

## Quarterly Activities Report – Q1 17

- In the first quarter of F2017, County approached an existing, well respected, rail company to partner in County's proposed port project and in particular, to contribute the rail company's operating authority (Common Carrier status) to underpin the process of securing rail access to the proposed port site.
- In the same quarter County renewed its discussions with a potential supplier that could use the terminal to provide access for its non-coal, bulk export product to Asian markets.
- Despite initially positive discussions, County has now received negative responses from these organisations.
- As a result the Board is now considering additional projects for the Company.

### Capital Structure

<b>ASX Code</b>	<b>CCJ</b>
Share Price (Close 29-11-16)	A\$0.015
Ordinary Shares	188.350m
Total Options	11.1m
ITM Options*	-
<b>Fully-Diluted Market Cap.</b>	<b>A\$2.825m</b>
Less: Cash	A\$0.451m
Add: Debt	-
<b>Enterprise Value (EV)</b>	<b>A\$2.374m</b>

\*ITM options: in-the-money options

### Board & Management

Chairman	Robert Cameron AO
Managing Director	Rod Ruston
Non-Executive Director	David Miller
Company Secretary	Terry Flitcroft

### Corporate Details

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### For More Information

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### Progress during the Quarter

#### North American Bulk Export Terminal

During the September quarter County International Limited (CCJ.ASX) continued to concentrate on the bulk export terminal site identified in F2015.

A key milestone of the proposed port strategy was to secure access to the rail corridor that would service the loader site. Initially, County believed that that becoming a certified US rail operator was the best strategy but this proved difficult as suitable rail assets that would trigger such certification could not be secured. In the September quarter, County approached a number of short-rail operators in the US and identified one which was both suitable and interested in entering talks to become a shareholder in the port project, thus bringing its existing operating authority to the project.

At the same time, County renewed contact with a potash producer to secure supply of a non-coal bulk product for the port.

The initial responses were encouraging but these organisations have now indicated they would not be proceeding.

Without the US operating authority that would come with partnering with a short rail operator, the critical step of securing rail access is not possible. Furthermore, without the supply of a significant non-coal bulk product, the facility would need to be financially viable with coal as the single product.

Recently the proponents of a competing project, the Millenium Coal Terminal proposed for the Columbia River in Oregon, received the draft report from the Corps of Engineers (one of the US Government agencies charged with undertaking the environmental assessment). The report was positive and contained no matters that would hamper continued progress towards the permitting for the Millenium site. This project will provide significant coal handling capacity on the west coast.

Given the issues outlined above, County management has asked its US partners to cease any further spending while the Board considers additional projects for the Company.