



EXECUTIVE SUMMARY

Opportunity

The world energy market has exceeded current production capabilities. **Americas Energy Company, Inc., (AECO.)** has acquired the permits and mineral leases for both deep and surface mines in Kentucky and Tennessee. **AECO.** properties represent more than 25 million recoverable short tons of high BTU low to mid-sulfur bituminous coal. **AECO.** has additionally acquired the mineral rights (gas and oil) to 5 operational oil wells and an additional 1700 acres for drilling and exploration in Cumberland County, Kentucky.

AECO. has purchased a permitted mining operation in Bell County, Kentucky and is currently permitting a surface mine operation Bledsoe County, Tennessee.

Milestones

The Company holds under contract or has purchased assets conservatively valued at more than ¹\$313,000,000 as of September 2009. **AECO.** has contracted to purchase a mining company with mining permits and ongoing operations in Kentucky and Tennessee. And **AECO.** has acquired the rights to purchase an exploration permit which shortens the time to for permitting surface mining operations on the Bledsoe property in the third quarter of 2010.

*Part I, AECO. Valuation Sheet and Part II Proforma Financials

Financial Overview

A complete set of proforma financials are attached to this Business Plan but key metrics include:

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year
Annual Coal Production	1,100,000	2,106,500	2,419,000	2,419,000	2,419,000
Avg. Coal Sales Price	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
Revenues (\$)	\$66,000,000	\$126,390,000	\$145,140,000	\$145,140,000	\$145,140,000
Expenses (\$)	\$34,676,105	\$71,411,896	\$85,784,541	\$93,610,626	\$93,610,626
EBITDA (\$)	\$31,323,895	\$54,978,104	\$59,355,459	\$51,529,374	\$51,529,374

Funding and Use of Proceeds

In order to accelerate this growth, the Company has secured funding via an equity placement to accomplish the following primary goals: (1) acquire the assets of Evans Coal Company and (2) start permitting surface mining operations in Bledsoe County, TN.

Management Team

Our management team combines the experiences of executives and an advisory board with extensive backgrounds in managing and developing successful businesses. **AECO.** currently has five executives and is in the process of identifying and hiring additional support staff, which will be involved in business development, technical implementation and administration. Upon obtaining its first round of funding, the Company will hire a contract miner to fully implement the coal production as outlined in this plan. The Company's executive staff and operations will be based in Knoxville, Tennessee.



INFORMATION ON THE COMPANY

1. Introduction and history

AECO. was founded for the acquisition, exploration and development of energy producing properties. It is currently focused on bringing into production a high quality, low cost portfolio of assets in Southeast Kentucky and East Tennessee which will take advantage of the infrastructure already established for the East Tennessee coalfields, including steam plants, rail, barge ports and other facilities.

The Company's principal property assets are grouped geographically as follows:

- the Evans surface & deep mine projects, in Bell County, Kentucky; and
- the Howser surface mine deposits located in Bledsoe County, Tennessee; and
- the Reliford oil project in Cumberland County, Kentucky.

The Company also has access to a number of other property assets located in Kentucky and Tennessee which are at a less advanced stage of development. The Company's corporate and administrative offices are located at 249 N. Peters Rd., Suite 300 Knoxville, Tennessee 37923.

2. Market overview and opportunity

Steam Plant power production is reliant on thermal coal. According to the ¹*Energy Information Association*, almost 45 per cent of total global power production depends on inputs of this type of coal, which is used as a source of heat in the steam generation process.

Thermal coal can be broadly divided into various quality categories. These range from premium low sulfur high BTU Bituminous coal, considered the highest quality category, to low sulfur low Btu Lignite coal. The increase in the construction of steam powered power plants driven by economic growth in China and India has significantly raised the demand for thermal coal. ¹The *Energy Information Association* predicts world wide electrical demand to increase by 60% by 2030. This world wide demand has placed considerable pressure on thermal coal producers to keep up with the increased demand, leading to a scarcity of supply and rising prices. Prices in the thermal coal market are forecast by certain analysts to rise from the current level of US \$50 per ton to US \$70 per ton for 2010 on an annual contracted basis.

The Company has obtained a letter of intent (\$60 per ton) from Apollo Fuels, Inc. for 100% of our production from the Bell County, Kentucky project. We are currently discussing opportunities with potential specialty coal customers in Kentucky and Tennessee for our planned production from the Bledsoe County, Tennessee project. These discussions lend support to the findings above, with **AECO.** experiencing strong demand for its thermal coal products.

The **AECO.** Directors therefore believe that there are currently no signs of the demand for thermal coals significant weakening in the short term (3-5 years) and they expect prices to remain firm for foreseeable future (through 2030).

