ORPHEUS ENERGY

EMERGING INDONESIAN COAL PRODUCER

INVESTOR PRESENTATION | MINES & MONEY CONFERENCE LONDON | DECEMBER 2012

About Orpheus

Orpheus Energy Limited ("OEG") is a coal producer focusing on coal production and exploration in Indonesia.

- Quality portfolio of production and near-term production assets – close to infrastructure
- Strong Indonesian JV partner, PT Mega Coal International – brings future Indonesian coal projects and infrastructure opportunities
- Experienced board and management team in Australia and Indonesia
- Attractive multi project potential economic returns with low capex and opex
- Targeting near term positive cash flow from existing operations – first offtake agreement secured
- Targeting large coal asset in South Kalimantan: 50 – 150Mt exploration target
- OEG not affected by the recent legislative changes by Indonesian government concerning foreign ownership

ORPHEUS' VERTICAL INTEGRATION STRATEGY

EXPLORATION – PRODUCTION – INFRASTRUCTURE – TRADING

Project Snapshot

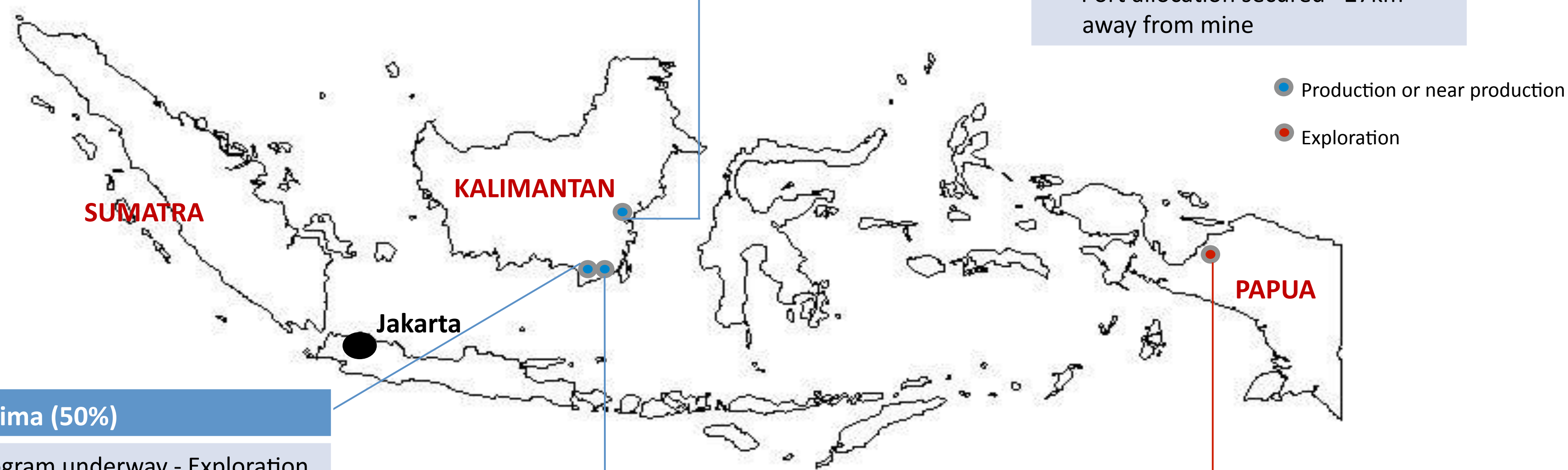
Indonesia

B34 (51%)

- Exploration program underway to establish JORC resource
- Production in 2014

B26 (51%)

- Currently producing – 30,000tpm target rate
- Royalty agreement signed earning OEG net $US8 per tonne
- Port allocation secured ~27km away from mine



Citra Bara Prima (50%)

- Drilling program underway - Exploration Target of 2.0 – 4.5Mt
- ~195 hectare coal production licence
- Port allocation secured <3km from mine

Kintap ADK (50%)

- Currently producing – 50,000tpm target rate
- Coal sales offtake contract secured
- Port allocation secured <10km from mine
- JORC resource expected January 2013
- OEG base for Kintap area satellite mine plans

Papua (50%)

- Highly prospective greenfield exploration area of 125,000Ha
- Located < 40km from the coast
- Field exploration and mapping program underway

