



# Company Statement

16 March 2023

## Suspension of Shares in NuCoal Resources Ltd

NuCoal Resources Ltd (ASX:NCR) (**NuCoal** or **Company**) wishes to update shareholders in relation to the suspension of shares which took effect at 4pm Monday, 13 March 2023. By way of background, NuCoal has been listed on the ASX since February 2010, a period of 13 years.

During the listed period, the Company raised over \$70 million and traded at over \$0.60 per share with a market capitalisation of over \$400 million. The Company had three assets – Exploration Licence 7270 Doyles Creek (**EL 7270**), EL 6594 Dellworth (**EL 6594**) and EL 6812 Savoy Hill (**EL 6812**) – with the first mentioned being by far our most valuable asset. Work on all exploration licences progressed quickly after they were granted/purchased, with a Preliminary Feasibility Study being completed on EL 7270 by Palaris – Mining Consultants. This showed an NPV at the time of \$500 million.

In 2011, the Labor Government was defeated by the Liberals, who almost immediately commenced an investigation into the circumstances of the granting of EL 7270 via the Independent Commission Against Corruption (**ICAC**). ICAC decided that EL 7270 was corruptly granted after a public “show trial”. Unfortunately for ICAC, and the NSW Government, this “finding” has now been proven to be a completely incorrect decision – there was no corruption by NuCoal or anyone associated with the Company. In fact, **the Supreme Court of NSW has decided, in December 2022, that the party at fault in this whole matter is the NSW Government itself via its own Minister!!**

The irony here is that the NSW Government made a huge mistake – and then has made the shareholders of NuCoal pay for the “privilege” of having their asset confiscated!

Following the release of ICAC’s findings, the NSW Government undertook a perfunctory “show cause” exercise with NuCoal and in January 2014, EL 7270 was confiscated by the passing a specific act of Parliament (*Mining Amendment (ICAC Operations Jasper and Acacia) Act 2014 (MAA)*) when Parliament was recalled for one day without notice from its summer recess. The MAA was deliberately designed to sidestep the rights held by NuCoal under the *Mining Act 1992*.

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**ASX:NCR • Share Information**  
Issued Shares: 768.6m

**Board of Directors**

Chairman:	G. Galt
Non Executive Director	
& Company Secretary:	G. Lewis
Non Executive Director:	M. Davies

Quite obviously, the MAA was actually being drafted during the so called “show cause” period, so the Government had no intention of really considering NuCoal’s submission. We have been unable to find anyone who said they actually read the submission.

Despite the recommendation of the ICAC Commissioner that compensation should be considered for innocent persons in the MAA, any compensation was specifically ruled out in the MAA by the NSW Government at the time.

We have now fought for compensation for this confiscation for the entire subsequent 9-year period. The confiscation was clearly a travesty of the Rule of Law, and is acknowledged as such by almost every politician or representative of the NSW Government that we have spoken to. Two Parliamentary Committees have unanimously recommended that our case be addressed, but the NSW Government continues to obfuscate.

Regarding the other assets of the Company, EL 6594 was sold in March 2016. EL 6812 expired in June 2018 and an application to renew the exploration licence was lodged immediately before expiry, as is customary. The NSW Government finally renewed the application in October 2022 but gave no explanation as to why it had taken so long to undertake the renewal.

After the confiscation of EL 7270, Directors initially pursued a strategy of seeking compensation and looking for new assets for the Company to explore and develop. During this time, all assets except EL 6812 were monetized. The search for new assets was abandoned because the Company’s ability to raise funds was non-existent given our besmirched reputation and the NSW Government’s recalcitrance regarding compensation. Our only strategy therefore has been to continue to seek both renewal of EL 6812 and compensation for the confiscation of EL 7270 by publicising our cause widely in Australia and in the USA where many NuCoal shareholders live. We have done this with as little cost to the Company as possible.

In all the time of our listing, we have been an exemplary Company, keeping shareholders informed, paying our fees on time, keeping the books in order, and working hard for compensation. Via our continuous notifications on the ASX platform and our website, it has been entirely obvious to the ASX and all shareholders that NuCoal had no active exploration tenements between June 2018 and October 2022.

No actions in respect of this “inactivity” were taken by the ASX until February 2022 when correspondence was received from the ASX advising that the Company may not be in compliance with Listing Rule 12.1. Further correspondence ensued with the ASX advised in July 2022 that the Company had 6 months to become “active” or be suspended. Shareholders were informed of this at the time.

After being notified by the ASX, the Company increased its push to have EL 6812 renewed and was successful with the renewal occurring in October 2022. As part of the renewal, a program of work was agreed with the NSW Government and this was announced to the market. Under the work program, actual on-the-ground drilling is scheduled to commence in 2024 following a review of data, reasonable consultations with landowners, and completion of relevant documentation including environmental procedures to be followed.

In the opinion of Directors, acting in good faith, it was considered that the Company's commitment to the program agreed with the NSW Government should be sufficient to satisfy the requirements of Listing Rule 12.1. A considerable effort was undertaken to convince the ASX of our bona fides. Relevant documents which have passed between the ASX and NuCoal between February 2022 and 10 March 2023 are available on our website at *Investors* → *ASX Correspondence* (<https://nucoal.com.au/investor-centre/>).

Unfortunately, the ASX decided to go ahead with its intentions and suspended our shares on 13 March 2023. In the week before the suspension of our shares, we were trading at approximately \$0.005 per share and the market capitalisation of the Company was approximately \$3.8M – mostly cash backed.

Your Directors have decided not to pursue any legal challenge to the ASX's actions at this time because it would waste the precious funds we have available to progress EL 6812 and to continue our case for compensation after the NSW election on 25 March 2023.

As you will see from the above, your Directors continue to seek justice and to increase the value of our Company. We will explore other ways to allow shareholders to trade and advise as these are pursued.

As usual, we are happy to discuss any and all of the above. Please address any queries to [admin@nucoal.com.au](mailto:admin@nucoal.com.au) and a Company representative will respond as quickly as possible.

For further enquiries please contact:

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