

BOUNTY MINING LTD (ASX:B2Y) BOWEN BASIN MINING CLUB

27TH SEPTEMBER 2018



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27TH SEPTEMBER 2018

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This Presentation should be read in conjunction with Bounty's other announcements, which are available at www.bounty.com.au

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METALLURGICAL COAL

Resources and Energy Quarterly June 2018



1st
Australia is the largest exporter of metallurgical coal



About **800kg** of metallurgical coal, is needed per every tonne of steel produced



Metallurgical coal is a non-substitutable raw material in the production of steel from iron ore.

Australia accounts for around **17%** of world production

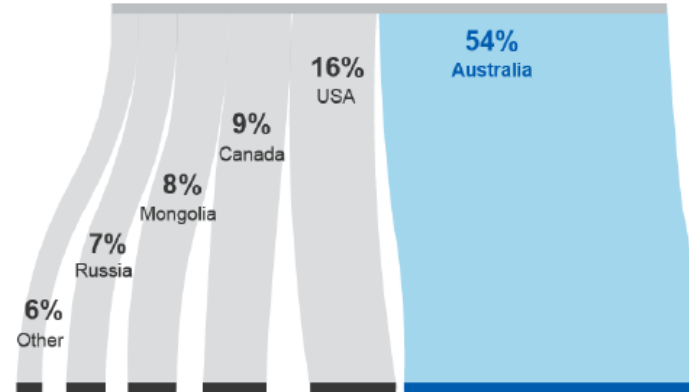


There is more than **200 tonnes** of metallurgical coal in every wind turbine

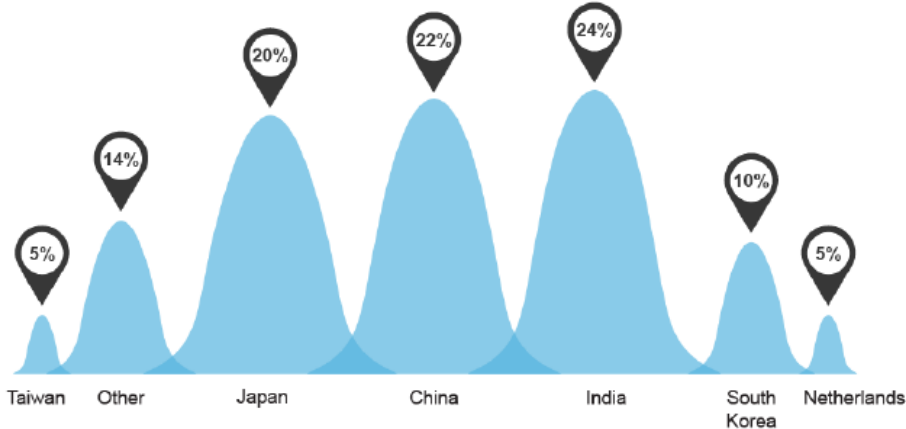


177 million tonnes exported in 2016–17 valued at **\$35 billion**

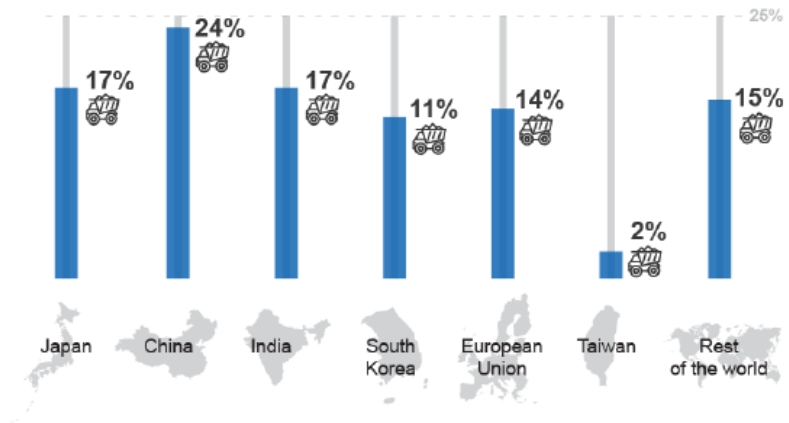
Share of world metallurgical coal exports, 2017



