



***Our vision is to become the next
significant Australian coal producer by
commencing near-term production from
our high quality Teresa Coal Project***



Investment Highlights

Strong Market Fundamentals

- Coking and thermal coal markets have rebounded strongly from 2015 lows
- Australian coal producers capturing strong margins due to lower AUD
- A recovery in coal prices and constrained supply are expected to drive M&A activity, supported by continued demand growth from emerging markets

Market fundamentals will drive demand for asset acquisitions, driving asset values

High Quality Asset Portfolio with Near Term Production

- Projects are located in Queensland's premier coal producing region surrounded by world class coal mines
- Large coal inventory of over 3 billion tonnes with more than 1.1 billion tonnes of defined JORC resources
- Combination of high grade coking coal and high quality 'clean' thermal coal (essential for high efficiency low emission (HELE) power generation)
- Teresa, NEC's flagship asset, is a large scale, high quality production ready coal asset
 - Teresa is currently valued at over \$450m on a DCF basis and NEC has commenced work to increase its value to more than \$600m
 - Port and rail contracts for the project have been secured

Near-term Opportunity to double the value of NEC's flagship asset, Teresa, from \$450m to \$600m

Proven Management Team

- NEC has a strong management team with both technical and financial expertise
- NEC's team has significant mine development and mining operations experience over 30 years across Australia and globally
- NEC works with Tier 1 consultants and operating service providers

Strong technical expertise and experience

Funding Strategy and Transaction Structuring

NEC Requires Significant Funding to Maximise Value

- To capture the lucrative financial upside, NEC's large portfolio of projects requires significant investment
- Teresa requires up to A\$530m to be developed (including A\$30m for a BFS)
- Other advanced-stage exploration projects need funding to advance project studies and for further exploration

NEC is focused on completing the Teresa DFS, which requires A\$30m

Multiple Funding Sources Contemplated

- Access to funding will unlock the immense value potential in NEC's portfolio of projects
- Initial exploration and project development activities (pre-DFS) will be funded from equity sources
- NEC has a strategy to fund the development of Teresa with a mixture of equity and project finance

Near-term Opportunity to realise significant value upside from advancing Teresa and other assets in the NEC portfolio

Majority Equity Interest Available in NEC

- To fund Teresa to first coal production, NEC requires up to A\$530m (A\$30m to complete the DFS and A\$500m for development capital)
- It is expected that 65% (A\$325m) of the development capital will be available as debt in the form of a Project Finance facility
- Balance of Teresa's development funding will be sourced from equity (total equity requirement of A\$205m including A\$30m for the BFS)
- Equity will be raised at the NEC corporate level through a share issuance to new investor(s)
- Equity raised into NEC will be reinvested into Teresa for project development
- Equity investments into NEC can be staged upon achieving key milestones

A majority shareholding interest in NEC of 60% is available for A\$205m

Section 1 – Coal Market Overview

Coal Market Themes

A recovery in coal prices and constrained supply are expected to drive M&A activity, supported by continued demand growth from emerging markets



Section 2 – NEC Overview

NEC Strategy & Competitive Advantage

- 1 **NEC's immediate focus is to develop and commence production from its high quality Teresa Coal asset**
- 2 **NEC is also considering synergistic acquisition of nearby coal assets in order to further enhance the financial returns from Teresa by:**
 - Reducing initial capex through acquisition of assets with establish infrastructure
 - Coal blending opportunities
 - Access to additional readily mineable reserves and resources
 - Acceleration of cashflow generation for NEC
- 3 **Utilize NEC management team's deep experience in efficient mining and processing techniques to enhance value of existing and new assets**
 - Lower overhead costs through lean management teams and efficient staffing allocation
 - Improved industrial relations and lower cost environment – not bound by existing high-cost enterprise agreements
 - Efficient mining practices using latest technological advancements to extract previously uneconomic resources and better utilization of existing equipment across multiple operations
 - Revenue and capital improvements by repositioning products to maximise realized prices and obtaining low cost funding from potential off-takers

Company Background

- New Emerald Coal Ltd (NEC) is an Australian Unlisted Public Company
- NEC was established by Linc Energy Limited (SGX listed) in [year] to hold all its Australian coal assets and valued it in November 2013 at A\$440m
- NEC was ultimately acquired from Linc in May 2015



Excellent Asset Portfolio with over 3 billion tonnes of Coal Inventory

Project Locations



● Primary Project

Key Data

Project	Coal Type	Area (Km ²)	Inventory (Mt)	Resources (Mt)		
				Inferred	Indicated	Total
1 Teresa	Met.	396	500	300	82	382
2 Chinchilla	Met. / Thermal	373	750	176	-	176
3 Dalby	Met. / Thermal	389	200	146	-	146
4 Walker	Met. / Thermal	811	120	-	-	
5 Drummond	Met. / Thermal	487	450	-	-	
6 Biloela	Thermal	424	200	-	-	
7 Great Northern Leases	Thermal	490	350			
Total		3,369	2,570	622	82	704

