



Image shows successful rehabilitation of previous open cut mining

Malabar Resources

Long life, high margin metallurgical coal business

Annual General Meeting 17 November 2022

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A substantial company with excellent assets

- Large resource of high quality coals; >75% suitable for steel-making.
- Product demand likely to support strong prices.
- Brownfield development. Substantial infrastructure with replacement value of >A\$300m.
- Construction has commenced...



Whynot seam portal

- Malabar owns the land for the Maxwell mine and substantial solar potential (8,900 ha).
- Ideally located with access to high-capacity rail and close to Newcastle port.
 - ✓ Malabar own 7.4% of Port Waratah Coal Services (PWCS), the world's largest coal export facility.
- First coal sales in FY2023 from Whynot Bord and Pillar.
- Key metrics on ramp-up to full longwall production:
 - ✓ Sales of 5.5 - 6.5Mtpa of high-quality coal for +25 years.
 - ✓ Bottom quartile operating costs.



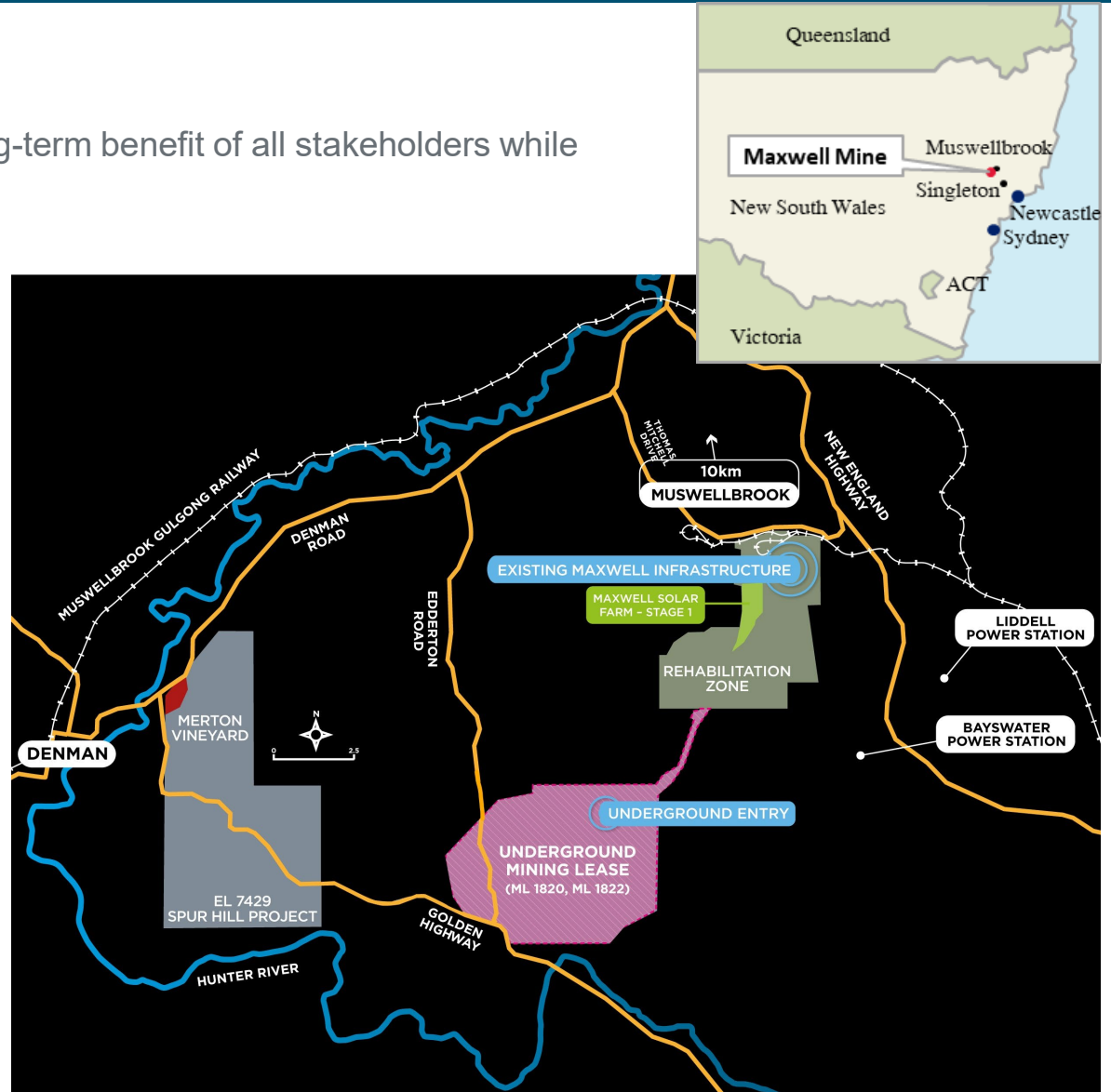
Company overview

Our vision:

Building a successful resources company for the long-term benefit of all stakeholders while listening to our communities.

Our assets include:

- The Maxwell Underground Mine;
- Antiene Rail Spur which connects Maxwell Mine to the main track;
- 20% shareholding in Newcastle Coal Shippers, which owns 37% of PWCS, providing dividends to Malabar;
- Spur Hill exploration project (EL 7429);
- The 25MW approved Stage 1 Maxwell Solar Farm, with the ability to substantially increase large-scale solar generation and battery storage in a strategically important hub; and
- Agricultural assets, including the Merton Vineyard.



Achievements over the past year

Since our 2021 Annual General Meeting, Malabar's achievements include...

