

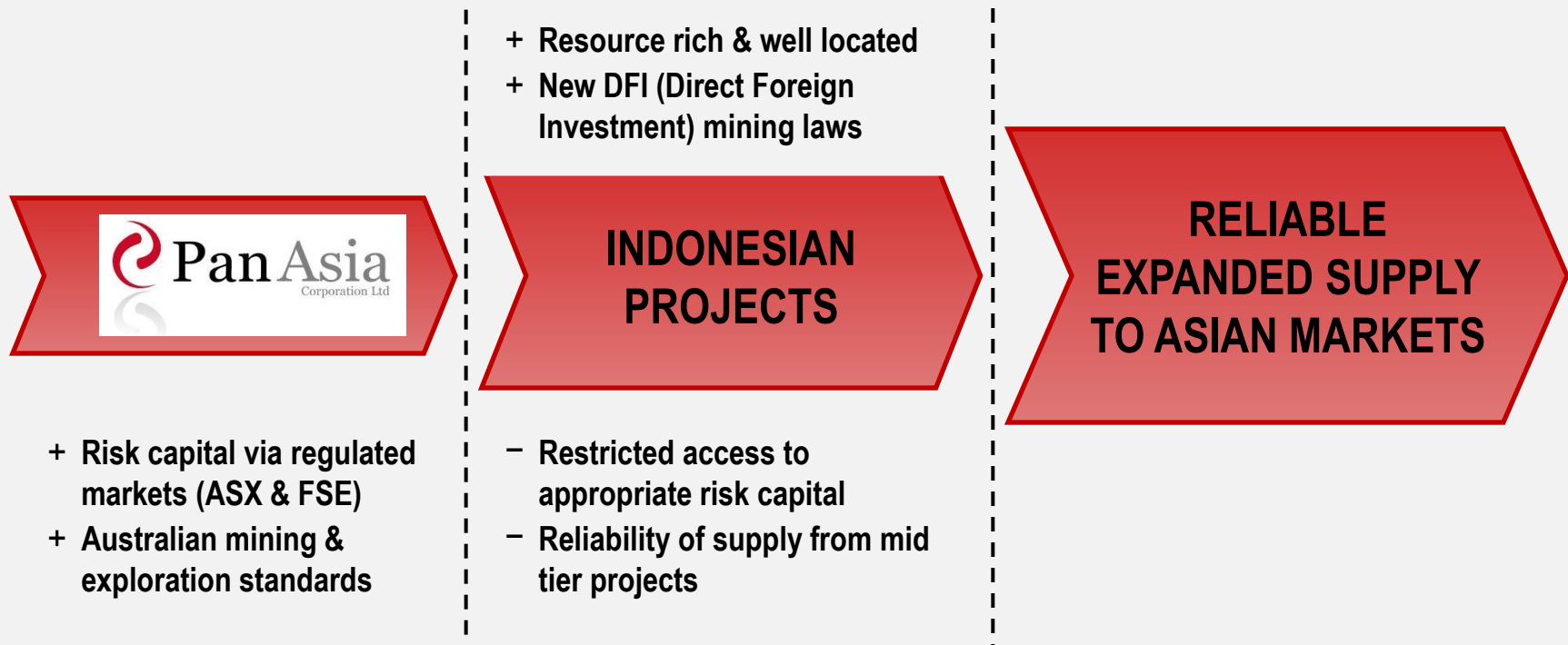


COMPANY UPDATE

**An emerging supplier
of key resources
into expanding Asian markets**



Adding value to mid-tier projects

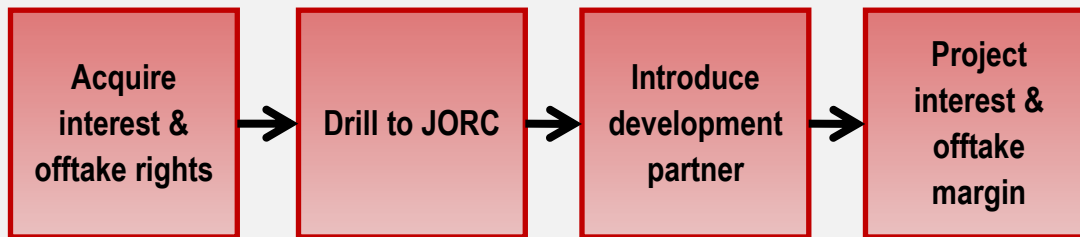


- Quality assuring to JORC / pre-feasibility status.
- Attracting significant project development partnerships and off-takes

Re-Rating Approach

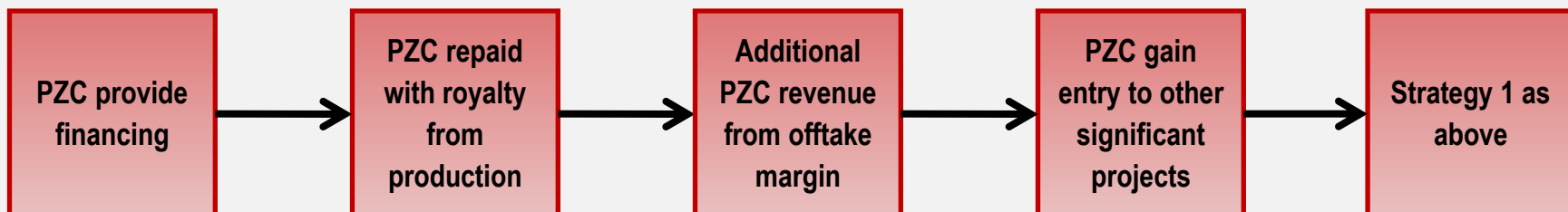
Strategy 1 – PZC Owned Projects (eg. TCM)

