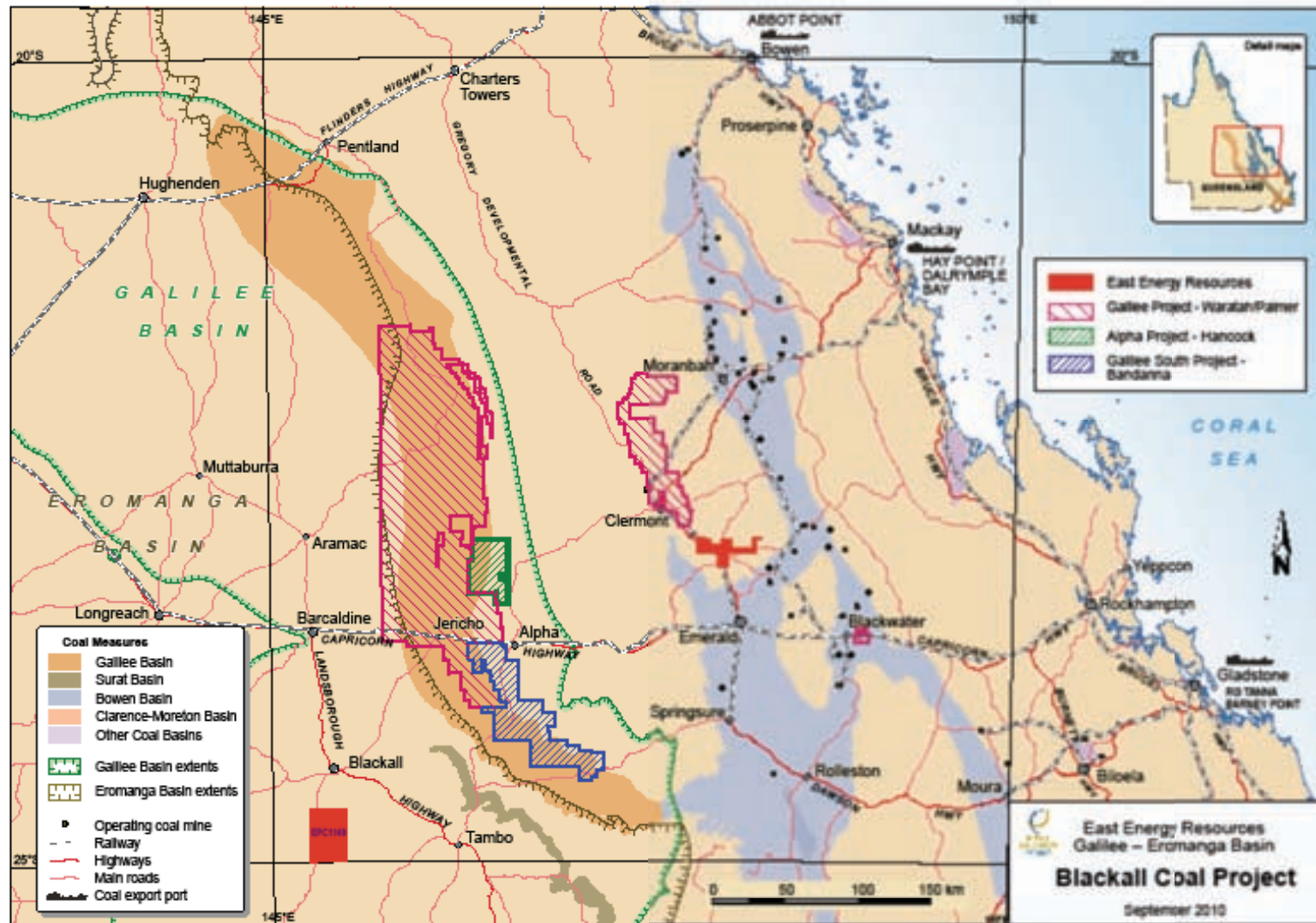




# Next Generation Coal Frontier

May 2011

# Blackall Coal Deposit Overview – Location

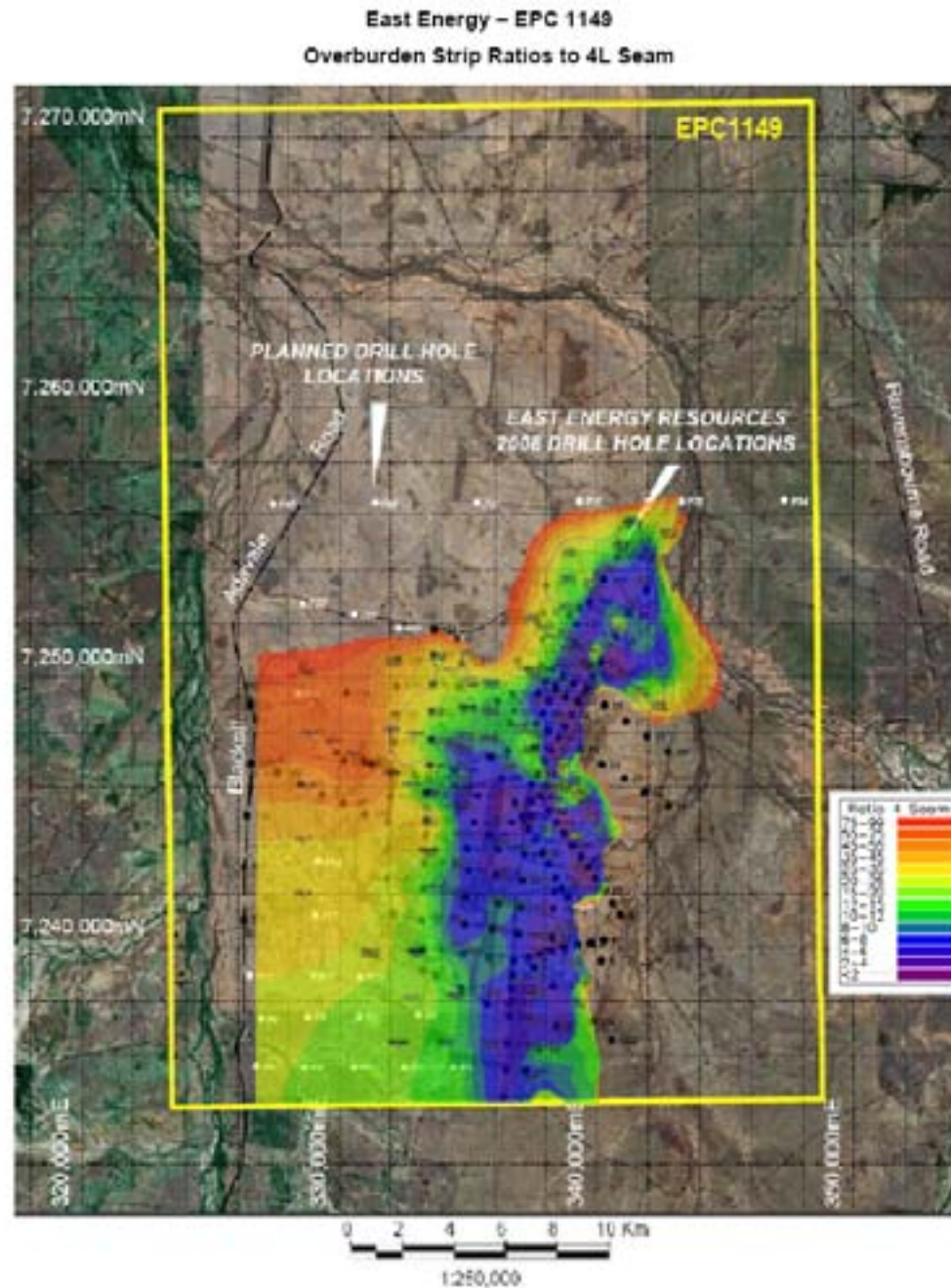


# Blackall Coal Deposit Overview

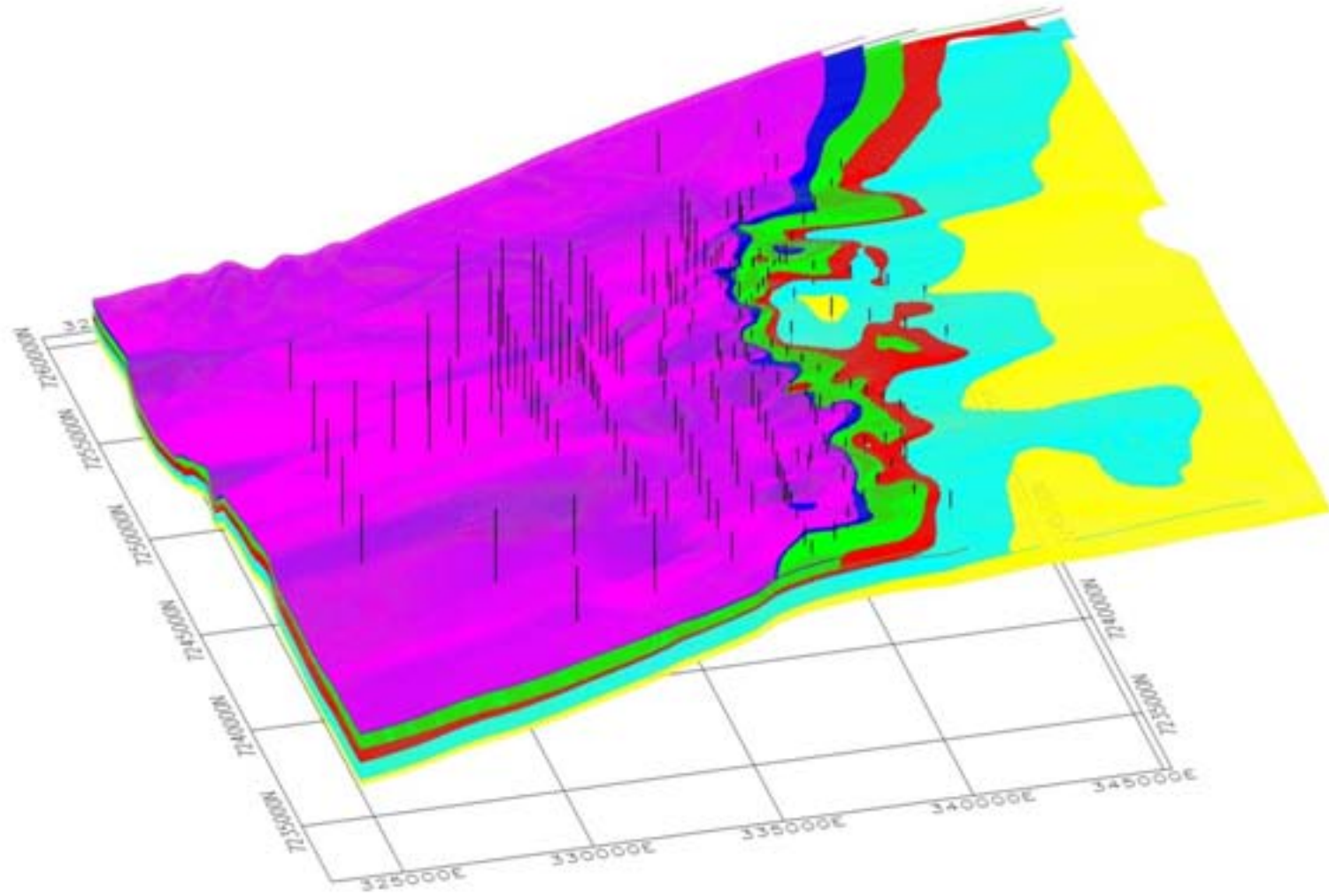
- **Project scale**
  - Blackall/Carlow Coal Deposit (EPC 1149) has an Indicated Raw Coal Resource of 470 million tonnes with over 1 billion tonnes of total resources.
  - Drilling continuing to increase resource
  - 20mtpa potential output
- **Location**
  - Situated 45 km from Blackall in central Queensland
  - Eastern Eromanga Basin
  - Rail and port export chain to Abbott Point under development to unlock potential of the Galilee and Eromanga Basins
- **Favourable geological conditions**
  - Near surface coal – only 15 metres to coal at subcrop
  - Simple open-cut multi-pit mining operation
- **Two Exploration Areas in EPC 1149**
  - Carlow Deposit – south
  - Alambi Deposit – north



