



AN EMERGING COAL BASED ENERGY COMPANY FOCUSED ON THE SURAT BASIN REGION

**Presentation by
Mike O'Brien, Chief Executive Officer
The Symposium Resources Roadshow
Sydney, 16th Feb 2010**

Disclaimer

- Statements and material contained in this Presentation, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of MetroCoal Ltd, industry growth or other trend projections are, or may be, *forward looking statements*. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties.
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- Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.
- Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.
- The information in this presentation that relates to in-situ coal results and Exploration Targets is based on information compiled by Mr Neil Mackenzie-Forbes who is a Member of the Australian Institute of Geoscientists (Membership No 2035). Mr Mackenzie-Forbes is currently the exploration manager of MetroCoal. Mr Mackenzie-Forbes 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 Mackenzie-Forbes has consented in writing to the inclusion in this presentation of the matters based on the information in the form and context it appears. The resource information in this report has been released to the Australian Stock Exchange
- Under the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves (Para 18) the Company is required to make the following statement with regard to Exploration Targets – the potential quantity and quality is conceptual in nature, and that there has been insufficient exploration to define a Mineral Resource or Ore Reserve and that it is uncertain if further exploration will result in the determination of a Mineral Resource or Ore Reserve.

MetroCoal Limited



ABN: 45 117 763 443
ASX Code: MTE
www.metrocoal.com.au

Share price Feb 15 th 2010	\$0.205
Shares on Issue	141.7M
Market Cap	\$29M
Cash end Dec 2009	\$9.5M

