



Prairie Mining
Limited

DEBIENSKO SCOPING STUDY HIGHLIGHTS

MARCH 2017

ASX / LSE / WSE: PDZ

ABN: 23 008 667 852

DISCLAIMERS

Important Information

This presentation has been prepared as a summary only, and does not contain all information about Prairie Mining Limited's ("Prairie") assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to Prairie's securities. The securities issued by Prairie are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future. Prairie does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this report. Recipients of this report should carefully consider whether the securities issued by Prairie are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

Forward Looking Statements

Some of the statements contained in this report 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 Prairie's projects and other statements which are not historical facts. When used in this report, and on other published information of Prairie, the words such as "aim", "could", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Prairie believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward looking statements include the potential that Prairie's projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by Prairie.

Cautionary Statements

The primary purpose of the Scoping Study is to establish whether or not to proceed to the next stage of feasibility studies and has been prepared to an accuracy level of $\pm 30\%$. The Scoping Study results should not be considered a profit forecast or production forecast. The Scoping Study is a preliminary technical and economic study of the potential viability of Debiensko. The Scoping Study referred to in this presentation is based on lower-level technical and preliminary economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. The Production Target referred to in this presentation is based on 64% Indicated Resources and 36% Inferred Resources for the mine life covered under the Scoping Study. In accordance with the 26 year mine plan incorporated into the Scoping Study, the first 14 years of production will come exclusively from Indicated Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Measured or Indicated Mineral Resources or that the Production Target or preliminary economic assessment will be realised. The Scoping Study is based on the material assumptions outlined in an announcement made on 16 March 2017. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved. To achieve the potential mine development outcomes indicated in the Scoping Study, additional funding will be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed however the Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of Debiensko. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