- **November 2021** - Mining Leases granted for the Maxwell Underground Mine;
- **November 2021**- Initial component of the funding required for constructing the Maxwell Mine established with a \$US55 million prepay facility with a customer;
- **May 2022** - Construction commences of access road and mine entry earthworks;
- **June 2022** - Whynot B&P mining equipment secured;
- **July 2022** - Completion of the full funding for the Maxwell Mine with \$250 million debt facilities and \$250m equity;
- **September 2022** - Power transmission line construction agreement executed;
- **November 2022** - Construction contract for the parallel “drifts” (tunnels) to the Woodlands Hill longwall seam executed;
- **November 2022** - Execution of formal agreements with global power generation company EDF Renewables (EDF R) to develop large scale renewable energy projects in the Upper Hunter Valley; and
- Our people:
 - ✓ All site senior management now in place.
 - ✓ Recruitment of additional roles is progressing well.



Existing infrastructure

Existing infrastructure reduces development capex and de-risks mine development

- Site access roads;
- Coal Handling Preparation Plant (CHPP) – capacity 850 tph;
- Substantial product stockpile facilities;
- Train load-out facility and rail loop;
- Administration, employee amenities, training centre, workshops etc.;
- Electrical distribution infrastructure;
- CHPP reject emplacement facilities;
- Site water management infrastructure (including substantial water storages (>13 gigalitres), and wastewater treatment facility, and;
- 89km² freehold land.



**Replacement value
>\$300m.**



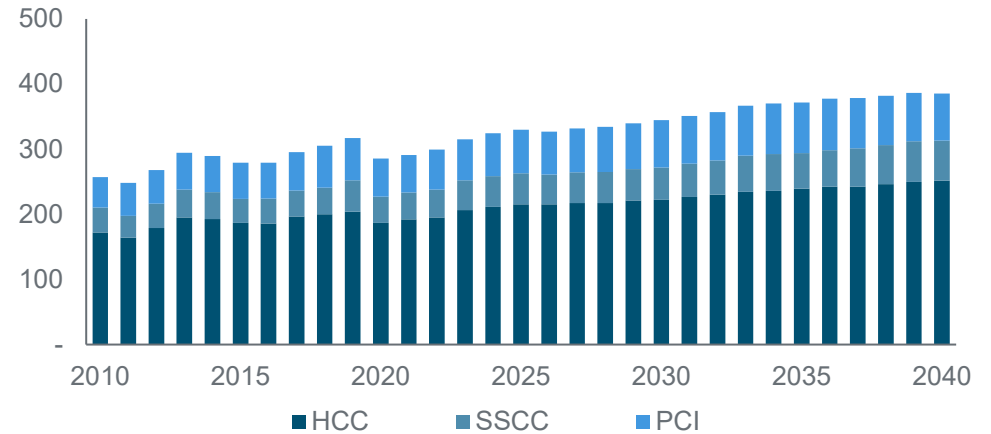
SSCC expected to have an increasing role in the global steel supply chain, with favourable supply-demand dynamics

