

# Extraordinary General Meeting

28 February 2011

Duxton Hotel, Perth

10:30 am WST



Atomic Resources Limited

ABN 65 124 408 751



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# Welcome



- Atomic's Joint Venture Tancoal Energy Limited (70% Atomic, 30% National Development Corporation) is developing and will soon be producing coal from the Ngaka Coalfield in Tanzania
- Tancoal will open Mbalawala mine in May 2011 with first shipments in June-July 2011
- In February, Atomic acquired 15% minority shareholding in Atomic's Tanzanian subsidiary which holds 70% interest in Tancoal
- Expanding coal asset base through exploration and development joint ventures
  - partnered with Indochina Pty Ltd for exploration and potentially coal mine development in Laos and Vietnam (announced 12 & 27 April 2011)
  - acquired highly strategic coal leases in the Songwe-Kiwira Coalfield north of Lake Nyasa in southwest Tanzania (announced 21 April 2011)
- Developing opportunities for minemouth and dedicated power generation and merchant electricity as well as domestic and export supply of coal



***“A responsible developer and operator of coal assets to provide energy security to support regional growth and create wealth for its shareholders”***



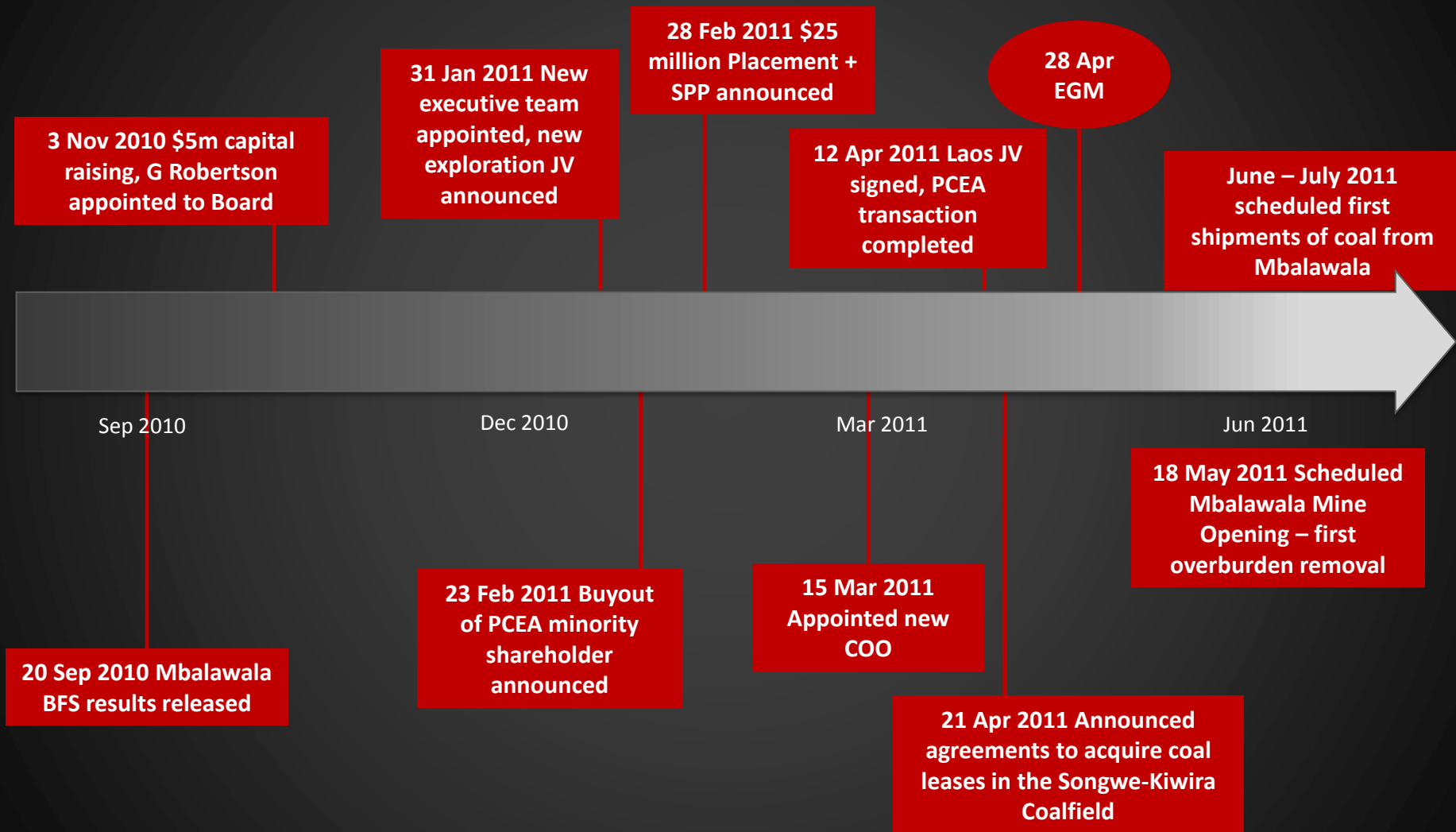
***Rapidly consolidating exploration and mine development to become a dynamic coal producer and supplier to industries and downstream power generation internationally***

