



Creating a Significant Indonesian Coal Producer

UK Roadshow - Investor Presentation
December 2012

Barry Tudor
CEO & Managing Director

Important Notice

Statements contained in this material, particularly those regarding possible or assumed future performance, costs, prices, resources, reserves or potential growth of Exalt Resources Ltd ("Exalt") or, industry growth or other trend projections and any estimated company earnings are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors and risks, many of which are outside the control of Exalt and its directors.

Competent Person's Statement:

The following statements apply in respect of the information in this announcement that relates to mineral resources, exploration results and exploration targets. The information is based on, and accurately reflects information compiled by Attila Kovago, who is a Member of the Australasian Institute of Mining and Metallurgy. Attila Kovago is employed at Exalt's Exploration Director and is a Geologist who has sufficient experience which is relevant to the style of coal mineralisation and type of deposit under discussion 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". Attila Kovago consents to the inclusion in the report of the material, based on his information, in the form and context in which it appears.

JORC- Exploration Target

All estimated coal quantities are based on Exploration Results and represent exploration targets. They are not classified as either Coal Resources or Coal Reserves. Potential coal quantities are conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of Mineral Resources.

The potential quantity and grade is conceptual nature, there has been insufficient work completed to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

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EXALT.

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CREATING A SIGNIFICANT INDONESIAN COAL PRODUCER

Highlights

HIGHLIGHTS

Exalt Resources – Opportunity in Indonesian Coal

Exalt has secured access to exploration concessions on known coal formations, close to existing or potential transportation routes & the world's largest coal markets.

What is the Opportunity?

- Substantial value creation through a focus on dual objectives of resource delineation on current Kalimantan Projects and securing near term production from pipeline projects under investigation

Why Indonesia? Why Exalt?

- The world's largest exporter of thermal coal
- Ideal geographic position to serve the growing Asian demand for coal
- Indonesia offers a great value opportunity for coal sector investors
- Board and management with proven expertise
- Exalt is well positioned to capitalise on growth in power generation coal requirements

How will Exalt deliver it?

- Focused exploration program with objective of achieving a JORC coal resource
- Application of Australian development expertise
- Leverage of strong local partners and connections to expedite project development, with the objective of generating early cash flows if the projects are prospective and economic

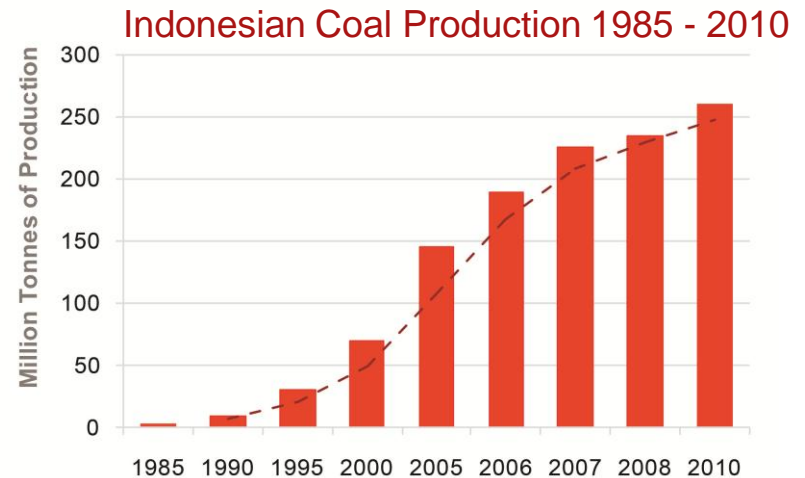
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HIGHLIGHTS

Exalt Resources – Focus on Indonesia

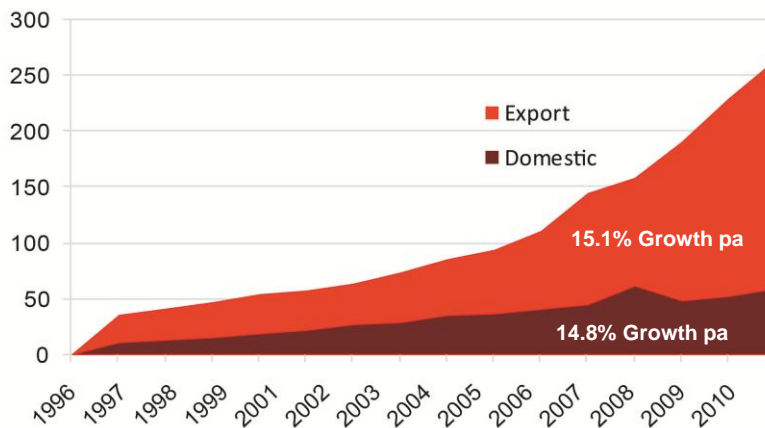
Indonesia – the world’s biggest exporter of thermal coal

- Indonesia’s estimated coal resources exceed 104.7 billion tonnes with reserves of over 20.2 billion tonnes.
- 89% of these coal reserves are located in Sumatra, South and East Kalimantan - areas of focus for the Company.
- Indonesia is the world's fifth largest coal producer, second largest coal exporter and the world's largest thermal coal exporter.



Source: BPS Statistics

Indonesia Coal Domestic & Export Sales



Source: BPS Statistics

- Increasing export volume has resulted in investment in road, barge and port infrastructure in Indonesia
- Competing export countries all facing serious challenges in growing coal exports
 - Resource & carbon tax
 - Labour laws & export quotas
 - Infrastructure bottlenecks
- Legislation is being progressively introduced to attract foreign investment

HIGHLIGHTS

Clear Path to Value Creation – Exploration & Production

Exalt provides an opportunity to invest in Indonesian coal exploration and production assets with potential upside, manageable risks, a world class management team and potential to create considerable value

Joint focus on exploration (greenfield concessions) and production assets (existing or near term)

Exploration & Development	<ul style="list-style-type: none">• Explore existing concessions to unlock value• Delineate JORC Resource/Reserve to trigger stock re-rate• Use Australian experience and expertise together with strong local partners to progress projects through development phase
Near term Production	<ul style="list-style-type: none">• Objective is to generate near term cash flow• Progress a pipeline of good quality assets capable of staged expansion• Near term production capability (e.g. mining IUP)• Minimal infrastructure and logistical hurdles• High quality coal• Local partners• Take advantage of growth in Asian demand

STRATEGY – FOCUS ON REAL, NEAR TERM OPERATING ASSETS

Real – not theoretical, near term results

- Indonesia is one of the few locations where real, cash generating and solid margin production can be achieved in the short term from greenfield assets.
- This is largely the result of:
 - Uncomplicated, basic mining techniques (truck and shovel)
 - Simple, but effective transportation solutions (river barging /floating cranes)
- In comparison to Australia, production from Indonesian greenfield assets can be secured:
 - At significantly reduced time-frames (< 2 years from initial exploration to production compared with 5+ yrs Australia)
 - At less than half the production cost
 - A fraction of the capital cost
 - With, in practical terms, no increase in sovereign risk.

