

10 July 2012

## NEW HORIZON COAL LTD TO COMMENCE DRILLING PROGRAM

The Board of New Horizon Coal Ltd (NHO or the Company) is pleased to announce the commencement of a new drilling program at the Company's Kinney Project located in Utah, USA.

The drilling program is intended to supplement existing coal quality data and will be incorporated into the Bankable Feasibility Study currently being undertaken by John T Boyd Company (JT Boyd).

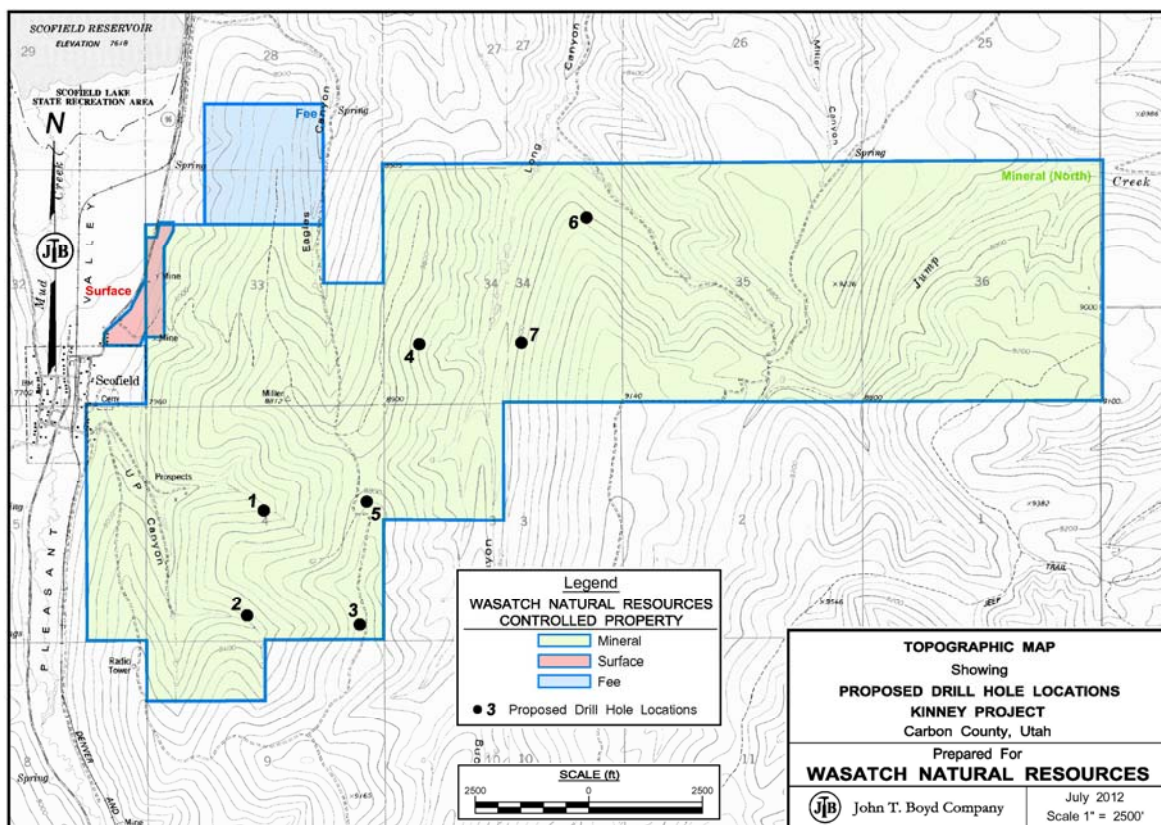


Figure 1: Map of Drill Hole Locations on the Kinney Project

## About the Drilling Program

The Kinney Project has been extensively drilled, with its reserves characterized in a JORC Resource Report issued on 2 February 2012. The initial resource report demonstrated 26.1 million tonnes of high heat, low sulphur coal, of which 92% is measured or indicated.

KINNEY PROPERTY JORC RESOURCE (METRIC)				
(million tonnes)				
Seam	Measured	Indicated	Inferred	Total
Hiawatha Seam	9.0	7.2	2.0	18.2
UP Seam	3.3	4.4	0.2	7.9
<b>Total</b>	<b>12.3</b>	<b>11.6</b>	<b>2.2</b>	<b>26.1</b>
Resource Estimate per JORC criteria				

NHO will complete seven new drill holes in third quarter of CY 2012 to supplement the 129 holes of historical data currently available. A total of 1,880 metres of drilling is planned, using rotary air/foam methods, retrieving 246 metres of core conventionally. The program is intended to supplement existing coal quality database for the two seams of interest on the Project: the Hiawatha and UP seams. Results will be combined with existing historical data as part of the ongoing BFS. Phase I of the BFS is expected to be released in the third quarter of CY 2012. Following analysis from these core holes as part of the BFS, NHO anticipates an upgrade to the initial JORC Resource tonnage completed earlier this year. It is anticipated that the drilling program, analysis and report will take between two and three months to complete.

## Managing Director's Comments

*"We are excited about the opportunity to expand our coal quality database with the planned drilling program. Efforts in our drill core program will facilitate reserve assessment and marketing efforts in the first phase of our BFS."*

*Michael Placha, Managing Director*

## Enquiries

**Michael Placha**  
Managing Director

Telephone: +1 412 296 1473  
Email: [mplacha@wasatchnr.com](mailto:mplacha@wasatchnr.com)

**Carl Coward**  
Non-Executive Director

Telephone: +61 8 9322 5944  
+61 422 209 162  
Email: [ccoward@wasatchnr.com](mailto:ccoward@wasatchnr.com)

## **About New Horizon Coal Ltd.**

NHO is focused on becoming a producer of high quality thermal coal, with a target of becoming a mid-tier North American coal mining company. Through its US subsidiary, Wasatch Natural Resources (WNR), the Kinney Coal Project was acquired in late 2011. The Kinney Coal Project plan involves underground mining of two major coal seams using conventional, continuous miner sections. Entry will be via an exposed coal seam outcrop within the already permitted area.

The Kinney Coal Project lies in a mature mining region, which has historically produced over 30 million tonnes of coal annually from underground mines. The Kinney Coal Project benefits from world-class infrastructure including three class 1 rail carriers within 30km of the proposed portal, paved roads and state highway maintenance facility directly adjacent to the mine and an experienced local workforce. The Kinney Coal Project is well positioned to meet demand for coal in the domestic and export markets with a high heat, low sulphur product.

## **Competent Person's Statement**

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr James Kohler, who is a Registered Member of the Society of Mining, Metallurgy and Exploration (SME) and independent consultant to the Company. Mr Kohler is an Associate of Behre Dolbear & Company (USA), Inc and has over 35 years of exploration and mining experience in a wide variety of mineral deposit styles including coal. Mr Kohler 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 Kohler consents to the inclusion in the presentation of this information in the form and context in which it appears.