

tvn
corporation

ASX code: TVN

Nuurst Project **Mongolian Coal Asset**

TVN Corporation Limited

ABN 95 066 139 991



August 2011

DISCLAIMER AND COMPETENT PERSONS STATEMENT

- **Disclaimer**

Certain statements made during or in connection with this communication, including without limitation, those concerning the economic outlook for the coal mining industry, expectations regarding coal prices, production, cash costs and to the operating results, growth prospects and the outlook of TVN's operations including the likely commencement of commercial operations of the Nuurst Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding TVN's exploration operations, economic performance and financial condition. Although TVN believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in thermal coal prices and exchange rates and business and operational risk management. TVN undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

- **Competent Persons Statement**

The information in this presentation that relates to Exploration Results is based on vendor supplied information, recent drilling and trenching activities on site and information obtained from the Cadastral Archives in Mongolia, reviewed by Geoff Richards of CSA Global Pty Ltd, Western Australia. Mr Richards is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralization 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richards consents to the inclusion in the report of the matters based on his information in form and context in which it appears.

NUURST PROJECT SUMMARY



- Mongolian thermal coal exploration project
- Option to acquire agreed late June, drilling programme commenced in July
- 137 m thick coal sequence, from 82 m depth, including a 102 m thick seam in first hole NDH 01
- 192 m thick coal sequence, from 111 m depth, including a 115.5 m thick seam in second hole NDH 02
- Two trenches have identified sub-cropping coal
- Calorific value Qdaf 6688 kcal/kg, (based on 2 holes)
- Targeting JORC Reportable Resource end 2011 (previous exploration target* of 50 to 100 million tonnes coal based on 8m thick seam)
- Single large licence (34.5 sq.km)
- Adjacent to, and surrounds Peabody/Winsway licences that contains a 149.7 Mt resource
- Direct rail access south to China or North to South Korea / Japan (6 km from existing rail siding), 120 km from Ulaanbaatar.
- The tonnage and quality expressed above is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Share Capital Summary

Share Price	5c
Shares on Issue	601,901,442
Market Cap.	A\$30.1m
Cash (8/8/11)	A\$1.6 m

exploration
potential...

MONGOLIAN COAL ACQUISITION



- **TVN has entered into an exclusive option agreement to acquire the Nuurst Thermal Coal Deposit in Mongolia**
- **Significant Exploration Potential**
 - 137 m thick coal sequence including a 102 m thick seam in first hole NDH 01
 - 192 m thick coal sequence including a 115.5 m thick seam in second hole NDH 02
 - Thermal coal Qdaf 6688 Kcal/kg
 - Low stripping ratio
 - Saleable quality
- **Ideally Located**
 - 6 kms from existing rail infrastructure
 - 120 km from Ulaanbaatar
 - Surrounds Peabody Winsway JV licence with 150 mt Resource

Access to
Mongolian
Coal

NUURST DEAL TERMS

- **Option to Acquire Nuurst licences:**

Deal Terms	\$US
Deposit (10%)	\$150,000
Balance	\$1,350,000
Total	\$1,500,000

- Non refundable deposit paid at signing,
balance due at Completion (September 2011)

