



Developing North American Coal & Infrastructure

AGM Presentation, 14 November 2013

This page intentionally left blank



For personal use only

Disclaimer & Regulatory Disclosure



This document has been prepared as a summary only, and does not contain all information about the Company's assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to the Company's securities. This document should be read in conjunction with any public announcements and reports (including financial reports and disclosure documents) released by County Coal. The securities issued by the Company are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future. Further details on risk factors associated with the Company's operations and its securities will be contained in the Company's prospectus and other relevant announcements to the Australian Securities Exchange in due course.

Some of the statements contained in this release are forward-looking statements. Forward looking statements include but are not limited to, statements concerning estimates of coal tonnages, expected costs, statements relating to the continued advancement of the Company's projects and other statements which are not historical facts. When used in this document, and on other published information of the Company, the words such as "aim", "could", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements.

Although the Company believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements including the potential that the Company's projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by the Company or disclosed in the Company's published material.

The Company does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this document. Recipients of this document should carefully consider whether the securities issued by the Company are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

The information in this document that relates to the Company's Geology, Exploration results and Mineral resources is based on the Independent Geologist's Report, Aqua Terra Consultants Inc., October 2012 and information compiled by Steven J Stresky who is a member of the American Institute of Professional Geologists, and a full time employee of Aqua Terra Consultants Inc. (who are consultants to the Company). Mr Stresky has sufficient experience which is relevant to the style of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Stresky consents to the inclusion in this document of the matters based on the information in the form and context in which it appears.



Executive Summary



4

Export solution for North American coal

- Proposed bulk terminals in Canada and the U.S. provide an export solution for emerging Canadian coal producers and low-cost U.S. producers.
- County aims to provide current/emerging producers access to growing markets in Asia that are looking to diversify their supply sources.

Lower costs and spare rail capacity

- While the U.S. and Canada have limited port capacity, there is ample spare rail capacity to existing ports and potential port locations.
- The U.S. faces much lower capital and operating costs in comparison to Australia and is a much lower risk investment destination than Indonesia.

Unlocking the value of County's coal resources

- County's proposed export solution could unlock the substantial value held within its 730Mt thermal coal resources in the PRB in Wyoming, U.S.
- These projects host open-cut thermal coal but have no access to export port facilities to enable sales to Asian coal markets.

Export terminals – economically viable

- Initial engineering studies on the two terminal locations have provided County with sufficient confidence in the technical and financial viability of the proposed terminals to proceed to the next level of project evaluation, once land access is secured.

County's management – diversified expertise

- County's management has a unique spread of infrastructure development, coal marketing, finance and mining experience.



For personal use only

County Coal intends to build a substantial, profitable coal business exporting coal produced at its proposed mining operations in the Powder River Basin (PRB) via a port facility on the North American west coast to markets in Asia.

Limited west coast bulk coal loading capacity has led County Coal to adopt a strategy to build and operate capacity for its own production but with sufficient capacity to allow third party coal loading.

Our research to-date indicates the strategy is viable and that there are locations on the west coast of North America suitable for bulk loading terminals.

This document outlines the strategy and the key points supporting the direction being taken.



Corporate Snapshot

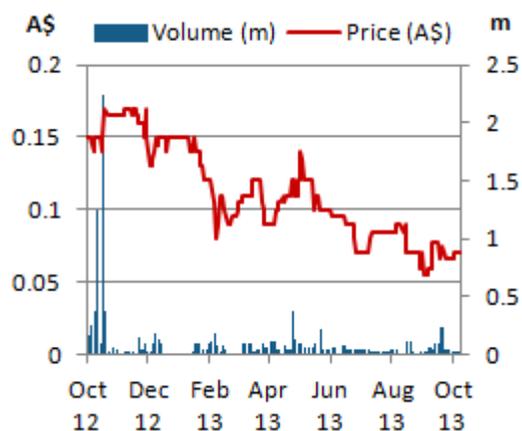


6

Capital Structure:

Share Price	\$0.07
Shares	94.2m
Options	10.3m
Market Cap	\$6.59m
Less: Cash	\$2.46m
Add: Debt	-
Enterprise Value	\$4.13m

Share Price Chart:



About County Coal:

County Coal Limited (ASX: CCJ) is primarily focused on developing a North American bulk export solution that can be utilised by its U.S. coal projects, as well as other emerging U.S. and Canadian exporters. County's proposed terminals in British Columbia (BC), Canada and northwest U.S.A. are both connected by rail to coal fields in BC and Alberta in Canada, and the Powder River Basin (PRB) in the U.S., which hosts County's 730Mt in JORC coal resources.