Rapid Asset Build for 1st Generation Significant Re-Rating



Strategy 2 – PZC Financed Projects (eg. NAD)

Cashflow & Future Asset Build for 2nd Generation Re-Rating



Indonesian Projects – Thermal Coal

Exposure to Major Coal Provinces

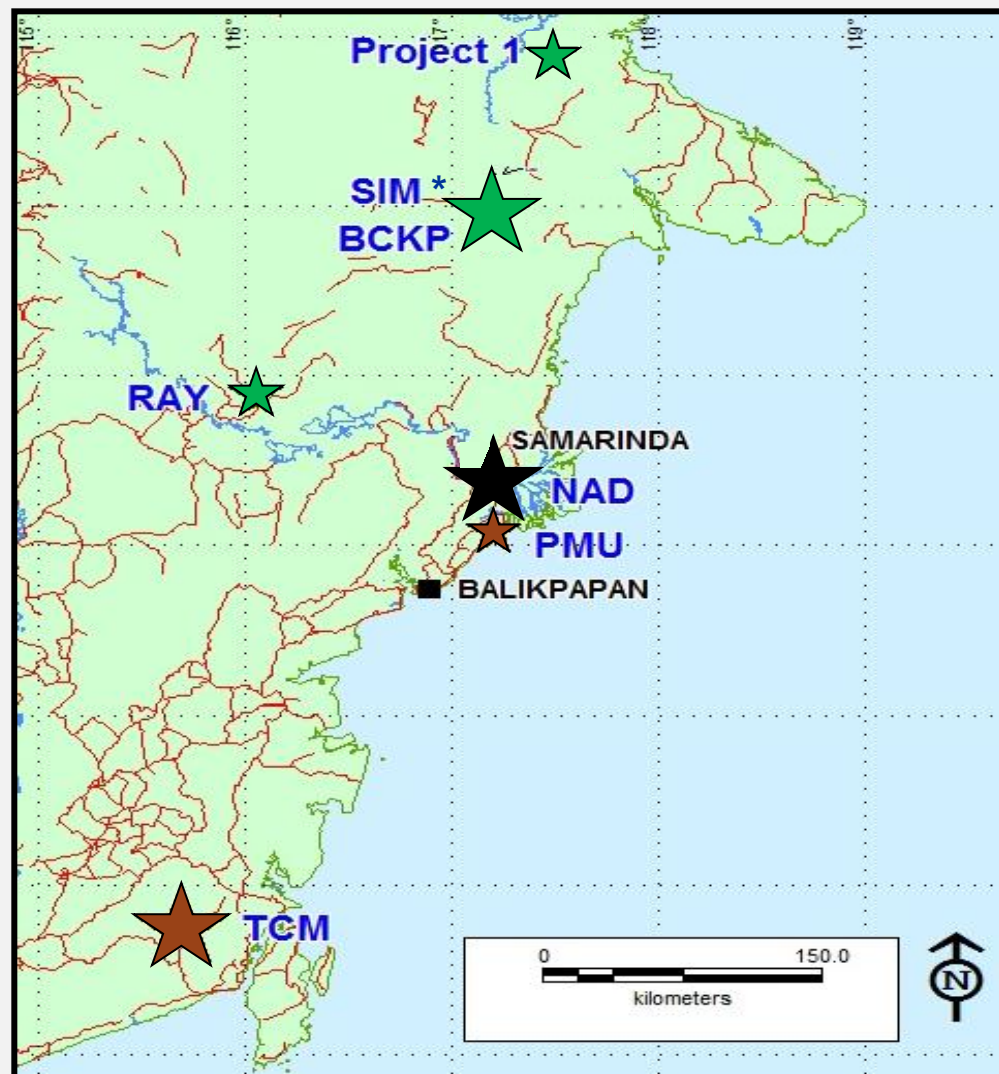
- *East Kalimantan*
- *South Kalimantan*
- *South Sumatra*



Indonesian Projects – Thermal Coal

Category	Interest	Project
Flagship JORC Project Pre-Development	75%	TCM
Flagship Exploration Project	50% Earn	BCKP SIM *
Immediate Cashflow	Financing + Offtake	Ranrich ** (NAD)
Exploration Project	80%	JK
Pipeline Opportunities		
Exploration	50% Earn	RAY *
Exploration	50% Earn	Project 1 *
Pre-Development	Financing + Offtake	PMU *
<p>* Contracted rights, but Indonesian documentation not yet complete (SIM and Pipeline Opportunities)</p> <p>** Ranrich can supply coal from NAD or other equivalent sources</p>		

Location of Kalimantan Projects



Exploration Targets

Project	Status	Interest	Calendar Year 2012	
			Project Total *	Attributable Total
RANRICH (NAD) **	Production	<i>Financing & Offtake</i>	21 Mt	---
TCM (underground)	Pre-Development	75%	53 Mt	39 Mt
TCM (open pit)	Pre-Development	75%	2 Mt	1.5 Mt
SUB TOTAL – JORC Projects			76 Mt	40.5 Mt
BCKP / SIM ***	Exploration	50% Earn	50 Mt	25 Mt
JK	Exploration	80%	10 Mt	8 Mt
SUB TOTAL - Post Exploration			136 Mt	73.5 Mt
RAY ***	Exploration	50% Earn	10 Mt	5 Mt
Project 1 ***	Exploration	50% Earn	Additional	Additional
PMU / Other ***	Pre-Development	<i>Financing & Offtake</i>	Uplift	Uplift
TOTAL - Including Pipeline Opportunities			200+ Mt ****	100+ Mt ****

