

5 September 2012

NEW HORIZON COAL LTD SUCCESSFULLY COMPLETES DRILLING PROGRAM

The Board of New Horizon Coal Ltd (NHO or the Company) is pleased to announce the successful completion of its drilling program at the Company's Kinney Project located in Utah, USA.

Data acquired from the drilling program is being used to supplement existing coal quality data and will be incorporated into the Bankable Feasibility Study being undertaken by John T Boyd Company (JT Boyd).

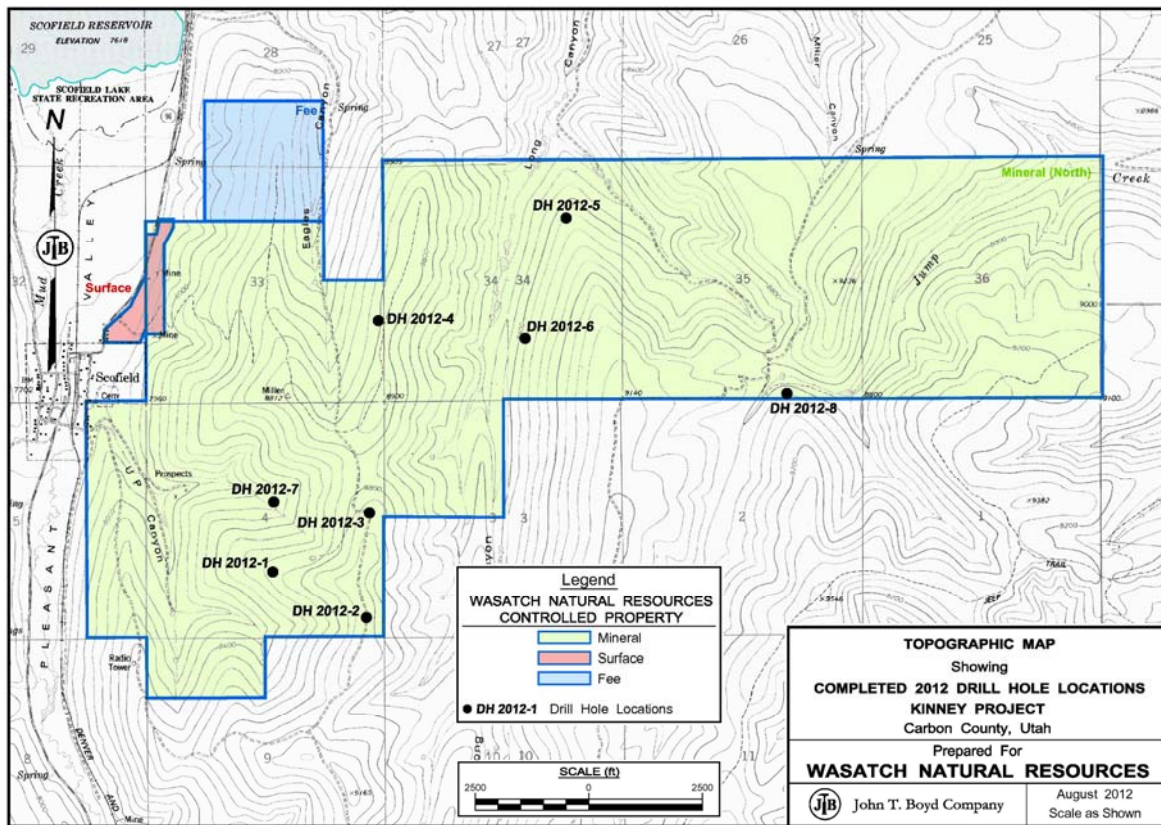


Figure 1: Map of Final Drill Hole Locations on the Kinney Project

About the Drilling Program

NHO completed eight drill holes using rotary air/foam methods. A total of over 2,000 metres was drilled, with approximately 250 metres of core recovered using conventional coring methods. The program was completed ahead of schedule and under budget, with one drill hole originally planned for 2013 moved to and completed in 2012.

Results from the drilling program will be combined with extensive, previous exploration data to supplement the coal quality database in the ongoing BFS. Phase I of the BFS is expected to be released in the early fourth quarter of CY 2012. Following analysis from these core holes as part of the BFS, NHO anticipates an upgrade to the initial JORC Resource tonnage completed earlier this year. The initial JORC report demonstrated 26.1 million tonnes of high calorific, low sulphur coal, of which 92% is measured or indicated.

KINNEY PROPERTY JORC RESOURCE (METRIC)				
(million tonnes)				
Seam	Measured	Indicated	Inferred	Total
Hiawatha Seam	9.0	7.2	2.0	18.2
UP Seam	3.3	4.4	0.2	7.9
Total	12.3	11.6	2.2	26.1
Resource Estimate per JORC criteria				

Preliminary analysis of drilling results has confirmed structural and depositional projections within the Kinney Coal Project, further refining the mine plan currently underway. All drill holes intersected the seams at their expected elevation, with seam thickness meeting or exceeding model predictions.

Core Results and Analysis

Lab analyses of the core samples retrieved from the drilling program are currently underway. Preliminary analysis of drill cores has confirmed a high calorific, low ash and low sulphur coal in both the Hiawatha and UP seams. Compilation and analysis of this data is being performed by JT Boyd with a coal quality update to be released in early September.



Figure 2: Image of core retrieved from drill hole 2012-1

Managing Director's Comments

"The completion of our original 2012 drilling program and the addition of a core hole planned for 2013 into this program will significantly expand the Kinney project coal quality database for the BFS."

Michael Placha, Managing Director

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About New Horizon Coal Ltd

NHO is focused on becoming a producer of high quality thermal coal, with a target of becoming a mid-tier North American coal mining company. Through its US subsidiary, Wasatch Natural Resources (WNR), the Kinney Coal Project was acquired in late 2011. The Kinney Coal Project plan involves underground mining of two major coal seams using conventional, continuous miner sections. Entry will be via an exposed coal seam outcrop within the already permitted area.

The Kinney Coal Project lies in a mature mining region, which has historically produced over 30 million tonnes of coal annually from underground mines. The Kinney Coal Project benefits from world-class infrastructure including three class 1 rail carriers within 30km of the proposed portal, paved roads and state highway maintenance facility directly adjacent to the mine and an experienced local workforce. The Kinney Coal Project is well positioned to meet demand for coal in the domestic and export markets with a high heat, low sulphur product.

Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr James Kohler, who is a Registered Member of the Society of Mining, Metallurgy and Exploration (SME) and independent consultant to the Company. Mr Kohler is an Associate of Behre Dolbear & Company (USA), Inc and has over 35 years of exploration and mining experience in a wide variety of mineral deposit styles including coal. Mr Kohler has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kohler consents to the inclusion in the presentation of this information in the form and context in which it appears.