

Three diagonal bars in shades of green and grey are positioned on the left side of the page, extending from the top left towards the center.

ASX ANNOUNCEMENT
4 September 2012

Investor Presentation

Padang Resources Ltd (PXR) has pleasure in providing a copy of the presentation that will be made to investors on Wednesday 5th and Thursday 6th September 2012.

The Presentation is also available on the Company's website www.padangresources.com.au

Yours faithfully

Roland Berzins
Company Secretary

About Padang Resources Limited

Padang Resources Ltd aims to create a sustainable exploration and development business focused on resource opportunities in the Indonesian resource rich region. Padang has a strong management team which has a track record of acquiring and developing mineral projects in the Asia Pacific region. Padang is aggressively exploring and developing resources in the south-east Asia region, particularly Indonesia. For more information visit www.padangresources.com.au

Suite 2, 16 Ord Street, West Perth,
WA Australia, 6005
PO Box 1779, West Perth 6872

phone +61 8 9429 2900
info@padangresources.com.au
www.padangresources.com.au



Paser Project

East Kalimantan

Investor Presentation

September 2012

Investment in Padang (PXR)

- Transforming PXR into a coal producer
- Paser Project already demonstrated production potential and will resume production shortly
- Experienced in-country management team has confirmed all permits and approvals in place to commence production
- Fast tracked geological survey and initiating Pit Design
- Potential for significant valuation growth
- Significant interest from high net worths and institutions to fund pit design and mine plan



Corporate Overview

Background

- Padang Resources Ltd (“**PXR**”) aims to create a sustainable exploration and development business focused in the resource rich region of Indonesia
- Strong in-country management team with track record of acquiring and developing resource projects in the Asia Pacific region.
- Transform PXR into a coal producer

PXR Corporate Strategy

- Regional Focus
 - Accumulate 3-4 producing coal mines in the Paser Region, East Kalimantan, each capable of producing up to 20,000 tonnes/mth
- Economies of Scale
 - Efficiently identify, evaluate and acquire coal projects
 - Add value via drill-outs and BFS
 - Expand the portfolio
 - Develop, mine or sell project(s)

Key Metrics

ASX Code	PXR
Shares on Issue	471,691,669
Listed Options	Rights Issue TBC
Current Share Price	0.01 cents
Market Capitalisation	\$5m
Net Cash Position	\$0.5m

Substantial Shareholders

Spartan Nominees Pty Ltd	20,616,666	4.37%
John Wardman & Associates Pty	18,872,474	4.00%
Fay Holdings Pty Ltd	17,270,000	3.66%
HSBC Custody Nominees	12,762,500	2.71%
Formaine Pty Ltd	11,416,000	2.42%

The Paser Project

Location and Infrastructure

- Located 127 Km southwest from Balikpapan (4hr drive)
- All environmental and mining approvals in place (43 ha production licence- "IUP").
- Good quality haul roads in and around the concession area
- Existing Jetty locations within 14km of concession
- Year round barging
- Short distance to a deepwater harbor with an existing operational port (Barge to mother vessel = 30 km or approx 10 hours)



Project Geology & Exploration Potential

- IUP lies within the coal bearing Tanjung Formation
- Locations pre-stripped with minimal overburden
- Independent Geologists have estimated sufficient resources to justify at least a 5 yr mine life



The Paser Project - Coal Quality

- The average calorific value (6,841 Kcal/kg) is well in excess of the 5,300 – 6,700 Kcal/kg range for typical Indonesian bituminous coal;
- Total Moisture content is well below the range of 10-12%
- The ash content is slightly above range
- The majority of coal samples had sulphur content within range
- Benchmark for 6,500 Kcal coal as at August 2012 at **US\$85/tonne**

	Unit	Basis	Range	Average
Total Moisture	%	adb	2.2 – 7.6	4.9
Inherent Moisture	%	adb	1.6 – 4.7	2.7
Ash Content	%	adb	2.7 – 30.4	12.7
Volatile Matter	%	adb	30.7 – 42.9	39.1
Fixed Carbon	%	adb	36.7 – 53.8	45.0
Total Sulphur	%	adb	0.5 – 2.5	1.2
Calorific Value	Kcal/Kg	adb	5473 - 7692	6841

Table 2: Summary of Nine Coal Samples at Paser Project (data was validated during DD phase)



Fast tracked Acquisition, Geological Survey & Localisation

Acquisition & Joint Operating Agreement

- PXR has acquired a 70% interest in the Paser Project
- Established Joint Operating Agreement to mine and sell coal from the Paser Project directly with the holder/owner of the IUP

Due Diligence , Geological Survey & Localisation

- Successful Technical and Legal DD
- In-country technical team have completed interpretation of results from surface mapping, resistivity survey and analysis of previous drilling data
- Confirmation of 3 coal seams with a relative north-south pattern of strike and thicknesses varying from 0.4 to 3.4 meters
- Independent geologist estimated up to 2m tonnes to support 5 year mine life
- Confirmed all local government permits and approvals are in place to commence mining
- PXR has a strong relationship with Indonesian locals and local officials who have provided full support to commence mining from the Paser Project

