



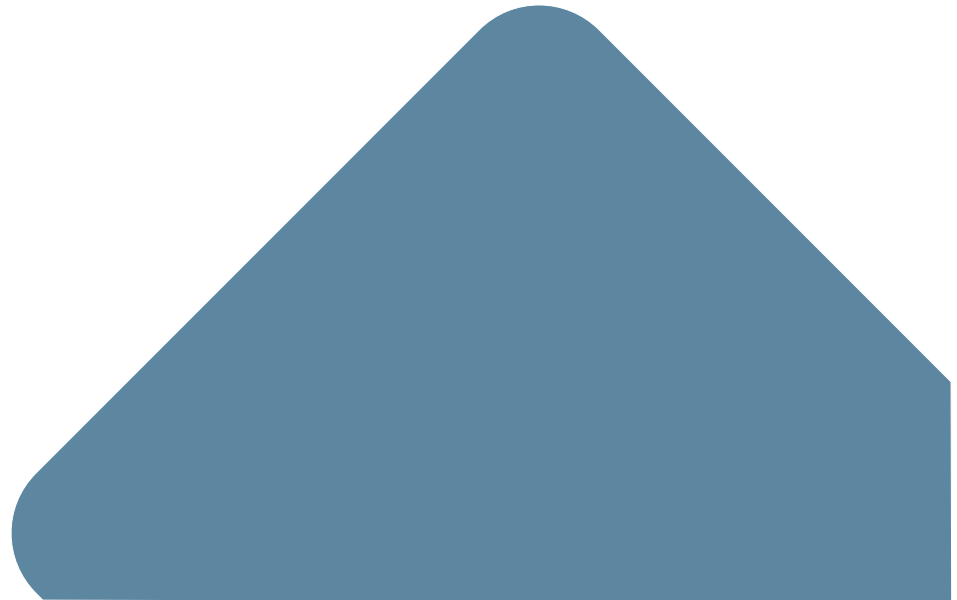
**Malabar Resources Limited
Shareholder Update
November 2020**

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Agenda

- * Malabar Corporate
- * Maxwell Underground Project
- * Maxwell Infrastructure
- * Maxwell Solar Farm
- * Spur Hill Underground Project
- * Financial Update



Malabar Corporate



Malabar Resources

Resource Assets

Renewable
Energy
Assets

Agricultural
& Viticulture
Assets

Maxwell Underground Project

Maxwell
Infrastructure

Spur Hill
Underground

Maxwell Solar
Farm

Land used for
fruit
production,
cropping &
grazing

> 75% high quality
Metallurgical coal
capable of being used
in the production of
steel

Balance is high
quality Thermal Coal
suitable for use in
High Efficiency, Low
Emissions (HELE)
power stations

Extensive
infrastructure that
previously supported
the now-closed
Drayton open-cut
mine.

EL7429
Resource has ability
to produce high
quality coal

Land and grid
capacity for a
significant renewable
energy project

Benefit to
environment & local
community

Overview of past year

- * Implemented safety procedures to address COVID-19.
- * Obtained development consent for Stage 1 (25MW) Maxwell Solar Farm.
- * Received the Whole-of-Government assessment report on the Maxwell Underground Project stating that it is in the public interest, approvable, and, referred to the Independent Planning Commission (IPC).
- * Expanded workforce in preparation for construction of the Maxwell Underground Project.
- * Continued to contribute to the local community.
- * Rebranded to Malabar Resources Limited to reflect our assets/projects.