* Project Total = JORC resource, JORC reserve or lower end of Exploration Target range (as applicable); Pan Asia has the rights to sell 100% of the Project Total

** Ranrich can supply coal from NAD or other equivalent sources

*** Contracted rights, but Indonesian documentation not yet complete (SIM and Pipeline Opportunities)

**** Company goal is for production to represent 5% of Project and Attributable Totals

Flagship JORC Project – 1st Generation Re-Rating

Pre-Development

TCM (75% interest)

South Kalimantan (4,148Ha) - ~ 6,500-6,800 kcal/kg (adb)

- Immediately adjacent to major PT Arutmin ATA mine
- 4 main coal seams dip into TCM
- High calorific value thermal coal = 6,500 – 6,800+ kcal / kg (adb)
- 53.2Mt of JORC indicated & inferred resource, with potential for increase
- Potential to unlock value in “stranded boundary coal” via expansion of adjacent ATA open pit mine



Flagship JORC Project – 1st Generation Re-Rating

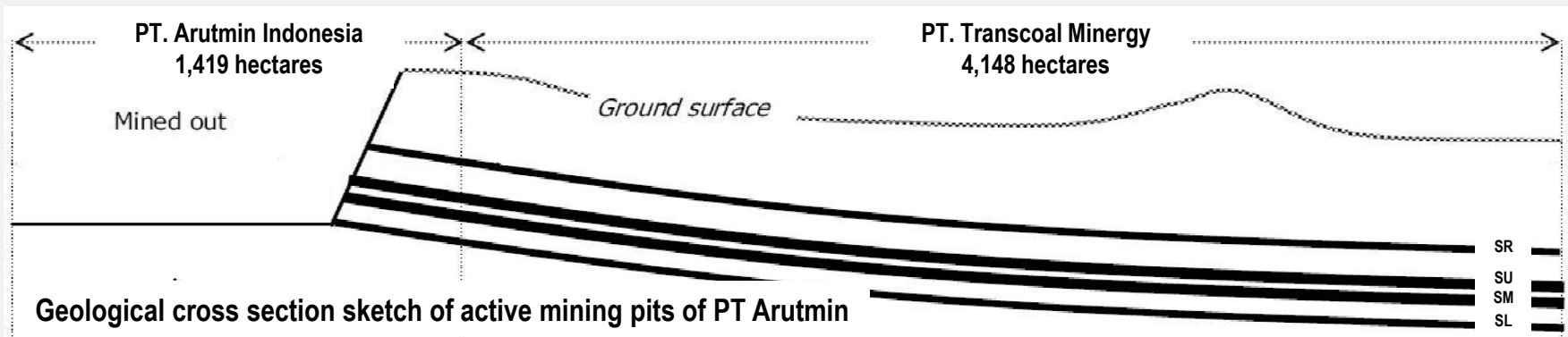
Pre-Development

TCM (75% interest)

South Kalimantan (4,148Ha) - ~ 6,500-6,800 kcal/kg (adb)

- JORC indicated resource = 22.4Mt
- JORC inferred resource = 30.8Mt
- Exploration target = 53 to 70Mt++ *
- Target u/ground production (2012) = 1.5Mt+ p.a
- Possible open pit production (2011) = 1.0Mt p.a.
- MOA's signed with underground coal companies

Mine Rating (open pit)	✓✓✓✓
Mine Rating (underground)	✓✓
Transport Rating	✓✓✓
Coal Quality	✓✓✓✓✓



* As per Exploration Target statement in Slide 26

Flagship JORC Project – Project Concept

Pre-Development

TCM (75% interest)

South Kalimantan (4,148Ha) - ~ 6,500-6,800 kcal/kg (adb)

Exploration Target ¹	53 to 70Mt ++
Target Scale of Operation ²	1.5 to 2Mt pa
Mine Life ³	15 to 20 years
Coal Value per tonne (FOB MV) ⁴	US\$80+
CAPEX + OPEX pre production ²	~ US\$150m

Conceptual project parameters targeted by the company and reviewed by PT Kopex Mining Contractors (KMC). These remain subject to results & further analysis. Notes to table as below:

1. Signed off by Competent Person & as per Exploration Target statement in Slide 26
2. Based on proposed longwall mining operation
3. Based on estimated recoverable coal & proposed operation
4. Based on current market prices for adjacent open pit coal



Flagship Exploration Project – 2nd Generation Re-Rating

High Priority Exploration

BCKP / SIM * (Right to Earn 50% interest)

East Kalimantan (11,690 + 8,100 / 18,100Ha) - ~ 5,600kcal/kg (adb)

- Large area
- Exploration Target = 50 to 70Mt **
- Good coal quality
- Formation known to host very large deposits

* Contracted rights, but Indonesian documentation not yet complete (SIM only)

