



17 July 2014

The Manager Companies  
ASX Limited  
20 Bridge Street  
Sydney, NSW, 2000

Dear Madam

### PRESENTATION TO INVESTORS

I attach a presentation which is being delivered to investors.

For further information, please contact Andrew Lawson on +61 7 3640 4700.

Yours faithfully

Lee J. O'Dwyer  
Company Secretary

# Cockatoo Coal Limited



**Presentation to Noosa Mining  
Conference  
July 2014**

# Disclaimer



This document contains summary information about Cockatoo Coal Limited (the "Company") and its Projects ("Projects") as at 17 July 2014. The information in this document does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with ASX Limited ("ASX"), which are available at [www.asx.com.au](http://www.asx.com.au)

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This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "consider", "foresee", "aim", "will" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future production, resources, reserves, sales, capital expenditure, earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company.

All dollar values are in Australian dollars (A\$) and financial data is presented within the financial year ended 30 June unless otherwise stated.

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# Company Overview

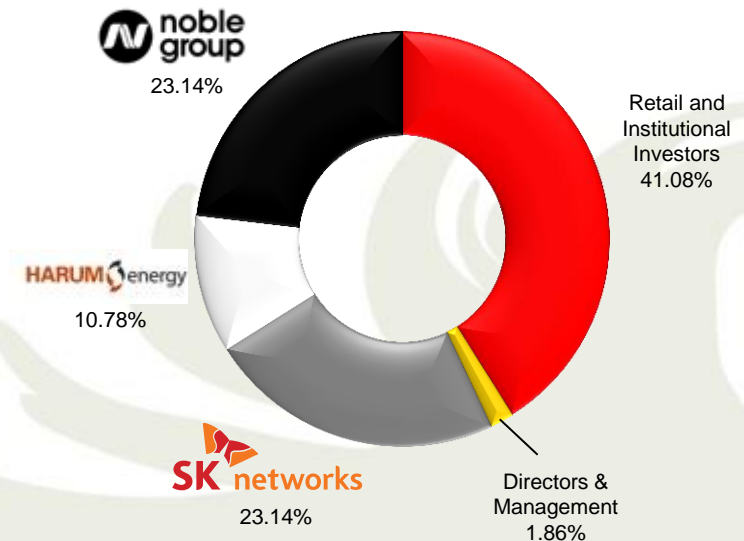


## Australia's leading ASX Listed Ultra-Low Volatile PCI Producer

- Owner & Operator of Baralaba PCI Mine in Queensland (1mtpa)
- Cockatoo undertaking expansion at Baralaba to 3.5mtpa (subject to final approvals)
- Substantial growth pipeline with significant potential
- Strategic infrastructure position in Queensland
- Project Finance Facility with ANZ
- Strong major shareholders and JV Partners
- Committed to Baralaba community

### Key Metrics

ASX Code	COK
Share Price	2.7c <sup>1</sup>
Market Capitalisation	\$123.1M <sup>1</sup>

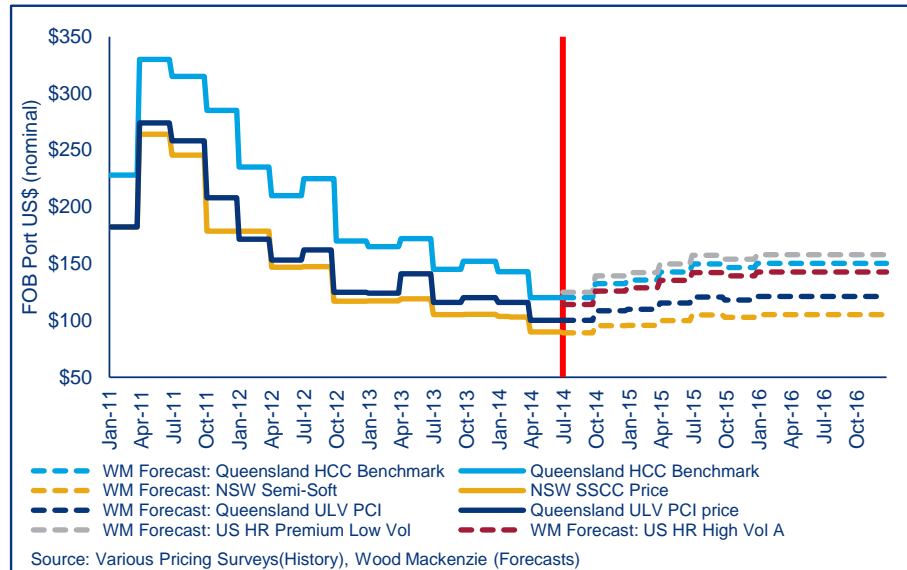


Note: Excludes 150 million cockatoo options with an exercise price of A\$0.125 per share and 50 million options with an exercise price of \$0.0593.

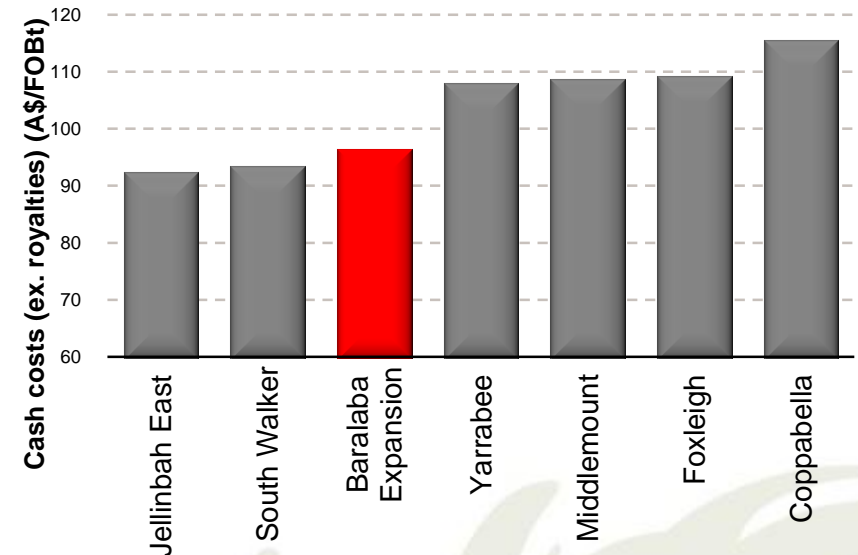
1 – As at Jul 16 2014

# Market Overview

*Market is creating a difficult environment for producers*



Source: Wood Mackenzie



Source: Wood Mackenzie (May 2013), Cockatoo Coal (Baralaba Expansion SBFS).