Top Shareholders:

Balander Pty Ltd	7.8%
Kemlay Pty Limited	7.8%
Mismo Pty Limited	7.8%
Resource Capital Limited	7.8%
Intercoal Limited	5.3%

JORC-Compliant Coal Resources:

Measured	654Mt
Indicated	17Mt
Inferred	59Mt
Total	730Mt

Board of Directors:

Bob Cameron AO, Chairman
Rod Ruston, Managing Director
David Miller, Non-Executive Director



For the last three quarters, County Coal has been focused on securing port capacity to provide shipping capability for its proposed 20mtpa thermal coal mine in the Powder River basin. The majority of the cash spend in this period (other than payments for options over exploration tenements) has been in relation to Proof-of-Concept engineering studies undertaken with respect to two potential port locations, one on the US west coast and the other on the Canadian west coast. These studies are now complete and no further expenditure will be undertaken in this regard until land tenure has been secured.

The Company is strongly focused on using shareholders' funds to maximum effect. We only have two full time employees, including the CEO and have established a very small, low cost office facility in Vancouver. County Coal's current cash balance is sufficient to see the Company through to securing land tenure. Once this is achieved, the Company will need to source additional funds as it enters into the permitting stage of the port developments.

The Company's board members are highly experienced business people who each bring specific attributes to the Company.

- The Chairman, Robert Cameron – extensive knowledge of the coal industry, Asian coal markets and public company management.
- The CEO, Rod Ruston – Extensive knowledge of business in Canada and the US. Experienced construction contractor and resource industry operator including coal experience.
- David Miller – US based with extensive experience in minerals exploration, development and mining as well as being a fifth term member of the Wyoming Legislature.



The Business Model



8

- Secure an export quality, low cost coal resource in the USA and/or Canada that is located within economic transport distance from the North American west coast.
- Use the expertise of well-established Australian coal industry executives to build market opportunities in the Asian region.
- Secure rail transport arrangements with established US/Canadian rail providers.
- Secure coal loading capacity at established and/or new coal loading facilities on the North American west coast.
- Establish a high volume (20mtpa+) mining operation within the secured resource to service the identified market opportunities.



For personal use only

On inception, the plan for County Coal was to establish a significant coal mining business in the USA. The USA was selected for four main reasons being that:

- The cost of acquiring and operating the asset is significantly lower than Australia. Between 2000 and 2012 the annual growth rate of Australian coal industry wages has outstripped the US by 9%.
- The sovereign risk is lower than Indonesia and arguably better than Australia.
- The US has not been a big supplier of coal to Asia, giving experienced Australians with Asian contacts an advantage.
- There is evidence that Asian buyers would support an opportunity to diversify from its main supply sources of Australia and Indonesia.

Because the US does not tend to have strong ties with the Asian coal markets, the goal was to utilise the expertise of Australian coal executives, who do have such ties and relationships in the Asian markets, to establish markets for US sourced coal. This would then allow the benefits of significantly lower mining costs to be used to build a business that would compete well with the established coal suppliers to the Asian markets.

While the Company looked at a wide range of opportunities available in the US, the eastern and southern regions were ruled out due to transport costs to Asia. This led to a focus on the north west where the Powder River Basin is situated.

The PRB has been proven to have significant thermal coal reserves that can be mined cheaply using open cut mining methods and is serviced by rail that connects the basin with the North American west coast.