Section 3 – Asset Overview

Teresa Highlights

Large Resource with Significant Upside

- **Large high quality resource base of over 300Mt with significant upside potential**
 - Development program expected to **convert 150 – 200Mt from Inferred to Indicated Resources**
 - This additional resource may be converted to an additional 100Mt of ROM Reserves via longwall extraction
 - Thin seam mining has potential to add a further c.350Mt and **increase the total Teresa Resource to 650mt**
- **Extremely large coal inventory of over 3 billion tonnes**
- **Extensive geological mapping completed with 96 core holes completed and over \$66m in sunk**
 - Neighbours Rio Tinto - Kestrel Mine, BHP- Gregory Crinum , Glencore –Oak Creek , Anglo –German Creek
 - 2017/18 work program expected to add a further 50 core holes and increase resource confidence
 - Work program has potential to increase value of Teresa from c.\$450m to over \$600m

Near term production of high quality export coal

- **Mining Licence Application has been lodged and first production expected in 2019**
 - No contracted off-take with all product coal still available
- **Teresa is expected to produce 6.4Mt Product (8Mt ROM) over a 30 year mine life with a high yield of 75% (based on Corvus II Seam)**
 - Equivalent to total life of mine production of 130 Mt product or 170Mt ROM representing approximately one half of the current JORC resource
 - Further production upside achievable from longwall mining techniques or through thin seam mining of the German Creek Seam
- **Corvus II Seam coal will support a low ash coking coal and a high calorific value thermal coal product**

Infrastructure solution secured

- **Key port and rail access already secured for Teresa**
- **R.G. Tanna Port access for 3Mtpa based on a very low \$5/t tariff – significantly below nearby ports**
 - Contract runs the full life of mine – potentially until 2045
- **Potential to acquire mine operating infrastructure through acquisition of a nearby coal operation**
 - Would result in a 50% reduction of initial capital expenditure and provide access to further resources