RESTART POTENTIAL FOR DEBIENSKO MINE TO BE A LARGE SCALE, LOWEST COST AND LONG LIFE PREMIUM HARD COKING COAL SUPPLIER

Steady State Hard Coking
Coal Annual Production:
2.6Mtpa

Average Operating Costs:
US\$47/t

Pre-tax NPV (8%):
US\$1.50Bn

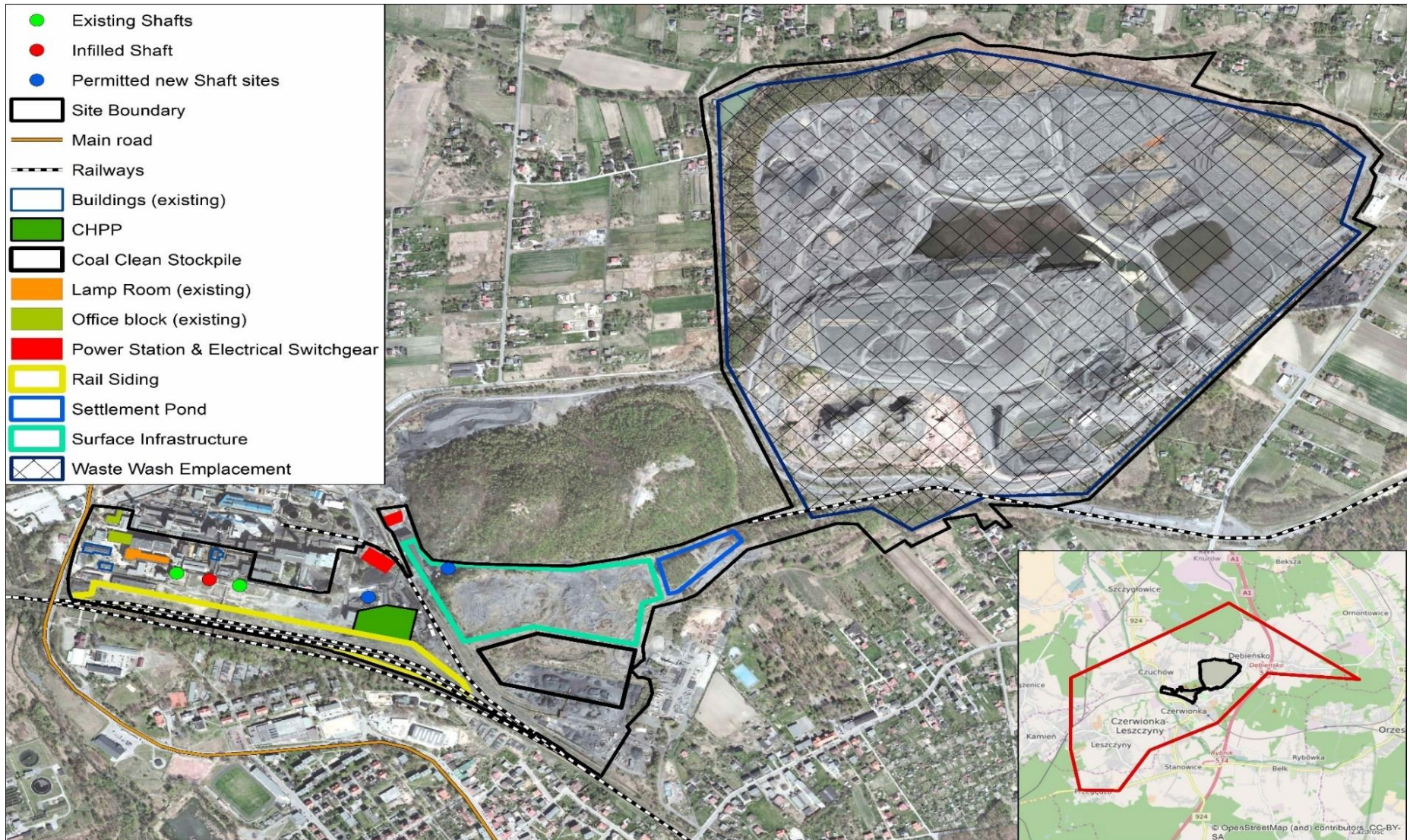
Mine Life:
26 Years

Total Capex (incl.
Contingencies):
US\$504m



DEBIENSKO – A FULLY PERMITTED¹ “MINE READY” PROJECT

Environmental Consents and a Mining Concession are already in place



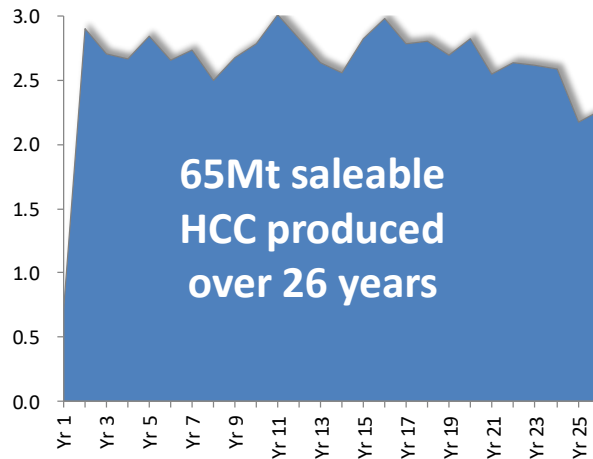
DEBIENSKO – A FULLY PERMITTED¹ “MINE READY” PROJECT



GLOBALLY SIGNIFICANT PROJECT

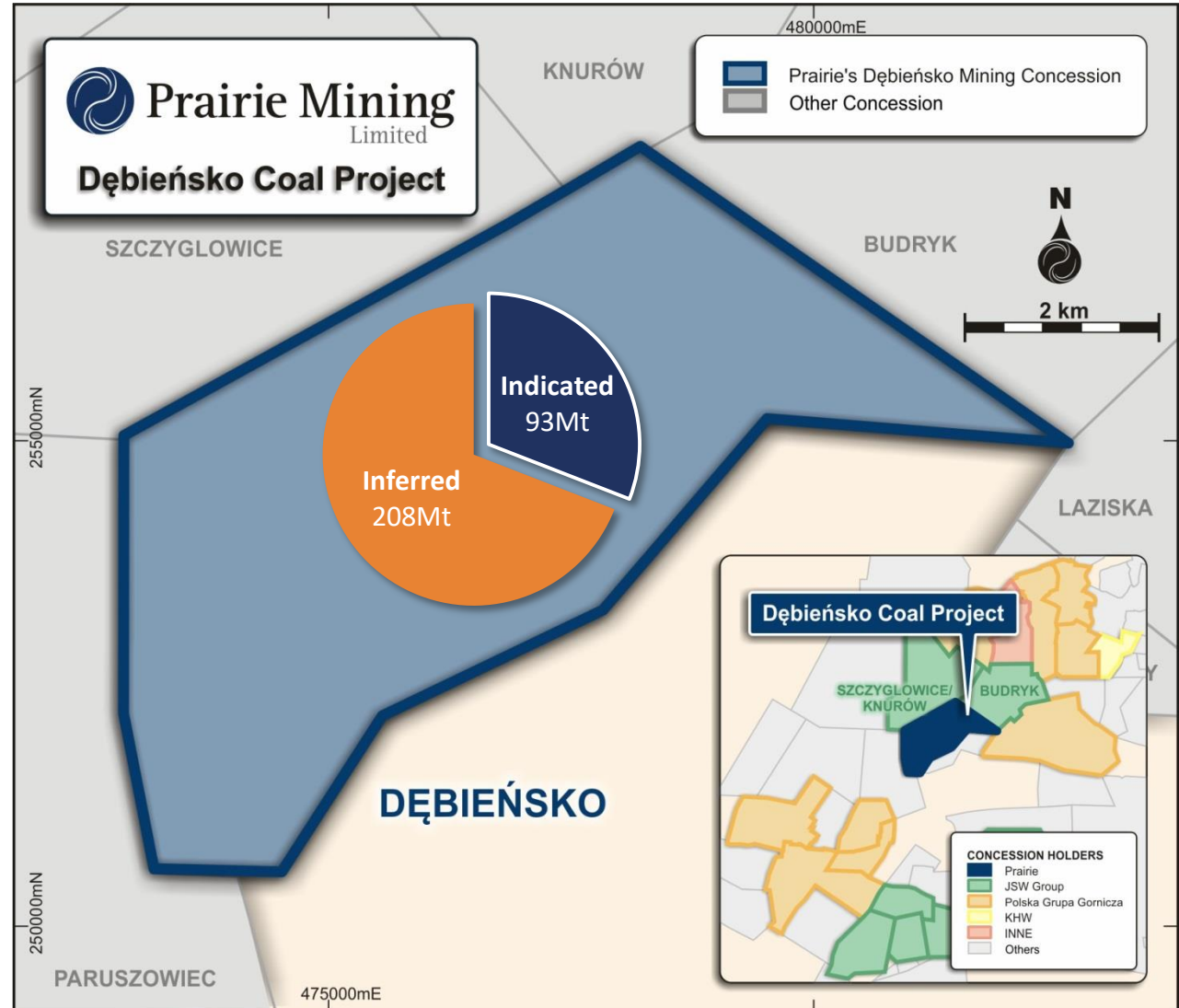
2.6 Mtpa HCC Production from a JORC Resource of 301 Mt

Saleable Tonnes HCC (Mt)



Potential Resource Upside

- Maiden JORC Resource in 7 seams
- Production Target from 4 seams only
- Potential to expand resource base into other seams and at depth
- Infill drilling will improve resource categories