Substantial Shareholders

- Metallica Limited 56.46%
- Bank of America 5.08%



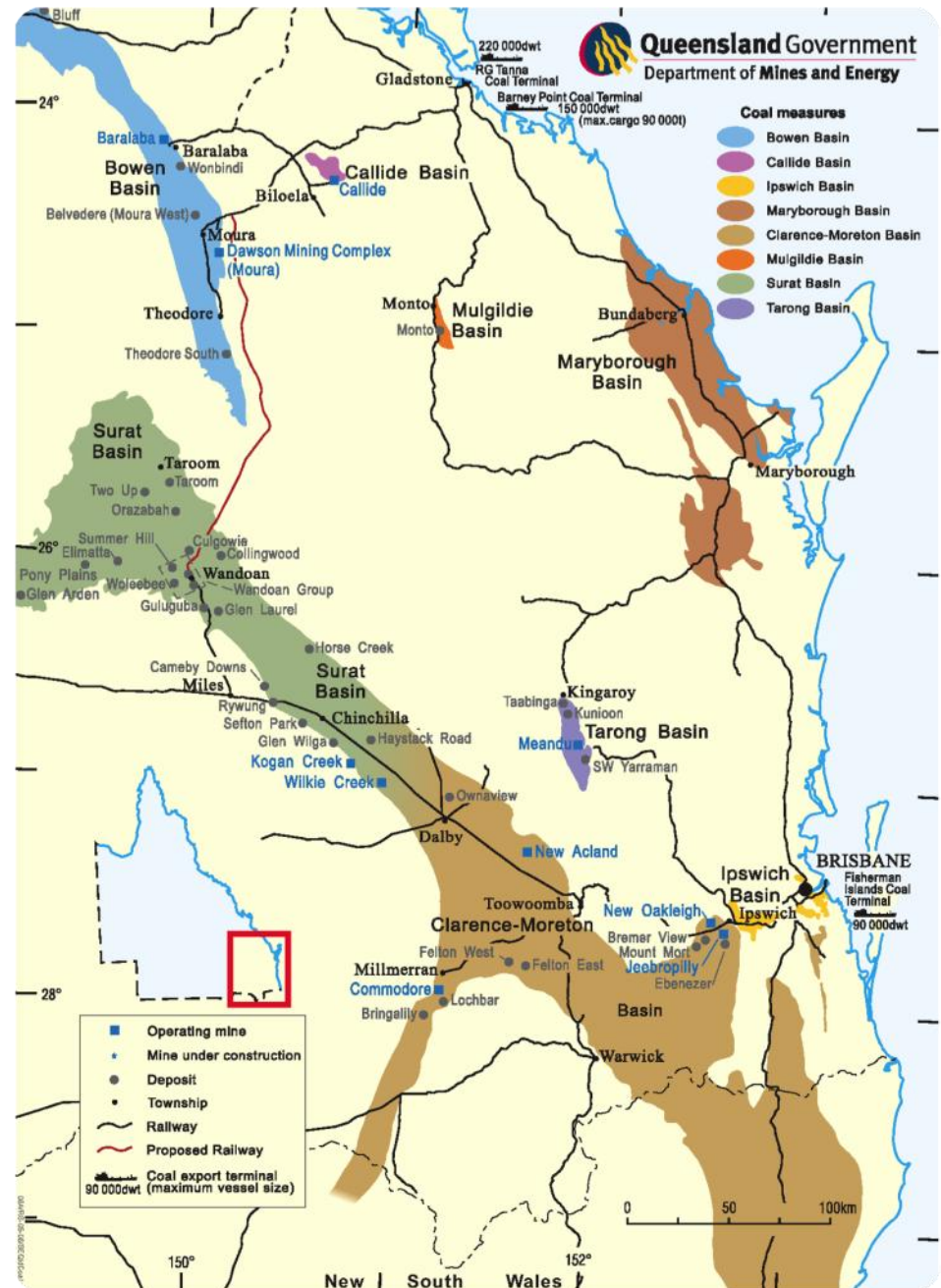
MetroCoal Limited

- Holds substantial resources in the Surat Basin - EPCs cover over 4,000km²
- Adjacent to and down dip of identified opencast coal deposits.
- Current JORC resource
 - Bundi Project 58Mt Inferred*
 - Juandah Project 172Mt Inferred and indicated**
- Significant resource potential
 - Surat coal ideally suited to export thermal coal and UCG

