



Australian Pacific Coal

Coal Projects

November 2013

“Delivering Value From Queensland Coal”

Disclaimer



Australian Pacific Coal

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Company Overview

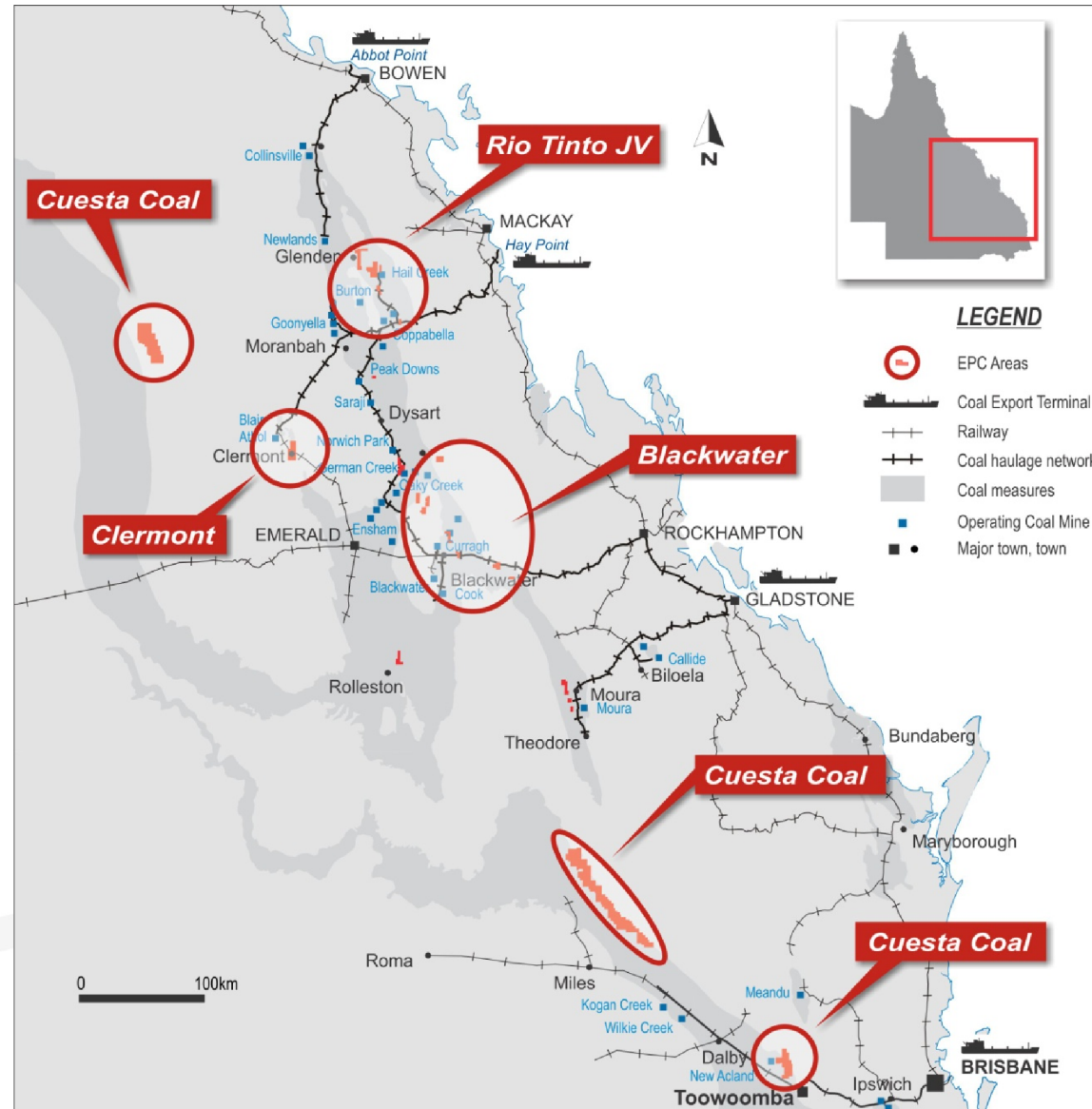


Australian Pacific Coal

An Australian public company focusing on the exploration and development of metallurgical and thermal coal.

Interests in quality coal tenements strategically located in Queensland's Bowen Basin.

Joint Venture agreements already in place with major miner Rio Tinto and Cuesta Coal.



Experienced Board & Management



Australian Pacific Coal

Peter Ziegler Chairman Experienced director, former partner at major international accounting firm. Principal of asset management firm specialising in investments in listed and unlisted equities.

