



Welcome to QER: A world-class company building a world-class industry

May 2010



Creating new fuels for Australia

QER's Vision

QER's vision is to help secure Australia's energy future.

QER's Mission

QER's mission is to build and operate a safe, economically viable and sustainable shale-to-liquids industry in Queensland.

Introducing QER's Values

QER is committed to building an organisation that is respected and valued by all of its stakeholders. There are four foundation values that establish a platform for a long-term culture of excellence and high performance.

- 1. Professionalism:** QER employees take pride in their work. This is characterised by clear, creative thinking, thoroughness and speed while always keeping one eye on the big picture.
- 2. Accountability:** QER employees are careful but decisive – welcoming accountability for their decisions and actions.
- 3. Collaboration:** Working together to deliver better solutions. Information and ideas flow freely providing innovative solutions to challenging situations.
- 4. Dignity:** QER treats all of its stakeholders – investors, employees, community, customers, suppliers and government – with dignity and respect. QER conducts its dealings with transparency, focusing on exceeding, stakeholders' expectations.

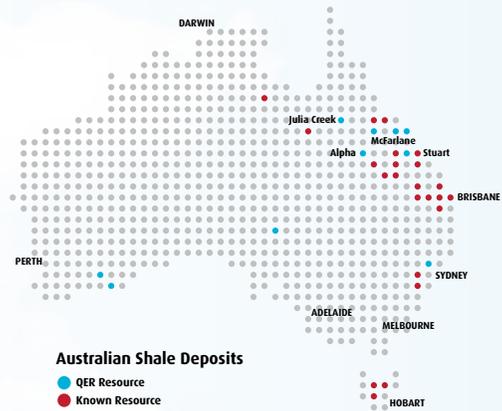
QER Pty Ltd is a private integrated resource company registered in Australia that holds the rights to several large oil shale deposits in Queensland. These deposits contain an oil production potential of approximately twice the size of the Bass Strait oil field, which to date is the largest single oil field discovered in Australia.

The sustainable development of Australia's important oil shale resource provides a great opportunity for QER to responsibly contribute to meeting the ongoing demand for transport fuels. It has the potential to yield investments in the billions of dollars, provide thousands of permanent jobs and significantly reduce Australia's balance-of-trade deficit.

QER recognises the importance of building strong and effective relationships with stakeholders and the communities in which it operates, and is committed to world-class environmental performance.

The company endeavours to foster mutual respect and trust while contributing to positive regional development.





Queensland STL Deposits

Name of deposit	Billions of barrels	QER Net Interest
McFarlane	4.8	100%
Yaamba	4.0	100%
Duaringa	2.5	100%
Stuart	2.6	100%
Rundle	2.6	28%
Nagoorin	2.4	25%
Nagoorin South	0.4	100%
Lowmead	0.7	25%
TOTAL	20.0	15.8



Geoscience Australia estimates Australia has a total resource of around 23 billion barrels of high-quality shale oil. This is a known resource that does not depend on future exploration success.

QER's resource base of almost 16 billion barrels of oil in situ, occurs in shales found in a series of basins (Grabens) extending from south of Gladstone to north of Mackay in Queensland.

It is vitally important for Australia to have a long-term, secure supply of oil. Shale-to-liquids, as part of Australia's overall energy mix, can play an important role in achieving this.

QER's resources will help provide Australia with a long-term, secure supply of transportation fuels and potentially petrochemicals. Development of these resources will significantly reduce Australia's dependence on imported crude oil from geopolitically unstable regions and reduce Australia's high petroleum trade deficit which has economic impacts on all Australians.



QER's test program

Between 2005 and 2007, QER undertook a detailed pilot plant test program using its shale oil processing facility in Colorado. Eight thousand (8,000) tonnes of oil shale from QER's Queensland deposits was prepared in Australia and shipped to Colorado for the testing program – yielding about 4,000 barrels of shale oil.

The success of the test program has given QER confidence the technology offers a sound technological platform that can be further developed in manageable scale-up stages. This process has the potential to enable commercial levels of shale oil production to be achieved, while also meeting stringent environmental conditions.

The main objectives of the test program were to:

- Establish safe, stable controllable and environmentally compliant operations
- Determine and demonstrate the process predictability and repeatability
- Demonstrate the validity of commercial development case assumptions (yield and throughput rates)
- Generate process data, collect physical samples and conduct a comprehensive environmental sampling program
- Train QER Australian operations personnel.

In early 2010, QER resumed its test program at the pilot plant in Colorado having shipped a further 1,500 tonnes of Queensland oil shale to the plant.



At QER we believe in the need to balance work and family life



QER is an integrated resource company with several large oil shale deposits in Queensland. We are working to sustainably develop these resources to create new fuels for Australia.



QER's operations at Yarwun

QER has an oil shale mine and associated facilities at its New Fuels Development Centre located at Yarwun, approximately 15km north of Gladstone. QER acquired these assets in 2004 and later decommissioned the ATP processing plant that was operating at the site. The plant has now been demolished and QER has plans to construct a small-scale demonstration plant to demonstrate the Paraho II™ vertical kiln technology for processing oil shale.

The technology demonstration plant is the second engineering scale-up step in QER's plans for a commercial-scale, oil shale processing industry. This will build on the company's five years of experience gained while operating a smaller scale pilot plant in Colorado.

QER is continuing background evaluations of its other oil shale resources to ascertain the development feasibility of these resources.

The development of a small scale demonstration plant in the future will be a key component of QER's strategic development of its resource assets.

Building a world-class company

QER is building an integrated, highly capable core team, founded on the company's values of professionalism, collaboration, accountability and dignity.



Assessing the viability and sustainability of building a new industry is complex and challenging work. The key to QER's success is the ability to attract and retain the best people.

QER is building an integrated, highly capable core team, founded on QER's values of professionalism, collaboration, accountability and dignity.

QER aims to provide a place where people have meaningful work and the authority to get on with it, a place where people are treated with dignity, take care of each other and share in the excitement, the sense of achievement and the challenges of building a new industry.

QER's team is creative, disciplined, motivated and committed. They are collaborative, technically capable and supportive of the QER values and vision while welcoming individual accountability. They have the ability to communicate their view effectively and confidently, while maintaining sound working relationships.

QER's range of disciplines include engineering, science, plant operations, geology, mining, environmental sciences, social sciences and financial and business analysis.

Headquartered in what is recognised as one of the world's most livable cities, Brisbane, QER also has site offices near Gladstone and Proserpine in Central Queensland.

QER Pty Ltd

Level 8, 200 Mary Street
Brisbane Qld 4000
Australia

GPO Box 5214
Brisbane Qld 4001
Australia

Phone +61 7 3222 0600
Facsimile +61 7 3222 0611

www.qer.com.au