

The Grassy Mountain Story

December 2018



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Definitive feasibility study

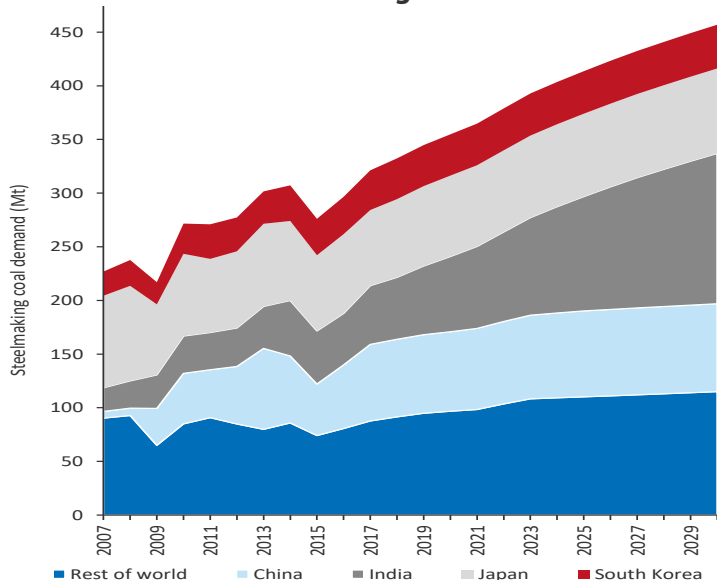
This presentation contains a number of cost, timing and volume estimates that are based on the findings of Riversdale's Definitive Feasibility Study ("DFS") regarding the Grassy Mountain project. The DFS estimates are based on a number of assumptions regarding geological, engineering, economic and permitting factors that may not prove to be accurate, and aspects of the study are based on sampling that may not be representative of the entire project. DFS estimates are inherently uncertain, and the DFS is stated to have been prepared to an order of accuracy of $\pm 15\%$. The DFS estimates are subject to change as a result of additional information or changes in circumstances. Such estimates should be treated with appropriate caution.

Coal reserve and resource estimates

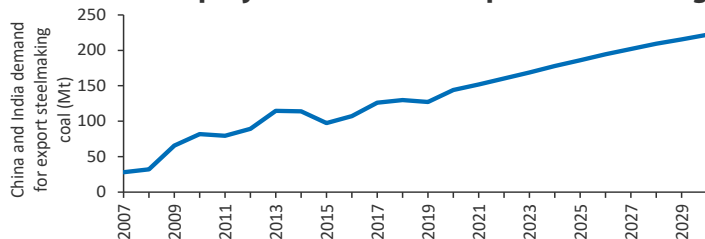
Estimates of coal reserves and resources in this presentation have been prepared and presented to comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code"), which may differ from the estimation and reporting requirements applicable in other jurisdictions.

Why We Love Hard Coking Coal

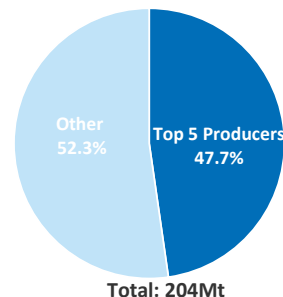
Global demand for steelmaking coal



China and India projected to be net importers of coking coal

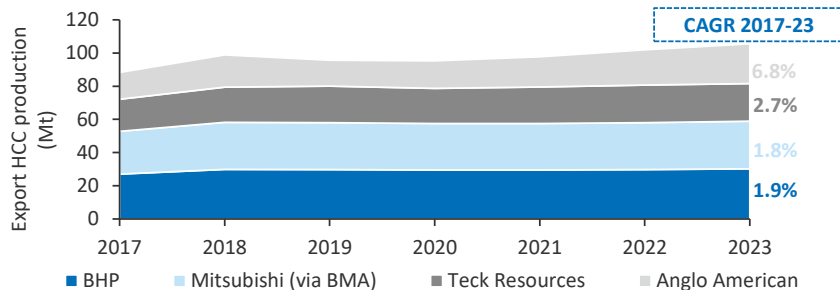


~48% of 2017 export HCC supply was from 5 producers



Producer	Proportion of HCC Production
BHP	13.3 %
Mitsubishi (via BMA)	12.6 %
Teck Resources	9.5 %
Anglo American	7.9 %
Mongolian Government	4.4 %