Project Generation

6 regional projects at advanced stage of due diligence

The Development Plan

- Time to market accelerated as Mine Permitting and Localisation is already in place
- PXR is committing to the acceleration of a drill program to be followed with a mine plan
- PXR will undertake a placement to high net worths and institutions to fund the commencement of production

Development Phase	Comment
Due diligence	Completed
Exploration Permitting	Validated
Drilling	MOU in place with drilling contractor
Mine Design, Plan and Costing	Post successful outcome of Resource Drilling
Mine Permitting & Localisation	Validated
BFS	Post successful outcome of Mine Planning

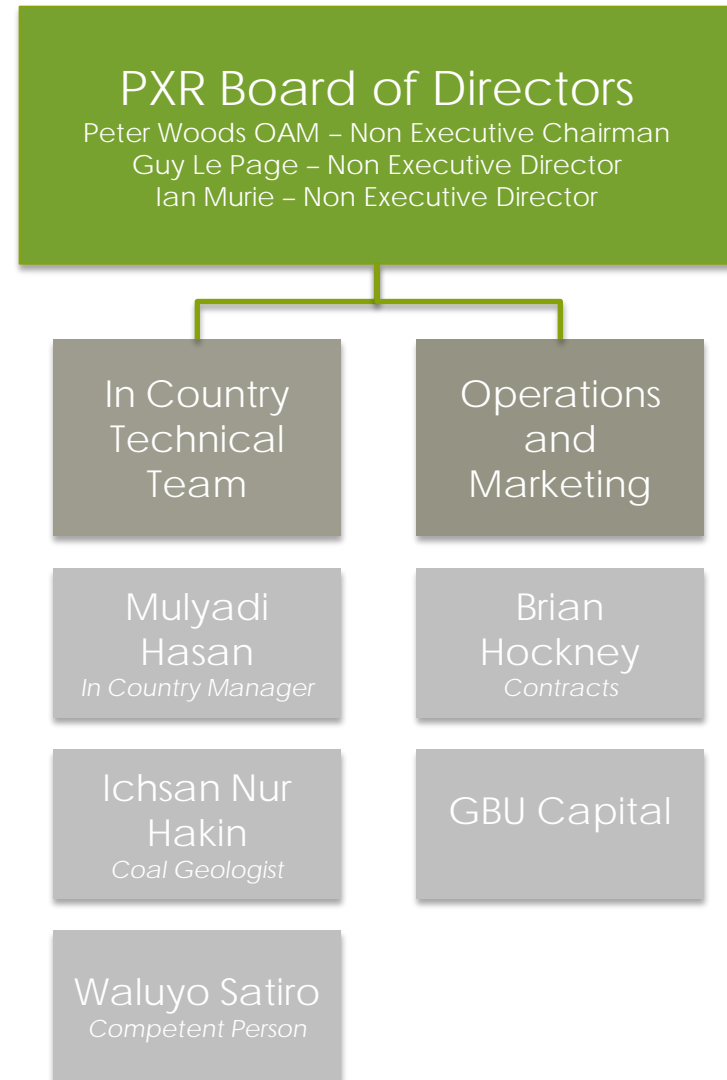
Board and Management

In-country Management Team

- Mulyadi M Hassan
- Ichsan Nur Hakin
- Waluyo Satiro

Operations and Marketing (External Consultants)

- Brian Hockney
- GBU Capital Pty Ltd



Reasons to Invest

- ✓ Paser Project has previously demonstrated its production potential through more recent mining activity. It will resume production subject to a mining feasibility study
- ✓ Good quality coal commanding premium prices in excess of US\$85/tonne.
- ✓ All environmental and mining approvals in place (43 ha production licence- "IUP").
- ✓ Developed roads and good access to export infrastructure.
- ✓ Strong in country technical team mobilised
- ✓ Production expected Q1 2013
- ✓ Independent geologist based in Balikpapan with direct experience in coal mining projects that lie within the Tanjung Formation, Paser Regency.
- ✓ PXR has a strong relationship with Indonesian locals and local officials.

Forward Looking Statements

The material used in this presentation is intended to be a summary of selected geological data, current and proposed activities, as well as resource estimates based on information available to Padang Resources at the time.

It does not include all available information and should not be used in isolation as a basis to invest in Padang Resources.

This presentation may include information and graphics relating to a conceptual mining study, completed independent resource estimate and a scoping study which is in progress and includes "*forward looking statements*" which include, without limitation, estimates of coal production based on mineral resources that are currently being evaluated.

While the Company has a reasonable basis on which to express these estimates, any forward looking statement is subject to risk.

Risks include, without limitation: coal prices, foreign exchange rate movements, project funding capacity and estimates of future capital and operating costs.

The Company does not undertake to release publicly any revisions to forward looking statements included in this presentation to reflect events or results after the date of this presentation, except as may be required under applicable securities.

Any potential investor should refer to the reports ASX releases and statutory reports before considering investing in the company and seek independent advice.