

ASX RELEASE

04 April 2017

Waiver of ASX Listing Rule 10.13.3

Further to the Notice of Extraordinary Meeting and Explanatory Memorandum announced on 13 March 2017 ('the Notice'), Australian Pacific Coal Limited ('AQC', or 'the Company') (ASX Code: AQC) is pleased to announce that ASX have considered the Company's application for a waiver of Listing Rule 10.13.3 (as described on page 37 of the Notice), and have decided to grant the waiver on the following basis:

1. *Based solely on the information provided, ASX Limited ("ASX") grants Australian Pacific Coal Limited (the "Company") a waiver from Listing Rule 10.13.3 to the extent necessary to permit the Company's notice of meeting (the "Notice") seeking, amongst other things, shareholder approval for*

1.1. *the issue of up to 3,808,682,792 shares in lieu of interest payments to Trepang Services Pty Ltd ("Trepang"), Mr John Robinson (Snr) and Mr Nicholas Paspaley ("Interest Shares"); and*

1.2. *the issue of a convertible note to Trepang convertible into no more than 6,000,000,000 shares in return for principal of \$15 million ("Trepang Convertible Note")*

not to state that the Interest Shares or the Trepang Convertible Note will be issued within one month of the date of the shareholders' meeting, on the following conditions:

1.3. *the Notice contains a summary of the material terms of the Robinson and Paspaley Convertible Notes, the Secured Loan Deed and the Trepang Convertible Note;*

1.4. *the Interest Shares are issued no later than 1 April 2019 for the Robinson and Paspaley Convertible Notes, 1 April 2020 for the for the Tranche A Principal Amount under the Secured Loan Deed, 27 June 2019 for the Tranche B Principal Amount under the Secured Loan Deed and 1 April 2020 for the Trepang Convertible Note;*

1.5. *the Trepang Convertible Note is issued on the day that is 2 business days prior to the Completion Date as defined in the Dartbrook Share Purchase Agreement and in any event by no later than 30 June 2017;*

1.6. *if the Company releases its annual report during a period in which the Interest Shares are issued or remain to be issued, the annual report discloses details of the Interest Shares that have been issued and any Interest Shares remaining to be issued; and*

1.7. *the Company immediately releases the terms of the waiver to the market.*

For further information, please contact:

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