Australia's metallurgical coal key export destinations, 2016–17



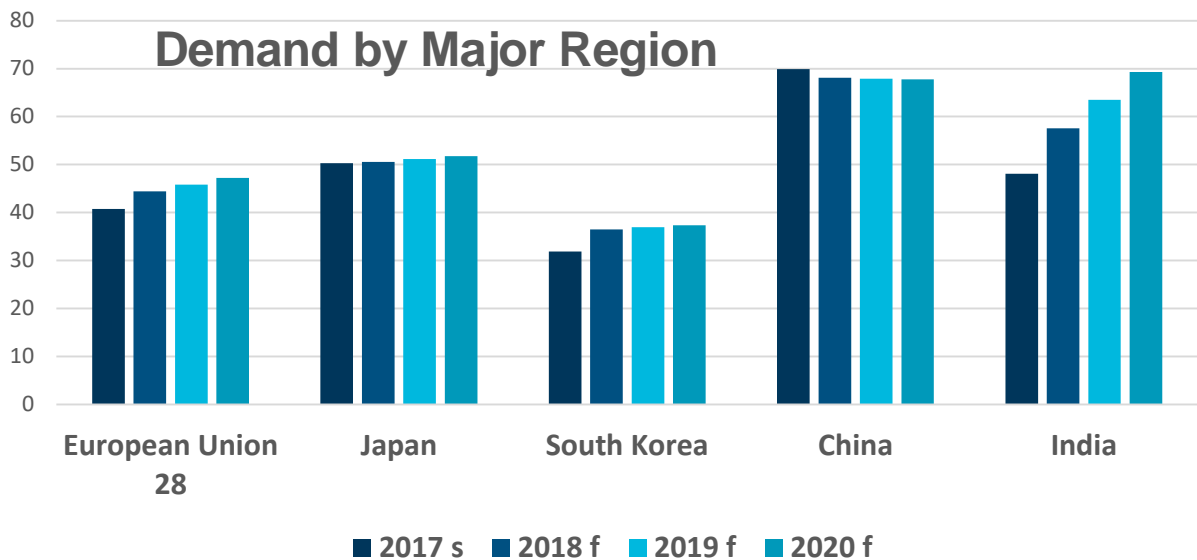
Share of world metallurgical coal imports, 2017



METALLURGICAL COAL GROWTH



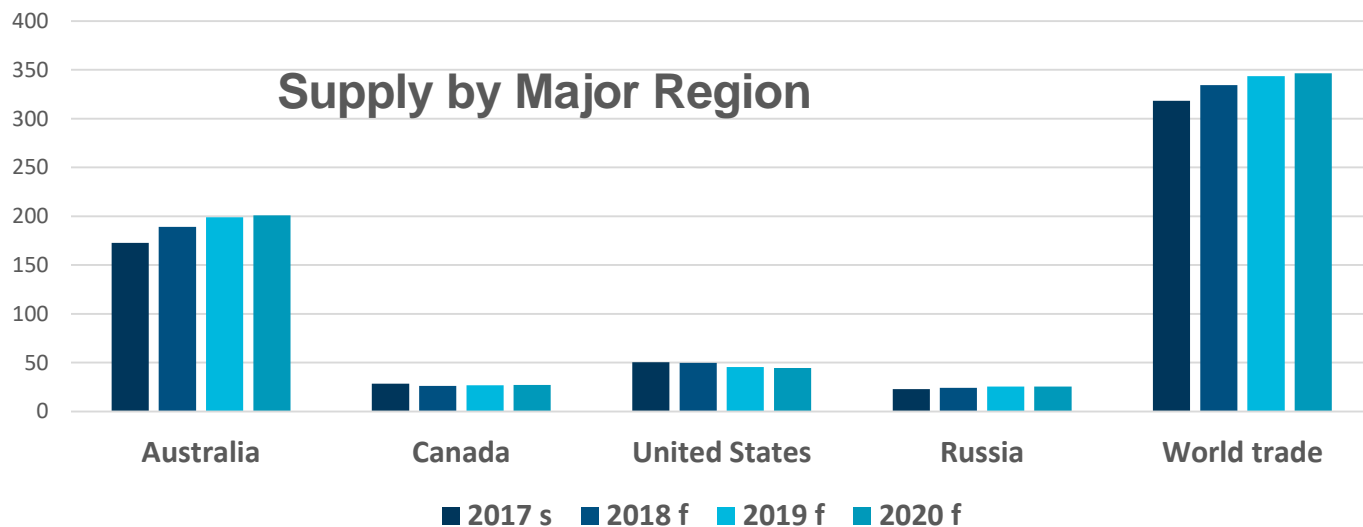
Demand by Major Region



World Trade

2017 – 318 million tonnes
 2018 f – 334 million tonnes
 2019 f – 343 million tonnes
 2020 f – 346 million tonnes
 June Quarter 2018 Forecast

