

APPENDIX III

COMPETENT PERSON’S REPORT



Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
		<ul style="list-style-type: none"> <li>- OC4 = 97% and 6.1%.</li> <li>- WS2L recovery and total moisture of:                             <ul style="list-style-type: none"> <li>- OC1 = 98% and 7.5%;</li> <li>- OC2 = 98% and 8.3%;</li> <li>- OC3 = 95% and 8.3%;</li> <li>- OC4 = 98% and 7.5%.</li> </ul> </li> <li>- WS1L dilution of -0.9%.</li> <li>- WS2L dilution of 1.4%.</li> <li>- Inferred Resources are not included in the estimate of Coal Reserves. Inferred Resources are included in the Life of Mine Plan however RPM anticipate that exclusion of this coal would not impact on the outcomes of the study.</li> </ul>	<ul style="list-style-type: none"> <li>- The quality defaults assigned to the UG2 floor were assumed to be relative density of 1.54 t/m<sup>3</sup>, ash of 31%;</li> <li>- Relative density data in the geological model is based on assumed in-situ moisture of 6%, while all qualities are based on air-dried moisture gridded values;</li> <li>- Preston &amp; Sanders has been used in the estimation of in situ moisture; and</li> <li>- RPM has assumed that ROM moisture will be 8%, and product moisture will be 9%.</li> <li>- Inferred Resources does not exist within the UG LOM plan footprints.</li> </ul>
		<ul style="list-style-type: none"> <li>- All necessary infrastructure is in place and operational for the current planned operations. Additional haul roads will be required as the open cut mine advances.</li> </ul>	<ul style="list-style-type: none"> <li>- All underground coal at Moolarben bypasses the CHPP and is sold as an unwashed product.</li> <li>- Underground ROM coal transferred to the surface is delivered to a 100,000 t ROM coal stockpile located to the north of the boxcut. Coal from the stockpile is transferred to the UG product stockpile via secondary and tertiary sizers at a nominal 50 mm top size.</li> </ul>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>- The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>- Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>- The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical dominating applied and the corresponding metallurgical recovery factors applied.</li> <li>- Any assumptions or allowances made for deleterious elements.</li> <li>- The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</li> <li>- For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>- All open cut coal at Moolarben is washed at a dedicated CHPP using dense medium cyclones, spirals and froth flotation.</li> <li>- The coal processing plant has been in operation for six years and uses standard industry technology.</li> <li>- Product coal quantities and quality is estimated based the results of slim core test work which is included in the quality model. The following factors are applied to modelled yield and product ash to allow for plant efficiencies:                             <ul style="list-style-type: none"> <li>- 93% yield factor; and</li> <li>- 1.4% ash addition.</li> </ul> </li> <li>- Washed product moisture is based on shipping data collected at the port of Newcastle. For the washed open cut products the assumed moisture is:</li> </ul>	

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		<ul style="list-style-type: none"> <li>- 9.5% for WS1L and A1; and</li> <li>- 11% for WS2 and ELW.</li> </ul> <ul style="list-style-type: none"> <li>▪ The six years of operational plant data supersedes bulk scale test work.</li> </ul>	
		<ul style="list-style-type: none"> <li>▪ No allowance has been made for deleterious elements.</li> </ul>	
Environmental	<ul style="list-style-type: none"> <li>▪ <i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ An Environmental Impact Statement has been prepared and the necessary environmental approvals obtained.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Panel layout is impacted by the location of “The Drip” on the Goulburn River. The mine is further bounded by Ulan Road, Goulburn River National Park and the old Goulburn River Valley paleochannel. In particular the significance of “The Drip” has resulted in a 500 m standoff being required from the Goulburn River so that there are no subsidence impacts.</li> <li>▪ Additionally, several archaeological sites are located above the workings. The approved design accounts for their locations, including the use of a mini-wall to negotiate a cliff line.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>▪ <i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All necessary approvals are in place for OC1, OC2, OC3 and OC4.</li> <li>▪ Waste rock characterisation results and operational experience indicates that the waste rock is non-acid forming and does not require special placement requirements or procedures in the dumps.</li> <li>▪ Coal reject produced from the coal washing process is buried in the pit with the open cut waste rock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All the necessary infrastructure is in place and operational for the current operation and it is suitable for the current and future production projections.</li> <li>▪ Additional haul road development may be required as the open cut mines progress</li> </ul>
Costs	<ul style="list-style-type: none"> <li>▪ <i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i></li> <li>▪ <i>The methodology used to estimate operating costs.</i></li> <li>▪ <i>Allowances made for the content of deleterious elements.</i></li> <li>▪ <i>The source of exchange rates used in the study.</i></li> <li>▪ <i>Derivation of transportation charges.</i></li> <li>▪ <i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i></li> <li>▪ <i>The allowances made for royalties payable, both Government and private.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>▪ All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>▪ Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>▪ Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>▪ State government royalties are included in the estimate.</li> <li>▪ RPM reviewed all costs and they are considered reasonable.</li> </ul>	

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Revenue factors	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>	
Market assessment	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>A Marketing Study has not been reviewed however markets are well established for the mine's coal products. The projects typically produce a range of thermal coal products including:                             <ul style="list-style-type: none"> <li>Low Ash Thermal 18% ash (ad), and</li> <li>High Ash Thermal 27% ash (ad).</li> </ul> </li> <li>The Underground operation produces a bypass Low Ash Thermal product.</li> <li>Based upon these products and specifications, RPM anticipates no foreseeable issues in demand for these products</li> </ul>	
Economic	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> <li>The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> </ul>	
Social	<ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>Native Title has not been extinguished for some areas (including crown land and water ways) and Native Title may still exist. The majority of the Assets holdings are however not subject to native title and future material risk associated with currently approved projects is not anticipated as a result of Native Title. Moolarben has recently purchased land and now owns all land in the current proposed mining areas.</li> </ul>	
Other	<ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:                             <ul style="list-style-type: none"> <li>Any identified material naturally occurring risks.</li> <li>The status of material legal agreements and marketing arrangements.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation's viability.</li> </ul>	