These producers have limited growth in HCC production



The Road to Grassy Mountain

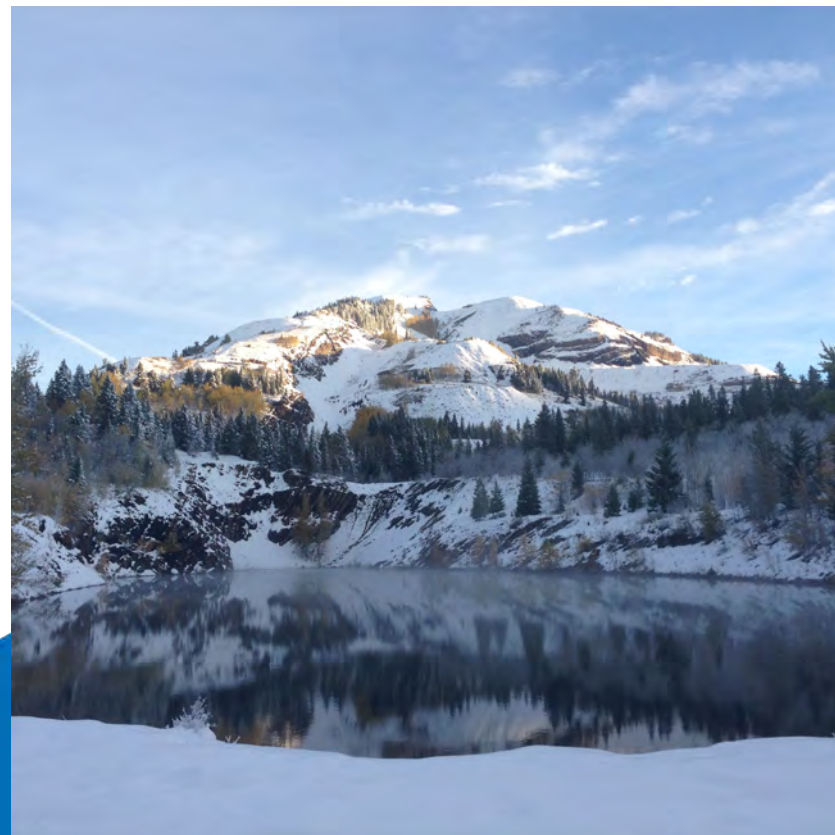
Incorporated as a public unlisted company in 2011

153 shareholders - with largest shareholders initially being Resource Capital Funds, Management and Macquarie Bank

Grassy acquired in 2013 from two Oil/Gas producers

110 leases, 4 distinct projects and over 1,400 hectares land acquired – 60% of Grassy, including all major infrastructure, is located on land owned by Riversdale

Key attraction for Riversdale was the extensive 350 hole drill database as well 9 exploration adits and extensive coal quality testing as well as a Feasibility Study undertaken in the early 1970s



Right Location

Within Canada, the Crowsnest Coal Fields including the Elk Valley have been a consistent and reliable producer of HCC, regardless of market conditions.



Canadian Export Steelmaking Coal

Source: AME



Uncovering a Giant



Large, high quality HCC resource

4.5 Mtpa forecast production of a single HCC product

Strong projected margin curve position and low estimated capital intensity

Confirmed capacity for 4.5Mtpa on existing rail and port infrastructure

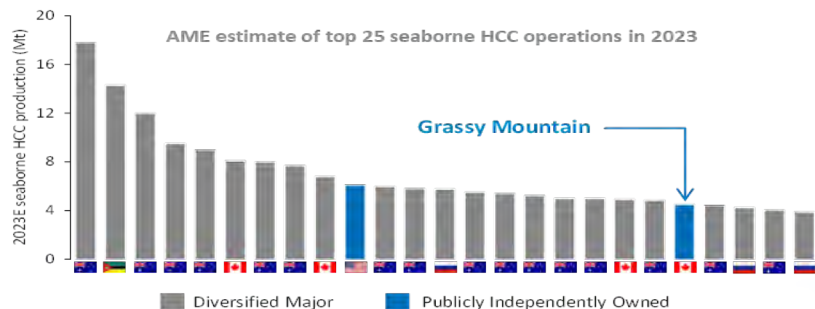
Rigorous project planning, community and First Nations engagement well progressed, with permitting anticipated for the first half of 2019

