

Prefeasibility Study Highlights
Kinney Coal Project
Carbon County, Utah (USA)

December 2012

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Exploration Target Size and Target Mineralisation described in this presentation is conceptual in nature and should not be construed as a JORC compliant Mineral Resource. Target mineralisation is based on projections of established grade ranges over appropriate widths and strike lengths having regard for geological considerations including mineralisation style, specific gravity and expected mineralisation continuity as determined by qualified geological assessment. There is insufficient information to establish whether further exploration will result in the determination of a Mineral Resource.

Competent Person’s Statement

The information in this report that relates to coal resource estimate and underground mine plans was prepared in conjunction with the pending JT Boyd PFS. Results were developed by a core team of JT Boyd professionals, including Messrs. John L. Weiss, Paul D. Anderson, and Ronald L. Lewis. Each of these individuals is a Registered Member of the Society of Mining, Metallurgical and Exploration (SME), and has sufficient experience to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code of Reporting of Exploration results, Mineral Resource and Ore Reserves”. JT Boyd consents to the inclusion of information prepared by JT Boyd in this presentation.

Investment Highlights

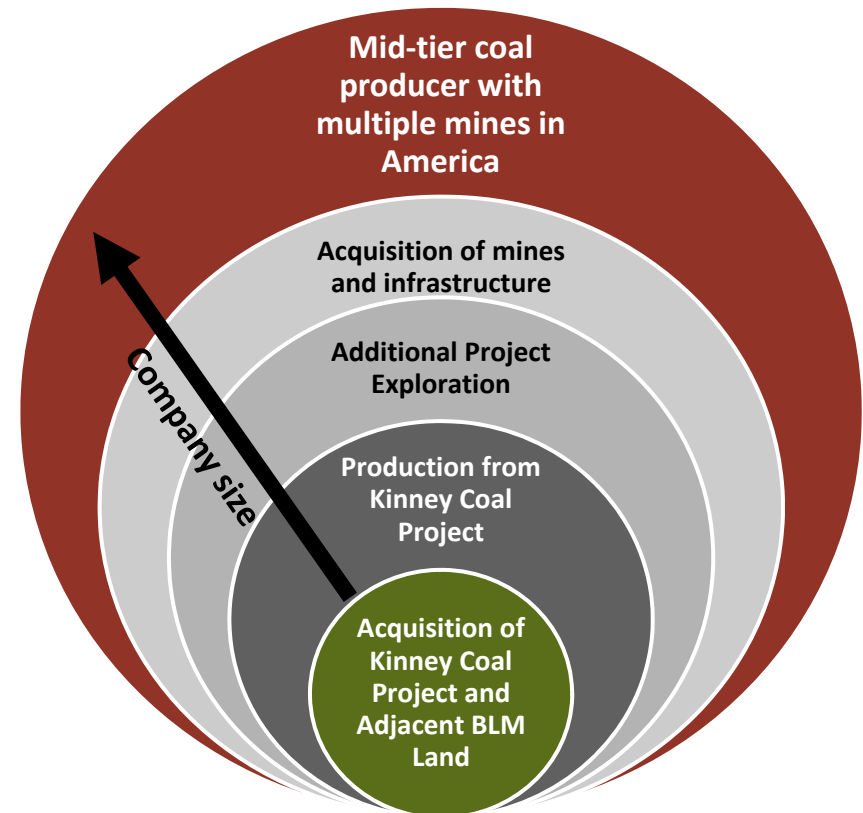
- ✦ Advanced thermal coal project in a mature coal mining region in Utah, USA
- ✦ Strong management team with a track record of project delivery in the USA
- ✦ Positive Pre-Feasibility Study (PFS) results
 - Demonstrates a viable project suitable for rapid development with low capital per tonne of production
 - Strong cash flows, competitive operating cash costs, and rapid capital repayment
 - Exceptional, high quality JORC Resource and Reserve
- ✦ World class infrastructure and favourable logistics
 - Utilities, paved roads, and three Class 1 rail carriers
- ✦ 110.6 million tonne total JORC Resource
 - 11.9 Mt Measured / 63.3 Mt Indicated / 35.3 Mt Inferred
 - Includes controlled and under-application mineral lease rights
- ✦ Superior coal quality confirmed by drilling program
- ✦ Additional exploration opportunities under consideration

Company Overview

Introduction to New Horizon Coal

- 100% ownership of the Kinney Coal Project
 - High calorific, low sulphur thermal coal deposit
 - Located in Utah, USA, a mature mining region
 - 110.6 Mt Total JORC Resource, of which 68% is Measured or Indicated
 - Rail and road infrastructure to reach domestic and export markets
 - PFS confirms viable project with low capex and short development timetable
- Expansion underway at Kinney Coal Project
 - Adjacent Federal coal lease under application
 - Will expand life of mine to 20+ years

New Horizon has significant growth plans, targeting first production at the Kinney Coal Project and transitioning through to a multi-mine, mid-tier coal producer in North America



Capital Structure

Current Capital Structure

Current share price ¹	\$0.10
Shares on issue ²	93,000,000
Performance Shares ³	20,000,000
Market capitalisation	\$9,300,000
Cash ⁴	\$486,000
Enterprise Value	\$8,814,000
Current option price ¹	\$0.021
Listed Options (NHOO) on issue ⁵	83,000,000

Major Shareholders (Top 10)

Mr Carl Coward	10.62%
Lujeta Pty Ltd	8.80%
Mr Anastasios Arima	7.00%
Mr Jogchum Brinksma	4.30%
EDF Trading Ltd	4.30%
Wall St Nominees	4.25%
Ascent Capital Holdings	3.04%
Oakhurst Enterprises	1.62%
Topsfield Pty Ltd	1.47%
Pacific Road Provident Pty Ltd	1.22%

1. As at 30 Nov 2012

2. Including 26,050,000 restricted shares

3. 10m performance shares of each class B & C

4. As at 31 Oct 2012

5. Including 10m restricted options

Board of Directors

Strong management team with a proven track record of developing multi-mine companies:

Mr Gary Steinepreis <i>Chairman</i>	<ul style="list-style-type: none">▪ Chartered accountant▪ Corporate management background specialising in IPO and reconstruction work▪ Founder of New Horizon and involved in negotiating the Kinney transaction
Mr Mike Placha <i>Managing Director</i>	<ul style="list-style-type: none">▪ Senior VP with Signal Peak Energy (2005-10). Responsible for the financing and development of a \$350m underground longwall mine in Montana, including 58km new rail and a 15mtpa integrated surface handling, processing and load out facilities▪ Former President of Sedgman Canada Company – constructed two metallurgical plant facilities for Western Canadian Coal (now Walter Energy)▪ 16 years in Cyprus Amax Coal Company. Managed surface and underground operations, engineering and construction of new and existing infrastructure and sales and marketing.▪ Senior Project Manager, Norwest Resource Consultants (Ombilin Mine feasibility and Canadian anthracite plant for Gulf Canada Resources)
Mr Mark Sanders <i>Non-Executive Director</i>	<ul style="list-style-type: none">▪ Extensive background in global mining and safety equipment▪ Former executive with Joy Mining Machinery and Joy Global▪ Provides insight to minimize capital and operating expenditures through optimised equipment selection
Mr Carl Coward <i>Non-Executive Director</i>	<ul style="list-style-type: none">▪ Investment banking background▪ Previously worked on coal projects in Asia, Africa and North America▪ Responsible for identifying and negotiating the Kinney transaction

