# *Lochinvar*

## *"Advancing a Major New UK Coking Coal Project"*

**Investor Presentation**

**August 2013**

NEW AGE Exploration Limited

# Important Notices and Forward Looking Statements

**Competent Persons Statement**
Information in this document that relates to Mineral Resources and Exploration Targets is based on information compiled by:

**UK:** Dr William Hatton (C.Geol – Geological Society of London) 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 Hatton consents to the inclusion in the documents of the matters based on his information in the form and context in which it appears. Dr Hatton is a Principal Coal Geologist with SRK Consulting (UK) Ltd**.** The potential quantity and grade of the exploration target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. The conceptual exploration target estimate above is based mainly upon; (a) Detailed British Geological Survey mapping at a 1:10,000 scale, (b) An historic exploration programme set out in the National Coal Board's (NCB) Plan for Coal in 1974, (c) NCB deep drilling and seismic exploration from the late 1970's and early 1980's, (d) A summary paper by Graham Picken in the Scottish Journal of Geology in 1988, (e) A preliminary Vulcan 3-D representation of the concealed coalfield (representing (a) to (d) above) generated by Dr Hatton. The project is at an early stage, and so the target tonnages are provisional and relate to coal in-situ, in seams likely to be of workable thickness, but do not include any allowances for mining layout, recovery, support areas or any unforseen geological losses. The range in tonnage estimate reflects the uncertainty of the seam sections, structural and grade continuity encoded within the Vulcan exploration model.
Information in the report in relation to Lochinvar Coal Project to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr William John Bamberry, a Competent Person who is a Member of the Australian Institute of Geoscientists (Membership # 4090). William John Bamberry 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. William John Bamberry consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
References to the Inferred resource at Redmoor is based on information compiled by Dr. Mike Armitage (CGeol CEng FGS MIMM) and Mr. Howard Baker (MAusIMM (CP)) who are both full time employees of SRK. Dr Armitage and Mr Baker have more than 5 years experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have 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 Armitage and Mr Baker consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.
**Colombia:** Dr Frederick Smith who is a Fellow of the Institute of Materials, Minerals and Mining. Dr Smith is a Director and Shareholder of Aurora Energy S.A. and the Managing Director and Principal Consultant of FWS Consultants Ltd. Dr Smith 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". Dr Smith consents to the inclusion in the documents of the matters based on his information in the form and context in which it appears. The potential quantity and grade of the exploration targets are conceptual in nature as there has been insufficient exploration conducted to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.
**Forward Looking Statements**
This report contains "forward-looking information" that is based on the Company's expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "likely", "believe", "estimate", "expect", "intend", "may", "would", "could", "should", "scheduled", "will", "plan", "forecast" and similar expressions. The forward looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.
Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Annual Report.
This list is not exhaustive of the factors that may affect our forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements hether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.
Recipients of this presentation should make their own, independent investigation and assessment of New Age Exploration Limited, its business, assets and liabilities, prospects and profits and losses, as well as the matters covered in this presentation. Independent expert advice should be sought before any decision based on an assessment of New Age Exploration Limited is made. This presentation is not considered a recommendation by New Age Exploration Limited or any of its affiliates, directors or officers that any recipient invest in New Age Exploration Limited. It is not an offer of New Age Exploration Limited's securities, nor does it constitute investment, accounting, financial, legal or tax advice.

# NAE Company Summary

## United Kingdom Projects

- Lochinvar Coking Coal Project
- Redmoor Tin Tungsten Project

## Colombia Projects

- Terranova Coking Coal Project
- Thermal Coal Projects in Cesar Basin

## Melbourne based, ASX Listed

- Regional offices in UK and Colombia
- Supportive major institutional investors
- Experienced management and Board
- Strong project portfolio



| | Unit | Current |
|---|---|---|
| NAE share price (14 August 2013) | A$/share | 0.040 |
| Total shares on issue | Millions | 258.3 |
| Unlisted options on Issue[1] | Millions | 24.5 |
| Market capitalisation NAE share price | A$ Millions | 10.3 |
| Cash (as at 30 June 2013) | A$ Millions | 5.0 |