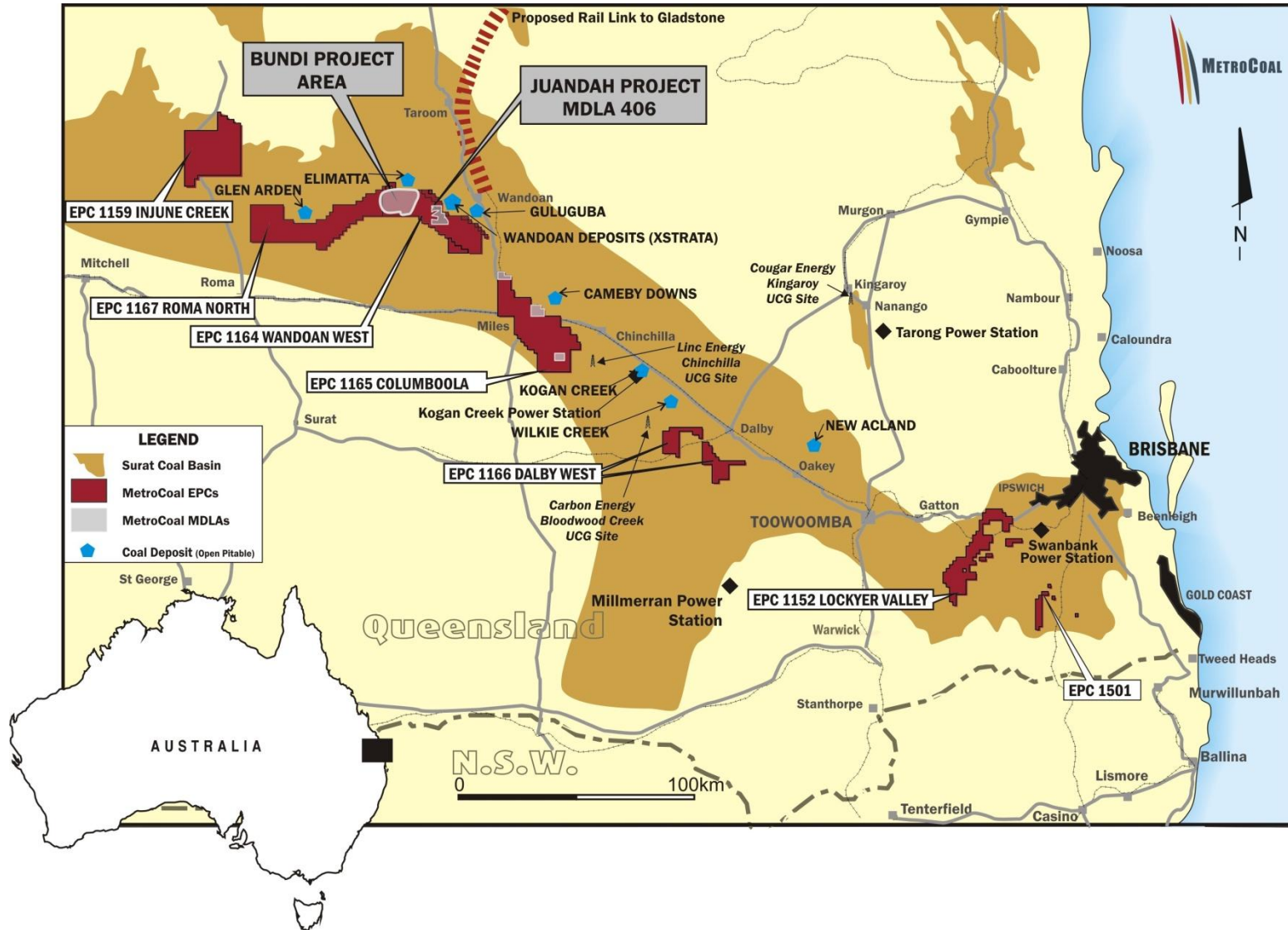
*See ASX – MTE release 27 January 2010

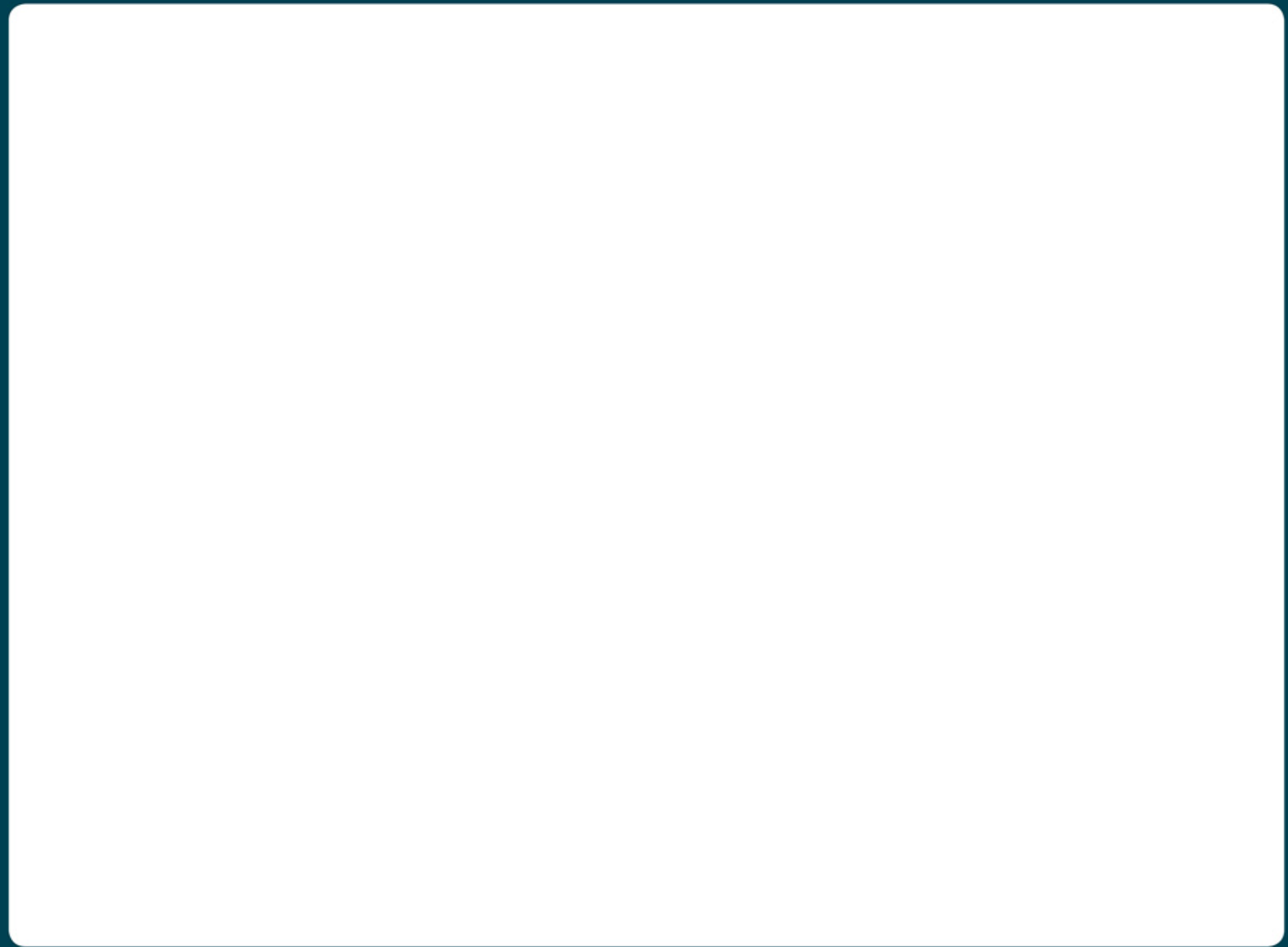
** See ASX – MLM release 28 May 2009

Current exploration target 2.5 to 3.5 billion tonnes

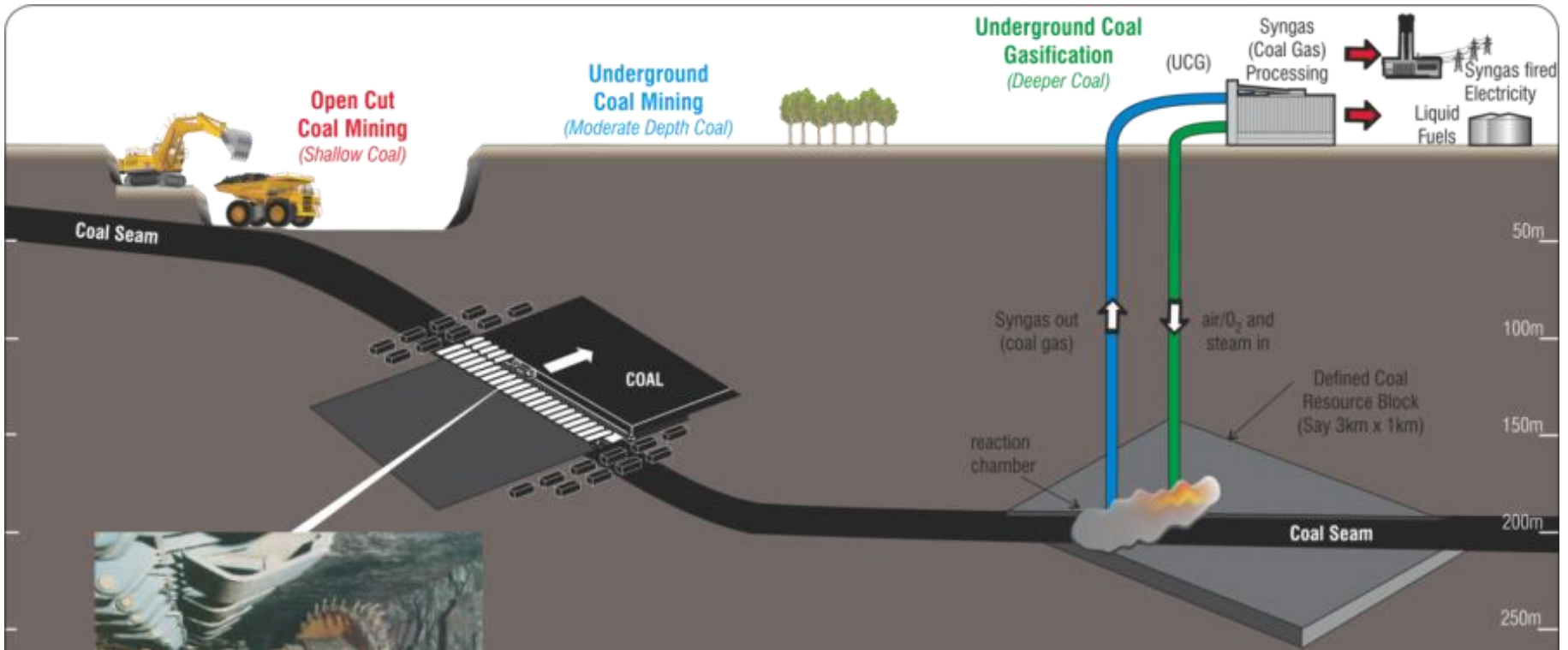


MetroCoal's Surat-Moreton Basin Coal Tenements





MetroCoal – Development Strategy



MetroCoal is unique with a two pronged strategy that optimises resources through both conventional mining and UCG

Thermal Coal Mining Strategy



- **Develop an export mine producing over 5Mt per year.**
 - Large tonnage targets with underground mining potential identified - modest opencast coal deposits are also expected
- **Continuity and thickness of the Macalister Upper seam makes it attractive for underground mining**
 - thickness varies between 2.0m and 4.5m at depths from 100m to 400m
- **Advances in underground mining technologies have improved the economics of once “stranded coal resources in the Surat Basin”**
- **Joint Venture partners sought to explore for and develop mining opportunities.**

