

VICTORY WEST  
METALS LIMITED



# VWM /SEAE

## Corporate Profile and Capabilities

October 2012



AUSTRALIA – SINGAPORE - INDONESIA

# Disclaimer



## Forward-Looking Statements

*This presentation may contain forward-looking statements that are subject to risks, uncertainties and other factors associated with exploration and mining that are in some case beyond the control of Victory West Metals or South East Asia Resources. Readers can identify a forward-looking statement by terminology such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “intend”, “likely”, “may”, “plan”, “potential”, “predict”, “project”, “risk”, “should”, “will” or “would” and other similar expressions. It is believed that the expectations reflected in these statements are reasonable but they may be affected by variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency movements, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, tenement renewals, project delay or advancement, approvals and cost estimates. Readers are cautioned not to place undue reliance on forward-looking statements.*

*All persons should seek appropriate financial professional financial advise in reviewing or considering the document and all other information with respect to Victory West Metals Limited and South East Asia Energy Resources Pte Ltd and evaluating the business, financial performance and operations of these companies. Neither the provision of the document nor any information contained in the document or subsequently communicated to any person in connections with the document is, or should be taken as, constituting the giving of investment or financial product advise to any person in respect of dealing in Victory West Metals securities, and no such information should be taken to constitute a recommendation or statement of opinion that is intended to influence a person in making a decision to deal in Victory West Metals securities. This document does not purport to contain all of the information that maybe required to evaluate all of the factors that would be relevant in determining whether to deal in Victory West Metals securities, including but not limited to any person’s objectives, financial situation or needs. Each person should make, and will be taken to have made, its own investigation, assessment and analysis of the information in this document and other matters that may be relevant to it in considering whether to deal in Victory West Metals securities.*

## Competent Persons Statement

*The information / data in this presentation that relates to Exploration Results, Resources and Reserves is based on information compiled, reviewed and evaluated by Mr. William Park, BSc (Geology), BEcon, MAIG, who is a member of the Australian Institute of Geoscientists. Mr. Park is a full time employee of PT New Resource Mine (NRM), and has sufficient experience which is relevant to the style and type of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify him as a “Competent Person” as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Park consents to the inclusion in the Explanatory Statement of the matters based on his information in the form and content as they appear.*

## Potential Projects

*This presentation may contain information and data regarding Potential Projects which are currently being considered by the Company/Group. These projects have not been acquired and their acquisition is subject to the completion of due diligence and being able to successfully negotiate their acquisition with the Vendors.*

*These Potential Projects should not be considered as current projects of the Company. These projects may or may not be acquired in the future.*

*The proposed acquisition of these potential projects are subject to due diligence, successful negotiations with the vendors and prevailing market conditions, and there is no certainty that their acquisition will materialise.*

**AGGRESSIVE NEW  
BUSINESS STRATEGY  
FOCUSSED ON  
PRODUCTION, GROWTH &  
PROFITABILIIY**

- Victory West Metals Ltd's acquisition of South East Asia Energy Resources (SEAE) will bring to the company a high level of mining business and technical expertise with active mining projects and a pipeline of new potential projects aiming to be producing 4 to 5 million tons per annum over the next 3 years.
- SEAE is an active mining company with a primary plan of production and profitability on every project it undertakes.
- SEAE will bring to Victory West Metals a diversified mining business which not only includes mining and off-take opportunities, but also infrastructure development and management, and global mineral sales to provide a balanced model of asset value, cash flow, and recurring profit.

# Key Services

- **Multiple Mine Project Identification – Due Diligence – Development**  
Project valuation, New project sourcing, JORC, Project Acquisition , Mine management,
- **Up-Grade & Value Add Mining Projects** – aim to increase the value of mine projects by 100% to 200% by identifying good projects, negotiating fair prices, progress rapidly from green field to JORC, and increase minable reserve through good geological and engineering expertise.
- **Infrastructure Feasibility , Acquisition & Development-** (haul roads, jetty, ports, crusher, conveyor) – create high profit revenue streams by acquiring, developing and managing key commercial infrastructure facilities.
- **Management** - experienced business and site management of mining assets and income producing infrastructure (Loading Ports / Haul Roads), to ensure efficient operation, maximise potential and minimise loss.
- **Coal Sales** – Managed supply of in-house and third party thermal and coking coal.

