



17 October 2013

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(39 pages by email)

Dear Madam

PRESENTATION TO INVESTORS

I attach a presentation which is being delivered to investors.

For further information, please contact Mark Lochtenberg, Andrew Lawson or Peter Nightingale on +61 2 93003333.

Yours faithfully

Lee J. O'Dwyer
Company Secretary

pjn7430

Cockatoo Coal Limited



Capital raising & acquisition presentation

October 2013



Important Notes & Disclaimer



Not for distribution or release in the United States

This presentation is issued by Cockatoo Coal Limited ABN 13 112 682 158 ("Company" or "Cockatoo" or "COK").

Summary information

This presentation contains summary information about Cockatoo and its subsidiaries ("Cockatoo Group") and their activities current as at 17 October 2013. The information in this presentation is a general background and does not purport to be complete or to provide all information that an investor should consider when making an investment decision. It has been prepared by Cockatoo with due care but no representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. Statements in this presentation are made only as of the date of this presentation unless otherwise stated and the information in this presentation remains subject to change without notice. Cockatoo is not responsible for updating, nor undertakes to update, this presentation. It should be read in conjunction with Cockatoo Group's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange ("ASX"), which are available at www.asx.com.au.

Not financial product advice

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other offer document under Australian law or the law of any other jurisdiction. This presentation is not a financial product or investment advice, a recommendation to acquire ordinary shares in Cockatoo ("Shares") or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate for their jurisdiction. Cockatoo is not licensed to provide financial product advice in respect of an investment in Shares. Cooling off rights do not apply to the acquisition of Shares.

Financial data

All dollar values are in Australian dollars ("\$" or "A\$") unless stated otherwise. Investors should be aware that certain financial data included in this presentation is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission. Cockatoo believes this non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of Cockatoo. The non-IFRS financial information do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios included in this presentation.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

Past performance

Past performance and pro-forma financial information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Cockatoo's views on its future financial performance or condition. Investors should note that past performance of Cockatoo, including the historical trading price of the Shares, cannot be relied upon as an indicator of (and provides no guidance as to) future Cockatoo performance, including the future trading price of Shares. The historical information included in this presentation is, or is based on, information that has previously been released to the market.

Future performance

This presentation contains certain 'forward-looking statements'. Forward-looking statements include those containing words such as: 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'consider', 'foresee', 'aim', 'will' and other similar expressions. The forward-looking statements in this presentation include statements regarding the outcome of the equity raising (and the use of the proceeds thereof), the takeover bid referred to in this presentation and Cockatoo's strategies. Any forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Cockatoo and its directors, including the risks and uncertainties described in the 'Key Risk Factors' section of this presentation. This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements may include indications, projections, forecasts and guidance on sales, earnings, dividends, distributions and other estimates.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which those statements are based. These statements may assume the success of Cockatoo's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Cockatoo's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, Cockatoo assumes no obligation to update these forward-looking statements. To the maximum extent permitted by law, Cockatoo (including its subsidiaries), the bookrunner and any of its related bodies corporate and affiliates and their officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this presentation, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Important Notes & Disclaimer (cont'd)



Investment risk

An investment in Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Cockatoo. Cockatoo does not guarantee any particular rate of return or the performance of Cockatoo, nor does it guarantee the repayment of capital from Cockatoo or any particular tax treatment. Readers should have regard to the risks outlined in the 'Key Risk Factors' section of this presentation.

Not an offer

This presentation is not an offer or an invitation to acquire Shares or any other financial products in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. This presentation is not a prospectus, product disclosure statement or other disclosure document under Australian law. The information in this booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. This presentation may not be distributed or released in the United States. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any Shares in the United States. The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended or indirectly, in the United States unless they have been registered under the US Securities Act of 1933, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act of 1933 and any other applicable US state securities laws.

The distribution of this presentation (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this presentation, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. Refer to Appendix - Foreign Selling Restrictions of this presentation for more information. By accepting this presentation you represent and warrant that you are entitled to receive such presentation in accordance with the above restrictions and agree to be bound by the limitations contained herein.

Advisers

Neither the bookrunner and any of its related bodies corporate and affiliates and their officers, employees, agents, associates and advisers or Cockatoo's advisers ("**Parties**") have authorised, permitted or caused the issue, lodgment, submission, dispatch or provision of this presentation, make or purport to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. The Parties, as well as their respective affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this presentation. No Party guarantees the repayment of capital or any particular rate of income or capital return on an investment in Cockatoo. Readers agree, to the maximum extent permitted by law, that they will not seek to sue or hold the Parties liable in any respect in connection with this presentation.

Disclosure

The bookrunner, together with its affiliates, is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, margin lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The bookrunner in conjunction with its affiliates, is acting as sole lead manager and bookrunner to the placement to other institutional investors for which it has received or expects to receive fees and expenses. The bookrunner and/or its affiliates have performed, and may perform, other financial or advisory services for Cockatoo, and/ or may have other interests in or relationships with Cockatoo, and its related entities for which they have received or may receive customary fees and expenses.

In the ordinary course of its various business activities, the bookrunner and its affiliates may purchase, sell or hold a broad array of investments and actively trade or effect transactions in equity, debt and other securities, derivatives, loans, commodities, currencies, credit default swaps and/or other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/ or instruments of Cockatoo, its related entities and/or persons and entities with relationships with Cockatoo and/or its related entities. The bookrunner and/or its affiliates, or their respective officers, employees, consultants or agents may, from time to time, have long or short positions in, buy or sell (on a principal basis or otherwise), and may act as market makers in, the securities or derivatives, or serve as a director of any entities mentioned herein. The bookrunner and/or its affiliates currently hold, and may continue to hold, equity, debt and/or related derivative securities of Cockatoo and/or its related entities.

None of the bookrunner nor any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the placement, nor do they make any representations or warranties to you (or other statements upon which you may rely) concerning the placement or any such information. The engagement of the bookrunner by Cockatoo is not intended to and does not create any agency, custodial, fiduciary or other legal relationship between the bookrunner and any shareholder or other investor.

Blackwood information

The statements in this presentation about Blackwood's reserve/resource estimates and projects have been extracted without material amendment (other than as explicitly noted in this presentation) from information prepared by or for Blackwood and included in public documents filed by Blackwood or otherwise from publicly available information (including Blackwood's website). To the maximum extent permitted by law, Cockatoo (including its subsidiaries) does not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the Blackwood information in this presentation.

Acceptance

By attending an investor presentation or briefing, or accepting, accessing or reviewing this document you acknowledge and agree to the terms set out above and on the previous page.

Transforming Cockatoo Coal

KEBA loan facility repaid, funding for Baralaba Expansion and growth portfolio strengthened through acquisition of Blackwood Corporation



1 Equity Raising

- ▶ Cockatoo has today announced a **A\$153 million** equity raising, comprising three inter-conditional placements (“**Equity Raising**”)⁽¹⁾:
 - **A\$50 million** to SK Networks, Co., Ltd (“**SKN**”) at an offer price of **A\$0.050 per Share**
 - **A\$43 million** to Noble Group Limited (“**Noble**”) at an offer price of **A\$0.050 per Share**
 - **A\$60 million** to institutional and sophisticated investors at an offer price of **A\$0.045 per Share**
- Cockatoo will consider increasing the size of the institutional placement if the offer is oversubscribed
- All three placements are inter-conditional and subject to Cockatoo shareholder approval at an Extraordinary General Meeting (“**EGM**”)
- ▶ The institutional placement has been cornerstoned by Harum Energy Australia Limited (“**Harum**”), Cockatoo’s second largest shareholder, who has provided a minimum A\$20 million commitment at A\$0.045 per share⁽²⁾
- ▶ Cockatoo has also announced a Share Purchase Plan (“**SPP**”) at an offer price of A\$0.045 per share to enable eligible shareholders to participate in the offer by subscribing for up to A\$15,000 worth of new Shares (irrespective of the number of holdings)⁽³⁾
- ▶ Proceeds used to repay the A\$95 million KEB Australia Ltd. (“**KEBA**”) loan facility and fund the expansion of the Baralaba mine complex (“**Baralaba Expansion**”)
- ▶ In connection with the Equity Raising, Cockatoo has entered into marketing agreements with SKN, for Korea and Taiwan, and Noble, for all other jurisdictions

2 Senior Secured Project Finance Facility

- ▶ The joint venture partners in the Baralaba Expansion, Cockatoo and JFE Shoji Trade Corporation (“**JFE**”), through Baralaba Coal Pty Ltd and Wonbindi Coal Pty Ltd, have executed a credit approved commitment letter with the Australia and New Zealand Banking Group Limited (“**ANZ**”) for a fully underwritten A\$255 million senior secured project finance package (the “**Facilities**”), comprising:
 - A\$180 million Project Finance Facility
 - A\$20 million Cost Overrun Facility
 - A\$55 million Letter of Credit / Environmental Bonding Facility
- ▶ The Facilities have a seven year tenor and, in conjunction with the Equity Raising, provide funding for the Baralaba Expansion
- ▶ The Facilities remain subject to the parties entering into definitive documentation, and drawdown is conditional upon:
 - Cockatoo being granted regulatory approvals to increase production to 3.5 million tonnes per annum at the Baralaba Expansion
 - Cockatoo entering into off-take agreements for at least 75% of production from the Baralaba Expansion⁽⁴⁾
 - Cockatoo having sufficient financing to fund development of the Baralaba Expansion (in conjunction with the facilities) to a P50 contingency
 - Repayment of the A\$95 million KEBA loan facility
 - JFE’s continued commitment to continue to proceed with the Baralaba Expansion⁽⁵⁾
 - Other conditions precedent typical of a project financing of this nature

Creating an attractive ASX listed metallurgical coal producer with a strong balance sheet and growth pipeline

- (1) Completion of the Equity Raising is conditional on 1) approval of Cockatoo Shareholders at an EGM to be held in mid December 2013, and 2) the additional conditions outlined on page 6.
- (2) Harum’s commitment will increase on a pro-rata basis if Cockatoo increases the size of the institutional placement. Harum’s intention is to own, and expects to be diluted down to, approximately 10.0% following completion of the SPP and Takeover.
- (3) The record date for the SPP is 7.00pm (Sydney time) 16 October 2013. Cockatoo will distribute an SPP Booklet to eligible shareholders (being those with a registered address in Australia or New Zealand and who hold Shares on the SPP record date) shortly (together with a single Shareholder Offer application form) and a further announcement will be made to the market when this occurs. Cockatoo reserves the right to scale back the maximum participation amount per eligible shareholder. Settlement of the SPP is conditional on shareholder approval and successful completion of the Equity Raising.
- (4) Off-take agreements need to be for a minimum term of 3 years and meet a maximum phosphorous specification of 0.14%.
- (5) This condition precedent can also be met if a plan satisfying the Lender can be agreed in the event that JFE seeks to exit the joint venture arrangements.