100%
ownership

NUURST PROJECT LOCATION

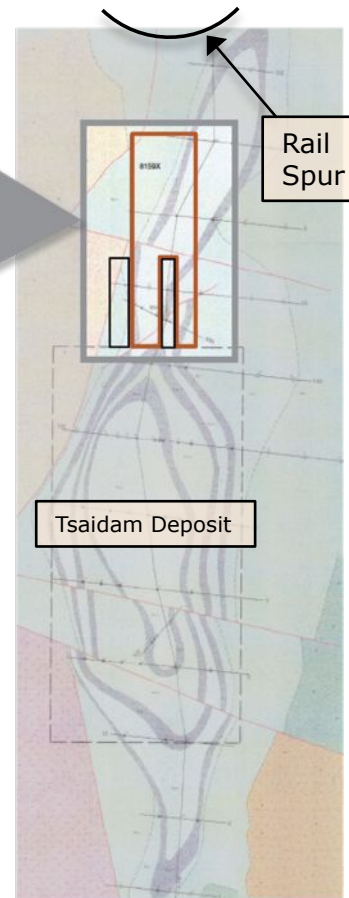
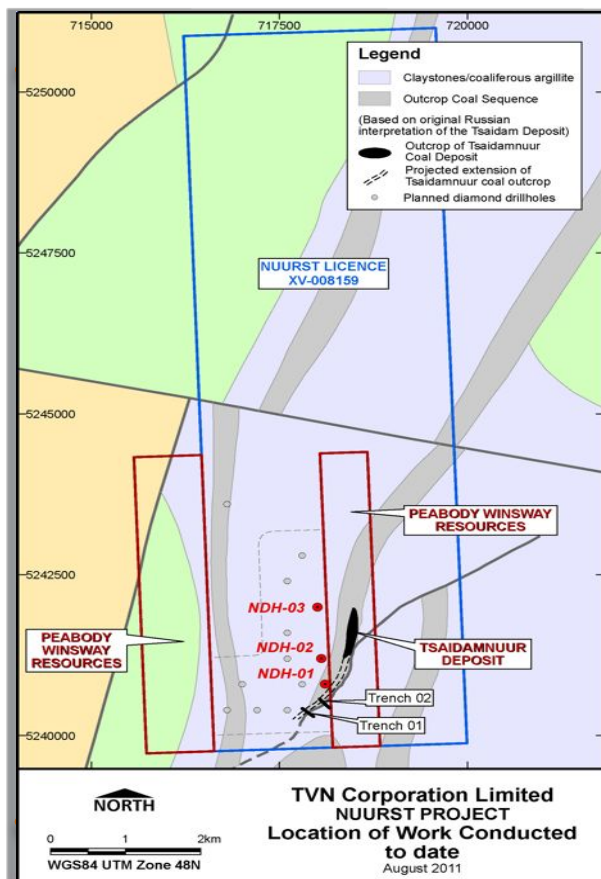
- 120 km south of Ulaanbaatar
- 27 km east of town of Bayan
- 6 km from rail siding
- 610 km by rail south to the Chinese border ≈ 14 \$/t¹
- 470 km north by rail to the Russian border

¹ Prophecy Resources Corp., Pre-Feasibility Study for the Oolan Oovo Project, Wardrop Eng., Dec. 2010



Map sourced from: http://www.nationsonline.org/oneworld/map/mongolia_map2.htm

NUURST GEOLOGY – PART OF LARGER KNOWN TSAIDAM COAL DEPOSIT



significant
exploration
potential...

PROJECT COMPARISON

Peer Comparison - Thermal Projects Mongolia

Company	Project	Distance to existing Rail km	Resource t (million)	Inherent Moisture % adb	Ash % adb	Volatile Matter % adb	Fixed Carbon % adb	Total Sulphur % adb	Calorific Value Kcal/kg adb	Calorific Value Kcal/kg db	Calorific Value Kcal/kg daf	Relative Density g/cm3 ad
Hunnu	Unst Khudag	180	676	18.28	21.30	30.07	30.38	1.27	3995	4889	6612	1.41
TVN	Nuurst (primary seam)	6	?	26.84	10.36	39.83	22.97	0.92	4203	5759	6688	1.45
Peabody Winsway	Union (M&I resource)	13	95	13.10	14.40	38.00		1.40	4916			1.40
Peabody Winsway	Union (Inferred)	13	55	10.80	14.20	38.00		1.20	4002			1.43
Peabody Winsway	erds project	75	807	19.25	25.32	29.70	25.73	1.29	3710			1.55
Xanadu	Galshar	65	62	8.24	9.10	40.80		0.57	5371		6476	1.37
Xanadu	Khar Tarvaga	45	327	19.25	25.32	29.70	25.73	1.29	3742			1.54

references:

Hunnu Coal ASX announcement 1 July 2011 - "JORC Resource estimate for the Unst Khudag Thermal Coal Project"