- Role of Semi-Soft-Coking-Coal (SSCC) in the global steel value chain is expected to grow as a result of:
 - Increased demand from India due to increasing steel production and increased proportion of SSCC in coke blends (currently 21% increasing to 30% in the long term);
 - Advanced steel making technology favours a greater proportion of SSCC;
 - Cost competitiveness of SSCC;
 - Increased likelihood of permitting delays or permanent stalling of new metallurgical coal and SSCC supply; and
 - Reducing CO2 emissions from BF-BOF (1) operations by lowering ash levels in coke blends. Low ash SSCC assists this outcome.

Australia to remain the leader of the global seaborne metallurgical coal market with Maxwell placed to service growing demand in the Asian region.

Increasing demand for seaborne metallurgical coal over the long-term...

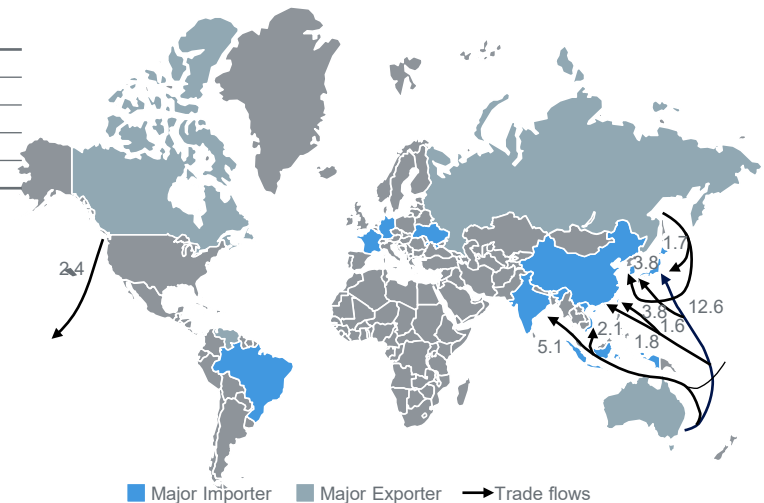
Metallurgical coal demand (Mt)



...with the majority coming from Australia(2)

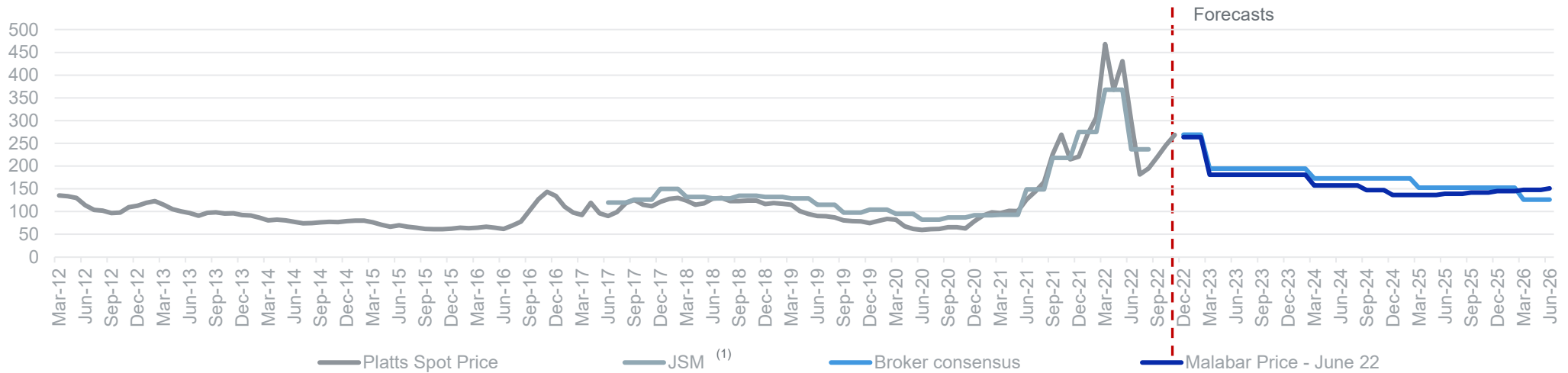
Country	Mt SSCC
Australia	33.0
Russia	12.4
Canada	3.2
Venezuela	1.5
Total	50.3