Resource Profile

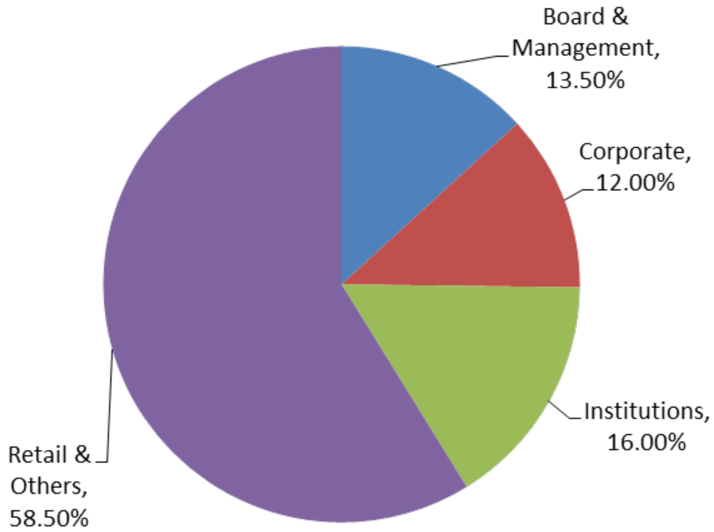
Asset	Status	Coal type	OEG ownership	Annual Target Production (t)	Exploration Target (Mt)	Calorific value (kcal/kg ADB)
ADK	Production	Thermal	50%	**600,000**	2.5 – 3.7	5,600 – 5,400
Citra Bara Prima	Near term production	Thermal	50%	**600,000**	2.0 – 4.5	5,600 – 5,400
B26	Near term production	Thermal/ Semi-soft Coking	51%	**400,000**	2.8 – 4.5	7,150 – 5,950
B34	Near term production	Thermal	51%	**400,000**	5 - 10	8,100 – 7,200
Papua	Exploration	Thermal	50%			
Total				**2,000,000**	12.3 – 22.7	

Corporate Overview

Capital Structure	
ASX Ticker	OEG
Shares on issue	~150m
Options	~15m
Total	~165m
Share price	0.07
Market capitalisation*	~$11.5m
Cash	$2.4m (30 September 2012)

** Fully diluted basis*

Substantial Shareholders	
Wexford	8.4%
Whitehaven Coal	8.5%
Paul Fillion	5.8%
Board & Management	13.5%



The above shareholding structure, including the estimation of substantial shareholdings are indicative only and are set out above for illustrative purposes.

Orpheus Directors

Wayne Mitchell
AASA, AAIM (Executive Chairman and MD)

Mr Mitchell is a qualified accountant with over 30 years extensive senior management experience in the natural resources sector, both in Australia and in South East Asia. He was formerly Chairman and founder of Coalworks Limited, recently acquired by Whitehaven Coal.

Wesley Harder
B Sc. Dip SIA. MAusIMM.(Director, Exploration Manager)

Mr. Harder is a former coal analyst with Jackson Ltd stockbrokers. He has also worked as a field exploration geologist for fifteen years in Australasia. He was formerly CEO of Zinico Resources, which became Gujarat NRE Resources and is a past and current director of several exploration companies.

Tony King
B Sc. BA. (Non-Executive Director)

Mr King is a professional Metallurgist and qualified geologist with over 20 years operational and technical experience within the resource industry. He has also been involved in design and construction of coal washing plants and has participated in a wide variety of resource projects.

David Smith
B Econ, Dip Mgmt - Exec MBA (Executive Director)

Mr Smith was previously an investment banker for 15 years, where he was Head of Corporate Finance at BBY Limited and prior to that, he worked at Ord Minnett and then JPMorgan Chase. Most recently, he was a former Executive Director and founder of Coalworks Limited, recently acquired by Whitehaven Coal.

Michael Rhodes
Drilling Eng (Non-Executive Director)

Mr Rhodes is a highly experienced drilling engineer having worked around the world, including South East Asia and the Middle East. He has lived and worked in Indonesia for over 20 years and previously established a successful infrastructure and logistics company in Balikpapan. He is a principal and Director of PT Mega Coal, Orpheus' Indonesian JV partner.

Experienced Management Team

David Oastler

Bcom. CA. - Chief Financial Officer

Mr Oastler is a Chartered Accountant with over 25 years experience with various SMEs, listed and private company groups as well as services to various governmental agencies.

Rudi Hasan Putra

Senior Geologist, Jakarta Office

Mr Putra has a Bachelor Degree in Geological Engineering, Faculty of Mineral Technology, Trisakti University, Jakarta. He has more than 15 years experience in the Indonesian Mining Industry. Mr Putra worked from 1994 to 2011 as Geologist for various mining companies in Indonesia. Mr Putra joined OEG in June 2011.

Hamzah Sidik

Mining Engineer, Jakarta Office

Mr Sidik has a Diploma in Mining Engineering from Politeknik Muara Teweh, East Kalimantan. He worked from 2005 until 2011 for various mining companies in Indonesia. Mr Sidik joined OEG in April 2012.

Ardiansyah Ahmad Situmorang

Accountant, Jakarta Office

Mr Situmorang has studied Economics and Business Administration in Jakarta. He worked from 2004 to 2009 for the Singapore International School, Jakarta, as Finance and Accounting Supervisor. From 2010 to October 2011 he worked for Putera Sampoerna Foundation as an Accountant.

Arun Valliyamai

B.A CS - Vice President , Marketing, Jakarta Office

Mr Valliyamai is a Sales & Marketing professional with 17 years of experience, and since 2007 has been involved in the coal sector in Indonesia, specializing in thermal coal, from sourcing through all selling activities including sales contact finalization.

