



PIKE RIVER COAL

Ramping up to Full Production Investor Briefings 31 Mar to 2 Apr



Pike River is an Operating Mine

- Breakthrough to premium hard coking coal in Oct 08
- Opened Nov 08 by Minister of Energy and Resources
- Minimal production whilst ventilation shaft is restored
- First coal shipment of 60,000 tonnes now in Jul - Sep 09 quarter

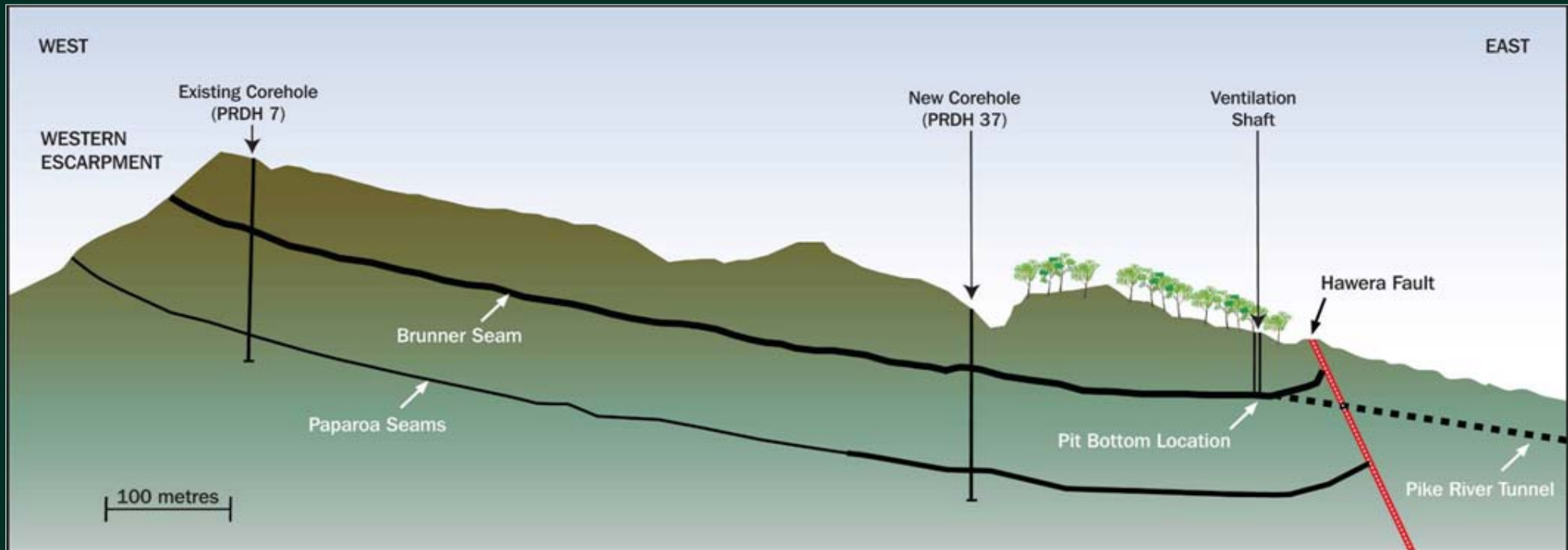


Infrastructure and Mining Equipment Ready



Ventilation Shaft - Background

- We've come a long way – 2.4km to ventilation shaft
- Shaft crucial for air
- Difficult access, mountainous terrain - best site
- Still within 100 metres of Hawera fault



