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Manager Companies
Companies Announcements Office
Australian Stock Exchange Limited

LEIGH CREEK ENERGY LIMITED

ASX ANNOUNCEMENT

Treasury Share Sale Complete

Background and Summary

Leigh Creek Energy Limited (“LCK”) is pleased to announce that it has completed the sale of the final tranche (6,263,802 shares) of the remaining Treasury shares owned by LCK. Approximately 80% of these shares have been placed with US domiciled funds, with the remaining shares committed to Australian investors and to be finalised over the coming days. This final tranche will raise \$1.63 million before applicable costs.

LCK owned shares in itself as a result of the acquisition of ARP TriEnergy Pty Ltd (“TriE”) and then re-listing in July 2015. TriE owned 15.0 million shares at the time of its acquisition and the original purchase price of these shares was \$0.037 per share for a total of \$555,000.

The cumulative sale of the 15.0 million Treasury shares will have raised a total of \$3.428 million (gross) for an average sale price of \$0.229 per share creating a gross profit on sale of \$2.873 million. LCK has used the purchase and the sale of these shares as a mechanism to fund its operational needs without additional dilution to shareholders in the early stage of its efforts at the Leigh Creek Energy Project (“LCEP”).

LCK was required by the regulator to dispose of the Treasury shares it owned by July 2016.

Commenting on the completion of the sale of Treasury shares Mr David Shearwood, Managing Director of LCK said:

“The use of Treasury shares to fund the early stage of LCK has been a success by creating an extra \$3 million in non-dilutive capital. This mechanism has permitted LCK to reach the stage of gas supply contract negotiations without the need to dilute existing shareholders and follows the recent delivery of independent certified 2C recoverable gas resources.

Importantly as we now work towards securing gas contracts we are concurrently intending to monetize some of our gas resources in order to again reduce our need for equity. This may come in many forms, from gas options, to gas pre-payments, sale of gas in ground or sale of a part of the LCEP itself. The board of LCK is

open to all possibilities as financial modelling indicates the rate of return to shareholders is significantly enhanced by gas monetization.

I am very pleased with the progress of gas sales discussions which are being driven by Mr Garry Marsden our General Manager Commercial as we work towards bringing our gas to market and provide an additional source of gas to the supply constrained Australian east coast gas market.

This is an exciting time for our staff, shareholders and our wider stakeholders and I take this opportunity to thank all of you for your efforts and invaluable support.

I look forward to updating investors frequently with additional news."

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About Leigh Creek Energy

Leigh Creek Energy Limited (LCK) is an emerging gas company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as methane and fertiliser from the remnant coal resources at Leigh Creek utilising In Situ Gasification technologies, and will provide long term growth and opportunities to the communities of the northern Flinders Ranges and South Australia.

The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks to as low as can be reasonably achieved.