Supply by Major Region



5 year Vision – to be a 5 mtpa coal producer

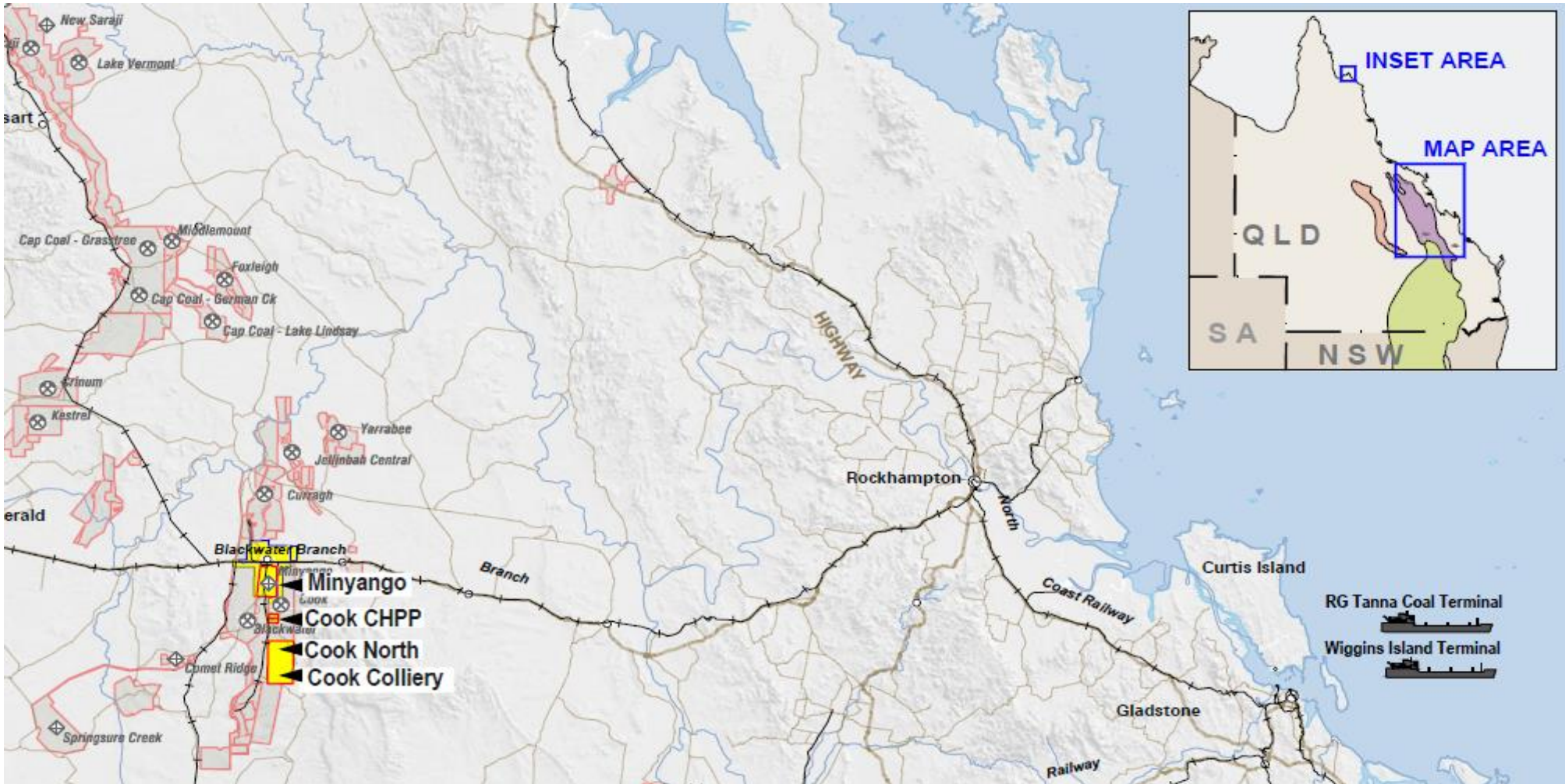
Proud to be a profitable, exemplary mid tier Australian Coking Coal miner and developer. Our goals are:

