



CELSIUS COAL

LIMITED

Kargasha, Kokkia and
Min Teke Projects



KYRGYZ
REPUBLIC

Sary Mogol and
Bel Alma Projects

PREMIUM COKING COAL FOR CHINA AND CENTRAL ASIA

Investment community post site visit review 2013 (August)

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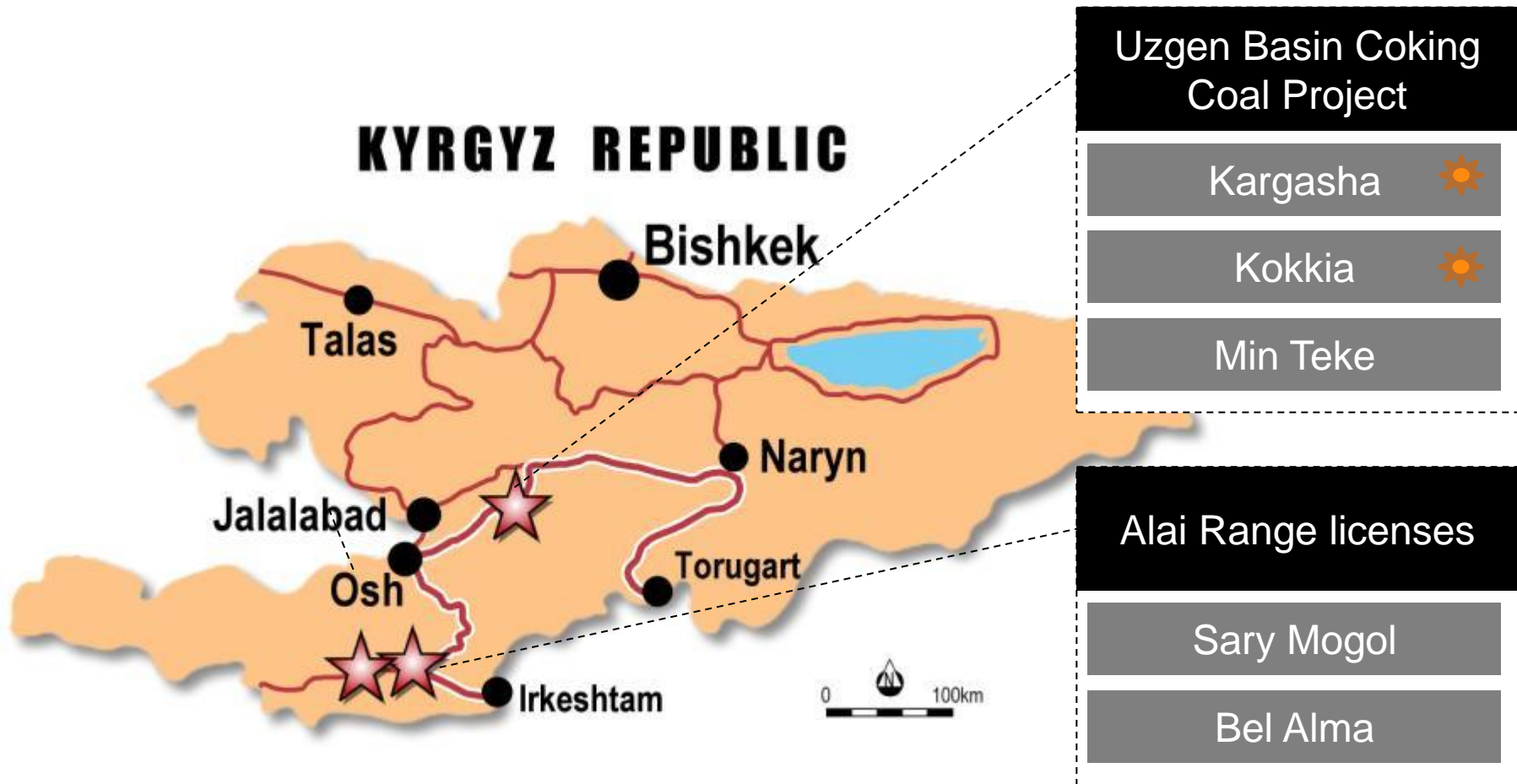
The Information in this Presentations which relates to Coal Resources, Exploration Targets and Exploration Results should be read in conjunction with the Competent Persons statements on page 42 including the relevant disclaimers. The use of the terms Coal Resources, Exploration Targets and Exploration Results is consistent with their definitions in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and references to these terms are made with these definitions in mind.

Company snapshot

A\$42m market cap. focused on coal in Kyrgyz Republic



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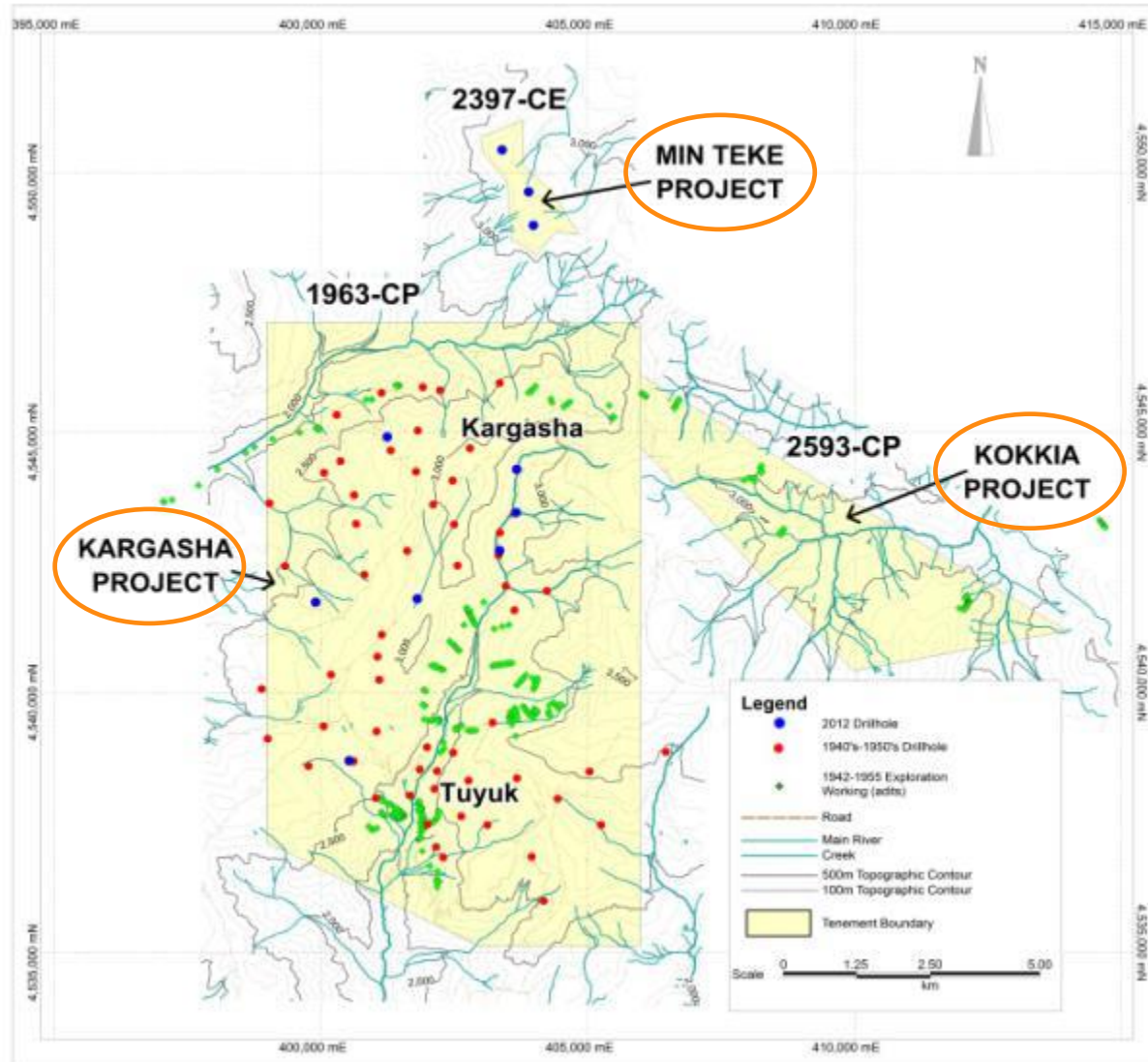
– Licenses containing JORC Resources

Uzgen Basin tenements

Kargasha, Kokkia and Min Teke are one project



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Near-term goals and objectives

Fast-track to establish a scale coal export operation



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Large coking coal resource

255Mt JORC Inferred Resource with upside

Summary of coal Resources (Uzgen Basin Coking Coal)¹

	Inferred	Total
Kargasha	230	230
Kokkia	25	25
Min Teke	–	–
Total	255	255



Total targeted tonnages (including exploration targets)²

	Resources	Expl. target	Total
Uzgen Basin Coking Coal	255	55 – 110	310 - 365
Alai Range	–	20 – 51	20 – 51
Total	–	75 – 161	330 – 411

Notes: 1. Please refer to the Competent Persons Statement on slide 42 relating to these Coal Resources. 2. The information on this slide relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves.

