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**GUILDFORD**  
COAL

# AGM PRESENTATION

28<sup>th</sup> October 2011

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# AGENDA

Corporate

Queensland

Mongolia

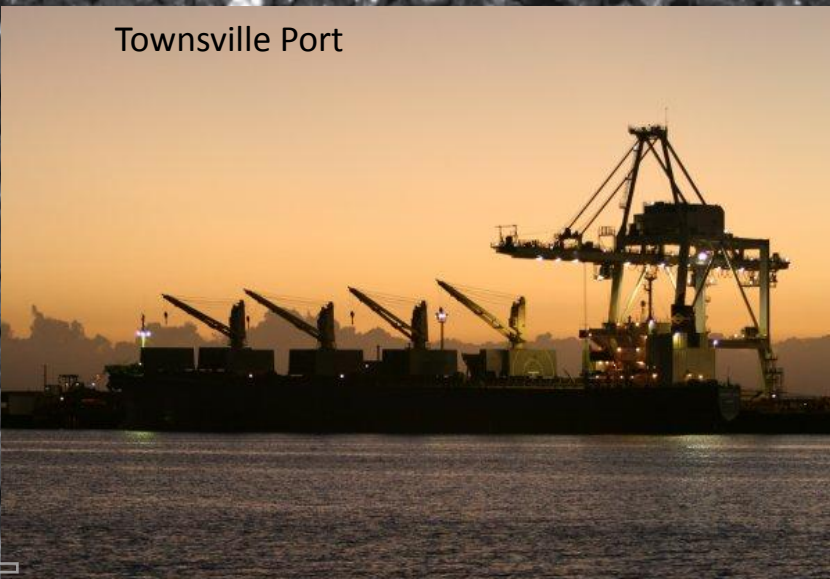
*Moving forward to become the next independent ASX listed coal miner*



# CORPORATE



Townsville Port



South Gobi Drilling





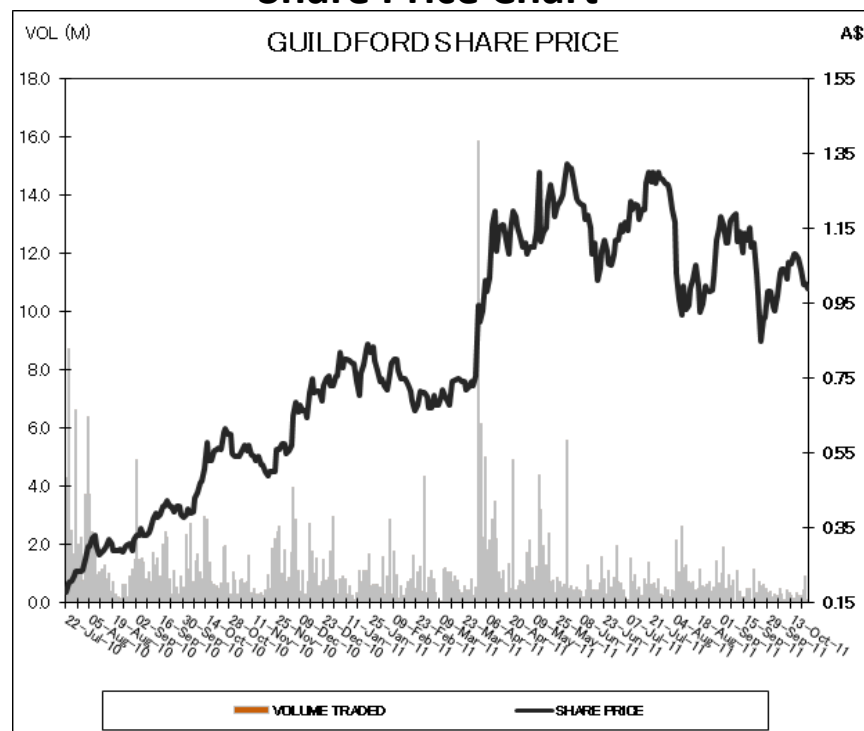
# CORPORATE SNAPSHOT

**ASX Code: GUF**

## Capital Structure

Listed on ASX	22 July 2010
Shares on Issue	419.7 million
Share Price	\$1.005 (25/10/11)
Market Cap	A\$440.7 million
Options on Issue	Nil
Cash (30 Sep 2011)	A\$15 million
Enterprise Value	A\$425.7 million

## Share Price Chart





# CORPORATE HIGHLIGHTS

- Strong share price performance since listing in July 2010
- Augmented the GUF Board with two Independent Directors in the Honourable Alan Griffiths and Mr Tony Bellas
- Key Senior Management engaged to drive the commercialisation of our Projects
  - Mr Mark Turner as Chief Operating Officer Queensland Projects based in Brisbane
  - Close to engaging Chief Operating Officer Mongolian Projects to be based in Ulaanbaatar
  - Ms Norah St George as Chief Financial Officer
  - Mr Tony Mooney as General Manager Stakeholder Relations
- Completed the acquisition of a 70% stake in Mongolian Exploration Company Terra Energy LLC
- Completed the acquisition of a 56% stake in the Hughenden White Mountain Project
- Moved to 100% ownership of FTB (Qld) Pty Ltd with the acquisition of a 20% stake from Carpentaria Exploration Limited. FTB holds 60% of Hughenden Project tenements
- Defined a JORC Inferred Resource of 925.8 Mt thermal coal for the Hughenden Project
- Developed a total Exploration Target<sup>#</sup> for Projects managed by GUF in Queensland and Mongolia of 0.65Bt to 7.915Bt of thermal and coking coal
- Progressing to JORC Resource on multiple projects including Hughenden (upgrade), South Gobi (maiden) and Middle Gobi (maiden)
- Executed a Heads of Agreement to secure existing and expanded rail and port capacity for the Hughenden Project with ARG (QR Subsidiary and rail operator) and Port of Townsville Ltd (POTL)
- Registered as a proponent for 1Mtpa of capacity in the WICET Stage 2 at Gladstone.