Paul Byrne Executive Director

Has been active in the mining sector for +20 years both at a public company level and with private interests. Principal activities are project generation and early stage exploration leading to M&A activities. Project generation has led to a large portfolio of both coal and mineral projects that has formed the core of Australian Pacific Coal and a number of other public and private companies.

Paul Ingram Non-executive Director

Geologist with over 35 years' experience in exploration and mine development. Extensive experience in corporate M&A, focused on coal projects in Asia, USA and Australia.

Paul Ryan Non-executive Director

Mine developer with commercial experience in mine machinery management, property development, exploration and mining ventures.

Kevin Mischewski Company Secretary, Financial Accountant

Chartered Accountant. Extensive commercial experience in senior financial and management accounting roles, with listed public company reporting and compliance requirements expertise.

Why Invest in AQC?



Australian Pacific Coal

- **Major JV partners (Rio Tinto and Cuesta Coal) validates asset quality & potential**
- **Proven coal province** – Bowen Basin, the most developed coal hub for export coal in Queensland
- **Portfolio of highly attractive projects**
- **100% working interest** in highly prospective Blackwater project
- **Existing infrastructure network** with excess capacity – proximal to all project areas
- **Granted MDL453 (Cooroorah)** - total 124.9Mt coal resource
- **Significantly undervalued relative to peers**

JV Agreement Details



Australian Pacific Coal

RioTinto

- Drilling by Rio Tinto over a two year period enabling Rio's exercise of a call option to acquire 75% of AQC's tenement EPC1824 at a pre-agreed exercise price
- AQC also has a number of Put Options to monetise its remaining position



- AQC has a 10% free carried interest through to bankable feasibility

Proven Coal Province



Australian Pacific Coal

- Located in the **coal hub of Queensland**
Bowen Basin – supplies some of the world’s highest quality metallurgical, PCI and thermal coal for export and domestic markets
- AQC’s tenements are surrounded by producing coal mines owned and operated by major mining companies including: BHP Billiton, Rio Tinto, Anglo American, Xstrata and Peabody
- AQC’s exploration projects are all in close proximity to these mines offering potential to utilise and share infrastructure
- Well-understood geology and a proven coal producing region for 40+ years with local towns providing the workforce and services



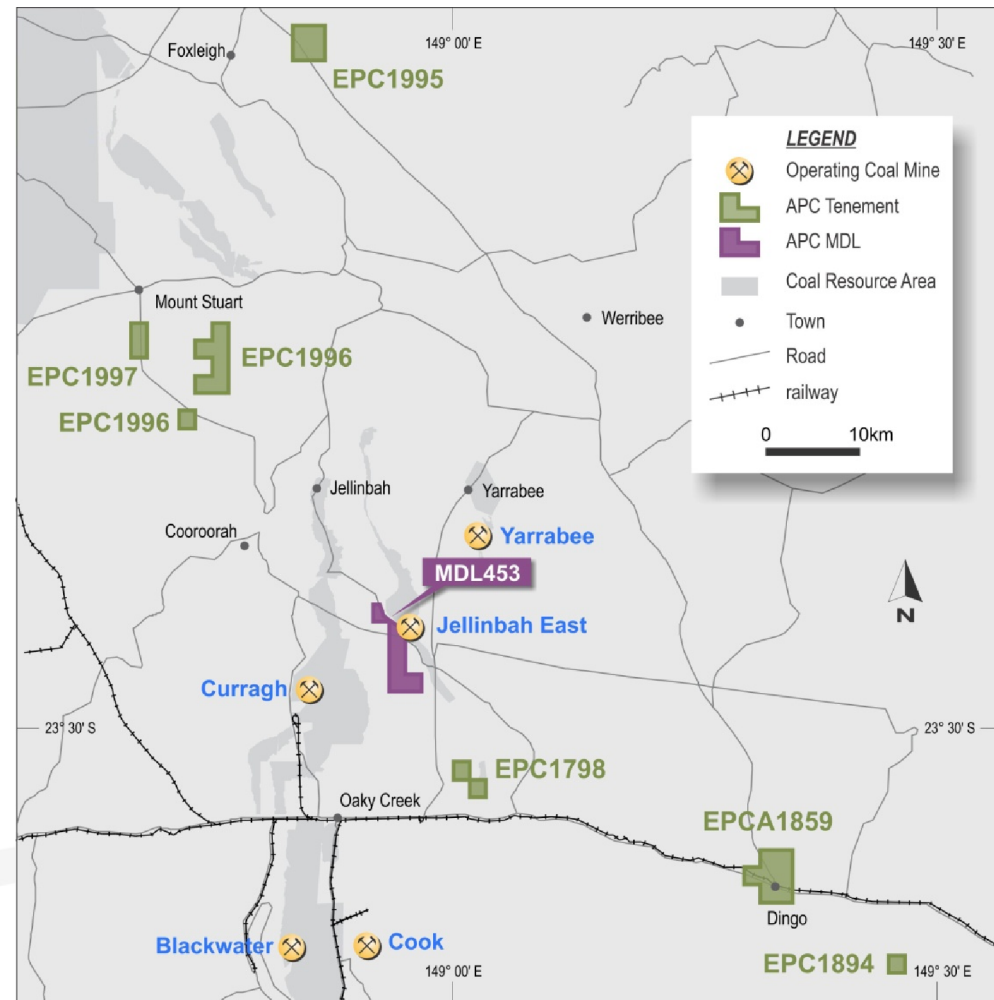
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- 100% working interest
- Granted MDL 453 (Cooroorah)
- Near-term exploration focus
 - Dingo (EPC 1859)
 - Carlo Creek (EPC1995)
- Other coal exploration tenements
 - Churchyard Ck (EPC1996)
 - Bluff (EPC1798)
 - Rocky Creek (EPC1894)