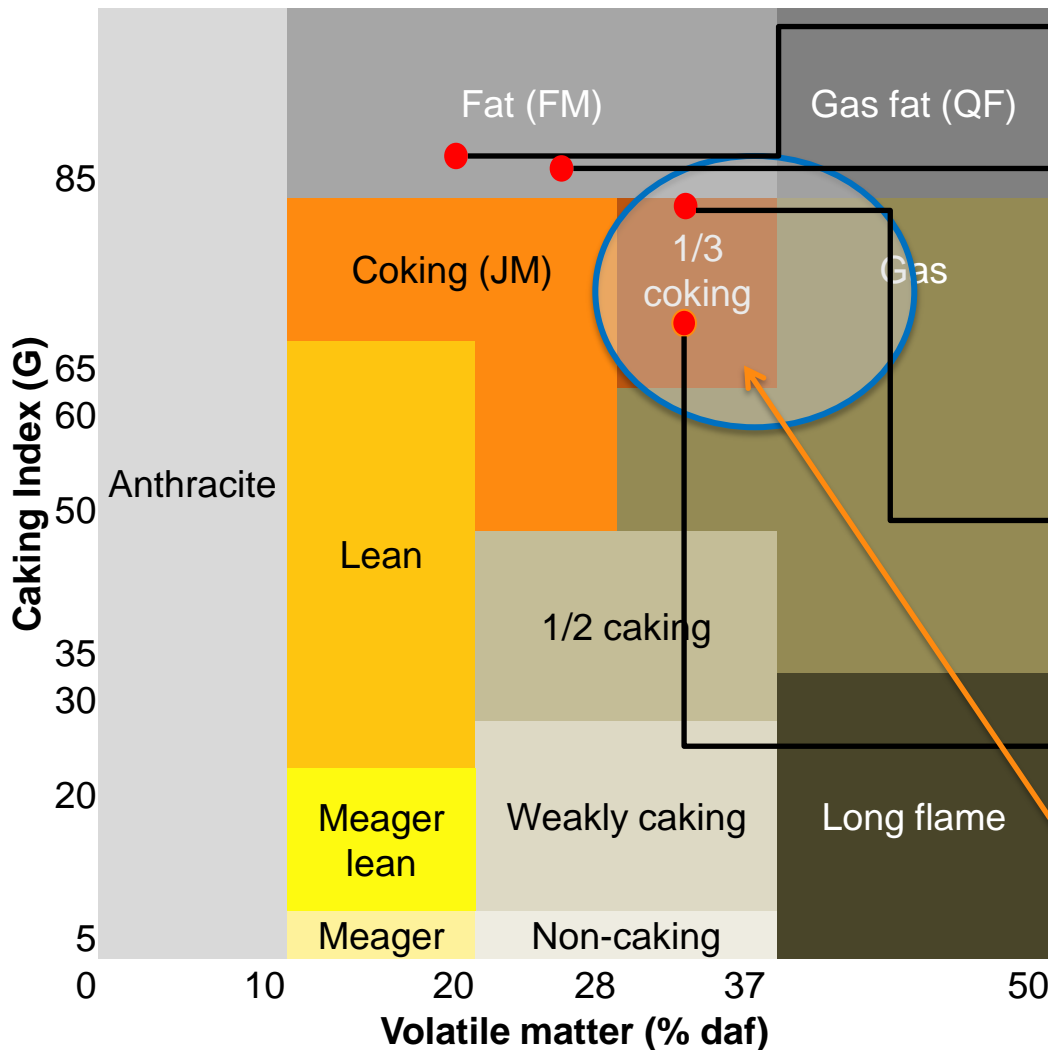
Premium coal

Uzgen Basin coals rank with benchmark coking coals



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Chinese coking coal classification system



China's benchmark (Shanxi Liulin – 2012 China pricing US\$190-240/t)

Australian benchmark premium hard coking coal (Goonyella – 2012 seaborne pricing US\$165-225/t)

Standard coking coal (Canadian coals – 2012 seaborne pricing US\$145-200/t)

Semi-soft coking coal (Xinjiang Fukang – 2012 China pricing US\$150-200/t)

Kokkia/Kargasha potential coking coal (non-JORC, statistical assessment only)



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Coal market review

Section 1



Xinjiang

Close, growing coking coal market



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Xinjiang Province China, basic facts

- Population: 22m
- GDP/capita: US\$4,600 (1/3-1/2 coastal levels)

Xinjiang development and infrastructure

- Xinjiang has been highlighted as a special case for policy-led growth initiatives
- Total of RMB 2.1tn (US\$333bn) to be spent to 2020 for infrastructure
- Kashgar (south west Xinjiang) has been established as a new Special Economic Zone to promote Central Asia trade
- Development goals by 2015 require:
 - 170,000km of new roads
 - 8,200km of new rail
 - 22 new airports



Steelmaking goals by 2015

- Produce 22mtpa steel by (i.e., more than double current levels)
- 10mtpa of special steel production
- Improve blast furnace efficiency – shut blast furnaces smaller than 400m³
- Only 2% of Xinjiang's coal is coking

Xinjiang

Bryanston confirms significant coal supply gap



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Key learnings

- 20+ potential customers identified – five visited as priority targets
- High sales potential for Celsius coking coal
 - Higher coke strength (CSR) coals will have greater price premium
 - Kashgar area of special interest due to even greater transport advantage for Kyrgyz coal vs. any Chinese available coking coals

Next steps

- Keep customers informed about new data (ie, new exploration results and mine planning etc.)
- Send samples to customers and independent testing facility
- Customer site and logistics visits (commencing September 2013)
- China trial cargo
- Validate value in use of Celsius coal to each end customer based on product spec and individual blend requirement