- **ULV PCI market has declined 20% during the past year**
- **Most producers are struggling to break even**
- **Baralaba's cash costs (LOM) are amongst the lowest of any ULV PCI producer**
- **Forecasts predict the cycle is alive – Baralaba Expansion timing aligns with market fundamentals**

# Survive, then Thrive ...

The seeds are being sown for the next upswing

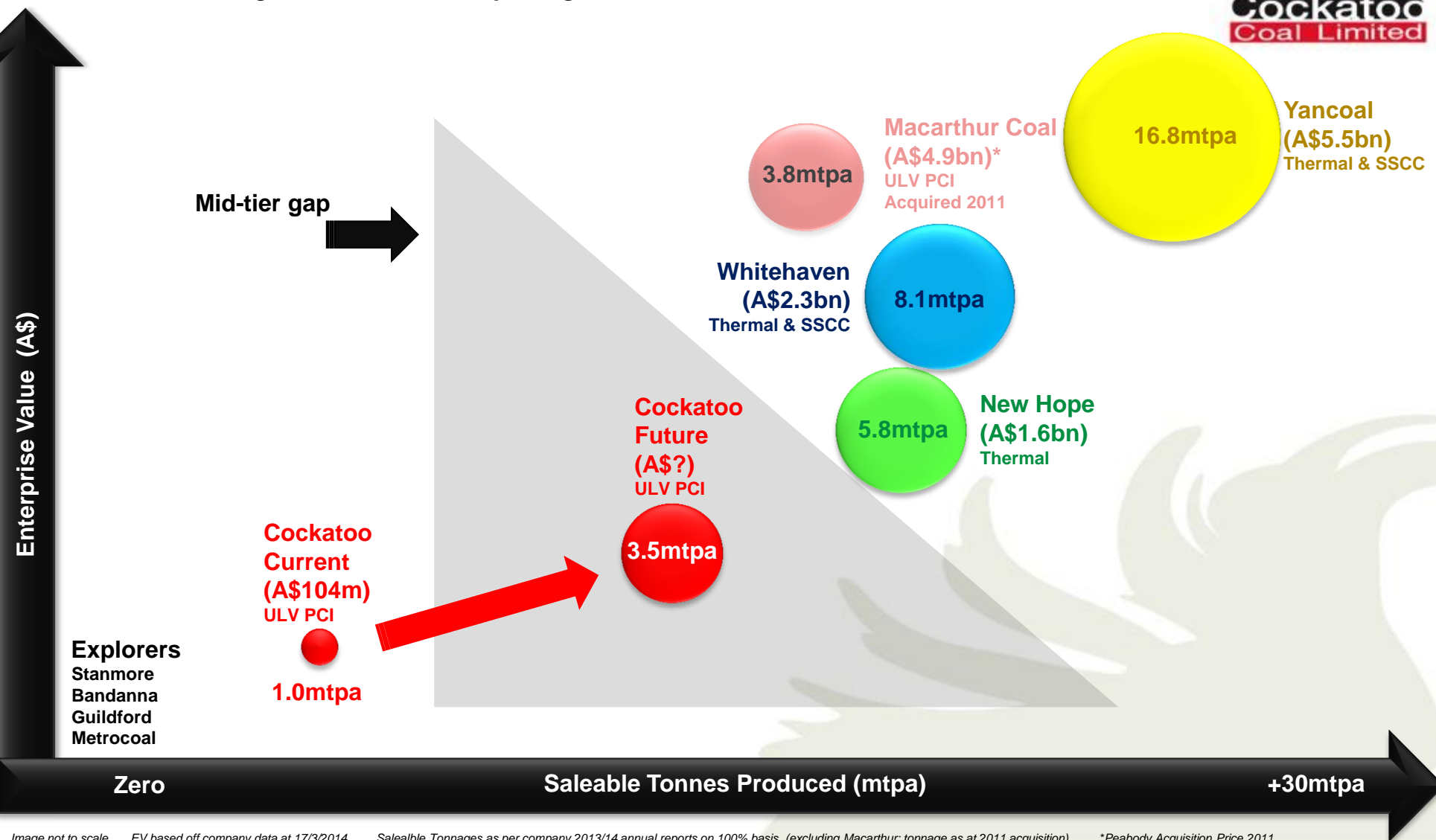


Image not to scale

EV based off company data at 17/3/2014

Saleable Tonnages as per company 2013/14 annual reports on 100% basis (excluding Macarthur; tonnage as at 2011 acquisition)

\*Peabody Acquisition Price 2011

# Funding Update

*Cockatoo continuing to execute strategy from late 2013 following recapitalisation*



- Cockatoo to acquire minority shareholdings in Baralaba operations from JFE for A\$1
- Resolution of Baralaba ownership a key step to finalise the release of A\$37m in restricted cash supporting infrastructure guarantees with the support from Noble Group & SK Networks
- Cockatoo intends to proceed with previously announced plans to secure mezzanine finance
- Drawdown of A\$255m Project Finance Facility from ANZ continues on track for Q1/2 2015





