



16<sup>th</sup> March 2015

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

Dear Madam,

## **Cockatoo Coal Update**

Cockatoo Coal Limited ("Cockatoo" or "Company") announces that approval of the Baralaba Expansion project 3.5Mtpa mining lease has now progressed to the final stages being the Environmental Authority ("EA") amendment application.

Cockatoo continues to advance the approvals processes to enable mining at 3.5Mtpa, with the Company lodging the EA amendment application in November 2014. This followed the Queensland Department of Environment and Heritage Protection deeming the Baralaba North Continued Operations Project Environmental Impact Statement ("EIS") as adequate in September 2014, 5 months after submission of the EIS. The EA amendment application is to allow Cockatoo to increase production at Baralaba to 3.5Mtpa and undertake mining activities on MLA80201. Cockatoo continues to mine at an annualised rate of 1Mtpa whilst these subsequent approvals progress through the required processes.

Cockatoo has received three objections to the granting of the EA amendment. These objections are required to be heard in the Queensland Land Court, which will commence shortly. Cockatoo expects this process to continue to the end of 2015 (subject to court processes), which is consistent with the re-optimised mining plans that have underpinned the recent equity raising completed by the Company.

The Company also announces that operations at the Baralaba mine were largely unaffected by the recent passing of Tropical Cyclone Marcia ("Marcia"). Initial weather tracking indicated that Baralaba was in the cyclone's path, with Cockatoo taking appropriate precautions to ensure minimal disruptions and damage. Importantly, the impacts at Baralaba were limited. Operations were suspended for 48 hours as a precaution but have subsequently resumed.

The Moura rail system was damaged as a result of Marcia however the Company expects that rail services will resume prior to the end of March, with lost throughput expected to be recovered for the remainder of the year.

The Company is continuing to diligently seek further cost savings throughout the business and is working with stakeholders to achieve this. The newly constituted Board is leading by example with independent Directors agreeing to a reduction in remuneration and shareholder nominee Directors agreeing to waive any right to remuneration.



For more information, please contact

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