# Timeline



Atomic Resources Limited

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## Board

### Mr Graeme Robertson - Executive Chairman

BA, FAICD, MAIE

- Joined the board in November 2010, appointed Executive Chairman in January 2011
- Over 30 years experience in the coal, infrastructure and power development industries. CEO and Managing Director of New Hope Corporation 1987 - 2005
- During this period he pioneered the development of major international companies including as President Director of Adaro Indonesia, the largest single open cut coal mine in the Southern Hemisphere, President Director of Indonesia Bulk Terminal, a 12 mtpa capacity bulk coal port and an advisor to the development of the 1,230MW Paiton Power station, the first IPP in Indonesia
- His career has spanned both public and private energy related developments including directorships with the Port of Brisbane Authority and Washington H. Soul Pattinson & Co Ltd, one of Australia's oldest listed companies
- Recipient of the Asia 500 Award in 2000 and the Coaltrans Lifetime Achievement Award in 2010 for his contribution to the coal industry

### Mr David Mason - Executive Director, Exploration and Business Development

MBA, BSc (Hons)

- Joined the board in January 2011
- Over 30 years exploration, drilling and mining experience throughout Australasia
- Currently a Director of Overseas & General Limited (ASX:OGL), a coal producer in Indonesia. Prior to this, David was Operations Director of Haddington Resources (now Altura Mining, ASX:AJM) a diversified resource company, which acquired the resource investment and mining service companies of Minvest International, a group he co-founded and managed
- Former GM of the Minvest Group, and assisted in the development of the Adaro Indonesia coal mine, the MHU coal mine, a suite of exploration assets and mining service companies



## ***Board - continued***

### **Mr Jonathan Warrand - Executive Director and Chief Financial Officer**

*MBA (Exec), CA, FFinsia, Assoc. IPAA, BCom*

- Joined the board in January 2011
- Managing Director of Intrasia Capital Pty Limited, a proprietary investment firm in Sydney and through its related operations has offices in Singapore and Mauritius
- He has over twenty three years of corporate advisory across various sectors including soft and hard commodities, financial services and real estate and has experience in equity and debt capital markets, strategic planning, capital management and corporate advisory

### **Clive Hartz - Deputy Chairman and Non-executive Director**

- Director of Atomic since listing in 2007
- Clive is Chairman and Chief Executive Officer of a private diverse investment group that he established in 1976. The group's interests span property, exploration, mining and construction and have included the development of retirement villages, offices, showrooms, industrial and residential buildings, subdivisions and shopping centres
- Clive has held a number of public positions and is a director of Archangel Diamond Corporation, a Canadian listed company which made the first major diamond discovery in Russia by a western group. Clive was a key participant the resurrection of Skywest Airline in Western Australia. He is currently the President and Chairman of IGC Resources Inc., a Canadian listed resources company.