** As per Exploration Target statement in Slide 26



Coal outcrop at BCKP over 3m thick

Flagship Exploration Project – 2nd Generation Re-Rating

High Priority Exploration

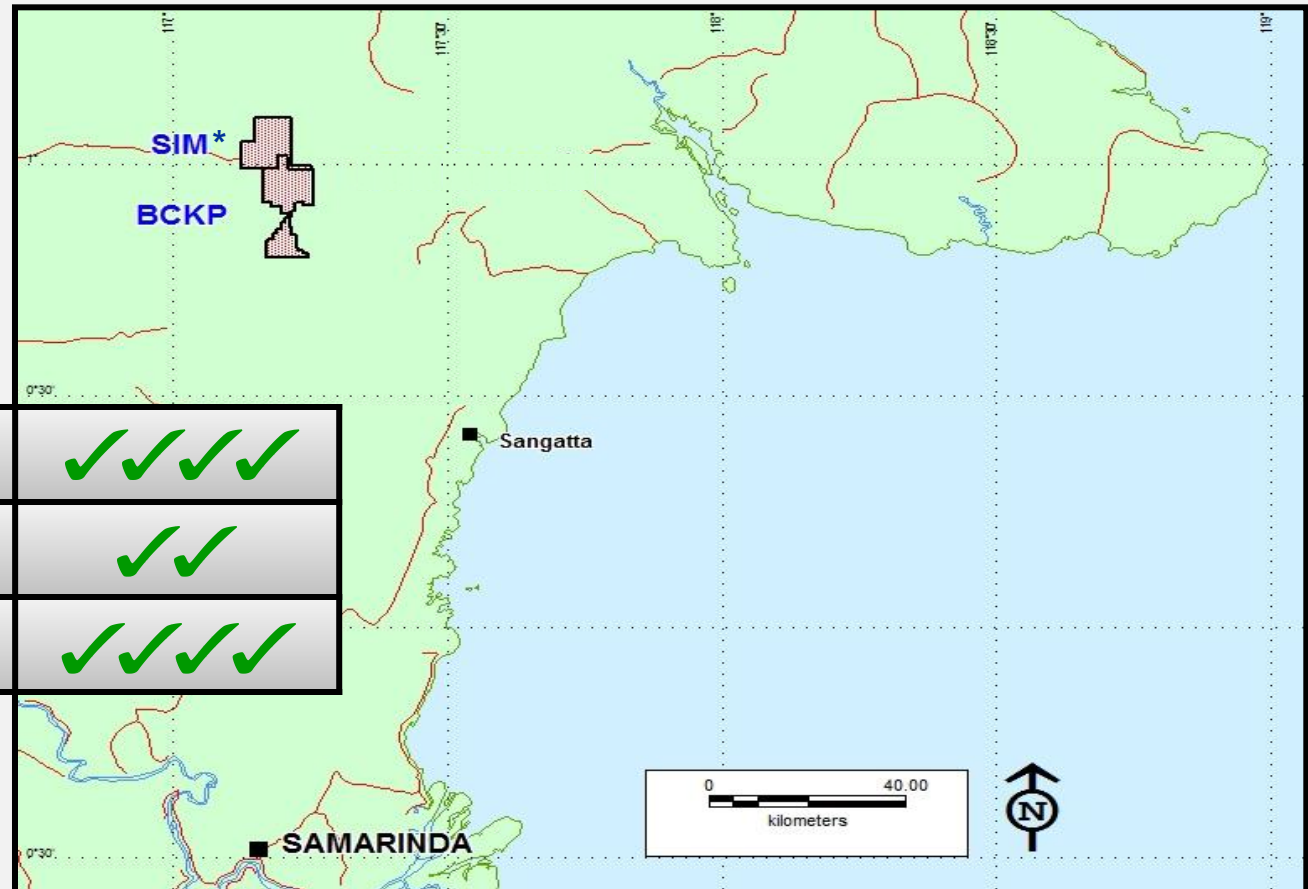
BCKP / SIM * (Right to Earn 50% interest)

East Kalimantan (11,690 + 8,100 / 18,100Ha) - ~ 5,600kcal/kg (adb)

- Numerous coal outcrops
- Historic exploration including 27 drill holes
- Indicative coal seam thickness from 0.6 to 4.2m

Mine Rating	✓✓✓✓
Transport Rating	✓✓
Coal Quality	✓✓✓✓

* Contracted rights, but Indonesian documentation not yet complete (SIM only)



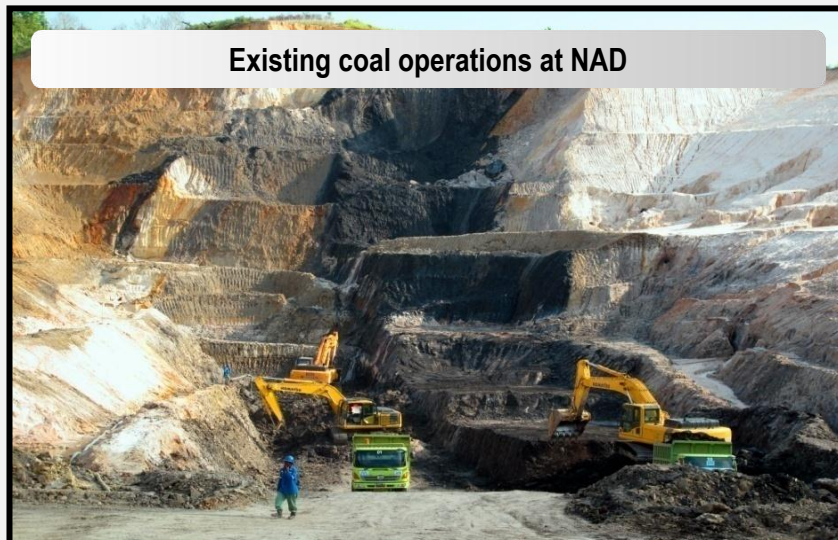
Immediate Cashflow Project – *Financing & Offtake*

Production (Ranrich Projects)

NAD * (Financing + Offtake)

East Kalimantan (657Ha) - ~ 5,300 kcal/kg (adb)