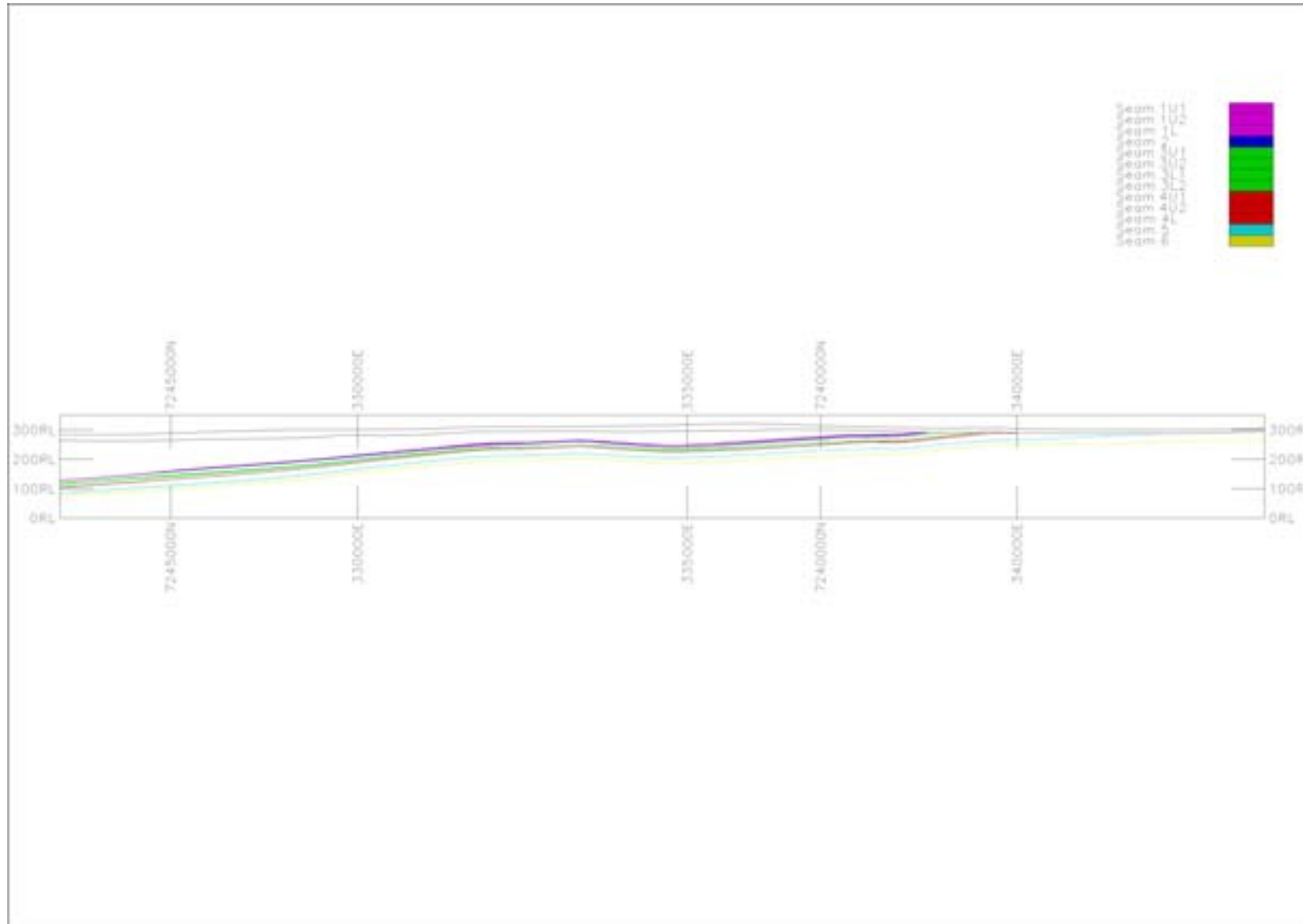
# Strip Ratios (bcm/tonne)