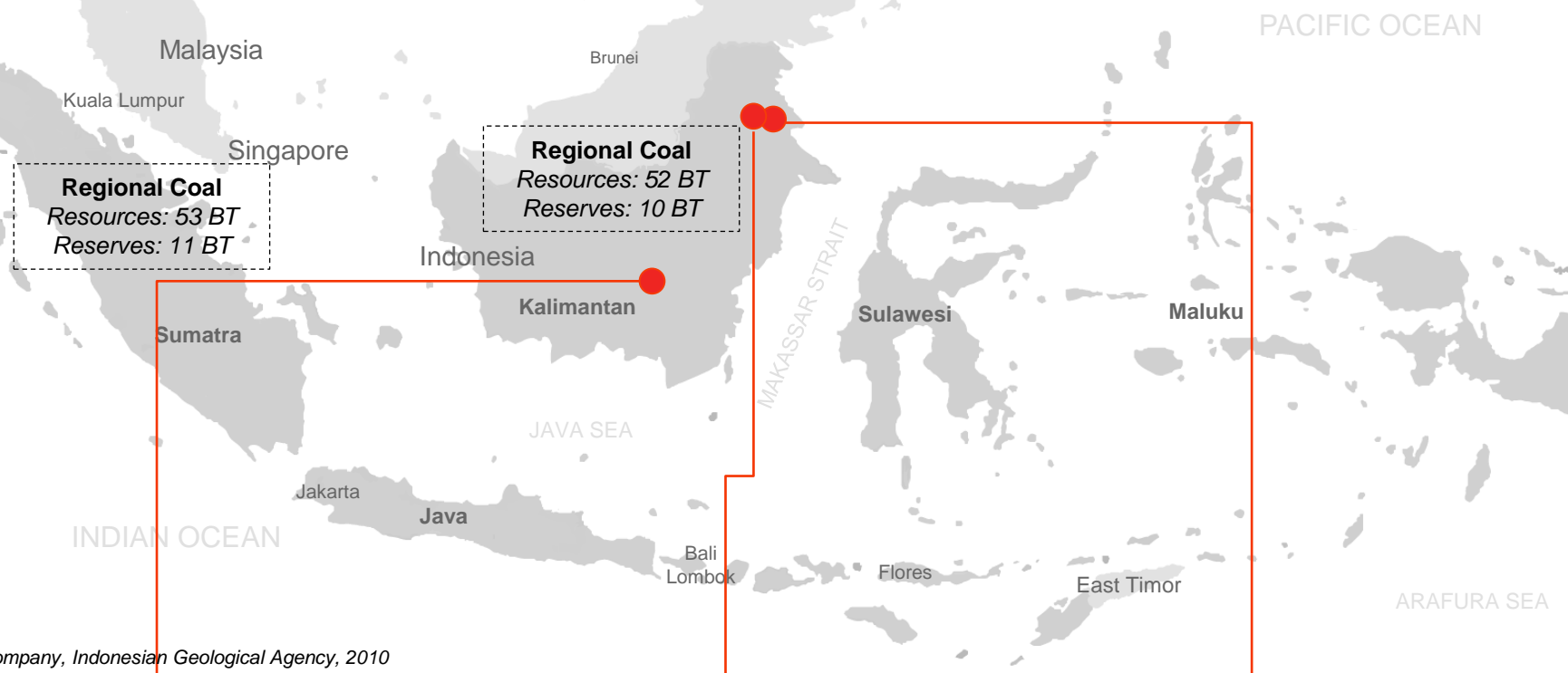
To successfully unlock the near term potential Exalt has selected assets with the following attributes:

- Close to existing transportation infrastructure
- Good coal quality
- Mining complexity acceptable
- CNC - (Clean and Clear IUP by the Indonesian Government)
- No obstacles to exploration and production permits
- Strong local partner

HIGHLIGHTS

Exalt Exploration Opportunities at a Glance

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Source: Company, Indonesian Geological Agency, 2010

KARIN

- Concession covering ~ 2,586ha
- Prime location - short hauling distance from the Barito River, easy access for 8,000t barges and surrounded by numerous coal concessions covered by the Warukin Formation.
- 50% of area over Warukin Formation known for thick sub-bituminous coal seams
- Near transportation routes
- 100% ownership*

BIG

- 5,000ha East Kalimantan
- 40km from jetty
- 100% of concession overlies Sembakung formation
- Initial geological investigation has identified 10 coal horizons
- Exploration target 20Mt-30Mt
- 100% ownership*

MMBP

- 5,312 ha East Kalimantan
- Sembakung formation
- Near potential transportation routes
- 100% ownership*

* Rights to acquire ownership under SPAs

HIGHLIGHTS

Successful Capital Raising Provides Solid Financial Base

- Exalt is completely debt-free and has over \$5 million funding available to execute its exploration strategy on the Kalimantan based Projects and investigation of other near term production opportunities.
- New shareholders comprise a mix of Australian and international investors who understand that that Indonesia represents a strong value and growth opportunity for new investment in expanding coal sector

EXALT RESOURCES CAPITAL STRUCTURE	SHARES	%	OPTIONS	PERFORMANCE SHARES ⁽⁴⁾
Existing prior to Capital Raising ⁽¹⁾	28,875,003	41	16,008,568	Nil
Issued to Odni Vendors ⁽²⁾	16,666,667	24	30,000,000	66,000,000
Issued to MD (options) and new investors (shares) under the Capital Raising ⁽³⁾	25,000,000	35	3,000,000	18,000,000
Total following completion of the Odni Transaction and Capital Raising	70,541,670	100%	49,008,568	84,000,000

1. 5,998,339 shares escrowed until 26/5/13. Option exercise price \$0.20, expiry 31/12/15; 8,032,781 escrowed until 26th May 2013.

2. Escrowed until 24/11/13. Will be increased to 25 million shares to Odni Vendors on BIG inclusion on CNC list. Options: 10 million - exercise price \$0.20, expiry 21/11/14 & 20 million - exercise price \$0.50 expiry 21/11/15.

3. MD & CEO, issued 600,000 exercise price \$0.20 expiry 21/11/16 and 2.4 million exercise price \$0.50 expiry 21/11/16.

4. Performance Shares: One third upon 500KT coal production (within 2yrs) ; one third upon JORC reserve of 50MT (within 3 years) ; one third upon JORC Resource of 400MT (within 3 yrs)

HIGHLIGHTS

Company Strategy

Vision

To become a significant Indonesian coal developer with a pipeline of compelling exploration, development and producing projects in existing and emerging strategic locations throughout Indonesia.

Mission

Exploration will focus on the development of JORC reserves and resources and development of projects and infrastructure to enable a quick ramp-up to production

Strategy

Focus on assets which have good coal quality/scale, close to existing or potential transport routes, and with the prospects for a large economic resource.