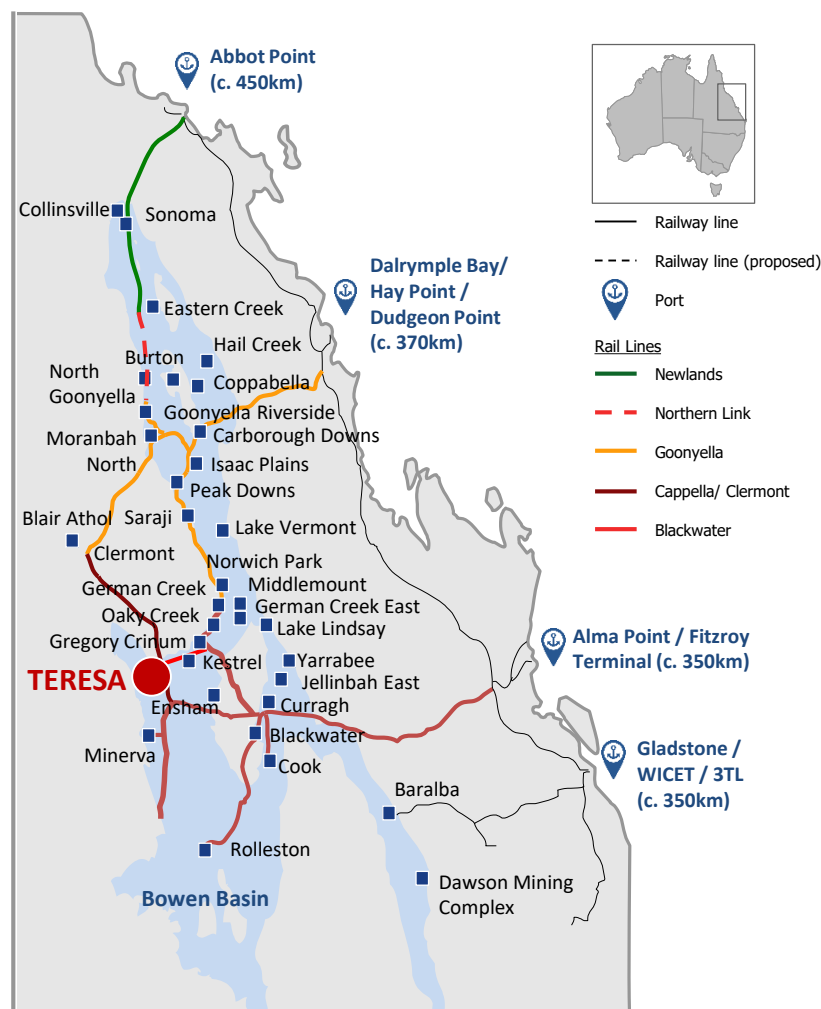
Teresa Project Overview

- Teresa is NEC's primary coal development project and is located within QLD's premier coal mining region
 - Located nearby existing world class coal mines of Rio Tinto, BHP, Glencore and Anglo
 - Location benefits from existing infrastructure connections
 - Substantial information on regional coal geology available
- NEC forecasts saleable production of 6.4Mt p.a from an underground operation over a 30 year mine life (yielding coking coal) commencing 2019
 - Over \$66m has been spent on exploration and feasibility studies
 - Production forecast represents only 1/3 of existing resource and does not capture potential from other seams
- A 2014 JORC resource statement indicated 310Mt of coal resources based on the Corvus 2 seam (did not include German Creek seam)
 - Significant upside resource potential still remains
 - NEC expects to utilize its Thin Seam Mining Plough technology to provide access to resource seams down to 1.0m width (coal below 1.5m was not included in resource statement)
- Teresa expected to be a low cash cost operation with FOB costs of US\$48 – 60/t and a total development capex of A\$500m
- MLA has been submitted for 9000ha site and EIS commenced

Reserve & Resource

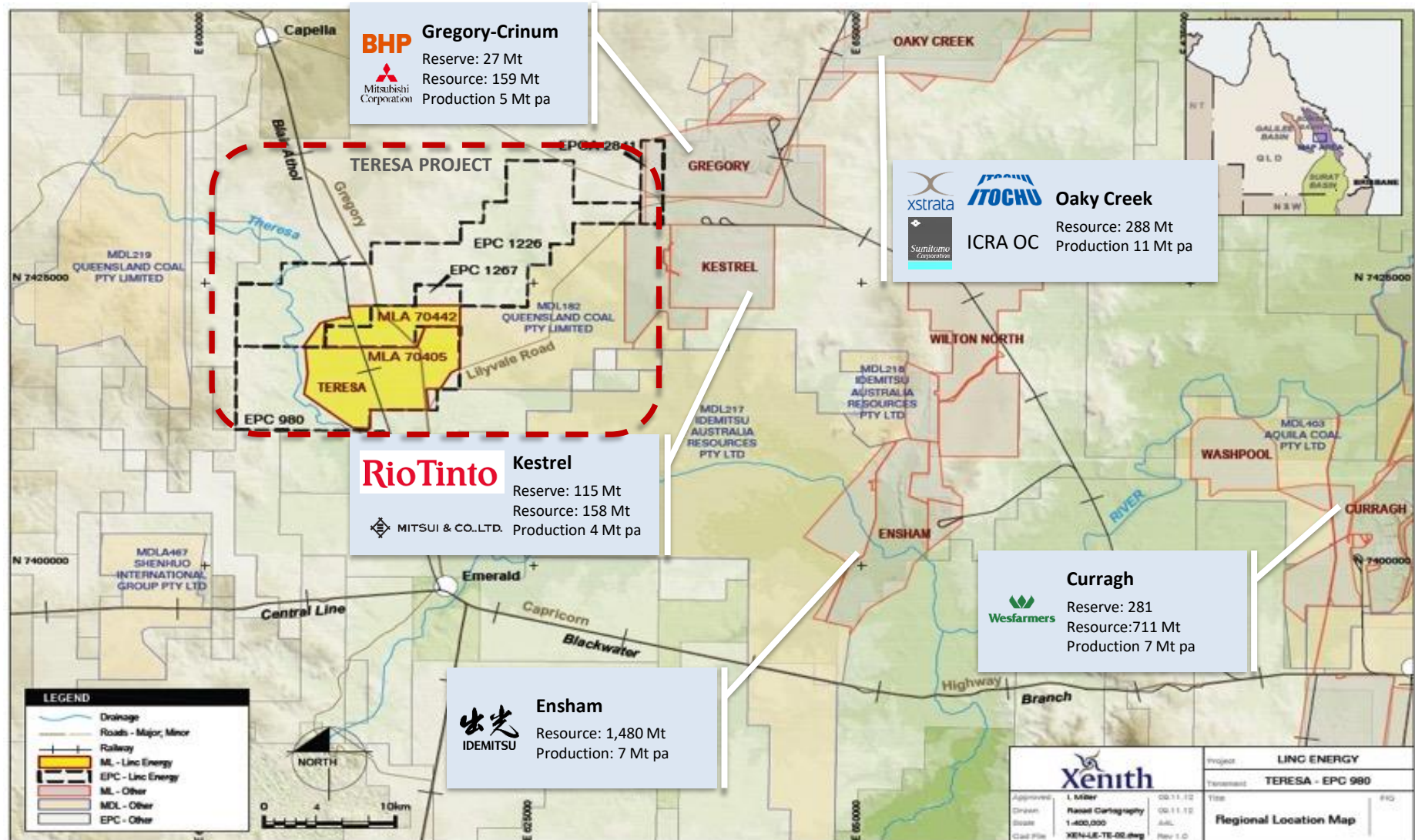
Resources		Reserves (ROM)	
Measured	-	Proven	-
Indicated	82	Probable	80
Inferred	215	Total	80
Total	297	Saleable Reserves (75%)	50

