# Acquisition of Broadmeadow East Coking Coal Project

BOWEN COKING COAL

LIMITED

Committed to growth through quality asset development

Investor Presentation
June 2020

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**Listing Rule 5.23 Statement**

The statements in this presentation concerning Mineral Resource Estimates at Cooroorah Project are as set out in an announcement dated 27 April 2018, for Isaac River Project are as set out in an announcement dated 1 November 2018, for Hillalong are as set out in an announcement dated 9 June 2020 and for Broadmeadow East are as set out in an announcement dated 24 June 2020.

The statements concerning exploration results at:

- Cooroorah refer to announcements released on 14 December 2017, 21 December 2017, 12 February 2018, 14 February 2018, 27 April 2018 and 20 June 2018, 19 November 2018, 6 December 2018, 12 February 2019 and 3 April 2019;
- Hillalong refer to announcements released on 15 February 2018. 9 July 2018, 27 November 2019, 5 May 2020 and 9 June 2020 ; and
- Isaac River refer to announcements released on 4 December 2017, 1 November 2018, 11 March 2019, 8 May 2019, 3 June 2019, 5 July 2019, 23 August 2019 and 12 September 2019.
- Broadmeadow East refer to announcement released on 24 June 2020

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

# Aspiring to be Australia's next mid tier coking coal producer

## Acquiring Broadmeadow East, an advanced coking coal project in the Bowen Basin

**Coking coal focus**
within #1 coking basin in the world

**Advanced projects with funding options**

3 Open pit projects

Close to 50% of total resources in Measured and Indicated category

$15m Funding facility

Hillalong JV with Sumitomo

**Focused effort**
to bring first project into production

Acquiring the advanced Broadmeadow East coking coal project

**Transition from Explorer/ Developer to Producer**
Multi coking coal project portfolio with 3 advanced open pit projects

**Experienced Board and Management**
with proven track record in the coal:

Neville Sneddon (Chairman)

Gerhard Redelinghuys (CEO)

Nick Jorss (NED)

Matt Latimore (NED)

Blair Sergeant (Executive Director)

James Agenbag (NED)

Steve Formica (NED)

Duncan Cornish (CFO and CoSec)

Michael McKee (COO)

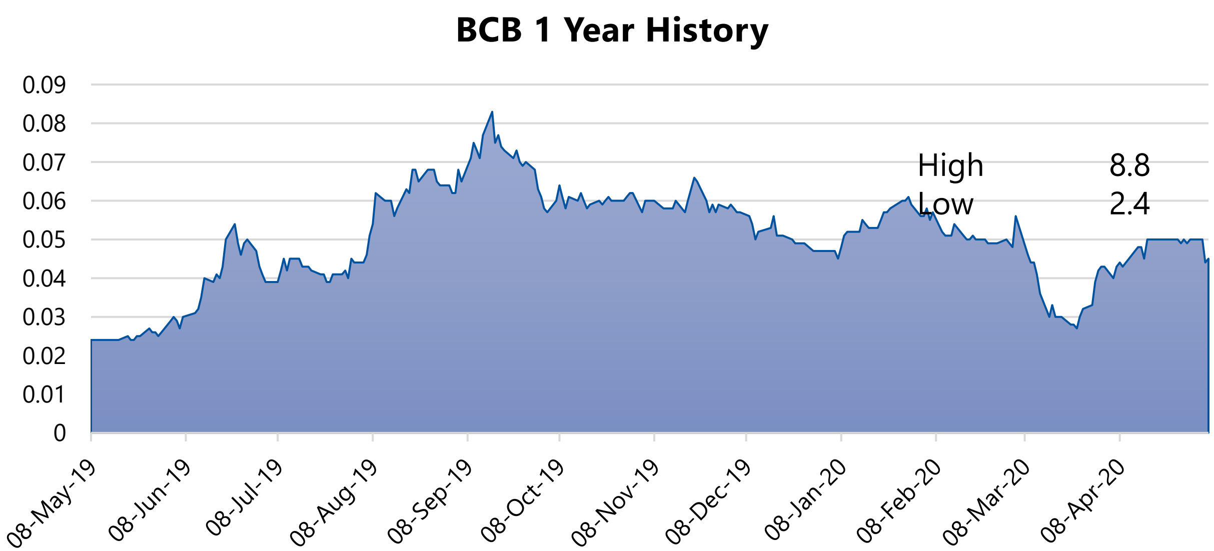
**Sound growth fundamentals**
Clear development path

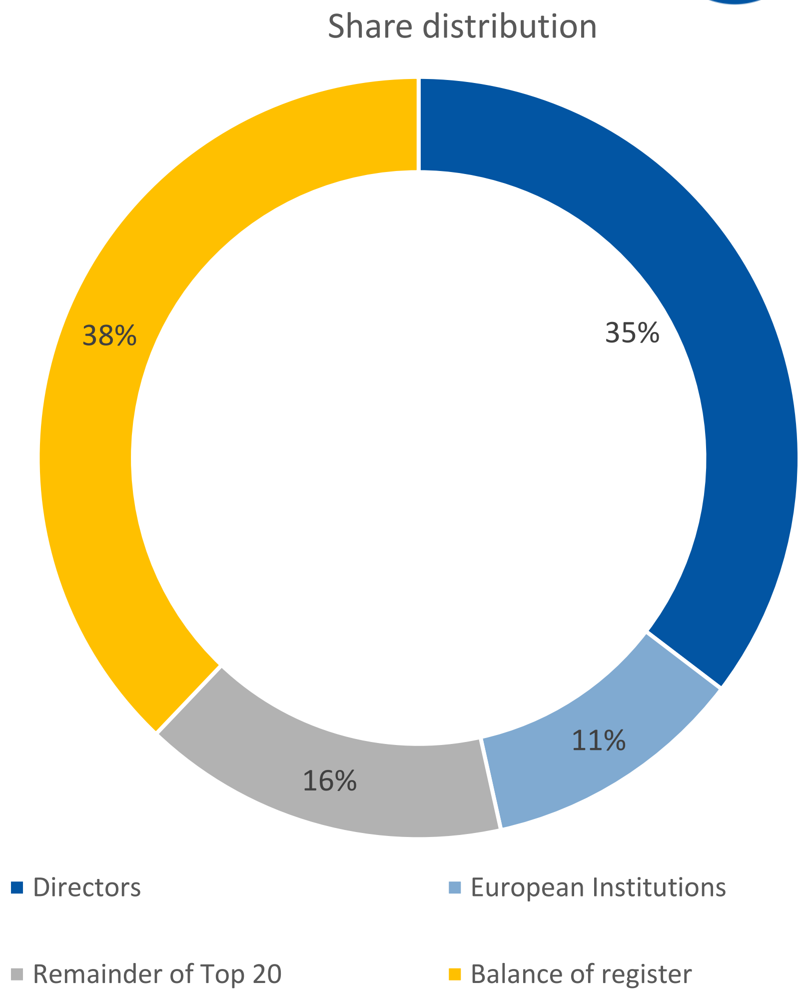
Marketing JV

Strong Business development focus

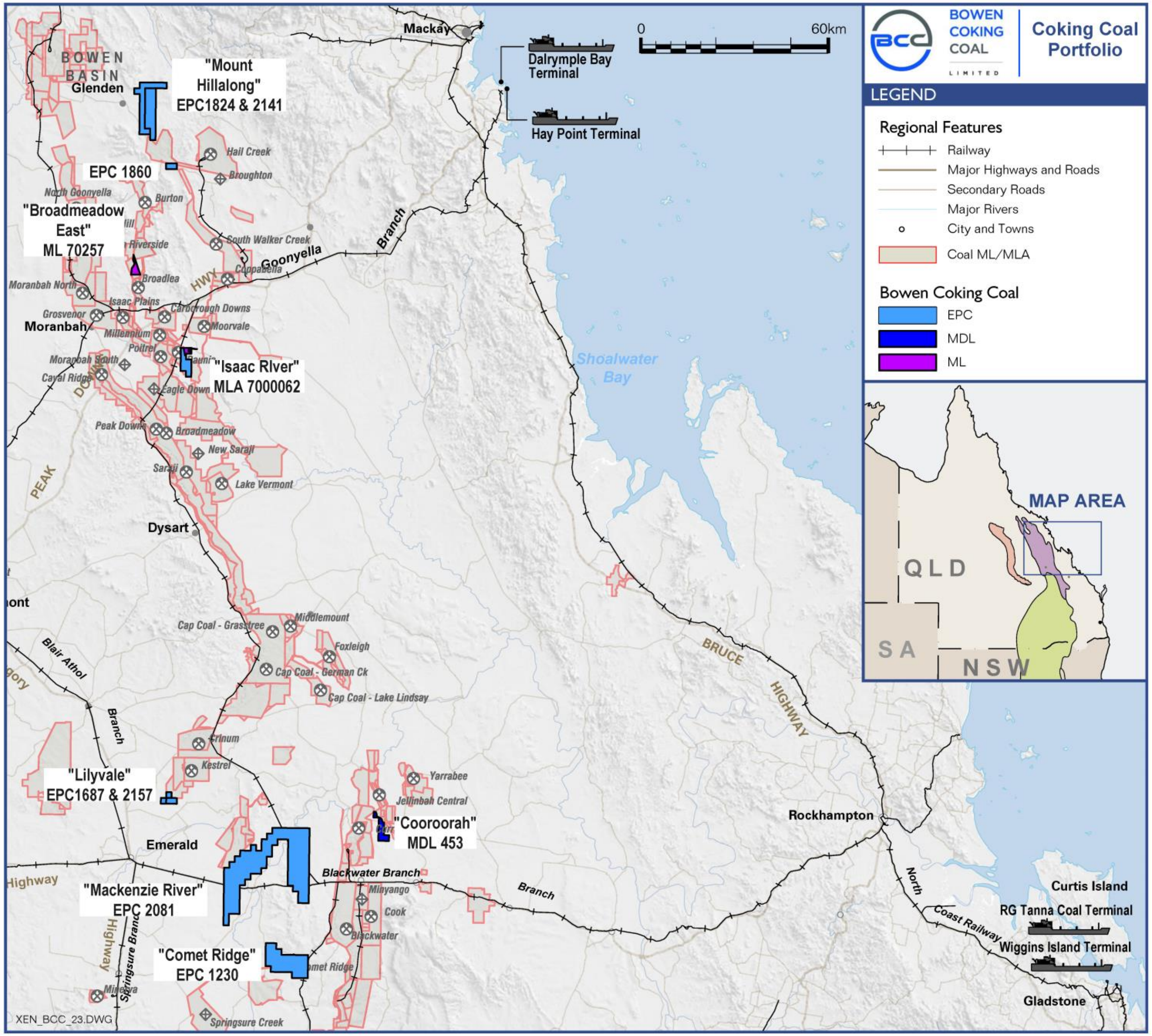
# Capital structure (Post Placement)