Become
a significant
Indonesian
coal producer

Grow shareholder value through:

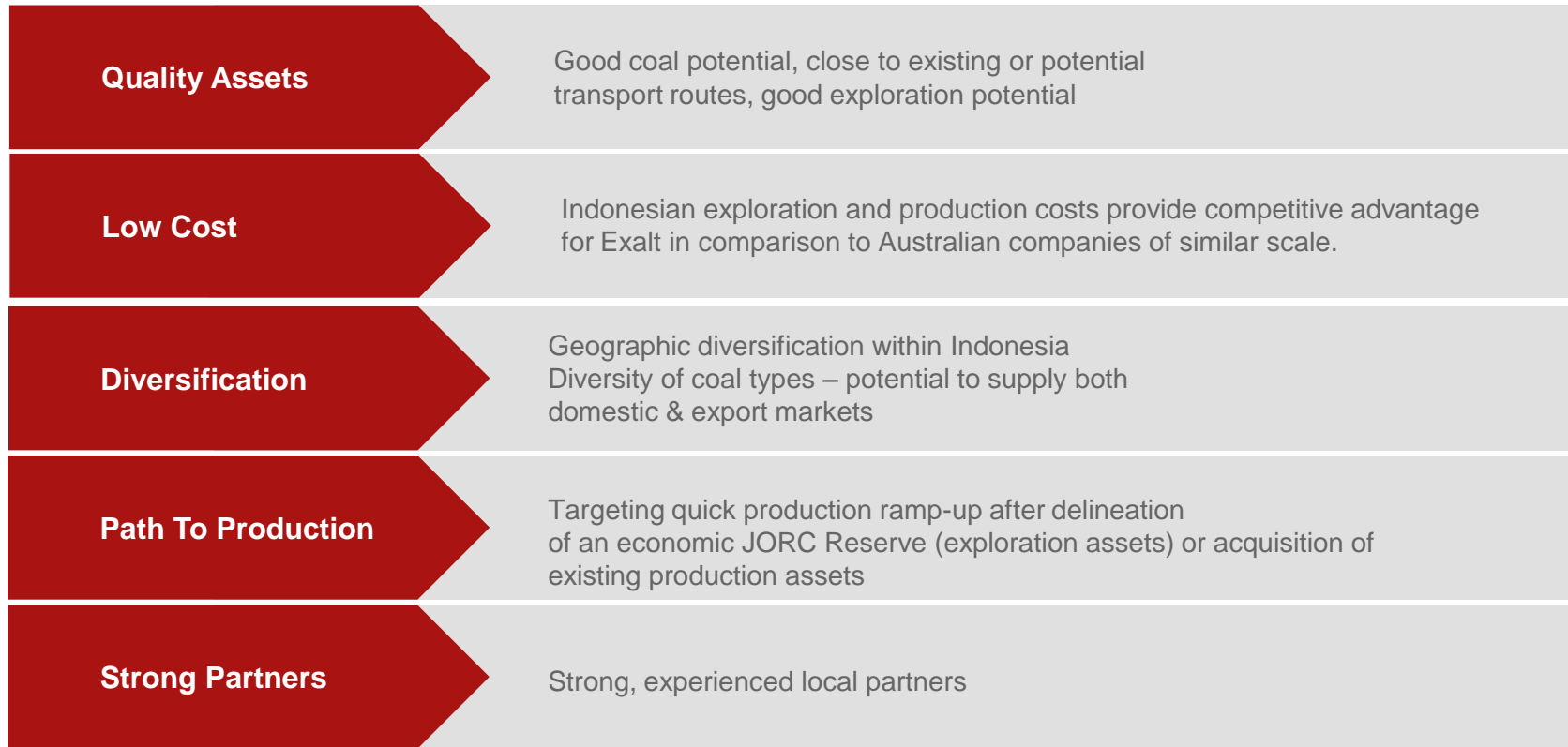
- Expedited exploration
- Delineation of JORC Resources & Reserves
- Development of projects to production
- Acquisition of near term production assets

Secure interests in a mix of quality assets that are:

- Situated in known coal deposit areas
- Located close to existing or planned infrastructure
- Large concession areas to maximise potential for coal discovery

HIGHLIGHTS

Exalt's Key Components for Success



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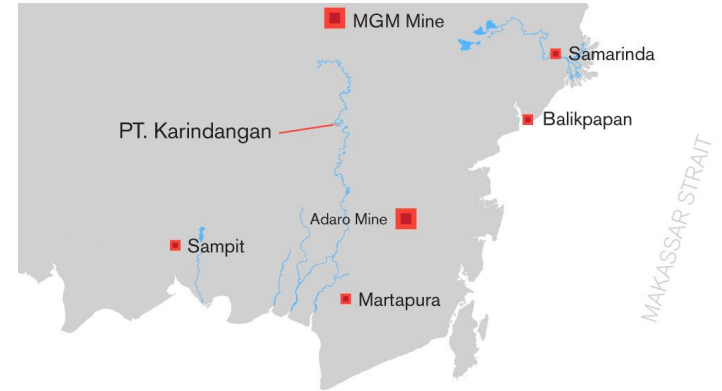
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Indonesian Projects

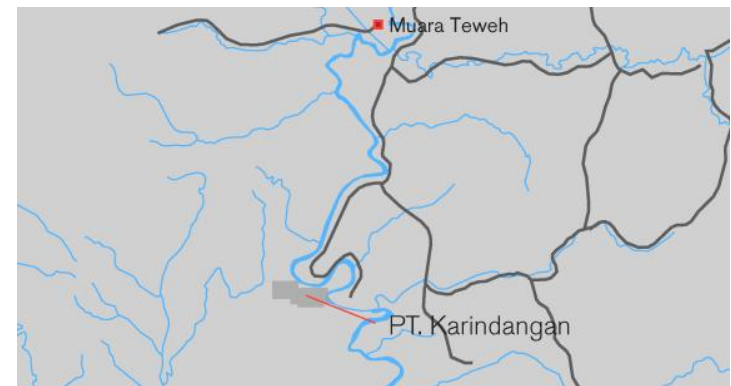
INDONESIAN PROJECTS

Karin: Prime location with export quality coal

- PT Karindangan - a concession of 2,586 ha located in the Barito Utara Regency, approximately 150 kilometres NE of Palangkaraya.
- Karin is in a prime location - short hauling distance from the Barito River, easy access for 8,000t barges and surrounded by numerous coal concessions covered by the Warukin Formation.
- The Barito Utara Regency Region is producing approximately 30 Mtpa coal - Karindangan is part of this coal-belt and has a great potential of developing into a significant operation.
- 50% of the concession overlies the coal bearing Warukin Formation, a very prominent coal bearing formation known to contain thick, sub-bituminous coal seams.
- The furthest point of the lease is approximately 10 km from the Barito River, currently used as a coal transportation route.
- The Warukin Formation is home of many neighbouring coal concessions, coal mines and developing coal mines. The nearest coal development is in the feasibility stage (PT Suprabari Mapanindo Mineral - 24,000 ha) is approximately 20 km NW from the Karin.
- The nearest operating coal mine is PT Telen Orbit Prima (PT TOP - 4,900 ha) is approximately 45 km NW from Karin, also mining Warukin Formation coal.