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<ul style="list-style-type: none"> <li>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</li> </ul>	<ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>Classification of Coal Reserves has been derived by considering the Measured and Indicated Resources and the level of mine planning.                             <ul style="list-style-type: none"> <li>For OC1, OC2 and OC4 pits, Measured Coal Resources are classified as Proved Coal Reserves and Indicated Resources classified as Probable Coal Reserves, as the pits are currently operating and the level of mine planning is considered adequate to support this level of certainty in the Reserves estimate.</li> <li>At the southern end of OC3, all Coal Reserves are classified as Probable for both Measured and Indicated Resources, primarily due to limited sub-crop drilling.</li> <li>For UG1 and UG4, Measured Coal Resources are classified as Proved Coal Reserves and Indicated Resources classified as Probable Coal Reserves, as the level of mine planning is considered adequate to support this level of certainty in the Reserves estimate. One small area in UG1 has Probable Coal Reserves derived from Measured Resources, due to potential igneous intrusion. This amounts to 0.4 Mt.</li> <li>UG2 Coal Reserves are classified as Probable as there is only Indicated Resources in this area.</li> </ul> </li> <li>The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>The result reflects the Competent Persons’ view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Internal peer review of the Reserves Report has been completed.</li> <li>The pit shells are supported by a large proportion of Measured Coal Resources.</li> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy. Open cut product coal is produced washed coal.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate. Moolarben has an</li> </ul>
<ul style="list-style-type: none"> <li>Audits or reviews</li> </ul>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>Internal peer review of the Reserves Report has been completed.</li> </ul>	<ul style="list-style-type: none"> <li>Internal peer review of the Reserves Report has been completed.</li> </ul>
<ul style="list-style-type: none"> <li>Discussion of relative accuracy/ confidence</li> </ul>	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global</li> </ul>	<ul style="list-style-type: none"> <li>The pit shells are supported by a large proportion of Measured Coal Resources.</li> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy. Open cut product coal is produced washed coal.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate. Moolarben has an</li> </ul>	<ul style="list-style-type: none"> <li>The pit shells are supported by a large proportion of Measured Coal Resources.</li> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy. Open cut product coal is produced washed coal.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate. Moolarben has an</li> </ul>



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	<p><i>or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <ul style="list-style-type: none"> <li><i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></li> <li><i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<p>ongoing reconciliation process aimed at testing the appropriateness of the assumed Modifying Factors for the mine.</p> <ul style="list-style-type: none"> <li>Geotechnical studies have been completed for the site.</li> </ul>	

**RPM**GLOBAL

JORC Code Disclosure Requirements

**Ashton**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Brendan Stats on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><b>Sampling techniques</b></p>	<ul style="list-style-type: none"> <li>▪ Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>▪ Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>▪ In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Industry standard HQ triple tube core holes (61 mm diameter) have been drilled from the surface, while intra-mine exploration interseam holes (IS series) coring from below the Pikes Gully seam and Upper Liddell seam mining horizons were completed using industry standard NMLC triple tube barrels (51.8 mm diameter) both employing wireline methods to recover whole cores of coal.</li> <li>▪ Historically, in pre-Ashton Coal series drillholes, sampling strategies varied according to the series of holes drilled with core sampled into plies and working sections based on a systematic sampling strategy linked to the correlation of the individual seams named at that time. Recently, (from 2012 onwards) the core was sampled into coal and non-coal and instructions issued to the laboratory. In the recent holes drilled by Ashton Coal, White Mining Limited (WML) and White Mining Limited Core (WMLC) series the coal quality sampling was conducted in the field and the intervals selectively sampled.</li> <li>▪ Open hole drilling acquired chips sampled in 1 m intervals.</li> <li>▪ A standard suite of downhole geophysical logs were acquired in all holes used in the model (including; caliper, natural gamma and density), with some holes also logged with resistivity, sonic, neutron, borehole televiewer and verticality).</li> <li>▪ Geophysical logs were acquired to supplement the geological description of the cores and to ensure that the core recoveries were satisfactory (&gt;/= 95%) and to assist with correlation of the various seams present. All surface core holes and open holes used in the model have been geophysically logged. Historically, (prior to 2007) geophysical logs were acquired either by Wootmac or Rutherford. Since 2008, most drillholes have been geophysically logged by Groundsearch Australia. Regular calibration of geophysical logging tools is standard practice for logging companies.</li> <li>▪ All intra-mine (IS series) core holes were not geophysically logged however core recovery is recorded in logging and core photos taken.</li> </ul>
<p><b>Drilling techniques</b></p>	<ul style="list-style-type: none"> <li>▪ Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Both wireline coring (HQTT – 61 mm diameter and NMLC – 51.8 mm diameter) and non-core slim hole drilling have been conducted across the deposit. Historically, WML primarily used rotary air blast with percussion hammer bits to drill the non-core holes and the pre-</li> </ul>

