

2 September 2016

ASX Market Announcements

Australian Securities Exchange

Successful completion of institutional entitlement offer

Highlights

- Institutional component of accelerated non-renounceable Entitlement Offer successfully completed, raising approximately \$1.42 million
- Retail component of Entitlement Offer to open on 7 September 2016

Entitlement Offer

On 31 August 2016, Malabar Coal Limited ACN 151 691 468 (**Malabar**) announced an accelerated one for eight pro rata non-renounceable entitlement offer of fully paid ordinary shares in Malabar (**New Shares**) to raise approximately \$2 million (**Entitlement Offer**). The Entitlement Offer comprises an accelerated institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

Malabar is today pleased to announce the successful completion of the Institutional Entitlement Offer.

Approximately 14,216,224 New Shares will be issued to successful applicants under the Institutional Entitlement offer on 12 September 2016 at an issue price of \$0.10 per New Share (**Offer Price**), raising approximately \$1.42 million.

As a result of the successful completion of the Institutional Entitlement Offer, Malabar shares will recommence normal trading on an ex-entitlement basis from the opening of the market on 2 September 2016.

Under the Retail Entitlement Offer, eligible retail shareholders will be able to subscribe for one New Share for every eight existing Malabar shares held at 7.00pm (Sydney time) on 2 September 2016, at the Offer Price.

Eligible retail shareholders will receive an Information Booklet including a personalised Entitlement and Acceptance Form which will provide further details of how to participate in the Retail Entitlement Offer. Eligible retail shareholders who take up their full entitlement can apply for additional New Shares under the top-up facility.

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A copy of the Information Booklet will be lodged today with ASX and is due to be despatched (along with the Entitlement & Acceptance Form) on 7 September 2016, when the Retail Entitlement Offer will open. The Retail Entitlement Offer closes at 5.00pm (Sydney time) on 16 September 2016.

The Entitlement Offer is fully underwritten by seven existing Malabar shareholders, including entities associated with current directors of Malabar, being Wayne Seabrook, Hans Mende, Andrew Plummer and Simon Keyser, as well as entities associated with existing shareholders, being Fritz Kundrun, Anthony Haggarty and Allan Davies.

For further comment or other information, please contact:

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