

Lochinvar Coking Coal Project

“A New Age of coking coal for the UK”

Investor Presentation
October 2013

ASX : NAE

NEW AGE Exploration Limited

Lochinvar – A Unique Coking Coal Project

A major undeveloped resource, with low capital intensity, in a prime location...

Position

- 100% ownership
- UK advantage

Platform

- 112Mt Inferred Resource
- Potential long life underground mining project

Product

- Attractive low ash coking coal

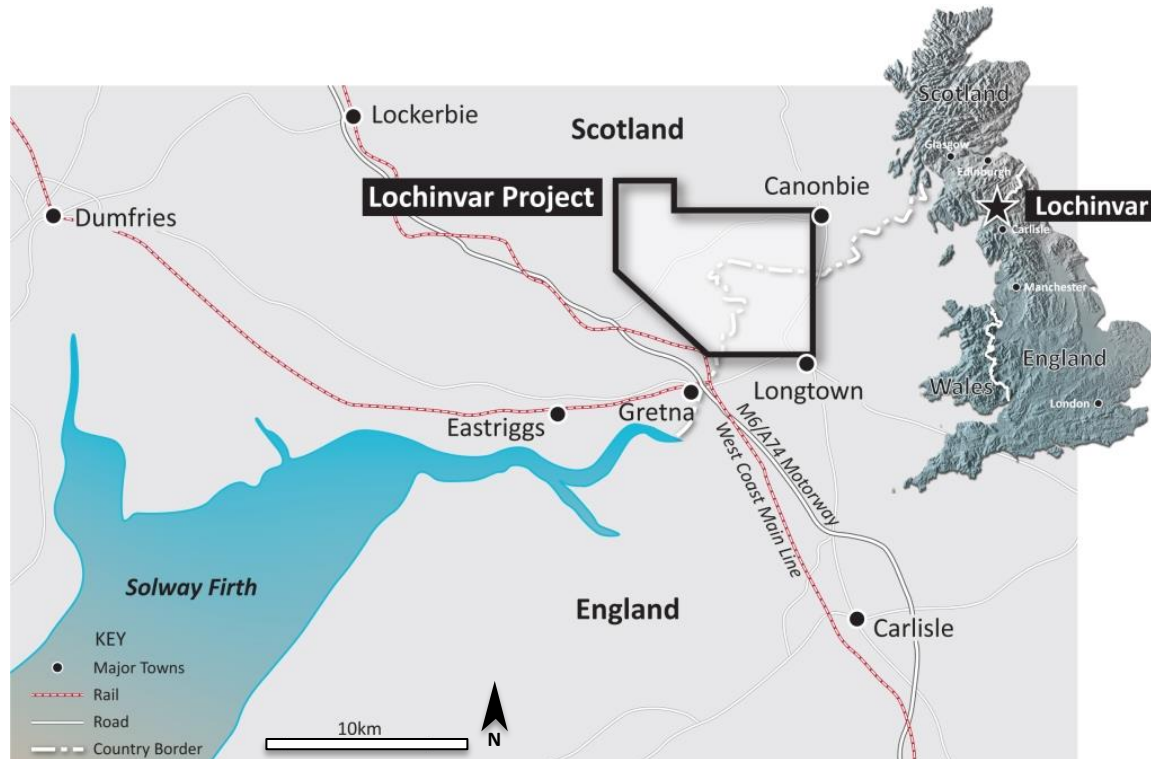
Proximity

- Immediate access to existing rail and port infrastructure
- Local supplier to UK and European steel mills



Position – United Kingdom

- Undeveloped coalfield
- Licence granted 2012 (100% NAE)
- Attractive investment destination:
 - ✓ Low risk
 - ✓ Low cost structure
- Supportive landowners, local and national (Scottish) government
- Aiming to be first major new underground coking coal project in UK for over 30 years



	United Kingdom	Australia
Sovereign Risk Rating ¹	AAA	AAA
Royalty ²	~0.2%	7 – 15%
Corporate Tax Rate	20%	30%
U/G Coal Operator Salary ³	US\$ 52k / yr	US\$ 88-153k / yr