STRONG CASH MARGINS WITH US\$47/T FOR CASH COST

Extremely Low Cash Costs Provide Profitability Throughout the Cycle

Annual
EBITDA:
US\$282m

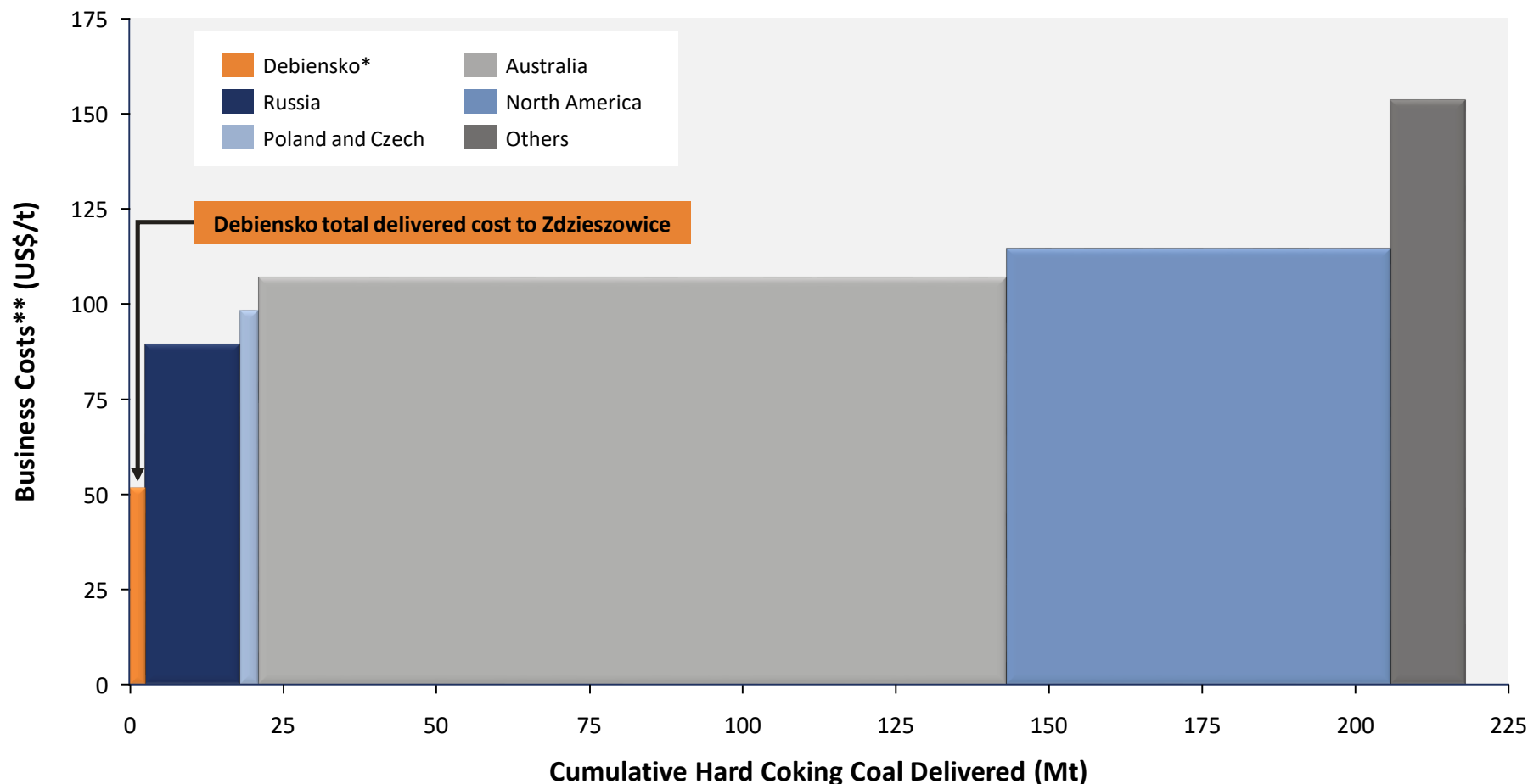
LOM Free
Cash Flow:
US\$5.4Bn

Pre-tax
NPV @ 8%:
US\$1.5Bn



LOWEST DELIVERED COST SUPPLIER OF HARD COKING COAL INTO CENTRAL EUROPE

Hard Coking Coal Cost Curve – Delivered to Central Europe

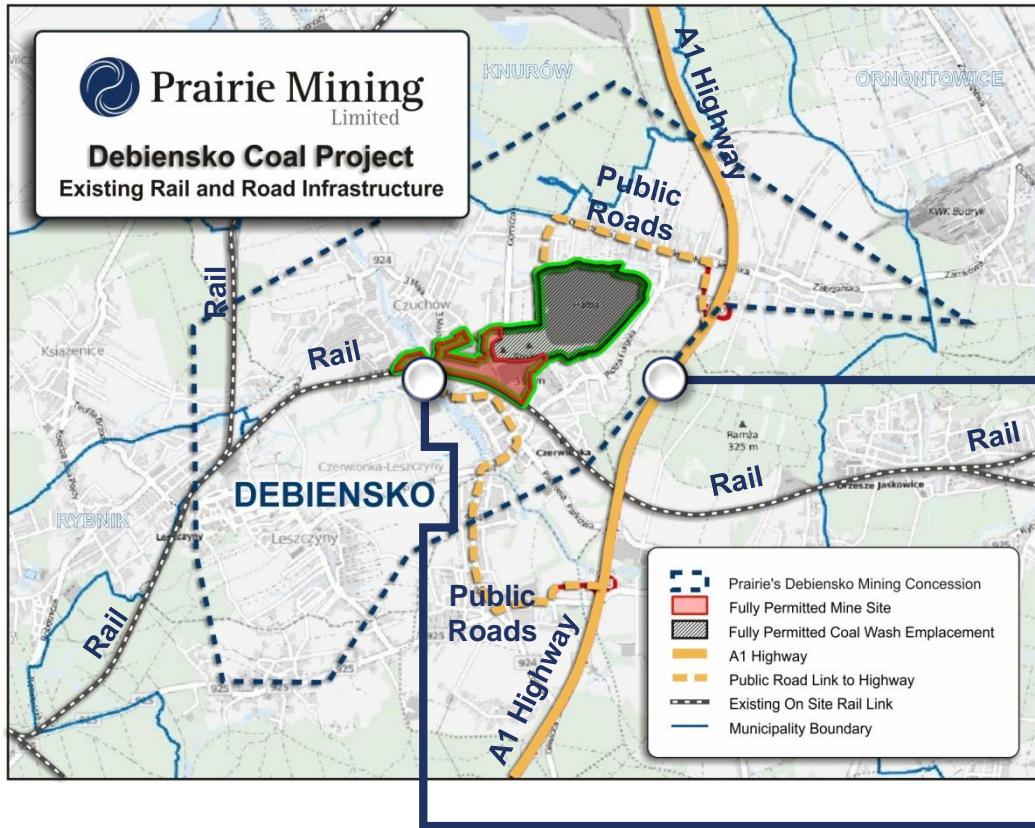


Source: CRU

* Debiensko delivered costs comprises: FOR cost of US\$46.86/t + rail freight and handling costs (US\$4.60/t)

** Excludes sustaining capital costs; Country averages have been calculated by taking a production weighted average cost of supply

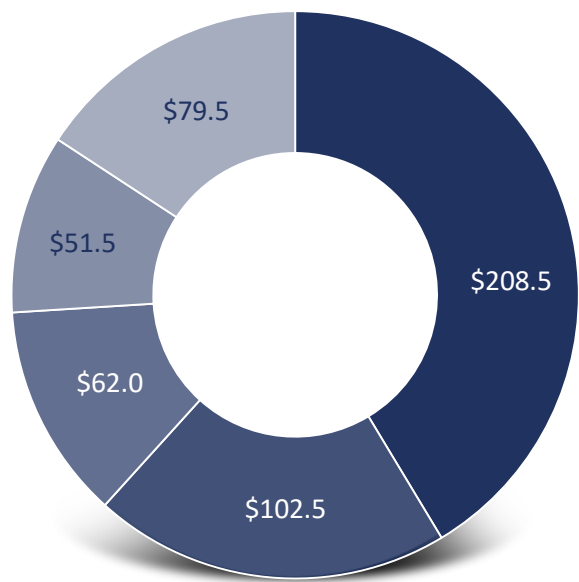
ACCESS TO WELL ESTABLISHED EXISTING INFRASTRUCTURE AT SITE



LOW CAPITAL INTENSITY

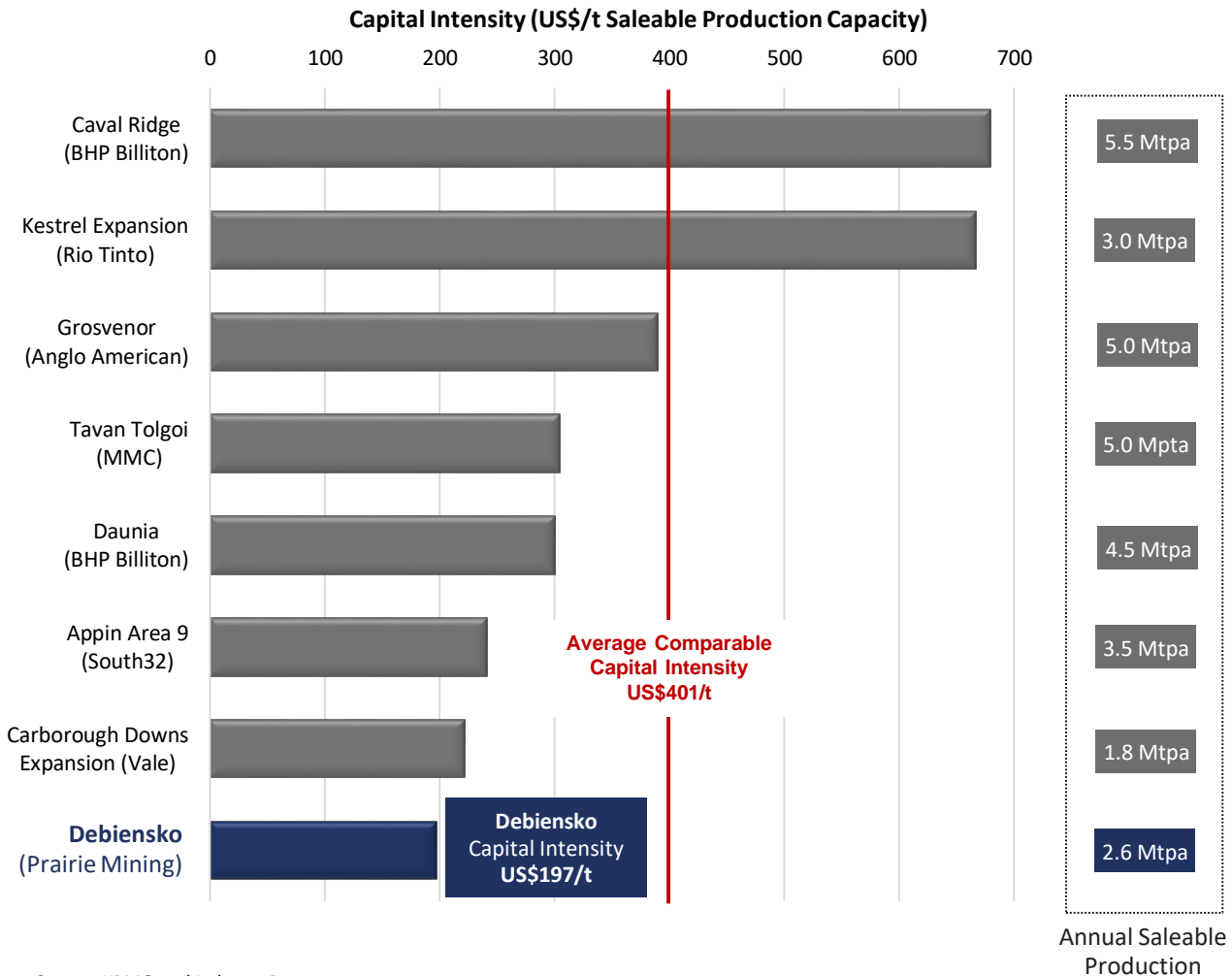
Debiensko has Extremely Low Capital Intensity Compared to other Global Projects