The Company has a number of thermal coal projects under review within its Bledsoe group of properties, details of which are described below. The Directors believe that the successful development of these projects will provide an excellent opportunity for the Company to benefit from this market.

Cite:¹- www.eia.doe.gov/oiaf/aeo/ Pg 84



3. Principal properties

The principal assets of the Group are summarized below.

#	Group	Property	Mineral Type	Mining Method	Tonnage	Status
1	Bell County	Kentucky	Multiple	Surface & Deep	21,000,000	Contracted/ Permitted
2	Bledsoe County	Tennessee	Richland/ Sewanee	Surface	4.571M	Leased/ Pending Permits

Operational Mines

Evans Mining Company, Bell County, KY

The Bell County, Kentucky project is currently permitted for approx. 9,800,000 tons. We have executed a contract with Clear Excavation, Inc. to operate as our contract surface mining partner. The Bell County surface mine project will initially produce approximately 16,000 tons per month. **AECO.** will has contracted with A&M Mining a contractor to increase our total production through our existing permitted deep mines to approximately 66,000 tons per month. We are also finalizing negotiations with Addcar Mining, Inc. to produce our highwall mined coal which will minimally produce an additional 100,000 tons of coal. **AECO.** plans to produce approximately 166,000 tons of coal for shipment out of Apollo Fuels Harlan, Kentucky tippie and load out. The exceptionally high quality of the coal should result in revenues of approximately \$4.3MM per month within 120 days of beginning operations. Gross profits should average \$4MM monthly at the end of the first fiscal year of operations. We have initialized negotiations to acquire Evans Coal Company, their reserves would add more than 341MM tons of additional coal reserves and secure our production requirements for the next 50 years.

Operational Oil Wells

Reliford Drilling Company, Cumberland County, KY

AECO. acquired mineral leases on approximately 1,700 acres of high probability oil and natural gas property from D&D Energy, Inc. in Cumberland County in July of this year. We acquired 5 working wells, 1 of which we plan to re-work immediately and increase production by deepening and acidizing the existing hole. This Murfreesboro formation well is expected to produce from 30-50 barrels of crude oil per day. **AECO.** Plans to drill an additional Murfreesboro well each month until we complete approximately 100 total wells on the property.

Development plans

Howser - Bledsoe County

In July 2008 the Company acquired a lease option on the Howser properties. This project is referred to in this document as the "Bledsoe Project". **AECO.** intends to apply for a surface mining permit on the Panter property in Q1 2010. The Directors anticipate that because the surface mine permit had been previously approved (See OSM Permit, Page #38) for the Bledsoe Project that permitting will be received in Q3 2011. These approvals will allow the Company to begin site works (surface land clearing) and also to begin the equipment transportation and procurement process.

The surface mines will also be operated and managed by Clear Excavation. **AECO.** will provide overall management and engineering for the Howser Project.

The Howser coal deposits are located within the Panter, Stewart, Billingsley and Dowdy properties, and have been subjected to extensive geological evaluation and mine planning both in the middle to late 1980's. Total **PROVEN** marketable reserves for the Howser surface mine are 4.571 million tons of high quality (near metallurgical) coal, with further estimated in-place resources surrounding the Howser property of 8.0+ million tons of both surface and underground coal.

The properties are situated in southeast Bledsoe County, approximately 22 miles north of Chattanooga and 61 miles southwest of Knoxville, Tennessee and have access to the Norfolk Southern Line Dayton load out facilities. The Jasper, Tennessee barge terminal is also situated less than 45 miles from the properties, allowing us access to the international markets via Mobile, Alabama. The properties can also be reached from the east by highway I-40 and an all-weather gravel road.

In early 2011, the Company plans to apply for government approval to increase production capacity at this mine by an additional 240,000 tons for the 2012 calendar year. The Directors believe that the government, in light of progress to date concerning ongoing technical, environmental and permitting considerations, will approve AECO.'s expansion plans.

The Company has engaged ECSI as our Engineering company in relation to its proposed mine permitting and expansion plans. As the engineer in charge of proving the Evan's assets ECSI will additionally provide overall site management and geologic mine development for the project and, subject to a operating agreement currently under negotiation with our proposed contract miners, will be responsible for the ongoing growth plans of our coal properties.

4. Other property assets of the Group

The Company's other property assets, which are at a less advanced stage of development than its principal properties, are summarized below. All of these properties are located in eastern Tennessee and Kentucky.