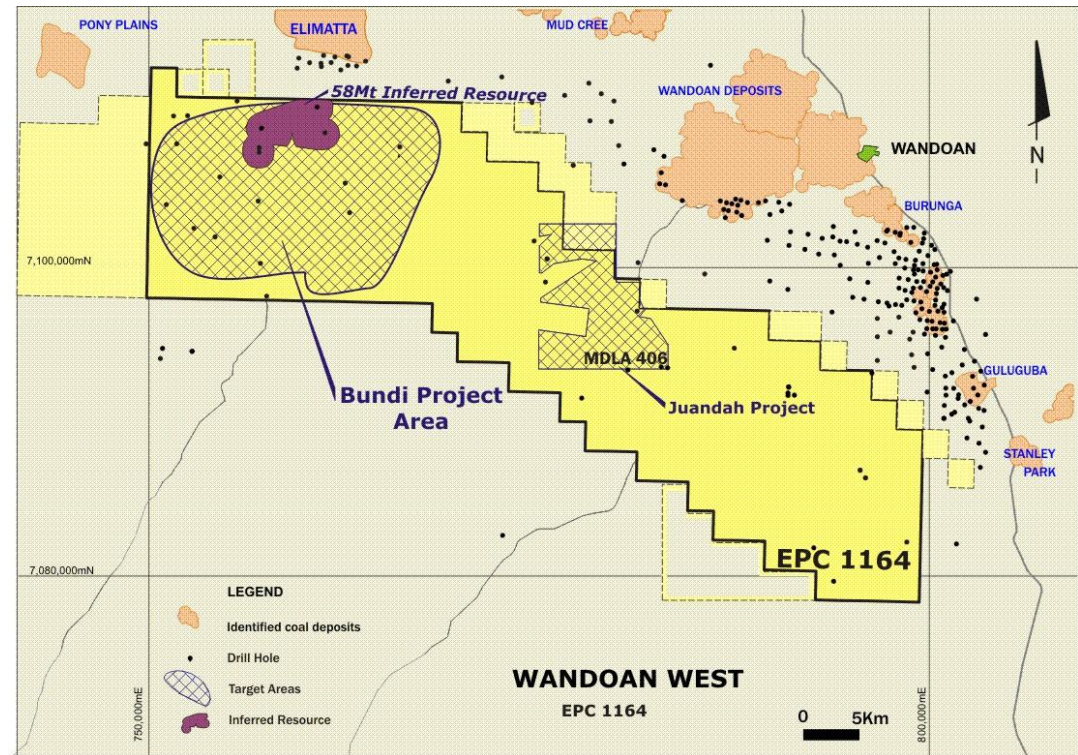


Bundi Project

Coal Resource - Inferred 58Mt*

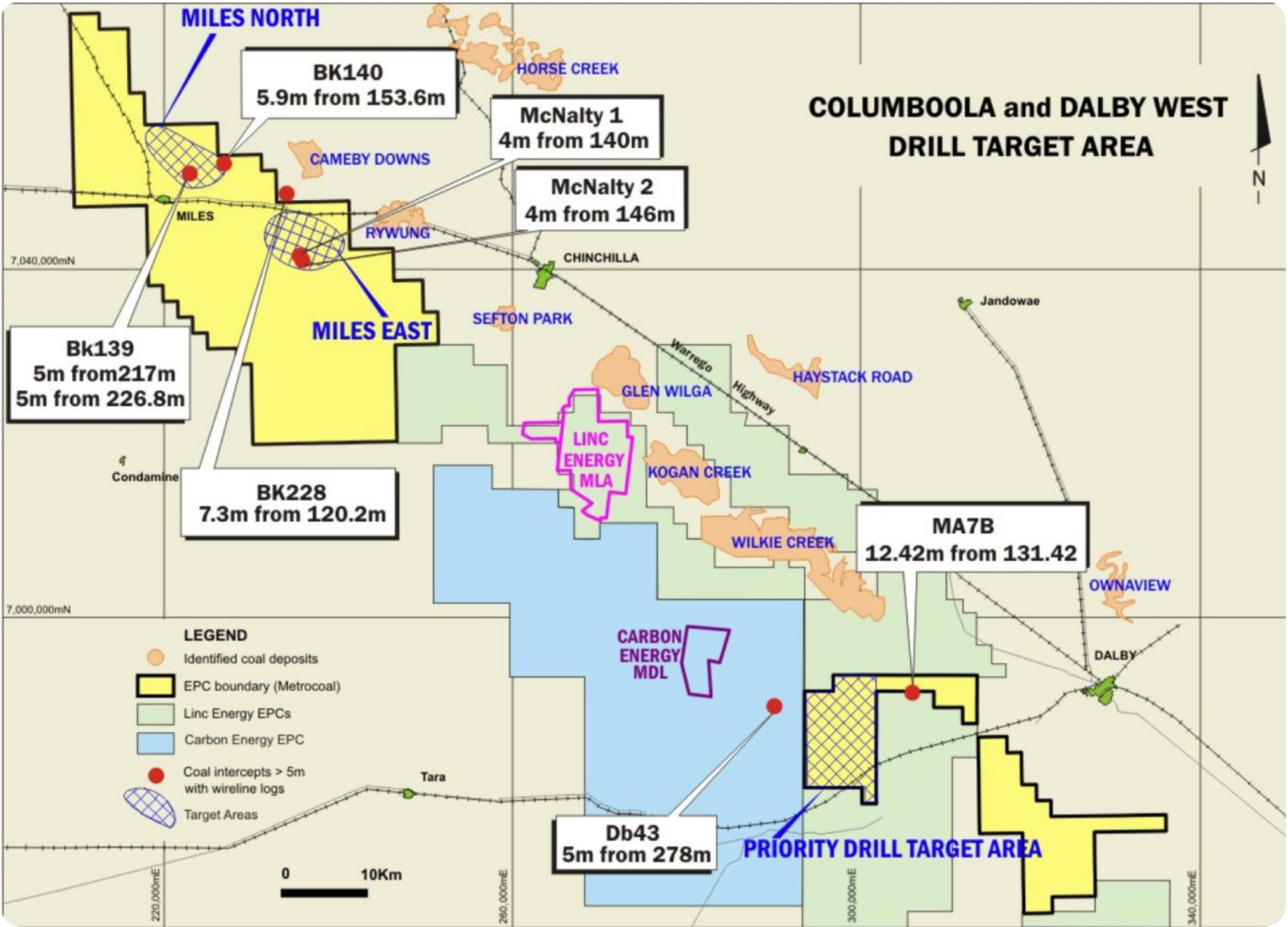
- Seam depth 106-186m
- Selected plies in Upper Macalister seam only
- Continuous, correlatable seam section
- Bundi Project area 240km²
- Exploration target 240 – 335Mt
- Inferred resource area 18km²

