

### COMPANY OVERVIEW / KEY PROJECT

Australian Pacific Coal Limited (ASX: AQC) is focused on developing the Dartbrook Coal Mine located in the Hunter Valley, NSW, approximately 4 km west of Aberdeen and 10 km northwest of Muswellbrook. The Dartbrook site has access to world-class infrastructure, a skilled workforce and support industries utilised by major mining companies in the region. Dartbrook mine produces a high-quality thermal coal (NEWC spec) that is typical of the Hunter Valley with the potential to produce commercial quantities of semi-soft metallurgical coal and PCI.

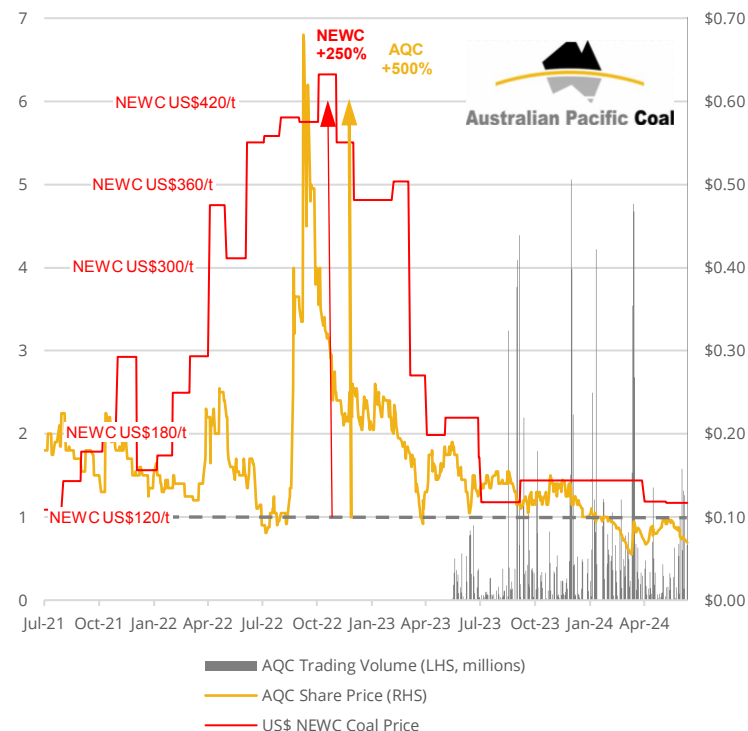
The Dartbrook Joint Venture comprises Australian Pacific Coal Limited (80%, via subsidiaries) and Tetra Dartbrook Pty Ltd (20%). Dartbrook is an exciting project that has a number of unique characteristics:

- Fast to market, low-cost restart project
- Excellent location with infrastructure network in place
- High quality coal specifications
- High margin potential that offers material free cash flow generation
- Fully permitted (MOD 7) with high value development approval extension potential (MOD 8)

**First coal production targeted mid-2024**

### CORPORATE OVERVIEW (AUD)

Shares	513.0 million ordinary fully paid shares
Options	13.8m options @ \$0.34, expiring 5 Apr 2027
Share Price	\$0.07 (as at 17 Jun 2024)
Market Cap.	\$35.9 million
Cash	\$20.5 million (as at 31 Mar 2024)
Debt	\$35.0 million drawn (as at 31 Mar 2024) \$77.7 million total facility amount
Enterprise Value	\$50.4 million
	⇒ Simple capital structure
	⇒ <b>Well-funded for mine restart</b>
	⇒ High leverage to production success



⇒ AQC offered strong leverage to the thermal coal price during the last price boom

### MILESTONES TOWARDS PRODUCTION RESTART

	Re-Structuring	De-risking	Funding
Restructure	<ul style="list-style-type: none"> <li>• AQC 80% direct working interest in Joint Venture</li> <li>• Tetra Dartbrook Pty Ltd is mine manager and operator with a 20% working interest.</li> <li>• Trepong to provide land and water access to Dartbrook through a long-term lease equivalent to a 10% economic interest, with a minimum payment of \$5 million per annum, which will be an operating cost of the JV.</li> <li>• M Resources to receive a 10% indirect economic interest in the JV through AQC</li> <li>• AQC effective economic interest 70%</li> </ul>		
De-risk	<ul style="list-style-type: none"> <li>✓ Dewatering and restoration of the Hunter Tunnel</li> <li>✓ Redesign of the tunnel conveyor system</li> <li>✓ Re-establishment of the ventilation circuit</li> <li>✓ Scoping and preparation work for the staged re-commissioning of the Coal Handling and Processing Plant (CHPP) and the selection of long lead items and equipment is complete</li> </ul>		
Fund	<ul style="list-style-type: none"> <li>• Vitol Asia Pte Ltd (Vitol) is providing a 3-year US\$60 million (\$90 million) debt facility to the Dartbrook JV.</li> </ul>		
	⇒ Restart capex fully funded		
	⇒ <b>Market confidence in project growing</b>		
	⇒ Significant progress made towards production restart		

