



## ASX ANNOUNCEMENT

### **International Coal updates the market on the proposed acquisition of the Velpic group**

International Coal has today sent the following update to all its shareholders

Dear Shareholder

As you may be aware, on the 7<sup>th</sup> May we announced the proposed acquisition of the Velpic group of companies subject to the agreement of shareholders at an Extraordinary General Meeting to be held as soon as all the regulatory paperwork can be completed.

Velpic provides shareholders with a solid platform to gain exposure to the on-line induction, training and education space via a unique platform.

The ICX Board believes this acquisition has the potential to generate significant and sustainable returns for shareholders and brings to the company a new direction under the guidance of a new Managing Director - Mr Russell Francis.

Russell is the founder and Managing Director/CEO of Velpic. He is no ordinary CEO of a start up business. He has far more in common with a Silicon Valley entrepreneur having set up an IT software based company in London in 1995 called Exix. This was acquired after three years by Infogain, a Silicon Valley company which asked him to stay on as Chief Technical Officer and run the European operational side of their business. He built this up from a group with 10 employees to a very successful company employing over 120 people and saw group income increase exponentially.

He is a world recognised expert in cloud computing and is well known as a technology evangelist with a passion for cutting edged developments. He is better known outside Australia than at home.

He recognised very early the potential of the cloud with its ability to give access to huge numbers of users without myriad banks of servers . He also identified the requirement of all businesses to have continuous ongoing improvement and training courses for their staff. The world has changed and only "the smart" will survive.

So, being the man he is he put these two thoughts together and came up with Velpic, which uses cloud technology as the platform to provide infinitely scalable numbers of users with direct access to on-line induction, training and learning. A process of continuous improvement at far lower costs than any alternative on offer.



# International Coal Limited

Companies have a statutory requirement for some of this but in time all companies big and small will come to realise the productivity increases that flow from a better trained and educated work force. Employees feel better about themselves and more secure in their futures. A great win/win solution. Good for the companies and good for their employees.

Velpic has the potential to become a global company. It means that the company will not be constrained by the growth of the Australian economy but will be in a position to seize any opportunities for growth across the whole world.

Russell is the face of Velpic and will become the face of ICX (which, subject to shareholders approving, will be renamed Velpic).

The Board of ICX realised that there was little prospect of the coal market improving in the short to medium term and that to continue as a small exploration company in that field was unlikely to provide any meaningful returns to shareholders. For this reason the Board decided a change of direction was desirable and the company has been lucky enough to find in Velpic a company that offers fantastic growth potential but specialising in an area which remains firmly rooted in reality, namely corporate training and learning albeit with a very high tech edge. We will become a provider of "disruptive technology".

A formal Notice of Meeting with detailed information will be sent to you in coming weeks that will clearly spell out the benefits (and risks) of the opportunity.

I thank you for your continued support of the company and look forward to seeing you at the upcoming EGM.

Yours Sincerely

John Lester  
Chairman

-Ends-

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