white energy company

2010 RESULTS PRESENTATION

September 2010

FY2010 White Energy Highlights

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Significant milestones have been achieved in each of our core markets

Australia	▪ White Energy acquired its first coal deposit with successful takeover of South Australian Coal Limited ▪ Game changing transaction - evolution into a more diversified coal company
Indonesia	▪ KSC's Tabang coal upgrading plant commissioned and now operational ▪ KSC sold its first shipment of upgraded coal in May 2010
United States	▪ Substantial progress on Wyoming (Peabody & Buckskin projects) permit applications and Americanisation of plant design ▪ Investment decision pending on potential coal upgrading plant in Kentucky
Corporate	▪ Acquisition of South Australian Coal Limited unites the ex-Felix Resources Board and management team ▪ White Energy joins the ASX-200

- **The Continuing Evolution of White Energy**
- Financial Summary

Takeover of South Australian Coal Limited

The SACL takeover was highly strategic – it has better positioned White Energy in the coal industry value chain and provided the necessary skills and resources to pursue a more diversified coal strategy

Attractive portfolio of coal assets

- Industry leading coal upgrading technology
- A large deposit of sub-bituminous coal

Value creative strategy for all shareholders

- Game changing transaction for White Energy shareholders
- Significant increase in size, scope and diversity of operations

Industry leading management team

- Industry leading Board and management team
- First rate reputation, proven record, acquisitive & organic growth

Mid-tier coal company positioned for growth

- Participate in coal industry consolidation
- Attractive platform for growth

New Board & Management

The acquisition of SACL has brought to White Energy the ex-Felix management team and a new Board comprising a group of leading coal entrepreneurs

WECL Board	
Travers Duncan	Chairman
Brian Flannery	CEO
John McGuigan	Non-executive director
John Atkinson	Non-executive director
Hans Mende	Non-executive director
John Kinghorn	Non-executive director
Graham Cubbin	Non-executive director

Decide on White Energy's overarching strategy, identify and source M&A opportunities

WECL Management

- The addition of the ex-Felix Resources management team complements WECL's existing skill set
- Strengthens White Energy's coal mining expertise and adds project execution skills
- Enables WECL to evolve into a more diversified coal company
- Unique mix of design, technical, operational, financial and strategic skill sets