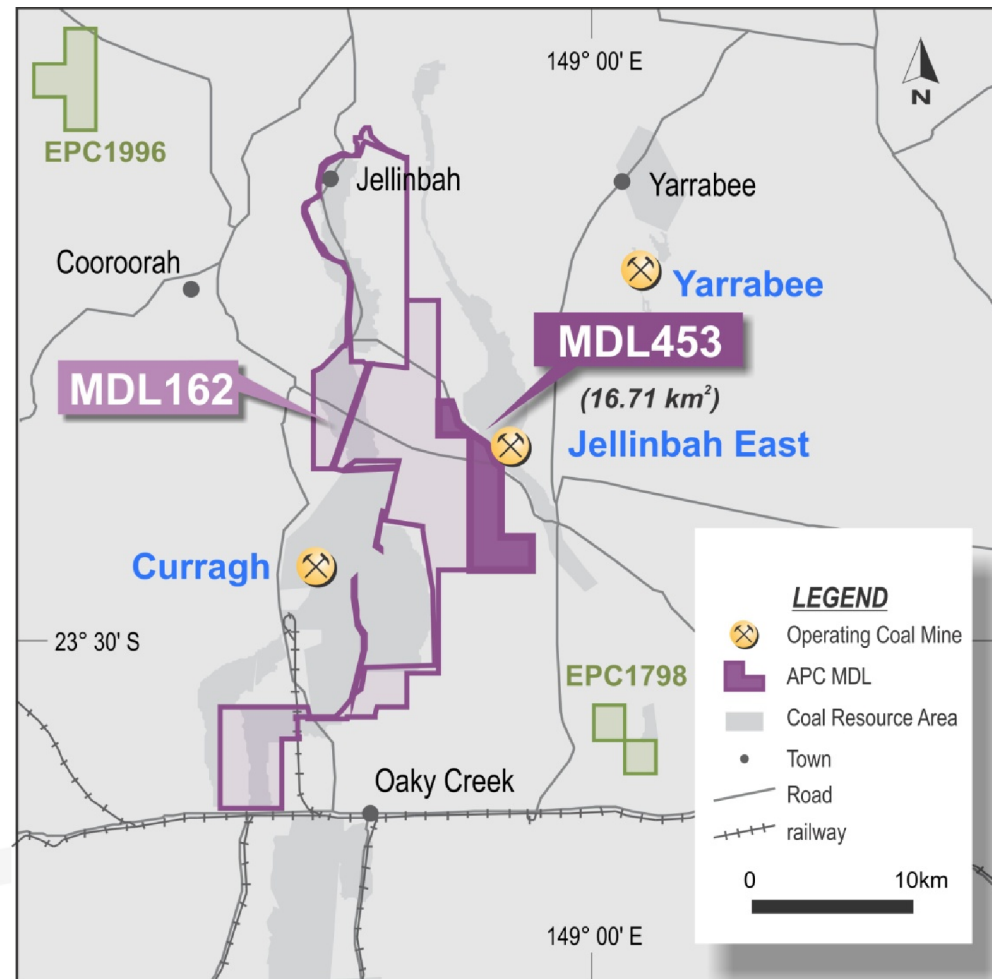
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- Cooroorah (MDL 453)
- 124.9 Mt Coal Resource*
 - 69.6Mt Indicated
 - 55.3Mt Inferred
- Located near rail network and developed infrastructure, linking it to Gladstone and major coal ports
- Adjacent to Jellinbah, Currugh, Yarrabee and BMA opencut & underground mine



