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Bandanna Energy Limited (ASX :BND)

Australia's Next Coal Producer

www.bandannaenergy.com.au



Bandanna Energy Limited

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ASX:BND – Summary



Attractive Assets	<ul style="list-style-type: none">• 1.6 Bt thermal coal resource in Bowen and Galilee basins• Port ownership – 14% shareholder in Wiggins Island Coal Export Terminal (WICET)
Mineable Reserves	<ul style="list-style-type: none">• Over 250 Mt of mineable reserves identified
Secure Rail – Port Supply Chain	<ul style="list-style-type: none">• Port Capacity – 4 Mtpa 10yr contract at WICET Stage 1• Below Rail Access Agreement – QRN, 4 Mtpa• Above Rail Haulage Agreement – Pacific National
Advanced Development Plans	<ul style="list-style-type: none">• Underway, EIS and DFS for Springsure Creek, Dingo West and South Galilee projects
Funding to complete DFS	<ul style="list-style-type: none">• \$122 million cash in bank, fully funded to complete DFS on key projects as pathway to production in 2013 and 2014
Opportunity	<ul style="list-style-type: none">• ASX 300 – Market Cap AUD 412M (at 15 March 2012)• Destined to become Australia's next coal producer

Asset Locations



Over 1.6 billion tonnes of JORC-code compliant resources situated within two of Australia's most prospective coal bearing regions



Legend

- Highways
- Major roads
- Railways
- Railways Rolleston / Blackwater lines
- Proposed Rail Routes
- Towns
- Major Coal Minesites
- Bandanna Energy Limited Coal Licences
- Coal Loading Terminals

Disclaimer: Data capture from Department of Minerals & Energy; Accuracy at 1:250,000

Resources and reserves



Over 1.6 billion tonnes of JORC-code compliant resources situated within two of Australia's most prospective coal bearing regions

Summary of Bandanna's net JORC resources and reserves (rounded to nearest Mt)^{1,3}

Project	Resources (Mt)				Reserves (Mt)
	Measured	Indicated	Inferred	Total	
Bowen Basin		331	731	1,061	147
Springsure Creek	–	228	263	491	103
Arcturus	-	103	104	206	44
Arcadia	-	-	273	273	
Dingo West	–	–	91	91	–
Galilee Basin	83	103	403	589	109
South Galilee ²	83	103	403	589	109
TOTAL	83	433	1,133	1,650	256

1 As at 5 March 2012

2 Net to Bandanna (50% interest)

3 Figures may not sum due to rounding

4 Refer to Statement of Compliance at rear of this presentation.

Infrastructure Access : Unlocking the future



WICET developments

- > Bandanna is a 14% owner of the 27Mt WICET Stage 1, located at the Port of Gladstone
- > Over the past 12 months, Bandanna has:
 - > secured an initial 4Mtpa allocation at WICET Stage 1 and executed a Take Or Pay agreement
 - > reached a commercial agreement with Queensland Rail Network for a below rail solution using the Blackwater corridor
 - > Reached a commercial agreement with Pacific National for a 10+5 yr haulage contract
- > Bandanna has a further 8Mtpa of nominated annual capacity rights under the Feasibility Funding Facility Agreement ("FFFA") which may grant it priority for allocation in future stages of WICET

WICET overview



Pathway to Production



Priority Development Projects

- > Springsure Creek (Bowen Basin) - first coal scheduled 2014
- > Dingo West (Bowen Basin) – first coal scheduled late 2013
- > South Galilee (Galilee Basin) – first coal scheduled 2015

Future Development Projects (Bowen Basin)

