CELSIUS COAL
LIMITED

28 February 2014

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited
PO Box H224 Australia Square
SYDNEY NSW 2000

Dear Sir/Madam,

Blumont Funding Advance

Appendix 3B and Cleansing Notice

The Company is pleased to advise that it has made its third drawing under the Blumont facility and has now raised, and in return has issued, that number of Convertible Notes to Blumont with an aggregate face value of A$1,000,000.

Under the facility the Company has the ability to draw down a further additional amount of A$1,500,000 in total as and when required.

Please find attached a Cleansing Notice and Appendix 3B which provides for the issue of the Convertible Notes.

Yours faithfully,

Ranko Matic

Non- Executive Director

Company Secretary

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West Perth
WA 6005 Australia

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28 February 2014

The Manager
Companies Announcements Office
Australian Securities Exchange

NOTICE UNDER SECTION 708A(12C)(e)

This notice is given by Celsius Coal Limited (ACN 009 162 949) (**Celsius** or the **Company**) (ASX:CLA) pursuant to Section 708A(12C)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**).

As announced on 7 February 2013, Celsius has in place a strategic financing arrangement (**Arrangement**) with Blumont Group Limited, a Singapore-based company listed on the Singapore Exchange (**Blumont**), to the value of A$10m.

The key elements of the Arrangement include:

- Share Placement – a placement of 227,272,727 fully paid ordinary shares in the capital of Celsius (**Shares**) to Blumont for an aggregate subscription of A$5 million (at an issue price of A$0.022 per share) (**Share Placement**). The Share Placement was completed in March this year.

- Convertible Note Facility – the Company may drawdown between A$3 million to A$5 million (at the Company's option) after 30 June 2013 from Blumont and in return Blumont will be issued Convertible Notes from the Company (**Convertible Notes**) (**Convertible Note Facility**). The first A$3 million in aggregate is to be drawn down prior to 31 December 2013. The Convertible Notes will carry interest at the rate of 12.5% per annum payable half-yearly. The Convertible Notes will be convertible into Shares based at the 20 trading day VWAP prior to conversion and subject to a floor price of A$0.025 per Share and a cap of A$0.030 per Share. Blumont will have the right to call conversion anytime after issuance and the Company will have the right to call conversion anytime from 12 months after issuance, with any conversion subject to the condition that it does not result in a voting interest exceeding 20% of Celsius. The first drawing under this facility was made on 26 September 2013, where the Company raised, and in return issued, that number of Convertible Notes to Blumont with an aggregate face value of $2,000,000. The second drawing was made on 5 December 2013, where the Company raised, and in return, issued, that number of Convertible Notes to Blumont with an aggregate face value of $500,000.

- Strategic Alliance – Blumont and Celsius will cooperate to review other potential projects in Central Asia. Blumont will nominate one director to the board of Celsius (subject to it maintaining a shareholding in excess of 10%) and Celsius will nominate Alexander Molyneux to the board of Blumont.

Subsequently, the Company wishes to advise that it has made its third drawing under the facility and has now raised, and in return has issued, that number of Convertible Notes to Blumont with an aggregate face value of A$1,000,000.

The Company hereby gives notice that:

(a) the Convertible Notes were issued without a disclosure document under Part 6D.2 of the Corporations Act; and

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(b) this notice has been given in accordance with Section 708A(12C)(e) of the Corporations Act as inserted by Class Order [CO 10/322] (on-sale for convertible notes issued to wholesale investors).

1. EFFECT OF THE ISSUE ON THE COMPANY

(a) The intended use of the funds raised (A$1,000,000) will be allocated towards advancing the Company's 2013/2014 exploration and development programme on its Uzgen Basin Coking Coal Project located in the Kyrgyz Republic and towards the review of other potential projects in Central Asia, together with its strategic partner, Blumont.

The current status of the Company's 2013/2014 exploration and development programme is set out in its recent Quarterly Activities Report dated 31 January 2014.

A summary of the rights and liabilities attaching to the Convertible Notes issued to Blumont are set out in Section 2 below.

(b) The effect on the issued share capital of the Company on conversion of the Convertible Notes is set out in the table below. This is based on a floor price of $0.025 and does not account for any accrued interest.

	Number
Shares currently on issue	2,011,471,247
Shares issued upon conversation of the previous issue of Convertible Notes[1]	100,000,000
Shares issued upon conversion of the current issue of Convertible Notes[1]	40,000,000
Total Shares on issue following conversion of the Convertible Notes	**2,151,471,247**

Notes:

1. This is based on a floor price of $0.025 and does not account for any accrued interest under the Convertible Note Facility.
2. Please note, the Company also has a total of 269,500,000 options, 927,000,000 performance shares and 25,000,000 performance rights on issue.
3. The Company has the ability to issue additional Convertible Notes to the value of A$1.5m pursuant to the Convertible Note Facility by no later than 1 July 2023.