Polo Annual information form, March 29 2010

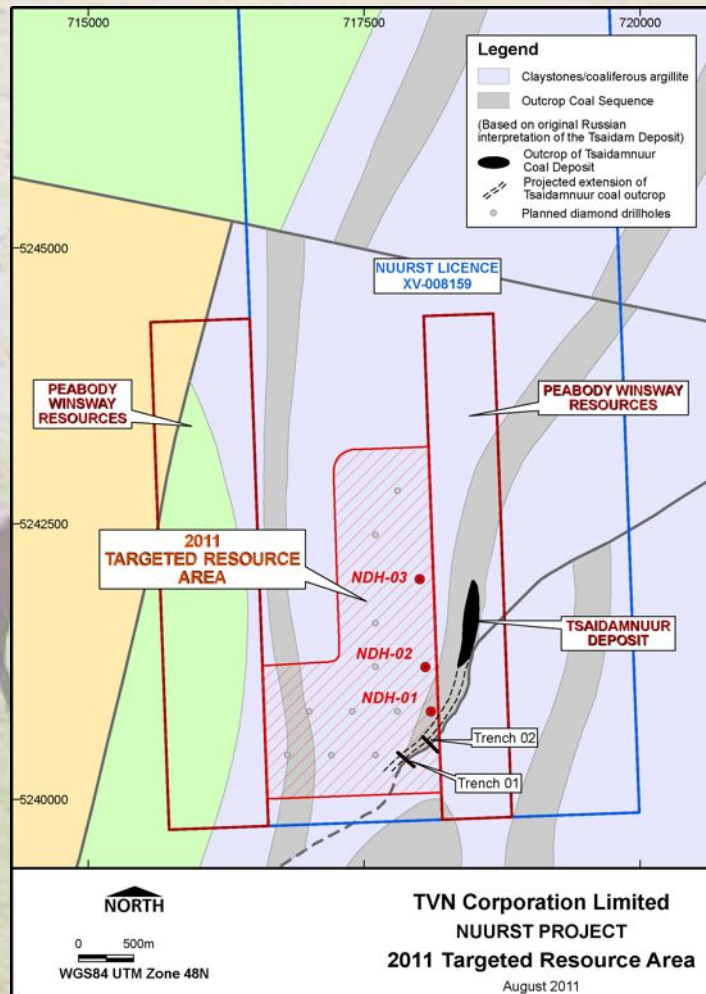
Xanadu Mines Prospectus

ACHIEVEMENTS TO DATE

- TVN have reviewed in excess of 80 projects in Mongolia since 4Q 2010
- TVN has gained approval from state and provincial governing bodies to explore project
- Mobilised drilling equipment, support equipment, established an exploration camp and assembled an experienced exploration team of over 20 people
- Discovered a major coal seam averaging over 100 m thick (based on first two holes)
- Completed two trenches both identifying coal at or near surface, within the licence
- Have raised \$1.5 million in a private placement



EXPLORATION & DEVELOPMENT PLAN 2011/12



- Continue drilling and trenching at Nuurst through to the end of the drilling season (October) – red hashed area
- Define a JORC reportable resource by the end of the calendar year
- Conduct baseline environmental surveys
- Progress towards mining licence application at Nuurst
- Commence scoping study of Nuurst Project

TVN DEVELOPMENT STRATEGY

- Focus on Mongolia
- Drive the Nuurst project towards development:
- Continuously review the project pipeline
- Seeking coking and thermal projects:
 - Large, good quality thermal projects, close to existing infrastructure
 - Quality coking projects, close to existing or planned transport infrastructure

