a draft Environmental authority MIN100562607 by Ribfield Pty Ltd for a Level 1 Environmental Authority (Mineral Development) at MDL282.

The administering authority requires the following additional information to decide this application.

- An amended Environmental Management Plan in accordance with the Environmental Management Plan Assessment Report issued from the EPA Emerald on 10 August 2007; and
- Written confirmation from the Department of Mines and Energy that the proposed Environmentally Relevant Activities are authorised to occur on MDL282.

- Please forward the requested information by 10 September 2007 to the Environmental Protection Agency office listed in this notice.



Notice

You may apply to the administering authority for a review of the decision to request additional information within 10 business days after receiving this notice. You may also appeal against this decision to the Planning and Environment Court.

Information outlining the review and appeal processes under the *Environmental Protection Act 1994* is included with this Notice. This information is intended as a guide only. You may have other legal rights and obligations.

Should you have any queries in relation to this Notice, Rebecca Blades of the EPA on telephone (07) 4982 4555 would be happy to assist you.

s.49 - Signature

Signature

10 August 2007

Date

Michael Rodgerson
District Manager

Enquiries:
EPA Emerald
PO Box 906
EMERALD 4720
Ph. (07) 4982 4555
Fax. (07) 4982 2568

Departmental Correspondence Action Sheet

File	MDL 282
Loose Doc.	

1

Date of Entry:

Urgent

Signature:

Routine



ACTION OFFICER USE

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

Comments (if any)

*Annual Report for
P/E 30/4/07
TIN - 70809
CR - 47053*

DNRM RTI DL Release

DESIGNATED OFFICER

Signature:

Date:

FINAL ACTION

Departmental Minute Prepared

Yes

No

Received in Records

Comments

Signature:

Date:

Report Number: 47053
Reports

Report Title*	Report Type*	Author Name*	Lodger
MDL 282, ANNUAL REPORT FOR PERIOD ENDING 30/4/07	ANNUAL REPORT	HIGGINS, M	MATTHEW HIGGINS

Submitter	Locality*	Map References*	Commodity*
CUSTOM MINING PTY LTD	SW OF MIDDLEMOUNT	8552	COAL

Keywords*	Tenure*	Tenure Holder
COAL EXPLORATION, DRILL HOLE LOGS, DRILLING, GEOPHYSICAL DATA, GEOPHYSICAL SURVEYS, BULK SAMPLING	MDL 282	RIBFIELD PTY LTD






Tectonic	Stratigraphy	Age	Status
BOWEN BASIN	RANGAL COAL MEASURES	PERMIAN	C

Date of Report*	Date of Review	Date of Receipt	Date Due for Open	Date of Open
0/04/2007	16/08/2007	12/08/2007		

Project Information	Project Names	Mines/Prospect Names	Well Names	Seismic Survey
	MIDDLEMOUNT	MIDDLEMOUNT		

Archive Box

Geophysical Data Held?

<input type="checkbox"/>	4 LDATA <u>APPENDIX 1 - BOREHOLE SUMNMARY PART A</u>	6802 PDF 
<input type="checkbox"/>	5 LDATA <u>APPENDIX 1 - BOREHOLE SUMMARY PART B</u>	7010 PDF 
<input type="checkbox"/>	6 LDATA <u>APPENDIX 1 - BOREHOLE SUMMARY PART C</u>	8498 PDF 
<input type="checkbox"/>	7 LDATA <u>APPENDIX 1 - BOREHOLE SUMMARY PART F</u>	7201 PDF 
<input checked="" type="checkbox"/>	8 BODY <u>REPORT BODY</u>	918 PDF 

Page 239 redacted for the following reason:

s.49 - Business Affairs - Bank Statement and Bank Cheque

DNRM RTI DL Release

Author: Kerrie Musgrave
File: MDL 282
Unit: Brisbane District Office (Mines)
Phone: (07) 3238 3737

13 August 2007

Ribfield Pty Ltd
C8, 1 Honeysuckle Drive
NEWCASTLE NSW 2300

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE (MDL) NUMBER 282

I refer to your request received by the Department on 9 August 2007 to record the change of address for service of correspondence for MDL 282, pursuant to section 388 of the *Mineral Resources Act 1989* and advise that this change has been recorded on the register.

