



Developing North American Coal & Infrastructure

Coal Markets Conference, 24 - 27 February 2014

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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.

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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.



The Markets are there for Coal



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.

Coal production to grow (US Energy Information Administration)

World coal production parallels demand, increasing from 8.0 billion tons in 2010 to 11.5 billion tons in 2040.

Coal extends dominance in German power mix as gas wanes (IEA)

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 firming gas prices are the key reason for this trend.

Coal to surpass gas in Southeast Asia (IEA)

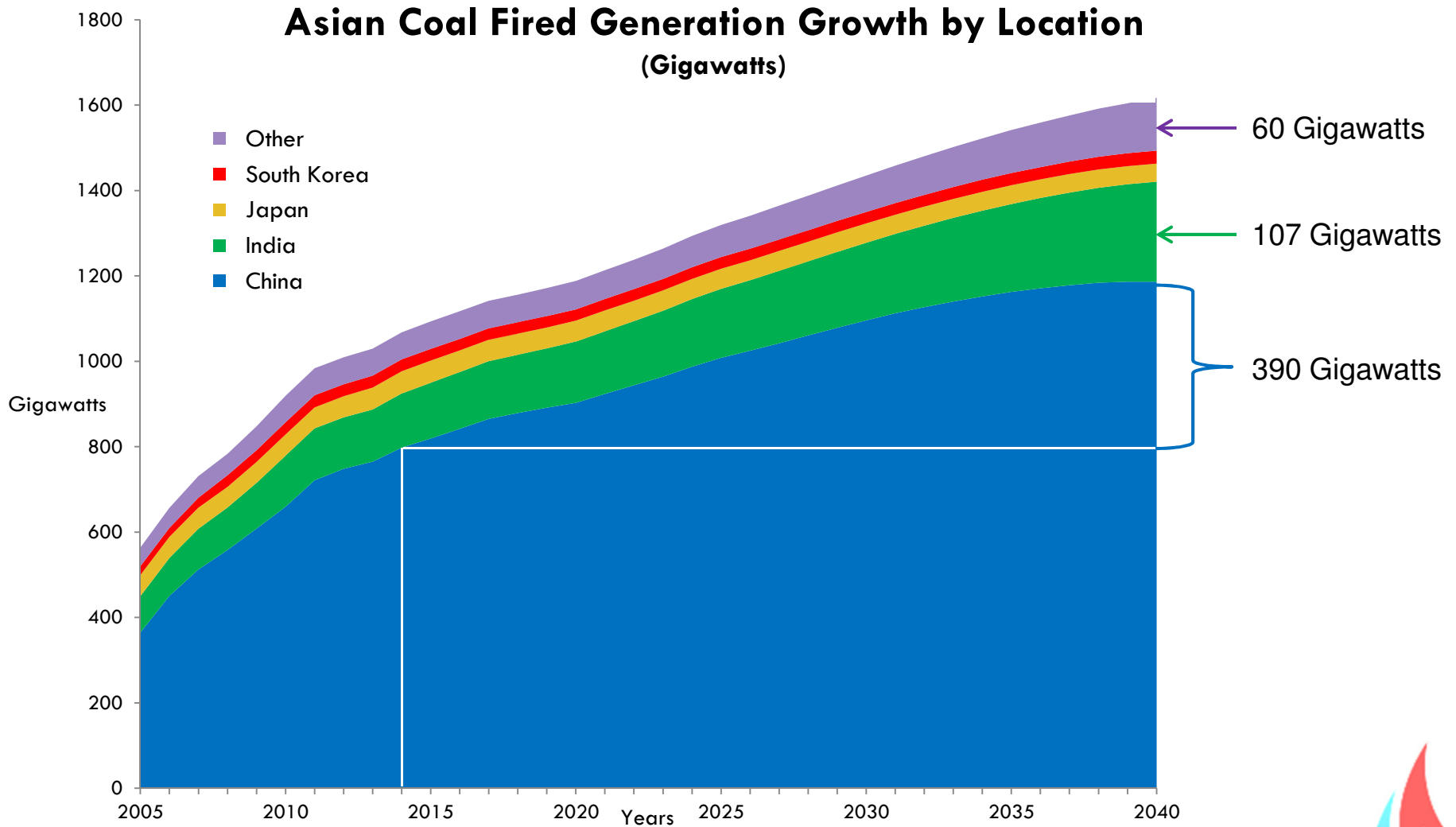
Coal is set to replace natural gas as the main source for electricity production in a booming Southeast Asia poised to increase energy consumption 50% in the next 20 years, according to International Energy Agency statistics.

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. Gas among the 10 member states will drop to 28% from 44%.



