

## ASX ANNOUNCEMENT

19 April 2012

### COALBANK BLACKALL PROJECT DRILLING UPDATE

#### Key Points:

- COALBANK LIMITED is pleased to announce that its exploration drilling programme at its Blackall Coal Project is proceeding on schedule with 54 new holes completed to date.
- Leading coal geological consulting group, McElroy Bryan Geological Services Pty Ltd has been engaged for field geological services and to estimate the JORC-compliant coal resource.
- The company maintains its target of achieving a maiden JORC-compliant coal resource in mid 2012.

**COALBANK LIMITED (ASX: CBQ)** is pleased to advise that the exploration drilling programme at its Blackall Coal Project south of Blackall is proceeding to plan with three drilling rigs currently operating.

COALBANK Chairman, Mr Roger Clarke, said that the Company was pleased to confirm the smooth progression of its exploration program towards the major milestone of achieving its maiden JORC-compliant coal resource during mid-2012.

To date 54 of the planned 76 holes have been completed. Of these, 11 of the holes were cored and the remaining 43 were chip holes. All holes (cored and chip) have been geophysically logged.

Coal quality samples are being regularly despatched to the ALS coal laboratory as the programme progresses to provide coal quality data required for completion of the anticipated resources statement.

Figure 1 below shows the project location and indicates the location of a sample cross-section (Figure 2) illustrating coal seam development between drill holes.

Mr Clarke said that the data gathered in the current programme continues to confirm the presence and extent of shallow coal seams identified in the 2011 drilling programme.

McElroy Bryan Geological Services Pty Ltd is providing geological services to the programme, including development of the geological models for the Company's Blackall Project ahead of providing a JORC-compliant coal resource report. McElroy Bryan is a leading geological consultant to major resource companies specializing in the geology of stratified deposits, particularly coal.

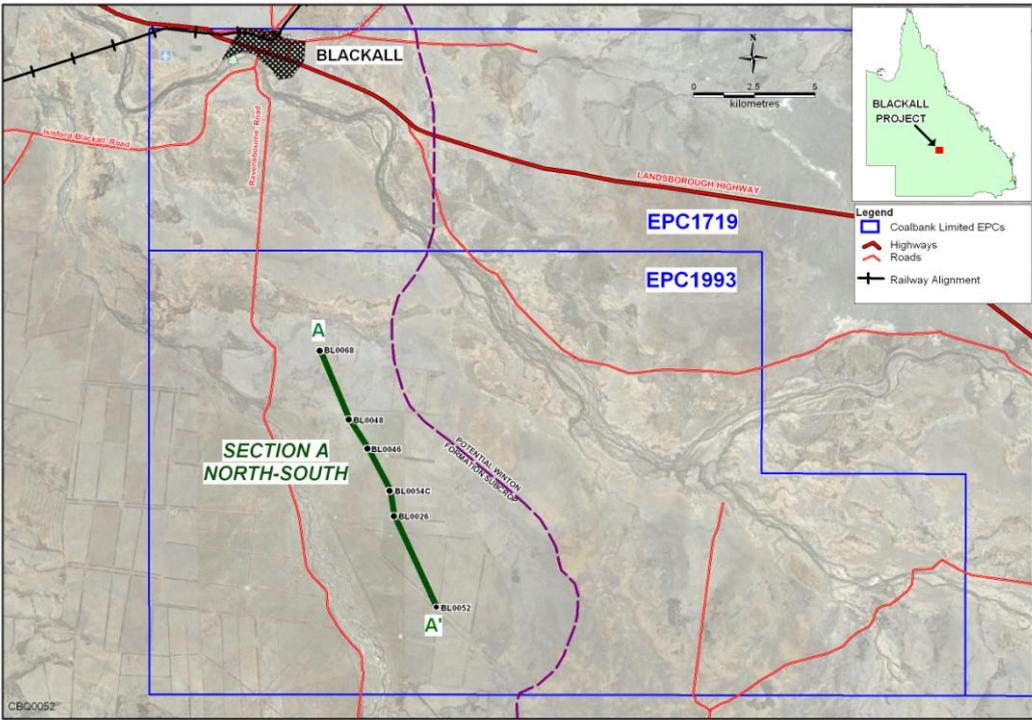
"As previously advised, COALBANK's maiden JORC compliant resource is expected to be released mid-year, subject to completion of the remaining drilling program and receipt of coal quality results from the laboratory".