### FINANCIAL ANALYSIS

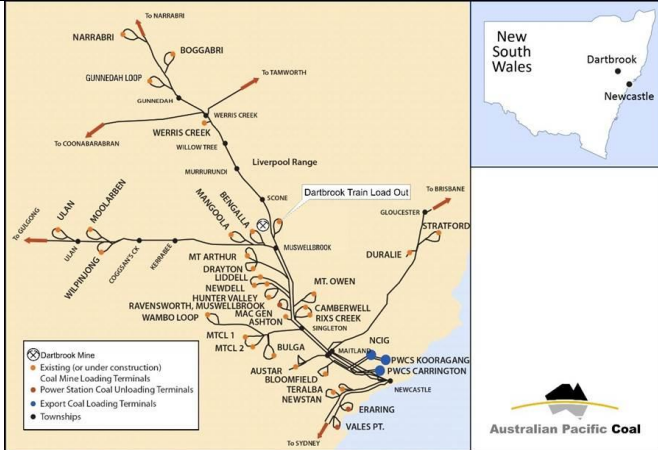
Based on the forecast provided by AQC in the updated Austmine Investor Presentation (ASX announcement 13 June 2024), one can build the following financial model. Key assumptions:

- NEWC Price set at US\$125/t flat, slightly lower than the current price of US\$130/t. This price doesn't take into consideration the potential to sell commercial quantities of semi-soft metallurgical coal and PCI.
- An AUD/USD exchange rate of 0.66 was assumed (current value)
- The EV/EBITDA multiple is highly subjective. The multiples observed for Coronado Global Resources (ASX: CRN), New Hope Corporation (ASX: NHC) and Stanmore Resources (ASX: SMR) range from 3.7x to 5.3x with an average of 4.5x. We have selected a conservative 3.0x multiple at this time.
- The debt is assumed conservatively constant at the level of the current facility fully drawn, until repaid.

Item	Unit	Year 1	Year 2	Year 3	Year 4
ROM Production	mt	1.0	2.2	2.3	2.7
Coal Sales	mt	0.8	1.7	1.9	2.3
NEWC Price	US\$/t	125	125	125	125
Revenue	US\$m	100	213	238	288
<b>Costs</b>					
ROM	US\$/t	76	53	49	45
Processing	US\$/t	5	5	5	5
Rail/Port	US\$/t	7	7	7	7
Marketing/Royalties	US\$/t	23	22	22	22
Land Lease	US\$/t	4	4	4	4
FOB Costs	US\$/t	115	91	87	83
Costs	US\$m	92	155	165	191
EBITDA	US\$m	8	58	72	97
AQC 70% interest	US\$m	6	40	51	68
EBITDA	A\$m	8.5	61.3	75.4	100.9
EV/EBITDA multiple	x	3.0	3.0	3.0	3.0
EV	A\$m	25	181	226	303
Debt	A\$m	78	78	78	repaid
Equity Value	A\$m	n/a	103	148	303

⇒ Subject to resolving any possible teething issues during its first year of operation and according to the assumptions above, **AQC is on a path to generate significant added value from its current level**

## DARTBOOK MINE



View of the Dartbrook mine surface infrastructure include the CHPP and rail siding

⇒ Excellent location and infrastructure

<b>Coal Quality</b>	<ul style="list-style-type: none"> <li>• Previous underground mining at Dartbrook produced a product coal that was well-accepted in the international marketplace. Over a 10-year period, approximately 25 Mt of high energy Dartbrook thermal coal product was sold into the Asian market.</li> <li>• Dartbrook is planned to produce two coal types to meet current market requirements – “Dartbrook Premium,” a 6100 kCal/kg GAR coal, and “Dartbrook Standard,” a 5500 kCal/kg GAR coal. The Project can produce a variety of different coal products ranging from domestic thermal coal, to export thermal coal and semi-soft metallurgical coals.</li> </ul>
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### Mineral Resource Estimate - March 2018 (million tonnes)