# Geological Model

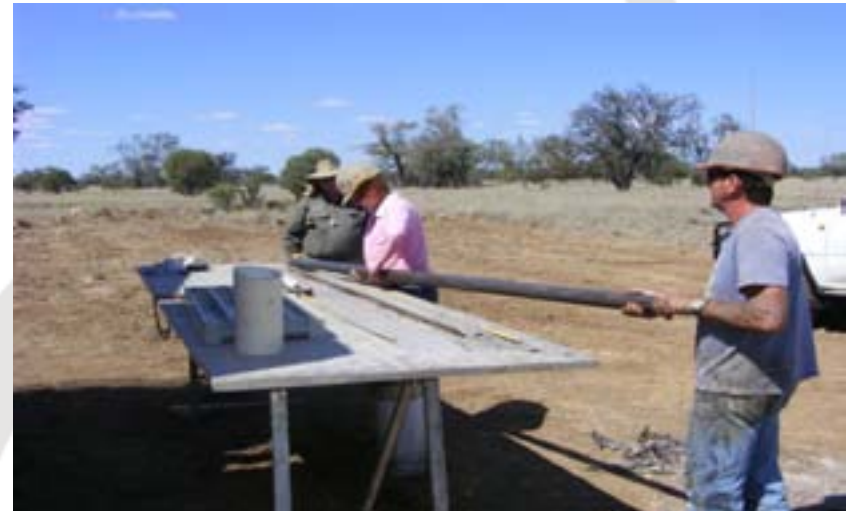


# Carlow Deposit – Section NW - SE



# Alambi Deposit – northern EPC 1149

- **Exploration drilling completed April 2010**
  - Area 12km x 12km
  - 40 holes at approx 2km centres
- **Initial testing**
  - Rock chip and geophysical logs indicate Allambie is continuous with Carlow and appears similar in geology seam thickness and quality
  - Implies 14km additional strike length
- **Resource potential**
  - High expectation that data will provide very large additional resources



# Market – next generation coal potential

- **New economies driving coal demand**
  - Next generation thermal power stations designed for lower rank sub-bituminous fuel
  - Priced out of Newcastle-benchmarked thermal coal market
  - Rising prices for coal expected to face long term tightening with the economic recovery and increasing world coal demand
- **Ideal for next generation thermal power projects in China and India**
  - Indonesian sub-bituminous coal of similar quality CV of 5,000kj is already used in many coal fired power stations in Japan, Korea, Taiwan, Thailand, India, China and Europe

# Rail access

- **Blackall rail extension**

- Calibre Rail commissioned to undertake a preliminary review of rail infrastructure options
- Includes approximately 200 kilometre extension of the Hancock Alpha Railway to Blackall providing connection to the new port at Abbott Point
- Queensland Transport Department permission to access existing rail corridor from Jericho to Blackall for Preliminary Rail Study.



# Noble Group support

- **Noble Group Limited (NGL) is cornerstone investor**
  - Noble Group holds 30.5%
  - Provides experience and first hand knowledge across all aspects of coal industry.
  - Particular expertise in coal marketing, pricing, international networks and long term trends.
- **About Noble Group**
  - Noble is a market leader in managing the global supply chain of energy, industrial and agricultural products.
  - Noble Energy is responsible for coal and coke trading from all major coal producing centres in the world to all consumers of these products worldwide.
  - Noble specialises in the origination and delivery of strategic raw materials, adding value at each stage of the supply chain. This includes technical ship management, trade finance and coal mining.
  - Noble's global network includes 38 countries across five continents.
  - Noble Group Limited is based in Hong Kong and listed on the Singapore Stock Exchange.



# Summary

- **East Energy Resources – next generation coal development**
- **1.22 billion tonnes inferred coal resource – near surface open cut mine**
- **Lower rank sub-bituminous coal similar to Indonesian coals currently exported to China, India and East Asia**
- **Increasingly price competitive against higher rank Newcastle coals**
- **Potential for accessible rail and port infrastructure subject to Hancock Alpha Coal Project Progressing**
- **Progress to Mineral Development License (MDL) status on track**