# QUEENSLAND PROJECT UPDATE

Overview

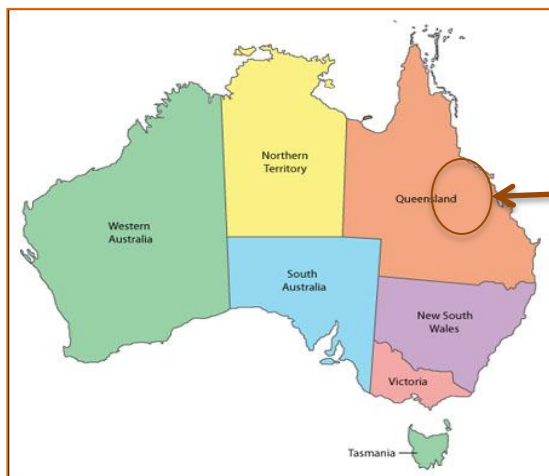
Hughenden

Sierra

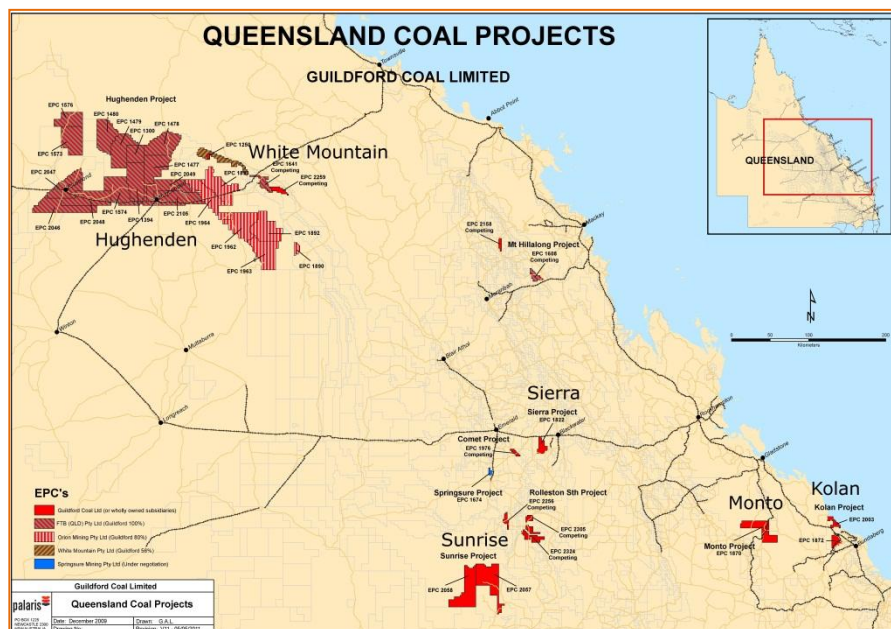
Kolan



# QUEENSLAND SNAPSHOT



## Guildford Queensland Projects



## Summary of Portfolio:

Estimated 20,000km<sup>2</sup> of exploration tenement located across Queensland's major coal bearing basins including:

- Bowen
- Galilee
- Maryborough

## Target Coal Products:

- Hard Coking
- Thermal
- PCI

## Priority Projects:

- Hughenden Inferred JORC Resource of 925.8Mt
- Hughenden Exploration Target<sup>#</sup> of 0.58Bt to 5.72Bt
- White Mountain Exploration Target<sup>#</sup> of 40Mt to 815Mt
- Sierra (Bowen Basin)
- Kolan (Maryborough Basin)

## Access to Infrastructure:

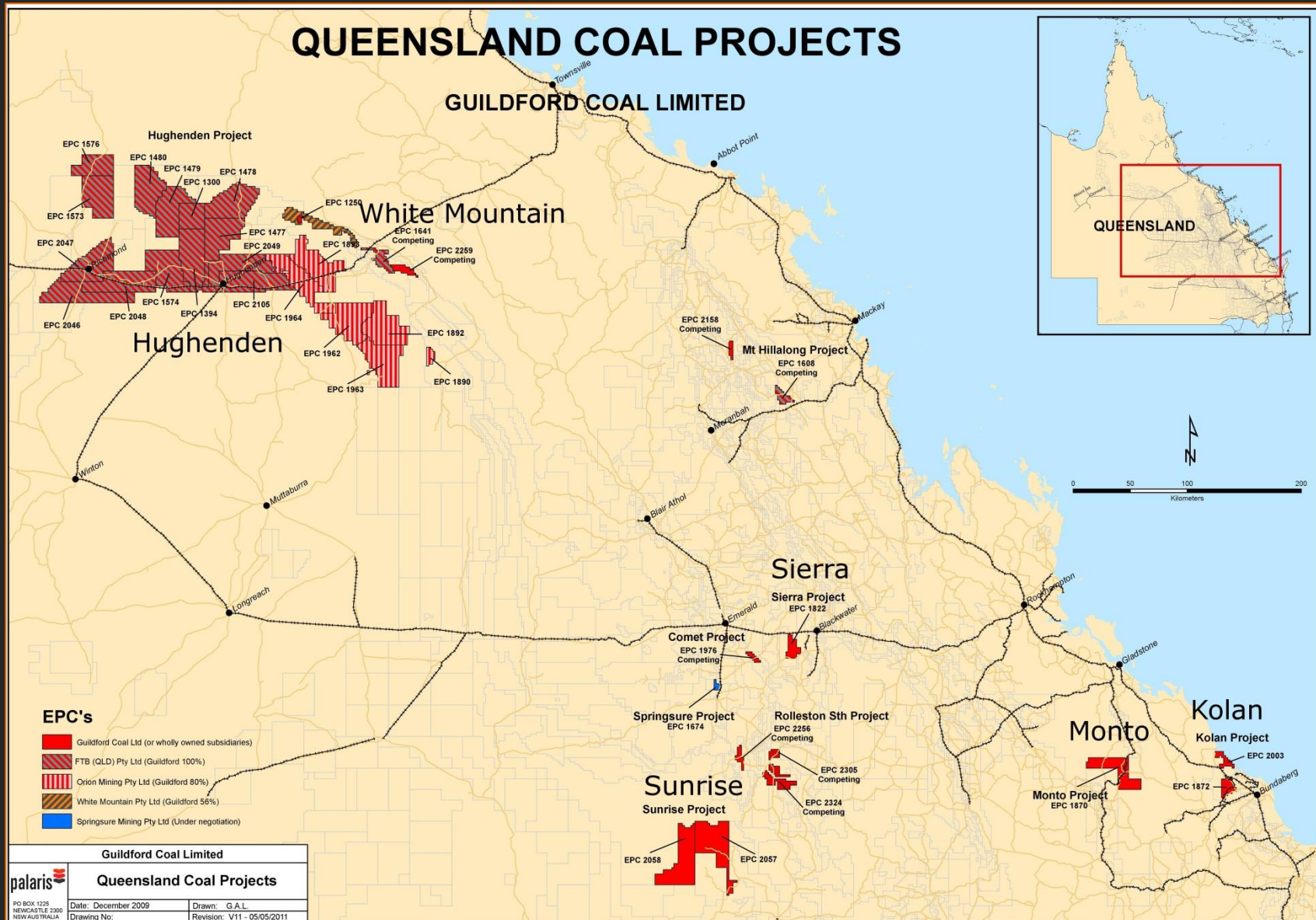
All priority Projects have ready access to rail and port infrastructure