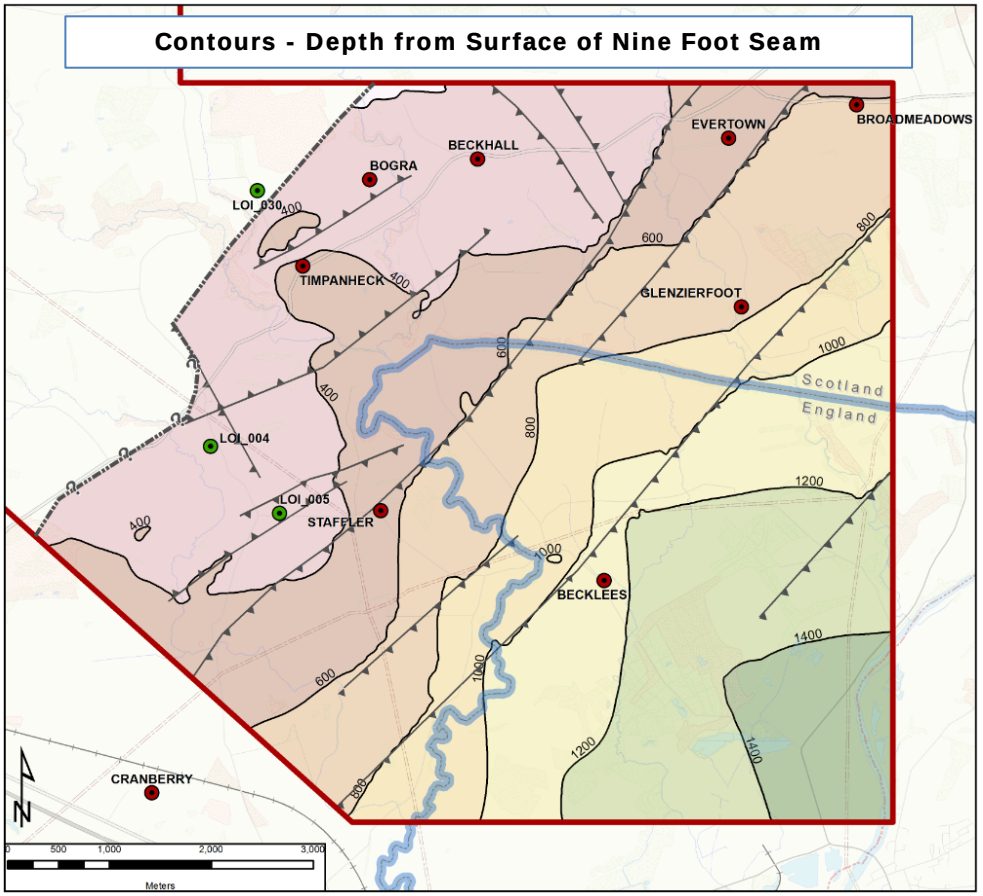
[1] *Exercisable at A$0.045 - A$0.25, on or before 6 December 2013 to 27 May 2016*

***Focussed on developing Lochinvar - a significant new coking coal project***

# Lochinvar Coking Coal Project, UK

# A Great Starting Point

- Undeveloped Canonbie coalfield
- 67km$^2$ licence granted to NAE by the Coal Authority in June 2012
- 100% interest with no vendor payments
- 13 NCB boreholes completed from 1950's to 1980's within Canonbie coal field, 8 intersecting target seams within licence
- Nine Foot Seam average 2.5m coal thickness, dipping 5$^o$ - 15$^o$ to the south east
- Potentially four economic seams
- >100km seismic lines over licence area
- Initial exploration and development targeting coal seams <600m depth