Transforming Cockatoo Coal (cont'd)

KEBA loan facility repaid, funding for Baralaba Expansion and growth portfolio strengthened through acquisition of Blackwood Corporation



3 Mezzanine financing

- ▶ Cockatoo intends to seek proposals from potential investors to provide a mezzanine financing facility of up to A\$50 million prior to the drawdown of the Facilities
 - Cockatoo will consider increasing the size of the institutional placement if the offer is oversubscribed which would reduce the mezzanine financing required to ensure the Baralaba Expansion is funded to a P50 contingency
- ▶ The Company has already received a number of indicative term sheets and expressions of interest, including from Noble, and will look to run a formal process after completion of the Equity Raising
 - Cockatoo has appointed Credit Suisse and ANZ as the joint-lead arrangers to manage the mezzanine financing process

4 Acquisition of Blackwood Corporation

- ▶ Cockatoo and Blackwood Corporation Limited ("**Blackwood**" or "**BWD**") have entered into a Bid Implementation Agreement ("**BIA**"), under which Cockatoo has agreed to make an off-market takeover bid ("**Takeover Offer**") to acquire all of the issued share capital in Blackwood
 - Blackwood shareholders to receive **2.00** Cockatoo shares per Blackwood share
 - Following completion of the Takeover Offer (assuming Cockatoo successfully acquires 100% of Blackwood's issued capital), Blackwood shareholders (including Noble) will hold approximately 8.6%⁽¹⁾ of Cockatoo shares
 - Takeover Offer is subject to a minimum acceptance condition ("**MAC**") of 52.1%⁽²⁾, conditional on completion of the Equity Raising (but not vice versa), and is also subject to a number of standard bid conditions⁽³⁾
- ▶ Blackwood's extensive Queensland exploration portfolio complements Cockatoo's existing asset base and provides the combined entity with an attractive longer term growth pipeline
- ▶ Blackwood's largest shareholder, Noble, has indicated its intention to dispose of its entire 51.2%⁽⁴⁾ shareholding in Blackwood by **ACCEPTING** the Takeover Offer, in the absence of a superior proposal (subject to the independent expert concluding (and continuing to conclude) that the Takeover Offer is fair and reasonable to Blackwood shareholders and subject to completion of the Equity Raising)
- ▶ The independent directors of Blackwood have considered the Takeover Offer and have unanimously recommended that Blackwood shareholders **ACCEPT** the Takeover Offer in the absence of a superior proposal, subject to an independent expert concluding that the Takeover Offer is fair and reasonable to Blackwood shareholders and subject to the Equity Raising proceeding

5 Board Restructure

- ▶ As part of the overall transaction Cockatoo intends to restructure its board of directors ("**Board**") to reflect the changes in the key stakeholders of Cockatoo while also maintaining a balanced set of skills
- ▶ In order to adequately reflect the significant investment in Cockatoo by SKN, Noble and Harum, each will be permitted to nominate one director to the Board
- ▶ It is intended that the new Board will comprise seven individuals:
 - An Independent Chairman to be appointed
 - Managing Director, Andrew Lawson
 - Three Non-Executive Directors separately nominated by each of SKN, Noble and Harum
 - Two Independent Non-Executive Directors to be appointed
- ▶ These Board changes will take effect following completion of the Equity Raising

Creating an attractive ASX listed metallurgical coal producer with a strong balance sheet and growth pipeline

(1) Assuming the 7,225,000 Blackwood performance rights vest, and are converted to one Blackwood share each and are acquired by Cockatoo in the Takeover Offer.
(2) Based on a 50.1% MAC on a fully diluted basis (i.e. including the 7,225,000 Blackwood performance rights).
(3) See the Bid Implementation Agreement attached to Cockatoo's announcement to ASX on 17 October 2013.
(4) On an undiluted basis; excludes the 7,225,000 Blackwood performance rights.

Capital raising provides funding for the Baralaba Expansion and completely repays the KEBA debt



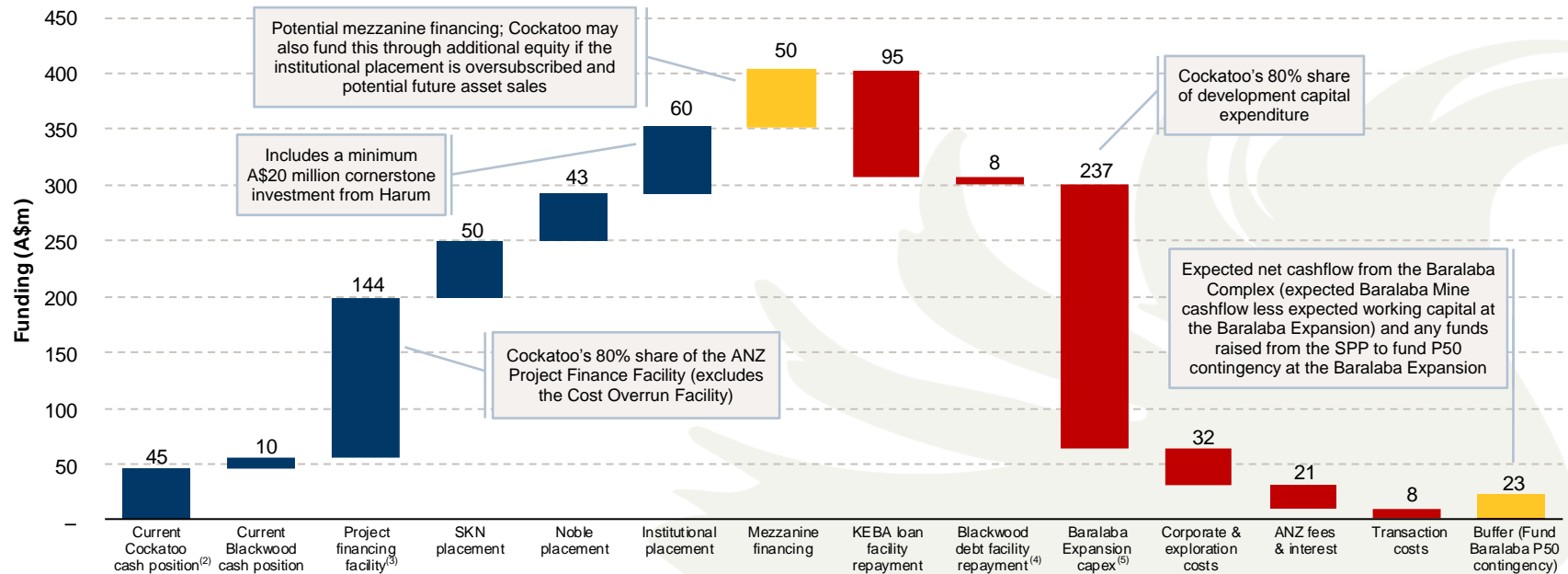
Sources of equity funds

	A\$m
SKN placement	50.0
Noble placement	43.3
Institutional placement ⁽¹⁾	60.0
Total sources	153.3

Uses of equity funds

	A\$m
Repayment of KEBA loan facility	95.0
Baralaba Expansion development capital expenditure	50.8
Transaction costs	7.5
Total uses	153.3

Cockatoo's sources and uses of funds through to 30 June 2016⁽¹⁾



Note: All figures are current as at 30 September 2013.

(1) Cockatoo will consider increasing the size of the institutional placement if the offer is oversubscribed. Excludes any proceeds raised from the SPP.

(2) Includes A\$40 million of restricted cash.

(3) Excludes the A\$20 million cost overrun facility.

(4) Blackwood loan represents the A\$7.7 million short-term loan provided by Noble.

(5) On a nominal basis, excluding contingency. Based on current Baralaba Expansion modelling.

Equity raising overview



Equity raising size & structure	<ul style="list-style-type: none">▶ Equity raising of A\$153 million through three inter-conditional placements of Shares<ul style="list-style-type: none">– A\$50 million placement to SKN delivering 1,000.0 million Shares– A\$43 million placement to Noble delivering 866.0 million Shares– A\$60 million placement to institutional and sophisticated investors delivering 1,333.3 million Shares▶ SPP at an offer price of A\$0.045 per share to enable eligible existing shareholders to participate in Cockatoo's equity raising by subscribing for up to A\$15,000 worth of new Shares (irrespective of the number of holdings)⁽¹⁾
Offer price	<ul style="list-style-type: none">▶ SKN and Noble placements at an offer price of A\$0.050 per Share<ul style="list-style-type: none">– Represents 15.3% discount to last close– Represents 25.8% discount to the 3 month volume weighted average price ("VWAP")– Represents 1.1% discount to TERP⁽²⁾▶ Institutional placement and SPP at an offer price of A\$0.045 per Share<ul style="list-style-type: none">– Represents 23.7% discount to last close– Represents 33.2% discount to the 3 month VWAP– Represents 11.0% discount to TERP⁽²⁾
Conditions	<ul style="list-style-type: none">▶ The three placements are inter-conditional and subject to:<ul style="list-style-type: none">– The approval of Cockatoo Shareholders at an EGM expected to be held in mid December 2013;– An independent expert concluding that the SKN and Noble placements and relevant related transactions are reasonable for Cockatoo Shareholders;– ANZ remaining committed to the underwritten A\$255 million project finance facility for the Baralaba Expansion at completion of the Equity Raising;– The absence of any material adverse change affecting Cockatoo;– Necessary government and regulatory approvals;– There being no regulatory actions, including those associated with the Takeover Offer, that could prohibit the placements and / or related transactions; and– Other customary conditions
Use of funds	<ul style="list-style-type: none">▶ Repayment of the A\$95 million KEBA debt facility▶ Provide funding for Cockatoo's 80% share of capital expenditure at the Baralaba Expansion▶ Transaction costs
Ranking	<ul style="list-style-type: none">▶ The new Shares will be fully paid and rank equally with existing Shares
Managers	<ul style="list-style-type: none">▶ Credit Suisse (Australia) Limited is acting as sole lead manager and bookrunner for the Equity Raising▶ RBS Morgans Limited and Wilson HTM Corporate Finance Ltd are acting as co-lead managers
Information	<ul style="list-style-type: none">▶ Further details on the Equity Raising can be found in the Notice of Meeting and Explanatory Memorandum to be despatched to Cockatoo Shareholders to convene the EGM▶ Cockatoo will distribute an SPP Booklet to shareholders shortly (together with a single Shareholder Offer application form)

(1) The record date for the SPP is 7.00pm (Sydney time) 16 October 2013. Cockatoo will distribute an SPP Booklet to eligible shareholders (being those with a registered address in Australia or New Zealand and who hold Shares on the SPP record date) shortly (together with a single Shareholder Offer application form) and a further announcement will be made to the market when this occurs. Cockatoo reserves the right to scale back the maximum participation amount per eligible shareholder. Settlement of the SPP is conditional on shareholder approval and successful completion of the Equity Raising.