- **2.2 mtpa rom run rate by 2019 from Cook Colliery;**
- **2.5 mtpa rom from Cook North by Dec 2020;**
- **Develop Minyango, Wongai and other opportunities**

Mission

To operate and grow a safe, sustainable and responsible mining operation, while delivering value to our shareholders and employees.

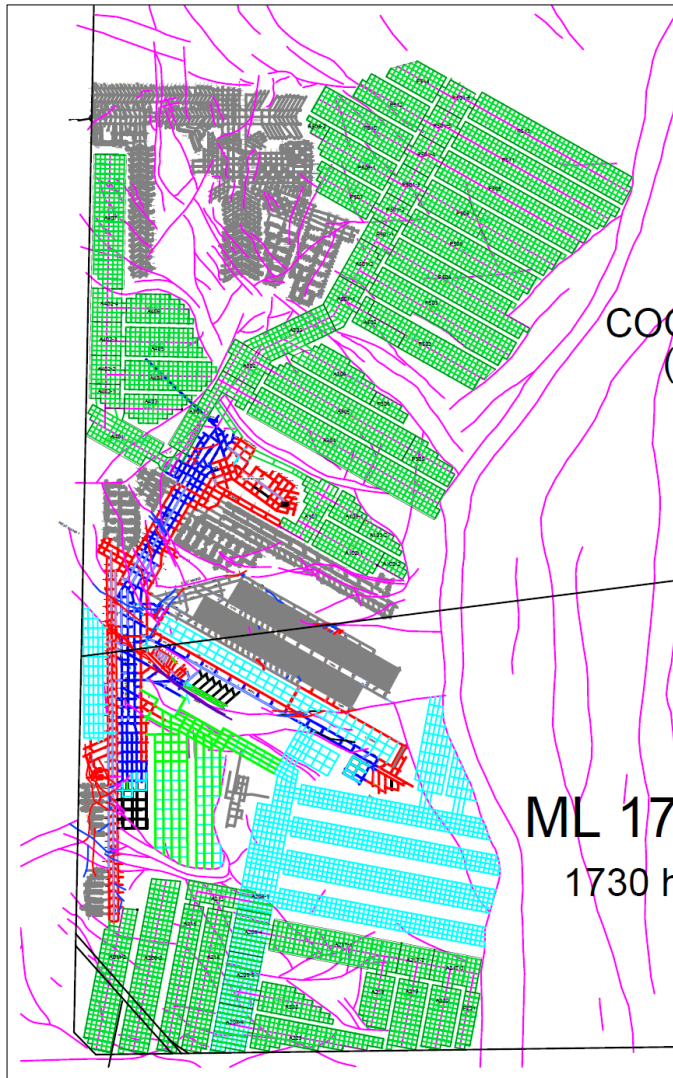
MAJOR PROJECTS