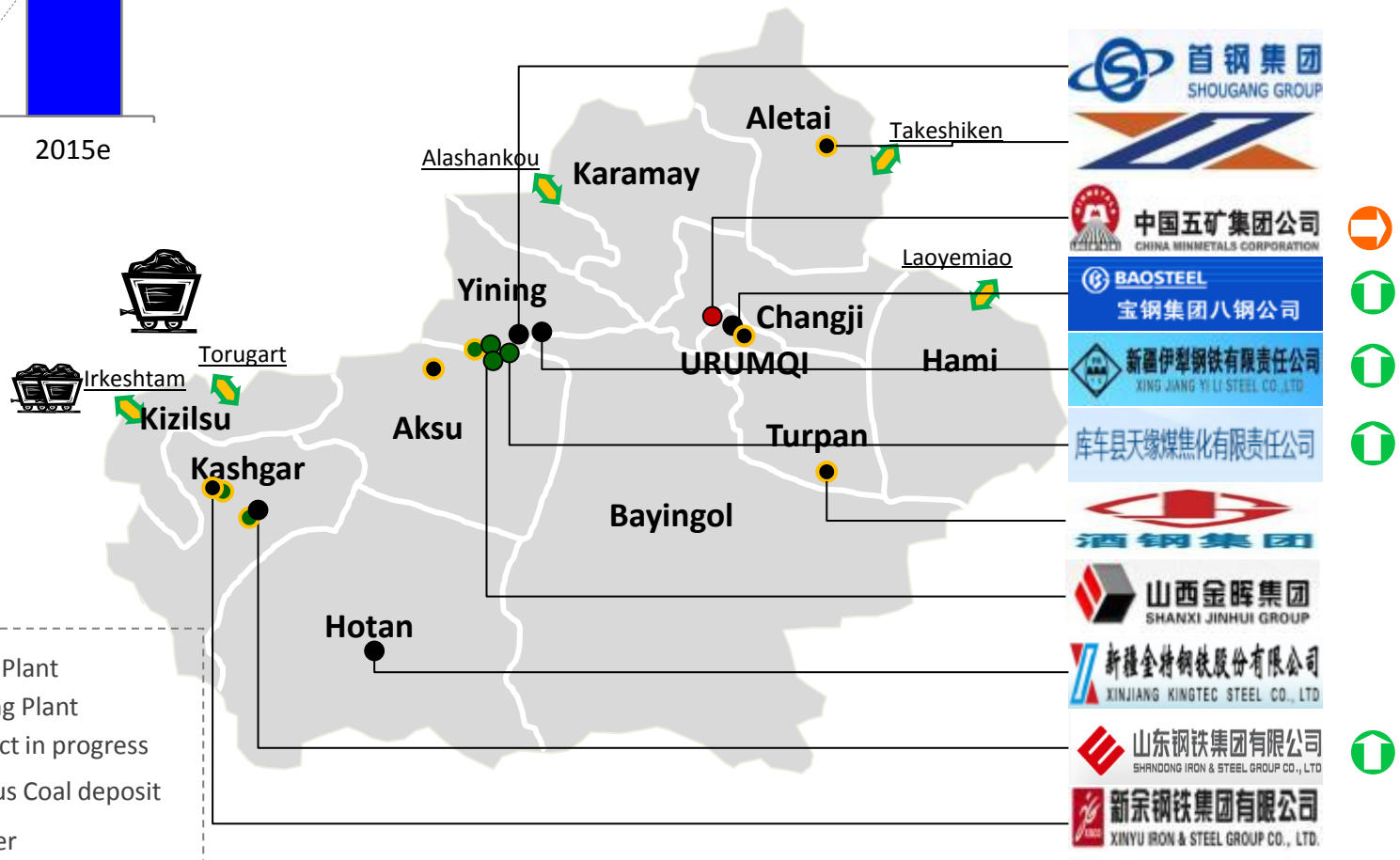
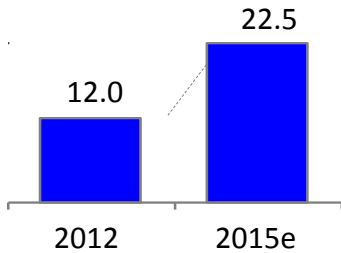
Xinjiang

Bryanston study identified steel industry facilities and growth



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■ Crude steel production (Mt)



Source: China 12th five year plan; Sxcoal; Bryanston research

Xinjiang

Bryanston and Celsius visited facilities



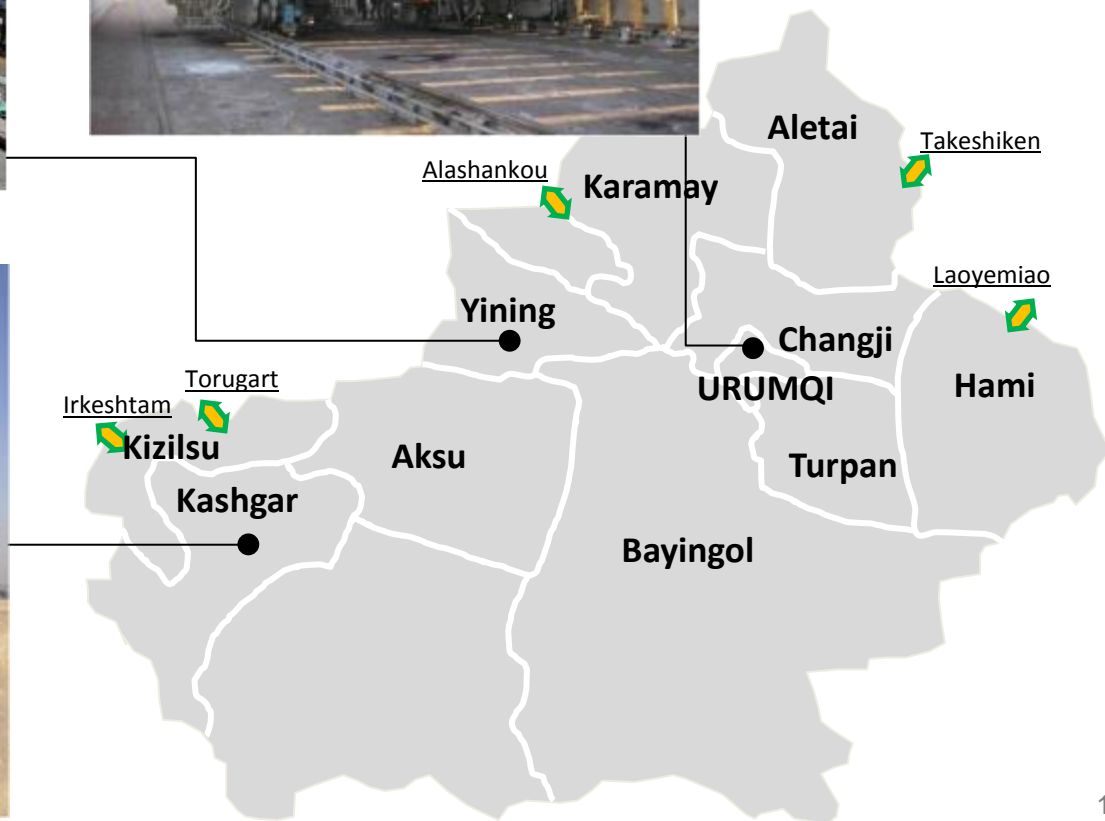
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Baosteel Bayi I&S



