

ENVIRONMENTAL MANAGEMENT PLAN LODGED FOR THE METEOR DOWNS SOUTH MINE PROJECT

07 MAY 2013

1. Highlights

- Environmental Management Plan (EMP) for MDS lodged on Friday 4 May 2013.
- EMP is based on MDS site-based studies and details proposed mitigations to deliver expected low level of impact on the area involved.
- ✓ Gaining an environmental approval is a major next step towards the granting of a Mining Lease at MDS.
- Additional capabilities have been developed in-house to support EOC's ongoing exploration efforts, as well its proposed future mining activities.

2. MDS Activity Update

Endocoal Limited (ASX:**EOC**) is pleased to advise that the Environmental Management Plan (**EMP**) document for the Meteor Downs South (**MDS**) mine project has been lodged with the Department of Environment and Heritage Protection (**DEHP**). This was confirmed on Friday 4 May 2013

3. Environmental Management Plan Lodged

It is anticipated an environmental approval may now be able to be granted following review of the EMP and assessment of suitability by the DEHP. Subject to a successful outcome, this will comprise the next major step required to support the granting of a Mining Lease for the MDS mine project.

The EMP document, prepared with the support of Mackay-based environmental consultant McCollum Environmental Services, comprises approximately 1,450 pages. It addresses the range of essential items, as defined by the DEHP, and represents a collation of various expert reports. These were prepared following site visits, monitoring programs, as well as from other laboratory and research-based assessments. The EMP deals with the possible impacts of MDS on the immediate area, on those located nearby, as well as across the broader region. In all cases, the aim has been to ensure adequate mitigations are in place to deal with any items of possible concern, as well as to demonstrate the overall benefit the proposed mine will bring to the Central Queensland region.

4. Additional In-house Capabilities Developed

EOC has earlier recognised the need to build adequate capability to ensure compliance with statutory requirements, to be able to deliver safety in its operations, as well as provide a sound basis for project planning and execution to support all of its activities.

Under the leadership of the Exploration Manager, Darren Walker, the business now has in place robust processes defined in documentation comprising the 'Safety and Health Management System', the 'Environmental Management System', and the 'Exploration Management Procedures'. These have been developed in-house, with direct involvement of EOC staff, along with representatives from drilling contractors, and with the support of Rockhampton-based risk management consultant Triple A Mine Services.

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Deployment of these management systems will provide EOC with capability to safely and effectively manage ongoing exploration activities, as well as to form a strong platform to later support the transition towards becoming an active mining company.

5. Commentary

Commenting on lodging of the Environmental Management Plan for MDS, Endocoal's Chief Executive Officer, Tim Hedley said:

"Lodging the EMP has moved the Meteor Downs South project approval process into the next essential phase towards granting of a Mining Lease. We are very pleased with the content and quality of the EMP document and look forward to its early review and assessment by the Government agencies involved. Subject to those outcomes, we are hopeful granting of an environmental approval will be yet another near-term achievement towards the granting of a Mining Lease at Meteor Downs South later in 2013.

It is also pleasing to report that other robust systems are being built-up within the EOC organisation to deliver strong capabilities in areas of safety management, environmental management, as well as in operations planning and delivery. These will support EOC in its ongoing exploration activities, as well as in moving towards becoming an emerging mine operator."

For further information please contact: Tim Hedley, CEO & Managing Director Tel: +61 417 771 198

Yours faithfully

Company Secretary

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About Endocoal

Endocoal is an Australian public company focused on exploration of coal tenements and mine development in the Bowen Basin, Queensland's premier coal producing region. Endocoal currently holds JORC Marketable Reserves of 13Mt and total JORC Resources of 498Mt. The Company is proceeding to develop an export-quality thermal coal open cut mine at its flagship Orion Downs tenement, positioned close to existing infrastructure. Endocoal has several other tenements in the Bowen Basin region. These will be the subject of future exploration and drilling activities. Near-term priority will focus on Rockwood tenement with anthracite coal prospective for PCI coal; plus greenfield Talwood and Stockyard Creek Project tenements where scout drilling has commenced seeking coking coal. At both locations, coal seams have been intersected and are being evaluated. At Pretoria Hill an exploration program with joint venture partner Carabella Resources (CLR) is intended. Elsewhere, tenement applications will target other locations identified as being potentially prospective for coal exploration.

Endocoal Limited Directors & Management

ACN 132 183 281 Phillip McCarthy Lex Hansen

ASX CODE: EOC Non-Executive Chairman Non-Executive Director

Securities Information Tim Hedley Gavin Solomon

CEO & Managing Director Non-Executive Director

Ordinary Fully Paid Shares: 186m

Unlisted Options: 21.6m

Ray Miller

Non-Executive Director