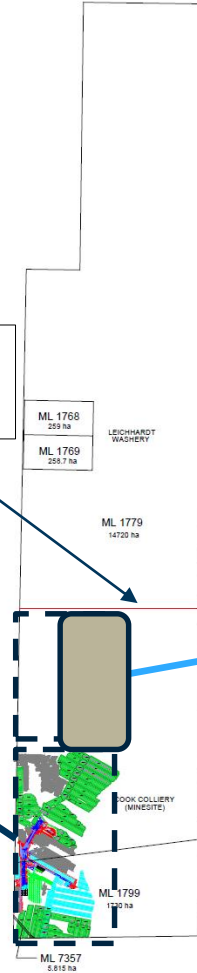
BOUNTY COOK TENEMENTS AND MINE PLAN



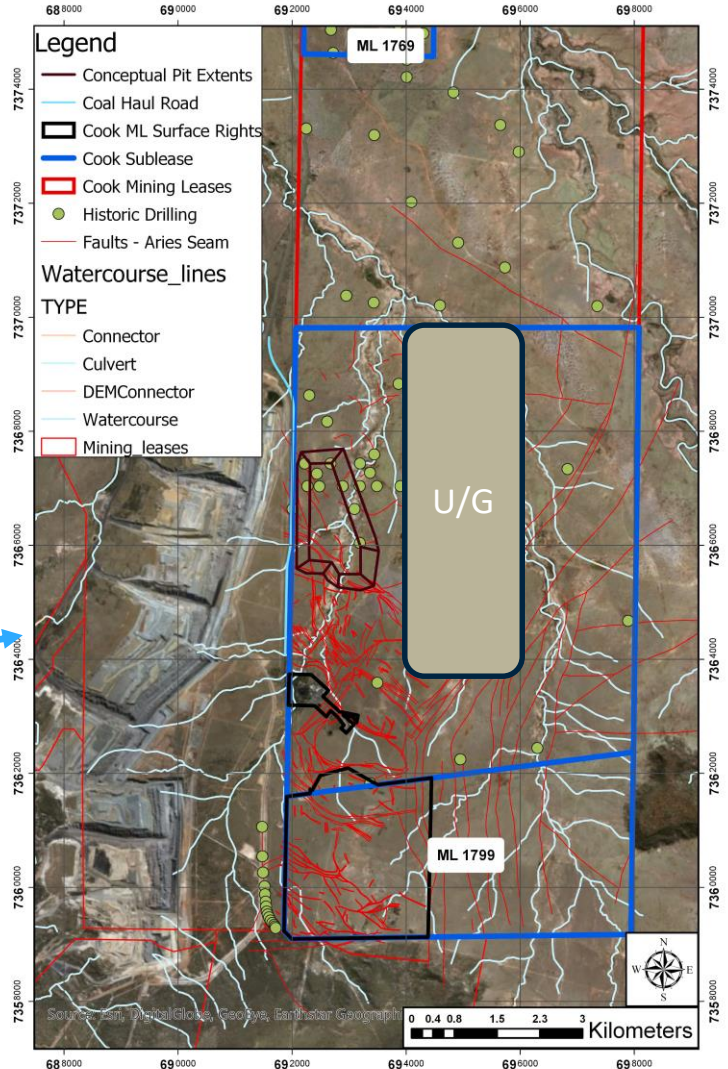
Cook Colliery



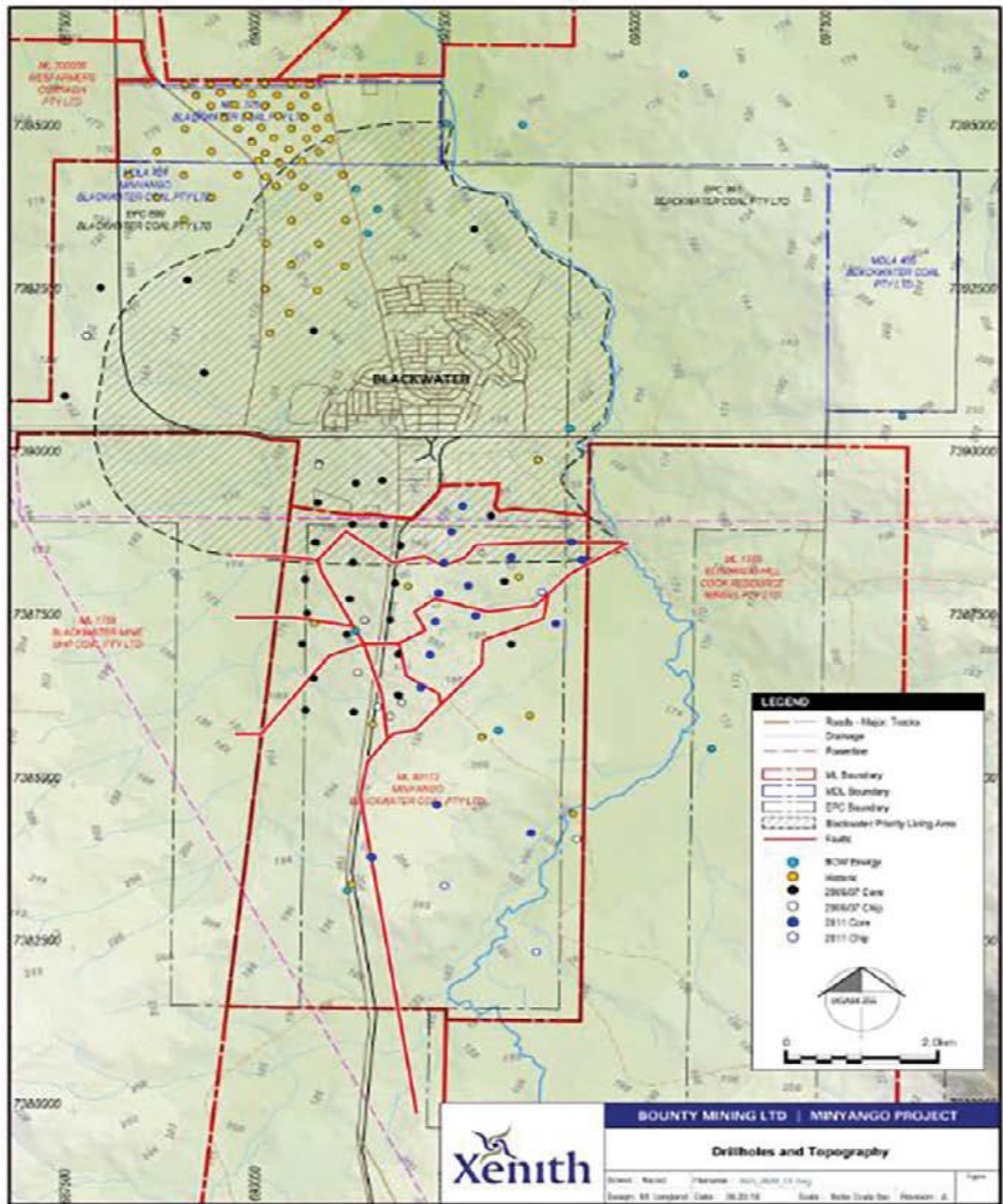
Sublease boundary



Cook North



BOUNTY MINYANGO TENEMENTS



BOUNTY ACHIEVEMENTS

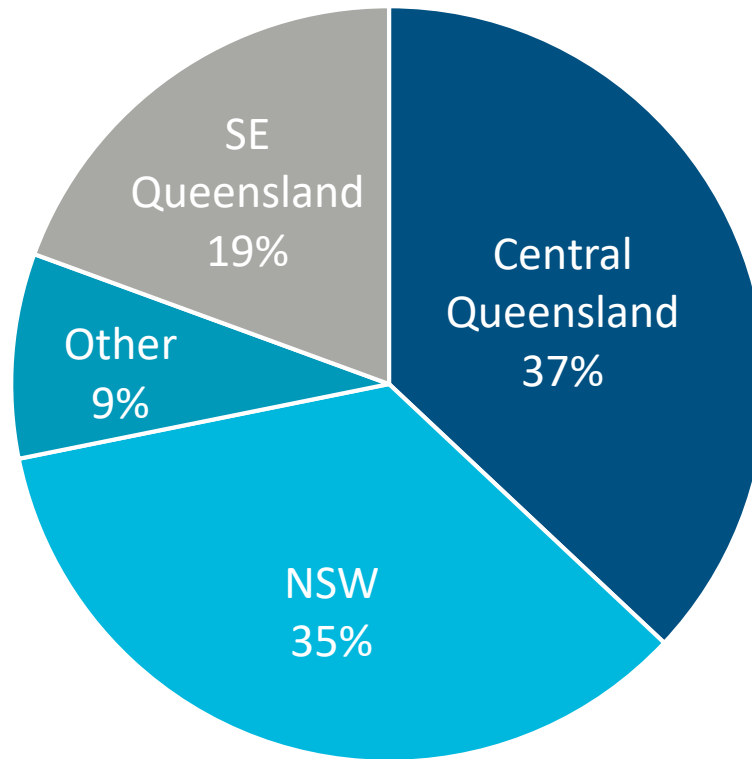
BOUNTY

- Mine restart on 24th January
- First coal railed 8th April
- ASX listing completed on 19th June 2018
- Three development units now operating underground
- Sumping unit started in September
- Coal price remains strong
- Australian dollar falling
- Rail loop upgrade to full size trains
- Coal offtake agreements with two major customers in place to December 2019
- Bluff toll washing agreement executed