¹ Standard and Poors

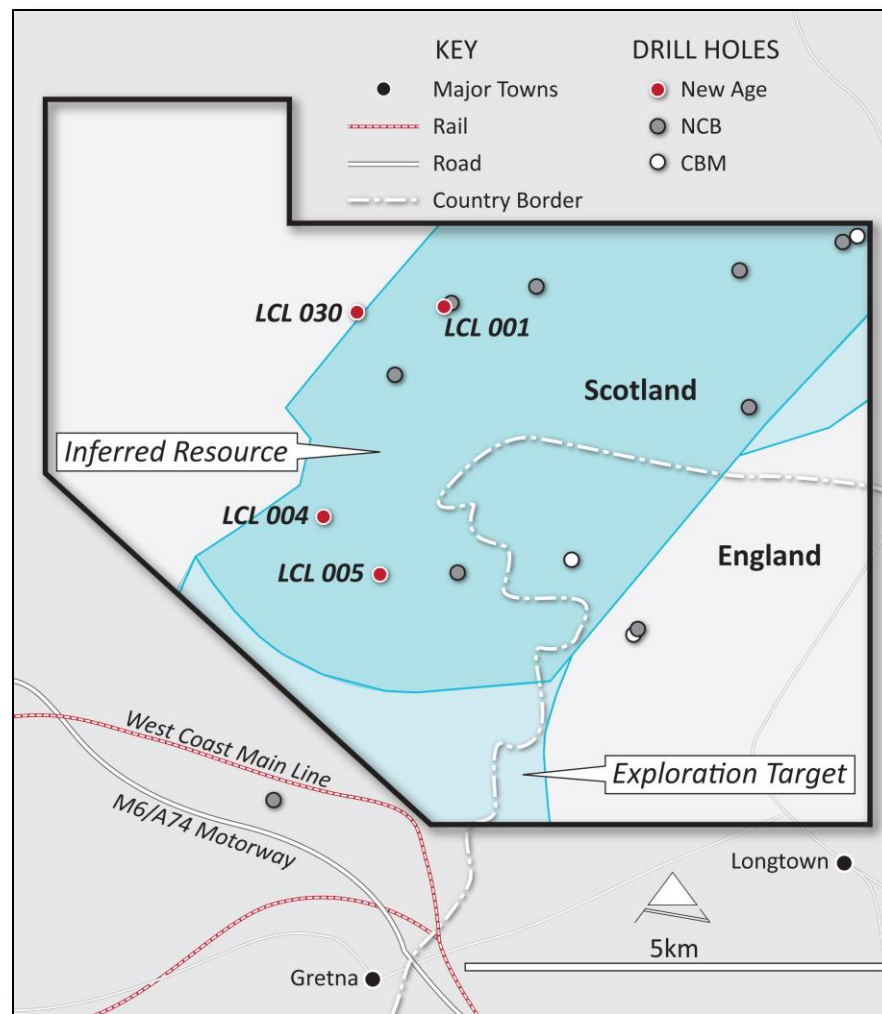
² UK Royalty 18 pence / tonne, Queensland Royalty 7% to \$100/t then escalates to 12.5%, and 15%

³ UK Salary HMS Revenue, Au Salary Jobs in Mining Website

Platform – Initial Inferred Resource 112Mt

Coal Seam	Inferred Resource (Mt) ¹	Exploration Target (Mt) ²
Nine Foot	78	6 – 10
Six Foot	34	7 – 13
Five Foot	-	15 – 24
Total	112	28 – 47

- Based on 8 historic NCB holes and 4 holes drilled by NAE in 2013
- Over 100km seismic lines defining structure
- Within accepted underground mining depths and minable thicknesses
- Independent estimate - Palaris (internationally recognised coal consultant)