Group	Property	Mineral Type	Mining Method	Tonnage	Status
Evans	Bell/Breathitt	Thermal/ Metallurgical	All	341MM+	Prospect

Evans Coal Company has acquired mineral leases on property (32,000 acres) in Bell, Harlan and Breathitt Counties, Kentucky and has estimated in-place resources of approximately 341 Million tons of high quality (thermal and near metallurgical) coal amenable to all types of mining. The current intention is to acquire the Evans Coal Company and to begin developmental engineering of these properties within our first year.

5. Property held under third party licenses

In August 2008 the Company announced that it had entered into a conditional agreement with Howser Coal ("Howser") pursuant to which the Company will explore and evaluate the mine development potential of Howser's Benchmark coal options in Dayton, Tennessee. The Howser property is located approximately 3 miles west of Dayton, Tennessee. Its northern and southern areas are well accessed by existing state roads and it is situated in close proximity to the Company's existing coal developments at Bledsoe.

6. Existing infrastructure

A key strategic advantage of the Company's Tennessee properties is their proximity to existing TVA steam plant infrastructure. The Company has secured letters of interest from three coal brokers to purchase 100% of our production.



a) TVA's Kingston Steam Plant

The Company's Tennessee properties are located near TVA's Kingston Steam Plant, which was built in the early 1950s. The steam plant currently uses 14,400 tons of thermal coal each day.

b) Rail and road

All of the Company's Kentucky and Tennessee properties are in close proximity to established year round rail and road networks.

The properties are serviced by the CSX railway, which offers a purpose built link between the coal properties and the region's two major rail networks, CSX railway and Norfolk Southern.

c) Port terminals

The Company plans to ship coal from its Bledsoe properties from a coal terminal facility at Jasper Terminal within the Nickajack Lake area of the Tennessee Tom Bigbee waterway. Jasper Terminal, which is open all year round, has an annual shipping capability of 6 million tons which is expandable to 12 million tons and a stock pile capacity of 1 million tons. The Company is currently negotiating loading terms and shipping rates with Jasper Terminal Inc., the owner and operator of Jasper Terminal, and expects to conclude a terminal service agreement with Jasper Terminal Inc. prior to the end of 2010 for international sales.

7. Licenses and leases

Coal lease options give the holder the right to enter, occupy and use the surface area of the mine for the purpose of exploring for and developing coal on the lease. They are acquired by purchasing a option for exploration agreement for the prospective area from the property owner.

The leases are usually valid for a period of 12 months following which they must be renewed by the lease holder by making a further option payment. If the lease payment is not made within 30 days after expiry, the lease may be forfeited.

In order to carry out exploration under the coal license the applicant must file a notice of exploration with the United States government (this involves a 90-day permit process). Once the notice of exploration has been approved work may commence and core samples may be extracted.

In order to exploit the mine for production, the coal option('s) must be converted to a operating coal lease. Coal leases are generally for 10 years (depending on the period stipulated by the applicant) and can be renewed upon expiry.

Before actual production at the mine can commence, however, additional approvals are required as follows:

- For deep mines, a mining and reclamation permit is required. This is a loosely defined process and may require a 16-24 month review period undertaken by the United States Department of the Interior, Office of Mining.
- For surface mines, a mining and reclamation permit is required. This is a more streamlined process and may require a 12-16 month review period undertaken by the United States Department of the Interior, Office of Mining. The environmental impact certification process may last for a period of up to 365 days, and includes public, and State review. Further regulatory permitting managed concurrently with the environmental assessment includes, permits for mine and reclamation, road use and waste management.

8. Resources and reserves

The information provided in the tables below has been extracted without material adjustment from the Competent Persons' Report set out in Part II of this document.

a) Evans Coal Company

A summary of Company's estimated resources and reserves for the coal deposits to be developed under the Evan's Project is:

Seam / Proven Reserves tons (million)
Multiple / 21MM
Total: 21,000,000

b) Bledsoe Project

A summary of Company's estimated resources and reserves for the coal deposits to be developed under the Bledsoe Project is:

Seam / Proven Reserves tons (million)
Sewanee / 3.77
Richland / .94
Total: 4,571,000

c) Other Reserves

A summary of the Company's estimated other resources is set out below.

Seam / Salable tons (million)
Multiple / 341+
Total: 341+ million tons est'd.

9. Environmental and regulatory issues

Environmental and regulatory issues, play a significant role in **AECo.'s** operations as projects move through the pre-production and permitting phases.

Over the past half year, **AECo.** has conducted comprehensive baseline study programs and integrated environmental protection criteria into its engineering plans. The Company has also worked pro actively with regulatory agencies and stakeholders to identify and work toward resolving environmental protection concerns. In doing so, the Directors believe that they are building the confidence of regulators, stakeholders, and the wider middle Tennessee community that **AECo.** will conduct its operations in an environmentally and socially responsible manner.