## *Senior Management*

### **Michael Mapp, Chief Operating Officer**

- Joined Atomic in April 2011 from Xstrata where he was Operations Manager of Ulan Coal
- Prior to Ulan Coal, Michael was Director of Coal Operations Australia for Vale, responsible for operations including Carborough Downs, Isaac Plains, Broadlea and the Integra Coal underground and open-cut mines. He was promoted to Director after positions of Executive General Manager of Vale Australian Operations, Executive General Manager of Vale NSW Operations and General Manager of Integra Coal Operations with AMCI

### **Mr Gordon McCormack - Operations Manager - Tanzania**

- Commenced with the company in early January 2011
- Over 20 years experience supervising both open cut and underground mines including experience in Tanzania
- Strong focus on building local capabilities, having trained production, mechanical and engineering personnel on projects in developing nations
- Experience in all aspects of project management, production planning, industrial relations and managing expenditure

### **Emmanuel Constantinedes - Chief Administrative Officer - Tanzania, Head of Marketing and Sales**

- Emmanuel is responsible for the administration of Tancoal in Tanzania
- Based in Dar es Salaam, Emmanuel is working closely with the Executive Directors to secure customer contracts in Tanzania and its neighbours

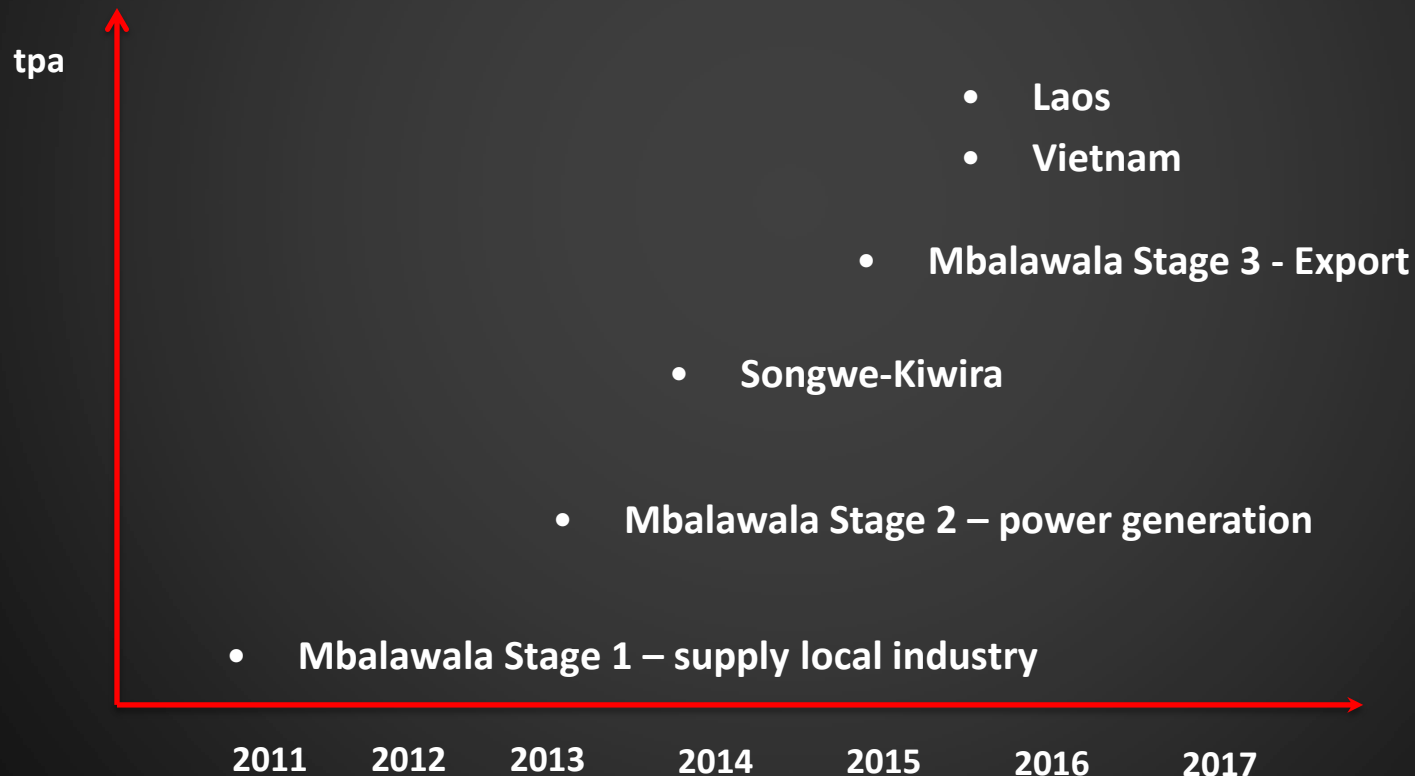
### **Jan Viljoen - Machinery and Maintenance Manager**

