



Australian Pacific Coal

2010 Annual General Meeting Technical Presentation

November 2010

Disclaimer



Australian Pacific Coal

This presentation may contain certain statements and projections provided by or on behalf of Australia Pacific Coal Limited (AQC) with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of AQC. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of AQC which could cause actual results or trends to differ materially, including but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, native title and aboriginal heritage issues, dependence on key personnel, share price volatility, approvals and cost estimates. Accordingly, there can be no assurance that such statements and projections will be realised. AQC makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

Additionally, AQC makes no representation or warranty, express or implied, in relation to, and no responsibility of liability (whether for negligence, under statute or otherwise) is or will be accepted by AQC or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, AQC undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Australia Pacific Coal Limited.



2010 - achievements

- Inaugural resource statement of 107 million tonnes metallurgical coal
- Acquisition of Qld coal assets – Bowen & Surat basins
- Repositioned from environmental technology to coal explorer

2011 - plan

- Consolidation in coal – increase resources by exploration
- Evaluate open cut mining opportunities - early move to mining
- Rationalisation – focus on projects that will grow the business
- Divestment of non-core assets

Strengthen the coal mining team

Board and executive expertise

Build a strong team of technical experts to work with the executive

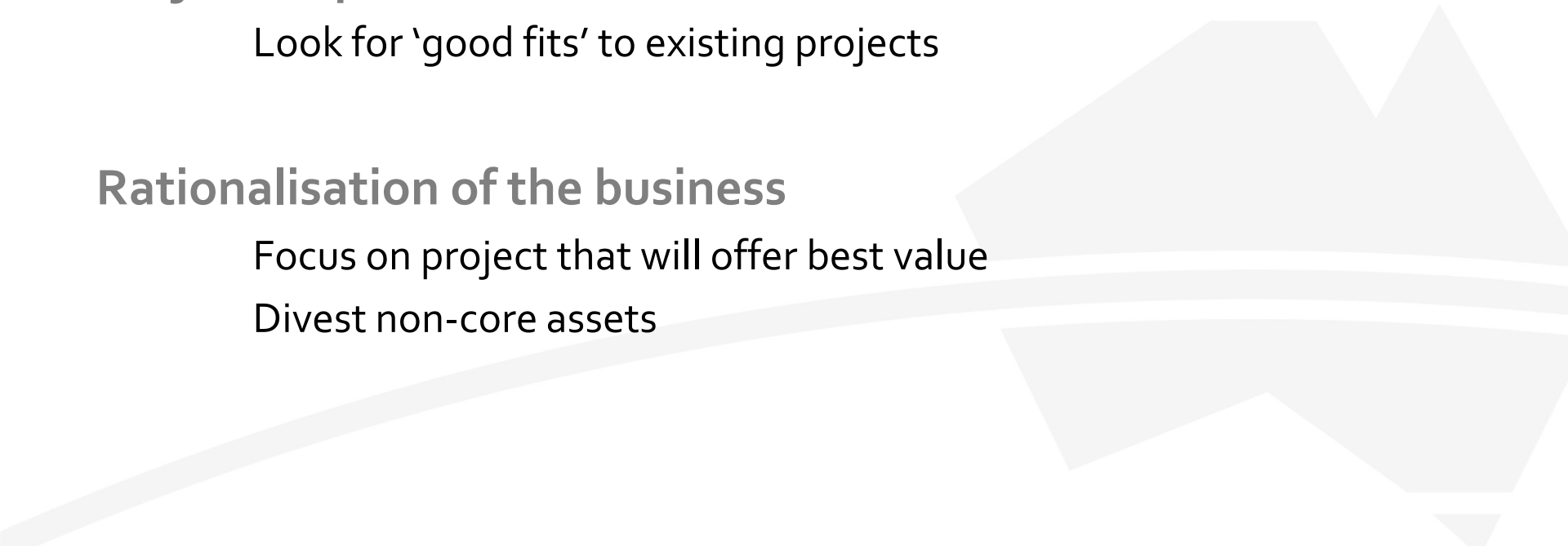
Project acquisition

Look for 'good fits' to existing projects

Rationalisation of the business

Focus on project that will offer best value

Divest non-core assets



Coal projects - summary



Australian Pacific Coal

Projects

Cooroorah, Mt Hillalong, Dingo, German Ck West, East Acland, Wandoan

Area

2,272 square kilometres in the Bowen and Surat Basins

Resources

107 Mt JORC inferred resource – Cooroorah Project

Target

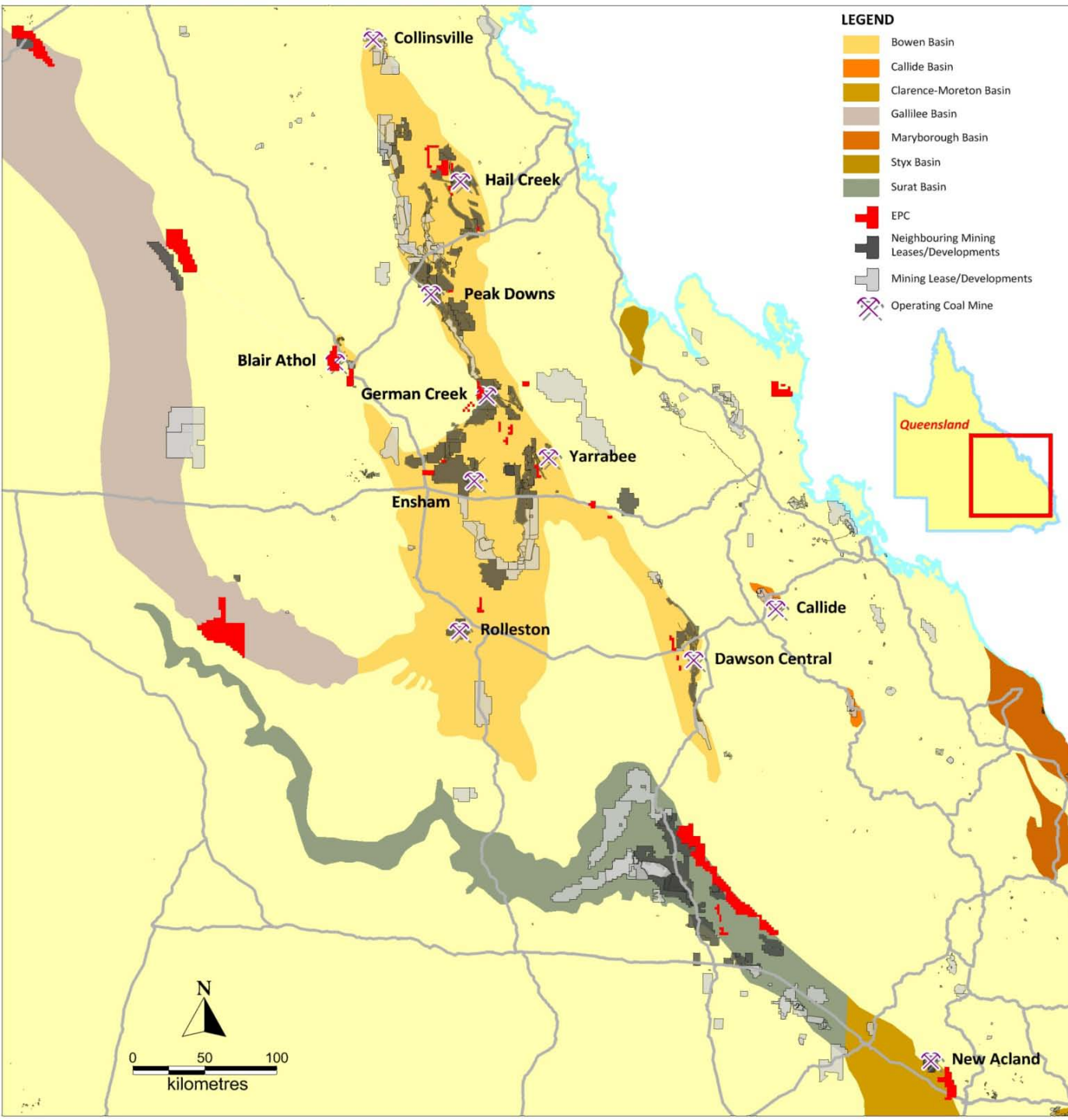
Open cut - > 5 Mt potential

Underground - > 50 Mt with seams >2 metres

Quality – metallurgical grade coals



Australian Pacific Coal



LEGEND

- Bowen Basin
- Callide Basin
- Clarence-Moreton Basin
- Gallilee Basin
- Maryborough Basin
- Styx Basin
- Surat Basin
- EPC
- Neighbouring Mining Leases/Developments
- Mining Lease/Developments
- Operating Coal Mine

