

ASX: ICZ

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Executive ChairmanJohn Kenny
Executive DirectorAndrew Parker
Executive DirectorVinay Hariani
Executive DirectorAsh Patel
Executive DirectorMark Clements
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Capital Raising of \$6,500,000

The Board of Indus Coal Limited (**Indus** or the **Company**) wishes to advise that it has commenced a capital raising of \$6,500,000 to enable the purchase of an initial 38% shareholding in the 2 companies that own the 3 Jambi Coal Projects (Blocks 7, 8 and 9) for \$6,500,000 as announced on 29 November 2012.

Following is a capital raising presentation outlining the nature, structure and size of the capital raising. \$3,500,000 is being raised by way of an equity issue and \$3,000,000 is being raised by way of a placement of secured convertible bonds.

CPS Securities is the Lead Broker to the equity issue and Gleneagle Securities is the placement agent of the placement of the secured convertible bonds.

Indus is making this offer under s708(8) and/or 708(10) (as the case may be) of the Corporations Act and therefore is an offer of Indus' securities that do not need disclosure.

For further information, please contact:

SCOTT DOUGLAS
Chairman

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Capital Raising - \$6,500,000

Monday 3 December 2012

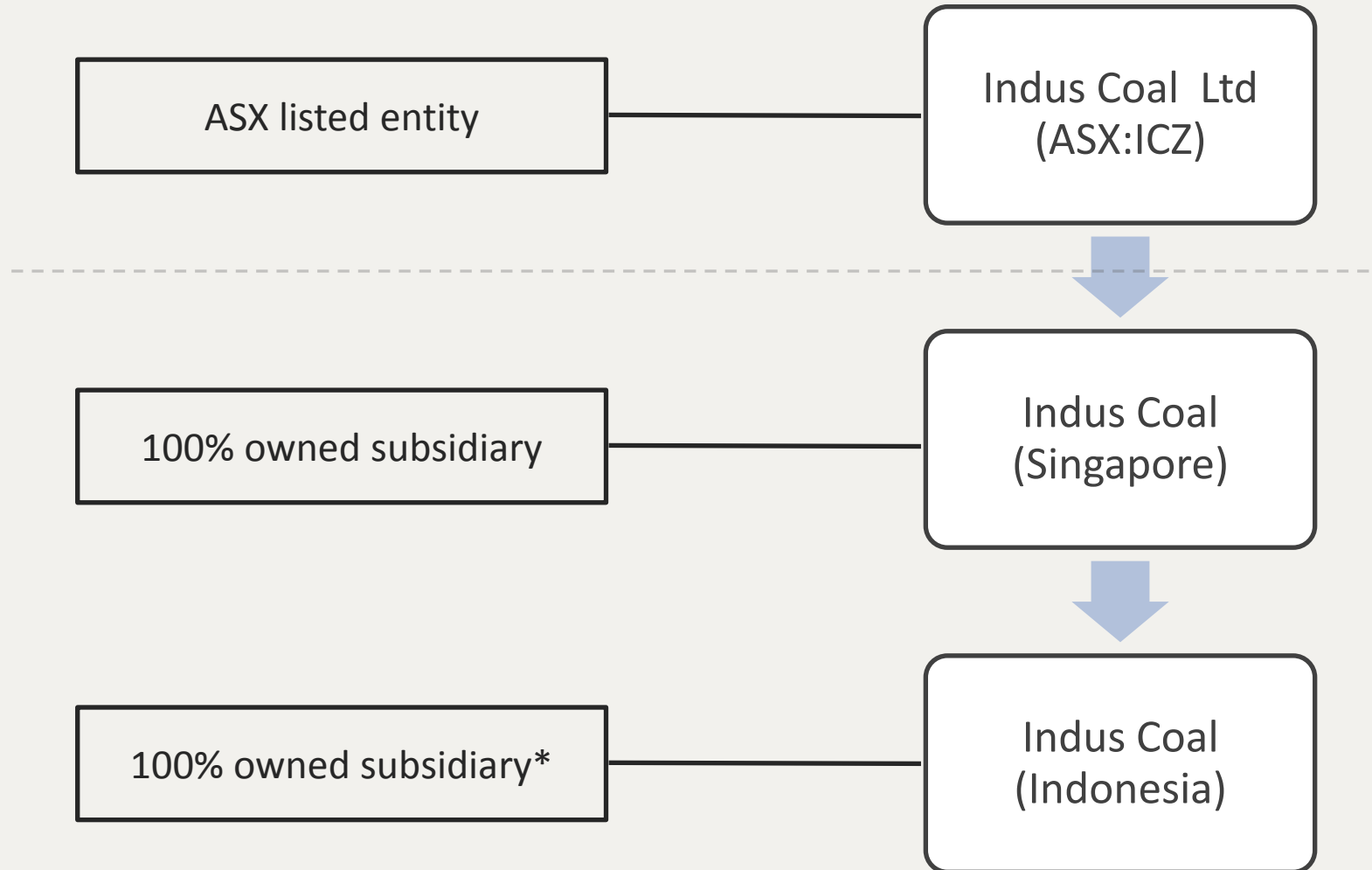
Current Corporate Objectives

- Create value through development of Indonesian coal mining business
- Complete a capital raising of \$6,500,000 to enable the purchase of an initial 38% shareholding in the 2 companies that own the 3 Jambi Coal Projects (Blocks 7, 8 and 9) for \$6,500,000
- Monetise the MukoMuko Coal Project over the next 12 months
- Continue to build scale through acquisition of further Indonesian coal projects introduced by Indus Coal's Executive Director and major shareholder Mr Vinay Hariani

Current Capitalisation Summary

Cash	\$2.5m
Total shares on issue	86.8m
Total options on issue (20c Oct 2015)	6.7m
Market capitalisation @ \$0.20	\$17.3m
Enterprise Value	\$14.8m
Vinay Hariani shareholding	34.2%
Other Directors & Management	15.7%

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*transitions to local Indonesian PMA company

Scott Douglas - Executive Chairman

Mr Douglas is an experienced ASX public company executive in the coal exploration and resources industry. He was until recently Chairman of Resource Generation Limited (ASX Code: RES) responsible for the acquisition and the subsequent delineation of a six billion tonne coal resource in South Africa. Mr Douglas has also been directly involved with ASX listed public companies Nucoal Resources Limited (ASX Code: NCR) and Ironclad Mining Limited (ASX Code: IFE). He has previously held board positions with International Resource Holdings Limited and various unlisted public and private companies.

Vinay Hariani – Executive Director

Mr Vinay Hariani is a highly experienced Indonesian coal entrepreneur and founder of private Indonesian coal company, PT. Param Dwi Jaya. Mr Hariani has built Param Dwi Jaya into a vertically integrated coal mining business specialising in coal project identification, coal mining and international coal trading. PT. Param Dwi Jaya currently produces in excess of 2.2mtpa of export coal and has purchased and developed over 30 Indonesian coal projects in the last 5 years. Mr Hariani is one of the co-founders of Indus Coal and is the major shareholder of Indus Coal and brings valuable coal mining, corporate and country experience to Indus Coal.

