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**INTERNATIONAL COAL LTD**  
**(TO BE RENAMED "VELPIC LIMITED")**  
**ACN 149 197 651**

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**ADDENDUM TO NOTICE OF GENERAL MEETING**

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International Coal Limited (ACN 149 197 651) (**Company**), hereby gives notice to shareholders of the Company that, in relation to the Notice of General Meeting dated 3 August 2015 (**Notice of Meeting**) in respect of a general meeting of members to be held at 10.00am (WST) on 3 September 2015 at 243 Hay Street, Subiaco, Western Australia (**Meeting**), the Directors have determined to amend Resolutions 1 and 5 as set out below and to amend and supplement the information contained in the Explanatory Statement provided to Shareholders in relation to the matters set out in this Addendum to the Notice of Meeting.

Definitions in the Notice of Meeting have the same meaning in this Addendum to the Notice of Meeting unless otherwise updated in this Addendum to the Notice of Meeting.

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**1. GENERAL**

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Resolution 1 seeks the approval of Shareholders for a change in the nature and scale of the Company's activities by the Acquisition, whilst Resolution 5 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$5,000,000.

The issue price of the Shares to be issued under the Prospectus as stated in the Notice of Meeting has been amended and the full terms are set out below.

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**2. BUSINESS OF THE MEETING**

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**Resolution 1 in the original Notice of Meeting is amended by deleting the existing Resolution 1 and replacing that Resolution with the following:**

**1. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, subject to and conditional upon the passing of the Acquisition Resolutions, for the purpose of ASX Listing Rules 11.1.2 and 11.1.3 and for all other purposes, approval is given for the Company to:*

- (a) make a significant change in the nature and scale of its activities;*
- (b) to issue Shares at an issue price that will be the higher of \$0.02 per Share and a 20% discount to the 10 day volume weighted average price for Shares calculated over the last 10 days on which sales in Shares were recorded before the date of the General Meeting; and*
- (c) to have Options on issue with an exercise price less than \$0.20 at the time its Shares are reinstated to trading on the ASX,*

*as described in the Explanatory Statement accompanying this Notice."*

**Short Explanation:** If successful, the Acquisition will result in the Company changing the nature and scale of its activities. ASX Listing Rule 11.1.2 requires the Company to seek Shareholder

approval where it proposes to make a significant change to the nature and scale of its activities. ASX has also advised the Company that it will be required to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules in conjunction with the Acquisition, in accordance with ASX Listing Rule 11.1.3. Please refer to the Explanatory Statement for details.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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### **3. EXPLANATORY STATEMENT**

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**Section 2 of the Explanatory Statement is deleted and replaced with the following:**

#### **2. RESOLUTION 1 – APPROVAL TO CHANGE THE NATURE AND SCALE OF ACTIVITIES**

##### **2.1 General**

This Resolution seeks the approval of Shareholders for a change in the nature and scale of the Company's activities by the Acquisition.

A detailed description of the Acquisition is outlined in Section 1 above.

##### **2.2 ASX Listing Rule 11.1**

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the company were applying for admission to the official list of ASX.

ASX has confirmed to the Company that given the significant change in the nature and scale of the activities of the Company upon completion of the Acquisition, it requires the Company to:

- (a) obtain the approval of its Shareholders for the proposed change of activities; and
- (b) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

For this reason, the Company is seeking Shareholder approval for the Company to change the nature and scale of its activities under ASX Listing Rule 11.1.2 and pursuant to ASX Listing Rule 11.1.3 in order to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Accordingly, the Company's securities will be subjected to suspension and thereby cease trading on ASX's Official List prior to market open on the day of the Meeting. If Acquisition Resolutions are approved at the Meeting, it is expected that the Company's securities will remain suspended from quotation until the Company has re-complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Acquisition Resolutions are not approved at the Meeting, it is expected that the Company's securities will be reinstated to quotation on ASX's Official List after the Company announces the results of the Meeting in accordance with the Listing Rules and Corporations Act. However the Company is likely to continue to investigate new opportunities outside of its current coal exploration and mining industry.

Details of the assets to be acquired by the Company and the proposed changes to the structure and operations of the Company are set out throughout this Explanatory Statement.

## 2.3 Guidance Note 12

Recent changes to Guidance Note 12 alter ASX's policy in relation to the application of the "20 cent rule" to re-compliance listings. Previously a company had to re-comply to the Official List of the ASX at an issue price of 20 cents per share as part of compliance with Chapters 1 and 2 of the ASX Listing Rules. Guidance Note 12 states that this issue price can now be below 20 cents when an entity's securities have been trading on ASX at less than 20 cents. ASX will consider a request not to apply the 20 cent rule provided the issue price, sale price or exercise price for any securities being issued or sold as part of, or in conjunction with, the transaction:

- (a) is not less than two cents each; and
- (b) is specifically approved by security holders as part of the approval obtained under Listing Rule 11.1.2; and
- (c) ASX is otherwise satisfied that the entity's proposed capital structure after the transaction will satisfy Listing Rules 1.1 condition 1 and 12.5 (appropriate structure for a listed entity).

For this reason, the Company is seeking Shareholder approval for the Company to:

- (d) issue Shares with an issue price that will be the higher of \$0.02 per Share and a 20% discount to the 10 day volume weighted average price for Shares calculated over the last 10 days on which sales in Shares were recorded before the date of the Company's General Meeting; and
- (e) have Options on issue with an exercise price of less than \$0.20 at the time its Shares are reinstated to trading on the ASX,

as part of the approvals sought under ASX Listing Rule 11.1.2.

**Section 4 of the Explanatory Statement is deleted and replaced with the following:**

**4. RESOLUTION 5 – ISSUE OF SHARES – CAPITAL RAISING**

**4.1 General**

This Resolution seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$5,000,000 (**Capital Raising**).

A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

The effect of Resolution 5 will be to allow the Company to issue the Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

**4.2 Technical information required by ASX Listing Rule 7.3**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals a maximum of \$5,000,000 (with \$3,000,000 being the proposed minimum amount to be raised under the Capital Raising);
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Shares pursuant to the Capital Raising will occur on the same date;
- (c) the issue price will be the higher of \$0.02 per Share and a 20% discount to the 10 day volume weighted average price for Shares calculated over the last 10 days on which sales in Shares were recorded before the date of the General Meeting;
- (d) the Shares are proposed to be issued to the public pursuant to a public offer by way of a Prospectus for the purpose of ASX Listing Rule 1.1 condition 3. None of the subscribers for the Capital Raising will be related parties of the Company;
- (e) the Shares proposed to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (F) the Company intends to use the funds raised from the Capital Raising towards the budgeted expenditure described at Section 1.7.

**DATED 19 AUGUST 2015**

**BY ORDER OF THE BOARD**

**PIERS LEWIS  
COMPANY SECRETARY**

**Enquiries:** Shareholders should contact the Company Secretary on +61 (0) 409 374 893 if they have any queries in respect of the matters set out in this Addendum to Notice of Meeting.