Sanctions on Russian coal exports creating increased demand for Australian metallurgical coal

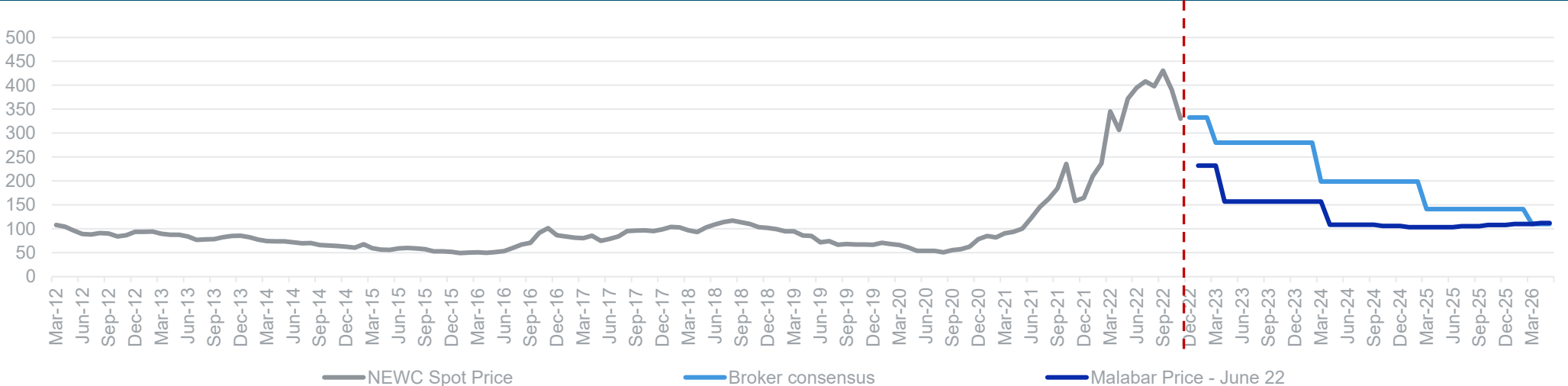


SSCC and thermal coal continue to trade at high prices

Historical and forecast SSCC prices (US\$/t nominal)



Historical and forecast thermal prices (US\$/t nominal)



Note: Forecast prices in nominal terms.
 (1) JSM = Japanese Steel Mills.

Staged development to annual sales of > 6,000,000 tpa

The Maxwell Mine will be developed in stages.

Stage 1

- Bord and Pillar mining of the Whynot seam and;
- 145m wide longwall operating in the Woodlands Hill seam.