*Statement of resource quantity is in accordance with the JORC Code Guidelines

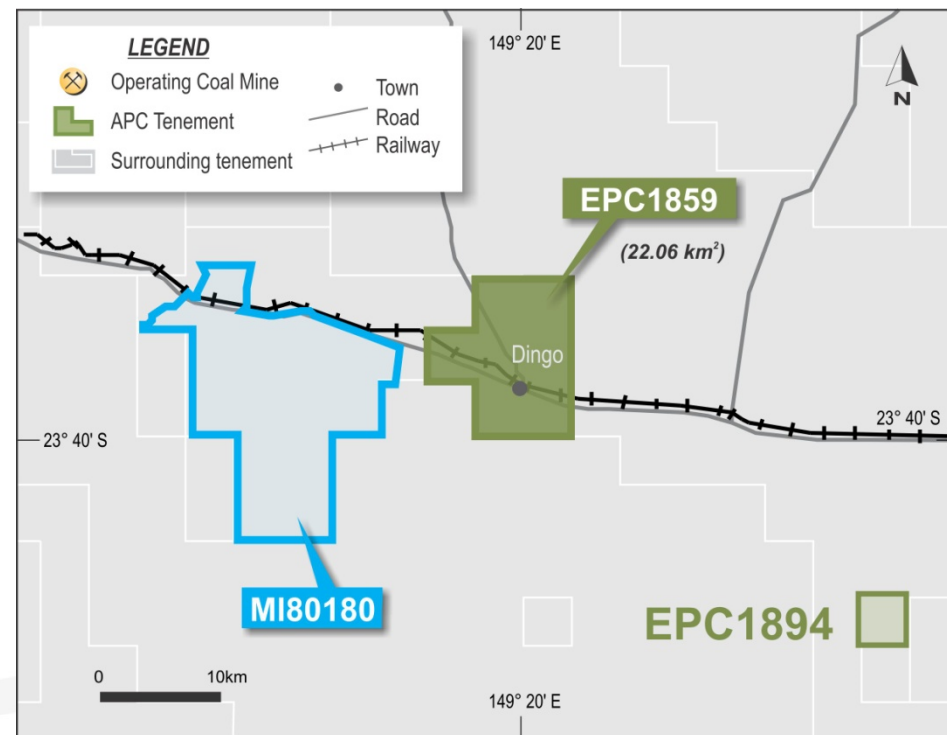
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Dingo (EPC 1859)**
- Located on rail network
- Infill drilling program proposed in Q1 – Q2 2014 to elevate to a Resource
- Targeting Rangal Coal Measures
- Adjacent to Bandanna Energy ML80180 (Dingo West)
- 30km east of operating Blackwater and Curragh coal mines
- Surrounded by Bandanna Energy, Peabody Energy (Macarthur Coal) and Aquila Resources