Management and Consultants

Strong management team with a proven track record of developing multi-mine companies:

Mr Greg Hunt <i>Chief Operating Officer</i>	<ul style="list-style-type: none">▪ 25+ years experience as a coal geologist▪ Former senior Mine Geologist - Bowie Resources, LLC▪ Former chief geologist for Cyprus Amax Coal Company▪ Worked on the exploration of the Kinney Coal Project for >10 years
Mr Ty Berry <i>Business Development Manager</i>	<ul style="list-style-type: none">▪ Economics background▪ Previous work on coal projects in USA and South Africa▪ Responsible for study management, financial tracking and investor relations
Mr James Kohler <i>Consultant</i>	<ul style="list-style-type: none">▪ Former Chief of Minerals at Bureau of Land Management (BLM) Utah state office▪ Registered member, Society of Mining, Metallurgy and Exploration (SME)▪ Certified the initial JORC Resource report for the Kinney Coal Project▪ Over 35 years of exploration and mining experience
Mr Donovan Symonds <i>Consultant</i>	<ul style="list-style-type: none">▪ Founder of Norwest Resource Consultants▪ Consulting experience in the US, Canada, Mexico, Chile, Brazil, Colombia, Argentina, the United Kingdom, India, the Philippines, China, Indonesia, Mongolia, Thailand, Australia, and New Zealand▪ Recognized by the American Institute of Mining, Metallurgical and Petroleum Engineers with the Erskine Ramsey medal in recognition of distinguished achievements in the coal mining industry
John T Boyd Company <i>PFS/BFS Contractor</i>	<ul style="list-style-type: none">▪ Internationally recognized mining consulting firm serving US and International coal, mineral and gas industries▪ Proven expertise in mine planning & design, equipment selection, mining evaluation, geology and resource valuation, marketing, strategic planning, and financial analysis▪ Extensive project experience in central Utah and western Colorado▪ Offices in US, Australia, China and India

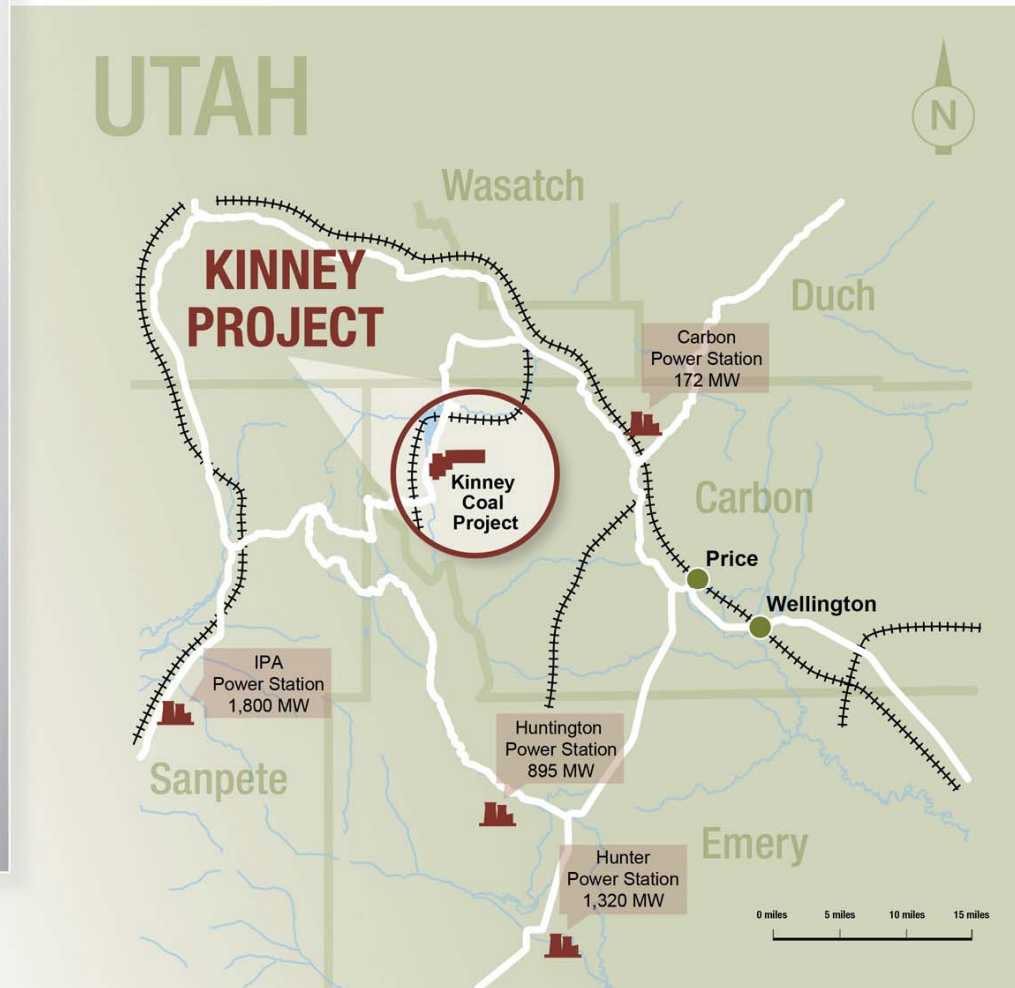
Attractive Coal Mining Location

NEW HORIZON
Coal Ltd



Utah

The Kinney Coal Project
is located in Utah USA.



Kinney Coal Project Highlights

Attractive Location in Mature Mining District

- Located adjacent to town of Scofield, UT, 160km from Salt Lake City
- Mature mining district: 19Mt annual production/30Mt historically
- 6 power stations in region burning 20Mt coal annually
- Developed infrastructure:
 - Rail spur <1km from Project and 3-carrier mainline located within 30km
 - Paved, well-maintained roadways
 - Experienced workforce

High Quality, Ready-to-Mine Project

- Low capital expenditure required to commence production
- Minimal development time
- Superior product comparable to Newcastle quality specifications
- JORC Resource of 110.6 Mt (68% measured & indicated)
- Saleable Reserve of 20.7 Mt at 6,865 kcal/kg (12,350 btu/lb)
- Fully permitted property
 - 100% of mineral rights under NHO control or application
 - Ownership and lease of required surface access
- Greenfield development, not remnant mine

