



Australian Pacific Coal

Coal Investment Summit

March 2012

“Delivering Value From Queensland Coal”

Disclaimer



Australian Pacific Coal

This presentation has been prepared by Australian Pacific Coal (ACN 089 206 986) (AQC). The presentation and information contained in it is being provided to shareholders and investors for information purposes only. Shareholders and investors should undertake their own evaluation of this information and otherwise contact their professional advisors in the event they wish to buy or sell shares.

Investors are advised that information in this presentation is provided in summary form. The key information on detailed Resource statements can be found in AQC's ASX releases. ASX releases can be found and viewed at www.aqcltd.com. Investors are advised to read supporting information in full on the website.

This presentation may contain certain statements and projections provided by or on behalf of AQC with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of AQC. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of AQC which could cause actual results or trends to differ materially, including but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, native title and aboriginal heritage issues, dependence on key personnel, share price volatility, approvals and cost estimates. Accordingly, there can be no assurance that such statements and projections will be realised. AQC makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

Additionally, AQC makes no representation or warranty, express or implied, in relation to, and no responsibility of liability (whether for negligence, under statute or otherwise) is or will be accepted by AQC or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers.

The information in this presentation is current as at the date of its release. In furnishing this presentation, AQC undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Australia Pacific Coal Limited.

Company Overview



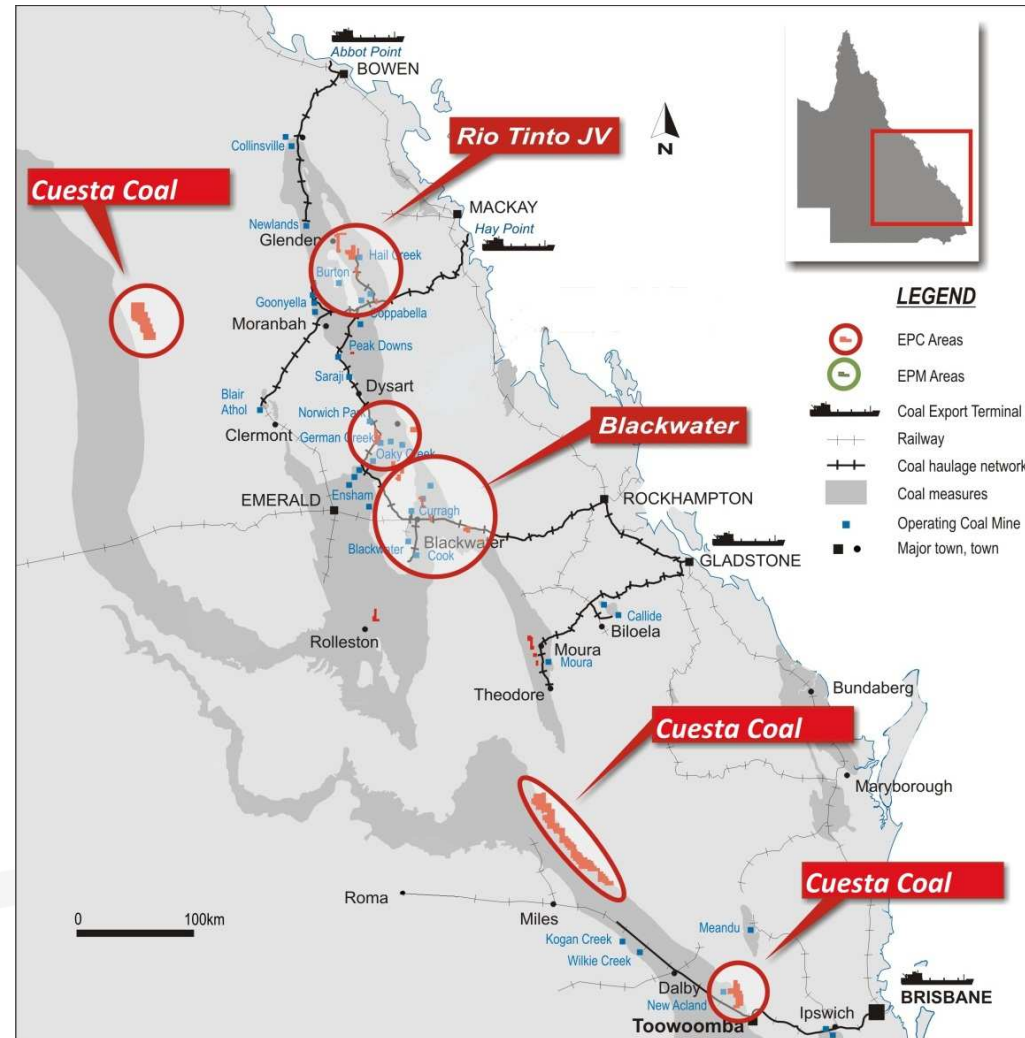
Australian Pacific Coal

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

Interests in 32 coal tenements strategically located in Queensland's Bowen and Surat Basins. Joint Venture agreements already in place with major miner Rio Tinto and Cuesta Coal

Market Data

ASX code	AQC
Current share price	4.0 cents
Ordinary shares	533.1m
Options (at 6 cents strike, expire Apr/May 2012)	30.0m
Market capitalisation	\$21m
Cash (31 Dec 2011)	\$1.4m



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.

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 Byrne Executive Director

Has been active in the mining sector for +20 years both at a public company level and with private interest. 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 have 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 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**
- **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 at Mt Hillalong and East Wandoan
- Allows AQC to focus on 100% owned Blackwater project with near-term exploration drilling programs