* See ASX - MTE release 27 January 2010

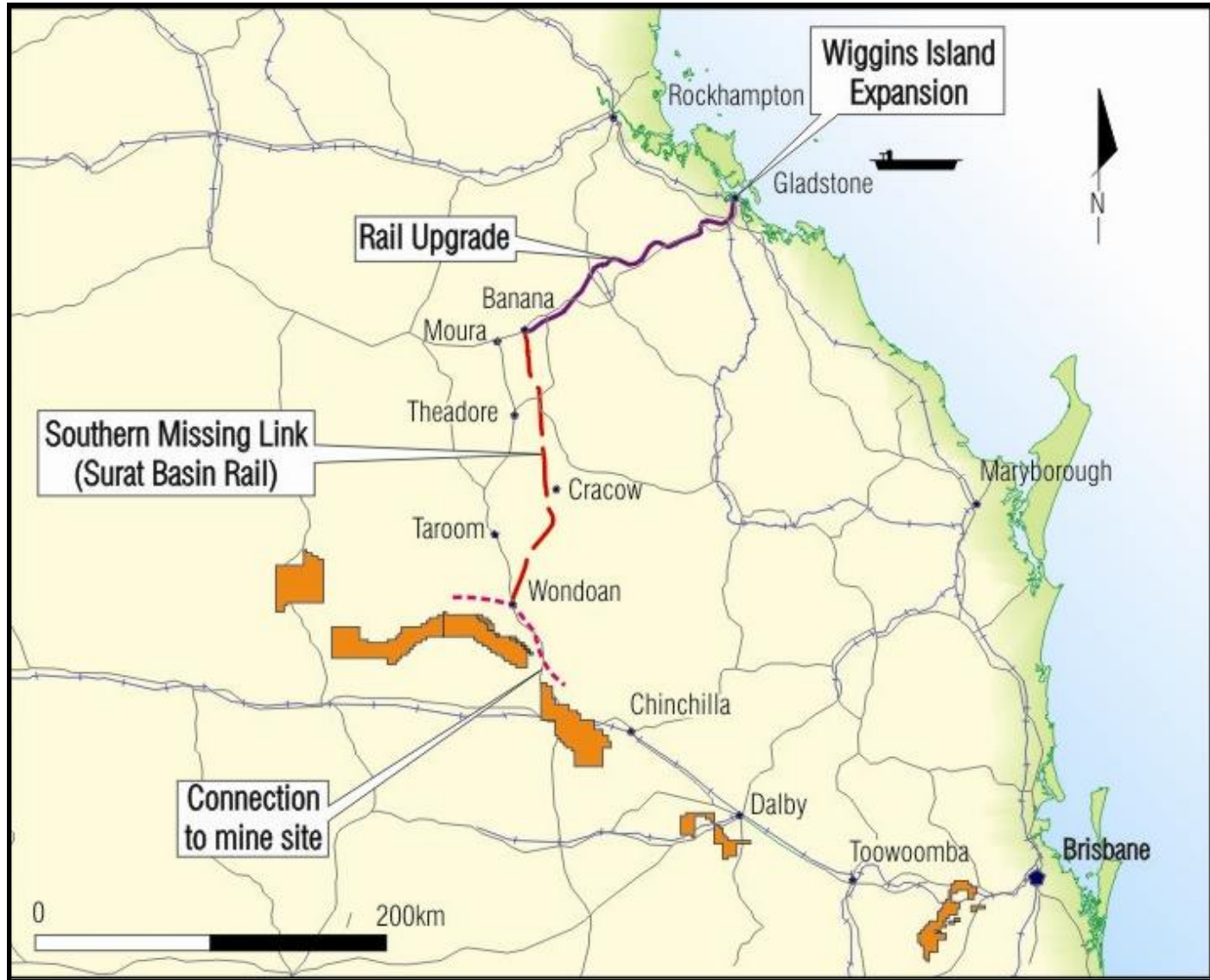


2010 Exploration program commences early March

COLUMBOOLA and DALBY WEST DRILL TARGET AREA



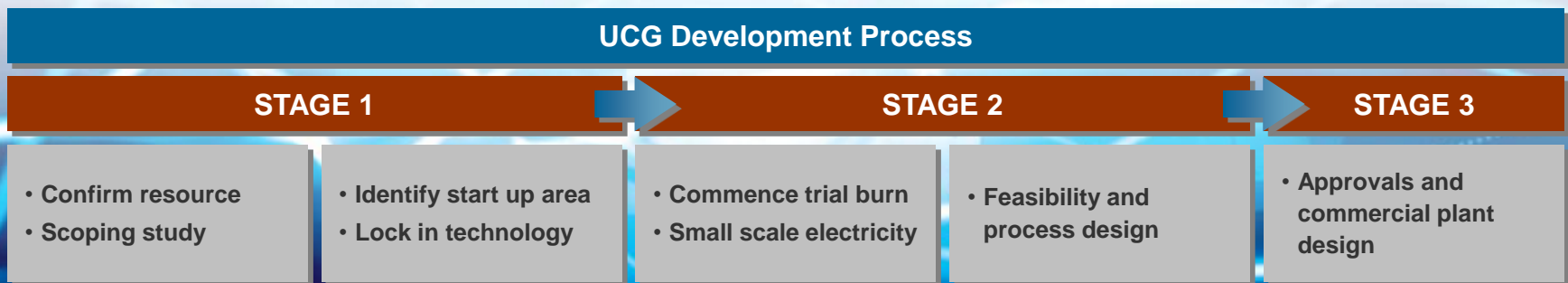
Surat Basin - Infrastructure Solution



UCG Strategy



- **Identify a UCG resource of at least a 100Mt supporting initial small scale power generation leading to UCG – GTL operations producing high grade, clean liquid fuels.**
 - Juandah Project JORC resource of 172Mt. (inferred and indicated)
