



BUILDING A SUBSTANTIAL EUROPEAN COAL COMPANY



BALAMARA

RESOURCES LIMITED



Investment Highlights

A high quality European coal portfolio:

- Three tier-one large, advanced Polish coal projects
- Significant high quality coal – both coking & thermal coal
- Safe, low-sovereign risk location for project development
- Low operating cost environment
- Low estimated CAPEX for first two projects
- First production targeted by end 2016

Strong Balance sheet and powerful Share register:

- +\$3M cash; no debt
- Significant Singaporean major shareholder; strong supporter
- Experienced board owning 12% of BMB – highly incentivized
- Divestment of other assets completing, including \$15M Balkans asset sale

Bottom of the cycle opportunity – Strong demand forecast for coal in Poland



Poland's Competitive Advantage in Coal

Australian Coal – In General

Characterized by:

1. High Entry Costs
2. High Capital Costs
3. High Operating Costs
4. High Logistical Costs to move coal to international market

Net Effect:

- High amortization costs of acquisition
- Lack of infrastructure development
- CAPEX a significant barrier to production and development
- Low margins or loss making
- Poor market support

Polish Coal – Balamara Resources

Characterized by:

1. Low Entry Cost
2. Low Capital Costs
3. Low Operating Costs
4. Low Logistical Costs to move coal to local market

Net Effect:

- No amortization of high entry costs
- Excellent infrastructure throughout Poland
- CAPEX less of a barrier to production
- High operating margins and expected profitability



Poland – Low Risk Environment

- ✓ Low sovereign risk (EU member state & member of NATO)
- ✓ Politically stable
- ✓ Well-defined mining laws
- ✓ Low tax rate
- ✓ Low operating costs
- ✓ Availability of skilled underground mining work force
- ✓ Excellent core infrastructure throughout Poland
- ✓ Close to large European market
- ✓ Power stations and coke plants nearby as potential off-takers
- ✓ Strong expanding economy with significant inward investment



Polish Coal – Facts you may not know (1)

1. 2nd largest producer of hard coal in Europe and the 8th largest in the world.
2. Production of hard coal has dropped from peak 200Mt in 1980 to only 76Mt in 2011, due to change from Communist system to free-market.
3. Many coal mines closed after the fall of Communism (1990's) as they could not compete commercially – *the coal was good, the system of exploitation was not.*
4. Restructuring of Polish coal industry has only happened in past decade as the power of the unions declined and Govt support for non-commercial ventures has waned.



Polish Coal – Facts you may not know (2)

5. First state-owned coal company to privatize was Bogdanka, which listed on Warsaw Stock Exchange in 2009 – since this listing it has risen considerably to its current \$1.8 billion market capitalization (8-10mtpa).
6. Economic efficiency and performance of Kompanie Weglowa – largest Polish coal producer (40Mtpa) is under scrutiny and doubt.
7. Poland currently importing 11Mtpa hard coal – bodes well for local producers.
8. Massive internal demand in Poland for both thermal and coking coal, with both types forecast to rise over the next decade.



Balamara's Polish Coal Portfolio

Mariola Thermal Coal

*First JORC Resource in
October 2014*

Key Advantages:

- Advanced status
- Production target 2016
- Size & scale
- High grade product
- Shallow UG deposit
- Low CAPEX and operating cost expected
- Existing power station 2km away wanting 1.5mtpa thermal coal
- Utilize cash flow to develop next 2 Projects

Nowa Ruda Coking Coal

107Mt Foreign Estimate,
largely coking coal
(Refer Slide 14)*

Key Advantages:

- Advanced status
- Long mine life
- High grade product
- Quality location
- Existing infrastructure
- Low CAPEX and operating cost expected
- 4 coking plants within 100kms as natural offtakers

