



ABN 13 112 682 158

13 August 2013

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(17 pages by email)

Dear Madam

PRESENTATION TO INVESTORS

I attach a presentation which is being delivered to investors.

For further information, please contact Mark Lochtenberg, Andrew Lawson or Peter Nightingale on +61 2 9300 3333.

Yours faithfully

Lee J. O'Dwyer
Company Secretary

pjn7337

Cockatoo Coal Limited



ABN 13 112 682 158

Andrew Lawson
Managing Director

Presentation to 9th
Coaltrans Australia
Conference, Brisbane
13 August 2013

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Snapshot of Cockatoo Coal

Cockatoo holds numerous deposits amongst our 4,500km² of tenements



BARALABA

62.5% Cockatoo / 37.5% JFE Shoji
Operating Mine
Open Cut
PCI / Thermal

BARALABA EXPANSION

80% Cockatoo / 20% JFE Shoji
Development Project (BFS)
Open Cut
PCI

WOORI

51% Cockatoo / 49% Mitsui
Development Project (PFS)
Open Cut
Thermal

CENTRAL SURAT

100% Cockatoo
Exploration Projects
Open Cut
Thermal

BYLONG

100% KEPCO (COK 30% Call Option)
Exploration Project
Open Cut / Underground
Thermal

DINGO

30% Cockatoo / 70% Whitehaven
Exploration Project
Open Cut
PCI / Thermal

TAROOM

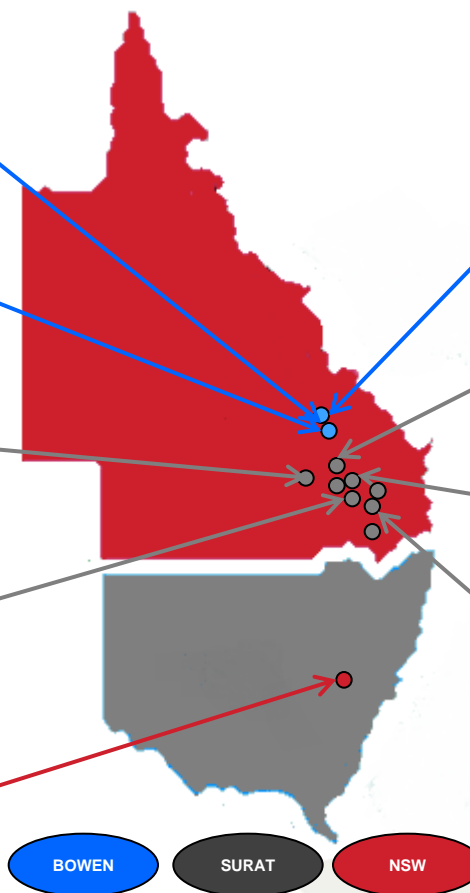
51% Cockatoo / 49% Mitsui
Development Project (PFS)
Open Cut
Thermal

COLLINGWOOD

51% Cockatoo / 49% Mitsui
Development Project (PFS)
Open Cut
Thermal

SOUTH SURAT

100% Cockatoo
Exploration Projects
Open Cut
Thermal



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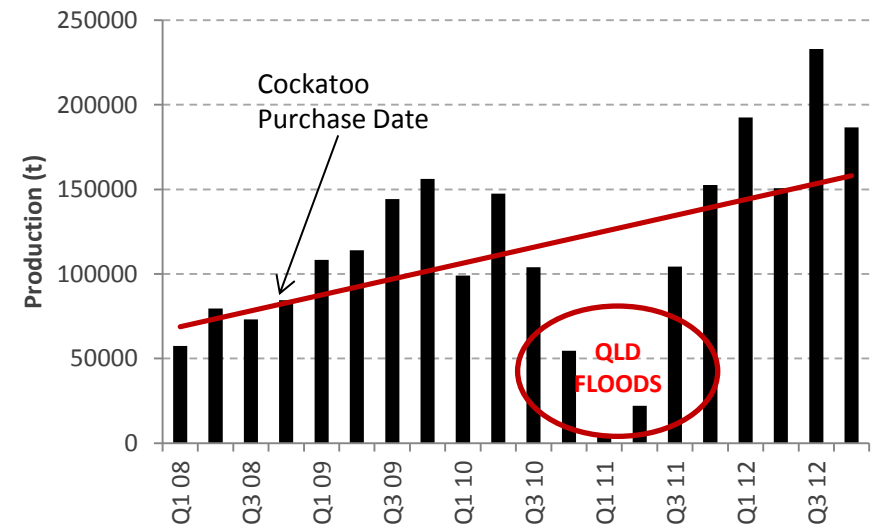
Production Overview

Calendar Year 2012 Review



- ▶ CY 2012 production was a record at 762,848mt, far surpassing previous annual performances.
- ▶ Baralaba's FOB cash cost for CY 2012 had us, on our reckoning, close to being the lowest cost ULV PCI mine in Australia in CY 2012.