- JORC proved reserve = 3.12Mt
- JORC probable reserve = 2.72Mt
- Measured & Indicated Resource = 19.63Mt
- Offtake rights, and mine life >8 years



Existing coal operations at NAD

* Ranrich can provide equivalent coal from other sources

Loan Repayment to PZC / tonne

= USD\$2.00 x 200,000 tpm until USD\$5m loan repaid
(~ 15 months)

+

Royalty Payment to PZC / tonne

= USD\$0.60 x 200,000 tpm for life of offtake / mine
(4 to 8 years)

+

Offtake Margin to PZC / tonne

Reviewed periodically

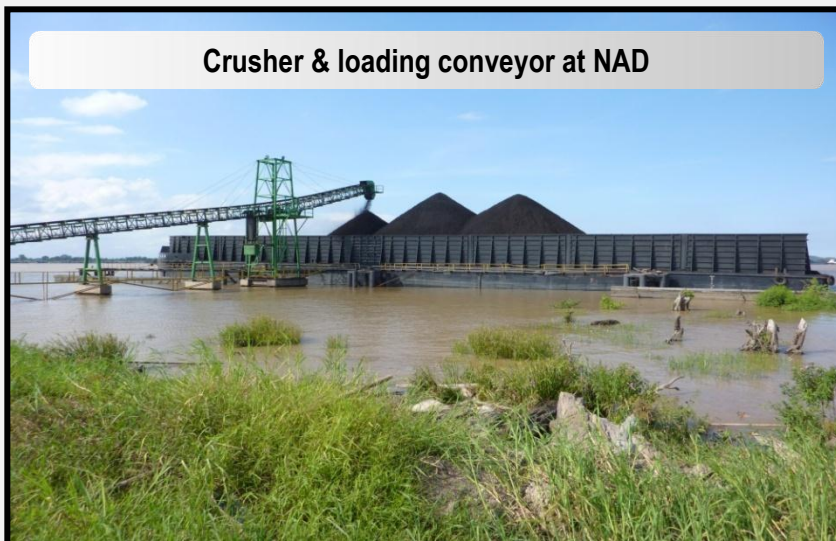
Immediate Cashflow Project – *Financing & Offtake*

Production (Ranrich Projects)

NAD * (Financing + Offtake)

East Kalimantan (657Ha) - ~ 5,300 kcal/kg (adb)

- Initial offtake for 4.8Mt with Noble Group
- First delivery made in October 2010
- 4 year contract
- FOB barge



* Ranrich can provide equivalent coal from other sources

Australian Coal Companies - Enterprise Values / tonne

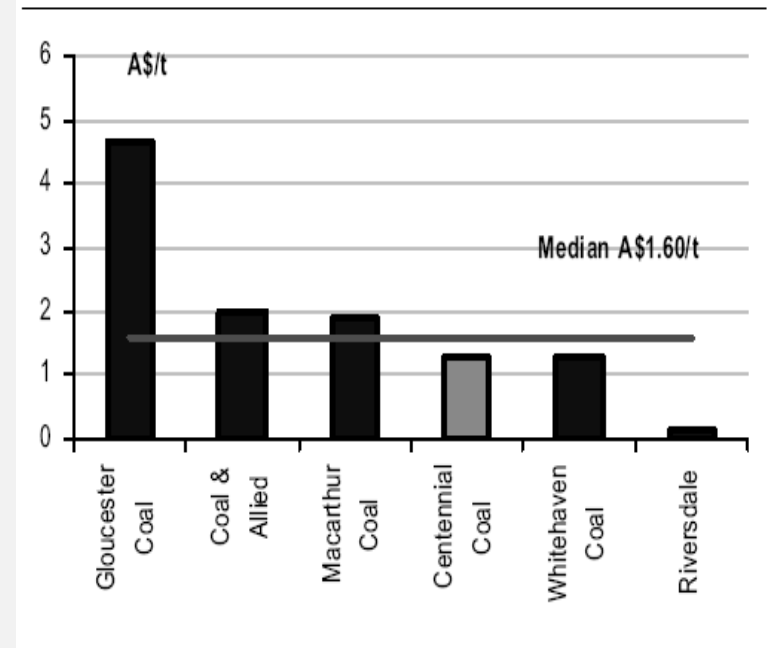
**Average EV/tonne of JORC Resource
(ASX listed coal companies)
= A\$1.60**