Sawin Thermal Coal

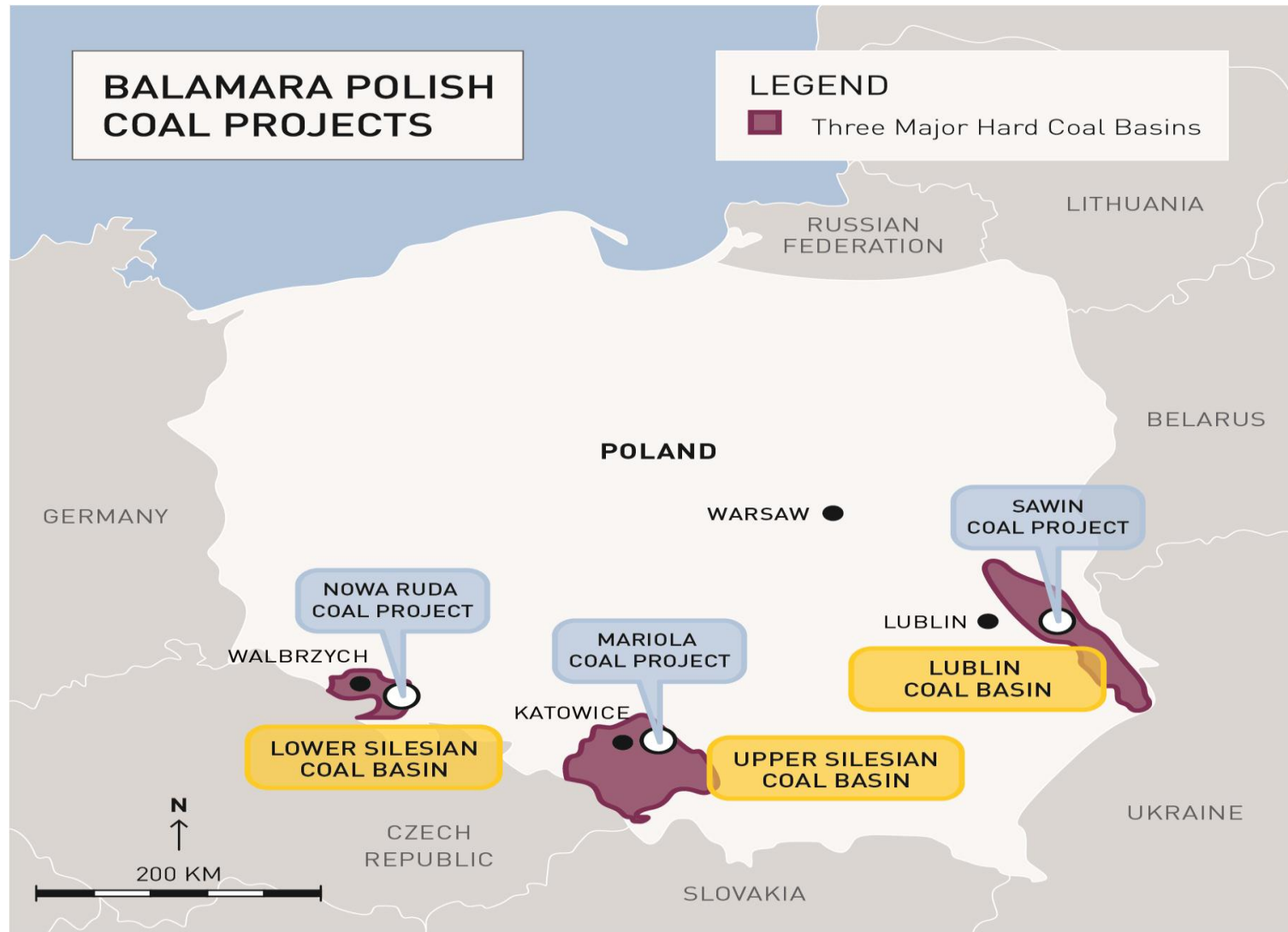
1.37Bt Foreign Estimate
(Refer Slide 15)*

Key Advantages:

- Considerable historical drilling + data
- Size & scale
- High grade product
- Quality location in emerging Lublin Basin
- Existing infrastructure
- Low operating cost environment
- Near to 10Mtpa Bogdanka Coal Project
- Adjacent to Prairie Mining 1.5Bt project



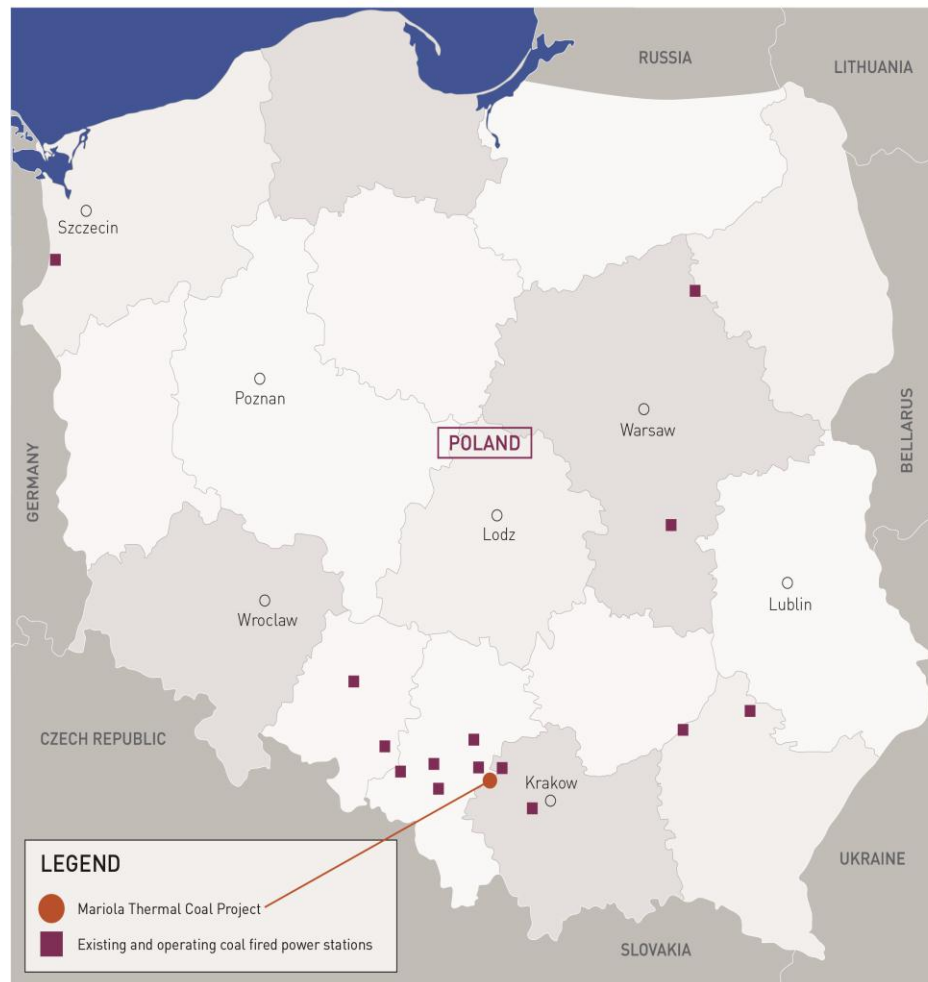
Quality & Diversity of Locations



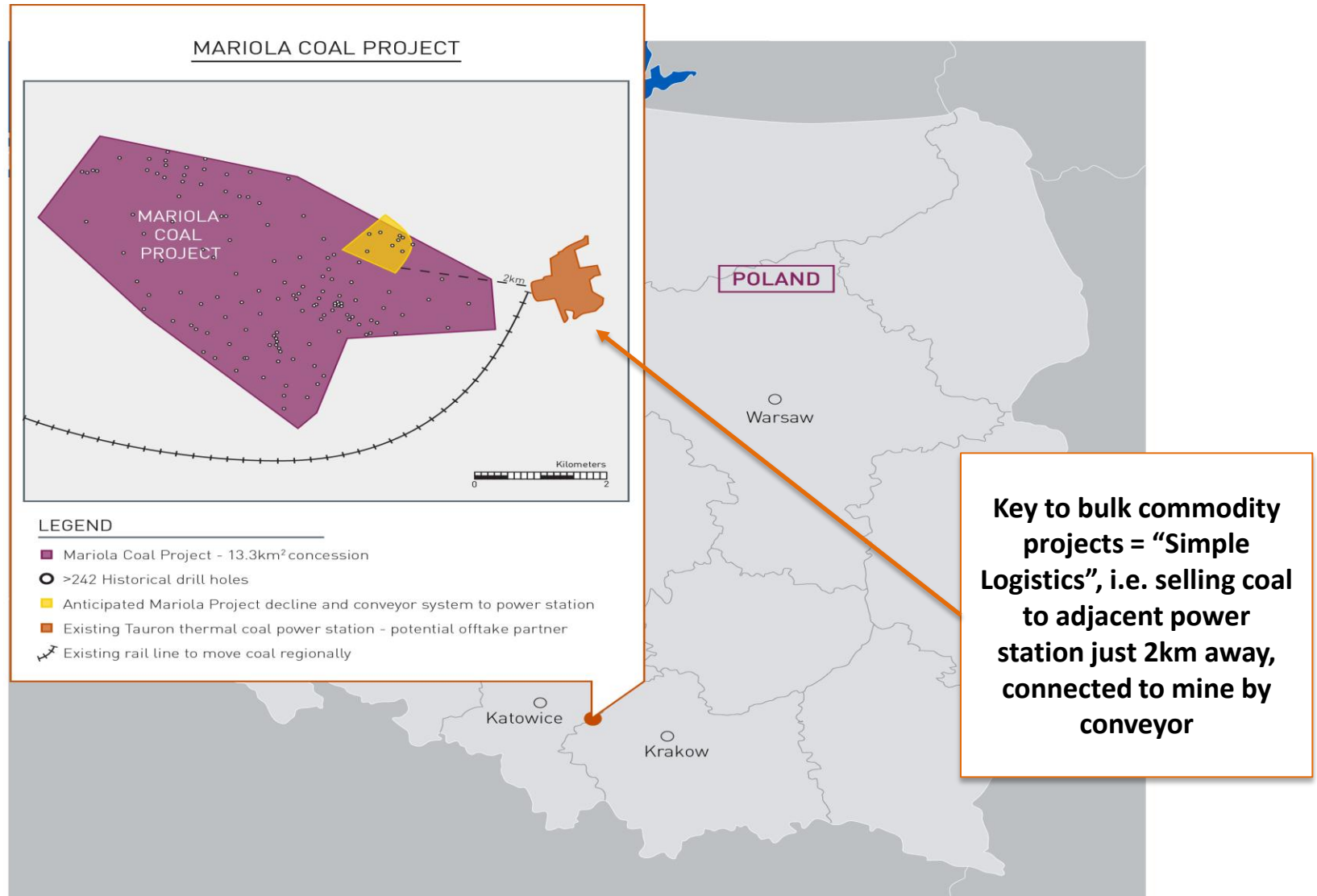
Mariola Thermal Coal Project

Project Overview:

- 15% acquired for \$1.6M (July 2014)
- Remaining 85% equity negotiated
- Advanced UG Thermal Coal Project:
 - Extensively drilled historically (204 holes)
 - Maiden JORC Resource in October 2014
 - Shallowest UG coal mine in Poland (~100m)
 - Thick, continuous coal seams (average 2m)
 - Expected low CAPEX, low operating cost mine
 - Existing infrastructure available (rail, roads, power, water)
- Existing thermal power station within 2km that would like to secure Mariola coal
- High quality thermal coal;
 - High calorific value, low ash, sulphur & moisture
 - Existing wash plants within close proximity
 - Washed product to sell into local thermal power plants – accessible by conveyor and/or rail
- Scoping Study (4Q 2014), Bankable Feasibility Study (2H 2015), Production (end 2016)