RioTinto



CUESTA COAL

Proven Coal Province



Australian Pacific Coal

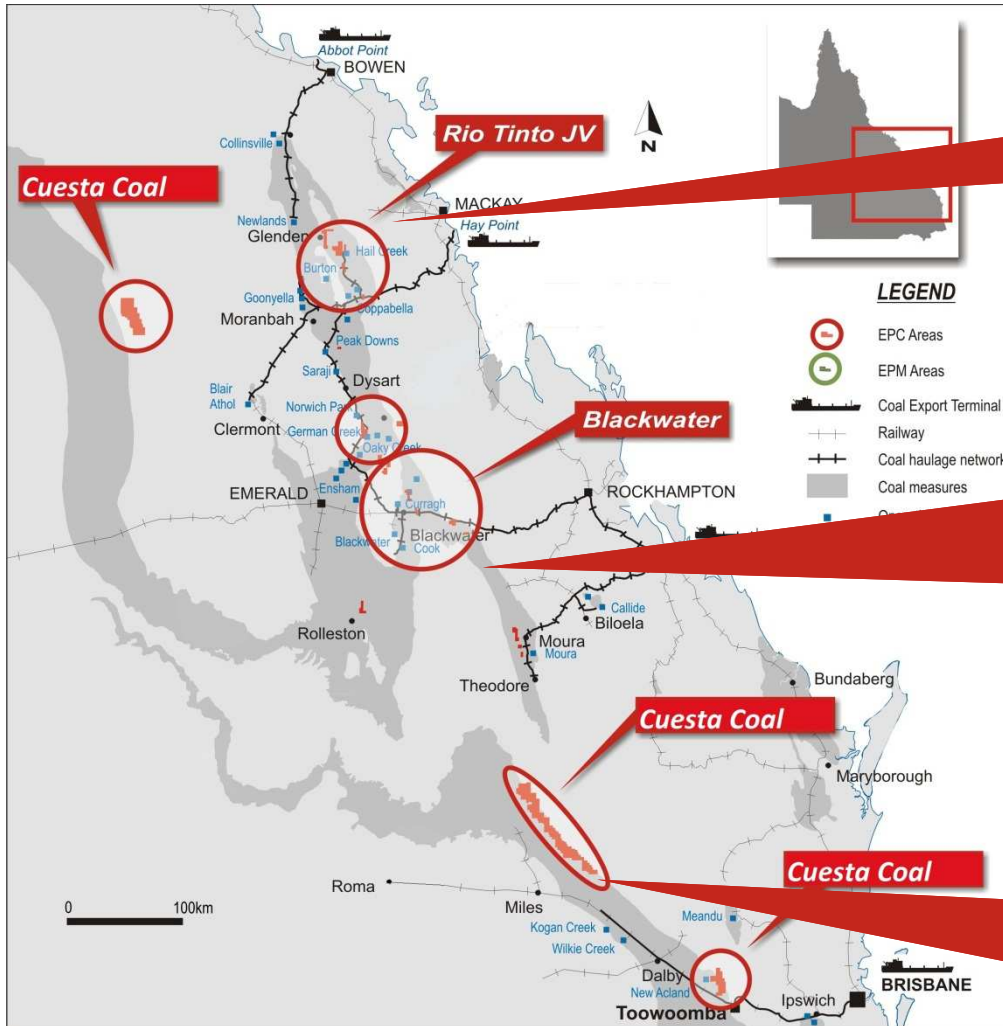
- Located in the **coal hub of Queensland**
Bowen Basin – supplies some of the world’s highest quality metallurgical, PCI and thermal coal for export and domestic markets
- AQC’s tenements surrounded by producing coal mines owned and operated by major mining companies including BHP Billiton, Rio Tinto and Peabody
- AQC has most of its Bowen basin projects located in an area that has been actively mined for many decades.
- AQC’s exploration projects are all in close proximity to these mines offering potential to utilise and share infrastructure and necessary for the development of future mine development
- Well-understood geology and a proven coal producing region for 40+ years



Portfolio of Attractive Projects



Australian Pacific Coal



Mt Hillalong Project
 Rio Tinto JV
 48km²

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

East Wandoan Project
 Cuesta Coal JV
 23.9Mt Inferred Resource*
 1,274km²

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

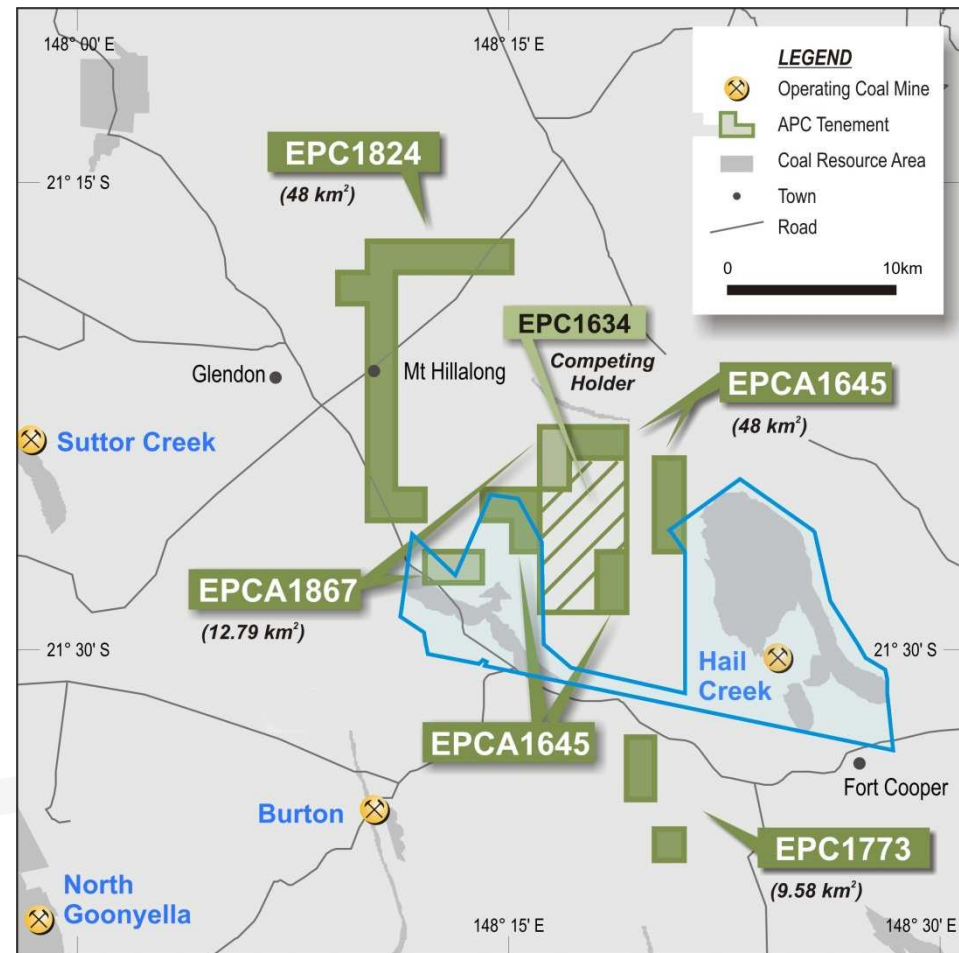
Portfolio of Attractive Projects



Australian Pacific Coal

Mt Hillalong

- Joint venture with **Rio Tinto** validates acreage quality and highlights potential
- 4 prospective EPCs covering over 100km²
- 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
- Targeting Rangal Coal Measures
- In close proximity to Rio Tinto's Hail Creek Mine, which produces up to 8 Mtpa and part of the Rio Tinto main coal hub