Mr Lalit Balchandani - Director of Operations and Alternate Director for Vinay Hariani

Mr Lalit Balchandani has successfully founded and developed a number of international businesses over the last 20 years within the mining and technology sectors. Mr Balchandani has been instrumental in the success of private Indonesian coal company, PT. Param Dwi Jaya, and has extensive experience in all aspects of the coal industry throughout Asia. Mr Balchandani is one of the co-founders of Indus Coal and adds significant regional experience to the company due to his experience in the acquisition, development and operation of coal mines within Indonesia, coal trading (both domestic & international), coal marketing, surface logistics, shipping, port operations and coal handling.

John Kenny – Executive Director

Mr Kenny is a lawyer by profession. He holds a Bachelor of Commerce (Hons) and Bachelor of Laws from the University of Western Australia. Through his practise of corporate and mining law and investment banking he has advised many ASX listed public companies in the areas of equity and debt finance and been a venture capital investor in several ASX mining floats. He also has experience in a number of sectors of Australian agribusiness with involvement both as a director and as an investor. He has been a director of a number of ASX listed public companies and is currently on the board of ASX listed public resource companies Gippsland Ltd (ASX Code: GIP) and Sun Resources NL (ASX Code: SUR).

Ashish Patel – Executive Director

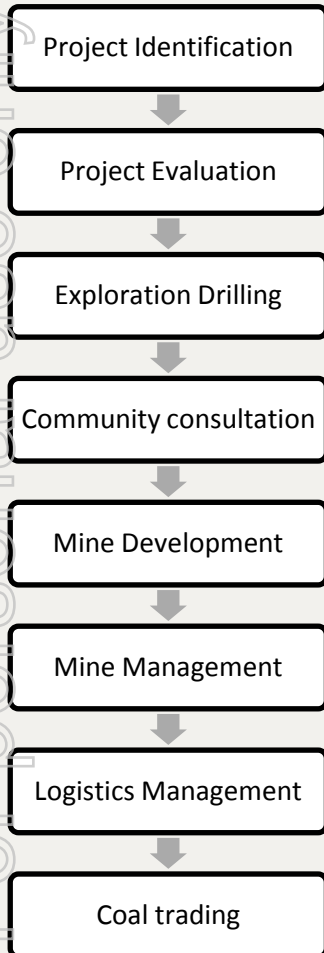
Mr Patel is an engineer by profession. He holds a B.S in Engineering from Harvey Mudd College (USA) and a B.A. In Management/Engineering from Claremont McKenna College (USA). Previously he was head of the “Financial Institutions, Investment Banking Divisions” for Merrill Lynch. Mr Patel is currently a director of a number of private companies in the construction and mining sectors.

Andrew Parker – Executive Director

Mr Parker holds a law degree from the University of Western Australia and has extensive experience in the mineral exploration and resources industry. Mr Parker was the co-founder of Perth based corporate advisory and venture capital firm, Trident Capital Pty Ltd. Mr Parker is currently a director of ASX listed resource company Jaguar Minerals Limited (ASX Code: JAG).

Mark Clements – Company Secretary

Mr Clements holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants of Australia. He has over 18 years management, corporate administration, finance and accounting experience working for a number of listed and unlisted public companies, for which he has held the role of Company Secretary for over 10 years.



PT. Param Dwi Jaya

- Coal mining and development in Indonesia for over 15 years
- Vertically integrated from green field coal project identification to coal mine development and coal trading
- 4 coal mines currently producing in excess of 2,200,000 tonnes per annum of export thermal coal
- Unparalleled relationships and credibility with regional communities and throughout the Indonesian coal industry
- Has purchased and developed 30 thermal coal projects throughout Indonesia over the past 5 years
- New focus on building scale through ASX listed Indus Coal Limited

Indus has a significant local Indonesian relationship to execute growth strategy

PT. ASTROINDO GITA MANDIRI, PEKANBARU

Acquired : 2010
Size : 120 ha
Monthly Production : 15k tonnes
Quality : 7,000 GCV

PT. SINAMARINDA LINTAS NUSANTARA, PADANG

Acquired : 2008
Size : 555 ha
Monthly Production : 100k tonnes
Quality : 5,500 GCV

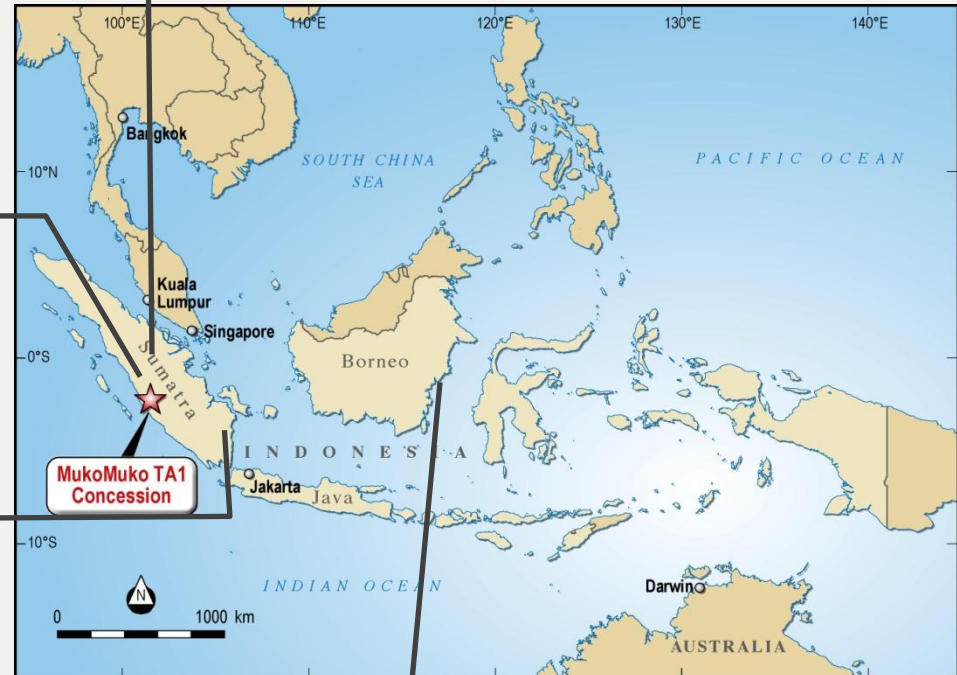
PT. BBP, MUARA BUNGO, JAMBI

Acquired : 2009
Size : 200 ha
Monthly Production : 25k tonnes
Quality : 6,800 GCV