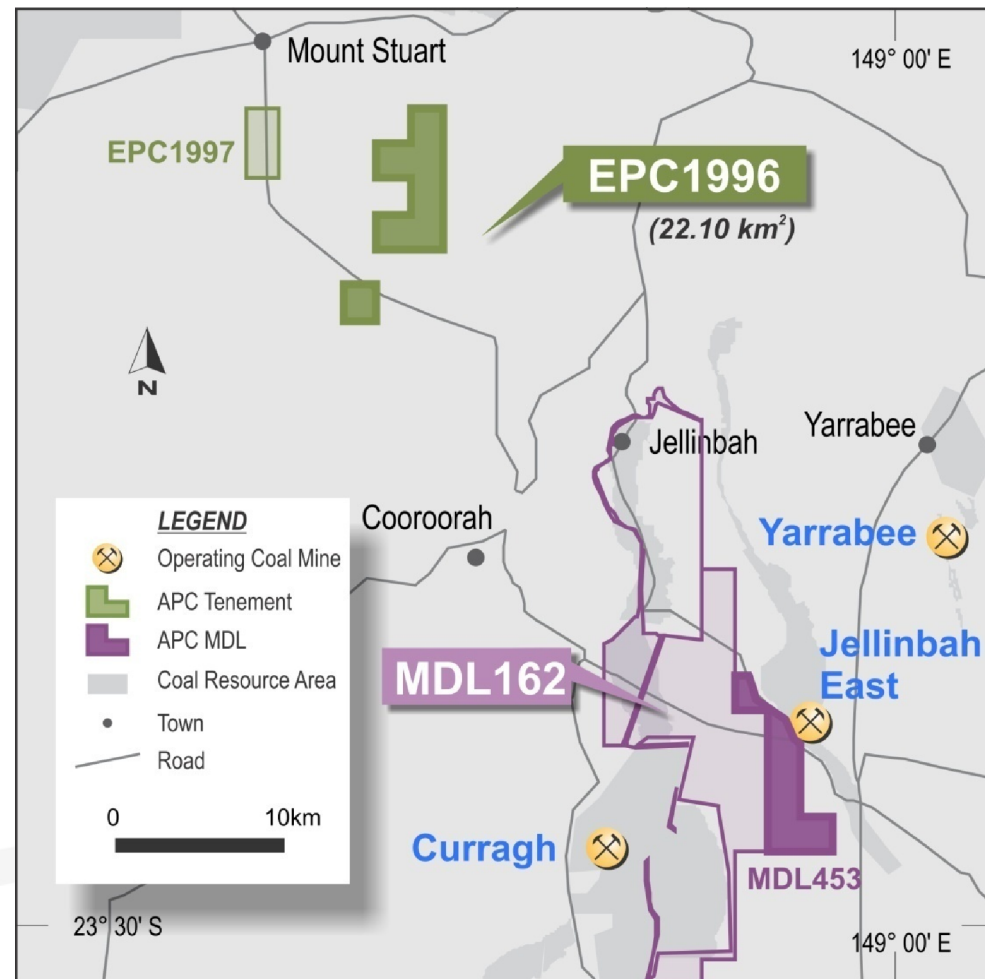
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Churchyard Creek (EPC 1996)**
- Drilling of northern tenement during Q2 2012 intersected target seams including the Canis, Lepus and Fairhill Seams
- Initial indications of low yielding Canis Seam with higher yields in the Fairhill Seam
- Development potential of thick, shallow coal interval under investigation



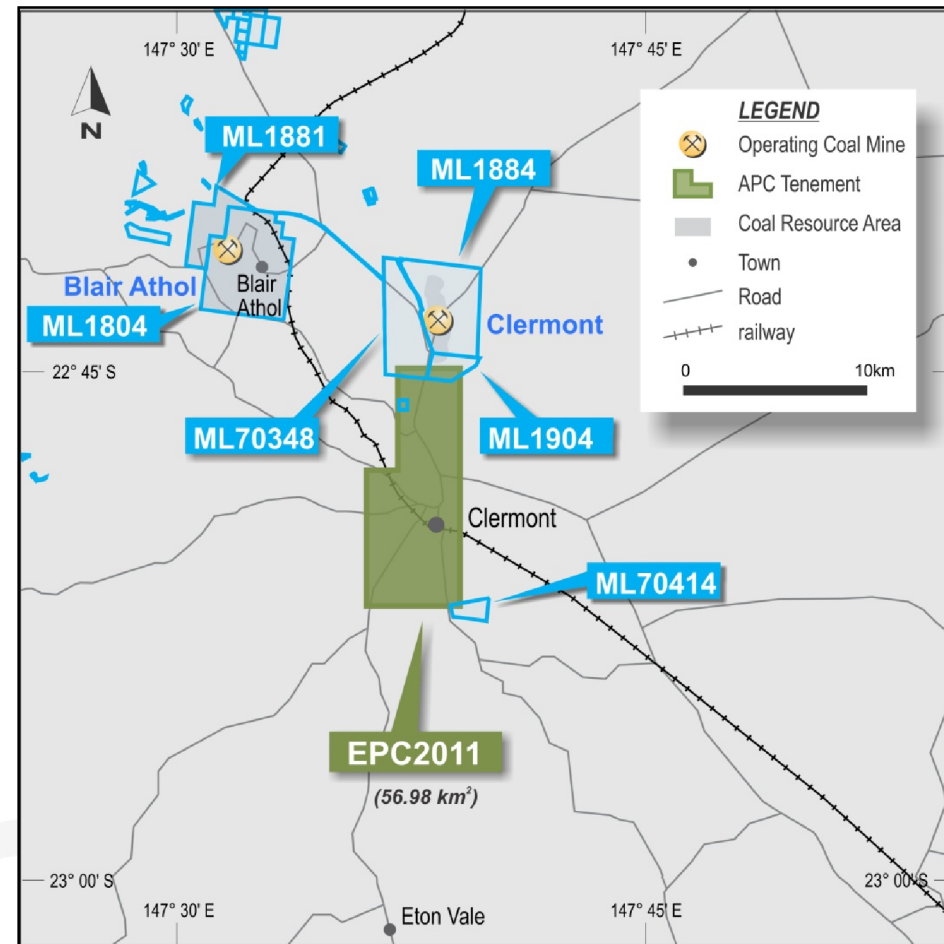
Portfolio of Attractive Projects



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Clermont (EPC 2011)