* Source: IRESS and Company ASX announcements

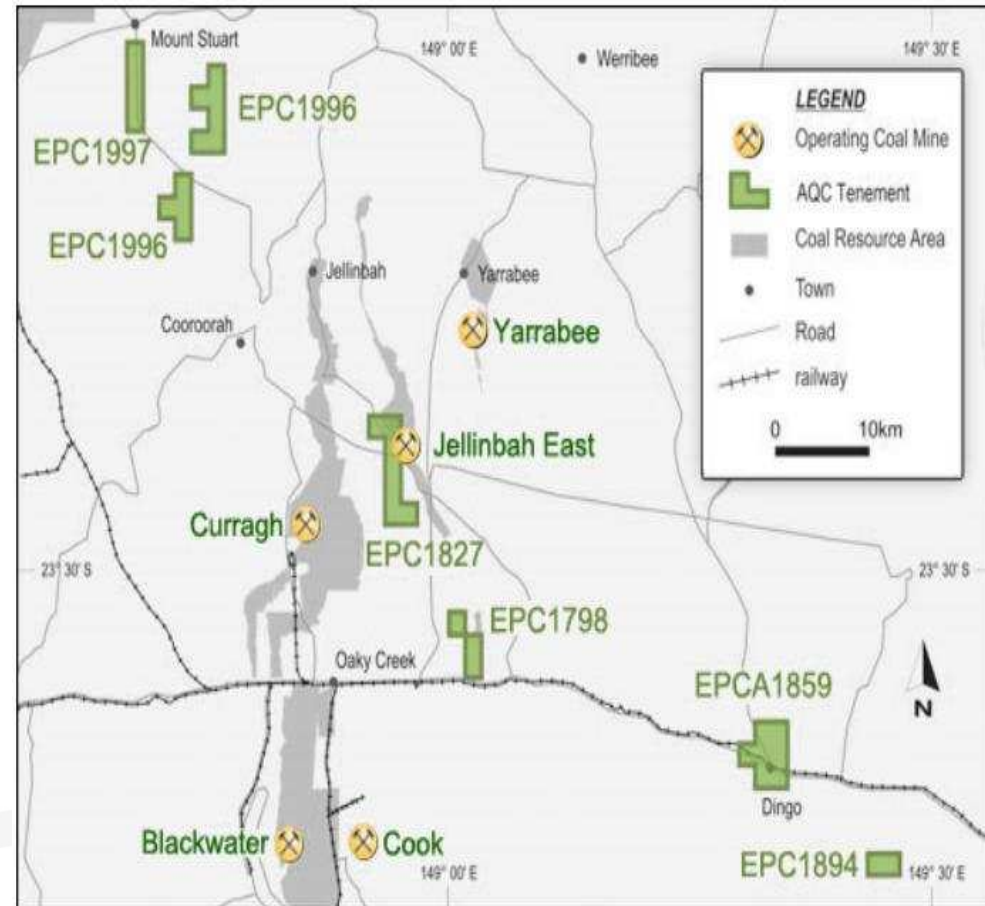
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- 100% working interest
- **107 Mt Inferred Resource*** at Cooroorah (EPC 1827)
- Near-term exploration focus
 - Cooroorah (EPC 1827)
 - Churchyard Creek (EPC 1996 – North and South)
 - Dingo (EPC 1859)
 - Mount Stuart (EPC 1997)
- Drilling to commence in Q2 2012



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

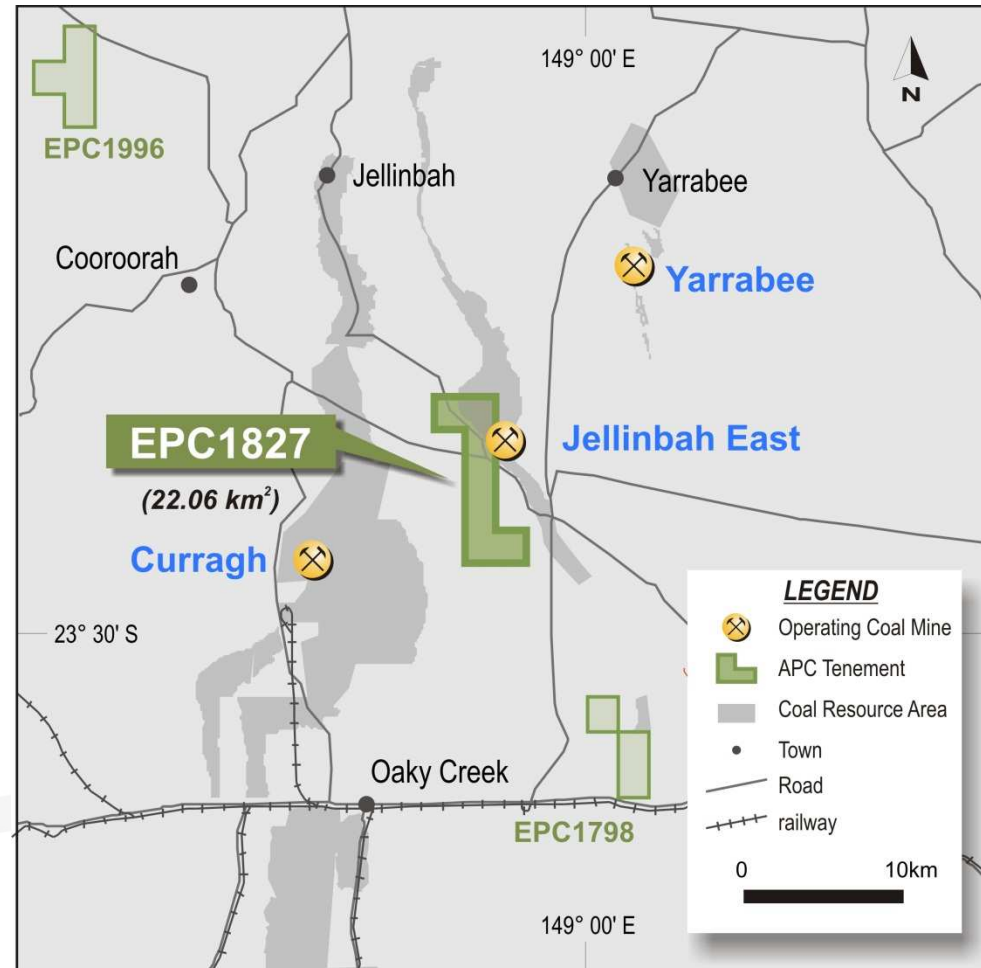
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Cooroorah (EPC 1827)**
- **107 Mt Inferred Resource***
- Located adjacent to haul road, rail network and developed infrastructure, linking it to Gladstone and major coal ports
- Infill drilling program in Q2 and Q3 2012 – targeting move to Indicated Resources
- Adjacent to Jellinbah East, Curragh, Yarrabee and BMA open cut & Cook underground mines



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

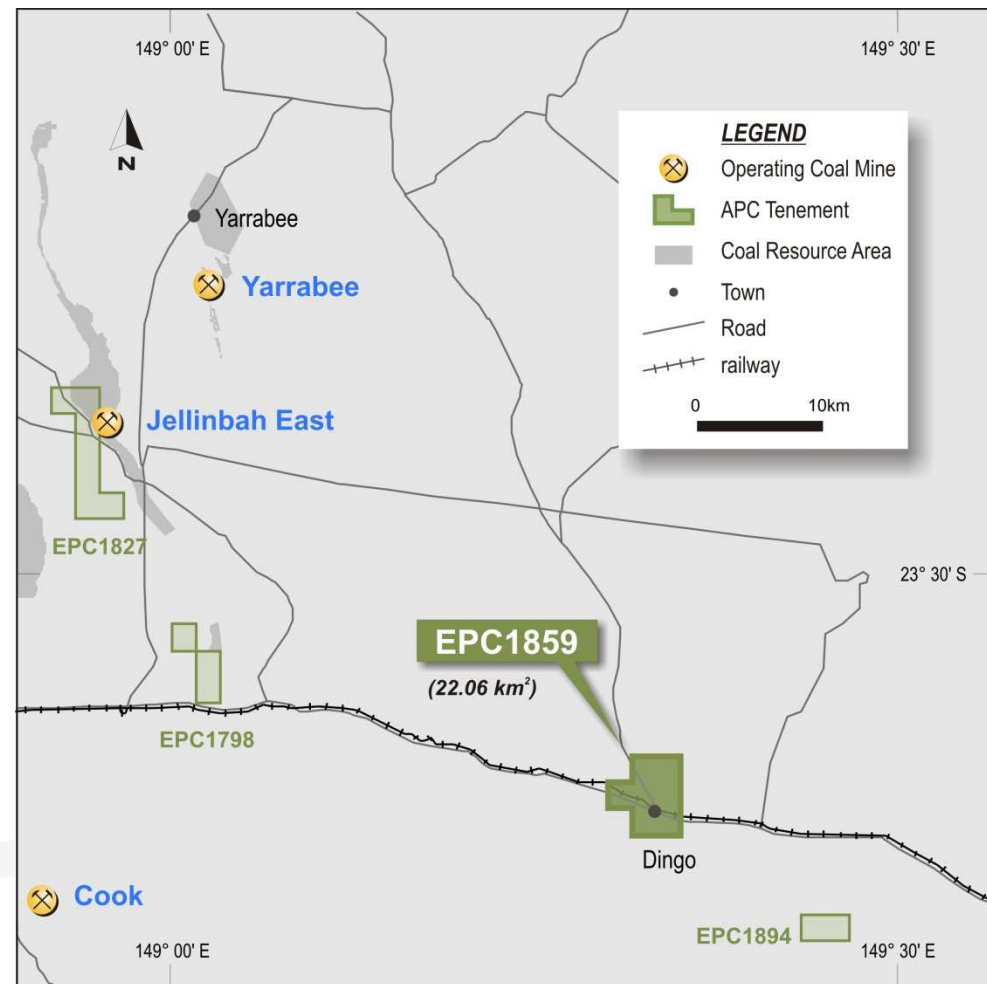
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Dingo (EPC 1859)**
- Located on rail network
- Infill drilling program proposed in Q3 2012 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



