



8 February 2016

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Madam,

Baralaba Mine placed into care and maintenance

Cockatoo Coal Limited (Administrators Appointed) ACN 112 682 158 (**Company**) announces that the Baralaba Mine is to be placed under care and maintenance to maximise the preservation of cash and the value of assets pending any restructure or sale of the business and/or assets of the Company, Baralaba Coal Pty Ltd (Administrators Appointed) ACN 009 805 029, Wonbindi Coal Pty Ltd (Administrators Appointed) ACN 114 668 941 and Cockatiel Coal Pty Ltd (Administrators Appointed) ACN 096 909 634 (together, the **Group**).

The Administrators have determined to take this action due to an unsustainable level of cash outflows, which have been compounded by poor weather impacting production levels and the current low coal prices.

The Administrators have received a number of indicative proposals to restructure the Group. Any proposal capable of resulting in a transaction will be the subject of a formal report to creditors.

The Administrators appreciate the support received from all key stakeholders, including the Group's staff, customers and suppliers.

Grant Sparks

Administrator

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