



Australian Pacific Coal

Proactive Investors “Stars in 2012” Series

September 2012

“Delivering Value From Queensland Coal”

Disclaimer



Australian Pacific Coal

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Company Overview

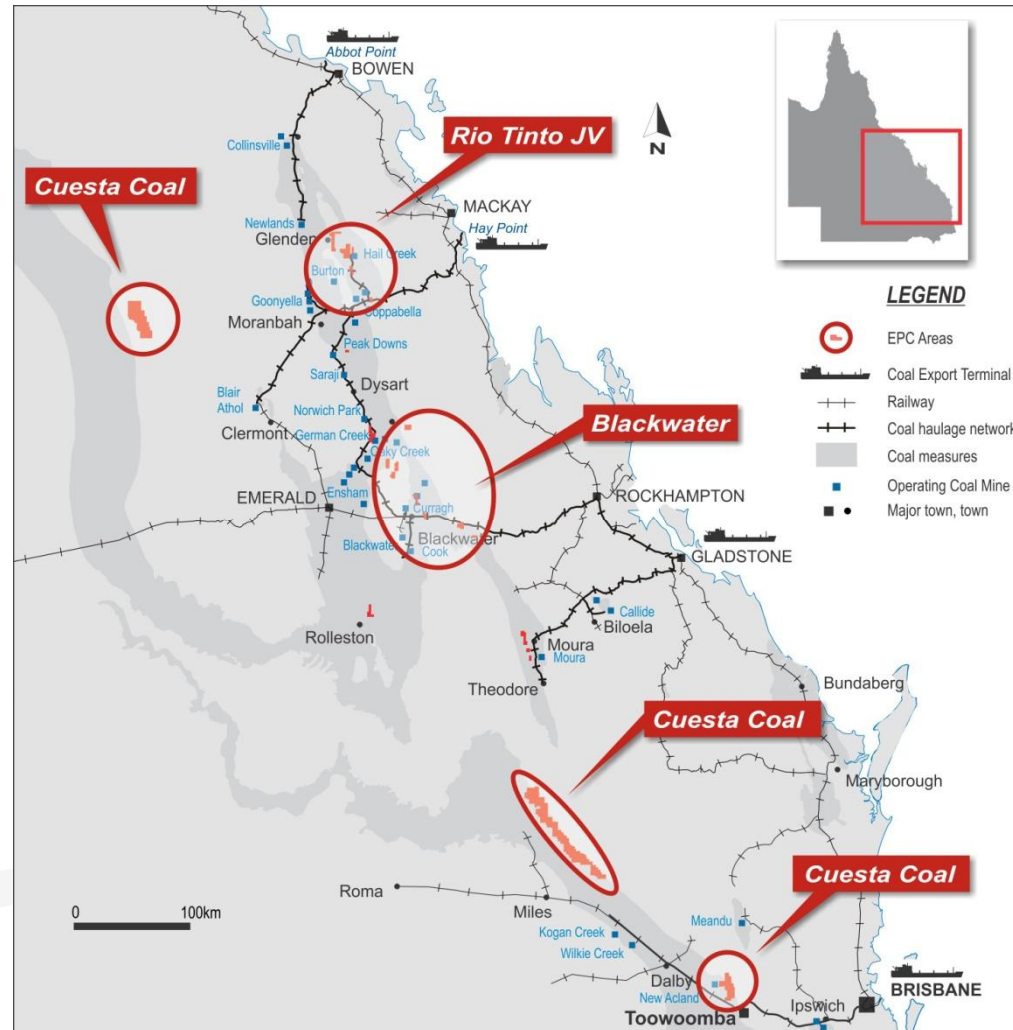


Australian Pacific Coal

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

John Bovard Non-executive Chairman

Over 40 years' experience in mining, prominent positions with Australian and international companies (Western Mining, OK Tedi and Placer Pac). Advisory roles in mining and construction.

Paul Byrne Executive Director

Founder of Ipoh group. Has initiated environmental remediation projects in conjunction with CSIRO, University of South Australia & Queensland Government.

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

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 and Australia.

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
- **Near-term value-adding drilling activity in Cooroorah EPC1827/MDLA453**
- **Significantly undervalued relative to peers**

Major JV Partners Validates Potential



Australian Pacific Coal

- Significant joint venture partners – mining major Rio Tinto and Cuesta Coal
- JV agreements validates quality and potential of AQC assets in Queensland's coal hub
- JV partners operating and managing the respective exploration programs in the two projects areas at Mt Hillalong and East Wandoan
- Allows AQC to focus on 100% owned Blackwater project with near-term exploration drilling programs

RioTinto



CUESTA COAL

JV Agreement Details



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RioTinto

- Transaction is a two year turnaround where RioTinto has several monetary trigger points
- AQC also has a number of Put Options



