



18 February 2015

The Manager Companies
ASX Limited
20 Bridge Street
Sydney, NSW, 2000

Dear Madam

\$83.5M Settlement of Institutional Entitlement Offer

The Directors of Cockatoo Coal Limited ("the Company") (ASX: COK) advise the Company has today received gross proceeds of approximately \$83.5 million as settlement of the institutional component of the accelerated renounceable entitlement offer ("Institutional Entitlement Offer") announced by the Company on 5 February 2015.

As detailed in the attached Appendix 3B, the number of new shares to be issued under the Institutional Entitlement Offer is 41,775,000,001.

The new shares issued under the Institutional Entitlement Offer are expected to commence trading on ASX on 19 February 2015.

For media enquiries please contact Geoff Fowlstone on +61 413 746 949.

For more information, please contact:

Andrew Lawson
Managing Director
Cockatoo Coal Limited

P +61 7 3640 4700
F +61 7 3640 4799
E info@cockatoocoal.com.au

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Cockatoo Coal Limited (**Company**)

ABN

13 112 682 158

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares in the Company (each, a New Share) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>41,775,000,001 New Shares will be issued to eligible institutional shareholders under the institutional component of the Company's accelerated renounceable entitlement offer of 13.7 New Shares for every 1 share in the Company held on the record date of 7.00pm (Sydney time) Tuesday, 10 February 2015 (Record Date) (Entitlement Offer).</p> <p>In addition, approximately 20,699,697,912 New Shares will be issued under the retail component of the Entitlement Offer.</p> |

| | | |
|----|---|--|
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The New Shares are fully paid ordinary shares |
| 4 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Yes |
| 5 | Issue price or consideration | \$0.002 per New Share |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | The gross proceeds raised from the Entitlement Offer will be used to fund the Baralaba Expansion project and pay the costs of the Entitlement Offer. |
| 6a | <p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p> | N/A |
| 6b | The date the security holder resolution under rule 7.1A was passed | N/A |

+ See chapter 19 for defined terms.

| | | | |
|----|---|--|---------------------|
| 6c | Number of +securities issued without security holder approval under rule 7.1 | N/A | |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | N/A | |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A | |
| 6f | Number of +securities issued under an exception in rule 7.2 | N/A | |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A | |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A | |
| 6i | Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | Annexure 1 is not required and has therefore been omitted. | |
| 7 | +Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B. | The issue dates under the institutional and retail components of the Entitlement Offer are expected to be Thursday 19 February 2015 and Wednesday 11 March 2015, respectively. | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | Number | +Class |
| | | 67,034,894,841 | Fully paid ordinary |

| | Number | +Class |
|----|--|---|
| 9 | 5,000,000 | Options (expiry 30/9/2015 with an exercise price of \$0.6879) |
| | 50,000,000 | Options (expiry date of 15/4/2015 with an exercise price of \$0.0472) The exercise price of options issued prior to the rights issue in February 2015 have now been adjusted and reduced in compliance with ASX Listing Rule 6.22.2. |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | |
| | No change | |

Part 2 - Pro rata issue

| | | |
|----|--|--|
| 11 | Is security holder approval required? | No |
| 12 | Is the issue renounceable or non-renounceable? | Renounceable |
| 13 | Ratio in which the +securities will be offered | 13.7 for 1 |
| 14 | +Class of +securities to which the offer relates | Fully paid ordinary shares |
| 15 | +Record date to determine entitlements | 7.00pm (Sydney time) on Tuesday 10 February 2015 |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | No |

+ See chapter 19 for defined terms.

| | | |
|----|--|--|
| 17 | Policy for deciding entitlements in relation to fractions | Where fractions arise in the calculation of entitlements, those entitlements will be rounded up to the nearest whole number. |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | All countries except for Australia and New Zealand and such other jurisdictions into which the Company decides to make offers (which may include certain shareholders in Singapore, Hong Kong, Indonesia, Korea, the United Kingdom, Switzerland and certain members of the European Economic Community) under applicable exceptions from the requirement to issue a prospectus in those jurisdictions). |
| 19 | Closing date for receipt of acceptances or renunciations | Monday 9 February 2015 for the institutional component of the Entitlement Offer. Thursday 26 February 2015 for the retail component of the Entitlement Offer. |
| 20 | Names of any underwriters | BBY Limited |
| 21 | Amount of any underwriting fee or commission | \$3,215,306 |
| 22 | Names of any brokers to the issue | BBY Limited |
| 23 | Fee or commission payable to the broker to the issue | 2% |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | 1% |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | Entitlement Offer documents were dispatched on Friday 13 February 2015. |

| | | |
|----|---|--|
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | Thursday 5 February 2015 |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | See the 'How to apply' section of the prospectus which is expected to be released on Friday 5 February 2015. |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | See the 'How to apply' section of the prospectus which was released on Friday 13 February 2015. |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | See the 'How to apply' section of the prospectus which was released on Friday 13 February 2015. |
| 33 | +Issue date | See item 7 above. |

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 Not yet known If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 Not yet known If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of ⁺securities for which ⁺quotation is sought

N/A

39 ⁺Class of ⁺securities for which quotation is sought

N/A

| 40 | <p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | N/A | | | | | |
|--------|--|--|--------|--------------------|-----|-----|--|
| 41 | <p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)</p> | N/A | | | | | |
| 42 | <p>Number and ⁺class of all ⁺securities quoted on ASX (<i>including</i> the ⁺securities in clause 38)</p> | <table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>N/A</td><td>N/A</td></tr></table> | Number | ⁺ Class | N/A | N/A | |
| Number | ⁺ Class | | | | | | |
| N/A | N/A | | | | | | |

⁺ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company secretary)

Date: 18/2/2015

Print name:

Lee J. O'Dwyer

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