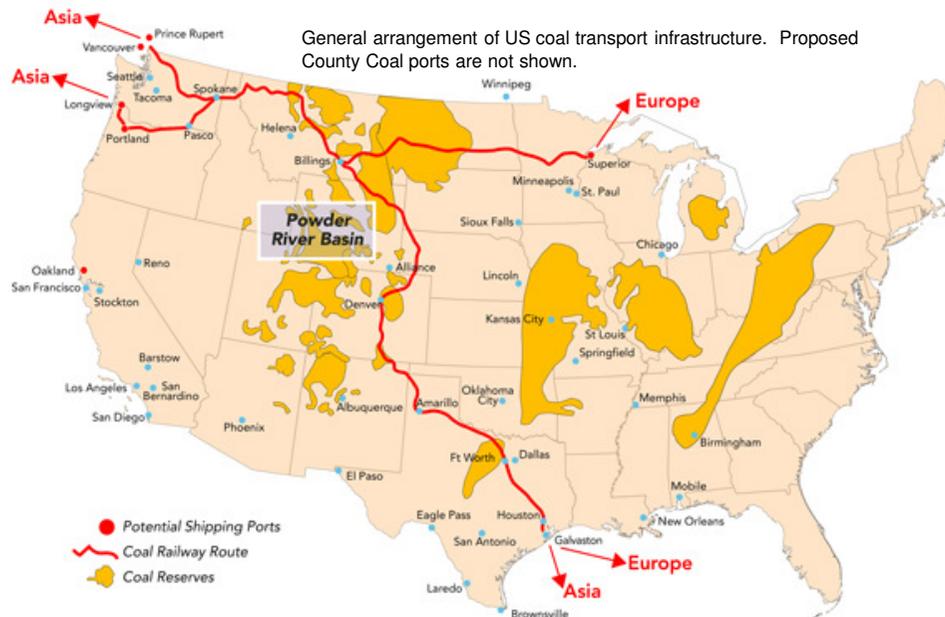
Secure a Coal Resource

Selection Criteria

- Export quality coking or thermal coal
- Low production cost
- Preferably suitable for open cut operations
- Access to established rail infrastructure
- Access to port
- Community support for mining projects

Powder River Basin, Wyoming/Montana, USA

- Export quality, low ash, low sulphur thermal coal
- All-in labour costs of ~US\$30/hour are ~1/3 of Australian rates ([AFR](#)); project capital costs are falling in the U.S
- Thick seams suitable for large open cut operations
- Access to rail infrastructure
- West coast port access limited
- State Government and local community support for mining



County Coal has achieved its initial goal of securing an export quality resource in the US. The PRB produces around 40% of US coal output and supplies around 50% of the domestic thermal coal demand. It is the largest source of coal in the US and is the location of two of the world's largest coal mining operations, each producing over 100Mt (Black Thunder & North Antelope Rochelle). While generally a bit lower in energy content than other US coals, PRB coal is highly sought after for its low ash and low sulphur attributes that are critical to the modern coal fired energy industry.

The Company has secured two significant coal resources in the PRB. The first of these is located in Johnson County, in the western region of the PRB in Wyoming. Drilling to-date has delineated a 420Mt JORC-compliant thermal coal resource (344Mt Measured). The top seam averages around 50m thick with overburden ranging from 30m to 110m providing open cut mining potential.

The second opportunity is located in Campbell County, in the eastern region of the PRB, Wyoming. It contains 310Mt JORC-compliant thermal coal resource all in Measured category. There are three seams, which together give a total thickness of 25m-35m at depth of ~100-300m. This area would be suitable for a shallow underground or deep open cut mine.

In both locations, rail infrastructure is available within reasonable proximity to the proposed mines for coal transport to a number of current and planned port locations on both the US and Canadian west coast. However, investigation of the ability to access those port facilities showed there is a severe shortage of bulk ship loading capacity to service the expected demand for coal shipments to Asia.

Government and community support for coal mining in the PRB is very high and the government tends to act as a facilitator in the process of achieving project approval rather than a road block to mining activities.