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

Proven Coal Province



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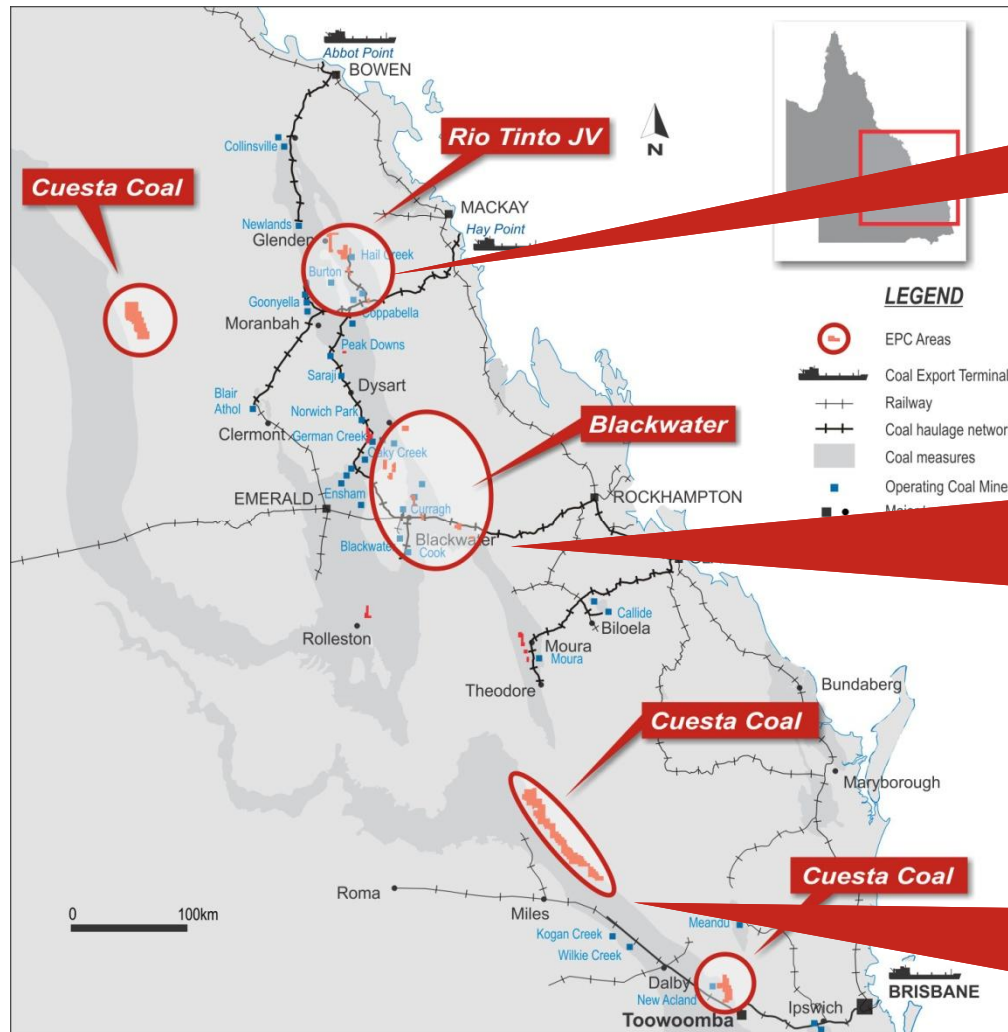
- Located in the **coal hub of Queensland**
Bowen Basin – supplies some of the world’s highest quality metallurgical, PCI and thermal coal for export and domestic markets
- AQC’s tenements surrounded by producing coal mines owned and operated by major mining companies including: BHP Billiton, Rio Tinto,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



Portfolio of Attractive Projects



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Mt Hillalong Project
 Rio Tinto JV
 +100km²

Blackwater Project
 100% working interest
 107 Mt Inferred Resource*
 Near-term exploration focus
 103km²

East Wandoan Project
 Cuesta Coal JV
 23.9Mt Inferred Resource*
 1274km²

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

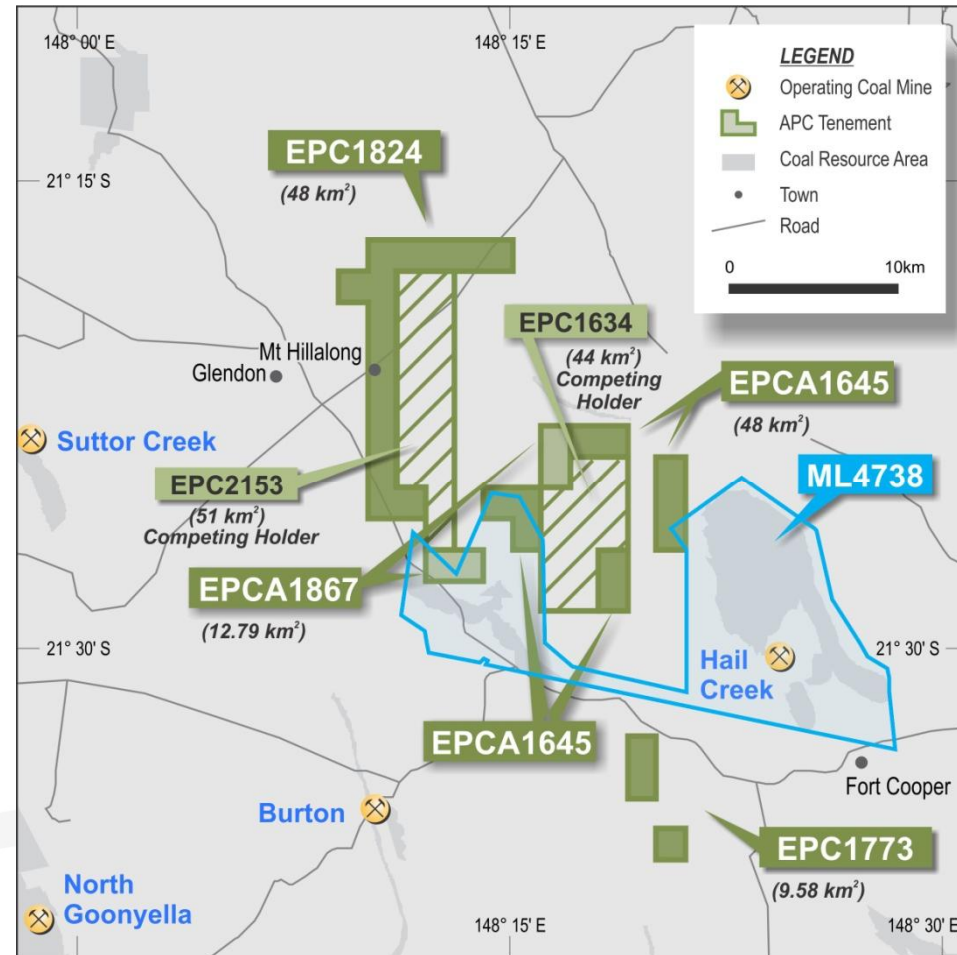
Portfolio of Attractive Projects



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 part of the Rio Tinto main coal hub & logistics



