



New World Resources

Site Visit

Friday 14 October 2011, Ostrava

Jan Fabian, Chief Operations Officer



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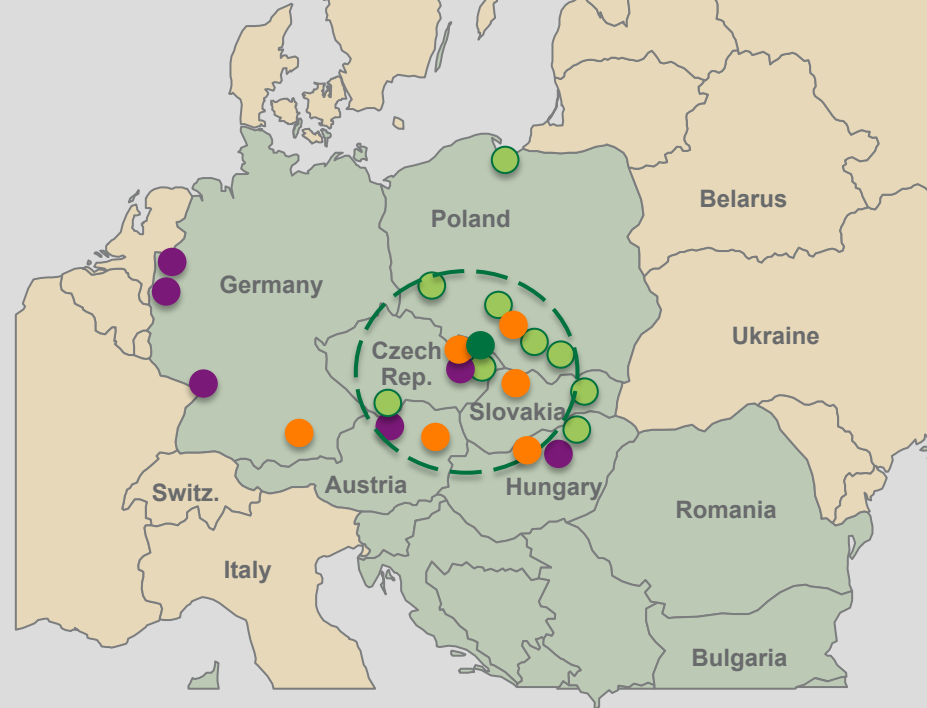
Agenda

- NWR overview
- Current markets and recent developments
- Appendix

Introduction

- NWR produces quality coking coal, thermal coal and coke from assets in the Czech Republic for the steel and energy sectors in the CEE.
- Principal subsidiary OKD is the Czech Republic's only hard coal mining company and second largest private employer.
- Subsidiary OKK is Europe's largest producer of foundry coke.
- Strategically located within the CEE supplying to a blue chip customer base including Arcelor Mittal, CEZ, Dalkia, U.S. Steel and voestalpine.
- Four active mines in the Czech Republic.
- Two development projects in Poland, monitoring Poland and Ukraine for M&A opportunities.
- 396Mt of coal reserves as at 1 January 2011.
- Incorporated in the UK and recently included in FTSE 250 and the FTSE 350 Mining indices.

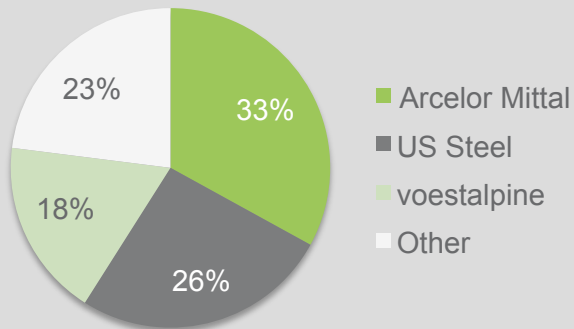
Customer base



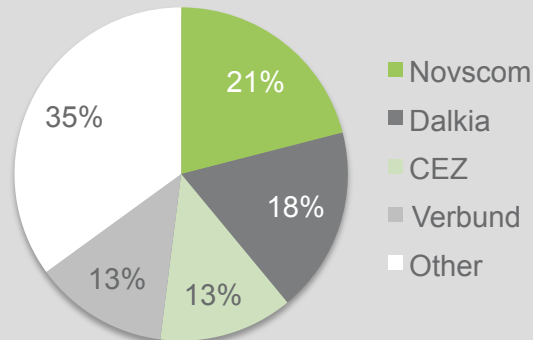
● NWR ● Coke customers ● Coking coal customers ● Thermal coal customers