PT. Planet Resources, East Kalimantan

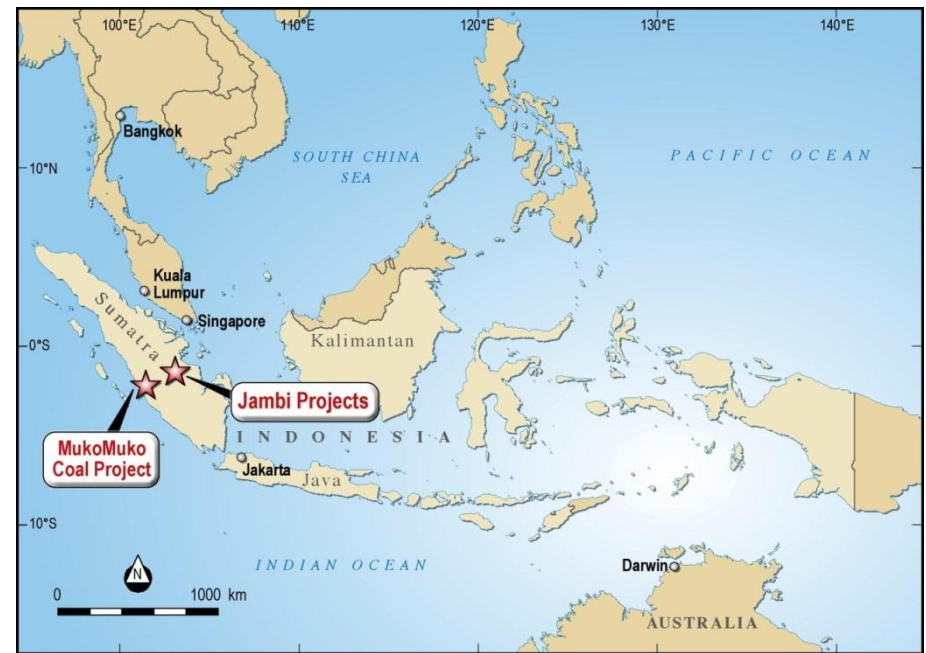
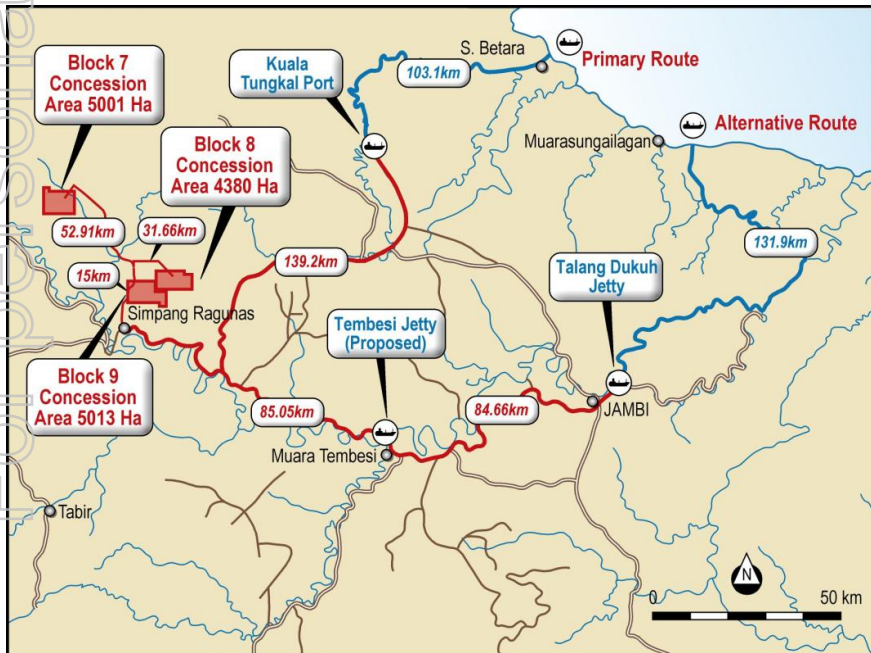
Acquired : 2009
Size : 6,200 ha
Monthly Production : 50k tonnes
Quality : 5,200 GCV

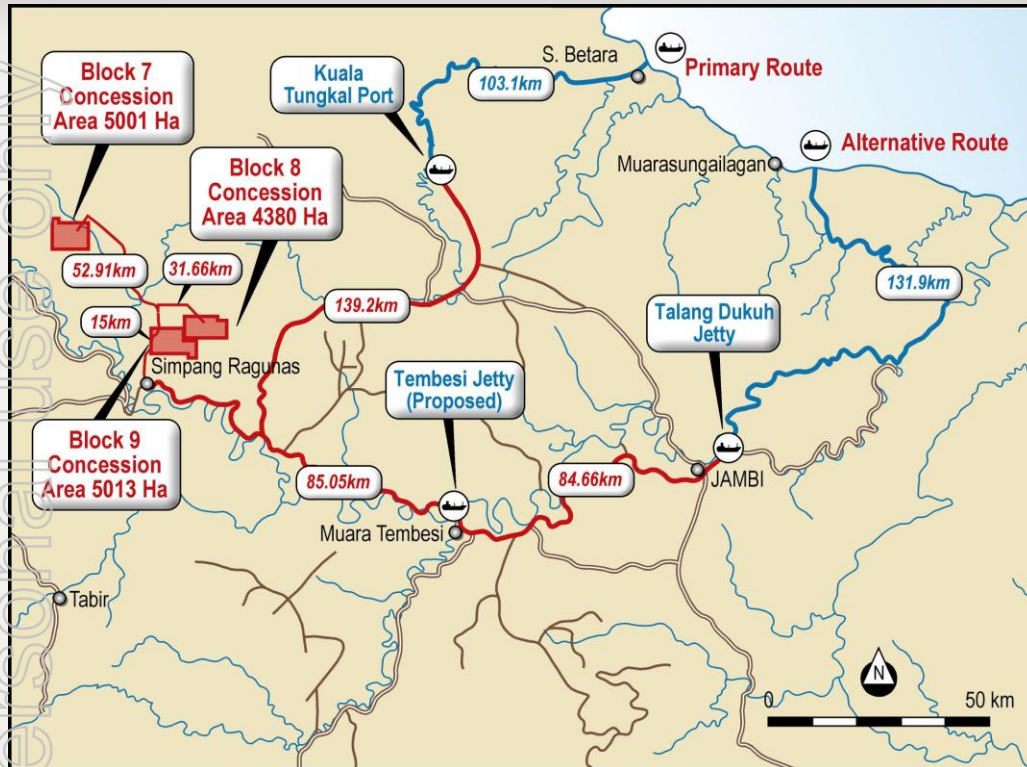
Current Thermal Coal Operations



Capital Raising - \$6,500,000

Acquisition of 3 Jambi Coal Projects





Truck

- 28t haul trucks are used to haul coal throughout Jambi from operating coal mines
- Existing ~139km sealed road from SPG Ragunas to Kuala Tungkal Jetty. Adequate available capacity on the road.

