

BYRON HILLS RESOURCES LTD. – OPPORTUNITY OVERVIEW

Introduction

Byron Hills Resources Ltd. (“Byron Hills” or the “Company”) has undertaken a process to identify parties interested in a unique opportunity to purchase undeveloped assets with significant value potential in **metallurgical coal, land, timber, petroleum, natural gas, and coal bed methane.**

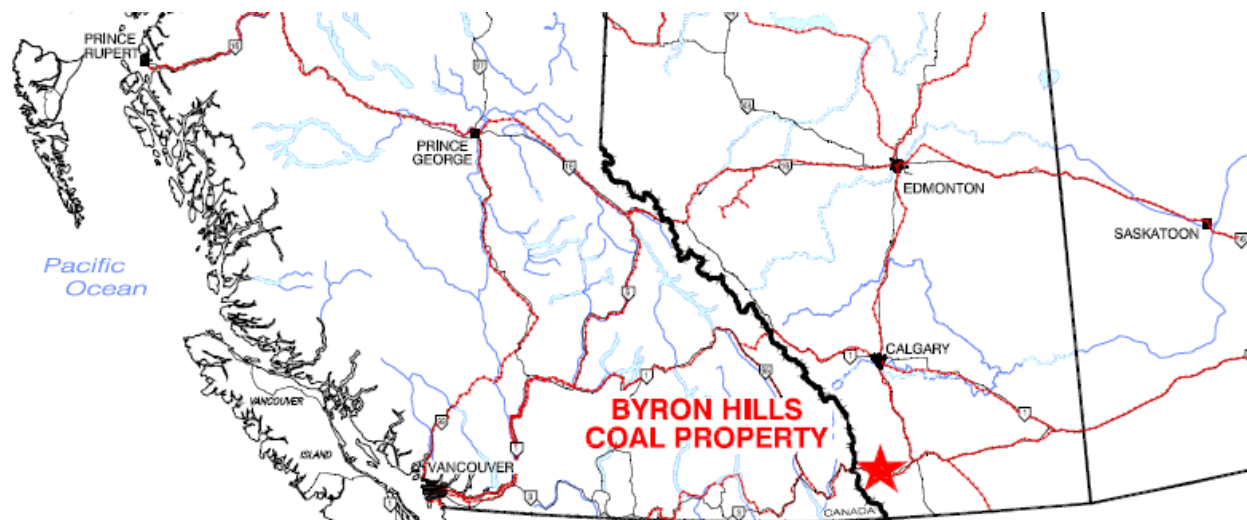
Assets for Sale

The Company’s property/assets are comprised of:

- 13,000 acres of undeveloped land with freehold rights to oil, natural gas, coal and coal bed methane; and
- Surface titles to 1,600 acres of undeveloped land (with timber rights) for future development opportunities.