Karin Concession

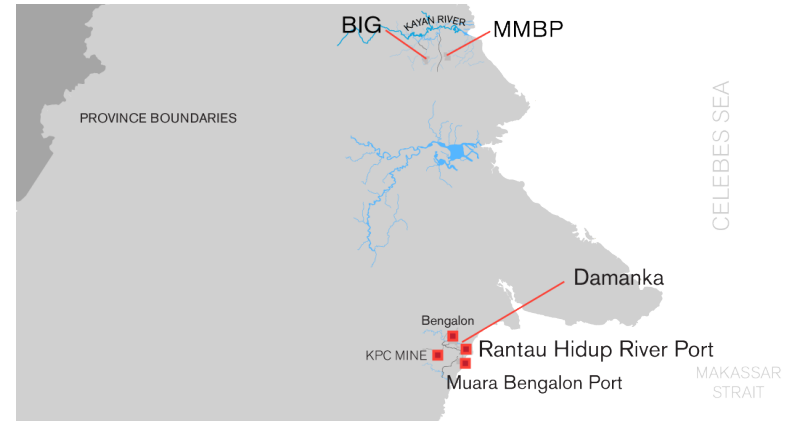


Karin Concession

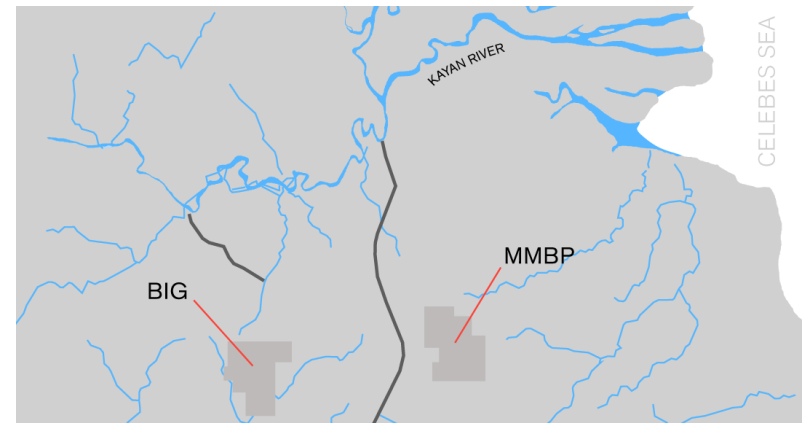
INDONESIAN PROJECTS

BIG: high grade coal close to established infrastructure

- Single concession of 4,969 hectares in the Antutan region of the Bulungan Regency in East Kalimantan
- Approximately 40 kilometres from the nearest river jetty point.
- Good coal prospectivity
- 100% of the concession area overlies the Sembakung Formation
- Initial geological investigation has identified 10 coal horizons within the Sembakung Formation (multiple, thin seams with moderate to steep dips)
- JORC Exploration Target 20 to 30 million tonnes*
- Two phase preliminary mapping exercise over the northern and eastern parts complete
- Further mapping activity is planned over the western and southern parts of the concession area
- Exploration drilling to commence post capital raising



BIG Concessions

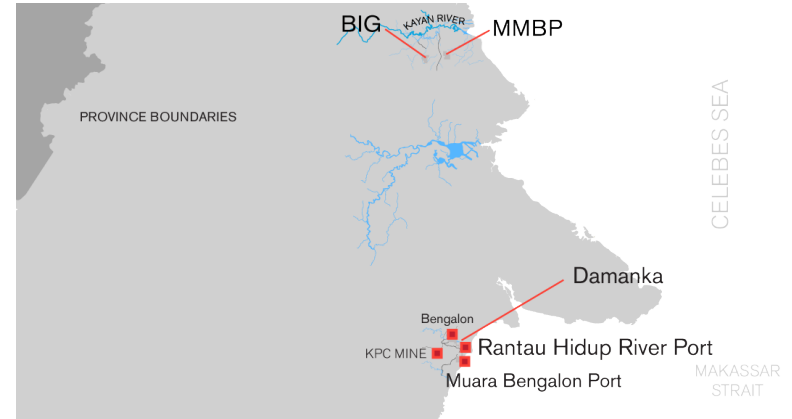


BIG Concessions

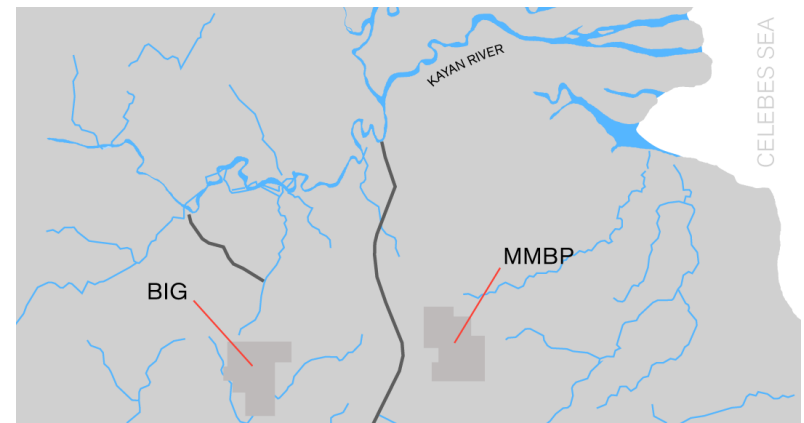
INDONESIAN PROJECTS

MMBP: high grade coal potential and synergies with BIG

- Single concession of 5,312 hectares in the Antutan, Central Tanjung Palas sub districts, Bulungan Regency, approximately 350 kilometres north of Samarinda
- Approximately 25 kilometres from BIG, paving the way for synergies
- Same coal seam as BIG, with approximately 27% of the total concession area overlying the Sembakung Formation
- Reasonable coal prospectively
- A preliminary mapping exercise has commenced including topographical mapping and coal outcrop mapping, sampling and analysis



MMBP Concessions



MMBP Concessions

INDONESIAN PROJECTS

Initial Exploration Projects

Project	Agreement	Proposed Ownership*	Total Concession Area (ha)	Additional Consideration Post Exploration
BIG	SPA	100%	4,969 ha exploration IUP	JORC Reserve > 8MT = US\$1 per tonne Coal Quality: > 5,500 Kcal < 1.3% sulphur
MMBP	SPA	100%	5,312 ha exploration IUP	JORC Reserve > 8MT = US\$1 per tonne Coal Quality: > 5,500 Kcal < 1.3% sulphur
Karin	SPA	100%	2,586 ha exploration IUP	JORC Reserve > 8MT = US\$1 per tonne Coal Quality acceptable to major markets

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INDONESIAN PROJECTS

Exploration & Development

- Exalt intends to advance the projects through exploration (mapping and drilling) with the aim of delineating a JORC compliant Resource and Reserve.
- Exploration stages for most projects are as follows:
 - Review of existing geological/technical reports
 - Initial site visit to identify evidence of outcrops enabling a drilling plan to be developed
 - Mapping, survey etc. of outcrops
 - Sampling and analysis
 - Geological structures identified and interpreted
 - Initial drilling – combination of shallow holes (100m) and stratigraphic holes
 - Detailed HQ drilling following initial drilling program, deeper holes, geophysical logging and core sampling
 - Data validation and evaluation and development of a geological model
 - JORC reporting
- Current expenditure commitments for the three Kalimantan Projects are;

Project	A\$000
Exploration Expenditure – Project MMBP	995
Exploration Expenditure – Project BIG	982
Exploration Expenditure – Project Karin	766
Total Kalimantan Projects	2,743