(2) Theoretical ex-entitlement price of A\$0.051 per share based on the 1 month VWAP of Shares up to and including 16 October 2013 of A\$0.060 per Share and including the impact of the Equity Raising.

Equity raising & takeover timetables



Equity Raising key dates

Institutional Placement Bookbuild opens	>	10:00am Sydney time 18 October 2013
Institutional Placement Bookbuild closes	>	4:00pm Sydney time 22 October 2013
Ordinary shares recommence trading	>	23 October 2013
Extraordinary General Meeting to approve conditional placements	>	Mid December 2013
Settlement of Equity Raising shares	>	Mid December 2013
Allotment of Equity Raising shares	>	Mid December 2013

SPP key dates⁽¹⁾

SPP record date	>	7:00pm Sydney time 16 October 2013
SPP booklet and Shareholder offer application mailed to shareholders	>	Late October 2013
SPP offer closes	>	Mid December 2013 Post EGM
Allotment of SPP shares	>	Mid December 2013 Post EGM

Takeover key dates

Bid Implementation Agreement signed	>	17 October 2013
Bidder and Target Statements despatched to shareholders	>	Late November 2013
Offer open date	>	Late November 2013
Offer close date	>	Late December 2013

Note: Dates and times are indicative only and are subject to change. Cockatoo and the bookrunner reserve the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the above dates and times, either generally or in particular cases, without notice. All times and dates refer to the time in Sydney ("Sydney time").

(1) Shareholders will be informed of the exact details and timing of the SPP in a separate announcement following completion of the institutional bookbuild.

Investment highlights





High quality metallurgical coal producer

- Current saleable production of ~750,000 tonnes per annum of ULV PCI from the Baralaba Mine
- Competitive operating costs driving positive cashflow generation



Near term, low capital, low cost, brownfield expansion

- Expanding saleable production from Baralaba to 3.5 million tonnes per annum of ULV PCI
- Upfront capital cost of ~A\$311 million⁽¹⁾, with ongoing optimisation



Substantial growth pipeline with significant potential synergies from the acquisition

- Attributable JORC Reserves of 266 million tonnes and Resources of 2,039 million tonnes
- Large complementary tenement holdings in the Bowen, Surat and Galilee basins



Strategic infrastructure position in Queensland

- Existing port allocation through RG Tanna (500,000 tonnes per annum) and WICET (3.0 million tonnes per annum)
- Rail contract with Aurizon in place for the Baralaba Expansion to 3.5 million tonnes per annum



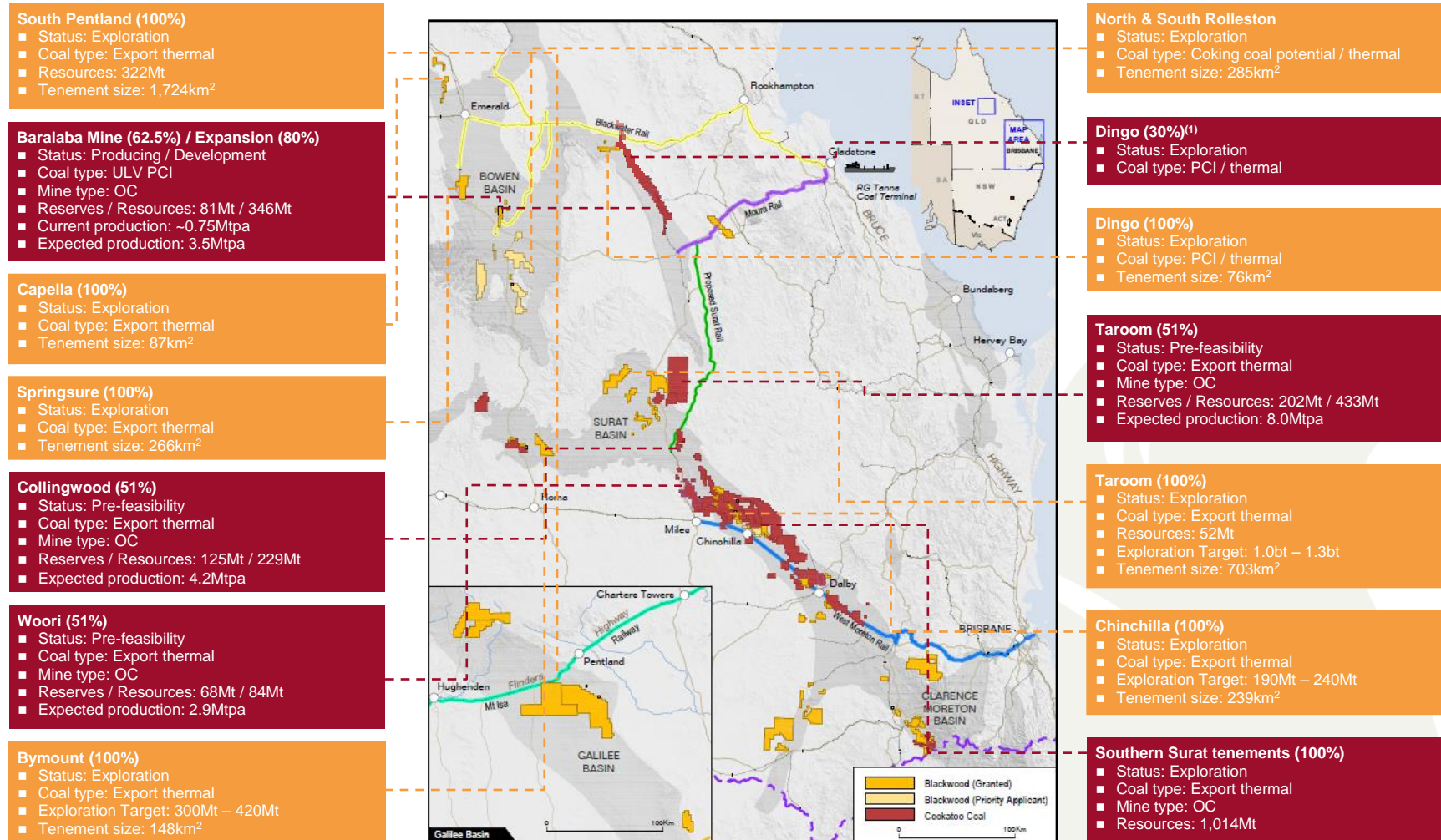
Supportive major shareholders and JV partners

- SKN and Noble both have strong strategic relationships in all of Cockatoo's key end markets
- JV partners continue to support Cockatoo in the development and operation of its asset portfolio

(1) 2013 dollars, excluding contingency. Cockatoo have continued to reduce the development capex required since the release of the Supplementary BFS in April 2013, with up front reductions of approximately A\$25 million identified to date (primarily through deferral of the power line relocation).

Merged Group key projects

A diversified pipeline of opportunity



Note: Reserves are recoverable Reserves; all figures are on a 100% of project basis.
 (1) Boardwalk Dingo, an entity owned by Whitehaven Coal, currently has a 70% participating interest in the Dingo project.

Baralaba Mine overview

Operations at Baralaba continue to provide cashflow to contribute to the Baralaba Expansion

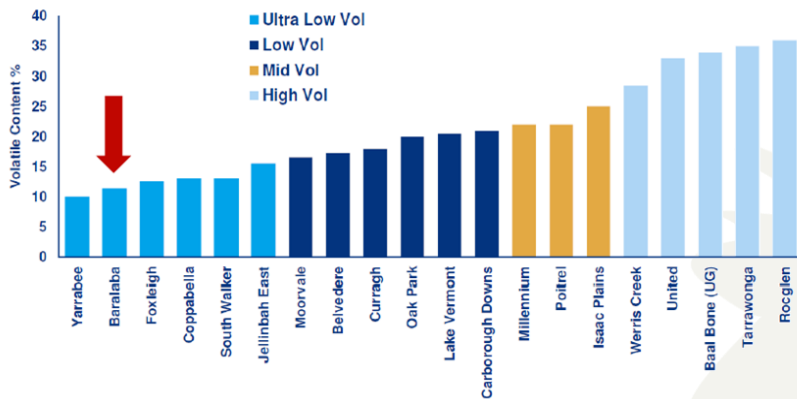


Recent performance

- ▶ CY2012 production from the Baralaba Mine was a record at 762,848 tonnes, far surpassing previous annual performances
- ▶ FY2013 production from the Baralaba Mine was a record at 707,381 tonnes, despite adverse weather in the March quarter
- ▶ CY2013 cash costs to date have averaged less than A\$103 per tonne (excluding royalties)
- ▶ Cockatoo budgeting indicates expected strong operating cashflows from the Baralaba Mine until the end of 2014 (when sales from the existing mine will cease), with improved performance driven by:
 - Large stockpiles (~380,000 tonnes⁽¹⁾) at Baralaba to supplement production
 - Blending to allow close to 100% of product coal to be sold as ULV PCI
 - Lower average strip ratio as mine nears end of life
 - Planned shift from contractor to owner-operator in early 2014 will further decrease operating costs

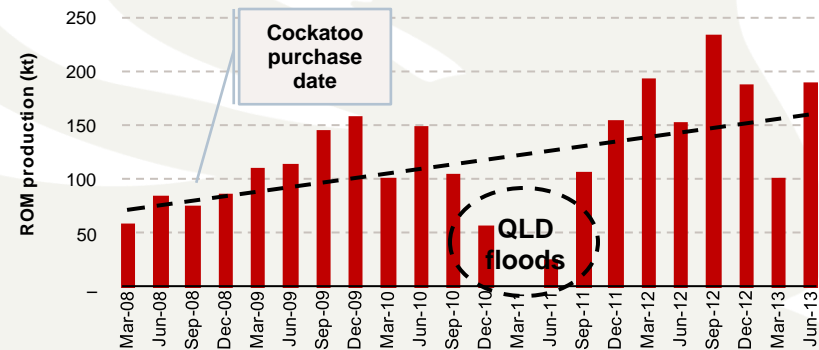


Baralaba produces a premium quality PCI product



Source: Wood Mackenzie.
(1) As at 30 September 2013.

