



# Quarterly Report

For the 3 Months ended June 2015

This Quarterly Report updates activities undertaken during the period 1 April 2015 to 30 June 2015.

## OVERVIEW

During the period, NuCoal continued to implement the legal strategy previously announced to seek redress for shareholders following the unfair and unjust cancellation of Exploration Licence 7270 (**EL 7270**) by the NSW Government in early 2014.

Expenditure has continued to be restricted to preserve funds for the legal actions and the Company has listed a number of land holdings For Sale around the Doyles Creek area in the Hunter Valley which were acquired to progress the Doyles Creek project.

## 1. PROJECTS

### Savoy Hill Coal Project (100%)

As previously notified, the Savoy Hill tenement, Exploration Licence 6812 (**EL 6812**) has been extended until 20 June 2018.

The Company has completed all necessary exploration across the tenement to consider the longer term mining options for the project and has undertaken initial marketing analysis for a potential open-cut operation, supplying the nearby domestic power stations. Further work will be undertaken as required.

### Dellworth Coal Project (100%)

An application for the renewal of Dellworth tenement, Exploration Licence 6594 (**EL 6594**) was lodged with the Department of Industry, Resources and Energy<sup>1</sup> (the **Department**) on 2 July 2015. Renewal has been sought for a further five year term.

NuCoal has executed a Tenement Sale Agreement (**Agreement**) for the sale of EL 6594. This Agreement is conditional upon the Department approving the renewal of the tenement and transfer of the tenement in accordance with Condition 36 of the Exploration Licence Conditions (Coal) 2012.

<sup>1</sup> Previously named the Department of Trade & Investment, Resources and Energy

#### **Board of Directors**

## 2. 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**) with no compensation payable to NuCoal. The legislation was passed following an inquiry by the Independent Commission Against Corruption (**ICAC**).

### Judicial Review Proceedings

The Judicial Review hearing of *NuCoal vs Independent Commission Against Corruption* was held in the NSW Supreme Court on 27 October 2014 before Justice Stephen Rothman. The hearing lasted one day and NuCoal was represented by Neil Williams SC and Jonathan Kay Hoyle.

Judgment is awaited. We will update shareholders following its release.

Shareholders are reminded that the outcome of the judicial review will not reverse the cancellation of EL 7270.

### Free Trade Actions

The Company is continuing to pursue claims against the Australian Government on behalf of overseas based shareholders under various Free Trade Agreements (**FTAs**). These potential international actions are being progressed with a view to obtaining compensation from the Australian Government for the decision by the NSW Government to expropriate EL 7270 without payment of compensation. Some FTAs allow the Plaintiff (NuCoal shareholders who reside in the relevant jurisdictions outside Australia) to bring an action without needing the consent of the Australian Government (e.g. Australia's Free Trade Agreements with Singapore, Hong Kong and others) while other FTAs require the consent of both the Government of the investor's home country and the Australian Government before an action can proceed (e.g. the Australia – USA Free Trade Agreement).

As previously communicated, shareholders should note that any successful actions under an FTA will benefit only the shareholders who bring and participate in the actions.

Shareholders will continue to be updated on all proceedings outlined above as they progress.

## 3. OTHER RELEVANT MATTERS

### Sydney Mining Club Presentation

The Company delivered a presentation to the Sydney Mining Club on Thursday 4 June 2015. A copy of the presentation is available to view on the Company's website at <http://nucoal.com.au/?p=4745>.

As announced during the presentation, NuCoal is calling for a Parliamentary enquiry into the handling of Operation Acacia by the Independent Commission Against Corruption and subsequent cancellation of the Company's Doyles Creek Exploration Licence by the NSW Government.

### Submissions to the Inspector of the ICAC and the ICAC Independent Review Panel

NuCoal has lodged formal submissions to both the Inspector of the ICAC, The Honourable David Levine AO RFD QC, and the ICAC Independent Review Panel, led by the former Chief Justice of the High Court, The Hon Murray Gleeson AC QC.

The submissions illustrate the bias and inconsistency of ICAC in regard to Operation Acacia, its reporting and its aftermath. Copies of these submissions are available to shareholders on request.

### Opinion Piece by NuCoal Chairman in The Australian

Gordon Galt, NuCoal Chairman, prepared an Opinion Piece for The Australian Newspaper in response to public statements made by the former ICAC Commissioner, David Ipp. A copy of this article is available to view on the Company's website at <http://nucoal.com.au/?p=4752>.

## **4. CORPORATE**

Cash and deposits were A\$1.1 million as at 30 June 2015.

Two properties listed For Sale have now settled and funds received. The Company has two remaining properties currently listed For Sale in the Doyles Creek area and continues to assess other assets owned.

## **5. ADDITIONAL REPORTING REQUIREMENTS**

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

### 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
EL 6594	Dellworth, New South Wales	100	N/A	100

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

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

For further enquiries please contact:

Megan Etccl, Chief Financial Officer & Company Secretary  
Telephone: +61 2 4015 0500

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

NuCoal Resources Ltd

ABN

29 060 352 990

Quarter ended ("current quarter")

June 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	(77)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,488)	(6,456)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	13	158
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)*	-	-
	<b>Net Operating Cash Flows</b>	<b>(1,475)</b>	<b>(6,375)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(1)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	441	461
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>441</b>	<b>460</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(1,034)</b>	<b>(5,915)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,034)	(5,915)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Share Issue Costs	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(1,034)	(5,915)
1.20	Cash at beginning of quarter/year to date	2,139	7,020
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,105	1,105

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(164)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (including capital expenditure)	-
4.2 Development	-
4.3 Production	-
4.4 Administration	(500)
<b>Total</b>	<b>(500)</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,065	1,099
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Term Deposit(s)	40	1,040
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,105</b>	<b>2,139</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A			
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.,*

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>*Ordinary securities</b>	768,612,354	768,612,354		
7.4	Changes during quarter (a) Increases through issues <i>(share purchase plan)</i> (b) Decreases through returns of capital, buy-backs				
7.5	<b>*Convertible debt securities</b> <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				

+ See chapter 19 for defined terms.

7.11	<b>Debentures</b> (totals only)		
7.12	<b>Unsecured notes</b> (totals only)		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



.....Date: 31 July 2015  
(Director/Company secretary)

Print name: MEGAN ETCELL

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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