

Date: 29 January 2015
To: Australian Securities Exchange
Companies Announcement Office
Electronic Lodgment System

Dear Sir

ACTIVITIES REPORT FOR QUARTER ENDED 31 DECEMBER 2014

ACTIVITIES RELATED TO ENERGY PROJECTS:

Coal Projects – General

The company has undertaken limited field activities with no drilling in its permits in the quarter.

Following a review of the exploration permit portfolio, taking into account current availability of rail and port infrastructure and likelihood of timing for new infrastructure, the company has commenced the process of relinquishing a number of permits where no coal resources have yet been identified.

Company officers took the opportunity in early October to meet the Coal Assessment Hub team in the Rockhampton office of the Department of Natural Resources and Mines who recently took over the management of Exploration Permits for Coal to discuss our relinquishment strategy.

The intention is to rationalise holding costs in areas where coal project development would be very long term in the current industry environment. All permits were current at the end of the quarter.

Farm-in and Farm-out Arrangements

Beneficial percentage interests held in farm-in or farm-out agreements at end of the quarter -

Nil

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter -

Nil

Coal Projects - Tenement Portfolio Update

Mining tenements acquired and disposed of during the quarter and their location -

Nil

Mining tenements held at the end of the quarter and their location -

COALBANK holds a portfolio of 31 granted EPCs (see following table).

TENEMENT HOLDINGS 31 DECEMBER 2014

TENEMENT	PROJECT NAME	INTEREST	COMMENT
EPC 1484	AUGATHELLA NORTH EAST	100%	GRANTED
EPC 1621	TAMBO SOUTH EAST GAP	100%	GRANTED
EPC 1784	WAROONGA	100%	GRANTED
EPC 1800	MARANOA RIVER	100%	GRANTED
EPC 1719	BARCOO RIVER-BLACKALL RAIL	100%	GRANTED
EPC 1482	AUGATHELLA EAST 2	100%	GRANTED
EPC 1697	ALPHA RAIL	100%	GRANTED
EPC 1624	MORVEN NORTH EAST	100%	GRANTED
EPC 1632	TAMBO	100%	GRANTED
EPC 1633	AUGATHELLA SOUTH EAST 1	100%	GRANTED
EPC 1776	UPPER SURAT EAST 1	100%	GRANTED
EPC 1777	UPPER SURAT EAST 2	100%	GRANTED
EPC 1794	MORVEN NORTH	100%	GRANTED
EPC 1644	AUGATHELLA SOUTH EAST 2	100%	GRANTED
EPC 1789	MUCKADILLA NORTH EAST	100%	GRANTED
EPC 1795	ROMA NORTH WEST	100%	GRANTED
EPC 1788	MUCKADILLA NORTH	100%	GRANTED
EPC 1786	DULBYDILLA	100%	GRANTED
EPC 1993	BLACKALL SOUTH CORNER	100%	GRANTED
EPC 1623	BYMOUNT WEST	100%	GRANTED
EPC 1481	AUGATHELLA EAST 1	100%	GRANTED
EPC 1625	ALPHA SOUTH WEST 2	100%	GRANTED
EPC 1414	MARANOA RIVER	100%	GRANTED
EPC 1415	WARREGO	100%	GRANTED
EPC 1418	TAMBO EAST 2	100%	GRANTED
EPC 1417	TAMBO EAST1	100%	GRANTED
EPC 1622	ALPHA SOUTH WEST 1	100%	GRANTED
EPC 1524	MORETON SOUTH	100%	GRANTED
EPC 2239	COAL CREEK	100%	GRANTED
EPC 1249	RATHDOWNEY	100%	GRANTED
EPC 2376	WALLOON WEST	100%	GRANTED

CORPORATE ACTIVITIES:

Coalbank Limited (**ASX: CBQ**) announced on 10th November 2014 that it has entered into a binding Terms Sheet with Zedemar Holdings Pty Ltd (**Zedemar**), a privately owned company, to acquire a 100% interest in ML 4712, known as Ebenezer Mine together with its associated assets and MDL 172 (**Project**).

Completion of the purchase is subject to a number of conditions precedent, including finance and shareholder approval (if required). As further announced on January 8th 2015, the parties have agreed to extend until 18th February 2015 the satisfaction of the conditions precedent.

The company continues to look for opportunities in resource related activities. These include acquisitions, joint ventures on current projects and commodity trading which would allow the company to improve its cash flow and provide further funds for development of projects.

Yours faithfully,

Anthony Chan – Chairman

Further information:

Andrew Fogg – Chief Executive Officer

Bruce Patrick – Chief Operating Officer

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