

6 October 2015

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Dear Shareholder

## Australian Pacific Coal Limited ACN 089 206 986 (ASX:AQC)

### Non-renounceable rights issue

On 29 July 2015, Australian Pacific Coal Limited (**Australian Pacific Coal** or the **Company**) announced a non-renounceable rights issue to eligible shareholders, on the basis of 1 new fully paid ordinary share for every 1 share held at an issue price of \$0.004 per share (**New Share**), to raise approximately \$1,539,763.48 before costs (**Rights Issue**).

The Rights Issue is not underwritten.

The purpose of the Rights Issue is to raise approximately \$1,539,763.48 for the Company to:

- progress the Company's exploration program;
- provide additional working capital; and
- to pay for the costs of the Rights Issue.

An Offer Document in relation to the Rights Issue was lodged with the Australian Securities Exchange (ASX) on 25 September 2015 and is available on the ASX website and also on the Company website at [www.aqcltd.com](http://www.aqcltd.com).

A proposed timetable for the Rights Issue is set out in the table below:

Event	Date
<b>Lodge Offer Document, application for official quotation of New Shares and Section 708AA notice with ASX</b>	25 September 2015
<b>Letter to shareholders</b>	28 September 2015
<b>Ex Date</b>	29 September 2015
<b>Record Date for the Issue</b>	1 October 2015 7.00pm (Brisbane time)
<b>Despatch of Offer Document and Acceptance Form</b>	6 October 2015
<b>Opening Date of Offer</b>	6 October 2015 at 9.00am (Brisbane time)
<b>Closing Date of Offer</b>	19 October 2015 at 5.00pm (Brisbane time)
<b>Issue of New Shares</b>	23 October 2015
<b>Commencement of trading of New Shares on ASX</b>	26 October 2015
<b>Despatch of Transaction Confirmation Statements for New Shares</b>	26 October 2015

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act and the ASX Listing Rules.

In accordance with the ASX Listing Rules and the Corporations Act, Australian Pacific Coal has considered the number of shareholders with registered addresses outside of Australia and New Zealand, the number and value of the shares held by those shareholders, and the number and value of New Shares those shareholders would be offered pursuant to the Rights Issue. Taking this into consideration, as well as taking into consideration the costs of complying with the legal requirements and the requirements of the regulatory authorities of those relevant jurisdictions outside of Australia and New Zealand, Australian Pacific Coal believes it to be unreasonable to extend the Rights Issue to all shareholders. Accordingly, the offer pursuant to the Rights Issue will only be extended to those who are Australian Pacific Coal shareholders as at 7.00pm (Brisbane time) on 1 October 2015, and who have registered addresses in Australia, New Zealand, Hong Kong, Singapore and in the United States of America (where the Company reasonably believes that the offer to the person, and the purchase of the New Shares by the person will be in transactions exempt from the registration requirements of the US Securities Act of 1933 and applicable state securities laws. Entitlements to New Shares pursuant to the Rights Issue are non-renounceable and accordingly will not be traded on the ASX.

As you are a shareholder with a registered address outside of Australia, New Zealand, Hong Kong, Singapore or you are not an institutional investor in the United States purchasing the New Shares in transactions exempt from the registration requirements of the US Securities Act of 1933 and applicable state securities laws, the offer pursuant to the Rights Issue will not be extended to you.

Please contact Kevin Mischewski, Company Secretary, on +61 7 3221 0679 if you have any queries regarding the Rights Issue or your eligibility to participate in the Rights Issue.

Yours faithfully

  
Peter Ziegler  
Chairman  
Australian Pacific Coal Limited

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