

Directors

Gerhard Redelinghuys
Blair Sergeant
Neville Sneddon
Steve Fomica
James Agenbag
Nick Jorss
Matt Latimore

Company Secretary
Duncan Cornish



ASX Code: BCB

**Enquiries regarding this
announcement can
be directed to:**
Duncan Cornish
T. +61 (0)7 3212 6299

9 October 2020

Dear Shareholder,

On behalf of the Board, I am pleased to invite you to Bowen Coking Coal's Annual General Meeting ("AGM") to be held at Level 7, Waterfront Place, 1 Eagle St, Brisbane on 11 November 2020 at 10.00am (AEST).

In light of the COVID-19 pandemic and social distancing restrictions, the meeting will also be held online and the Company encourages Shareholders to attend the AGM online.

In accordance with temporary modifications to the Corporations Act under the Corporations (*Coronavirus Economic Response*) Determination (No. 3) dated 21 September 2020, the Notice of Meeting and accompanying Explanatory Statement are being made available to shareholders electronically via the Company's website or the ASX market announcements platform (ASX code "BCB").

To view the Notice of Meeting, and the Company's 2020 Annual Report, please visit the Company's website at <https://www.bowencokingcoal.com.au/upcomingagm>.

Shareholders can attend the AGM online at the following link: <https://agmlive.link/BCB2020>

If you have problems accessing this service, please contact our share registry, Link Market Services on +61 1300 554 474 or email registrars@linkmarketservices.com.au.

Further information on how to participate and vote virtually is set out in the Notice of Meeting and the Online Platform Guide at <https://www.bowencokingcoal.com.au/upcomingagm>.

On behalf of the Board
Mr Duncan Cornish
Company Secretary
Bowen Coking Coal Limited



Bowen Coking Coal Limited
ABN 72 064 874 620

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Date of meeting: Wednesday, 11 November 2020

Time of meeting: 10.00am AEST

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00pm (AEST) on 9 November 2020.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (07) 3212 6299.

BUSINESS OF THE ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Shareholders of Bowen Coking Coal Limited ABN 72 064 874 620 (**Company**) will be held online (see further details below) and at Level 7, Waterfront Place, 1 Eagle St, Brisbane on 11 November 2020 at 10.00am AEST. In light of the COVID-19 pandemic and social distancing restrictions, the Company encourages Shareholders to attend the General Meeting online.

Terms used in this Notice of Meeting are defined in the Glossary forming part of the Explanatory Statement. The Explanatory Statement and the Proxy Form accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting.

A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission (**ASIC**) in accordance with Section 218 of the Corporations Act.

INSTRUCTIONS FOR ATTENDANCE AT MEETING & VOTING

Shareholders can attend the General Meeting online at the following link: <https://agmlive.link/BCB2020>

The Company's Share Registry recommends logging onto our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter <https://agmlive.link/BCB2020> into a web browser on your computer or online device;

- Shareholders will need their Shareholder Reference Number or Holder Identification Number, which is printed at the top of the Voting Form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Shareholders are requested to participate in the General Meeting virtually via the Company's virtual General Meeting platform at <https://agmlive.link/BCB2020> or via the appointment of a proxy.

Further information on how to participate and vote virtually is set out in this Notice and the Online Platform Guide at <https://www.bowencokingcoal.com.au/upcomingagm>.

DISCUSSION & SHAREHOLDER QUESTIONS

Discussion will take place on all items of business to be considered at the General Meeting.

All shareholders will have a reasonable opportunity to ask questions during the General Meeting via the virtual General Meeting platform.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following requests:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Meeting;
- if a Shareholder has more than one question on an item of business, all questions should be asked at the one time; and
- Shareholders should not ask questions at the Meeting relating to any matters that are personal to the Shareholder or commercial in confidence.

Shareholders who prefer to register questions in advance of the General Meeting are invited to do so. A Shareholder Question Form is also available on the Company's website: <https://www.bowencokingcoal.com.au/upcomingagm>. Written questions must be received by the Company or Link Market Services Limited by 5pm on 6 November 2020, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

ORDINARY BUSINESS

1. Reports and Accounts

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020, together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

2. Resolution 1 – Adoption of Remuneration Report (Non-Binding)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020.”

Short Explanation

The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-Election of Blair Sergeant

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of clause 14.2 of the Constitution and for all other purposes, Blair Sergeant, a Director, retires, and being eligible, is re-elected as a Director.”

4. Resolution 3 – Re-Election of Matthew Latimore

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of clause 14.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Matthew Latimore, a Director appointed as an additional Director on 17 June 2020, retires, and being eligible, is re-elected as a Director.”

