



HEAD OFFICE

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ABN 29 060 352 990

19 April 2018

Dear Shareholders,

NuCoal Resources Ltd (ASX: NCR) lodged the attached ASX Announcement titled Shareholder Update on 19 April 2018.

Gordon Galt, Chairman stated the following expanded comments in response to the reply received from Premier Berejiklian:

"Despite formal correspondence and numerous requests to Premier Berejiklian to meet with NuCoal, no meeting has been offered and we have now been told via a short form letter that the NSW Government is content with the "expropriation without compensation and legislate away your right to object" decision, which it led the Parliament to make in January 2014. Similar short form letters were sent to other interested parties who have been pressing this matter.

It appears that the NSW Government wants the whole matter to be forgotten. The lack of engagement and apparent consideration given to NuCoal's submission is disturbing. Clearly NuCoal's shareholders deserve better than this. It sends the message that in NSW the Government can and will take away your assets if it suits them, without any compensation, even though you have done nothing wrong and they know this to be the case.

NuCoal is continuing efforts on an international level with NuCoal's U.S. shareholders to bring an appropriate compensation proceeding against the Australian Government under the Australia US Free Trade Agreement. Unfortunately, as previously advised, Australian shareholders in NuCoal will not be a party to any compensation that may arise from these efforts."

Yours faithfully,

A handwritten signature in black ink that reads 'Megan Etccl'.

Megan Etccl
Company Secretary
Tel: +61 2 4015 0500



ASX Announcement

19 April 2018

Shareholder Update

NuCoal Resources Ltd (ASX: NCR) (Company) provides the following update with respect to ongoing efforts to seek redress for shareholders following the unfair and unjust expropriation via cancellation of Exploration Licence 7270 (**EL 7270**) by the NSW Government in early 2014.

As previously announced, in December 2017 NuCoal lodged a submission with the NSW Premier, the Hon. Gladys Berejiklian MP, requesting her to consider NuCoal's position following a number of developments during 2017 which NuCoal believed warranted substantive review of the expropriation by the NSW Government. A copy of the entire submission is available on the Company's website at <http://nucoal.com.au/wp-content/uploads/2018/04/Submission-to-Premier-Final-18.12.17.pdf>.

The developments outlined within the submission, included, but were not limited to, the matters noted below:

- the acquittal of Mr Craig Ransley, former Founder and Director of Doyles Creek Mining Limited (**DCM**), on allegations related to the granting of EL 7270, the evidence tabled and conclusions drawn in this case and the failure to bring any charges against Mr Andrew Poole and Mr Michael Chester, both also former Directors of DCM;
- public statements by NSW MPs from both sides of Parliament that the NSW Parliament may have been misled when it passed the Mining Amendment (ICAC Operations Jasper and Acacia) Act 2014. Most recently, the Hon. Dr Peter Phelps, highlighted the injustice in respect of the introduction of the Amendment Act publicly in Parliament, stating "*What we have here appears to me to be gross maladministration by ICAC. Even more importantly, I believe we may have been misled by the then Premier into introducing and passing three bills that have expropriated a property right completely unjustifiably.*"; and
- the compensation paid to Shenhua in respect of Watermark and to BHP for Carooona to buy back NSW coal mining licences.

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ASX:NCR • Share Information
Issued Shares: 768.6m

Board of Directors

Chairman:	G. Galt
Non Executive Director:	G. Lewis
Non Executive Director:	J. Beecher
Non Executive Director:	M. Davies
Company Secretary:	M. Etccl

NuCoal's submission included 12 pages of new material, plus a number of historical documents which have been previously provided to the NSW Government. Today, NuCoal received a reply from the Department of Premier and Cabinet in response to its submission, and a recent follow up letter sent in March 2018 (**Attachment 1**).

In response to the reply, NuCoal Chairman, Gordon Galt stated:

"Despite formal correspondence and numerous requests to Premier Berejiklian to meet with NuCoal, no meeting has been offered and we have now been told via a short form letter that the NSW Government is content with the decision which it led the Parliament to make in January 2014. Similar short form letters were sent to other interested parties who have been pressing this matter.

NuCoal is continuing efforts on an international level with NuCoal's U.S. shareholders to bring an appropriate compensation proceeding against the Australian Government under the Australia US Free Trade Agreement. Unfortunately, as previously advised, Australian shareholders in NuCoal will not be a party to any compensation that may arise from these efforts."

For further enquiries please contact:

Megan Etccl
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Tel: +61 2 4015 0500

ATTACHMENT 1



Ref: A2367916 / A2433203 / A2491689

Mr Gordon Galt
Chairman
NuCoal Resources Limited
PO Box 2155
GREENHILLS NSW 2323

Dear Mr Galt

I refer to your correspondence to the Premier dated 18 December 2017 and 29 March 2018 requesting discussions about compensation for NuCoal in relation to the cancellation of EL 7270 and associated matters.

I have been asked to write to you in relation to this correspondence.

In 2014, the decision was made not to compensate investors who may have been affected by the licence cancellation. This decision was not made lightly. The then Premier's second reading speech for the introduction of the *Mining Amendment (ICAC Operations Jasper and Acacia) Bill 2014* describes the factors that were considered.

I am advised that the position remains unchanged to that reached in 2014.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'K S'.

Karen Smith
Deputy Secretary, Cabinet and Legal

9 April 2018

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ASX Announcement – 19 April 2018

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