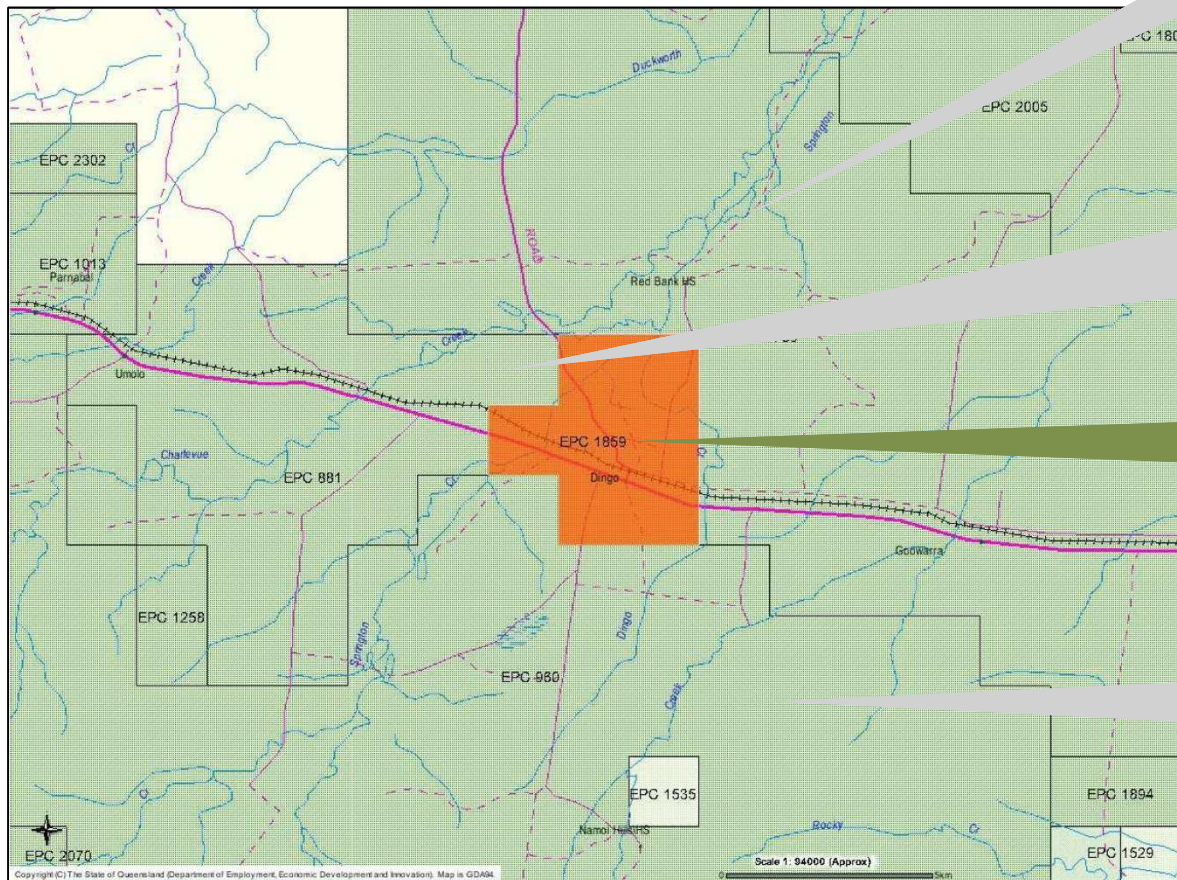
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Dingo (EPC 1859)** Proximity to majors and railway



