

ASX ANNOUNCEMENT

SECURITIES TRADING POLICY

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17 November 2014: International Coal Limited (ASX: ICX) releases a revised Securities Trading Policy.

Ends

For further information please contact:

Hugh Dai

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SECURITIES TRADING POLICY

1. Introduction - Purpose & Objectives

This Policy sets out the restrictions that apply to trading in the securities of International Coal Limited (**International Coal** or the **Company)** by Directors, officers, employees and consultants and contractors of the Company.

This Policy is aimed at ensuring that all International Coal Staff comply with the law at all time and their dealings in Securities and inside information are within the letter and the spirit of the law, and meet industry practice and market expectations. The Policy also assists the Company in its disclosure and reporting obligations, while maintaining and promoting its reputation.

For the purposes of this Policy, **dealing** includes, without limitation securities transactions such as transfers of beneficial ownership and trading (either directly or indirectly).

2. Application

This policy applies to all International Coal Staff, which includes:

- **Employees** all Executive and Non-Executive Directors, officers, employees, contractors and consultants of the Company; and
- Persons over whom an Employee has or is deemed to have investment control or influence.

Designated Persons are Directors and Senior Executives of International Coal Limited, and any family member or associate over whom they have influence, and any other person designated by the Chairman as a Designated Person.

International Coal Securities includes shares in International Coal Limited quoted or traded on any securities exchange, options over those shares, rights and derivatives.

3. Insider Trading - Inside Information

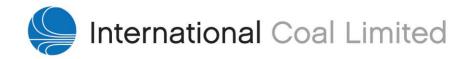
The *Corporations Act 2001* (Cth) (**the Act**) prohibits the dealing in any financial products by those in possession of inside information. Inside information is information that:

- is not generally available; and
- if it were generally available, would or would be likely to influence investors in deciding whether to buy or sell an entity's securities.

Information is generally available if it:

- is readily observable;
- has been made known in a manner, e.g. released to the ASX, likely to bring it to the attention of
 persons who commonly invest in securities and a reasonable period for that information to be
 disseminated has elapsed since it was made known.

Where a person has inside information in relation to securities of any company, that person must not deal in those securities, advise others or procure others to trade in the securities or pass on the inside information to any person who will use that information to trade in, or procure someone else to trade in, the securities.



Insider trading is a criminal offence, attracting potential fines and imprisonment. At the date of this Policy, the maximum penalty for insider trading is 10 years imprisonment and/or a fine, being the greater of \$765,000 or three times the amount of the benefit obtained. Civil penalties and compensation may also be ordered against a person who engages in insider trading.

Dealing in International Coal Securities or the securities of another entity is prohibited at any time that an International Coal Staff member possesses inside information in relation to the Company or the securities of another entity, regardless of whether this Policy provides that dealing may otherwise occur at that time.

Examples of information that might be inside information include, but are not limited to:

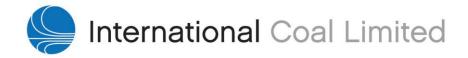
- information regarding a material increase or decrease in the Company's financial performance from previous results or forecasts;
- a proposed material business or asset acquisition or sale;
- the damage or destruction of a material operation of the Company;
- proposed material legal proceedings to be initiated by or against the Company;
- · regulatory action or investigations undertaken by a government authority;
- the launch of a material new business; or
- a proposal to undertake a new issue of shares or major change in financing.

4. Black-Out Periods

For the purposes of this Policy, certain periods are designated Black-Out Periods and no trading in International Coal Securities may occur during those times. The Black-Out Periods are as set out below.

	Black-Out Period	
Circumstance	Designated Persons	Other International Coal Staff
Release of full year results to ASX	From end of relevant financial year until start of the trading day following release	4 weeks before release until start of the trading day following release
Release of Half Year results to ASX	From end of relevant half year until start of the trading day following the release	4 weeks before release until start of the trading day following release
Release of Quarterly reports to ASX	4 weeks before release until start of the trading day following release	

The Chairman may also determine that certain additional periods are Black-out Periods for the purposes of this Policy, including when the Company is considering matters subject to ASX Listing Rule 3.1A. Any additional Black-out Periods will be notified to Designated Persons.



In exceptional circumstances, the Chairman may grant permission to trade during a Black-out Period, refer below

Outside a Black-Out Period, the laws prohibiting insider trading continue to apply to International Coal Staff.