(c) Blumont currently holds a total of 227,272,727 Shares equating to a voting power of 11.3% in the Company. On the basis that the Convertible Notes convert into Shares (excluding any accrued interest) and no other Shares are issued, Blumont's voting power in the Company will increase to 17.1%. Based on these calculations, upon conversion, shareholders holdings would be diluted by 5.8%.

In the unlikely event that interest was to accrue per annum until July 2023, and as such no Convertible Notes are converted until maturity, this would equate to an additional $4.375m in accrued interest. However, in the event that

Convertible Notes are converted (in part) during this period, the overall amount of accrued interest will thereupon be reduced. In any event, Blumont will be prohibited from obtaining an overall voting interest in the Company exceeding 20%.

(d) Blumont is not a related party of the Company.

2. RIGHTS AND LIABILITIES ATTACHING TO THE CONVERTIBLE NOTES

The following is a summary of the rights and liabilities attaching to the Convertible Notes:

(a) **Facility Limit**

A$5,000,000.

(b) **Minimum Drawdown**

A$3,000,000 prior to 31 December 2013.

(c) **Term**

Beginning 1 July 2013 and ceasing on the earlier of:

(i) that date which is ten (10) years from the date of issue of the first Convertible Note; and

(ii) that date upon which an event of default occurs in accordance with the terms of the Convertible Note Facility (**Repayment Date**).

(d) **Interest**

(i) 12.5% per annum payable in 6 monthly instalments (on the 6 month and 12 month anniversary of the issue date).

(ii) Prior to each interest payment date, the noteholder (**Noteholder**) may elect for interest to be paid in cash or Shares, but if no election is made, the Company may make the determination on the Noteholder's behalf.

(e) **Security**

Unsecured and will rank equally with all other unsecured creditors of the Company.

(f) **Conversion**

(i) The Noteholder will be entitled to convert all or a portion of the Convertible Notes together with any accrued interest (if applicable) into Shares by delivering a conversion notice to the Company at any time prior to the Repayment Date.

(ii) The Company will apply for quotation of the Shares issued on conversion of the Convertible Notes. The Convertible Notes themselves will not be quoted on the ASX.

(iii) Shares issued on conversion (including in respect of accrued interest) will rank equally with all other Shares on issue in the Company.

(iv) Each Convertible Note and, where applicable, any accrued interest will convert into Shares at the following conversion price:

(A) with respect to the face value of each Convertible Note, the 20 trading day VWAP, subject to a floor price of $0.025 per Share and a cap of $0.03 per Share; and

(B) in respect of any accrued interest, $0.0275 per Share;

(v) Following the date which is 12 months from the date the Minimum Drawdown has occurred, the Company may elect for the Noteholder to convert any or a portion of the outstanding Convertible Notes (and accrued interest) into Shares.

(g) **Voting Power Restriction**

The Noteholder will not be entitled to convert any Convertible Notes (or accrued interest) into Shares to the extent that the voting power of the Noteholder would exceed 20% in the Company.

(h) **Transferability**

Convertible Notes can be transferred but will not be quoted on ASX.

(i) **Bonus Issues**

The Convertible Notes will entitle the Noteholder to participate in any pro-rata bonus issues undertaken by the Company, such additional Shares to be issued to the Noteholder (the subject of the bonus issue) following the conversion of the respective Convertible Notes.

(j) **Reconstructions**

In the event of a reconstruction of the capital of the Company, such as a consolidation, subdivision, reduction, return or scheme of arrangement, a proportionate adjustment will be made to the Convertible Notes on that same basis.

(k) **Participation in New Issues**

A Convertible Note does not confer any rights to participate in new issues of Shares without converting that Convertible Note.

(l) **Redemption**

Any Convertible Notes outstanding at the maturity date, and which are not then subject to a conversion notice, are to be redeemed. The redemption payment is to be in Australian dollars, inclusive of capitalised interest.

CELSIUS COAL LIMITED

3. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES ISSUED ON CONVERSION

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of shareholders of the Company (**Shareholders**). To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

CELSIUS COAL LIMITED

4. COMPLIANCE WITH REGULAR REPORTING AND DISCLOSURE OBLIGATIONS

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request:

(A) the annual financial report most recently lodged by the Company with the ASIC;

(B) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this notice with the ASIC; and

(C) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this notice with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this notice with the ASIC are set out in the table below:

Date	Description of Announcement
11/02/2014	Uzgen Basin Licences Extended
31/01/2014	Quarterly Cashflow Report
31/01/2014	Quarterly Activities Report
30/01/2014	Hartleys Research Report – January 2014
29/01/2014	Fox Davies Capital – Mining Flashnote on Coal Quality
29/01/2014	Investor Presentation – January 2014
22/01/2014	Quality Results for Kokkia Improve Overall Coking Properties
17/01/2014	Updated Announcement – Analysis of Coking Coal Potential

