Disclaimer:

This presentation is prepared in accordance with Australian market practice.

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Who Are We?
Who Are We?

- Established in 1989, listing on ASX in 1994
- Operator of 12 mines, largely underground – all in NSW
- Australia’s largest independent coal producer
- JORC (Note) Compliant Resources & Reserves (100% basis) at 30 Jun 07 of:
  - Total Resource - 2.4 billion tonnes
  - Marketable Reserve - 0.4 billion tonnes
- Major supplier to the NSW Electricity Industry, supplying 46% of its coal needs
- Growing export exposure as rebalancing of sales mix gathers pace over the next few years – targeting 50:50
- Exports through Port Kembla and Newcastle
- Customers include power stations in Japan, Korea, Taiwan and Europe and steel mills in Japan
- Market Capitalisation of A$1.7bn + and ranked around 120 in the S&P / ASX 200

Note: Reference to JORC Statement is per 2007 Annual Report, page 18
March 2008 Quarterly Update
Another Strong Quarter
March 2008 - Another Strong Quarter

March 2008 Quarter (compared to December 2007 Quarter):

- Equity ROM production: 4.1 million tonnes, ↑ 25%
- Equity Saleable production: 3.6 million tonnes, ↑ 17%
- Equity Sales: 3.3 million tonnes, ↓ 11%

March 2008 YTD (compared on a like-for-like basis with pcp):

- Equity ROM production: 12.5 million tonnes, ↑ 3%
- Equity Saleable production: 11.3 million tonnes, ↑ 3%
- Equity Sales: 11.3 million tonnes, ↑ 4%
March 2008 - Mine Highlights

- Angus Place – on track for a record year
- Springvale – move to 24/7 operating basis confirmed
- Clarence’s low sulphur coal in strong demand, commanding premium prices
- Newstan – record quarter and considering further short-term export opportunities
- Mandalong – on track for 4.7million tonnes and a record year
- Awaba – mine life extended by a further year, with production to be directed to export markets
Key Financials – Jul to Dec ‘07

- PBT – Continuing operations: A$ 22.7m (pcp -$22.1m)
- Significant items: A$ 322.4m
- Profit/(loss) after tax and minority interests: A$ 239.5m
- Capital return - $1.88 per share paid: 29 January 2008
- 4 cent fully franked Interim Dividend (ex-date): 25 June 2008
- Debt reduced and refinanced – 4 year facility

* Sale of Anvil Hill & Austral Coal
Debt Refinanced

US Private Placement repaid/Bank facilities restructured

- **Transaction Size**: A$460 million
- **Structure**: $175 million Term loan, $150 million Revolving credit facility, $135 million Guarantee and LC facility
- **Maturity**: 18 December 2011 (4 years)
- **Participants**: 3 Australian and 4 Overseas banks
- **Structure**: Unsecured senior debt with negative pledge
Gearing

![Gearing Chart]

Net debt, Net debt/equity (%), Net debt/Net debt + equity (%)

A$m

%
Operations Update
Angus Place/Springvale

Angus Place

> Continuing high levels of production being achieved
> Heading for a record year
> New longwall equipment on site, installation at scheduled June LW changeover
> Angus Place East - Exploration drilling programme

Springvale

> Completed 1st LW move for 18 months during the half
> Optimisation plan underway to increase export tonnes
> Sustainable 24/7 operation implemented
> Lamberts Gully opencut life extended
Angus Place – New Equipment / Wider Walls from mid-2008
Springvale – Optimise Export Production
Clarence/Charbon

Clarence

> First half of year on development
> Extensive low cost extraction areas now available > 1 year
> Feasibility into new technology to increase productivity completed, with contract negotiations underway

Charbon

> Production in line with expectations
> Examining underground potential for additional production
> Opencut extension underway
Clarence – New Mining Areas
Clarence – FCT Project

Joy Flexible Conveyor Train
Northern Operations
Mandalong

- Record production YTD
- Heading for a record year
- On track to average 5 mtpa, with export expansion plan
- Newstan development equipment and crews transferred
Mandalong – Breaking Records
Newstan – Record Quarter

Possible additional extraction of longwall coal (LW24B & LW25)
Northern Operations

▲ Myuna – Expanding Production
- Fassifern seam performing well
- Wallarah seam underway

▲ Awaba – Export production
- Mine life extended to 2010

▲ Mannering – Record Quarter and Half
- New contract will extend life
Expanding Export Capacity
Centennial intends to capitalise on the current strong export markets by maximising exports from current operations where possible.

- Medium term objective to increase proportion of export and market-priced sales
- Priority of installing export infrastructure at long life longwall mines

Note: Figures are for continuing operations & exclude Tahmoor
Mandalong – Southern Extension

- Allows for extended mine life at an average 5 mtpa production rate
- 102 million tonnes of reserves
Mandalong Coal Transport – Haul Road

- Consent approved
- Completing detail designs
- Allows export via Newstan washery and rail loop
- New rail loop option under investigation
Mandalong Export – Rail Option
Awaba East Project

- Potential major new longwall mine
- Large resources of thermal and semi-soft coking coal
- Concept complete, pre-feasibility underway
- Existing exploration data internally reviewed and geological model updated
- Exploration drilling programme commenced to further refine the reserve area
- Mining options being considered

**Indicative timeline**

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For personal use only
Awaba East Area – Mine Layout
Western Region Export Capacity

- Upgrade of Lidsdale Siding export facility to take Springvale exports to 2mtpa and beyond (to support Springvale expansion) and with capacity to export 3mt per annum from Lithgow-based operations
- Charbon extended mine life - concept report completed - commencing pre-feasibility stage
- Neubeck open-cut project feasibility study
- Airly underground mine being developed
Airly Mine

- Approved mining lease
- Updated feasibility and coal transport options study in progress
- Potential +1.5 mtpa mine
- Export thermal coal via PKCT
Airly Mine Layout
Looking Ahead
## FY08/FY09 – Strong Earnings Outlook, Low Risk

| ✓ | Production | - 🔄 ~ 50% in export volume, with FY09 exports representing ~ 30% of total equity sales  
- 🔄 Short term production growth not reliant on “blue sky” projects (avoids development and start-up risk)  
- No weather disruptions – all the operations are in NSW |
| ✓ | Export Prices | - Export prices for JFY09 currently being finalised  
- High degree of confidence of significant uplift in prices |
| ✓ | Port | - The majority of exports are through Port Kembla (rather than Port of Newcastle)  
- No port congestion  
- No demurrage |
| ✓ | Rail | - Rail contracts are in place for the required capacity  
- Less rail congestion on rail track to Port Kembla |
As Centennial’s domestic contracts expire over time, additional coal will be available for exports.

In addition, new internal projects provide further growth in exports.
Marketing flexibility: By 2012/13, CEY production can be evenly split between domestic and export
Outlook

> Centennial remains Australia’s largest independent coal producer

> Conservative gearing of less than 30%, with comfortable interest/debt service cover ratios

> Focus on existing portfolio of strongly performing assets

> Organic growth from expansions at Springvale / Angus Place and Mandalong

> Well advanced “brownfield” projects at Airly / Neubecks / Awaba East

> Significant resource and reserve base

> Increasing production and exports with record prices
Centennial Coal