

13 October 2015

ASX Market Announcements

Australian Securities Exchange

### Successful completion of non-renounceable entitlement offer

Malabar Coal Limited (**Malabar**) (ASX: MBC) announces that it has successfully completed the 15 for 17 non-renounceable entitlement offer (**Entitlement Offer**) of fully paid ordinary shares in Malabar (**New Shares**) at an issue price of \$0.08 per share to existing Shareholders to raise approximately \$6 million. The Entitlement Offer opened on Wednesday 23 September 2015 and closed at 5pm on Thursday 8 October 2015.

Under the Entitlement Offer, Eligible Shareholders who took up their full Entitlement were able to apply for additional New Shares from a pool of those not taken up by other Eligible Shareholders. Malabar received Applications for approximately 58.66 million shares or \$4.69 million, equivalent to approximately 78.2% of the total Entitlement Offer.

As the Entitlement Offer was fully underwritten by four Shareholders, including two associated with Directors Hans Mende and Andy Plummer, the Shortfall Shares of approximately 16.34 million New Shares or \$1.31 million will be taken up by the Underwriters.

Issue and allotment of the New Shares is expected to occur on Thursday 15 October 2015 with normal trading of the New Shares expected to commence on Friday 16 October 2015.

Proceeds from the Entitlement Offer will be used to fund the \$3 million initial Joint Venture restructure payment, associated capital raising and Joint Venture restructuring costs, exploration in accordance with the approved Exploration Licence Work Program and to contribute to working capital.

Yours sincerely



Wayne Seabrook  
Chairman  
**Malabar Coal Limited**

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