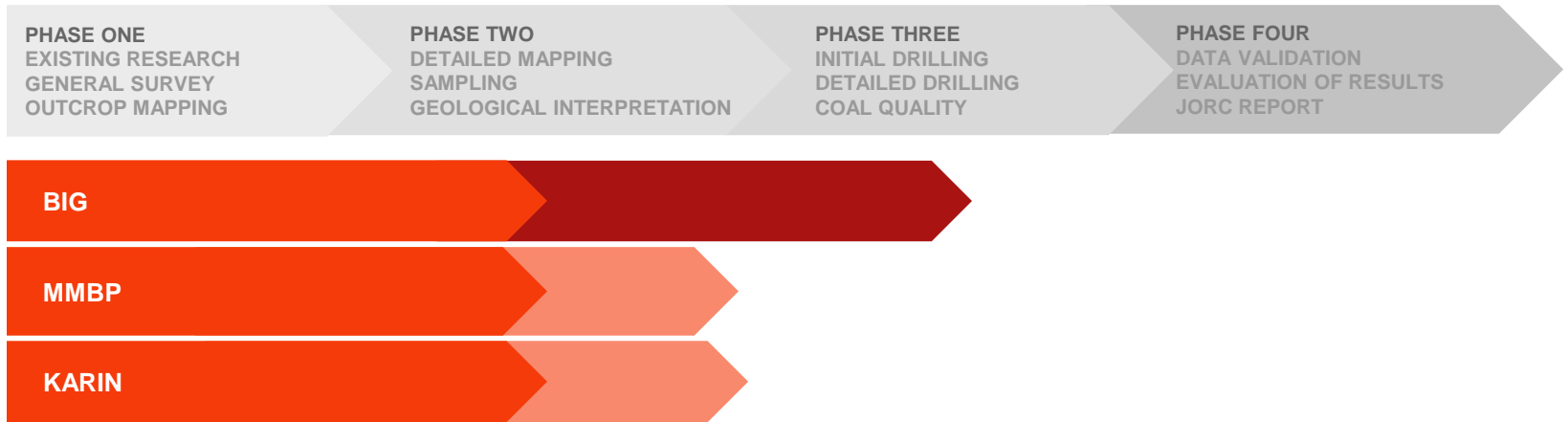
Future Opportunities – Gateway to Production

- Strong pipeline of additional opportunities – with identification of several prospective acquisition opportunities
- Established relationships in place with recognised industry leaders ensuring a solid pipeline of projects
- Actively seeking, near term production, value increasing and synergistic acquisitions.
- Professional approach to project evaluation utilising an experienced management team as well as the services of leading industry advisors
- Focusing where Exalt can add value through its development expertise
- Recent coal price corrections have resulted in less competition for quality assets. Exalt is in a strong position to capitalise on these opportunities
- Solid focus on real, value increasing assets (ie real near term production capability and margin)
- Focus on margin – not volume. Smaller, niche mines can still create enormous value with solid margins
- Adoption of mining techniques that are applicable to the mining concession.
- Start at a realistic production level – prove ability and ramp up.
- Simplify the business – particularly at the early stage by focusing on margin and locking in costs and revenue

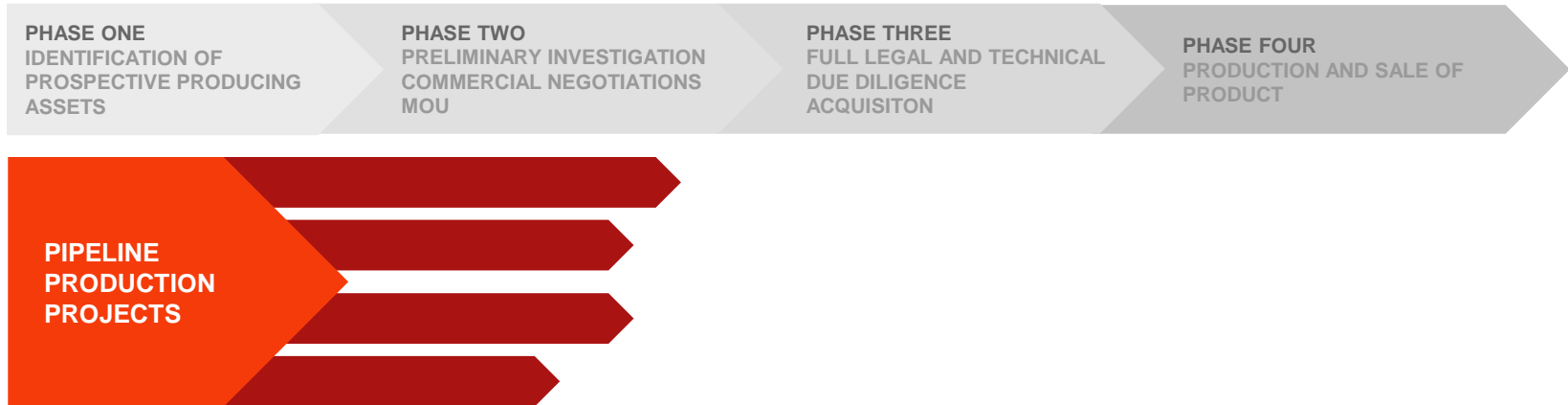
PROJECT EXPLORATION AND DEVELOPMENT

Progress to date

Exploration Projects



Production Projects



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Board & Management

BOARD AND MANAGEMENT

Experienced Board and Senior Management

Bill Moss AM

Non-Executive Chairman

Bill Moss' career in finance and banking spans 35 years, with 22 years spent with the pre-eminent Australian investment bank, Macquarie Group. During this time, he founded, grew and led the Banking and Property Group to a point where it managed in excess of \$23 billion worth of real estate assets across the world.

Mr Moss has been instrumental in leading many of the businesses he managed into new markets such as Europe, the USA and Asia – developing strong relationships and networks with governments and business leaders throughout this time. Mr Moss is a member of the ASIC External Advisory Panel, Chairman of Moss Capital and the FSHD Global Research Foundation.

Mr Moss regularly features in the Australian media, providing comment on the finance and banking sectors, the global economy, and the ongoing need for Australia to do more to advance the interests of the country's disabled and disadvantaged.

In 2006, Bill was awarded one of Australia's highest honours, the Order of Australia (AM), for services to the banking, charity, and finance sectors.

Barry Tudor

Chief Executive Officer &
Managing Director

Mr Tudor was most recently the Managing Director of Noble Resources Australia, responsible for Noble's operations and investments in Australia. He was also Senior Vice President – Strategy for the Energy Coal & Carbon Complex division of the Noble Group.

Prior to this, Mr Tudor was CEO and Managing Director of Gloucester Coal Ltd, an ASX-listed coal producer with operations in NSW and Queensland. During his time as CEO the market value of the company increased more than 300% to more than 1.8 billion dollars and Mr Tudor was named as a "top 100 value creator" in 2007 for his role in the executive leadership of Gloucester Coal.

Mr Tudor has extensive experience in a variety of senior leadership roles in Australian and International coal mining. He has led significant acquisitions, capital raisings and mining expansions, and has demonstrated his ability to formulate strategic vision and advance expansion plans with proven value creation.