- Adjacent to Glencore's (formerly Rio Tinto's) Clermont Coal Mine
- Located near two rail networks providing access to major coal ports at Mackay and Gladstone
- Target – Clermont Basin with potential for thick open cut mineable coal seams
- Average thickness of main seams in neighbouring mines:
 - Blair Athol – 29m
 - Clermont – 38m



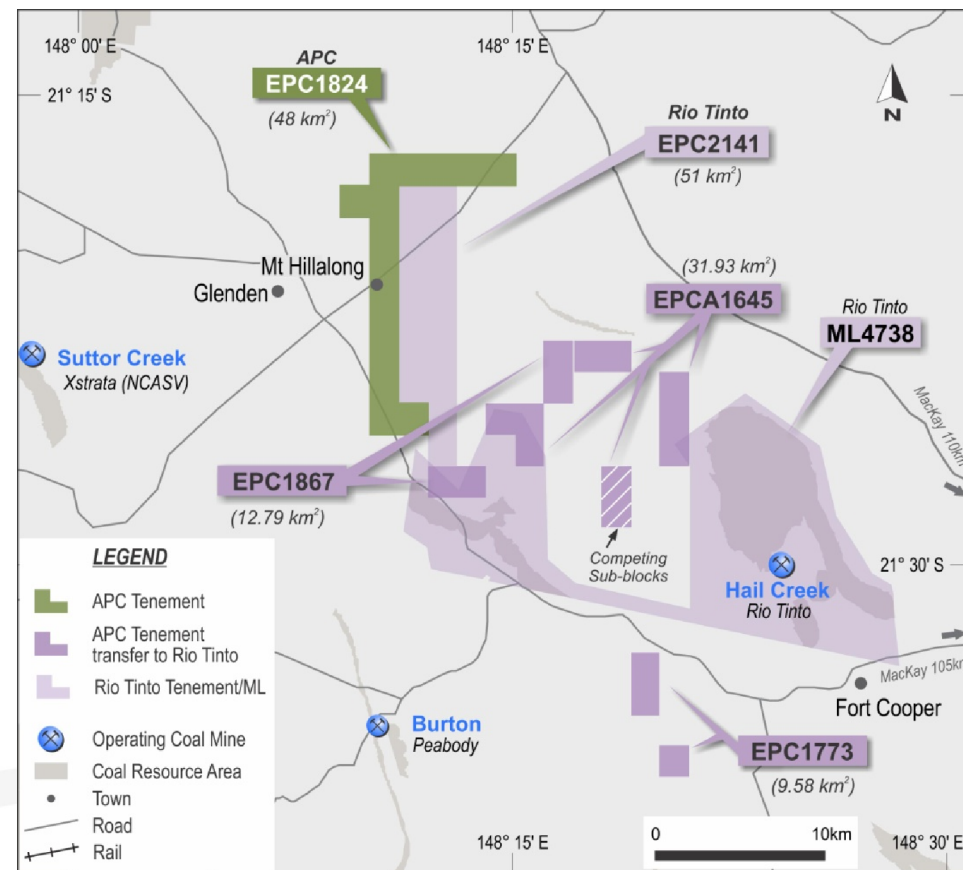
Portfolio of Attractive Projects



Australian Pacific Coal

Mt Hillalong

- Joint venture with **Rio Tinto** validates acreage quality and highlights potential
- Targeting Rangal Coal Measures
- 4 prospective EPCs
- Rio Tinto Exploration to solely fund and manage a minimum expenditure of \$700,000 exploration program in EPC 1824 to exercise its right to earn a 75% working interest
- In close proximity to Rio Tinto's Hail Creek Mine, producing up to 8 Mtpa, and is part of the Rio Tinto main coking coal hub & logistics



Portfolio of Attractive Projects



Australian Pacific Coal

Mt Hillalong Exploration

- Rio Tinto Exploration completed two open holes and three 2D seismic lines during September 2013 to assess the potential for Rangal Coal measures
- Drill results :
 - HILL0002 - 12m net coal between 320m and 460m depth from the Leichhardt, Vermont and Girrah Seams
 - HILL0003 - 11m net coal between 155m and 185m depth from the Leichhardt and Vermont Seams
- Exploration will resume next field season to follow up this work