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		<p>collars sections of core holes, with some mud rotary drilling near areas containing shallow alluvial cover.</p> <ul style="list-style-type: none"> <li>All surface and intra-mine IS series exploration holes have been drilled and cored vertically with no HQT or NMLC core oriented. However, deviation data has been acquired by geophysical logging but is only available for surface exploration holes. Maximum horizontal deviation in the Yancoal Australia Limited (Yancoal) series holes was up to 8.6 m over 250 m depth (in YancoalO-009). On this basis it was decided that the drill dataset did not require correction for verticality and all holes have been modelled vertically.</li> <li>The tenement area includes 297 holes of which 12 were drilled by Yancoal Australia Limited (Yancoal) (10 non-core holes and 2 core holes). Of the 285 historical drillholes drilled prior to Yancoal ownership, 142 were cored for coal quality, geotechnical studies and gas and 143 were non-core structure holes.</li> </ul>
<p><i>Drill sample recovery</i></p>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>The documentation and reporting does not describe the methods of recording and assessing core recoveries, nor does it describe the measures taken to ensure sample representivity. Best practice in the coal industry requires that the coal core is matched to the geophysical logs and depth corrected prior to sampling ensuring that there are no depth misalignments and to establish core losses prior to sampling to determine if the core recovery is satisfactory (preferably &gt;95% recovery) to sample and conduct coal quality testing.</li> <li>In selecting drillholes suitable for use in developing the 2014 geological model, Geos Mining conducted a review of the historical core data on a seam by seam basis, and some seam quality data was excluded where the sample did not meet minimum acceptable core recovery criteria of 80% volumetric or 95% linear recovery where sample mass information data was not available.</li> <li>For the IS series holes (no geophysics) spot checks of core photos to determine whether the mass recovery determined by the lab are acceptable were conducted by Geos Mining. Geos Mining commented that the mass recovery may have generally overstated the core loss sample intervals, and that these values become unacceptable in cases where the laboratory reported values of less than 80% volumetric recovery. Recommended compare the seam graphic section with surrounding geophysical logged holes to assess likely recovery of core relative to the stone partings to determine whether the core is valid.</li> <li>It is not expected that there is a sample bias due to preferential loss/gain of material. Coal seams range from bright banded to dull so preferential loss of bright coal could occur although drilling methods would try to minimise losses in these zones.</li> </ul>
<p><i>Logging</i></p>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature.</i></li> </ul>	<ul style="list-style-type: none"> <li>All drill cuttings and core from the WML historical drillholes were qualitatively lithologically described on hand written geological record sheets and then later encoded into the computer using Prolog software initially by WML’s geologists, then later by Earthdata personnel. The computer files were uploaded into computer geological databases for modelling. Yancoal have adopted a similar methodology.</li> </ul>

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<p>Core (or costean, channel, etc) photography.</p> <ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Logging of chip and core samples is detailed and includes a record of the recovery of the total length and the drilled core length, lithology type, lithology descriptions to describe the sample in terms of colour, grain size, bedding and bedding spacing, bedding dip, mechanical state, weathering, bedding relationship, structure, dip of structures, mineral forms and there associations, primary bedding forms, sedimentary contacts, defects and spacing, all of which is entirely sufficient to describe the various lithologies and coal samples to support the Coal Resource estimation from a geological, geotechnical and coal quality consideration. All Yancoal core was photographed. Geos Mining determined that 40 historical WML and WMLC core holes contain core photos and 30 do not. All of the WMLC300-series holes contain core photography. The lack of core photos for the earlier WMLC holes is not considered to have a material impact upon the Resource estimation.</li> <li>Assessment of the geological and geotechnical logs indicate they have been logged to a level of detail to support appropriate Coal Resource estimation and mining studies.</li> </ul>	<ul style="list-style-type: none"> <li>The entire core thickness was used in sampling (sawing, quarter or half sampling of core is not a standard sampling technique in coal exploration).</li> <li>No non-core samples were used in the database/model/Resource estimate.