**Targeted Market Cap for PZC in 2012
(using Attributable Target ~100Mt)
= A\$160m**

**Current Market Cap for PZC
(as at 1 February 2011)
= A\$30m**

**Average EV/tonne of JORC Reserve
(ASX listed coal companies)
= A\$7.93**

**Enterprise Value/tonne of Resource
(ASX listed coal companies)**

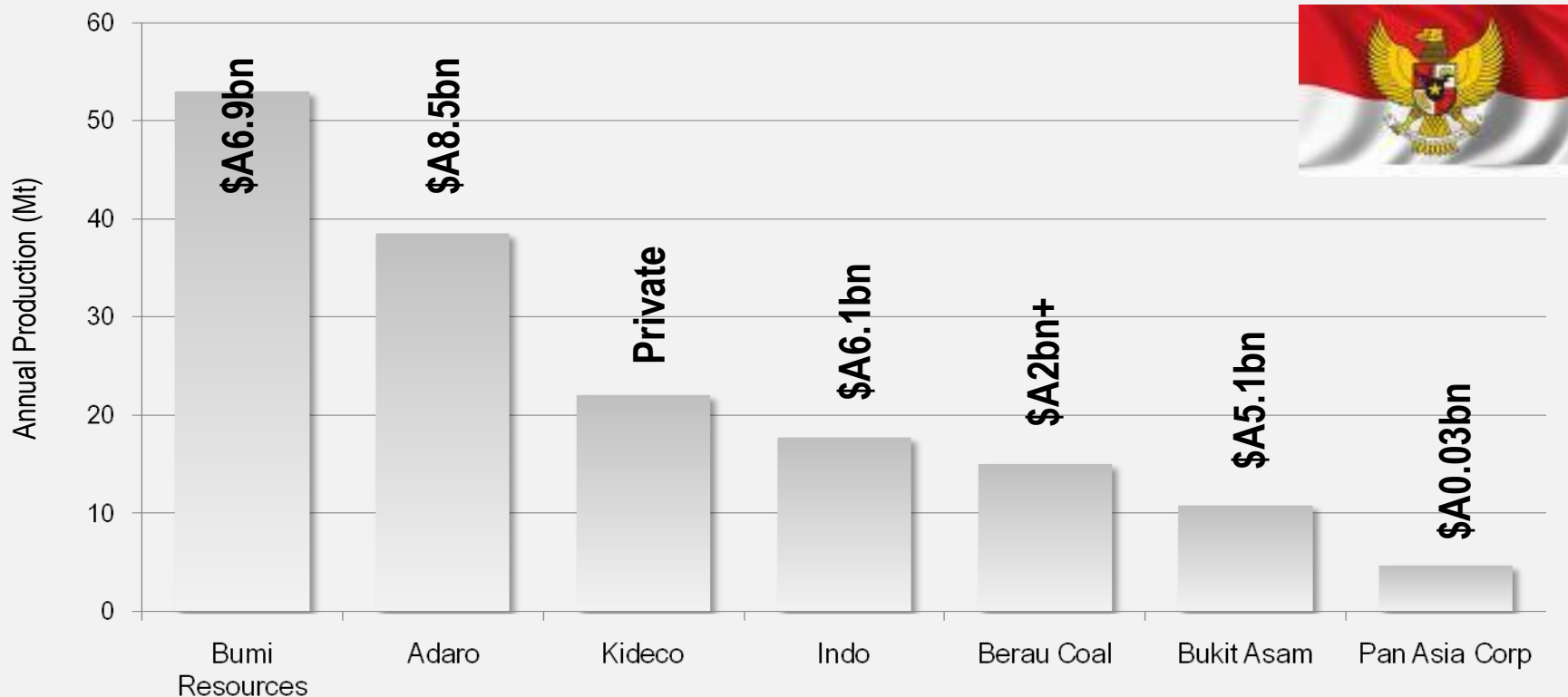


Notes

- Graph from Independent Broker Research Report, July 2010
- Market capitalisation for PZC quoted fully diluted as at close of ASX trading on 1 February 2011 (24c per share)

Indonesian Coal Producers - Current Market Caps

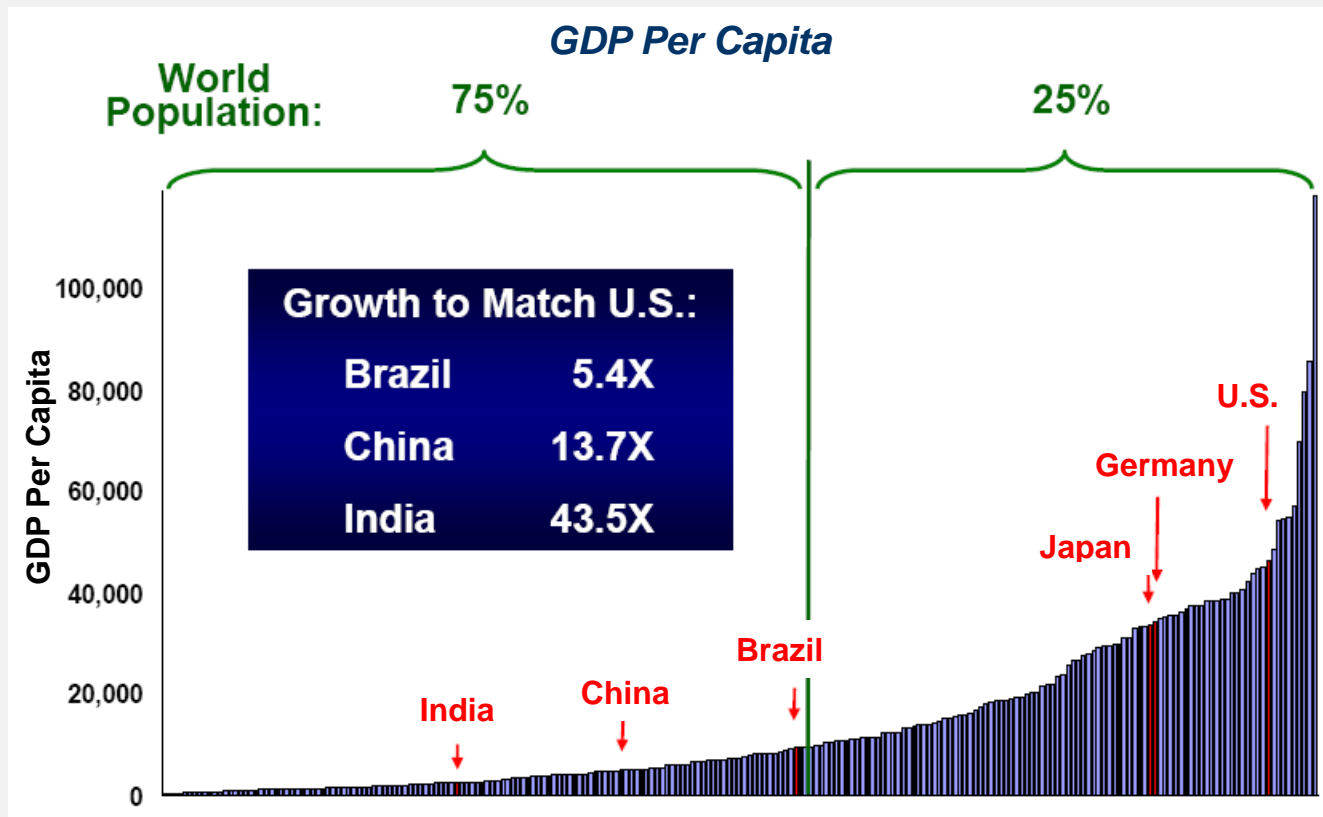
With success, coal companies in Indonesia can become very large