5. Resolution 4 – Approval for option grant – Matthew Latimore

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That in accordance with the provisions of Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, the Company is authorised to issue 2,100,000 options to subscribe for ordinary shares in the Company each exercisable at \$0.07 and expiring on 31 December 2022 to Mr Matthew Latimore, a Director of the Company, or his nominee, on the terms and conditions set out in this Notice and accompanying Explanatory Memorandum (Latimore Options).”

NOTES:

A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with ASIC in accordance with Section 218 of the Corporations Act.

A detailed summary of the proposed terms of the Latimore Options the subject of this Notice is contained within the Explanatory Memorandum.

Voting Exclusion Statement - Listing Rule 10.11

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) Matthew Latimore and any other person who is expected to receive the Latimore Options, or who will obtain a material benefit as a result of, the proposed issue of the Latimore Options (except a benefit solely by reason of being a holder of Shares in the Company); or
- (b) any associate of those persons.

However, this does not apply to a vote if it is cast in favour of a resolution by:

- (c) a person as proxy or attorney for a person who is entitled to vote on the resolution in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Exclusion Statement – Part 2E of the Corporations Act

For the purposes of Part 2E of the Corporations Act, a vote on Resolution 4 must not be cast by or on behalf of:

- (a) Matthew Latimore; and
- (b) an associate of Matthew Latimore.

However, this does not prevent the casting of a vote on Resolution 4 if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of a person referred to in sub-paragraphs (a) or (b) directly above.

Voting restriction pursuant to section 250BD of the Corporations Act

As Resolution 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company (or, if the Company is a consolidated entity, for the entity), pursuant to section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by:

- (a) any member of the Key Management Personnel for the Company (or, if the Company is a consolidated entity, for the entity); or
- (b) a Closely Related Party of such Key Management Personnel,

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on this Resolution 4.

However, the Company need not disregard a vote on this Resolution 4 if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and the Shareholder expressly authorises the person chairing the meeting to exercise the proxy even if this Resolution 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

Voting Intention of the Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 4, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

6. Resolution 5 – Ratification of previous issue of Placement Shares under LR 7.1A

To consider and, if though fit, pass the following Resolution with or without amendment, as an ordinary resolution:

*“That, in accordance with Listing Rule 7.4, and for all other purposes, the Company ratify the issue of 45,000,000 fully paid ordinary shares in the Company (**Placement Shares**) on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person who participated in the issue of the Placement Shares or any associates of those persons.

However, this does not apply to a vote in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

SPECIAL BUSINESS

7. Resolution 6 - Approval of 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of Shares in the Company), and any of their associates.

However, this does not apply to a vote in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

IMPORTANT INFORMATION ABOUT VOTING ON THE RESOLUTIONS

All Resolutions will be by Poll

In accordance with clauses 13.16 and 13.17 of the Company's constitution, the Chair intends to call a poll on each of the resolutions proposed at the Meeting. Each resolution considered at the Meeting will therefore be conducted by a poll, rather than on a show of hands. The Chair considers voting by poll to be in the interests of the Shareholders as a whole and is a way to ensure the views of as many Shareholders as possible are represented at the Meeting.

How to vote

Shareholders may vote by:

- (a) Using the online platform. We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:
 - Enter <https://agmlive.link/BCB2020> into a web browser on your computer or online device;
 - Securityholders will need their Securityholder Reference Number or Holder Identification Number, which is printed at the top of the Voting Form; and
 - Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meetings.

Online voting will be open between the commencement of the Meeting at 10.00 am (Brisbane time) on 11 November 2020 and the time at which the Chair announces the closure of voting.

More information about online participation in the Meeting is available in the Online Platform Guide at <https://www.bowencokingcoal.com.au/upcomingagm>.

(b) Appointing a proxy to attend and vote on their behalf, using the enclosed proxy form.

Voting by proxy

A member who is entitled to vote at the Meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
- (b) two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one half of the votes, in which case any fraction of votes will be discarded.

A proxy need not be a member of the Company.

If you require an additional proxy form, please contact the Share Registry, Link Market Services Limited, on 1300 554 474, which will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Share Registry, Link Market Services Limited, no later than 9 November 2020 at 10.00am AEST (that is, at least 48 hours before the meeting). Proxies received after this time will not be accepted. Instructions for completing the proxy form are outlined on the form, which may be returned by:

- (a) posting it in the reply-paid envelope provided;
- (b) posting it to Bowen Coking Coal Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235;
- (c) hand delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000;
- (d) faxing it to Link Market Services Limited on fax number (02) 9287 0309;
- (e) lodging it online at linkmarketservices.com.au in accordance with the instructions provided on the website. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN) to lodge your proxy form online.

Proxies given by corporate shareholders must be executed in accordance with their Constitutions or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he or she thinks fit.

The Constitution provides that a proxy form issued by the Company may provide that where the appointment of a proxy has not identified the person who may exercise it, the appointment will be deemed to be given in favour of the Chair of the meeting to which it relates or to such other person as the Board determines.