</li> <li>The core sampling protocol followed by WML was to sample the “cleanest” coal intervals based on visual examination and sample stone partings separately using a 0.30 m minimum parting thickness limit. Roof and floor sub-samples were also taken. The nature, quality and appropriateness of these core sampling procedures was not documented but are expected to have been to an industry standard sampling the entire core section/ply/sub ply into plastic bags with some form of identification. No sample preparation takes place outside the laboratory.</li> <li>No coal core duplicates are taken as the analysis methods for coal require the whole cylindrical seam section for analysis. Sub-sampling of the sampled core is part of the treatment procedure at the laboratory where a portion of the sample is reserved for the purpose of sample analysis checks and or additional testing. The laboratories (SGS Australia, Carbon Consulting International Pty Ltd and currently Bureau Veritas) follow Australian Standards methods and are all NATA accredited.</li> <li>The core size of 61 mm for surface holes and 51.8 mm for intra-mine (IS series) provide sufficient sample to conduct the typical proposed testing program. Significantly the coal industry standard for core diameters suitable for the analysis of coal core has increased to typically 83 mm (PQIT) and 4” core (100 mm) where possible which tends to improve the recovery of the coal and the quality of the core recovered. Limitations exist for the underground drilling operations and the core size although not typically ideal is satisfactory where good core recoveries are achieved.</li> </ul>
<p>Sub-sampling techniques and sample preparation</p> <ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>The entire core thickness was used in sampling (sawing, quarter or half sampling of core is not a standard sampling technique in coal exploration).</li> <li>No non-core samples were used in the database/model/Resource estimate.</li> <li>The core sampling protocol followed by WML was to sample the “cleanest” coal intervals based on visual examination and sample stone partings separately using a 0.30 m minimum parting thickness limit. Roof and floor sub-samples were also taken. The nature, quality and appropriateness of these core sampling procedures was not documented but are expected to have been to an industry standard sampling the entire core section/ply/sub ply into plastic bags with some form of identification. No sample preparation takes place outside the laboratory.</li> <li>No coal core duplicates are taken as the analysis methods for coal require the whole cylindrical seam section for analysis. Sub-sampling of the sampled core is part of the treatment procedure at the laboratory where a portion of the sample is reserved for the purpose of sample analysis checks and or additional testing. The laboratories (SGS Australia, Carbon Consulting International Pty Ltd and currently Bureau Veritas) follow Australian Standards methods and are all NATA accredited.</li> <li>The core size of 61 mm for surface holes and 51.8 mm for intra-mine (IS series) provide sufficient sample to conduct the typical proposed testing program. Significantly the coal industry standard for core diameters suitable for the analysis of coal core has increased to typically 83 mm (PQIT) and 4” core (100 mm) where possible which tends to improve the recovery of the coal and the quality of the core recovered. Limitations exist for the underground drilling operations and the core size although not typically ideal is satisfactory where good core recoveries are achieved.</li> </ul>	<ul style="list-style-type: none"> <li>The entire core thickness was used in sampling (sawing, quarter or half sampling of core is not a standard sampling technique in coal exploration).</li> <li>No non-core samples were used in the database/model/Resource estimate.</li> <li>The core sampling protocol followed by WML was to sample the “cleanest” coal intervals based on visual examination and sample stone partings separately using a 0.30 m minimum parting thickness limit. Roof and floor sub-samples were also taken. The nature, quality and appropriateness of these core sampling procedures was not documented but are expected to have been to an industry standard sampling the entire core section/ply/sub ply into plastic bags with some form of identification. No sample preparation takes place outside the laboratory.</li> <li>No coal core duplicates are taken as the analysis methods for coal require the whole cylindrical seam section for analysis. Sub-sampling of the sampled core is part of the treatment procedure at the laboratory where a portion of the sample is reserved for the purpose of sample analysis checks and or additional testing. The laboratories (SGS Australia, Carbon Consulting International Pty Ltd and currently Bureau Veritas) follow Australian Standards methods and are all NATA accredited.</li> <li>The core size of 61 mm for surface holes and 51.8 mm for intra-mine (IS series) provide sufficient sample to conduct the typical proposed testing program. Significantly the coal industry standard for core diameters suitable for the analysis of coal core has increased to typically 83 mm (PQIT) and 4” core (100 mm) where possible which tends to improve the recovery of the coal and the quality of the core recovered. Limitations exist for the underground drilling operations and the core size although not typically ideal is satisfactory where good core recoveries are achieved.</li> </ul>