New Hope Exploration
EPC 759

Bandanna Energy
EPC 881
Estimated Inferred Resource 91.1 Mt

Dingo (EPC 1859)
22km²

Aquila Resources
Argos (Qld)
EPC 960

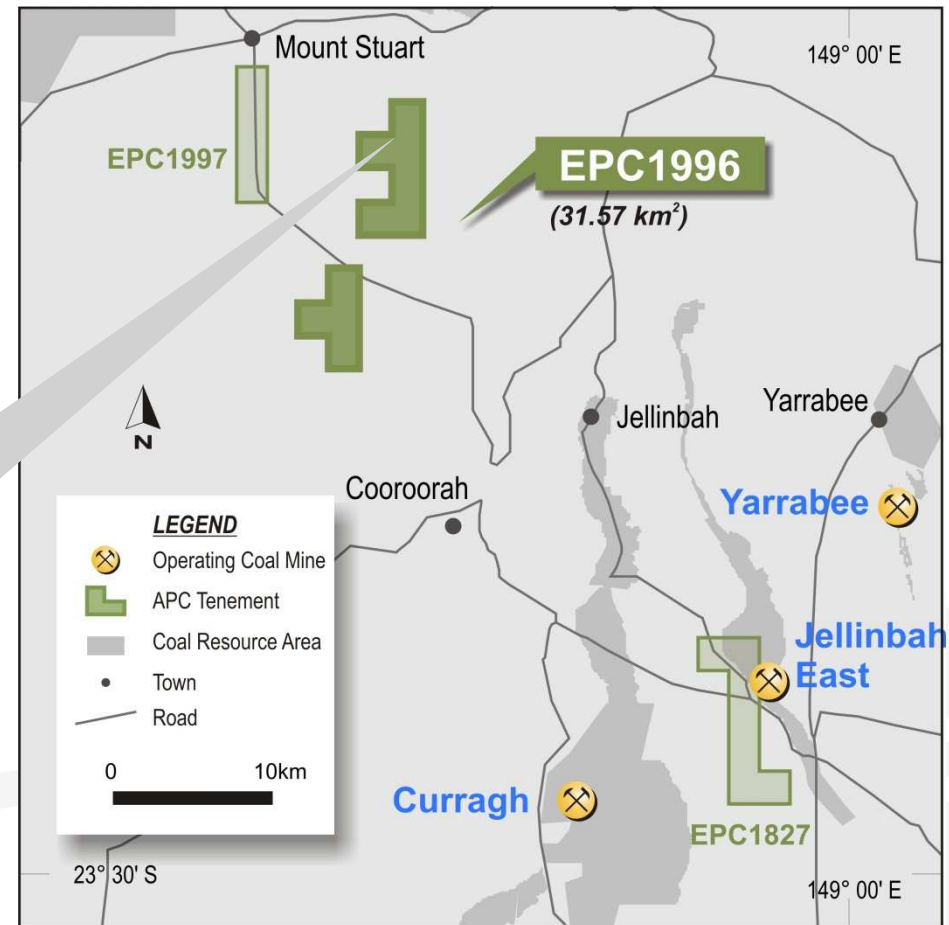
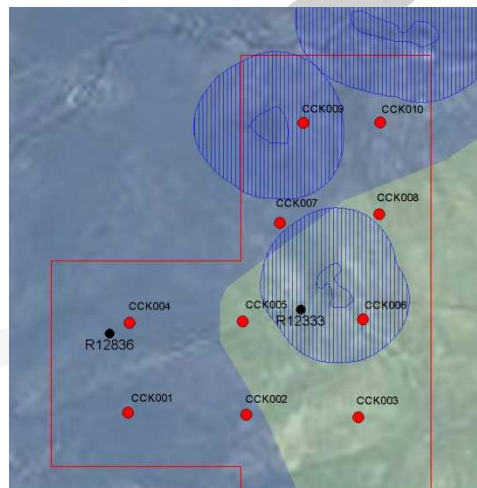
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- **Churchyard Creek (EPC 1996)**
- Neighbours include several major mining players including Aquila & Acacia Coal
- First pass drilling proposed program for Q2 2012 to core shallow Fairhill coal seams and chip drill deeper German Creek Coal Measures