Coal Fired Generation is not going away

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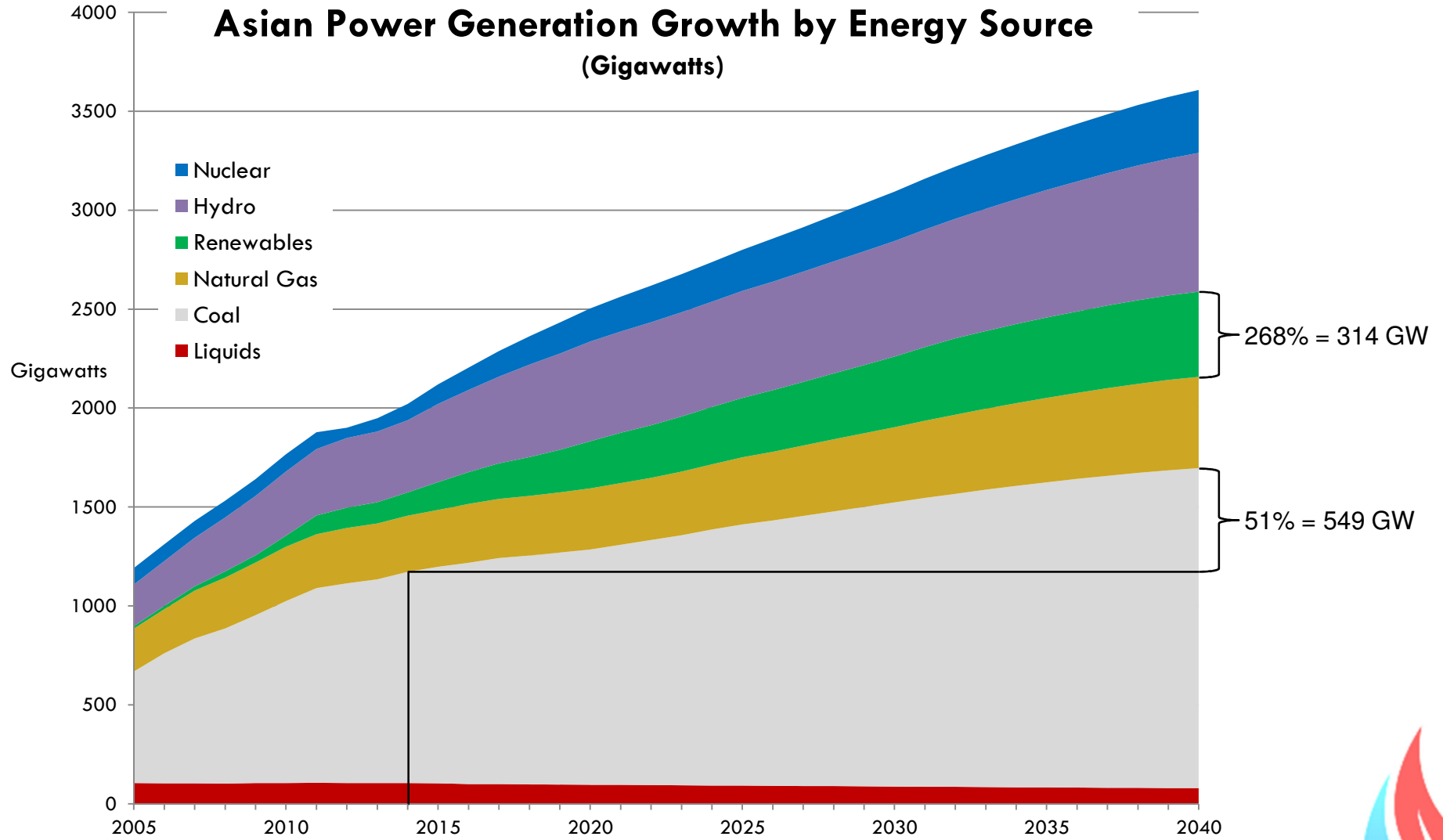


Data sourced from U.S. Energy Information Administration (IEA) website



Slower growth for Coal but large volume

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Data sourced from U.S. Energy Information Administration (IEA) website



Coal buyers purchase decisions are founded on:

Total Projected Cost per Unit of Energy

Including the tangible, easily identified cost contributors:

- The coal quality (ash, moisture, impurities, energy etc)
- The quoted per tonne FOB price
- The port loading cost
- The shipping cost
- The destination port unloading and storage costs

PLUS

The unseen, hard to identify risk-based cost contributors:

- Supplier non-performance
- Government regulation
- Weather
- Potential for negative activism - Union, Environmentalist etc.



The Business Proposition

NO

- Up to 4 times the land travel distance compared to Australia
- Limited export coal loading capacity on the west coast
- Generally at the lower end of the energy spectrum

Can North American thermal coal compete in the Asian power generation market?