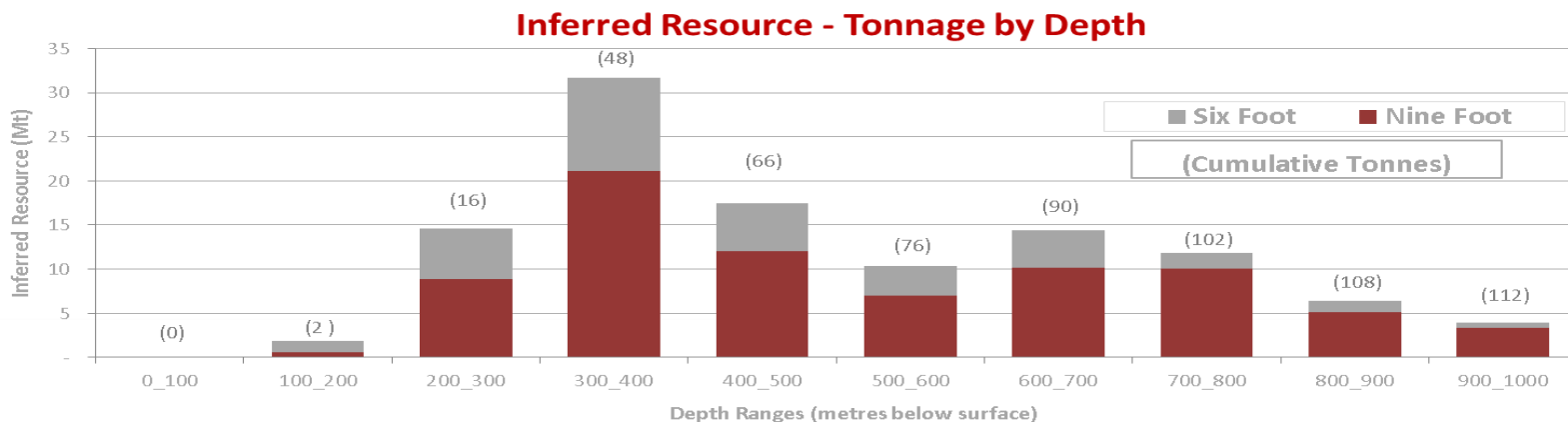
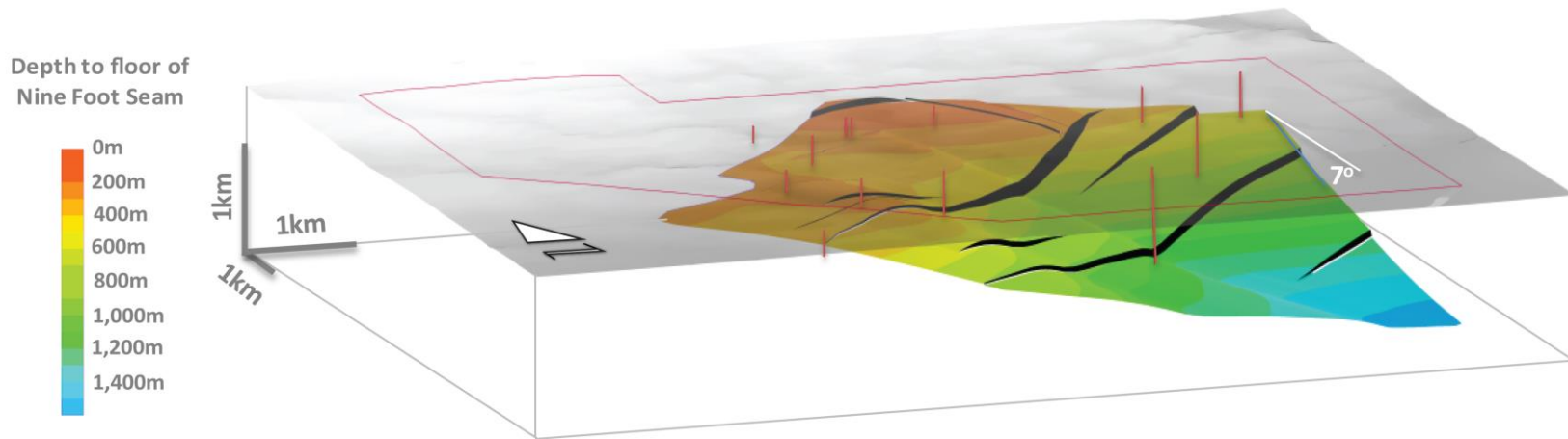