Total Capex Breakdown



- Shaft sinking
- Coal processing and surface facilities
- Underground Infrastructure (Belts, Ventilation, Electrics)
- Capitalised Pre-Production Expenses (Labour, Power, Contractors etc.)
- Contingencies, EPCM and owners costs

Debiensko Capital Intensity vs. Recently Built Hard Coking Coal Mines

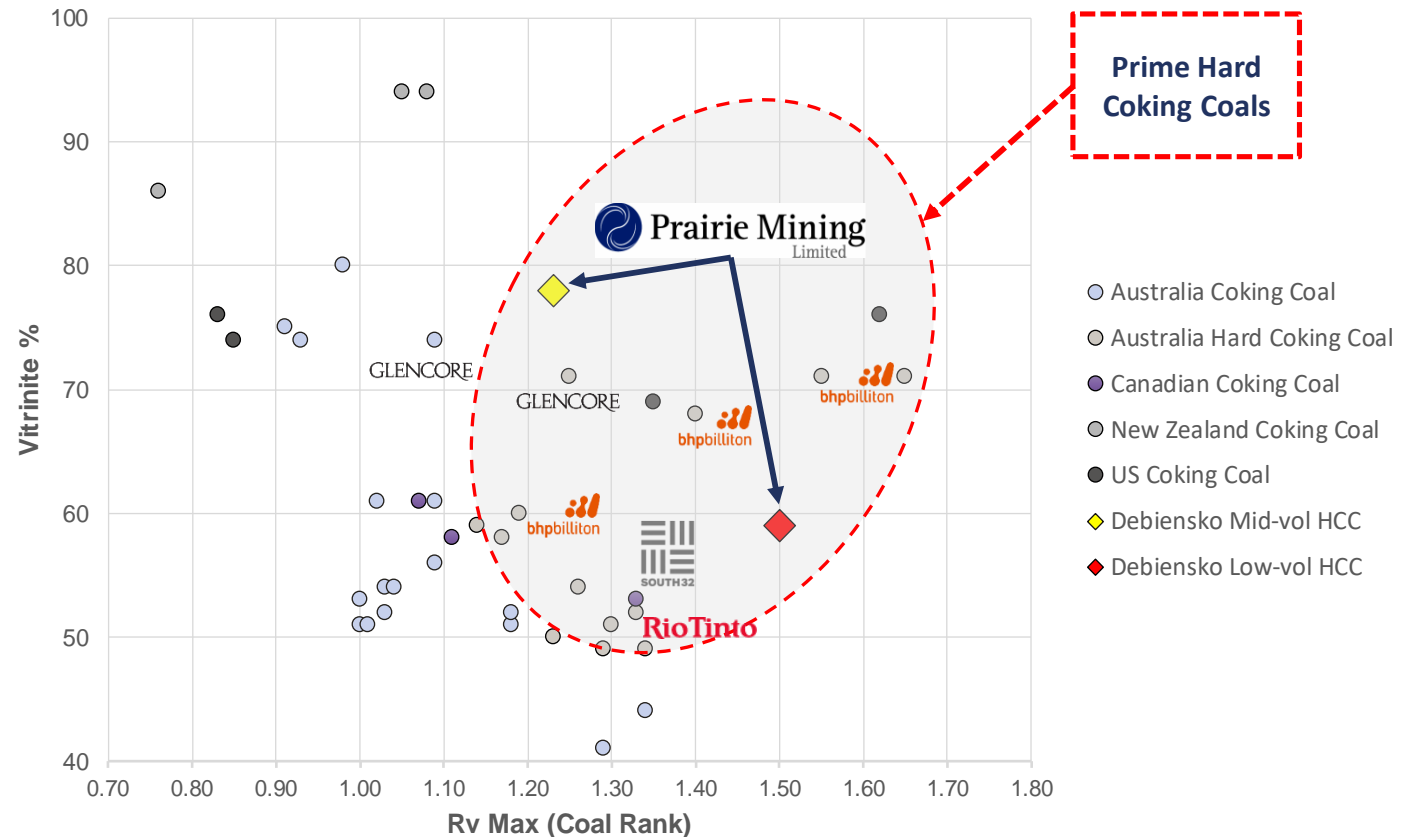


HIGH QUALITY PREMIUM HARD COKING COAL

Hard Coking Coal quality comparable to that produced by the large diversified miners

- Debiensko has attractive coal quality parameters, within all seams
- Two products can be produced: Mid-vol and Low-vol
 - **Mid-vol HCC** comparable to Australian Goonyella brand and medium volatile coals produced in Poland today by JSW
 - **Low-vol HCC** similar to other internationally traded low volatile matter hard coking coals, including brands such as Peak Downs (BHP Billiton Mitsubishi Alliance – BMA) and Hail Creek (Rio Tinto)

Debiensko's Premium Hard Coking Coal vs. Select Products



Source: Industry Reports

HIGHLY FAVOURABLE REGIONAL MARKET FUNDAMENTALS

EC has determined Coking Coal to be 2nd most Economically Important Critical Raw Material



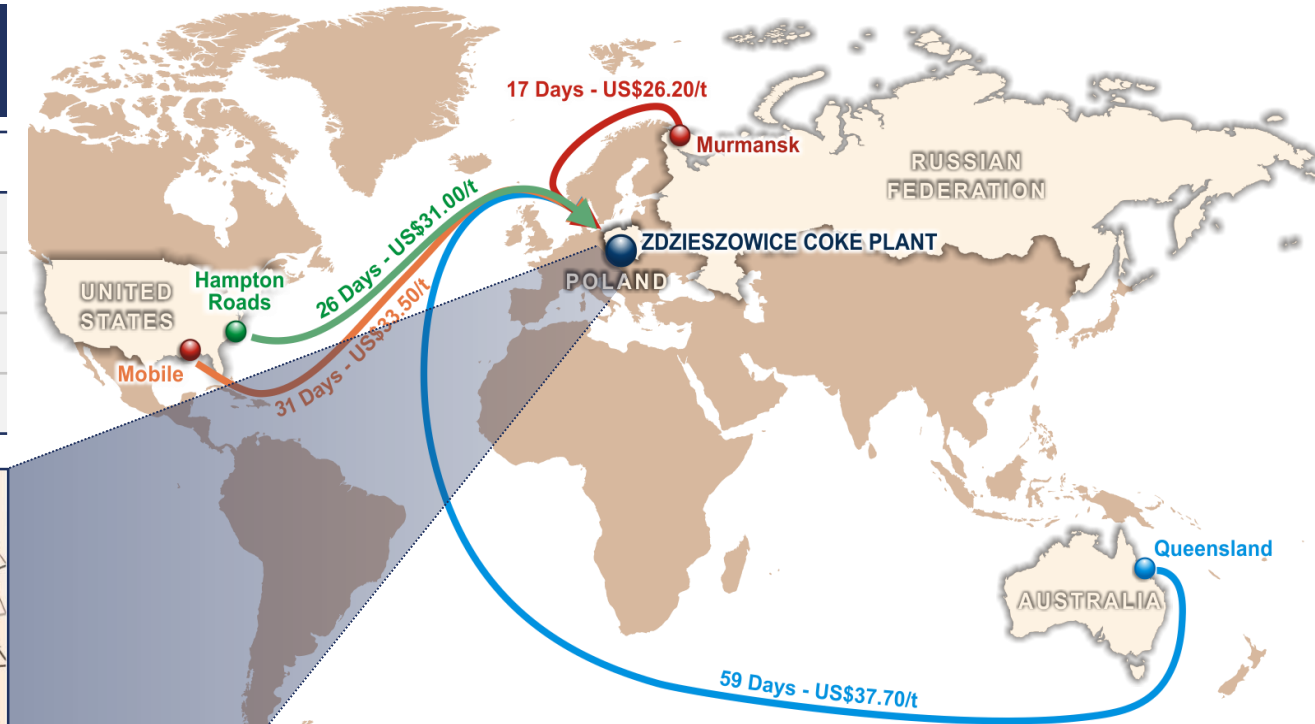
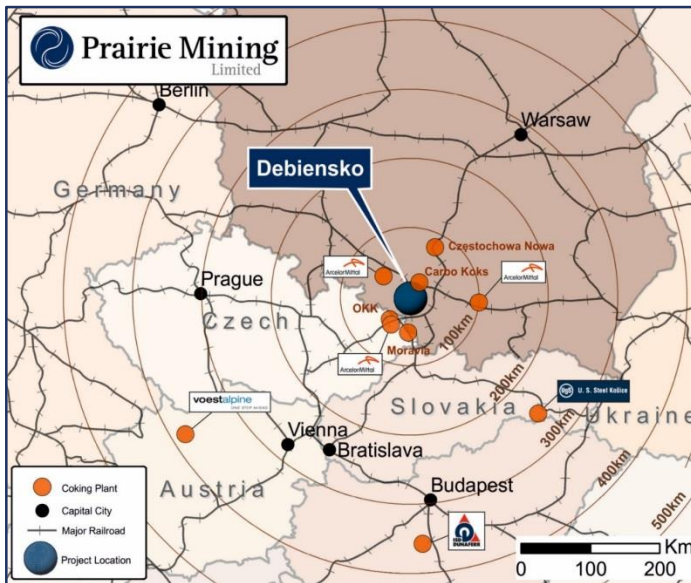
TRANSPORT ADVANTAGE OF BEING A REGIONAL PRODUCER

