



Quarterly Report

For the 3 months ended March 2023

This Quarterly Report updates activities undertaken during the period 1 January 2023 to 31 March 2023.

1. PROJECTS

Savoy Hill Coal Project (100%)

On 18 October 2022, the Savoy Hill Exploration Licence 6812 (**EL 6812**) was renewed for a period ending on 20 June 2028.

As announced, the Company will now proceed to undertake the work schedule specified in the renewal. This includes a phase 3 drilling program of seven cored holes which will provide data on resource quantum and quality for 6 coal seams known to occur on EL 6812. Drilling will commence after all required access and agreements are completed with relevant landholders. In the interim work will commence on a comprehensive review of existing data.

Details of the planned exploration program intended for EL 6812 are as follows:

Year 1 (2023)	Apply for all required approvals for phase 3 drilling and conduct a complete third party review of all previous exploration activities and studies.
Year 2 (2024)	Commence phase 3 drilling of 3 holes including coal quality testing.
Year 3 (2025)	Complete phase 3 drilling of another 4 holes (7 in total) including 4 groundwater monitoring holes.
Year 4 (2026)	Complete remaining 4 groundwater monitoring holes (8 in total).
Year 5 (2027)	Commence Environmental Impact Statement (EIS) and Pre-Feasibility Studies.
Year 6 (2028)	Continue EIS and prepare Feasibility documentation including Renewal Application for EL 6812.

Registered Office
 c/- 28 Honeysuckle Drive
 Newcastle NSW 2300
T +61 2 4013 6181
E admin@nucoal.com.au
www.nucoal.com.au

ASX:NCR • Share Information

Issued Shares: 768.6m

Board of Directors

Chairman:	G. Galt
Non Executive Director & Company Secretary:	G. Lewis
Non Executive Director:	M. Davies

The timings in the planned program allow for the negotiation of approvals with relevant stakeholders required for the exploration drilling, including approvals from both AGL and the NSW Government. We have commenced the process of contacting appropriate personnel at each of these organisations to obtain the necessary approvals.

We have allowed for a period of 12 months to obtain the approvals at this point. If we can achieve a shorter period, then we will advise shareholders accordingly.

2. SUSPENSION OF SHARES

As previously advised, the ASX wrote to the Company on 24 February 2022 affording NuCoal a period of six (6) months from 18 July 2022 to demonstrate to the ASX that it is or has become compliant with Listing Rule 12.1.

Pursuant to this, correspondence was received from the ASX on 9 March 2023 notifying the Company that the shares in NuCoal will be suspended from 4pm, Monday 13 March 2023.

Relevant documents which have passed between the ASX and NuCoal between February 2022 and 10 March 2023 are available on our website at Investors → ASX Correspondence (<https://nucoal.com.au/investor-centre/>).

Your Directors have decided not to pursue any legal challenge to the ASX's actions at this time because it would waste the precious funds we have available to progress EL 6812 and to continue our case for compensation.

We will continue to seek justice and to increase the value of our Company and will explore other ways to allow shareholders to trade and advise as these are pursued.

3. NUCOAL'S LEGAL CASES

Background

On 31 January 2014, the NSW Government passed the *Mining Amendment (ICAC Operations Jasper and Acacia) Act 2014* (NSW) (**Mining Amendment Act**), cancelling Exploration Licence 7270 (**EL 7270** or **Licence**) with no compensation payable to NuCoal or its shareholders. The legislation was passed following an inquiry by the Independent Commission Against Corruption (**ICAC**).

Information regarding the ongoing legal and political strategy, both domestically and internationally, to seek redress for shareholders is outlined below.

Domestic Efforts

The Standing Committee on Law and Justice (**Standing Committee**) considered a bill introduced by the Hon. Rev Fred Nile, the *Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019* (**Compensation Bill**), during the second half

of 2019. Following a detailed process, the Standing Committee tabled its report with the Clerk of the Parliaments on 30 October 2019. The report was made publicly available via the Standing Committee website on the same day.

As outlined in the report, the Committee provided the following recommendations:

- **Recommendation 1** – That the *Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019* not proceed in its current form.
- **Recommendation 2** – That the NSW Government address the outstanding matters raised during this inquiry, where appropriate, including the issue of compensation for innocent shareholders.

As is standard protocol, the NSW Government was required to formally respond to Parliament within 6 months of the Standing Committee's report being published. On 30 April 2020, NuCoal received a copy of a letter from the NSW Attorney General, Mark Speakman, addressed to the Clerk of the Parliaments. The letter acknowledges the Standing Committee for their efforts, notes that the Government supports the Standing Committee with respect to Recommendation 1 (as noted above) and further notes that the position of the Government is reserved with respect to Recommendation 2 (also noted above).

Since receiving the correspondence NuCoal has continued its representations to the NSW Government. A follow-up letter was sent to the NSW Attorney General, Mark Speakman, dated 8 May 2020 asking what the next steps will be in this matter. Further letters and requests to relevant members of NSW Parliament have continued since then and are still being made. All representations request an opportunity to meet and discuss the matter with a view to obtaining a mutually agreed compensation position. The Government maintains that it is still considering the matter.