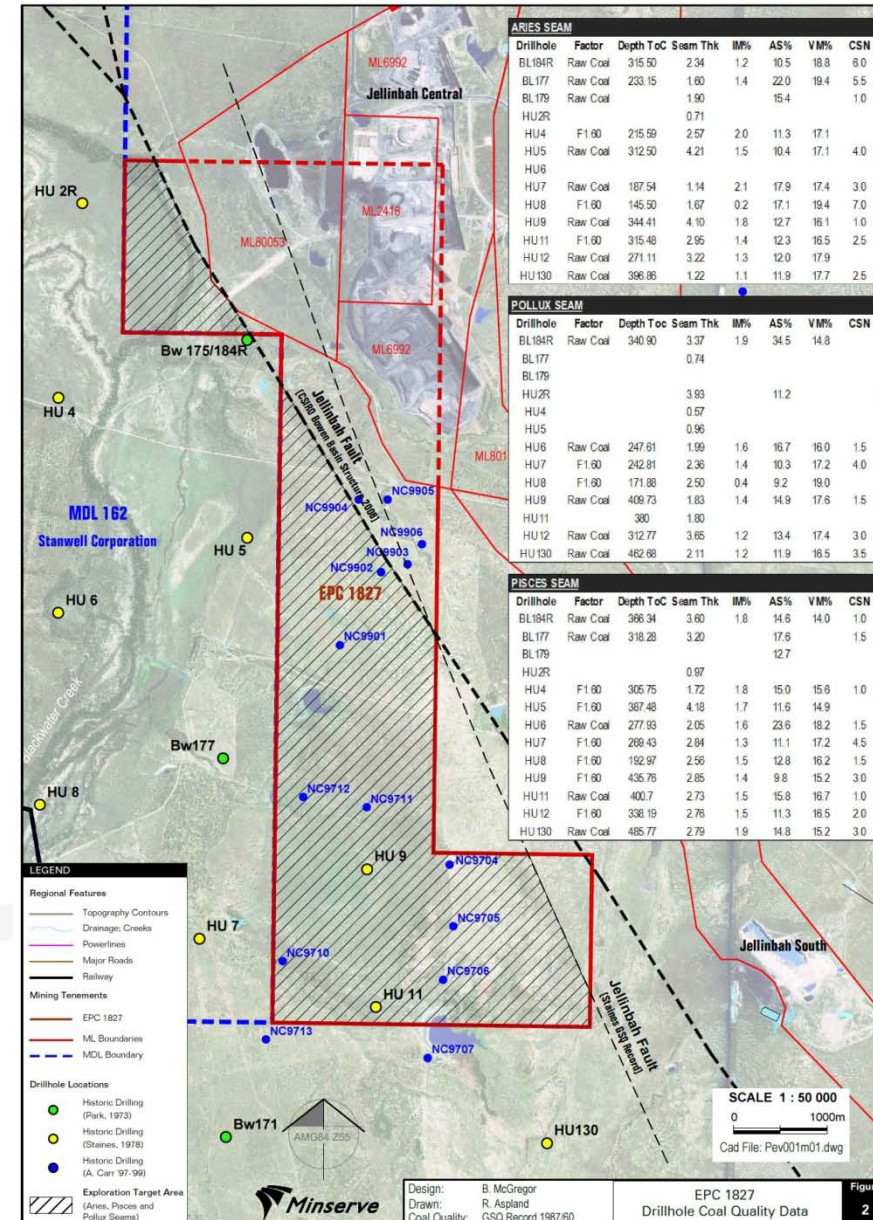
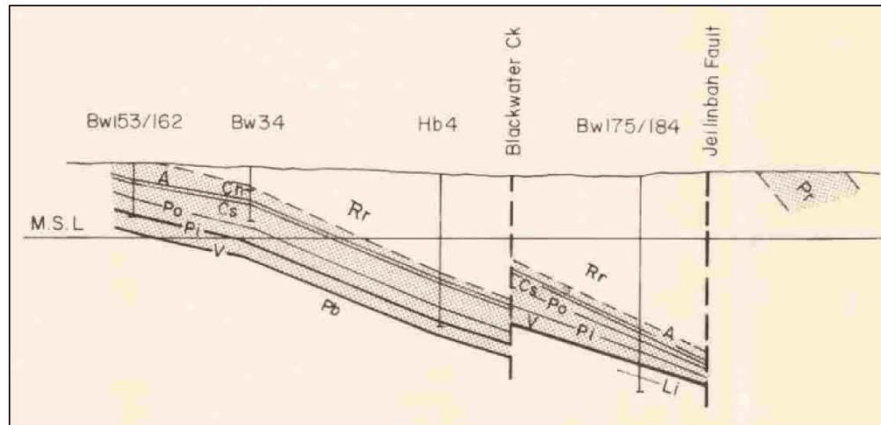
Queensland