CORPORATE STRUCTURE

Share Capital Summary

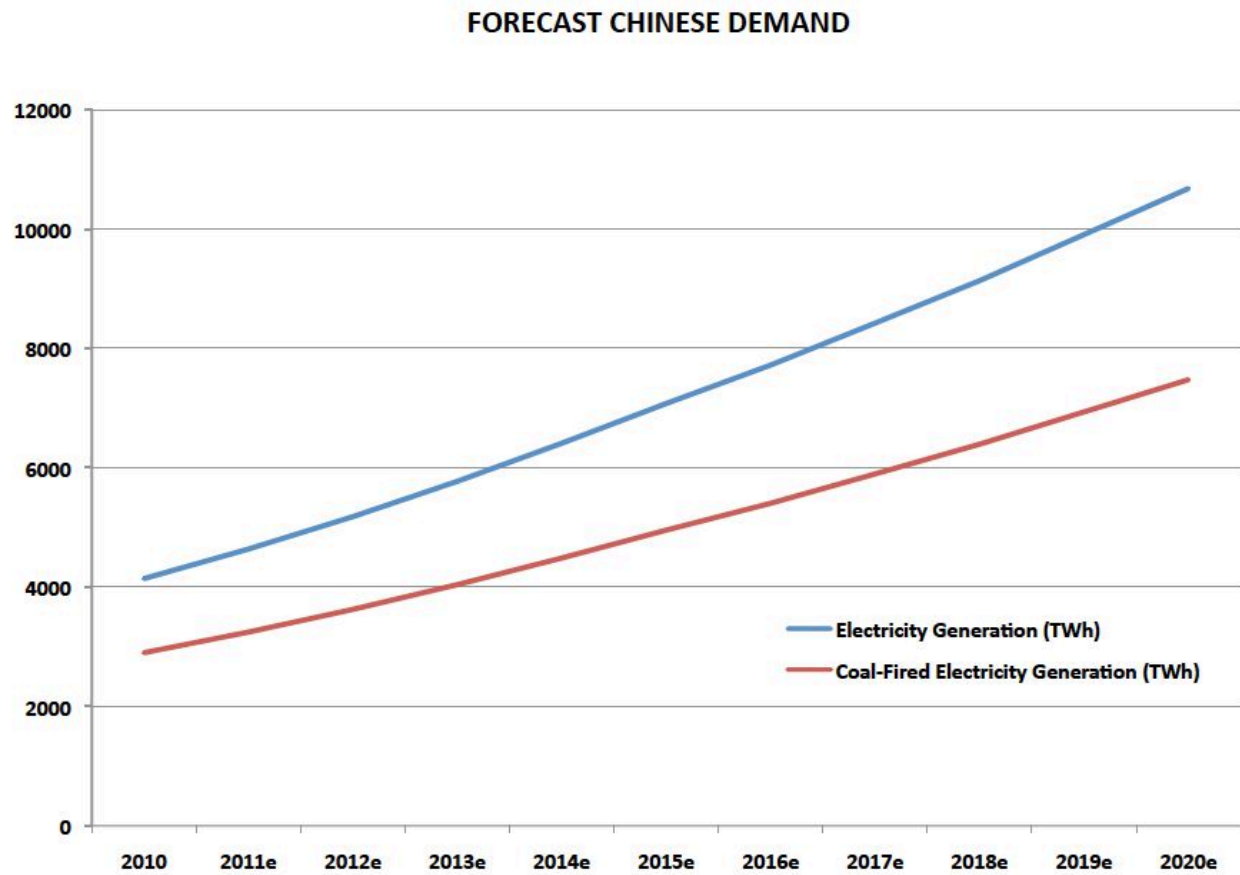
Share Price	5c
Shares Outstanding*	601,901,442
Options Outstanding*	26,000,000
Management Options**	31,000,000
Market Capitalisation	A\$30.1m
Cash (at 8/8/11)	A\$1.6 m
Notes:*	Options exercisable at 1c before 31 December 2011
Notes:**	Mgt Options exercisable at 2.0c before 30 September 2012

Top 10 Shareholders

ELLIOT HOLDINGS PTY LTD	9.8%
RZJ CAPITAL MANAGEMENT LLC	5.8%
LEILANI INVESTMENTS PTY LTD	5.0%
BATAVIA CAPITAL PTY LTD	3.3%
INVICTUS CAPITAL PTY LTD	3.0%
ANNE ELIZABETH GRIBBLE	2.6%
TFLT PTY LTD	2.5%
MR HUGH DAVID WARNER &	2.5%
HSBC CUSTODY NOMINEES	2.2%
HOLLOWAY COVE PTY LTD	2.0%
TOP 50	70%
BOARD / MANAGEMENT	21.1%

