

20 September 2013

The Manager Companies ASX Limited 20 Bridge Street Sydney NSW 2000

(1 page by email)

Dear Madam

EXTENSION OF THE SKN GUARANTEE OF THE KEBA LOAN FACILITY

Cockatoo Coal Limited ('Cockatoo' or 'the Company') advises that SK Networks, Co., Ltd ('SKN'), the ultimate parent entity of SK Networks Resources Australia Pty Ltd, an existing shareholder of the Company, has publicly announced its approval to extend its guarantee of the KEB Australia Ltd ('KEBA') \$95 million loan facility ('Facility') to 27 December 2013 in order to enable Cockatoo and SKN to progress their current discussions regarding the refinancing of the Facility and future funding of the Baralaba Expansion.

The Company, in conjunction with SKN, is now finalising with KEBA the Facility extension to 27 December 2013, to match the approved guarantee extension.

Cockatoo's plans to refinance the KEBA debt and fund the development of the Baralaba Expansion are progressing positively with negotiations ongoing with a number of parties including SKN.

For further information, contact Andrew Lawson, Mark Lochtenberg or Peter Nightingale on (61-2) 9300 3333.

Yours sincerely

Andrew Lawson
Managing Director

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