Depth	Measured	Indicated	Inferred	Total
<450m	507	638	658	1,803
<450m Non-Open Cut	80	208	388	675
>450m	2	3	51	56
<b>Total</b>	<b>588</b>	<b>850</b>	<b>1,097</b>	<b>2,534</b>

### Ore Reserves - March 2018 (million tonnes)

Run-of Mine Probable	470 Mt
Marketable Product	370 Mt

The FOB prices for the Dartbrook Standard and the Dartbrook Premium used at the time of the ore reserve estimation ranged from US\$65/t to US\$72/t and US\$73/t to US\$83/t respectively. This gives the opportunity to convert more mineral resources to ore reserves

<b>Life of Mine</b>	<ul style="list-style-type: none"> <li>• The mine has sufficient ore reserves to sustain several decades of operation</li> </ul>
<b>Royalties</b>	<ul style="list-style-type: none"> <li>• Vitol is entitled to a royalty of 2% of coal sales for the life of the mine</li> <li>• Vendor royalties of A\$3/t subject to cap (contingent consideration from acquisition)</li> <li>• From 1<sup>st</sup> July 2024, the NSW government coal royalty rates will increase by 2.6%, resulting in the Dartbrook mine being subject to a 9.8% rate for underground mining</li> </ul>
<b>Agreement</b>	<ul style="list-style-type: none"> <li>• Marketing Rights assigned to Vitol</li> <li>• Life of Mine (including any extensions)</li> <li>• Vitol to play strategic role in project development</li> <li>⇒ <b>Product off-take secured (Vitol as Principal)</b></li> <li>⇒ <b>Premium pricing</b></li> </ul>



## BOARD & MANAGEMENT

### Mike Ryan – Interim Chairman

Mr Ryan is a highly accomplished executive and director with background in domestic and international capital markets. He has managerial and operational experience across a range of industries primarily focused on turnaround and growth. Mike's accomplished career has included roles as an Executive Director of Goldman Sachs JBWere, Morgan Stanley and Citibank. He was also previously Managing Director of CIMB and Head of Equities at Shaw and Partners.

### Ayten Saridas – Executive Director & CEO (Interim)

Ms Saridas is a finance executive with over 30 years of international experience across a broad range of industries including oil and gas, mining, retail, infrastructure, property, and financial services. Ms Saridas has an established reputation in the financial markets and has held CFO and executive roles with Coronado Global Resources, Santos Limited, AWE Limited and Woolworths amongst other ASX listed companies.

### Nick Johansen – Non-Executive Director

Mr Johansen is a solicitor with extensive mining experience, ranging from junior exploration to production, across a range of commodities. Nick has expertise in transactions, resources regulation, native title and environmental law. Nick completed his Graduate Diploma of Legal Practice at Australian National University. In addition, he holds a BA in economics from the University of Adelaide.

### Jeff Gerard – Non-Executive Director

Mr Gerard has over 40 years' management experience in the resource industry gained through various technical, operational, commercial and executive management roles with global mining companies in Australia and internationally. He has operated at all levels in the mining industry such as Country Manager (DRC, Americas, Africa, China), CEO, MD, COO, Operations Manager, Business Development and Technical Services. Mr Gerard led the Xstrata / Glencore team in the due diligence and acquisition of some 25 mining businesses, whilst having ongoing responsibility to deliver improved performance across multiple operations in Australia, Africa, North and South America. He was a member of the Xstrata Investment Committee with responsibilities for business growth including M&A and both green and brownfield project delivery. Mr Gerard is seasoned Company Director of exploration, development and operating companies globally. He is currently the chairman of a KGL Resources and consults to a number of local and international companies on strategy, management and operating performance improvement.

### John Robinson – Non-Executive Director

Mr John Robinson's career in business and investment spans the property, mining and retail sectors. He has led numerous private equity acquisitions and has extensive knowledge and experience associated with the provision of support services in the mining, oil and gas sector for Australian operations. Mr Robinson is currently a Director of Trempang Services Pty Ltd. He is also the former Managing Director of Australian Pacific Coal and was a Director from 30 October 2015 to 18 November 2019. Mr Robinson joins the Board as a nominee of Australian Pacific Coal's major shareholder, Trempang.

- ⇒ **Highly credentialed team to progress AQC strategy**
- ⇒ **Excellent knowledge of the Dartbrook mine**