Committee on the Independent Commission Against Corruption

On 8 May 2020, the Committee on the Independent Commission Against Corruption commenced an inquiry into the reputational impact on an individual being adversely named in the ICAC's investigations. The terms of reference for the Committee are noted below:

"That the Committee on the Independent Commission Against Corruption (ICAC) inquire into and report on the reputational impact on an individual being adversely named in the ICAC's investigations, with particular reference to:

- *whether the existing safeguards and remedies, and how they are being used, are adequate, and*
- *whether additional safeguards and remedies are needed, and*
- *whether an exoneration protocol should be developed to deal with reputational impact, and*
- *relevant practices in other jurisdictions, and*
- *any other related matters."*

The Committee accepted public submissions until Friday 31 July 2020 and NuCoal provided a submission on that date.

The submission pointed out that damage to the reputation of individuals is only one impact of ICAC's investigations, with NuCoal's shareholders having incurred huge financial loss as a result of the fundamentally flawed Acacia investigation and ICAC's recommendations. Accordingly, an exoneration protocol that only deals with reputational damage to individuals is totally inadequate. NuCoal's view is that damage caused by ICAC can only be corrected by providing damages commensurate with the damage done and in an appropriate form and quantum.

A public hearing was held at Parliament House on Friday 18 September 2020 however, the public was not able to attend as Parliament House was closed. The hearing was livestreamed on the Parliament's website.

Further public hearings were held on Wednesday 2 December 2020 and 25 February 2021 and NuCoal volunteered to attend to provide further information regarding its submission, but the Committee did not extend an invitation to NuCoal.

The Committee handed down its report in November 2021 and noted the following recommendation:

"the Legislative Council Standing Committee on Law and Justice's inquiry on the Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019, recommended for the Government to address the outstanding matters in relation to NuCoal, including the issue of compensation for 'innocent stakeholders'. The Government's response reserves its position this matter. Given the time that has passed since then, the Committee urges the NSW Government to respond to the Legislative Council's Law and Justice report as a matter of urgency."

The report was unanimous and bipartisan, so its recommendations were uncontroversial and should have been taken up by the Government without further delay. Since the report was published, NuCoal has held discussions with a number of NSW Government representatives to continue to progress the matter of compensation. These efforts are continuing.

International Efforts

The Company is continuing to pursue claims against the Australian Government on behalf of U.S. shareholders pursuant to the Australia US Free Trade Agreement (**AUSFTA**). This potential international action is being progressed with a view to obtaining compensation from the Australian Government for the decision by the NSW Parliament to expropriate EL 7270 without payment of compensation.

With respect to the Compensation Bill – a number of US shareholders have lodged individual submissions with the Standing Committee. In addition, the Company is aware that the USTR made fresh representations to DFAT around the time of the Standing Committee hearings which reiterated its ongoing desire to resolve the claims of its NuCoal shareholders under the AUSFTA and which cited the proposed Compensation Bill as a potentially suitable way to resolve the matter.

Our lobbyists in Washington continue to present our case to new officials in the USTR appointed under the Biden administration. To progress our international efforts the

Company met with representatives from the USTR via zoom on Friday 21 January 2022. During this meeting the Company updated the USTR on our continuing quest to obtain compensation for the cancellation of EL 7270. The USTR remains interested in the NuCoal matter and the Company agreed to update them on any relevant developments as they occur.

As previously communicated, shareholders should note that any successful action directly under the AUSFTA will benefit only the shareholders who bring and participate in the action (i.e. US shareholders in NuCoal who held shares at the time of expropriation).

Engagement with the Perrottet Government in mid-2022

The NSW Government engaged with NuCoal in mid-2022. A request was made by the Department of Premier and Cabinet for a list of NuCoal shareholders. This was provided. Several further interactions occurred up until July 2022.

Relevant documentation is now on our website at Compensation → Supplementary Documents (<https://nucoal.com.au/compensation/>). An excerpt from those documents is copied below.

“Despite many and regular attempts to ascertain where the DPC’s consideration of the matter was up to since July 2022, NuCoal heard nothing more from the DPC. Shareholders will note there was a request from DPC that we should keep the correspondence confidential, subject to the requirements of the Corporations Act 2001. NuCoal made no commitments in this respect. As noted above, our current legal advice is NuCoal has a responsibility to release this information, especially now that Mr John Maitland has been found to be not guilty of any criminality associated with the award of EL 7270 in December 2008. With Mr Maitland’s acquittal the NSW Government no longer has any reason to state that future relevant (possible) legal proceedings could be affected.