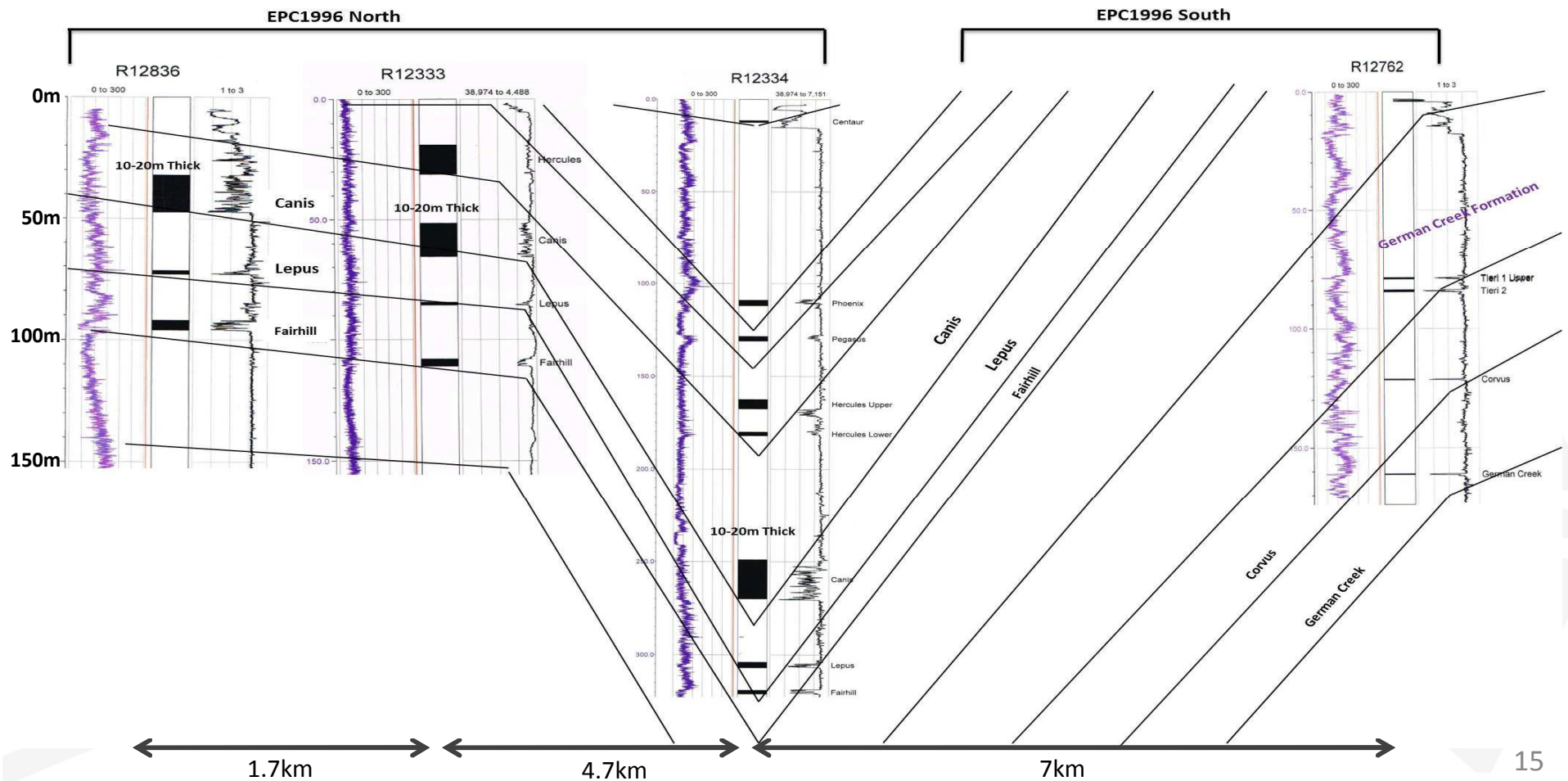
Portfolio of Attractive Projects



Australian Pacific Coal

Blackwater

- Churchyard Creek (EPC 1996) – well documented geology

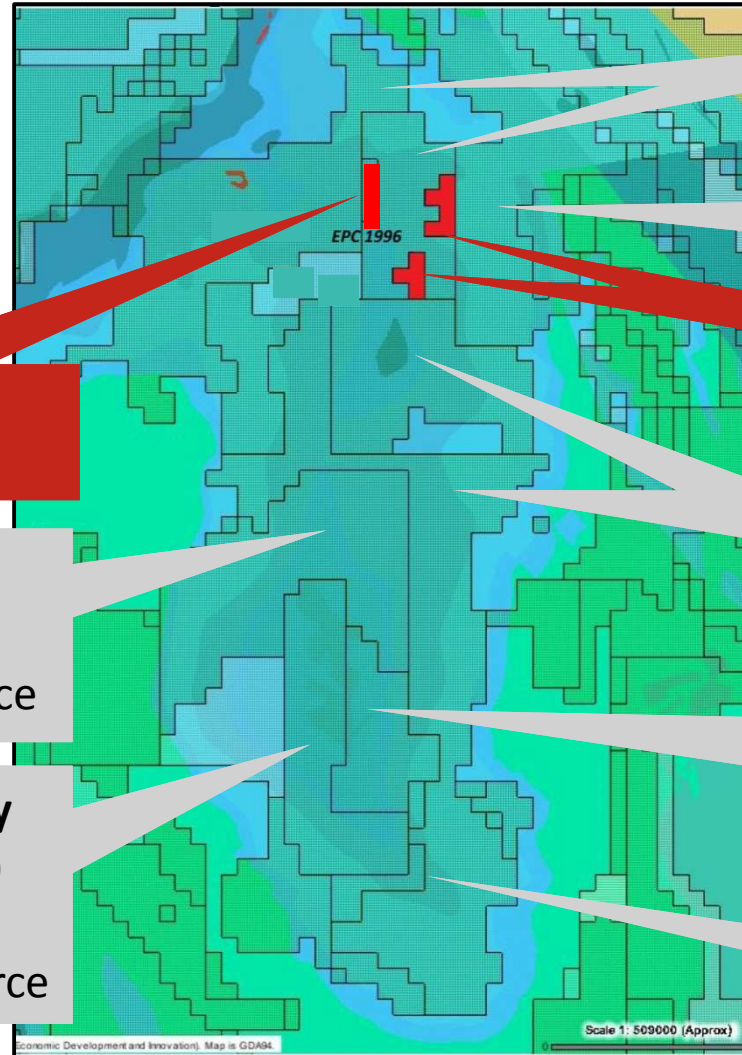
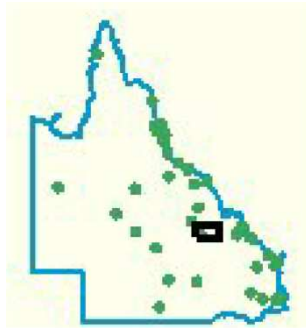


Portfolio of Attractive Projects



Australian Pacific Coal

Neighbouring Resources



Mt Stuart
EPC 1997 (13km²)

Stanmore Coal
EPC 2081
99 Mt Inferred Resource

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

Xstrata
EPC 713 & 841

CAML Resources
EPC 1139

Churchyard Creek
EPC 1996 (31km²)

Aquila Resources
EPC 958 & 966
108Mt Measured Resource

Guildford Coal
EPC 1822
Targeting 200Mt Resource

Stanmore Coal
EPC 1627

Note: This slide refers to resource quantities that have been reported and are specific to neighbouring tenements. It is not implied that neighbouring resource areas are indicative of potential resources within the EPC 1996 and EPC 1997 exploration targets.

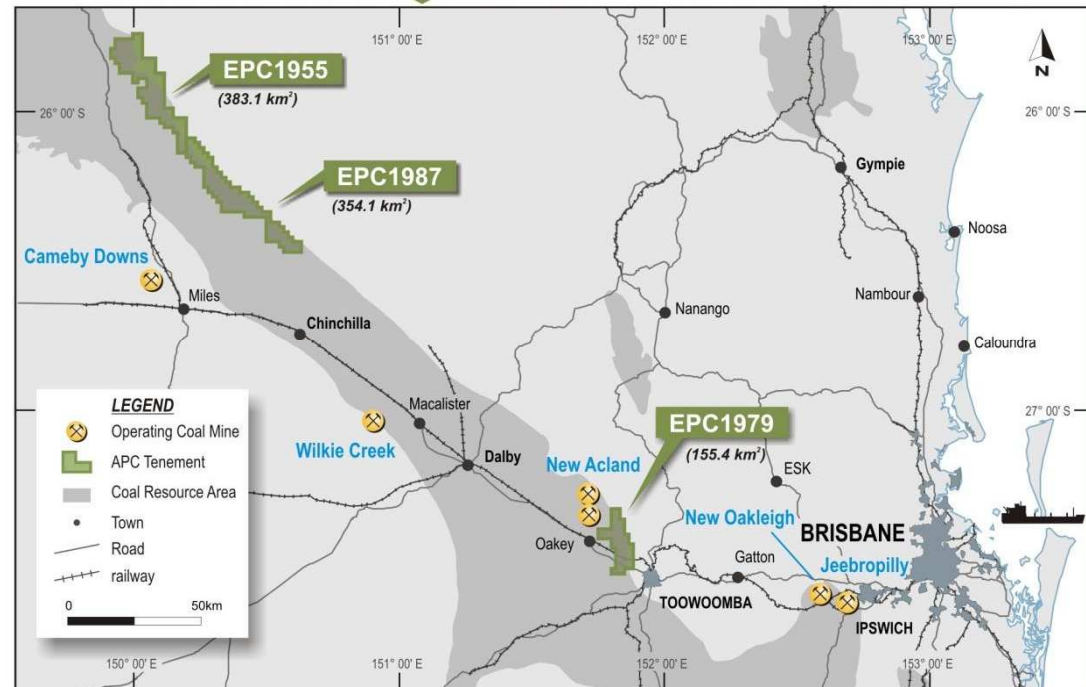
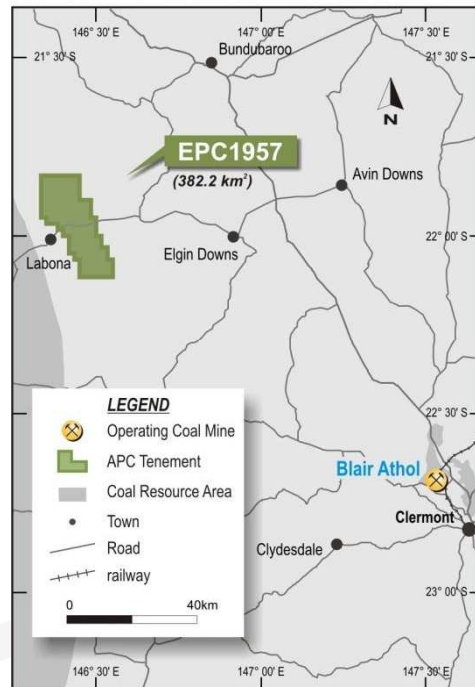
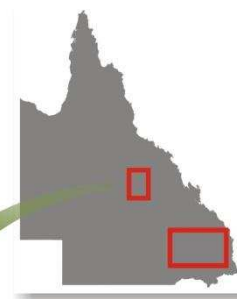
Portfolio of Attractive Projects



Australian Pacific Coal

East Wandoan

- Joint venture with Blackwood Resources (acquired by Cuesta Coal)