Debiensko could deliver hard coking coal to the Zdzieszowice Coke Plant in Poland in 1 day and at a delivery cost of: ~US\$4.60 per tonne

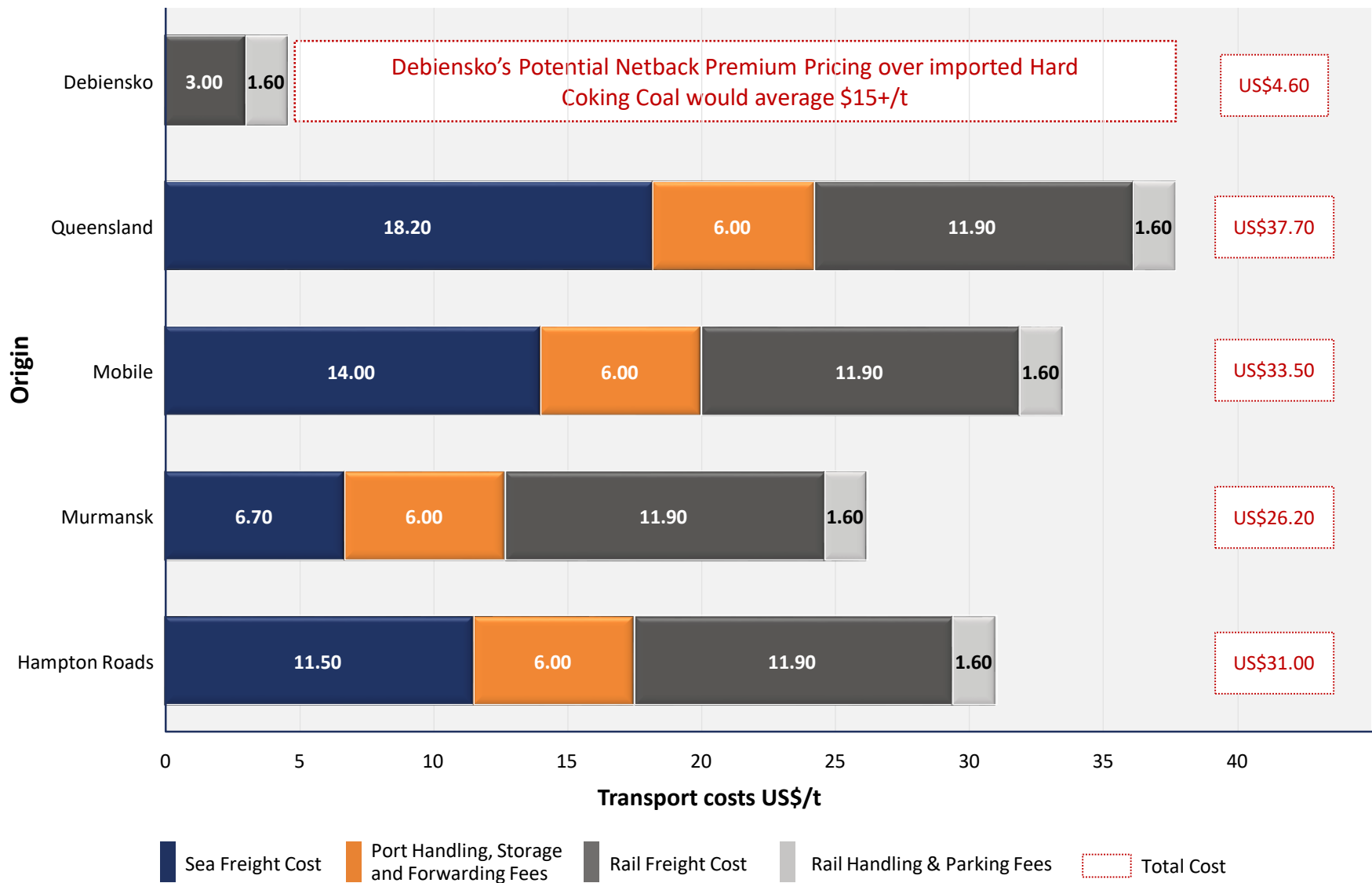
Indicative Time and Cost of Delivery of HCC to Zdzieszowice Coke Plant

Debiensko	1 Day	US\$4.60/t
Queensland (Australia)	59 Days	US\$37.70/t
Mobile (USA)	31 Days	US\$33.50/t
Murmansk (Russia)	17 Days	US\$26.20/t
Hampton Roads (USA)	26 Days	US\$31.00/t

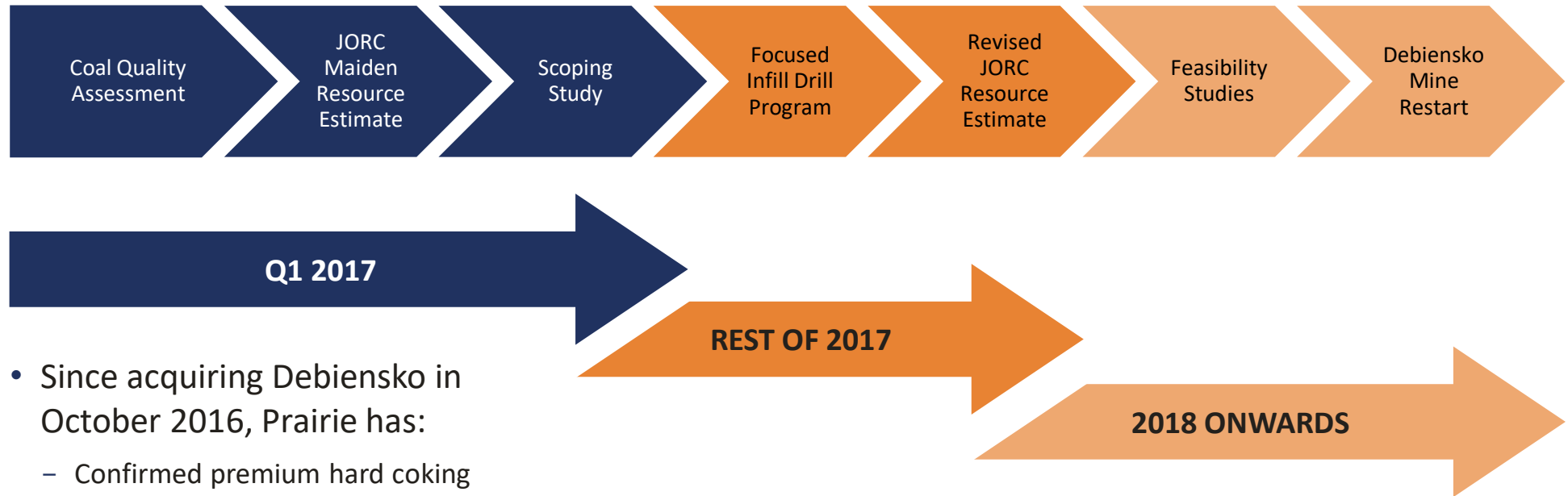
Source: CRU



TRANSPORT ADVANTAGE LEADS TO HIGHER NETBACK PREMIUM PRICES



NEXT STEPS AT DEBIENSKO



- Since acquiring Debiensko in October 2016, Prairie has:
 - Confirmed premium hard coking coal quality
 - Announced a 301Mt JORC Resource Estimate
 - Released a highly positive scoping study targeting a pre-tax NPV (8%) of over US\$1.5Bn