 - Macalister Seam Package presents MetroCoal with an attractive seam thickness of up to 12m at depths between 180m and 330m – ideally suited to UCG operations
- **Focus on the exploration and resource definition.**
 - GTL and CTL technology providers and subsequent syngas conversion processes are still emerging.
- **Two demonstration plants currently operating in the Surat Basin:**



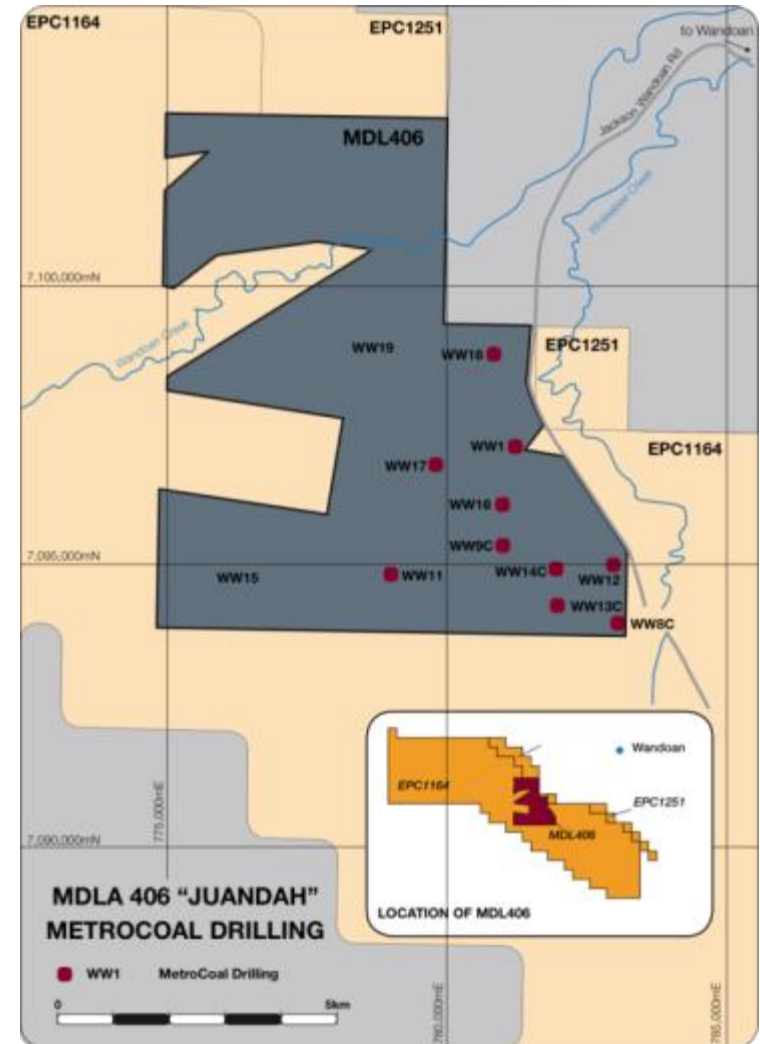
Juandah Coal Resource

(within MDLA 406)