Mariola – Ideal Regional Location



Mariola – Adjacent Tauron Power Station



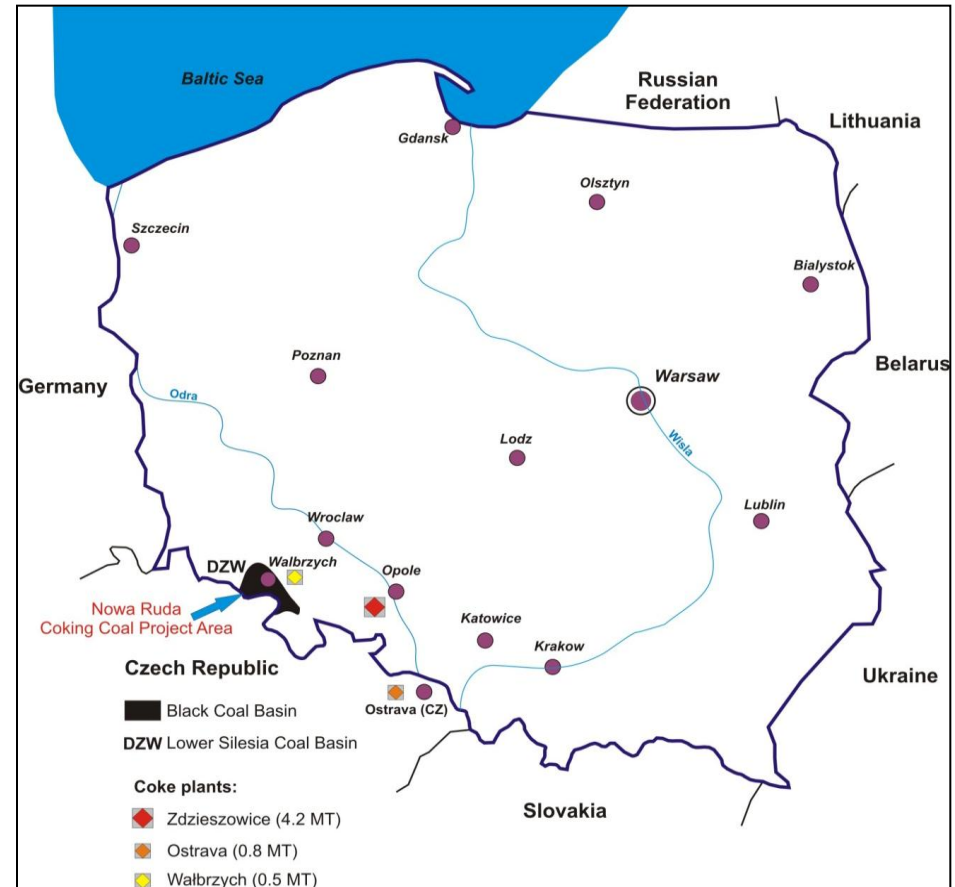
Mariola Progress to Production

	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
MAIDEN JORC RESOURCE									
COMPLETE MERGER									
SCOPING STUDY									
PRE-FEASIBILITY STUDY									
POLISH LICENSING TO MINE									
BANKABLE FEASIBILITY STUDY									
PROJECT FINANCING									
MINE DEVELOPMENT									
FIRST COAL PRODUCTION									



Nowa Ruda Coking Coal Project

- 100% owned via award of concession
- Ability to convert exploration license to mining license upon completion of studies
- Confirmatory drilling underway to convert large Polish Standard tonnage to JORC
 - Drilling programme to complete end 2014
 - Revised JORC 1Q 2015
- Licensing and BFS targeted end 2016
- Large advanced UG Coking Coal Project:
 - Previously producing 1.25Mtpa to 1995
 - Two main deposits (Waclaw & Lech)
 - Two major coal seams (650m & 950m)
 - Roads, rail, power, water all available
 - Existing skilled & low cost workforce
- High quality coking coal, post-washing:
 - Low ash, low sulphur, low volatility
 - Product previously sold into local coking plants <150km – accessible by rail, low cost