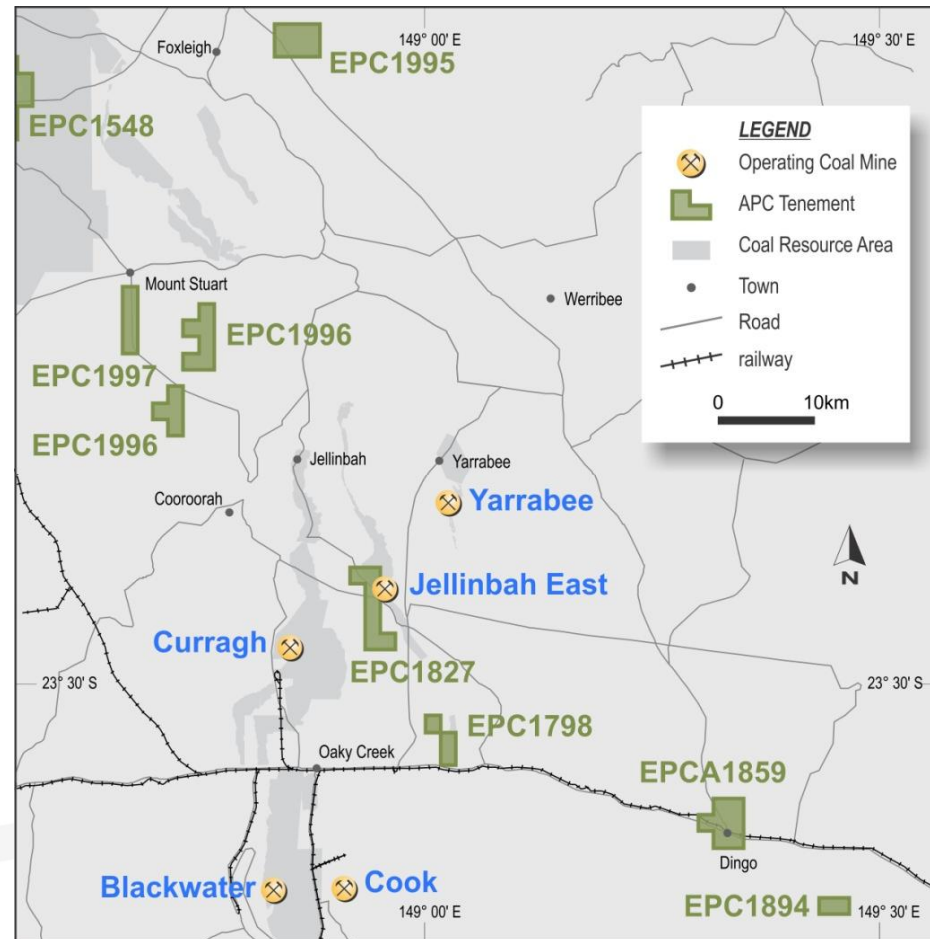
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- 100% working interest
- **107 Mt Inferred Resource*** at Cooroorah (EPC 1827)
- Near-term exploration focus
 - Cooroorah (EPC 1827)
 - Carlo Creek (EPC1995)
 - Dingo (EPC 1859)
- Drilling to commence in Q4 2012



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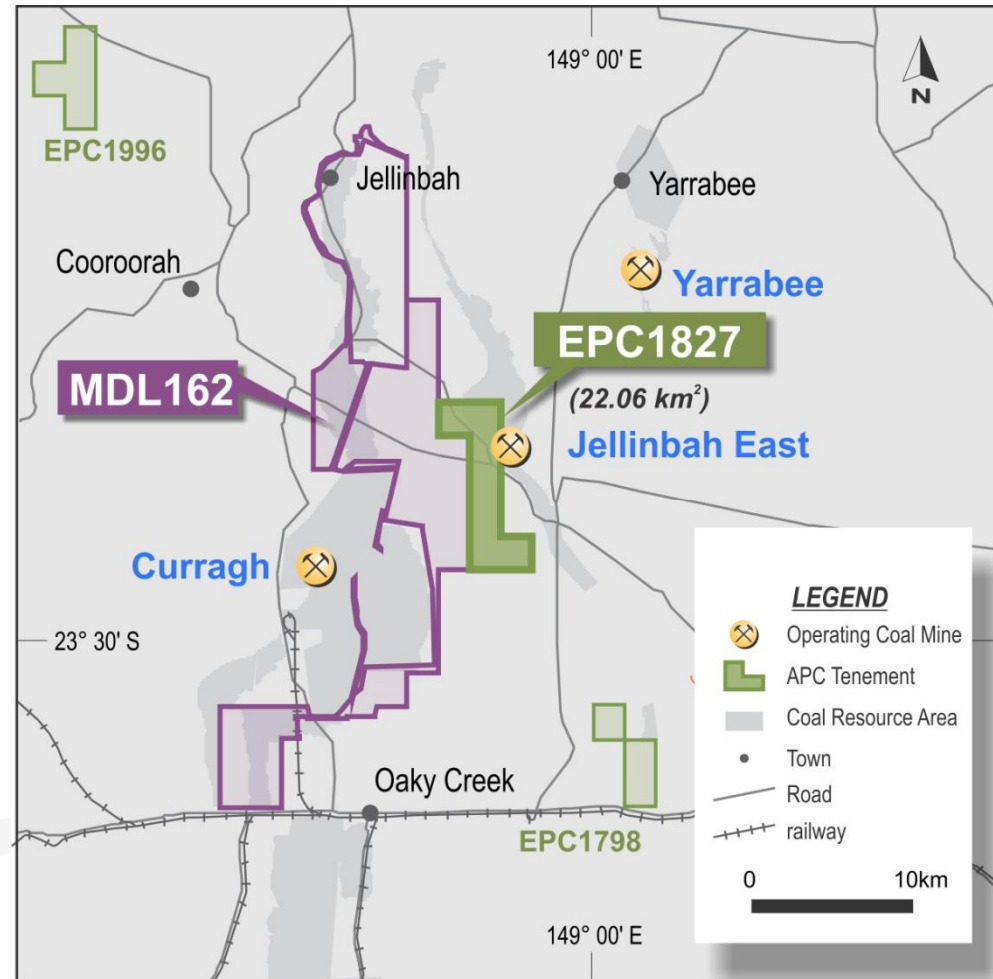
Portfolio of Attractive Projects