Project Location



Source: Queensland Government Department of Mines and Energy

Teresa Located amongst World Class Projects



Significant Resource Upside Potential

Resource

- **JORC Resource statement completed by Xenith Consulting in 2014 identifying c. 300Mt of coal**
 - Based on the Corvus II seam only and minimum seam thickness of 1.5m
 - Resource at depths ranging from 130m at sub-crop to 340m in the South
 - Seam thickness averages 2.6m over the potential mining area
- **The German Creek Seam Hard coking coal (not included in JORC Resource) is estimated to contain 100 - 150 Mt of coal resources**
 - NEC is proposing to undertake a program to upgrade resources and to expand JORC Reserves to over 200Mt

Program

- **An Exploration Program consisting of c. 50 boreholes and a seismic survey has been designed to increase the Reserves at Teresa**
 - The location of boreholes is designed to convert about 150 to 200 Mt of Inferred Resources to Indicated Resources
- **This additional Indicated Resource may potentially be converted to an additional 100 Mt of ROM Reserves using longwall extraction**
- **Exploration program will cost \$16m (out of a total \$27m BFS program) :**
 - \$16m spend could increase project value to \$350 – 400m
 - Total \$27m spend could increase project value to \$500 – 600m

Potential Resource Confidence Increase

	Current	Potential Additions	Potential Total
Resources			
Indicated	85	150	235
Inferred	215	-150	65
Total	300	-	300
Reserves			
Probable (ROM)	80	100	180
Probable (Marketable)	50	70	120

Potential Resource Upgrade Through Thin Seam Mining

	Current Resource	Potential Additions	Potential Total
Corvus II	300	100	400
German Creek	0	250	250
Total	300	350	650



High Quality Export Product Coal

- An independent expert report on the Corvus II Seam proves that two products could be produced
 - A primary Semi hard Coking Coal at ~6.5% ash and 60-65% recovery (Curragh Spec)
 - A secondary High Vol Export Thermal Coal at ~12-14% ash and 10-15% recovery
- Total recovery will exceed 75%
- Coal quality estimates based on detailed exploration and analysis from 59 boreholes within the indicated and inferred resource area

*Teresa coking coal will be **low ash** and very **low phosphorus** semi-soft to medium hard coking coal making it an excellent coke blend*

2017-07 Core Sample
Teresa Project



Coal Specification

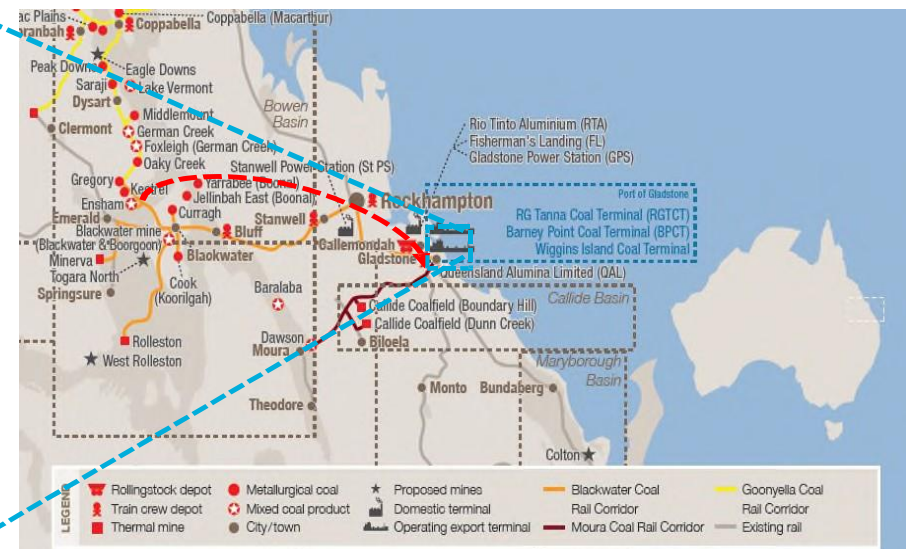
	Coking	Thermal
Product Portion (%)	65	10
Total Moisture (%)	13.5	13
Inherent Moisture (%)	7	6.5
Ash (%)	6.5	11
Volatile Matter (%)	34.5	31.5
Fixed Carbon (%)	52	51
Calorific Value (Kcal/kg)	7100	6300
Total Sulphur (%)	0.6	0.65
Phosphorus (%)	0.006	n/a
CSN	3 to 5	n/a
RoMax%	0.72	n/a
Fluidity (ddpm)	50 to 100	n/a
Ash Fusion Temp (°C)	n/a	1560+
HGI	n/a	55