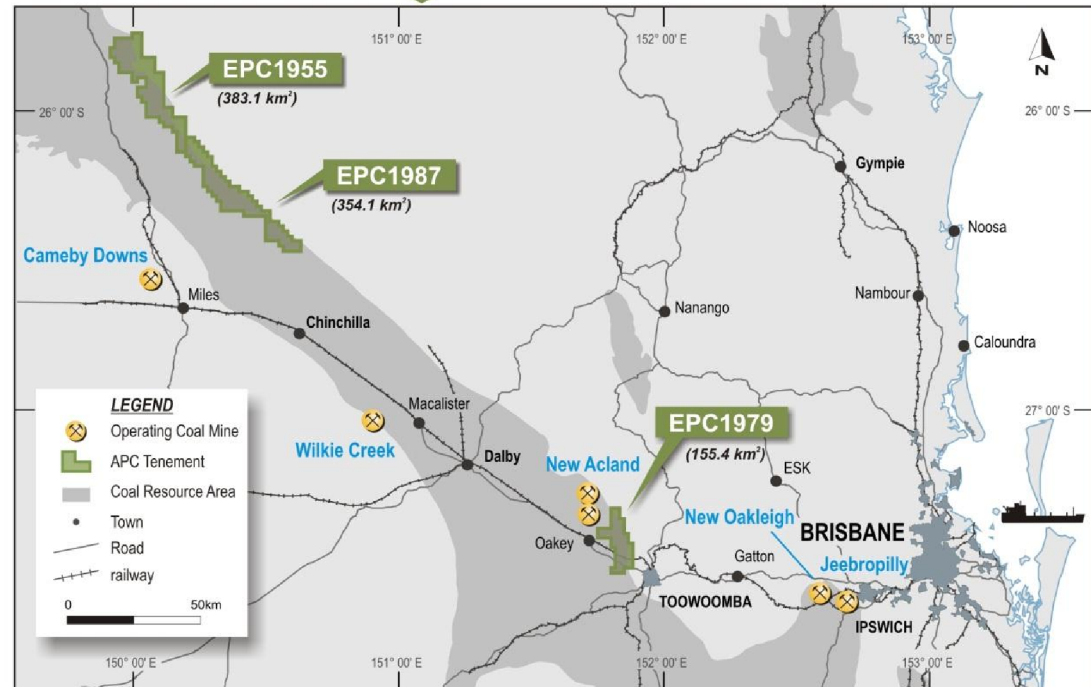
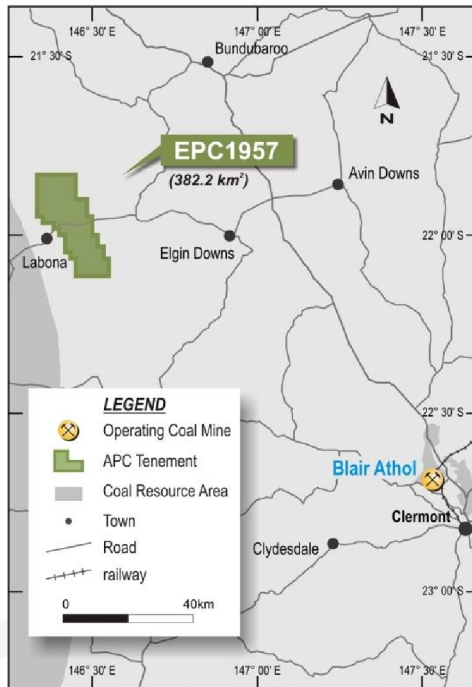
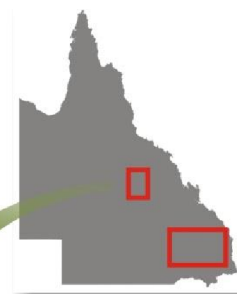
Portfolio of Attractive Projects



Australian Pacific Coal

Cuesta JV projects

- Joint venture with Blackwood Resources (acquired by Cuesta Coal)
- Covering over 1200 km²