Date	Description of Announcement
16/01/2014	Fox Davies Capital – Mining Flashnote
13/01/2014	Analysis Confirms Coking Coal Potential of Uzgen Basin
17/12/2013	New Infrastructure Options for Coal transport
12/12/2013	Change in Directors Interest Notice - App 3Y (x 3)
12/12/2013	Appendix 3B
11/11/2013	Company Interview – Strong Outlook for 2014
5/12/2013	Appendix 3B and Cleansing Notice
13/11/2013	Results of Annual General Meeting
8/11/2013	Fox-Davies Capital initiates research coverage
31/10/2013	Quarterly Cashflow Report
31/10/2013	Quarterly Activities Report
24/10/2013	Appendix 3B
24/10/2013	Completion of 2013 Drilling Program – Uzgen Basin
14/10/2013	Notice of Annual General Meeting/Proxy Form
14/10/2013	Annual Report to Shareholders
11/10/2013	Release from escrow
9/10/2013	Alex Molyneux to join Blumont Group as Shareholder-Chairman
1/10/2013	Exploration Update – Kokkia drill hole record coal thickness
27/09/2013	Updated Investor Presentation – October 2013

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.celsiuscoal.com.au.

5. INFORMATION EXCLUDED FROM CONTINUOUS DISCLOSURE NOTICES

The market is fully informed of the Company's activities and the Company is not aware of any other information that:

(a) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

(b) is information that investors and their professional advisers would reasonably require for the purposes of making an informed assessment of:

CELSIUS COAL
LIMITED

(i) the assets and liabilities, financial position and performance, profits and losses and prospects of the body; and

(ii) the right and liabilities attaching to the Convertible Notes being offered.

Yours faithfully,



Ranko Matic
Non-Executive Director
Company Secretary

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Celsius Coal Limited

ABN

95 009 162 949

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Convertible Notes
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	10
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Unlisted Convertible Notes with a face value of $100,000 each. Full terms as per attached Annexure 2.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A
5	Issue price or consideration	1,000,000
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The funds raised are to be used in the development of the Group's projects as well as provide for any working capital required.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B,* and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	13 November 2013
6c	Number of +securities issued without security holder approval under rule 7.1	Nil

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	n/a
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	n/a
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Under 7.1 – 296,646,459 Under 7.1A – 201,097,640
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	27 February 2014

+ See chapter 19 for defined terms.

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	2,010,976,397	Ordinary Fully Paid Shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	155,000,000	Options exercisable at 1 cent each and expiring on 31 March 2014
		5,000,000	Class A Options exercisable at 2 cents each and expiring on 31 October 2014
		20,000,000	Class C Options exercisable at 2 cents each and expiring 21 February 2015
		2,000,000	Employee Options exercisable at 2 cents each and expiring 21 February 2016
		205,400,000	Class A Performance Shares
		205,400,000	Class B Performance Shares
		205,400,000	Class C Performance Shares
		155,400,000	Class D Performance Shares
		155,400,00	Class E Performance Shares
		25,000,000	Class B Performance Rights

+ See chapter 19 for defined terms.

25,000,000	Options exercisable at $0.025 and expiring 10/4/16
15,000,000	Options exercisable at $0.020 and expiring 20/5/16
15,000,000	Options exercisable at $0.035 and expiring 20/5/16
15,000,000	Options exercisable at $0.050 and expiring 20/5/16
5,000,000	Employee Options exercisable at 2 cents each and expiring 24 October 2016
35	Convertible notes with a face value of $100,000 each convertible at the 20 day VWAP
12,500,000	Options exercisable at $0.020 and expiring 12/12/16

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy established as the Company is still in exploration phase

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements *in full* through a broker?	
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) ☐ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	
39	+Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	

+ See chapter 19 for defined terms.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 27/2/2014
(Non-Executive Director & Company secretary)

Print name: Ranko Matic

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,752,703,670
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	227,272,727 (issued 11/3/13) 5,000,000 (options exercised 6/8/13) 5,000,000 (options exercised 9/9/13) 5,000,000 (options exercised 24/10/13) 16,000,000 (Perf Rights converted 12/12/13)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	2,010,976,397

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	301,646,459
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	5,000,000 (options 24/10/2013)
"C"	**5,000,000**
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	301,646,459
Subtract "C" *Note: number must be same as shown in Step 3*	5,000,000
Total ["A" x 0.15] – "C"	296,646,459 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	2,010,976,397
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	201,097,640
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
"E"	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	201,097,640
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	201,097,640 *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.