¹ Resource and Exploration Target constrained by 1,000m depth and 1.2m min thickness

² Exploration Target additional to Inferred Resource

Platform – Nine Foot Seam Depth Profile

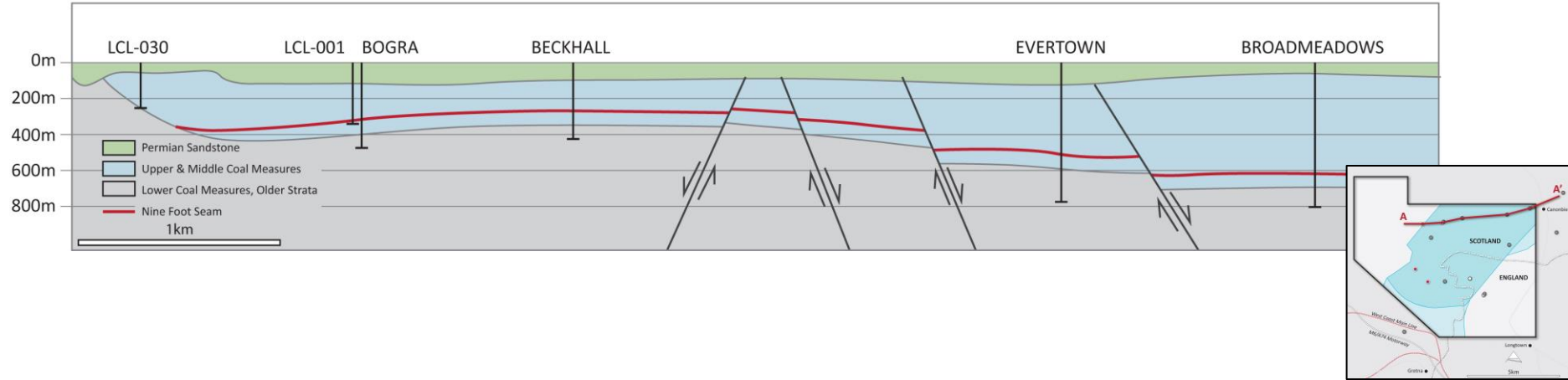
- Attractive depth, dip (average 7°) and seam thickness for underground mining
- Initial planning indicates workable mining panels between known faults
- Shallow coal - 66Mt Inferred Resource from 100m to 500m depth



Platform – Seam Thickness

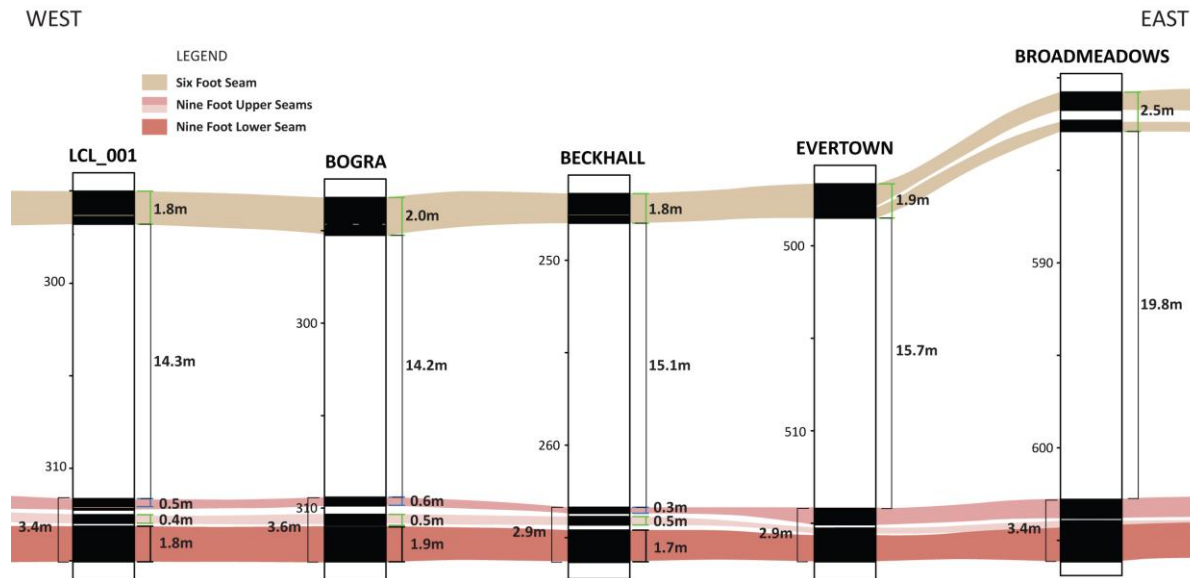
A (West)