0 50 100
kilometres

Inferred resource 107Mt
 Located down-dip from MDL162
 Stanwell
 Further potential down dip
 Additional potential for shallow
 coal in north

Section D



Mt Hillalong



Australian Pacific Coal

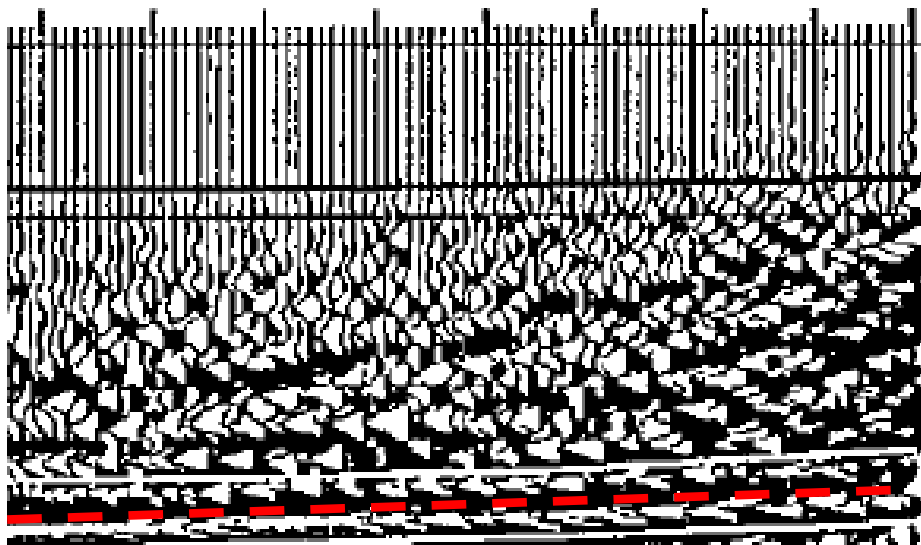
90 Mt resource target

Rangal coal measures – metallurgical coal

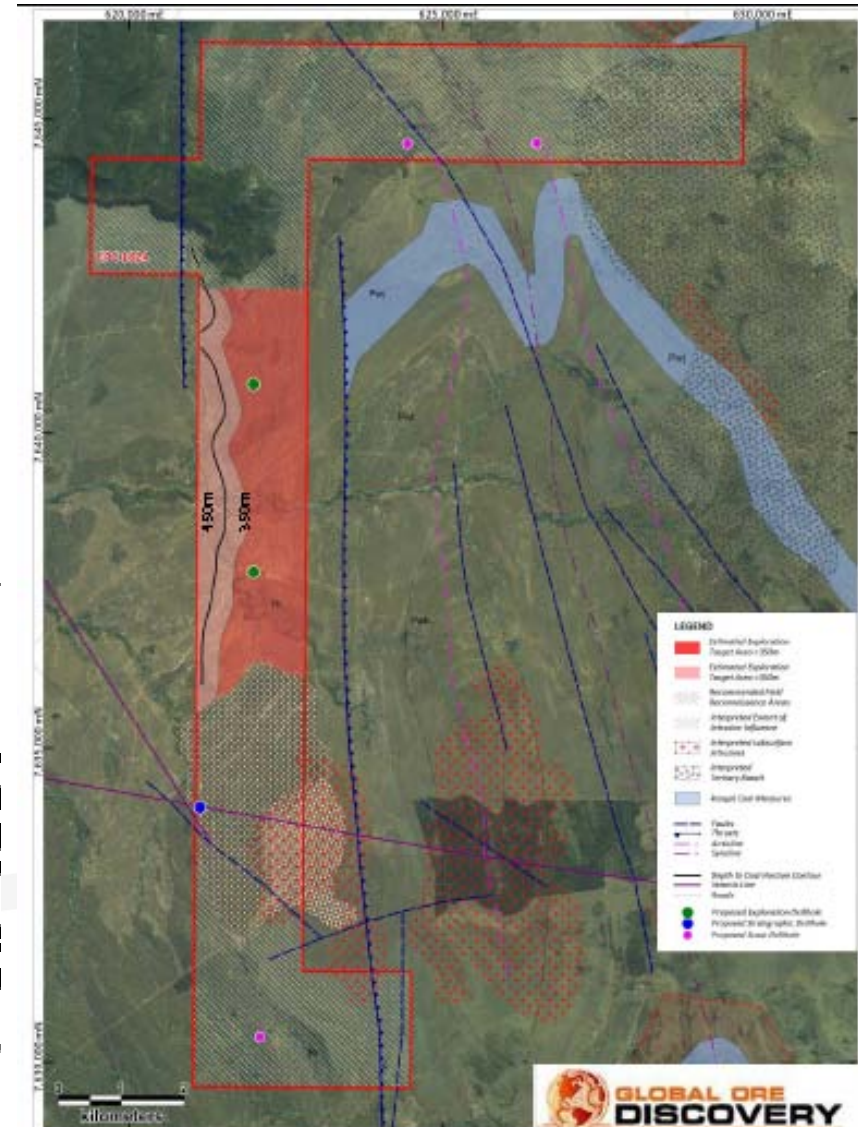
Located 22km west of Rio's Hail Creek mine

Seismic : coal potential at 350 -500m

Seismic line through EPC1824



Rangal Coal Measures, targeted seismic reflector



Proposed exploration program





Dingo – EPCA 1859

- Historic intersections - 3m at 45m, 3m at 75m
- Rangal Coal Measures; potential PCI/thermal coal