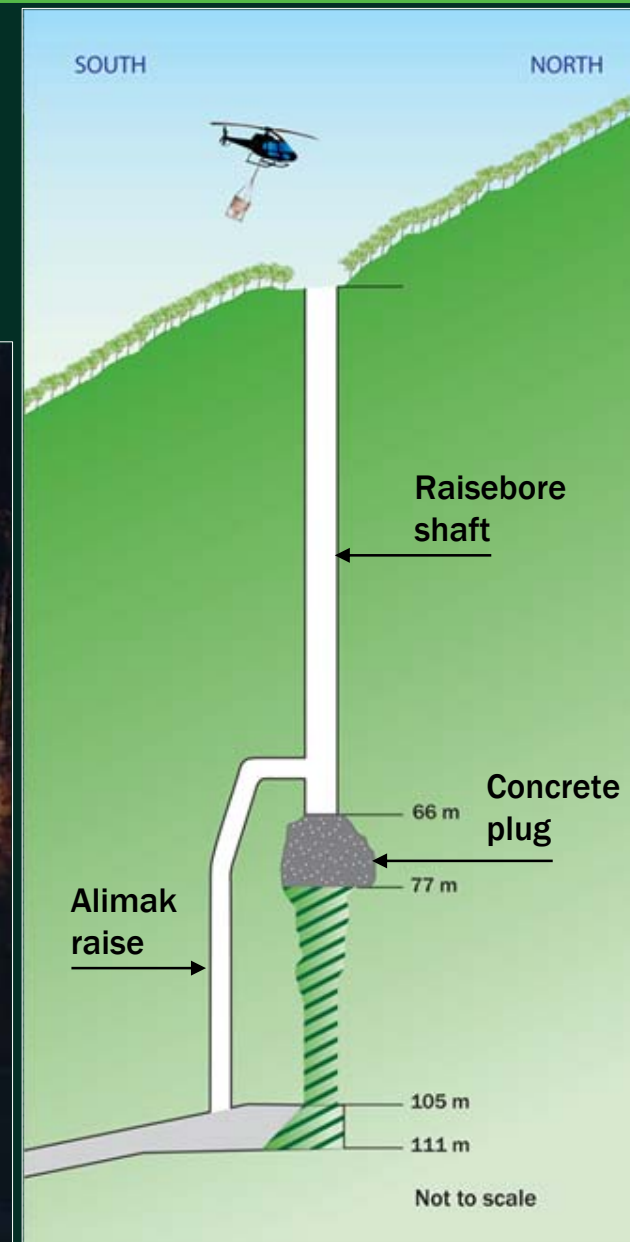
What Happened with Shaft

- Shaft successfully raise bored over 3 weeks to 8 Jan 09
- Top 35 metres grouted, rest expected to be competent rock
- Rock fall then occurred in bottom 30 metres blocking ventilation
- Insurance claim lodged



Shaft Restoration Underway

- An Alimak raise shaft is being constructed from the tunnel to intersect the main shaft
- Experienced Australian contractor working 24/7
- Void already filled with concrete
- Top 66 metres of main shaft in good condition
- Ventilation expected to be restored by end May 09 and normal operations resume



Coal Production and Exports

- All surface infrastructure in place
- Ramp-up complete by end Sep 09
- Full production from Oct- Dec 09 quarter
- One million tonnes per year for 18 years
- Transport agreements in place for exporting through Lyttelton



Robust Long Term Sales Contracts

- International customers in Asia Pacific
 - 76% for 3 years
 - 55% for life of mine
- Current contracts
 - Gujarat NRE 40% life of mine
 - Saurashtra 15% life of mine
 - Japanese Steel Mills 21-24% for 3 yrs
- NZ\$ 3.4 billion of sales over mine life *