Historical production from the Baralaba Mine



Source: Peabody Energy and Cockatoo company filings.

Baralaba Expansion overview

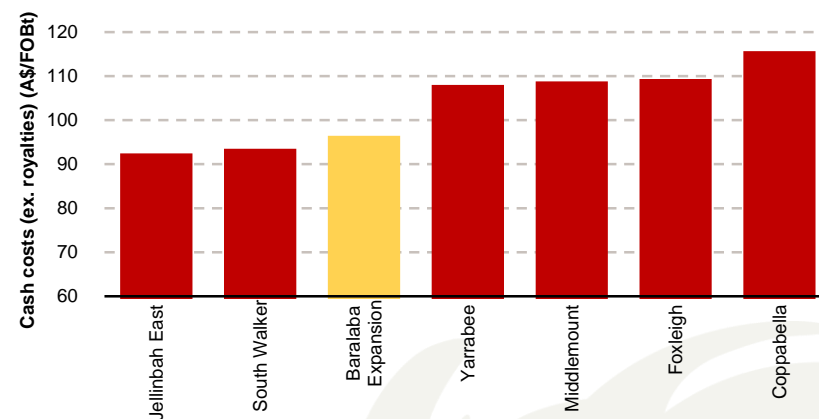
Near term, low capital, low cost, brownfield expansion



Asset description	
JORC Resources ⁽¹⁾	North: 154 Mt / South: 192Mt
JORC Recoverable Reserves ⁽¹⁾	North: 36 Mt / South: 45Mt
Mining method	Single pit, open-cut, truck & shovel
Expected mine life	20+ years
LOM ROM strip ratio	9:7:1
Product	ULV PCI (100%)
Expected first coal production	Mid 2014
Expected steady state production	Late 2016
Expected ROM coal production	~3.9 million tonnes per annum
Expected LOM product yield	~90%
Expected saleable coal production	3.5 million tonnes per annum
Estimated development capital expenditure ⁽²⁾	~A\$311 million on a 100% basis (excluding contingency, 2013 dollars)
Estimated start-up working capital ⁽³⁾	~A\$82 million on a 100% basis (excluding contingency, 2013 dollars)
Average LOM operating cash costs (FOB) ⁽⁴⁾	~A\$96.04 per tonne (excluding royalties)

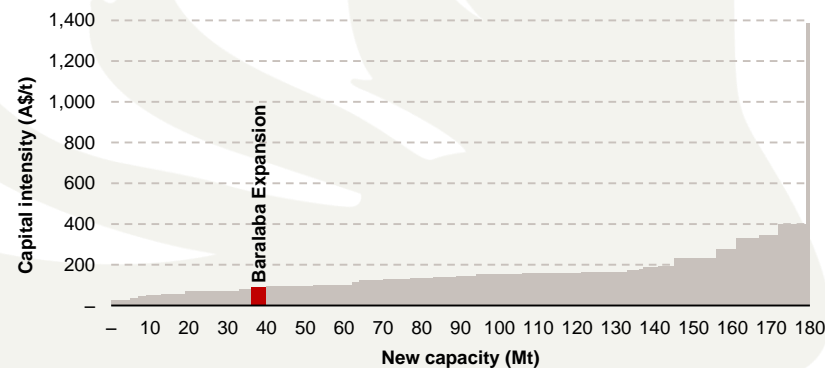
(1) Baralaba North figures include Baralaba Mine, Baralaba North and Lochinvar.
 (2) 2013 dollars, excluding contingency. Cockatoo have continued to reduce the development capex required since the release of the Supplementary BFS in April 2013, with up front reductions of ~A\$25 million identified to date (primarily through deferral of the power line relocation).

Low cost operation relative to other Australian ULV PCI mines



Source: Wood Mackenzie (May 2013), Cockatoo Coal (Baralaba Expansion SBFS).

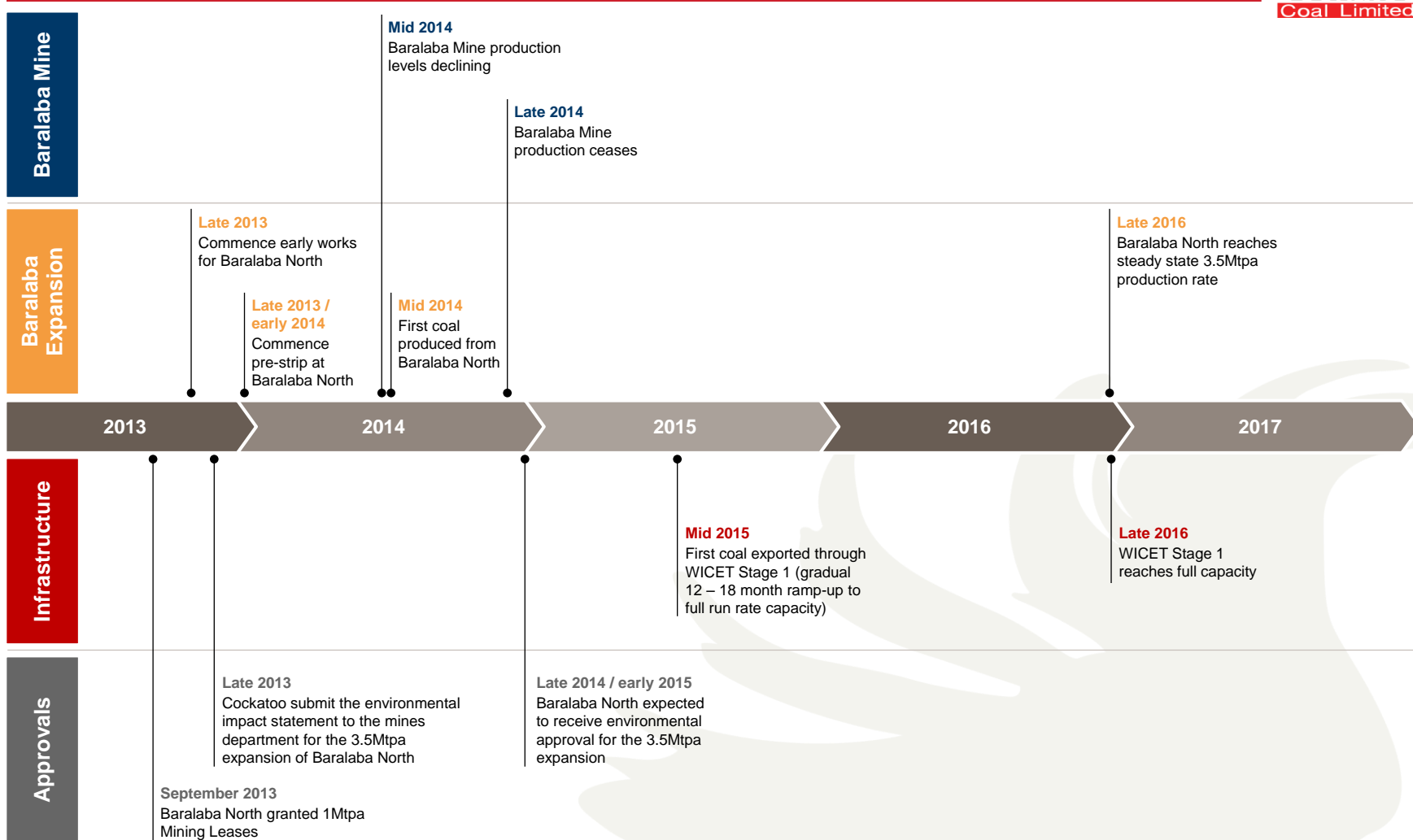
Low capital intensity relative to other Australian met coal developments



Source: Bureau of Resources and Energy Economics (April 2013), Cockatoo Coal (Baralaba Expansion SBFS).

(3) Based on Wood Mackenzie coal price forecasts, as at April 2013.
 (4) Based on steady state operating costs, assuming mining equipment is purchased in year 4 of operations; excludes marketing fees payable to SKN and Noble.

Baralaba Mine & Expansion timetable



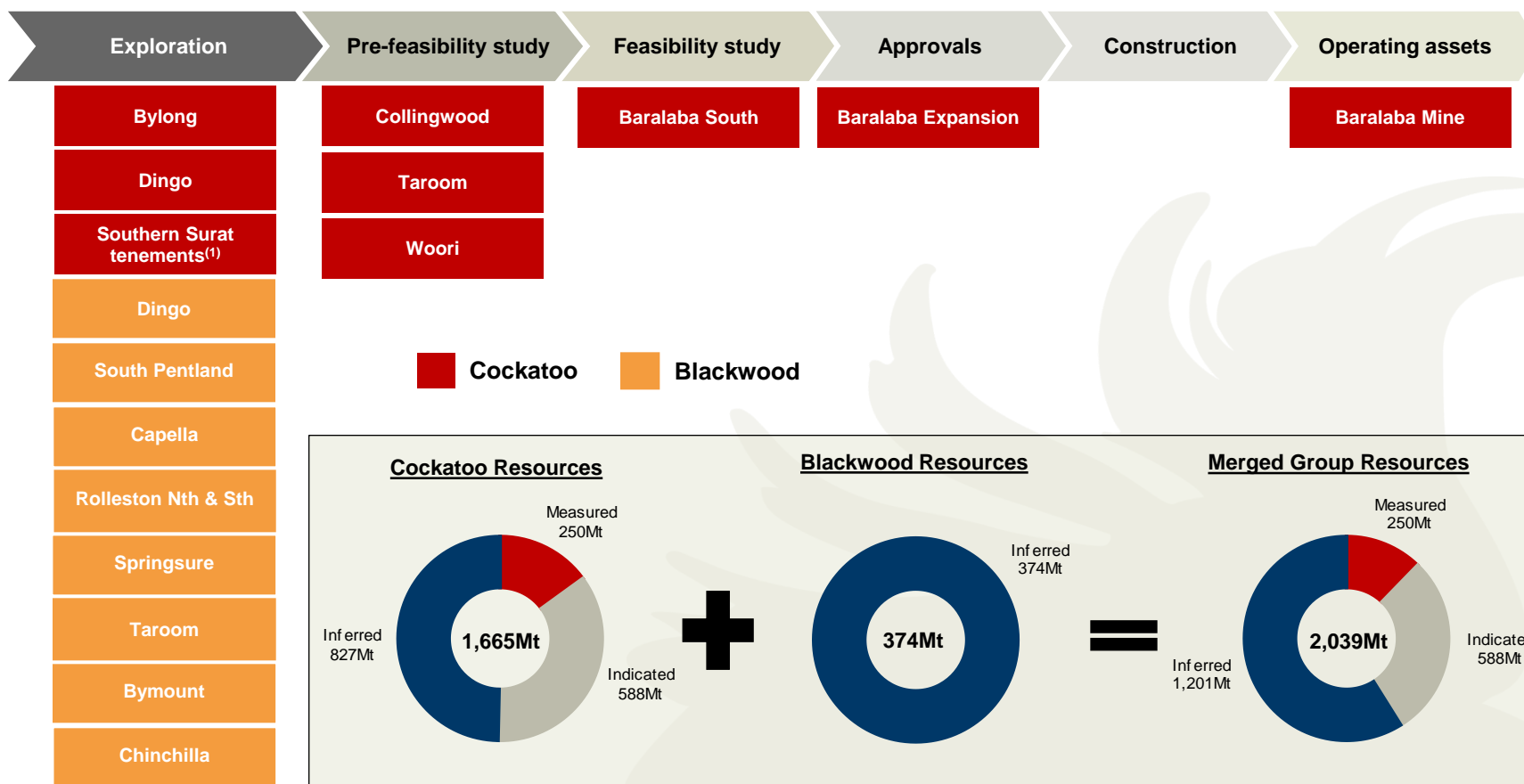
Baralaba Expansion production will supplement the gradual decline in production from the Baralaba Mine in H2 2014