Romy Soekarno

Independent
Non-Executive Director

Mr Soekarno is a grandson of first President of Indonesia Soekarno and a nephew of fifth President of Indonesia Megawati Soekarno.

Since the mid-1990s, he has had a successful business career in Indonesia where he continues to be involved with a number of private and public sector interests, including the Nasional Demokrat Cultural Department and the Party Demokrasi Indonesia Perjuangan. He is currently President Director of 1945 Nuswantara Investama.

BOARD AND MANAGEMENT

Experienced Board and Senior Management

Edward Lee

Independent
Non-Executive Director

Before his retirement from diplomatic service, Mr Edward Lee Kwong Foo had a distinguished career with the Foreign Service Branch of the Singapore Administrative Service in various senior positions across the Asia-Pacific, including as Singapore's Ambassador to Indonesia. Since his first posting to Indonesia in 1974, Mr Lee served a total of 18 years in the Singapore Embassy in Jakarta. Among his many honours received, in 2007 he was conferred the highest civilian award by the Indonesian Government, the Bintang Jasa Utama (the Star of Excellent Services) for his contribution towards building stronger and closer relations with Indonesia. Mr Lee currently serves on a number of listed company boards, is the Chief Executive of investment consultancy firm PT Ekalimintas, and a member of the National University of Singapore President's Philanthropic Advisory Council.

Robert Whitton

Independent
Non-Executive Director

Mr Whitton is a Chartered Accountant with in excess of 25 years of corporate re-organisation, financial analysis, strategic planning, people management and risk management experience. He is a Non-Executive Director of several ASX listed companies, with involvement in audit risk and corporate governance.

Mr Whitton currently serves as head of Business Recovery at William Buck, Chartered Accountants & Advisors. He is Non-Executive Chairman RKS Consolidated Limited, AUV Enterprises Limited, Tempo Australia Limited, and a Non-Executive Director of Australian Wine Consumers Co-Operative Ltd (Chairman 2008-2011).

He has a Bachelor of Business and Graduate Certificate Forensic Studies (Accounting) and is a Fellow of the Institute of Chartered Accounts, the Australian Institute of Management and the Australian Institute of Company Directors. He is also a member of the Insolvency Practitioners Association of Australia and the Association of Fraud Examiners.

Peter Dykes

Independent
Non-Executive Director

Mr Dykes has more than 20 years of experience in the technology industry, beginning his career as a founding member of KPMG's technology advisory practice in both Sydney and Melbourne. He subsequently co-founded a boutique technology advisory business and advised some of Australia's largest corporate clients including BHP, Boral, Telstra and General Motors Holden.

Mr Dykes was an Executive Director, CFO and Company Secretary of Nexbis Ltd and played a key role during its rise from a market capitalisation of \$4 million dollars until its successful sale for \$80 million.

He is currently a Non-Executive Director of Tempo Australia Limited, Chapmans Limited, and AUV Enterprises Limited.

Mr Dykes holds a Bachelor of Business (Accountancy) degree from RMIT University and is a Fellow of the Taxation Institute of Australia.

BOARD AND MANAGEMENT

Experienced Board and Senior Management

Shane Hartwig

Non-Executive Director
& Company Secretary

Mr Hartwig is a Certified Practising Accountant and Chartered Company Secretary and holds a Bachelor of Business degree, majoring in Accounting and Taxation from Curtin University of Technology in Western Australia.

He is involved in the areas of Initial Public Offerings, capital raisings, prospectus and information memorandum preparation and project management, company assessments and due diligence reviews, mergers and acquisitions and providing general corporate advice. He has over fifteen years experience in the finance industry both nationally and internationally with exposure to both the debt and equity capital markets. Mr Hartwig is also Company Secretary of Anteo Diagnostics Limited and Forge Resources Limited, on a contract basis.

Attila Kovago

Director of Exploration

Mr Kovago has extensive experience as an exploration geologist, in Indonesia, Australia and Mongolia. He has spent the last 13 years of his career in Indonesia, and is currently based in Kalimantan.

Over the past 31 years, Mr Kovago has worked for a wide variety of leading coal companies including South Gobi (Ivanhoe), Oxbow Coal BV, BHP Billiton Indonesia, PT Kaltim Prima Coal (KPC), Macarthur Coal, Peabody as a consultant and Rio Tinto. He has extensive exploration experience in Indonesia, where he has overseen numerous exploration programs in Kalimantan and Sumatra, including technical due diligence, resource modelling and the issuance of JORC compliant statements as a "Competent Person".

He holds a Master of Science Degree in Geology, a Graduate Diploma in Mining Engineering, and a Graduate Diploma in Coal Geology. He is a Member of the Australian Institute of Mining and Metallurgy since 1981.

Rob Schnittger

Commercial Manager

Rob has a broad transactional knowledge of commercial and financial transactions in the resources and energy sectors gained from over a decade of experience working for some of Europe and Australia's leading corporate finance and private equity boutiques.

Over the past five years in Australia, Rob has been involved in several successful project financings in the energy sector and has acted in an advisory role for some of the country's most successful companies in relation to the development of coal and other mineral resources projects.

Rob holds a number of international business and management related qualifications including a Master's in Management (EMIM) from ESCP-EAP (Paris), a Diplôme de Grande Ecole (France), Diplomkaufmann (Germany), European Msc. in Management (UK) and a BA (Mod.) in Business and Economics (Ireland) and works for Exalt on a contractual basis.