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<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li>▪ <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>▪ <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>▪ <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The types of testing undertaken historically including pre-Ashton holes, WML holes and Yancoal holes are industry standard tests used internationally as part of the analysis and assessment of hard black coal and conform to the Australian Standards. Historically, coal analytical testing varied from one explorer to the next although the fundamental tests conducted were the same. All core testing has been on the full core section whether it has been subdivided into plies and crushed and then subsampled. The sub samples are representative of the total section of the core interval.</li> <li>▪ Inconsistencies in sampling procedures were identified, particularly in the sampling strategy extended over coal and stone parting intervals for laboratory testing. In addition Stage 2 Float/Sink testing was only conducted on plies containing &lt;60% raw ash, with no raw or clean coal composite analyses undertaken at all on the &gt;60% ash plies which might be part of the working sections. In such cases, default values of 0% yield mass and 90% ash for stone parting material have been applied in yield/ash models to account for the stone partings which were not analysed. This historic method of analysis is no longer appropriate for modelling of coal working sections.</li> <li>▪ The laboratory testing for earlier WML cores was conducted by Carbon Consulting International Pty Ltd (now Bureau Veritas), while in more recent years, testing has been undertaken consistently by SGS Australia. All these laboratories are NATA accredited laboratory.</li> <li>▪ The 2012 and 2013 analytical testing procedures for the analysis of coal plies at Ashton comprised two stages.             <ul style="list-style-type: none"> <li>- Stage 1 involved analyses of raw coal plies (&lt;60% ash) crushed to -11.2 mm and analysed for proximate analysis (inherent moisture, ash content, volatile matter and fixed carbon), total sulphur (“TS”), calorific value (“CV”), and relative density (“RD”) and apparent relative density (“ARD”). Selected composite samples were tested for trace elements. Stone plies (&gt;60% raw ash ad) were analysed for inherent moisture (“IM”), raw ash, TS and RD.</li> <li>- Stage 2 (float/sink analysis of coal plies &lt;60% raw ash ad) at float densities of FL1.30 to FL1.80 at 0.10 increments. Each fraction was crushed to -4 mm, riffle split to give -0.212 mm ‘prep’ and 4 mm ‘reserve’ portions. Each float-sink increment was tested for air-dried mass and ash content. Coking properties were not tested on individual float fractions.</li> </ul> </li> <li>▪ Additional clean coal composite testing was carried out in selected holes on specific working section intervals determined by Ashton geologists who provided the testing instructions to the laboratory. Coking coal composites have been tested sporadically at CF1.50, CF1.60 and CF1.70. The clean coal composites were tested for proximate, TS and CV, ash analysis (“AA”), ash fusion temperatures (“AFT”) reducing conditions, Gieseler Plastometer analysis and dilatometry characteristics.</li> <li>▪ The quality control procedures are inherent with NATA approved laboratories which undertake the testing to Australian Standard testing procedures and are subjected to regular</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>▪ Discuss any adjustment to assay data.</li> </ul>	<p>round robin testing to ensure consistency of method and results. The testing program procedures have sufficient reserve sampling in-built in the program to allow for checks of the analytical testing to be undertaken as required if the result is anomalous. External testing will be undertaken when required.</p> <ul style="list-style-type: none"> <li>▪ No verification of the sampling has been conducted by the Competent Person as there was no opportunity to observe the sampling of the coal intervals. An audit comparing the coal quality database with original hard copy lab reports has not been conducted.</li> <li>▪ No twinned holes have been drilled.</li> <li>▪ Geos Mining geological model data was compiled into custom-designed tables within a Microsoft SQL Server 2008 database, hosted on dedicated hardware in Geos Mining’s Sydney office. Following input of the newly acquired data, data validation was undertaken to exclude redundant and unreliable data from the Resource estimation, including holes without downhole geophysical data and core sample intervals that could not be reconciled with correlated seams/piles (i.e. misaligned with seam picks).</li> <li>▪ Moisture holding capacity (“MHC”) results for holes YAC-010 and YAC-011 were reviewed by Geos Mining and provisionally considered that an in situ moisture of 6.5% was reasonable.</li> <li>▪ An in situ moisture of 6.5% has been assumed and used to determine in situ Density using the Preston and Sanders method. The Competent Person considers a 6.5% in situ moisture basis to be reasonable and appropriate based on the Moisture Holding Capacity data available and regional experience.</li> </ul>
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All surveyed drillhole collar data provided by Ashton Coal was supplied in GDA 1994 coordinates, MGA Zone 56.</li> <li>▪ Collar data for some historical holes were excluded from the data due to lack of confidence in their collar locations.</li> <li>▪ The current topography DTM surface was supplied to Ashton Coal in September 2013 based on an aerial survey flown in January 2013. It appears satisfactory for the Resource modelling and estimation.</li> <li>▪ The current underground surveyed face positions of the Upper Liddell (ULD) and Upper Lower Liddell (ULLD) seams at 30th September 2017 and the LOM plans were used to excise mined coal from the geological Resource model. The LOM plans have been used to determine the Coal Resources within and outside the current LOM.</li> <li>▪ A check of collar heights against the Geos topography model grid derived from the DTM (TOPO_50 – 50 m mesh) showed several anomalies up to +/-30 m between collars and the surface topography. These large anomalies were identified as being the result of spoil emplacement above original topography, with the drillhole collar located on the original surface R.L. A check of a regional original topography grid, which included the Ashton</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>Data spacing and distribution</i></p> <ul style="list-style-type: none"> <li>▪ <i>Data spacing for reporting of Exploration Results.</i></li> <li>▪ <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>▪ <i>Whether sample compositing has been applied.</i></li> </ul>	<p>deposit, against collar showed differences of up to 4 m in the areas with spoil dumps, this is reasonable as the original topography was most likely based on historic 1:25,000 Lands Department topographic maps. Elsewhere differences between collars and the DTM were modest, generally <math>\pm 1.5</math> m from visual examination of DTM contours and drillhole plotted collar height.</p> <ul style="list-style-type: none"> <li>▪ Drillhole spacing is closest in the North East Open Cut area and the northern and central parts of the proposed South East Open Cut (“SEOC”), typically from 100 m to 200 m. In the underground area, hole spacing is less dense, typically 300 m to 500 m, increasing locally to approximately 600 m to 800 m apart. Drillholes are typically more widely spaced in the western/north-western portions of ML1533, ML1623 and the western portions of EL4918 and EL5860.</li> <li>▪ This drillhole spacing and distribution is sufficient to confirm the geological continuity to determine the Resource categories.</li> <li>▪ Only vertical sample compositing within a single hole has been undertaken to represent a “working section”. No samples have been composited together from several holes over several sites to form a single composite sample of the deposit and analysed.</li> </ul>	
<p><i>Orientation of data in relation to geological structure</i></p> <ul style="list-style-type: none"> <li>▪ <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>▪ <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All structure and stratigraphic drilling and coring has been undertaken using vertical holes. This is satisfactory given the general structure and stratiform nature of the Ashton deposit seams. The coal seams exhibit complex geological structure in localised areas near the asymmetric north-northwest trending Camberwell Anticline axis, which traverses the north-eastern portion of the area. The anticline dips at 9° to 18° on the eastern limb (in ML1529) and 6° to 9° on the western limb. The dip of the strata on the Camberwell Anticline is not uniform with the rock units gradually steepen up to 9° to the northeast around the nose of the anticline. To the southwest, the rock units flatten to approximately 4° towards the Bayswater Syncline. This drilling method will not bias the sampling as it is coring a complete section of the seam across the bedding creating a cylindrical cross section representative of the coal intervals in the drillhole.</li> <li>▪ Borehole deviation was judged to be immaterial and verticality surveys were not incorporated into the model.</li> </ul>	
<p><i>Sample security</i></p> <ul style="list-style-type: none"> <li>▪ <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Measures to ensure sample security were not documented and reported historically. It was not possible to validate sample security.</li> <li>▪ The sample number, seam and ply number, depth interval and lithology type, were recorded in the digital sampling sheets. No documentation was available summarizing the “chain of custody” of the sample and the security systems established to ensure coal seam sample anonymity at the laboratory.</li> </ul>	
<p><i>Audits or reviews</i></p> <ul style="list-style-type: none"> <li>▪ <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ No external reviews or audits have been completed.</li> </ul>	