GEOGRAPHIC SPREAD OF SERVICES

BOUNTY



Ramp Up Total Expenditure Since January - \$64 million

MAJOR SERVICE PROVIDERS

- **UGM – equipment and labour services, Mackay and Newcastle**
- **ABM - labour services, Emerald**
- **Whisper, ventilation services, Emerald**
- **LCR – equipment and labour services, Blackwater**
- **JA Engineering - engineering services, Rockhampton**
- **Swansons – equipment supplies, Mackay**
- **Cougar – equipment supplies, Emerald**
- **Southcotts – equipment supplies, Emerald**
- **HEME – equipment supplies, Emerald**
- **Fleet Industries – QDS equipment, Yeppoon**
- **Core Fleet – light vehicles, Blackwater**
- **Qantac – camp accommodation, Blackwater**
- **Town and Country – Cleaning services, Blackwater**

PRODUCTION HIGHLIGHTS

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- **250 staff and contractors;**
- **Mined 222,000 tonnes since 24th January 2018;**
- **CHPP**
 - **Total Plant Feed is = 223,633t**
 - **Total Coking Product = 158,866t**
 - **Total Thermal Product = 29,397t**
 - **Average Plant Yield = 83%**
 - **Average Split to Coking Coal = 85%**
- **Coal Railings**
 - **Coking = 141,548t**
 - **Thermal = 32,337t**

COOK MINE & PROCESSING PLANT

BOUNTY

A Valuable Asset With Growth Potential

The major mine and Cook CHPP infrastructure includes:

- existing underground mine with fans, rising conveyors, access drift, electricity supply, workshop, warehouse, run of mine stockpile infrastructure, administration building and bathrooms to accommodate a mining rate in excess of 2.2Mt per annum;
- paved 14 km internal haulage road from Cook Colliery to the Cook CHPP;
- Major upgrade program completed in 2015. The upgrade included the installation of a new run of mine feed system, new coal fines recovery circuit and two new screen bowl centrifuges to achieve a nameplate capacity of 500 tonnes per hour, or 3.5 mtpa with capacity to expand to 5 mtpa;
- rail loop, train loading and associated rail infrastructure immediately adjacent to the Cook CHPP; and
- two active tailings storage facilities.



SUMPING MACHINE HEADING UNDERGROUND



CONTRABAN

The following items are PROHIBITED from use underground:

- MATCHES or CIGARETTE LIGHTERS
- CIGARETTES or PIPE or TOBACCO
- BAKED FLAME
- ANY ITEM CAPABLE OF CREATING A SPARK OR FLAME when in motion

The following items may not be taken underground:

- BATTERIES unless in a device approved for use underground
- ANY ELECTRIC DEVICES unless approved for use underground
- ANY FLAMMABLE SUBSTANCES unless approved for use underground
- SPIRIT DRINKS unless approved for use underground

WARNING: Please check all your personal possessions and all other equipment before entering the underground.