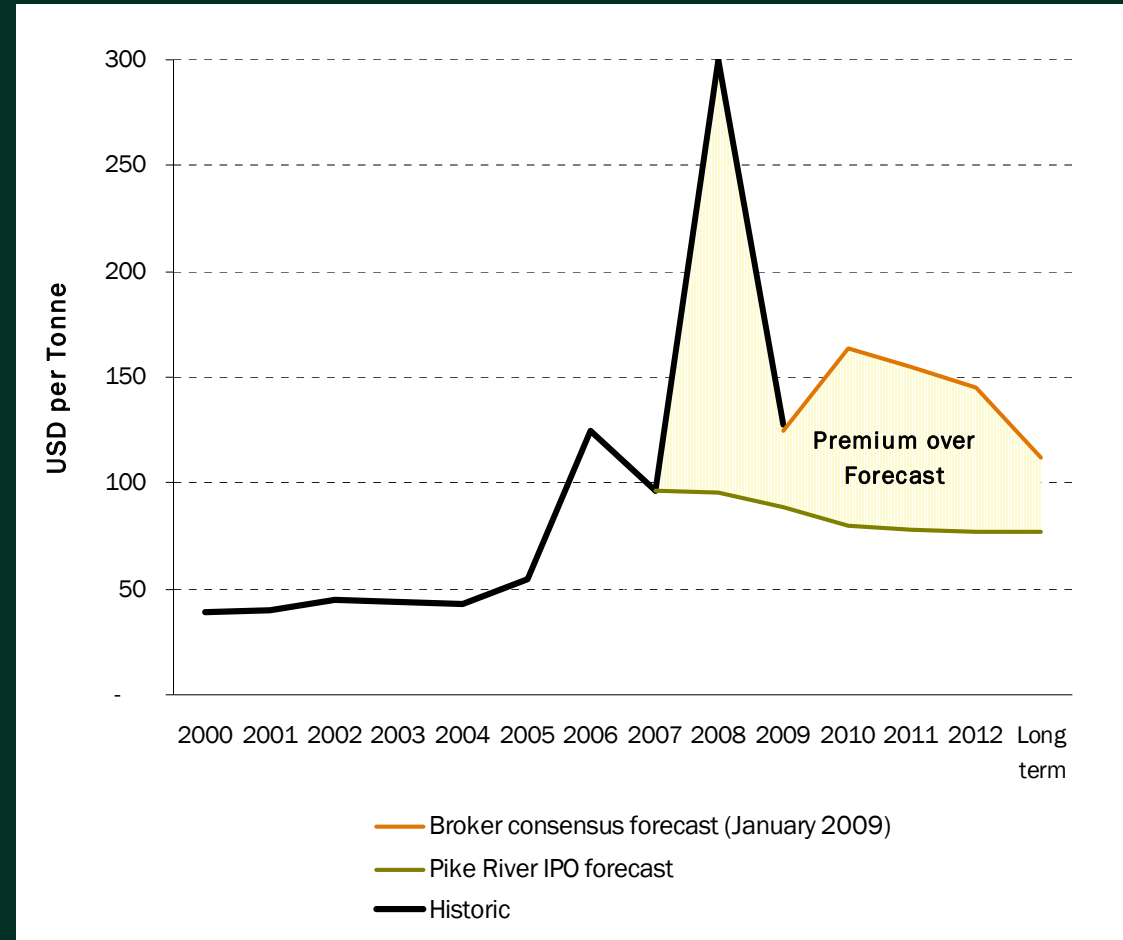


* 17.6 million tonnes assuming US\$115/t and FX 0.60



Sales Prices

- BMA have settled coal prices for 2009/10 with Nippon Steel
- Premium hard coking coal set at US\$128 per tonne (Goonyella)
- Pike settlements anticipated in line with premium end – negotiations in progress
- US\$30 per tonne better than Pike's 2007 IPO estimate of US\$95* per tonne
- Exchange rate benefit compared to IPO
 - *1.2% sulphur



Environmental Showcase

- Outstanding environmental record
- DoC certificate
- Minister of Energy: “Marriage of good mining practice and environmental good management”
- Minister of Conservation: “A new environmental standard for mining” and a “showcase development”



Cashflow Impacts due to Shaft Delay

NZ\$ million

Coal sales delayed (note 1)	26
Ventilation shaft repairs (note 2)	7
Ongoing running costs – 3 months	6
Buffer - reduced coal sales revenues etc	6
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Total	45

Notes:

1. Coal sales cashflow was funding final capex and providing working capital for stockpile build etc
2. May be reduced by insurance claim refund of \$2-3 million



Capital Raising Arranged

- Pike River announced a \$45m capital raising in Mar 09
 - \$4m placement to AMP
 - \$41m fully underwritten rights issue (McDouall Stuart and NZOG)
- Rights issue is 1 share and option for every 5 shares held
- Options have 2 year term, exercisable at \$1.25
- Key dates
 - Record date 31 Mar 09
 - Rights trading NZX opens 31 Mar 09
 - Rights trading closes 15 Apr 09
 - Offer closes 17 Apr 09
 - New Shares and Options allotted 24 Apr 09
 - Trading of new securities 27 Apr 09



Capital Structure

Holder	Shares Before Offer	Expected Take-Up	% Of Offer	Shares After This Offer	New Options After Offer	Potential Issue
NZOG	85.4	17.0	29.1%	102.4	17.0	
Others	197.1	39.3	67.1%	236.4	39.3	
ESOP	5.5	1.1	1.9%	6.6	1.1	
Convertible Bondholders	-	-	-	-	-	31.6
AMP Placement	5.7	1.2	1.9%	6.9	6.9	
Total Shares and Options	293.7	58.6	100%	352.3	64.3	31.6

Notes:

1. The conversion price for the Bonds is \$1.08 per share (and the NZD:USD FX rate remains at the fixed rate of 0.8025 set under the terms of the Bonds).
2. None of the 22,496,694 options expiring on 30 June 2009 are exercised (these options have an exercise price of \$1.30 per share).



Pike River Cashflow Margin at Full Production

Cashflow Margin per Tonne (pre finance, tax and depn)	IPO Forecast US\$	Current Estimate US\$
Sales price	92*	125
Less Mining, transport & other costs	44**	60
Margin (pre interest and tax)	48	65
NZD:USD FX rate	0.57	0.55
NZ \$ per tonne	84	118

Notes: * AME forecast (dated 7 May 2007) for year ended 31 March 2010 per 2007 Pike River NZ Investment Statement and Prospectus. US\$3 per tonne deducted to reflect average price for Pike HCC