Sales volumes by customer (2010)

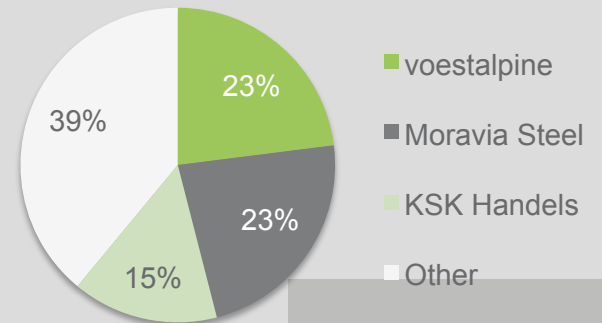
Coking Coal



Thermal Coal



Coke



Today's visit



Darkov Mine

- Darkov is currently the largest deep mining complex in the Czech Republic.
- Mining in the area began in 1853.
- Principally semi hard coking, and thermal coal.
- Total JORC reserves at Darkov amounted to 41 million tonnes as at 1 January 2011.
- Yearly production of around 3Mtpa.
- Darkov has its own washing plant with nominal capacity of 800 tonnes per hour.
- Darkov's mining area covers around 26 km².
- The other active mines are Karvina, CSM and Paskov.

Svoboda Coking plant

- OKK is the leading European producer of coke and the largest producer of foundry coke in Europe.
- Svoboda coking plant produces both foundry and blast furnace coke primarily using coking coal from the NWR mines, with the balance imported.
- Annual production capacity of 800kt.
- Production is performed by four coking batteries.
- New battery No.10 has a capacity of up to 220ktpa.

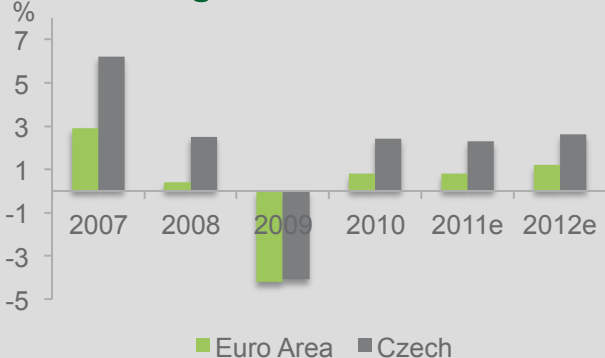
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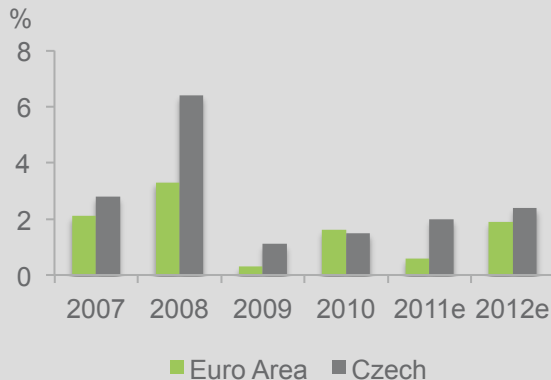
Macroeconomic environment

- 2008 recession spread from US triggered by bursting of the subprime mortgage bubble.
- Governments were forced to bail out the banking system and to stimulate the economy with huge amounts of public funds and loose monetary policy.
- In 2009, EU fell into recession but returned to growth relatively quickly in most countries.
- CEE manufacturing rebounded on the back of strong exports led by economic growth in Germany.
- Today, both sides of the Atlantic are facing sovereign debt crisis reflecting an inability of US and EU political systems to deal effectively with debt issues.
- Uncertainty and volatility prevalent in markets and extent of wider economic implications not known.