**Section 2 Reporting of Exploration Results**

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Mineral tenement and land tenure status</i></p> <ul style="list-style-type: none"> <li>▪ <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>▪ <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Ashton Project comprises two exploration licenses (EL4918 and EL5860) and three mining leases (ML1529, ML1533 and ML1623) whose outermost boundary totals 1,510 ha. (Note: some of the tenements overlap one another). The mining operation is located approximately 14 km northwest of the township of Singleton in the Hunter Valley, New South Wales. All tenements were granted under the Mining Act, 1992, and are wholly owned by White Mining (NSW) Pty Ltd, a wholly owned subsidiary of Yancoal Australia Ltd.</li> <li>▪ EL4918 was due to expire on 17/12/15 and EL5860 was due to expire on the 21/5/15 and renewals have been sought for both areas. ML1529 is due to expire on 11/11/2021, ML1533 (expires on 25/2/24), and ML1623 (expiring on the 30/10/29), are all held by Yancoal.</li> <li>▪ There are a number of ‘environment and community’ issues that may jeopardise Ashton Coal’s ability to extract coal within the current mining tenements. Some such issues include nearby rivers and waterways and their associated alluvium, licensing restrictions, nearby residents, land access and ownership. Following a protracted legal dispute some privately held land remains in the SEOC proposal which has delayed the commencement of mining and restricted access for surface exploration including LOX drilling.</li> <li>▪ Native title does not currently prevent access to Resources that are currently being extracted however there are potential native title issues relating to Crown Land within the SEOC project area.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Exploration commenced at Ashton 1969, when the Joint Coal Board, acting for Durham Holdings Limited, an affiliate of Renison Goldfields, carried out drilling over a portion of the current project area as well as adjoining areas. Durham Holding at that time acquired the coal mining royalty rights, through the purchase of private coal titles, to open cut mining operations about to commence in Ravensworth No.2, adjoining to the west of Ashton, for thermal fuel supply to the nearby Liddell Power Station.</li> <li>▪ Prior exploration was conducted by Durham Holdings/Joint Coal Board, Southland and Maitland Main Collieries, Department of Mineral Resources, White Mining Limited and Ashton Coal Operations Pty Ltd.</li> </ul>
<p><i>Exploration done by other parties</i></p> <ul style="list-style-type: none"> <li>▪ <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Ashton Mine area is located in the Hunter Coalfield in the Sydney Basin and contain the basal seams of the Burnamwood Formation in the Jerrys Plains Subgroup and all seams of the Foybrook Formation in the underlying Vane Subgroup. These subgroups exist within the Late Permian Wittingham Coal Measures. The Wittingham Coal Measures seams subcrop in sequential order from west to east on the western limb of the Camberwell Anticline. Due to progressive erosion towards the east, only the basal 70m have been preserved at the eastern boundary of EL5860. Marine sediments of the Saltwater Creek Formation, which underlie the Foybrook Formation, subcrop in the eastern extremity of EL5860 and are</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Ashton Mine area is located in the Hunter Coalfield in the Sydney Basin and contain the basal seams of the Burnamwood Formation in the Jerrys Plains Subgroup and all seams of the Foybrook Formation in the underlying Vane Subgroup. These subgroups exist within the Late Permian Wittingham Coal Measures. The Wittingham Coal Measures seams subcrop in sequential order from west to east on the western limb of the Camberwell Anticline. Due to progressive erosion towards the east, only the basal 70m have been preserved at the eastern boundary of EL5860. Marine sediments of the Saltwater Creek Formation, which underlie the Foybrook Formation, subcrop in the eastern extremity of EL5860 and are</li> </ul>
<p><i>Geology</i></p> <ul style="list-style-type: none"> <li>▪ <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>		



Criteria	JORC Code explanation	Commentary
		<p>exposed further east. The full sequence of the Foybrook Formation, generally about 250m thick, is present in the western half of the area, with the most economically significant seams (Lemington, Pikes Gully, Upper Liddell, Upper Lower Liddell, and Lower Barrett) occurring in the formation’s lower 180m. The Jerrys Plains Subgroup and Archerfield Sandstone cover the westernmost portion of the area.</p> <ul style="list-style-type: none"> <li>▪ Quaternary alluvium associated with the Hunter River, Bowmans Creek and Glennies Creek cover various parts of the area.</li> <li>▪ The dominant structural feature is the north-northwest trending asymmetric Camberwell Anticline, whose axis traverses the north-eastern portion of the area. The eastern limb of the anticline (which is situated in ML1529) dips at 9° to 18° towards the axis of the south-southwest trending Glennies Creek Syncline, while the gently dipping western limb dips at 6° to 9° towards the axis of the curvilinear, generally north-south trending Bayswater Syncline which is situated to the immediate west of the area.</li> <li>▪ Upper Liddell seam mining has been affected by northeast to southwest conglomerate/sandstone channels which occur in the ULD seam roof. Roof rolls are associated with the channels (due to compaction) and areas of associated top ply erosion are also exposed in gateroad development and longwall extraction. High frequency RIM surveys are routinely carried out to map the expected location of these channels across each longwall panel to assist with horizon control in these localities. Local thinning of the ULD seam from nominally 2.0 m - 2.1 m to approximately 1.75 m is generally expected. Conglomerate channels as predicted from gateroad geological mapping and RIM surveys impacted ULD seam in panels LW-103 to LW-105 and at the inbye end of LW106A towards the proposed installation roadway from midway between CT27 and CT28 of the maingate heading. Inbye CT 31 the immediate roof was predominantly mudstone.</li> <li>▪ Faults identified in the underground workings predominantly striking north-south, with a subordinate set trending east-west and northeast-southwest did not have a significant impact during Pikes Gully extraction. Faults at Pikes Gully level are believed to have been generally &lt;1 m vertical normal displacement, although some reverse thrusts were present. However, two larger north-south faults with throws ranging from 1.0 m - 2.5 m were identified in the southern portion of LW103 and the southern portion of the gateroad between LW105 and LW106A. These faults dislocate the PG Seam and the ULD Seam where developed and extracted to date and are expected to affect the underlying ULLD and Lower Barrett (LB) seams. The two faults are roughly parallel and are inferred to extend over a distance of several hundred metres, both southwards outside the ML1533 boundary, and dissipating northwards into fault and/or flexure zones. Faults were mapped in the original proposed installation roadway for LW105, dipping at 75° with throws of 1.3 m and 0.9 m. Additionally a number of close-spaced faults along the adjoining maingate and tailgate driveages, interpreted as two fault zones with one diminishing outbye and the other diminishing inbye, necessitated the shortening of LW105, resulting in sterilisation of some Resources at the outbye end of the panel. The decision to sterilise Resources was to avoid slow longwall production, potential for equipment damage mining through the fault zone and potential</li> </ul>