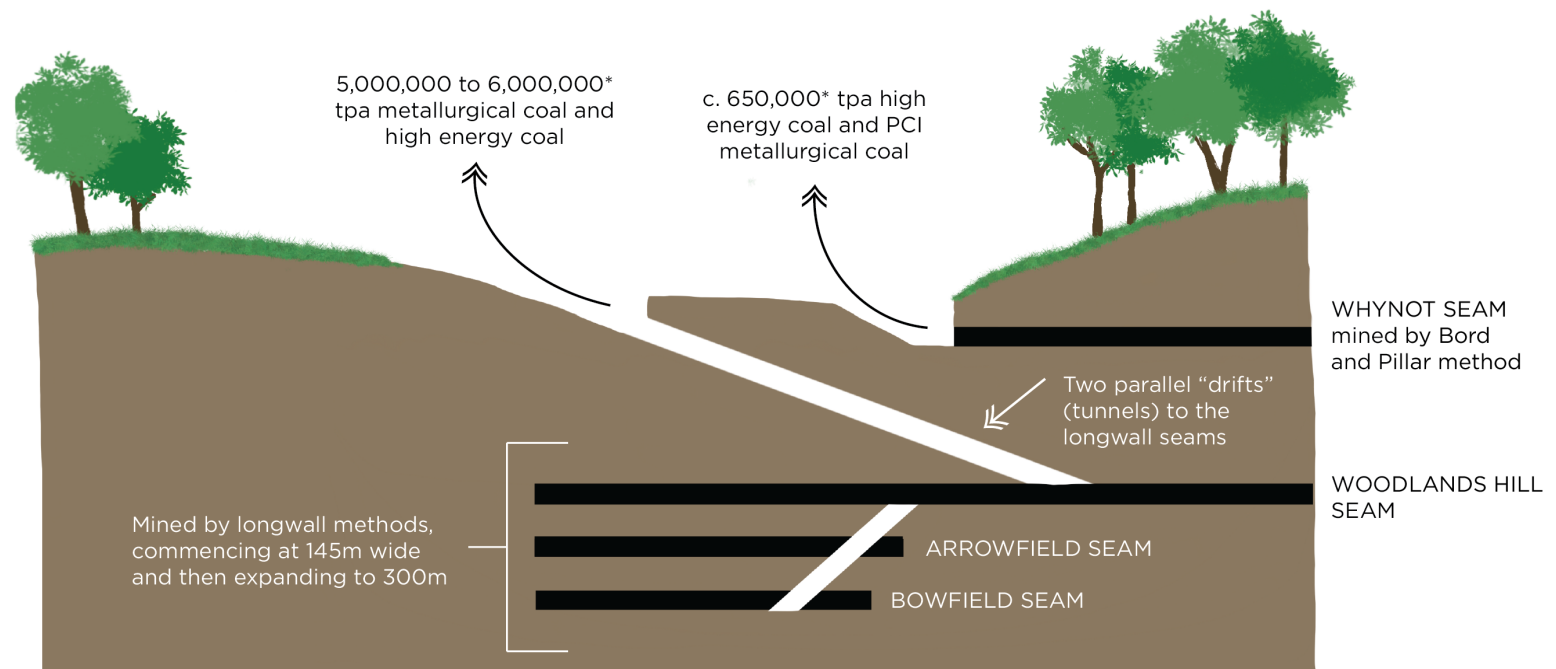
Funding completed in July 2022 finances Stage 1.

Stage 2

- Longwall expanded to 300m in the Woodlands Hill seam and there on.

Funding the expansion of the longwall to 300m will be from operating cashflow and/or senior facilities and/or customers.

Maxwell Underground Mine



*Washed/product coal

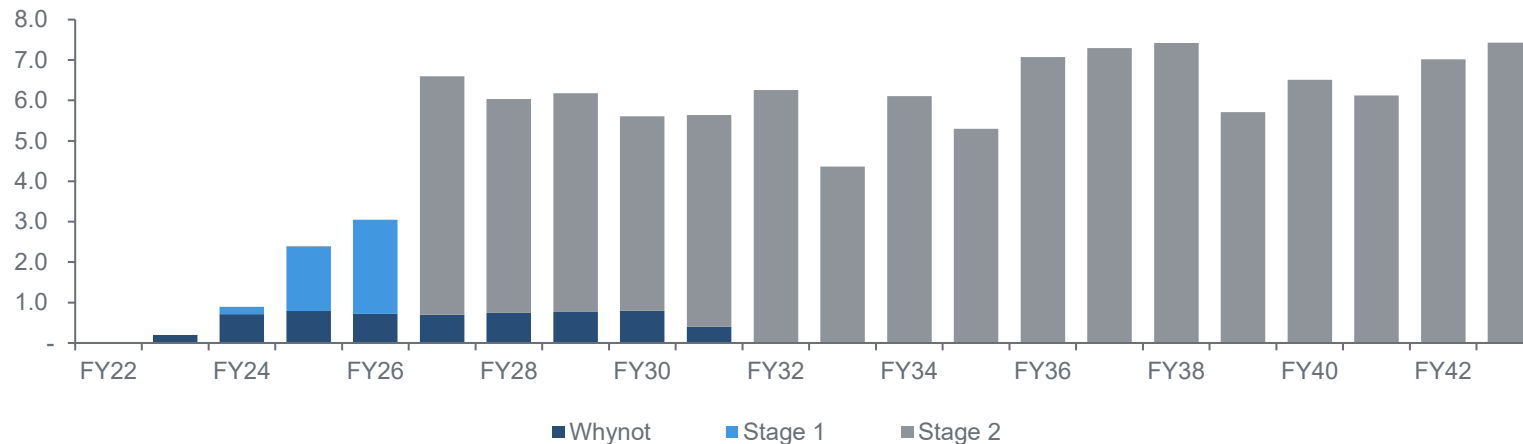
Staged development to + 6,000,000 tpa sales