| ASX: BCB | |
|---|---|
| Shares on issue post 45m placement | 848,762,262 |
| Price as at 19 June 2020 | $0.054 |
| Market capitalisation | $45.83m |
| Cash as at 31 March 2020 | >$2.87m |
| Cash raised in placement (before cost) | $2.25m |
| Enterprise value | $40.71m |
| Unlisted options Board (Strike @ 2.5c, 3.0c and 3.5c, expiring 12/12/2020 and 30/06/21) | 65.7m |
| Other Options (Strike @ 8.0c, expiring 30/09/2023) | 1.3m |



# Coking coal projects in premium locations within the Bowen Basin



# Staged asset development to target quickest way to production

1

**Broad Meadow East Open Cut (Conditional Acquisition)**

- Granted Mining Lease (unmined)
- 33Mt JORC. 11Mt shallower than 100m fully explored
- Access rights to New Lenton JV CHPP, haul road and train load out
- Low capex start up options

2

**Isaac River Open Cut (100%)**

- 8.7Mt JORC. Stage 1 small open pit project. Fast tracking development
- Scoping Study confirmed positive business case for Stage 1. PFS work commenced
- **ML Application lodged**
- EA Application near completion

3

**Hillalong Open Cut and Underground (90%) Sumitomo (10%)**

- JV Agreement with Sumitomo. Phase 1 complete. Sumitomo have right to fund additional $5m to to earn further 10%
- Maiden Hillalong North and South drilling programs complete
- Maiden JORC Resource of 43Mt @ Hillalong North

4

**Cooroorah Underground Project (100%)**

- 177Mt Resource (96Mt Indicated). Coal quality data confirmed potential for high quality coking coal and PCI
- Positive Scoping Study recommended value enhancing initiatives
- Discussions commenced with potential Joint Venture partners and potential development options

**Ongoing Assessment of Coking Coal Opportunities**

# Broadmeadow East – ML70257 (conditional acquisition)

**Advanced Project**
Granted Mining Lease (unmined)

Land Access Agreement in place

De-amalgamation from approved Burton EA

**JORC Resource estimate of 33Mt**
(6.5Mt Measured, 4.1Mt Indicated and 23Mt Inferred)

Access for 1Mtpa, up to 2Mtpa (subject to agreement) to New Lenton JV CHPP, haul road and train load out when recommissioned

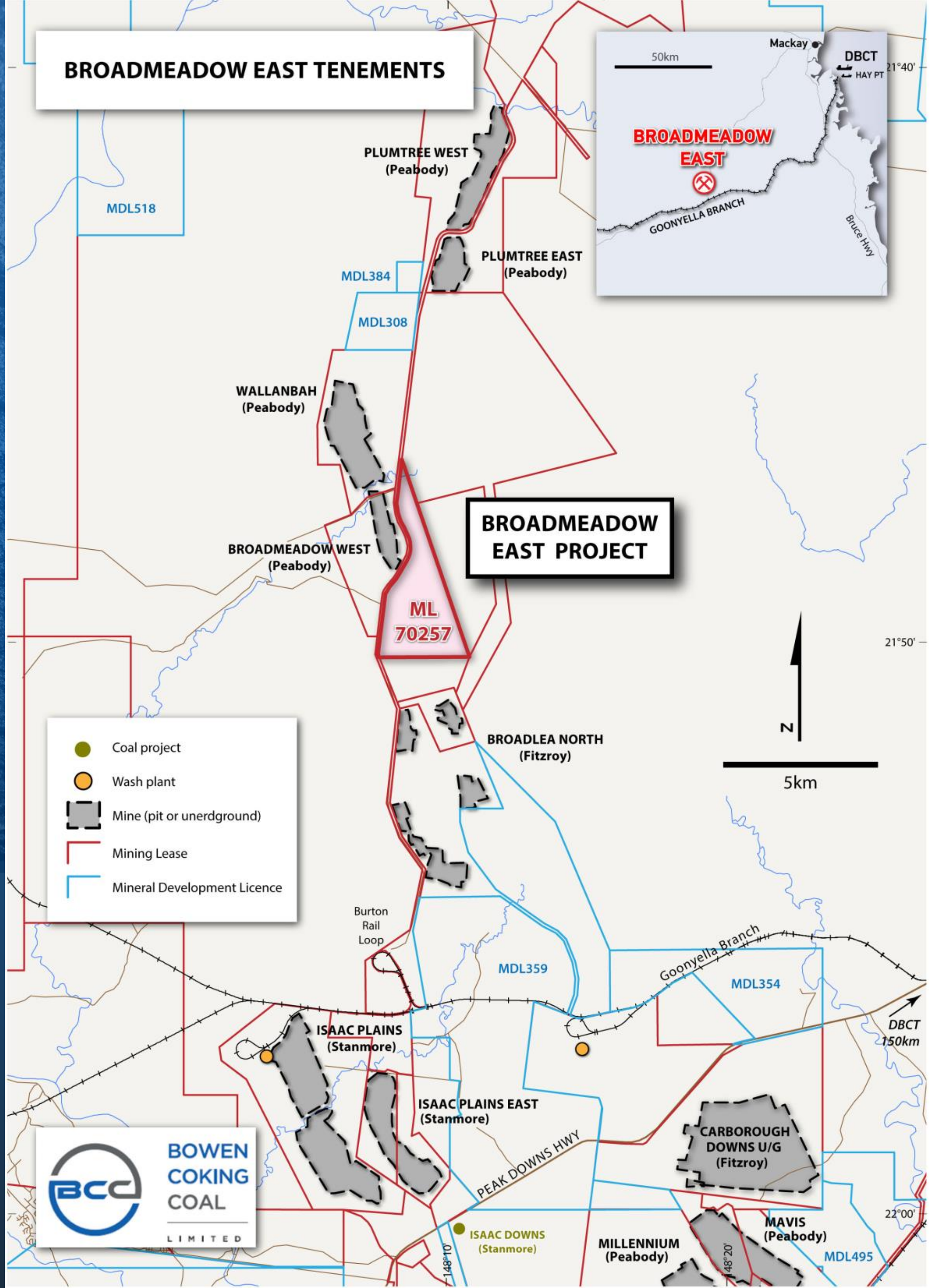
11Mt shallower than 100m (6.4Mt Measured, 1.9Mt Indicated and 3Mt Inferred)

