

## Eagle Downs Hard Coking Coal Project Board Approval for Mine Development

Aquila Resources Limited (ASX:AQA the **Company** or **Aquila**) refers to its announcement dated 21 December 2011 regarding the decision by Aquila Coal Pty Ltd (**Aquila Coal**) and Vale SA's wholly owned subsidiary, Bowen Central Coal Pty Ltd (**BCC**), at a meeting of the Management Committee of the Bowen Central Coal Joint Venture (**Joint Venture**), to approve a resolution for Mine Development of the Eagle Downs Hard Coking Coal Project (**Project**).

As previously advised, the decision to undertake Mine Development was subject to each Participant obtaining board approval within 45 days after the date of the Management Committee meeting.

This condition has been satisfied in respect of each Participant within the required timeframe.

In light of the above, Aquila Coal considers that the proceedings it commenced in 2011 in the Supreme Court of Queensland against BCC as released to the ASX on 8 September 2011 are now redundant and will not pursue these proceedings further.

Proceedings commenced by Aquila Coal against BCC in 2010 in the Supreme Court of Queensland in which it seeks damages against BCC in relation to the infrastructure arrangements for the Project, continue.

Securing port and rail for the Project remains a key priority for Aquila Coal.

Aquila will continue to keep the market informed of developments in respect of the above.

**Tony Poli**  
**Executive Chairman**

For further information regarding this announcement, please contact Tony Poli.

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