Notes

- Market capitalisations for Indonesian companies from Reuters & other sources as at 1 February 2011
- Market capitalisation for PZC quoted fully diluted as at close of ASX trading on 1 February 2011 (24c per share)
- Annual production for Indonesian companies from company web sites, corporate presentations & annual reports

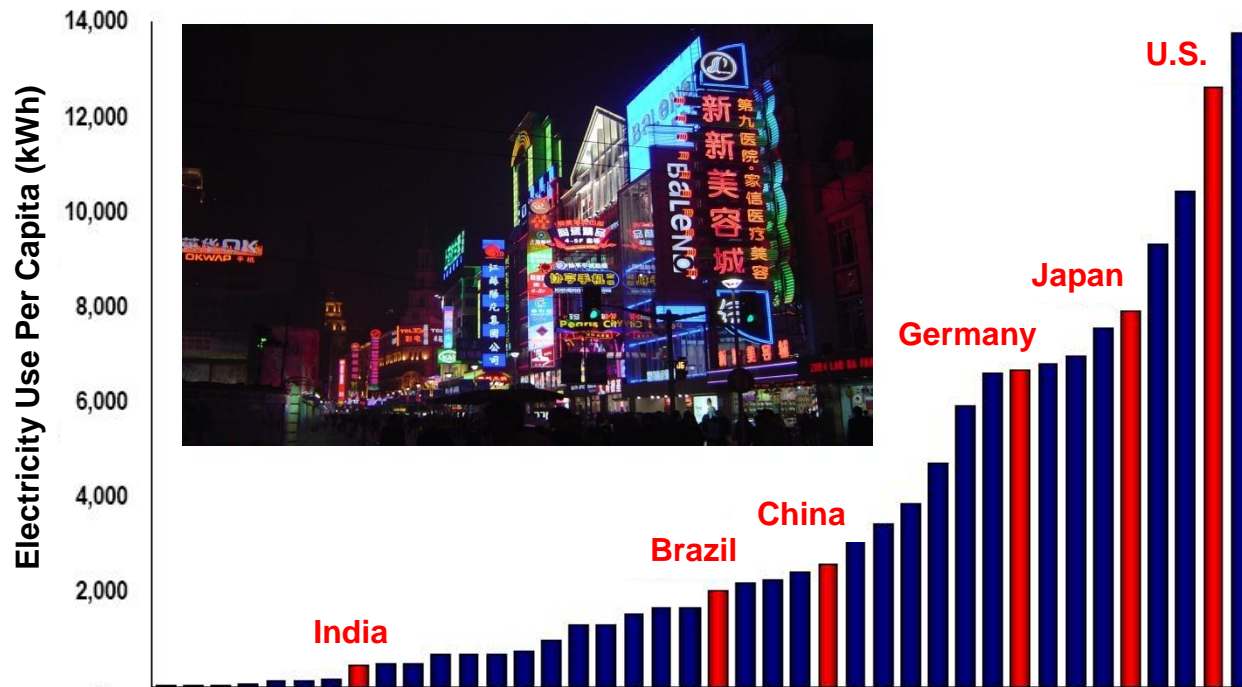
75% of world population is moving up the economic development curve...



Source: CIA World Factbook

...and economic development is linked strongly to electricity use...

Majority of Nations Use Less Electricity Than Developed Economies

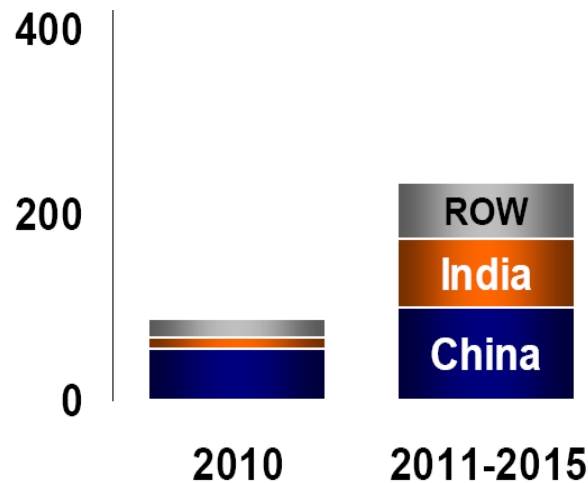


Source: CIA World Factbook

...with dramatic growth expectations for coal fired power generation

Generation Demand Driven by Asia and Growing Share of Electricity

Expected New Coal-Fueled Generation (GW)



- 340Mt per annum growth just in new global coal plants beginning operation in 2010
- 2010 rate equates to ~1 billion tonnes of new demand every three years

Source: Platts Worldwide Power Plant Database; EIA International Energy Outlook 2010 and Peabody analysis

As an example, China is just starting to move up the development curve...