Premier mining region with low capital starting options

Close to regional infrastructure

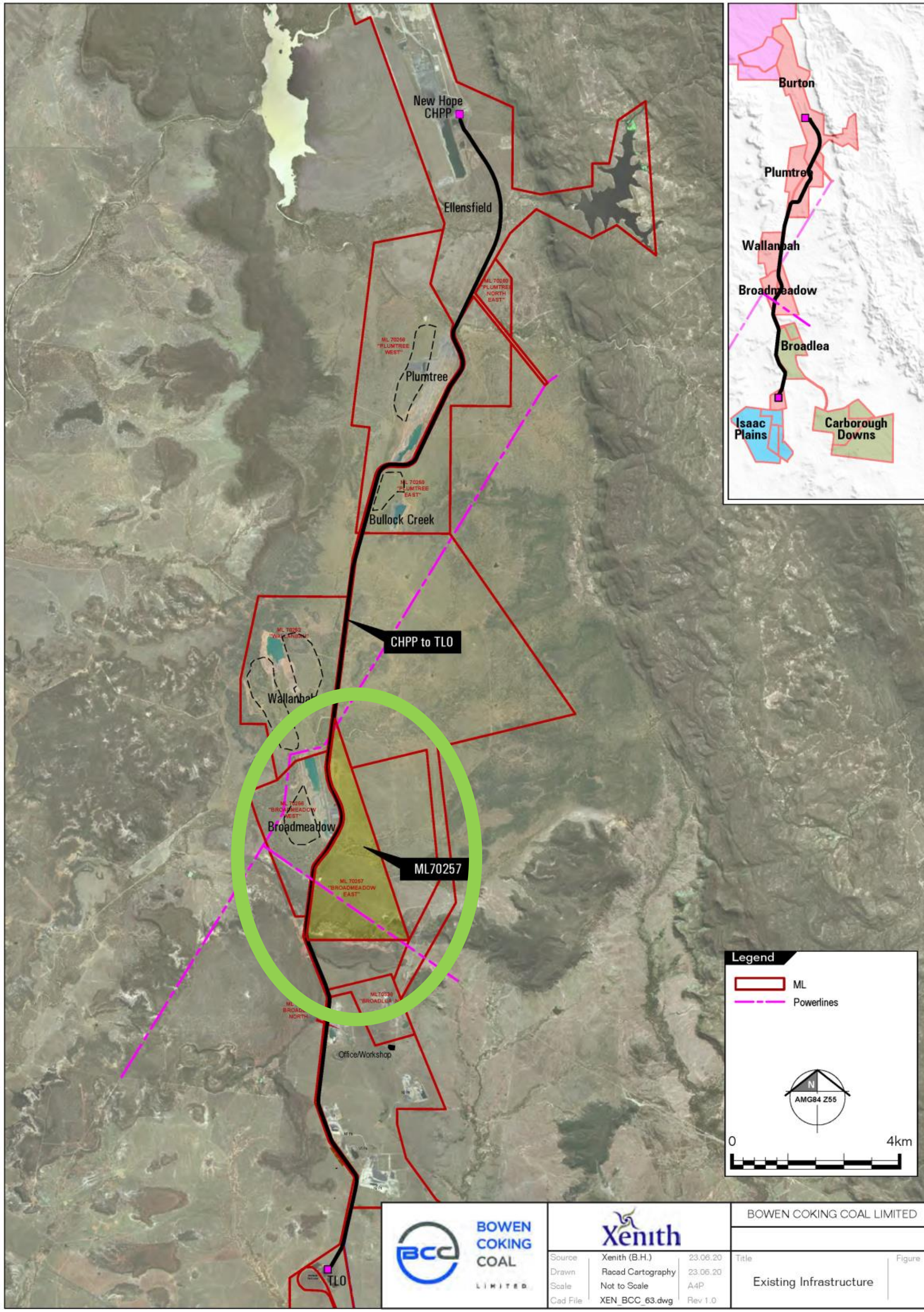
Expected to **initially** produce a Semi Hard Coking Coal with secondary Thermal coal

Various washing options for different products and blends



# Broadmeadow East

- Transaction still conditional*:
  - $1m cash on completion
  - Royalty of $1 per tonne, capped at 1.5Mt
  - Land access of $500k (Peabody is the land owner)
  - Assumption of environmental rehabilitation obligations (minimal as previously unmined)
  - 1Mtpa access to New Lenton Joint Venture's Haul road, CHPP and Rail loadout when re-commissioned with potential for a further 1Mtpa, subject to agreement
- Fully explored open pit area hosting 11Mt shallower than 100m deep, targeted for open pit mining
- Favourable mining conditions
- 23 Mt Underground area on Inferred status expected to host higher quality coking coal, down dip from Peabody's Broadmeadow West mine




*See ASX Release 24 June 2020

# Broadmeadow East Coal Quality

- Options to wash a primary coking product with high energy secondary thermal coal
- Coking coal to thermal coal ratio ranging between 75% and 86%
- Total yields ranging between 40% and 90% depending on area and final product ash selection
- Studies underway to test washability upside. Initial outcomes highlighted opportunity to wash at a lower density to achieve a higher quality coking coal (8.3% ash, CSN up to 7) with an 18% ash, 6000Kcal secondary energy coal
- Blending studies will be undertaken to maximise value

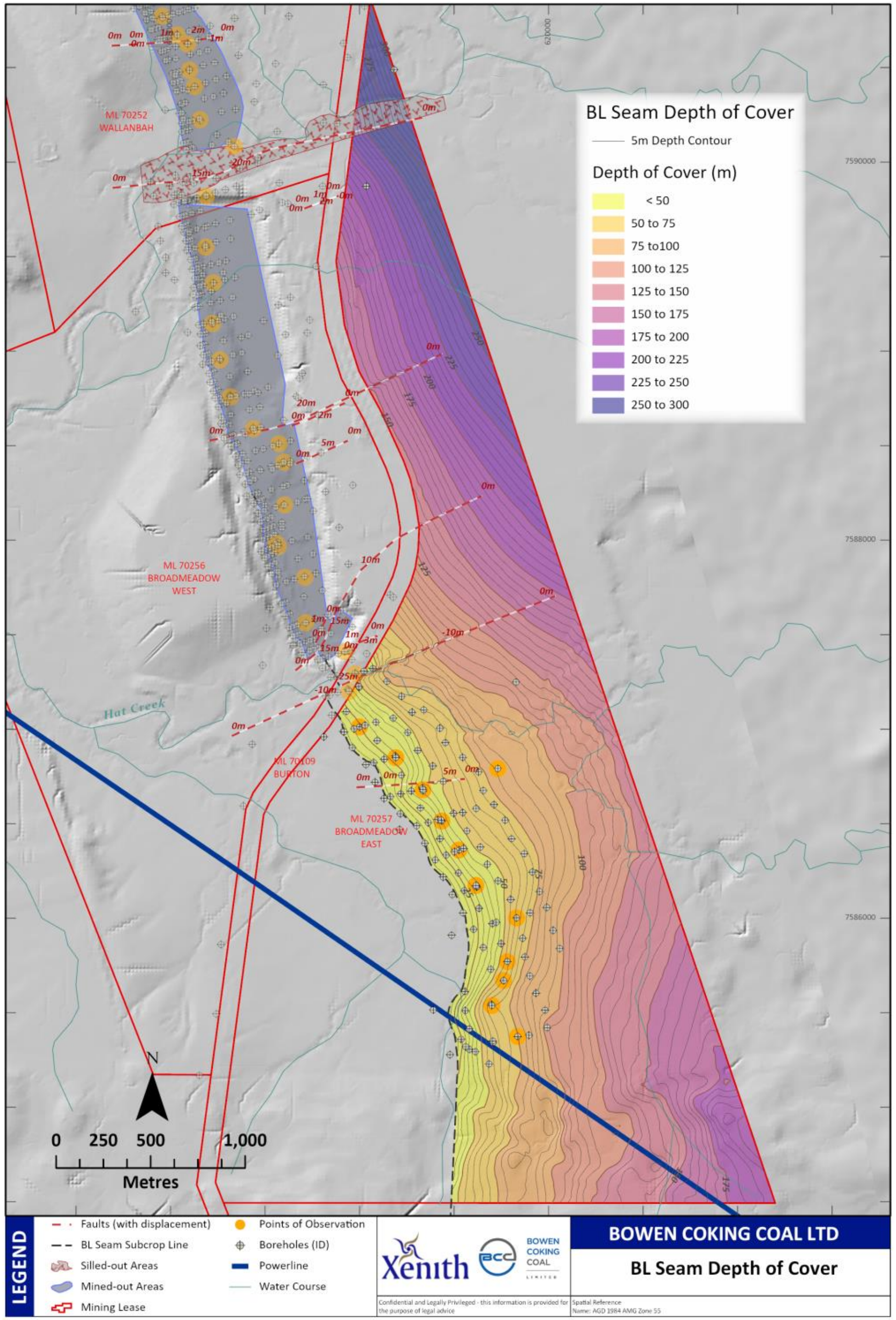
**Clean Coal Composites for Primary Coking Coal at 10% ash (air dried)**

| Category | Inherent Moisture % ad | Ash % ad | Volatile Matter % ad | Fixed carbon % ad | Total sulphur % ad | CSN | Phosphorus % ad |
|---|---|---|---|---|---|---|---|
| Measured | 2.0 | 10.1 | 22.8 | 65.1 | 0.45 | 4 | 0.097 |
| Indicated | 2.0 | 10.0 | 22.7 | 65.2 | 0.46 | 4 | 0.100 |
| Inferred | 1.9 | 9.2 | 23.0 | 65.8 | 0.44 | 5 | 0.099 |