# Baralaba





# Baralaba – Mine Overview

*Metallurgical coal mine with sound project fundamentals, positioned to take advantage of an improving market*



- High quality Metallurgical Coal (ULV PCI) Resource
- Queensland Government “Prescribed Project”
- Low strip ratio of circa 9.7:1 (LOM)
- 32mt JORC Marketable Reserves, with tonnage upgrades planned
- ~250km product haul from mine to Gladstone utilising Moura system
- Cockatoo is an active member of the Baralaba community, employing over 70 local staff



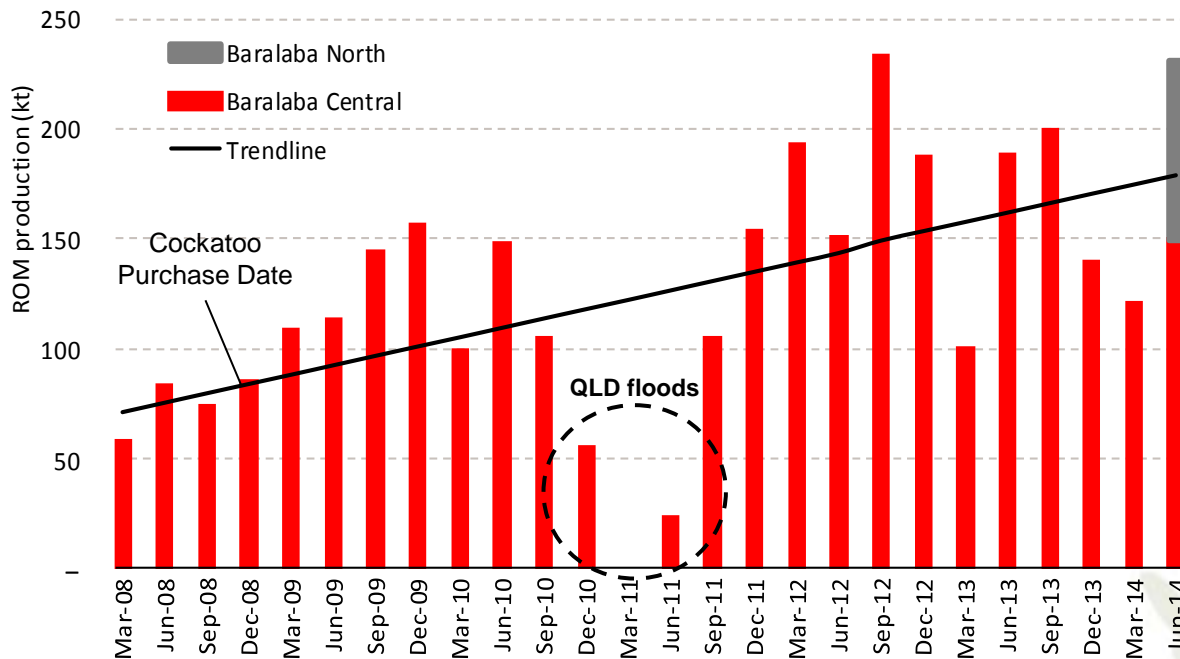
*“Outrigger Pit” at Baralaba North*

# Baralaba - Performance

*Consistent improvements in performance throughout Cockatoo ownership of mine*



## Baralaba Production Performance



2014 Physical Results		First Half 2014 Actual	Budget
Baralaba Central	ROM Coal (tonnes)	269,607	288,748
	Waste (bcm)	1,667,506	1,854,411
Baralaba North	ROM Coal (tonnes)	81,682	64,166
	Waste (bcm)	4,464,652	3,673,854
Total		351,289	352,914

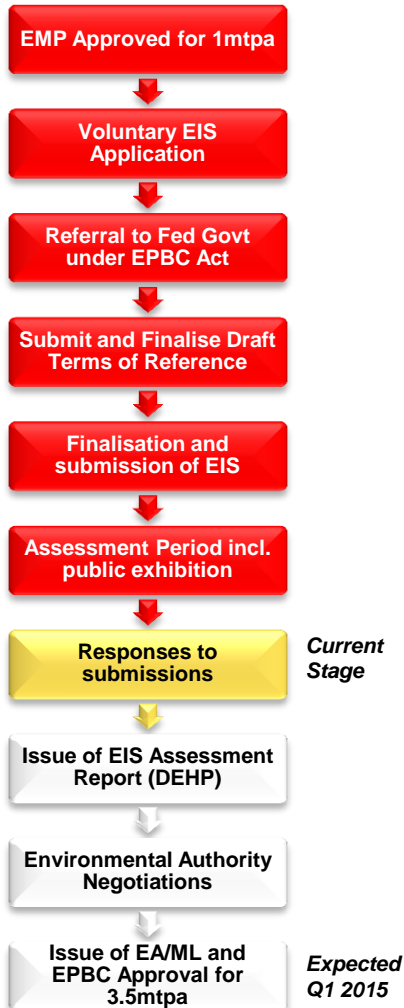
**Baralaba Central to North transition on track, with coal production steadily increasing**

# Baralaba - Approvals

*Cockatoo swiftly navigating approvals pathway to achieve 3.5mtpa*



## EIS Process



## Initial Mining (1mtpa)

- Mining Operations approved to continue at 1mtpa
- First coal produced from Baralaba North 9<sup>th</sup> May 2014

## Ramp Up (3.5mtpa)

- EIS lodged 16<sup>th</sup> April 2014; public submission period closed 7<sup>th</sup> July 2014
- Currently **60 days ahead** of statutory timeframes
- Remaining approvals for Train Load Out/Haul Road remain on track



*First Coal Ceremony – 9<sup>th</sup> May 2014, with Deputy Premier and Member for Callide The Hon. Jeff Seeney MP & Cockatoo Coal Managing Director Andrew Lawson*