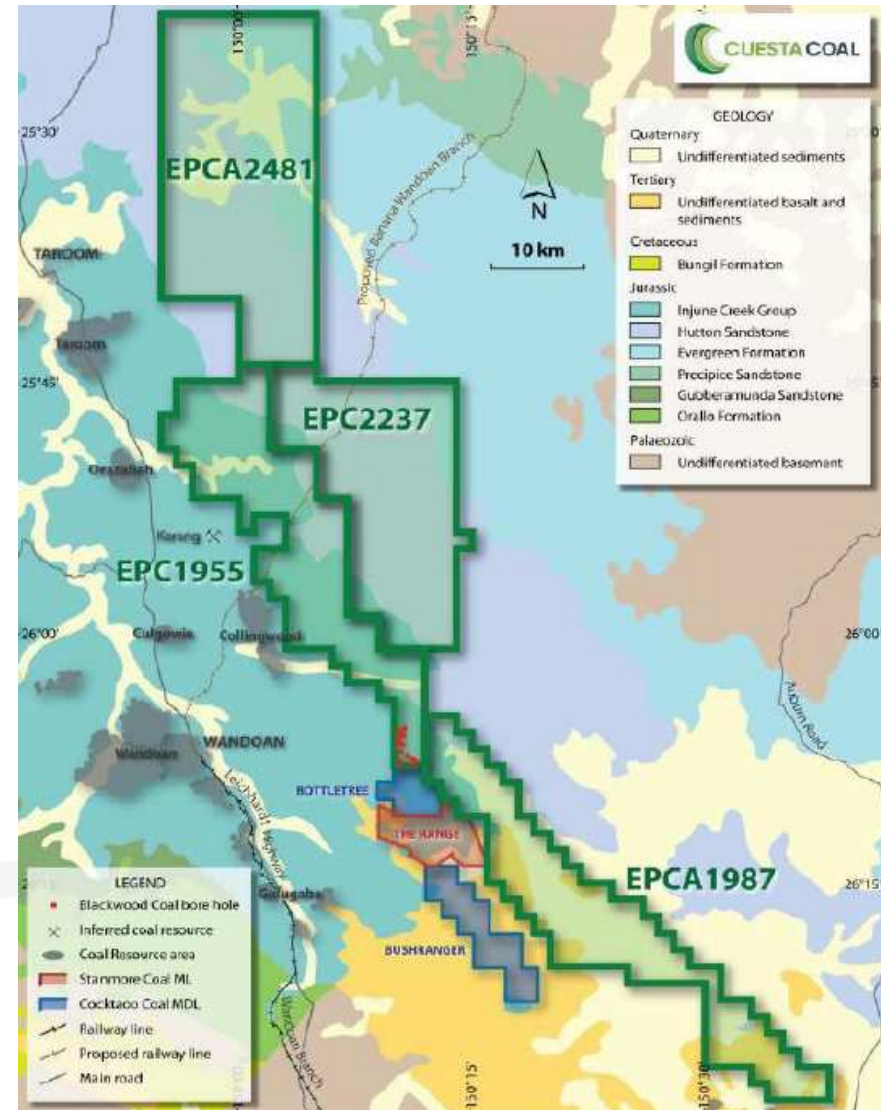
Portfolio of Attractive Projects



Australian Pacific Coal

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*** within EPC 1955
- Cuesta Coal has indicated further significant resource estimate increases are expected this year
- Drilling to recommence in late March to expand resource



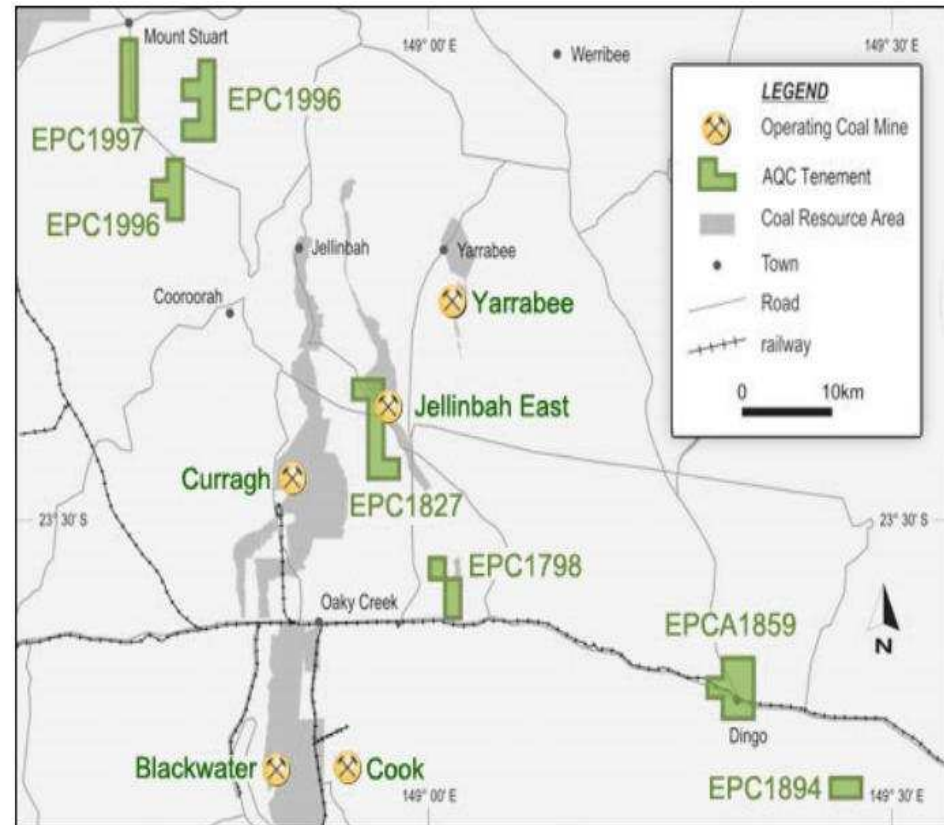
* Statement of resource quantity is in accordance with the JORC Code guidelines

100% Working Interest in Blackwater



Australian Pacific Coal

- 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)



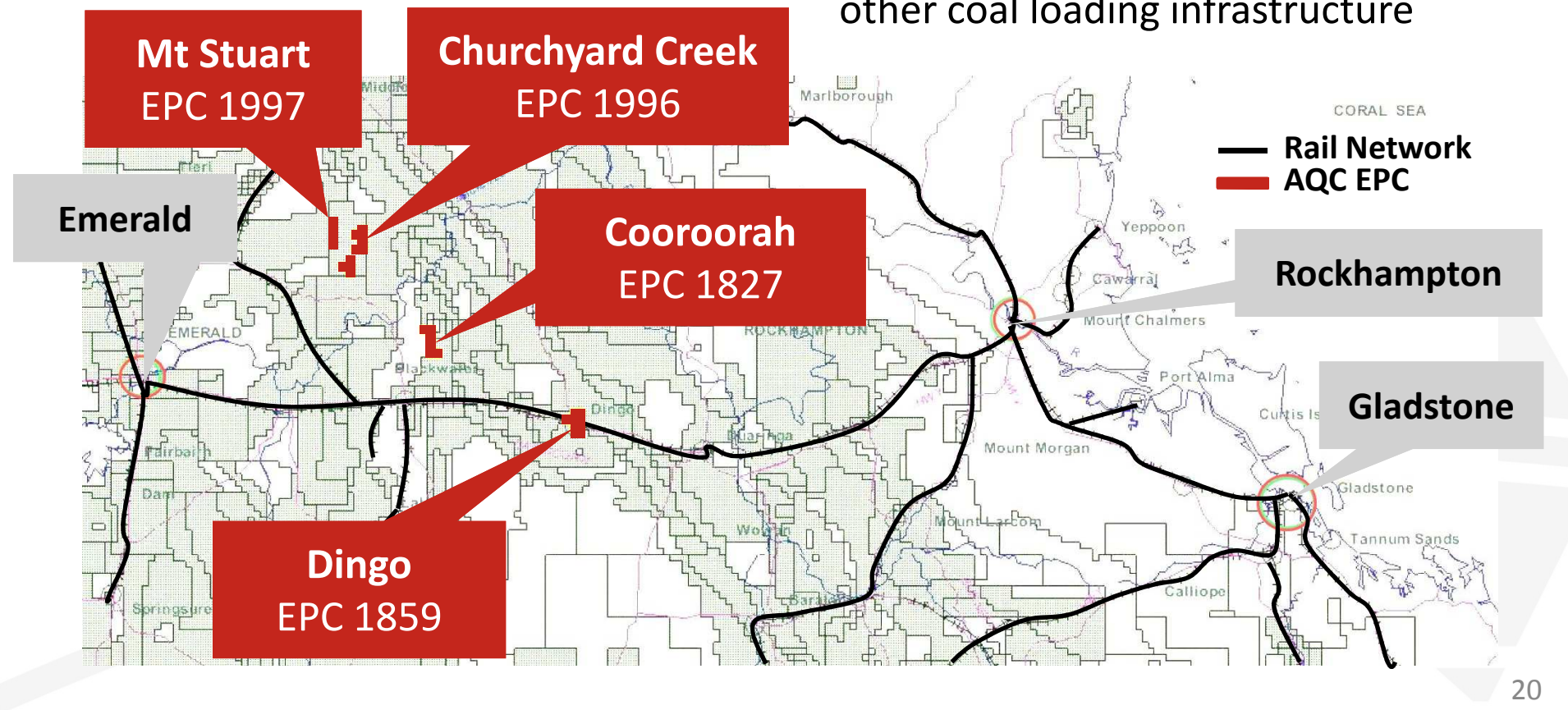
* Statement of resource quantity is in accordance with the JORC Code guidelines