If a Shareholder appoints the Chair of the meeting as the Shareholder's proxy and does not specify how the Chair is to vote on an item of business, the Chair will vote, as a proxy for that Shareholder, in favour of the item on a poll.

Dated: 9 October 2020



By order of the Board
Gerhard Redelinghuys
Managing Director

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions to be put to Shareholders at the Annual General Meeting to be held online (see further details in the Notice of Meeting) and at Level 7, Waterfront Place, 1 Eagle Street, Brisbane on 11 November 2020 at 10.00am AEST.

The Notice of Meeting, which is also enclosed, sets out details of proposals concerning the Resolutions to be put to Shareholders.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Statement in full before making any decision in relation to the Resolutions.

Unless otherwise defined, terms used in this Explanatory Statement are defined in the Glossary forming part of this Explanatory Statement.

1. Financial Statements and Reports

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's 2020 Annual Report to Shareholders unless specifically requested to do so. The Company's 2020 Annual Report is available on its website at www.bowencokingcoal.com.au.

2. Resolution 1 – Adoption of Remuneration Report (Non-Binding)

2.1. General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Company or the directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The Chair must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2. Voting Consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3. Previous Voting Results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4. Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:	You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the votes on this Resolution.
If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):	You do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you are taken to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel. The Chair intends to vote undirected proxies in favour of all Resolutions.
If you appoint any other person as your proxy:	You do not need to direct your proxy how to vote on this Resolution.

3. Resolution 2 – Re-Election of Blair Sergeant

Clause 14.2 of the Constitution provides that at the annual general meeting one-third of the Directors for the time being shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Pursuant to Resolution 2, Blair Sergeant is retiring under Clause 14.2 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding Mr Sergeant are set out in the 2020 Annual Report.

3.1. Qualifications and other material directorships

Mr Sergeant is an experienced mining executive, having been the former Founding Managing Director of Lemur Resources Limited, an ASX listed coal exploration and development company, as well as the former Finance Director of Coal of Africa Limited, growing the company from a sub-\$2m market capitalisation to over \$1.5b at its peak. During his career, Mr Sergeant has also held the position of Managing Director, Non-Executive Director and/or Company Secretary for numerous listed entities across a broad spectrum of industry. Mr Sergeant graduated from Curtin University, Western Australia with a Bachelor of Business and subsequently, a Post Graduate Diploma in Corporate Administration. He is a member of the Institute of Chartered Secretaries and Administrators and the Australian Institute of Company Directors.

Mr Sergeant was appointed as a Director on 28 September 2018. Mr Sergeant was appointed as an Executive Director, and had, prior to his appointment as a Director, been engaged by the Company to provide corporate advisory services. Accordingly, as an Executive Director Mr Sergeant is not considered to be an independent director.

3.2. Directors' Recommendation

The Directors, other than Mr Sergeant, recommend the re-election of Blair Sergeant.

4. Resolution 3 – Re-Election of Matthew Latimore

4.1. General

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity. Clause 14.4 of the Constitution provides that any director appointed under Clause 14.4 holds office until the next annual general meeting of the

Company and is then eligible for re-election. Clause 14.2 provides that such a director is not to be taken into account in determining the Directors who are to retire by rotation at that meeting.

Pursuant to Resolution 3, Matthew Latimore is retiring under Clause 14.4 of the Constitution and ASX Listing Rule 14.4 and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding Mr Latimore are set out in the 2020 Annual Report. M Resources Pty Ltd and Latimore Family Pty Ltd ATF Latimore Family Trust are entities controlled by Mr Matthew Latimore, who is a substantial holder of the Company (currently with a combined relevant interest of approximately 15.21% in the Company). As such, the Board does not consider Matthew Latimore to be an independent director.

4.2. Qualifications and other material directorships

M Resources, an entity controlled and managed by Mr Matt Latimore, specialises in marketing coking coal, including hard coking coal, semi hard coking coal, semi soft coking coal and PCI coals for steel manufacturing. Mr Latimore held the position of General Manager Sales and Marketing, for Wesfarmers Curragh mine and was responsible for global sales of Curragh metallurgical coal products to international steel mills and thermal coal to domestic and international power utilities, rail and port and quality and finance functions. Mr Latimore was a Director of Curragh Coal Sales. Prior to joining Wesfarmers in early 2001, Mr Latimore held various positions with Mitsui & Co (Australia) Pty Ltd.

Mr Latimore was appointed as a Non-Executive Director on 17 June 2020.

4.3. Directors' Recommendation

The Directors, other than Mr Latimore, recommend the re-election of Matthew Latimore.

5. Resolution 4 – Approval of Option Grant – Matthew Latimore

5.1. General

The Directors have resolved to refer to members for approval the issue of 2,100,000 options to Mr Matthew Latimore, a Director of the Company, or his nominee, each exercisable at \$0.07 and expiring on 31 December 2022. The Options will vest immediately.

