

## Second Drill Hole At Cooroorah Successfully Intersects All Targeted Coal Seams

21 December 2017

### Highlights

- Thicker than anticipated intercept of 4.5m on Mammoth seam
- Pollux (3m) and Pisces (4m) seams both exceed expectations
- Drill program shows coal seam continuity
- Drill hole results will underpin future coal quality testing and resource estimate update in accordance with the JORC code

**Bowen Coking Coal Ltd (ASX: BCB, "Company")** is pleased to announce that it has completed the pilot hole and geophysics for the second HQ core hole at its 100% owned Cooroorah Project (MDL 453), located between Wesfarmers' Curragh mine and the Marubeni-Sojitz operated Jellinbah mine in the Bowen Basin, South East Queensland. The second of the two-hole program (COR013OC) has intersected all the targeted seams in line with the exploration plan (Table 1 below), which was designed to increase confidence in the resource, the coal quality and to qualify washability data. These successful results, along with the larger seam intercepts of hole COR001PC (Figure 1 and Table 2 below, ASX release 14 December 2017) will be included in future planning and feasibility studies.

**Figure 1. Core from the Mammoth seam in hole COR001PC**

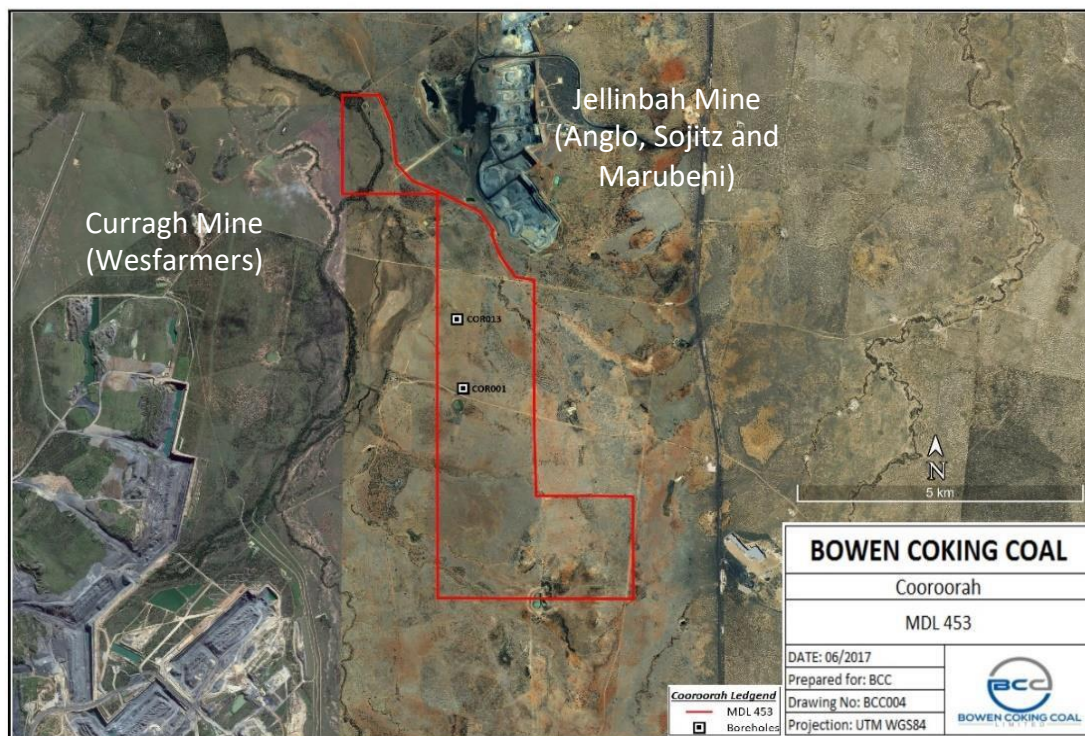


Of significance is the second intersection of the Mammoth seam which was encountered at a thickness of 4.53m, which was greater than had been expected and enhances the Company's view of the strong continuity of the seams running through the tenement. The Mammoth seam was first encountered in the Company's maiden drill hole COR001PC at 3.7m thickness, approximately 1.3km to the south. The Mammoth seam is a coalescing of the Aries and Castor seams and has not previously been defined on MDL 453 due to a parting between the Aries and the Castor seams. The Aries seam has been described as having the best coking coal properties of all the seams present on the tenement, and has regionally achieved a raw (unwashed) Crucible Swelling Number (CSN) as high as 8. (See ASX release 14 December and 10 October 2017 "Prospectus" with accompanying Independent Geologist Report (IGR) – pages 52 to 60 IGR re Cooroora Project, specifically table 6.2 on page 56 on raw coal quality).

