

## **NOBLE COMMENTS ON PEABODY'S LAST MINUTE OPPORTUNISTIC GRAB**

5 April 2010, Hong Kong

The board of Directors of the Noble Group have noted with interest the recent developments regarding an unsolicited offer by the United States based Peabody Coal for Macarthur. The board of Macarthur reacted to their bid with the same enthusiasm as a lost and hungry hiker who stumbles across a road kill Roo that had been in the sun too long, and not surprisingly said "no thanks".

We at Noble noted that this unsolicited offer had, as one of its many conditions, a requirement that the merger between Gloucester and Macarthur not proceed. This merger had already been carefully considered over a substantial period of time by the boards of both companies and had been unanimously supported and recommended to Macarthur's shareholders at a vote to take place on April 12, 2010. Without putting too fine a point on it, everyone at board level thought it was a great deal for their respective shareholders.

The entire concept behind the Gloucester-Macarthur merger was to build a truly outstanding multi mine and port Australian-based coal group with unique access to key markets. It was also crafted to give all shareholders who had patiently held the various shares involved the right to ride along and enjoy any potential upside.

Life was great until a few days ago when, instead of jumping on their horses, the Americans charged into town on a Gulfstream jet for the afternoon and plunked a bid down that was a great deal for them, and not, in our view, anywhere near what was already on the table. Hats off to them for being opportunistic and crafty; it ruined our Easter weekend.

So, now, instead of looking for eggs with our kids, we have to draft this release and inform the market that the Noble Group will have to give long hard thought as to whether we will try to chase these chaps out of town by, among other things, exercising, if certain events occur, our option to increase our share of Middlemount mine to 50 percent, where we would have the right to sell 100 percent of the output for the life of the mine. It goes without saying the Middlemount mine would then have to be operated as a separate 50-50 joint-venture company. We will also have to give thought to other ways in which we would make the interlopers from St. Louis leave us alone. Our quiver is far from empty. What will they do if we also review our rights under the Monto project and act to protect our investment? For them, this transaction would make a Porcupine seem well-shaven.

What we would really like is for the Americans to go back home. We busted our tail to put together a good fair deal that will build a great company. All they are doing is trying to throw a wrench in a well thought-out deal with a check book and try and turn people's heads with a short-term payoff.

All of this reminds us of the wonderful story about the late great Kerry Packer. The story goes that he was trying to play a little blackjack and an American kept bugging him to get into the game. Finally Kerry got exasperated, looked up at the hapless guy and said, "what are you worth?". Mr. Texas puffed up and said "One hundred million"; Kerry replied "flip you for it". We consider that we have earned our stripes by building well run, publicly held businesses over time ..... and by not underestimating the grit of the country. Even in the face of Americans with checkbooks.

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# For Immediate Release



## About Noble Group

Noble Group (SGX: N21) is a market leader in managing the global supply chain of agricultural, energy, metals and mining resources. The Group operates from over 150 offices and plants in 38 countries, employing approximately 70 nationalities and serving more than 4000 customers. Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation. With 2009 annual revenues exceeding US\$31 billion, Noble owns and manages an array of strategic assets, sourcing from low cost producers such as Brazil, Argentina, Australia and Indonesia and supplying to high growth demand markets including China, India and the Middle East. Today, Noble has interests in grain crushing facilities, coal and iron ore mines, fuel terminals and storage facilities, sugar and ethanol plants, vessels, ports and other infrastructure to ensure high quality products are delivered in the most efficient and timely manner to its customers.

In late 2009, Noble Group was honored at the DHL SCMP Hong Kong Business Awards by winning the coveted International Award. During the year, Noble ranked #218 on the Fortune Global 500 and achieved "Investment Grade" ratings (Baa3) from Moody's Investors Service and (BBB-) from Standard & Poor's, complementing its initial "Investment Grade" rating (BBB-) from Fitch the previous year. In addition, Noble appears on the Forbes Global 2000 and Forbes Fab 50 lists of leading companies. Noble Group is among the 30 securities listed on the Straits Times Index.

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