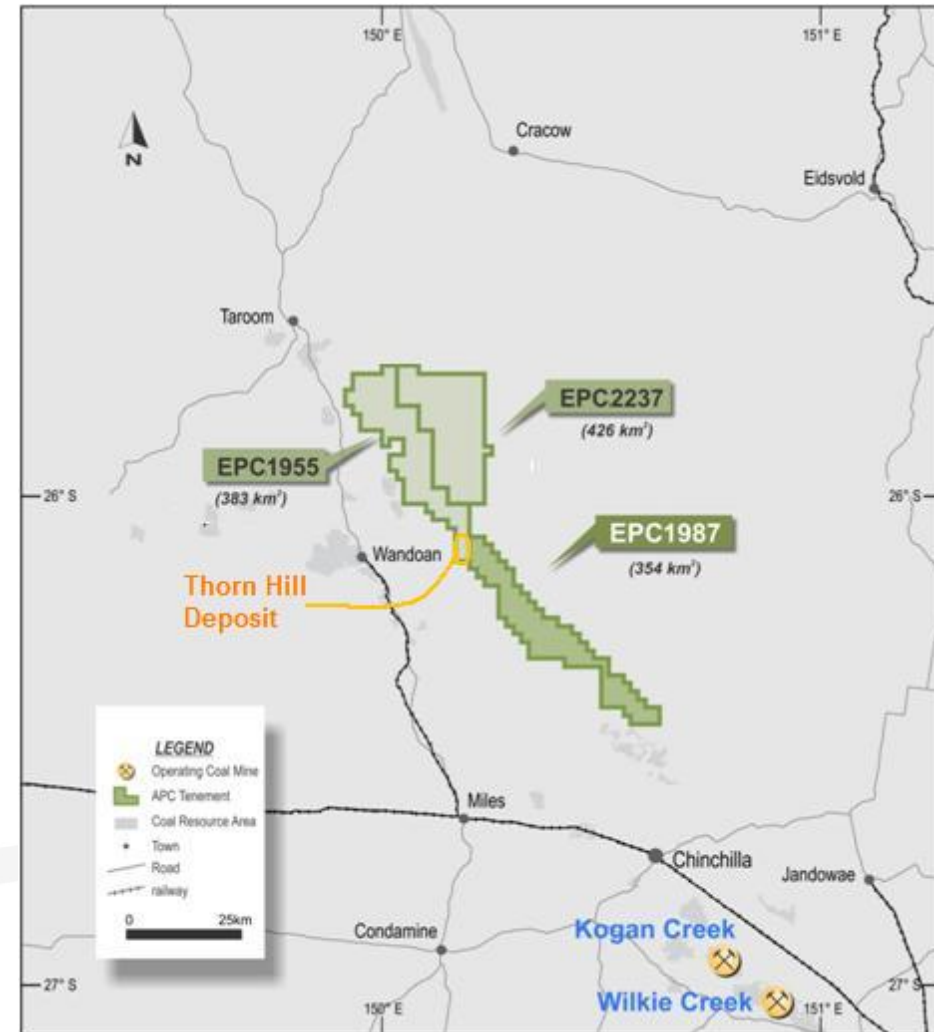
Portfolio of Attractive Projects



Australian Pacific Coal

East Wandoan (Cuesta JV)

- 3 quality EPCs – covering acreage in the Clarence-Morton and Surat Basins, prospective for shallow thermal coal
- AQC has 10% free carry to feasibility study stage
- Cuesta Coal has announced it's Thorn Hill Deposit containing a **44.6Mt coal resource** (22.1Mt Indicated and 22.5Mt Inferred Coal Resource*) on EPC1955



*Statement of resource quantity is in accordance with the JORC Code Guidelines

Multiple Funding Options



Australian Pacific Coal

Various sources of funding are available to AQC to fund exploration programs into 2014 and beyond

- Joint venture/farm in opportunities on 100% owned EPCs
- Interest from existing joint venture partners to increase their interest in JV projects
- Rio Tinto JV – 2 year transaction commenced Q3 2013
- Funding in place for AQC short to medium-term projects assuring our viability into the future
- A 5500m drilling for equity agreement with a tier 1 drilling company

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- **Proven coal province – Bowen Basin, the coal hub of Queensland**
- **Portfolio of highly attractive projects**
- **100% working interest in highly prospective Blackwater project**
- **Existing infrastructure network with excess capacity – proximal to all project areas**
- **Granted MDL453 with 124.9Mt and scope to increase**
- **Near-term value-adding drilling activity planned**
- **Significantly undervalued relative to peers**

JORC Compliance Statement



Australian Pacific Coal

This presentation has been prepared in compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves "The JORC Code" (2012).

The exploration results and estimates of mineral resources referred to in this presentation are extracted from the report entitled EPC1827 "Cooroorah" Resource Estimate Update dated 29 November 2013 and is available to view on the company's website www.aqcltd.com. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



Australian Pacific Coal

ASX code: AQC

Board of Directors:

Peter Ziegler	Chairman
Paul Byrne	Executive Director and CEO
Paul Ingram	Non-executive Director
Paul Ryan	Non-executive Director

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