

ASX Announcement

31 July 2014

Share Purchase Plan

Tiaro Coal Limited (**TCM**) advises that it will implement a Share Purchase Plan (**SPP**) offering eligible shareholders the opportunity to purchase shares in TCM without brokerage or other related charges.

The Offer price will be **the lower** of 8.2 cents or a 15% discount to the volume-weighted average price of TCM shares traded on the Australian Securities Exchange (**ASX**) over the 5 trading days up to and including the day on which the Offer is scheduled to close (5 September 2014) rounded down to the nearest one tenth of one cent.

Participation in the Offer is optional and is open to Eligible Shareholders who were holders of Shares in TCM at 5.00 pm (AEST) on 30 July 2014 and whose registered address is in Australia or New Zealand.

Shareholders can purchase shares totalling up to \$15,000.

Funds raised through the SPP will be used to progress the company's exploration activities and to provide working capital.

Shares issued under the SPP will rank equally with existing shares.

Dan Buckley, CEO said, "Tiaro is giving its shareholders the first opportunity to participate in a capital raising ahead of brokers and sophisticated investors. This approach allows shareholders who participate to maintain their equity position in Tiaro and not dilute.

"Directors that hold shares have indicated that they will be participating at the maximum level permissible.

"A strong response by shareholders will alleviate the need to raise additional funds in the short term."

Indicative Dates

Record Date	30 July 2014
Announcement of the Share Purchase Plan	31 July 2014
Documents mailed to Eligible Shareholders	7 August 2014
Opening date for acceptances	7 August 2014
Closing date for acceptances	5 September 2014
Allotment and issue of New Shares	12 September 2014
Quotation of New Shares on ASX	12 September 2014
Dispatch of shareholder statements	16 September 2014

Full details of the SPP and Application Forms will be sent to all eligible shareholders on 7 August 2014.

For further information please contact:

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