# Baralaba - Execution

*Methodical planning and execution measures in place*



- First phase expansion at Baralaba delivered ~6% under budget, and on time
- Levee, Stage 1 Dams/Ponds, Access Roads and Mine Infrastructure Areas have all been completed
- Next phase involves Coal Transportation upgrades, including Train Load Out, Haul Road etc

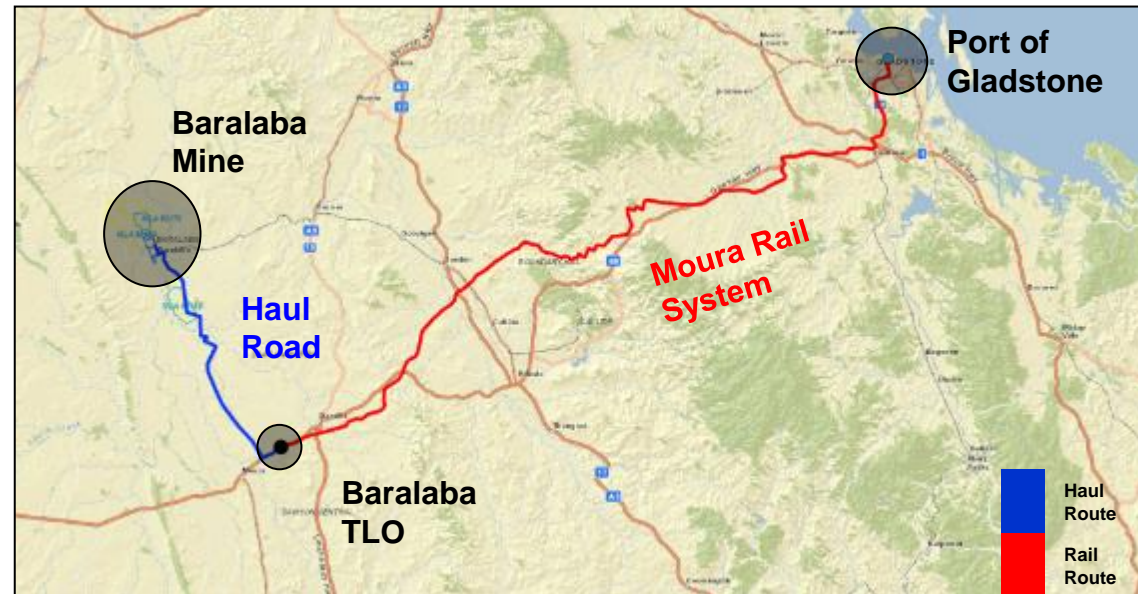
# Baralaba - Infrastructure

*Secure infrastructure arrangements across entire supply chain*

## Pit to Port Arrangements

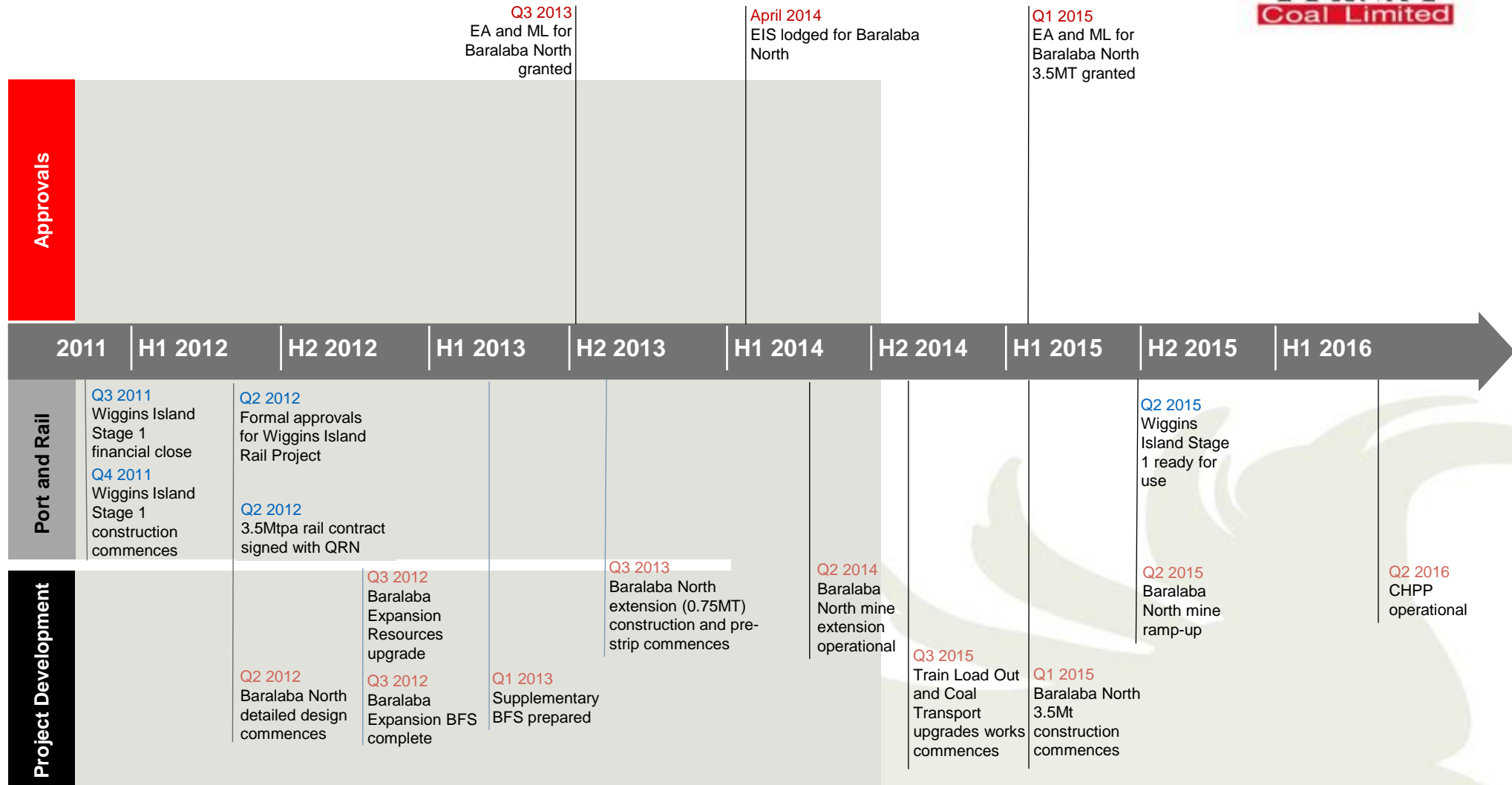
- Coal hauled from mine to dedicated Train Load Out (TLO) on Moura Rail Network (60km)
- Rail arrangements in place with Aurizon for above and below rail usage for 3.5mtpa (185km to Gladstone)
- Port arrangements in place with RG Tanna Terminal (0.5mtpa) and WICET (3mtpa)
- Baralaba expansion aligns with WICET timelines

