

Media Release

November 24, 2011

Ambre Energy Limited acquires prime producing coal assets in USA

Australian energy company Ambre Energy Limited today announced a significant milestone in the development of its United States thermal coal business.

The Company has concluded the acquisition of a 50 per cent interest in each of two substantial active coal mining assets including operating and management responsibilities for both operations.

Through its North American operations based in Salt Lake City, Utah, Ambre Energy has acquired KCP, Inc. from Level 3 Communications, Inc. a telecommunications and internet service provider headquartered in Broomfield, Colorado.

KCP has a 50 per cent ownership stake in both the Decker Coal Company in southern Montana and the Black Butte Coal Company in Wyoming, and certain operational responsibilities in respect of those mines.

The current production at these mines is approximately 6.0 million tonnes in total per annum. Additionally, KCP owns 100 per cent interest in the remaining reserves of the Big Horn Coal Company and the Rosebud Coal Sales Company.

It follows the earlier purchase by Ambre Energy of the Millennium Bulk Terminals port facility (MBT) on the Columbia River near Longview, Washington State in January this year, with Arch Coal, Inc. (NYSE:ACI), the second largest U.S. coal producer taking a 38 per cent stake in MBT.

CEO Edek Choros said: "Even before that purchase, the Company had been keen to acquire KCP, after some years of evaluating various coal mining assets.

"Our plan is to build a vertically integrated business, including the sale of US thermal coal to customers in Asia and Europe."

The acquisition of KCP, Inc. was partly financed through an equity investment in Ambre Energy by Resource Capital Funds (RCF), a mining focused private equity firm based in Denver Colorado.

"We are very pleased to have such a well respected investor as RCF," said Mr Choros. "We particularly welcome RCF partner Ross Bhappu as an Ambre Energy director as he brings a wealth of experience and expertise to our board."

Both of the KCP operating mines, as well as Ambre's US export terminal development sites, are connected by an efficient rail network serviced by a number of rail companies.

Ambre Energy Limited is proposing an IPO on the ASX in the second quarter of 2012.

ENDS

Further enquiries:

Andrew Crook
Mb: 0419 788 431