- Lower development and production costs
- Good environmental qualities – low ash, low sulphur
- Efficient rail system mine to port
- Low sovereign risk
- Highly supportive mining environment
- Massive shovel-ready reserves
- Diversification opportunity

YES



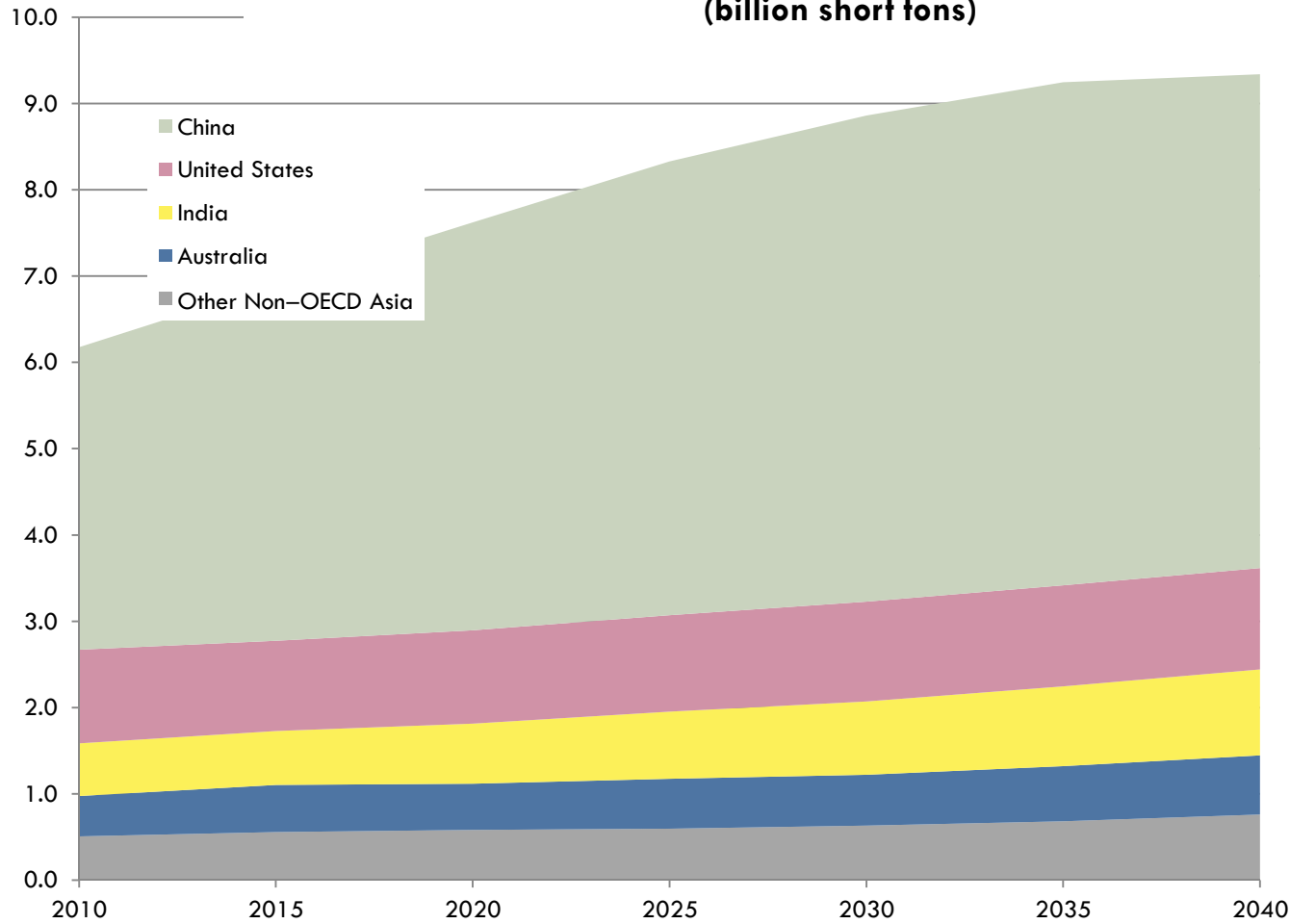
Yes outweighs NO

... but its a high volume – low margin proposition

US will remain a major Coal producer



Asian Thermal Coal Output Growth by Location (billion short tons)