**Clean Coal Composites for Secondary Thermal Coal at 14% ash (air dried)**

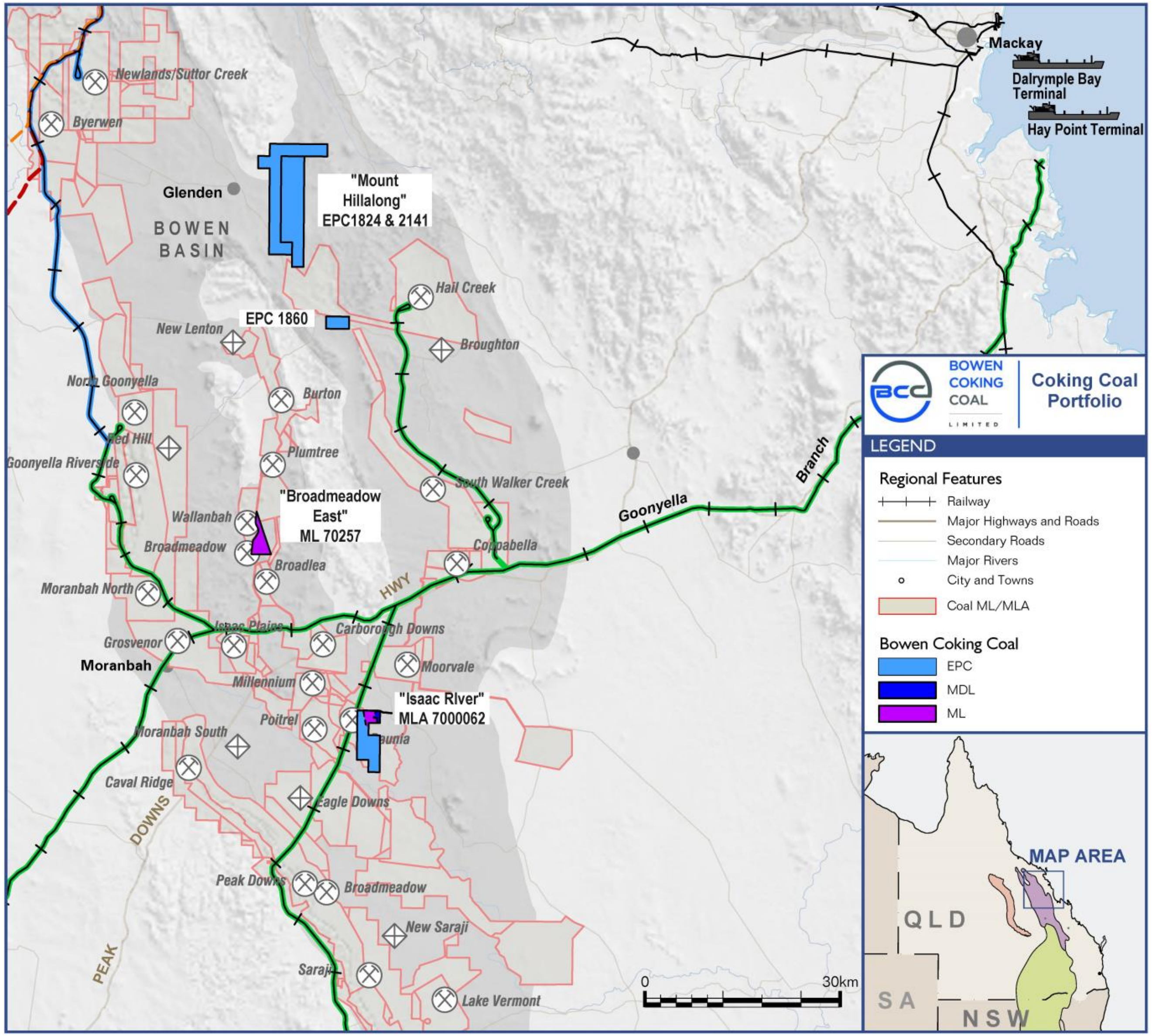
| Category | Inherent Moisture % ad | Ash % ad | Volatile Matter % ad | Total sulphur % ad | Specific Energy % ad |
|---|---|---|---|---|---|
| Measured | 21 | 14.0 | 22.2 | 0.4 | 29.3 |
| Indicated | 2.1 | 14.0 | 21.9 | 0.4 | 29.3 |
| Inferred | 2.0 | 14.0 | 21.6 | 0.4 | 29.3 |

*See ASX Release 24 June 2020*



# Broadmeadow East Next Steps

- Completion underway, expected within 3–6 months
- Evaluate several mine operation options to determine the best value proposition
- Conduct formal mine planning and marketing studies to support financial modelling
- Advancing Environmental Studies to support major EA amendment
- A number of wash plants exist in close proximity to Broadmeadow East which could be targeted as alternative options depending on the timing of the re-commissioning of the New Lenton JV plant by the current owners
- Analyse potential synergies with proximate projects



# Isaac River– MLA700062/EPC 830

**Premier location:**

Along strike of BMA's Daunia mine

Higher rank Rangal coal

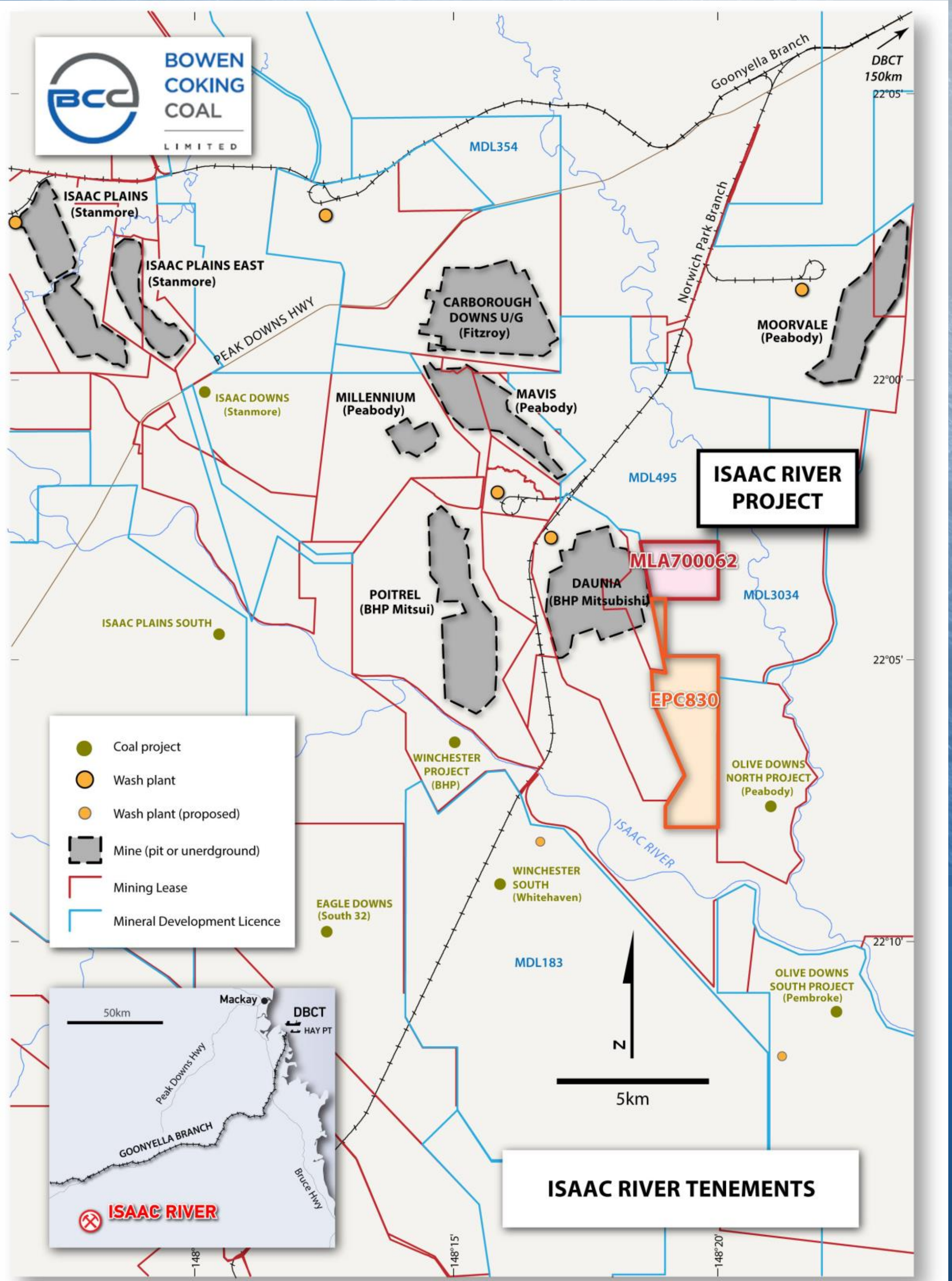
Goonyella rail system within 3km**. Several wash plants** with additional capacity available in the area