- **Established Mining & Engineering Services office in Jakarta, Indonesia:**
  - Local Project Management & Administration
  - Indonesian Corporate and Taxation Compliance
  - In-house technical due diligence team
  - Holds all required mining, export and port licenses
  
- **Corporate Group Management, Banking & Trade Offices in Singapore**
  - Global trading house
  - International banking and special project/asset structure holding
  
- **Australian Corporate Management, Sydney, Australia**
  - Australian Project office
  - Investor Relations office
  - Victory West Metals Ltd Offices

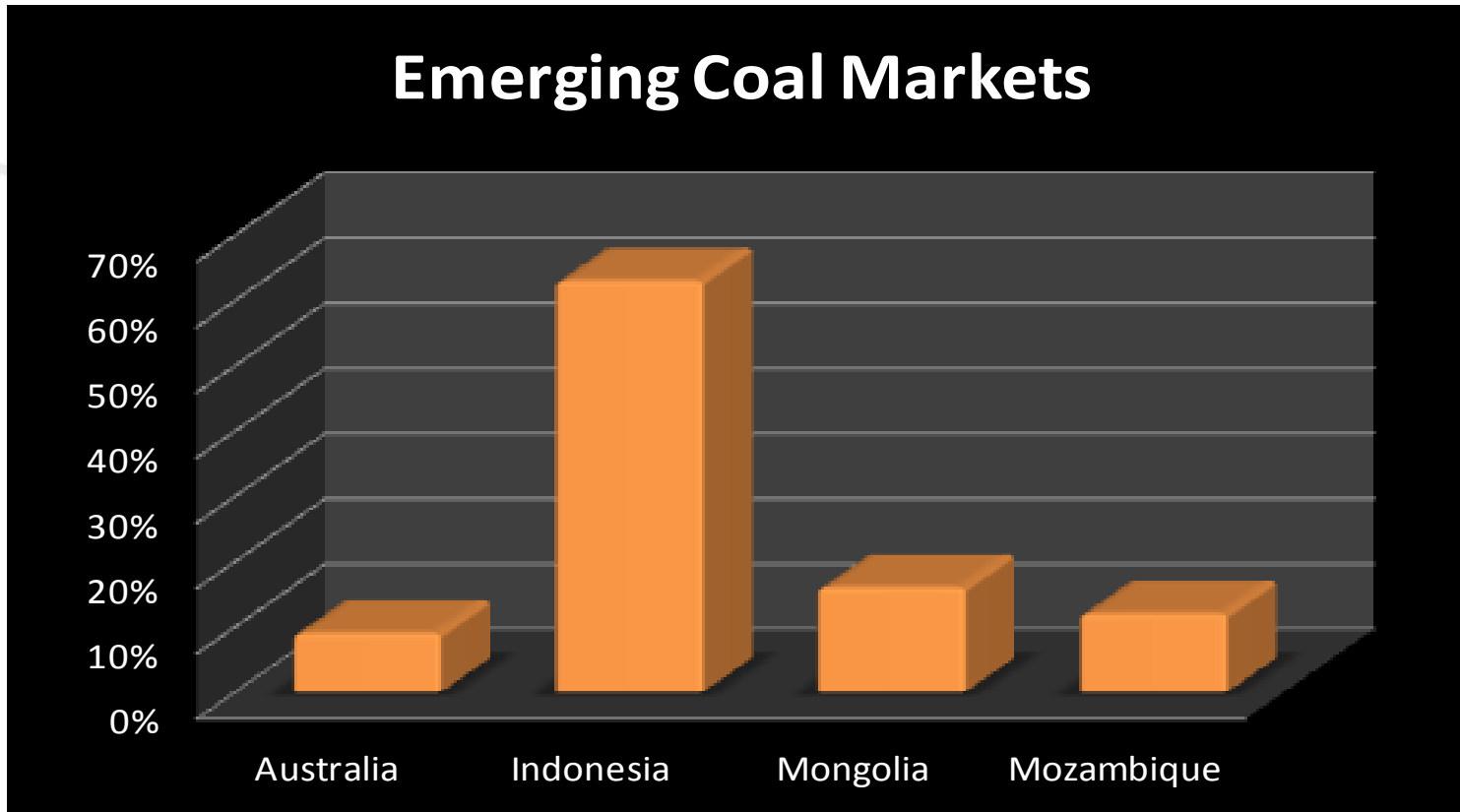
# INDONESIA STRATEGIC MINING FUTURE

Indonesia is currently the largest exporter of thermal coal in the world and current global activities point to Indonesia growing to be an even more strategic global supplier.

- 1) Low Cost Production** – with commodity prices down to a 4 year low, major producers like Australia and South Africa are struggling to remain profitable where Indonesian mines can still profitably produce and be competitive.
- 2) Low Regulation / Tax / Interference/Few Delays** – Indonesia has an organised national licensing system, and if compliance is followed, set up time to production is very quick.
- 3) Strategic Location** – Indonesia is strategically located to supply South East Asia and India, where most predicted global growth is forecast.
- 4) Excellent Transport System** – as an island nation with many rivers, Indonesia has an in-built natural transportation network that is cheap and efficient.