Baralaba Mine Quarterly Production



Production Overview

Calendar Year 2013 performance to date



Corporate

- ▶ Optimisation of the Baralaba 3.5 Mtpa Expansion Bankable Feasibility
- ▶ KEBA loan / SK Guarantee facility refinancing negotiations continuing

Mining Operations

- ▶ 287,748 tonnes of coal produced during the half, despite adverse weather in the March Qtr
- ▶ 205,808 tonnes of PCI coal shipped during the half, with another 270,000 tonnes scheduled for the September Qtr

Development & Exploration

- ▶ 17.5 Mt (33%) upgrade of Marketable Reserves at the Baralaba Mine Complex to 70.0 Mt
- ▶ 3 Mt increase in JORC compliant Resources at the Baralaba Mine Complex to 346 Mt

Baralaba	First Half 2013
ROM Coal production (tonnes)	287,748
Overburden (tonnes)	2,547,050
ROM Strip ratio	8.9
Production cash cost (\$'000)	29,268
Shipments	
- PCI (tonnes)	205,808
- Thermal (tonnes)	-
Receipts (\$'000)	36,243
Gross cash flow contribution (\$'000)	6,975
Group cash at end of the quarter (\$'000)	12,685

- ▶ **Cash costs for the 1st half of CY 2013 were under \$110/tonne (FOBT Gladstone, including Royalties), despite the adverse weather in the March quarter. The last 3 months, without the weather impact, saw cash costs running at much lower numbers.**

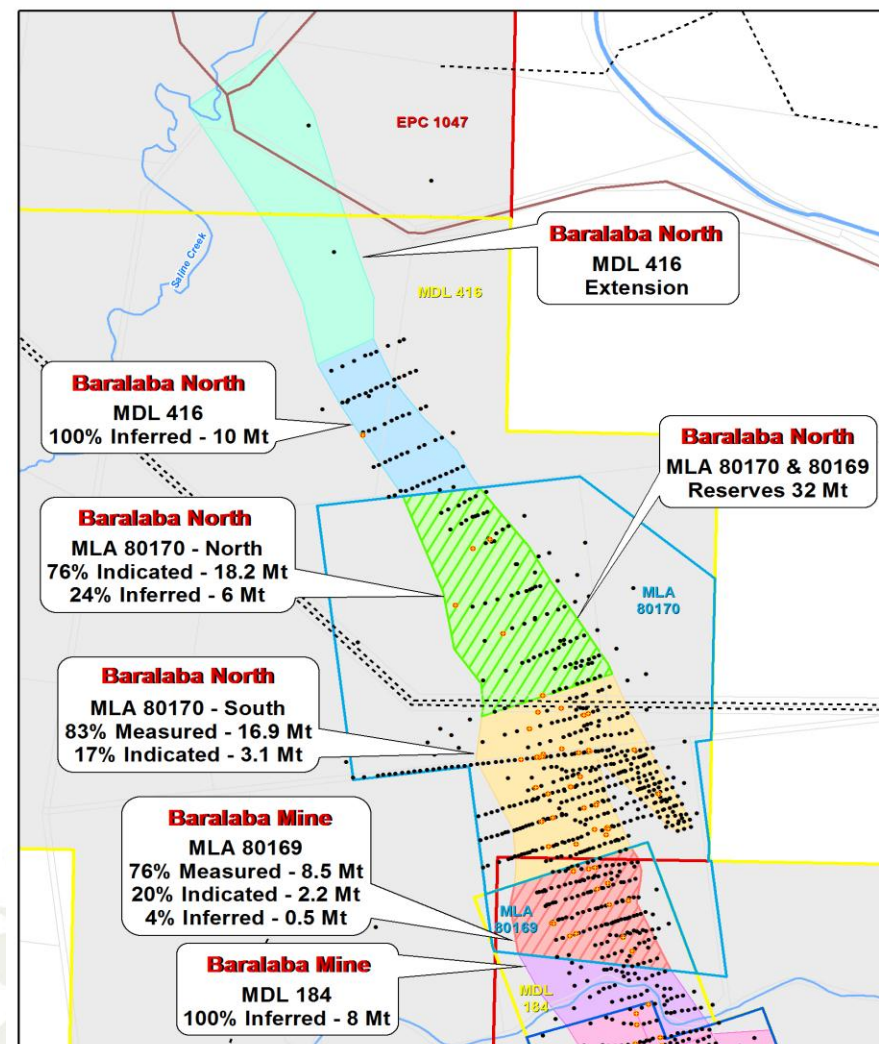
Results of the Baralaba Supplementary BFS