- > Arcturus
- > Arcadia

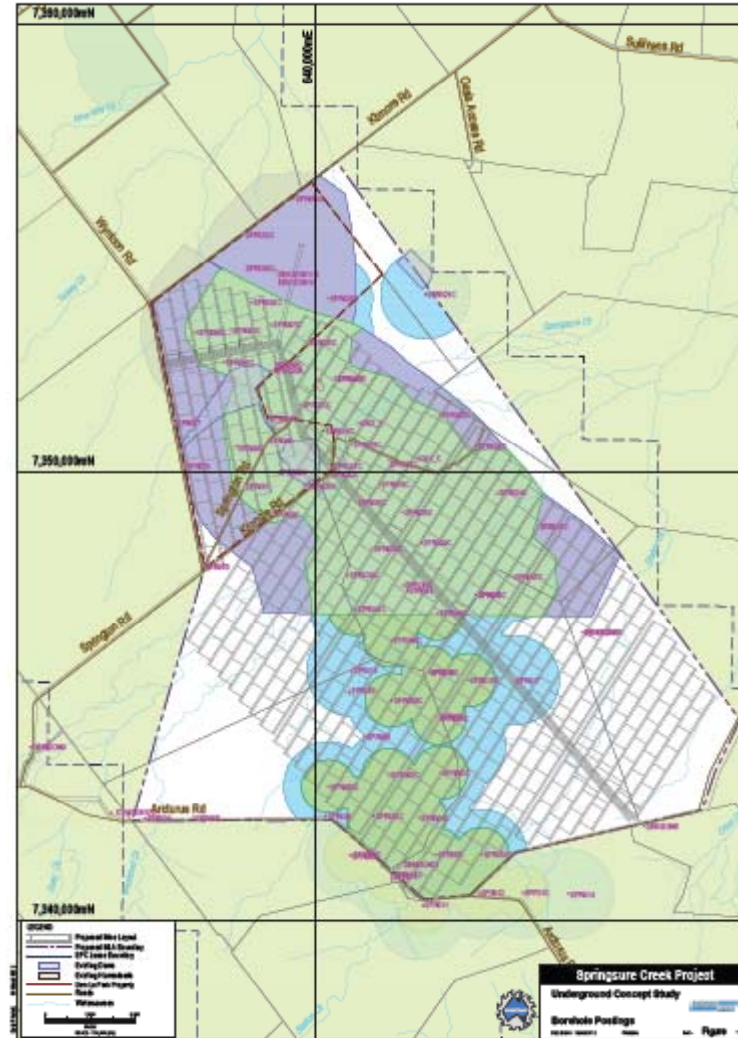
Exploration Projects (Bowen Basin)

- > Gemini, Wanella, Fernlee, Denison
- > Fernlee North, Carnarvon, Carnarvon South

Pathway to Production – Springsure Creek



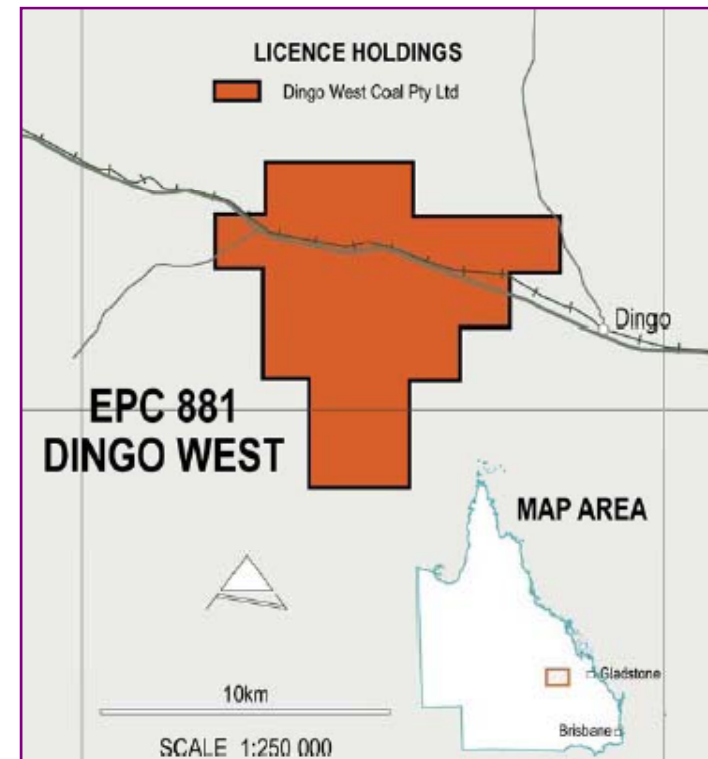
- > 35 km south east of Emerald
- > 490Mt underground thermal project – export of Raw Coal
 - > Low raw ash (<10.5%)
 - > Low Sulphur (<.23%)
 - > 5,830 Kcal/kg
- > Current reserves of 103 Mt – upgrade ongoing
- > Located within 30 km of existing rail infrastructure
- > Progressing mine plan and DFS for 2 longwalls operations to produce up to 11Mtpa
 - > Development coal H2 2014
 - > First longwall from mid 2015
- > Average FOB cash cost of \$65.40/t
- > Environmental Impact Study well advanced – environmental approvals expected by end of 2012
- > Mining Lease Application lodged Oct 2011
- > Definitive Feasibility Study now being completed – on track for completion Q3 2012