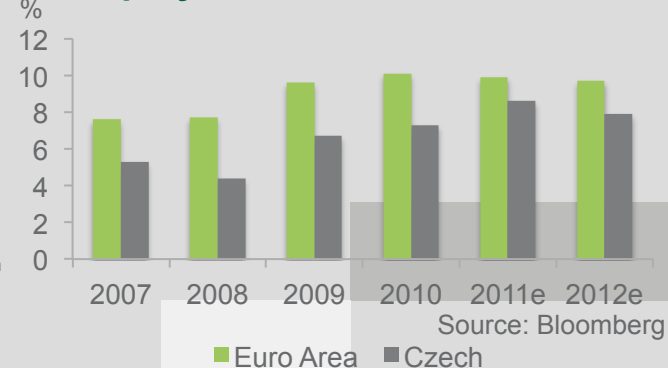
Real GDP growth



Inflation



Unemployment rate



Source: Bloomberg

Impact on coal markets

- International coking coal spot price fell from USD 400/t in Jul 2008 to USD 98/t in Dec 2008 and took a further two years to go back over USD 300/t.
- International coal prices rebounded from the 2008/2009 slump thanks to growing Asian demand as well as a number of supply disruptions and weakening USD.
- European thermal coal prices showed higher resilience and less volatility.
- Spot prices have fallen back in recent months but the general expectation is that international coal prices will hold their ground due to continuing Asian demand.

International coal spot prices



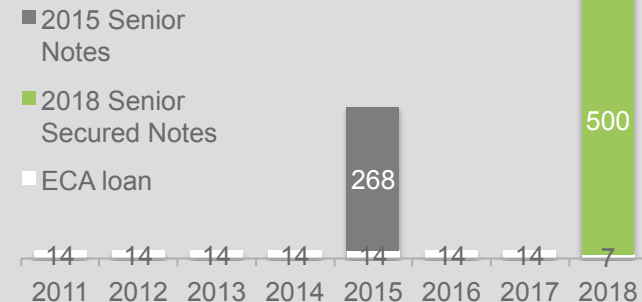
Source: Platts, AME

NWR today vs. NWR in 2008

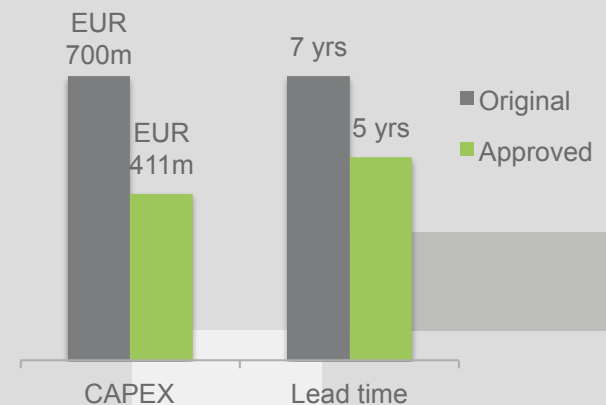
- NWR is in much better shape to withstand any potential headwinds.
- Major investment cycle (POP and COP) completed in 2010, having increased NWR's efficiency and safety.
- Average debt maturity prolonged with no refinancing needs until 2015.
- Debiensko project re-designed in 2009/2010 and approved in 2011.
- 2009 proved our ability to cut costs and limit cash outflow, with operating costs down by 32% y/y, CAPEX down by 12% y/y, and dividend suspended.