A' (East)



**Six Foot Seam
Ave 1.5m
(1.5m coal)**

**Nine Foot Seam¹
Ave 2.2m
(2.0m coal)**



¹ The Inferred Resource for the Nine Foot Seam includes upper plies of the Nine Foot Seam in the north part of the deposit. In the south part of the deposit the upper plies of the Nine Foot Seam are excluded from the Resource estimation

Product – Low Ash Coking Coal

Raw Coal Analysis – Resource Average (Air Dried Basis)

Seam	Resource Tonnages Million Tonnes	Inherent Moisture %	Ash %	Volatile Matter %	Sulphur %	CSN
Nine Foot	78	2.4	10.4	32.6	2.1	6.5
Six Foot	34	3.0	11.0	32.0	3.5	6.5

Clean Coal Analysis (Air Dried Basis)

Hole	Clean Coal Yield ¹ %	Inherent Moisture %	Ash %	Volatile Matter %	Sulphur %	CSN	Phos. %	Gieseler Max Fluidity DDPM	Calorific Value Kcal/kg	RoMax %
LCL-004 Nine Foot	89	3.2	3.1	33.8	1.26	7.0	0.003	TBA	7,951	TBA
LCL-001 Nine Foot ²	84	3.6	3.5	34.5	1.36	7.5	0.008	3,400	7,850	0.83
LCL-001 Six Foot	77	3.9	4.0	34.7	1.82	7.0	0.034	1,400	7,750	0.83

- Results indicate potential to produce attractive **low ash coking coal** at a **high yield**
- Clean coal analysis within UK steel mills specification range for high vol. coking coal

¹ Clean coal composite results are from LCL-001 1.4 floats and LCL-004 1.35 floats

² Includes coal only i.e. stone inter-bands excluded

Proximity – UK Infrastructure and Domestic Market

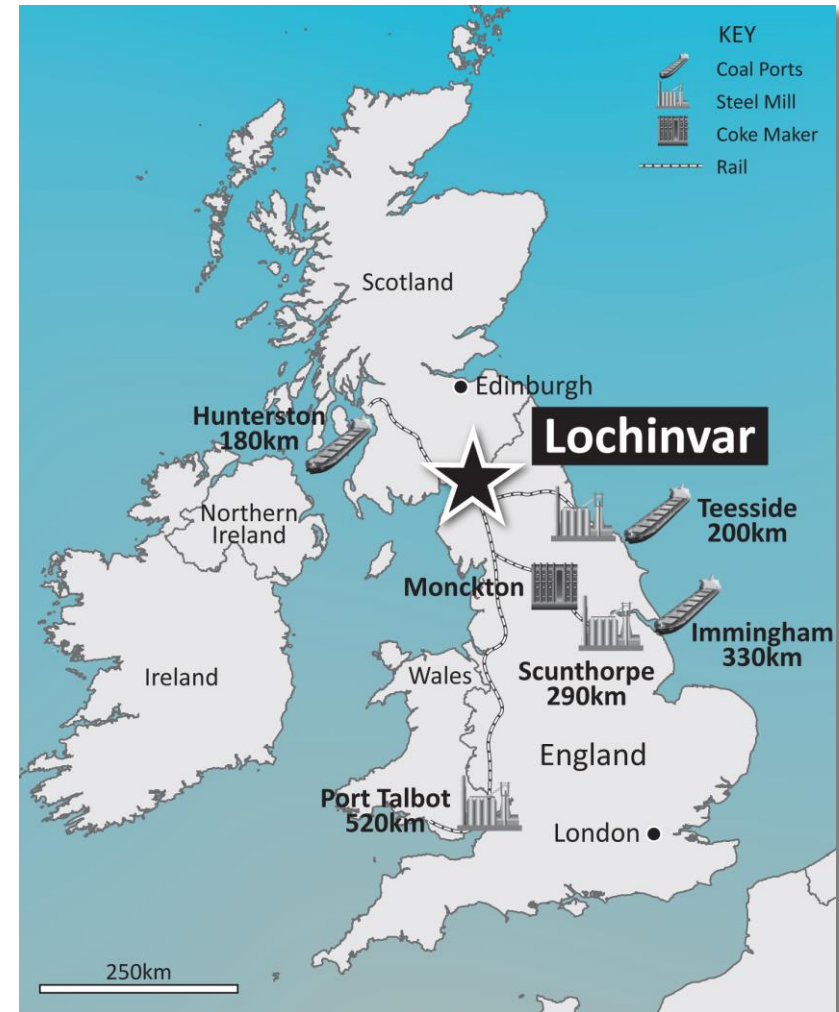
- West Coast Main Line adjacent to licence (300m)
- Direct rail links to UK steel mills, coke plants and export ports:
 - ✓ Minimises project capital expenditure
 - ✓ Minimises project build time
- No indigenous coking coal supply in UK
- Opportunity to become a project of national importance – supplying UK steel industry