LARGE SCALE, LONG LIFE PREMIUM HARD COKING COAL ASSET

FULLY PERMITTED¹ WITH EXISTING INFRASTRUCTURE

ONE OF THE LOWEST POSITIONS ON THE COST CURVE

LOW CAPITAL INTENSITY

HIGHLY FAVOURABLE REGIONAL MARKET DYNAMICS

Globally Significant Asset – Pre Tax NPV US\$1.5 Billion

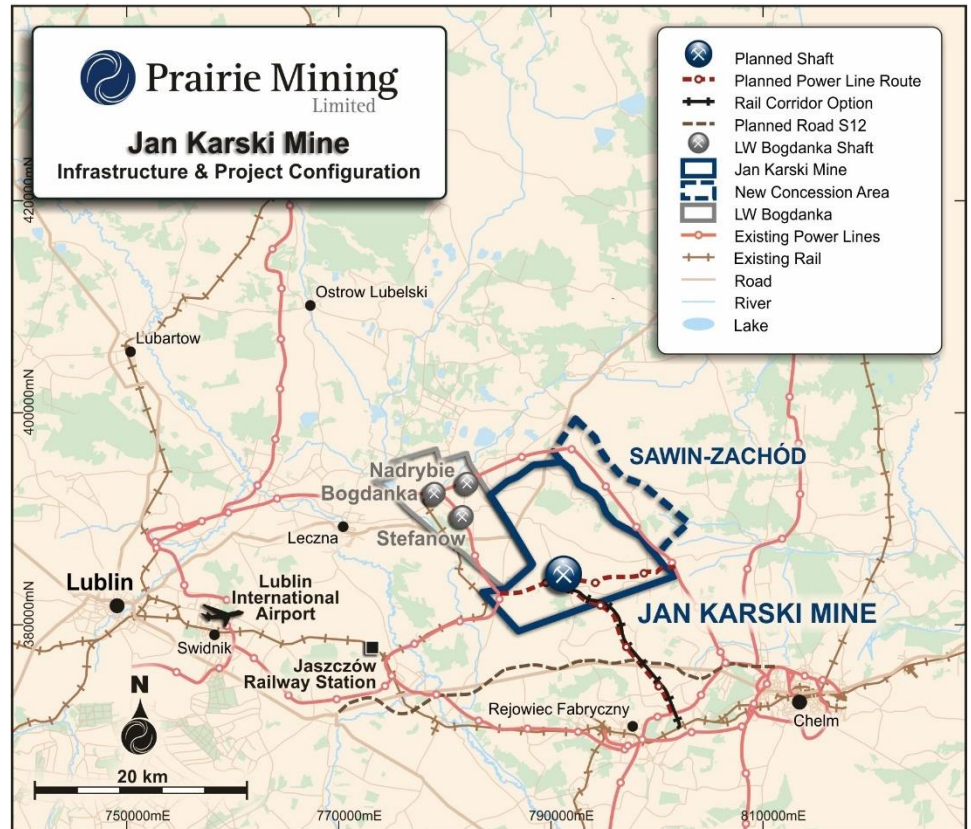
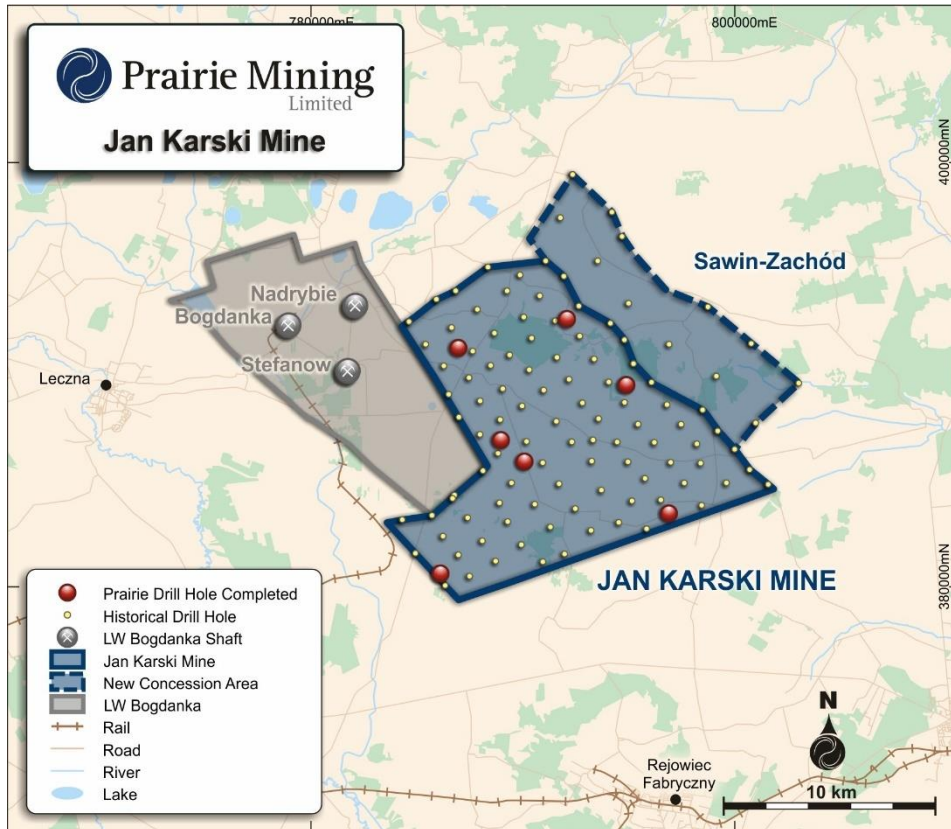