Nowa Ruda – Foreign Estimate Coal*

Coal Deposit	Waclaw	Lech (Piast)	TOTAL
Tonnage (Millions tonnes)	84	23	107
Including; Polish standard Coal categorization			
A + B		15	15
C1	49	1	50
C2	35	6	41
Calorific Value (Kcal/kg)	6,523	6,500	6,518
Ash content (post-wash)	8-9%	8-9%	8-9%
Sulphur content	1.1%	0.7%	1.01%

**These Foreign Estimates are not reported in accordance with the JORC Code and a Competent Person has not done sufficient work to classify these estimates as coal resources or reserves to the JORC standard. It is uncertain whether further work will reclassify these estimates to be reported as coal resources or reserves in accordance with the JORC Code. See Slide 21 for Accompanying Notes.*



Sawin Thermal Coal Project

Project Overview:

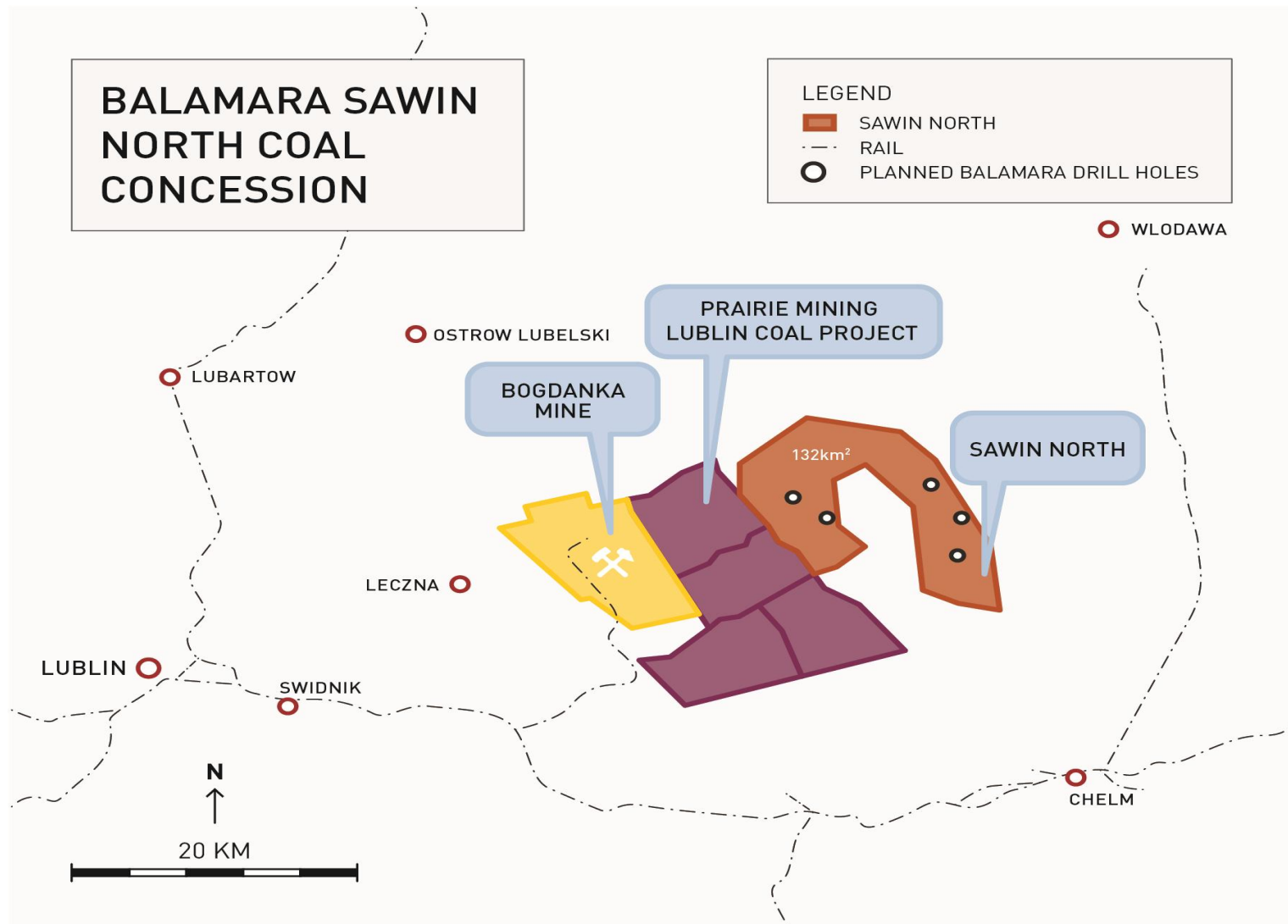
- Award of 13,200ha coal concession
- Presents size and scale to coal portfolio
- Prime location in world class Lublin Basin
- Huge UG Thermal Coal Project:
 - **Foreign Estimate 1.387Bn tonnes ***
 - **First JORC resource - target end 2014**
 - Scoping Study by 2Q 2015
 - Extensively drilled historically (14,000m)
 - Exploration license for 3.5 years
 - Planned 5 hole drilling programme (2015)
 - Existing infrastructure (rail, roads, power)
- High quality thermal coal, similar to both Bogdanka and Prairie Mining deposits nearby
- Bogdanka Mine is the current lowest cost UG coal producer in Poland (~\$40/t)