10. Asset valuation

August 2008

Based on a super compliance (13,900+ BTU, >1.0 Sulfur) Thermal coal sales price of US \$60 per ton, taken at a 10 per cent discounted value **AECo.** considers the Evan's Mining and Bledsoe County Projects to have a value of **US\$393 Million.**

The net assets of the Company are estimated to be approximately **US\$393 Million.**

11. Working Capital

The Directors are of the opinion, having made due and careful inquiry, and taking into consideration the net proceeds receivable by the Company pursuant to the Placing and the Private Placement, that the working capital available to the Group will be sufficient for its present requirements, that is for at least twelve months from admission of the Private Placement.

12. Senior management

Officers

Brief biographies of the Company's officers are set out below.

- **Ronald A. Scott**, (*Chairman & Co-Chief Executive Officer*) age 65, Is also the non-executive Chairman of Hood Coal, Inc., Ron holds directorships with a number of other private companies. He has over 40 years experience as a banking industry executive as well as an investor and resource business developer. He joined the Company as Chairman in May 2008.
- **Christopher L. Headrick**, (*President and Co-Chief Executive Officer*) age 45, is a general contractor and real estate developer operating primarily in the southeastern United States. Since 1984, Chris has been involved in all aspects of real estate development, construction and marketing of privately developed properties across the Unites States. He founded the Company in May 2008 as President and Chief Executive Officer.
- **John W. Gargis**, (*Executive Vice President*) age 62, brings to the Company approximately 40 years of experience in senior executive and management positions in real estate development and business management. He has worked throughout the southeastern United States. He joined the Company in May of 2008 as the Executive Vice President to oversee the acquisition of property acquisitions and feasibility studies. He commenced his current role in May 2008.

13. Dividend policy

The Company has not paid any dividends to date. The Company intends to retain future earnings to finance continued development of its business and, accordingly, does not expect to pay dividends on its Common Shares in the immediate future. The declaration and payment by the Company of any dividends and the amount thereof will depend on the results of the Group's operations, its financial position, cash requirements, prospects, profits available for distribution and other factors deemed by the Directors to be relevant at the time.

14. Corporate governance and management controls

Board Committees

The Board has established five standing committees: the Compensation Committee, the Technical Committee, the Audit Committee, the Nominations Committee and the Corporate Governance Committee.

Compensation Committee

The Compensation Committee is composed of Ron Scott, Chris Headrick, and John Gargis. The mandate of this committee is to review and make recommendations to the Board in respect of the level of remuneration and other compensation (including share options) to be made available to the executive Directors, officers and senior employees of the Company.

Technical Committee

The Technical Committee is comprised of Ron Scott, Chris Headrick, and John Gargis. This committee is mandated to review the geological, engineering, environmental and other technical operational functions of the Company. It will meet with management and with the Company's external advisers to review the conception, development and implementation of the Company's exploration and mine plans.

Audit Committee

The Audit Committee is comprised of Ron Scott, Chris Headrick and John Gargis. This committee is mandated to review audit functions and the financial statements. It will meet with management and with the Company's external auditors independently of management to review financial statements and will work with management and the Company's external auditors to develop and implement internal financial controls. The Company does not have internal auditors. The Audit Committee will meet with the auditors annually with additional meetings as required during the year for the purpose of reviewing the quarterly unaudited interim financial statements and the year-end audited financial statements.

Nominations Committee

The Nominations Committee is comprised of Ron Scott, John Gargis and Chris Headrick. The mandate of this committee is to consider nominations to the Board.

Corporate Governance Committee

The Corporate Governance Committee is composed of Ron Scott, Chris Headrick, and Randall Lanham. This committee is mandated to review and ensure the Company's ongoing compliance with the various securities and regulatory authorities that govern it as well as ensuring that the Company continues to conduct itself in a manner appropriate for that of a public company given current shareholder expectations in respect of various matters including, but not limited to, transactions involving insiders. The Corporate Governance Committee is responsible for overseeing the Company's policy for communications with shareholders, the investment community, the media, governments and the general public. The Corporate Governance Committee will meet annually with additional meetings as required during the year.

15. Employee remuneration and incentive arrangements

The officers of the Company have entered into agreements for their services with the Company. The remuneration of the officers is subject to annual review by the Compensation Committee. The Directors believe that employee share ownership is an important part of incentivising employees. Accordingly, the Group has established an incentive share option plan (the "Share Option Plan"), details of which are set out in Part III of this document. Each of the Non-Officer Directors would hold Options over 200,000 Common Shares pursuant to the Share Option Plan.

16. Further information

Questions should be directed to Chris Headrick. Email: cheadrick@gmail.com or Cell 865/680-7750.