MINIMUM LOAD ON MAIN TRAILER

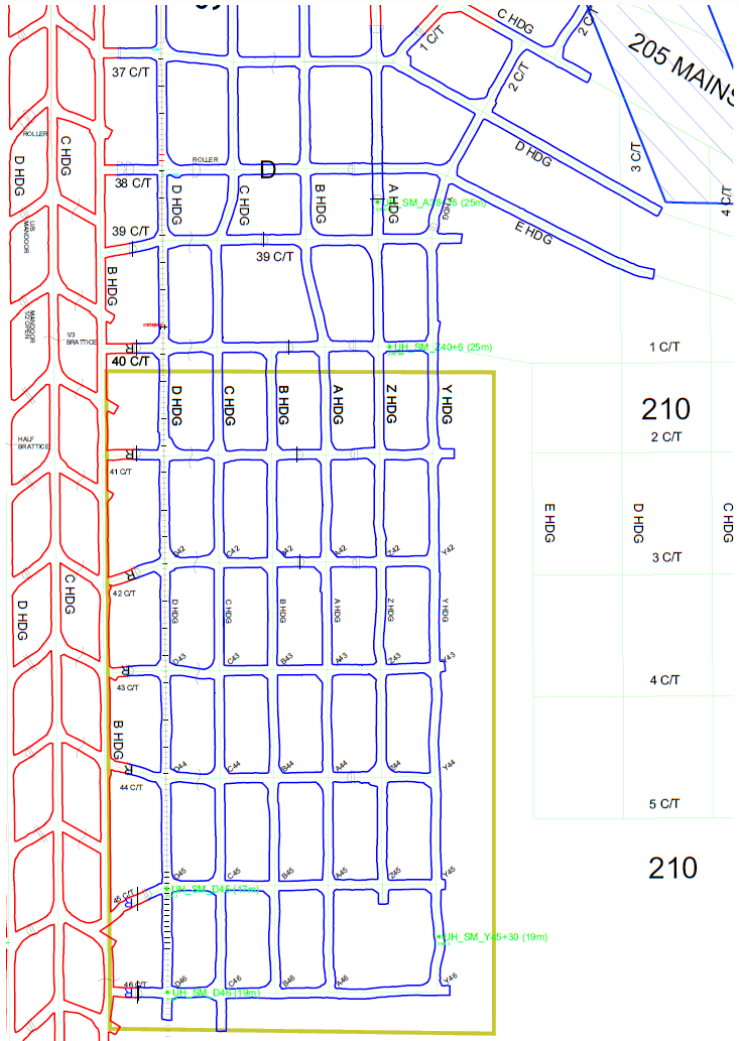
10000 kg

10000 kg

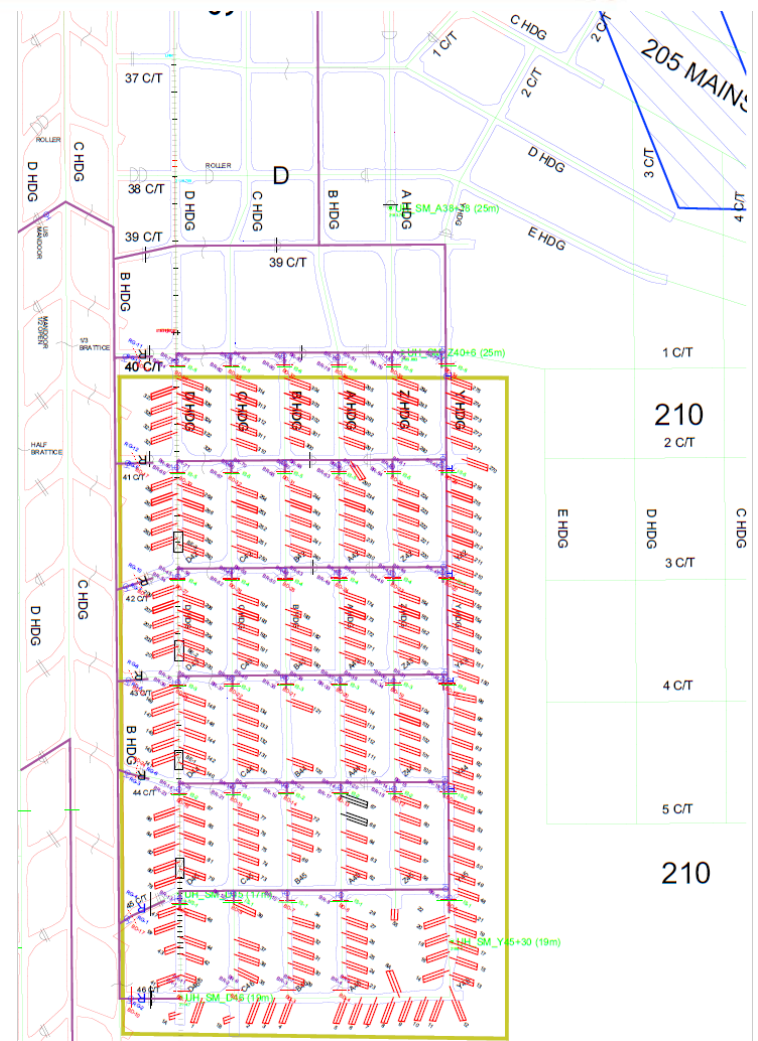
10000 kg

10000 kg

SUMPING INVENTORY



South Mains completed first workings (in blue)



South Mains Sumping Inventory (in red)

CONTACT

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