**JORC Resource estimate of 8.7Mt** (5.7Mt Measured, 2.6Mt Indicated and 0.4Mt Inferred)

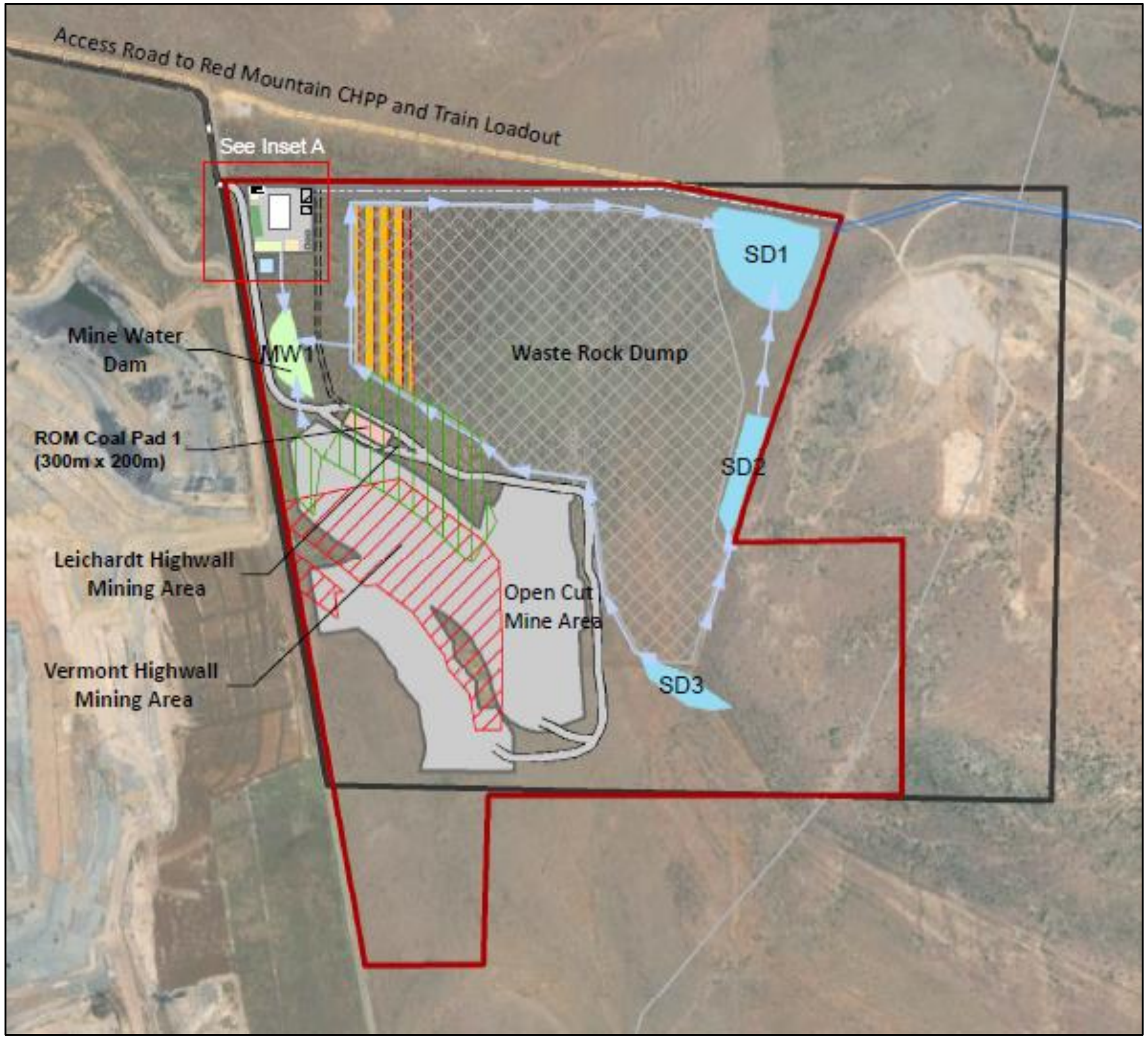
**Leichhardt seam** (Rangal Coal Measures) at between 15 and 217m deep (average 4.7m thick)

Entire 5.7Mt Measured Resource estimate is based on **open cut** mining parameters

**Vermont Upper seam** found by BCB in 2019 from 25m deep and between 2.2 and 3.5m thick, demonstrated good coking coal properties



# Isaac River Development and Permitting




- **Mining License Application lodged**
- **Environmental authorisation application near completion**
- Various mine planning scenarios completed, with Contractor Miner, off site infrastructure sited as best development option
- Costing up of mine plans and discussions with Mining Contractors underway
- Regional infrastructure discussions progressing
- Environmental Studies have not raised any concerns to date
- Land owner discussions ongoing

**Other Upside:**

- Thick Girrah seam (13m and 26m thick*)
- EPC 830 South of MDL 444

**See ASX Release 21 March 2020*

# Mt Hillalong JV (Sumitomo 10%)

Acquired EPC1824 from Australian Pacific Coal (ASX: AQC); EPC2141 from Rio Tinto

Maiden North and South drilling programs complete

Premier location proximate to Glencore's Hail Creek JV (82%) hard coking coal mine

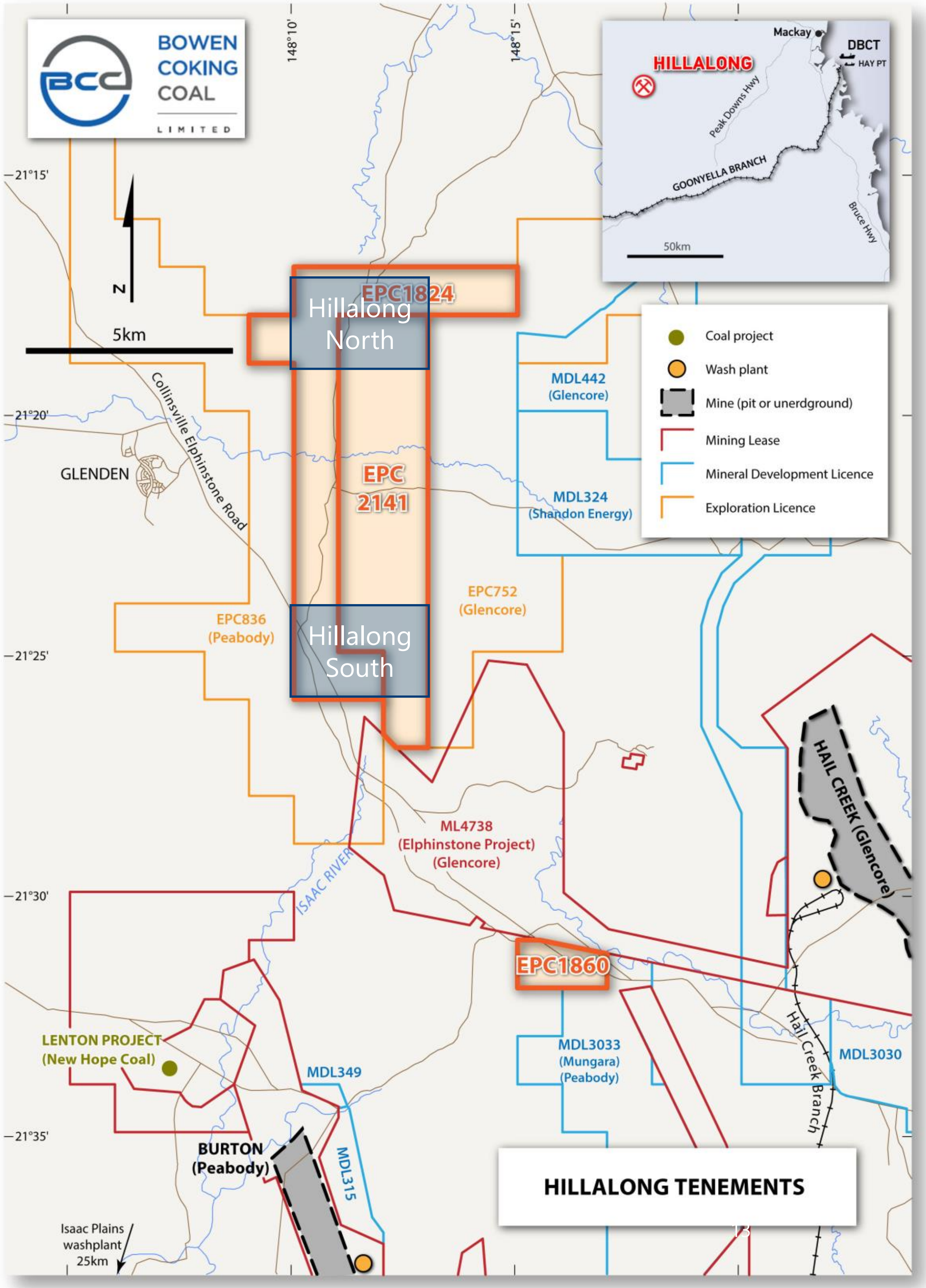
Maiden JORC Resource of 43Mt @ Hillalong North of which 21Mt Indicated and 22Mt Inferred