Shandong Steel in Kashgar



Xinjiang

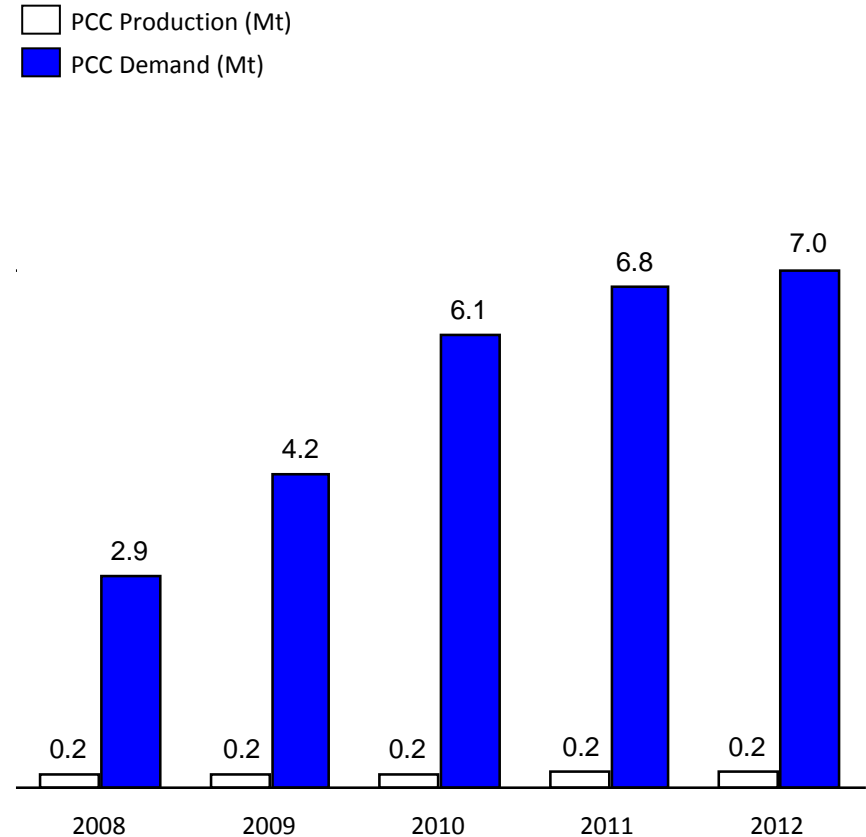
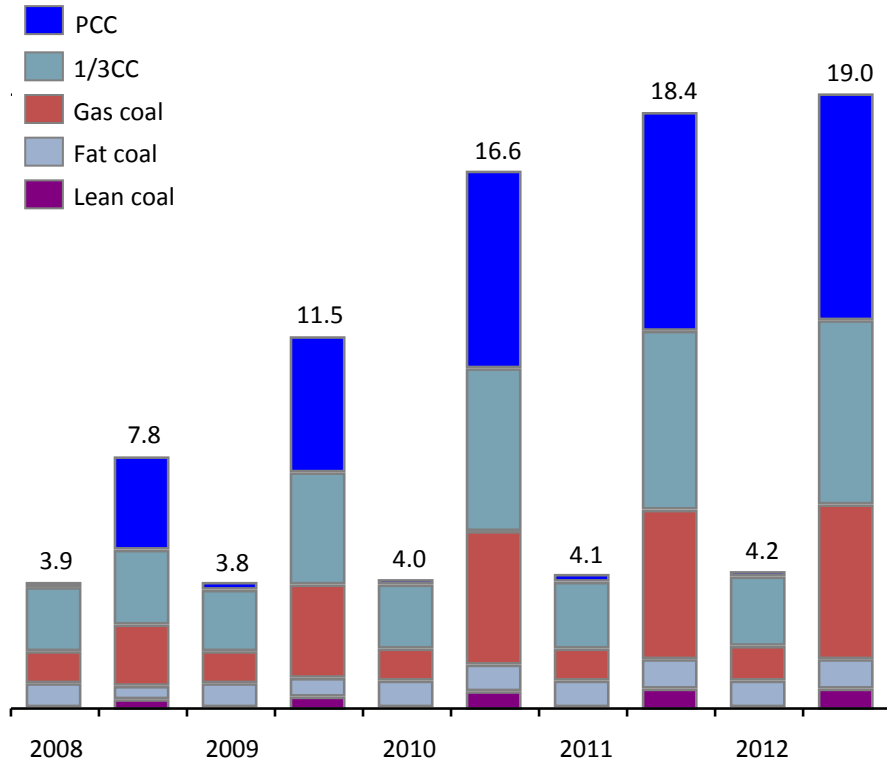
Bryanston highlighted a coking coal supply gap that has emerged



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Coking coal supply / demand gap¹

Prime coking coal supply / demand gap



Supply vs Demand (Mt)

1. Assuming coal blend mix: PCC 37%, 1/3CC 30%, gas coal 25%, fat coal 5% and lean coal 3%.
Source: Sxcoal, Bryanston research

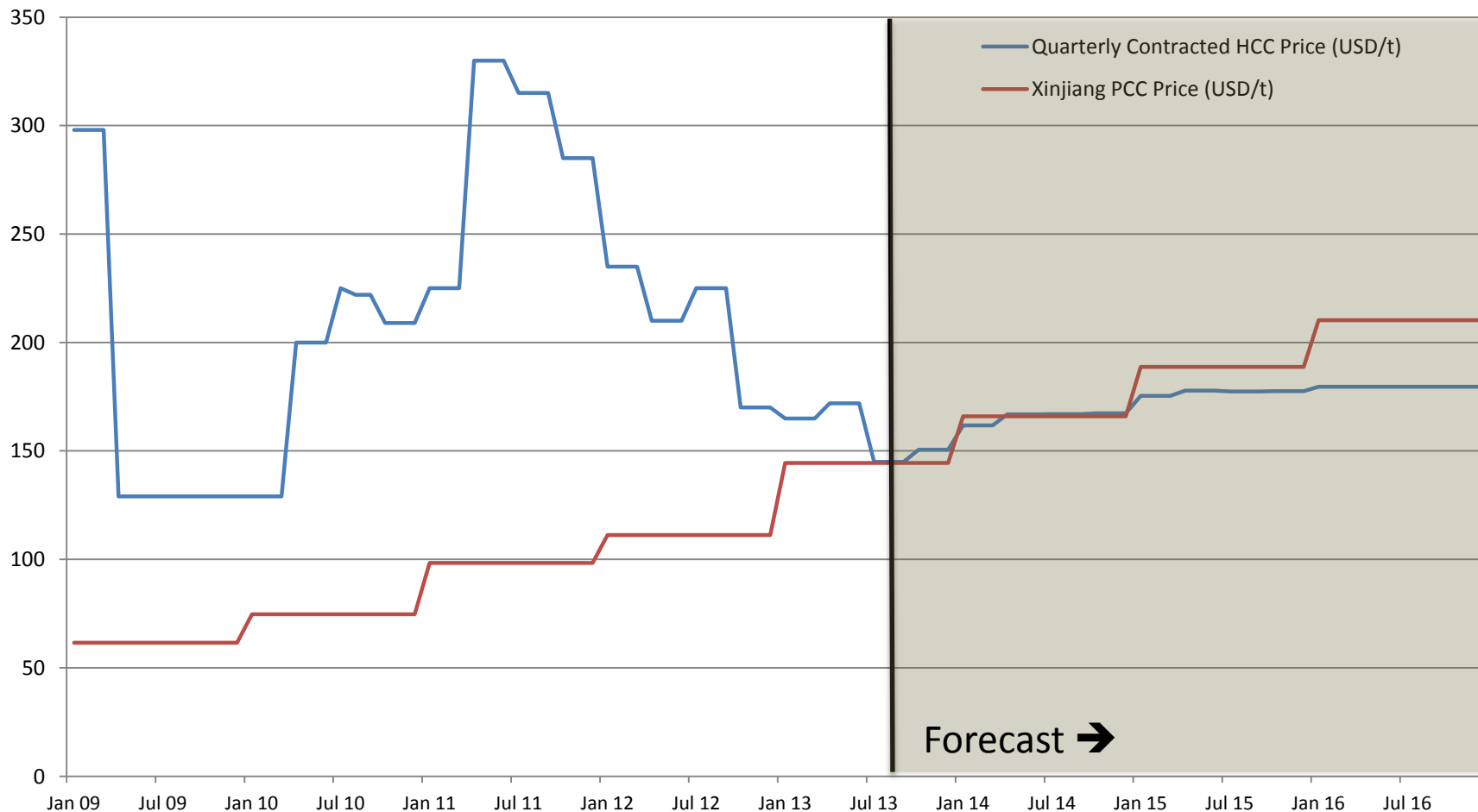
Xinjiang

Xinjiang coking coal prices move independent of seaborne prices



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Xinjiang premium coking coal price vs. seaborne quarterly hard coking coal benchmark price



Source: Sxcoal, Bryanston research, Analyst Consensus HCC Pricing, Bloomberg

Nearby Central Asia

Primarily thermal coal but high value and growing



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Kazakhstan – thermal coal price
US\$65-90/t

Bishkek / Talas market – US\$65-
105/t

Jalalabad / Osh market – thermal
coal price US\$110-140/t

Tajikistan – thermal coal price
US\$130-160/t



**All local indicators show an upward pressure
on pricing**

Nearby Central Asia

Regional situation has multiple demand drivers



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- Growth opportunities driven by supply shortfalls in regional electricity and gas markets combined with continued growth in cement use
 - **Kyrgyz Republic** – challenges in supplying certain regional thermal coal markets
 - growing cement industry
 - immediate potential to displace Kazakh imports
 - **Uzbekistan** – changing gas market mean significant potential for coal to grow in domestic electricity supply
 - **Tajikistan** – major planned expansion in cement manufacturing
- Celsius needs early production capacity and also a mixture of products to take advantage of these market opportunities
- Cement industry is paying a premium for high calorific value coal and is expected to grow its appetite for high volatile matter coal