Substantial growth pipeline

Complementary portfolio with an attractive package of producing, development & exploration assets in Queensland



- ▶ The Merged Group is well positioned to deliver its growth plans
 - Short-term cashflows from the existing Baralaba Mine
 - Near-term, low capital, low cost, brownfield expansion project
 - Blackwood’s extensive exploration portfolio expected to complement Cockatoo’s existing asset base and provide the combined entity with an attractive longer term growth pipeline



(1) Includes Tin Hut Creek, Bottle Tree, Krugers, Davies Road, Bushranger and Kingaroy.

Baralaba infrastructure is secure

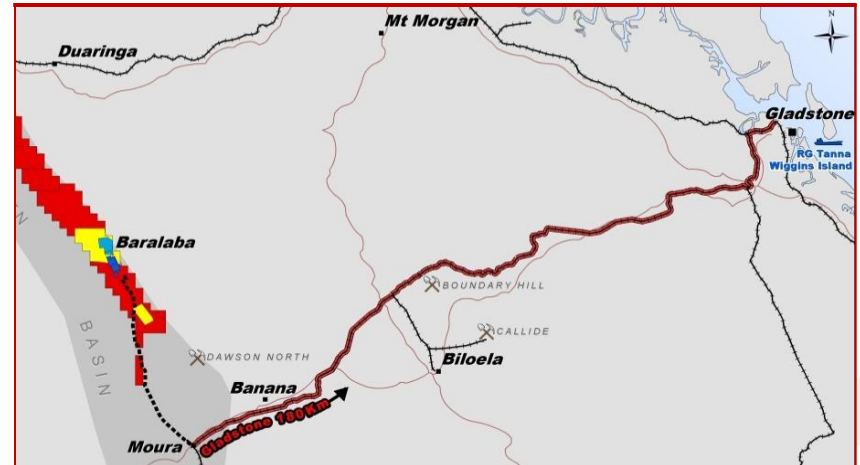
Existing access arrangements with port and rail providers facilitates the planned increase in production



Rail

- ▶ Baralaba Complex is situated close to the existing Moura rail line that connects to the Port of Gladstone
- ▶ Product coal will be transported to a stockyard / train loadout facility on the Moura rail line via road from the Baralaba Mine
- ▶ Wiggins Island Rail Project (“WIRP”) ensures below rail access to port
- ▶ Above rail contract signed with Aurizon

Moura rail line



Port

- ▶ Baralaba Complex coal will be shipped from RG Tanna and WICET (Stage 1) at the Port of Gladstone
- ▶ Continuation of existing capacity at RG Tanna (0.5 million tonnes per annum)
- ▶ WICET Stage 1 allocation of 3.0 million tonnes per annum
 - Financial close reached in September 2011 and construction began in October 2011
 - WICET on track for commissioning in mid 2015

WICET development



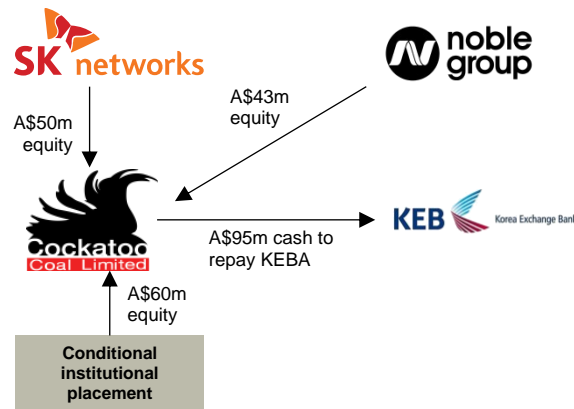
Supportive major shareholders & JV partners



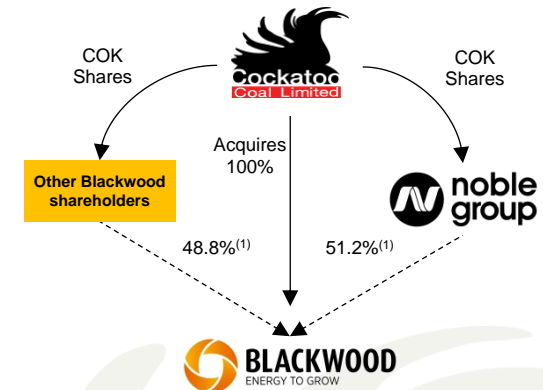
Overview

- ▶ Equity Raising provides Cockatoo with supportive major shareholders going forward
 - Focused on successful development of the Baralaba Expansion
 - Support developing the growth portfolio
 - Assist in marketing coal throughout the world
- ▶ Cockatoo continues to be supported by quality JV partners
 - JFE Shoji (Baralaba Mine and Expansion) and Mitsui (North Surat JV)

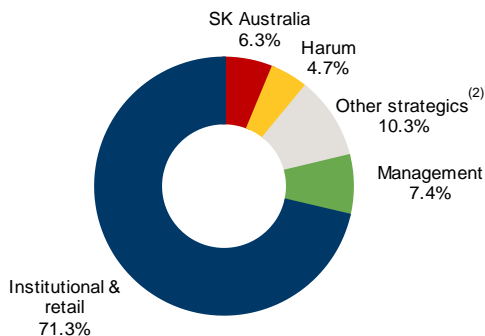
1 Equity raising



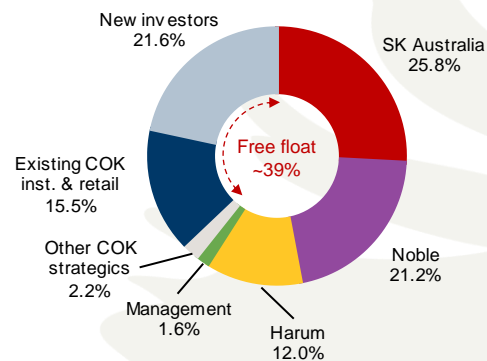
2 Cockatoo acquisition of Blackwood



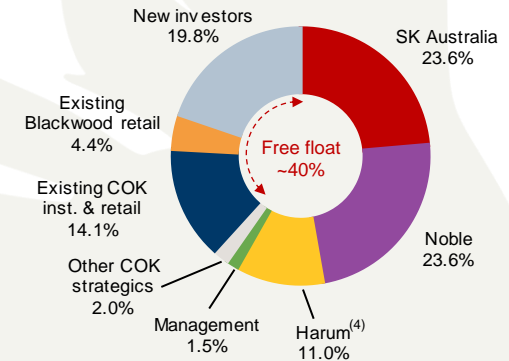
Current Cockatoo share register



Cockatoo register post equity raising



Cockatoo register post acquisition⁽³⁾



Note: Excludes 150 million Cockatoo options with an exercise price of A\$0.125 per share and 50 million options with an exercise price equal to Cockatoo's 20 day VWAP at the date of issuance, issued today in relation to the previous extension of the SKN guarantee of the KEBA loan facility as announced on 11 June 2013, held by SKN.

Analysis assumes A\$60 million institutional placement, Harum investment of A\$20.2 million, and excludes any funds raised from the SPP.

(1) Shareholding excludes 7,225,000 performance rights issued to Blackwood management.

(2) Comprises, KORES, Korea East-West Power and KEPCO.

(3) Assumes Cockatoo acquires 100% of Blackwood's issued capital, including the 7,225,000 Blackwood performance rights issued to Blackwood management.

(4) Harum's intention is to own, and expects to be diluted down to, approximately 10.0% following completion of the SPP and Takeover.

Appendix

Pro forma capitalisation & balance sheet

Pro forma capitalisation & balance sheet

Assuming acquisition of 100% of Blackwood's issued capital



Pro forma capitalisation (current)

	Cockatoo	Cockatoo pro forma for equity raising ⁽²⁾	Blackwood	Cockatoo pro forma for acquisition
Share price	0.060 ⁽¹⁾	0.051 ⁽⁹⁾	0.101 ⁽⁴⁾	0.051 ⁽⁹⁾
(x) Shares outstanding	886.3	4,085.7	192.3 ⁽⁵⁾	4,470.2
Market capitalisation	53.3	206.7	19.5	226.1
(-) Cash & cash equivalents	(5.4)	(63.7)	(10.0)	(66.0)
(-) Restricted cash	(40.0)	(40.0)	-	(40.0)
(+) Debt	95.0	- ⁽³⁾	7.7	- ⁽⁶⁾
(+) Minorities	(13.0)	(13.0)	-	(13.0)
Enterprise value	89.9	89.9	17.2	107.1

Pro forma balance sheet (30 June 2013)

	Cockatoo 30 June 2013	Sale of Hume Coal ⁽⁷⁾	Equity raising + KEBA loan repayment ^(2,3)	Cockatoo pro forma for equity raising	Blackwood acquisition adjustments ^(5,6,8)	Cockatoo pro forma (post acquisition)
Assets						
Cash	12.7	4.7	52.6	70.0	4.2	74.2
Receivables	5.3	-	-	5.3	0.3	5.6
Inventories	20.4	-	-	20.4	-	20.4
Investments	23.6	(18.0)	-	5.6	-	5.6
Other assets	350.4	-	-	350.4	16.1	366.5
Total assets	412.4	(13.3)	52.6	451.7	20.6	472.3
Liabilities						
Trade & other payables	(16.8)	-	-	(16.8)	(1.8)	(18.6)
Short term debt	(100.4)	5.0	95.0	(0.4)	-	(0.4)
Long term debt	(39.6)	-	-	(39.6)	-	(39.6)
Other liabilities	(3.7)	-	-	(3.7)	-	(3.7)
Total liabilities	(160.5)	5.0	95.0	(60.5)	(1.8)	(62.3)
Net assets	251.9	(8.3)	147.6	391.2	18.8	410.0

(1) Cockatoo 1 month VWAP as at 16 October 2013.