19.5Mt <150m deep

Sumitomo JV with Phase 1 complete post $2.5m spend and 10% to Sumitomo

Options to spend additional $5m to earn a further 10%

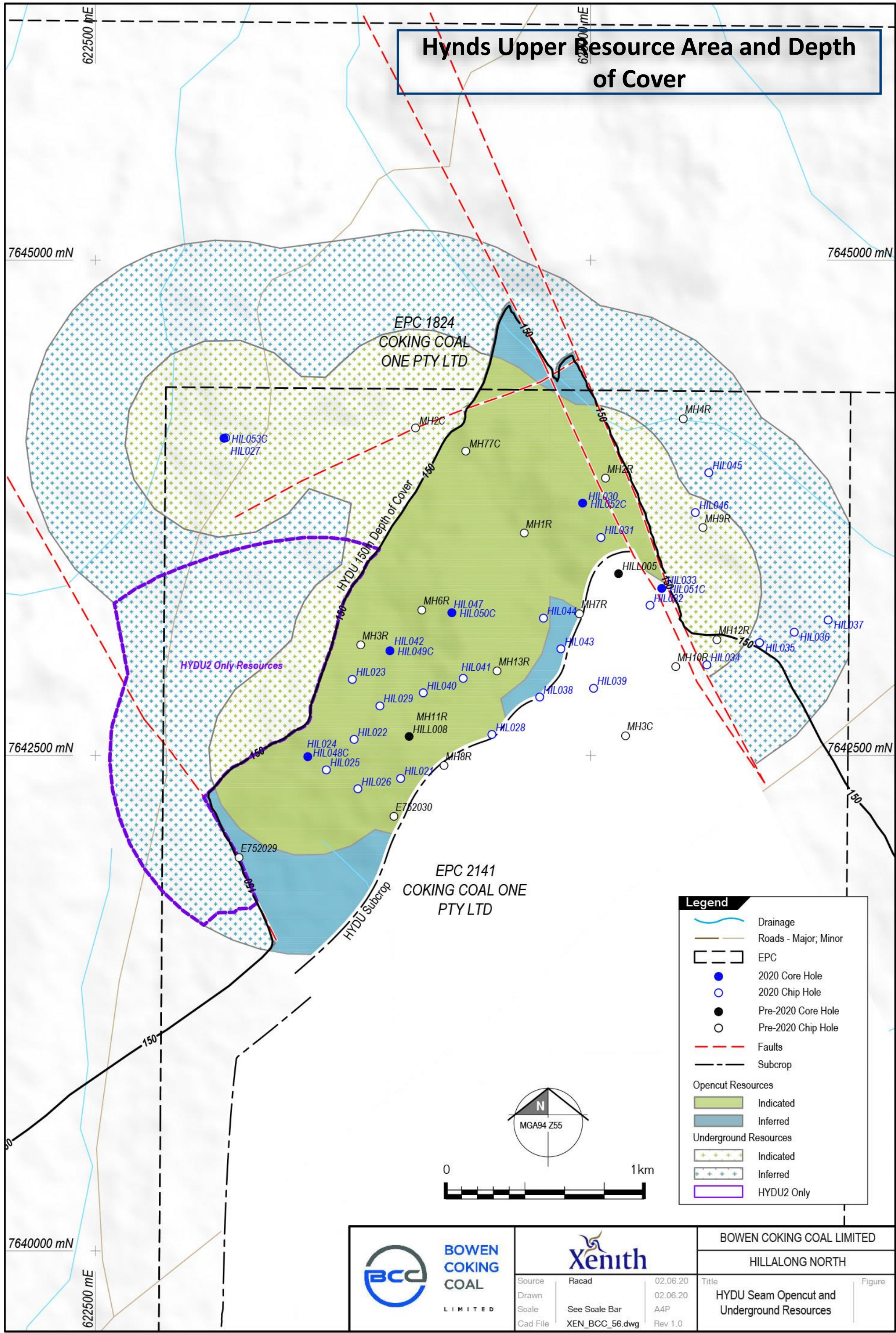
Raw coal quality received to date indicates extremely positive coking properties with CSN as high as 8.5 and Fluidity up to 1500ddpm



# Hillalong North Program

- Phase 1 program designed with Xenith and Sumitomo, to maximise coverage and definition for low cost open pit start
- Coal intersected at 26 of the 27 sites drilled, less than 10% of the tenement surface area.
- 6 sites successfully cored for coal quality analysis (100mm)
- Main target seams (Elphinstone and Hynds Upper) sub crop within the area with intersections as shallow as 5 metres
- Seam continuance between shallow intersections and the historic deeper drill holes in the North (DDH74MH2 and MH77C) now confirmed
- Open pit and Underground targets now confirmed
- JORC Resource completed, washability and final product quality underway
- Planning Phase 2 exploration which will include seismic and Conceptual mine planning studies

*See ASX Release 9 June 2020*



# Hillalong North Maiden Resource Statement

| Depth | Seam | | | |
|---|---|---|---|---|
| | | Indicated | Inferred | **Total** |
| **<150m** | Elphinstone | 4.0 | 4.5 | **8.5** |
| | Hynds Upper | 9.1 | 1.9 | **11.0** |
| | Subtotal | 13.1 | 6.4 | **19.5** |
| **>150m** | Hynds Upper | 7.7 | 15.9 | **23.7** |
| | Subtotal | 7.7 | 15.9 | **23.7** |
| **TOTAL** | | **21.0** | **22.0** | **43.0** |

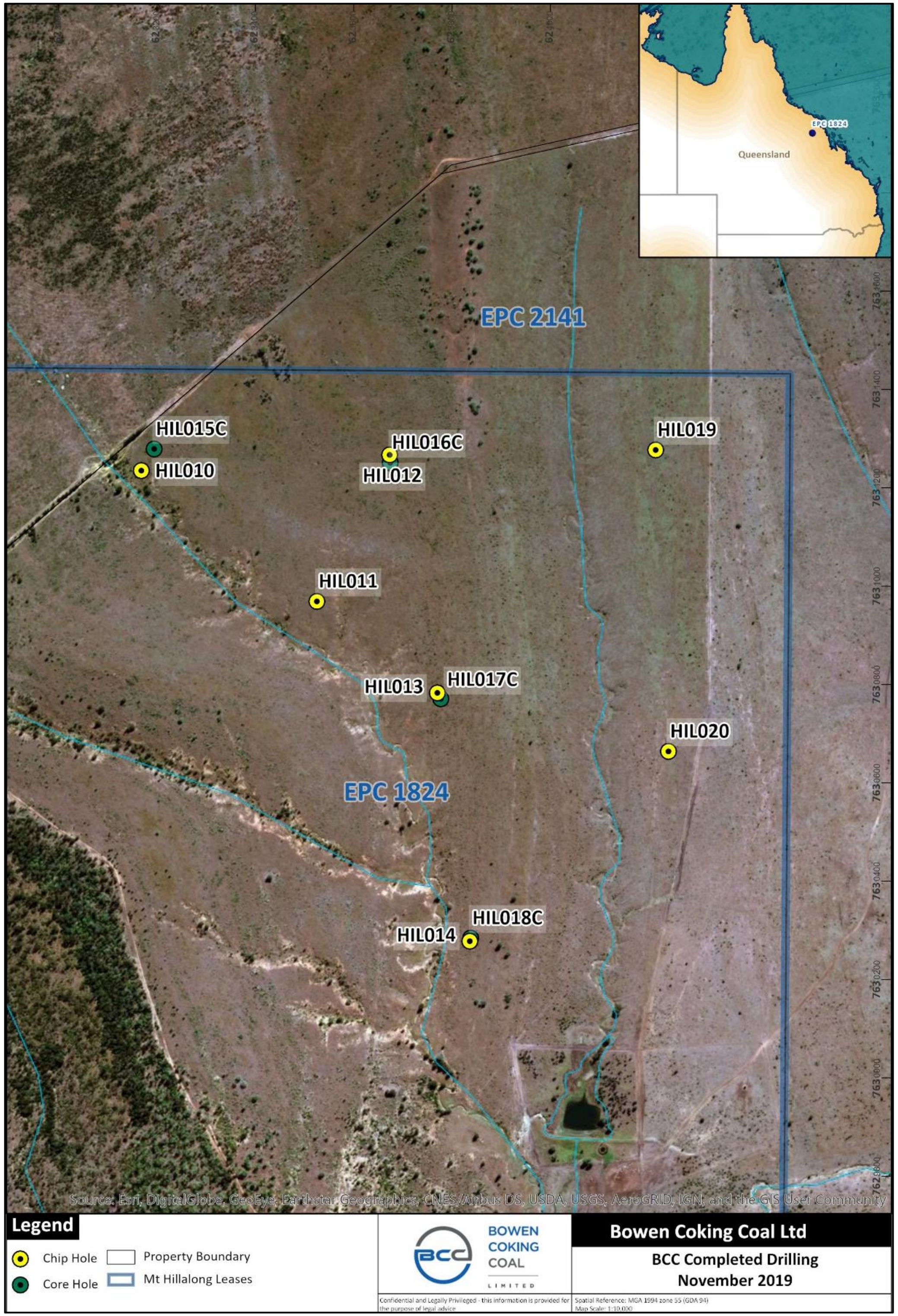
*Note – Some rounding to the nearest significant figure has occurred and this may reflect in minor differences in the overall reported resource. Tonnes were calculated for an in situ Relative Density (RD). No total moisture or moisture holding capacity analysis results were available to use as in situ moisture.*