Port and Rail Infrastructure Secured

- **NEC under Linc acquired 3Mtpa of capacity (take or pay) at the existing R.G. Tanna coal export terminal in the port of Gladstone**
 - The contract runs to 2028 with two options for NEC to extend until 2045
- **Currently in advanced discussions with QR National to secure connection to the Kestrel Spur or directly to the Burngrove – Gregory Line which is electrified and suitable for heavy haulage**
 - Will require construction of 27km spur and balloon loop to connect into the Blackwater Rail System

R.G. Tanna Contract Highlights

- ✓ Provides export capacity for the life of the Teresa mine in an infrastructure constrained market
- ✓ The export capacity adds significant value to the Teresa project over the life of the mine for a short-term upfront expenditure to maintain the capacity's availability
- ✓ Exporting coal volumes into international markets significantly improves the project value when compared to domestic sales options
- ✓ At \$5/t, it is \$18/t cheaper than that of the neighboring WICET facility (~28Mt capacity – fully contracted)



The Discounted Cash Flow Valuation of Teresa has been estimated at A\$450m / US\$246m

■ A discounted cash flow valuation ("DCF") has been performed on Teresa

- A DCF valuation is the preferred methodology for mining projects, which provides the highest level of confidence in the valuation outcome and accuracy
- Analyst Consensus coal prices and AUD : USD exchange rates were applied to the operational metrics for Teresa

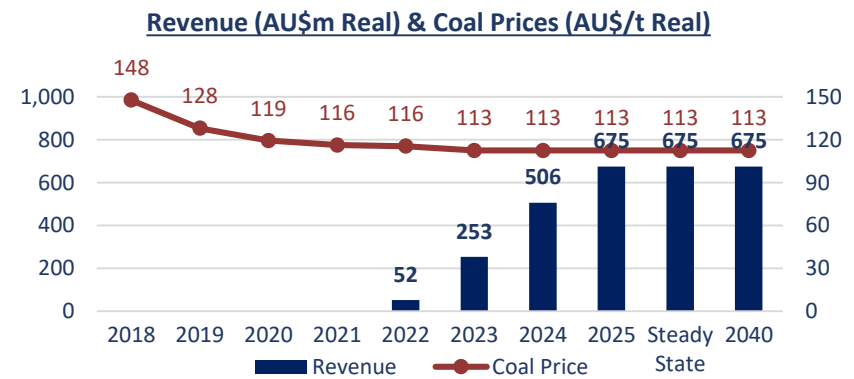
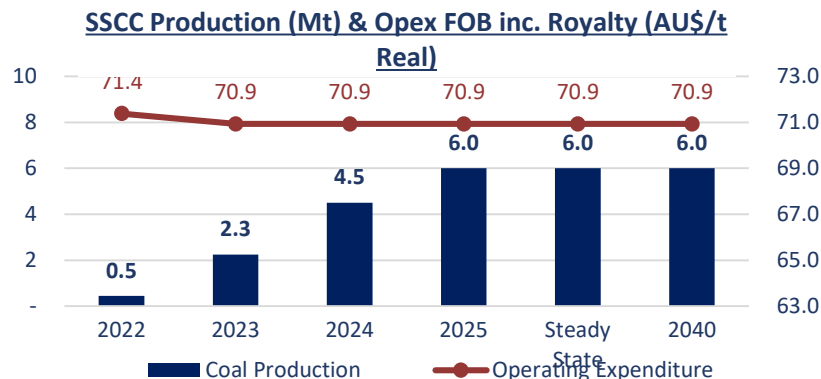
■ Teresa has been subject to a Technical Study completed by Xenith, an independent technical consultant

- Xenith performed the resource modelling, which included conceptual operational forecasts