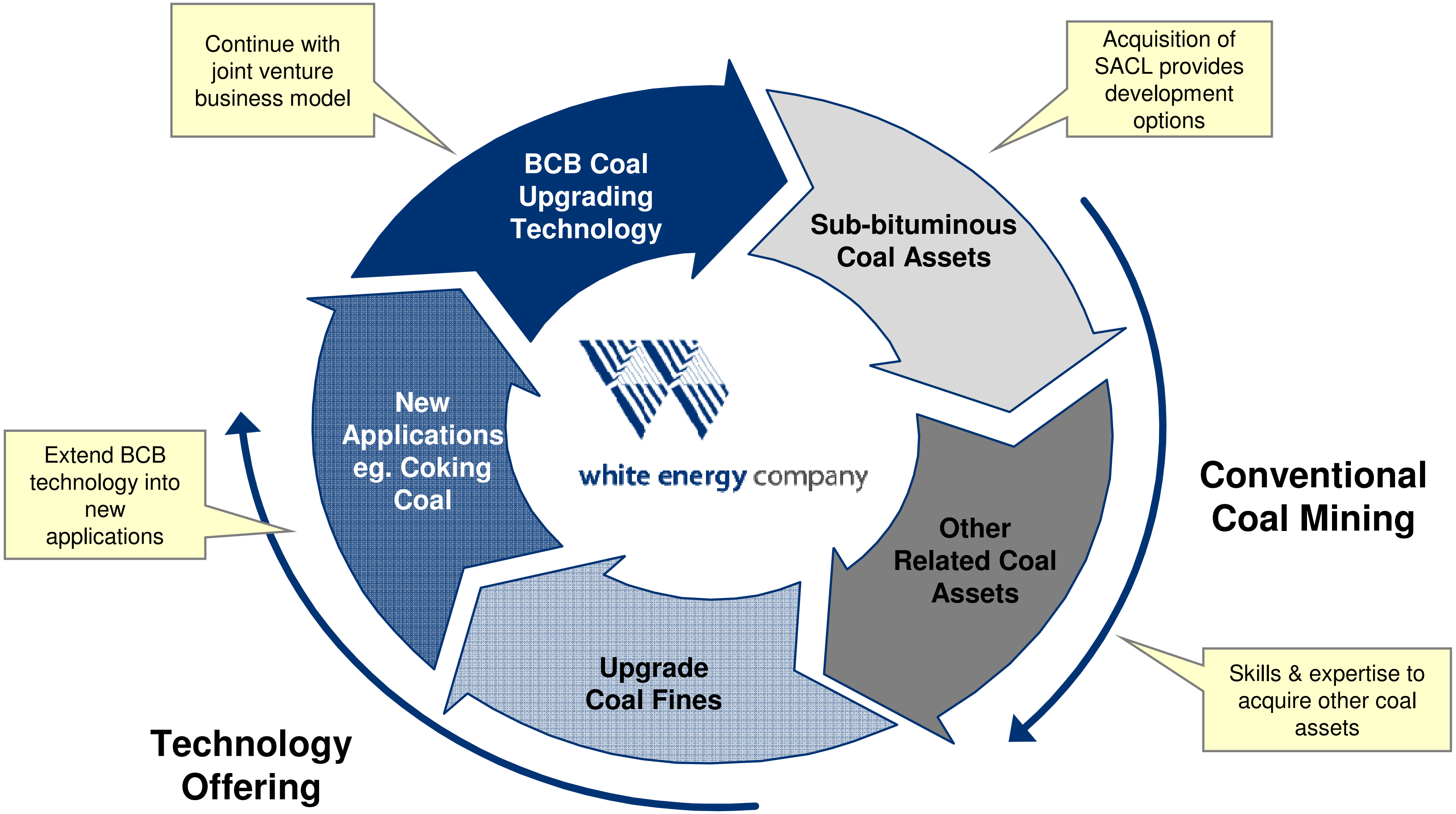
Responsible for Project Execution & Delivery

Corporate Identity

This has lead to an evolution in the corporate identity as White Energy transitions from being focused solely on coal technology to having a more diversified coal portfolio