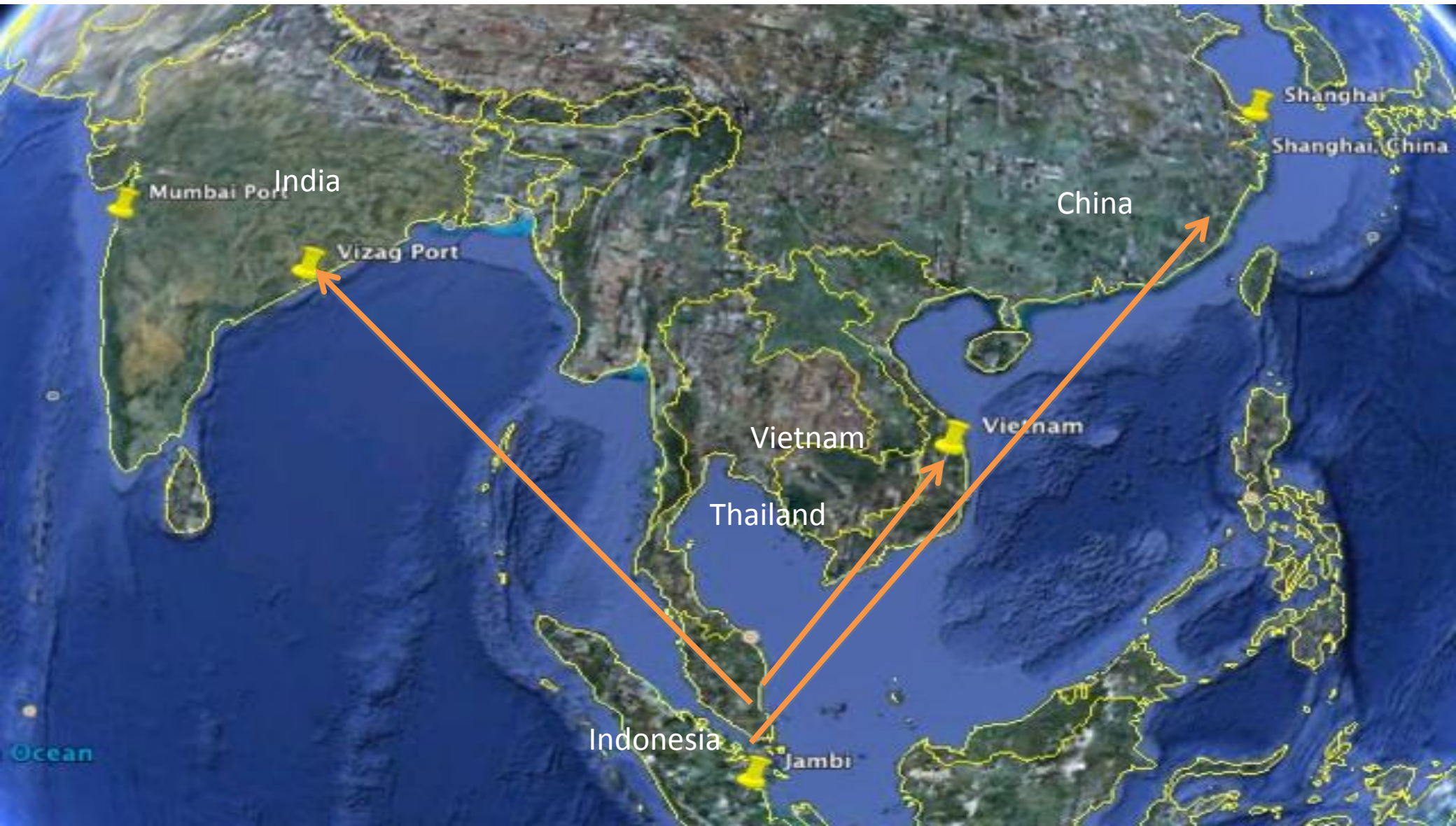


Which emerging markets provide the best opportunities for coal mining investment in the coming years? – Feb 2012 Survey – [www.coalspot.com](http://www.coalspot.com)



\* “Mine Investors” ranked Indonesia at 75%

# Indonesia's Strategic Coal Markets



**EXPERIENCE  
&  
CAPABILITY  
&  
PEOPLE**

# SEAE - Experienced Australian-Indonesian Team



- International mining, engineering, infrastructure and equipment experience that comes together under one entity.
- Capable of undertaking solutions from exploration, development
- capabilities in Processing, Open Cut, High wall & Underground Mining projects.
- The team has been working together for the last seven years with a focus in Indonesia and Australia.
- The past three years have been focus developing projects in Indonesia.
- Services and development Group for major Asian energy producers
- High Level Industry, Professional Services, and relevant Government Relationships
- Active in global coal sales – International market links – Acute market pricing knowledge



