



CELSIUS COAL
LIMITED

ASX RELEASE | 30th October 2015

QUARTERLY ACTIVITIES REPORT

SEPTEMBER 2015

HIGHLIGHTS

Favourit Acquisition

As announced on 26 October 2015 Celsius has entered into a binding heads of agreement with the shareholders of Favourit Global Pty Ltd (**Favourit**), a socially designed sports betting platform, to acquire 100% of the equity in Favourit (**Acquisition**). The material terms of the Acquisition are detailed in the ASX Release of 26 October 2015.

Favourit is a leading Australian technology company operating in the global wagering & gaming industry since 2013. Favourit has developed a global socially designed sports betting platform offering punters unique insights, betting trends and the ability to follow and copy top punters. Favourit's platform has demonstrated potential for strong growth and operates in a global online marketplace valued at approximately AUD\$52Bn (Source: Statista - <http://www.statista.com/statistics/253416/global-gambling-market-gross-win/>). Favourit's platform is available on web, mobile and tablet in multiple languages and currencies.

Favourit is led by experienced industry veteran, Gary Harris, previously IT Director and Board member of Sportingbet Group Pty Ltd (2004 to 2013), where he oversaw technology development growing online turnover from \$10M to over \$2.4B. Favourit currently operates a real money sports book under UK and Malta licencing experiencing high growth in key KPIs, with plans to aggressively expand to other regulated jurisdictions to leverage its unique global platform.

As detailed in the announcement of 26 October 2015 the Acquisition will be a significant change to the nature and scale of Celsius' business activities which will require re-compliance with the ASX's admission requirements in Chapter 1 and Chapter 2 of the ASX Listing Rules, including a consolidation of shares. Celsius will dispatch a notice of meeting to shareholders seeking all of the relevant approvals in line with the timetable outlined below, with such notice to include detailed information on Favourit, including detailed financial information showing the effect of the transaction on Celsius. Shareholders should review this material in detail.

West Australian Nickel Assets

Celsius owns two nickel assets in Western Australia. Celsius (through View Nickel Pty Ltd) owns a 30% joint venture interest in the Carnilya Hill Joint Venture in Western Australia with Mincor Resources NL (**Joint Venture**). Mincor Resources NL (**Mincor**, ASX:MCR) is the operator of the Carnilya Hill JV. The tenements covered by the Carnilya Hill Joint Venture (JV) include Mining Licences M26/47, M26/48, M26/49 and M26/453. Additionally the Company has a 100% interest in the Abengo Hill Nickel Project to the south and west of Minara Resources' Murrin Murrin nickel mine. The tenements are located near to Minara Resources' Murrin Murrin mine and the NiWest operation currently under development by GME Resources Ltd and are believed to have potential for both nickel laterite and nickel sulphide mineralisation.

Mincor has not advised the Company of any material results from exploration at the Carnilya Hill Project during the Quarter. While mining operations at Carnilya Hill ceased in the first quarter of 2012 access to the decline and other mine infrastructure was maintained so that the opportunity to recommence mining remains intact.

Celsius initiated a reassessment of the Abengo Hill Nickel Project in 2014. While prospective for both gold and nickel mineralisation the targets identified are early stage and conceptual in nature and therefore the Board has determined that intensive exploration is not warranted at this stage. Activities on the Project will focus on refining and advancing the targets identified through low cost exploration.

Krygyz Coal Projects

Please refer to our March Quarterly Activities Report for information relating to the Krygyz Coal Projects. These are no longer assets of the Company.