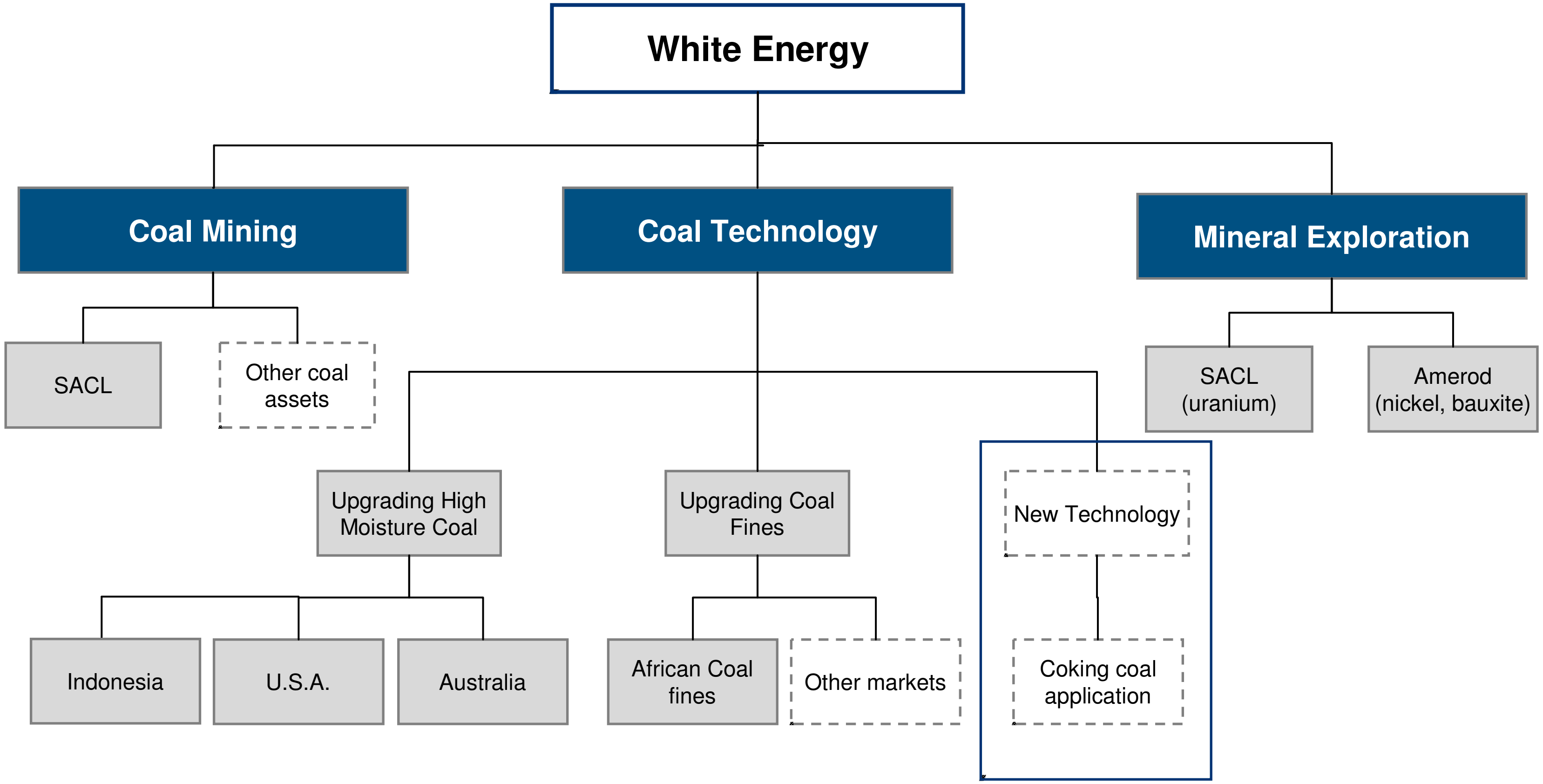
Yesterday	*A technology focused coal company*
Today	*A diversified coal company capable of delivering a complete coal solution through its unique coal technology and the ability to develop and operate conventional coal assets*

Evolution to a Diversified Coal Platform



Platform for Growth

White Energy is now organised around three distinct business divisions, driven by the continued focus on coal



Platform for Growth (continued)

White Energy's acquisition of SACL and accompanying capital raising provides a strong platform for growth and allows for participation in future coal sector opportunities

- The addition of the ex-Felix Resources Board and management team demonstrates the confidence in the BCB technology and White Energy's core business of upgrading sub-bituminous coals
- The new management team will help drive the roll out of White Energy's coal upgrading plants in the core markets of Indonesia, the United States, Australia, Africa and China
- In conjunction with the SACL acquisition, the new Board members have/are investing close to $100 million of their own money into White Energy to drive its expansion. As part of the deal, potentially another $45 million will be raised from SACL shareholders during September 2010 as part of a rights offering
- This will result in White Energy having a very strong balance sheet with cash reserves between $200 and $250 million
- This capital base will provide White Energy with a platform to pursue new opportunities in the coal sector and evolve into a more diversified Australian coal company

- The Continuing Evolution of White Energy
- **Financial Summary**

FY2010 Results Overview

White Energy's operating results for the year reflect a continued investment in building a platform for the ongoing growth of the business

- Consolidated entity's net loss for the year was A$35.8M (2009: A$27.6M), which includes A$18.9M in interest, non-cash expenses and one-off expenses, and a further A$1.3M minority interest share of losses. If these amounts are added back the resultant White Energy share of 'normalised' EBITDA is A$15.6M (2009: A$13.9M).