*See ASX Release 9 June 2020*

# Hillalong South Program

- Target seams intersected in four of the five target sites
- Cumulative coal seam thickness per hole ranged between 6.5m and 14m
- Two additional holes (HILL018 & HILL019) drilled above interpreted sub-crop line did not encounter any coal, thus confirming the geological interpretation of the sub-crop line
- One site (HIL011) did not encounter any coal due to potential geological structure. Some intrusions were noted in two other holes. Coal from these intruded holes have indicated PCI characteristics
- Planning for the seismic program is underway to feed the latest data into the geological model to design the follow up drilling program

**See ASX Release 27 November June 2019*



# Hillalong South Coal Quality*

- Primary coking coal with secondary PCI for a combined yield of up to 89%, or a primary coking coal with secondary energy coal for a combined yield of up to 87%, from the two holes not materially affected by igneous intrusions

**Primary coking coal with secondary PCI option**

| Seam | Primary Coking Coal | | | Secondary PCI Coal | | Total Yield % |
|---|---|---|---|---|---|---|
| | Product Ash %[1] | Yield %[1] | CSN | Product Ash % | Yield % | |
| Elphinstone Upper | 8.8 | 35–45 | 3½-6½ | 10.6 | 8–14 | 49–53 |
| Elphinstone Lower | 7.9 | 54–73 | 3½-4 | 10.5 | 16–18 | 71–89 |
| Hynds Upper | 8.6 | 61–85 | 4½-7 | 9.8 | 0–8[2] | 69–85 |

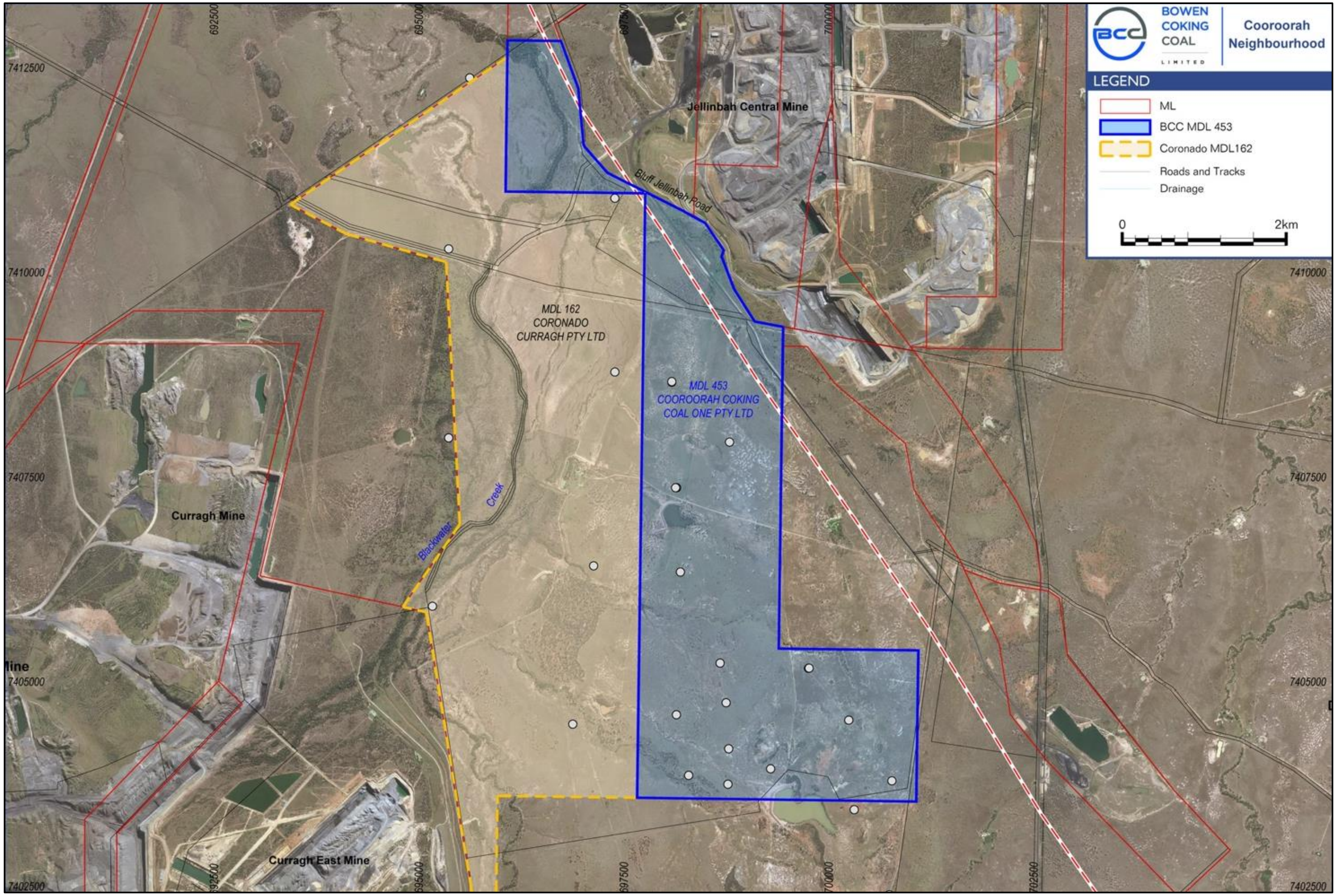
| Seam | Primary Coking Coal | | | Secondary Energy Coal | | | Total Yield % |
|---|---|---|---|---|---|---|---|
| | Product Ash %[1] | Yield %[1] | CSN | Product Ash % | Yield % | CV (kcal/kg)(gad) | |
| Elphinstone Upper | 8.8 | 35–45 | 3½–6½ | 19.1 | 33 | 6,263 | 68–78 |
| Elphinstone Lower | 7.9 | 54–73 | 3½–4 | 19.2 | 33[3] | 6,107 | 73–87 |
| Hynds Upper | 8.6 | 61–85 | 4½–7 | 16.1 | 23[3] | 6,661 | 69–85 |

[1] Air-dry basis, nil dilution and loss
[2] HIL018C is only washing a Primary coking coal at 85% yield and no PCI
[3] Yield from hole HIL015C only as HIL018C is only washing a Coking and secondary PCI

- Hole HIL017C (heat affected) demonstrated the ability to wash a primary PCI product and a secondary energy coal at combined yields of up to 76%

**See ASX Release 26 March 2020*

# Cooroorah



BOWEN COKING COAL LIMITED
Cooroorah Neighbourhood
LEGEND
ML
BCC MDL 453
Coronado MDL162
Roads and Tracks
Drainage
0
2km
Jellinbah Central Mine
Bluff Jellinbah Road
MDL 162
CORONADO
CURRAGH PTY LTD
MDL 453
COOROORAH COKING
COAL ONE PTY LTD
Curragh Mine
Curragh East Mine
Blackwater
Creek
7412500
7410000
7407500
7405000
7402500
692500
695000
697500
700000
702500

# Cooroorah Project

Down dip from Coronado Global Resources' (ASX:CRN) Curragh Mine that produced Hard Coking Coal, PCI and Thermal. Coronado is the world's 5th largest Met coal Producer (ASX:CRN 19 Feb 2019)

Also adjacent to Jellinbah Mine (Anglo, Sojitz, Sam Chong and Marubeni) that produces low vol PCI and semi-soft coking coal

Potential for large scale underground coal mine producing HCC, with secondary PCI, or alternatively low volatile, unwashed PCI

**JORC Resource of 177Mt** (96Mt Indicated, 81Mt Inferred) from circa 280m deep

Contains 4 thick seams from the Rangal Coal Measures

BCB defined the Mammoth seam and maiden JORC resource for that

(See ASX Release 3 April 2019)

