



**The Manager  
Company Announcements Office  
Australian Stock Exchange**

## **WHITE ENERGY SIGNS OPTION AGREEMENT TO ACQUIRE U.S. COAL COMPANY**

**26 August 2013 – White Energy Company Limited (ASX:WEC; OTCQX:WECFY) (“White Energy” or the “Company”)** - As previously advised to shareholders in December 2012, the Company entered into an option agreement to acquire an existing open-cut coal mining operation in the Central Appalachia region, which was not ultimately exercised by the Company.

Since this time, the Company has conducted further substantial due diligence in respect of this opportunity, and is pleased to announce that it today signed an exclusive option ending on 31 August 2013 to acquire all of the capital stock of the company holding the coal mining asset.

Should White Energy decide to proceed with the transaction, the purchase will complete within 30 days of exercise of the option (with a further 30 day extension which may be utilised if required). The consideration payable for the purchase has been reduced and is now expected to be approximately US\$20 million inclusive of all mine infrastructure, plant and equipment, permits, the previous option fee of US\$0.2 million and a further US\$0.5 million option fee. In addition, there will be a requirement to replace current security bonds of approximately US\$0.6 million on settlement of the proposed transaction.

The coal currently being mined at the site includes a specialty low-ash coal which is sold to niche markets at an attractive premium. Due diligence to date has confirmed that the project also presents an opportunity to utilise the BCB technology to process the coal fines currently arising from operations at the mine in question. The Company has previously tested coal fines sourced from this mine at its Cessnock Production Plant, with encouraging results.

The Company will revert to shareholders with an update in relation to this potential acquisition upon the expiration of the option period.

### **For Further Information Call:**

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ASX Release

## Forward Looking Statements

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.