CELSIUS COAL LIMITED
(TO BE RENAMED "CELSIUS RESOURCES LIMITED")
ACN 009 162 949

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the replacement prospectus dated 24 November 2016 (**Prospectus**) issued by Celsius Coal Limited (to be renamed "Celsius Resources Limited") (ACN 009 162 949) (**Company**).

This Supplementary Prospectus dated 30 November 2016 was lodged with ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at www.celsiuscoal.com.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

1. GENERAL

Under the Corporations Act, the Company has an obligation to update a disclosure document if it becomes aware of new information that is material to investors.

This Supplementary Prospectus has been prepared to provide additional information to investors on items that the Company considers may be material.

2. ADDITIONAL OFFER

Due to demand for the Offer, the Company has agreed to accept subscriptions in addition to the Public Offer (**Additional Offer**). Pursuant to the Additional Offer, the Company is seeking to offer up to an additional 44,204,315 Shares at an issue price of $0.01 per Share to raise up to $442,043, together with one (1) free attaching Option for every three (3) Shares issued, exercisable at $0.01 on or before 30 December 2018 (being an additional 14,734,772 Options). These Options are to be issued on the exact same terms as those offered pursuant to the Public Offer under the Replacement Prospectus.

Key Dates of Additional Offer - Indicative Timetable*

Events	Date
Lodgement of the Supplementary Prospectus with the ASIC	30 November 2016
Opening Date for the Additional Offer	30 November 2016
Closing Date for the Additional Offer[1]	5:00pm (WST) on 9 December 2016
Issue of Securities for the Additional Offer	14 December 2016
Estimated date for Official Quotation of the Shares offered under the Additional Offer Anticipated date for reinstatement of the Company's Securities	19 December 2016

Notes

**The above dates are indicative only and may change without notice.*

The Company reserves the right to extend the closing date or close the Additional Offer early without prior notice. The Company also reserves the right not to proceed with the Additional Offer at any time before the issue of Securities to Applicants.

Completed Application Forms and accompanying cheques for the Additional Offer should be made payable to "**Celsius Coal Limited**" and crossed "**Not Negotiable**" and must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the closing date for the Additional Offer.**

Applications for the Additional Offer must be accompanied by payment in full in Australian currency.

The Company reserves the right to close the Additional Offer early.

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 8 9226 4500.

The main effect of the Additional Offer will be to:

(a) increase the cash on hand, assets, net assets and equity by $442,043 (less 6%); and

(b) increase the number of Shares on issue by 44,204,315 Shares and the number Options on issue by 14,734,772 Options. Please note, these Shares and free attaching Options will come within the Company's existing placement capacity under the ASX Listing Rules and will not require prior approval of shareholders.

The Company intends to apply the funds raised under the Additional Offer as follows:

Allocation of funds	**$**
Assess acquisition opportunities adjacent to / complementary with the Abednegno Hill Project	100,000
Assess new opportunities in the resources sector	200,000
Expenses of the Additional Offer	26,523
Working Capital[2]	115,520
TOTAL	**$442,043**

The proposed capital structure of the Company on completion of the Offers, and on the basis that the Additional Offer is fully subscribed, is anticipated to be as follows:

Shares

	Number
Shares currently on issue	1,614,034
Shares offered pursuant to the Public Offer	120,000,000
Shares offered pursuant to the Noteholder Offer	90,885,500
Shares offered pursuant to the Creditor Offer	31,400,400
Shares offered pursuant to the Options Offer	Nil
Shares offered pursuant to the Additional Offer	44,204,315
Total Shares on issue after completion	**288,104,249**

Options

	Number
Options currently on issue	Nil
Options issued pursuant to the Public Offer[1]	40,000,000
Conversion Options issued pursuant to the Noteholder Offer[1]	45,442,750
Creditor Options issued pursuant to the Creditor Offer[1]	10,466,800
Options issued pursuant to the Options Offer[1]	40,000,000
Options offered pursuant to the Additional Offer	14,734,772
Total Options on issue after completion	**150,644,322**

Notes:

1. Quoted Options exercisable at $0.01 each on or before 30 December 2018. Refer to Section 14.3 of the Replacement Prospectus for the terms and conditions of the Options, Conversion Options and Creditor Options.

Convertible Notes

	Number
Convertible Notes currently on issue[1]	28
Total Convertible Notes on issue after completion	**Nil**

Notes

1. All Convertible Notes currently on issue are being converted into 90,885,500 Conversion Shares and 45,442,750 Conversion Options as per the terms and conditions of the Convertible Notes which are summarised at Section 14.4 of the Replacement Prospectus. Refer to the Company's Notice of Meeting and Section 4.3 of the Replacement Prospectus for further information.

Performance Shares

	Number
Performance Shares currently on issue[1]	463,547
Total Performance Shares on issue after completion of the Offers	**Nil**

Notes

1. The Company has obtained approval from the holders of Performance Shares to vary the terms of the Performance Shares so that each Performance Share is cancelled upon completion of the Offers. The terms and conditions of the Performance Shares (as varied) are set out in Schedule 2 of the Performance Share Notice of Meeting. Refer to the Performance Share Notice of Meeting for further information.

The capital structure on a fully diluted basis on completion of the Offers and Additional Offer (assuming all Offers are fully subscribed and no Performance Shares are converted) would be 438,748,571 Shares.

3. ACTION BY INVESTORS

As the content of this Supplementary Prospectus is not considered to be materially adverse to investors, no action is needed to be taken by investors.

4. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

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William Oliver
Non-Executive Director and Chairman
For and on behalf of
CELSIUS COAL LIMITED
(TO BE RENAMED "CELSIUS RESOURCES LIMITED")