The lack of port access has created an opportunity for County Coal



New and Existing Terminals

Proposed New Terminals

Project Name	Location	Proponent	Capacity Mt p.a.	Vessel Size
Gateway Pacific	Cherry Point, WA	SSA Marine	48	Cape Size
Millennium Bulk	Longview, WA	Ambre Energy	44	Panamax
Morrow Pacific	Boardman, OR	Ambre Energy	8	Panamax
Fraser Surrey Docks	Surrey, BC	Fraser Surrey Docks	8	Panamax

Existing Terminals & Planned Expansions

Project Name	Location	Proponent	Capacity Mt p.a.		Vessel Size
			Current	Upgrade	
Westshore	Roberts Bank, BC	Westshore Term.	33	-	Cape Size
Pacific Coast	Port Moody, BC	Pacific Coast Term.	1	-	Panamax
Port of Long Beach	Long Beach, CA	Oxbow Resources	2	-	Panamax
Port of Stockton	Stockton, CA	Port of Stockton	0.8	+1.7	Panamax
Ridley	Prince Rupert, BC	Ridley Terminals	12	+13	Cape Size
Neptune	North Vancouver, BC	Neptune Terminals	8.5	+10	Cape Size



County Coal's model revolves around mining and transporting high volumes of low cost coal to Asian markets. PRB coal is already shipped to Asian markets, so it is an accepted product for coal fired power generation in that region. However, while it is suitable as a direct thermal coal and excellent as a blending coal to offset high ash and high sulphur in other coals, it tends to be lower in energy content than Australian thermal coals. This may change as Australian mining moves further inland into the lower quality coal basins but at present, it can be expected that some discount will be incurred by PRB coal shippers. To offset any discount, PRB coal needs to be mined in large volumes very cheaply but this volume has to be transported and shipped. Consequently, County Coal was looking for 20+mtpa of shipping capacity.

The table shows there is bulk coal loading capacity, available and proposed, on the North American west coast. However, an assessment of these existing and planned loaders clearly demonstrated:

- The existing loaders have very little readily available spare capacity
- None of the loaders, existing or proposed, has capacity for County Coal's planned 20mtpa.
- The proposed loaders are being purpose built for already allocated capacity for existing large coal producers, which have first right of refusal over excess capacity
- Some new loader proposals are asking for substantial up-front payments to secure future capacity
- None of the large loader operators was willing to confirm capacity prior to County Coal having a mining operation to service that capacity.
- Some of the proposed new loaders involve trans-shipping coal from barges to larger ships, which increases cost.

County Coal looked at other alternatives for port access



Mine to Market Transport Distances



14



- High volume, low cost production from the PRB is the key to competing in the Asian markets
- County Coal has identified sufficient reserves to support a high volume, low cost open cut mine
- Port capacity for this volume is not readily available and needs to be developed
- County Coal is negotiating with landholders in two possible port locations on the North American west coast.



For personal use only

Customers will buy on Delivered cost, Quality and Risk profile. Delivered cost is the sum of the mine-gate cost and the rail, loading and shipping costs with the outcome being in the hands of those who contribute to the costs. Therefore, the greater ownership of the supply chain by the coal producer, the greater the control over to total cost. Quality relates to the coal specification which, while able to be enhanced by washing, is very much a product of the resource and therefore difficult to enhance for competitive advantage. However, the risk profile, which is related to the customer's perception of the supplier's ability to deliver the product, is very much in the hands of the coal producer.

Compared to the PRB, as the map demonstrates, both Newcastle and Indonesia have transport cost advantage due to the rail distance. Newcastle also has a coal quality advantage.

The counter to these advantages in the PRB is a significant mine-gate cost advantage that is best realised through large volume, +20Mt p.a. operations.

Initially, County Coal looked at using existing or planned third party port facilities but with port capacity seen to be limited for the output levels projected by County Coal, the company looked at the possibility of building its own loading facilities. The Company believes owning and operating its own port facility will deliver reduce the Company's delivered cost and at the same time provide a better risk profile because of the expanded span of control over the supply chain. To this end, the Company has identified two locations on the north west coast of North America where coal loaders could be constructed. Building a coal loader at either of these locations will provide sufficient capacity for County Coal to build a large scale open cut mine in the PRB.