JAN KARSKI MINE

Bankable Feasibility Study Continues

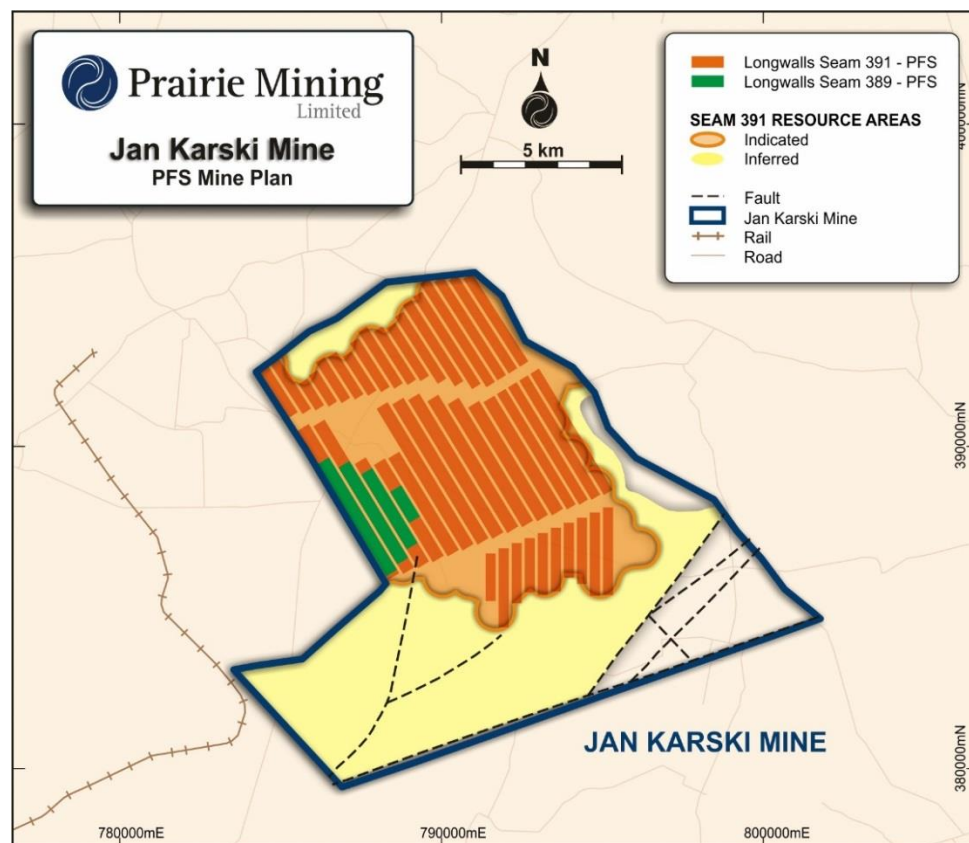
JAN KARSKI MINE – WORLD CLASS POTENTIAL

An advanced, world class semi-soft coking coal project in a proven coal basin located close to existing infrastructure



JAN KARSKI MINE – KEY PFS RESULTS

The Jan Karski Mine is positioned to become the lowest cost supplier of coal into key regional European target markets



Jan Karski Mine - JORC Coal Resource & Reserve Estimates (Mt)*

Indicated Resources	352
Inferred Resources	376
Total JORC Resource	728
Probable Recoverable Coal Reserves (Mt)**	170
Probable Marketable Coal Product (Mt)***	139
Product Yield	81.9%

* This table contains rounding and background weighted calculations; Resources are inclusive of Reserves

** Recoverable Reserves are stated on an as-received basis & include partings, interburden, out of seam dilution and 2% mining losses and only include 389 & 391 seams

*** Marketable Reserves are stated on an as-received moisture content basis; estimated average clean coal moisture is 9.5%

Jan Karski Mine PFS Key Parameters

Clean Coal Production (Steady State Average)	6.34Mtpa
Initial Mine Life	24 years
Steady State Annual EBITDA	US\$348.1m
Operating cash cost (Steady State Average)	US\$24.96/t
Capex To First Production	US\$631.7m

- Notes
- (1) Average annual EBITDA based on steady state production and long term price forecasts
 - (2) Assumptions: PLN:US\$ of 4.01 long term; Product split 60% coking and specialty coal, 40% thermal coal; Long term benchmark prices US\$93/t semi soft coking coal (FOB Aus), US\$75/t thermal coal (API2). Coal price forecast per CRU Coal Market Studies, Feb 2016
 - (3) Unit sustaining Capex (Steady State Average) of US\$3.43/t
 - (4) PFS Results Announcement: http://www.pdz.com.au/uploads/1/7/9/6/17961663/160308_lcp_pfs_results_announcement_final.pdf

JAN KARSKI MINE – CHINA COAL STRATEGIC CO-OPERATION AGREEMENT

In November 2016, Prairie and China Coal entered into a financing and construction co-operation agreement for the Jan Karski Mine

Jan Karski is Significantly De-risked

- i. Bankable Feasibility Study to be completed by mid-2017 to form basis of Chinese bank finance credit approval
- ii. Intention to then enter into an EPC contract under which China Coal No.5 Construction Company Ltd. (“CC5C”) will construct the Jan Karski Mine
- iii. Relevant Polish content to be incorporated into design and construction

Prairie teams up with World-Leading Partner

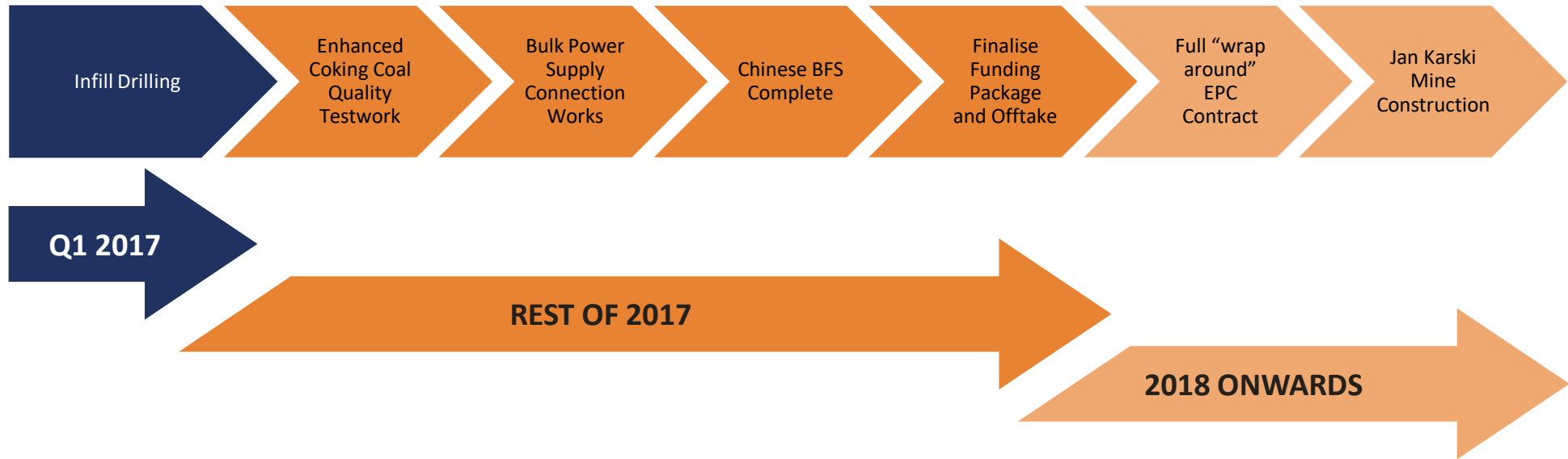
- China Coal is the 2nd largest coal mining company in China
- One of most advanced and prolific shaft sinking and coal mine construction companies globally
- More than 300 major shafts built globally including shaft sinking at Vedanta PLC’s Sindesar Khurd Lead-Zinc Mine

Poland is a key “One Belt Economy” for China

- Poland considered a key “One Belt Economy” important to Chinese economic access to Europe through President Xi Jinping’s “One Belt, One Road” initiative
- Chinese and Polish Leaders met in June 2016 including signing of cooperative treaties, opening of a China-Poland trade forum and welcoming of freight trains linking Chengdu and Łódź



NEXT STEPS AT JAN KARSKI



CORPORATE SNAPSHOT

STRONG CASH POSITION AND STRATEGIC FUNDING PARTNER

Prairie is well funded with a strong balance sheet and strategic funding partner

Capital Structure

Current Issued Share Capital	152 million
Options & Performance Rights	18 million
Fully diluted CD Capital Shares & Options	67 million

Capitalisation At 17 Mar 2017

LSE / ASX Share Price	34p / 53¢
Undiluted Market Capitalisation	£52 million / A\$81 million
Cash (At 31 December 2016)	£8 million / A\$13 million
WSE Share Price	PLN1.63

- ASX, LSE and WSE listed
- Prairie, through its subsidiary PDZ Holdings, concluded an Investment Agreement with global natural resources private equity fund CD Capital in July 2015 to invest up to A\$83m into Prairie Mining Limited
- CD Capital is a Natural Resources Fund that has a successful track record of identifying and investing in world-class mining and resource assets at the growth equity stage