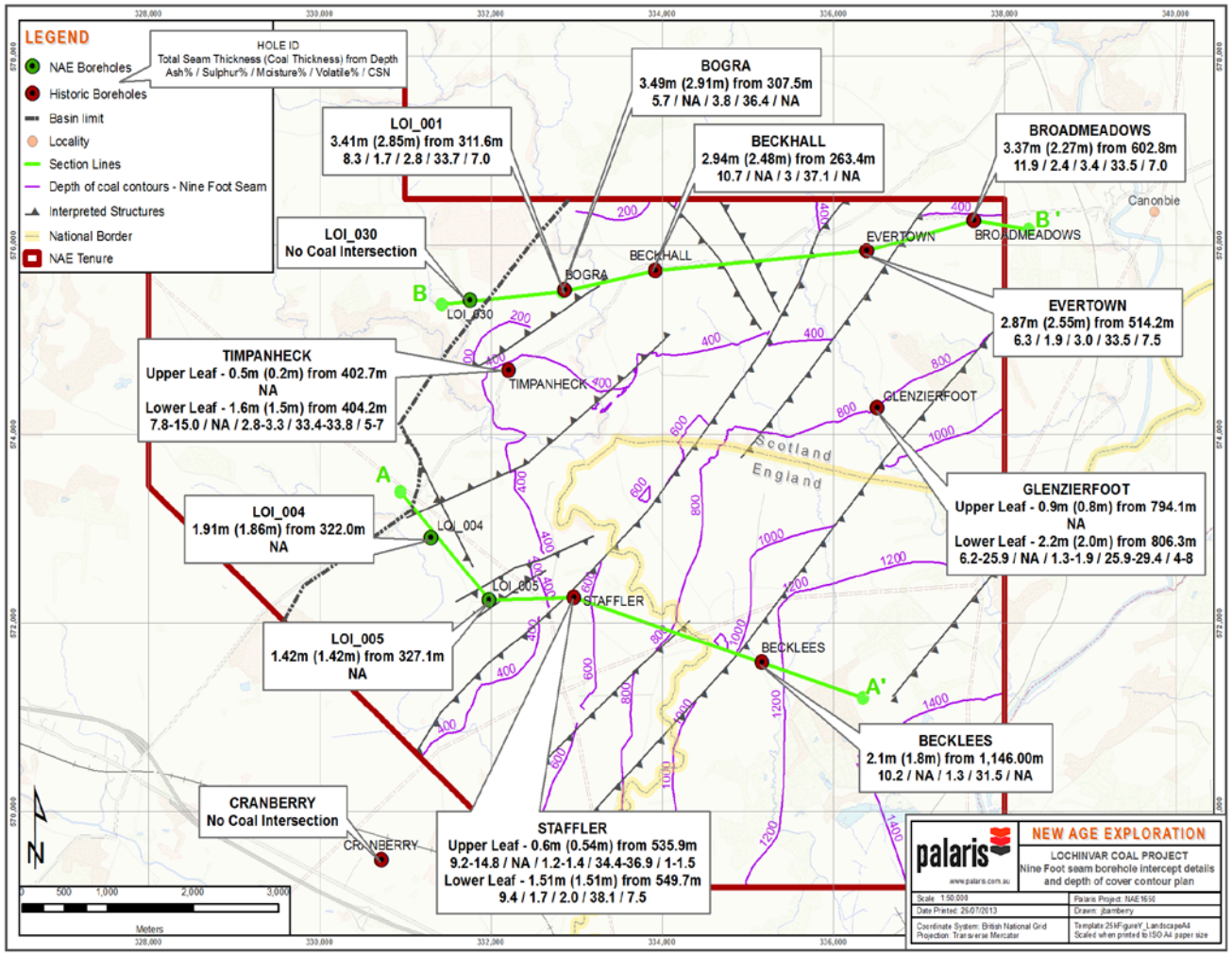

***Conceptual exploration target 330 – 410 Mt potential high volatile coking coal***

# Drill Program – Phase 1a

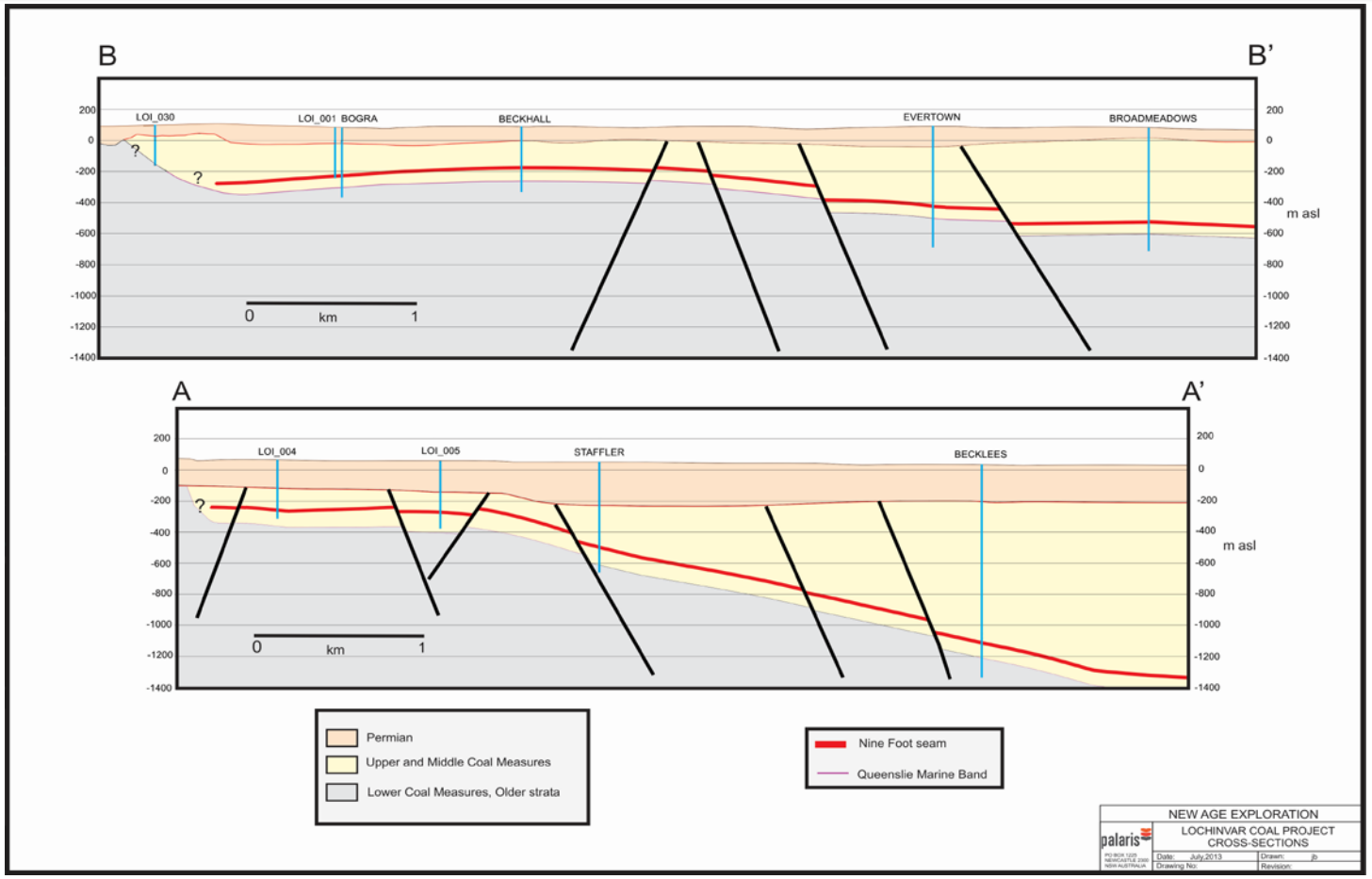
- Phases 1a completed
  - Good thicknesses of Nine Foot Seam intersected in 3 of 4 holes
  - 4th hole defines the basin margin
  - Coal analysis from LOI-001 indicates potential to produce an attractive low ash high volatile coking coal
  - Coal analysis from LOI-004 expected in September
  - Maiden Inferred Resource statement scheduled for September