The focus on the revised BFS has produced impressive results, with Lochinvar providing future upside



Asset description

JORC Resources	Baralaba Complex 346 Mt
JORC Marketable Reserves	Baralaba Complex 70Mt
Mining method	Single pit, open-cut, truck & shovel
Mine life	20+ years
LOM ROM strip ratio	9.7:1
Product	Ultra Low-Vol PCI
Saleable coal production	3.5Mtpa (Additional 1.5Mtpa at WEXP2)
Development capital expenditure	~\$311M on a 100% basis (excl. contingency, 2013 dollars)
Start-up Working Capital	~\$82M on a 100% basis (excl. contingency, 2013 dollars)
Average LOM operating cash costs (FOB)	~\$95.86/t (excl. royalties)
NPV	~\$1,028M
Capital intensity	Low at \$89/t (excl. contingency)

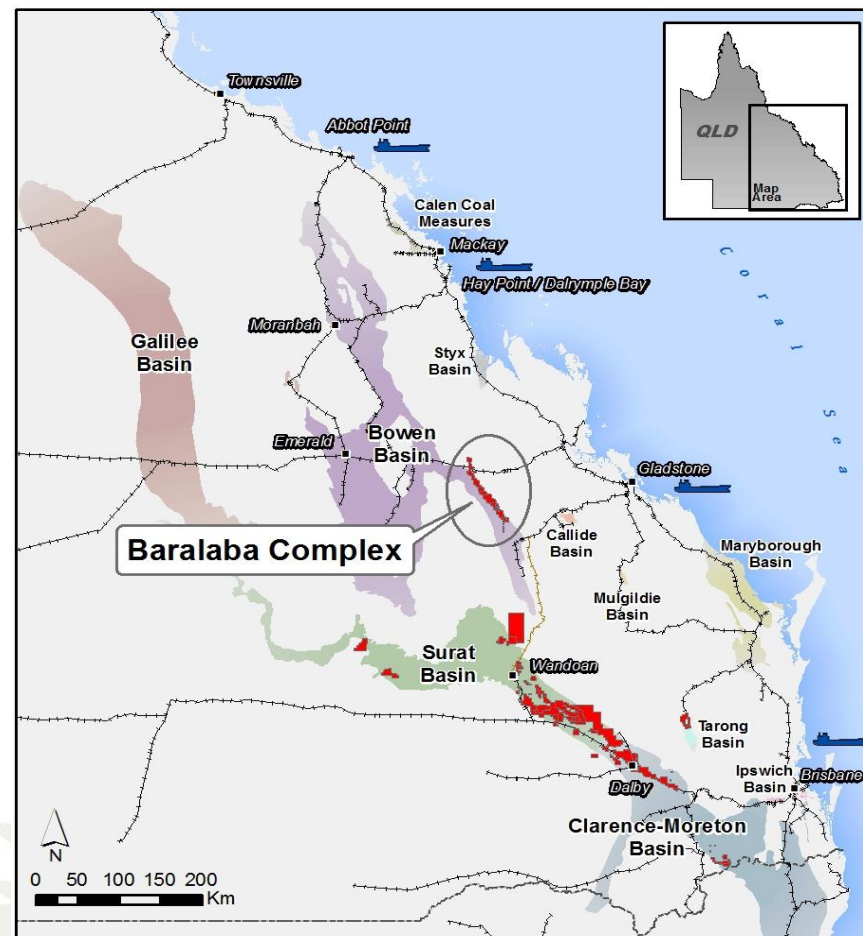


Results of the Baralaba Supplementary BFS

The key issues to take away from the Supplementary BFS work



- ▶ Risk assessments and subsequent technical and financial work showed that revisions to the BFS have added significant value to the project while still meeting the WICET Stage 1 timeframe.
- ▶ Baralaba will be a low cost producer at ~\$96/mt before royalties, comparable to the lowest cost producers in the sector.
- ▶ Initial Capex of ~\$311 Million, putting Baralaba close to the lowest 10% of new projects based on capital intensity. Further savings and efficiencies are likely to reduce this estimate.
- ▶ Working Capital requirement likely restricted to less than \$50 Million during start-up, down from \$82 Million in the SBFS.
- ▶ Baralaba Central expected to contribute ~\$60 Million of surplus cash flow in its final year of existence to end 2014.
- ▶ Cockatoo is at an advanced stage regarding project financing, and believes it is likely that more than 60% of the project capex required is likely to be fundable by project financiers.
- ▶ Future expansion potential for the future, taking the project to 5.0Mtpa should market conditions dictate.