Jetty

- Existing river jetty at Kuala Tungkal
- 8000 tonne barge draft capacity

Barging

- 103km barge to mouth of river. Tranship to mother vessel from mouth of river

Year round access for both road and river



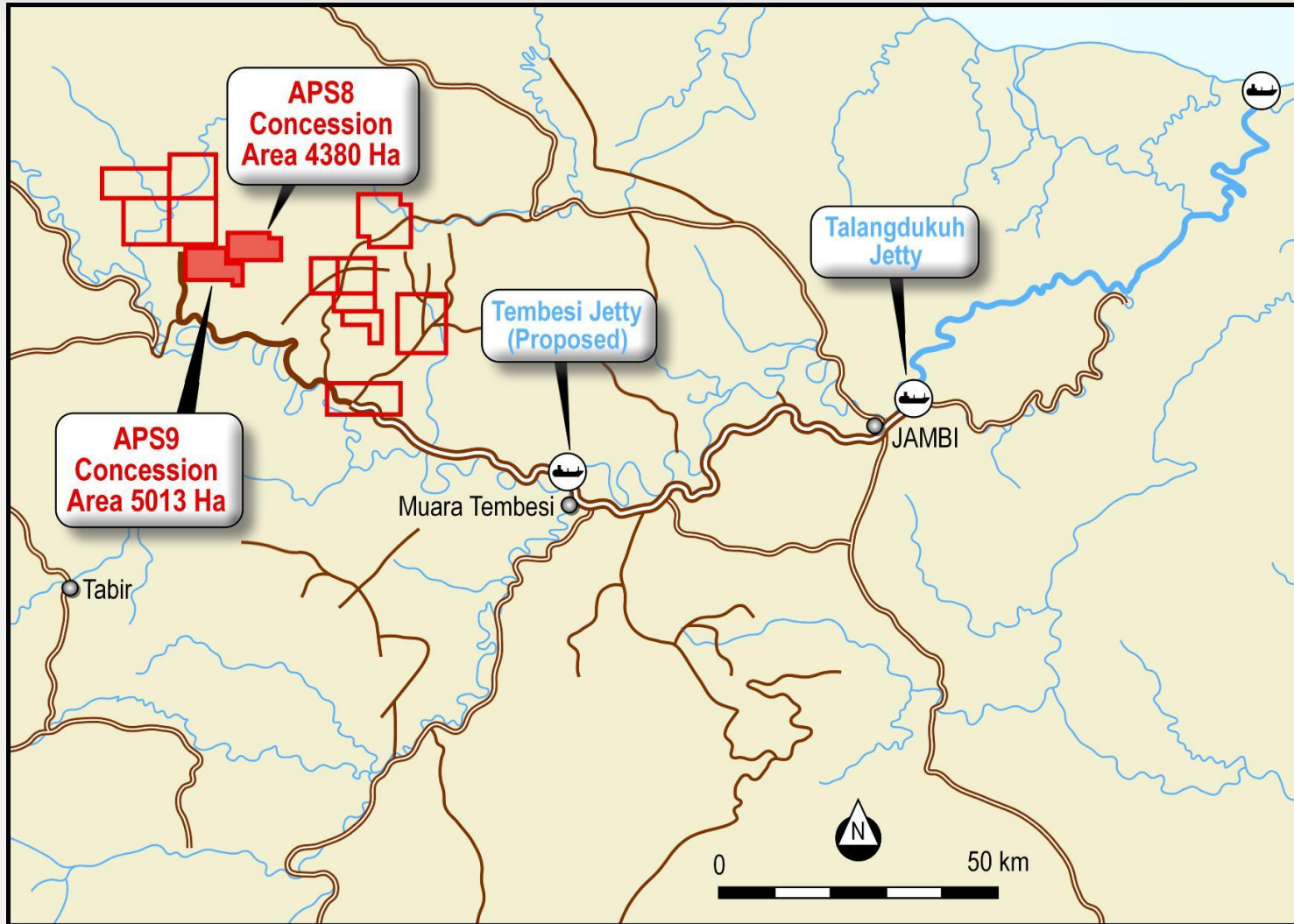
Sealed Haul road



Jetty access road

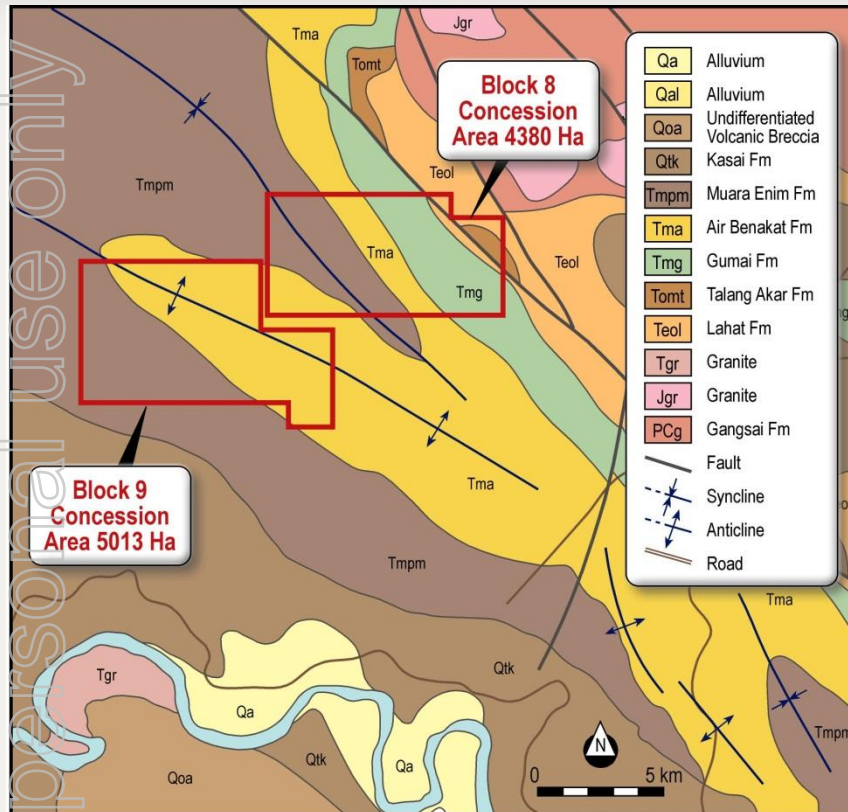
Adjacent Mines

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 Denotes Adjacent Mines

Blocks 8 & 9 - Geological Profile



- Blocks 8 and 9 are contiguous
- The 3 main prospective coal bearing formations in the Jambi region are the:
 1. Muara Enim formation
 2. Talang Akar formation
 3. Air Benakat formation
- The Muara Enim Formation has been identified and covers 2,005ha (40%) of the Block 9 coal concession area and 1,533ha (35%) of the Block 8 coal concession area
- Historical drilling (12 holes) and 15 coal outcrops at surface on Block 9 have identified two main coal seams, the first being Seam A (9m thick) as an upper seam and Seam B (2.1m thick) as the lower seam. Drilling core and coal outcrop samples show an average calorific value of between 5,300 – 5,700 kcal/kg and sulphur content between 0.059–1.04% (adb) which is consistent with nearby coal mine production.
- Coal exploration target on Block 9 interpreted by independent Australian geological consulting firm Salva Resources Pty Ltd (Salva) based on historical drilling (12 holes) and 15 coal outcrops at surface of 70,000,000 to 75,000,000 tonnes of thermal coal over a strike length of 4.5km x 1.5km wide.
- Excellent existing local infrastructure (roads, jetties and barging contractors) with available capacity which supports nearby coal mines which each produce 1-2mtpa. Nearby coal mines brought into production with low CAPEX budgets of only US\$5m to produce 1-2mtpa of coal per mine.

