

2014 Annual General Meeting CEO's Address

Ladies and Gentlemen,

Welcome to our 2014 Annual General Meeting. I take this opportunity to once again thank you all – our shareholders – for your support throughout the year. I would also like to acknowledge the dedication and efforts of our Board members and management throughout the year, and thank all our staff and contractors for their diligent efforts.

We all know that junior explorers face significant challenges in this market. Capital markets have tightened and new project investment has slowed to a trickle. That said, the fundamentals of our investments have not changed. China and India do have a strong desire for Australian premium thermal and coking coals. Your company is well placed to take advantage of any opportunities that arise and your directors continue to vigorously pursue each and every opportunity that is on offer.

Today I would like to focus your attention on the assets your company holds.

I am most often asked about the progress of our Mt Hillalong joint venture with Rio Tinto. Time is ticking for Rio Tinto to exercise their option on 23rd of August. As I have mentioned many times previously, I remain hopeful that Rio Tinto will exercise their option and that this will be a game changer for your company. I am informed by Rio that it is committed to further exploration and development in the Hail Creek area. We are very much a part of that program.

While speaking of our JV assets, our JV with Cuesta Coal JV gives AQC a 10% free carried equity in the four projects they hold. Cuesta have made steady progress in proving up these resource areas and we are hopeful that in the future these assets may be valuable to AQC.

Shortly I will run through a brief presentation on our 100% owned “tier one” projects. These are the projects that are the major focus our activities. Some have JORC drilled resources, while others reveal proven potential for premium semi-soft metallurgical coals. We, the board, are focussed on the potential development of one or more of our coal projects. A potential partnership / joint venture must be viewed a definite possibility for AQC. I can report that the directors and management continue to be ever diligent and keep working for the betterment of our company and your company's future and prospects.



Paul Byrne
Chief Executive Officer