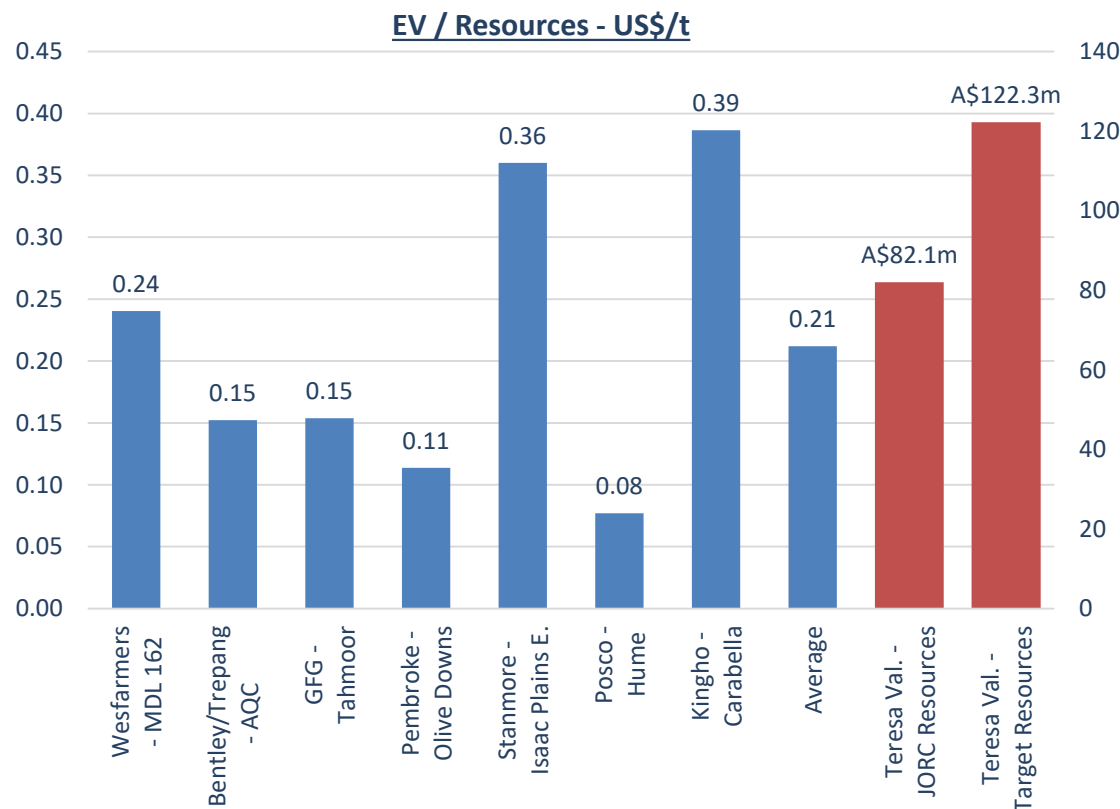
■ The Teresa DCF analysis estimates a value for Teresa of A\$450m / US\$345.9m (100% basis, unrisks, DR 10% real)

- The DCF valuation would need to be appropriately risk-weighted to reflect the inherent risks associated with project development and financing
- The results of the DCF demonstrate the material valuation upside available as Teresa advances through the feasibility study stage and delivers on project development

DCF Valuation Analysis		
Valuation Date		12-Feb-18
Discount Rate	% Real	10%
Corporate Tax	%	30%
LT Exchange Rate	AUD : USD	0.78
Coal Price Assumption	Source	Consensus
LT Coal Price - SSCC	US\$/t Real	87.5
SSCC Production – Annual	Mtpa	6.0
SSCC Production – LOM	Mt	103.2
Resources	Mt	302
Mine Life	Years	19
Opex – LOM inc. Royalty	A\$/t Real	70.9
LOM Capex (Dvlpmnt & Sus.)	A\$m	781
NPV	A\$m	450.0
NPV	US\$m	345.9
EV/Production	US\$/t	57.6
EV/Resources	US\$/t	1.1
IRR	% nom	25%
Payback Period	years	6.1