The terms of the Latimore Options are set out in more detail below.

Approval for the issue of the Latimore Options is sought in accordance with the provisions of Listing Rule 10.11 and Chapter 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1, pursuant to exception 14 of Listing Rule 7.2.

5.2. Option Terms

A summary of the material terms of the Options is set out below:

- The securities to be issued to Mr Matthew Latimore (**Option Holder**) are options to subscribe for Shares
- The Options are to be issued for no consideration
- The exercise price of each option is \$0.07 (**Exercise Price**)
- The Options will vest immediately upon issue (**Vesting Date**)
- The Options will expire and be forfeited (if the Options have not already been forfeited) on the earlier of (**Expiry Date**):
 - (i) 31 December 2022; or
 - (ii) if the Option Holder's employment or engagement with the Company or an Associated Body Corporate ceases, 3 months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Option Holder ceased that employment or engagement.
- The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the relevant Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:
 - (iii) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (v) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) above for any reason is not effective to ensure that an offer for sale of the Shares issued on exercise of the Options does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- Option holders do not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
- An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised other than as provided for in these terms.
- The Options are transferable subject to any restriction under applicable Australian securities laws.
- If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- O^n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

- The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
- The Company does not intend to apply for listing of the Options on the ASX.

5.3. Regulatory Requirements

(a) Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of that public company unless the benefit falls within one of the various exceptions to the general prohibition. One of the exceptions includes where the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E of the Corporations Act in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company. A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The proposed resolution, if passed, will confer financial benefits to Mr Matthew Latimore, or his nominee, and the Company seeks to obtain Shareholder approval in accordance with the requirements of Chapter 2E of the Corporations Act and for this reason and for all other purposes the following information is provided to Shareholders.

(i) The related party to whom Resolution 4 would permit the financial benefit to be given

Mr Matthew Latimore, being a Director of the Company (or his nominee) are the related parties to whom Resolution 4 would permit the financial benefit to be given.

(ii) The nature of the financial benefit

The nature of the proposed financial benefit to be given is:

- The issue of 2,100,000 Options to Mr Matthew Latimore, or his nominee, as referred to in Resolution 4 (further details of which are set out above);
- The Options shall be issued for no cash consideration; and
- The Options shall each be exercisable into fully paid Shares at an exercise price of \$0.07 and expiring on 31 December 2022.

(iii) Directors’ Recommendation

With respect to Resolution 4, the Directors, other than Mr Latimore, recommend that Shareholders vote in favour of this Resolution. As Mr Matthew Latimore is interested in the outcome of Resolution 4, he accordingly makes no recommendation to Shareholders in respect of this Resolution.

The reasons for the above recommendations include:

- the issue of the Latimore Options will provide Mr Matthew Latimore with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- the Latimore Options are not intended as a substitute for salary or wages or as a means for compensation for past services rendered; and
- in the Company’s circumstances as they existed as at the date of this Explanatory Memorandum, the Directors considered that the incentive provided a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration). However, it must be recognised that there will be an opportunity cost to the Company, being the price at which the Company could issue the Latimore Options to a third party.

(iv) Recipients' interests and other remuneration

Mr Matthew Latimore has a material personal interest in the outcome of Resolution 4, as it is proposed that the Latimore Options be issued to him (or his nominee) as set out in Resolution 4. Excluding the Latimore Options, Mr Latimore (and entities associated with him) hold:

- 135,225,840 Shares; and
- Nil options to subscribe for Shares.

Other than the Latimore Options to be issued to Mr Latimore (or his nominee) pursuant to Resolution 4, Mr Latimore currently receives director's remuneration of \$36,000 (including superannuation) per annum from the Company for his services as Non-Executive Director of the Company. For completeness, the Company notes that various other arrangements with entities associated with Mr Latimore were approved by Shareholders at the extraordinary general meeting on 17 June 2020.

Directors' Interests in Shares

If all of the Options issued are exercised by Mr Latimore, or his nominees, the following will be the effect on their holdings in the Company and the dilutionary impact on current Shareholders of the Company:

Shareholder	Current Share Holding	% of Total Share Capital (Shares on Issue)	Shares held upon exercise of options ^{1,2}	% of Total Share Capital (Shares on issue) ³
Current Shareholders (other than Mr Latimore)	713,536,422	84.07%	780,536,422	85.04%
Mr Latimore ⁴	135,225,840	15.93%	137,325,840	14.96%
Total	848,762,262	100.00%	917,862,262	100.00%

Notes:

- (1) Assuming that no other Shares are issued
- (2) Assuming that all options currently on issue are exercised (comprising 67,000,000 unlisted options, issued to Directors, Key Management Personnel and the Lead Manager of a recent private placement)
- (3) Assuming that no options currently on issue are exercised (other than the Latimore Options), Mr Latimore's interest would be approximately 16.18%.
- (4) Includes all shares held by Mr Latimore and his associates.