Indonesia – Favourable for coal mining

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- Indonesia is a key player in the global export coal market, and has been the fastest growing exporter, overtaking Australia as the largest supplier to global seaborne thermal market in 2005
- **Production to expand** by 75% in Indonesia by 2025
- **Significant investment growth** – Indonesia is targeting foreign direct investment of US$22.34 billion in 2012, up ~18% on 2011
- **Sustainable GDP growth** – Indonesia: ~6%

Top Coal Exporters (2011)

	Total *of which*	Steam	Coking
Indonesia	309Mt	309Mt	0Mt
Australia	284Mt	144Mt	140Mt
Russia	124Mt	110Mt	14Mt
USA	97Mt	34Mt	63Mt
Colombia	75Mt	75Mt	0Mt
South Africa	72Mt	72Mt	0Mt
Kazakhstan	34Mt	33Mt	1Mt

Source: World Coal Association, 2011

Indonesia – A low cost producer

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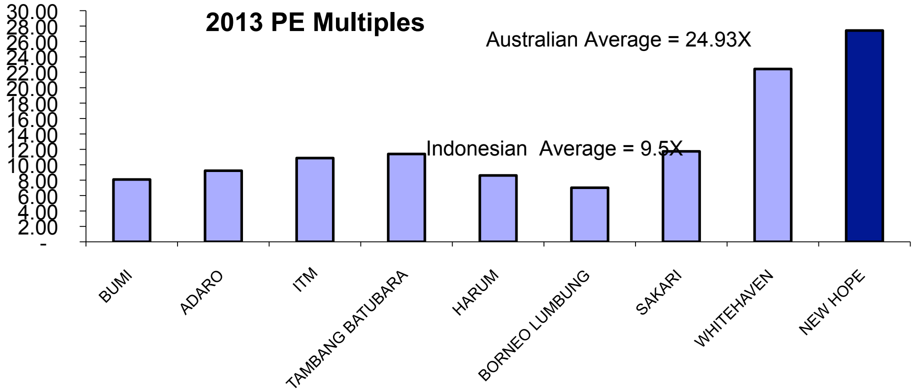
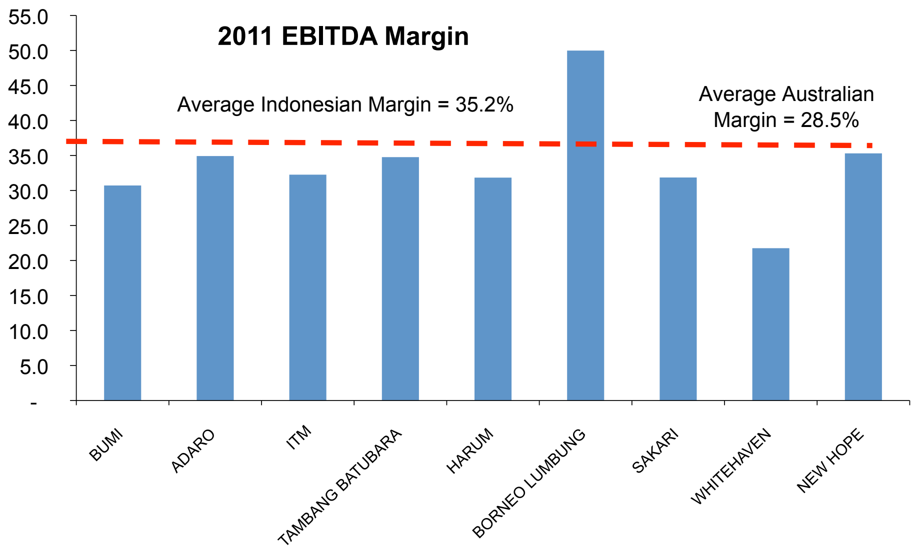
Attractive valuation Compared to Australian coal companies



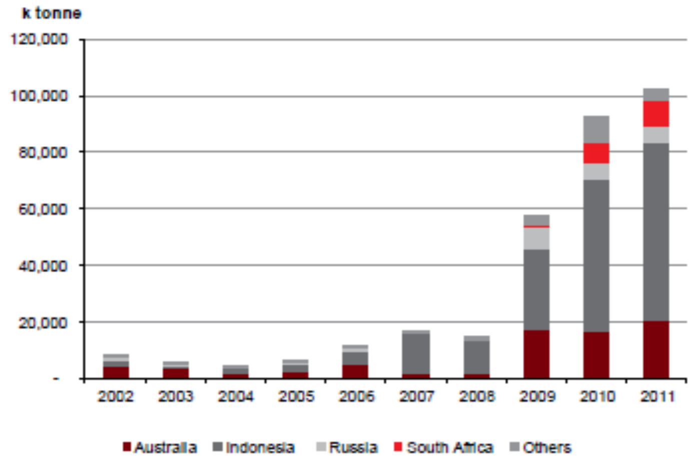
Better Operating Margin compared to Australian coal companies