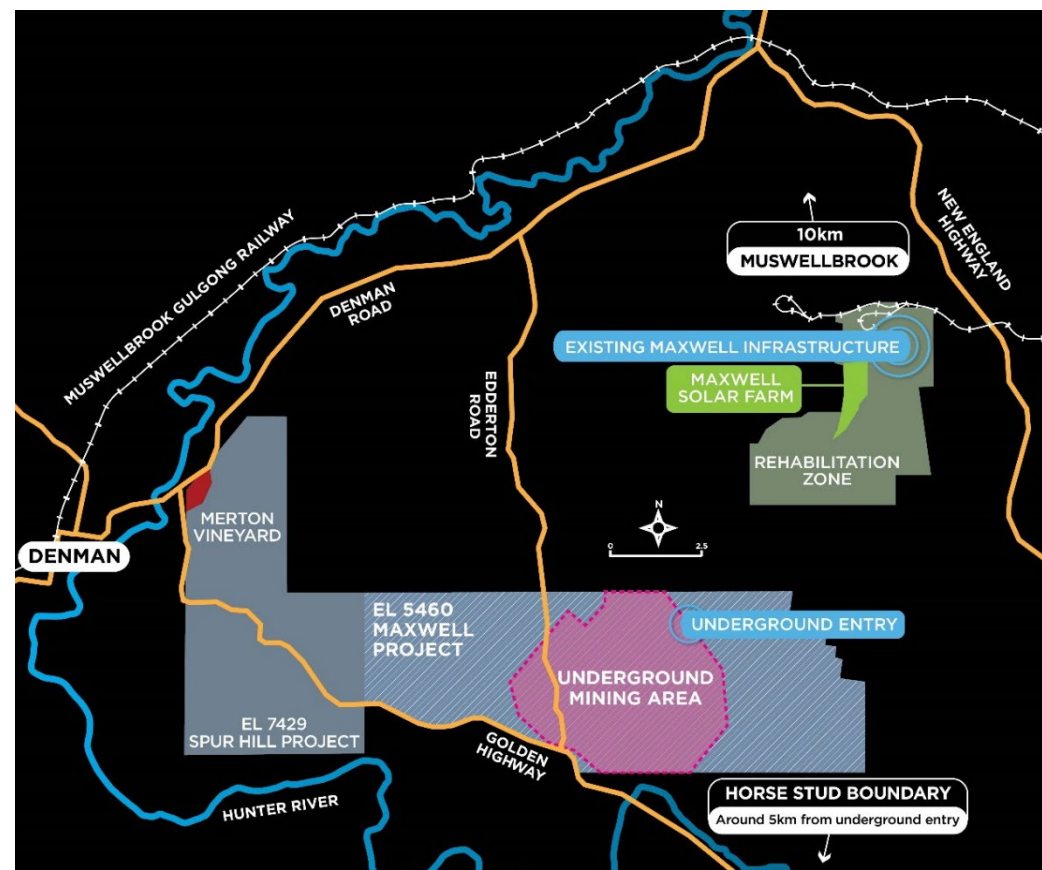
Maxwell Underground Project



Maxwell Underground Project Overview

Project Overview

- * > 75% of coal produced will be metallurgical coal capable of being used in the steel manufacturing industry.
- * The balance would be export thermal coals suitable for the new generation High Efficiency, Low Emission (HELE) power generators.
- * Underground mining means significantly lower environmental impacts than an open-cut mine.
- * Mine entry area for the underground project in a valley c.5 km north of the Golden Highway. It cannot be seen from the Highway or the local horse studs.
- * Malabar owns all freehold land required for Maxwell Project.
- * Malabar has sufficient water licences for the duration of the Project; noting that NO water will be drawn from the Hunter River over the Life of Mine.



Maxwell Underground Project Benefits

Project Benefits

- * Provides over 250 construction jobs and 350 jobs during operation into the region that will provide a real boost for the local economy, keeping families and young people in the region.
- * Substantial financial contribution to NSW that will support hospitals, schools and regional infrastructure from:
 - * \$1 - \$1.25 billion in royalties to NSW over life of mine (LOM), plus
 - * > \$150 million in local Council and State Government through, payroll tax, land tax, levies, council rates, and council planning agreement payments.
- * Rehabilitation of old open-cut Drayton Mine.

Addressing past concerns raised on the project



Our underground project is very different to previous proposals...

- * **Visual impact** – our mine will have a small surface footprint and will be located in a natural valley c. 5 km north of the Golden Highway.
- * **Air quality** – Dust emissions from the project represent less than 10% of the emissions that would have been generated by the Drayton South open cut.
- * **Blasting** – no production blasting during underground operations.
- * **Noise** – limited surface activities means that the underground project would be indistinguishable from background noise at receivers south of the Golden Highway.
- * **Land use** – agricultural activities can continue on Malabar-owned land above the underground mining areas. There will be negligible impacts on users of Hunter River surface water or the alluvial groundwater.
- * **Co-existence** – the project has been designed to ensure all industries in the area can thrive, including our neighbours, whilst ensuring the economic and social benefits flow through to local communities.