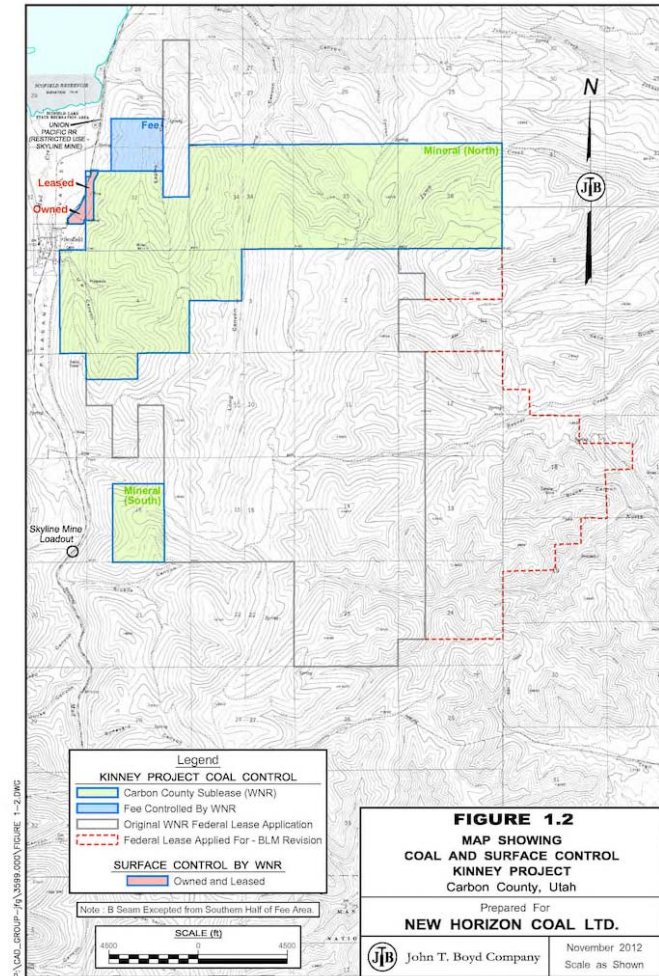


Rail, road and town infrastructure viewed from proposed Kinney portals

Pre-Feasibility Study

About the PFS

- NHO engaged John T Boyd Company (JT Boyd) in April 2012 to commence the Stage 1 BFS (Pre-Feasibility Study)
- PFS included re-evaluation of the initial JORC Resource Report (February 2012)
- Final PFS issued November 2012
- PFS results contain two Reserves:
 - Carbon County lease (NHO controlled)
 - Long Canyon LBA (under application)
 - Included as part of the Kinney Coal Project based on: (1) advanced application with award expected in mid-2013; (2) Tract's border with the Kinney Coal Project to the West and North; (3) lack of logical entry points from land not controlled by NHO



PFS Highlights

Competitive Operating Cash Costs

- USD \$32/tonne mine cash cost
- \$74/tonne FOB vessel cost

Strong Cash Flows and Rapid Repayment

- USD \$45.9m EBITDA
- Rapid repayment of capital invested

Low Capital Investment per Tonne of Annual Capacity

- USD \$63m to initial production
- Additional \$53m to full production

Exceptional, High Quality JORC Resource and Reserve

- 110.5 Mt JORC Resource (75.2 Mt Measured & Indicated)
- 20.7 Mt saleable Reserve at 6,865 kcal/kg (12,350 btu/lb)

2.3 Mtpa ROM Production

- 16 year life of mine
- Expected to expand to 20+ with additional drilling

Rapid Production Development

- Drift access
- Full production within 3 years of initial access

World Class Infrastructure and Port Export Options

- Multiple rail carriers within 30km
- Export options on US West Coast and Gulf of Mexico

Operating Costs

- Competitive mine cash costs: USD \$32/tonne
 - Provides option to sell in domestic or seaborne market
- Operating costs will fall as mine life expands
 - Peak production cash costs: \$30.49/tonne
 - Additional peak years will be added with 2013 drilling program
- Logistics options ensure optimal pricing
 - Multiple rail carriers and trucking companies
 - Port options on West Coast and Gulf Coast

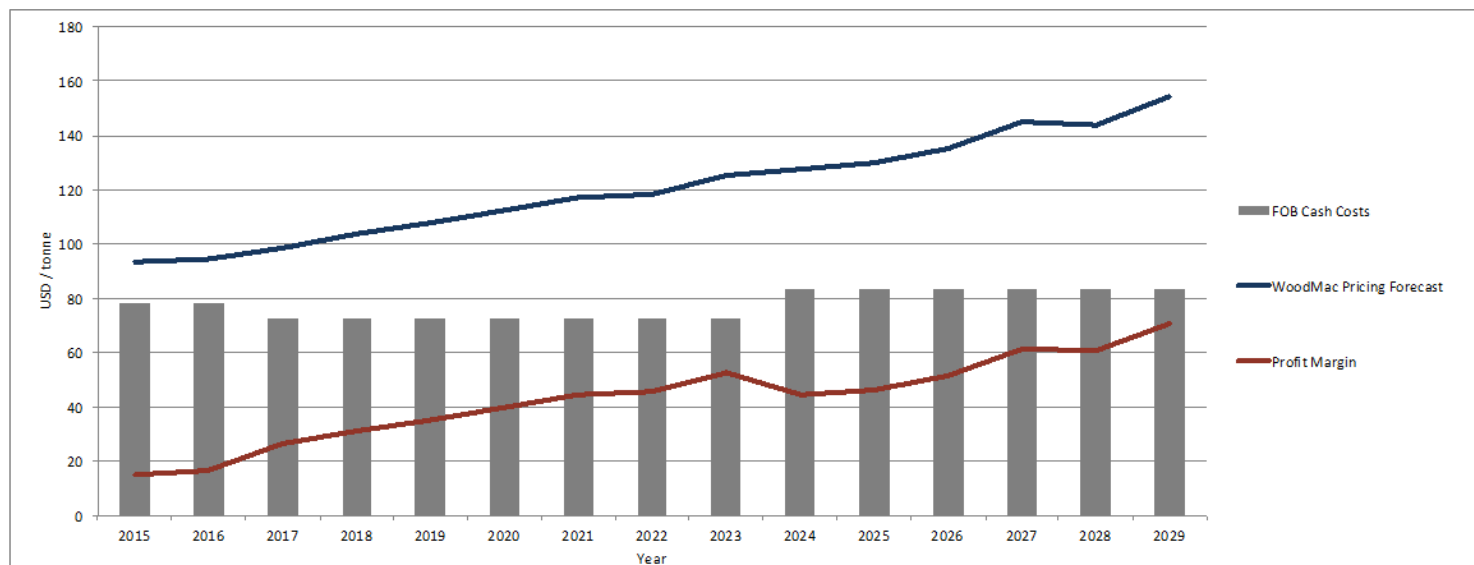
Life of Mine Cash Costs (USD \$/saleable tonne)

Mine Operating Cash Costs	32.39
Labour	12.49
Materials & Supplies	13.66
Preparation & Handling	3.34
General & Administrative	3.24
Capitalised Development	(0.31)
Transportation & Port	41.94
Total Cash Cost, FOB Vessel	74.33

Cash Flows

- PFS confirms strong cash flows once production commences
- Average annual EBITDA: USD \$45.9 million
 - Provides for rapid repayment of capital
- Premium product ensures premium prices
 - Superior calorific and sulphur characteristics
 - Pricing premium anticipated in domestic and export markets