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Blackwater

- **Cooroorah (EPC 1827)**
- **107 Mt Inferred Resource***
- Located near rail network and developed infrastructure, linking it to Gladstone and major coal ports
- Infill drilling program in Q4 2012 to Q1 2013 move to Indicated & Measured Resources
- Adjacent to Jellinbah, Currugh, Yarrabee and BMA opencut & underground mine



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Wash Plant Capability - Blackwater Area



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Mine	Company	No. of Wash Plants	Wash Plant Capacity*	Annual Production
Blackwater	BHP Billiton Mitsubishi Alliance	1	14 Mt/a	14 Mt/a ^
Yarrabee	Yancoal Australia Ltd		1.8 Mt/a	4 Mt/a ^
Curragh	Westfarmers Resources Limited	2	7 Mt/a	9 Mt/a ^
Cook	Caledon Coal Pty Ltd	1	1 Mt/a	0.7 Mt/a
Jellinbah East	Jellinbah Mining Pty Ltd	1	6 Mt/a	4.6 Mt/a

* From Register of Australian Mining 2008/09

^ Thermal coal fraction bypasses wash plant

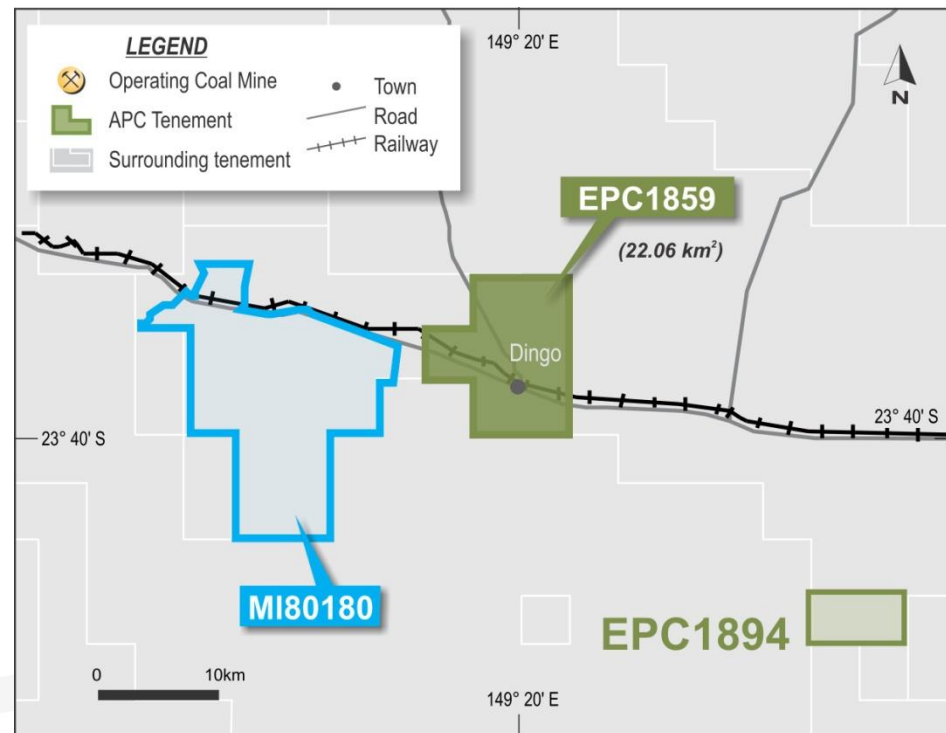
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Dingo** (EPC 1859)
- Located on rail network
- Infill drilling program proposed in Q4 2012 - Q1 2013 to elevate to a Resource
- Targeting Rangal Coal Measures
- 30km east of operating Blackwater and Curragh coal mines
- Surrounded by Bandanna Energy, Peabody Energy (Macarthur Coal) and Aquila Resources