## Exploration Plan:

- 6 drills planned to be operating in 2011/2012
  - 4 Hughenden
  - 2 Sierra/Kolan



**GUILDFORD COAL LIMITED**

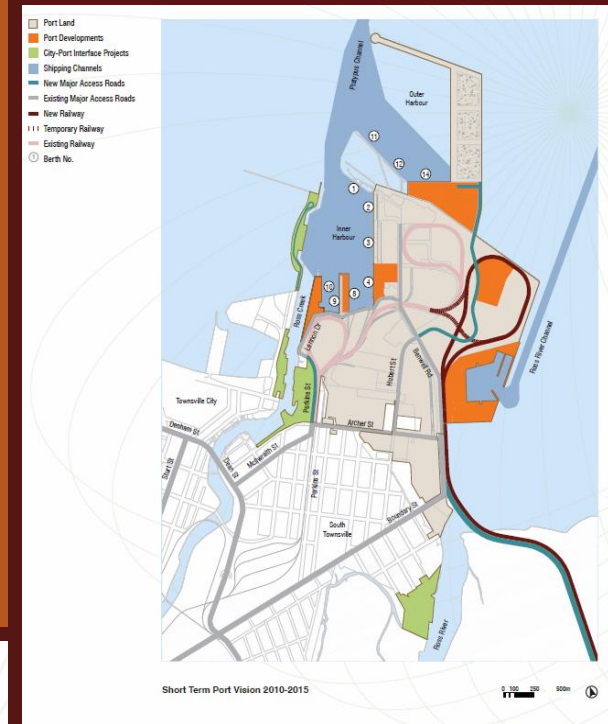
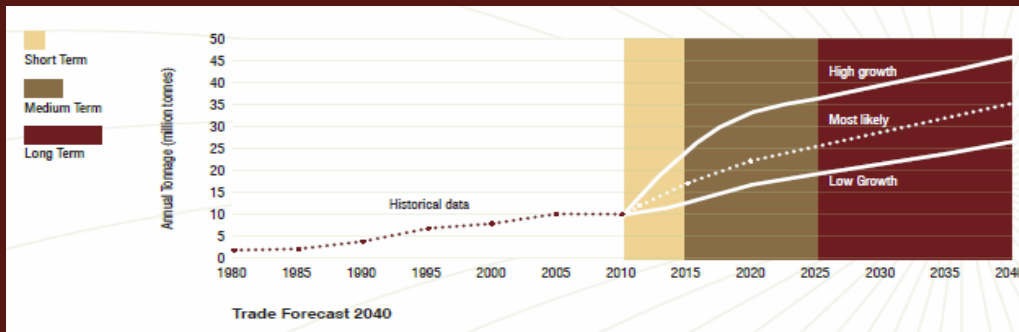




# QUEENSLAND PROJECT UPDATE

## Hughenden - Infrastructure

- Signed MOU with ARG, the QR National subsidiary in November 2010, ARG is the primary rail operator on the Mt Isa to Townsville rail line that traverses the Hughenden Project
- Signed MOU with the Port of Townsville Limited to conduct a feasibility study on the logistics of exporting of coal through Townsville Port via the Eastern Rail Access Corridor
- Tripartite Group (ARG, POTL and GUF) meeting regularly to finalise the feasibility for 10mtpa transport solution for the Hughenden Project with a view to move to binding contracts by the end of 2011
- Qld Ports Minister announced that the State Government would start preliminary business planning into the Townsville Port Eastern Access Rail Corridor, which would include a new 6.5km rail route into the Port of Townsville
- Qld Treasurer and Minister for State Development and Trade Andrew Fraser welcomed the Coordinator-General's decision to declare the \$1.3 billion expansion of the Townsville Port a significant project



Port of Townsville Expansion Plans  
(courtesy POTL website)





# QUEENSLAND PROJECT UPDATE

## Hughenden

- Despite impact of long and heavy wet season combined with some poor drill performance in some localised difficult drilling conditions have made significant progress
- Independent Geologists (Moultrie) have estimated a Maiden JORC Inferred Resource for EPC1477 of 925.8Mt
  - Upgrade expected in coming weeks due to recent further intersection
  - Further drilling up dip aiming to further expand this resource if successful
- The stratigraphy of the coal reported in this resource correlates well with regional stratigraphy that has been previously published for the Galilee Basin, with the Betts Creek Coal Sequence proving similar to that defined at the Adani – Carmichael Deposit and the Hancock – Alpha Deposit
- Indicative quality is for moderate ash, moderate energy and low sulphur thermal coal
- The resource domain for the inferred resource on EPC1477 represents less than 1% of the overall Hughenden Project Area
- Independent Geologists (Moultrie) have also developed an Exploration Target# for the Hughenden Project of 0.58Bt to 5.72Bt
- Further intersections of the Betts Creek Coal Seams intersected with drilling some 15km north of this maiden JORC Resource on EPC1478 and at approximately 200m depth
  - With further drilling on 1478 aiming to delineate the subcrop of the Betts Creek Sequence and if successful define a JORC resource potentially amenable to open cut mining methods



Photo of Core taken from Hole HO17 located on EPC1477 in the Hughenden Project

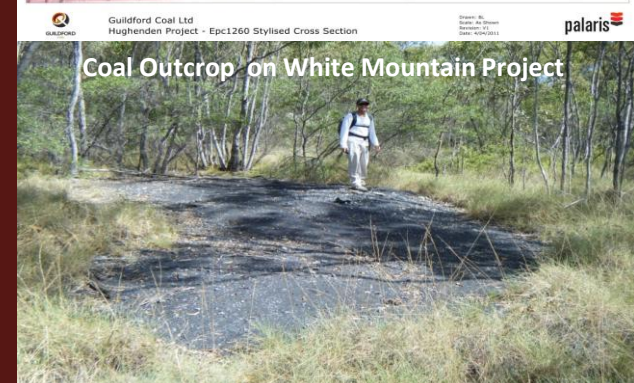
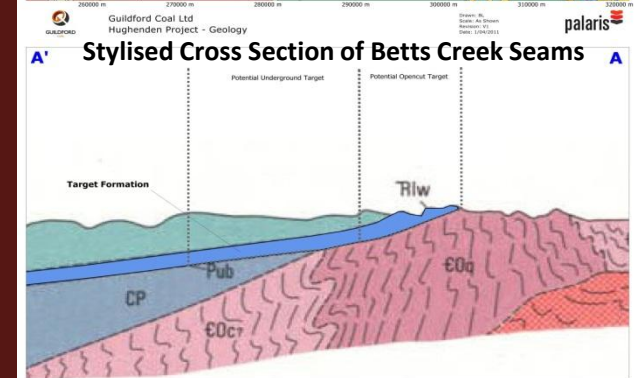
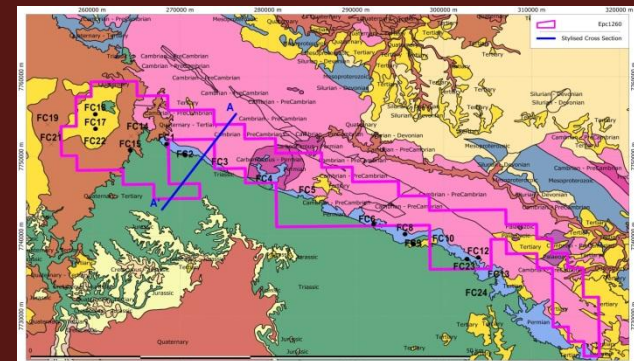


