

APAC Coal Limited

A.C.N 126 296 295

Level 1, 981 Wellington St West Perth WA 6005

Tel: +61 8 6555 2950 Fax: +61 8 9321 3102

www.apaccoal.com



23 January 2015

APAC COAL LIMITED QUARTERLY ACTIVITIES REPORT

APAC Coal Limited (“APAC” or “the Company”) (ASX: AAL) is pleased to provide the following quarterly activities report for the December 2014 Quarter.

Review of Operations

Exploration and Development of Coal Mining Activities

As announced on 26 June 2013, APAC Coal Limited (“APAC”) and majority shareholder Magnus Energy Group Ltd (“Magnus”), Magnus wholly owned subsidiary Antig Investments Pte Ltd and APAC (collectively referred to as “Group”) has issued a Notice of Intent to Resolve Investment dispute through Consultations and Negotiations to the Government of the Republic of Indonesia. The purpose of this action is to seek recourse under the Agreements between the Government of the Republic of Singapore and the Government of the Republic of Indonesia, and between the Government of Australia and the Government of the Republic of Indonesia on the Promotion and Protection of Investments (“PPI”).

APAC has been in discussions with litigation funders and various lawyers to strategise the best way forward to communicate with the Government of Indonesia and to fund the full cost of the International Centre for Settlement of Investment Disputes (ICSID) arbitration through the Business Treaty on the PPI.

APAC is actively negotiating some potential acquisition targets to bring the company business forward.

The above developments may have a material impact and APAC will make further announcements as and when there are material developments in relation to the aforesaid matters.

Corporate

Cash Balance:

The Company had a cash balance of approximately \$1,000 as at 31 December 2014.

Magnus shall continue to fund the working capital requirements of APAC until a resolution of the aforesaid dispute.

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Schedule of Mining Tenements

Below is a schedule of Mining Tenements held by the Company at the end of the quarter:

Mining Tenement	Location	Beneficial Percentage held
PKP2B No. 717.K/20.01/DJP/1999	East Kalimantan, Indonesia	100%

ENDS

Yours faithfully

Zane Lewis
Director and Company Secretary
APAC Coal Limited

For further information on APAC Coal Limited please contact:

Lim Kuan Yew
Chairman

Zane Lewis
Director and Company Secretary

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