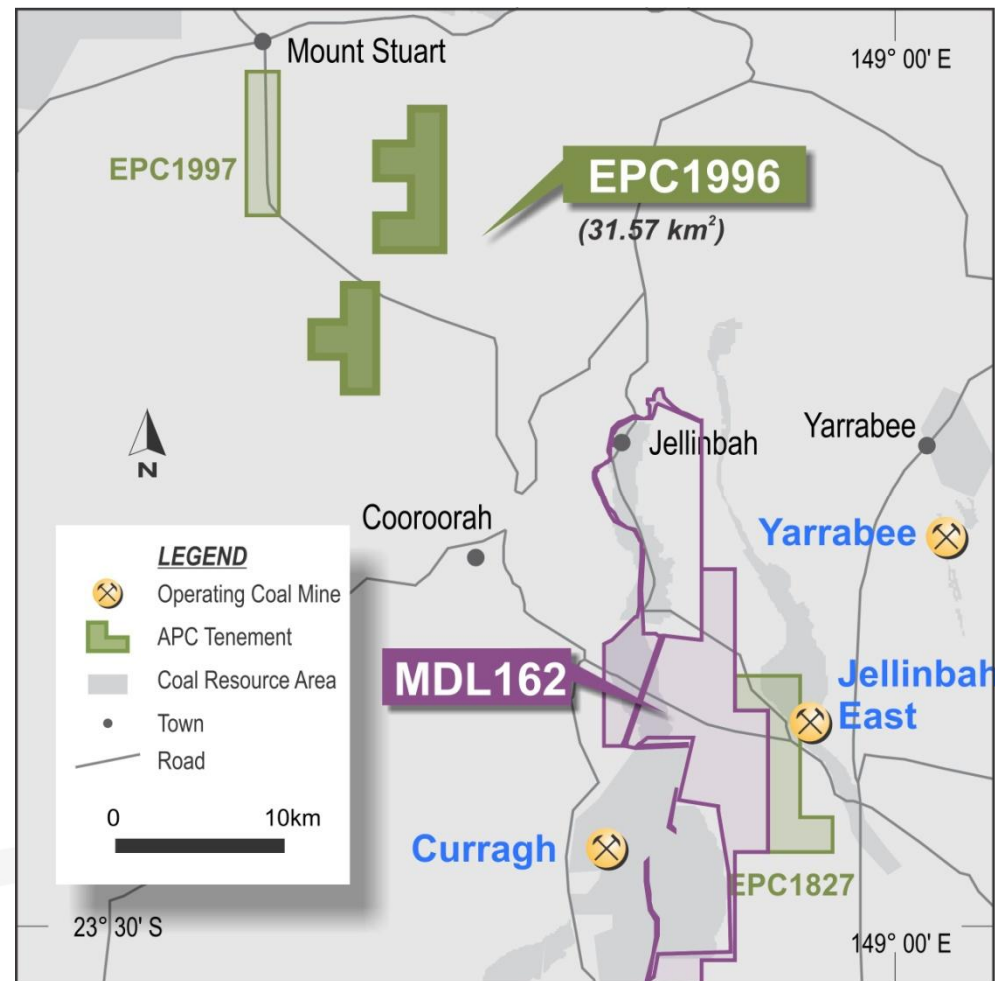
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Churchyard Creek (EPC 1996)**
- Drilling of northern tenement during Q2 2012 intersected three target seams including the Canis, Lepus and Fairhill Seams
- Initial indications of low yielding Canis Seam with higher yields in the Fairhill Seam
- Recycoal sample results are pending

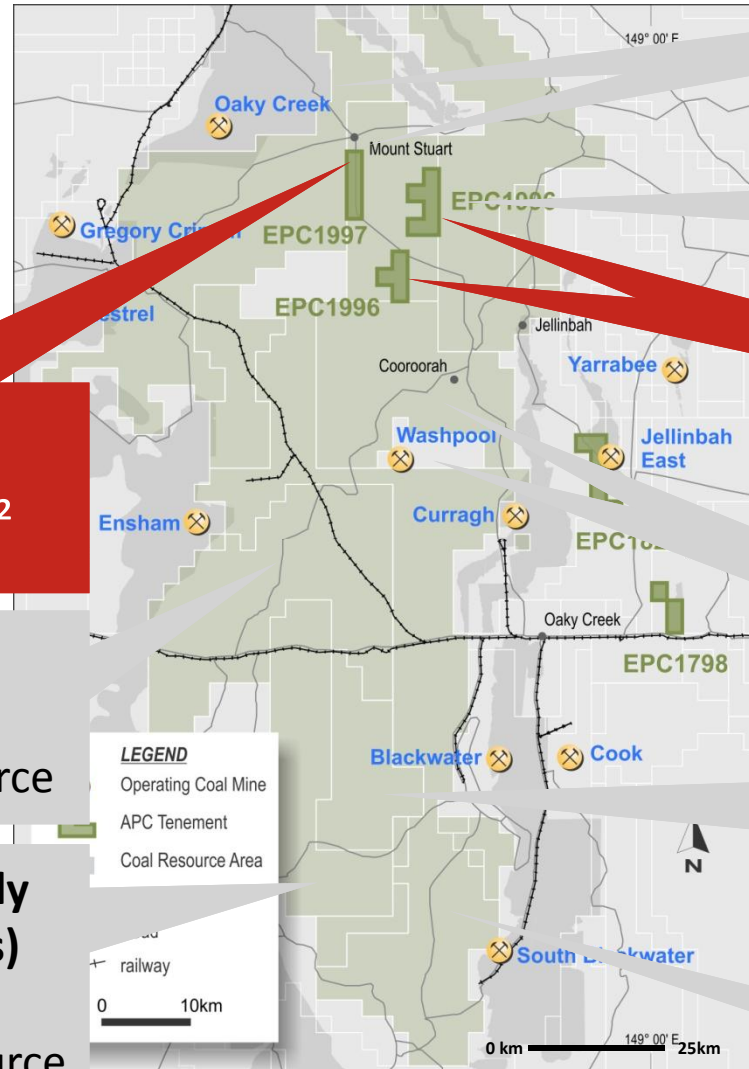
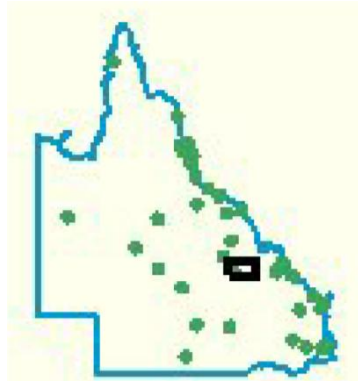