Nearby Central Asia

Potential for significant sales in Kyrgyz Republic itself



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- Major problems in the local electricity market
 - Hydro electricity mainly for export – located away from Kyrgyz demand
 - Increasing local demand for electricity
 - Fuel oil plants expensive to run
- Larger and more modern cement plants proposed to grow industrial usage
- Government strategy to become self-sufficient for coal – including resolution to eliminate coal imports from Kazakhstan (c. one million tonnes per year)
- Relatively moderate ranked coals (ie, 5,500-5,800Kcal/kg) sell domestically at US\$65-140/t making Kyrgyz Republic a high value market (higher than seaborne)



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Logistics

Section 2



Road logistics to China

Early studies identified two feasible road routes



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Existing Kyrgyz road export routes to China



Export route for Uzgen Basin coking coal

- Uzgen Basin coking coal to Osh (130km)
- Osh to Irkeshtam border crossing (255km)
- Cost to border approximately US\$10/t
- Border to Kashgar, nearest major market (231km) – approximately US\$5-6/t plus US\$4-5/t border crossing costs
- Alternative via Naryn / Torugart (465km to border)

Export route for Alai Range coal

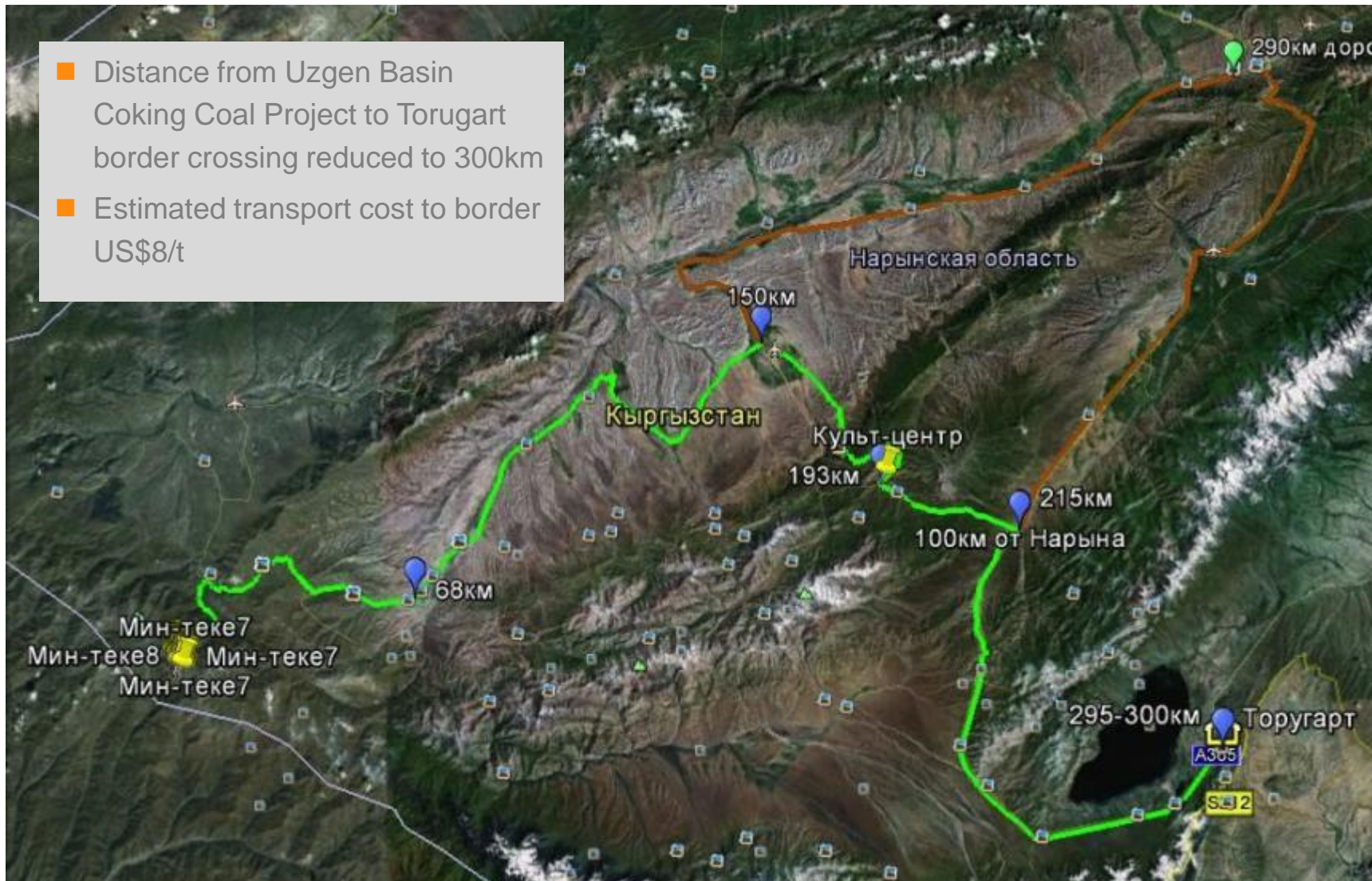
- Sary Mogol or Bel Alma to Irkeshtam border crossing (110-160km)
- Irkeshtam to Kashgar (231km)
- Costs: US\$4-7/t to border plus US\$4-5/t border crossing costs plus US\$10/t to Kashgar
- Sary Mogol coal sales to Osh at present

Road logistics to China

New route has been surveyed cutting distance and cost



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- Distance from Uzgen Basin Coking Coal Project to Torugart border crossing reduced to 300km
- Estimated transport cost to border US\$8/t

Rail logistics to China

Trans-Asia Railway update



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- Additional route options proposed
 - Kashgar – Irkeshtam – Osh – Andjian
 - Kashgar – Torugart – Balykchi – Kara Keche – Jalal-Abad
- Both equally beneficial for Uzgen Basin Coking Coal Project



Rail logistics to China

Trans-Asia Railway status



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- Status of current negotiations
 - Feasibility study for both route options completed by China Road & Bridge Corp.
 - Funding under negotiation – firm commitment but timing & final package to be finalised
 - North-South link option being preferred by Kyrgyz and Tajikistan governments:
 - Russia expressed interest to fund that option
 - EBRD expressed an interest in participating in funding either option
- Chinese targeting commencement of construction 2015
- Celsius' operations have been factored into Kyrgyz Government five year development plan for 2013 – 2017 – this is an important recognition of Celsius activities as being strategically important & to secure Kyrgyz Government support for railway access



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2013 – 2014 program

Section 3

Kargasha-Kokkia

Concept mining study guiding work program



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- Independent concept mining study done based on the 2012 geological/resource model
- Vulcan resource model used
- Goal of study was to:
 - Identify key areas prospective for mining
 - Determine split between tonnages for surface mining vs. underground
 - Consider mining methods & costs (including capital) to understand which to prioritize
 - Consider coal washing options
 - Define optimum production rates and potential mine life
 - Start to feed in customer product requirements into planning
 - Assess potential transport options
- Overall aims were:
 - Work out likely first mining areas
 - Use the information to create a focused 2013/2014 work program to accelerate the project for early production

Kargasha-Kokkia

Concept mining study preliminary highlights



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- Three mining methods: auger mining; open-pit; & underground
- Potential for 30-year overall mine life
- Various production rate options considered
- Plan is not optimized & includes prospective mining areas outside of the original maiden JORC Resource area
 - Auger mining potential has been confirmed for a low capital expenditure / low cost immediate start up operation
 - Kokkia has potential for large open-pit operations & has been the focus of 2013 drilling. It is expected to attract additional technical work & planning in 2014.