(v) Valuation

The Latimore Options will not be currently quoted on the ASX and as such will have no market value. The Latimore Options each grant the holder a right to subscribe for one Share upon exercise of each Option and payment of the Exercise Price. Accordingly, the Latimore Options may have a present value at the date of their exercise. The Latimore Options may acquire future value dependent upon the extent to which the Shares exceed the exercise price of the Latimore Options during the term of the Latimore Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- the period outstanding before the expiry date of the options;
- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (i.e. readily capable of being liquidated).

The Company sought an independent valuation of the Options. The method used to value the options was the Black Scholes Model, which is the most widely used and recognised model for pricing options. The value of an option calculated by the Black Scholes Model is a function of the relationship between a number of variables,

being the share price, the exercise price, the time to expiry, the vesting condition/s, the risk free interest rate and the volatility of the Company's underlying share price.

Inherent in the application of the Black Scholes Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black Scholes Model was:

- The exercise price of the Options being \$0.07;
- The Share price at the time of issue of the Options, which is estimated to be \$0.06 per Share (being the closing Share price as at 30 September 2020);
- The Expiry Date being 31 December 2022;
- A volatility measure of 70%;
- A risk-free interest rate of 0.1902%; and
- A nil dividend yield,

(Assumed Data).

Based on this information, the Company has adopted an indicative value for the Options of \$0.0214 each. On that basis, and taking into account the Assumed Data, the respective value of the Latimore Options to be issued pursuant to Resolution 4 is \$44,940.

(vi) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

There is no other information known to the Company or any of its Directors that is reasonably required by Shareholders to make a decision with respect to the Resolution save and except as follows:

Market Price Movement

The Latimore Option valuation noted above assumes a market price of the Shares on the date of issue of \$0.06 per share (being the closing Share price as at 30 September 2020). There is a possibility that the market price of the Shares on the date of issue of the Latimore Options will be different to this and that the market price of the Shares will change up to the date of the Meeting.

In the 12 months prior to 30 September 2020, the Company's trading history is as follows:

- the highest trading price was \$0.068 on 22 November 2019;
- the lowest trading price was \$0.027 on 25 March 2020; and
- the VWAP per Share over the 12 month period prior to 30 September 2020 was \$0.052.

Opportunity Costs

The opportunity costs and benefits foregone by the Company issuing the Latimore Options to Mr Latimore, or his nominee, is the potentially dilutionary impact on the issued share capital of the Company (in the event that the Latimore Options are exercised). Until exercised, the issue of the Latimore Options will not impact upon the number of Shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of an experienced and skilled Director on appropriate incentive terms. It is also considered that the potential increase in the value of the Latimore Options is dependent upon a concomitant increase in the value of the Company generally.

Taxation Consequences

No stamp duty will be payable in respect of the issue of the Latimore Options. No GST will be payable by the Company in respect of the issue of the Latimore Options (or if it is then it will be recoverable as an input credit). AASB 2 "Share Based Payments" requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of comprehensive income. Where the issue date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management's assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

Listing Rule 10.11

Listing Rule 10.11 requires an entity to obtain the approval of Shareholders to an issue of securities to any of the following persons:

- a related party;
- person who is, or was at any time in the six months before the issue or agreement, a substantial (30%) holder in the entity;
- a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity (in the case of a trust, to the board of the responsible entity of the trust) pursuant to a relevant agreement which gives them a right or the expectation to do so;
- an associate of a person referred to above; or
- a person whose relationship with the entity or a person referred to above is such that, in ASX's opinion, the issue or agreement should be approved by security holders,

and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

Mr Latimore, being a Director of the Company, is a related party of the Company. Accordingly, because the issue of the Latimore Options will result in the Company issuing securities to a related party, approval under Listing Rule 10.11 is required.

For the purposes of Listing Rule 10.13, the Company advises as follows:

- The maximum total number of Latimore Options to be issued to Mr Latimore, or his nominee, is 2,100,000 Options;
- Mr Latimore is a related party of the Company, as:
 - o he is a director, under Listing Rule 10.11.1; and
 - o he, and entities associated with him, are substantial (10%+) holders in the Company and have nominated a director (Mr Latimore) to the Board pursuant to a relevant agreement which gives him the right to be so appointed (and which was disclosed to Shareholders as part of the extraordinary general meeting held on 17 June 2020), under Listing Rule 10.11.3.
- Subject to Shareholder approval being obtained, a letter of offer for the issue of the Latimore Options will be sent to Mr Latimore (**Offer**). Subject to his acceptance of the Offer, the Latimore Options are intended to be issued as soon as possible following the Meeting, but in any event, no later than one (1) month after the date of the Meeting;
- The Latimore Options are being issued for nil consideration and the terms of the issue are set out in further detail above at section 5.2;
- The purpose of the issue of the Latimore Options is to provide Mr Matthew Latimore with reward and incentive for future services he will provide to the Company to further the progress of the Company.
- No funds are being raised by the issue of the Options; and
- As noted above, as Shareholder approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.
- Details of Mr Latimore's remuneration are set out in section 5.3(a)(iv) above.
- The Latimore Options are not issued under any agreement.

