



The Manager
Company Announcements Office
Australian Stock Exchange

FURTHER UPDATE ON LEGAL PROCEEDINGS AGAINST BAYAN RESOURCES

24 October 2014 – White Energy Company Limited (ASX: WEC; OTCQX:WECFY) (“White Energy” or “the Company”) refers to its announcement made on 25 September 2014 advising the market that the Court of Appeal of Western Australia had made orders dismissing the challenge by PT Bayan Resources TBK (“Bayan”) to the grant and scope of freezing orders in favour of BCBCS in respect of Bayan’s 56% shareholding in Kangaroo Resources Limited (“KRL”), a publicly listed Australian company.

On 23 October 2014, BCBCS was served with notice of Bayan’s application for special leave to appeal to the High Court of Australia from the orders made by the Court of Appeal of Western Australia.

Bayan’s appeal is limited to a challenge to the Supreme Court’s jurisdiction to make these orders. Bayan is not appealing the Supreme Court’s findings that BCBCS had established the elements necessary to obtain a freezing order, including that BCBCS had established that it had a good arguable case:

- in respect of its claims against Bayan for breach of the Joint Venture Deed, and
- to recover damages in respect of at least its lost involvement in the KSC Joint Venture.

As advised on 25 September 2014, the freezing orders against Bayan will remain in place unless and until there is a further order made by the Court.

For Further Information Call:

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About White Energy

White Energy is the exclusive worldwide licensee of a patented technology which upgrades high moisture, low value sub-bituminous and lignite coals through a low cost process of dehydration and compaction. This technology is known as the Binderless Coal Briquetting ("BCB") technology and was developed by a consortia led by the Commonwealth Scientific Research Organisation ("CSIRO").

White Energy has more recently applied the BCB technology to the beneficiation of thermal and metallurgical coal fines. Coal fines represent a major environmental liability for coal producers and also carry a significant ongoing maintenance cost. By leveraging its patented and scalable technologies to beneficiate coal fines, White Energy aims to produce a high-valued saleable product that can enhance a mine's revenues.

White Energy is also focused on identifying good quality coal properties for acquisition, where the BCB technology can be utilised to add value to the projects. It is expected that some of the resources currently under consideration by White Energy will not require application of the BCB technology, and can be mined and sold directly into export and domestic markets.

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Forward Looking Statements

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.