Significant exploration portfolio with potential to extend mine life and expand production

Highly experienced board and a management team

Large, Open Cut, Low Cost, Hard Coking Coal

Location	Crowsnest Pass, Southwest Alberta, Canada
Riversdale ownership	100%
Coal type	100% Hard Coking Coal
Resources¹	195Mt
Reserves²	154Mt (Recoverable) and 88Mt (Marketable)
Mining method	Open-cut
Peak production	4.5 Mtpa of marketable coal
Mine life	24+ years with potential extension
FOB opex (incl. royalties)³	~C\$96/t (LOM average)
Development capex	~C\$634m (first coal)
Infrastructure	CP Rail & Westshore Terminals
First production	2021

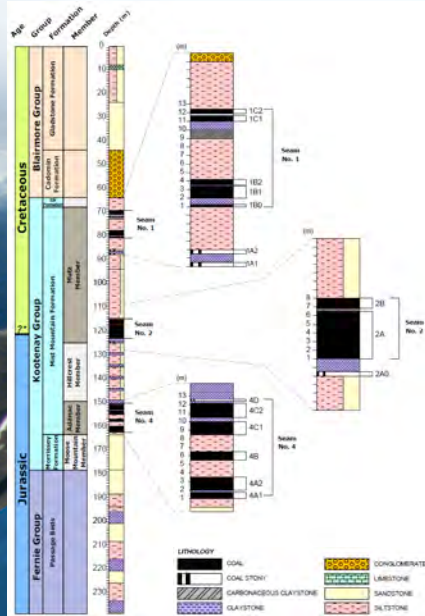


Source: AME



¹ Coal resources have been estimated by McElroy Bryan Geological Services Pty Ltd in accordance with the JORC Code 2012 edition. Resources are quoted inclusive of reserves. ² Coal Reserves have been estimated by Deswik Mining Consultants (Australia) Pty Ltd in accordance with the JORC Code 2012 edition. ³ Royalty calculations assume a coal benchmark HCC price of US\$140/t and USD:CAD of 1:1.25.

Large Tonnage of Shallow Open Cut Hard Coking Coal



3 Seams: 22 Metres
Ave. combined thickness



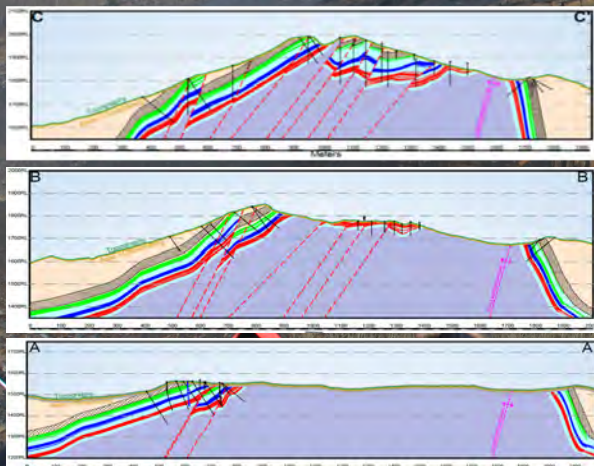
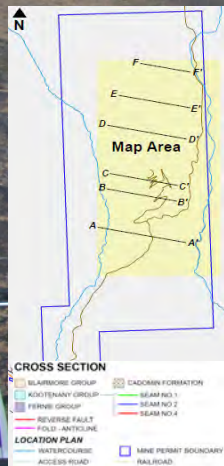
Favourable Geology for Low Cost Open Cut Mining