Maxwell Underground Project Progress

August 2019

- EIS submitted to Department of Planning, Industry and Environment (DPIE)

September 2020

- DPIE releases supportive Assessment Report

November 2020

- Independent Planning Commission (IPC) Public Hearings held on 11 & 13 November 2020, submissions closed 25 November 2020

Next Steps

- IPC determination
- Management Plans drafted and submitted to government agencies
- Mining Lease (ML) granted
- Raise Funding
- Initiate construction

Maxwell Infrastructure



Maxwell Infrastructure

- ✱ On Care and Maintenance
- ✱ Rail loop and Antiene Spur in use and being maintained



Rehabilitation Outcomes

There are over 2075 acres of pasture and woodland rehabilitation.

Over the last two and a half years:

- * We commenced a cattle grazing trial and a native grass trial on mine rehabilitation.
- * We have planted over 60,000 trees in our woodland corridor.
- * We improved soil nutrients through the use soil ameliorants.
- * We developed fit-for-purpose drainage and installed nine rock structures to assist with water management.
- * We have undertaken targeted weed management activities on rehabilitation.
- * We have undertaken remedial work on an area that was rehabilitated in 2016 to improve drainage and vegetation growth.

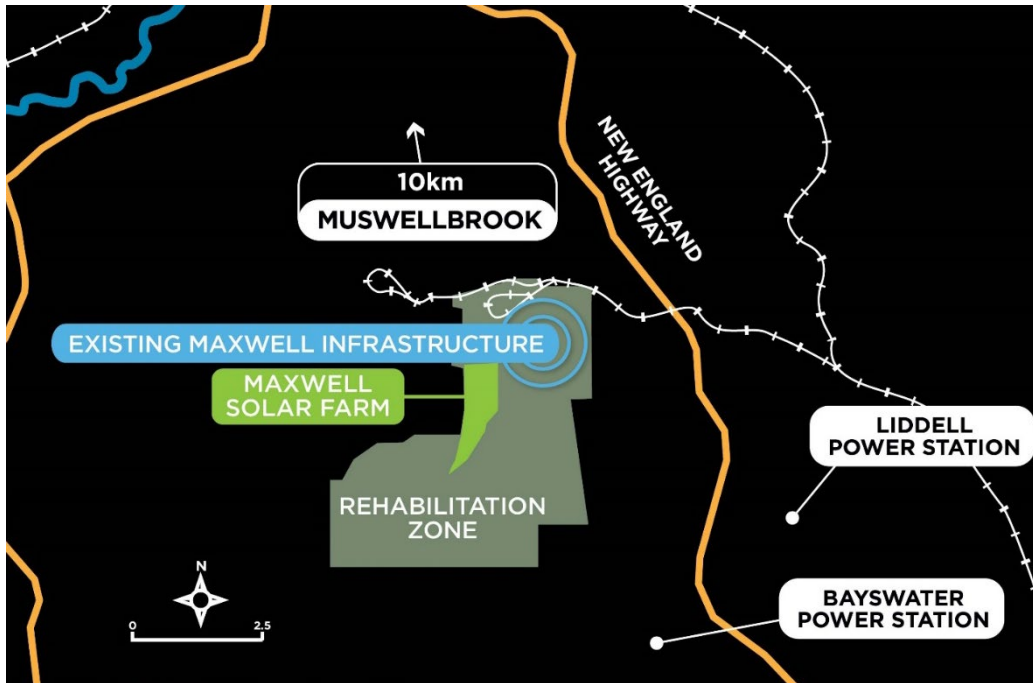


Rehabilitation



Maxwell Solar Farm

The Maxwell Solar Farm