- Jan has recently joined Tancoal and brings significant on-the-ground equipment maintenance experience, including specialist dozer, excavator and loader repair and maintenance skills
- Jan will be based at the mine site to ensure efficient operations and rapid response





*Atomic's focus is bringing Mbalawala Stage 1 into production. At the same time, the Company is looking to the next stage of growth - moving ahead with planning for Mbalawala Stage 2 (minemouth power development) and increasing Atomic's resources through drilling at Songwe-Kiwira and the Laos and Vietnam joint ventures with Indochina*



**Major players in Africa are focused on coal for export – from mine to coast. Massive infrastructure is required to move coal to new loading ports for export to China and India. Shareholders fund infrastructure rather than coal. Atomic's focus is on African domestic and regional supply - the key to supporting and growing African economies approaching take-off**

### Malawi

- 2011 GDP forecast growth: 9.0%

### Zambia

- 2011 GDP forecast growth: 10.5%

### Zimbabwe

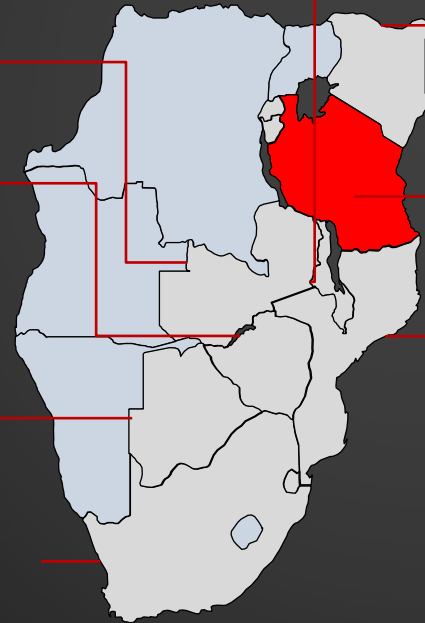
- 2011 GDP forecast growth: 11.3%

### Botswana

- Land locked and needs to export coal through Mozambique or Angola ports
- 2011 GDP forecast growth: 3.5%

### South Africa

- Witbank Coalfield is deeper and is becoming less economic
- Closer to Botswana – Waterberg Coalfield is lower quality and further to the port
- 2011 GDP forecast growth: 3.3%



### Kenya

- Export/merchant electricity development
- 2011 GDP forecast growth: 13.9%

### Tanzania

- Strategic market to Malawi, DRC, Zambia, Kenya, Uganda, Rwanda, Burundi
- Politically stable, democratic government
- English and Swahili are main languages
- British Common Law, Mining act revamped in 2010
- Developed mining services industry
- Atomic is a valuable alternative to imported thermal coal
- Joint venture with Government lower risks. Government seeking public private partnership to solve electricity crisis
- Export internally to Malawi (currently importing 90,000 tonnes).
- Industrial conversion from diesel at \$0.25-0.27c per kilowatt/hr - coal is significantly cheaper, for example replacing gensets in industry
- 2011 GDP forecast growth: 5.8%

### Mozambique

- Export coking and thermal coal. Need for substantial infrastructure (rail), political risk (nationalism risk), mining operations are all foreign owned
- 2011 GDP forecast growth: 5.3%

### *An opportunity for energy independence*

- Only 14% of Tanzania's 40 million citizens were connected to grid electricity in 2008. The country has approximately 1,000 MW of installed generating capacity with actual output much less
- Tanzania's GDP grew 6.2% in the third quarter of 2010 (compared to 5.7% in the same period in 2009)\*
- As with all growing economies, Tanzania will demand greater need for electricity to support growth and urbanisation. The easiest and cheapest source of this additional electricity is coal fired power generation
- Changes to electricity industry regulation in 2008 encourage private sector investment in power generation
- Atomic is well placed to supply domestic production into this growing market at attractive margins, as well as supplying other markets in the region and beyond which are witnessing similar growth levels