*Wiggins Island  
Coal Export  
Terminal in late  
May 2014*



# Baralaba - Scheduling

## Development Planning





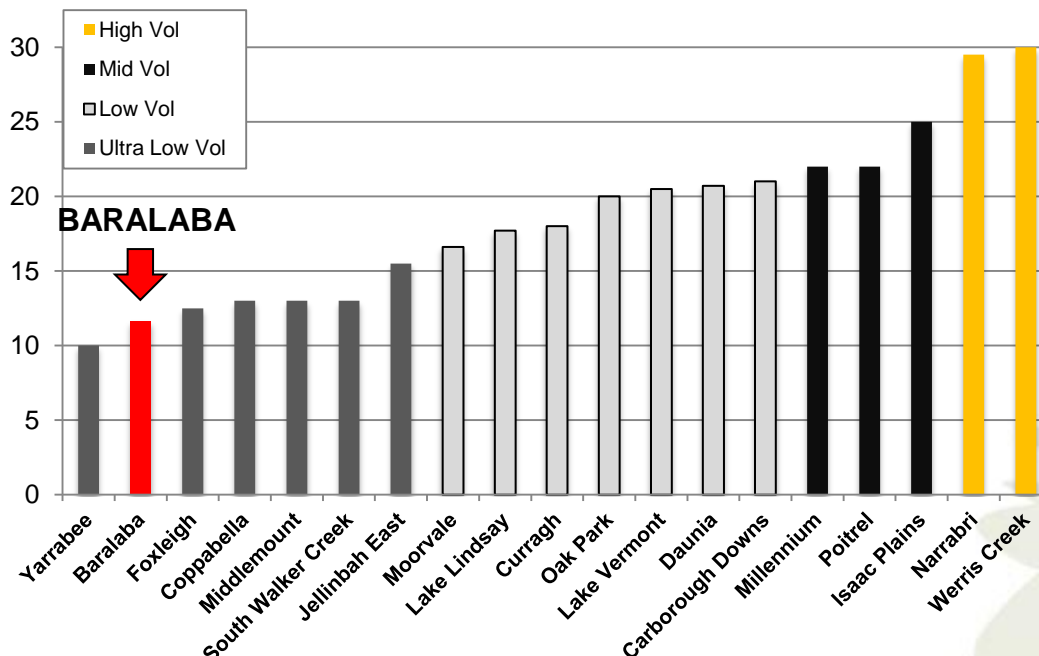
# Baralaba - Marketing

*Premium quality, ultra-low volatile PCI coal*



- Amongst lowest Volatile Matter content of any PCI mine
- Replacement fuel for Hard Coking Coal in blast furnaces
- Significant cost advantages for steel mills in using ULV PCI over non-PCI and HV PCI
- Excellent replacement ratio characteristics
- Expansion will see 100% product ULV PCI produced, when CHPP operational

Baralaba Typical Specification						
TM (% ar)	IM (% ad)	Ash (% ad)	VM (% daf)	FC (% ad)	TS (% ad)	HGI
8.00	1.50	10.50	11.50	76.00	0.60	80



Project	VM (daf)	Mtpa
Baralaba	11.5%	1.00 current 3.50 future
Coppabella	14%	2.67
Foxleigh	14%	2.36
Jellinbah	16%	4.43
Moorvale	17%	2.32
South Walker Creek	14%	4.02
Yarrabee	11%	2.32

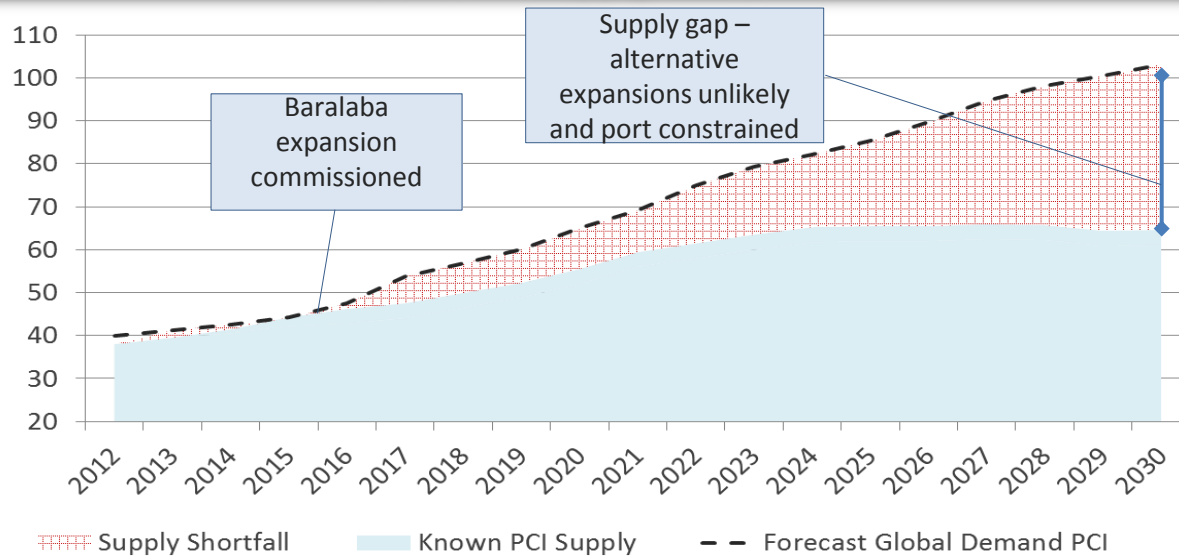
Source: Wood Mackenzie Coal Supply Service

