

## ASX ANNOUNCEMENT

13 November 2013

### STRATEGIC UPDATE & INVITATIONS FOR COAL SUPPLY

**COALBANK LIMITED (ASX: CBQ, COALBANK or the Company)** is pleased to provide an update on the Company's strategic direction following the announcement of the proportional takeover offer by Treasure Wheel Global Limited (TWGL) becoming unconditional.

As advised in previous announcements, following feedback from shareholders and ongoing discussions with Loyal Strategic Investment Limited (parent entity of TWGL), the parties are in the final stages of a change-of-control transaction aimed at retaining the Company's ASX listing to pursue existing projects and other growth and income-generation opportunities.

The transaction provides shareholders and new investors with the opportunity to participate in the Company's future.

As previously announced, Loyal Strategic Investment Limited has recent experience of successfully sourcing and trading Australian coal into China.

The principals of Loyal Strategic also have significant business networks within China, Hong Kong and Macau, together with well-established relationships with trade and investment financiers and coal users.

With this valuable combination of experience in coal trading and business and finance networks in China, the new controlling shareholder of COALBANK has advised its intention to pursue a dual strategy for COALBANK focused on:

1. **Coal procurement and trading** to pursue short-to-medium term revenue opportunities; and
2. **Exploration and development** of existing and new coal projects for the creation of longer-term shareholder value.

This dual strategy provides a long-term solution for building shareholder wealth by introducing new revenue opportunities.

The more detailed strategic approach is expected to be refined over coming months as the Company's exploration portfolio is reviewed and as the Company explores new opportunities for coal trading and long-term off-take with third-party producers.

In this regard, COALBANK welcomes expressions of interest from metallurgical and thermal coal producers for both short- and long-term off-take arrangements.

For further information or to contact COALBANK regarding coal supply or off-take arrangements:

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