Kargasha-Kokkia

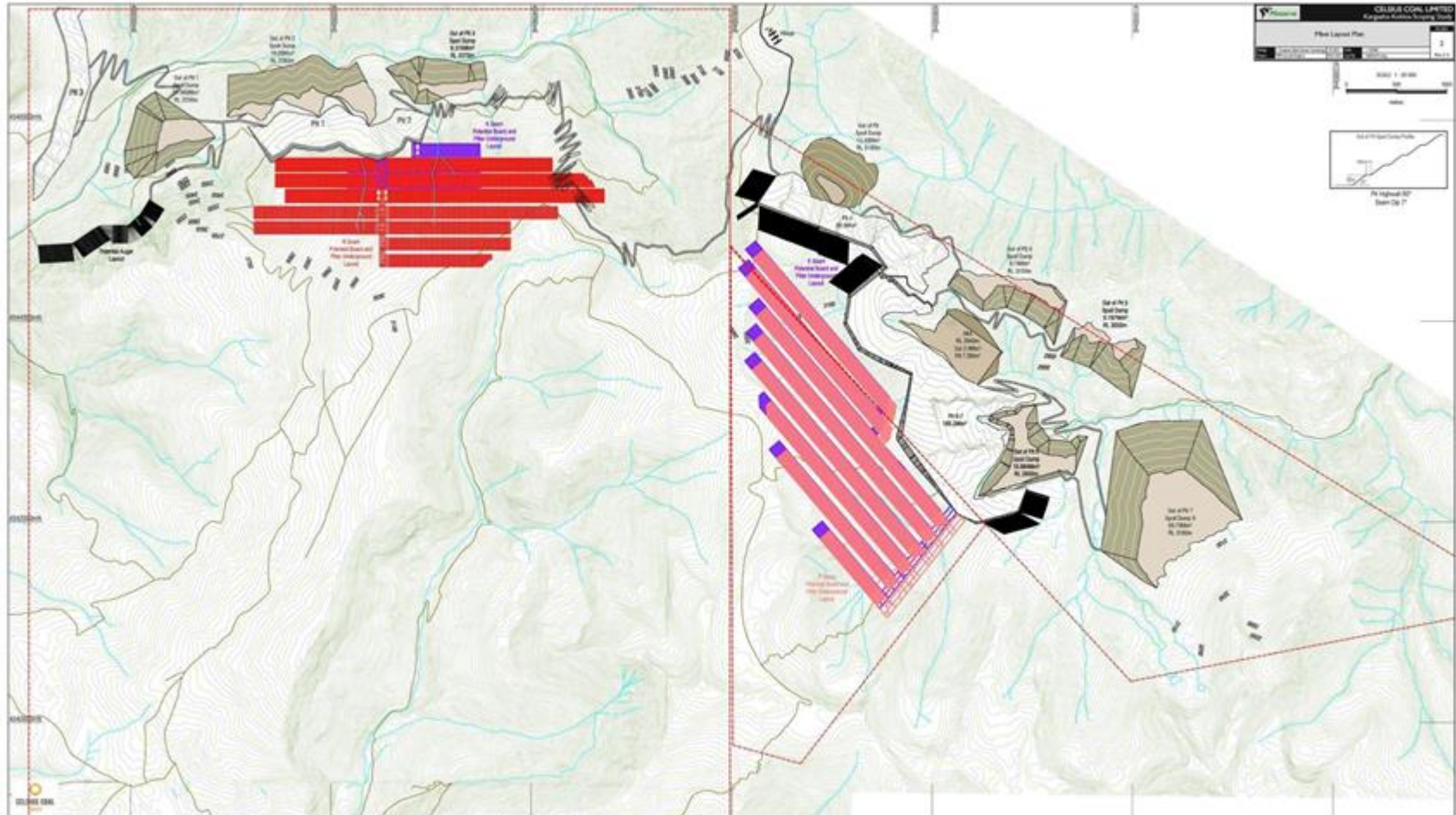
Concept surface and underground mining areas



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Kargasha Project Area

Kokkia Project Area



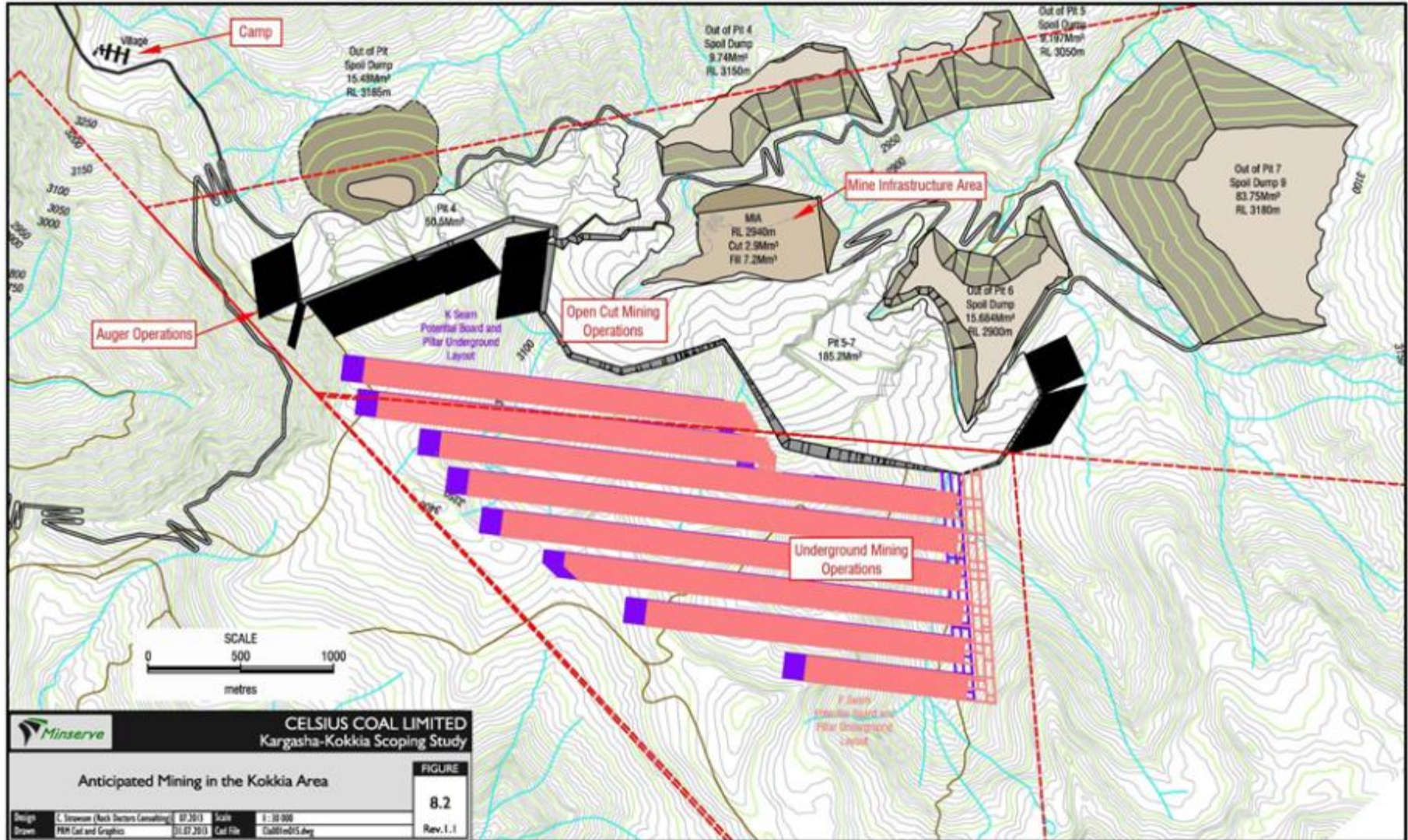
Mining layouts including open pit, underground & auger