(2) Based on the A\$153.3 million Equity Raising.

(3) A\$95m KEBA loan facility repaid from equity raising proceeds.

(4) Based on the 2.00x exchange ratio and Cockatoo's TERP.

(5) Includes 7,225,000 Blackwood performance rights.

(6) Blackwood's existing A\$7.7 million loan facility from Noble repaid following acquisition.

(7) The sale of the shares in Hume Coal completed on 14 August 2013 and A\$5 million of the proceeds was used to pay down the KEBA loan facility.

(8) Assumes a fair value of A\$0.05 per Cockatoo share issued as consideration for the purchase of Blackwood.

(9) TERP based on Cockatoo 1 month VWAP as at 16 October 2013 and A\$153.3 million Equity Raising.

Appendix

Noble, SKN & Blackwood company overviews

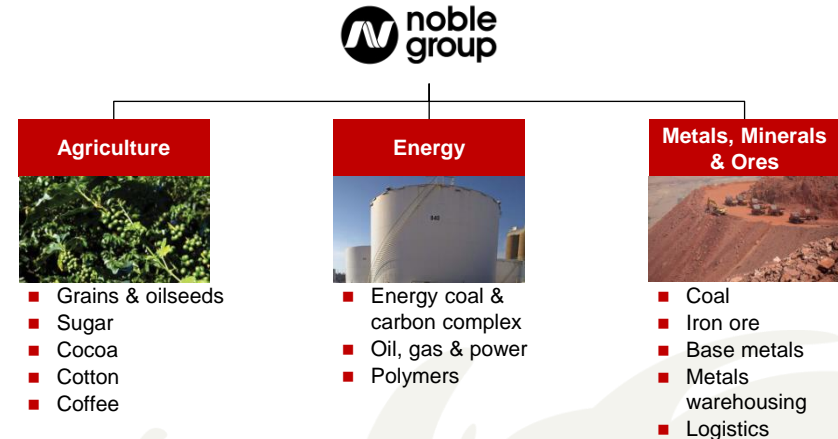
Overview of Noble Group



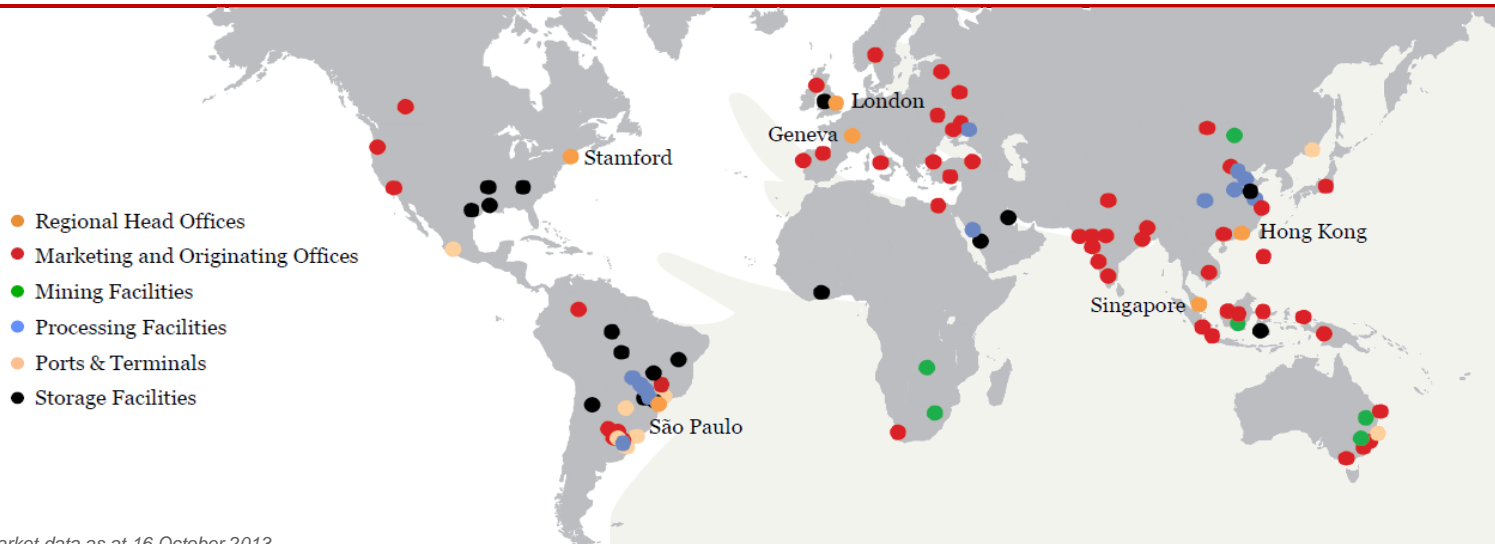
Overview

- ▶ Noble Group is a Singapore listed manager of a portfolio of global supply chains covering a range of agricultural and energy products, as well as metals, minerals and ores and has a market capitalisation of approximately A\$5.3 billion
- ▶ Operating from over 140 locations and employing more than 70 nationalities, Noble facilitates the marketing, processing, financing and transportation of essential raw materials
- ▶ Sourcing bulk commodities from low cost regions such as South America, South Africa, Australia and Indonesia, Noble supplies high growth demand markets, particularly in Asia and the Middle East
- ▶ In order to ensure the integrity of its supply chains, Noble has a portfolio of interests in strategic logistics and processing assets which form an integral part of facilitating its key trade flows
- ▶ Noble were ranked number 76 in the 2013 Fortune 500

Noble Group structure



Noble's global footprint



Note: Market data as at 16 October 2013.

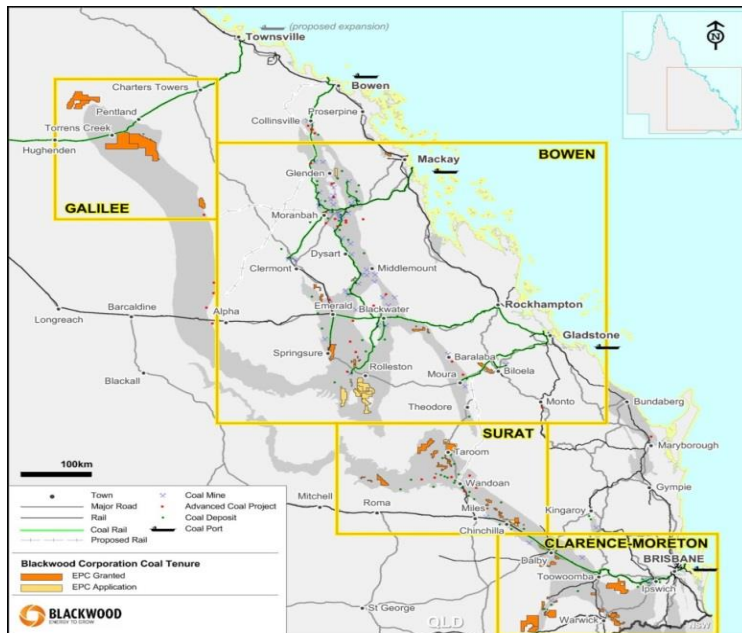
Overview of Blackwood



Overview

- ▶ Blackwood is an Australian listed coal explorer with a market capitalisation of approximately A\$13.9m
- ▶ Blackwood has an extensive tenement portfolio, comprising 63 EPC's covering an area of ~5,500km² throughout the Bowen, Galilee, Surat and Clarence-Moreton Basins in Queensland
- ▶ Blackwood has prioritised 17 projects for development and has deemed six of them as priority projects, with the remaining pipeline projects
 - Blackwood announced a maiden Inferred JORC Resource of 374Mt in September 2013 (322Mt at South Pentland and 52Mt at Taroom)

Tenement locations



Note: Market data as at 16 October 2013.

Blackwood's tenement holdings

Asset	Basin	Tenement size	Coal type	Exploration target	JORC Resources
Priority projects					
South Pentland	Galilee	1,724km ²	Export thermal	3.6 – 5.0bt	322.0Mt Inferred
Dingo	Bowen	76km ²	PCI	–	–
South Rolleston	Bowen	285km ² (1)	Coking coal potential / thermal	–	–
Capella	Bowen	87km ²	Export thermal	–	–
Taroom	Surat	703km ²	Export thermal	1.0 – 1.3bt	51.8Mt Inferred
Bymount	Surat	148km ²	Export thermal	300 – 420Mt	–
Pipeline projects					
North Hughenden	Galilee	820km ²	Export thermal	–	–
North Carmichael	Galilee	118km ²	Export thermal	–	–
North Rolleston	Bowen	285km ² (1)	n.a.	–	–
Springsure	Bowen	266km ²	Export thermal	–	–
Calen	Bowen	48km ²	Possible thermal / coking(2)	–	–
Dalby	Surat	184km ²	Export thermal	–	–
Chinchilla	Surat	239km ²	Export thermal	190 – 240Mt	–
Milmerran	Clarence-Moreton	280km ²	Export thermal	–	–
Warwick North	Clarence-Moreton	1,099km ²	Export thermal	–	–
Warwick South	Clarence-Moreton		Export thermal	–	–
Biloela	Callide	230km ²	Domestic thermal	–	–

(1) Combined tenement size of South and North Rolleston.

(2) Insufficient data to determine.

Appendix

JORC Reserves & Resources



Cockatoo JORC Resource Estimates

Global Resource Inventory



Project	Cockatoo Equity (%)	JV Partner	Coal Type	JORC Resource				Cockatoo Equity Resources (Mt)
				Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)	
Baralaba Projects								
Baralaba Mine	62.5% ⁽¹⁾	JFE Shoji	PCI / Thermal	12.8	10.6	12	36	22
Baralaba North	80%	JFE Shoji	PCI	16.9	21.2	16	54	43
Baralaba South	80%	JFE Shoji	PCI	35.5	17.2	139	192	154
Lochinvar	80%	JFE Shoji	PCI / Thermal	–	4.0	60	64	51
Baralaba Total				65.2	53.0	227	346	270
Surat Projects								
Woori	51%	Mitsui	Thermal	84.3	–	–	84	43
Taroom	51%	Mitsui	Thermal	158.1	149.3	126	433	221
Collingwood	51%	Mitsui	Thermal	79.7	80.3	69	229	117
Tin Hut Creek	100%	–	Thermal	–	206.6	137	344	344
Other Surat ⁽²⁾	100%	–	Thermal	35.5	224.2	411	670	670
Surat Total				357.6	660.4	743	1,761	1,395
TOTAL				422.8	713.4	970	2,107	1,665

(1) Cashflow distribution based on intercompany loans. Cockatoo receives ~82% of positive cashflow from the Baralaba Mine.