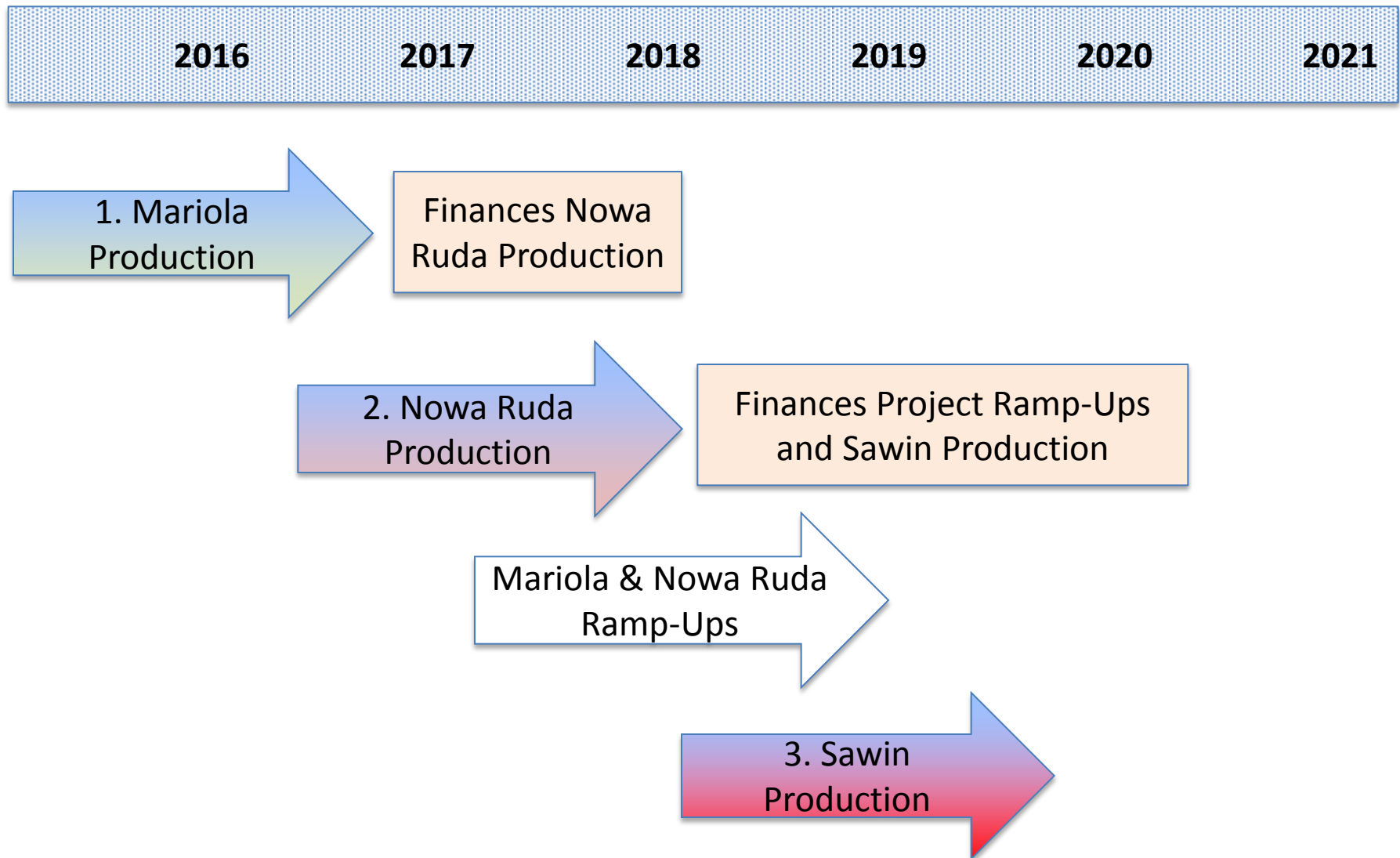
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Sawin – Prime Location