Yours faithfully

s.49 - Signature

Kerrie Musgrave
Senior Tenures Office
Brisbane District Office

B/C Sandy Lai, Solicitor, Freehills, GPO Box 3124, Brisbane Qld 4001



Southern Region
Dept Mines and Energy
& Water
Podium 2, Ground Floor
Cnr Main and Vulture Streets
Woolloongabba QLD 4102

PO Box 1475
Coorparoo QLD 4151 Australia

Telephone + 61 7 3238 3737
Facsimile + 61 7 3405 5346
Website www.nrm.qld.gov.au

File: MDL 282

Loose

Doc: MI07/08414

Departmental Correspondence Action Sheet

1 *mb*

Date of Entry: 9 18 107

Urgent

Signature: Peter Hoppner

Routine

ACTION OFFICER USE

DUE DATE: / /

2) change of address recorded on the register. Records file away.

s.49 - Signature 13/8/07

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

Comments (if any)

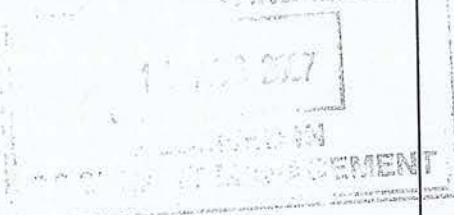
Change of address

DESIGNATED OFFICER

Signature: s.49 - Signature

Date: 9 18 107

Received in Document Management



FINAL ACTION

Departmental Minute Prepared

Yes No

Comments

Signature:

Date: / /

Freehills

Department of Mines and Energy
Woolloongabba Regional Office
PO Box 1475
COORPAROO QLD 4151

Department of Mines & Energy
RECEIVED
9 AUG 2007
9 am/pm
s.49 - Signature
TIME BY
SOUTH EAST REGION MINES

7 August 2007
Matter 81032006
By post

Dear Sir/Madam

**Ribfield Pty Ltd - Lodgement of Form MRA-33 for change of address
for service of correspondence**

We act for Ribfield Pty Ltd and enclose for lodgement a completed and signed form MRA-33 requesting to record the change of address for service of correspondence.

Yours sincerely

s.49 - Signature

Sandy Lai
Solicitor
Freehills

+61 7 3258 6476

sandy.lai@freehills.com

Doc 4.004005316.2

Central Plaza | 345 Queen Street Brisbane Qld 4000 Australia
GPO Box 3124 Brisbane Qld 4001 Australia

Telephone +61 7 3258 6666 Facsimile +61 7 3258 6444
www.freehills.com DX 255 Brisbane



Dealing No. 1009902
(Office Use Only)

REQUEST TO RECORD CHANGE OF NOMINATED HOLDER OR ADDRESS FOR SERVICE OF CORRESPONDENCE

Section 388
Mineral Resources Act 1989
Form Number MRA-33 Version Number 2

OFFICIAL USE ONLY	
EP/MDL/MC/ML No.	
PART A	
Received At Department of Mines & Energy	Received By
RECEIVED	
DATE 9 AUG 2007	TIME
TIME 9:00 am/pm	s.49 - Signature
PART B	
SOUTH EAST REGION MINES FEE Paid	RECEIPT no.
PART C	
ENTERED on register by	
(SIGNATURE)	
DATE / /	

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector. Please refer to the section at the end of this form entitled "Privacy Statement" which provides details about why the personal information on this form is being collected and how it will be handled.

The completed original of this document and any attachments must be submitted with the prescribed fee at the Office of the Mining Registrar.

Please print clearly in ink and use block letters.

Prescribed forms under the *Mineral Resources Act 1989* are available through the internet on www.nrm.qld.gov.au.

1. MINING TENEMENT DETAILS

1.1	Tenement Type	Tick	Number(s)
	Mining Claim	<input type="checkbox"/>	
	Exploration Permit for Minerals	<input type="checkbox"/>	
	Exploration Permit for Coal	<input type="checkbox"/>	
	Mineral Development Licence	<input checked="" type="checkbox"/>	282
	Mining Lease	<input type="checkbox"/>	

GUIDE FOR APPLICANTS

Question 1.1

Nominate tenure type(s) and number(s) for change in nominated holder or change in address for service of correspondence.

Question 2.1

Specify company name or surname of current nominated holder.

Question 2.2

Specify given name(s) of current nominated holder.

Question 2.3

If company, what is the Australian Company Number (ACN)?

2. NAME OF CURRENT NOMINATED HOLDER

Company Name/Surname	2.1	RIBFIELD PTY LIMITED
Given Name(s)	2.2	
ACN (if company)	2.3	080 772 283

GUIDE FOR APPLICANTS**Question 3.1**

Specify company name or surname of new nominated holder.

NOTE: A holder may only be nominated if they have an interest in the tenure.

Question 3.2

Specify given name(s) of new nominated holder.

Question 3.3

If company, what is the Australian Company Number (ACN)?