Existing Infrastructure Network



Australian Pacific Coal

- 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, utilising wash plant and other coal loading infrastructure



Near-term Drilling Activity



Australian Pacific Coal

Drilling schedule	2012			
	Q1	Q2	Q3	Q4
Churchyard Creek (EPC 1996)				
Cooroorah (EPC 1827)				
Dingo (EPC 1859)				

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

Multiple Funding Options



Australian Pacific Coal

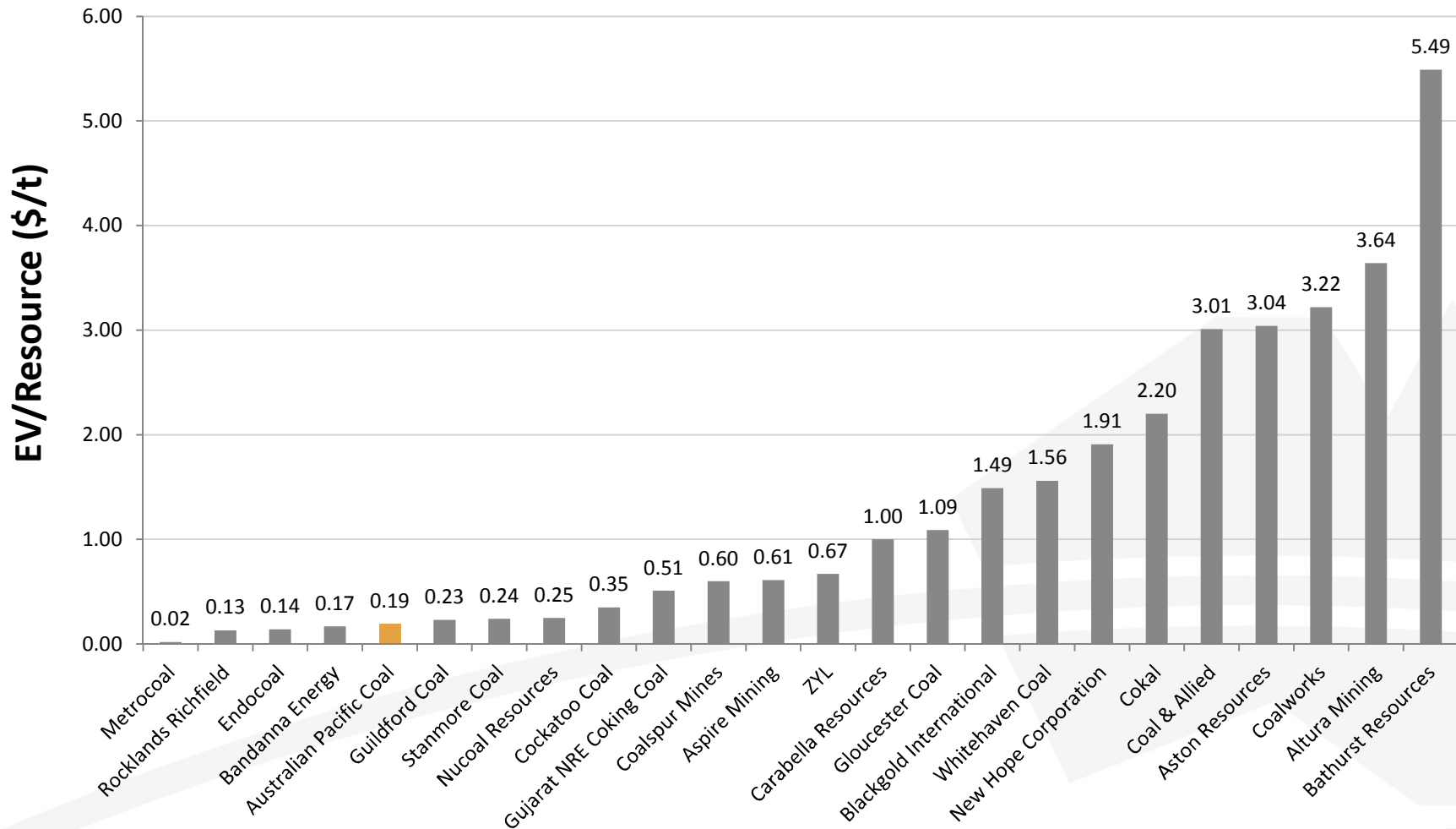
- Various sources of funding available to AQC to fund exploration program through to end of 2012 and beyond
 - High working interest in Blackwater provides funding optionality
 - Joint venture/farm in opportunities
 - Interest from existing joint venture partners to increase interest in JV projects

Significantly Undervalued



Australian Pacific Coal

- Undervalued relative to peers (junior coal explorers)



Source: IRESS and Company ASX announcements

Significantly Undervalued



Australian Pacific Coal

- Recent transactions in the region further highlight the value of AQC at current prices:

Transaction	Date	Implied Value
Peabody Energy acquired Macarthur Coal	Sept 2011	\$2.74/t
New Hope Corp. acquired Northern Energy	Sept 2011	\$0.46/t
Yancoal acquired Syntech Resources	Aug 2011	\$0.31/t
Sojitz acquired Minerva Coal	Dec 2010	\$4.79/t
Formosa Plastics acquired 10% of Lenton	May 2011	\$2.06/t

All these transactions are valued at well above
AQC's implied value* of **\$0.19/t**

* Implied value for AQC is calculated at market capitalisation divided by Inferred Resource according to the JORC Code guidelines.

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 Fellow 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

Head Office:

Level 7, 10 Felix Street
Brisbane Qld 4000

Phone: +61 7 3221 0679

Fax: +61 7 3229 9323

Website: www.aqcltd.com