** Converted at NZD:USD 0.57 per 2007 Pike River NZ Investment Statement and Prospectus

*** Current estimate assumes benchmark coal price is achieved and maintained for first year of full production

Comparative Companies

Company Name (AUD)	Code	EBITDA ¹	EBIT ¹	EV ²	Current Price		12 Month High Price ³	
					EV/EBITDA	EV/EBIT	EV/EBITDA	EV/EBIT
Centennial Coal Company Ltd	CEY	219	133	898	4.1x	6.8x	11.5x	18.9x
Coal and Allied Industries Ltd	CNA	635	555	5,936	9.3x	10.7x	15.5x	17.8x
Felix Resources Ltd	FLX	279	240	1,665	6.0x	6.9x	15.1x	17.5x
Gloucester Coal Ltd	GCL	98	92	391	4.0x	4.2x	11.2x	11.9x
MacArthur Coal Ltd	MCC	182	162	858	4.7x	5.3x	24.8x	27.8x
New Hope Corporation Ltd	NHC	203	178	3,176	15.7x	17.8x	21.8x	24.8x
Average all		269	227	2,154	7.3x	8.6x	16.6x	19.8x
Pike River Coal Ltd (NZD)								
Consensus Forecasts		63	50	293	4.6x	5.9x	11.9x	15.2x
McDouall Stuart Forecasts ⁴		73	63	293	4.0x	4.6x	10.4x	12.0x

1. Discounted average of available consensus forecasts 2009-2013.

2. Market capitalisation per IRESS at 27 March 2009 plus net debt from last IRESS-reported balance sheet.

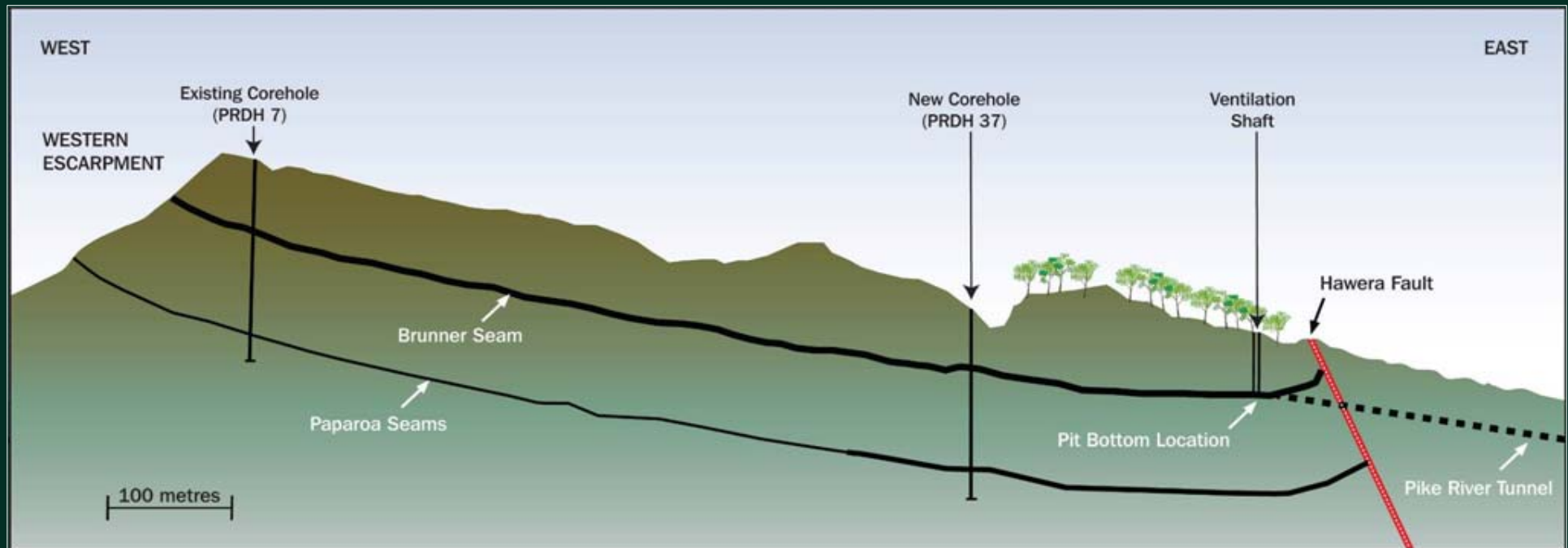
3. Calculations based on market cap at 12 month high price plus net debt per (2).

4. Discounted average of McDouall Stuart EBITDA and EBIT forecasts 2009-2013. Source: IRESS, McDouall Stuart



Paparoa Potential up to 8m tonnes

- Confirmation from test drilling of more coal in Paparoa Seams
- 18-month test drilling programme will establish extent
- Three coal seams considerably thicker in new hole - PRDH 37
- Substantial capex saving using existing infrastructure



Outlook

- One of the world's highest quality coking coals
- Operational mine with:
 - Surface infrastructure in place
 - Skilled workforce
 - Government recognition
- Future opportunities
 - Increased recovery from Brunner
 - Paparoa Seams



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