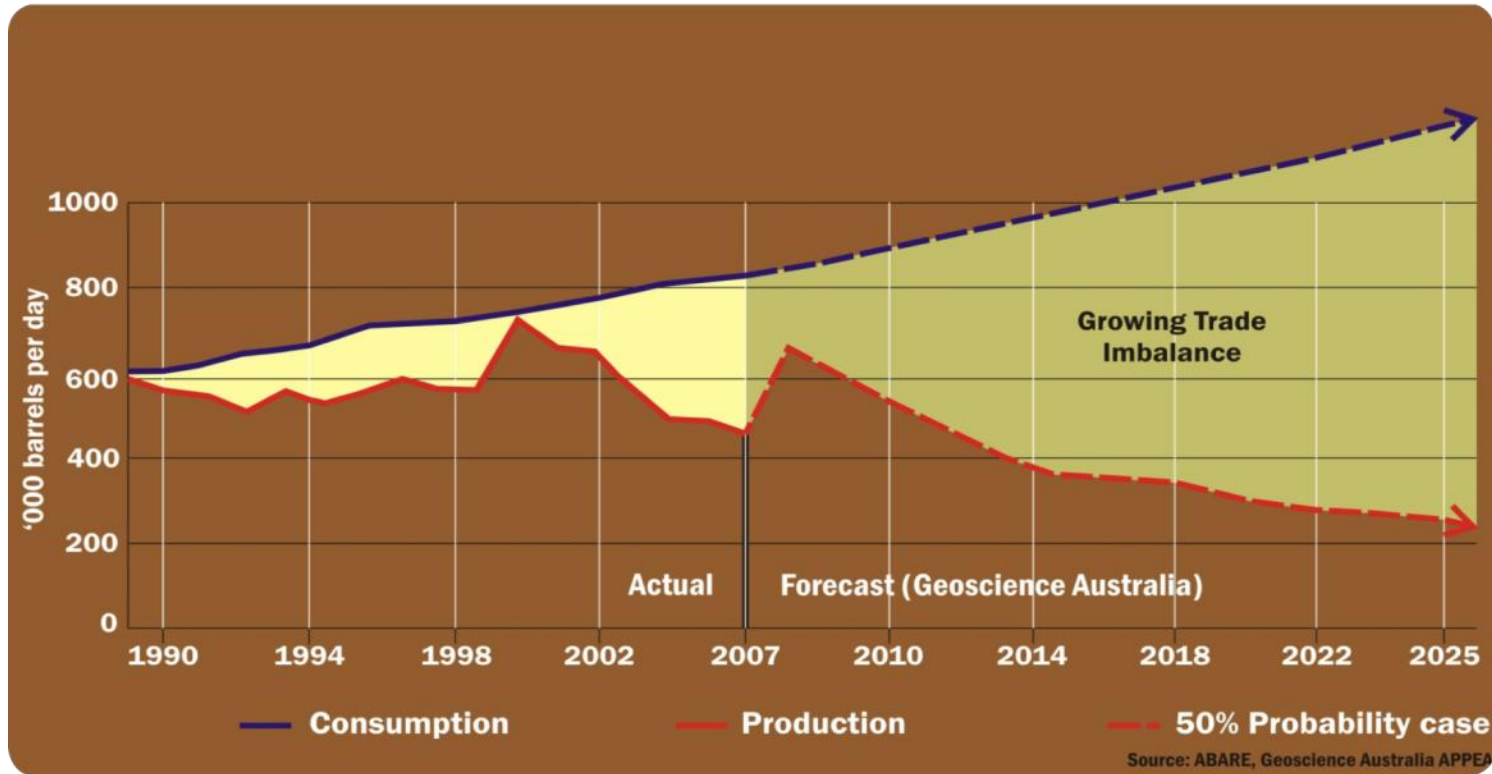
Inferred**	149.2Mt
Indicated**	22.5Mt
Total**	171.7Mt

- Depths 150-250m deep
- Upper Macalister seam only
- Other seams were intersected but not included in the resource estimate
- No overlapping gas tenure
- One of the few non overlapped areas for UCG in Queensland

** See ASX- MLM release 28 May 2009



Why Australia Needs UCG



“Minister Ferguson said high oil prices and high price volatility will continue to affect Australia’s economic outlook, however developments in coal-to-liquids and gas-to-liquids could play a greater role in meeting domestic demand for transport fuels and providing clean diesel and jet fuel to Asia-Pacific markets.”

(Media release 5 June 2008)



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