JORC Resources

Measured	Indicated	Inferred	Total
85Mt	110Mt	-	195Mt

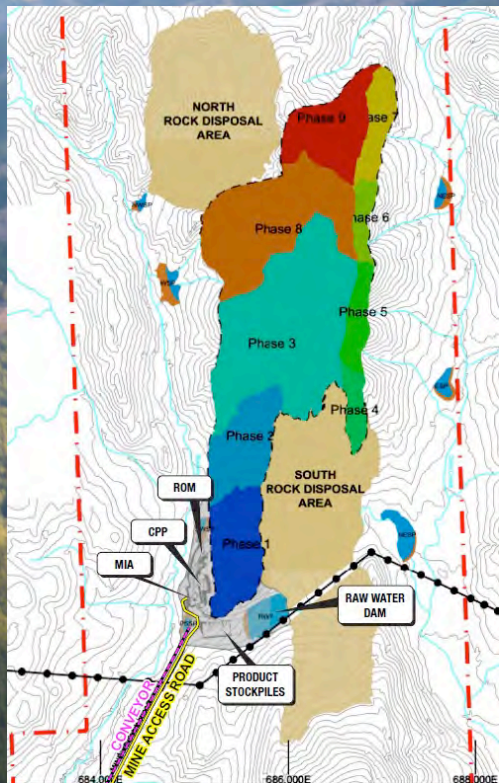
JORC Reserves

Proven	Probable	Total
65Mt	89Mt	144Mt



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Mine Designed to Optimise Product Quality



- 24 Yr Mine Life
- 4.5 Mtpa HCC product
- 9.2:1 LOM Strip Ratio / 7.4:1 (First 5 yrs)
- Truck & Shovel - 2 Out of pit dumps
- 1,120tph CPP
- Batch processing of the 3 seams
- Blending of product on reclaim



Efficient Infrastructure Solutions in Place



>16,000t

- 2km Connection to main line



4.5Mtpa

- Port Capacity Secured at Westshore Terminals



Coal Quality Testing

5th bulk sample program in late 2018

Steelmaker testing in Europe, North Asia and Brazil

Riversdale has completed 9 full scale coke oven tests – results confirm a high quality mid vol hard coking coal

Bulk sample extracted with LDRF and conventional large diameter (200 mm) coring

All bulk washing, prep and carbonisation undertaken at Australian laboratories to ensure comparability with key Bowen Basin brands



Single HCC Product

- Blend of 3 seams
- Tested by 8 global steelmakers
- Similar to other HCC produced in Crowsnest Coalfields

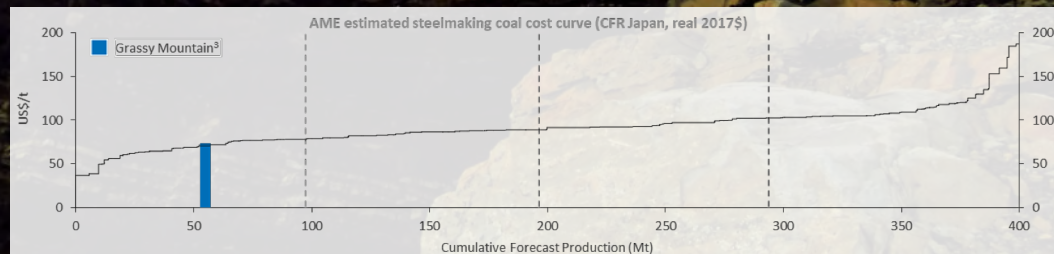
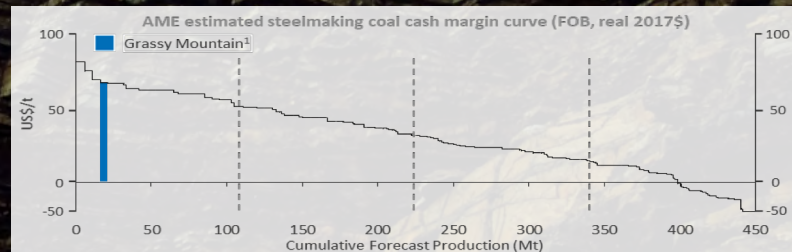
	Grassy Mountain HCC	Indicative Tier 1 HCC
CSR	65	71
Volatile matter (%)	23.5	21
Total moisture (%)	<10	9 – 10
Ash (%)	9.5	8 – 10
Sulfur (%)	0.5	0.5 – 0.7
Phosphorus (%)	0.04	0.05
Fluidity (ddpm)	150	500