***Phase 1a drilling successfully completed***

# Phase 1a Results in Line with Historic Coal Analysis



# Schematic Cross Sections




***Initial Drilling focussing on shallower, flatter zones***

# Phase 1a Completed

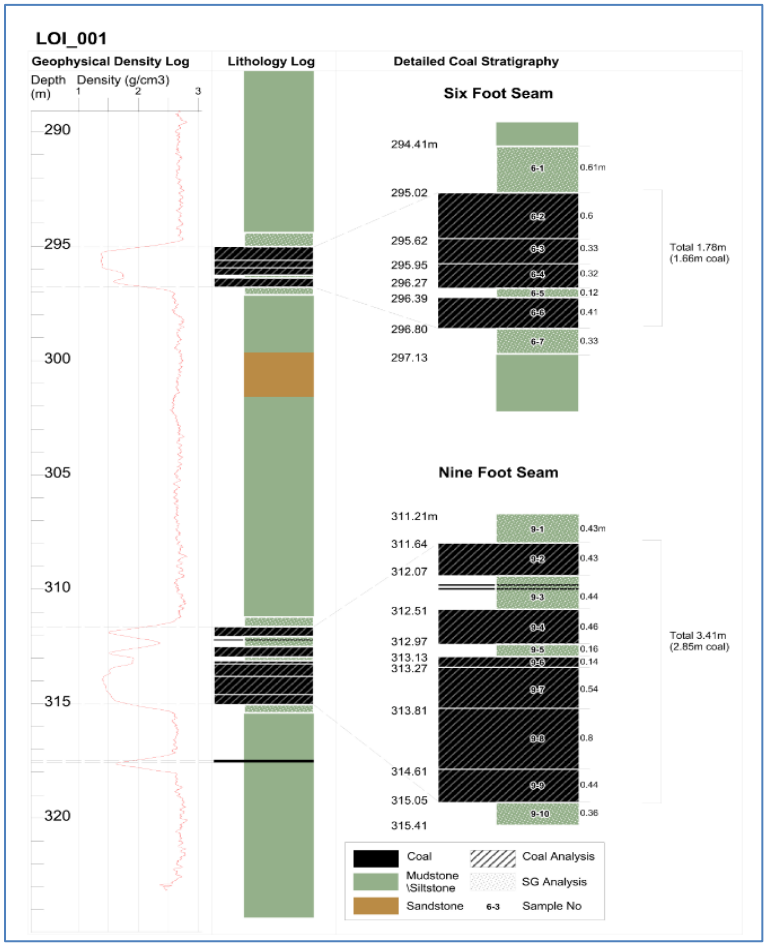
- Three of four holes successfully intersected target seams
- Target seams intersected at shallower than expected depths in 2 holes (LOI-004 and LOI-005)
- Nine Foot seam coal thickness ranged from 1.42m to 2.81m
- Successful twinning of historic National Coal Board (NCB) 'Bogra' hole, resulting in all 8 historic holes now being upgraded to JORC compliant status.