(2) Includes Bottle Tree, Krugers, Davies Road, Bushranger and Kingaroy.

Cockatoo JORC Reserve Estimates



Project	Cockatoo Equity (%)	JV Partner	Coal type	JORC Reserve							
				Reserves				Marketable Reserves			
				Proved (Mt)	Probable (Mt)	Total (Mt)	Cockatoo Equity (Mt)	Proved (Mt)	Probable (Mt)	Total (Mt)	Cockatoo Equity (Mt)
Bowen Basin Projects											
Baralaba Mine	62.5%	JFE Shoji	PCI / Thermal	1.0	0.3	1.3	0.8	0.8	0.2	1.0	0.6
Baralaba Mine	62.5%	JFE Shoji	PCI / Thermal	3.3	0.5	3.7	2.3	3.1	0.3	3.4	2.1
Baralaba North	80%	JFE Shoji	PCI	15.7	15.6	31.3	25.0	14.6	14.0	28.6	22.9
Baralaba South	80%	JFE Shoji	PCI	–	45.0	45.0	36.0	–	37.0	37.0	29.6
Bowen Total				20.0	61.4	81.4	64.2	18.5	51.5	70.0	55.2
Surat Projects											
Woori	51%	Mitsui	Thermal	67.8	–	67.8	34.6	40.6	–	40.6	20.7
Taroom	51%	Mitsui	Thermal	124.0	78.5	202.5	103.3	99.9	61.7	161.7	82.5
Collingwood	51%	Mitsui	Thermal	69.4	55.8	125.2	63.9	54.4	44.1	98.5	50.2
Surat Total		–		261.2	134.3	395.5	201.7	194.9	105.8	300.8	153.4
TOTAL				281.2	195.7	476.8	265.9	213.4	157.3	370.8	208.6

Blackwood JORC Resource Estimates



Project	Blackwood Equity (%)	Coal Type	JORC Resource			
			Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)
South Pentland	100%	Export Thermal	–	–	322	322
Taroom	100%	Export Thermal	–	–	52	52
TOTAL			–	–	374	374

Competent persons statement – Cockatoo



The information in this Investor Presentation that relates to Cockatoo's Exploration Results, Mineral Resources and Ore Reserves is based on:

- ▶ Information extracted from the reports detailed below which are available to view at Cockatoo's website www.cockatoo.com.au and on Cockatoo's company announcement platform at www.asx.com.au
 - 'Bowen Basin Projects Resource and Reserve Updated' released to ASX on 5 April 2013; and
 - 'Surat Basin Projects Drilling and Resource Update' released to ASX on 16 January 2013
- ▶ Information compiled by Dr Oliver Holm, geologist, who is a Member of the Australasian Institute of Mining and Metallurgy. Oliver Holm is a full-time employee of the Company who 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'. Oliver Holm has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of the estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

Competent persons statement – Blackwood⁽¹⁾



The information in this report that relates to Exploration Results, Exploration Targets and Minerals Resources is based on information compiled by Mr Mark Winsley, Mrs Merryl Peterson, Mr Lyon Barrett and Mr Lyndon Pass, who are all members of The Australian Institute of Mining and Metallurgy (AUSIMM).

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such, it is conceptual in nature, and there has been insufficient exploration drilling to define a coal resource on the tenement, it is uncertain if further exploration will result in the discovery of a coal resource on the tenement.

For the Inferred Resources stated for the Lauderdale Project at South Pentland:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Winsley is signing off as competent person for the validity of field data.

Mr Barrett is engaged as Principal Resource Geologist/Director at Measured Resources Pty Ltd and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barrett consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Barrett is signing off as competent person for the resource estimate.

For the Exploration Targets on the South Pentland Project:

Mrs Peterson is engaged as Principal Geologist at Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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. Mrs Peterson consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mr Pass is engaged as Principal Resource Geologist/Director at Encompass Mining Pty Ltd and 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 Pass consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

For the Taroom Exploration Target and the Inferred Resources stated for the Broadmere Project at Taroom:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mr Pass is engaged as Principal Resource Geologist/Director at Encompass Mining Pty Ltd and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pass consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

(1) The competent person statement was issued together with Blackwood's ASX Announcement, 'Maiden JORC Resources at South Pentland and Taroom Projects' released 12 September 2013.

Competent persons statement – Blackwood (cont'd)⁽¹⁾



For the Exploration Target on the Chinchilla Project:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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 Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mrs Peterson is engaged as Principal Geologist at Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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. Mrs Peterson consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mrs Peterson and Mr Winsley as Competent Persons are responsible only for information relating to the resources of Blackwood Corporation, and that the information presented in Table 2 within the Chinchilla Exploration Target announcement is based on information taken from the documents listed in that table, and is subject to the respective Competent Persons' Statements contained in each document

For the Exploration Targets on the Bymount Project:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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 Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

JORC Exploration Targets

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such, the potential quantity and grade is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource on the tenement, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Note: The total of 5.0 to 6.9 billion tonnes of JORC compliant Exploration Target tonnes is derived from the South Pentland Longton (2.1 to 3.2 billion tonnes A), South Pentland Lauderdale (1.5 to 1.8 billion tonnes A), Taroom (1 to 1.3 billion tonnes B), Bymount (200 to 420million tonnes C) and Chinchilla (190 to 240 million tonnes D) projects

Exploration Target Note A: Please refer to the ASX South Pentland Exploration Target announcements 21 November 2011 & 8 October 2012 for full report. Coal Quality Ranges for the South Pentland Project are as follows (all on an air dried basis): Moisture 8.4-11.6, Raw Ash 9.5-34.2, Volatile Matter 21.5-32.6, Fixed Carbon 46.4 - 55.3, Total Sulphur 0.26 - 0.34, Ave SE 5445 kcal/kg, Exploration Target reduced by the amount of inferred resources reported, now 2.7 to 4.3 Billion Tonnes.

Exploration Target Note B: Please refer to the ASX Taroom Exploration Target announcement 19 March 2012 for full report. Coal Quality Ranges for the Taroom Project are as follows (all on an air dried basis): Moisture 5.9-9.9, Raw Ash 9.8-31.3, Volatile Matter 28.7-43.9, Fixed Carbon 27.0-40.0, Total Sulphur 0.22-0.51, SE 5162 – 6709 kcal/kg.

Exploration Target Note C: Please refer to the ASX Bymount Exploration Target announcement 20 August 2012 for full report, and the note below. Coal Quality Ranges for the Bymount Project are as follows (all on an air dried basis): Moisture 5.7-9.9, Raw Ash 9.8-31.3, Volatile Matter 28.7 – 43.9, Fixed Carbon 27 - 40, Total Sulphur 0.22 - 0.51, SE 5162 - 6709 kcal/kg.

Exploration Target Note D: Please refer to the ASX Chinchilla Exploration Target announcement 20 February 2012 for full report, and the note below. Coal Quality Ranges for the Chinchilla Project are as follows (all on an air dried basis): Moisture 8.0-10.4, Raw Ash 13.8-28.8, Volatile Matter 34.1-40.1, Fixed Carbon 32.0-35.7, Total Sulphur 0.31-0.43, SE 4814 – 5817 kcal/kg.

(1) The competent person statement was issued together with Blackwood's ASX Announcement, 'Maiden JORC Resources at South Pentland and Taroom Projects' released 12 September 2013.

Appendix

Key risk factors



Key risks



- ▶ There are various risks associated with investing in Cockatoo, as with any stock market investment and, specifically, because of the nature of Cockatoo's coal exploration business and the present stage of development of Cockatoo's operations. Potential investors should consider whether the securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. Many of those risk factors are outside the control of the Directors.
- ▶ While some common risk factors are set out below, it is not possible to produce an exhaustive list. The Directors recommend that potential investors consult their professional advisers before making any investment decisions.

Exploration and Development Risks

- ▶ The majority of Cockatoo's projects are still at an exploration / evaluation stage. Coal exploration and mine development generally involves a high degree of risk and is subject to a range of hazards and uncertainty that may impact on ultimate project viability
- ▶ Cockatoo's Ore Reserves and Mineral Resources are based on estimates and assumptions and hence subject to uncertainty. Resource estimates are stated in compliance with the JORC Code however are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available. For example, further exploration may result in changes to the estimated size and quality of coal Reserves and the estimated costs of recovering coal from the exploration projects, affecting the viability of those projects
- ▶ There can be no assurance that Cockatoo's proposed exploration and evaluation program will successfully convert Resources into Reserves or that Reserves will be commercially exploited

Mining and development risk

- ▶ Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events. In respect of its business activities, Cockatoo has made estimates of capital expenditures, operating costs and working capital requirements based on current circumstances, and its current understanding of those matters. There is a risk that actual circumstances may differ from Cockatoo's estimates and current understanding, with adverse consequences

Infrastructure Risks

- ▶ Cockatoo is committed to take-or-pay obligations for both port and rail associated with the Baralaba Expansion. An inability to deliver the Baralaba Expansion on time or at the planned production rate may have material adverse effects on Cockatoo
- ▶ Commercialisation of a significant portion of Cockatoo's Resources will require the development of, and Cockatoo's access to, new infrastructure including, but not limited to, the Surat Basin Railway and expansion of the Wiggins Island Coal Export Terminal
- ▶ Neither the Surat Basin Railway or the Wiggins Island Coal Export Terminal Expansion projects have reached financial close, meaning that at this stage there can be no assurance that either project will be completed
- ▶ In the event that these projects proceed to development, there can be no assurance that Cockatoo will obtain sufficient volume allocations necessary to support the development of its project suite
- ▶ Further, there can be no assurance that access to rail and port facilities would be obtained on commercially or economically viable terms