Portfolio of Attractive Projects



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Neighbouring Resources



Mt Stuart
EPC 1997 – 13km²

Xstrata
EPC 713 & 841

CAML Resources
EPC 1139

Churchyard Creek
EPC 1996 – 31km²

Stanmore Coal
EPC 2081
99 Mt Inferred Resource

Aquila Resources
EPC 958 & 966
108Mt Measured Resource

Acacia Coal (formerly Newland Resources)
EPC 1230
150 Mt Inferred Resource

Guildford Coal
EPC 1822
Targeting 200Mt Resource

Stanmore Coal
EPC 1627

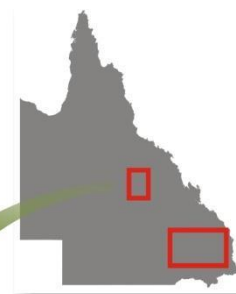
Portfolio of Attractive Projects



Australian Pacific Coal

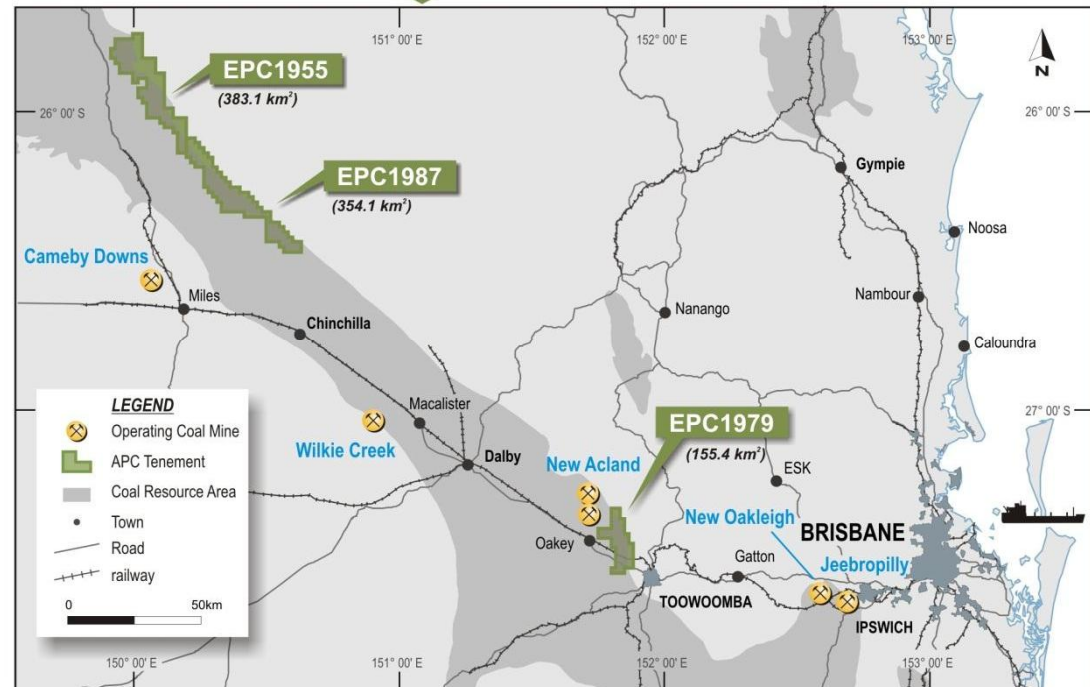
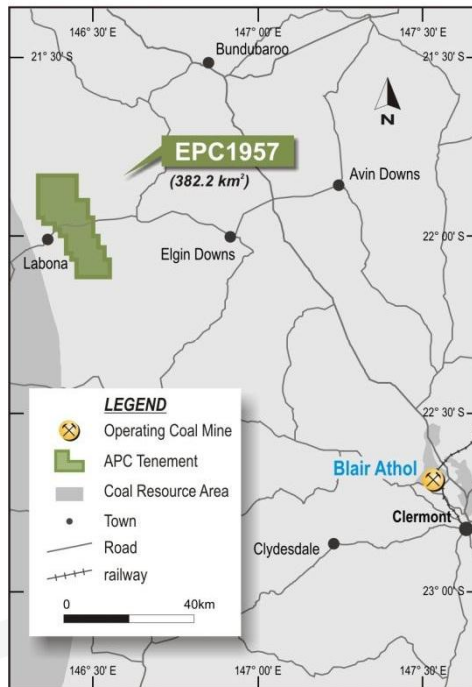
East Wandoan

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



Neighbouring Companies:

- Adani
- Xstrata
- New Hope



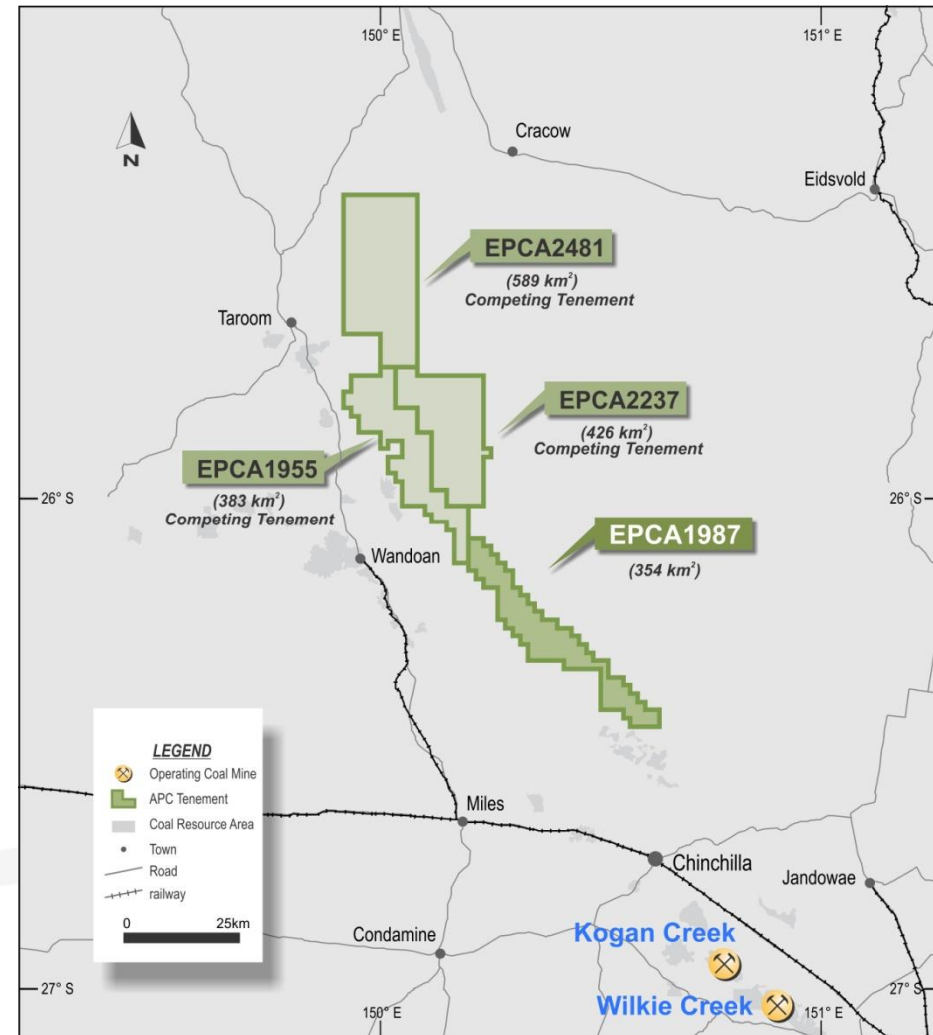
Portfolio of Attractive Projects



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East Wandoan

- 4 quality EPCs – covering acreage in the Clarence-Morton, Surat and Galilee Basins, prospective for shallow thermal coal
- AQC has 10% free carry to feasibility study stage
- Cuesta Coal has announced a **23.9 Mt maiden Inferred Thermal Coal Resource***
- Cuesta Coal has indicated further significant resource estimate increases are expected this year
- Drilling to recommence in late March to expand resource



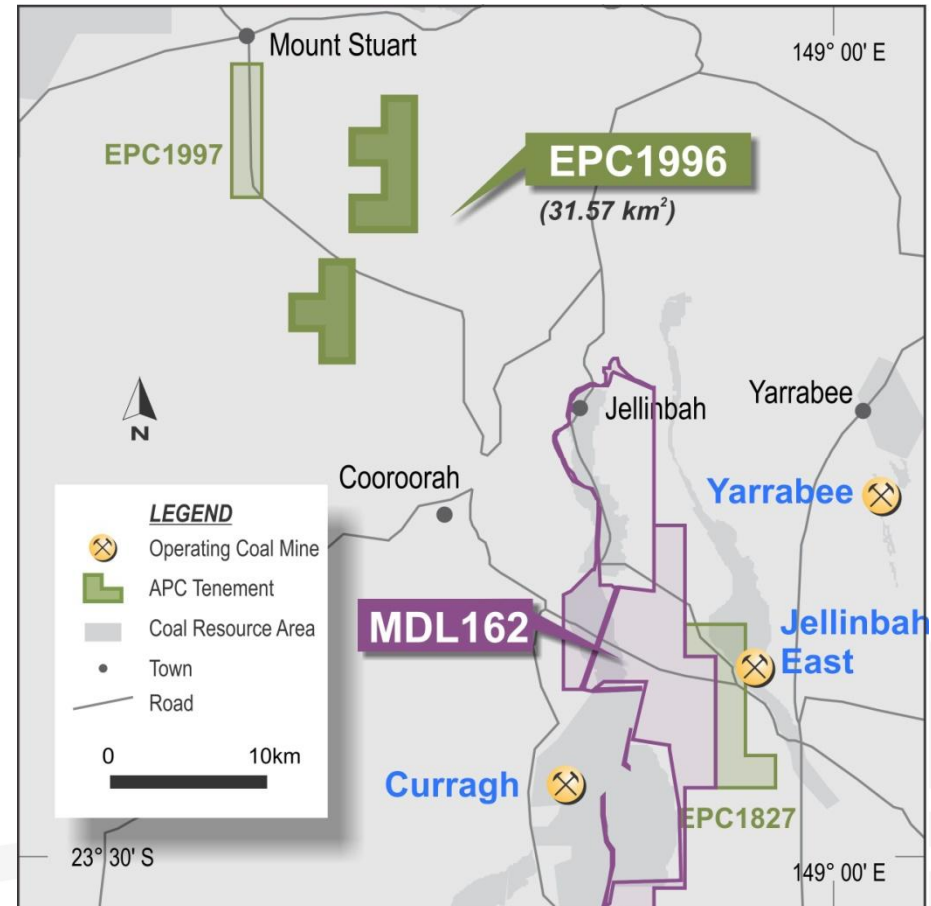
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100% Working Interest in Blackwater



