CELSIUS COAL LIMITED

ASX RELEASE | 29th July 2016

QUARTERLY ACTIVITIES REPORT

JUNE 2016

Favourit Acquisition

On 8 June 2016 the Company received a Final Stop Order from ASIC relating to the Prospectus relating to the acquisition of Favourit Global Pty Ltd and associated capital raising. This meant that the Acquisition announced on 26 October 2015 could not proceed. The Company has refunded all monies raised under the Prospectus and all resolutions proposed for the General Meeting planned for 9 June 2016 were withdrawn.

Company Update

As a consequence of the cessation of the Acquisition the Company is intending to carry on its business as an exploration company, which would allow the Company to recommence trading without the need to re-comply with the ASX's admission requirements in Chapter 1 and Chapter 2 of the ASX Listing Rules. The Company has made submissions to the ASX to recapitalise the Company including converting debt to equity. An update on this process, including a date for a general meeting of shareholders to approve the proposed recapitalisation, will be provided shortly.

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. Additionally View Nickel has a 100% interest in the Abengo Hill Nickel Project to the south and west of Minara Resources' Murrin Murrin nickel mine.

During the Quarter the Company designed a number of exploration programs over the Abengo Hill Project and is in the process of sourcing quotes from contractor groups such that exploration can rapidly commence once funds are available.

Level 3, 216 St Georges Terrace
Perth WA 6000
PO Box 7775
Cloisters Square Perth WA 6850

P: +61 8 9226 4500
F: +61 8 9226 4300
E: info@celsiuscoal.com.au
www.celsiuscoal.com.au