

20 November 2009

Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth)

As separately announced, on 20 November 2009, Aquila Resources Limited ("**Aquila**") issued 43,946,413 fully paid ordinary shares ("**Shares**") to Fortune BS Company Pte Ltd, a wholly owned subsidiary of Baosteel Group Corporation.

In accordance with the requirements of section 708A(6) of the *Corporations Act 2001* (Cth) ("**Corporations Act**"), Aquila confirms that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708A(5)(e) of the Corporations Act;
- (c) as at the date of this notice, Aquila has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to Aquila; and
 - (ii) section 674 of the Corporations Act; and
- (d) as at the date of this notice, there is no information that is "excluded information" (within the meaning of sections 708A(7) and 708A(8) of the Corporations Act) which is required to be disclosed by Aquila other than as set out below.

Eagle Downs Hard Coking Coal Project

Aquila Resources Group is a participant in joint ventures in respect of a number of its projects and from time to time disputes arise between the relevant joint venturers. Currently there is a dispute between the joint venturers in respect of the Eagle Downs Hard Coking Coal Project in relation to the operating budget for the period for February to June 2010, which Aquila is seeking to resolve through the dispute resolution mechanism in the relevant joint venture agreement.



Tony Poli
Executive Chairman