# QUEENSLAND PROJECT UPDATE

## Hughenden - White Mountain

- White Mountains Project consists of the adjoining EPCa1250 and EPC1260 on north eastern edge of the Galilee Basin
- Independent Geologists have developed an Exploration Target<sup>#</sup> for the White Mountain Project of 40 to 815Mt consisting of:
  - 0 to 745Mt Developed by Palaris for EPC1260
  - 40 to 70Mt Developed by Xstract for EPC1250
- Drilling on White Mountain Project on EPC1260 has successfully intersected the Betts Creek Coal Seams at approximately 80m depth
- Further drilling in this area will aim to define a JORC resource potentially amenable to open cut mining methods

<sup>#</sup> References to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004). As such it is important to note that in relation to reported Exploration Targets any references to quality and quantity are conceptual in nature. Exploration carried out to date is insufficient to be able to estimate and report coal resources in accordance with the JORC Code (2004). It is uncertain if further exploration will result in the determination of a Coal Resource.



Guildford Coal

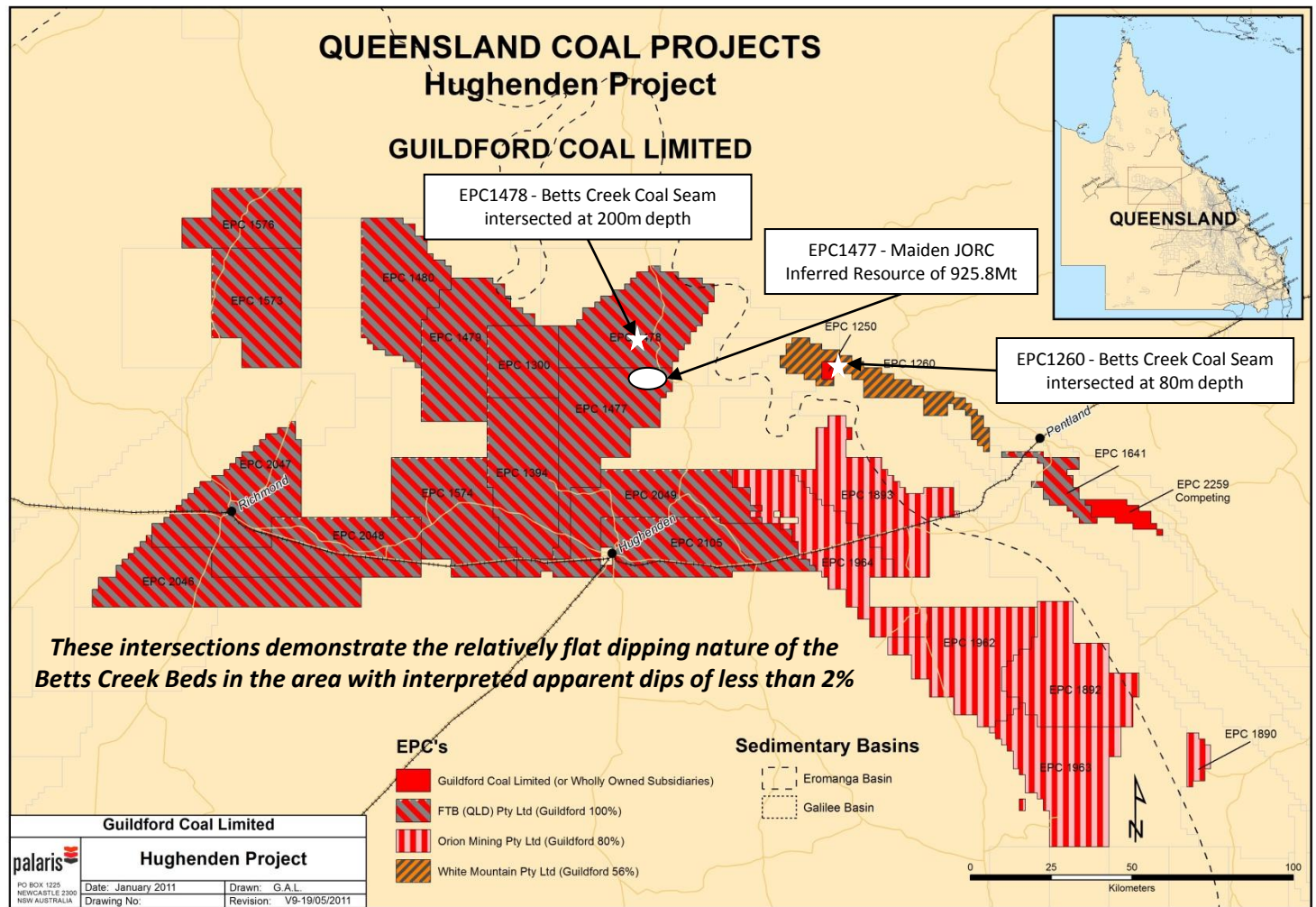




# QUEENSLAND PROJECT UPDATE

## Hughenden

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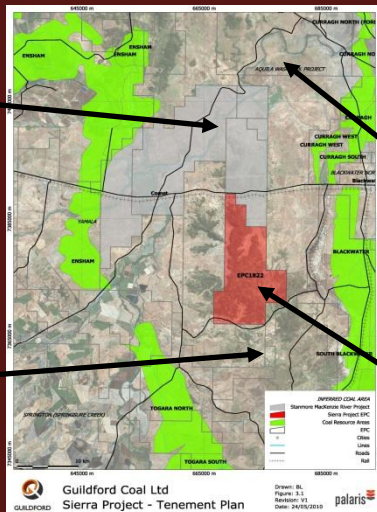