Coke and Steelmakers (2012 Production)

- Monckton 0.2Mt coke
- Teesside 3.5Mt steel¹
- Scunthorpe 3.1Mt steel
- Port Talbot 3.0Mt steel

Export Ports

- Hunterston
- Immingham
- Teesside



¹Capacity, blast furnace re-lit 2012

Proximity – UK and Western Europe

2012 Coking Coal Imports:

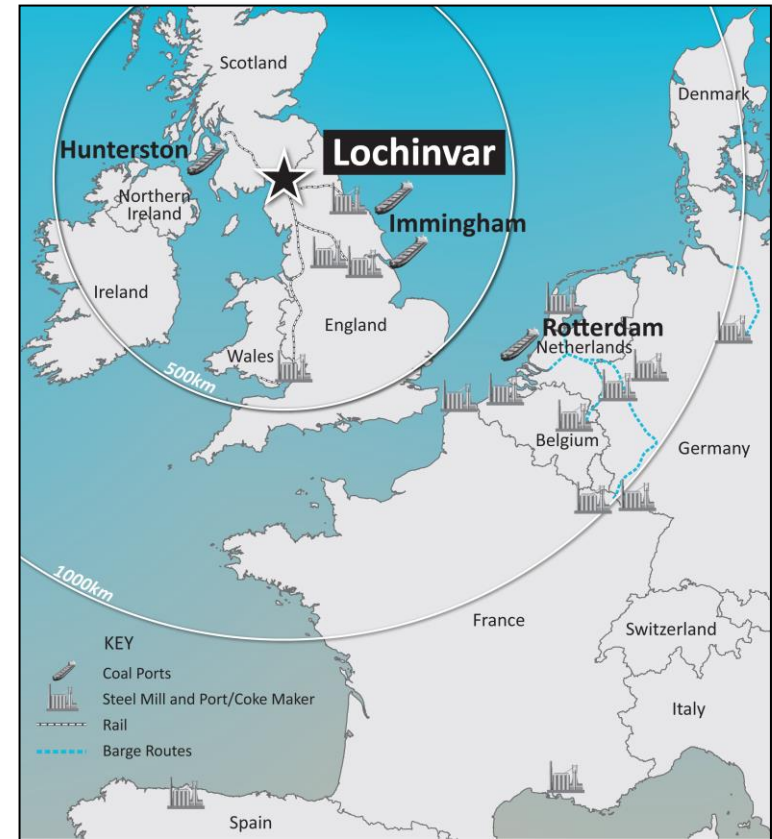
- UK 4.8Mt
- West Europe 22.9Mt
- **Total 27.7Mt**