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Criteria	JORC Code explanation	Commentary
<p><b>Drillhole Information</b></p> <ul style="list-style-type: none"> <li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:                             <ul style="list-style-type: none"> <li>- easting and northing of the drillhole collar</li> <li>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth</li> <li>- hole length.</li> </ul> </li> <li>▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>dangerous mining conditions found when mining through a similar fault zone in LW103 Detailed mapping shows a mapped dyke swarm occurred at the tailgate end of the installation roadway for LW103. This fault zone occurred towards the centre of LW3 when Pikes Gully seam mining occurred but more difficult mining conditions occurred when these faults were mined at ULD level below the Pikes Gully goaf from LW3. These faults will persist at depth and one set (mapped in ULD MG105) will impact the proposed longwall extraction plan for Upper Lower Liddell (MG205). Mapped fault zones will also impact on the current underlying Barrett development heading layout (MG302, MG304A and MG305).</p> <ul style="list-style-type: none"> <li>▪ A north-south trending igneous (teschenite) dyke affects the ULD seam in the eastern portion of ML1533. The same dyke system had previously been intersected in the overlying Pikes Gully Seam workings in LW1 and required pre-mining by road header and also shot-firing on the longwall face slowing production. RIM (Radio Imaging Method) survey and in-seam longhole and IS series drillhole data has mapped the dyke to enable mine planning to develop a strategy for the ULD Seam to pre-mine as much as possible of this dyke and its cinder zone. Where mined the dyke ranged in thickness from 0.7 m to 5 m (up to 8 m including the cinder zone) and was “generally very strong” (UCS ranging from 45 MPa to 214 MPa, testing by Strata Testing Services, Newcastle). The cindered coal cannot be beneficiated and is treated as waste material when mined.</li> <li>▪ The inclusion of the collar co-ordinates and elevation, drillhole total depth, hole direction, hole inclination and the seam intervals is not material to this report.</li> <li>▪ A total of 301 drillholes have been used in the geological model. Within the tenement boundary 153 open holes, 144 partly or full cored (of which 70 are inter-seam IS series holes) and 9 (historical explorers and government holes) are located. A total of 13 surface holes were drilled by Yancoal (11 non-core holes and 2 core holes). Of the 288 historical drillholes drilled prior to Yancoal ownership, 142 were cored for coal quality, geotechnical studies and gas and 145 were non-core structure holes. Of the 228 holes drilled from the surface 187 (82%) have geophysical logs. Recent interseam drilling from ULD to ULLD in MG106A has facilitated more confident reclassification of Resources inside the life of mine plan.</li> <li>▪ Both the gas drainage holes and most of the piezometer holes were not used in the model. The piezometers weren’t used because most are too shallow (i.e. &lt;15 m total depth).</li> <li>▪ The exclusion of this data set will not detract from the understanding of the deposit as the Resource figures present the location and types of drillholes in each of the areas to support the justification of the Resource category areas defined by the Competent Person. It is understood that there may be some holes drilled by White Industries and Durham Holdings that are not included in the model drillhole database for unknown reasons.</li> </ul>	
<p><b>Data aggregation methods</b></p> <ul style="list-style-type: none"> <li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades</li> </ul>	<ul style="list-style-type: none"> <li>▪ Average qualities have been weighted on mass and in situ density on volume.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p>are usually Material and should be stated.</p> <ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Working section qualities (for underground “working section” seams) have been composited across various ply components and partings between the plies to give the average as reported.</li> <li>No coal quality cut-offs have been applied in the geological model.</li> <li>There are no metal equivalents used to report the Coal Resources. This is not a standard reporting requirement for coal.</li> </ul>	
<p>Relationship between mineralisation widths and intercept lengths</p> <ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<ul style="list-style-type: none"> <li>All coal thicknesses are ‘down-hole’ intersected thickness and represent an apparent thickness. Because there are very few verticality logs it is not possible to generate a true thickness model of the area. However, the grid modelling uses the apparent thickness to generate vertical thicknesses from these apparent thicknesses and models between the generated roof and floor surfaces to compute a volume which honours the seam.</li> <li>No depth adjustment is undertaken for any holes in the Ashton drillhole database.</li> </ul>	
<p>Diagrams</p> <ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant figures depicting information considered material to the Coal Resources reported are contained within the JORC report associated with this Table 1.</li> </ul>	
<p>Balanced reporting</p> <ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All results have been included in the data used to estimate Coal Resources reported here. Average values for raw ash and CV have been reported for Resources shown here, and whilst some outlying values do exist the averages are considered representative of the Coal Resources.</li> </ul>	
<p>Other substantive exploration data</p> <ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>A RIM survey conducted April 2013, focused on mapping dyke intrusions in LW-102, roof conglomerate intrusions on the outbye-end of both LW-102 and LW-101 and the area between the underground Pikes Gully Mains and the surface with the objective of determining sterilised coal. High frequency RIM surveys are now done routinely in advance of mining to identify areas of conglomerate roof in the ULD where channel development and associated erosion of the upper coal plies as well as seam thinning from differential compaction may occur.</li> <li>Gas desorption testing was conducted on four ULLD seam samples taken from ISLL19A, ISLL20A, ISLL22 and an unknown inter-seam hole in MG102 Panel and one ULD seam sample from surface hole YancoalG-008 to assess the potential hazard which could affect Resources. Standardised results (at 15% ash and 1.5% moisture bases) indicated moderately gassy conditions exist, with the gas composition for all samples ranging 98%-99% CH4 with the remainder CO2.</li> </ul>	

