

25 June 2015

RIO TINTO EXPLORATION – MT HILLALONG PROJECT UPDATE

We have received the following statement from Rio Tinto Exploration Pty Ltd (Rio):

“After the completion of exploration work on Hillalong and subsequent review of results, RTX has decided not to exercise the option to acquire the tenement. Accordingly we will let the agreement lapse.”

While we recognise that this is a significant announcement for the Company we draw our shareholders attention to the fact that the Company holds a number of high quality coal exploration tenements and that your directors are actively engaged in realising value from all of the Company’s assets.

Under the terms of the Exploration, Option and Joint Venture Agreement, Rio are obliged to return all of their interests in EPC’s 1773, 1867 and 1645 to Area Coal Pty Ltd.



Peter Ziegler
Chairman