21 Dec 2007

To,
The Company Announcement Office
Australian Securities Exchange
20, Bridge Street, Sydney
NSW 2000

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PRESS RELEASE

GUJARAT NRE GROUP COMPLETES ACQUISITION OF ELOUERA MINE

Gujarat NRE Resources NL (Gujarat) announced today that it completed the acquisition of the Elouera mine (Elouera), from BHP Billiton, which was a part of the Illawarra Coal Business located in New South Wales, Australia. Completion of the sale follows the transfer of the coal lease and associated licenses, and includes the mine, associated land holdings and the responsibility for rehabilitation and closure of the mine once operations are complete. The company announced that the Mine will be re-christened NRE Wongawilli Colliery as a recognition of the mine's historical value to the district.

The acquisition of the Elouera Mine will accord the Gujarat NRE group ready infrastructure, including mining equipment and railway access to Port Kembla. According to current plans, Gujarat NRE intends to commence mining from February 2008, with development works commencing for the first of three (3) longwall blocks with immediate effect. It also stated that it plans, in addition to mining the remaining longwall blocks, to develop new headings towards the South and West to access the NRE Avondale lease area which the Company owns. Large reserves of coal exist in the combined NRE Wongawilli and NRE Avondale leases, which will provide more than 20 years of mine life.

This viewed in the backdrop of a global surge in the demand for coal, the company is expected to reap a windfall for the group.

For more information please contact Mr. Mihir Dave at 02 4223 6828 or Mr. Sanjay Sharma at 02 4223 6836.

For and on behalf of Gujarat NRE Resources NL

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Mihir Dave
Company Secretary