Debt maturity profile

m EUR

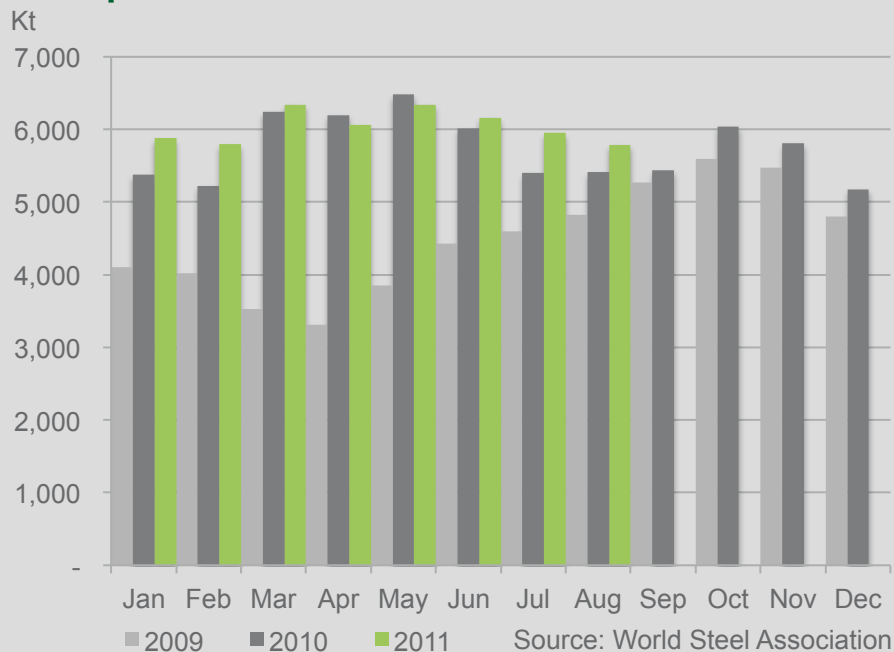


Approved vs. original Debiensko project

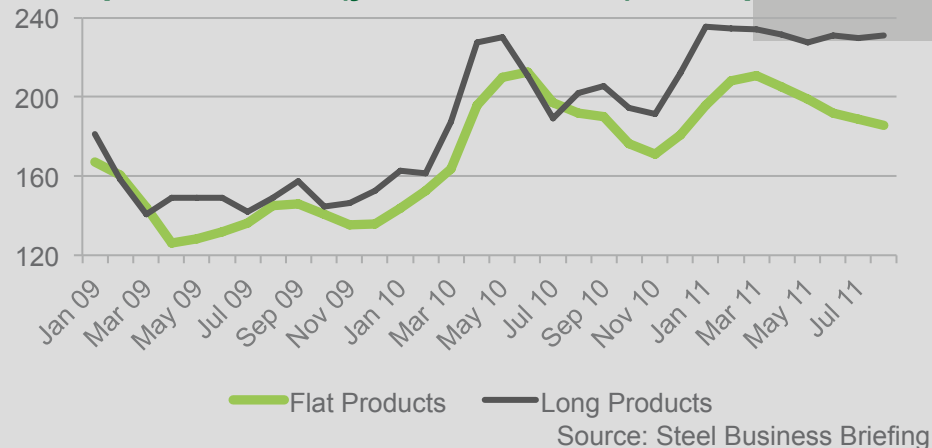


Steel environment

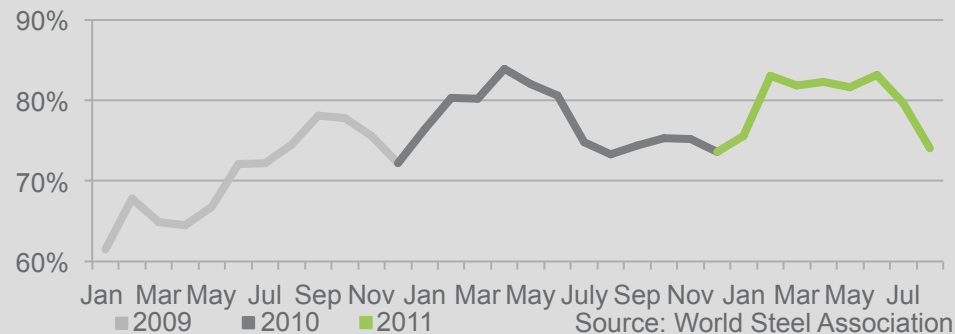
Steel production in NWR's main customer markets¹



Steel price tracker (year 2000 = 100), Europe



Global steel capacity utilisation ratio²



- Steel production in NWR's main customer markets was up 3% in H1 2011 compared to H1 2010.
- August production was down 3% on previous month, still 7% up year on year.
- In H1 2011, European flat steel products price increased 12%, long steel products price increased 18%.

¹ Czech Republic, Germany, Austria, Poland, and Slovakia. ² Based on 64 countries reporting to World Steel Association.

2011 Outlook

Production and inventories

- 11Mt of coal and 800kt of coke.

External sales

- Coal: 10.3Mt of which 52% Thermal coal, 4% PCI coal, 44% coking coal .
 - LT: NWR's reserve base excl. Debiensko: 65% coking coal, 35% thermal coal.
- Coke: 720kt

Prices

- Thermal coal priced at EUR 71/t for calendar year 2011.
- Coking coal priced quarterly; Q3 2011 average price agreed at EUR 192/t.
- Coke priced quarterly; Q3 2011 average price agreed at EUR 378/t.