**Ngaka Coalfields**

\* Tanzanian National Bureau of Statistics



# Projects



## Summary of coal qualities per defined resources in Mbalawala

Resource Category	Measured	Indicated	Inferred	Total
Tonnes (million)	139	66	46	251
Inherent Moisture (%)	2.9	2.8	2.6	2.8
Ash (%)	18.9	19.0	23.8	19.9
Fixed Carbon (%)	52.0	51.4	46.3	50.8
Volatile Matter (%)	26.3	26.9	27.3	26.6
Calorific Value (MJ/kg)	26.5	26.6	24.9	26.2
Total Sulphur (%)	1.4	1.3	0.8	1.3
RD (g/cm <sup>3</sup> )	1.5	1.5	1.6	1.5

Source: Radley, 2010

Notes

Coal Resources have been rounded to appropriate levels of accuracy in accordance with The JORC Code (2004)

The estimates of Coal Resources in this table have been carried out by Ravensgate geological consultants in accordance with The JORC Code (2004)

Coal quality data reported is based on weighted averages for all seams

The Inherent Moisture is reported at an as received basis; all other analysis are reported air dried "air dried basis"



- On 21 April Atomic announced it had entered into agreements to acquire coal leases in the Songwe-Kiwira Coalfield
- Current historical data estimates an open pittable mining reserve of over 50 million tonnes and a further 120 million tonne resource. Atomic will conduct an exploration-drilling program commencing in May 2011 with the aim of bringing these up to JORC standards
- May provide a suitable fuel for a coal fired power station planned for the area



**Mbeya industrial region**

**Songwe-Kiwira Coalfields**

**Ngaka Coalfields**





- Atomic has entered into Joint Venture agreements with Indochina Coal Pty Ltd (Indochina) to explore and develop coal properties in Laos and Vietnam, both highly strategic in terms of domestic electricity demand and proximity to the Chinese export market
- Vietnam's electricity use is forecast to increase 16% in 2011, driven by forecast GDP growth of 7%
- Indochina has compiled a significant database on regional ASEAN coal occurrences, completed initial field work in prospective areas, and prioritised exploration opportunities
- Two prospective areas in Laos currently not under tenure have been identified and the Company will make applications for Prospecting and Exploration Licences
- Under the terms of each agreement, Atomic will own 100% of the JV after paying Indochina a US\$500,000 finders' fee once the Exploration Licence have been granted. Indochina will receive a gross royalty of 2% on coal sales for the duration of the project. Atomic may purchase the future royalty stream at any time for \$5 million







# Capital Raising Overview



## Institutional Placement

- Institutional placement of 55.6 million shares to raise \$25.0 million in two tranches
  - First Tranche: Unconditional placement of 19.7 million shares to raise \$8.9 million (under 15% of existing shares on issue)
  - Second Tranche: Placement of the balance subject to shareholder approval (Resolution 5)
- New shares rank equally with existing shares
- Priced at \$0.45 per share

## Share Placement Plan (SPP)

- Share purchase plan under which existing shareholders (including institutions participating in Placement) can purchase up to \$5,000 of shares, underwritten by institutional investors including parties related to Chairman Graeme Robertson (subject to shareholder approval – Resolution 9)
- Priced at \$0.45 per share, the same price as the placement to institutional investors
- Take up of SPP of approximately \$430,000



## 1. Fund First Stage Mining at Ngaka Project

- Fund capital expenditure for plant and ancillary infrastructure for small-scale mining initially to satisfy local industrial demand – equipment currently en route to mine site

## 2. Fund Laos Joint Venture

- Entered into unincorporated JV to work towards securing exploration licence to determine whether a potentially large lignite resource exists to enable the development of minemouth power generation (refer announcement 31 Jan and 12 April 2011)
- Estimated expenditure of \$1 million in the near term