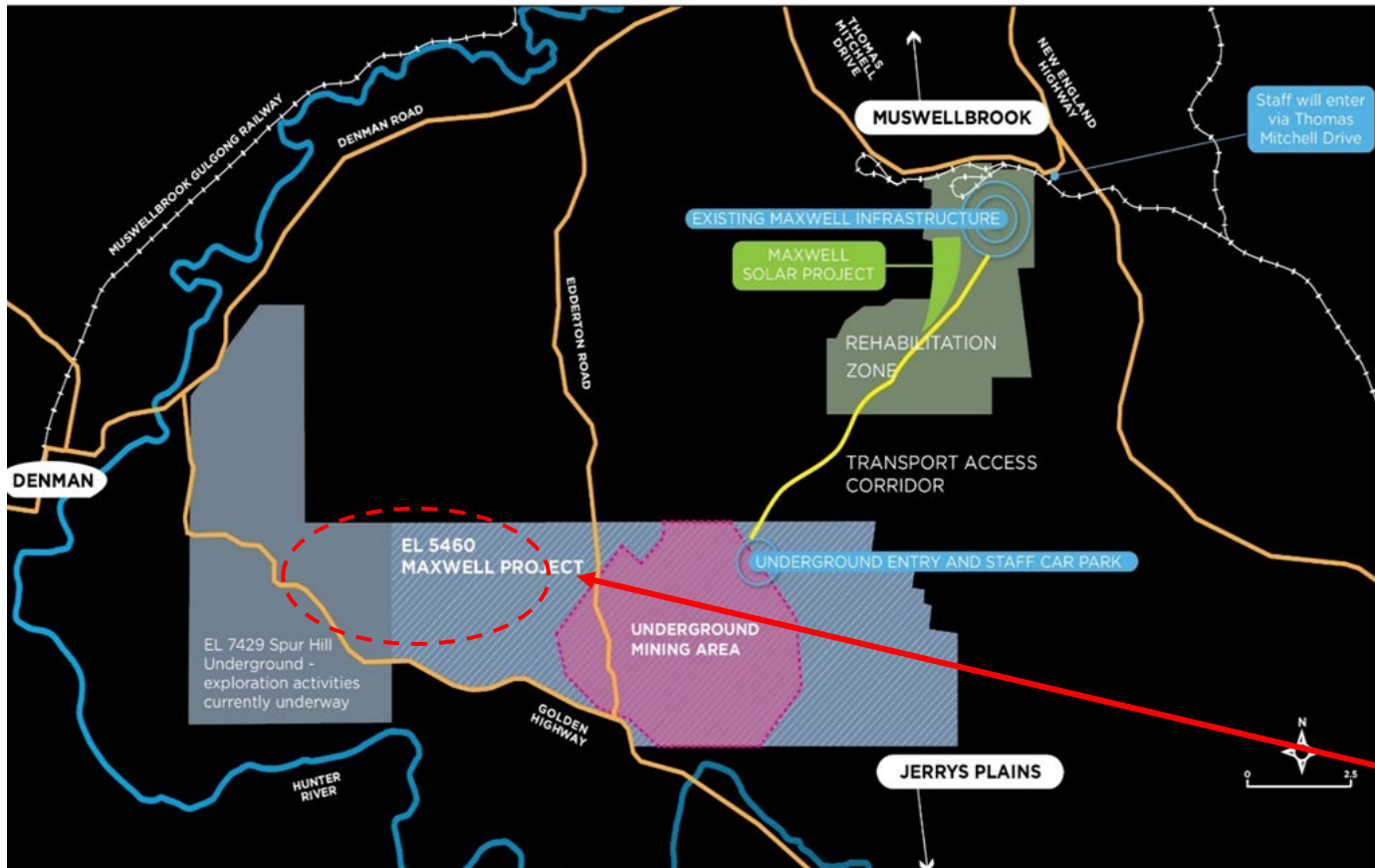
Demonstrates Malabar's commitment and recognition of a renewable energy future

Project Overview

- * In August 2020, Malabar obtained development consent for the “Maxwell Solar Farm”.
- * The solar panels would be located on areas of previous open cut mining disturbance.
- * The farm is located adjacent to the major electricity generating hub in NSW and in proximity to high voltage, large capacity power lines.
- * It will have a capacity of c.25 MW (stage 1) which would generate enough energy to power about 10,000 local homes – nearly all of the homes in Muswellbrook and Singleton.

Spur Hill Underground Project

Spur Hill Underground Project Update



- * EL7429 was renewed for a further 5 years on the 9 July 2020.
- * The future exploration program is designed to enhance the understanding of the geological interface between EL7429 (Spur Hill) and EL5460 (Maxwell).

Community groups supported by Malabar



Financial Overview

Financial Overview

- * Revenue of \$5.4m from:
 - Wayleave, dividends from Newcastle Coal Shippers, agricultural activities etc.
- * Expenditure of \$21.4m on:
 - Rehabilitation, development costs of Maxwell Underground Project, finance costs, Maxwell Solar development consent etc.
- * Cash and short term deposits on hand at 30 June 2020: \$10.3m
- * As in prior periods key shareholders have provided an undrawn liquidity facility

Thank You

