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CELSIUS COAL LIMITED

ASX RELEASE | 29 April 2016

QUARTERLY ACTIVITIES REPORT

MARCH 2016

HIGHLIGHTS

Favourit Acquisition

As announced on 26 October 2015 Celsius has entered into a binding heads of agreement with the shareholders of Favourit Global Pty Ltd (**Favourit**), an online sports betting platform operating in the UK online gambling market, to acquire 100% of the equity in Favourit (**Acquisition**). The material terms of the Acquisition are detailed in the ASX Release of 26 October 2015. The Acquisition was approved by shareholders at a meeting on 28 January and both parties are now working to satisfy the Conditions Precedent prior to settlement of the Acquisition.

Favourit has developed and owns an online betting and casino platform that operates in the UK online gambling market estimated by the Global Betting and Gaming Consultancy (**GBGC**) to be US$9.88Bn billion in 2014, measured in annual gross gambling revenue (Source: Global Betting and Gaming Consultants' Global Gambling Report tenth edition available from http://www.gbgc.com/global-gambling-revenues-pass-us-450-billion-in-2014/). Favourit's betting and casino platform provides a user experience which offers customers access to betting trends and interaction with other Favourit customers to share tips and statistics. The technology platform is an internationally scalable, multi-channel digital platform available by web, mobile and tablet. Funds raised to date have enabled the design, development and early stage commercialisation of Favourit's sportsbook business via its subsidiary, Favourit Enterprises. Favourit Enterprises recently partnered with a leading European based service provider (EveryMatrix) to provide the necessary and more commoditised back office functionality and regulatory compliance requirements. This partnership allows Favourit to operate a white label sportsbook under its own brand in the UK and selected other jurisdictions.

As detailed in the announcement of 26 October 2015 the Acquisition will be a significant change to the nature and scale of Celsius' business activities which will require re-compliance with the ASX's admission requirements in Chapter 1 and Chapter 2 of the ASX Listing Rules. As a result the Company's shares are currently in suspension from trading. During the Quarter the Company lodged a Prospectus to assist the Company to re-comply with the ASX Listing Rules and also raise sufficient funds to complete the proposed Transaction. Under this Prospectus, the Company proposed to raise a minimum of $4,000,000 and a maximum of $6,000,000. Subsequent to the end of the Quarter ASIC placed an Interim Stop Order on the Company's Prospectus. The Company is currently working through the issues raised by ASIC in its Stop Order which will be dealt with in the form of a Replacement Prospectus to be lodged by the Company with ASIC.

The Company will provide existing and new applicants with a copy of the Replacement Prospectus once available.

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Extension of Closing Date

The Directors of the Company wish to advise that the Closing Date of the Prospectus has been extended and a new timetable will be advised at a later date.

West Australian Nickel Assets

The Company has signed a conditional Heads of Agreement to divest View Nickel as announced to the market earlier today. The proposal is conditional on a number of items, including the successful completion of the Favourit Acquisition.

-ENDS-

Enquiries

For more information, please visit www.celsiuscoal.com.au or contact Mr Ranko Matic, Company Secretary on +61 (08) 9226 4500.