## 3. Fund buy-out of 15% minority shareholder in Tanzanian intermediate holding company (Pacific Corporation East Africa, “PCEA”) to streamline group structure

- Transaction announced 23 February 2011
- Shareholder approval not required for cash consideration component (US\$2.5 million), share component (250,000 ATQ shares) subject to approval – Resolution 8

## 4. Fund additional working capital

- Actively pursuing additional Joint Venture opportunities - Songwe-Kiwira (Tanzania), Vietnam and potentially others
- Strong balance sheet with no debt

## 5. Improve liquidity in Atomic shares

## 6. Broadening shareholder base to include new institutional shareholders

# Sources and uses of funds



Atomic Resources Limited

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Sources of Funds		Uses of funds*	
Placement		Ngaka - Mbalawala Stage 1 Mining capex	\$13.0m
- First Tranche - unconditional	\$8.9 m	Laos Joint Venture	\$1.0m
- Second Tranche - subject to Shareholder Approval	\$16.1 m	Buy-out of minority shareholder in PCEA	\$2.5m
Underwritten Share Purchase Plan*	\$5.1 m	Capital Raising Fees**	\$1.9m
		Working Capital (including Songwe-Kiwira Coal Project)	\$11.7 m
<b>Total</b>	<b>\$30.1 m</b>	<b>Total</b>	<b>\$30.1 m</b>

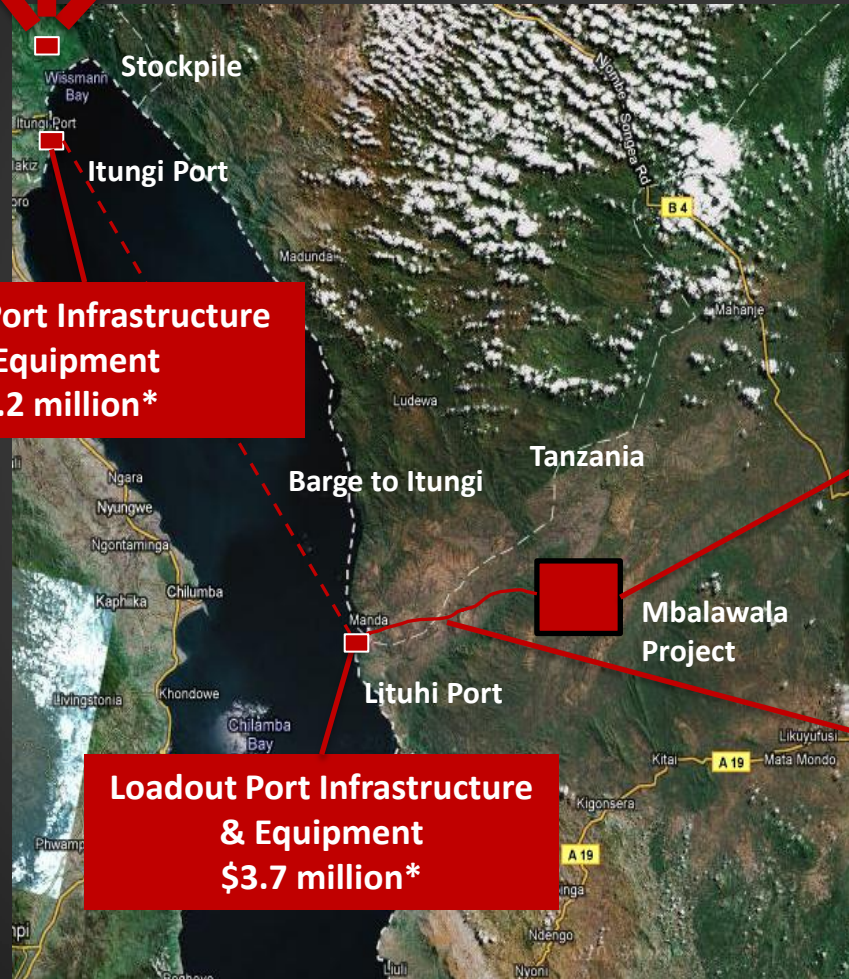
\*Estimated

\*\*Intrasia Capital Pty Ltd, a related company of Graeme Robertson and Jonathan Warrand, will receive a corporate advisory fee equal to 1% of the capital raising proceeds.