Location of Property

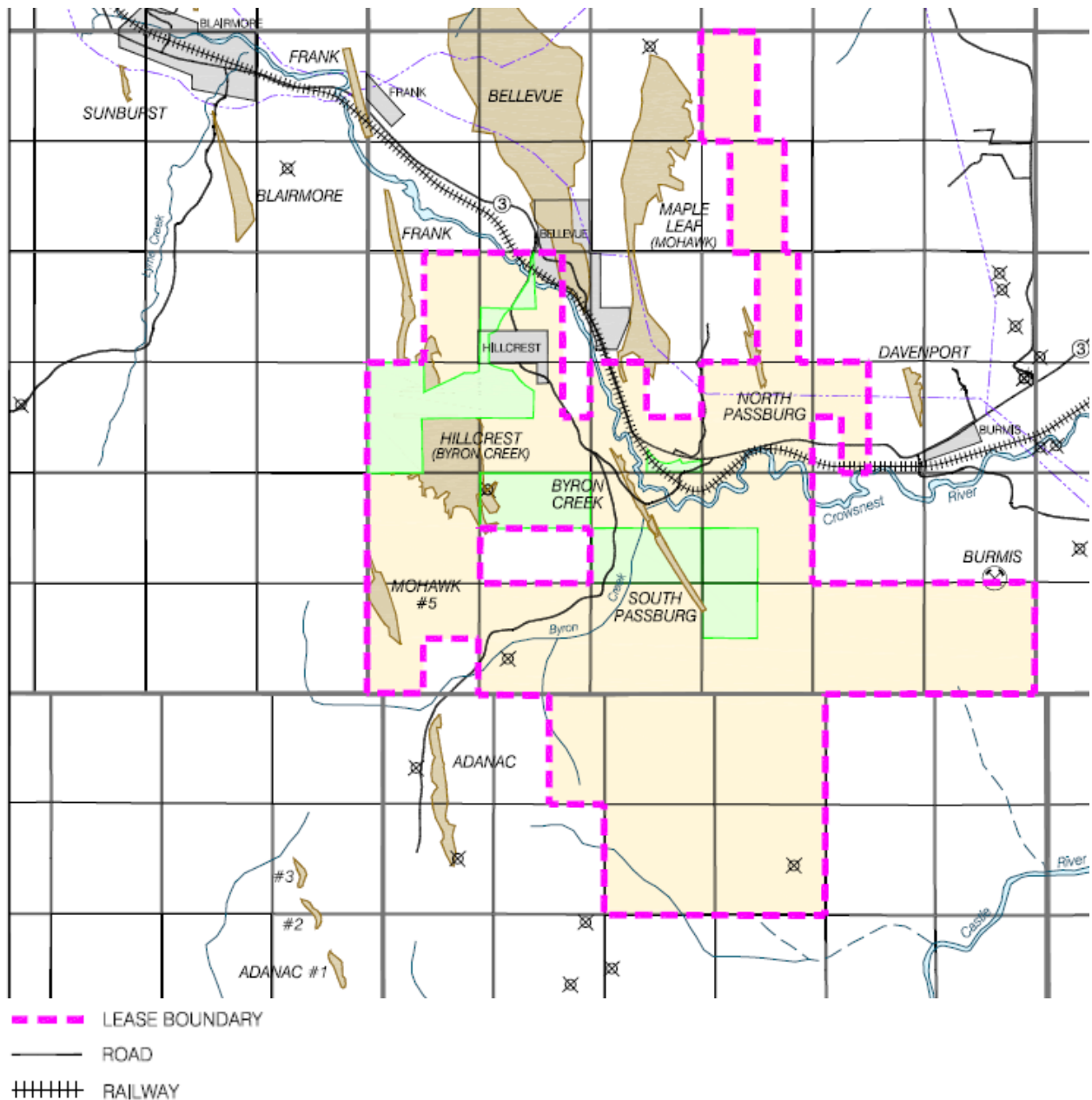
Byron Hills’ property is located in the **Crowsnest Pass** area of southwestern **Alberta, Canada.**



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Local Infrastructure, Resources and Climate

A main line of the **Canadian Pacific Railroad (CPR)** runs through the Crowsnest Pass in an east-west direction immediately north of Byron Hills property. The Crowsnest Pass is also traversed in an east-west direction by Highway 3, a well-used paved roadway. The northern part of Byron Hills property has direct access to Highway 3. The whole of the area is readily accessible by paved road and an extensive network of secondary roads and trails.



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There are several towns along Highway 3 in close proximity to the Company's property, including from west to east, Coleman, Blairmore, Frank and Bellevue. The recreational attributes and climate continue to attract a young workforce to the neighboring towns and villages. The property is located in an area in which exploration and development is permitted subject to normal government approval.

Water is accessible from the Crowsnest River in the north-central portion of the property and from the Castle River to the south. Power lines follow Highway #3 and service the communities in the area. Natural gas pipelines pass close by from east to west at both the north and south boundaries of the property.

At higher elevations, snow typically covers the area from late September to the end of May. January temperatures average -10°C and can rise to +30°C during period of warm Chinook winds. Warm to hot temperatures extend from June into September. Open pit mines in the surrounding region operate year round.



The first mine in the Crowsnest Pass area opened in 1900. On and adjacent to the Byron Hills' leases, ten mines were operated.

The underground mines on the Alberta side of the pass closed through the early part of the 20th century when they could not compete with the surface coal mines on the British Columbia side of the pass.

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Recent Reports

NI 43-101 Technical Report

Byron Hills retained Norwest Corporation to complete an analysis specific to the coal resource. A complete NI 43-101 technical report dated March 31, 2012 is available for review.

A resource summary directly from the NI 43-101 technical report is below.