# QUEENSLAND PROJECT UPDATE

## Sierra

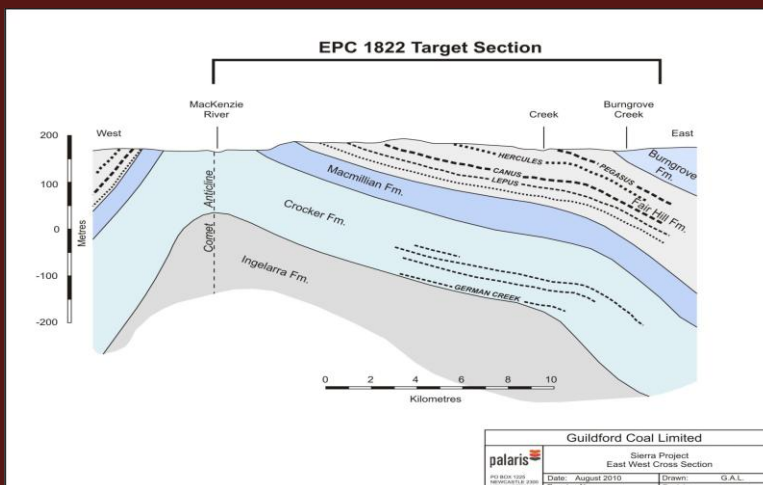
**Stanmore  
McKenzie River  
Project**  
99Mt JORC  
Inferred Resource  
and additional 70-  
80Mt exploration  
target

**Newlands  
Resources  
Comet Ridge  
Project**  
JORC Inferred  
Resource 150 Mt  
of Fair Hill  
Formation with  
raw CSN values of  
up to 8.5



**Aquila  
Washpool Project**  
138Mt JORC  
Indicated and  
Inferred  
Burngrove  
Formation

**Guildford  
Sierra Project**  
Fair Hill and  
Burngrove  
Formation target



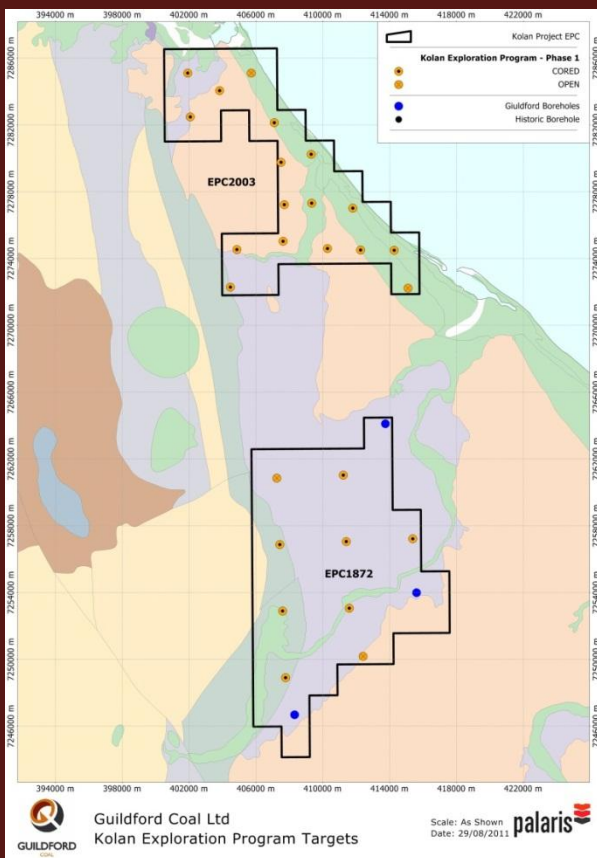
- Hard coking coal target in Fair Hill, Burngrove and Crocker Formations of Bowen Basin Queensland, Australia
- Close to rail with the Blackwater rail system cutting across the northern edge of the tenement
- Drilling to the south by Newlands Resources Limited (NRL) in their Comet Ridge Project has confirmed the concept for the Sierra Project
- Multiple thick intersections of up to 14m thickness of the Fair Hill formation near surface were reported by NRL
- The coal was also reported by NRL to have raw CSN values of up to 8.5
- Based on this drilling NRL has reported an Inferred Resource of 150Mt based on an estimated 5km strike extension of the Fair Hill formation
- The Guildford 100% owned Sierra Project has an interpreted 20km of strike extension of the same Fair Hill formation running north-south across the project
- Drilling to commence on EPC1822 early in November 2011 with 2 drills to work up to the Wet Season





# QUEENSLAND PROJECT UPDATE

## Kolan



- Located in the hard coking coal bearing Maryborough Basin in Queensland, Australia
- Estimated 23,700 hectares of coal exploration permit in two tenements which are 100% GUF owned – EPC1872 and EPC2003
- Exploration target is high value modest tonnage coking product with CSN of 8, low ash and low moisture
- Connected to the port of Gladstone via the Maryborough Northern Rail System which runs adjacent to the project
- The 100% owned Kolan Project is a proponent for 1Mtpa of capacity in the Wiggins Island Coal Expansion Terminal Stage 2 at Gladstone
- Drilling to date has intersected thin sections of Burrum Coal Measures confirming extension of the seams onto the Kolan Project
- Further holes are planned following the wet season at locations that could potentially contain thicker extensions of these Burrum Coal Measures





# QUEENSLAND PROJECT UPDATE

## Overview of Goals for next Year

- With ARG and POTL complete the feasibility on the Hughenden Coal Project transport and shipping solution (ARG/POTL) and progress to binding contracts
- Expand the drill pattern on Hughenden Thermal Project – EPC1477 up dip and increase the JORC compliant underground resource
- Complete the planned drill pattern on the Hughenden Thermal Project – White Mountains and define a JORC compliant open cut resource
- Drill and define a JORC compliant open cut resource on Hughenden Thermal Project – EPC's 1300,1478 and 1479
- Commence drilling on the Sierra Coking Coal Project, confirm an Exploration Target and define a JORC Resource
- Continue drilling on the Kolan Coking Coal Project – EPC2003 and confirm an Exploration Target
- Complete a pre-feasibility study on the Hughenden – White Mountains Project
- Complete an Initial Advice Statement on the Hughenden – White Mountains Project





# MONGOLIAN PROJECT UPDATE

Overview

South Gobi

Middle Gobi

# MONGOLIAN SNAPSHOT



## Summary of Portfolio

- South Gobi Project with 5 exploration licences and Middle Gobi Project with 2 exploration licences