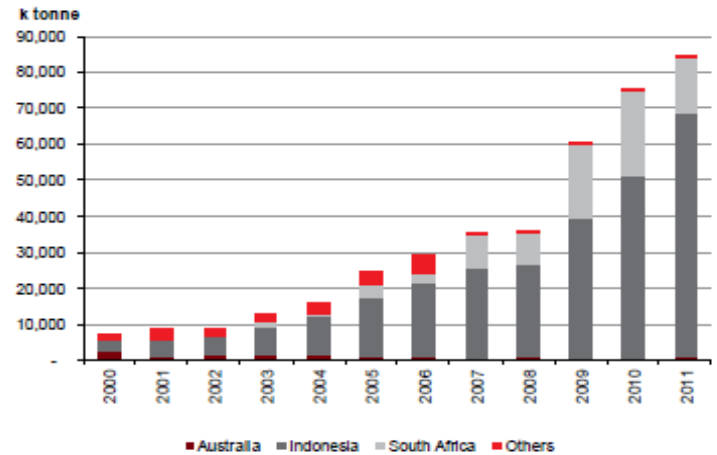


- Indonesian coal producers priced at a **significant discount** to Australian peers
- Due to lower cost of production, Indonesian coal companies have **better operating margins** compared to Australian peers
- Lower cost of production will provide additional **buffer against coal price fluctuation**, more so in view of the current volatile market condition
- “Capital Intensity” (cost of developing a mine per tonne of coal in ground) is significantly cheaper in Indonesia:
  - **US$56/t in Indonesia**
  - US$90/t in Canada
  - US$99/t in South Africa
  - US$141/t in Australia

Source: Bloomberg, 12 October 2012

China & India's demand for Indonesian Coal



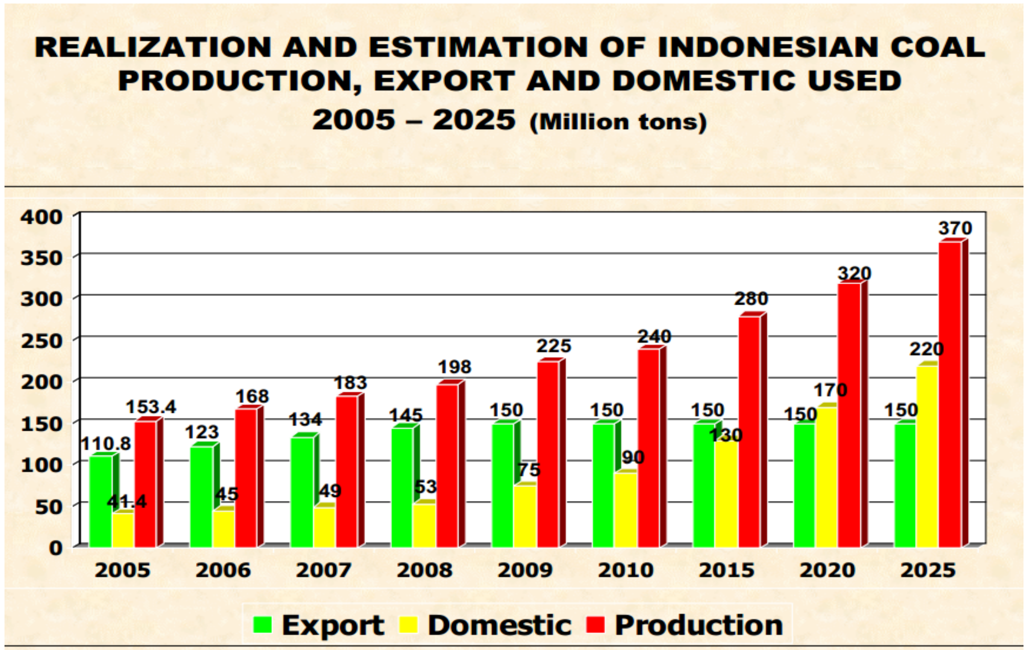


Source: Bloomberg, CIMB

- China plans to add 1TW new coal-fired power plants by the end of 2020
  - triple the size of its total capacity from the current 650GW
- Demand visibility from India strong with plans to add 100GW of power plants over next 5 years
- India derives 55% of its electricity from coal – the government recently approved an additional 15,920 MW of coal-fired capacity
  - means a potential extra 48Mt/year of additional coal needed
- India more relevant to Indonesia's exports since it imports the bulk of its total coal from Indonesia

Steps to satisfy local supply requirements

- Domestic demand for Indonesian coal to increase significantly
- OEG in negotiations with local power stations
- Power generation forecast to increase above GDP growth over the next 5 years
  - Currently 78Mt per year
  - Presents significant domestic growth opportunities for OEG
- Work closely with Indonesian mining authorities and politicians