| Hole | | From (m) | To (m) | Interval (m) | Coal Thickness (m) | Coal Type |
|---|---|---|---|---|---|---|
| LOI-001 | Six Foot Seam | 295.0 | 296.8 | 1.78 | 1.66 | Coal |
| | **Nine Foot Seam (entire seam)** | **311.6** | **315.1** | **3.41** | **2.81** | **Coal** |
| LOI-004 | Six Foot Seam (lower section) | 313.2 | 313.8 | 0.54 | 0.54 | Coal |
| | **Nine Foot Seam (entire seam)** | **322.0** | **323.9** | **1.91** | **1.86** | **Coal** |
| LOI-005 | Six Foot Seam (upper section) | 317.1 | 317.4 | 0.31 | 0.31 | Inferior Coal |
| | Six Foot Seam (lower section) | 318.8 | 319.5 | 0.62 | 0.62 | Inferior Coal |
| | **Nine Foot Seam (entire seam)** | **327.1** | **328.5** | **1.42** | **1.42** | **Coal** |
| LOI-030 | No coal intercept | | | | | |

***8 historic holes now upgraded to JORC compliant***

# LOI-001: Raw Coal Results

- Initial drill hole intersected both key target seams, the Nine Foot and Six Foot Seams;
  - Nine Foot: 3.51m (2.85m coal) from 311.6m depth
  - Six Foot: 1.78m (1.66m coal) from 295.0m depth
- Twin of the 1983 Bogra hole ("Bogra") drilled by the NCB
  - confirms historic NCB drilling can be replicated and that historic thicknesses and depths are JORC compliant
- 100% core recovery within the seams




***Successful twin of the historic NCB hole***

# LOI-001: Coal Analysis (Clean Coal)

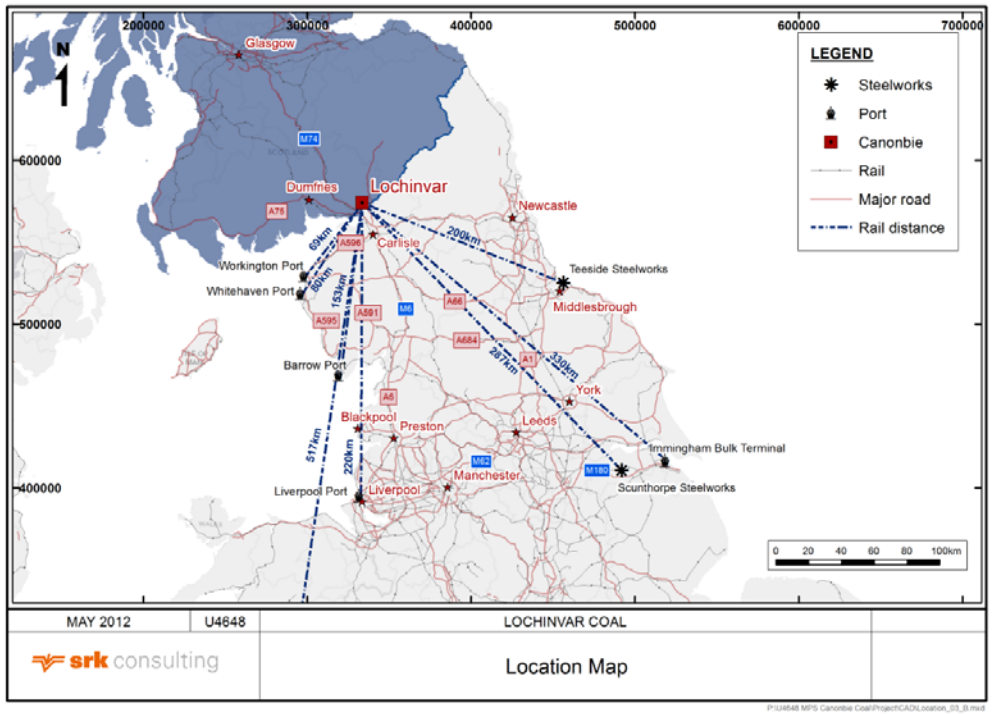
- Results from Clean Coal Analysis of LOI-001 demonstrate:
  - Lochinvar coal to be an attractive **low ash, high volatile coking coal**
- Sulphur values attributed to high pyritic content, reduced through washing:
  - 2.05% to 1.36% for the complete Nine Foot Seam
  - 1.76% to 1.07% for lower section (1.92m) Nine Foot Seam
- Initial discussions with UK and European customers indicate sulphur levels are within current coal supply specifications
- Clean coal analysis underway for LOI-004 (expected September 2013)

| Coal Seam | Clean Coal Recovery (at CF1.4) (%) | Ash (ad. %) | Sulphur (ad. %) | Volatile Matter (ad. %) | Phos (ad. %) | CSN | Geiseler Max Fluidity (ddpm) |
|---|---|---|---|---|---|---|---|
| Six Foot | 77 | 4.0 | 1.82 | 34.7 | 0.034 | 7.0 | 1,400 |
| Nine Foot (Entire) | 84 | 3.5 | 1.36 | 34.5 | 0.008 | 7.5 | 3,400 |
| Nine Foot (Lower) | 88 | 2.9 | 1.07 | NA | NA | NA | NA |