## South Gobi Project:

- South Gobi Project is the priority project which covers large open cut coking and thermal coal prospects
- Consisting of 5 exploration licence's located in the South Gobi desert approximately 60km to the Chinese border
- Adjacent to two operating coal mines (SGS and MAK)
- Exploration Target # of 0 to 700Mt

## Middle Gobi Project:

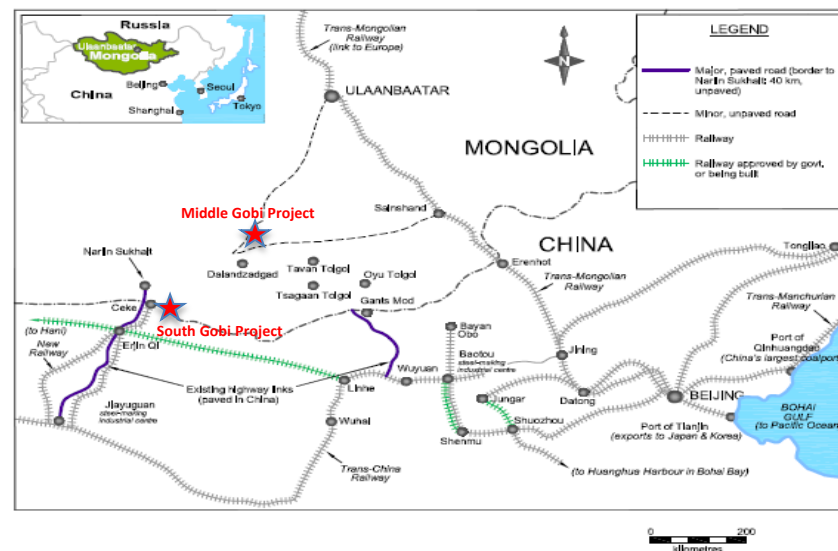
- Middle Gobi Project comprises large open cut thermal coal prospects
- Consisting of two exploration licence's located in the Dundgovi Province
- Approximately 200km north of the Tavan Tolgoi Project
- Exploration Target # of 30Mt to 680Mt

## Target Coal Products:

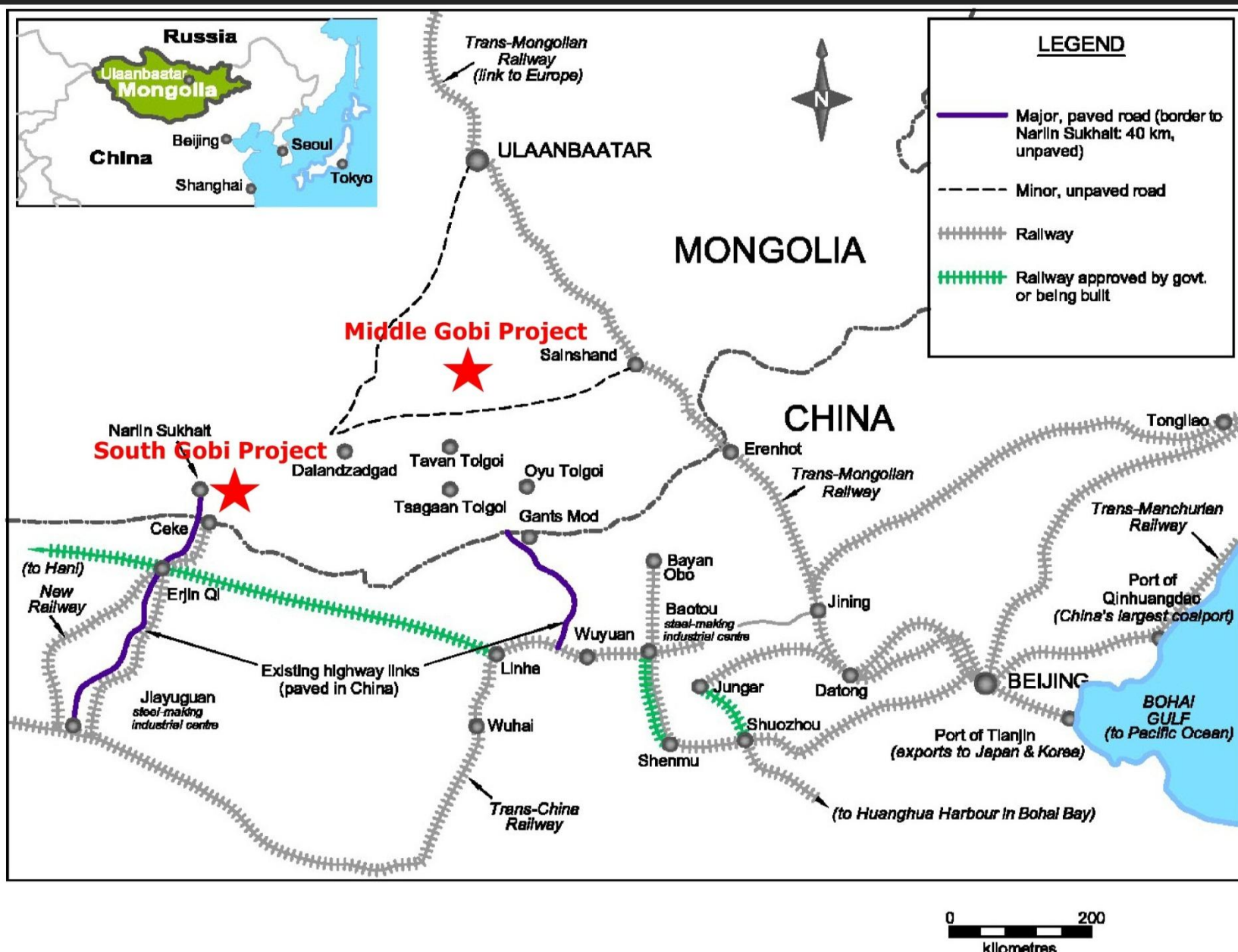
- Coking and Thermal Coal

## Exploration Plan:

- 5 drills operating in 2011
  - 4 South Gobi
  - 1 Middle Gobi









# MONGOLIAN PROJECT UPDATE

## South Gobi Project

- Field mapping of coal seam outcrop has been conducted with approximately 1.5 kilometres of coal outcrop
- Intersections with multiple exploration holes of thick coal seams that are near surface
- Preliminary quality demonstrates potential for high quality low sulphur coking coal
- Progressing to JORC on multiple tenements
- Mining Licence applications being prepared
- An Exploration Target # of 0 to 700Mt within the Project tenements has been developed