# ULV PCI Market

*Future demand expected to continually increase, which should position Cockatoo well*



## PCI Market Supply and Demand



Source: Cockatoo Coal

- **Future PCI supply is expected to come from Australia** (approx 80% of export supply by 2030)
- **Baralaba is the only large scale ULV PCI expansion in WICET Stage 1**
- **Other port projects** in Queensland are uncertain
- PCI coals from Newcastle are of much lower quality
- Cockatoo's view is that increasing **activism will curb the ability to develop new mines** and ports in future

**Baralaba expansion aligns with timing of forecast shortfall in PCI supply**

# Project Pipeline

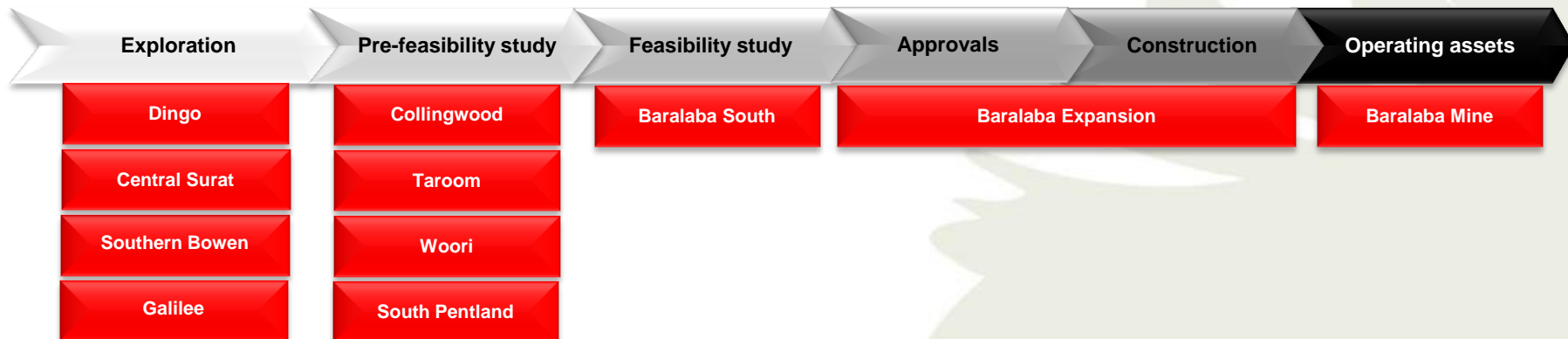
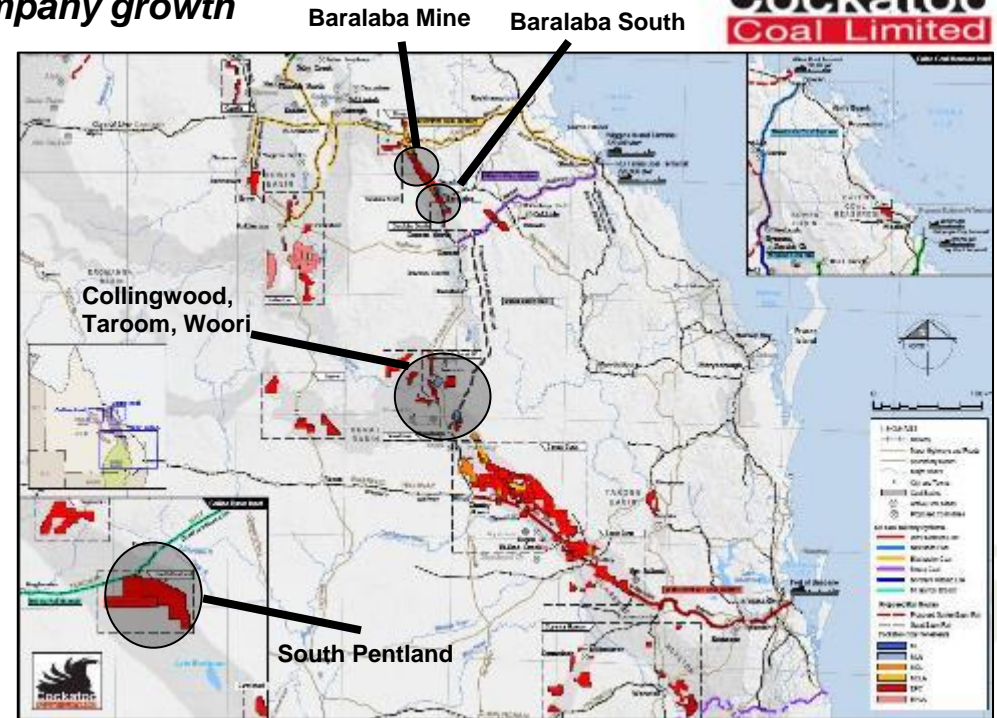
*Extensive Project Pipeline to underpin future company growth*

Advanced secondary metallurgical coal (PCI) project at Baralaba South of 192 million tonnes of JORC compliant Resources and 37 million tonnes of reserves