The Pollux and Pisces seam intercepts of 3m and 4m respectively are also thicker than observed in hole COR001PC and are viewed as a valuable confirmation of the estimated seam continuance into an area within the tenement which was not previously explored by the previous owners.

Figure 2 illustrates the strategic location of the two holes that were designed to target four coal seams initially labelled as Aries, Castor, Pollux and Pisces. The results reported here are from the northern and second hole, COR013OC.

**Figure 2: Cooroora Project with drill hole locations (MDL 453)**



The drilling team has now commenced demobilizing for the Christmas break and will return early in the New Year to continue the coring and sampling of hole COR013OC.

**Table 1: Summary of the key coal seams in borehole COR013OC**

| BOREHOLE | SEAM                | FROM   | TO     | THICK | FROM<br>GEOPHYSICS |
|----------|---------------------|--------|--------|-------|--------------------|
| COR013OC | <b>MAMMOTH</b>      | 380.87 | 385.40 | 4.53  | YES                |
| COR013OC | INTERBURDEN         | 385.40 | 400.47 | 15.07 | YES                |
| COR013OC | <b>POLLUX</b>       | 400.47 | 403.50 | 3.03  | YES                |
| COR013OC | INTERBURDEN         | 403.50 | 439.75 | 36.25 | YES                |
| COR013OC | <b>PISCES UPPER</b> | 439.75 | 443.80 | 4.05  | YES                |

**Table 2: Summary of the key coal seams in borehole COR001PC (See ASX 14 December 2017)**

| BOREHOLE | SEAM                | FROM   | TO     | THICK | FROM<br>GEOPHYSICS |
|----------|---------------------|--------|--------|-------|--------------------|
| COR001PC | <b>CANCER</b>       | 289.90 | 290.53 | 0.63  |                    |
| COR001PC | INTERBURDEN         | 290.53 | 351.74 | 61.21 | NO                 |
| COR001PC | <b>ARIES/CASTOR</b> | 351.74 | 355.43 | 3.69  | YES                |
| COR001PC | INTERBURDEN         | 355.43 | 430.12 | 74.69 | YES                |
| COR001PC | <b>POLLUX</b>       | 430.12 | 433.08 | 2.96  | YES                |
| COR001PC | INTERBURDEN         | 433.08 | 460.86 | 27.78 | YES                |
| COR001PC | <b>PISCES</b>       | 460.86 | 462.83 | 1.97  | YES                |

See page 9 for full borehole details.

Managing Director and CEO Gerhard Redelinghuys said “Since Bowen’s recent ASX listing, we have rapidly progressed our strategy to develop the value in our tenement package. So far we are extremely satisfied with the outcome of the exploration program, especially with the prospects of the thick Mammoth seam intercepts. We are now looking forward to completing the program early in the New Year and to update our geological models with the new quality and washability data before taking it to an updated resource estimate and Concept Study”

**For further information contact:**

Gerhard Redelinghuys  
CEO/Managing Director  
+61 (07) 33600837

Peter Taylor  
Investor Relations  
+61 (0) 412 036 231

***Competent Person Statement:***

*The information in this report relating to Exploration Results is based on information reviewed by Mr Troy Turner who is a member of the Australian Institute of Mining and Metallurgy and is a full-time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Turner consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.*

**ABOUT COOROORAH:**

Cooroorah is located just down dip of Wesfarmers' Curragh mine and abuts the Jellinbah mine (Figure 1) which is one of the highest grade PCI mines in the Asia Pacific region, operated by Marubeni and Sojitz and producing 5Mtpa PCI grade coking coal. The Rangal Coal Measures are extensively mined throughout the Bowen Basin to provide high quality coking, PCI, and thermal coal for the export market. The Cooroorah Project hosts a resource of 125Mt (70Mt Indicated and 55Mt Inferred) in accordance with the JORC Code 2012, with analysis indicating the presence of high-quality coking/pulverised coal injection (PCI) coal at high product yields. (See ASX Release 11 October 2017 "Bowen Coking Coal Lists on the ASX" and ASX release 10 October 2017 "Prospectus"<sup>i</sup>).

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<sup>i</sup> The Company confirms that it is not aware of any new information or data in respect of the Cooroorah Project Resource estimate that materially affects the information, and that all material assumptions and technical parameters underpinning the Resource estimate as presented in the Prospectus continue to apply and have not materially changed.

This Appendix details sections 1 and 2 of the JORC Code 2012 Edition Table 1. Sections 3 'Estimation and Reporting of Mineral Resources', 4 'Estimation and Reporting of Ore Reserves' and 5 'Estimation and Report of Diamonds and Other Gemstones' have been excluded as they are not applicable to this announcement.

## SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria listed in the preceding section also apply to this section.)

| Criteria                   | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | CP Comments                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Sampling techniques</i> | <ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul> | <ul style="list-style-type: none"> <li>Previous holes were 63mm (HQ) coring for coal quality sampling.</li> <li>Current hole COR013OC was rotary chipped to a depth of 497.30m. The borehole was drilled at a diameter of 120mm to 42.00m depth and cased-off. The drill hole was then drilled to total depth at a diameter of 96.00mm.</li> <li>Rock chips were sampled in 1.0m intervals and lithologically logged and photographed.</li> </ul> |



| Criteria                     | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                         | CP Comments                                                                                                                                                                                                                                                                                                                 |
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| <i>Drilling techniques</i>   | <ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>                                                                                                                                | <ul style="list-style-type: none"> <li>• Rotary Percussion open hole drilling</li> </ul>                                                                                                                                                                                                                                    |
| <i>Drill sample recovery</i> | <ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>                           | <ul style="list-style-type: none"> <li>• Rock chips were sampled in 1.0m intervals and lithologically logged and photographed.</li> <li>• Data was entered into borehole logging software.</li> <li>• Thicknesses of coal seams in COR013OC were determined through borehole geophysics.</li> </ul>                         |
| <i>Logging</i>               | <ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul> | <ul style="list-style-type: none"> <li>• In previous drilling detailed logging of rotary chip holes and photography of chips was undertaken in the field. Core photography at 0.5m intervals was taken on site.</li> <li>• Rock chips were sampled in 1.0m intervals and lithologically logged and photographed.</li> </ul> |

| Criteria                                              | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | CP Comments                                                                                                                              |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Sub-sampling techniques and sample preparation</i> | <ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Not applicable to COR013OC.</li> </ul>                                                          |
| <i>Quality of assay data and laboratory tests</i>     | <ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul>                                                                                                      | <ul style="list-style-type: none"> <li>• Not applicable to COR013OC.</li> </ul>                                                          |
| <i>Verification of sampling and assaying</i>          | <ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company</i></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• In previous drilling this was not carried out.</li> <li>• Not done in 2017 drilling.</li> </ul> |

| Criteria                                                | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                | CP Comments                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                         | <p>personnel.</p> <ul style="list-style-type: none"> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Location of data points                                 | <ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>                                                                                            | <ul style="list-style-type: none"> <li>• Previous BOW and AQC drill collars were surveyed and subsequently converted to MGA94 zone 55 (GDA 94).</li> <li>• Current drilling (2017) has been planned in MGA94 Zone 55. Survey of the collars has not been finalised at time of writing.</li> </ul>                                                                                                                     |
| Data spacing and distribution                           | <ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>                               | <ul style="list-style-type: none"> <li>• In previous drilling data was deemed sufficient to establish continuity in both thickness and coal quality as confirmed by Variography. Full seam/working section composites of coal quality were used in the estimate.</li> <li>• In 2017 drill sites have been planned to gather geological information on an area with little drilling carried out previously.</li> </ul> |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul> | <ul style="list-style-type: none"> <li>• Historic drilling – Full seam composites used therefore orientation of sampling not seen to introduce bias as all drilling is sub-vertical and seams are mostly gently dipping.</li> <li>• 2017 drilling – Similar full seam composites to be used. Holes sub-vertical and again are not seen to introduce bias.</li> </ul>                                                  |
| Sample security                                         | <ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Unable to ascertain method of sample security in previous drilling campaigns.</li> <li>• 2017 drilling – Samples were secured on site and</li> </ul>                                                                                                                                                                                                                         |



| Criteria                 | JORC Code explanation                                                                                                            | CP Comments                                                                                                                                                                                                                                                                                                      |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          |                                                                                                                                  | <p>taken to a contracted courier firm for transport to Brisbane.</p> <ul style="list-style-type: none"> <li>• Samples were given unique Sample Numbers and raw depths and lithologies ascribed to each.</li> <li>• The laboratory was provided with a sample dispatch form detailing consignment.</li> </ul>     |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Historic drilling – Recognised contract geological service providers were used to supervise/conduct the drilling and sampling on site.</li> <li>• Xenith Consulting is engaged to project manage and conduct drilling and sampling in ongoing 2017 drilling.</li> </ul> |

| Hole_ID  | SEAM            | EASTING MGA94<br>zone 55 | NORTHING MGA94<br>zone 55 | RL     | DEPTH<br>FROM (m) | DEPTH TO<br>(m) | THICKNESS<br>(m) | HOLE<br>DIP | HOLE<br>AZIMUTH | HOLE TOTAL<br>DEPTH (m) |
|----------|-----------------|--------------------------|---------------------------|--------|-------------------|-----------------|------------------|-------------|-----------------|-------------------------|
| COR013OC | MAMMOTH         | 698011.00                | 7408737.00                | 147.00 | 380.87            | 385.40          | 4.53             | -90         | 0.00            | 497.30                  |
|          | POLLUX          |                          |                           |        | 400.47            | 403.50          | 3.03             |             |                 |                         |
|          | PISCES<br>UPPER |                          |                           |        | 439.75            | 443.80          | 4.05             |             |                 |                         |