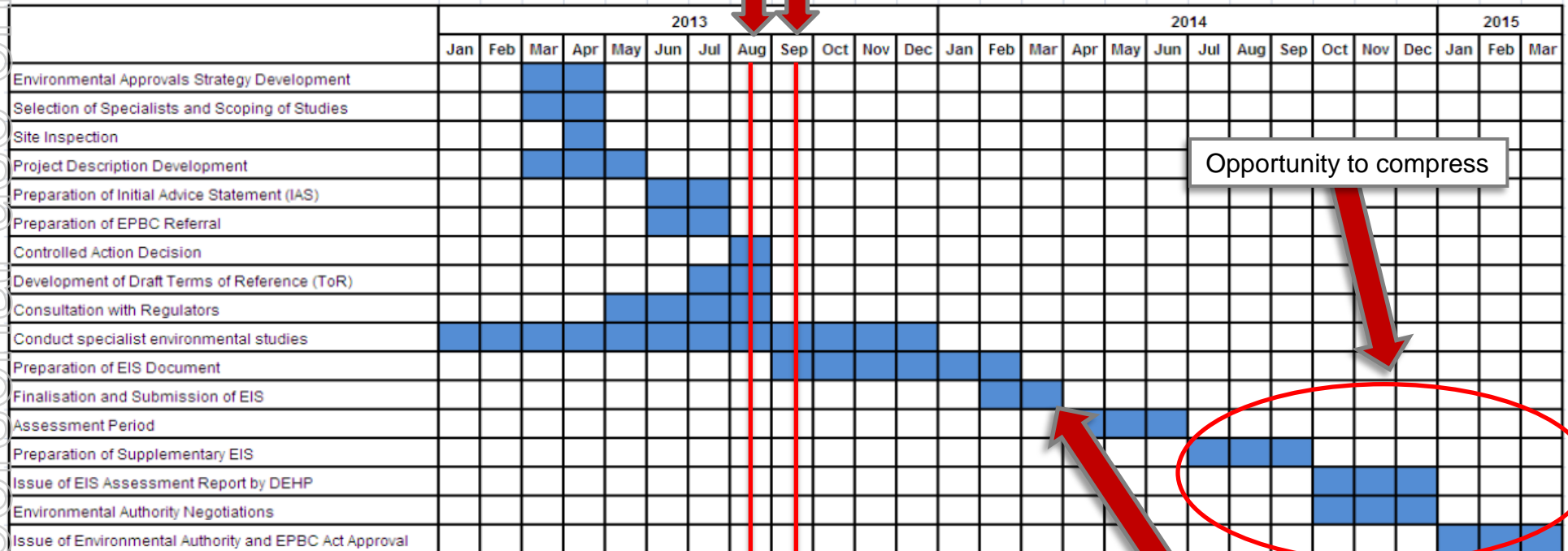
Progress of Approvals

Approvals are on track to meet 3.5 Mtpa increase in line with WICET Stage 1



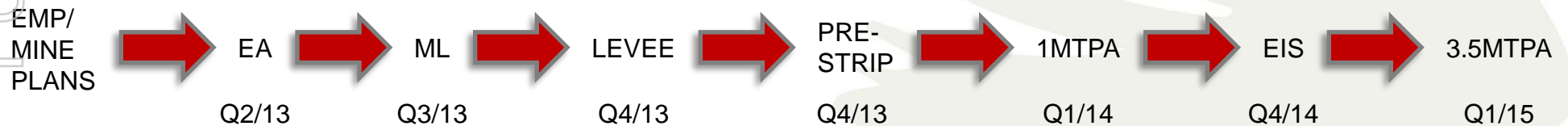
Anticipated grant
of MLA 80169

Anticipated grant