Long cycle ahead....

	Historical 5 Year Growth	China Current Intensity (per person)	Developed Economy Intensity (per person)	Potential Upside	Length of Growth Phase
Electricity Generation	10%	2.8 MWh	10.0 MWh	260%	15 – 20
Coal Demand	8%	2.2 tonnes	6.0 tonnes	170%	15 - 20

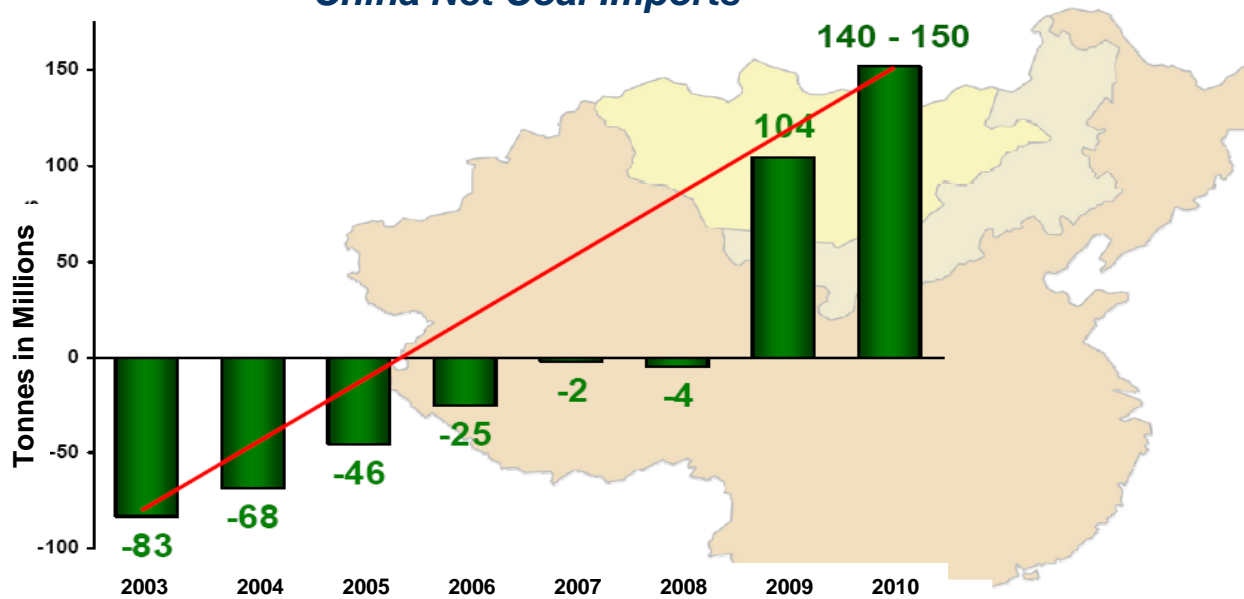
1.8 Billion People in India, Brazil & Indonesia also at Early Stage

Source: Peabody analysis

...and becoming a major net importer in global seaborne markets

Structural Shortage and Strategic Intent Drive Shift to Net Importer

China Net Coal Imports



India is expected to show similar growth

Source: Data and estimates based on industry reports and Peabody analysis (2010 annualised)

Milestones – Flagship Projects

Providing Cashflow				
Immediate Cashflow Project	2011 Q1	2011 Q2	2011 Q3	2011 Q4
Ranrich Projects (NAD & Other)	<i>Production 50 kt / month</i>	<i>Production 100 kt / month</i>	<i>Production 200 kt / month</i>	→

1 st Generation Re-Rating				
Flagship JORC Project	2011 Q1	2011 Q2	2011 Q3	2011 Q4
TCM <i>underground</i>	<i>Expanded JORC</i>	<i>Independent study</i>	<i>Sign agreements for underground development</i>	<i>Feasibility study & prepare for underground</i>
TCM <i>possible open pit</i>	<i>Feasibility of open pit & permits for mining</i>	<i>Planned co-operation with adjacent mine</i>	<i>Permitting</i>	<i>Production Planning 100 kt / month</i>

2 nd Generation Re-Rating				
Flagship Exploration Project	2011 Q1	2011 Q2	2011 Q3	2011 Q4
BCKP / SIM *	<i>Forestry permits</i>	<i>Forestry permits & programme planning</i>	<i>Mapping</i>	<i>Drilling</i>

* Contracted rights, but Indonesian documentation not yet complete (SIM only)

Milestones – Other Projects

2nd Generation Re-Rating

Exploration Project	2011 Q1	2011 Q2	2011 Q3	2011 Q4
JK	<i>Preliminary mapping</i>	<i>Drill target definition</i>	<i>Preliminary drilling</i>	<i>Follow up drilling</i>

Pipeline Opportunities

Other Projects	2011 Q1	2011 Q2	2011 Q3	2011 Q4
RAY *	<i>Technical due diligence, legal due diligence & documentation settled</i> →			
Project 1 *	<i>Technical due diligence, legal due diligence & documentation settled</i> →			
PMU *	<i>Technical due diligence, legal due diligence & possible development funding for offtake rights</i> →			
Project 2 *	<i>Ongoing discussions</i> →			

* Contracted rights, but Indonesian documentation not yet complete (Pipeline Opportunities)

Emerging supplier of key resources to Asian market

- **Immediate cashflow**
- **Significant pre-development project**
- **High priority exploration**
- **Project pipeline**
- **Offtake rights**

Aligned local partners in Indonesia

Major re-rating opportunity