"We are increasingly excited about the future of COALBANK and its Blackall Coal Project from the interim results from our latest drilling", Mr Clarke said.

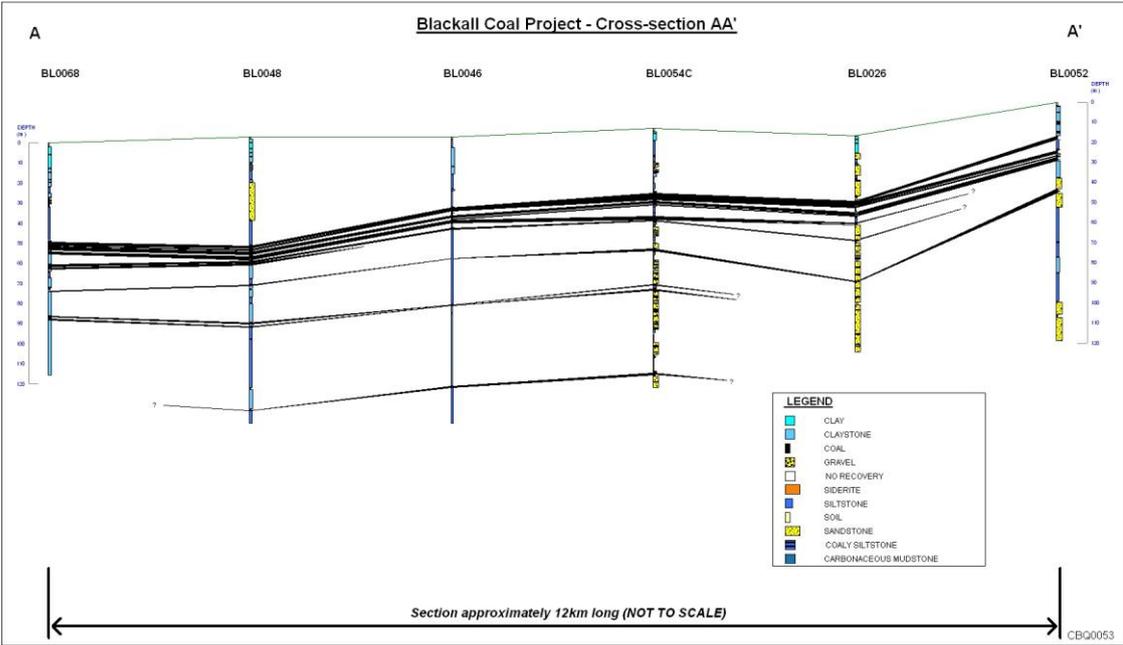
#### COALBANK LIMITED

ABN 20 075 877 075

Level 1 101 Edward Street Brisbane Queensland 4000 • GPO Box 762 Brisbane Queensland 4001 Australia  
T +61 7 3229 6606 • F +61 7 3221 6625 • [info@coalbank.com](mailto:info@coalbank.com) • [www.coalbank.com](http://www.coalbank.com)



**Figure 1: Location of COALBANK’S Blackall Coal Project.**



**Figure 2: Sample Cross-section - Blackall Coal Project.**

*Ends*

Further information:

Bruce Patrick  
 CEO  
 COALBANK Limited  
 Ph: 07 3229 6606

Greg Baynton  
 Deputy Chairman (Executive)  
 COALBANK Limited  
 Ph: 07 3229 6606

**About COALBANK LIMITED**

COALBANK LIMITED is an ASX-listed company (ASX:CBQ) that invests in and develops early stage upstream energy projects, which also has a portfolio of metals projects held via its 100%-owned subsidiary, Harvest Metals Pty Ltd.

As its core focus, the Company holds one of the largest coal exploration permit areas in Australia, and is primarily focused on coal exploration in Queensland. Significant value is added to the Company's projects through its team's exploration expertise and commercial discovery experience.

COALBANK's future strategy includes the involvement of strategic industry partners for its key projects to accelerate their development from exploration to production. Given COALBANK's core focus on coal exploration, the Company will consider joint venture partners or spin-off opportunities for our petroleum subsidiary Surat Gas Pty Ltd, and for its metals subsidiary, Harvest Metals Pty Ltd.