Historical Drill Data (12 holes) – Block 9

CODE	X	Y	ELEV	CORING		THICK (M)	ELEVATION		DEPTH
				START	FINISH		ROOF	FLOOR	
BH-1	225827	9850527	106	-	-	-	-	-	100
BH-2	225539	9850843	126	-	-	-	-	-	100
BH-3	225160	9851058	127	-	-	-	-	-	100
BH-4A	224992	9851527	140	-	-	-	-	-	18
BH-4B	224992	9851527	140	20	30	10	120	110	31
BH-4C	225015	9851462	155	39	48.5	9.5	116	106.5	100
BH-5	224543	9851842	112	5.5	14.8	9.3	106.5	97.2	100
BH-6	224309	9852234	177	4	12.5	8.5	173	164.5	100
BH-7	223945	9852668	115	3.5	8.5	5	111.5	106.5	100
BH-8	223938	9852060	103	-	-	-	-	-	100
BH-9	224379	9852076	139	1	10	9	138	129	100
BH-10	224767	9851613	134	7	16.5	9.5	127	117.5	100

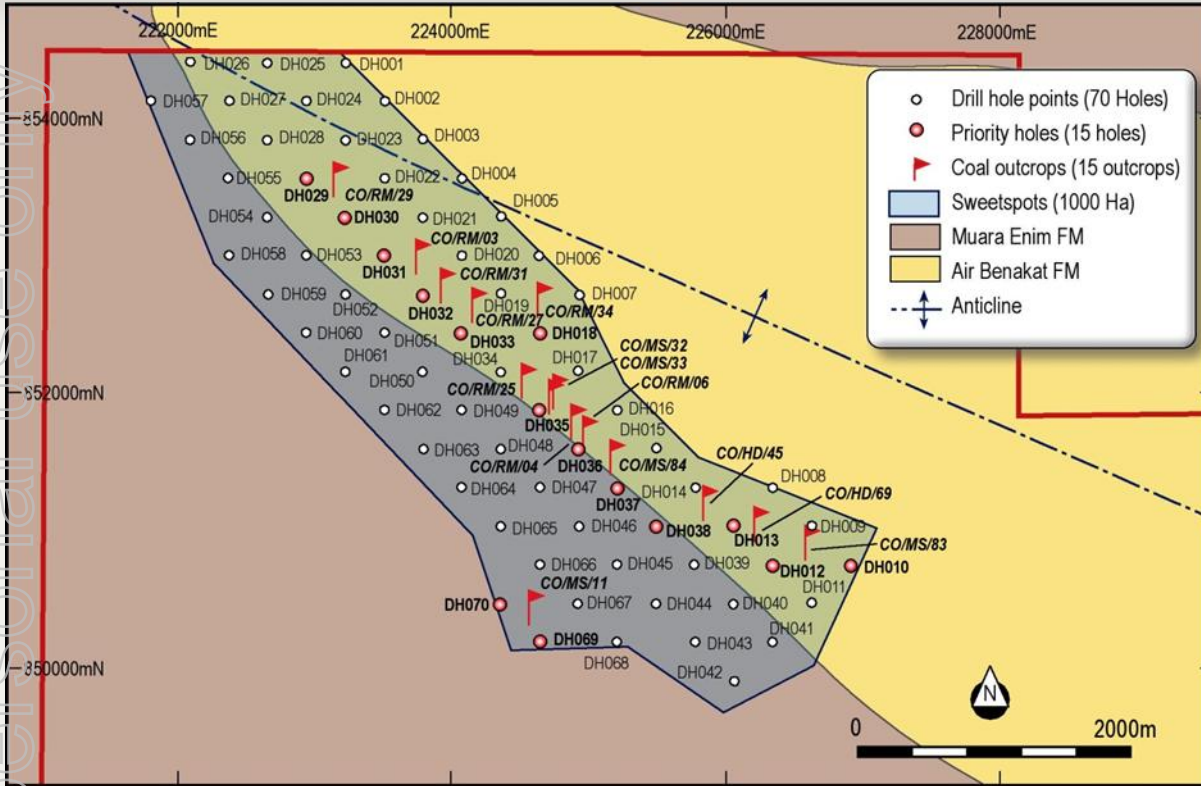


Denotes Coal intersections



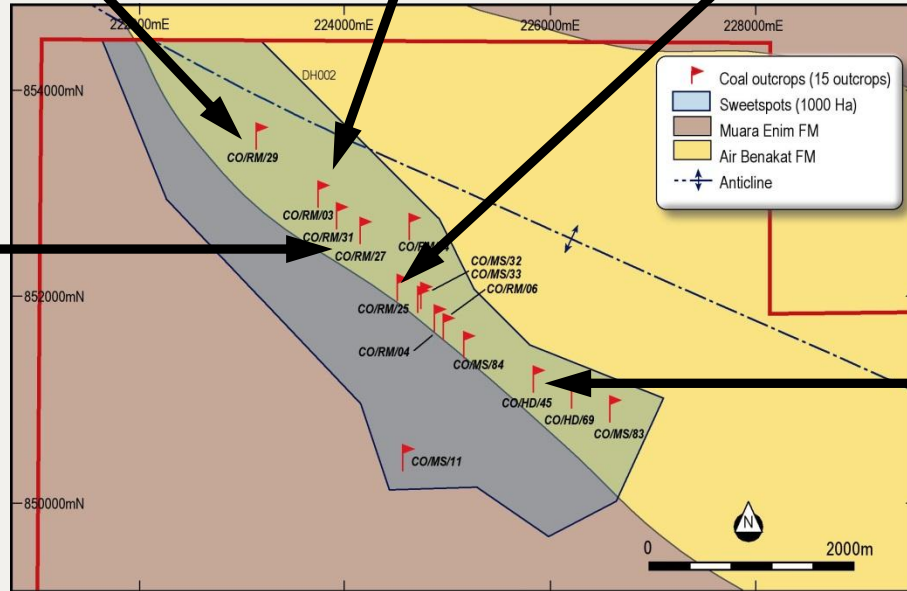
9m thick outcropping seam on Block 9

15 Coal Outcrops over 1,000Ha

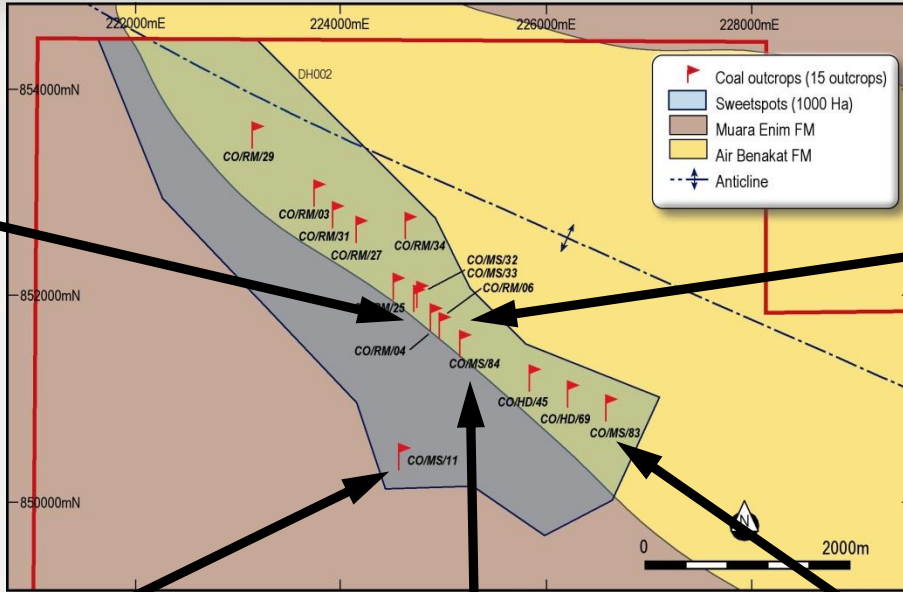


- 15 coal outcrops at surface on Block 9 (along a 4.5km strike line)
- 'Sweet spot' of approximately 1,000ha (4.5km long x 1.5km wide)