# Global Mining Experience



## ➤ Complete in-house solution:

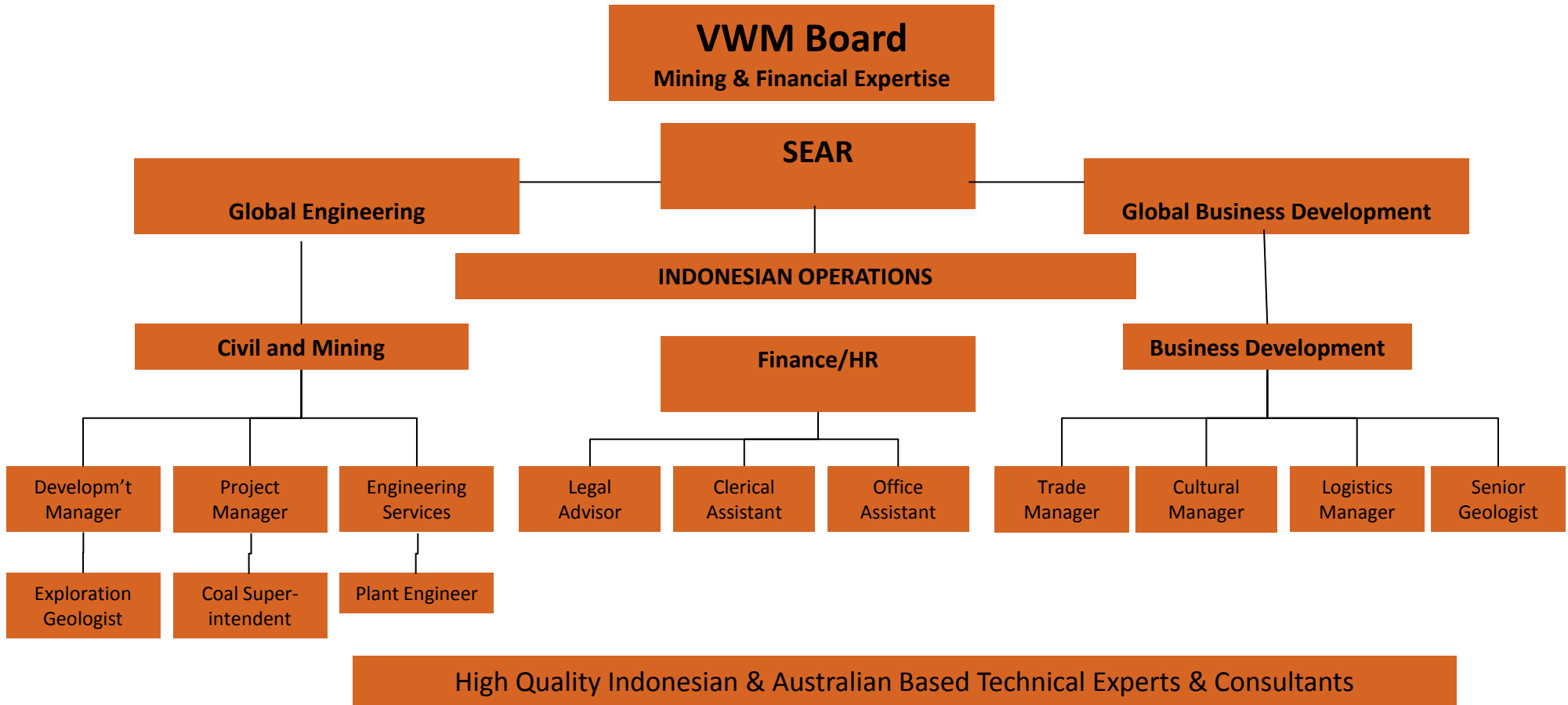
- Source projects
- Complete legal & technical due diligence
- Evaluate financial viability
- Negotiate terms
- Undertake JORC
- Design & Engineer Mines design
- Haul Roads, Jetty, Crushers
- Project Construction to Production
- Manage Mining
- Transport and Port Operations
- Environmental Management
- Market Coal to Global Market



# OUR PEOPLE + LOCAL RELATIONSHIPS = SUCCESS



# Organisation Structure



**SEAE team + United management team  
= target JORC resources & production from Indonesian  
coal assets**



# Projects for Today and the Future

# Resource Assets

- VWM – SEAE currently has interests in two thermal coal mining assets in East Kalimantan (Penajam East Project) and a large Molybdenum exploration project in Sulawesi, Indonesia.
- The group is in due diligence to potentially acquire another 3 mining assets in South and East Kalimantan, Indonesia within the next six months, and one project in Tasmania, Australia, as well as potentially developing a commercial deep water coal terminal.



# Active Mining Project – Penajam East

- Penajam East Project is comprised of two concessions covering 185ha in East Kalimantan. Both concessions have IUP Production License allowing for immediate mining activities.
- The project is advanced with 5 open pits with exposed coal seams and an expected start of production in 90 to 120 days. Coal quality is average of 5,825 – 5,971 ADB. SEAE geologist are currently on site further testing and planning with the aim to develop a new mine plan.
- The concessions have their own haul road and jetty.
- Location approximately 50 km West of Balikpapan.
- Coal thickness vary from 45cm to 1.1 m thickness
- Approximately 8-10 km to the Jetty at the Muan River.