2012 Suppliers to UK and Western Europe:

- Australia 40%
- USA 38%
- Other 22%

Proximity to market means:

- ✓ Reduced freight cost
- ✓ Reduced delivery time
- ✓ Reduced inventory
- ✓ Reduced coal deterioration
- ✓ Increased security of supply



TRAVEL DISTANCE TO ROTTERDAM

Lochinvar Coal

Rail 330km + Ship 340km

US Coal

Rail 500km + Ship 6,400km

Australian Coal

Rail 320km + Ship 21,000km

Market

Lochinvar Price Expectations

- Initial expectation is Lochinvar will achieve a price similar to landed cost of US HV CC¹
- Previously similar quality UK HV CC was priced near the landed cost (FOB + sea freight) of US HV CC
- FOB prices for US HV CC have historically been ~80% of Australia Hard Coking Coal (HCC) FOB prices



Market Outlook

- Recovery in Australian HCC Spot prices up from ~US\$130/t in July 2013 to ~US\$152/t end September 2013
- BHPB-Nippon Steel 2013 Q4 HCC Contract Price of US\$152/t
- Drop in US seaborne supply with high cost mine closures
- Most analysts forecasting HCC returning to US\$180-\$200/t by 2015



“the lack of medium term supply growth potential sets it apart..” (Macquarie Research, May 2013)

¹HV CC = High Volatile Coking Coal

Peer Comparison

	New Age Exploration (ASX: NAE)	Jameson Resources (ASX: JAL)	Attila Resources (ASX: AYA)	Cokal (ASX: CKA)	Atrum Coal (ASX: ATU)
Project	Lochinvar	Crown Mountain	Kodiak	Bumi Barito	Groundhog
Country	UK	Canada	USA	Indonesia	Canada
Ownership	100%	90%	70%	60%	100%
Stage	Resource	Scoping	PFS	PFS	Scoping
Total Resource	112Mt (100% Inferred)	90Mt (27% Inferred)	78Mt (3% Inferred)	77Mt (91% Inferred)	1,567Mt (64% Inferred)
Coal Type	Coking	Coking	Coking	Coking	Met. Anthracite
Avg. Seam Thickness	~2.2m	Multiple Seams	~1.2m	~1.2m	Multiple Seams
Transport	Adjacent to existing heavy haul rail to UK mills and ports	14km connection to rail, then ~1,000km rail to existing port of Ridley	350km rail to existing port of Mobile	55km haul road to Barito River, 500km by river barge, then 200km by ocean barge to trans ship	150km by road to existing port of Stewart
Enterprise Value (27/09/13)	A\$5m	A\$44m	A\$56m	A\$92m	A\$112m

Company Summary

ASX Code :	NAE
Share Price :	A\$0.039 (27 September 2013)
Ordinary Shares :	258.3m
Market Cap. :	A\$10.1m
Options :	24.5m (most A\$0.10)
Cash :	A\$5.0m (30 June 2013)
Shareholders :	Resource Capital Funds 29%
	Chee Siew Yaw 11%
	Geared Investments 5%
Projects :	Lochinvar Coking Coal (UK)
	Redmoor Tin Tungsten (UK)
	Terranova Coking Coal (Colombia)
	Cesar Thermal Coal (Colombia)



Gary Fietz - Managing Director

Geologist with 25+ years experience in exploration, business development and project evaluation. Previously VP Iron Ore Business Development with BHP Billiton.



Alan Broome AM - Chairman

Metallurgist with 40+ years in mining with major and junior companies. In depth experience in coal mining, processing, services and technology in Australia and internationally.



Gavan Rice - Non Exec Director

Practising barrister of the Supreme Court of Victoria for the past 25 years with considerable previous experience as a director of ASX listed companies.