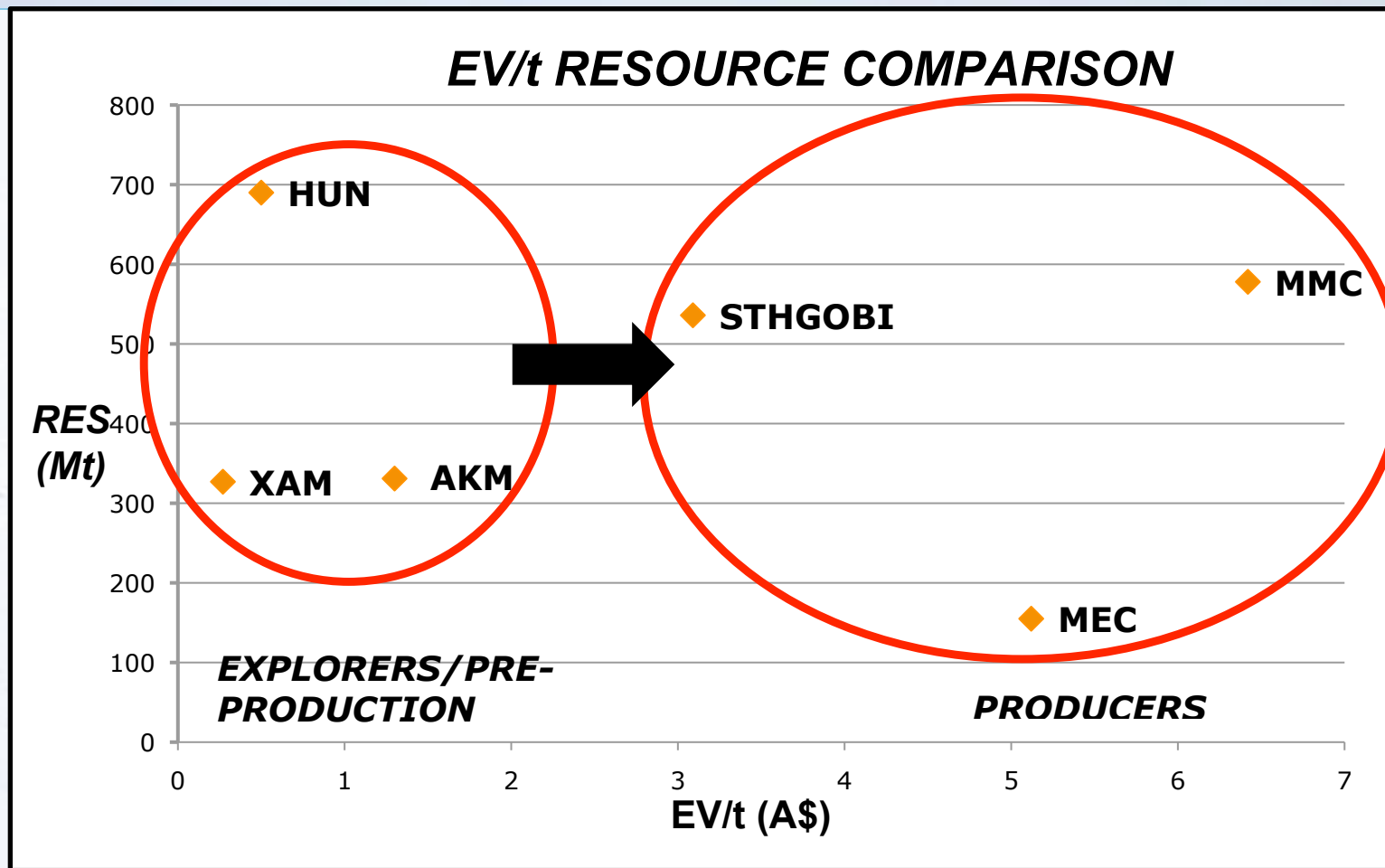
Appendices

FORECAST CHINESE DEMAND (CITI)