of MLA 80170



Opportunity to compress

Targeted EIS lodgement Q1/14

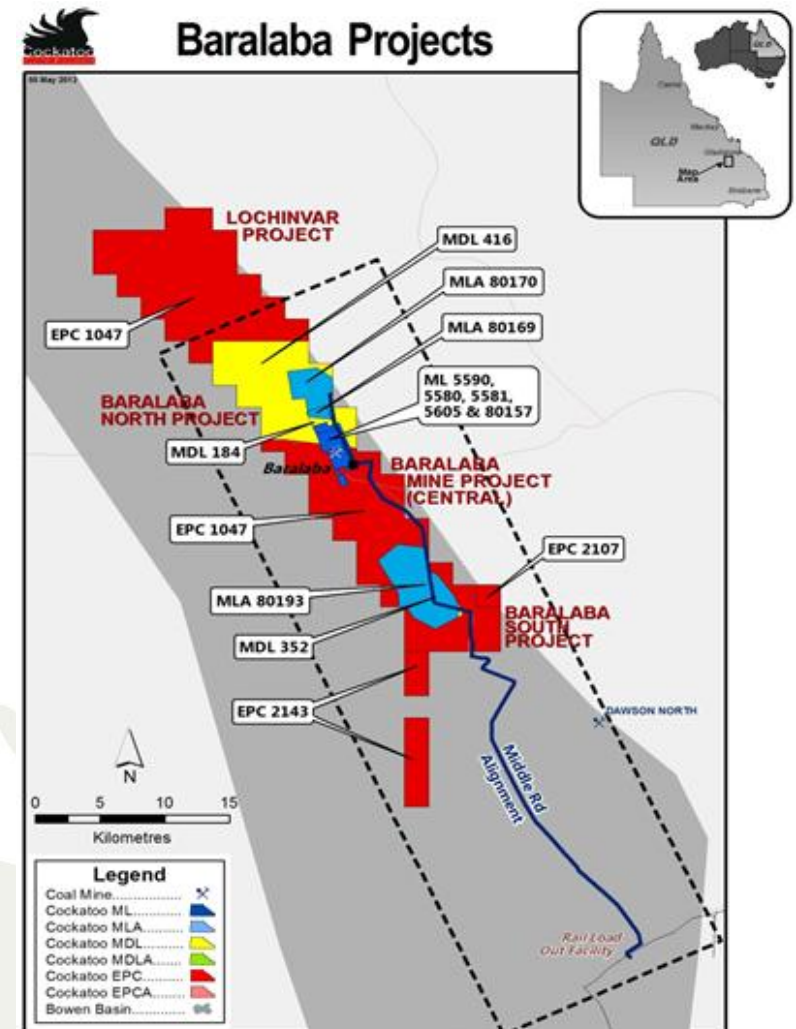


Progress of Approvals

A significant milestone has been reached with the declaration of "Prescribed Project" status