# Penajam East Location



**Legend :**

- Town
- Road
- River
- District
- Conce



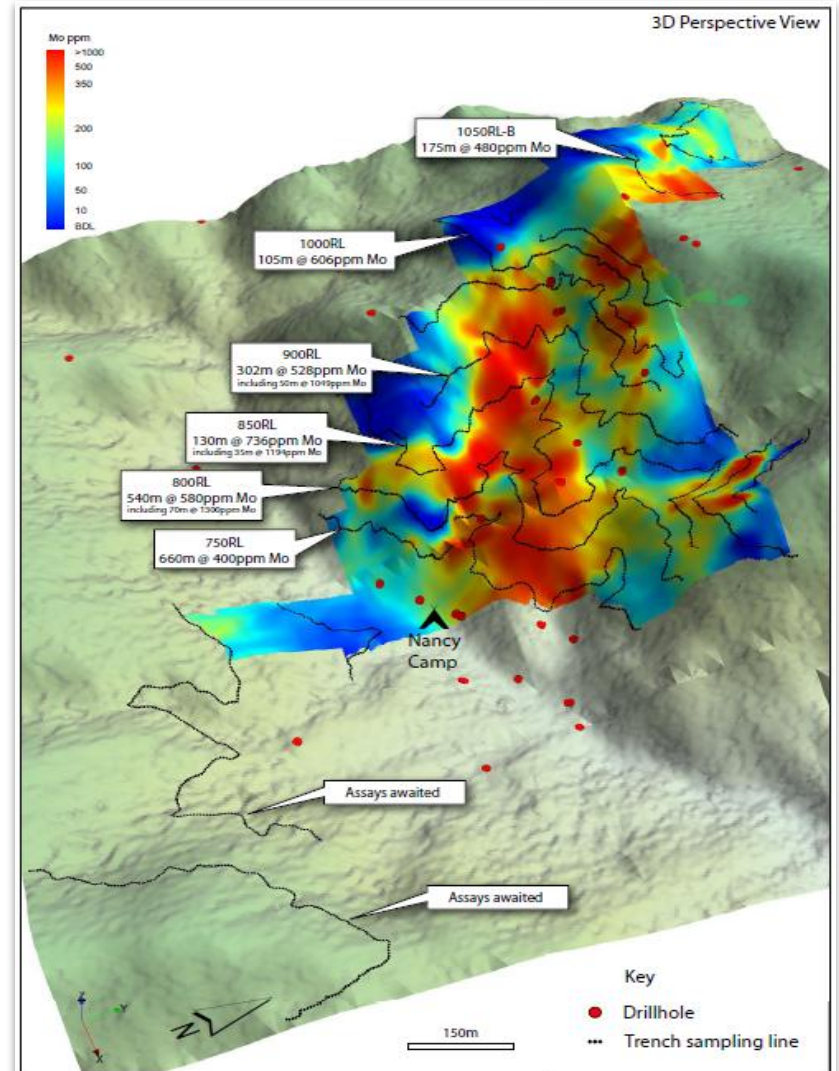
# Malala Molybdenum Project

- Working with key Indonesia Government groups
  - Initial Exploration target = 105 to 115mt @ 660-900ppm Molybdenum \*
  - New Geological Model identifies >300% increase in target zone
- = Significant upside potential

\* *The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the determination of a mineral resource.*

## JORC Exploration Targets

*It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserves(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the determination of a Mineral Resource. In accordance with Clause 18 of the JORC Code, it is important to note that no JORC Mineral Resources or Ore Reserves have been established on these tenements and any current assessment remains subject to ongoing exploration work and drilling. The current interpretation remains preliminary and is based on exploration, evaluation and resource definition work performed by previous owners.*



# Global Off-take & Investment Partners

# VWM – Vietnam Partnership

SEAE has received confirmation that the Deputy Prime Minister for Vietnam is travelling to Australia on an official trade mission to meet trading partners for the purpose of investment in mines and coal off-take supply.

Vietnam is aggressively planning their energy needs for the next 20 years, and this plan involves the need to import 48MT of thermal coal per annum.

SEAE has initiated this official visit through a 12 month working relationship with Vietnam.

A draft MOU has been presented which indicates investment in VWM Indonesian Coal Mine projects and off-take commitments. It is expected that this MOU and proceeding agreements will be signed on this official visit.