Source: China Customs, TEX, Platts, Citi Investment Research

MONGOLIAN COAL COMPARABLES



INTERATIONAL COAL COMPARABLES

The following international thermal coal miners in Asia and Australia:

Name	Mkt Cap, US\$m	EV, US\$m	Resources, Mt	EV/Resources, US\$/t
HUOLINHE OPENCUT COAL IND -A	5,149	5,470	1,603	3.4
SHANXI LU'AN ENVIRONMENTAL-A	11,239	11,264	1,700	6.6
INNER MONGOLIA YITAI COAL-B	10,368	11,237	1,672	6.7
DATONG COAL INDUSTRY CO -A	5,508	5,322	3,784	1.4
SDIC XINJI ENERGY CO -A	4,207	5,187	1,673	3.1
ANHUI HENGYUAN COAL INDUST-A	3,276	3,397	1,503	2.2
INNER MONGOLIA PINGZHUANG -A	2,331	2,056	1,440	1.4
CHINA SHENHUA ENERGY CO-H	86,195	88,795	17,765	5.0
CHINA COAL ENERGY CO-H	22,654	21,093	15,822	1.3
YANZHOU COAL MINING CO-H	20,886	22,661	3,094	7.3
SOUTHGObI RESOURCES LTD	3,041	2,658	420	6.3
KING STONE ENERGY GROUP LTD	540	931	204	4.5
China (median)				4.0
ADARO ENERGY TBK PT	8,649	9,575	3,484	2.7
BANPU PUBLIC CO LTD	6,503	9,244	2,260	4.0
INDO TAMBANGRAYA MEGAH PT	5,544	5,250	1,650	3.1
BUMI RESOURCES TBK PT	7,036	11,394	7,782	1.4
TAMBANG BATUBARA BUKIT ASAM	5,246	4,723	7,295	0.6
BAYAN RESOURCES GROUP	6,622	6,791	743	9.1
STRAITS ASIA RESOURCES LTD	2,215	2,446	1,403	1.7
HARUM ENERGY TBK PT	2,659	2,710	487	5.5
INDIKA ENERGY TBK PT	2,327	2,415	735	3.2
SEMIRARA MINING CORP	1,679	1,893	382	4.9
BERAU COAL ENERGY PT	2,106	2,624	1,400	1.8
SE Asia				3.1

Name	Mkt Cap, US\$m	EV, US\$m	Resources, Mt	EV/Resources, US\$/t
BHP BILLITON LTD	247,863	248,564	18,790	13.2
COAL & ALLIED INDUSTRIES LTD	10,387	10,237	3,859	2.6
NEW HOPE CORP LTD	4,017	2,737	931	2.9
WHITEHAVEN COAL LTD	3,488	3,437	1,633	2.1
GLOUCESTER COAL LTD	1,692	1,752	279	6.2
BANDANNA ENERGY LTD	819	801	1,314	0.6
KANGAROO RESOURCES LTD	159	158	258	0.6
Australia				2.6
Average				3.1

Source: Bloomberg and ResCap estimates (price data as of 11 March 2011)

MONGOLIA OVERVIEW

- Politically stable, mining friendly jurisdiction, undergoing strong economic growth:
 - World Bank forecasts Mongolia to be world's fastest growing economy by 2013 – (forecast 22.9% GDP growth rate in 2013)
- Mongolia is directly adjacent to China and in particular its rapidly growing western regions:
 - Inner Mongolia*: fastest growing province in China: GDP 19% 2009, (November 2010 industry growth: +18.2%). Average annual GDP growth since 2002 : 20%
 - Gansu :2009 GDP growth:10.4% , (November 2010 industry growth +16.8%)
 - Xinjiang: 2009 GDP growth 7.2% (November 2010 industry growth: +13.7%)
- Mongolia can also access Japan and South Korea markets (two of the three largest coal importing nations globally)
- Demand for thermal coal is forecast to continue to growth
- TVN will have direct access to these markets via existing infrastructure

* Information sourced: Golomt Bank, Mongolia