Stage 1 and 2 summary

	Stage 1 ⁽¹⁾	Stage 2
Sales	3.0 to 3.6Mtpa	5.5 to 6.5Mtpa
Milestones	B&P production commences in Q1/CY2023. Q1/CY2025 145m longwall commences.	Q2/CY2025 300m longwall commences.
Capex	~A\$370m ⁽²⁾ As at Nov 2022 ~A\$348m remains	~A\$250m ⁽²⁾

Note: Physicals and financials on a June year-end basis. Shown in nominal terms.
 (1) Inclusive of Whynot B&P and Longwall Stage 1.
 (2) Capex of each stage to reach commercial production (as forecast in June 2022)

Sales (million tonnes per annum)



Maxwell Mine construction update

- Construction of the Maxwell Mine commenced in May 2022
- Major work packages are progressing on schedule
 - Site Access earthworks – **completed.**
 - Water Infrastructure – **30% complete.**
 - Mine entry area earthworks – **25% complete.**
 - Whynot mine portal earthworks - **40% complete.**
 - Whynot mining equipment supply – **agreements executed.**
 - Woodlands Hill portal earthworks – **10% complete.**
 - Woodlands Hill drifts construction agreement – **executed.**
 - Longwall equipment supply – **25% of agreements executed.**
 - Recommissioning of the CHPP – **repowering has occurred**



On track to deliver 1st coal in Q1 2023

Malabar is an active member of the local community

- ✓ We engage with our community through direct conversations, newsletters, our CCC, our website, and our rapidly growing on-site team.
- ✓ The Maxwell Mine is creating 350 new, direct jobs and many more indirect jobs.

350 
new, direct jobs and many
more indirect jobs

- ✓ We support local employment and businesses.
- ✓ Over \$600,000 has been donated to the community to date, providing targeted donations to education, aged care, community organisations and local sporting clubs in need.



".....We have been able to provide young first nations people with employment opportunities because of the support from Malabar. Malabar gave our trainees and employees access to country to teach our people about the native plants and bush tucker around the site, this is significant to our people as it also has some significant sites so we can teach how to identify artefacts and plant species, without their support this could not happen..."

Mark Bowditch a Wiradjuri and Wonnarua man and the Co-ordinator of a young Hunter Aboriginal trainee team in the Hunter Valley.

ESG focus

Malabar is committed to its ESG principles...

- ✓ Greater than 75% of production suitable for steelmaking.
- ✓ Demonstrated best practice rehabilitation of the old Drayton open-cut mine.
- ✓ Underground mining employs less intrusive mining methods to minimise dust emissions, noise, water and visual impacts.
- ✓ Minimise incremental environmental and social impacts by utilising the substantial existing brownfield infrastructure.
- ✓ Green energy focus and opportunities to reduce emissions using rehabilitated land to develop Stage 1 Maxwell Solar Farm, and opportunity to develop substantially greater renewable energy developments
- ✓ Proactive community engagement.
- ✓ Rigorous and transparent disclosure regime.