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Robert Wall  
South East Asia Energy Limited  
Via Email

21/ September 2012

Re: Vietnamese Deputy Prime Minister Phuc's Australian Visit

Robert

In regard to the above mentioned visit, we can confirm that it will be undertaken within the month of October.

The purpose of Deputy Prime Minister's Nguyen Xuan Phuc's visit is to meet with groups that can provide coal offtake and investment opportunities to ensure stable energy growth for Vietnam moving forward.

We have provided his office with the background information provided by yourself in regards to Victory West Metals, and have also translated and presented the draft Memorandum of Understanding. It is the Deputy Prime Minister's objective to enter into initial agreements on this visit.

Upon receiving final confirmation for the visit including dates and times, we will forward this to you, to allow you time to make suitable arrangements for your presentation to the Deputy Prime Minister and his delegation.

Sincerely

A handwritten signature in black ink, appearing to read "Paul Fairhead".

Paul Fairhead  
Managing Director

*Hong Kong - Vietnam - Australia*

# Corporate Aim

SEAE is committed to working together with external funding and trade groups to provide the highest level of local knowledge and global industry expertise to develop mining and infrastructure assets and mineral trading channels within the Indonesian, Southeast Asian, and Australian regions. Our goal is to develop long term partnerships internationally while supporting our key relationships domestically.





# VWM Corporate Structure

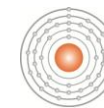


## Corporate Structure as at 26<sup>th</sup> September 2012

	Pre SEAE Acquisition	Post SEAE Acquisition
Total Fully Paid Shares on Issue	176.6 million	176.6 million
Market Capitalisation @ 3 cents	A\$5.3 million	A\$5.3 million
Unlisted Performance Options		
- (25 cents, expiring 31 Aug 2014)	2.0 million	2.0 million
- (30 cents, expires 3 years from issue)	- million	33.0 million
Performance Shares	10.0 million	110.0 million
Convertible Note	A\$1.9 million	A\$1.9 million
Convertible Loans & Payments	A\$0.7 million	A\$0.7 million

See next page for details on SEAE consideration securities

# SEAE Transaction Details



Milestone	VWM Shares (fully paid)	VWM Options (@ 30cents)	Cash
Within 12 months of Settlement	---	---	A\$750,000
SEAE commercial shipment of 100,000 t of coal from current projects	110m	11m	---
SEAE projects have: total annualised production $\geq$ 1.2 Mt & total JORC inferred resource $\geq$ 25 Mt	110m *	11m	---
SEAE projects have: total annualised production $\geq$ 2.4 Mt & total JORC inferred resource $\geq$ 50 Mt	110m *	11m	---
<b>Total Consideration</b>	<b>330m</b>	<b>33m</b>	<b>A\$750,000</b>

- Consideration performance based to be achieved within 3 years.
- Acquisition conditional upon completion of \$3M raising

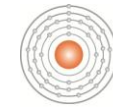
\* Subject to shareholder approvals to be obtained when performance hurdles are satisfied.

# Summary

- SEAE is focussed on immediate production and long term profitability.
- SEAE is a well established team of international and local industry professionals.
- SEAE has strong and trusting relationships with local industry service providers, professional services providers and key government connections.
- SEAE follows international industry best practices in design, development, management, reporting and compliance.
- SEAE is focussed on meeting the objectives and milestones of every project in a timely manner.
- SEAE is interested in long term, profitable project development for the investors and local communities.

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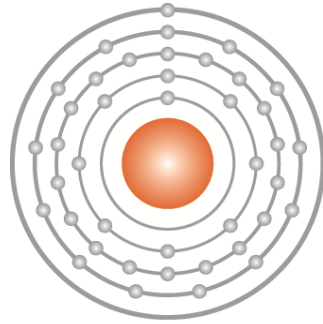
# Contact



VICTORY WEST  
METALS LIMITED

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**SEA**  
**South East Asia**  
R E S O U R C E S

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