***An attractive low ash, high volatile coking coal for domestic supply***

# Market Access

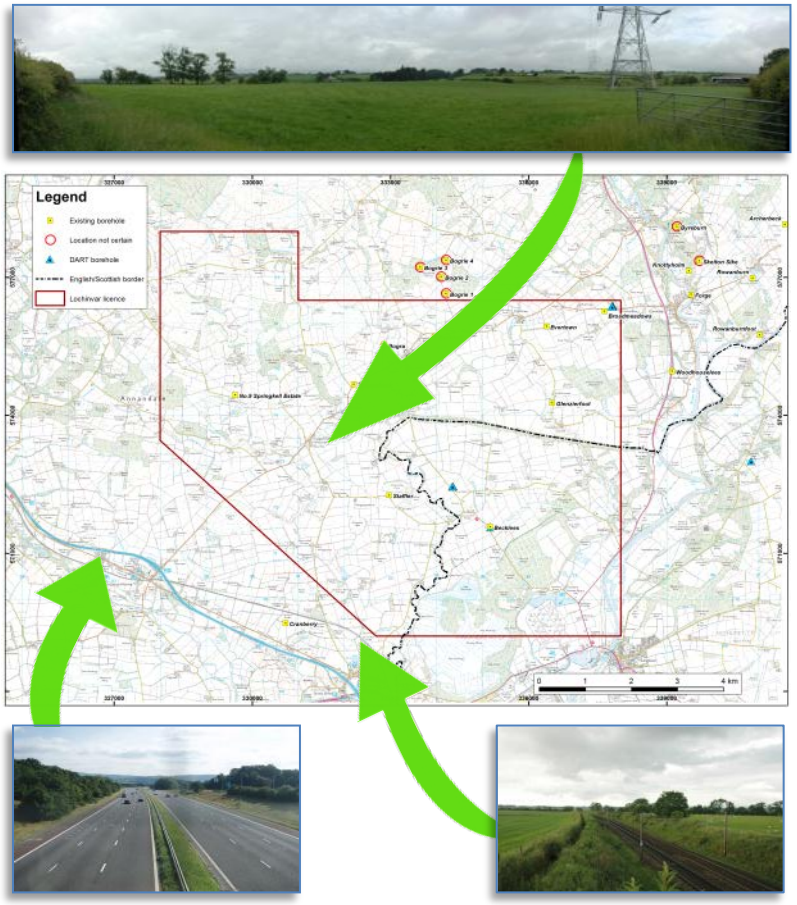
- Close proximity to all major infrastructure and UK / European markets
- Rail directly to UK Steel mills (6 Mtpa coking coal imports)
- Rail directly to UK ports for shipment to European Steel mills (46 Mtpa coking coal imports)




***Rail and Port Infrastructure Connecting to UK and European markets***

# Excellent Project Infrastructure

- First world country
- West Coast Main rail line located <1km from SE licence boundary (direct rail connection to steel mills and ports)
- Motorway (M6 / A74) adjacent to the licence
- High voltage power lines (400Kv and 132Kv) and substation on licence
- Skilled local labour force
- Culture of underground coal mining remains in UK
- Strong local, council and Government support




***Excellent existing infrastructure all adjacent to licence boundary***

# Drill Program – Phase 1b / 2

- 5 – 7 hole program planned to commence in Q4 2013
- Targeting infilling of previous drilling to define an Indicated Resource
- Tendering for drilling contractor complete. Significant reductions expected in:
  - Cost
  - Footprint
  - Time frame
- Land access largely complete
- Environmental and other regulatory submissions commenced
- Experienced site based geological team in place
- Local office and core facilities opened in August
- Results anticipated for Q1 2014

# Delivering to Schedule

| | Jul. 2013 | Aug. 2013 | Sept. 2013 | Oct. 2013 | Nov. 2013 | Dec. 2013 | Jan. 2014 | Feb. 2014 | Mar. 2014 |
|---|---|---|---|---|---|---|---|---|---|
| Phase 1a Drilling Program | Complete | | | | | | | | |
| Drilling tender & Contract – Phase 1b/2Program | | | | | | | | | |
| LOI-004 Raw Coal Analysis | Complete | | | | | | | | |
| LOI-004 Washability & Clean Coal Analysis | | | | | | | | | |
| Maiden JORC Inferred Resource Statement | | | | | | | | | |
| Scoping Study | | | | | | | | | |
| Phase 1b/2 Drilling Program | | | | | | | | | |
| Phase 1b/2 Coal Analysis | | | | | | | | | |
| Phase 1b/2 JORC Resource Statement (Ind. & Inf.) | | | | | | | | | |