5. Exceptional Circumstances

In exceptional circumstances Designated Persons may be given prior written clearance to dispose of (but not acquire) International Coal Securities where they would otherwise be prevented from doing so due to a Black-Out Period. Those circumstances are where the Designated Person:

- is in severe financial hardship or other exceptional circumstances apply;
- is not in possession of inside information in relation to International Coal Securities; and
- has sought permission from the Chairman (or in the case of the Chairman, the Board) and the Chairman or the Board (as applicable) has given prior written approval to dispose of the International Coal Securities.

As a guide:

- severe financial hardship would not normally include a tax liability unless the person has no other
 means of satisfying the liability. A tax liability relating to securities received under an employee
 equity plan would generally not constitute severe financial hardship or be considered exceptional
 circumstances; and
- a court order or enforceable undertaking requiring the sale or disposal of International Coal Securities (such as a bona fide family settlement), or a disposal under some other overriding legal or regulatory requirement, may constitute exceptional circumstances.

6. Dealing in International Coal Securities – Approval Requirements for Designated Persons

The following procedures apply to Designated Persons who wish to deal in International Coal Securities during a Black-Out Period:

- a Designated Person (or a family member or associate over whom they have influence) must provide the Chairman with a notice in writing (which may be by email), requesting permission to deal in International Coal Securities, including any reasons for the request (refer above – Exceptional Circumstances);
- A Designated Person must not deal in International Coal Securities unless they have received permission in writing (which may be by email) from the Chairman;
- A Designated Person must effect the instructions to deal within 2 days of receiving permission, and the dealing must be executed within that period;
- if the dealing is not executed within the 2 day period, the permission to deal lapses, and the Designated Person must submit a further request with the Chairman for permission to deal.

The Chairman must follow the same procedures set out above in relation to any proposed dealing by the Chairman in International Coal Securities, but permission must be sought from the Board.

7. Excluded Dealings

The following are Excluded Dealings for the purposes of this Policy, and may be carried out at any time:

 transfers of International Coal Securities already held into a superannuation fund or other saving scheme in which the person is a beneficiary;



- an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in the Company's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where an International Coal Staff member is a trustee, trading in International Coal Securities by that trust, provided the person is not a beneficiary of the trust and any decision to trade during a Black-out Period is taken by the other trustees or by the investment managers independently of the International Coal Staff member;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution investment plan (**DRP**) and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board:
- the exercise (but not the sale of International Coal Securities following exercise) of an option or a
 right under an employee incentive scheme, or the conversion of a convertible security, where the
 final date for the exercise of the option or right, or the conversion of the security, falls during a
 Closed Period and where the International Coal Staff member could not reasonably have been able
 to exercise at a time when free to do so; and
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
 - the International Coal Staff member did not enter into the plan or amend the plan during a Closed Period; and
 - the trading plan does not permit the International Coal Staff member to exercise any influence or discretion over how, when, or whether to trade.

Employees should seek confirmation from the Company Secretary as to whether or not any of the above exclusions from trading restrictions apply.

8. Derivatives over International Coal Securities - Hedging

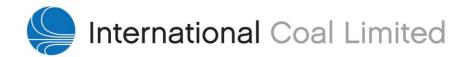
International Coal Staff are not permitted to enter into price protection arrangements ("hedging") in respect of International Coal Securities. International Coal Staff must not use, or allow to be used, any such price protection arrangements in relation to any International Coal Securities such as shares, options, performance rights or any other unvested entitlement in which they have an interest.

9. Margin Lending

The nature of margin lending arrangements, including the right of a lender to sell securities the subject of such an arrangement, may mean that the requirements of this Policy would be breached by the actions of a third party. Therefore, International Coal Staff are not permitted to enter into margin lending arrangements that involve International Coal Securities.

10. Consequences of Breach of this Policy

All International Coal Staff must comply with the principles and requirements of this Policy. Failure to comply may result in the relevant staff member being subject to disciplinary action, including possible



dismissal. In addition, a breach of this Policy may also result in exposure to potential civil or criminal liability under applicable laws and regulations.

11. Review of this Policy

This Policy will be reviewed regularly, having regard to the changing circumstances of the Company, and any changes to this Policy will be notified to affected persons in writing.

Board Approval Date: 17 November 2014