EXECUTIVE TEAM



Mr. Ben Stoikovich, Chief Executive Officer

- Mr. Stoikovich is a mining engineer and professional corporate finance executive
- He has extensive experience in the resources sector gained from a career firstly as a Mining Engineer with BHP Billiton where he was responsible for mine operations and permitting, and more recently as a senior mining investment banker in London



Mr. Mirosław Taras, Group Executive

- Mr. Taras has worked in the Lublin coal basin for more than 30 years, commencing as an underground coal mine operator and rising to the rank of Chairman of the Management Board of Bogdanka where he successfully oversaw the privatisation of the company by way of an Initial Public Offering on the WSE, including a US\$160m fundraise to develop two new shafts and double production capacity at Bogdanka



Mr. Artur Kluczny, Group Executive

- Mr. Kluczny is the former Head of the Secretariat of the Polish Prime Minister's Office
- He served as the Deputy Chairman of the Board of the Polish Financial Supervision Authority ("KNF") responsible for capital markets supervision (Warsaw Stock Exchange)



Mr. Sapan Ghai, Corporate Development

- Mr. Ghai has extensive capital markets and corporate finance expertise most recently as a senior investment banker in BMO Capital Markets' Global Metals and Mining group where he advised on several capital raisings and M&A transactions
- He is a qualified Chartered Accountant

Board of Directors

Mr. Ian Middlemas	Chairman
Mr. Ben Stoikovich	Chief Executive Officer
Ms. Carmel Daniele	Non-Executive Director
Mr. Thomas Todd	Non-Executive Director
Mr. Mark Pearce	Non-Executive Director
Mr. Todd Hannigan	Alternate Director for Mr. Thomas Todd

APPENDIX

MID-VOL PRODUCT

Debiensko Mid-vol HCC comparable to Australian Goonyella brand and medium volatile coals produced in Poland today by JSW

Debiensko Medium Volatile Matter Hard Coking Coal Comparison to International Benchmarks								
Quality	Debiensko* (Poland)	Goonyella (Australia)	Oaky Creek (Australia)	Elkview (Canada)	Tuhup (Indonesia)	Pittston (USA)	Borynia-JSW (Poland)	Pniowek-JSW (Poland)
Ash (%)	3.2	8.9	9.5	9.5	7.0	8.0	8.5	8.5
Volatile Matter (%)	25.0	23.8	24.5	23.5	26.5	26.0	24.8	27.0
Sulphur (%)	0.56	0.56	0.60	0.50	0.70	0.85	0.65	0.60
Phosphorous (P) in Coal (%)	0.025	0.025	0.070	0.07	0.02	0.019	0.059	0.050
Free Swelling Index (FSI)	8½	8	8½	7½	9	8	7½	8½
CSR (%)	63	66	67	70	60	-	-	-
Fluidity (ddpm)	1200	1100	5000	150	450	-	up to 2300	up to 3000
C daf (%)	86	88.4	86.8	81.2	-	88.0	-	-
Rv Max	1.23	1.17	1.10	1.22	1.18	1.10	1.20	1.10
Vitrinite (%)	78	58	75	55	96	76	-	-

* Indicative quality Debiensko Mid-vol HCC from washed sample from 401/1 seam at floats <1.40kg/m3

LOW-VOL PRODUCT

Debiensko's Low-vol HCC is similar to other internationally traded low volatile matter hard coking coals, including brands such as Peak Downs (BHP Billiton Mitsubishi Alliance – BMA) and Hail Creek (Rio Tinto)

Debiensko Low Volatile Matter Hard Coking Coal Comparison to International Benchmarks								
Quality	Debiensko* (Poland)	Peak Downs (Australia)	German Creek (Australia)	Hail Creek (Australia)	Blue Creek - No.7 (USA)	Buchanan (USA)	Neryungri (Russia)	Jas-Mos (Poland)
Ash (%)	9.5	10.0	9.5	8.9	9.0	5.3	10.0	7.8
Volatile Matter (%)	20.5	20.5	19.0	20.5	19.9	18.7	19.3	21.4
Sulphur (%)	0.30	0.60	0.54	0.4	0.71	0.73	0.21	0.56
Free Swelling Index	7½	8½	8½	7	8½	8½	8	7½
Fluidity (ddpm)	128	275	400	300	1113	100	18	200
C daf (%)	80	89.1	88.6	88.2	91	-	80.8	-
Rv Max	1.5	1.40	1.45	1.26	1.48	1.63	1.50	1.40
Vitrinite (%)	59	68	73	54	70	76	81	-

*Indicative quality Debiensko Low-vol HCC from unwashed sample from 404/9 seam

COMPETENT PERSONS STATEMENTS

Competent Persons Statements – Debiensko Hard Coking Coal Project

The information in this presentation that relates to Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation was extracted from Prairie's announcement dated 16 March 2017 entitled "Scoping Study Indicates Debiensko Mine Restart Will Deliver Lowest Cost Hard Coking Coal Into Europe". The information in this presentation that relates to Exploration Results and Coal Resources was extracted from Prairie's announcement dated 1 February 2017 entitled "Maiden 301 Million Tonnes Hard Coking Coal Resource Confirmed At Debiensko". Both announcements referred to above are available to view on the Company's website at www.pdz.com.au.

The information in the original announcement that relates to Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Mr Maarten Velzeboer, a Competent Person, Member of the Institute of Materials, Minerals and Mining (MIMMM). Mr Velzeboer has worked in deep coal mines in New South Wales and Queensland in Australia and the Karaganda Coalfield in Kazakhstan. Mr Velzeboer has been engaged in a senior capacity in the design and development of proposed mines in Queensland, Australia, Botswana and Venezuela. Mr Velzeboer is employed by independent consultants Royal HaskoningDHV. Mr Velzeboer has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to Exploration Results and Coal Resources is based on, and fairly represents information compiled or reviewed by Mr Jonathan O'Dell, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy who is a consultant of the Company. Mr O'Dell has sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Prairie confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcements and; b) all material assumptions and technical parameters underpinning the Production Target, Coal Resource and related forecast financial information derived from the Production Target included in the original announcements continue to apply and have not materially changed; c) the form and context in which the relevant Competent Persons' findings are presented in this announcement has not been materially modified from the original announcements.

⁴In relation to the Debiensko mining concession, Prairie recently applied to the Polish Ministry of Environment for an application to amend the Debiensko mining concession to extend the start date of commencement of mining operations from beyond 2018 to 2025, and therefore facilitating Prairie's forward work program aimed at defining a bankable project at Debiensko according to international standards. Prairie expects such approval in due course and to commence infill drilling and the next stage of technical/ economic studies.

COMPETENT PERSONS STATEMENTS

Competent Persons Statements – Jan Karski Mine

The information in this presentation that relates to the Exploration Results, Coal Resources, Coal Reserves, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation was extracted from Prairie's announcement dated 8 March 2016 entitled "Pre-feasibility Study Confirms LCP As One of The Lowest Cost Global Coal Suppliers Into Europe" which is available to view on the Company's website at www.pdz.com.au.

The information in the original announcement that relates to Coal Reserves, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Mr Stephen Newson, a Competent Person who is a Chartered Engineer and Fellow of the Institute of Materials, Minerals and Mining (UK) and has a 1st Class Mine Manager's Certificate of Competency. Mr Newson is employed by independent consultants Golder Associates (UK). Mr Newson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the original announcement that relates to Exploration Results and Coal Resources is based on, and fairly represents, information compiled or reviewed by, Mr Samuel Moorhouse, a Competent Person who is a Chartered Geologist and is employed by independent consultants Royal HaskoningDHV UK Limited. Mr Moorhouse has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Prairie confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcements; b) all material assumptions and technical parameters underpinning the Coal Resource, Coal Reserve, Production Target, and related forecast financial information derived from the Production Target included in the original announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this presentation have not been materially modified from the original announcements.