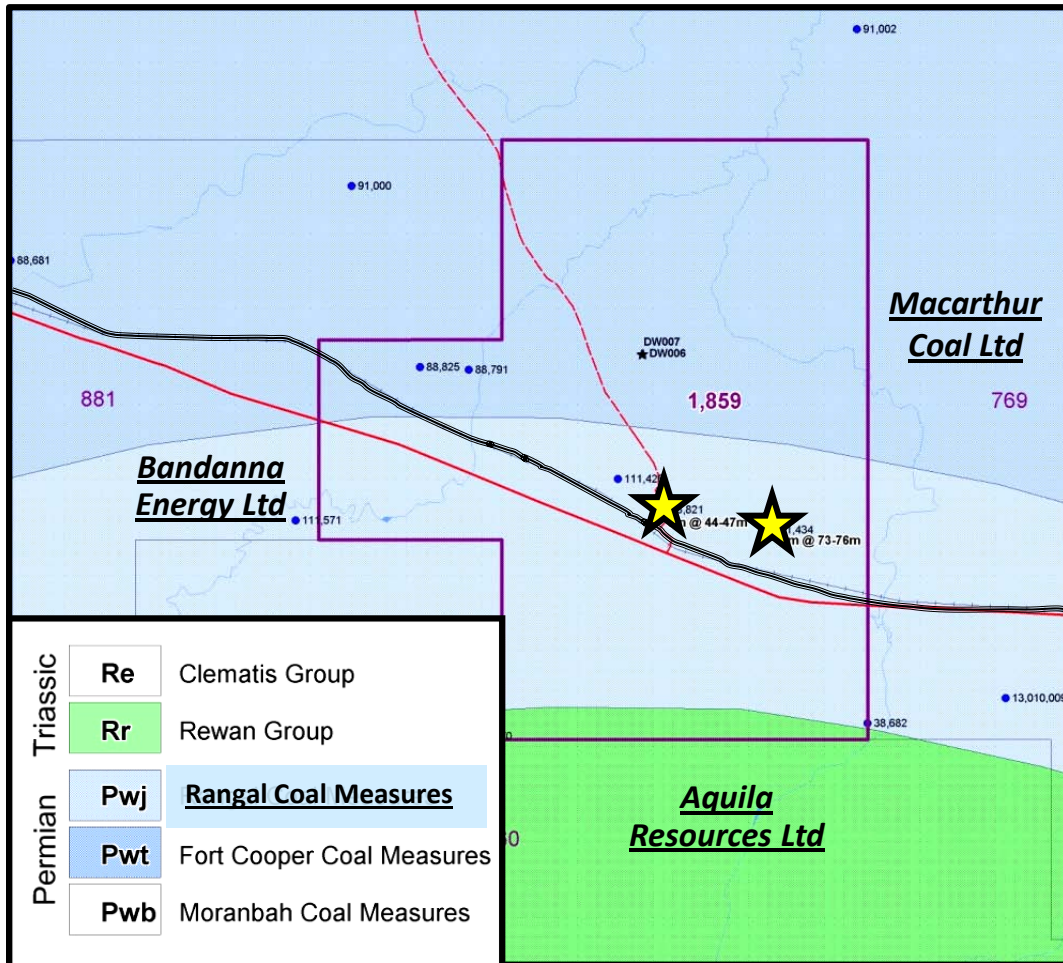
West German Creek – EPC 1548

- West of German Creek Mine and South of Norwich Park
- Targeting shallow depth coal along strike of known resources
- Discovery holes required to test for coal occurrences

Blair Athol – EPCA 2014

- Permian sediments to north of Blair Athol Mine
- Reported seam thickness at Blair Athol Mine ranges to 29m
- Detailed geological work required to delineate prospective stratigraphy

Representation of
water bore 88,821



Reported 3m seam intersection at 44m
Total depth 49m

- Reported water bore coal intersections
- Rail
- Area of Interest



Capital raising to fund exploration

Exploration focus on resource definition

Priority on proving open cut for early development

Continued focus on new acquisitions

Rationalisation of non-core assets

JORC Compliance Statement



Australian Pacific Coal

- *With respect to the Mt Hillalong Project, the Exploration Result Statement has been reviewed by Mr David John Arnott who holds the position of Divisional Manager – Applied Geoscience with Snowden Mining Industry Consultants Pty Ltd (“Snowden”). He is a qualified geologist with over 20 years experience in coal geology and resource evaluation. He is a member of the Australasian Institute of Mining and Metallurgy (“AusIMM”) and certified by that organisation as a Chartered Professional. Mr Arnott qualifies as a Competent Person as defined by the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004) and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. With respect to exploration target tonnages, these are conceptual in nature. There is insufficient exploration to define a Mineral Resource across the target area and it remains uncertain if further exploration will result in the determination of a Mineral Resource.*
- *With respect to the Cooroorah Project, the resource statement has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves “The JORC Code” (2004) by Mr Ken O’Reilly of the Minserve Group Pty Ltd who consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Ken O’Reilly, a member of the AusIMM, is a coal geologist with 29 years’ experience in the estimation of coal resources for projects in Australia, principally in the Bowen Basin of Queensland, but also in the Sydney and Gunnedah Basins of NSW. This experience is relevant to the style of mineralisation and type of deposit under consideration, and is more than adequate to qualify him as a Competent Person as defined in the JORC Code.*

Company details



Australian Pacific Coal

ASX: AQC

www.aqcltd.com

Board:

John Bovard

Paul Byrne

Peter Ziegler

John Laurie

Capital structure:

Shares: 469M

Options: 15M

12 mth trading : \$0.01 – \$0.04

Market cap (29/11): \$12.2M

L7, 10 Felix St

Brisbane Qld 4000

PO Box 16330 City East Q 4002

Ph: 07 3221 0670

Fx: 07 3252 2111

Australian Pacific Coal