Outcome of voting for and against the Resolution

If the Resolution is passed, the Company will be able to issue the Latimore Options to Mr Latimore (or his nominee) and the Company considers it will be able to remunerate and incentivise Mr Latimore in a manner consistent with other Directors and Key Management Personnel.

If the Resolution is not passed, the Company will not be able to issue the Latimore Options to Mr Latimore (or his nominee) and may either have to consider other, potentially less favourable, options available to it to remunerate and incentivise Mr Latimore or not do so at all.

(b) Voting Restriction

There are restrictions on voting on Resolution 4, by Mr Latimore and his associates and Key Management Personnel and their Closely Related Parties. For additional details please refer to the Voting Exclusion Statements in Resolution 4 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the chairperson will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including these Resolution 4, subject to compliance with the Corporations Act.

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by Resolution 4.

6. Resolution 5 – Ratification of prior issue of Placement Shares (LR 7.1A)

6.1. General

On 3 July 2020, the Company issued 45,000,000 shares at \$0.05 each to raise \$2,250,000 to sophisticated and professional investors pursuant to the Company's capacity under ASX Listing Rule 7.1A (which had been approved by Shareholders at the annual general meeting held on 21 November 2019).

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares under Listing Rule 7.1A.

6.2. ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period as adjusted in accordance with the formula in ASX Listing Rule 7.1A.2.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 5, the base figure (i.e. variable "A") from which the Company's 15% and 10% annual placement capacities are calculated will be a higher number, which in turn will allow a proportionately higher number of securities to be issued in future without prior Shareholder approval. If Resolution 5 is not passed, the Placement Shares will not be counted in variable "A" for a period of 12 months from the date of issue.

6.3. Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 45,000,000 Placement Shares were issued pursuant to ASX Listing Rule 7.1A (Resolution 5);
- (b) the issue price was \$0.05 per Share;
- (c) the Placement Shares were issued on 3 July 2020;
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued to sophisticated and professional investors to whom, under section 708 of the Corporations Act, a disclosure document under Chapter 6D of the Corporations Act was not required to be given, and none of whom was a related party of the Company, at the time of the placement. None of

the recipients of the Placement Shares were a related party, a member of Key Management Personnel, a substantial holder or an adviser to the Company or an associate of any of them [Note: BCB to confirm]; and

- (f) the funds raised under the Placement are intended to be applied towards general working capital.

6.4. Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution 5 as it will enable the Company to have flexibility in respect of future capital raising activities.

7. Resolution 6 – Approval of 10% Placement Capacity

7.1. General

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued ordinary share capital through placements over a 12-month period after the annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the eligible entity's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$50.9 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 30 September 2020, being \$0.06).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or Option, an Option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security. Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

Under the 10% Placement Capacity, the Company must issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: BCB).

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed. If Shareholders approve this Resolution, the exact number of Equity Securities which may be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (**10% Placement Securities**).

7.2. Technical Information required by ASX Listing Rule 7.1A

(a) Calculation for Additional 10% Placement - Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the period of the approval, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or Listing Rule 7.4 (but note that this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval); and

(iv) less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant period where the issue or agreement has not been subsequently approved by the shareholders under Listing Rule 7.4.

(b) Listing Rule 7.1A.3

Equity Securities

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company and issued for cash consideration.

As at the date of this notice of meeting, the class of Equity Securities in the Company quoted on the ASX are ordinary shares. The Company presently has 848,762,262 Shares on issue at the date of this Notice of Meeting.

(c) Information to be given to ASX - Listing Rule 7.1A.4

If Resolution 6 is passed and the Company issues any 10% Placement Securities under Listing Rule 7.1A, the Company must:

- (i) state in its announcement of the issue or in its application for quotation of the 10% Placement Securities that they are being issued under Listing Rule 7.1A; and
- (ii) give to the ASX immediately after the issue a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market).

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 848,762,262 Shares. The Company will have the capacity to issue the following Shares on the date of the Meeting:

- (i) 127,314,339 Shares under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolutions 5 and 6, 84,876,226 Shares under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described above).

7.3. Technical Information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) The period for which the approval will be valid - Listing Rule 7.3A.1

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting; and
- (ii) the time and date of the Company's next AGM; or
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid), or such longer period if allowed by ASX (**10% Placement Capacity Period**).