Kargasha-Kokkia

Concept surface and underground mining areas



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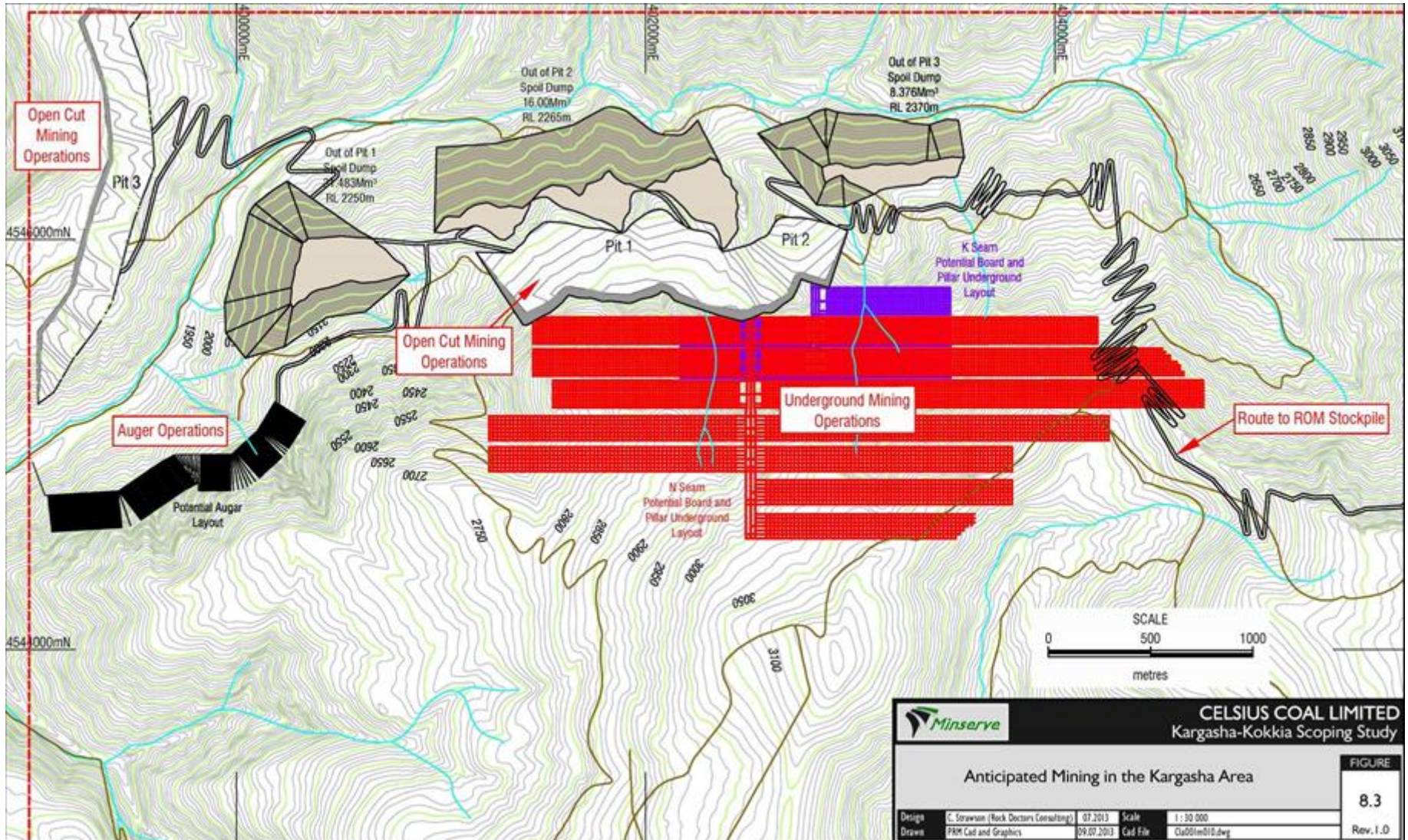


Kargasha-Kokkia

Concept surface and underground mining areas



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Kargasha-Kokkia

Areas of focus for 2013–2014 work program



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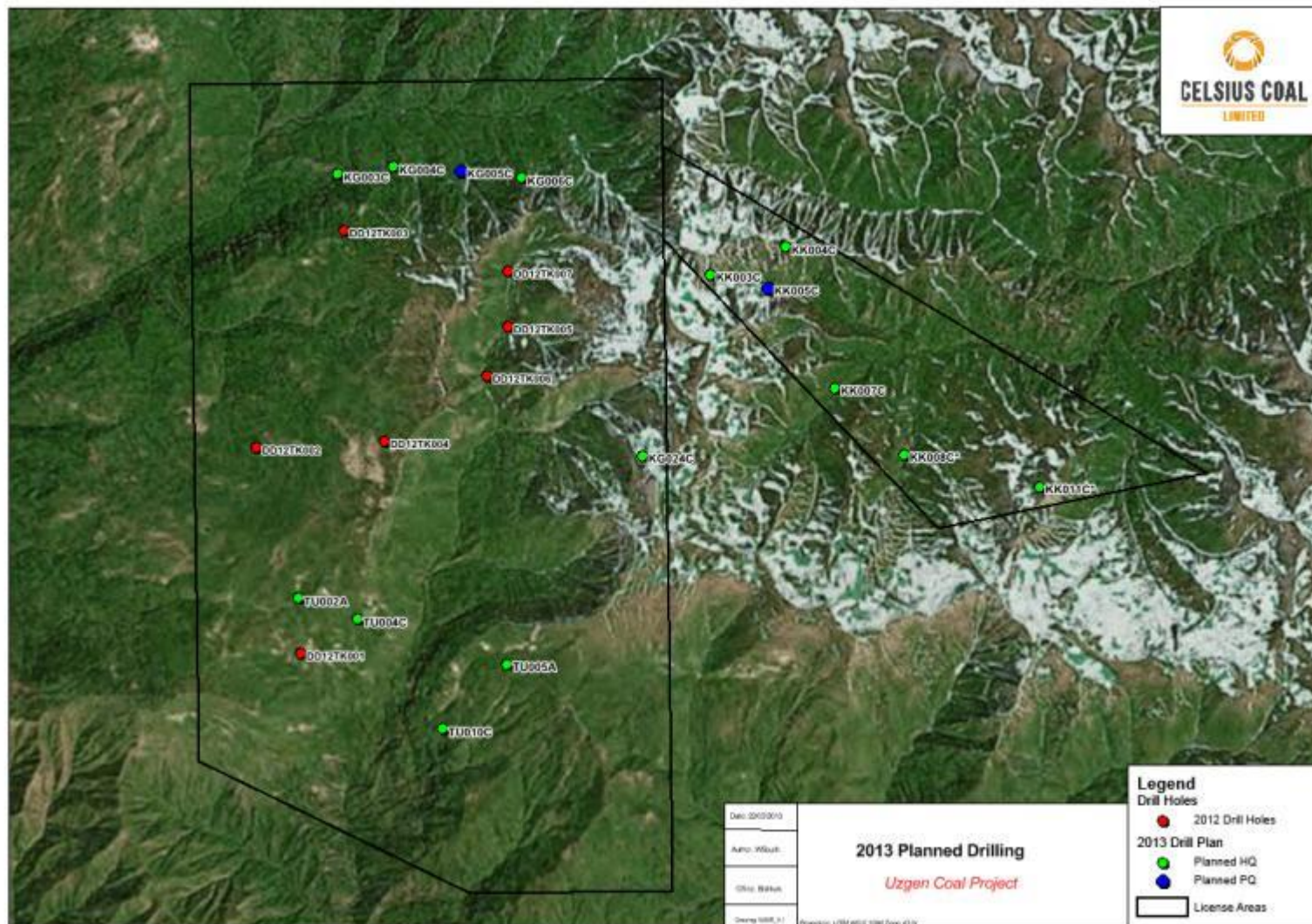
- Previous work focused on Kargasha, 2013 program will focus on:
 - Potential of Kokkia – work includes drilling & mapping
 - Likely best near-term value proposition
 - Accelerated surface mining start up potential
 - Tuyuk area of Kargasha license which has potential to add higher quality coal
- In addition, focus of current work program will be:
 - Continue to optimize Kargasha:
 - Add large diameter drill holes to collect samples for coke strength testing
 - Know our product price points more accurately
 - Data to lead into securing off-take agreements
 - Collection of data for mining study:
 - Geotechnical
 - Environmental
 - Increase overall inferred resources

Kargasha-Kokkia

2013 July to September drilling program



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Sary Mogol, Min Teke and Bel Alma

Celsius' other Kyrgyz Coal Projects



- Better define geological understanding & likelihood of commercial, high-margin production
 - Extend resources where possible
 - Non-JORC resource assessment
 - Conceptual mine plans for shorter and longer term
 - Understand market positioning

