



23rd September 2014

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

Dear Madam,

Baralaba Expansion Project Approvals Update

Highlights

- **Baralaba Expansion Project EIS deemed adequate by DEHP**
- **Coal Haulage & Road Infrastructure Agreement with Banana Shire Council executed**
- **Train Load-Out facility approved for construction**

Cockatoo Coal Limited ("Cockatoo" or "Company") is pleased to advise of significant progress regarding the approvals process relating to the expansion of the Baralaba North mine to 3.5 million tonnes per annum ("Baralaba North Continued Operations Project, or BNCOP").

Cockatoo submitted its Environmental Impact Statement ("EIS") to the Department of Environment and Heritage Protection ("DEHP") on the 15th April 2014, having prepared the document under the Queensland Government's Greentape Reduction measures.

Cockatoo advises that it has received correspondence from DEHP of a Section 56A (*Environmental Protection Act 1994*) decision notice to proceed with the BNCOP EIS. This notice has been received approximately 5 months from the date of EIS lodgement, and confirms that the EIS lodged by Cockatoo has been deemed adequate by DEHP. As a result of this notice, DEHP has confirmed the commencement of their EIS Assessment Report, and importantly, Cockatoo will not have to submit a Supplementary EIS regarding the BNCOP.

Cockatoo is also pleased to advise that it has executed a Coal Haulage & Road Infrastructure Agreement with Banana Shire Council ("BSC"). This Agreement will see Cockatoo significantly upgrade council controlled roads, improving the safety, access and amenity of the road corridor for all users, whilst also allowing for the scheduled increase in road haulage activities by Cockatoo to its Train Load-Out Facility ("TLO"). Additionally, Cockatoo has received final construction approvals for the TLO, in the form of an approved Material Change of Use Application and an Operational Works Permit being granted for the TLO site.

Managing Director of Cockatoo, Mr Andrew Lawson, commented that the progress made by the Company was significant. "I am very pleased with the response by the Queensland Government regarding Cockatoo's EIS submission, allowing us to move into the final phase of the approvals process. The EIS is a very important component of our ambitions to expand Baralaba to 3.5 million tonnes per annum, and receiving the Section 56A response is another step to achieving these aims. The execution of the Coal Haulage and Road Infrastructure Agreement and the TLO approval are also significant achievements to enable to the transportation of 3.5 million tonnes of coal for export," he said.



Mr Lawson commended the Government's efforts to date, stating that "The vast improvements in response times by the Queensland Government have assisted these processes significantly, due in part to Cockatoo's willingness to test out new legislation and DEHP's commitment to assessing these methods. The Section 56A response was received within 5 months following submission of our EIS, clearly showing a change in Government processing times, but with the same level of rigour and detail required. I also commend Cockatoo's approvals team for their diligence in delivering such a comprehensive study on this program."

Mr Lawson noted that whilst the approvals process was encouraging, the Company was still strongly focused on capital management programs. "Together with the significant progress noted in approvals, Cockatoo is continuing to explore and implement operational and capital cost savings at Baralaba. A General Meeting of shareholders has been scheduled for 13 October 2014 to approve a funding transaction with the Company's major shareholders, and we continue to pursue mezzanine finance as well as other innovative financing alternatives to fund the Baralaba Expansion Project," he said.

For more information please contact

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