FOB Cash Cost, Profit Margin, and Forecasted Sales Price



Source: John T Boyd Company (costs) and Wood Mackenzie (US Gulf Coast base price forecast)

Capital Expenditures

Capital Expenditures, by Phase and Area (in thousands USD)

	Phase I	Phase II	Phase III
Underground	31,220	27,720	17,547
Surface	31,863	8,387	100
Total	63,083	36,107	17,647

- Kinney Coal Project offers unparalleled opportunities in the Western Bituminous market
- Low capital requirements minimize up-front expenditures
 - Estimated capital expenditures: USD \$117 m
 - Divided into three phases:
 - Phase I: To Initial Production
 - Phase II: Development
 - Phase III: To Full Production
- Small capital investment per tonne of production capacity: 2.3 Mt per annum
 - Compares favourably to underground developments in USA, Canada, and Australia

JORC Resource and Reserve

JORC Resource

Area	Measured	Indicated	Inferred	Total
Kinney Coal Project	10,382	37,170	7,193	54,745
Under Application	1,548	26,156	28,113	55,817
Total	11,930	63,326	35,306	110,562

JORC Reserve

Area	Recoverable Tonnes (thousands)			Marketable Tonnes (thousands)		
	Proved	Probable	Total	Proved	Probable	Total
Kinney Coal Project	4,218	12,640	16,858	3,077	9,620	12,697
Under Application	649	10,329	10,978	425	7,574	7,999
Total	4,867	22,969	27,836	3,502	17,194	20,696

Coal Quality

Premium Product

- High calorific, low sulphur thermal coal
 - Calorific value over 6,700 kcal/kg ADB
 - Sulphur under 1%
- Comparable to Newcastle specifications
- Suitable to domestic and export markets
 - Europe, Latin America, Asia

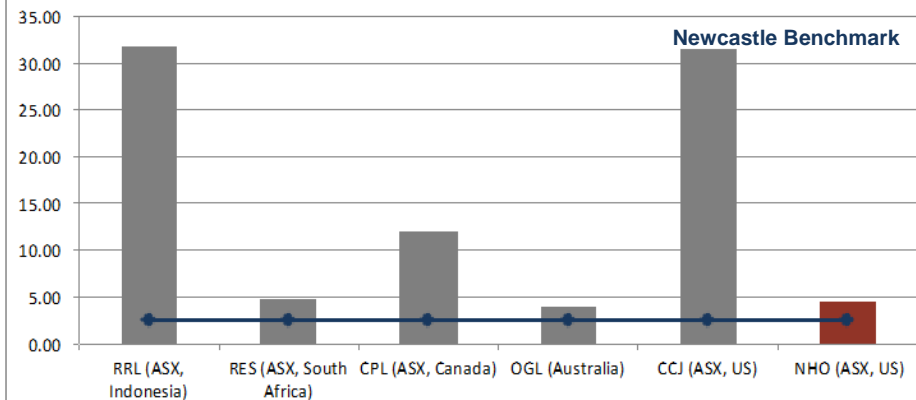


Average In Situ Coal Quality (Air Dried Basis)	Hiawatha Seam	UP Seam
Moisture	4.02%	4.19%
Ash Content	10.20%	8.12%
Fixed Carbon	44.63%	46.51%
Volatile Matter	41.15%	41.18%
Total Sulphur	0.84%	0.75%
Calorific Value	6,765 kcal/kg	6,856 kcal/kg

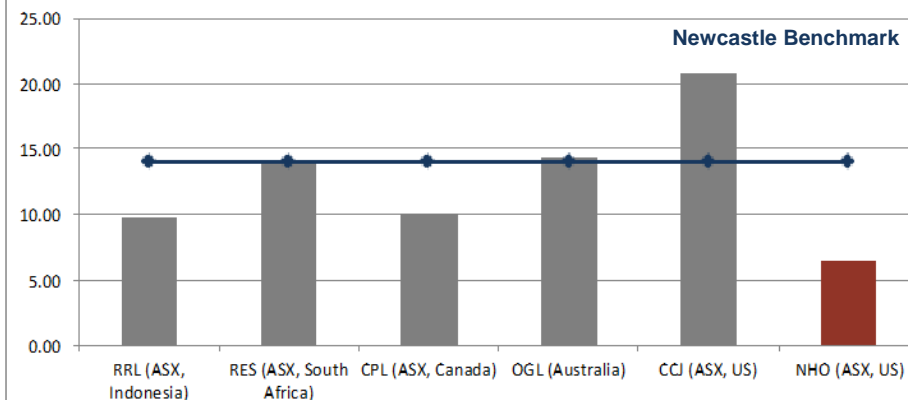
Coal Quality

Peer Comparisons¹

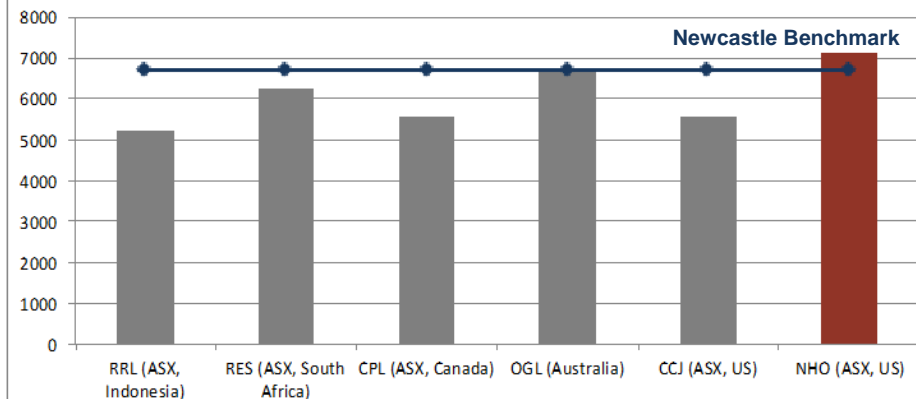
Moisture Content (% adb)



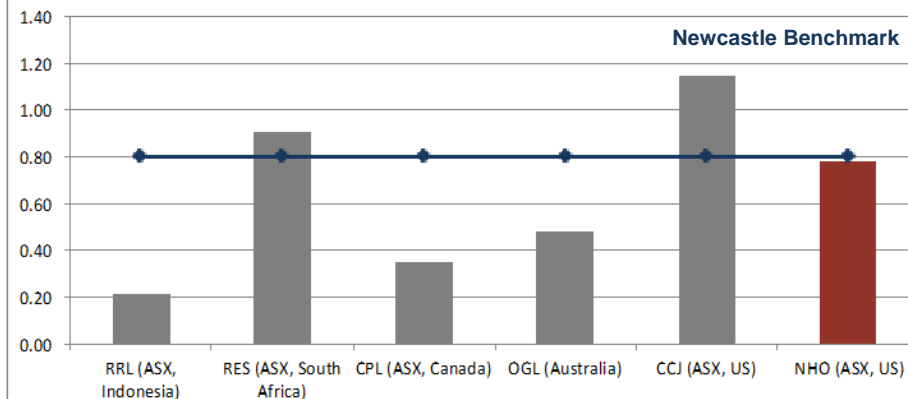
Ash Content (% adb)