Pathway to Production – Dingo West Project



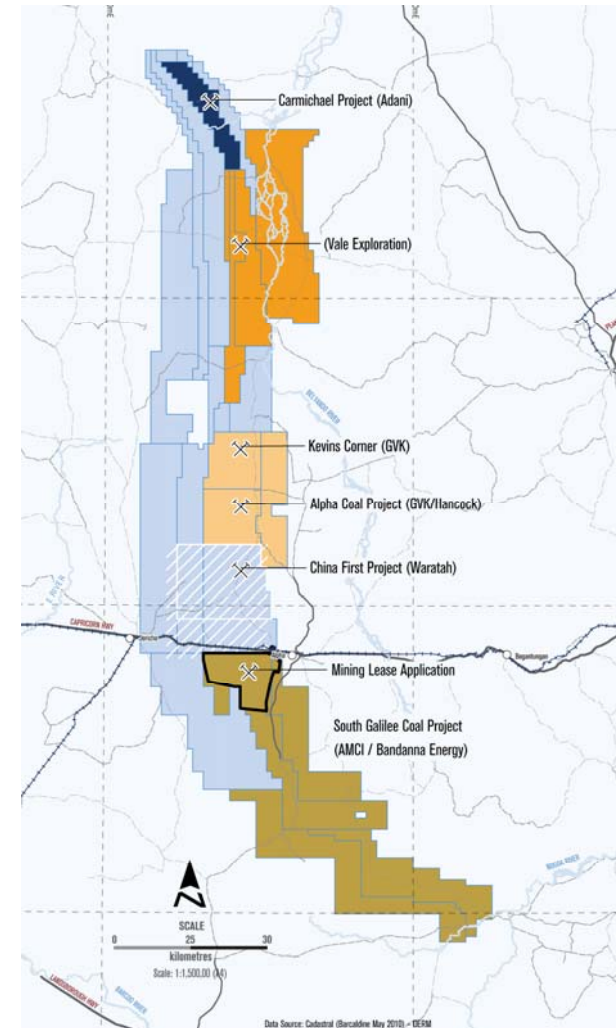
- > Open-cut Resource of 91Mt – PCI coal
- > Near term 1Mtpa PCI project, with first coal expected late 2013
- > Feasibility Study completed, confirming strong project economics
 - > average FOB cash costs of \$102.20/t
 - > LOM capital costs of approx \$133.5m
- > Mining Lease Application submitted Nov 2011
- > Draft Environmental Impact Study close to completion
- > Blackwater Rail line runs through the proposed Mining Lease
- > Approx 220km to the Port of Gladstone



Pathway to Production - South Galilee



- > Located 180 km west of Emerald
- > 50/50 Joint Venture with AMCI
- > Total JORC resource of 1,179 Mt
- > Total Marketable Reserve 217.6 Mt
- > High volatile sub bituminous coal yielding high quality thermal product
- > Pre-Feasibility Study indicates mine life in excess of 30 years with production of 13-15Mtpa
- > Conditions are ideal for high production open-cut and underground mining operations
- > EIS and other approvals well advanced—mining lease application lodged in July 2011
- > JV in discussion with other Galilee basin proponents regarding port and rail infrastructure