# Capital Expenditure – Mbalawala



To local and regional customers



**Receival Port Infrastructure & Equipment \$1.2 million\***

**Mine Infrastructure & Equipment \$7.1 million\***

**Loadout Port Infrastructure & Equipment \$3.7 million\***

**Road Infrastructure \$1.0 million\***

**Total Initial Capital Expenditure \$13.0 million\***

*\*Estimated*



Ngaka Coalfields

Source: Google Maps



*The Mbalawala mine is entering production with mining equipment en route to site and the first removal of overburden scheduled for late May 2011. First shipment of coal to regional industrial customers is scheduled for June – July 2011*



*Examples of mining equipment purchased for Mbalawala mine*

*Source: Liebherr, Rubble Master*



# Shareholder Resolutions





## Resolution 1 - Election of Director – Mr David Mason

Resolution 1	Number	%
For	30,205,156	19.07%
Against	31,000	0.02%
Open - Usable	6,178,512	3.90%

## Resolution 2 - Election of Director – Mr Jonathan Warrand

Resolution 2	Number	%
For	30,205,156	19.07%
Open - Usable	6,178,512	3.90%
Abstain	31,000	0.02%

## Resolution 3 - Election of Director – Mr Graeme Robertson

Resolution 3	Number	%
For	30,205,156	19.07%
Against	31,000	0.02%
Open - Usable	6,178,512	3.90%

# Proxies Received



Atomic Resources Limited

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## Resolution 4 – Approval of Tranche 1 Placement

Resolution 4	Number	%
For	22,830,524	14.41%
Against	151,725	0.10%
Open - Usable	6,178,512	3.90%
Excluded	7,253,907	4.58%

## Resolution 5 – Approval of Tranche 2 Placement

Resolution 5	Number	%
For	30,079,431	18.99%
Against	156,725	0.10%
Open - Usable	6,178,512	3.90%

## Resolution 6 - Approval of Related Party Participation in Tranche 2 of the Placement

Resolution 6	Number	%
For	10,349,554	6.53%
Against	156,725	0.10%
Open - Usable	106,909	0.07%
Open - Unusable	187,500	0.12%
Abstain	31,000	0.02%
Excluded	25,582,980	16.15%



### Resolution 7 – Approval of Issue of Options to Lead Manager

Resolution 7	Number	%
For	30,040,931	18.96%
Against	159,225	0.10%
Open - Usable	6,183,512	3.90%
Abstain	31,000	0.02%

### Resolution 8 – Approval of Issue of Shares in connection with the purchase of Minority Shareholding in PCEA

Resolution 8	Number	%
For	30,199,056	19.06%
Against	6,100	0.00%
Open - Usable	6,178,512	3.90%
Abstain	31,000	0.02%

### Resolution 9 - Approval of giving of Financial Benefits pursuant to the Underwriting Agreement for SPP

Resolution 9	Number	%
For	10,354,554	6.54%
Against	151,725	0.10%
Open - Usable	106,909	0.07%
Open - Unusable	187,500	0.12%
Abstain	31,000	0.02%
Excluded	25,582,980	16.15%

# Proxies Received



Atomic Resources Limited

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## Resolution 10 – Approval of Employee Share Option Scheme

Resolution 10	Number	%
For	30,144,556	19.03%
Against	60,600	0.04%
Open - Usable	6,178,512	3.90%
Abstain	31,000	0.02%

## Resolution 11 – Approval of allotment of Securities to Graeme Robertson

Resolution 11	Number	%
For	10,309,054	6.51%
Against	223,225	0.14%
Open - Usable	106,909	0.07%
Open - Unusable	187,500	0.12%
Abstain	5,000	0.00%
Excluded	25,582,980	16.15%

## Resolution 12 - Approval of allotment of Securities to David Mason

Resolution 12	Number	%
For	30,007,931	18.94%
Against	223,225	0.14%
Open - Usable	6,178,512	3.90%
Abstain	5,000	0.00%