World class positions within Surat, with defined JORC compliant resources or 746 million tonnes and reserves of 308 million tonnes (100% basis) across three key projects (Collingwood, Taroom & Woori)

Strong position within Galilee, with defined JORC compliant resources of 322 million tonnes at South Pentland adjacent to existing heavy haul rail system

Additional exploration territory of over 6,000km<sup>2</sup> and +700 million tonnes of JORC compliant resources





# Summary



## Australia's leading ASX Listed Ultra-Low Volatile PCI Producer

- Coal production and export commenced from Northern expansion
- 1mtpa annualised production rate already achieved
- Clear approvals pathway to achieve 3.5mtpa
- Capital and opex reduction initiatives ongoing
- Secure infrastructure arrangements
- Experienced management team in place to deliver
- Excellent pipeline of assets underpinning future growth



# Contact



For more information, please contact

Andrew Lawson  
Managing Director  
Cockatoo Coal Limited

P +61 7 3640 4700  
E [info@cockatoocoal.com.au](mailto:info@cockatoocoal.com.au)  
W [www.cockatoocoal.com.au](http://www.cockatoocoal.com.au)

Level 4, 10 Eagle Street  
Brisbane, QLD, 4000  
Australia



# Competent Persons Statement



The information in this Investor Presentation that relates to Cockatoo's Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr Oliver Holm, Mr Mark Winsley, Mr Lyon Barrett and Mr Lyndon Pass, who are all members of the Australasian Institute of Mining and Metallurgy (AusIMM)

Information was extracted from the reports detailed below, which are available to view at Cockatoo's website <http://www.cockatoocoal.com.au> and on Cockatoo's company announcement platform at <http://www.asx.com.au>

- 'Bowen Basin Projects Resource and Reserve Updated', released to ASX on 5 April 2013; and
- 'Surat Basin Projects Drilling and Resource Update', released to ASX on 16 January 2013
- 'Maiden JORC Resources at South Pentland & Taroom Projects', released to the ASX by Blackwood Corporation on 12 September 2013

Information pertaining to Cockatoo's projects was compiled by Dr Oliver Holm, geologist, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Holm was a full time employee of the company at the time of these publications, and has sufficient experience which 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Holm has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear

Mr Winsley was the General Manager – QLD Exploration for Blackwood Corporation Limited at the time of resource publication and held shares in Blackwood. He has sufficient experience which 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'. Mr Winsley consented to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Winsley signed off as competent person for the validity of field data for Blackwood's South Pentland and Taroom projects

Mr Barrett is engaged as Principal Resource Geologist/Director of Measured Resources Pty Ltd and has sufficient experience which 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'. Mr Barrett consented to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Barrett signed off as competent person for the resource estimate for Blackwood's South Pentland project

Mr Pass is engaged as Principal Resource Geologist/Director of Measured Resources Pty Ltd and has sufficient experience which 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'. Mr Pass consented to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Barrett signed off as competent person for the resource estimate Blackwood's Taroom project

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of the estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have no materially modified from the original market announcement.



# Board of Directors



## Independent Non-Executive Chairman

**Mr Peter Richards**  
BCom, BAcctg, BEcon

Mr Richards has over 30 years of experience in the mining services and industrial sectors with global companies including BP plc, Wesfarmers, Dyno Nobel Limited and, most recently, Norfolk Group Limited where he served as Managing Director. Mr Richards also currently serves as a Director of Emco Holdings Ltd, Bradken Ltd and NSL Consolidated Ltd

## Non-Executive Director

**Mr Henry Cho**  
BEc

Mr Cho is the Head of Resources Development for SK Networks Co., Ltd and has more than 25 years' experience in investing in and administration of global coal, base metals, iron ore and uranium projects in Australia, Indonesia, and China.

## Non-Executive Director

**Mr Timothy Gazzard**  
BEng (Mining), Grad Dip App Fin, MBA

Mr Gazzard is an Executive Director with Noble International Pte Ltd and is Global Head of Noble Group's metallurgical coal business. Mr Gazzard has 15 years' global experience in commodities across all aspects of the supply chain including mining, asset development, logistics, marketing, financing and M&A.

## Non-Executive Director

**Mr Scott Thompson**  
BEng (Mining) [Hons], MBA, MAusIMM

Mr Thompson is a Director of Harum Energy Australia Pty Limited and has 18 years of coal industry experience. Prior to joining the Tanito Coal Group in 2003, he worked with various international mining organizations including Anglo American and PT Adaro Indonesia.

## Independent Non-Executive Director

**Mr Rod Ruston**  
BEng, MBA

Mr Ruston has nearly 40 years' of wide ranging global experience in the resources industry, including managing coal mining, heavy minerals and heavy construction companies. Mr Ruston is currently CEO of County Coal Ltd, an ASX listed company sourcing coal from the Powder River Basin in the USA for sale to Asia. Mr Ruston also serves on the board of AngloGold Ashanti

## Independent Non-Executive Director

**Mr Robert Yeates**  
BEng [Hons], PhD, MBA

Mr Yeates is the former CEO of Newcastle Coal Infrastructure Group, and has extensive executive management, marketing, operating, business development and infrastructure experience as former MD of Oakbridge Pty Ltd, a director of Port Waratah Coal Services, Port Kembla Coal Terminal, Great Northern Mining Corporation NL and Cyprus Australia Coal

## Managing Director

**Mr Andrew Lawson**  
BEc, LLB, MSc (Management)

Mr Lawson serves as Managing Director of Cockatoo Coal, and has over 15 years of experience in the coal sector as a member of Glencore International's coal division, based variously in Australia, Singapore and the USA, during which time he was actively involved in acquisitions, investment, operations and marketing.

