Level 5, 56 Pitt Street
Sydney NSW 2000

T: +61 2 8823 3179
F: +61 2 8823 3188

ASX Release

14 March 2014

Shareholder Update

MUI Corporation Limited ("**MUI**" or the "**Company**") and AusAsia Energy Pty Ltd ("**AusAsia**") have re-negotiated the terms of the proposed acquisition of AusAsia by MUI, which has resulted in the entering into a Put and Call Option by the parties and amendments to the Loan Facility Agreement.

Put and Call Option

It has been agreed to terminate the existing Call Option Deed and enter into a new Put and Call Option Deed with the following terms:

1. AusAsia grants an call option to MUI to purchase the shares of its wholly-owned subsidiary, JEMS Exploration Pty Ltd ("**Shares**"), which holds the Grey Ranges and Laura Basin exploration tenements, ("**Call Option**");

2. MUI grants to AusAsia a put option to require MUI to purchase the Shares, which can only be exercised if MUI does not exercise the Call Option, on the terms and conditions contained in the SPA ("**Put Option**");

3. The expiry date of the Put and Call Options is 15 December 2014;

4. Conditions to be met prior to exercising the options are as follows:

    - MUI obtaining all shareholder approvals necessary (including as required under the Corporations Act and the ASX listing Rules);
    - Compliance with Chapters 1 and 2 of the ASX Listing Rules as a result of the application of Listing Rule 11;
    - JEMS remaining the holder of the tenements, and all such tenements remain in good standing; and
    - MUI being satisfied with its due diligence investigations in respect of JEMs and the tenements.

5. A Share Purchase Agreement ("SPA") will come into effect on exercise of either the Put Option or Call Option, and its terms have been are as follows:

   - The Company will now purchase AusAsia's 100% owned subsidiary JEMS Exploration Pty Ltd ("JEMS") which holds 100% of the following tenements:

     - Queensland Exploration Permit for Coal EPC 2510 — Grey Ranges;
     - Queensland Exploration Permit for Coal EPC 2544 — Grey Ranges;
     - Queensland Exploration Permit for Coal EPC 2557 — Grey Ranges; and
     - Queensland Exploration Permit for Coal EPCA 2755 — Laura Basin.

   - No MUI shares will be issued and no cash will now be paid by the Company to acquire the Shares;
     - The transfer of the Shares to MUI on exercise of either the Put Option or the Call Option is to be in full and final satisfaction of all outstanding amounts under the Loan Facility Agreement , which is currently $3.5 million, as amended as set out below.

Amendments to Loan Facility Agreement

1. **Loan Amount:** The parties have agreed to increase the loan facility from $3.5 million to $4.0 million. To date $3.5 million has been advanced to AusAsia. Any further advances will be made at MUI's discretion for costs associated with the tenements.

2. **Term:** The term has been extended to 15 December 2014. If the options are not exercised or if the conditions contemplated under the Put and Call Option are not approved by the Company's shareholders prior to the expiry of the term, then all funds lent to AusAsia under the Loan Facility Agreement will become immediately due and repayable to the Company.

3. **Interest Rate:** The loan is interest free, provided that full repayment of the funds lent is made prior to the expiry of the term. Default interest accrues at a rate of 12% per annum.

4. **Security:**

   The Company has been granted the following security:

   - charge over the assets of JEMS and AusAsia;
   - corporate guarantee of JEMS; and
   - personal guarantee of Mr Domenic Martino.

As part of the renegotiations, the Company has agreed to release Mr Martino from his personal guarantee on exercise of the Call Option or Put Option, as the case may be. The SPA comes into effect on exercise of either the Put or Call Option, and is unconditional. Since Mr Martino is, however, a related party to these transactions, the Company will seek shareholder approval prior to the release of Mr Martino from the guarantee.

Contact: Mr John Bell, Chairman (02) 8823 3176