

MALABAR COAL LIMITED

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6 November 2019

Malabar engages XLX Pty Ltd

Malabar Coal Limited (**Malabar**) announced today that it has entered into an arrangement with XLX Pty Ltd (**XLX**) to assist Malabar with the implementation and processing of the Maxwell Underground Project and other ancillary projects (**Engagement Letter**).

Malabar's Chairman Wayne Seabrook is a director of XLX. The shareholders of XLX are entities connected to Wayne Seabrook, Tony Haggarty, Simon Keyser, Allan Davies and Andy Plummer. They are all minority shareholders in XLX and are also shareholders in Malabar.

As consideration for the services provided by XLX the Company has agreed to issue 10,000,000 fully paid ordinary shares¹ to XLX (the **Completion Fee Shares**), payable on the Maxwell Underground Project being approved and proceeding or earlier on a change of control or other similar event occurring. In certain circumstances, Malabar may elect to substitute the issue of all or part of the Completion Fee Shares with a cash amount of \$5 per Completion Fee Share.

For enquiries, please phone 02 8248 1272 or email admin@malabarcoal.com.au.



Anthony Galligan
Independent Director
Malabar Coal Limited

¹ Subject to an adjustment on a reconstruction of the share capital of Malabar (which is not currently anticipated).