- This 'normalised' EBITDA result essentially reflects WEC's continued investment in the development of critical skills and infrastructure to run a global operating business. This includes costs related to the development of plant operating skills, coal marketing skills, capital raising and business development activities, costs associated with the management of specific projects and research activities on related cleaner coal technology.

- Consolidated entity's total revenue for the year ended 30 June 2010 was A$4.7M (2009: A$2.9M), which mainly includes interest income earned on cash deposits, government grant income and upgraded coal sales.

- Our first sales of upgraded coal from KSC's Tabang plant commenced in May 2010, with further sales of upgraded coal continuing from July 2010.

FY2010 Results Overview (continued)

	FY 2010 A$M	FY 2009 A$M
Consolidated Entity net loss for the year	**(35.8)**	**(27.6)**
Add back items:		
Interest costs (net)	1.3	3.9
Non-cash expenses:		
• Depreciation / amortisation	5.6	4.2
• Share based payments	-	4.6
• Foreign exchange / withholding tax accruals	1.0	(1.6)
Sub-total	**6.6**	**7.2**
One-off expenses:		
• Loss on disposal fixed assets / investments	0.5	1.8
• Pre-production expenditure and consultants (KSC)	2.9	-
• Inventory write-downs (KSC)	1.8	-
• Terminated ASSAC merger transaction costs	4.9	-
• SACL takeover offer transaction costs	0.9	-
Sub-total	**11.0**	**1.8**
Consolidated entity EBITDA - normalised	**(16.9)**	**(14.7)**
Minority partner share of EBITDA (normalised):		
• PT Kaltim Supacoal (KSC) – 49%	0.9	0.6
• River Energy JV Limited – 49%	0.4	0.2
Sub-total	**1.3**	**0.8**
White Energy EBITDA - normalised	**(15.6)**	**(13.9)**

FY2010 Results Overview (continued)

Consolidated balance sheet

A$M	30 June 2010	30 June 2009
Current Assets	119.2	39.4
Non-Current Assets	206.8	182.1
Total Assets	326.0	221.5
Total Liabilities	154.2	139.2
Net Assets	171.8	82.3
Total Equity	**171.8**	**82.3**

- Cash on hand at 30 June 2010 $103.2M, excluding A$75M of capital raising proceeds received during August 2010 as part of a capital placement. Further capital raising proceeds of up to A$70M in relation to a rights issue to SACL shareholders expected to close in October 2010.
- Increase in assets from A$221.5M to A$326M.

Consolidated statement of cash flows

A$M	FY2010	FY2009
Net cash (outflows) from operating activities	(21.7)	(17.9)
Net cash (outflows) from investing activities	(29.9)	(79.4)
Net cash inflows from financing activities	131.9	90.4
Net increase (decrease) in cash & cash equivalents	80.3	(7.0)
Effects of exchange rate changes on cash & cash equivalents	(3.4)	(1.6)
Closing Cash & Cash Equivalents	**103.2**	**26.3**

- Cash invested on PPE of A$27.1M during the year. This includes expenditure incurred on the Tabang Plant (100%).
- Cash proceeds from financing activities includes proceeds from the Standard Chartered Bank Working Capital Facility (A$12.1M), and amounts received from the issue of shares and options (A$124.9M).

Forward looking statements

Except for the historical information contained herein, the matters discussed in this presentation contain forward-looking statements, including statements, containing the words “planned”, “expects”, “believes”, “strategy”, “opportunity”, “anticipates”, and similar words. Such forward-looking statements are subject to known and unknown risks, uncertainties, or other factors that may cause the company’s actual results to be materially different from historical results or any results expressed or implied by such forward-looking statements. We assume no obligation to update any forward-looking statements to reflect events or circumstances arising after the date hereof. In addition where comparisons are made between White Energy Company and other companies, we have made best efforts to properly interpret publicly made information by these companies but cannot be certain that such comparisons are completely accurate.

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