Comparable Transaction Analysis



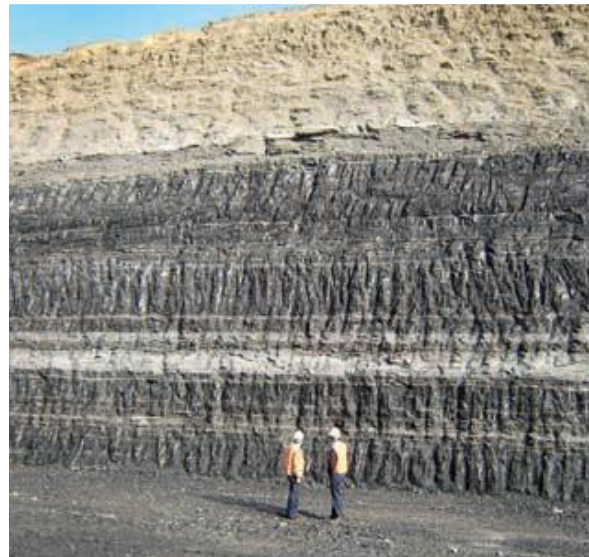
Insights & Analysis

- **The Valuation of Teresa has been estimated by applying the multiple of price paid per tonne of Resource for similar assets in similar transactions**
 - Teresa's high-quality coking coal resource, higher margin product, exploration upside and access to infrastructure indicate a valuation multiple at the higher-end of comparable transactions
 - However, this may be partially offset by the earlier stage of the project and further work required, perceived development risks and financing risks
- **The average price paid per resource tonne in selected similar transactions is US\$0.21 per tonne**
 - Implies a valuation for Teresa of A\$82.1m based on the current JORC resource of 302mt
 - However, there is a high confidence level in the near-term ability to increase resources to 450mt, thereby increasing the implied valuation to A\$122.3m

Medium Term Development Projects in the Surat Basin

CHINCHILLA PROJECT

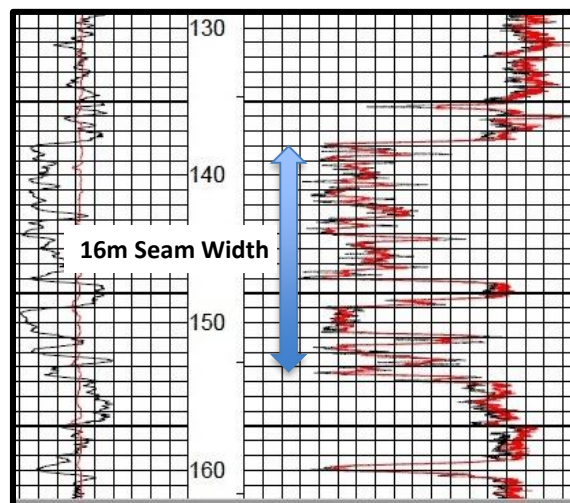
- Potential for O/C of U/G coal
- Key tenements located adjacent to Peabody's Wilkie Creek Mine
- Some areas covered by Petroleum Production Licenses
- Strategic Cropping Protection Zone
- Chinchilla Resource Estimate of 775Mt



Wide Surat Basin Coal Seam

DALBY TIPTON PROJECT

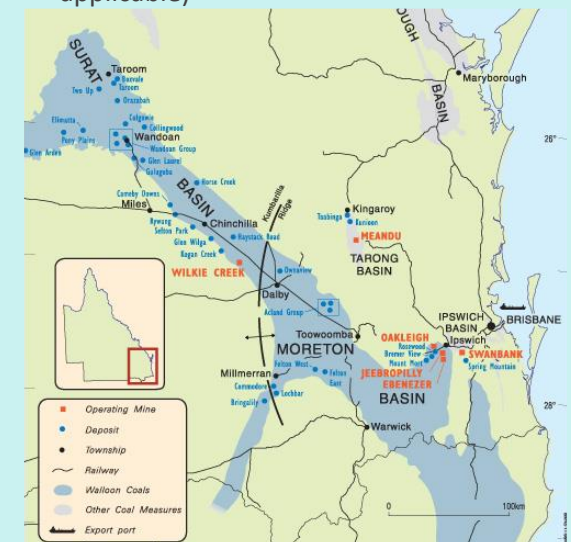
- Potential for U/G coal
 - Located down dip of Surat coal subcrop and therefore likely to be deeper
- Project covers EPC 1770 and EPC 938
 - EPC 1770 has JORC estimate of 146Mt
- Thick coal seams with minor branding



Dalby Tipton Siesmic Results

Surat Basinc

- Surat Basin under developed due to infrastructure limitations
 - Glencore to construct a rail line for its \$9bn Wandoan Project to Port of Gladstone will open up the region for new projects
- Surat coals have excellent characteristics, including
 - High reactivity / combustion
 - Low CO2 and oxides of nitrogen emissions
 - Very low Sulphur and trace element content
 - High hydrogen contend making coal suited for conversion to oil (SASOL technology applicable)



Section 4 – NEC / United Management Team

High Calibre Executive Management Team

Garry Williams
Managing Director

- Experienced international mining executive with formal qualifications as a mining engineer and mine manager holding an MBA with Directorships for Singaporean, Indonesian and Australian resources companies
- Founder and Managing Director of the global mining materials handling and services company United Mining Groups
- Previously held executive positions with Cyprus Coal, Continental US Steel, Coal & Allied/RW Miller, Shell, CRA, BHP, BP Coal, Costains, CSR and JV Nippon Steel, Posco, Ban Pu
- Over 35 years' experience in the coal industry in Australia, Indonesia, North & South America, Africa and NZ