Source: Ministry of Energy and Mineral Resources of the Republic of Indonesia

Growth Strategy

NEAR TERM OBJECTIVES

- Ramp up production at Kintap ADK Project to steady rate of 50,000tpm
- Commence production at nearby production asset and ramp up production to 50,000tpm
- Consolidate B26 Project production target rate of 30,000tpm
- Ramp up operations of OEG trading division
- Acquire large coal resource project: target 50Mt – 150Mt

MEDIUM TERM OBJECTIVES

- Develop near term production assets
- Consolidate mining at Kalimantan projects – steady production rate of 200,000tpm
- Execute appropriate coal offtake agreements with domestic and export buyers
- Increase production over portfolio of assets
- Increase coal trading to 100,000tpm
- Develop or acquire infrastructure facilities to service OEG and other projects

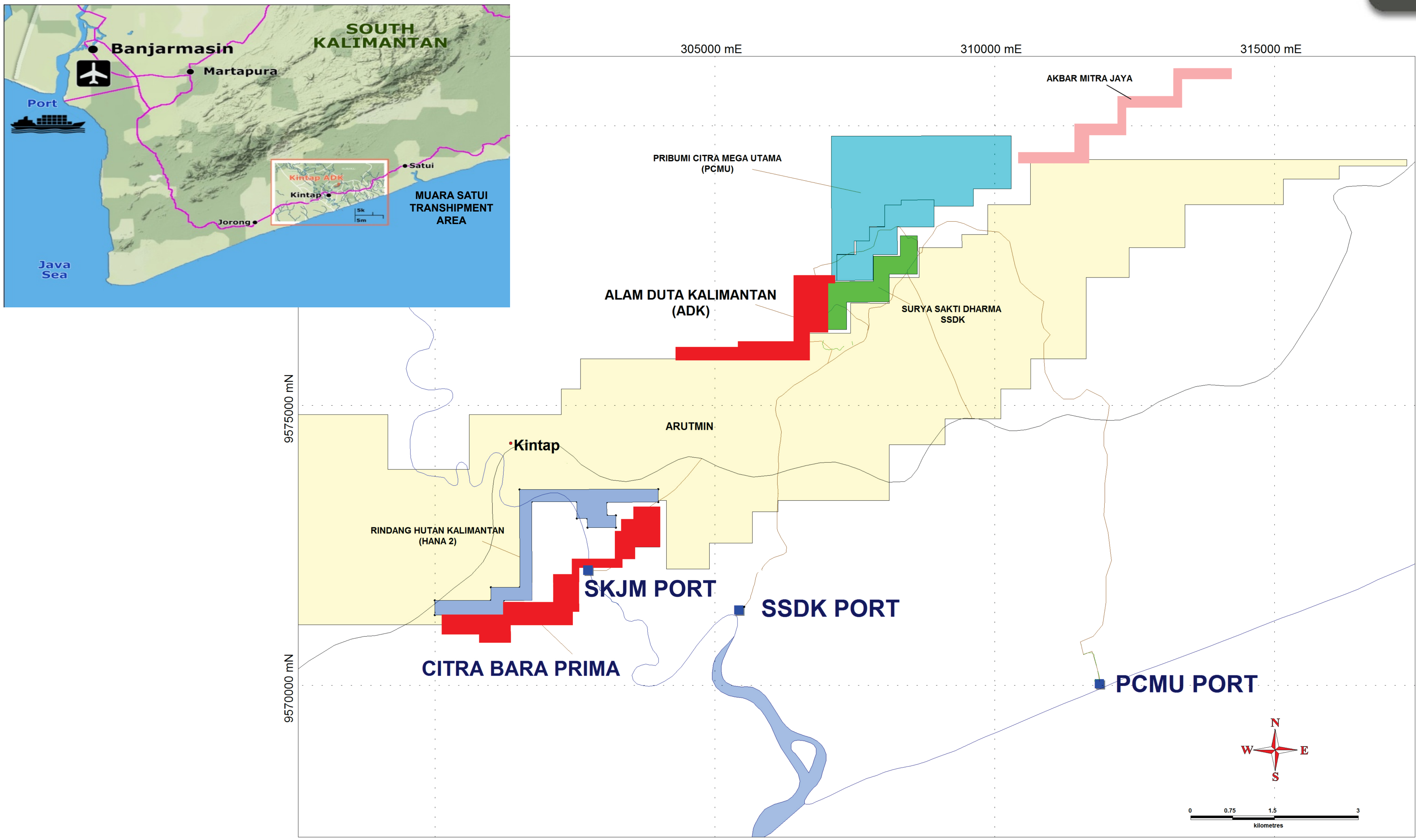
Supported by strong local partner in PT Mega Coal