- 70 drill hole locations determined (holes 400 metres apart) across the identified sweet spot on Block 9
- Drilling to Target Muara Enim and Air Benakat coal Formations

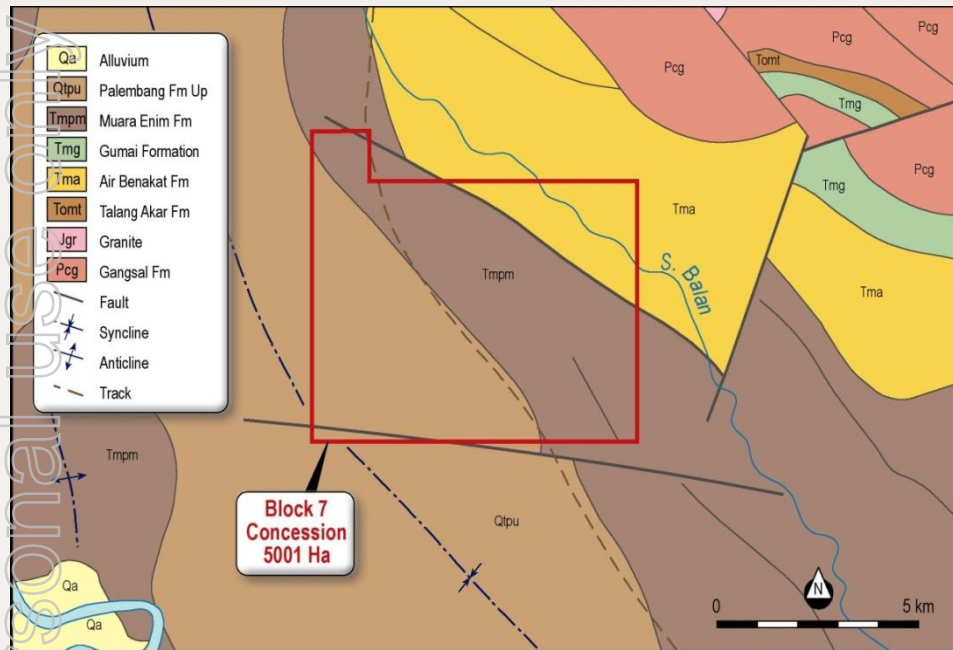
Block 9 Coal Outcrops



Block 9 Coal Outcrops

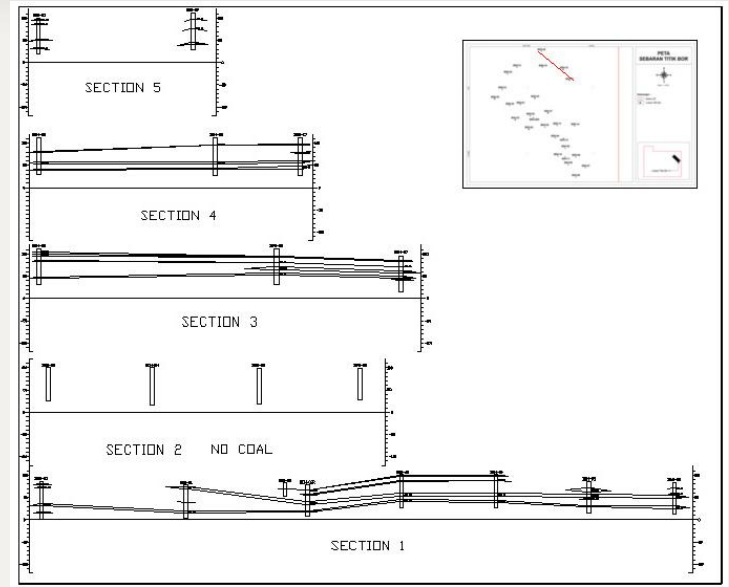
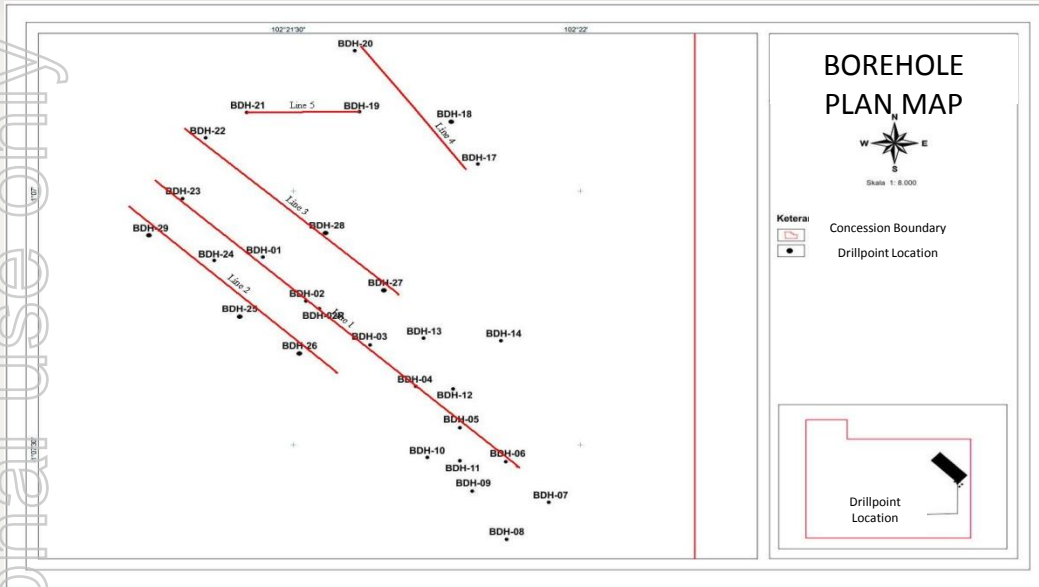


Block 7 - Geological Profile



- The 3 main prospective coal bearing formations in the Jambi region are the:
 1. Muara Enim formation
 2. Talang Akar formation
 3. Air Benakat formation
- The Muara Enim Formation has been identified on 2,000ha (40%) of the 5,001ha that comprise the Block 7 coal concession area
- Numerous operating, profitable coal mines are located in close proximity. Stripping ratios in these nearby coal mines are between 1:1 and 1:6.
- Historical drilling (20 holes) completed on Block 7 by the local provincial government discovered a number of coal bearing seams with a number of significant coal intersections in excess of 5m thick.