Calorific Value (kcal/kg adb)



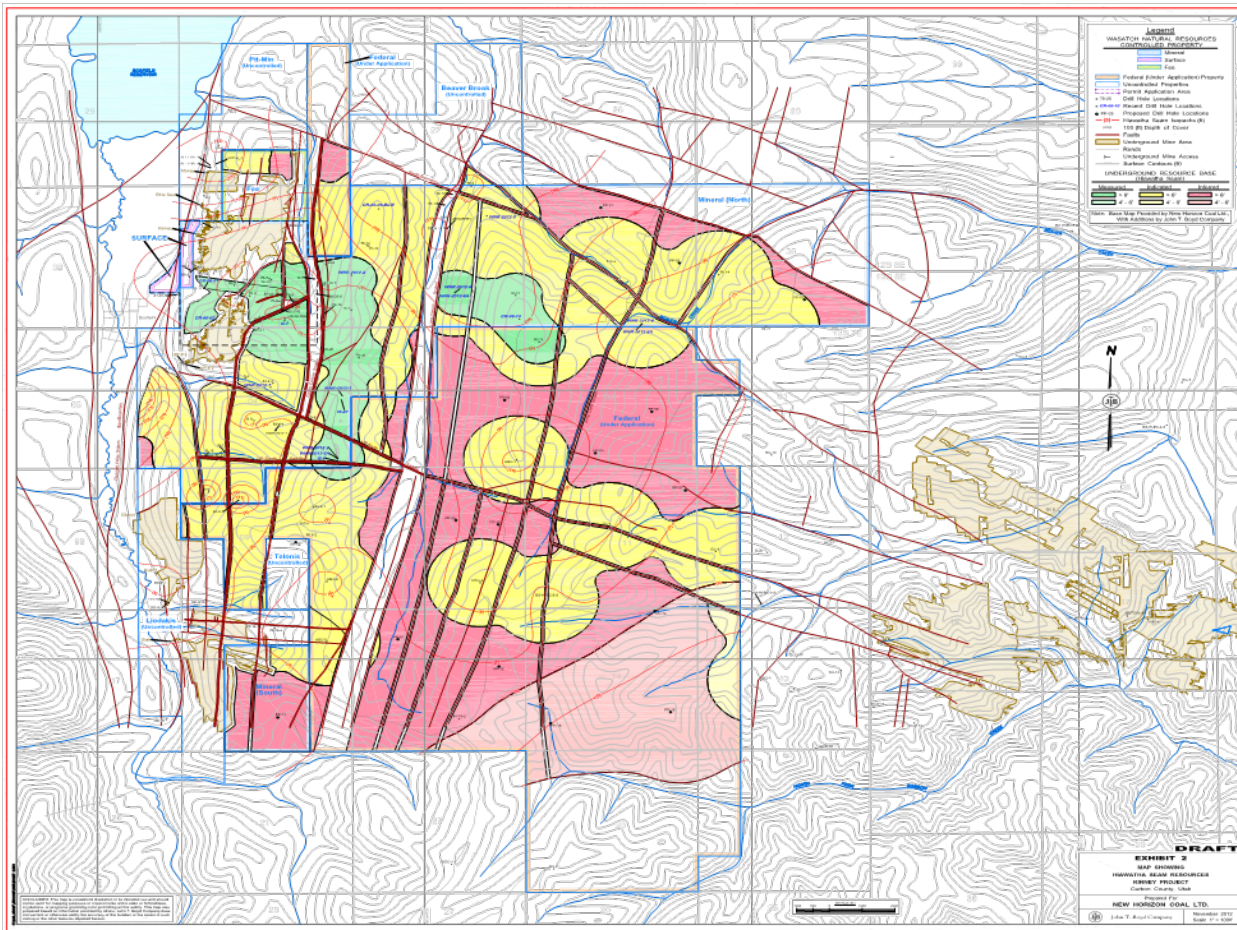
Sulphur Content (% adb)



¹ Average saleable coal quality, air dried basis

Production and Mine Life

Additional Exploration



- Additional drilling required on Federal land (2013)
- Over 28 Mt Inferred Resource
- Drilling will increase Measured & Indicated Resource and JORC Reserve
- Expected to extend mine life from 16 to 20+ years

2012-13 Drilling Programs


- Successfully completed 8 hole drilling program
- Supplemented existing quality data for use in the BFS
 - 129 historical drill holes at the Project site
 - Confirmed high quality of Hiawatha and UP seams
 - Refined understanding of mine geology
- Over 2,000 meters of rotary and conventional core drilling
- Approximately 250 meters of core retrieved
- Results used to confirm Reserve quality for PFS and to issue revised JORC Resource
- Similar program to be implemented in 2013
- Additional drilling will provide required quality data to report JORC Reserves
- Increase in mine life anticipated




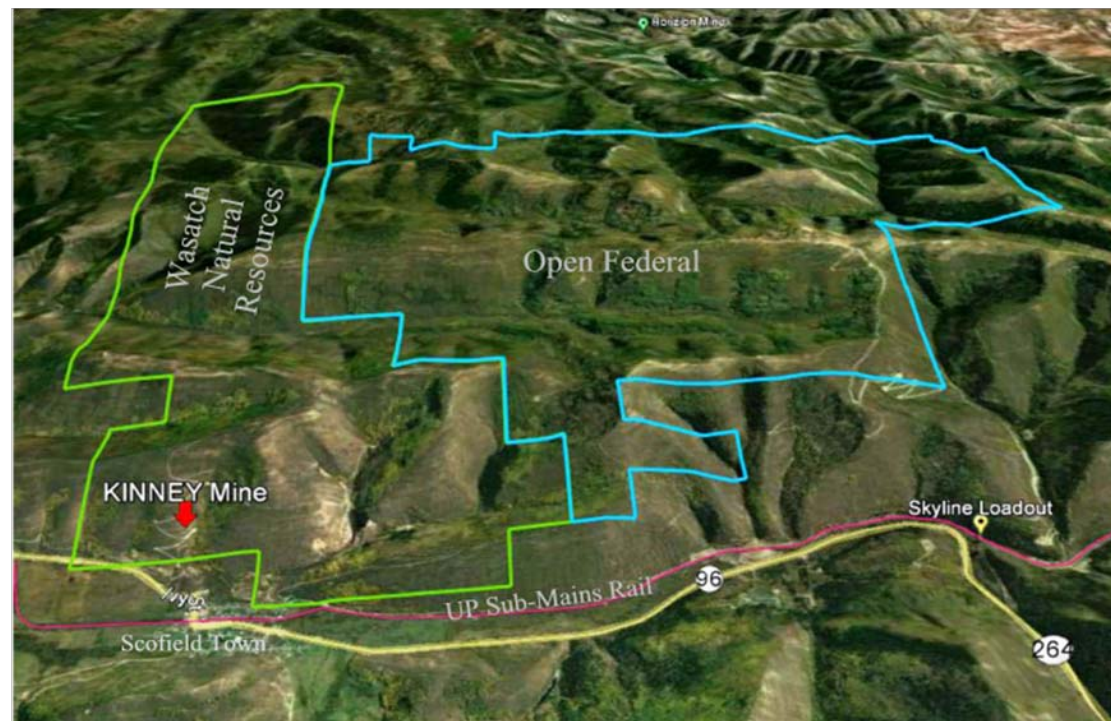
Drilling rig at Kinney Coal Project

Long Canyon LBA

- Lease-by-Application (LBA) filed with Bureau of Land Management (BLM) in 1Q 2012
- NHO has commenced an Environmental Assessment of the tract, as required by Federal law
- JORC Resource: 55.8 Mt (49.6% measured & indicated)
- NHO controls key access points to the tract from the West and North
- Tract will be mined as an extension of the Kinney Coal Project

