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## **QUARTERLY ACTIVITIES REPORT** **Quarter Ended 31 March 2015**

### **Highlights**

**ACN** 149 197 651

- **The company has successfully completed a capital raising of \$470,000 comprising a placement of ordinary shares. The capital raising consists of the issue of 23,500,000 shares with an issue price of 2 cents per share and 4,000,000 options with an exercise price of 6 cents and an expiry date of 31 January 2018.**
- **The Company maintains a conservative approach to the use and investment of its cash reserves while co-ordinating its exploration and mining activities to reflect the prevailing market conditions in order to achieve maximum return for its shareholders.**
- **The Board is continuing its review of its existing asset portfolio.**
- **The “Merchant Opportunity Fund” ceased to be a substantial holder on 20 March 2015.**
- **The Board continues to investigate and assess new opportunities with a view to restoring shareholder value.**



## Project Activities

### Overview

At the beginning of the quarter, ICX and its subsidiaries (Gen Resources and Great White Nominees) held an interest in nine (9) granted tenements:

#### **Bundaberg Project (Maryborough Basin)**

EPC 2194 (75%), EPC 2195 (75%), EPC 2196 (75%)

#### **Consuelo Project (Bowen Basin)**

EPC 2332 (20%) EPC 2318 (20%) EPC 2327 (20%)

#### **South Blackall Project (Eromanga Basin)**

EPC 2197 (100%)

#### **Don Juan Project (Surat Basin)**

EPC 2286 (46%)

#### **Other Projects**

EPC 2861 (100%)

During the quarter, ICX retained all of its core granted tenements.

During the quarter, activities focussed on the Bundaberg and Consuelo projects with desktop studies and compliance work carried out on the remaining tenements.

### Bundaberg Project

The Bundaberg Project is a hard coking coal project in the Maryborough Basin, where an Inferred Resource of 41.3Mt was reported on 2<sup>nd</sup> April 2014.

During the quarter the Company further evaluated past exploration and mining options work in considering the next phases of exploration and development planning activities. Ongoing activities include maintaining community and joint venture relationships, and tenement management.

### Consuelo Project

EPC 2327 was granted on 30 January 2014. Desktop studies (released 21 November 2013) indicate EPC 2327 has the highest potential for finding coal at open cut depths of all the Consuelo Project tenements (EPC 2327, 2318, 2332). During the quarter work focussed on planning the initial exploration in this area, land access and cultural heritage clearances. Tendering for the exploration works was completed. An inspection of the initial drill locations has been conducted with sites pegged.



## South Blackall Project

Progress on South Blackall was focussed on reviewing potential development options for the 1.24Bt Inferred Resource (JORC 2004) reported to the market on 26 November 2012. ICX continues to engage with various parties as part of its long-term development and commercialisation of this major thermal coal asset.

## Other Projects

Don Juan (Surat Basin) is not currently a priority project, and thus had minimal activity during the period.

## Corporate Activities

Corporate activity continued to focus on marketing the Company and managing its reporting and compliance activities.

The Company successfully completed a capital raising of \$470,000 comprising a placement of ordinary shares in February 2015. The capital raising consists of the issue of 23,500,000 shares with an issue price of 2 cents per share.

The proceeds from the capital raising will be used for ongoing working capital.

A 6% commission was payable to third parties as part of this capital raising and in addition the Company has retained Subiaco Capital for a period of six months with a monthly retainer of \$7,500 plus GST. Four million options with an exercise price of 6 cents and an expiry date of 31 January 2018 were also issued to Subiaco Capital. Subiaco Capital will assist the company in sourcing and securing projects that have the potential to add value to International Coal Ltd shareholders.

The Company's current strategy is to prudently manage its financial position, targeted project activity at its Bundaberg and Consuelo projects, and pursuit of alternative opportunities. The Company held \$1.296m cash in the bank account at the end of March 2015.

The Company continues to identify and evaluate a range of strategic business opportunities, both those aligned with the existing assets and current activities, and those outside of coal exploration.

Our corporate marketing activities were aimed at maintaining the Company's profile and key stakeholder relationships.