## Resolution 13 – Approval of allotment of Securities to Jonathan Warrand

Resolution 13	Number	%
For	30,007,931	18.94%
Against	223,225	0.14%
Open - Usable	6,178,512	3.90%
Abstain	5,000	0.00%

## Resolution 14 – Approval for the Relevant Interests of Graeme Robertson, Aspac Mining Ltd, Farjoy Pty Ltd and Ellen Teja to exceed 20% as a result of SPP, underwriting SPP, Tranche 2 of the Placement and Issue of Securities to a Director

Resolution 14	Number	%
For	10,342,054	6.53%
Against	182,725	0.12%
Open - Usable	106,909	0.07%
Open - Unusable	187,500	0.12%
Abstain	12,500	0.01%
Excluded	25,582,980	16.15%



### Resolution 15 – Approval to Change Company Name

Resolution 15	Number	%
For	30,194,056	19.06%
Against	11,100	0.01%
Open - Usable	6,178,512	3.90%
Abstain	31,000	0.02%

### Resolution 16 – Approval to modify Company Constitution

Resolution 16	Number	%
For	30,194,056	19.06%
Against	11,100	0.01%
Open - Usable	6,178,512	3.90%
Abstain	31,000	0.02%

### Resolution 17 - Proportional Takeover Approval Provisions

Resolution 17	Number	%
For	30,148,056	19.03%
Against	68,100	0.04%
Open - Usable	6,198,512	3.91%



# Q & A



# Introducing Intra Energy Corp



Atomic Resources Limited

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Following the change of the Company's name to Intra Energy Corporation Ltd (ASX: IEC) (if approved – Resolution 15), the Company's new website will be [www.intraenergycorp.com.au](http://www.intraenergycorp.com.au)

The screenshot shows the Intra Energy website in a Windows Internet Explorer browser window. The browser title is "Intra Energy - Windows Internet Explorer". The address bar shows "Intra Energy". The website header features the Intra Energy logo (a stylized green and black triangle) and the text "INTRA ENERGY". Below the logo is a navigation menu with links: Home, Corporate, Projects, Investors, Announcements & Reports, and Contact Us. The main content area is divided into several sections:

- Home:** A large image of a hand holding several pieces of dark coal.
- IN THE MEDIA:** A section with a "MORE" link.
- PROJECTS:** A section with a small image of a power plant and the text: "Intra Energy has projects in Africa's Ngaka Basin". A "MORE" link is below.
- COMPANY PROFILE:** A section with a small image of four workers in safety gear and the text: "Intra Energy Corporation Ltd is an Australian-based exploration and resource development company." A "MORE" link is below.
- LATEST NEWS:** A section with three news items:
  - 13-Apr-2011 Appendix 3B
  - 12-Apr-2011 Joint Venture Announcement
  - 30-Mar-2011 Appendix 3BA "MORE" link is below.
- SHARE PRICE INFORMATION:** A section with the text: "Change: \$ (lastChanged) This price is delayed by at least 20 minutes." A "MORE" link is below.

At the bottom of the page, there is a copyright notice: "Copyright © Intra Energy Corporation Ltd | Privacy Policy | Site Map | Search | Email Alerts" and "Site by IRM".



All statements in this presentation, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploitation activities and events or developments that **Atomic Resources Limited** (the “**Company**”) expects to occur, are forward-looking statements. Although the **Company** believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The **Company** does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

To the extent permitted by law, **Atomic Resources Limited** accepts no responsibility or liability for any losses or damages of any kind arising out of the use of any information contained in this presentation.

The information in this presentation relates to Exploration Results, Mineral Resources or Ore Reserves based on the Mbalawala Mine Bankable Feasibility Study with related infrastructure feasibility options as at 31 August 2010, the Mbalawala Coal Mine Bankable Feasibility Study as at 13 August 2010 and the Resource Model Assessment and Review, Ngaka Project Area as at 20 July 2010, and have been reviewed by Mr D. Mason MBA, BSc (Hons). Mr Mason has sufficient experience, as to qualify as a Competent Person as defined in the 2004 edition of the “Australian Code for Reporting of Mineral Resources and Ore reserves”. Mr Mason consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.