## SECTION 2 - REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

| Criteria                                | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | CP Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |           |              |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|--------------|--|--|-------|------|-----------|---------|--------|--------------|---------|-----------|-------------------------|-----------|-----------|-------|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"><li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li><li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li></ul>                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"><li>MDL 453 is located approximately 14km north east of the township of Blackwater. Immediately to the west of the lease lies Wesfarmers’ Curragh Coal Mine, to the north of MDL 453 lies Jellinbah Coal Mine.</li></ul> <table><tr><th>LEASE</th><th>NAME</th><th>OWNERSHIP</th><th>GRANTED</th><th>EXPIRY</th><th>AREA (Sq.km)</th></tr><tr><td>MDL 453</td><td>Cooroorah</td><td>Coking Coal One Pty Ltd</td><td>22-Jan-14</td><td>31-Jan-19</td><td>16.71</td></tr></table> |           |           |              |  |  | LEASE | NAME | OWNERSHIP | GRANTED | EXPIRY | AREA (Sq.km) | MDL 453 | Cooroorah | Coking Coal One Pty Ltd | 22-Jan-14 | 31-Jan-19 | 16.71 |
| LEASE                                   | NAME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | OWNERSHIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | GRANTED   | EXPIRY    | AREA (Sq.km) |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |
| MDL 453                                 | Cooroorah                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Coking Coal One Pty Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 22-Jan-14 | 31-Jan-19 | 16.71        |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |
| Exploration done by other parties       | <ul style="list-style-type: none"><li>Acknowledgment and appraisal of exploration by other parties.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"><li>The Geological Survey of Queensland conducted drilling during the 1970’s and 80’s.</li><li>BOW Energy conducted drilling as part of their operations within ATP 1025.</li></ul>                                                                                                                                                                                                                                                                                             |           |           |              |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |
| Geology                                 | <ul style="list-style-type: none"><li>Deposit type, geological setting and style of mineralisation.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"><li>The deposit type is a coal bearing sedimentary formation of the Rangal Coal Measures, a widespread Permian sedimentary sequence within the well-known Central Bowen Basin. The Rangal Coal Measures are extracted widely throughout the Bowen Basin.</li></ul>                                                                                                                                                                                                              |           |           |              |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |
| Drill hole Information                  | <ul style="list-style-type: none"><li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<ul style="list-style-type: none"><li>easting and northing of the drill hole collar</li><li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li><li>dip and azimuth of the hole</li><li>down hole length and interception depth</li><li>hole length.</li></ul></li><li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li></ul> | <ul style="list-style-type: none"><li>All drill holes have been modelled from vertical.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                 |           |           |              |  |  |       |      |           |         |        |              |         |           |                         |           |           |       |

| Criteria                                                                | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | CP Comments                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Data aggregation methods</i>                                         | <ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul> | <ul style="list-style-type: none"> <li>Previous model used length and in some cases density weighting was used to derive full seam/working section composites.</li> <li>No modelling of recent 2017 drilling results has been undertaken to date.</li> </ul>                                   |
| <i>Relationship between mineralisation widths and intercept lengths</i> | <ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>                                                                                                                                                                             | <ul style="list-style-type: none"> <li>Full seam composites used in November 2013 model therefore orientation of sampling was not seen to introduce bias as all drilling is sub-vertical and seams are mostly gently dipping.</li> <li>Note – No modelling has occurred since 2013.</li> </ul> |
| <i>Diagrams</i>                                                         | <ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Map included with announcement.</li> </ul>                                                                                                                                                                                                              |
| <i>Balanced reporting</i>                                               | <ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Seam intercepts reported for COR001PC and COR013PC only. No quality data is yet available.</li> </ul>                                                                                                                                                   |
| <i>Other substantive exploration data</i>                               | <ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,</i></li> </ul>                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>2D Seismic data is available for MDL 453.</li> </ul>                                                                                                                                                                                                    |

| Criteria            | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                               | CP Comments                                                                                                                                                                                                                                                      |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     | <i>geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                  |
| <i>Further work</i> | <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Continuation of current (2017) drilling. Twinning of pilot hole COR013OC with HQ core hole to recover coal seams. Analyses of coal quality samples and geological modelling of seam structure and qualities.</li> </ul> |