



## COALWORKS Limited

30 November 2010

**The Manager  
Company Announcements Office  
Australian Securities Exchange Limited  
Bridge Street  
Sydney**

Via: e-lodgement

### COALWORKS' SPIN-OFF APPROVED

**Coalworks Limited (ASX code: CWK)** would like to advise that at today's General Meeting of Orpheus Energy Limited, the shareholders of Orpheus approved the transaction for the acquisition of Coalworks' Hodgson Vale and Ashford projects and its wholly owned subsidiary, Orpheus Energy Group Pty Limited.

This now allows Coalworks to focus on its core projects:

- ❖ Vickery South in the Gunnedah Basin of NSW
- ❖ Ferndale in the Hunter Valley of NSW
- ❖ Oaklands in the South-West of NSW

In addition it is expected that the ASX listing of Orpheus Energy Limited will result in a bonus issue of Orpheus shares to Coalworks' shareholders as announced by our Chairman, Wayne Mitchell in his address at the 2010 AGM on 19<sup>th</sup> November.

Orpheus shareholders have approved the issue of approximately 35 million Orpheus shares to Coalworks of which 50% is planned to be distributed as a bonus issue to Coalworks' shareholders.

Subject to lodgement of prospectus, the ASX listing of Orpheus Energy Limited is expected in the first quarter of 2011.

For further information, please contact:

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## **About COALWORKS**

**Coalworks has a portfolio of projects in Australia including:**

- 1. Oaklands (JORC measured, indicated and inferred 822Mt thermal coal – see ASX announcement 5.11. 2009;**
- 2. Oaklands Bankable Feasibility Study underway;**
- 3. Strategic Alliance with Synthesis Energy Systems Inc to develop Oaklands coal-to-petrol plant announced – see ASX announcement 2.12.2009**
- 4. Vickery South, Gunnedah Basin (exploration target coking/thermal coal) JORC inferred resource 42Mt (see ASX Announcement 15.4.2010)**
- 5. Vickery South, Gunnedah Basin (exploration target coking/thermal coal) - Coalworks (Vickery South) Pty Ltd has signed a Farm-in Agreement with ICRA Vickery Pty Ltd (a subsidiary of ITOCHU Corporation) in relation to the Vickery South Coal project.**
- 6. Vickery South Preliminary Feasibility Study completed (see ASX announcement 9.11.2010).**
- 7. Hodgson Vale (exploration target thermal coal)**
- 8. Ashford (limestone deposit with high value lime products as the target). \*See Coalworks' ASX announcement 5.11.2009**
- 9. Ferndale Coal Project (New Exploration Target 350Mt – 530Mt of coking/thermal coal) See Announcement 19.11.2010**

**Cautionary Note:** *This release may contain forward-looking statements that are based upon management's expectations and beliefs in regards to future events. These statements are subjected to risk and uncertainties that might be out of control of Coalworks Limited and may cause actual results to differ from the release. Coalworks Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.*