If approval is given for the issue of the 10% Placement Securities then the approval will expire, on 11 November 2021, unless the Company holds its next AGM or shareholder approval is granted pursuant to Listing Rule 11.1.2 or Listing Rule 11.2 prior to that date.

(b) Minimum Price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2

The issue price for the 10% Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the 10% Placement Securities.

(c) Purpose of Issue under 10% Placement Capacity - Listing Rule 7.3A.3

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration, in which case the Company intends to use funds raised towards any of:

- (iii) an acquisition of new assets or investments (including expenses associated with such an acquisition);
- (iv) continued exploration expenditure on the Company's current assets; and/or
- (v) general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(d) Risk of economic and voting dilution - Listing Rule 7.3A.4

If Equity Securities are issued under the 10% Placement Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities in the class of securities issued under the 10% Placement Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A; and
- (ii) the Equity Securities may be issued under the 10% Placement Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the number of Equity Securities on issue as at 30 September 2020 and the market price as at that date, being \$0.06.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 22 September 2020. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 22 September 2020.

Variable "A" in formula in Listing Rule 7.1A.2		Issue Price		
		\$0.03 50% decrease in issue price	\$0.06 issue price	\$0.12 50% increase in issue price
Current Variable "A" 848,762,262 shares	10% voting dilution	84,876,226	84,876,226	84,876,226
	Funds raised	\$2,546,287	\$5,092,574	\$10,185,147
50% Increase in current Variable "A" 1,273,143,393 shares	10% voting dilution	127,314,339	127,314,339	127,314,339
	Funds raised	\$3,819,430	\$7,638,860	\$15,277,721
100% Increase in current Variable "A" 1,697,524,524 Shares	10% voting dilution	169,752,452	169,752,452	169,752,452
	Funds raised	\$5,092,574	\$10,185,147	\$20,370,294

The table has been prepared on the following assumptions:

- (i) There are currently 848,762,262 Shares on issue. The issue price set out above is \$0.06 which is the closing price on 30 September 2020.
- (ii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iii) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- (iv) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
- (v) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (vi) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (vii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(e) Allocation policy under the 10% Placement Capacity - Listing Rule 7.3A.5

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) Previous issues under ASX Listing Rule 7.1A.2 - Listing Rule 7.3A.6

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at the Annual General Meeting held on 21 November 2019 (**Previous Approval**).

Pursuant to ASX Listing Rule 7.3A.6(a), the Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting. The total number of equity securities issued by the Company under Listing Rule 7.1A.2 in the 12 months preceding the Meeting and the percentage they represent of the total number of equity securities on issue at the commencement of that 12 month period are as follows:

	Equity Securities	
Number of equity securities on issue at commencement of 12-month period	753,295,102	Ordinary Shares
	36,305,160	Quoted Options
	80,052,000	Unquoted Options
	12,000,000	Performance Rights
	881,652,262	Total Equity Securities
Number of equity securities issued under Listing Rule 7.1A.2 in the prior 12-month period	45,000,000	Ordinary Shares
	45,000,000	Total (net) Equity Securities issued
Number of equity securities on issue as at 2 October 2020	848,762,262	Ordinary Shares
	67,000,000	Unquoted Options
	12,000,000	Performance Rights
	927,762,262	Total Equity Securities
Percentage previous issues represent of total number of equity securities on issue at commencement of 12-month period	5.10% increase in Equity Securities	

As required by ASX Listing Rule 7.3A.6(b), details of equity securities issued under Listing Rule 7.1A.2 in the previous 12 months are as follows:

A. Issue of Placement Shares	
Class/Type of equity security	Fully Paid Ordinary Shares
Summary of terms	Shares rank pari passu with all other Shares on issue in the Company
Names of persons who received securities or basis on which those persons was determined	Sophisticated and professional investors who participated in the private placement
Date of Issue	3-Jul-20
Number Issued	45,000,000
Price at which equity securities were issued	\$0.05 per share
Discount to market price (if any)	13.8% discount to the market price
Total cash consideration received	\$2,250,000
Amount of consideration spent and description of expenditure/intended use for remaining consideration (if any)	\$1,621,140 spent to date: - \$1,061,306 Broadmeadow acquisition and associated costs - \$74,268 costs of the Placement - \$150,237 other Exploration & Evaluation (working capital) - \$335,329 Corporate & Administration (including Bus Dev) \$621,140 spent to date: - \$500,000 Broadmeadow environmental and mining studies - \$150,237 other Exploration & Evaluation (working capital)
Total non-cash consideration (current value)	N/A

7.4. Outcome of voting for and against the Resolution

If Resolution 6 is approved by Shareholders then the Company will have the benefit of the 10% Placement Capacity and be able to issue the 10% Placement Securities within the 10% Placement Period.