- Assets that do not pass certain economic hurdles may be disposed of

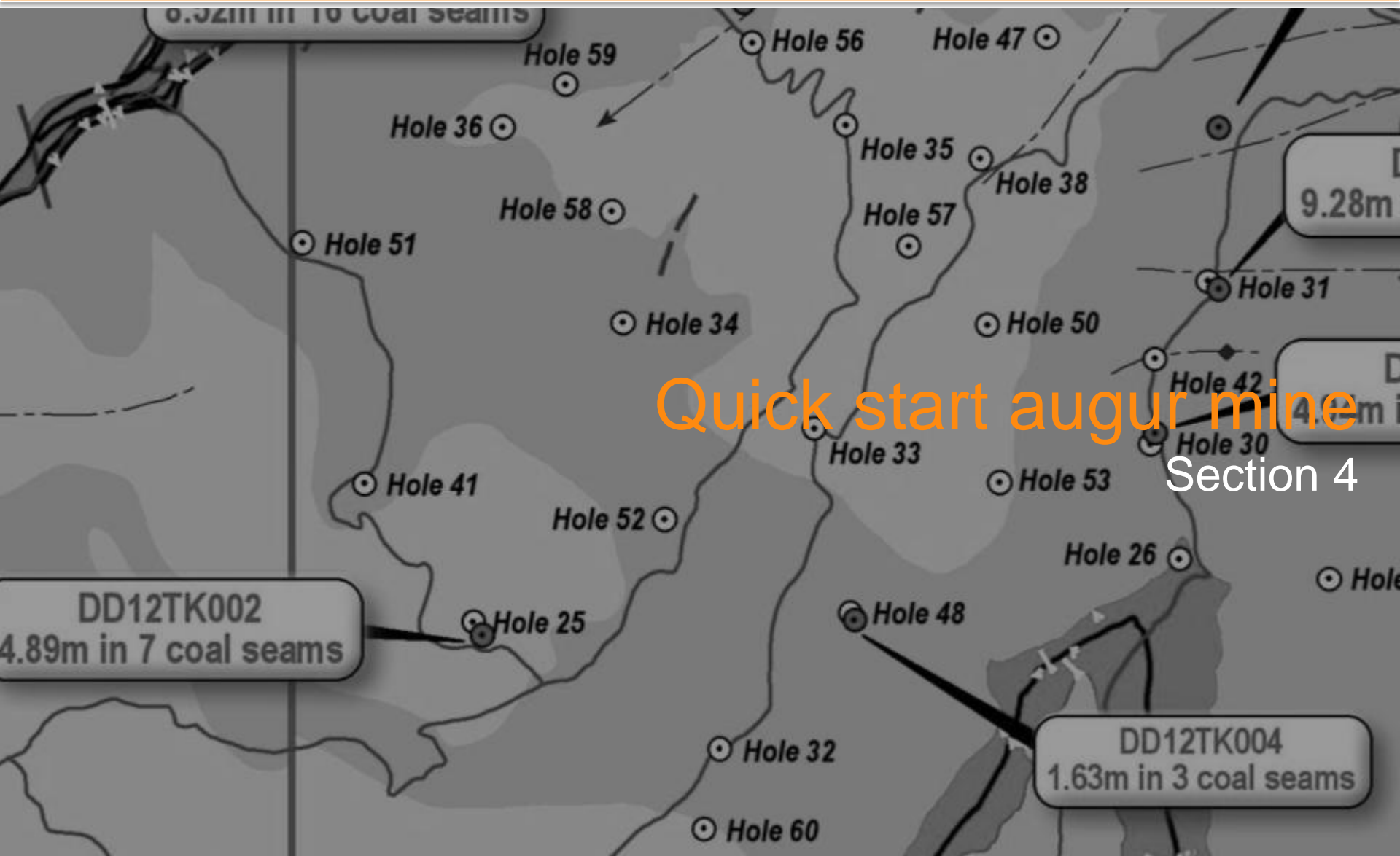
New assets

Potential to be a local consolidator



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- Our 'first mover' knowledge of local coal geology and coal market potential puts us at a great advantage to assess new projects
- Some potential to secure additional near-term (albeit smaller scale) production projects in Kyrgyz Republic
- Additional high-value coal types available such as anthracites that may be very profitable but also may have blending synergies with our existing assets
- Consider potential for other coking coal targets



Quick start augur mine
Section 4

Quick start auger mine

Celsius' first mine could be in production within 18-months



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- Concept study highlighted the potential for auger mining (as used at Yarabee mine in Queensland)
- Celsius identified a concept for a 500-600ktpa 'starter mine' potential for 7-8 years initial mine life from small selection of Kokkia/Kargasha
- Conceptual benefits are:
 - Quick to production – 10 months lead time on major equipment
 - Low capital spend – US\$20-25 million (US\$10-12 million for augers and remainder for surface infrastructure and ancillary equipment)
 - Low cash costs – <US\$10 per tonne at the mine gate
- Focus within Celsius now to move to feasibility of a 'quick start' auger operation (or alternative high-wall miner) in this 2013/14 work season
- Auger mining would generate near-term cash flow and de-risk the larger project for open-pit and underground mining

Quick start augur mine

Images of third-party auger and high-wall operations



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Government and community

Section 5



Government engagement

Celsius is proactive and aims to be the best corporate citizen



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- Celsius' operations have now been factored into the five-year Kyrgyz Government development plan for 2013-2017
 - Means agencies are to prioritize support of Celsius' activities
- Strong relationships with key agencies and ministries
- Plan to exceed all statutory obligations
- Working 'hand-in-hand' with Kyrgyz Government on activities to support & promote the industry in the country
 - Promotion of Kyrgyz as a destination for mining investment
 - Support for development of good legislation and regulation
 - Leading skills development in country

Community

Active community program since early exploration phase



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- Recognize the community as having a significant bearing on development
- Early engagement strategy
- Investment already underway
 - Provision of winter coal to communities
 - Bridge and road building
 - Contributions to local healthcare and schooling



Recently constructed bridge over the Kargasha River



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Milestones and strategies

Section 6



Milestones and strategies

Fast-track to establish coal production

2013-2014

- 2013 drilling completed by October – analytical data December
- Bulk sample testing completed December 2013 – off-take agreements soon after
- Revised resource estimation March 2014
- Environmental baseline studies
- Auger/high wall mining feasibility – go/no go decision around March 2014
- Kokkia open pit pre-feasibility
- Positioning thermal resources
- Acquisition additional production capacity & new exploration

2014-15

- Auger/high wall mining trial production
- Development/disposal thermal resources
- Detailed drilling indicated/measured resource Kokkia/Kargasha
- Finalize feasibility for 3-5mtpa integrated coal mine

2015-17

- Ramp up ‘starter’ auger/high wall mining operation
- Progress integrated mine start-up with initial focus on open pit mining
- Tran-Asia Railway construction due to commence (2015)

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Competent persons statement



The information in this announcement that relates to Coal Resources is based on information compiled by Dr Gavin Springbett, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Springbett is acting as a consultant to Celsius Coal Limited and is an employee of G&S Resources. Dr Springbett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Springbett consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results is based on information compiled by Dr David Hornsby, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Hornsby is acting as a consultant to Celsius Coal Limited and is an employee of Gallagher Consulting Services Pty Ltd and is a member of The Minserve Group Pty Ltd. Dr Hornsby has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Dr Hornsby consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this Presentation that relates to Exploration Targets is based on information compiled by Alistair Muir, Technical & Operations Director of Celsius Coal Limited, and a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Muir has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify 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 Muir consents to the inclusion in this Presentation of the matters based on his information in the form and context in which it appears.

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 announcement relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) and Reserve(s) have not been used in this context in this announcement. The potential quantity of coal presented in this announcement as Exploration Targets are conceptual in nature. It should be noted that there has been insufficient exploration to define a Mineral Resource which complies with the JORC code, and it is uncertain if further exploration will result in the determination of a Mineral Resource. Celsius Coal Limited intends to carry out an exploration programme to systematically test the Exploration Targets for each of the Prospects.