Regarding the implications of the correspondence, NuCoal comments as follows:

- The request from the DPC for shareholder information in mid-2022 shows that the NSW Government was actively undertaking consideration of providing compensation to NuCoal at the time. Such consideration was in accordance with the original ICAC recommendation and the findings and recommendations of both the Standing Committee on Law & Justice and the Committee on the Independent Commission Against Corruption (Reputational Impact on an individual being adversely named in the ICAC’s investigations). These latter recommendations were unanimous and multi-partisan.*
- The fact that the matter was under active consideration shows, in the opinion of NuCoal Directors, that the Government believed that NuCoal was deserving of compensation as per the conclusions of the Parliamentary Committees. It also supports the conclusion that – even though the Government was publicly stating that the compensation matter could not proceed because of impending legal proceedings – it was actively considering compensation.*

The Government ceased corresponding with NuCoal for reasons known only to itself after the 2 July 2022 email noted above. It may be that the Attorney General decided to revert to his stance that he won't comment on this matter pending legal proceedings – but all relevant legal proceedings that could affect the matter of compensation are now finished. The only possible legal matter which may still come to be heard in the future is a (possible) appeal by the former Mining Minister, but clearly that has no bearing on NuCoal."

NuCoal's Current Conclusions and Corporate Position

It has now over nine years since the NSW Parliament cancelled EL 7270, and three full years since the Parliament's Law and Justice Committee recommended, after consideration of a Private Member's Bill which sought to resolve our compensation matter, *"that the NSW Government address the outstanding matters raised during this inquiry, where appropriate, including the issue of compensation for innocent shareholders."*

Despite this lapse in time, the Company's energy level in pursuing what is right and fair is undiminished. The Company is a long-term going concern, with substantial cash reserves of approximately \$2.95m and an ongoing cost base which is minimal. The Company remains committed and will continue to seek every opportunity to push our case with all and every relevant person.

In summary, in the period between December 2013 and now, NuCoal's innocence has been affirmed by ICAC, the Supreme Court of NSW, and two NSW Parliamentary Committees, with the last of these recommending (November 2021) that urgent action should be taken to compensate NuCoal for the cancellation of EL 7270.

The declared and agreed innocence of NuCoal and its shareholders, the findings of the two Parliamentary Committees, Mr O'Farrell's apology to NuCoal directors, and the complete failure of the State to find evidence of any wrongdoings, ever, **including now the acquittal of Mr Maitland**, clearly demonstrate that:

- no DCM or NuCoal director was ever guilty of any wrongdoing;
- the cancellation of EL 7270 by the O'Farrell Government had no basis in fact and was therefore completely incorrect and unjust; and
- NuCoal should be compensated urgently by the NSW Government.

The acquittal of Mr Maitland is the latest in a continuing list of matters that all demonstrate conclusively that NuCoal should be compensated.

There is not one item that has gone against your Company in our quest for our rights. The Board of NuCoal intends to continue to push for just compensation for its innocent shareholders.

Thankfully we now have a new Government in NSW. We are hopeful that this will lead to a resolution of our matter as soon as possible.

Change in Government

Following the results of the 2023 NSW State election held on 25 March 2023, NuCoal has contacted the new Premier of NSW, The Hon Chris Minns MP, with a view of progressing the path of compensation that was in place with the previous Government prior to the election.

We made our availability clear to meet with the appropriate ministers and other relevant personnel in the new Government as soon as possible, in a continued attempt to finalise this matter and rule a line under what has been an extremely difficult time for all our shareholders. As always, the Company expressed its keenness to resolve this matter and we will keep shareholders updated, via both the ASX and our website, of further developments in this regard.

Social Media

The Company has increased its presence in the social media space and encourages shareholders to follow and like communications via these channels. The more support received will only assist in the continued fight for justice for shareholders.

Facebook – <https://www.facebook.com/NuCoalMining/>

Twitter – <https://twitter.com/nucoal?lang=en>

4. CORPORATE

Cash and deposit

Cash and deposits as at 31 March 2023 were A\$2.95m.

5. ADDITIONAL REPORTING REQUIREMENTS

The following additional information is provided in accordance with ASX Listing Rule 5.3.3.

Beneficial percentage interests held in farm-in or farm-out agreements

NuCoal does not hold any interests in farm-in or farm-out agreements.

Related Party Payments

Related party payments total \$15k for the quarter and relate to Director Fees paid. Refer to Item 6 in Appendix 5B.

Interests in Mining Tenements

The Company held the following mining tenements during the quarter.

Tenement	Location	% interest at the beginning of the quarter	Acquired and/or disposed	% interest at the end of the quarter
EL 6812	Savoy Hill, New South Wales	100	N/A	100

This announcement has been authorised by the Board.

Date of Document: 28 April 2023

For further enquiries please contact:

Gordon Galt
Chairman
Telephone: +61 2 4013 6181

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

NuCoal Resources Ltd

ABN

29 060 352 990

Quarter ended ("current quarter")

March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(92)	(93)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(21)	(74)
	(e) administration and corporate costs	(134)	(226)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	37	43
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(210)	(350)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) – proceeds from loan receivable	-	65
3.10	Net cash from / (used in) financing activities	-	65

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,165	3,240
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(210)	(350)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	65

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,955	2,955

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	335	345
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) – Term Deposits	2,620	2,820
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,955	3,165

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	15
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(210)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(210)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,955
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,955
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	14
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.