Mike Amundsen - Non Exec Director

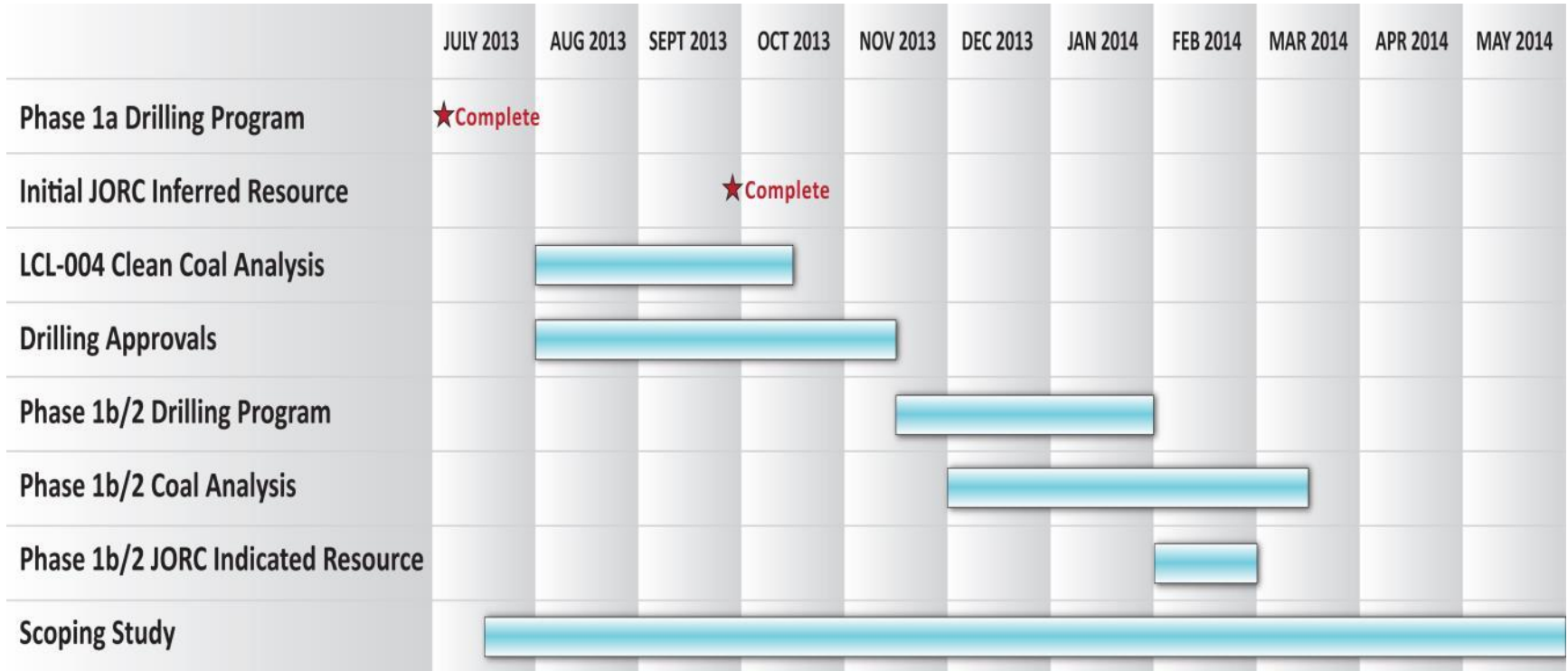
Corporate advisor with 30+ years experience in resources with BHP Billiton (business development, coal marketing, finance) and as Managing Director of FerrAus Ltd.



Jon Reynolds - Bus. Dev. Manager

Geologist and business development professional with 25 years industry experience including mining, mergers and acquisitions and consulting.

Delivery



Disclaimer

Competent Persons Statement - Lochinvar

Resources: *The Resources estimate is based on information compiled by Dr John Bamberry, who is a Member of the Australasian Institute of Geoscientists (Member No. 4090). Dr Bamberry is General Manager of Geological Services of Palaris. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Dr Bamberry has over 25 years' experience in exploration and mining of coal deposits.*

Exploration Target: *The potential quantity and quality of the exploration targets identified in this presentation are conceptual in nature, and there has been insufficient exploration to date to define a mineral resource in accordance with the Australian Code for Reporting of Mineral Resources and Ore Reserves published by the Joint Ore Reserve Committee ("JORC Code"). Furthermore, it is uncertain if further exploration at its exploration targets 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 whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

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