# Executive Management



## Managing Director

**Mr Andrew Lawson**  
BEc, LLB, MSc  
(Management)

Mr Lawson serves as Managing Director of Cockatoo Coal, and has over 15 years of experience in the coal sector as a member of Glencore International's coal division, based variously in Australia, Singapore and the USA, during which he was actively involved in acquisitions, investment, operations and marketing.

## Chief Operating Officer

**Mr David Vink**  
BEng (Mining) [Hons],  
MBA, MAusIMM

Mr Vink is a mining executive with over 22 years experience in developing and operating large scale open cut and underground mines. Mr Vink's career within Mining Engineering and technical services has spanned blue chip mining organisations such as Xstrata, Rio Tinto and BHP Billiton, following which he moved into various operational & technical roles throughout Theiss' Australian coal operations, managing over \$500m per annum of operating expenditure and over 1,000 employees

## Chief Development Officer

**Mr Todd Harrington**  
BSc (Geology) [Hons],  
MBA, MAusIMM, GAICD

Mr Harrington has over 18 years operational, technical & managerial experience, most recently serving as CEO of Blackwood Corporation, an ASX listed Queensland coal explorer. His tenor at Blackwood culminated in the successful takeover offer by Cockatoo Coal. Mr Harrington previously served as the Head of Xstrata Coal Queensland's Geological Services division, delivering 5 currently operating coal mines from greenfield exploration through to production. Mr Harrington has extensive global M&A experience, having performed asset development for Blackwood, as well as Xstrata's global coal and iron ore projects

## Chief Financial Officer

**Mr David Smith**  
CA, Bcom, Grad Dip Fin  
& Inv, Grad Dip Adv  
Acctg, GAICD

Mr Smith has more than 18 years financial and project development expertise. Mr Smith's most recent role was as CFO of Blackwood Corporation Limited, being responsible for completing the successful takeover offer from Cockatoo Coal Limited. Previously, he served as GM – Finance at Aston Resources, where his experience included the successful completion of Australia's largest coal IPO, equity sell downs, refinancing of debt and culminated in the merger with Whitehaven Coal in 2012. Mr Smith has also held various roles in ASX & NYSE listed companies, including as CFO and Company Secretary

## Chief Commercial Officer

**Mr James Rodgers**  
MBA, Adv Dip Mgmt

Mr Rodgers has over 20 years of international M&A and management experience in a variety of industries, including mining & natural resources, transportation & logistics, manufacturing & professional services and hospitality, being variously based throughout Canada, Japan & Australia. Mr Rodgers has served as a commercial executive for many years with Cockatoo, prior to which he was a Senior Manager within Mitsui & Co across their Japanese and Canadian divisions

# Cockatoo JORC Resource Estimates



				JORC Resource				Cockatoo Equity Resources (Mt)
Project	Cockatoo Equity (%)	JV Partner	Coal Type	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)	
Baralaba Projects								
Baralaba Mine	62.5% <sup>(1)</sup>	JFE Shoji	PCI / Thermal	12.8	10.6	12	36	22
Baralaba North	80% <sup>(1)</sup>	JFE Shoji	PCI	16.9	21.2	16	54	43
Baralaba South	80% <sup>(1)</sup>	JFE Shoji	PCI	35.5	17.2	139	192	154
Lochinvar	80% <sup>(1)</sup>	JFE Shoji	PCI / Thermal	–	4.0	60	64	51
Baralaba Total				65.2	53.0	227	346	270
Surat Projects								
Woori	51%	Mitsui	Thermal	84.3	–	–	84	43
Taroom	51%	Mitsui	Thermal	158.1	149.3	126	433	221
Collingwood	51%	Mitsui	Thermal	79.7	80.3	69	229	117
Tin Hut Creek	100%	–	Thermal	–	206.6	137	344	344
Other Surat <sup>(2)</sup>	100%	–	Thermal	35.5	224.2	411	670	670
Surat Total				357.6	660.4	743	1,761	1,395
South Pentland	100%		Thermal			322	322	322
Broadmere	100%		Thermal			52	52	52
TOTAL				422.8	713.4	1,344	2,481	2,039

(1) To be amended following finalisation of Cockatoo acquisition of JFE stake.

(2) Includes Bottle Tree, Krugers, Davies Road, Bushranger and Kingaroy.



# Cockatoo JORC Reserve Estimates



				JORC Reserve							
				Reserves			Marketable Reserves				
				Proved (Mt)	Probable (Mt)	Total (Mt)	Cockatoo Equity (Mt)	Proved (Mt)	Probable (Mt)	Total (Mt)	Cockatoo Equity (Mt)
Project	Cockatoo Equity (%)	JV Partner	Coal type								
Bowen Basin Projects											
Baralaba Mine	62.5%	JFE Shoji	PCI / Thermal	1.0	0.3	1.3	0.8	0.8	0.2	1.0	0.6
Baralaba Mine	62.5%	JFE Shoji	PCI / Thermal	3.3	0.5	3.7	2.3	3.1	0.3	3.4	2.1
Baralaba North	80%	JFE Shoji	PCI	15.7	15.6	31.3	25.0	14.6	14.0	28.6	22.9
Baralaba South	80%	JFE Shoji	PCI	–	45.0	45.0	36.0	–	37.0	37.0	29.6
Bowen Total				20.0	61.4	81.4	64.2	18.5	51.5	70.0	55.2
Surat Projects											
Woori	51%	Mitsui	Thermal	64.3	–	64.3	32.8	40.6	–	40.6	20.7
Taroom	51%	Mitsui	Thermal	124.0	78.5	202.5	103.3	99.9	61.7	161.7	82.5
Collingwood	51%	Mitsui	Thermal	69.4	55.8	125.2	63.9	54.4	44.1	98.5	50.2
Surat Total		–		257.7	134.3	392.0	199.9	194.9	105.8	300.8	153.4
TOTAL				277.7	195.7	473.4	264.1	213.4	157.3	370.8	208.6