Block 7 Coal Intersections



COMPANY / PROJECT / LOCATION		HOLE NO. / CORE DIP	
102 21 26.28 E - 17 7 S		BDH-01	
Elev. Surface 75 mgt Angle of horizontal 90 Depth 79 m SS Condition AL Weather lean Date Start 19 Jun 2012 Date Completed 19 Jun 2012		Hole Diameter 90 SS Condition 90 Core Barrel - Drill - Rig Type -	
DATE / BOREHOLE / THICKNESS / GRAIN LOG	MATERIAL DESCRIPTION	SAMPLE / HOLE / METERAGE	
2.00	Topsoil: Clayey sand, yellow brownish, soft		1000
6.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
13.3	Clayey Sand: Clayey sand, Light gray, soft		
19.3	Clay: Clay, Gray, soft		
27.7	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
33.3	Clayey Sand: Clayey sand, Light gray, soft		
39.3	Clay: Clay, Gray, soft		
45.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
51.3	Clayey Sand: Clayey sand, Light gray, soft		
57.3	Clay: Clay, Gray, soft		

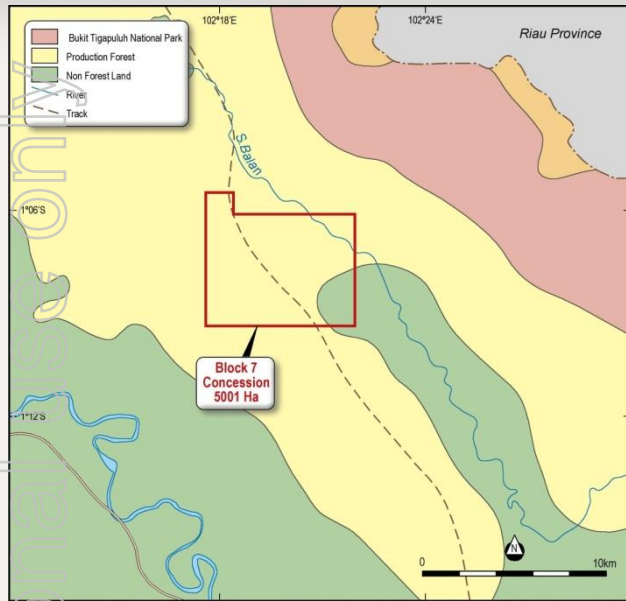
COMPANY / PROJECT / LOCATION		HOLE NO. / CORE DIP	
102 21 47.4 E - 17 28 S		BDH-05	
Elev. Surface 102 mgt Angle of horizontal 90 Depth 79 m SS Condition 90 Weather lean Date Start 19 Jun 2012 Date Completed 19 Jun 2012		Hole Diameter 90 SS Condition 90 Core Barrel - Drill - Rig Type -	
DATE / BOREHOLE / THICKNESS / GRAIN LOG	MATERIAL DESCRIPTION	SAMPLE / HOLE / METERAGE	
2.00	Topsoil: Clayey sand, yellow brownish, soft		1000
9.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
15.2	Clayey Sand: Clayey sand, Light gray, soft		
21.2	Clay: Clay, Gray, soft		
27.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
33.2	Clayey Sand: Clayey sand, Light gray, soft		
39.2	Clay: Clay, Gray, soft		
45.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
51.2	Clayey Sand: Clayey sand, Light gray, soft		
57.2	Clay: Clay, Gray, soft		

COMPANY / PROJECT / LOCATION		HOLE NO. / CORE DIP	
102 21 42.8 E - 17 28 1 S		BDH-04	
Elev. Surface 102 mgt Angle of horizontal 90 Depth 79 m SS Condition 90 Weather lean Date Start 17 Jun 2012 Date Completed 18 Jun 2012		Hole Diameter 90 SS Condition 90 Core Barrel - Drill - Rig Type -	
DATE / BOREHOLE / THICKNESS / GRAIN LOG	MATERIAL DESCRIPTION	SAMPLE / HOLE / METERAGE	
2.00	Topsoil: Clayey sand, yellow brownish, soft		1000
9.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
15.2	Clayey Sand: Clayey sand, Light gray, soft		
21.2	Clay: Clay, Gray, soft		
27.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
33.2	Clayey Sand: Clayey sand, Light gray, soft		
39.2	Clay: Clay, Gray, soft		
45.2	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
51.2	Clayey Sand: Clayey sand, Light gray, soft		
57.2	Clay: Clay, Gray, soft		

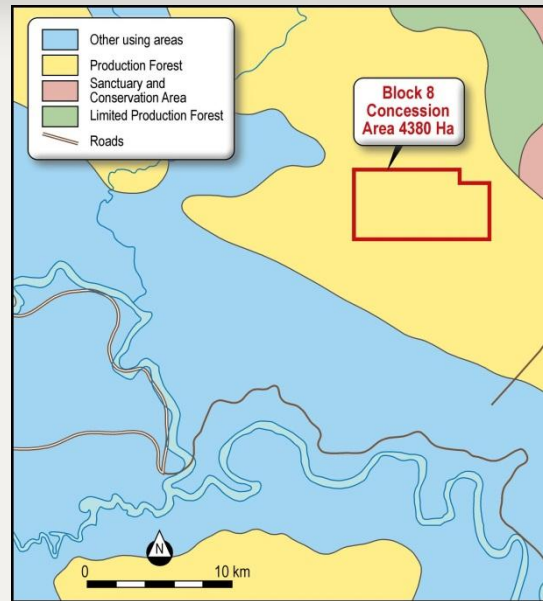
COMPANY / PROJECT / LOCATION		HOLE NO. / CORE DIP	
102 21 38 E - 17 7 18 2 S		BDH-03	
Elev. Surface 102 mgt Angle of horizontal 90 Depth 79 m SS Condition AL Weather lean Date Start 20 Jun 2012 Date Completed 20 Jun 2012		Hole Diameter 90 SS Condition 90 Core Barrel - Drill - Rig Type -	
DATE / BOREHOLE / THICKNESS / GRAIN LOG	MATERIAL DESCRIPTION	SAMPLE / HOLE / METERAGE	
2.00	Clay: Clay, Gray, soft		1000
6.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
12.3	Clayey Sand: Clayey sand, Light gray, soft		
18.3	Clay: Clay, Light Gray, soft		
24.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
30.3	Clay: Clay, Gray, soft		
36.3	Clayey Sand: Clayey sand, Light gray, soft		
42.3	Clay: Clay, Gray, soft		
48.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
54.3	Clay: Clay, Gray, soft		