Close to infrastructure and distribution options

Potential synergies with neighbouring mines

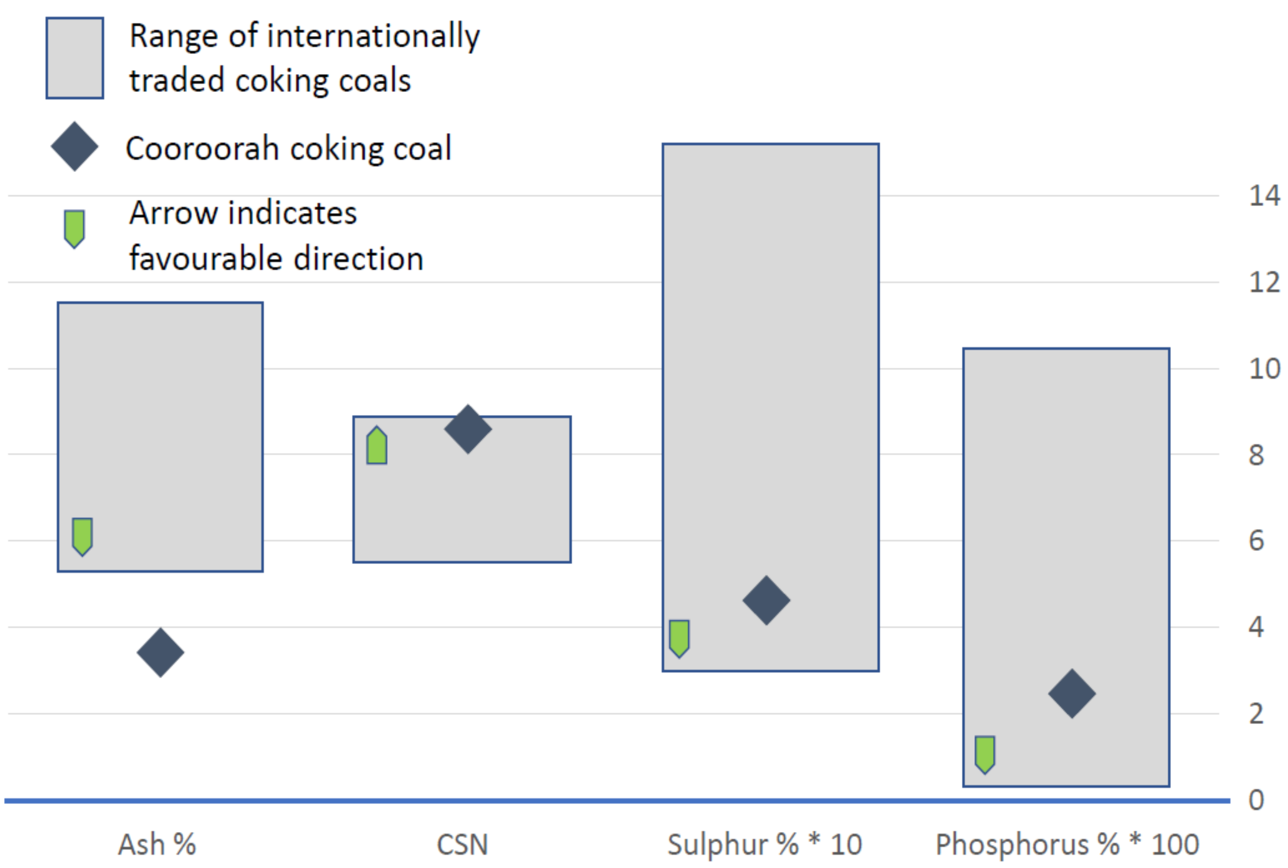
Analysis to date **suggests exceptional coking coal** quality for the Mammoth seam

Joint Seismic Program with Coronado Seismic provided favourable structure interpretation

# Mammoth Seam – exceptional metallurgical coal

- Potential for a 3.5% ash, 8–9 CSN coking coal with secondary 10% ash 7560K/kcal/kg PCI for a combined lab yield of more than 90% (ad)
- Mammoth seam has some of the lowest ash coking coal and highest metallurgical coal yields in the Bowen basin
- Secondary PCI labelled by M Resources, a well known trader and consultant who specialises in metallurgical coal supply to steel mills, as "*attractive, with high calorific value and low sulphur and phosphorus content. The coke replacement ratio is high, placing the product in a similar class to the well established ULV PCI coals*"

**Mammoth Seam coking coal fraction compared to a range of international traded coking coals (ad)**




*Source: M Resources*

# Carborough (EPC1860)

Acquired from Rio Tinto as part of Hillalong

Historical drilling intersected coalesced Elphinstone and Hynds seams

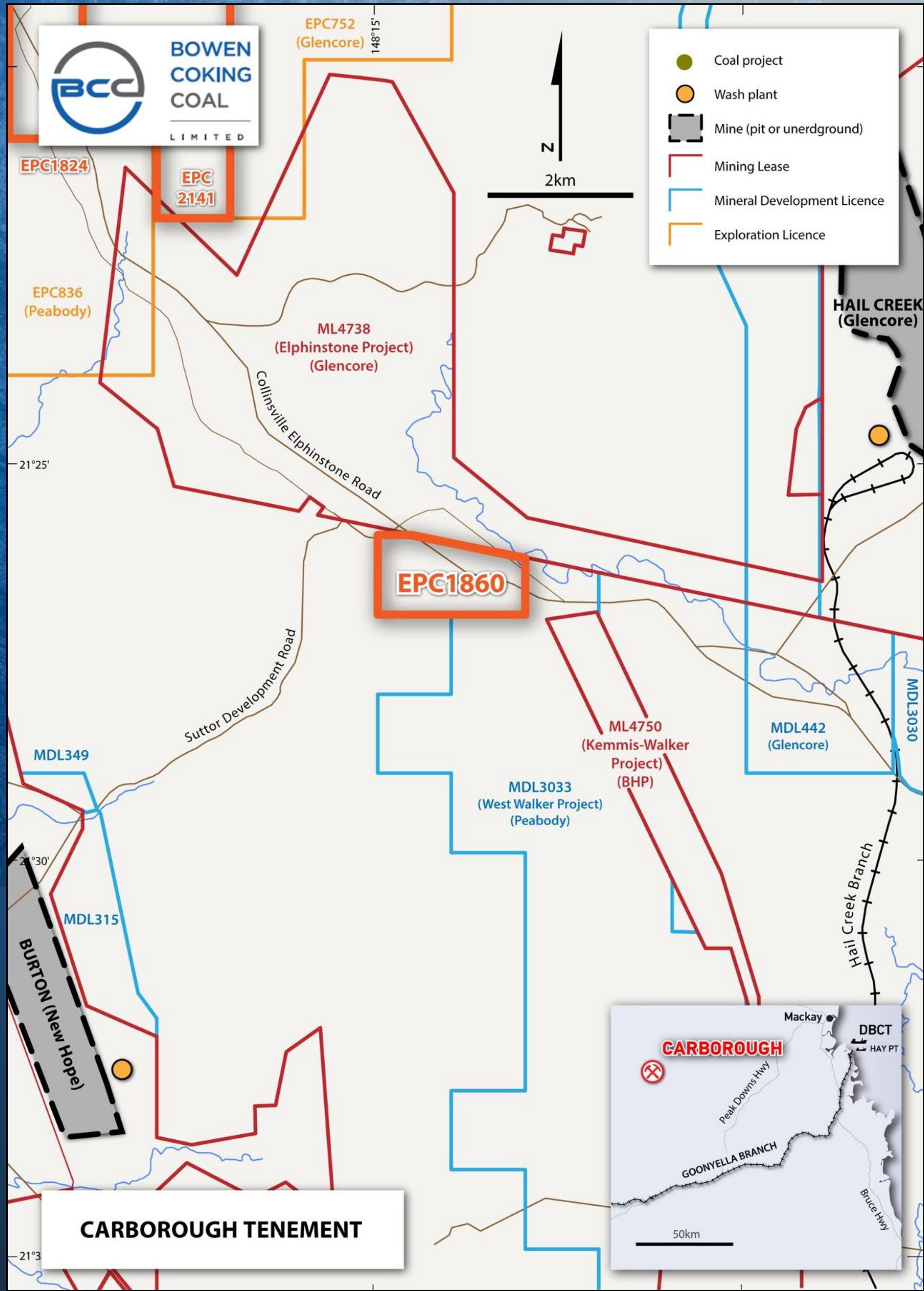
Historical quality in regional drill holes are encouraging

Rio Tinto agreement renegotiated to remove buy back and EPC1860 (Carborough) from the main agreement

Potential synergies with neighbouring operations

Premier location proximate to Glencore's Hail Creek JV (82%) hard coking coal mine, BHP's Kemmis Walker Project & Peabody's West Walker Project

Drilling program designed to test an open pit target to the North of the Suttor Development Road



# Marketing Joint Venture and Funding Facility with M Resources*

50:50 Joint Venture between BCB and M Resources ("Market co") to market all BCB's coal from current wholly owned projects (considering Hillalong Farm-In with Sumitomo)

Market co will engage M Resources to operate and administer the JV under the strategic direction from the Board of Market co, based on a Marketing Services Supplier Agreement to be entered into

Market co could source externally produced coal for blending and trading

Formal agreements complete, and shareholder approval obtained

M Resources or related parties to provide a funding facility of up to $15m for the development of BCB's assets**

**See ASX Release 23 March 2020 and Notice of Extraordinary General Meeting dated 15 May 2020*

** at the discretion of M Resources and subject to satisfaction of conditions, see * for details

# Short/medium term action plan

## Isaac River

- Advance infrastructure discussions
- Lodge Environmental Authority Application
- Advance pre-feasibility studies
- Mining contractor discussions
- Advance funding discussions
- Finalise off-take

Environmental Authority and ML Application (ongoing process in parallel)

## Hillalong

- Formalise Sumitomo JV documentation
- Washability and Coal Quality Results
- Hillalong South Seismic
- Phase 2 design and approval
- Commence Phase 2 Exploration Program
- Commence scoping studies

## Broadmeadow East (conditional acquisition)

- Completion and Conditions Precedent
- Investigate infrastructure opportunities – all projects
- Maximise regional synergies with other projects
- Commence marketing studies
- Advance growth discussions

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**COMPETENT PERSON STATEMENT**

The information in this report relating to this announcement relating to Mineral Resources and 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 it appears.