Question 4.1

Insert current address of nominated holder for service of correspondence.

Question 5.1

Insert new address of nominated holder for service of correspondence.

Question 6.1

Insert the date the change is effective from.

3. NAME OF NEW NOMINATED HOLDER

Company Name/Surname

3.1

RIBFIELD PTY LIMITED

Given Name(s)

3.2

ACN (if company)

3.3

080 772 283

4. ADDRESS OF CURRENT NOMINATED HOLDER

Address

4.1

C/- TENEMENT ADMINISTRATION SERVICES PTY LTD
SHOP 4 LANDCENTRE
CORNER MAIN & VULTURE STREETS
WOOLLOONGABBA QLD 4125

5. NEW ADDRESS OF NOMINATED HOLDER

Address

5.1

C8, 1 HONEYSUCKLE DRIVE
NEWCASTLE NSW 2300

6. DATE OF EFFECT

The change is effective from the following date:

6.1

21 JUNE 2007

GUIDE FOR APPLICANTS

Question 7.1

Enter the name of place where the application was signed, the day of the month, the month and the year when the form is signed.

Question 7.2

Insert full name of the holder(s).

Question 7.3

Signature of holder(s).

Question 7.4

Insert full name of Witness.

Question 7.5

Signature of Witness.

Execution of Documents by an Agent

If an agent or the holder of a power of attorney is signing a document required to be lodged by an Act, on behalf of another, the agent or holder of the power of attorney must produce current, written evidence of their authority to act at the time of lodgement.

All of the holders of the tenure MUST execute the appointment of agent or the power of attorney for the appointment or power of attorney to be effective. A company signing an appointment of agent or power of attorney must do so in accordance with the corporation law and/or the articles of association of the company.

7. SIGNATURES AND ENDORSEMENTS

We solemnly sincerely and truly affirm and declare that the information provided in this form is true and correct. We make this solemn declaration by virtue of the provisions of the *Oaths Act 1827*.

7.1	Signed at	this 7 th day of AUGUST	, 20 07
7.2	NATHAN TINKLER		7.3 s.49 - Signature
	DIRECTOR, RIBFIELD PTY LIMITED		s.49 - Signature
7.2	MATTHEW HIGGINS		
	DIRECTOR, RIBFIELD PTY LIMITED		
7.2			7.3
7.2			7.3
	Full name and title of Applicant(s)		Signature
7.4		7.5	
	Full name of Witness		Signature of Witness

8. PRIVACY STATEMENT

The Queensland Government introduced Information Standard 42 - Information Privacy to establish a framework for the responsible collection and handling of personal information in the Queensland government public sector.

The Department of Natural Resources, Mines and Water is collecting the information on this form to process a request to record the change of nominated holder or address for service of correspondence. This is required by section 388 of the *Mineral Resources Act 1989* (the Act).

The Department is required to facilitate and regulate the carrying out of responsible mining activities and the development of a safe, efficient and viable mining industry in Queensland under the Act.

The Department maintains a Register under section 387 of the Act. This register contains information collected from a variety of sources, including application forms submitted under the Act. The particulars to be recorded in the register are prescribed in Part 11 of the *Mineral Resources Regulation 2003* (the Regulations).

Under section 68 of the Regulations, the public can inspect the Register between the hours of 8.30 am and 4.30 pm on business days, and anyone may take extracts from the register and acquire, upon payment of the prescribed fee, a copy of all or part of a notice, document or information held in the register. Information contained in the register includes (but is not limited to):

- the mining tenement number;
- the full name of the holder/s of the mining tenement;

- the annual rent for the mining tenement; and
- any permitted dealings relating to the mining tenement that are approved by the Minister.

Information collected on this form, whether or not it is contained in the Register, may be provided to other Queensland Government Agencies, where such disclosure is necessary for the effective management of the mineral resources and industry in Queensland. These agencies may include the Environmental Protection Agency, the Department of Primary Industries and Fisheries and the Department of Energy.

Where information provided is commercial in confidence, it will be treated as confidential and not included in the Register or be disclosed outside the agency unless the Department is legally required to do so.

For more information on Information Privacy, please contact the Privacy Contact Officer for the Department of Natural Resources, Mines and Water on (07) 389 63705.

DNRM RTI DL Release

Author Linda Russell
File / Ref number MDL 282
Directorate / Unit Tenures Support
Phone 32383805

2 August 2007

Custom Mining Middlemount Pty Ltd
Unit C8, No 1 Honeysuckle Drive
"The Boardwalk"
NEWCASTLE NSW 2300

Dear Sir/Madam

MINERAL DEVELOPMENT LICENCE NO. 282

I refer to the application to vary the conditions of MDL 282 dated 22 June 2007.