BYRON HILLS COAL PROPERTY
IN –PLACE COAL RESOURCE SUMMARY (M TONNES)
AS AT FEBRUARY 23, 2012

Seam	ASTM Group	In-Place Coal Resources (M tonnes)					
		Suitable for Surface Mining			Suitable for Underground Mining		
		Measured	Indicated	Inferred	Measured	Indicated	Inferred
1	High Volatile Bituminous	0.89	0.13	0.59	2.95	1.73	28.57
2		1.01	0.47	1.56	6.15	4.49	56.75
3		0.82	0.37	1.58	5.32	3.53	49.06
4		0.51	0.87	1.17	6.14	4.23	49.72
5		0.42	0.89	1.35	7.02	5.35	93.19
Sub Total		3.65	2.72	6.25	27.59	19.33	277.28
Total		6.37		6.25	46.92		277.28

It is worth noting that mineral taxes are not payable to the Crown on certain of Byron Hills' freehold coal leases. Some of the leases are subject to a crown royalty payable on production.

The Byron Hills coal deposits are suitable for underground mining. Some portions may also or alternatively be suitable for surface mining.

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A summary table highlighting the coal quality analyses from the NI 43-101 technical report is below.

BYRON HILLS COAL PROPERTY
COAL QUALITY ANALYSES – COAL MINE PRODUCTS
CROWSNEST MINES COMBINED

Parameter	Product										
	R.O.M.	Lump Cobble	Stoker, Nut, Pea	Slack							
Size											
No. of Samples	102	17	59	48							
CHEMICAL PROPERTIES											
Proximate Analysis (AR)											
Moisture (%)	2.5	1.3	1.7	3.1							
Ash (%)	15.3	14.0	12.1	14.4							
Volatile Matter (%)	24.8	26.0	26.1	24.2							
Fixed Carbon (%)	57.4	58.7	60.1	58.3							
Calorific Value (AR) BTU/lb	12,425	12,850	13,000	12,460							
Ash softening temperature (°F)	+2,850	2,750	+2,850	+2,850							
Caking Properties											
VM residue - 950° C	Fair to Good			Fair							
Caking index (Gray)	27 - 40										
Swelling Properties											
Swelling index (A.S.T.M.)	1 – 5.5										
Swelling index (F.R.L.)	0 - 500										
Ultimate Analysis (AR)											
Carbon (%)	71.6										
Hydrogen (%)	4.3										
Nitrogen (%)	1.1										
Sulphur (%)	0.6	0.7	0.6	0.6							
Oxygen (%)	4.6										
Classification by Rank											
A.S.T.M.	Medium volatile bituminous										
S.V.I.	165-E Parabituminous										
PHYSICAL PROPERTIES											
Bulk Density (lb. /cu.ft.)	57.5	54.0	50.0 – 57.5	56.0							
Bulk Density (cu.ft./ton)	34.8	37.0		35.7							
Grindability Index	60 - 78			66 - 83							
ANALYSES OF ASH											
	SiO ₂	Al ₂ O ₃	Fe ₂ O ₃	CaO	MgO	MnO	Na ₂ O	K ₂ O	P ₂ O ₅	TiO ₂	SO ₂
%	52.6	30.4	6.8	3.8	1.1	0.03	0.3	0.6	0.7	1.7	2.6

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Surface Rights Appraisal and Timber Appraisal

The Company also has an appraisal of the 1,600 acres of “surface rights” land and a separate appraisal as it relates to the current value of the timber, both reports completed recently by independent experts.

Byron Hills believes there is additional incremental value to be considered for the oil, natural gas and coal bed methane, but no independent third parties have been retained by the Company to assist in arriving at a quantitative assessment of this additional value.

Next Steps – Confidential Information / Meetings / Property Tours

For those interested parties wishing to access additional Byron Hills information (including the complete Recent Reports referred to above), meet with management in-person or by telephone, and tour Byron Hills’ property, Byron Hills requires the interested party to enter into a confidentiality agreement (“CA”). Upon signing of this CA and returning it to Byron Hills, Byron Hills will provide the interested party with access to this information. Byron Hills will only enter into the CA directly with interested parties; no agents please.

Website and Virtual Data Room

The Recent Reports noted above and other relevant corporate information is available in a virtual data room specifically established to host Byron Hills information for exclusive access to qualified interested parties. The password protected virtual data room is accessible via Byron Hills’ website at: www.ByronHillsResources.com.

Process Timeline

Upon review of the Byron Hills information, parties with a further interest to consider a transaction will be requested to submit a preliminary, non-binding proposal. All interested parties having submitted a non-binding proposal will be advised by Byron Hills of its interest to continue further negotiations. The interested party having submitted the superior proposal will be assisted with further due diligence leading to final documentation and transaction closing.

Contact

For parties with an interest in Byron Hills, please contact (in Canada):

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