ASX:BND – a snap shot



- > Large thermal coal resource inventory (>1.6 Bt) in the Bowen and Galilee basins.
- > Only ASX listed company with significant mine development exposure in both the Galilee and Bowen basins
- > 14% Shareholder in Wiggins Island Stage 1 Development
- > Fully contracted Port-Rail supply chain solution for exports from mid 2014
- > Springsure Creek Definitive Feasibility Study and Approvals well advanced for production from mid 2014
- > Shorter term development of Dingo West, PCI project of ~1 Mtpa
- > Unique opportunity amongst small-medium ASX companies to develop large scale, high quality projects in an established coal mine producing area of the Bowen Basin.
- > ***Australia's Next Coal Producer***

Thank You
For more information:
Please drop in at **Booth C24**

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Statement of Compliance



- (1) The information compiled in this table relating to South Galilee resources is based on information compiled by Lynne Banwell. Lynne Banwell is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity she 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". Lynne Banwell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- (2) The information compiled in this table relating to Arcturus, Arcadia and Dingo West resources is based on information compiled by Gordon Saul, who is a member of the Australian Institute of Geoscientists and who is employed by Resolve Geo Pty Ltd. Gordon Saul has sufficient experience which is relevant to the style of mineralization and types of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Gordon Saul consents to the inclusion in this report of the matters based on his information and in the form and context in which it appears. Resolve Geo Pty Ltd is a shareholder in Bandanna Energy Limited.
- (3) The information compiled in this table relating to Springsure Creek resources, other than those of the Springton domain (that is the Turkey Creek, Moorooloo and Arcturus domains), is based on information compiled by David Keilar, who is a member of the Australian Institute of Geoscientists and who is employed by Resolve Geo Pty Ltd. David has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity 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". David Keilar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Resolve Geo Pty. Ltd. is a shareholder in Bandanna Energy Limited.
- (4) The information in this table relating to exploration results and coal resources for the Springton North and Springton South domains is based on information compiled by Mr Troy Turner who is a member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist and 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 Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Turner consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.
- (5) Open cut Reserves estimate for Arcturus shown on the Table has been prepared by Mr Ken Hill. Ken Hill is the Managing Director of Xenith Consulting Pty Ltd. He holds a Bachelor in Civil Engineering degree from the University of Queensland and a Post Graduate Diploma in Business Administration from University Queensland. He has over 20 years experience in the open cut coal mining industry and substantial experience in mining operations financial evaluations. Ken Hill is a Member of the Australasian Institute of Mining and Metallurgy and as such qualifies as a Competent Person under the JORC Code. Ken Hill consents to the inclusion in this report of the matters based on his information and in the form and context in which it appears.
- (6) The Underground Reserve estimates for Arcturus and Springsure Creek shown on the Table have been prepared by Mr Jeremy Busfield, Principal Mining Engineer of Mine Craft Consulting Pty Ltd. Jeremy holds a Bachelor of Mining Engineering degree from the University of Queensland. He is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Professional Engineer of Queensland (Mining) (RPEQ 10285). Jeremy Busfield has worked in various planning, operational and consulting roles for the underground coal industry for 26 years and as such qualifies as Competent Person under the JORC Code. The relationship between the Estimator and the Project owner is that of independent consultant. Jeremy Busfield consents to the inclusion in this report of the matters based on his information and in the form and context in which it appears.
- (7) Open cut Reserves estimate for South Galilee Project has been prepared by David Prior. The estimates of Coal Reserves for South Galilee Coal Project within EPC 1049 presented in this Table have been carried out in accordance with the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). David Prior is a Principal Mining Consultant at Echelon Mining Services. David has a Bachelor in Mining Engineering from Queensland University. David has over 7 years of experience in the Queensland open cut coal mining industry. David has experience in conducting relevant financial evaluations, including having previously worked on Reserves Statements. David is a Member of the Australasian Institute of Mining and Metallurgy and as such qualifies as a Competent Person under the JORC Code. The following entities have no material interest or entitlement, direct or indirect, in the securities of AMCI or any associated companies: David Prior; Echelon Mining Services. The information compiled in this Table relating to South Galilee Resources Statement is based on information compiled by Lynne Banwell (Refer Note 1).