***Demonstrated rapid progress with key milestones being met in 2013***

# Summary - Lochinvar Coking Coal Project

- Initial NAE analysis indicated attractive low ash high volatile coking coal
- Phase 1a drilling complete (4 holes) and 8 historic holes now JORC compliant
- Nationally important project providing domestic supply of coking coal
- High quality infrastructure leading to lower capital and reduced development time
- Supportive local community
- High quality, site based management team delivering on schedule
- Six months from licence grant to drilling commencement
- Major advantage of lower costs, taxes and royalties in UK


# Other Projects

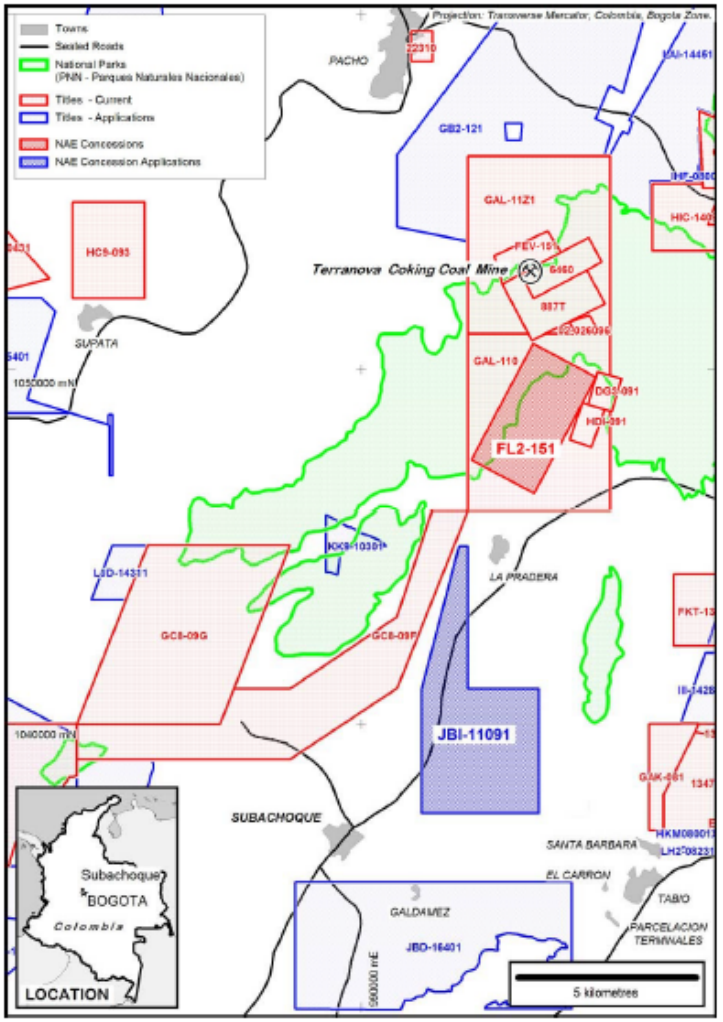
# Colombia Coal Projects

**Terranova Hard Coking Coal Project**

- Concession 887T - 3.6Mt JORC Resource
- Adjacent Concession (FL2-151) – 10 to18Mt Exploration Target
- Adjacent Application JBI-11091
- Targeting 0.5Mtpa & >10 year mine life subject to permitting