## Summary

International Coal has a portfolio of coal assets including:

- Hard coking coal at EPC 2196 in the Maryborough Basin;
- Granted tenements (EPC 2318, 2327 and 2332) with export quality thermal and semi-soft coking potential in the Bowen Basin; and
- 1.2Bt Inferred Resource of thermal coal in the emerging Eromanga Basin.

The Board and management remains focused upon realising value of the Company's coal assets. We remain confident that the advancement of these assets will deliver benefits to shareholders; particularly as coal market conditions improve. Further, we continue to seek out new opportunities to provide value to shareholders. We take this opportunity to thank our shareholders for their ongoing support.

Further information about our company and projects can be found at [www.intercoal.com.au](http://www.intercoal.com.au)

Yours faithfully,

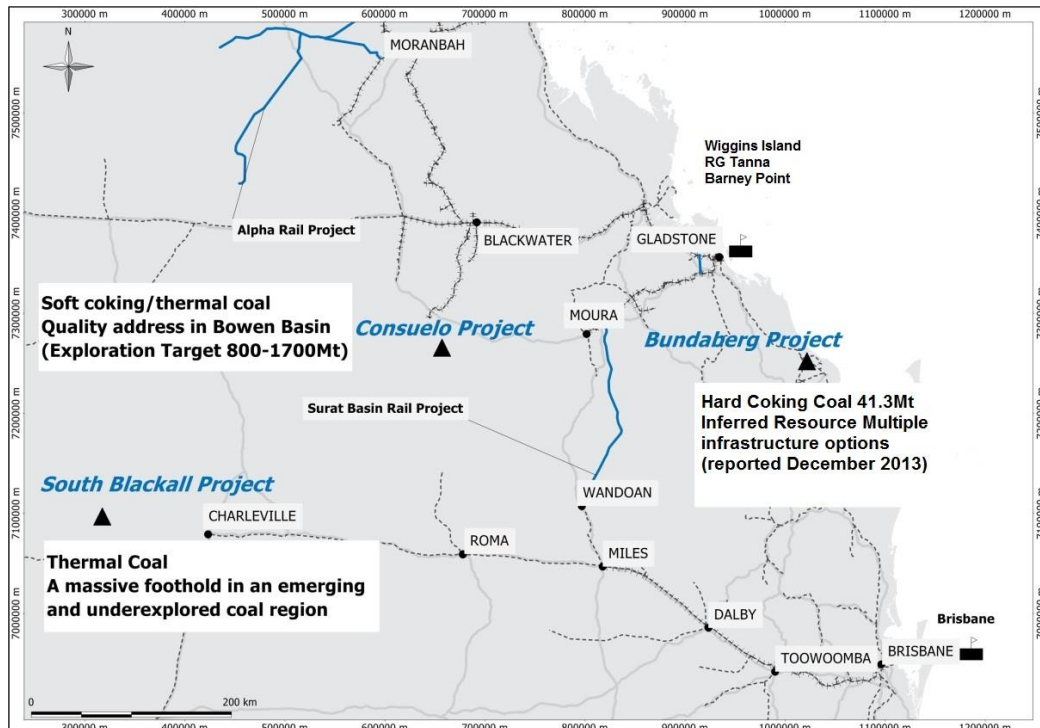
Hugh Dai  
Executive Director & CEO  
International Coal Limited

*For further information contact –*

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**Figure 1 – International Coal Projects**



## COMPETENT PERSON'S STATEMENT

*All JORC Inferred Resource and Exploration Target estimates discussed in this report have been released previously. Technical information relating to the coal projects in this announcement has been compiled by several technical specialists and reviewed and signed-off by Mr Mark Biggs, Principal Geologist formerly of Moultrie Database and Modelling and now of ROM Resources. Mr Biggs is a member of the Australasian Institute of Mining and Metallurgy and has over 33 years of experience relevant to the style and type of coal mineralisation under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined by the Australasian Code for Reporting of Mineral Resources and Reserves (JORC Code 2012).*

*The estimates of the Coal Resources presented in this Report are considered to be a true reflection of the Coal Resources as at 30<sup>th</sup> September 2014 and have been carried out in accordance with the principles and guidelines of the JORC Code 2012. With respect to Exploration Targets and Inferred Resource estimates mentioned for South Blackall and Consuelo, this information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

*Finally, Mr Mark Biggs consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*