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23 November 2015

Market Announcements
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney
NSW 2000

Bathurst Resources Limited

**Chairman's Address
2015 Annual General Meeting**

The Board of Bathurst Resources Limited (ASX: BRL "Bathurst") is pleased to enclose the Chairman's Address for the 2015 Annual General Meeting.

Yours sincerely
Bathurst Resources Limited

A handwritten signature in black ink, appearing to read "Bill Lyne", with a horizontal line underneath.

Bill Lyne
Company Secretary

Chairman's Address

In my first year as chairman it's been a time of many changes. We virtually have a whole new board and a new direction for the company. We have faced the reality of falling commodities prices and reorganised and restructured our operations accordingly. We have embarked on a clear strategy of diversifying risk, driving cost efficiencies and implementing productivity improvements to strengthen our cash balance. And that strategy is working.

We now have a robust business based on our domestic operations in the South Island which can support the company until such time that we can bring our export coking coal project into full development, which still remains a key focus.

We were pleased to finish the financial year with a cash positive quarter. While the company made a net loss after tax of \$16.4 million to 30 June 15, this compares with a net loss after tax of \$189.9 million for the period to 30 June 2014. We reported a positive cash flow from operations of \$1 million in FY15 compared with an operating cash outflow of \$16.7 million for the same period last year. And our net debt decreased from \$4.7 million at the end of June this year to nil by the end of the September quarter.

This financial performance is particularly pleasing, particularly given the challenging conditions facing the mining sector today. Many of our previous peers are now dealing with financial difficulties or are simply no longer in business, and even some major global coal companies are finding themselves in similar situations.

Most importantly, we are proud to have recorded another year with no significant injuries or environmental incidents reported. This is a result of the continued efforts from board and management and the whole Bathurst workforce to entrench a culture of safety above all else across all of our operations.

In closing, I would like to acknowledge the efforts of my fellow directors, management and staff, and note the contribution made by those board members who resigned or retired during the past year – Dave Frow, Rob Lord, Hamish Bohannon and Malcolm Macpherson. I would also like to offer condolences to the family of Graham Anderson, our previous company secretary, who passed away earlier this year.

On behalf of the board, I would also extend our appreciation to our shareholders for their continued support.

We have emerged from challenging period in a strong position and I am confident that the company is now well placed to deliver on our strategic imperatives in the year ahead.