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- Highly prospective Blackwater project – strong landholding centrally located amongst operating mines and numerous mining majors
- Project focus – targeting high quality metallurgical coal
- High working interest provides funding optionality
- 107 Mt Inferred Resource* at Cooroorah (EPC 1827)



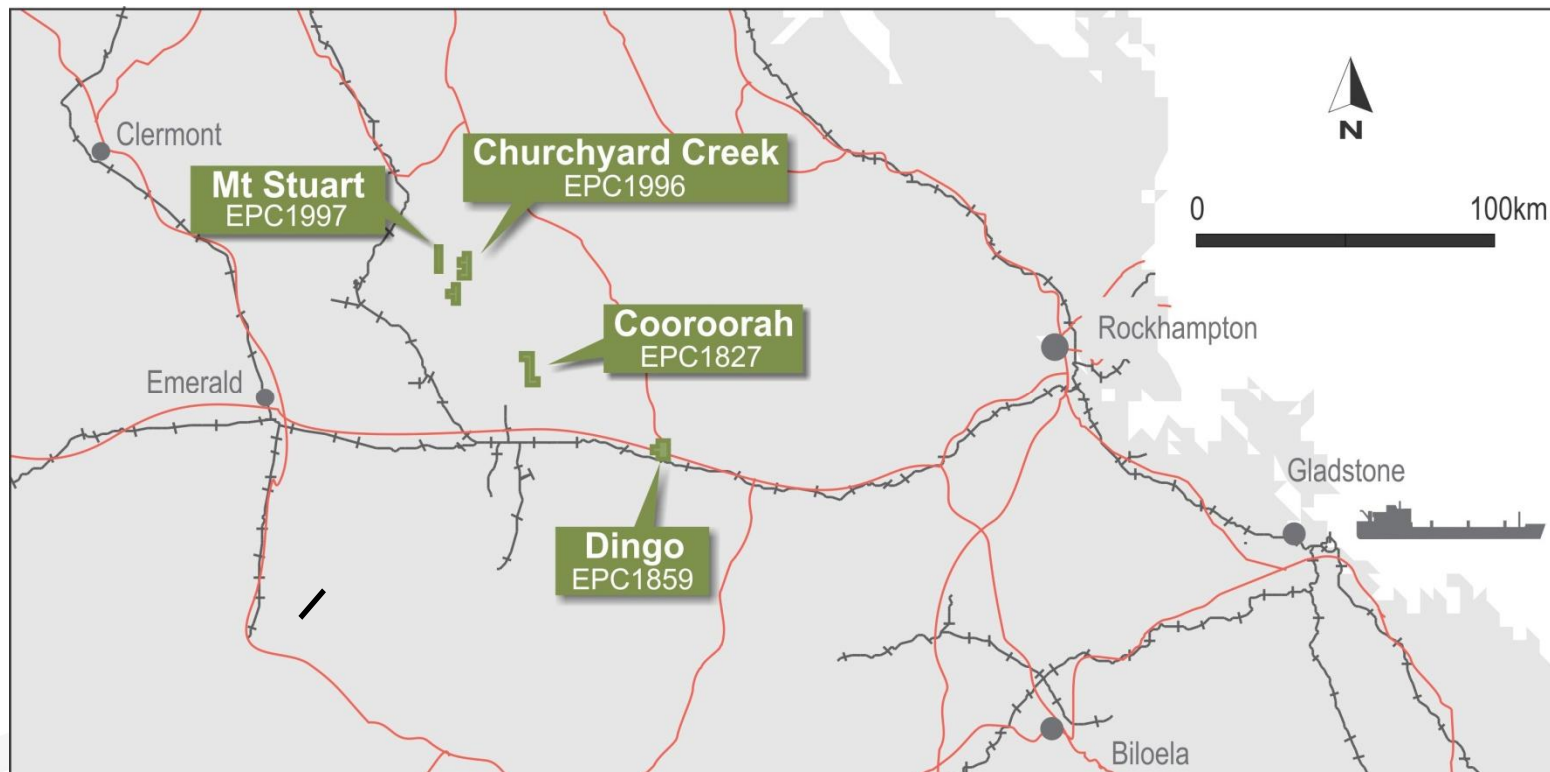
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Existing Infrastructure Network



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- Blackwater EPCs (100% AQC) have links to established rail network
- Excess capacity exists in network to commercialise coal projects
- Connections to export and domestic coal markets
- Ability to sell coal to nearby producers, or process utilising wash plant and other coal loading infrastructure



Near-term Drilling Activity



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Drilling Schedule	2012		2013	
	Q3	Q4	Q1	Q2
Cooroorah (EPC1827)				
Carlo Creek (EPC1995)				
Dingo (EPC1859)				

At AQC's 100% owned project at Blackwater, the above scheduled drilling campaigns are fully funded through the planned exploration program

Multiple Funding Options



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- Various sources of funding available to AQC to fund exploration program through to end of 2013 and beyond
 - High working interest in Blackwater provides funding optionality
 - Joint venture/farm in opportunities
 - Interest from existing joint venture partners to increase interest in JV projects

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 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**
- **Near-term value-adding drilling activity**
- **Significantly undervalued relative to peers**

Competent Persons Statement



Australian Pacific Coal

This presentation has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves "The JORC Code" (2004) and reviewed by Mr S.W (Bill) Hayes of S.W Hayes and Associates who consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Mr Hayes, a member of the AusIMM, is a coal geologist with approximately 40 years' experience relevant to the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined by the Australian Code for Reporting of Exploration Results.



Australian Pacific Coal

ASX code: AQC

Board of Directors:

John Bovard	Non-executive Chairman
Paul Byrne	Executive Director and CEO
Peter Ziegler	Non-executive Deputy Chairman
Paul Ingram	Non-executive Director

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