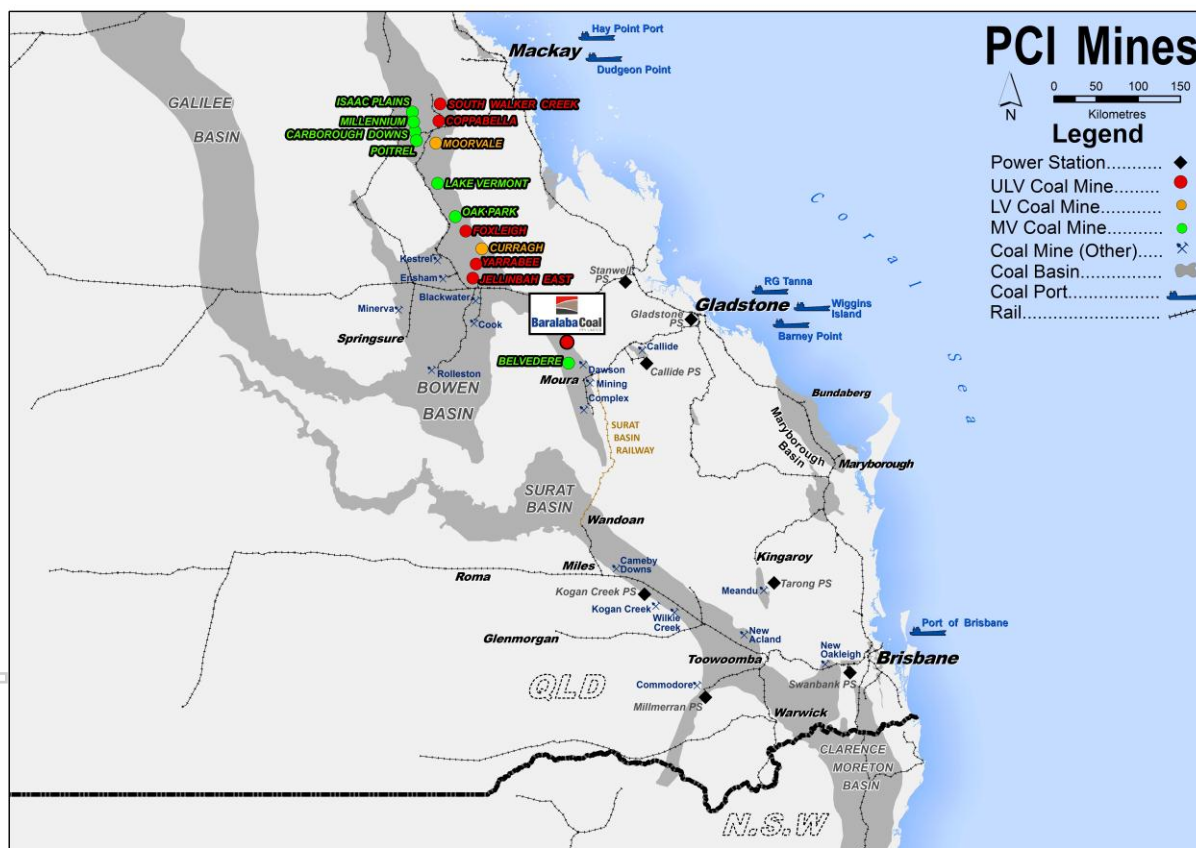


- ▶ In June 2013, discussion commenced with the Queensland Government about the potential use of the 'prescribed project' powers of the Coordinator-General to assist with the delivery of the Baralaba projects
- ▶ A "Prescribed Project" is one which the Minister considers is of significance to Queensland, particularly economically and socially.
- ▶ Purpose of prescribed project - To enable the Coordinator-General to intervene in approvals processes to ensure timely decision making when necessary
- ▶ The Deputy Premier and Minister for State Development approved the 'prescribed project' which became effective for two years from 31 July 2013. WICET is the only other prescribed project declared by the current State Government



Production Outlook : Current QLD PCI Projects

Australian producers account for over 70% of the seaborne ULV PCI market.



Source: Cockatoo Coal

Key Local ULV/LV PCI Producers in Queensland

Project	VM (adb)	Mtpa (2011-2012)
Baralaba	11.5%	0.43
Coppabella	13%	2.67
Foxleigh	12.5%	2.36
Jellinbah	15.5%	4.43
Moorvale	17%	2.32
South Walker Creek	13%	4.02
Yarrabee	10%	2.32

Source: Qld Dept of Natural resources and mines

- ▶ Queensland contains the bulk of the world's ultra-low volatile (ULV) PCI coal
- ▶ the term ultra-low volatile was initially applied to coals with a volatile matter content of below 14%.

Production Outlook : Future Projects

Projects with either mining leases granted or under application



Figure 1: Queensland's coal – Central Queensland map



Source: Qld Dept of Natural resources and mines

Summary of PCI coal export projects (QLD)

Mine	Location	Type	Tonnes (p.a.)	PCI % (approx.)	Status
Baralaba Expansion – Cockatoo Coal	Bowen Basin	O/C	3.5mtpa.	100% PCI	On track
Belvedere - Vale	Bowen Basin	U/G	11.5mtpa	10% PCI approx.	Appears unlikely to proceed in the short or medium term
Cordrilla – Peabody	Bowen Basin	O/C	2.7mtpa	100% PCI	Indefinite hold
Foxleigh Plains – Anglo	Bowen Basin	O/C	Increase 3.2mt	100% PCI	EIS underway, timing unsure
Lake Vermont Mine Expansion – Jellinbah Group	Bowen Basin	O/C	Increase 6-8mt	40% PCI	Progressively production ramp-up between 2013-2019
Mackenzie North – Jellinbah Group	Bowen Basin	O/C	2mt	100% PCI	Uncertain
Middlemount Mine expansion	Bowen Basin	O/C	4mtpa	90% PCI	Underway, production ramp up 2012-2014
Olive Downs – Peabody	Bowen Basin	O/C	2mt	30% PCI from north and south.	Indefinite hold
Teresa – Linc	Bowen Basin	U/G	8mtpa	75% PCI	Infrastructure Constraints