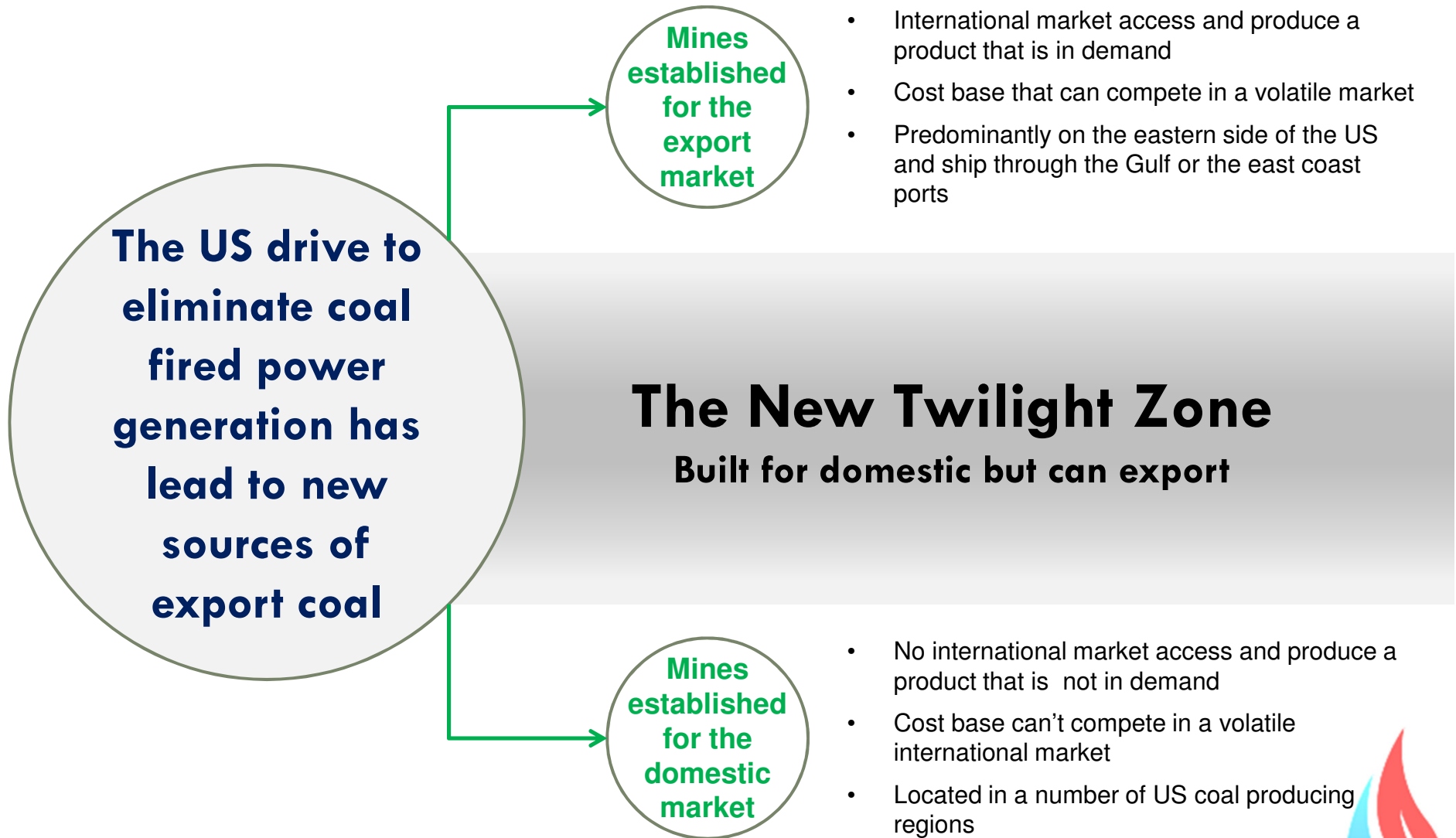
There is no forecast decline in US coal output in spite of a major move to natural gas power generation predicating a reduced reliance on domestic coal fired power generation

Data sourced from U.S. Energy Information Administration (IEA) website



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The US has coal to export



Longer transport distances to overcome



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- 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
- Existing mines have excess coal resulting from US conversion to natural gas fired power generation
- Many of the mines with excess capacity are located within economic travel distance of the North American west coast.

The efficient rail system coupled with the high volume strategy does that



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New Ship loading capacity is key



Proposed New Terminals

Project Name	Location	Proponent	Capacity mtpa	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 mtpa		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



Coal is a Growing Energy Source



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



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New Infrastructure is the Key



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We have the coal

- 700+ million tonnes of JORC measured reserves much of which is mineable by open cut methods
- Area under option not yet fully drilled but is considered highly prospective for additional reserves with additional drilling
- Significant opportunity for third party coal from domestic mines turning to export

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.
- County Coal 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



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County Coal Contacts

Rod Ruston

Chief Executive Officer

County Coal Limited

Tel: +61 2 9251 3007

E: info@countycoal.com

Craig Tomsett

Manager North American Business

County Coal Limited

E: info@countycoal.com

Office Address

Level 2, 27 Macquarie Place,

Sydney, NSW 2000

Australia

Tel: +61 2 9251 3007

E: info@countycoal.com



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