



24 December 2021

ASX ANNOUNCEMENT

ACQUISITION OF THE BURTON MINE AND LENTON PROJECT

Bowen Coking Coal Limited ('Bowen' or the 'Company') is pleased to announce that it has today signed a binding Share Sale and Purchase Agreement ('SSPA') with New Hope Corporation Limited ('NHC') for the acquisition of 100% of the shares in New Lenton Coal Pty Ltd ('New Lenton') (which currently owns a 90% interest in the Lenton Joint Venture) ('Lenton JV', the 'Acquisition'). This follows the execution of a binding term sheet on 4 August 2021.

Commenting on the Acquisition update, Bowen Executive Chairman Nick Jorss said:

"We are delighted to announce Bowen's entry into the long form, binding share sale and purchase agreement with New Hope for the Burton Mine and New Lenton assets. The Acquisition will be transformational for Bowen and delivers on our strategy to create the next significant coking coal producer in the Bowen Basin. The team has been working very hard to pull together the numerous work streams required to execute these formal documents and we are excited to reach this significant milestone. We are looking forward to capitalising on this great opportunity to create value for shareholders by the acquisition of this significant mine and associated infrastructure at a time of sustained high coking coal prices."

Summary of Lenton JV Assets and Strategic Rationale

The Acquisition is consistent with Bowen's stated strategy of becoming the next significant, independent, multi-mine coking coal producer in the Bowen Basin and provides substantial benefits for Bowen, including the following;

- The Burton and Lenton assets are located in the Northern Bowen Basin, a Tier 1 mining jurisdiction for coking coal, and are adjacent to other Bowen assets;
- The proximity of the assets to existing Bowen assets, including Broadmeadow East and Hillalong, provides us with an opportunity for integration and synergies with existing assets;
- Burton has a proven track record of reliable production operating for over 18 uninterrupted years up until 2016, at which point it was transferred into care and maintenance status;
- Bowen adds Burton and Lenton to its existing portfolio, materially increasing attributable resources to more than 500Mt¹;
- The Burton plant and infrastructure (total capacity of 5.5Mtpa) has a replacement value of more than \$300M. The infrastructure is the only available in the area and provides an opportunity to establish a
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¹ Refer announcement on 4 August 2021



production hub to service other surrounding assets including our own nearby Broadmeadow East, Hillalong, and Carborough projects, subject to agreement with JV Partner, Formosa Plastics Group;

- The Acquisition will cement the long-term and significant production status of Bowen and facilitate the creation of the Burton Complex (Burton, Lenton and Broadmeadow East), which is targeting up to 4.5 Mtpa of long-term Run of Mine production commencing with up to 1Mtpa of Run of Mine production through the Fitzroy processing facility in 2022.

Conditions

Completion of the acquisition by the Company is subject to conditions precedent in which Bowen secures adequate finance to replace the surety under the Queensland financial provisioning regime for resources projects in respect of rehabilitation obligations and entering into a Priority Deed with financiers.

Timing and completion

Completion of the Acquisition is targeted by the end of Q1 2022.

Consideration, inclusive of amounts payable by Bowen at and before completion, is consistent with the prior announcement in relation to the Binding Term Sheet announced on 4 August 2021. The Company now looks forward to finalising funding for the capital and rehabilitation requirements of the Lenton JV projects. Grant Samuel is currently conducting a financing process, focussing primarily on debt funding, on behalf of the Company. The process is well advanced with financial close (subject to satisfaction of CP's) expected by the end of Q1 2022.

The Board of the Company has authorised the release of this announcement to the market.

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The Burton Infrastructure Complex. Source: Bowen Coking Coal.

About Bowen Coking Coal

Bowen Coking Coal Ltd is a Queensland based coking coal exploration Company with advanced exploration and development assets. The Company owns Broadmeadow East (100%), Isaac River (100%), Cooroorah (100%), Hillalong (90%) and Comet Ridge (100%) coking coal projects in the world-renowned Bowen Basin in Queensland, Australia. Bowen is also a joint venture partner with Stanmore Coal Limited in the Lilyvale (15% interest) and Mackenzie (5% interest) coking coal projects. The Company is currently in the process of acquiring 90% of the Lenton Joint Venture which owns the Lenton Project and the Burton Mine in the northern Bowen Basin. The highly experienced Board and management aim to grow the value of the Company's coking coal projects to benefit shareholders by leveraging innovation and maximising the assets and network of the team. An aggressive exploration and development program underpins the business strategy.

Competent Person Statement

The information in this announcement that relates to the Lenton Deposit (ML 70337, MLA 700053 and MLA 700054) and Burton Deposit (ML 70109 and ML 70260), is based on information compiled and reviewed by Mr Troy Turner, who is a Member of the Australian Institute of Mining & Metallurgy. Mr Turner, Managing Director and a fulltime employee of Xenith Consulting Pty Ltd, has sufficient experience that is relevant to the styles of mineralisation 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 his information in the form and context in which it appears.

Forward-Looking Statements

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding the Company's Mineral Resources, exploration operations and other economic performance and financial conditions as well as general market outlook. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in coal prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of the Company, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.