PT Mega Coal International

MEGA COAL INTERNATIONAL

- Founded in 2005, and is a privately-held coal mining company with an extensive local network and mining experience
- Key Management: Ir Nugroho Suksmanto (Chairman and CEO) and Mike Rhodes (President-Director)
- A JV partner in the Oorja Coal Mine in East Kalimantan, which has been in operation for 5 years and produces 1,000,000 tonnes per year
- Holder of a number of exploration and mining concessions in Kalimantan
- Strategic Alliance with Orpheus for exploration and development of further concessions and infrastructure assets in Indonesia – OEG has a first right of refusal on all new coal opportunities

Kintap Projects



Kintap ADK Project

- March 2012: Secured a 50% interest in OEG's JV partner PT Mega Coal's ADK operating coal mine in South Kalimantan
- OEG earns 50% of net profits of ADK's coal mine operations
- Current target of minimum net A$5 per tonne cash profit margin
- November 2012: First coal sales achieved after flooding of South Kalimantan Kintap area
- 8,000 – 10,000tpm coal sales offtake agreement signed with Indonesian steel company
- Existing infrastructure in place - travel time is about 2 hours (10km from SKJM) and 1 hour (5km) from PCMU jetties to mother ships off shore. Loading time is about 6-7 hours per barge to ships 20,000-80,000t
- JORC resource expected by January 2013
- Coal mined from ADK mine has an average calorific value of 5400 Kcal/Kg (ADB), and is low in ash (6%) and sulphur (0.4%)

Kintap ADK production and loading

Citra Bara Prima Project

- HOA signed with PT Citra Bara Prima ("CBP") over a ~195 hectare coal production project in South Kalimantan
- Located adjacent to one of PT Arutmin's major operating coal mines and approximately 6km from Orpheus' Kintap ADK project
- Exploration target of 2 – 4.5Mt with a 12 hole drilling program commenced, each to 100m target depth to establish a JORC resource – technical desktop analysis has identified a minimum of two coal seams varying in thickness from 4 to 12 metres, near surface.
- It is anticipated that the CBP project will be mined at a rate of 50,000tpm, when in steady-state production, using nearby infrastructure.

B26/B34 Projects

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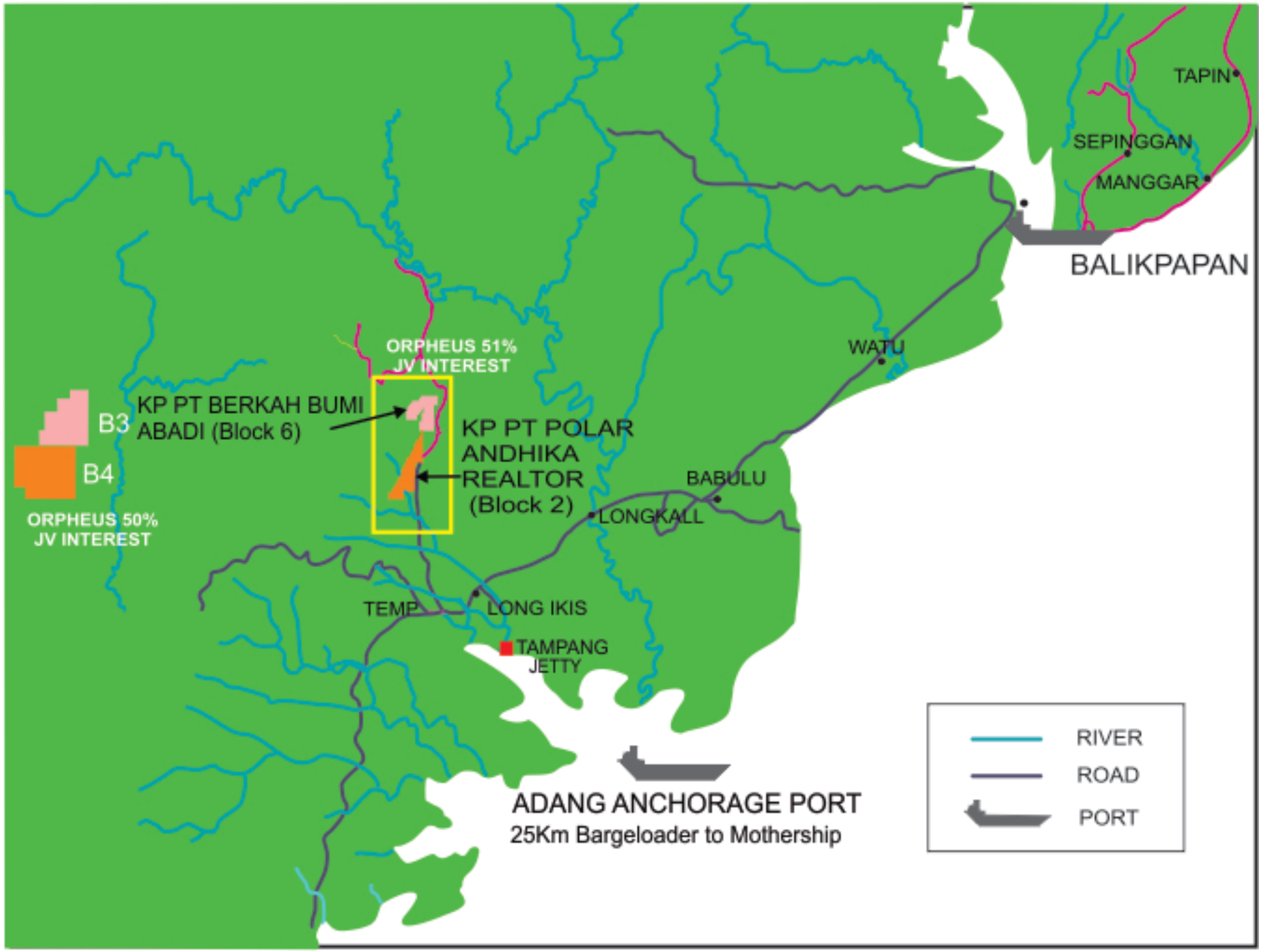
ORPHEUS EAST KALIMANTAN COAL PROJECTS