Under the provisions of section 194AC (1) of the *Mineral Resources Act 1989*, the holder of a Mineral Development Licence may apply to vary the conditions of the licence.

As the application to vary the conditions of MDL 282 to allow bulk sampling has not been made by the holder or all holders, a duly appointed agent or legal representative, it can not be accepted as a valid application.

If it is your wish to proceed with this matter, would you please lodge an application duly signed by all holders.

Yours sincerely

s.49 - Signature


Linda Russell
Senior Tenures Officer
Southern Region



South East Region (Mines)
Dept Mines & Energy
PO Box 1475 Coorparoo
Queensland 4151 Australia
Queensland 4 Australia
Telephone + 61 7
Facsimile + 61 7
Website www.nrm.qld.gov.au
ABN 83 705 537 586

File: MDL 282.
Loose
Doc: MI07/08880

Departmental Correspondence Action Sheet

1

Date of Entry: 22 / 8 / 07

Urgent

Signature: Peter Hoppner

Routine

- For necessary Action
- For Advice
- For Information
- Prepare Draft Reply
- Prepare Draft Reply my Signature
- Prepare Draft Reply D/G Signature
- Prepare Departmental Minute
- Prepare Ministerial Briefing
- No Action
- Copy Provided
- Please Discuss

ACTION OFFICER USE

DUE DATE: / /

Amendment of EA application
is being assessed by EA
Ewald.

s.49 - Signature

21/7/07
Avery

Comments (if any)

DESIGNATED OFFICER

Signature:

Date: / /

FINAL ACTION

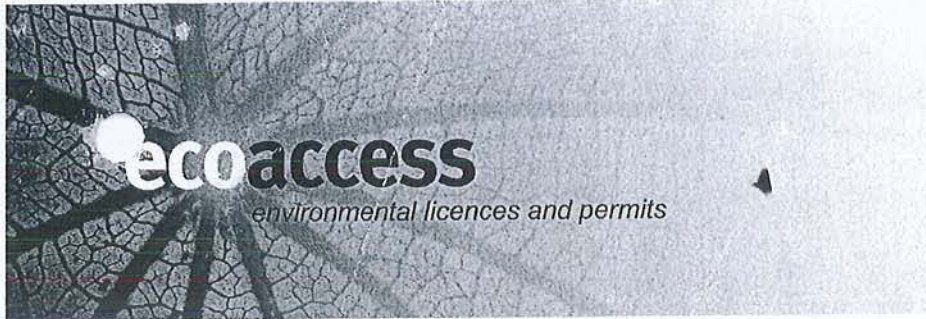
Departmental Minute Prepared Yes No

Comments

Signature:

Date: / /





Department of Mines & Energy
RECEIVED
 24 JUL 2007
 10:30 am/pm s.49 - Signature
 TIME BY
 SOUTH EAST REGION MINES

Notice of assessment level and EIS decision for application to amend an Environmental Authority (Exploration or Mineral Development) Non Code Compliant Level 1 Mining Project

This statutory notice is issued by the administering authority pursuant to sections 246 (ALD) 248 (EIS) and 249 (No EIS) of the Environmental Protection Act 1994 to advise you of assessment level and EIS decisions regarding your application to amend an environmental authority (mining activities).

RIBFIELD PTY LTD
 1 Honeysuckle Drive "The Broadwalk"
 NEWCASTLE NSW 2300

Tenures Support Unit: Mineral and Coal
 Department of Mines and Energy
 PO Box 1475
 COORPAROO QLD 4151

Our Reference: 171784

Dear Sir/Madam

Re: Application for amendment of Environmental Authority (Exploration or Mineral Development) Non Code Compliant Level 1 Mining Project, MIN100562607

Please note that new permit profiles have been implemented and as a result the reference number to the environmental authority has changed from M4533 to MIN100562607.

The EPA has assessed the application received on 02-JUL-2007 to amend environmental authority MIN100562607 and wishes to advise you that the assessment level decision for the amendment application is:

- That the level of environmental harm is likely to be significantly increased>
- The EPA has further decided that an EIS is not required for the proposed amendment.

Your application has been forwarded to the Emerald Office of the Environmental Protection Agency.

If you require more information please contact Rebecca Blades, the Project Manager, on (07) 4982 4555

s.49 - Signature

Ahmad Rahman
 Delegate
 Environmental Protection Agency
 20-JUL-2007

Enquiries:
 Ecoaccess Customer Service Unit
 Ph. 1300 368 326
 Fax. (07) 3115 9600