However, given the clear shortage of export bulk loading capacity in the region, County Coal has concluded that by ultimately owning and operating two loaders, the Company's own output can be split between the two to introduce competition between rail providers, customers can be given options on ship size and additional capacity will be available for County Coal to expand and/or sell to other coal producers.

Owning the loader has a number of advantages



Australian Exploration Activity

Jameson Resources (JAL.ASX)

- Resources: 90Mt (66Mt M + I), mostly metallurgical coal, BC Canada
- Expected production: 1Mt p.a., undertake PFS in 2014
- Port access: no port access

Attila Resources (AYA.ASX)

- Resources: Alabama, 80+ million tonnes inferred, coking
- Expected production: timing and volume not specified
- Port access: available via the Gulf of Mexico

New Horizon Coal (NHO.ASX)

- Resources: Utah, 51.6 million tonnes JORC Resource, thermal
- Expected production: 2013/2014 start date
- Port access: none announced

Atrum Coal (ATU.ASX)

- Resources: British Columbia, 1.5 billion tonnes JORC Resource, PCI, coking
- Expected production: commencing 2014
- Port access: Stewart Bulk Terminal 1.5Mt p.a. in 2014, option to 5Mt p.a.

Coalspur Mines (CPL.ASX)

- Resources: Alberta, Canada, JORC Resource of 1.1Bt of thermal coal
- Expected production: 12Mt p.a., first production 2015
- Port access: Ridley Terminal for up to 12.7Mt p.a.



The concept of using US coal as a resource to service the Asian coal markets is not new. There are a number of Australian companies looking at opportunities in the US coal industry.

The difference between County Coal and those listed above is that County considers owning and operating as much of the supply line as possible is the best way to control costs and maximise margin. County also considers it an advantage to building long term relationships with the buyers.

Similarly, shipping coal to Asia through northern Canadian terminals is not new. As recently announced, US Powder River Basin producer, Cloud Peak Energy, is forecasting to export 5.0 million short tons of coal via North American west coast coal loaders to Asia in 2013.

County Coal could sell excess loader capacity to other shippers



Coal is not going away



18

Coal to be Dominant Fuel Source by 2020: Wood Mackenzie

William Durbin, president of global markets at Wood Mackenzie, sees carbon policies implemented by governments across the world as ultimately having a “muted impact,” with the eventual effect being that by 2020, coal will take oil’s place as the dominant fuel worldwide.

Explaining which nations will drive that shift, Durbin noted that China and India’s “aggressive power requirements” will mainly be responsible for coal’s growing role in the energy mix.

IEA: Coal to surpass gas in Southeast Asia

Coal is set to replace natural gas as the main source for electricity production in a booming Southeast Asia poised to increase energy consumption 50% in the next 20 years, according to International Energy Agency statistics.

With energy demand growing more than double the worldwide average, the Association of Southeast Asia Nations (ASEAN) will get 49% of its power from coal by 2035, up from 31 percent in 2011, IEA has reported in its Southeast Asia Energy Outlook. Gas among the 10 member states will drop to 28% from 44%.

German coal extends dominance in power mix as gas wanes

Germany's coal-fired power plants increased their dominance in the generation mix in the first nine months of the year as output from natural gas-fired power plants and wind turbines dropped.

In 2012, coal-fired power plants generated 45% of total electricity demand in Germany, in 2013 coal is set to track above 50%. The crash in EUA carbon allowances, lower coal but firm gas prices are the key reason for this trend.



Despite action by green groups to bring a complete halt to the use of coal as a power source, the fuel continues to be in demand and in fact is predicted to overtake oil and gas as the world's primary energy source. Environmental protection policies will impact the sector but the successful policies will more likely be those that accept coal as an energy source and seek to ensure it is exploited using the best of the technologies to limit environmental impacts. The best sources of that coal for Asian generators are places like Australia, Canada and the US where the environmental controls on the production and transport of coal is strongest.

