



**The Manager
Company Announcements Office
Australian Stock Exchange**

UPDATE ON QUEENSLAND COAL EXPLORATION PERMIT APPLICATION – EPC 25623

18 December 2014 – White Energy Company Limited (ASX:WEC; OTCQX:WECFY) (“White Energy” or the “Company”) refers to its announcement dated 12 May 2014 which confirmed that it had been advised by the Queensland Department of Natural Resources and Mines (DNRM) of its appointment as the preferred tenderer for a coal exploration area in Queensland.

During March 2014, White Energy applied for 2 of 7 coal areas in Queensland put out to tender by the DNRM, and was successful with one of these applications. The exploration permit reference number is EPC 25623, covering an area 15 kilometres south of the town of Middlesbrough in the central Queensland coalfields.

White Energy wishes to advise shareholders that it has today received a letter from the DNRM advising of its decision not to proceed with the grant of EPC 25623 to the Company.

The DNRM has advised that since making its decision to appoint White Energy as preferred tenderer, the Independent Commission Against Corruption (ICAC) report on Operation Jasper was brought to the Minister’s attention. The Minister was concerned that findings made by the ICAC against Mr Travers Duncan were not taken into account when the decision to appoint White Energy as preferred tenderer was made.

The DNRM has advised that the Minister has decided to terminate the call for tenders and that the proposed EPC 25623 will be released through a future call for tenders. The DNRM has advised that White Energy will be able to re-tender for the EPC at that time.

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 consortium 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.