Stephan Weber
Executive Director

- Stephan has been involved in the metals and mining industries for almost 30 years with focus on Iron Ore and Metallurgical Coal global development
- He was the CEO of iron ore minor, African Minerals
- Prior to this he served as the CEO for Iron Ore Brazil Vale/ Rio Tinto
- Stephan began his careers at the Mannesmann Group in the Global Iron Ore , Coal & Steel operations

Judy Osborne
Tenement Manager

- She has held senior geologist and tenement manager/ advisor positions for various companies and government agencies
- Judy holds degrees in Applied Geology and Biology

John Spana
HR & IR Manager

- Over 30 years experience in HR, OHS and IR management throughout Australia, New Zealand, South East Asia and USA
- Experience includes development of EBA for United with Anglo Coal underground coal projects, Centennial Coal Lithgow (Ban Pu) and Gujarat NRE South Coast. Prior experience includes working with Bechtel on major projects, Rio Tinto Coal & Allied Hunter Valley operations, Santos and Esso

Dean Fletcher
Asset & Liability Analyst

- Over 10 years in the construction industry and 12 years in mining resource recovery including 7 years consulting to the mining, energy and infrastructure sectors, specialising in risk management, decommissioning, rehabilitation and closure planning, and resource sector asset and liability analysis
- Dean developed his understanding of environmental chemistry and metallurgy while working in process optimisation and improvement roles for BHP, across Titanium, Copper, Nickel, Iron, Manganese and Radionuclides (Uranium and Polonium)
- Dean has spent over Dean has formal risk management training through Queensland University of Technology (QUT), and is currently completing a Master of Business - Applied Finance

Top Tier Consultants and Operation Support Secured

Kurt Hamilton
Engineering Project
Manager

Proven track record of developing and implementing performance improvement strategies and extensive experience in underground and longwall mining systems

Peter Goodman
Processing Manager
(CHPP) PEAT Consultants

Significant experience in processing, construction and commissioning of processing facilities. Significant focus on product optimisation and yield recovery

Trevor Brown
Environmental Manager

Recognised as an authority on environmental assessment, environmental and due diligence auditing, and environmental management in Australia and Southeast Asia

Keith Murray
Compliance Manager
(Safety Training)

Has worked for the Coal Mines Qualifications Board of Examiners for over 5 years, as well as providing professional assistance to the Mining Industry in a range of Management Plans and Audits.

John West
HR/OH&S/Training
Manager

Significant experience in U/G, O/C and processing operations in an HR, OH&S and Training function

Brett Hailes
Infrastructure & Civil
Engineer

Qualified Civil and Structural Engineer with 20 years' experience in mine and infrastructure developments and operations

Graeme Duncan
Mining Engineering
(VALMIN CONSULTANT)

Expert in conducting feasibility studies, mine valuations, technical due diligence audits, operational assessments and coal supply studies for companies, financiers & investors

Patrick Hanna
Geological Consultant

With some 35 years of experience, Pat has reviewed and consulted on over 50 coal projects in Asia Pacific, Asia and Africa

Exclusive Operation Support Services



John Flood OAM
RURAL PROPERTY
CONSULTANTS

tasman mining



Section 6 – Appendices

NEW EMERALD COAL TENEMENTS

Tenure	Project Name	Tenement	Sub-blocks	Area (km ²)	Coal Type	Inventory (Mt)	Inferred Resource (Mt)	Indicated Resource (Mt)
980	Teresa	Teresa	37	101		500	300	82
1267		Teresa North	10	27				
2841		Teresa East	4	11				
1226		Teresa Lucklow	58	158	Metallurgical			
70405		Teresa	n/a	69				
70442		Teresa North	n/a	30				
897,898,899	Chinchilla	Wilkie	137	373	Thermal / Oil	750	176	
938, 1770	Dalby	Tipton/Tipton South	143	389	Thermal / Oil	200	146	
2551	Walker	Walker	298	811	Thermal / Met.	120		
1228	Drummond	Galilee North	179	487	Thermal	450		
1248	Biloela	Biloela	54	147	Thermal	200		
909		Jambin	94	256				
1247		Chinchilla North	8	22				
2543	Great Northern Leases	Devlin	180	490	Thermal	350		
2557	Grey Ranges	Grey Ranges	35	631	Thermal	600	280	
				4,000		3,170	902	142

NEC PROJECT DEVELOPMENT PROGRAM

Project	Activity	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Teresa Project	Exploration Drilling	X									
	Feasibility Study	X									
	Construction		X								
	Production			X							
Chinchilla/ Dalby Project	Exploration Drilling		X	X							
	Feasibility Study			X							
	Construction			X	X						
	Production					X					
Galilee North Project	Exploration Drilling				X	X					
	Feasibility Study					X					
	Construction					X	X				
	Production							X			
Devlin Project	Exploration Drilling						X	X			
	Feasibility Study							X			
	Construction							X	X		
	Production									X	