CREATING A SIGNIFICANT INDONESIAN COAL DEVELOPER

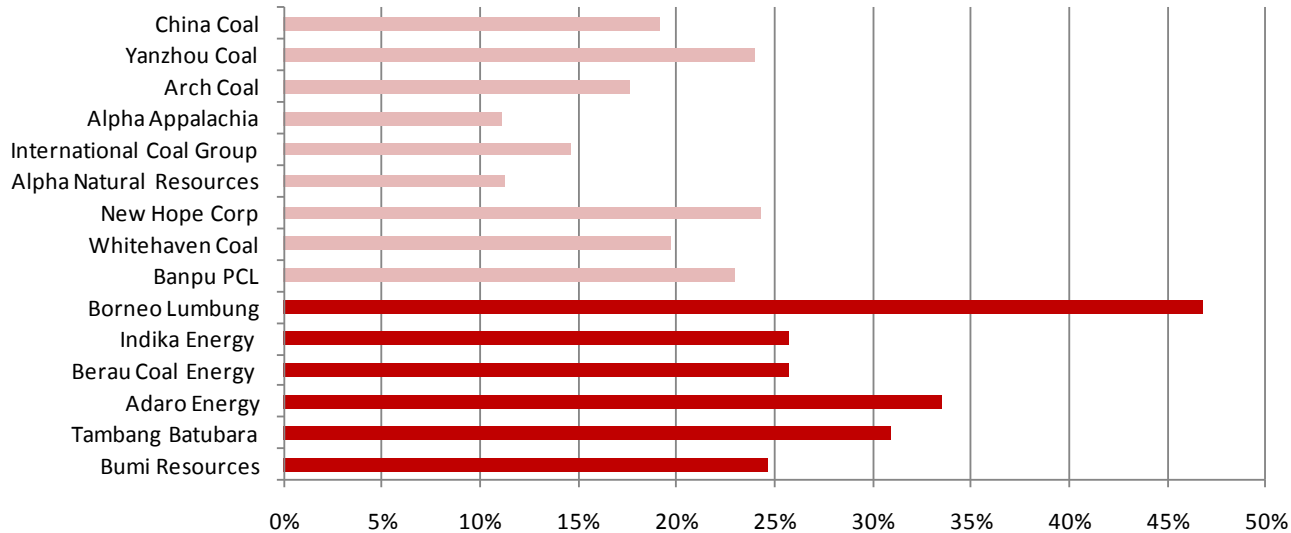
Indonesian Coal Sector

INDONESIAN COAL SECTOR

Indonesia Cost Advantage = Exalt Competitive Advantage

- Cost of exploration and mine development in Indonesia is significantly lower than most other large coal exporting countries.
- Low capital expenditure requirements due to predominantly 'truck and shovel' mining techniques
- Exalt 's projects in proximity to established coal transport options will mean cost effective export ability
- Low costs of production and optimised organisational flexibility help to protect margins in volatile price environments
- Proximity to coal export demand countries result in lower transport charges for overseas customers
- Analysis of sector EBITDA multiples major disparity between large Indonesian coal producers and global competitors even allowing for a generous discount for perceived Indonesia specific risk factors

EBITDA Margin Analysis of Global Coal Producers



Source: Bloomberg, Company Data

Indonesian Coal Participant Analysis

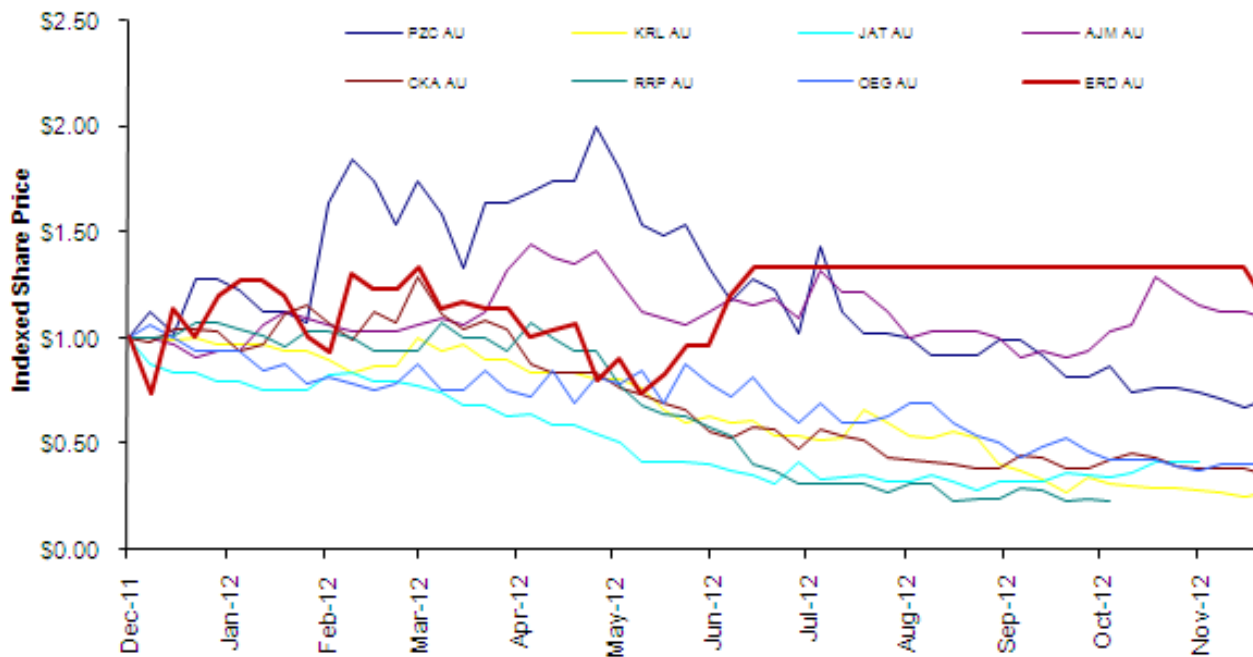
Company	Exalt Resources (ERD)	Altura (AJM)	Atlas (ATII.JK)	Cokal (CKA)	Kangaroo (KRL)	Pan Asia (PZC)	Realm (RRP)
Enterprise Value	14.0	64.9	383.4	36.1	121.4	8.2	9.3
No. Projects	3	3	5	5	8	1	1
Locations	Kalimantan	South Kalimantan	Sumatra Kalimantan Papua	Central Kalimantan	East Kalimantan	South Kalimantan	Central Kalimantan
Area	>12,800 ha	17,000 ha	195,000 ha	60,920 ha	>22,000 ha	3,440 ha	4,250 ha
Stage	Exploration	Exploration / Develop't	Exploration / Production	Exploration	Exploration / Production	Exploration / Develop't	Exploration / Develop't
Ownership	100%*	70- 80%	100%	60-75%	85-100%	75%	51%
Coal Quality	To be determined	Thermal	Thermal	Coking / PCI	Coking / Thermal	Thermal	Thermal
Target MT	n/a	7	n/a	350	250	200	n/a
Resources MT	n/a	13.4	345.8	60	3,146	128	102.2
Reserves MT	n/a	n/a	87.8	n/a	442	n/a	n/a
EV / Resource	n/a	\$4.84 / t	\$1.11 / t	\$0.60 / t	\$0.04 / t	\$0.06 / t	\$0.09 / t

Source: Company Reports, Bloomberg as at 28 Nov 2012

BENCHMARKING / VALUE

Indonesia – a location with competitive advantage

Coal sector generally impacted by poor market sentiment over the past six months but Indonesia offers superior value to industry experts seeking exceptional capital growth



