



26 April 2022

ASX ANNOUNCEMENT

US\$55 million corporate debt facility

Bowen Coking Coal Ltd ("Bowen" or "Company") is pleased to announce it has signed mandate documentation including an indicative terms sheet with Taurus Mining Finance Fund No. 2 L.P. in relation to the provision of debt financing to support the Company's capital requirements. The debt financing will mark an important milestone in the Company's transition to coal production, with significant strides made in recent months to operationalise its key development assets.

The new debt facility contemplated by the mandated documentation is proposed to be senior secured with an aggregate limit of US\$55 million (circa A\$76 million). The facility is intended to be utilised for capital expenditure, general working capital and expenses incurred in recommissioning the Burton CHPP, developing the Burton and Broadmeadow East projects and operating the Bluff Mine. The facility is proposed to be structured as an amortisable term loan with an initial term of 18 months. Importantly, the facility proposes no financial maintenance covenants, thereby giving BCB financial flexibility as it ramps up production across its development assets. The facility is proposed to have a coupon rate of 8%, royalties in relation to the sale of coal production from Bluff and the Burton Complex and establishment fees customary for a facility of this nature. Completion of the financing is subject to final credit approval inclusive of satisfaction of material commercial conditions precedent (including due diligence) and completion of detailed documentation.

Nick Jorss, Executive Chairman, said *"The new debt facility will provide Bowen Coking Coal with an expedited pathway to develop its northern Bowen Basin coking coal assets including the Burton Complex following the successful commencement of mining at Bluff earlier this month. The funding to refurbish the CHPP will allow us to unlock significant value at the Burton Mine which we are in the process of acquiring for a near-term start-up. The centralised CHPP will have total processing capacity of up to 5 million tonne per annum and will provide us with an ideal location to wash coal from our other nearby coking coal projects. Taurus has a strong track record of supporting miners in the Bowen Basin and we welcome them as financing partners for Bowen's exciting projects"*.

The Company is in advanced negotiation to finance its share of ~A\$68.4m for surety in respect of the rehabilitation obligations of the Burton Mine¹.

¹ See ASX Release 4 August 2021 Transformational Acquisition of Burton Mine and Lenton Project and 29 December 2021 Acquisition of the Burton Mine and Lenton Project.



Bowen Coking Coal is being advised by Grant Samuel as its financial adviser and G+T as its legal counsel.

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

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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.