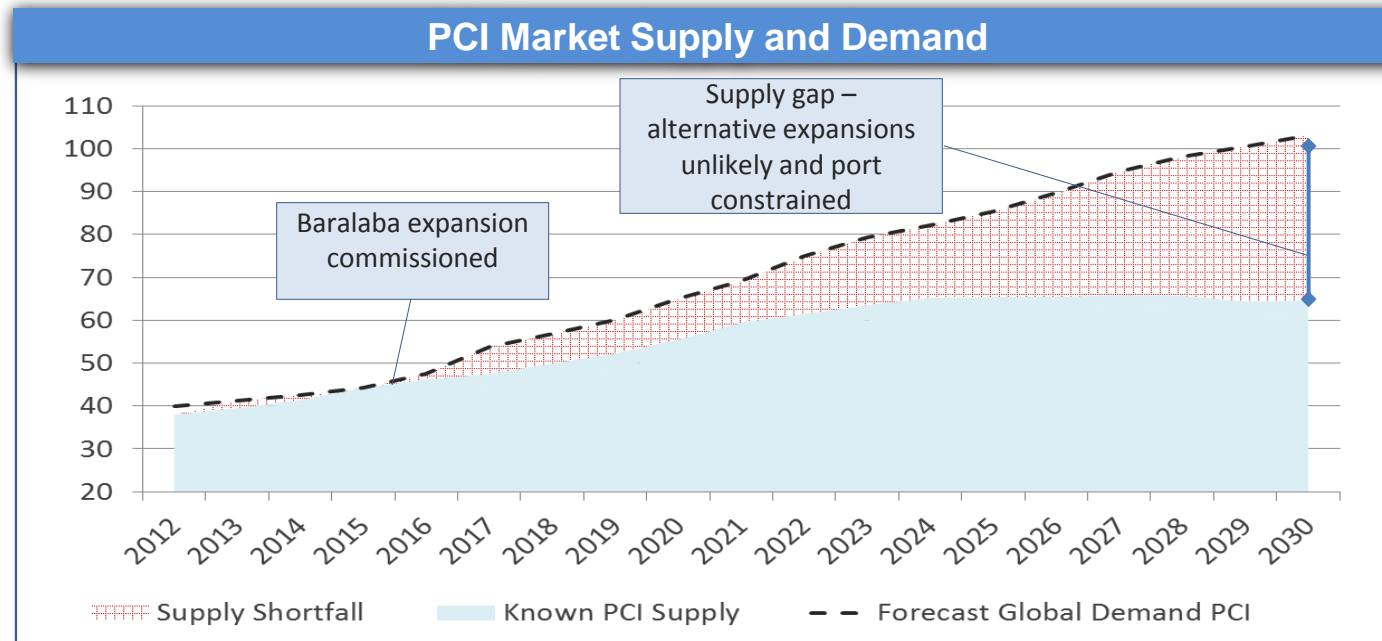
Source: Qld Dept of Natural resources and mines

Status and PCI %: Cockatoo Coal estimates

- Limited sub 14% VM PCI projects on the horizon. Established operations with premium quality will continue to see increasing demand.

Production Outlook : Supply and Demand

The Baralaba expansion will come on line at the time that a shortfall in PCI supply appears



Future coal mine openings/expansions to meet demand from 2020 look increasingly problematic:

- ▶ Predictions are that the majority of future PCI coal supply will have to come from Australia (accounting for approx 80% of export supply by 2030).
- ▶ Baralaba is the only large scale ULV PCI expansion in WICET Stage 1, and further WICET Port stages may be post 2020. Other port projects in Queensland are questionable, and PCI coals from Newcastle are of much lower quality.
- ▶ Further, increasing activism from environmental groups, farmers' lobbies, UNESCO and other interest groups are curbing the ability to develop new coal mines and ports in the future. It is Cockatoo's view that obtaining regulatory approvals for new mine and port developments will become increasingly difficult over the coming years.