Balamara – Production Funnel



News Flow to end 2014....

Nowa Ruda Coking Coal Project:

- Concept Study
- Complete delineation drilling programme (2014) for updated JORC resource (1Q 2015)

Mariola Thermal Coal Project:

- Maiden JORC resource
- Complete merger to acquire remaining 85% of Mariola Project *
- Scoping Study
- Tauron power station – facilities agreement

Sawin Thermal Coal Project:

- Maiden JORC resource

Corporate:

- Complete \$15M Balkans asset sale



Corporate Overview

ASX Code :	BMB
Share Price :	7c
Ordinary Shares :	424m *
Options :	6m (25c)
Market Cap :	\$30m
Cash :	~\$3m
Major Shareholders :	Ample Skills Ltd 45% * Directors 12%
Key Projects : (Poland)	Nowa Ruda Coking Coal Mariola Thermal Coal Sawin Thermal Coal

* Assumes fully diluted with 66m shares for US\$5m per placement to be approved at AGM in Nov 2014.

Board of Directors:

Executive Chairman : Derek Lenartowicz

Mining Engineer and resource industry professional with 35 years experience developing projects and companies. GM of several large Australian mining operations including BHP Billiton's Mt Keith Nickel Mine.

Managing Director : Mike Ralston

Corporate and finance executive with 10 years experience developing several junior ASX resource companies. Built Kangaroo Resources (coal) from shell to \$600m market cap in 2 years prior to sale of company in 2011 before joining Balamara.

Executive Director : Milos Bosnjakovic

Former lawyer from Balkans region with network and experience in that region; manages original Balamara base metal assets in Central Europe.

Non-Executive Director : Michael Hale

MD Western Capital; provides strong corporate governance and capital raising experience.



Food for Thought

“We simply attempt to be fearful when others are greedy and to be greedy only when others are fearful.”

Warren Buffett

“Someone is sitting in the shade today because someone planted a tree a long time ago.”

Warren Buffett



Disclaimer

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Foreign Estimate Disclosure:

These are Foreign Estimates as per the Polish Standard as announced to the ASX dated 24 July 2013 and 21 July 2014. The Company confirms that the additional information provided in those announcements per Listing Rules 5.12 still applies, and that there is not new information or data relating to the Foreign Estimates that would materially impact the reliability of these Foreign Estimates.





BALAMARA

RESOURCES LIMITED

P: +61 8 6365 4519

F: +61 8 9388 6040

www.Balamara.com.au

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