**Cesar Thermal Coal Project (Cesar Basin)**

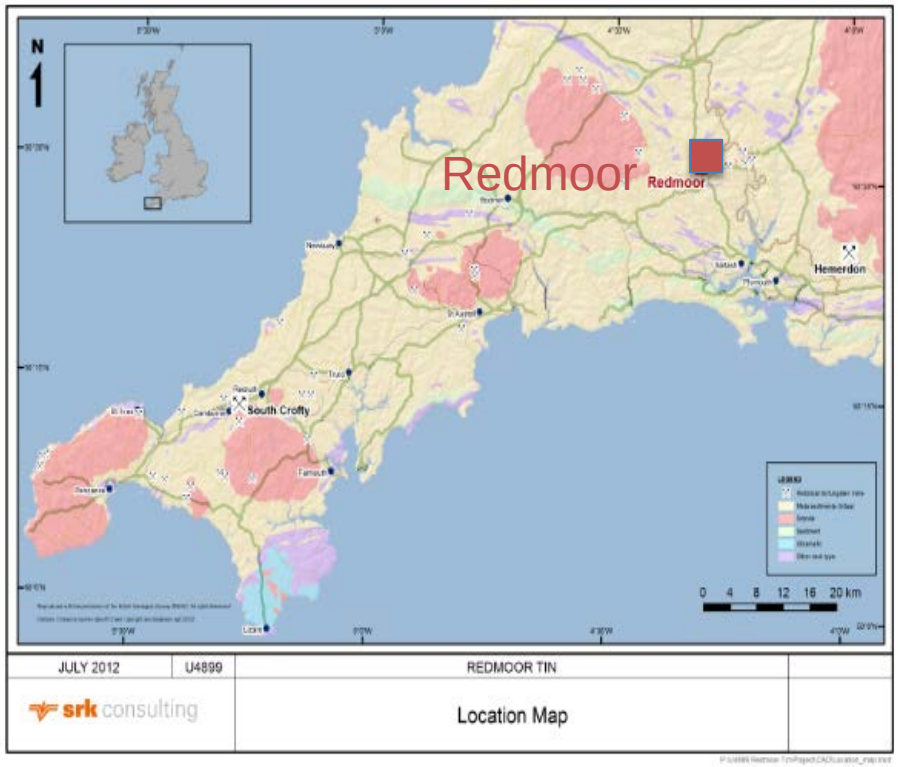
- 200–800Mt Exploration Target at an estimated depth of 850–1200m



# UK Tin Tungsten Project

## Redmoor Tin Tungsten Project

- Exploration licence located in world class Cornwall mining district acquired in October 2012
- Inferred resource of 9.1Mt at 0.69% Tin equivalent.
  - Additional 4-6Mt exploration target
- 35 boreholes (12,146m) on Redmoor deposit completed in early 1980's



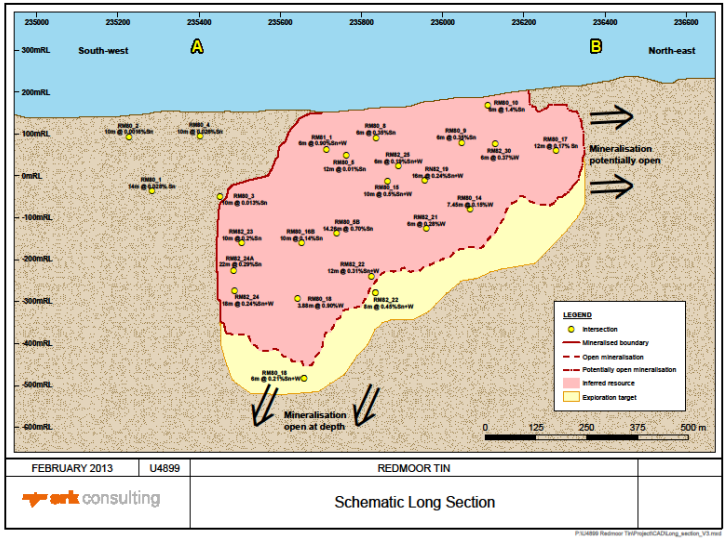

***Attractive acquisition***

# Redmoor Project - Maiden Inferred Resource

- Recently completed drill core re-sampling program
- Redmoor maiden Inferred Mineral Resource as derived by SRK is as follows:

| REDMOOR INFERRED MINERAL RESOURCE (Feb 2013)<br>Cut-off grade 0.53% Sn(eq)[1] | | | | | | | |
|---|---|---|---|---|---|---|---|
| Tonnes (Mt) | Sn % | W % | Cu % | Zn % | Pb % | Ag ppm | Sn(eq) |
| 9.1 | 0.21 | 0.16 | 0.38 | 0.20 | 0.008 | 8.38 | 0.69 |

[1] ***Sn Equivalent % Calculation:*** *Sn(eq) = Sn%*1 + 2.433612*W% + 0.251359*Cu% . Commodity price assumptions: US$23,000/t Sn, US$28,000/t concentrate at 65% WO3, and USD7,400/t Cu. Recovery assumptions: total Sn recovery 64%, total W recovery 66%, total Cu recovery 50%. All assumptions are based on industry benchmarks and consensus market forecasts*




- Resource open at depth where mineralisation is present
- Additional conceptual exploration target contains 4 to 6Mt with mean grades of
  - Tin: 0.08% - 0.13%
  - Tungsten: 0.16% - 0.26%
  - Copper: 0.20% - 0.34%
  - Tin (eq) grade of 0.51% - 0.85%

# FOR FURTHER INFORMATION PLEASE CONTACT:

Gary Fietz, Managing Director
New Age Exploration Limited
Telephone: + 61 3 9620 9931
Email: info@nae.net.au
Web: www.nae.net.au

Image: M3 Hard Coking Coal Seam, Terranova. Seam height approx. 1.6m