Costs

- Mining unit costs expected to be approx. 10% above 2010 level, on constant FX basis.
- Coke conversion unit costs expected to be approx. 15% lower on constant FX basis.
- CAPEX requirements of EUR 200 – 250m p.a. and EUR 20m for Debiensko in 2011.

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Upcoming events and conferences

October 2011	NWR Q3 Trading update (including Q4 pricing announcement)
19 October 2011	Leveraged Finance Conference, Goldman Sachs
16 November 2011	NWR Nine Months 2011 Results
30 November 2011	European Credit Conference, Citi
30 November 2011	ING 14 th Annual EMEA CEO/CFO Forum

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Reserves

Reserve base as of 1 January 2011¹

	Active Mines				Total Active	Development Debiensko	Total Active + Dev.
	Darkov	Karvina	CSM	Paskov			
Reserves (Mt)	41	93	48	25	206	190	396
Calorific value (MJ/kg)	26.10	27.56	27.40	27.55	27.23 ²		
Sulfur content	0.43%	0.44%	0.50%	0.61%	0.48% ²		
Swelling index	6.5	4.3	7.0	8.0	5.8 ²		
% with thickness over 2.5m	63%	65%	66%	0%	57% ²		

¹ Calculations of OKD's JORC-certified geologist.

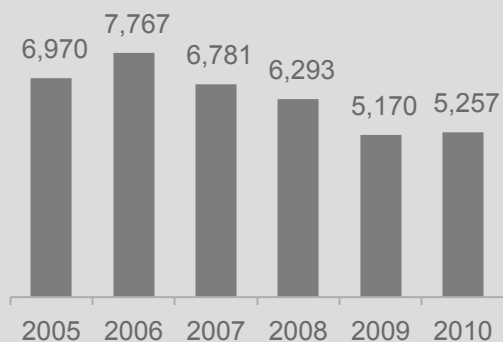
² Reserve-weighted average of all active mines.

Historical sales figures

Coking coal sales

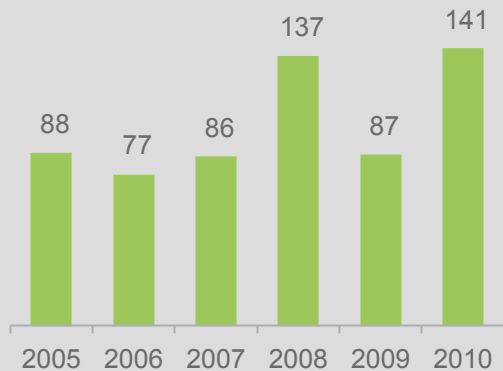
Volumes

kt



Prices

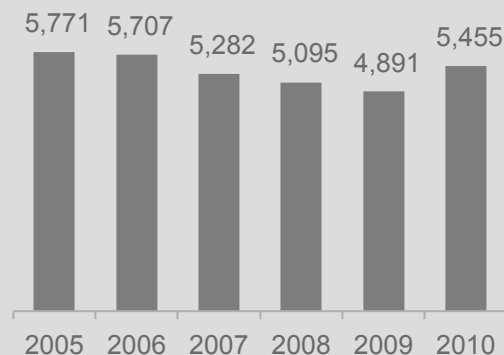
EUR/t



Thermal coal sales

Volumes

kt



Prices

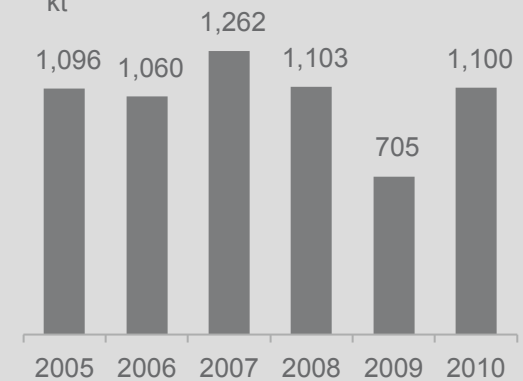
EUR/t



Coke sales

Volumes

kt



Prices

EUR/t