COMPANY / PROJECT / LOCATION		HOLE NO. / CORE DIP	
102 21 10.2 E - 17 32 S		BDH-06	
Elev. Surface 102 mgt Angle of horizontal 90 Depth 79 m SS Condition 90 Weather lean Date Start 20 Jun 2012 Date Completed 20 Jun 2012		Hole Diameter 90 SS Condition 90 Core Barrel - Drill - Rig Type -	
DATE / BOREHOLE / THICKNESS / GRAIN LOG	MATERIAL DESCRIPTION	SAMPLE / HOLE / METERAGE	
2.00	Topsoil: Clayey sand, yellow brownish, soft		1000
8.3	Clay: Clay, Gray, soft		
14.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
20.3	Clayey Sand: Clayey sand, Light gray, soft		
26.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
32.3	Clayey Sand: Clayey sand, Light gray, soft		
38.3	Clay: Clay, Gray, soft		
44.3	Coal: Coal, Brownish Black, shear, brownish black, blocky, soft to medium		
50.3	Clayey Sand: Clayey sand, Light gray, soft		
56.3	Clay: Clay, Gray, soft		

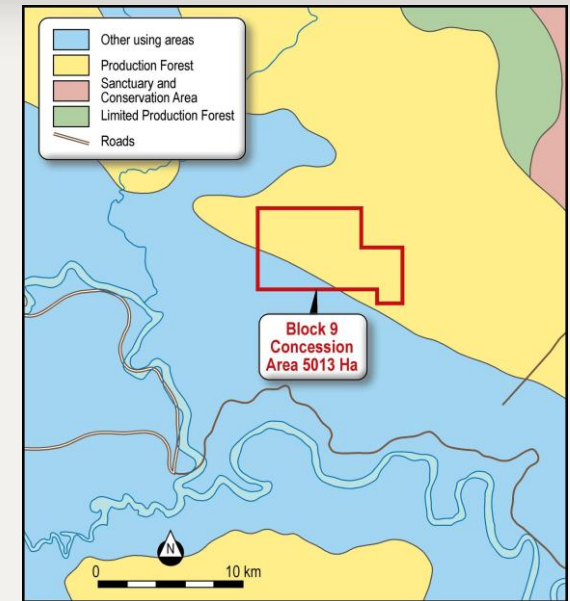
Forestry – Blocks 7, 8 & 9



Block 7



Block 8



Block 9

No adverse restrictions in relation to Forestry zoning on Blocks 7, 8 and 9.

Block 7 - 80% of Block 7 is covered by Production Forest, 20% is covered by Other Using Areas (APL)

Block 8 - All 4,380ha of Block 8 is covered by Production Forest

Block 9 - 81% of Block 9 is covered by Production Forest, 19% is covered by Other Using Areas (APL)

- Our Indonesian major shareholder has a proven history in obtaining forestry and environmental approvals on time and on budget

Capital Raising - \$6,500,000 – Use of Funds

- Capital raising of \$6,500,000 to enable the purchase of an initial 38% shareholding in the 2 companies that own the 3 Jambi Coal Projects (Blocks 7, 8 and 9) for \$6,500,000

Capital Raising

Equity Issue	\$3,500,000
Secured Convertible Bonds	\$3,000,000
Total Capital Raising	\$6,500,000

Equity Capital Raising - \$3,500,000

Equity Issue - \$3,500,000

Number of Shares	17,500,000
Price per Share	A\$0.20
Number of Free Attaching Options	17,500,000 options (one free option for every share subscribed for.) Each option will have a term ending on 31 October 2015 and a strike price of \$0.20.
Total Amount Raised	\$3,500,000
Arranger	CPS Securities
Close of Capital Raising	Wednesday 12 December 2012

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Terms of Secured Convertible Bonds

Par Value of Each Bond	\$1,000
Number of Bonds	3,000
Total Amount of Bond Raising	\$3,000,000
Interest Rate	12% pa
Conversion Price	A\$0.20. The bondholders can elect to convert the bonds at any time into shares at A\$0.20 per share.
Term	12 months. At the end of the term 100% of the principal amount of the bond plus all accrued interest is payable in one single bullet payment.
Early Repayment	Early repayment (in whole or in part) of the bonds (along with payment of a full 12 months interest) is allowed at the Company's election after first allowing bondholders the right to convert the bonds into shares at the Conversion Price.
Security for Bondholders	1st Ranking Fixed & Floating charge over the Company and its assets.
Free Attaching Options	Attached to each bond is 2,500 free options each with a term of 12 months and each with an exercise price of A\$0.20.
Arranger	Gleneagle Securities
Close of Capital Raising	Wednesday 12 December 2012

Capitalisation Summary – Post Raising	
Cash ¹	\$9m
Total shares on issue ²	104,280,005
Total (20c Oct 2015) options on issue	24,200,000
Total (20c 10 Dec 2013) options on issue	7,500,000
Market capitalisation @ \$0.20	\$20,856,001

Notes:

- ¹ Cash is \$9m prior to spending \$6,500,000 on buying 38% shareholding and before the costs of the fundraising.
- ² Assumes that the convertible bonds have not been converted but are repaid at the end of their 12 month term

Timetable

Execute Conditional Sale and Purchase Agreement

Thursday 29 November 2012

Transaction Announced to ASX

Thursday 29 November 2012

Commence Capital Raising of \$6,500,000

Monday 3 December 2012

Complete \$6,500,000 capital raising

Wednesday 12 December 2012

First Indus Shareholders Meeting to Approve \$6,500,000 Capital Raising

Tuesday 22 January 2012

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Coal Mine 3m+ Seam

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Note: this is not an Indus Coal mine

Local River Jetty Construction

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Note: this is not an Indus Coal mine

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Competent Person: The information in this presentation that relates to exploration results, mineral resources or ore reserves is based on information provided by Mr Brian Davis from the geological consulting firm Geologica Pty Ltd. Geologica Pty Ltd is a consultant to the Company and Mr Brian Davis is a member of the Australasian Institute of Mining and Metallurgy. Mr Davis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration, Mineral Resources and Ore Reserves'. Mr Davis consents to the inclusion in this presentation of the matters based on this information in the form and context in which it appears.

Comment: It is common practice for a company to comment on and discuss its exploration in terms of target size and type. In addition surface sampling assays and drill sample results may also be discussed in the context of information describing the presence of coal seams. The above information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Coal Resources or Coal Reserves. Hence the terms Resource (s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient exploration to define a Coal Resource. It is uncertain if further exploration will result in the determination of a Coal Resource.



For further information contact:

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