Renewable energy developments

Malabar's land is well located to play a significant role in NSW's energy transition

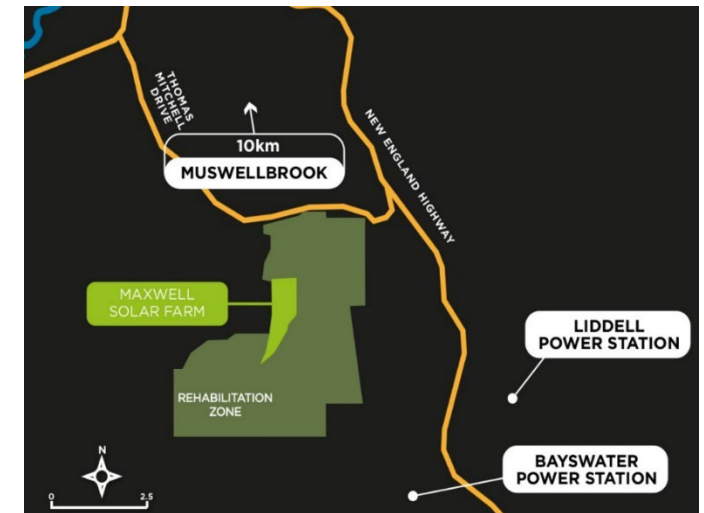
25MW Maxwell Solar Farm

- Development Consent received.
- Located on 105 ha over rehabilitated open cut mine. Estimated to be able to generate enough energy to power c.10,000 homes.

Large scale renewable energy

In November 2022 Malabar formalised its partnership with EDF Renewables (of France) on large scale renewable energy in the Upper Hunter Valley

- The partnership brings global and local expertise to develop significant solar power and energy storage projects in the Hunter region.
- EDF R is a world leader in renewable energy with a presence in more than 20 countries, with 10.1 GW net installed capacity of solar, onshore wind, offshore wind and storage projects as of 31st December 2021.
- Malabar's location is ideal for large-scale renewable energy:
 - Proximity to major high voltage network infrastructure provides connection options.
 - Area is in the officially designated NSW Hunter – Central Coast "Renewable Energy Zone".



Project funding

Funding

- Completion of equity raise and rural debt repayment occurred in August 2022.
- Cash (as at 31st October 2022) A\$246m.
- 1st debt drawdown of Senior Debt Facility of US\$24m occurred in September 2022.
- Remaining debt and coal prepayment of US\$151m to be progressively drawn over the duration of the project schedule.

Operating cashflow

- 1st coal sales on target for Q1 CY 2023.
- Conservatively coal price assumptions have not been updated since the August 2022 equity raise forecast – *(shown on slide 7)*.

Capex

- Capex to Stage 1 completion is ~A\$348m.
- Project capex was updated in May 22 (prior to equity raise) and included cost contingency of A\$33m.
- As a result of inflation across the mining and construction sectors the project contingency is expected to be utilized.

Sources & Uses to Stage 1 Completion (A\$m)⁽¹⁾

Sources	A\$m
Cash	246
Committed Undrawn Debt & Coal Prepayment	222
Operating cashflow (Finance costs & working capital, net of Whynot B&P revenue ⁽²⁾)	5
Total Sources	473

Uses	A\$m
Project Stage 1 CAPEX	348
Forecast closing cash on balance sheet	125
Total Uses	473

Note: Numbers are subject to rounding. Shown in nominal terms. Assumes Malabar price deck unchanged from the August equity raise referred to on page 7.

(1) Sources & uses period shown runs from 1-Nov-22 to 30-Sep-25 when mine reaches commercial production.

(2) Finance costs & working capital are net of revenue from the Whynot B&P during construction of the longwall mine.

Business highlights

Extensive board and management track records of developing and operating underground coal mines.

Large, high quality JORC Reserve underpinning 25+ year mine life.

High quality, well understood metallurgical products to be delivered to premium Asian steel mills.

Semi-Soft Coking Coal expected to have an increasing role in the global steel seaborne supply chain with favourable supply-demand dynamics.

Staged, low-risk development to > 6,000,000 tpa.

Lowest quartile cost underpins strong operating margins.

ESG focus.



End of Presentation