B26 Project

- B26/B34 project comprises two areas, B26 and B34
- B26 is located in East Kalimantan, ~100km from Balikpapan and has a total exploration target of 2.8 -4.5Mt of high grade thermal coal with some coking coal potential (current JORC Resource of 1.13Mt)
- B2 Royalty agreement signed in early July with PT Debbia Mining to pay OEG net US$8 per tonne of coal sales
- Mining has re-commenced in October 2012, targeting a rate of 30,000tpm, with an expected mine life of a minimum seven years from B26.
- Barge loading facility ~27km away from mine site, near Tampang settlement, has been secured
- Dedicated haul-road, recently refurbished from mine to barge loading facility
- Mother ships of minimum size 20,000t to Panamax size of 80,000t lie in Adang Bay off the coast and some 25km from the barge loading facility which is well inside the estuary
- Travel time of barge to ship is about 3 ½ hours

B34 Project

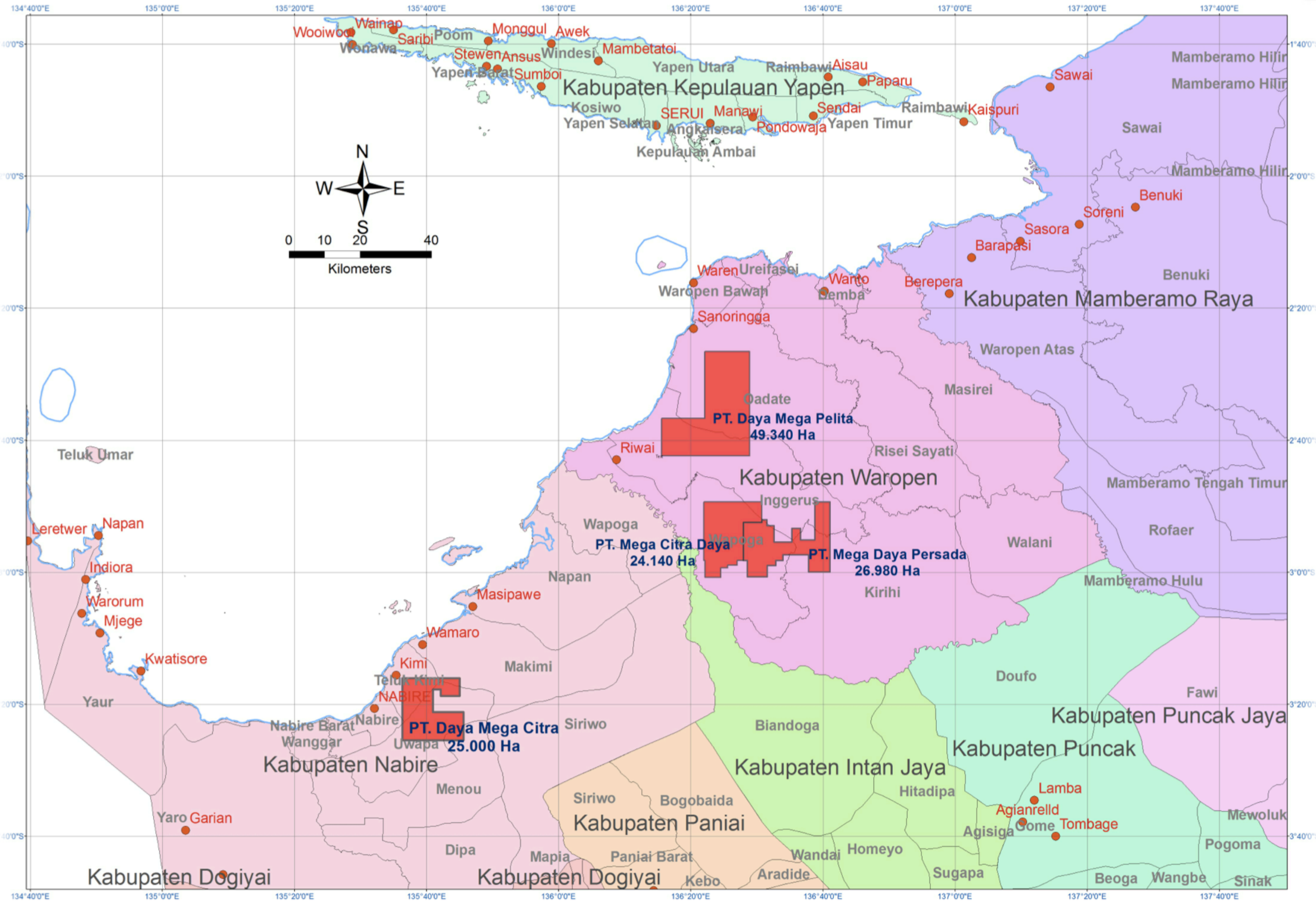
- B34 is located ~60km west of B26 & is ultimately planned to be mined using the same road/port infrastructure