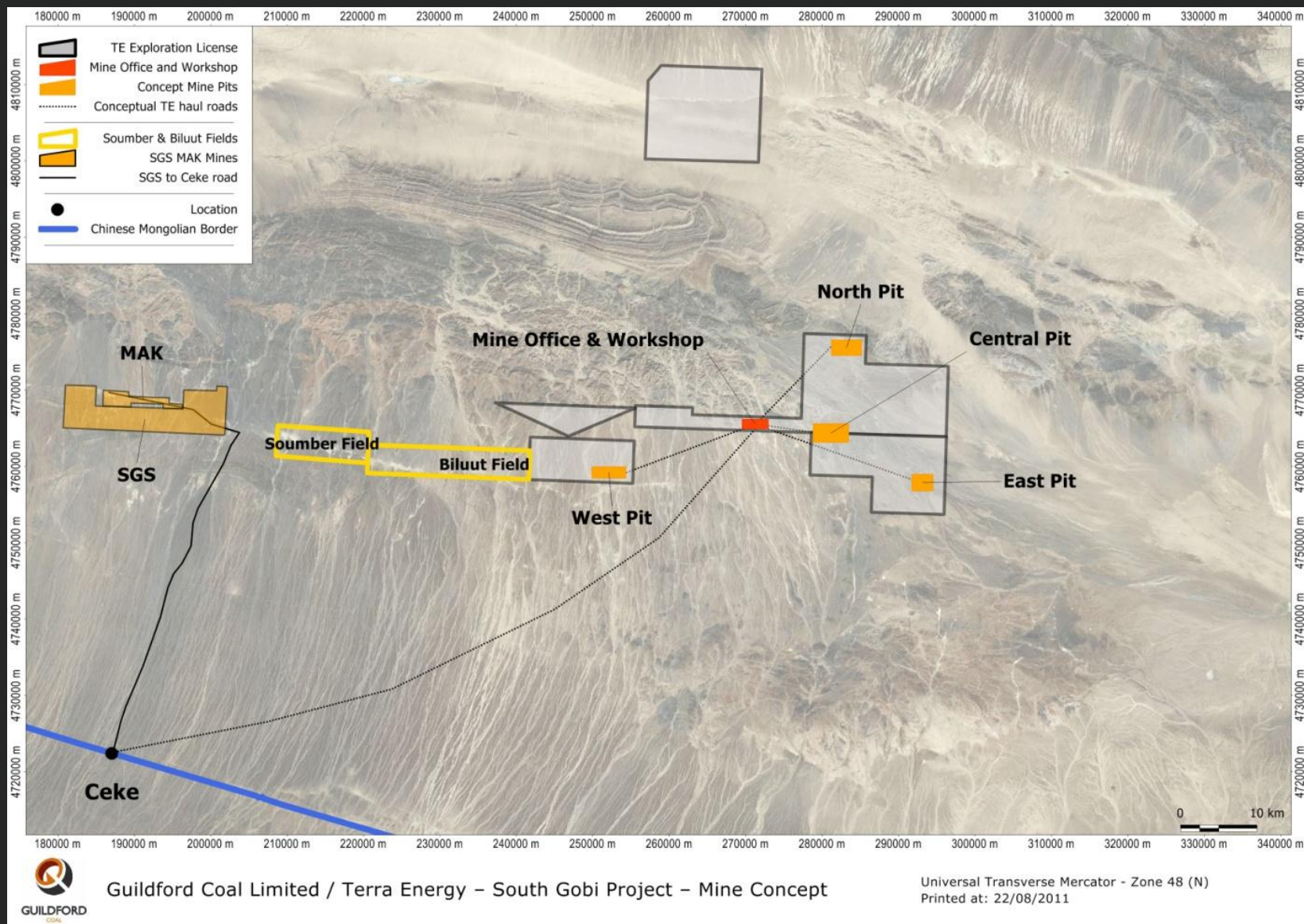


Photo showing sample of coal cored from a South Gobi Tenement



*# References to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004). As such it is important to note that in relation to reported Exploration Targets any references to quality and quantity are conceptual in nature. Exploration carried out to date is insufficient to be able to estimate and report coal resources in accordance with the JORC Code (2004). It is uncertain if further exploration will result in the determination of a Coal Resource.*