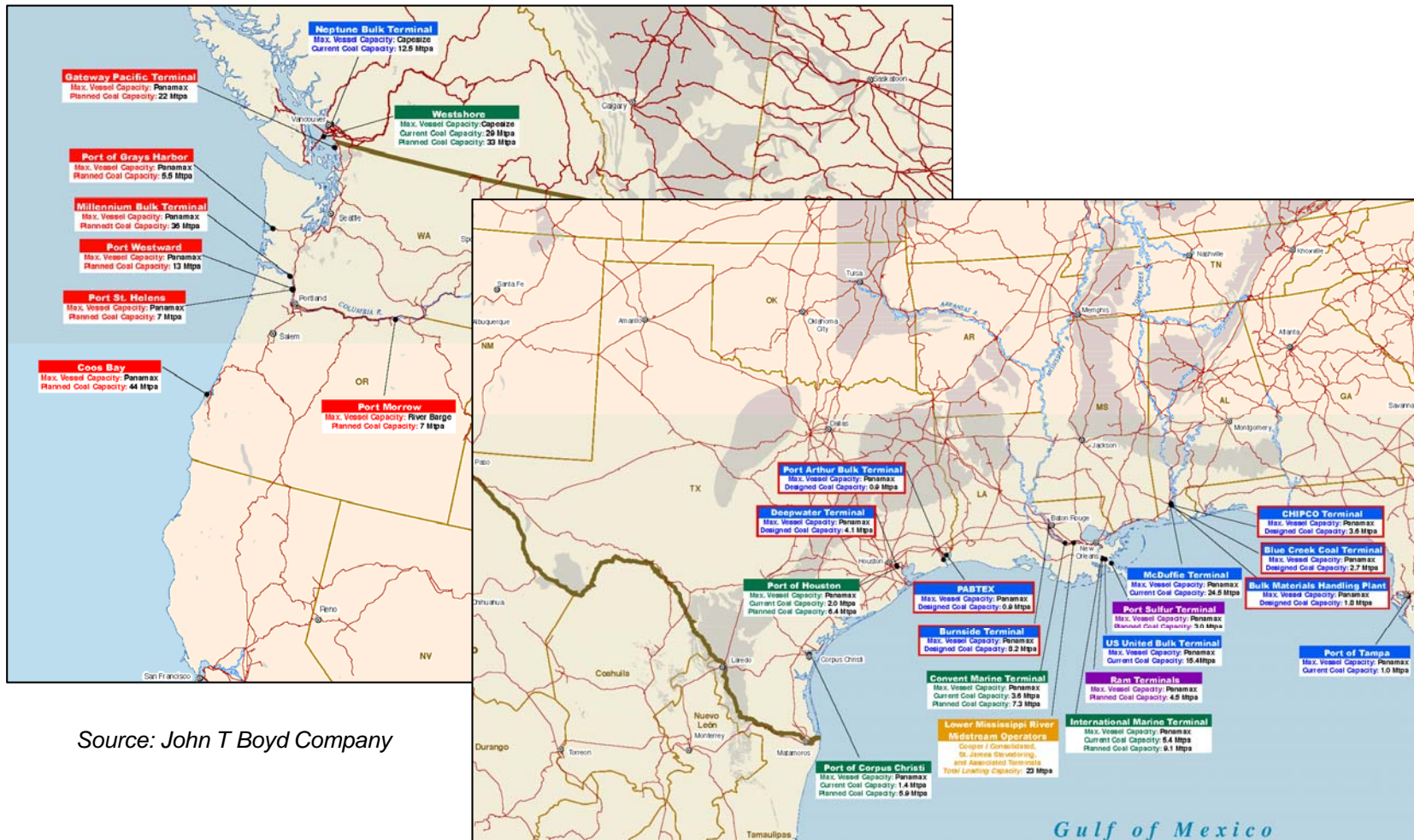
 Kinney Coal Project: controlled by NHO

 Long Canyon LBA: Federal coal leases (application filed with BLM)



Additional Export Opportunities

- NHO continues to explore additional export pathways on the US West Coast and Gulf Coast
- New capacity coming online as US expands coal export capacity



Source: John T Boyd Company

Rail Carriers

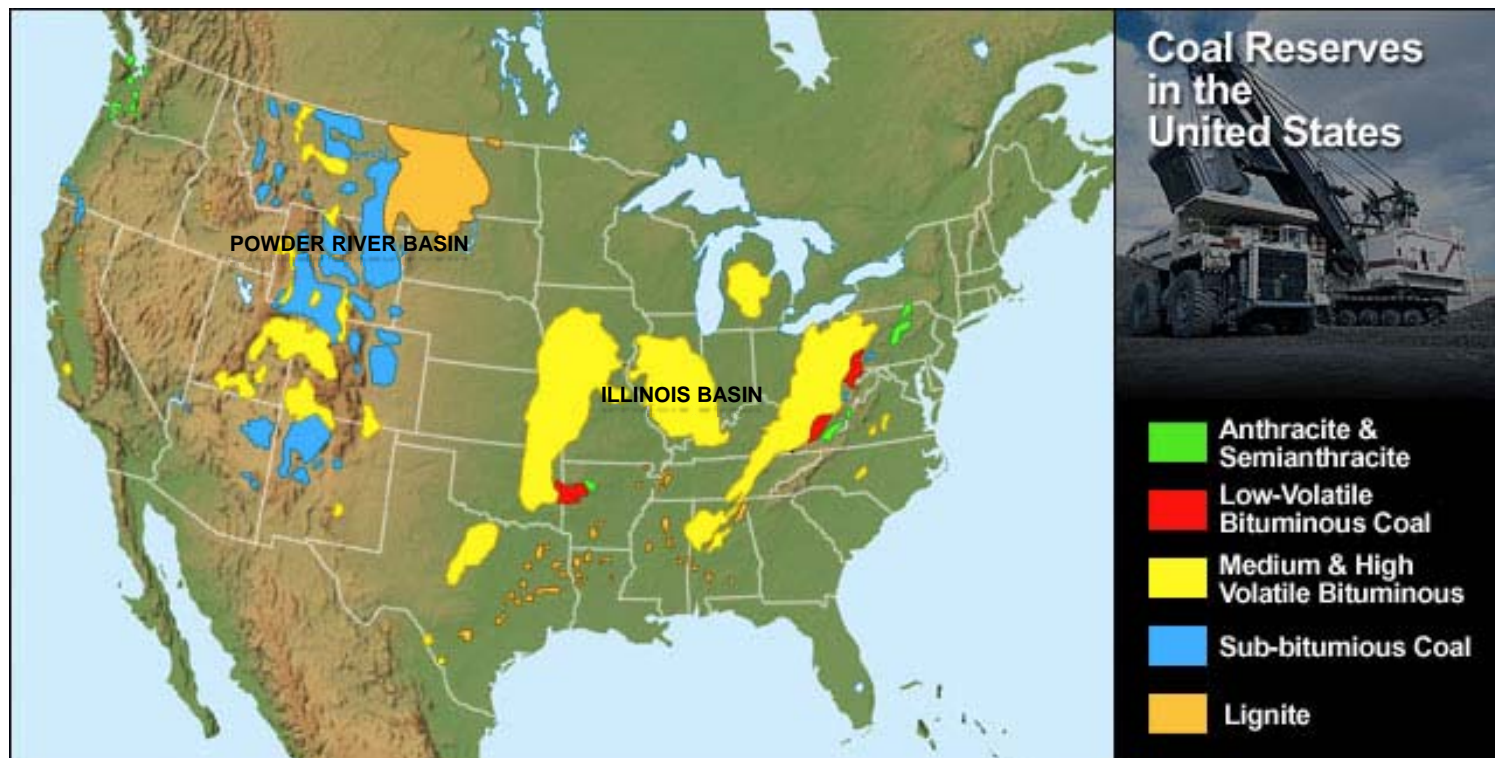
- Detailed discussions with two Class 1 rail carriers serving the region
- NHO jointly exploring construction of a loadout facility on the mainline
 - Service options with multiple railroads
- Multiple, viable loadout considered in PFS
 - New and existing facilities
- The Project is located approximately 500m from the Union Pacific Rail (“UP”) spur line
- The UP spur line provides rail access to most existing and proposed ports throughout North America, and also interchanges traffic with the Canadian rail systems
- Discussions with rail carriers have confirmed competitive rates to US Gulf Coast



