



GUJARAT NRE COKE LIMITED

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Press Release

Gujarat NRE's Australian Flagship IPO opens

India NRE Minerals Ltd, the Australian subsidiary of Indian coke major Gujarat NRE Coke Limited (GNCL) has lodged an IPO Prospectus to raise AU\$ 15 million (with a right to accept oversubscriptions of a further AU\$ 10 million) and seek listing on the Australian Securities Exchange. The Company, owners of the NRE No 1 colliery in NSW, Australia owns one of the oldest operating coal mine containing a JORC resource of more than 300 million tonnes of prime hard coking coal.

The IPO offers the investors the opportunity to invest alongside India's largest coke producer and participate in the fruits of development being fuelled by growth of the Indian economy.

India NRE is in the process of extending the mine life by developing new access roads and drifts into the unmined areas of the mine and subject to the successful completion of a bankable feasibility study and implementation of a longwall intends to increase production from the current level of 1 million tonne to a long term production target of 4 million tonnes p.a. in about 4 years time. This would transform the company from being one of the new entrants to coking coal sector to one of the largest coking coal producers in Australia other than the industry majors.

India NRE enjoys long term off take commitment from GNCL as well as an ongoing management and funding support. As such the Company is well positioned to reap full benefits of the growing demand for hard coking coal as supply diminishes.

The IPO consists of an offer for 30 million shares at an issue price of 50 cents each with a right to accept oversubscriptions of further 20 million shares. On listing the company would have a market capitalisation, based on the issue price, at AUS \$ 240-250 million. GNCL would hold more than 90% stake following the IPO.

Application can only be made pursuant to the India NRE Prospectus dated 11 May 2007 and lodged with the ASIC. To view the prospectus please visit www.indianre.com.au

Message from Mr. Arun Kumar Jagatramka, Chairman India NRE Minerals

"It is my pleasure to invite you because I strongly believe that wealth multiplies when distributed. Do join us - on our march to prosperity as we always like to have fellow travellers".

GNCL, the largest producer of Low Ash Metallurgical Coke (LAMC) in India and the only listed entity in the sector has been one of the most investor friendly companies in India. Original investors in its IPO in May 1994 have realised compounded annual growth of more than 42% YOY. Investment of Rps. 10 in 1994 equals Rps. 1000 in 2007. Its subsidiary India NRE enjoys substantial freight and logistic benefits as its mine is situated virtually on the Port Kembla, which is one of the most user-friendly ports and only non-congested port in Australia oppose to other ports which are heavily congested with almost 200 bulk vessels in waiting. Relative ease of handling at Port Kembla, its non-congested state and the Company's arrangements with the Port ensure timely shipment of coal without additional cost likely to incur in case of any delay.

For More Information visit our website: www.gujaratnre.com