Joint Venture and Third Party Risks

- ▶ Cockatoo does not own 100% of all projects in which it is involved. Through Cockatoo's participation in joint ventures and its use of contractors and other third parties for exploration, mining and other services, it is reliant on a number of third parties for the success of its current operations and for the development of its exploration projects
- ▶ Failure to agree on a plan or any plan to develop a jointly owned asset, or a refusal or inability of any joint owner on an asset to contribute its share of funding of the cost of the development of a jointly owned asset could cause problems for Cockatoo
- ▶ Problems caused by third parties may arise which have the potential to impact on the timing, performance and operations of Cockatoo. Any failure by counterparties to perform their obligations may have a material adverse effect on Cockatoo and there can be no assurance that Cockatoo would be successful in attempting to enforce any of its contractual rights through legal action
- ▶ A condition precedent to drawdown of the Facilities is that JFE commits to continue to proceed with the Baralaba Expansion. In the event that JFE do not commit to continue with the project, Cockatoo will need to agree a plan satisfactory to the Lender in order to drawdown the Facilities. If an agreement cannot be reached there is a risk that Cockatoo will be unable to drawdown on the Facilities

Key risks (cont'd)



Environmental Approval Risks	<ul style="list-style-type: none"> ▶ Cockatoo will require certain licences and approvals to develop its project suite. Not all such approvals and licences are currently in place. Failure to obtain, or delays in obtaining, such approvals and licences may adversely affect Cockatoo ▶ Cockatoo only currently has an approval for a 1.0Mtpa mining lease at the Baralaba Expansion project ▶ Cockatoo still need to receive the 3.5Mtpa mining lease approval to drawdown on the Facilities and complete development of the Baralaba Expansion project ▶ Problems or delays in securing the 3.5Mtpa mining lease approval may materially impact the performance and operations of Cockatoo
Access to Future Funding	<ul style="list-style-type: none"> ▶ Cockatoo may require additional funding to fully fund the Baralaba Expansion. An inability to raise additional funds may delay the project, restrict the drawdown of the Facilities and adversely affect Cockatoo ▶ The majority of Cockatoo's projects are early stage and will require additional drilling, evaluation and feasibility study work prior to development. Should the Company proceed to develop its projects it is likely that significant capital expenditure will be required. This process will require substantial additional funding. There can be no assurance that such funding will be available on acceptable terms, or at all
Ability to Draw on Project Finance	<ul style="list-style-type: none"> ▶ Cockatoo have a number of conditions precedent that must be achieved before the Company can draw on the ANZ project finance facility ▶ The material conditions including finalising finance and project documents, granting of the 3.5Mtpa mining lease, securing off-take agreements for 75% of production, securing sufficient financing to fund development, repayment of the KEBA loan and JFE committing to continue with the project. The finance and project documents also contain conditions of a more general nature, including conditions relating to market based and project / sponsor based material adverse changes not occurring prior to draw-down ▶ There can be no assumption that all the conditions will be met ▶ In addition, as is customary for project finance facilities, drawdown of the ANZ project finance facility requires that Cockatoo provide equity financing sufficient to fund development of the Baralaba Expansion (in conjunction with the facilities). Part of this equity financing is expected to come from cashflows from the Baralaba Mine as well as cash that is currently restricted. There is a risk that the size or timing of these cashflows will differ from Cockatoo budgeting which could result in additional equity financing being required in order to draw on the ANZ project finance facility ▶ The agreement by ANZ to provide the Facilities described in this presentation is reflected in a binding term sheet, rather than fully documented facilities. This term sheet includes conditions which the borrower must satisfy, the non-satisfaction of which will affect the ability of Cockatoo to obtain the Facilities. Any failure to enter into the Facilities (including because of a failure to reach final agreement in respect of definitive documentation) or entry into the Facilities on terms less favourable to Cockatoo than those set out in the term sheet could have a material adverse effect on Cockatoo
Ability to Secure Mezzanine Financing	<ul style="list-style-type: none"> ▶ Cockatoo may require mezzanine financing to fully fund the Baralaba Expansion ▶ There can be no guarantee that Cockatoo will be able to secure mezzanine financing on reasonable terms ▶ An inability to secure mezzanine financing may delay the project, restrict the drawdown of the project finance and adversely affect Cockatoo ▶ Failure to enter into a mezzanine facility on reasonable terms may have a material adverse effect on Cockatoo and its ability to fund the Baralaba Expansion
Coal Prices and Currency Fluctuations	<ul style="list-style-type: none"> ▶ Cockatoo's revenues are largely dependent on the prices it receives for coal. Fluctuations in the coal price could have an adverse impact on Cockatoo's financial performance and future prospects. The prices Cockatoo may receive for its coal in the future depend on numerous factors beyond its control including, but not limited to demand for coal, competition, transport facilities and government regulations ▶ The Company's coal sales are generally denominated in US dollars. Although steps may be taken to manage currency risk via hedging of a proportion of the US dollars expected to be received under export contracts, adverse movements in the Australian dollar against the US dollar can have an adverse impact on Cockatoo. The Company currently has no currency hedging in place
Adverse Changes to Government Policy and Legislation	<ul style="list-style-type: none"> ▶ Changes in government policy may have an adverse impact on Cockatoo's operational performance as well as actual or potential profitability. Changes which may have an adverse impact on Cockatoo include (but are not limited to): <ul style="list-style-type: none"> – Changes in taxation laws (for example application of the Mineral Resources Rent Tax and Carbon Tax); – Changes in the royalty regime applicable to coal companies in Australian states in which Cockatoo operates; – Introduction of increased environmental legislation, including increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees; – Introduction of increased safety legislation that may result in a heightened degree of responsibility for companies, their directors and employees; and – Changes in legislation that may impact Cockatoo's ability to obtain the necessary approvals and permits to develop its project suite

Key risks (cont'd)



General Economic Risks	<ul style="list-style-type: none"> ▶ Cockatoo's funding position, financial performance and ability to execute its development strategy is impacted by a variety of general global economic, political, social and business conditions. In addition to coal prices and currency fluctuations (see above), factors that have potential to impact Cockatoo's business include inflation, interest rates and other general economic factors. Deterioration in any of these conditions could have an adverse impact on Cockatoo's financial position and / or financial performance
Environmental Guarantees	<ul style="list-style-type: none"> ▶ Cockatoo is still in discussions with the Queensland Government about the quantum of the environmental guarantees required for the Baralaba Expansion ▶ There can be no assurance that Cockatoo's expected environmental guarantee estimate will be correct and that the Company will have sufficient facilities in place to cover the obligations
General Operational Risks	<ul style="list-style-type: none"> ▶ Cockatoo's mining operations may encounter operational difficulties that may impact on the amount of coal produced at its coal mines, delay coal deliveries or increase the cost of mining for a varying length of time. Such difficulties include weather and natural disasters, availability of personnel with appropriate skills, industrial action, unexpected maintenance or technical problems and failure of key equipment. These factors may have an adverse impact on the Company's performance
Landholder and Resource Tenure	<ul style="list-style-type: none"> ▶ Cockatoo's land and resource tenure may be disputed by various parties such as community action groups resulting in disruption and/or impediment in the operation or development of a resource. Any new mine development or expansion of existing operations will require landholder, native title and cultural heritage issues to be addressed, which can have significant timing and cost implications
Claims, Liability and Litigation	<ul style="list-style-type: none"> ▶ The risk of litigation is a general risk of Cockatoo's business. Cockatoo may incur costs in making payments to settle any such claims or complying with any court order which may not be adequately covered by insurance or at all. Such payment may have an adverse impact on Cockatoo's profitability and / or financial position and may impact Cockatoo's ability to execute its development plans in part or in full
Personnel Risks	<ul style="list-style-type: none"> ▶ Cockatoo requires access to appropriately skilled and qualified individuals. There can be no assurances that personnel with the appropriate skills will be available ▶ Cockatoo is subject to the risk of industrial action and work stoppages by employees and contractors who provide services which are necessary for the continued operation of the businesses of Cockatoo
Management	<ul style="list-style-type: none"> ▶ Cockatoo may lose key management personnel and may not be able to recruit qualified replacements
Effect on Control	<ul style="list-style-type: none"> ▶ The concentration of Cockatoo ownership with major shareholder insiders upon the completion of the equity raising will likely limit other shareholders' ability to influence corporate matters. It is anticipated that SKN, Noble and Harum will, in aggregate, own approximately 59% of Shares outstanding after the Equity Raising, and 58% following the Takeover⁽¹⁾. As a result, these shareholders, if they were to act together, will have significant influence over all matters that require approval by Cockatoo shareholders, including the election of directors and approval of significant corporate transactions. Corporate action might be taken even if other shareholders, including those who purchase shares in this equity raising, oppose them. This concentration of ownership might also have the effect of delaying or preventing a change of control that other shareholders may view as beneficial
Takeover Offer	<ul style="list-style-type: none"> ▶ There is a risk that Cockatoo will not acquire 90% of the shares in Blackwood and will therefore be unable to compulsorily acquire the remaining shares that would deliver Cockatoo 100% ownership of Blackwood. Depending on the level of acceptances received under the Takeover Offer, Cockatoo would seek to delist Blackwood from ASX, however, there can be no guarantee that ASX would agree to delist Blackwood where Cockatoo acquires less than 90%. While Cockatoo would consolidate Blackwood into its corporate group upon obtaining control, Cockatoo shareholders should note that Cockatoo would need to ensure that Blackwood's ASX listing is maintained which would include incurring expense to ensure that Blackwood complies with the numerous legal compliance obligations required of a listed entity

(1) Assuming Cockatoo acquire 100% of Blackwood's issued capital.

Appendix

Foreign Selling Restrictions



Foreign Selling Restrictions



International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

European Economic Area - Belgium, Denmark, Germany, Luxembourg and Netherlands

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("**Prospectus Directive**"), as amended and implemented in Member States of the European Economic Area (each, a "**Relevant Member State**"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- ▶ to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- ▶ to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- ▶ to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- ▶ to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "**Companies Ordinance**"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Indonesia

A registration statement with respect to the New Shares has not been, and will not be, filed with the Capital Market and Financial Institutions Supervisory Agency (Bapepam-LK) of the Republic of Indonesia. Therefore, the New Shares may not be offered or sold or be the subject of an invitation for subscription or purchase. Neither this document nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the New Shares may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, corporations or residents, except in a manner that will not be considered as a "public offer" under the law and regulations in the Republic of Indonesia.

Korea

The Company is not making any representation with respect to the eligibility of any recipients of this document to acquire the New Shares under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. The New Shares have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("**FSCMA**") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the New Shares may not be offered or sold in Korea other than to "qualified professional investors" (as defined in the FSCMA).

Foreign Selling Restrictions (cont.)



New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand). The New Shares are not being offered or sold in New Zealand, or allotted with a view to being offered for sale in New Zealand, and no person in New Zealand may accept a placement of New Shares other than to:

- ▶ persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
- ▶ persons who are each required to (i) pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ\$500,000 for securities of the Company ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Share may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.'

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and applicable US state securities laws.