Source: Bloomberg Market prices as at 28 Nov 2012

Indonesian Coal Industry: a snapshot

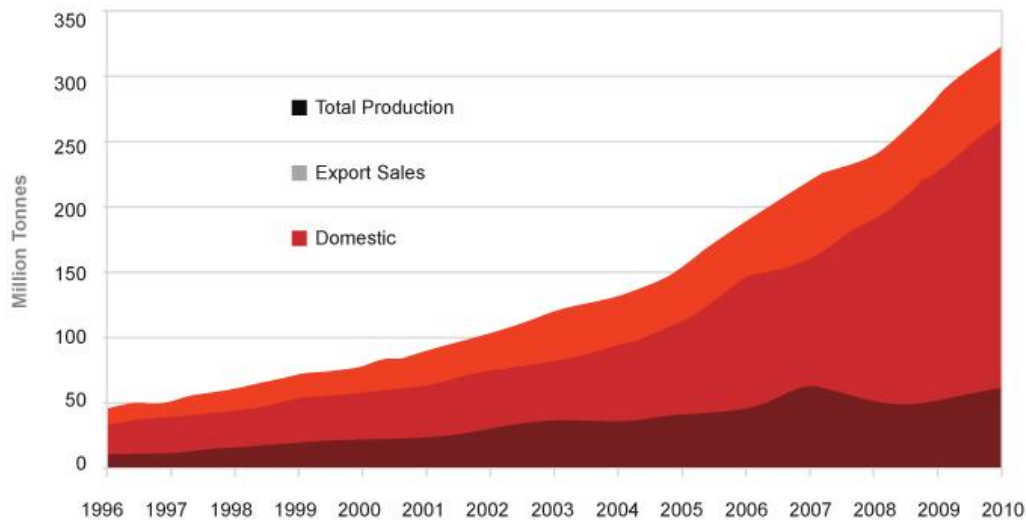
- Exalt believes that Indonesia is going to play a major role in the coal markets, particularly thermal, over the short to medium term.
- Indonesia is the world's largest exporter of thermal coal and the trend is expected to continue.
- Over the last 5 years, Indonesia has been able to consistently expand production.
- Indonesia is the largest contributor to the growth of global thermal seaborne trade. (>300Mt in 2010, increase of 15%).
- Between 2000 and 2010, Indonesia's coal industry increased its output by 12% per annum from 76Mt in 2000.
- Production of low rank coal has grown significantly over the last 5 years (low rank - 45Mt in 2010).
- Sub-bituminous coals will account for the majority of Indonesia's coal production and exports in the future as bituminous coals become more scarce.
- Indonesia has consistently expanded production over the last 5 years (300Mt in 2010; 260Mt exported)
 - Bituminous 120Mt
 - Sub-bituminous 137Mt
- Indonesia's export markets include China, South Korea, India, Japan, Taiwan
 - The strong growth in these export markets has been due to their rapidly increasing energy requirements.
 - Thermal coal markets in India and China are importing increasing volumes of lower ranked coals.

INDONESIAN COAL SECTOR

Indonesian Coal Fundamentals

- Growth in Indonesian coal production has been 14.8% per annum since the mid 1990's.
- Low rank coal production in 2009 was approximately 5.8% of total production – this increased to around 8.7% in 2010 as demand from new power plants designed to use low CV coal increased.

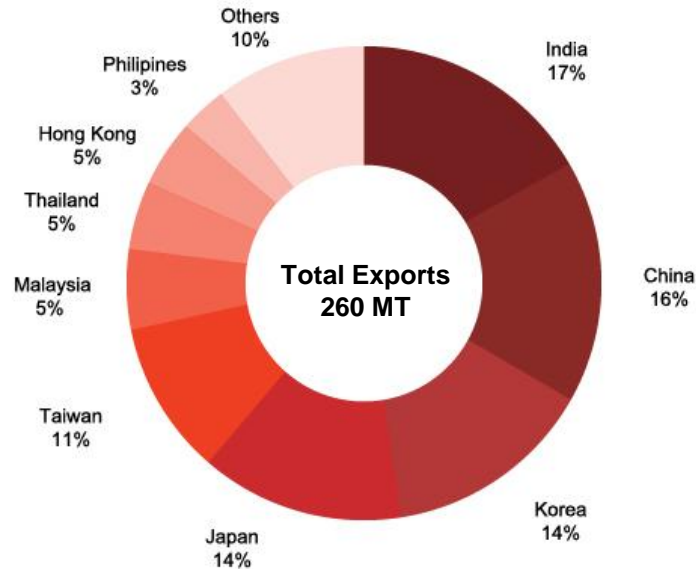
Indonesian Coal Production, Exports & Domestic Sales



Source: BPS Statistics, Indonesia

Major Indonesian Coal Destinations

Indonesian Coal Exports 2010

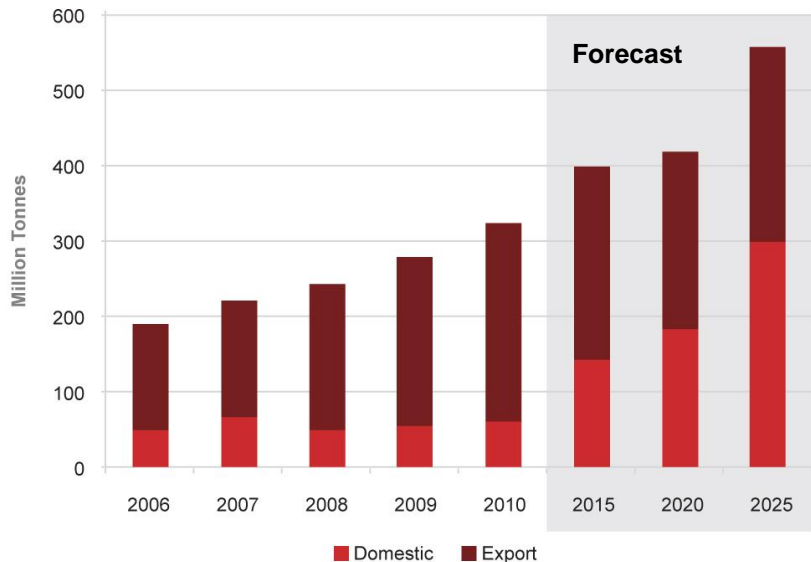


Source: BPS Statistics of Indonesia Estimate

- Indonesian coal exports to China grew by almost 150% between 2008 and 2009, the last year for which confirmed figures are available. Sales were expected to increase to approximately 43 million tonnes in 2010.
- Export sales to India increased by almost 50% in the same time period to 39.1 million tonnes.
- Korea is the third largest coal customer, estimated to receive over 37 million tonnes in 2010 according to Indonesian Bureau of Statistics data.

Indonesian Coal Sector Development

Development of Indonesian Coal Sales Historical & Forecast to 2025



Source: BPS Statistics & ICMA estimates

- Domestic consumption of coal is estimated to grow to 148Mt in 2015 from 49Mt in 2008. The National 'Fast Track Program' plans to build 10,000MW of coal fired power generation.
- Export volumes will continue to expand rapidly as energy requirements in the developing pan-Asian markets outstrip local supply capabilities.
- Increasing export volume will result in significant investment in road, rail, barge and port infrastructure with many expansion projects involving international developers announced over the past twelve months.

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Indonesian Regulatory Regime



- New regulations introduced with aim of providing regulatory certainty and to encourage new investment in the mining sector.

Historically, there has been significant confusion as to whether mining tenements in Indonesia have been validly issued and whether there are overlapping tenements.

- The mining department in Jakarta has recently gone through the process of verifying and reconciling its database on existing mining licences issued by local mayors throughout Indonesia.
- New rules on foreign ownership have also been proposed to encourage domestic investment and maintain local involvement in producing projects – strong local partners will enable economic success.

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CREATING A SIGNIFICANT INDONESIAN COAL DEVELOPER

Other Projects

EXISTING PROJECTS

Mineral Hill South & Nyngan

Exalt owns:

- 100% of the Mineral Hill South Project covering 112 square kilometres of land located 3 kilometres to the south of the Mineral Hill Mine in NSW
- 100% of the Nyngan Project which covers 160 square kilometres of land in central west NSW targeting porphyry copper and epithermal gold mineralisation.

The Company is assessing its options in relation to the Projects including potentially attracting a farm-in partner.