Dual-track mainline located less than 30km from Kinney Coal Project

Marketing and Logistics

- Largest increases in US coal supply expected in Illinois and Powder River Basin
- Low rank coals with low production costs
- Illinois Basin: bituminous coal; mid-range CV (6,252 kcal/kg); high sulphur
- Powder River Basin: sub-bituminous coal; low CV (5,206 kcal/kg); high moisture
- Kinney Coal Project offers attractive blending opportunities to increase CV, decrease sulphur and moisture
- Port allocation increases attractiveness: “one stop shop” to blend and export



Source: American Coal Foundation

Additional Exploration Opportunities

High-Quality Coal Project in Utah

- Application made for over 2,200 hectares of Federal coal rights less than 50km from Kinney Coal Project
- High calorific, low sulphur product
 - Similar to Kinney Coal Project
- Seams previously mined for export to Asia
- Multiple sources of supply to secure contracts
- Infrastructure, including rail siding, already in place
- Well-defined resource: little or no exploration required to issue JORC Resource
- NHO will hold detailed discussions with BLM in early 2013



Project site viewed from highway

Development Timeline

Key value drivers for next 24 months:

- Completion of Bankable Feasibility Study
- Acquisition of adjacent BLM reserve
- Rail, port and customer off-take negotiations (both domestic and export)
- Commencement of production

New Horizon has an aggressive but achievable development timetable in place

	2012				2013				2014				Progress	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
JORC Resource	█												✓	Completed Q1, 2012
Pre-Feasibility Study	█	█	█	█									✓	Completed Nov 2012
Bankable Feasibility Study	█	█	█	█	█	█	█							Commenced Feb 2012
Confirmation drilling for quality		█	█			█	█						✓	Phase I Completed
BLM land application/acquisition		█	█	█	█	█	█							Commenced Mar 2012
Construction							█	█	█					
First production										█	█	█		

Why Invest in NHO

- ✦ Low cost entry into the US thermal coal sector
- ✦ Strong management team in place with proven track record
- ✦ Exceptional resource quality with 110 Mt JORC Resource
- ✦ Fully permitted project ready for rapid development at low capital cost
- ✦ Favourable transportation routes providing access to markets
- ✦ Well-positioned for entry to domestic and export markets
- ✦ Crucial port allocation imminent
- ✦ Concrete steps being taken to secure additional coal assets in Western US

Contacts

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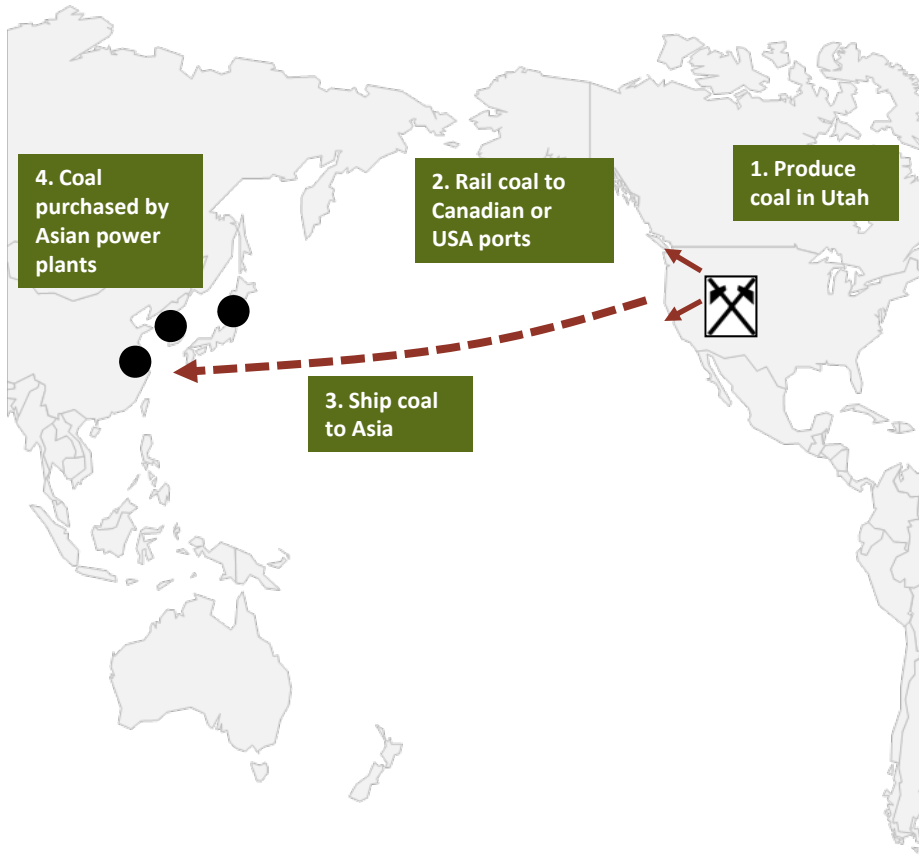
Skyline Coal Mine nearby Kinney Coal Project