New and existing coal-fired plants will be supplied with coal and environmental groups protesting the building of coal loaders are fighting for a determination on where not, whether the coal will be sourced. Coal sourced from Canada and the USA has been mined under some of the most stringent environmental and safety legislation in the world and rather than attempting to drive coal users to other sources, where legislation on environment and safety may not be as strong, mining in these countries should be encouraged.

Once in the full design stage for the County Coal loaders, it is the intention of the Company to pay full attention to installing best practise design, construction and operating techniques with respect to both environment and safety issues.

County Coal plans to service a still growing thermal coal market



Coal is a Growing Energy Source



20

Long-Term Thermal – Demand/Supply

- Long-term thermal coal demand to remain strong, but will become more and more reliant on China and India – growing Pacific market and trade.
- In the US, low gas prices and stringent regulation are pushing producers to export or shut down.
- Low-rank exports to grow substantially (see chart).

Long-Term Met. Coal – Demand/Supply

- Pacific is expected to account for ~75% of global demand growth (Wood Mackenzie).
- China and India are expected to account for ~85% of seaborne import demand growth.

Seaborne Thermal Coal Markets



Source: Wood Mackenzie Coal Market Service



For personal use only

New coal fired capacity is already under construction in both first world and emerging nations. Old power generators need to be replaced with modern generators designed with enhanced environmental technology and emerging nations need power to drive their economic development. In both cases, the use of coal remains as an affordable and efficient means of servicing the demand for power.

Malaysian generator Tenaga Nasional Berhad (TNB) will next month begin the construction of two 1GW coal-fired power plants in Manjung, in the northern state of Perak. The two additional units could demand up to 5-6mt of imported coal a year. In a bid to meet power consumption, which is growing at 5% annually, from a current daily demand average of around 15-16GW, these two plants are expected to be completed in October, 2017.

In the Philippines, South Korean power provider Korea Electric Power Corporation (Kepco) has agreed to build three thermal coal-fired plants. The first will be a 300MW facility - split into two units of 150MW - in Bataan. Following this facility will be two further plants of 200MW each, one in Bislig, Surigao del Sur and another in Cadiz, Negros Occidental. That Kepco is involved gives credence that the plants will be constructed.

In Germany, a legal appeal against the new 911MW coal unit 9 under construction by coal-fired power station operator Grosskraftwerk Mannheim has been rejected by Germany's highest administrative court. The court confirmed a decision by a lower court in Mannheim that earlier threw out the appeal by environmental organisation BUND. The Federal administrative court in Leipzig said environmental organisations can only appeal on the basis of legal arrangements in connection with the environment and there was no legal basis to justify a full blown investigation into the plant's permit. The €1.2bn unit is due on line in 2015, two years after the originally slated commissioning date of 2013.



New Infrastructure is the Key



22

We have the coal

- 700+ million tonnes of JORC measured reserves
- Area under option not yet fully drilled but is considered highly prospective for additional reserves with additional drilling
- Significant proportion of current JORC measured reserves suitable for large volume, low cost open cut mining

We have available rail infrastructure

- The PRB is connected by rail to the west coast of both the US and Canada.
- The rail network has underutilised capacity to both these regions.

We have determined a coal loading strategy

- The capacity in existing and planned coal loaders is limited.
- The Company has identified locations on the North American west coast where coal loaders could be constructed.
- We are negotiating with land owners for access to the properties.

We have a business strategy that

- Maximises our control over our mine to market supply chain.
- Reduces risk for our customers.
- Maximises the opportunity to produce a low cost alternative to Australian and Indonesian coals.



Contact Details



23

County Coal Contacts

Rod Ruston

Chief Executive Officer
County Coal Limited
Tel: +61 2 9251 3007
E: info@countycoal.com

Office Address

Level 2, 27 Macquarie Place,
Sydney, NSW 2000
Australia

Tel: +61 2 9251 3007
E: info@countycoal.com



For personal use only