Q1 Margin & Cost Curve Position



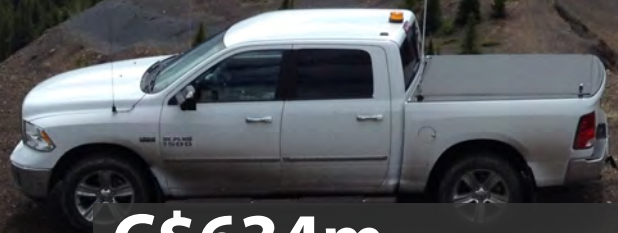
FOB C\$91/t - 1st 10 yrs (inc royalties)

FOB C\$96/t LOM (inc royalties)



¹ Royalty calculations assume a coal benchmark HCC price of US\$140/t and USD:CAD of 1:1.25.

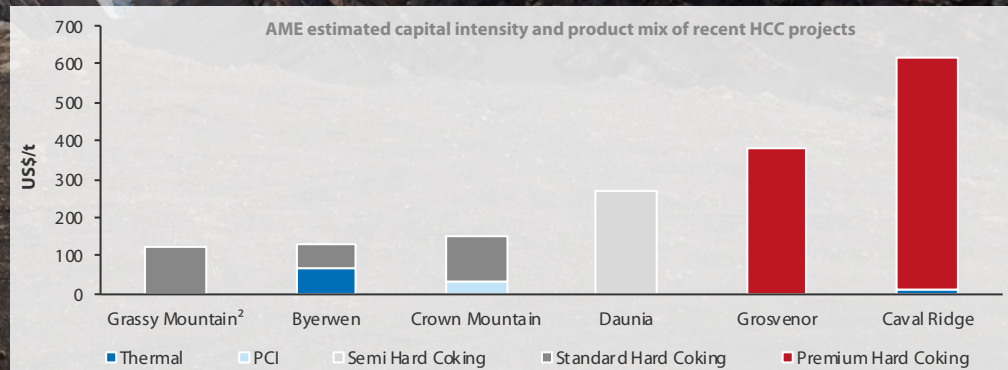
Low Capital Intensity



C\$634m

CAPEX to First Coal

- Minimal investment in rail and port
- Low strip ratio



¹ Costs shown on a real 2017\$ basis assuming an exchange rate of USD: CAD at 1:1.25.

² AME assumes US\$568m of development capex for Grassy Mountain.



Community

- Knowledgeable community on coal
- Engaged early in project life
- Extensive community program implemented

First Nations

- Long engagement with Treaty 7 FN's
- One Project Agreement in place and currently discussing additional agreements







2021 Production

- Joint Review Panel Initiated - Final Public Comment
- Detailed engineering and tender preparation advanced
- Financing discussions progressing
- Construction team engaged
- Golf course construction complete

	2018	2019	2020	2021	2022	2023 +
Approvals		Permitting				
Construction			Processing Plant & Infrastructure Construction			
Mine Development				Mining Starts		
Production					Commissioning, Ramp up and Production	

Development timetable shown based off current estimate of permitting completion.

Substantial Exploration Portfolio

- 4 exploration projects – “Category 4” Alberta Coal Development Policy
- Limited historical production
- Grassy North & Grassy South the immediate focus post Grassy Mountain
- Potential for multiple mines with some shared key infrastructure



Strong Fiscal Environment



	Queensland		British Columbia	Alberta
Corporate tax rate	30%		26%	27%
Coal royalty	Price Received:		<u>Prior to recovery of capital:</u>	<u>Prior to recovery of capital</u>
	<A\$100/t	7%	2% of net current proceeds (revenue less operating costs)	1% of mine mouth revenue (FOB revenue less transport costs)
	<A\$150/t	7% (first A\$100)	<u>Post recovery of capital:</u>	<u>Post recovery of capital</u>
		12.5% (balance)		
	>A\$150/t	7% (first A\$100)		
		12.5% (next A\$50)	13% of net revenue (revenue less operating costs)	<u>Tier 1:</u> 1% of mine mouth revenue; <i>plus</i>
		15% (balance)		<u>Tier 2:</u> 13% of net revenue (<i>mine mouth revenue less allowed operating/capital costs.</i>)





Thank You