Railway

Appendix 1: Export Pathway Alternatives

West Coast to Asia



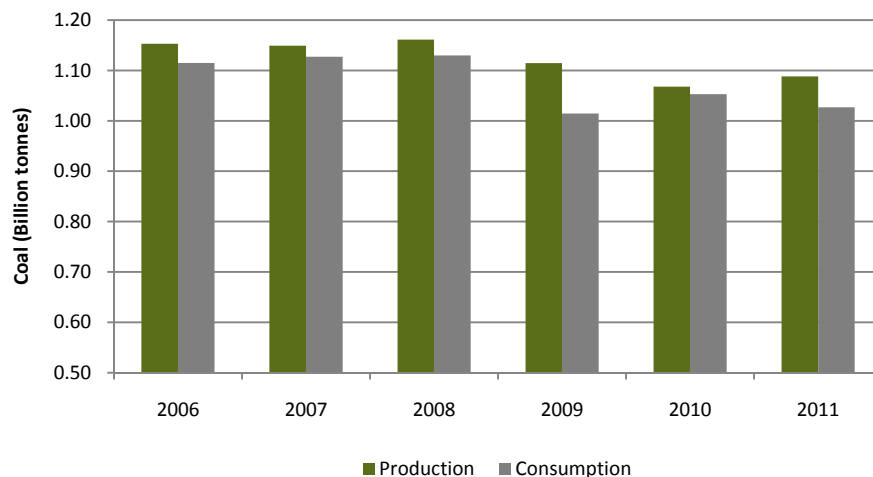
Gulf Coast Export Pathways



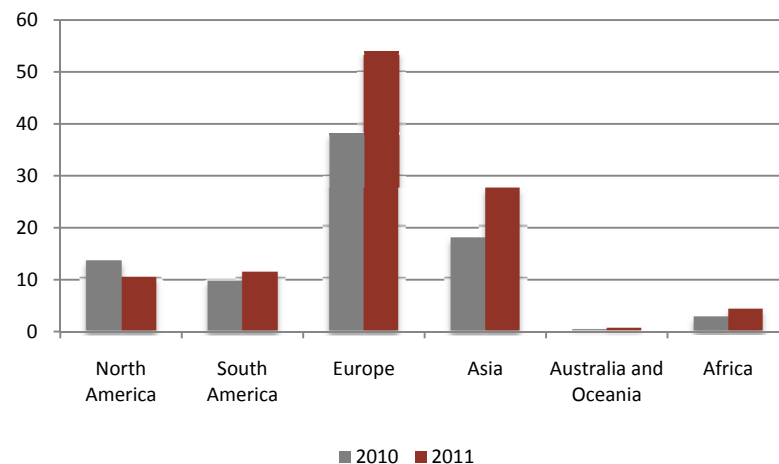
Appendix 2: US Coal Market

- The US has the largest coal reserves in the world followed by Russia, China and India
- This equates to 28% of the world's coal reserves, compared with Australia's 8% of global reserves
- Approximately 40% of all US electricity is generated by coal
- The US coal industry employs more than 500,000 people
- US is currently exporting approximately 25 million tonnes of coal to Asia and volumes are expected to grow over the next decade as new port developments come on line
- Overall US coal exports increased 28% in 2011 to 100 million tonnes
- Strong demand from Asia and Europe for steam and metallurgical coal pushed coal exports above 100 million tons in 2011, the highest level in nearly 20 years

US Coal Production & Consumption 2006-2011 (Bt)*



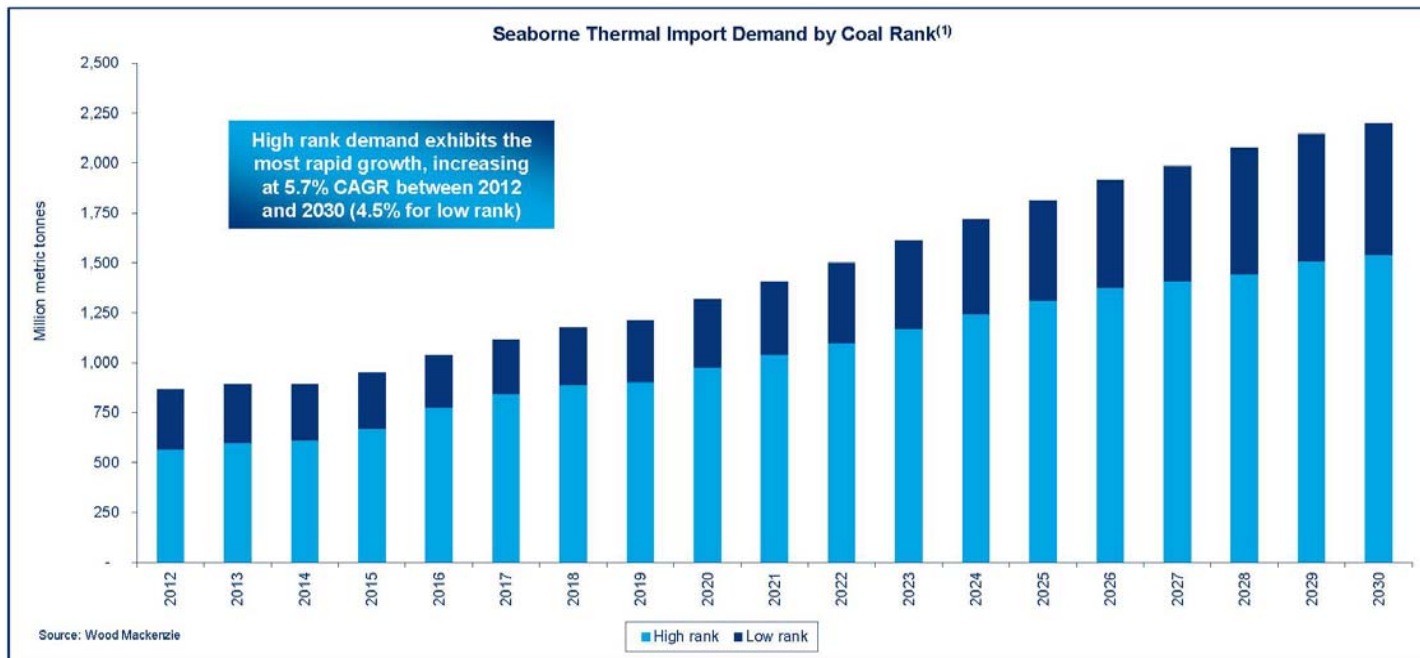
US Coal Exports by Destination Region, 2010-2011 (Mt)



*Source: US Energy Information Administration (year ending September)

Appendix 3: Seaborne Coal Market

- Global demand for seaborne thermal coal expected to grow by over 5% per year through 2030
- Seaborne trade of high-rank thermal coal expected to approximately double by 2030
- Primary driver will be thermal coal demand in Asia
- Two key opportunities for NHO:
 - Sales to Asian markets via US Gulf Coast or US West Coast
 - New markets in Europe and Latin America as Colombian and South African producers shift supply to Asia



Source: Wood Mackenzie