- B34 has an exploration target of 5-10 Mt of coal and target calorific value of 7200 to 8100 Kcal/kg*

- Exploration program is underway to establish a JORC resource. B34 has had historical geological mapping and reported the following high quality coal samples:
  - B3: low ash (1.5%); low total moisture (8.3% ar); energy content of 7,123Kcal/kg
  - B4: low ash (1.9%); low total moisture (6.5% ar); energy content of 7,235Kcal/kg

- Following conversion of B34 Exploration KPs into Exploitation IUPs, scheduled for early 2013, mining from B34 is planned to double OEG's total production out of the area by 2014

Papua Project



Papua Project

- Prospective greenfield exploration areas located within 40km of the coast in Papua – Waropen and Nabire
- Coal outcrops are visible in the tenement areas
- Field exploration and mapping program underway

Additional Indonesian Projects

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- Orpheus has progressed plans to expand the Strategic Alliance with PT Mega Coal with an ongoing acquisition program underway

- A number of projects have been identified for possible acquisition located in the Kintap area of South Kalimantan, with two projects in advanced legal due diligence
  - All have good infrastructure including good proximity to barge loaders or appropriate port sites and transport options

- The framework has been developed to allow completion of the following activities:
  - Technical review of each project;
  - Memorandum of Understanding with each owner;
  - Term Sheet for Orpheus Participation; and
  - Completion of legal due diligence

Australian Projects

Hodgson Vale

- Project located in SE Queensland in proximity to other producing coal mines
- Past drilling shows coal measures exist in the EPC with medium grade export quality coal potential

Ashford

- Past drilling shows potential for chemical grade Ground Calcium Carbonate (GCC)
- OEG proposes to outline zones of high quality limestone suitable for GCC
- Exploration target of 30-40 Mt* of high quality ground calcium carbonate (with target white rating index of 89-91%)

In Summary

- Growth strategy to earn revenue through multiple streams – coal production, coal trading, infrastructure
- Production rate targeted rate to grow to 2,000,000 tonnes per year
- Current JORC Resources with growing exploration targets
- Strong local partner providing project and infrastructure opportunities
- Operating in a low cost, growing and strategic mining market
- Experienced board and management team in Australia and Indonesia

Disclaimer

Certain statements contained in this presentation, including information as to the future financial or operating performance of Orpheus Energy Limited ("Orpheus" or "OEG") and Orpheus Energy Group Pty Ltd ("OEGPL") and its projects, are forward looking statements.

Such forward looking statements may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, operating costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Orpheus/ OEGPL, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

Orpheus/OEGPL disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

Competent Person's Statement:

The following statements apply in respect of the information in this announcement that relates to mineral resources, exploration results and exploration targets. The information is based on, and accurately reflects information compiled by Wes Harder, who is a Member of the Australasian Institute of Mining and Metallurgy. Wes Harder is a Director of Orpheus Energy Limited and is a Geologist who has sufficient experience which is relevant to the style of coal mineralisation and type of deposit under discussion 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". Wes Harder consents to the inclusion in the report of the material, based on his information, in the form and context in which it appears.

JORC - Exploration Target:

It is common practice for a company to comment and discuss its exploration in terms of target and size type. The information in this presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The potential quantity and grade is conceptual nature, there has been insufficient work completed to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

Enquiry and Contact

ORPHEUS ENERGY LIMITED

(ASX Code: OEG)

Australia
Level 12 179 Elizabeth Street
SYDNEY
NSW 2000

Phone +61 2 9922 3930
Fax +61 2 9929 6820

Indonesia
Menara Anugrah Lt. 27, Kantor Taman E.3.3,
Kawasan Mega Kuningan,
Jakarta 12950

Phone: +62 21 5794 8860
Fax +62 21 5794 8861

Wayne Mitchell – **Executive Chairman**
David Smith – **Executive Director**
www.orpheusenergy.com.au
info@orpheusenergy.com.au