# MONGOLIAN PROJECT UPDATE

## Middle Gobi Project

Middle Gobi Coal Outcrop



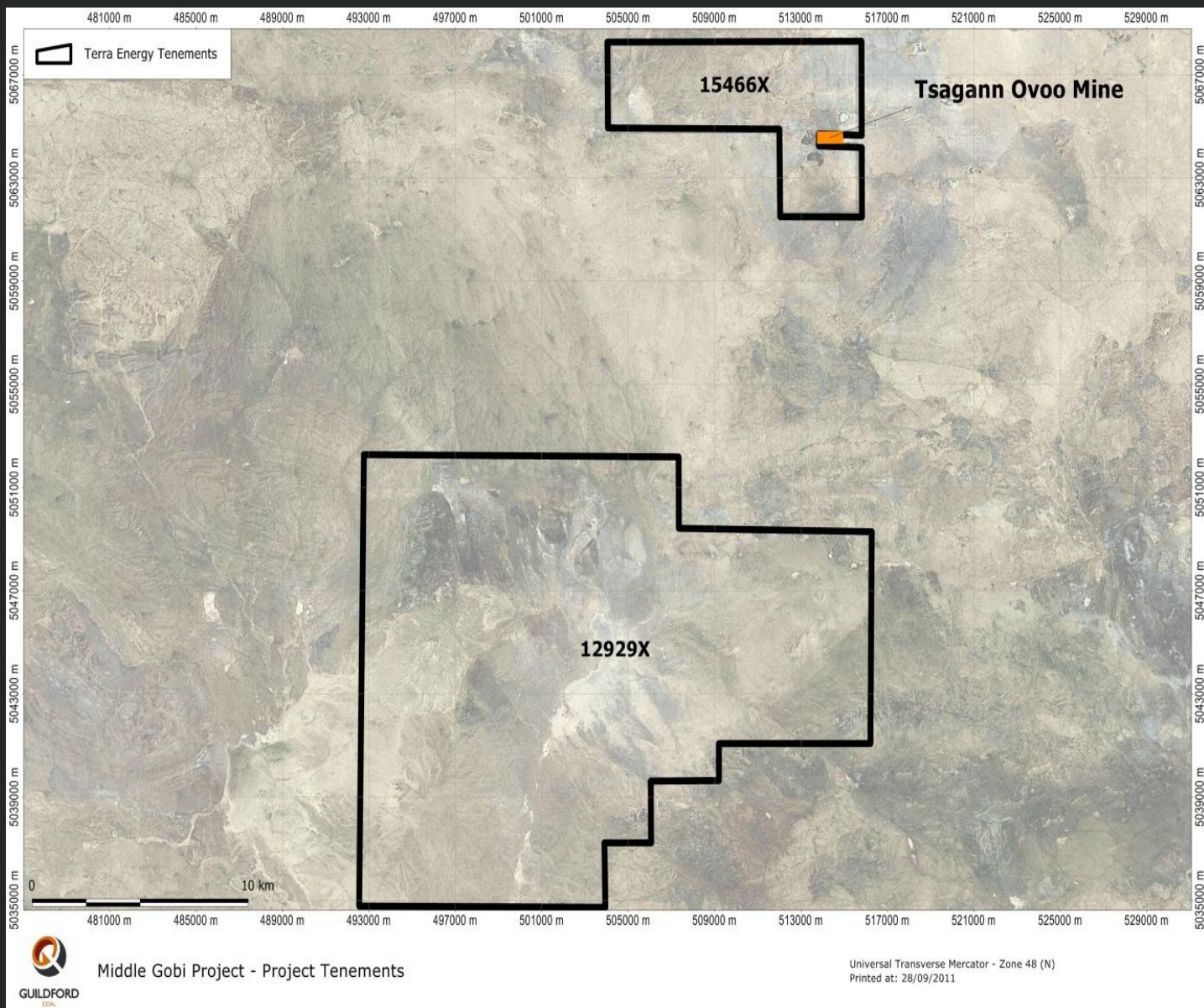
- Field mapping of coal seam outcrop has been conducted within EL12929X of approximately 4 kilometres of coal outcrop
- Historical boreholes drilled within the central-northern area of EL12929X have encountered several coal seams with reported thicknesses of up to 16 metres
- Multiple coal intersections with coal seams intersected with net thicknesses ranging from 9m to 16m with drilling to date
- Progressing to JORC on 12929X
- An Exploration Target # range of 30 to 680 Mt for the potential resource domains within EL12929X has been developed
- Scout drilling commenced on EL15466X which is adjacent to the neighbouring Tsagann Ovoo Mine (EL14522X)



14522X

*Photo showing sample of coal taken from Tsagann Ovoo Mine (14522X) located adjacent to 15466X*







# MONGOLIAN PROJECT UPDATE

## Overview of Goals for next Year

- Complete drilling on the South Gobi and Middle Gobi Projects to define a JORC Resource
- Complete a Mineral Reserve Statement and obtain a Mining Licence on the South Gobi Project
- Consider advice from UBS on listing of TE on ASX
- Engage a mining contractor to complete a scoping study on the South Gobi Project
- Execute an Alliance Agreement with a mining contractor on the South Gobi Project
- Negotiate an offtake agreement on the South Gobi Project
- Mobilise and commence mining on the South Gobi Project
- Target first coal and thus free cashflow from the South Gobi Project in the first half of 2012



**SGS Mine neighbouring  
the South Gobi Project**





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**Thank You**



# About Guildford

Guildford Coal has established a portfolio of coal exploration tenement areas in Queensland, Australia and more recently in Mongolia.

Guildford Coal's Queensland tenements cover an estimated area of 20,000 square kilometres and are defined within project areas as follows:

- Hughenden Project (Galilee / Eromanga Basins):
  - FTB (Qld) Pty Ltd (Guildford 100%)
  - Orion Mining Pty Ltd (Guildford 80%)
  - White Mountain Pty Ltd (Guildford 56%)
- Kolan Project (Maryborough Basin);
- Sierra Project (Bowen Basin);
- Sunrise Project (Surat/Bowen Basin);
- Monto Project (Nagoorin Graben).

Guildford Coal has an equity share in 7 tenements contained in two projects in Mongolia through its 70% shareholding in Terra Energy LLC. The coal projects are located in the South Gobi and Middle Gobi coal bearing basins which contain thermal and coking coals.

Guildford Coal's key objective is to create shareholder value through the identification, securing and exploration and potential development of coal deposits. In order to achieve this objective, Guildford Coal intends to:

- Drill and assess existing exploration permits with the aim of establishing coal resources;
- Complement and diversify Guildford Coal's existing portfolio through application for and acquisition of additional coal assets;
- Undertake project development for high priority targets where economic coal deposits are proven; and
- Ultimately produce and sell a variety of coal products into export markets if successful in exploration objectives.





# Competent Persons Statement

## **# Exploration Target**

*References to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004). As such it is important to note that in relation to reported Exploration Targets any references to quality and quantity are conceptual in nature. Exploration carried out to date is insufficient to be able to estimate and report coal resources in accordance with the JORC Code (2004). It is uncertain if further exploration will result in the determination of a Coal Resource.*

## **Competent Persons Statement**

*The information in this report is based on information compiled by Brendan Lloyd, who is a Member of the Australasian Institute of Mining and Metallurgy (208658) and has had sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Lloyd is Exploration Manager for Guildford Coal Limited engaged under secondment from Palaris Mining Pty Ltd and consents to the inclusion of the matters based on his information in the form and context in which it appears. Mr Lloyd has over 10 years experience in exploration and mining of coal deposits.*

*Technical information relating specifically to the Inferred Resource and Exploration Target for the Hughenden Project in this report has been compiled by Mr Mark Biggs, Principal Geologist of Moultrie Database and Modelling. Mr Biggs is a member of the Australasian Institute of Mining and Metallurgy and has over 25 years of experience relevant to the style and type of coal deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined by the Australasian Code for Reporting of Minerals Resources and Reserves (JORC) 2004. The resource information in this report is being released to the Australian Securities Exchange. Mark Biggs consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

*The Coal Exploration Target for EPC1250 documented in this report is stated in accordance with the guidelines set out in the JORC Code, 2004. It is based on information compiled and reviewed by Mr Ian de Klerk who is a Member of the Australasian Institute of Mining and Metallurgy (Member #301019) and is a full time employee of Xstract Mining Consultants Pty Ltd. He has more than twenty years experience in the evaluation of coal deposits and the estimation of coal resources. Mr de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify him as a Competent Person as defined in the JORC Code, 2004. Neither Mr de Klerk nor Xstract have any material interest or entitlement, direct or indirect, in the securities of Guildford Coal or any companies associated with Guildford Coal. Fees for work undertaken are on a time and materials basis. Mr de Klerk consents to the inclusion of the Exploration Target (EPC1250) based on his information in the form and context in which it appears.*