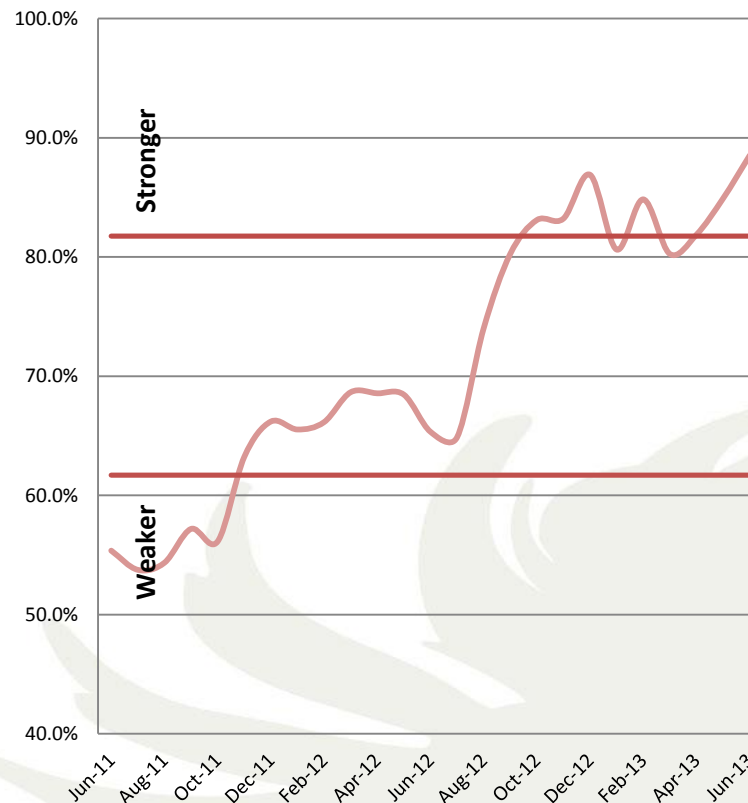
Price Differentials : Relativities

PCI coal prices, relative to Coking coal, have and will continue to perform well



- ▶ PCI use globally is increasing as steel mills continuing to offset the cost of coke with injection coal.
- ▶ PCI / coke replacement ratios in blast furnaces are currently around 0.8 – 1.0 tonnes of PCI coal to 1 tonne of coke (quality depending). Research suggests that replacement ratios will reach levels of 1.1 given likely technological advancement and increased efficiency.
- ▶ Continued growth in PCI demand from Asia has seen PCI benchmark prices trading at relativities above 80% of the prime hard coking coal benchmarks (both monthly and quarterly). This is well above late 2011 and early 2012 differentials of sub 70% (please see chart).
- ▶ Additionally, the pricing relativity of ULV PCI coals as against med/high VM PCI coals as blast furnaces increase use of the better quality ULV as they try to minimise the use of coke in larger blast furnaces. With limited sub 14% VM PCI projects on the horizon, pricing outcomes will likely improve against the backdrop of increasing demand.
- ▶ Competition from alternative sources is also limited, with Queensland PCI having geographical, logistical and geological advantages as compared to alternative PCI sources (Canada, Russia and the USA).

PCI price relative to HCC benchmark



Source: Cockatoo Coal

Further Information



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The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr Oliver Holm, geologist, who is a Member of the Australasian Institute of Mining and Metallurgy. Oliver Holm is a full-time employee of the Company who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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 Resources and Ore Reserves'. Oliver Holm has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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APPENDIX: JORC Resource Estimates

Global Resource Inventory



Project	Cockatoo Equity (%)	JV Partner	Coal Type	JORC Resource				Cockatoo Equity Resources
				Measured	Indicated	Inferred	Total	
				(Mt)	(Mt)	(Mt)	(Mt)	
Baralaba Projects								
Baralaba Mine	62.5% ¹	JFE Shoji	PCI / Th	12.8	10.6	12	36	22
Expansion	80%	JFE Shoji	PCI / Th	52.4	38.4	155	246	197
Lochinvar	80%	JFE Shoji	PCI / Th	-	4.0	60	64	51
B'BA Total				65.2	53.0	227	346	270
Surat Projects								
Woori	51%	Mitsui	Thermal	84.3	-	-	84	43
Taroom	51%	Mitsui	Thermal	158.1	149.3	126	433	221
Collingwood	51%	Mitsui	Thermal	79.7	80.3	69	229	117
Tin Hut	100%	--	Thermal	-	206.6	137	344	344
Other Surat ²	100%	--	Thermal	35.5	224.2	411	670	670
Surat Total				357.6	660.4	743	1,761	1,395
TOTAL				422.8	694	844	2,106.2	1,665

1- Baralaba earnings are 100%

2- 'Other Surat' includes Bottle Tree, Krugers, Davies Road, Kingaroy and Bushranger

APPENDIX: JORC Reserve Estimate

Global Reserve Inventory



Project	Cockatoo Equity (%)	JV Partner	Tenement	JORC Reserve						Quality
				Reserves			Marketable Reserves			
				Proved	Probable	Total	Proved	Probable	Total	
				(Mt)	(Mt)	(Mt)	(Mt)	(Mt)	(Mt)	
Bowen Basin Projects										
Baralaba Mine	62.5%	JFE Shoji	ML 5605, 80157	1.0	0.3	1.3	0.8	0.2	1.0	10.0
Baralaba Mine	62.5%	JFE Shoji	MDL 184	3.3	0.5	3.7	3.1	0.3	3.4	10.4
Baralaba North	80%	JFE Shoji	MDL 416	15.7	15.6	31.3	14.6	14.0	28.6	10.0
Baralaba South	80%	JFE Shoji	MDL 352, EPC 1047	-	45.0	45.0	-	37.0	37.0	10.0
Bowen Total				20.0	61.4	81.3	18.5	51.5	70.0	
Surat Projects										
Woori	51%	Mitsui	Opencut /Thermal	67.8	-	67.8	40.6	-	40.6	9.4
Taroom	51%	Mitsui	Opencut /Thermal	124.0	78.5	202.5	99.9	61.7	161.7	13.1
Collingwood	51%	Mitsui	Opencut /Thermal	69.4	55.8	125.2	54.4	44.1	98.5	11.1
Surat Total				261.2	134.3	395.5	194.9	105.8	300.8	
TOTAL				281.2	195.7	476.8	213.4	157.3	370.8	