



COALWORKS Limited

4 January 2012

LAPSE OF UNQUOTED OPTIONS

Coalworks Limited (ASX: CWK) advises that the following options were not exercised by the expiry date of 31 December 2011 and as a result have lapsed.

Description	Number of Options
Options exercisable at \$1.00 on or before 31 December 2011	4,100,000

--Ends--

For further information, please contact:

Nathan Bartrop

Company Secretary

Tel: +61 2 9922 1344

Fax: +61 2 9922 4288

E-mail: info@coalworks.com.au

Coalworks has a portfolio of projects in Australia including:

- Vickery South, Gunnedah Basin (exploration target coking/thermal coal)***
 - # JORC Resources Increase by 15% to 58.5Mt - see ASX Announcement 18.07.2011*
 - # ITOCHU to proceed with BFS for Vickery South - see ASX Announcement 18.05.2011*
 - # ITOCHU signs Farm In Agreement in \$11m deal - see ASX announcement 04.05.2010*
 - # Preliminary Feasibility Study – positive with semi soft coking coal forming 83% of product - see ASX announcement 15.06.2011*
 - # ITOCHU Farm-in Stage 1 payment of \$5m and signing of JV agreement sees Itochu acquired a 29% interest in Vickery South - see ASX announcements 22.12.2010 and 23.2.2011*
- Ferndale Coal Project***
 - # Coalworks includes its 92.5% owned subsidiary Loyal Coal Pty Ltd*
 - # New Exploration Target 350Mt – 530Mt of coking/thermal coal - see ASX announcement 19.11.2010)*
 - # Boardwalk Resources signed Farm-In and Joint Venture Agreements in \$25m deal - see ASX announcement 09.12.2010*
- Oaklands Coal Project (JORC measured, indicated and inferred 822Mt thermal coal)***
 - # see ASX announcement 5.11. 2009;*
 - # Strategic Alliance with Synthesis Energy Systems Inc to develop Oaklands coal-to-petrol plant announced – see ASX announcement 2.12.2009*

COALWORKS Limited ACN 114 702 831
Level 5, 44 Miller Street, North Sydney NSW 2060 AUSTRALIA
Ph: +61 2 9922 1344
Fax: +61 2 9922 4288
Email: info@coalworks.com.au
www.coalworks.com.au