If Resolution 6 is not approved by Shareholders then the Company will not have the benefit of the 10% Placement Capacity and be unable to issue the 10% Placement Securities within the 10% Placement Period. If necessary, the Company may have to source other methods of fundraising to meet its objectives during this period.

7.5. Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

7.6. Directors' recommendations

None of the Directors have material personal interest in the subject matter of this Resolution. The Board recommends Shareholders vote in favour of this Resolution as it provides the Company with the flexibility to issue further Securities representing up to 10%, in addition to using the Company's 15% placement capacity under Listing Rule 7.1, of the Company's share capital during the next 12 months without shareholder approval.

VOTING INFORMATION

ALL RESOLUTIONS WILL BE BY POLL

In accordance with clauses 13.16 and 13.17 of the Company's constitution, the Chair intends to call a poll on each of the resolutions proposed at the Meeting. Each resolution considered at the Meeting will therefore be conducted by a poll, rather than on a show of hands. The Chair considers voting by poll to be in the interests of the Shareholders as a whole and is a way to ensure the views of as many Shareholders as possible are represented at the Meeting.

HOW TO VOTE

Shareholders may vote by:

- (a) Using the online platform. We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:
- Enter <https://agmlive.link/BCB2020> into a web browser on your computer or online device;
 - Securityholders will need their Securityholder Reference Number or Holder Identification Number, which is printed at the top of the Voting Form; and
 - Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meetings.

Online voting will be open between the commencement of the Meeting at 10.00 am (Brisbane time) on 11 November 2020 and the time at which the Chair announces the closure of voting.

More information about online participation in the Meetings is available in the Online Platform Guide at <https://www.bowencokingcoal.com.au/upcomingagm>.

- (b) Appointing a proxy to attend and vote on their behalf, using the enclosed proxy form.

VOTING BY PROXY

A member who is entitled to vote at the Meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
(b) two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one half of the votes, in which case any fraction of votes will be discarded.

A proxy need not be a member of the Company.

If you require an additional proxy form, please contact the Share Registry, Link Market Services Limited, on 1300 554 474, which will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Share Registry, Link Market Services Limited, no later than 9 November 2020 at 10.00am AEST (that is, at least 48 hours before the meeting). Proxies received after this time will not be accepted. Instructions for completing the proxy form are outlined on the form, which may be returned by:

- (a) posting it in the reply-paid envelope provided;
- (b) posting it to Bowen Coking Coal Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235;
- (c) hand delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000;
- (d) faxing it to Link Market Services Limited on fax number (02) 9287 0309; or
- (e) lodging it online at linkmarketservices.com.au in accordance with the instructions provided on the website. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN) to lodge your proxy form online.

Proxy forms received later than this time will be invalid.

Proxies given by corporate shareholders must be executed in accordance with their Constitutions or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he or she thinks fit.

The Constitution provides that a proxy form issued by the Company may provide that where the appointment of a proxy has not identified the person who may exercise it, the appointment will be deemed to be given in favour of the Chair of the meeting to which it relates or to such other person as the Board determines.

If a Shareholder appoints the Chair of the meeting as the Shareholder's proxy and does not specify how the Chair is to vote on an item of business, the Chair will vote, as a proxy for that Shareholder, in favour of the item on a poll.

GLOSSARY

AEST means Australian Eastern Standard Time

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Wednesday inclusive, except New Year's Day, Good Wednesday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls;
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition closely related party in the Corporations Act.

Company or **Bowen** means Bowen Coking Coal Limited (ABN 72 064 874 620).

Constitution means the constitution of the Company.

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

General Meeting or **Meeting** means the General Meeting of the Company convened by this Notice of Meeting.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or of the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated entity.

Notice or **Notice of Meeting** means this Notice of the General Meeting including the Explanatory Statement and Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Bowen Coking Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Bowen Coking Coal Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEST) on Wednesday, 11 November 2020** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid meeting. You can attend the meeting at **Level 7, Waterfront Place, 1 Eagle St, Brisbane** or you can participate by logging in online at <https://agmlive.link/BCB2020> (refer to details in the Annual General Meeting Online Guide).

Important for Resolutions 1 and 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

1 Adoption of Remuneration Report

For Against Abstain*

☐	☐	☐
--------------------------	--------------------------	--------------------------

2 Re-Election of Blair Sergeant

☐	☐	☐
--------------------------	--------------------------	--------------------------

3 Re-Election of Matthew Latimore

☐	☐	☐
--------------------------	--------------------------	--------------------------

4 Approval for option grant
– Matthew Latimore

☐	☐	☐
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5 Ratification of previous issue of Placement Shares

For Against Abstain*

☐	☐	☐
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6 Approval of 10% Placement Capacity

☐	☐	☐
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

BCB PRX2002N

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. If you leave this section blank, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEST) on Monday, 9 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Bowen Coking Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* in business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**