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>A report on spontaneous combustion propensity was undertaken in 2007 to assess the potential hazard.</li> <li>The main objectives for proposed future exploration are summarised below:                             <ul style="list-style-type: none"> <li>Proposed exploration will include one large diameter holes for sized washability.</li> <li>Several IS series interseam holes from the ULD-ULLD to refine seam thickness and known splitting for the structural model will be conducted ahead of mining to increase confidence for mine planning.</li> <li>One or more surface holes to test the ULD-ULLD interseam thickness to locate the LW201 installation roadway as the interseam thins inbye.</li> <li>Approximately ten holes to enable some seams with poor recovery to be elevated to Measured Resources and equivalent Reserves status.</li> </ul> </li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in Section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Previous consultants have conducted extensive validation exercises prior to undertaking previous Resource estimations in 2012, 2013 and 2014.</li> <li>Geos Mining consolidated the data supplied by Ashton with the Palaris Minex Resource estimation model 2013 database exports. Data was compiled into custom-designed tables within a Microsoft SQL Server 2008 database and served as the primary data source. Lithological logs, wireline geophysical logs, coal quality results (checked against NATA laboratory reports where available) and coal intersection depths were reconciled by Geos Mining before modelling and Resource estimation in 2014.</li> <li>In 2017, MBGS directly used the collar survey and the coal quality databases provided by Geos Mining and incorporated updated geological and geophysical data provided by Ashton Mine.</li> <li>RPM completed a selective audit of drillhole data. Issues were identified with respect to sample intervals compared with seam intervals and where relevant were updated.</li> </ul>	<ul style="list-style-type: none"> <li>No site visit has been completed by the Resource Competent Person, however discussion have been held with the Reserves Competent Person who visited the site in 2018. The Competent Person is familiar with the geological setting of the Ashton Project from experience in nearby operations.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>		

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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
Geological interpretation	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>Geology of the Ashton deposit is understood with a good level of confidence and it is believed that coal volume estimations are sound. Current drillhole spacing and coal quality data is sufficient to indicate seam continuity and consistency and imply grade continuity in some places whilst verifying it in others.</li> <li>Although exploration has identified several small-scale faults (up to 2.5 m throws), faults have not been modelled in the current assessment as they are considered to have no material impact upon Resources. The sterilisation of part of LW105A due to difficult mining conditions caused by two fault zones will require a review of expected impacts of these faults on ULLD and underlying Barrett seam Resources and Reserves.</li> <li>Seam subcrops are structurally controlled by the Camberwell Anticline and strike generally north-south throughout the project area to limit the extent of the Resources.</li> <li>The maximum dip of around 9° occurs near the axis of the Camberwell Anticline at the north-eastern extremity of EL4918, where a monoclinical structure is interpreted to exist.</li> <li>Correlation of consistent characteristic geophysical seam signatures help support seam interval continuity and grade where identified in conjunction with coal analytical results (where conducted) for both open cut or underground Resource criteria, in order to establish and/or constrain potential ‘working sections’.</li> <li>The geological interpretation is based on the integration of all drillhole and coal quality data and comparing with previous interpretations.</li> </ul>	<ul style="list-style-type: none"> <li>Geology of the Ashton deposit is understood with a good level of confidence and it is believed that coal volume estimations are sound. Current drillhole spacing and coal quality data is sufficient to indicate seam continuity and consistency and imply grade continuity in some places whilst verifying it in others.</li> <li>Although exploration has identified several small-scale faults (up to 2.5 m throws), faults have not been modelled in the current assessment as they are considered to have no material impact upon Resources. The sterilisation of part of LW105A due to difficult mining conditions caused by two fault zones will require a review of expected impacts of these faults on ULLD and underlying Barrett seam Resources and Reserves.</li> <li>Seam subcrops are structurally controlled by the Camberwell Anticline and strike generally north-south throughout the project area to limit the extent of the Resources.</li> <li>The maximum dip of around 9° occurs near the axis of the Camberwell Anticline at the north-eastern extremity of EL4918, where a monoclinical structure is interpreted to exist.</li> <li>Correlation of consistent characteristic geophysical seam signatures help support seam interval continuity and grade where identified in conjunction with coal analytical results (where conducted) for both open cut or underground Resource criteria, in order to establish and/or constrain potential ‘working sections’.</li> <li>The geological interpretation is based on the integration of all drillhole and coal quality data and comparing with previous interpretations.</li> </ul>
Dimensions	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>The outermost boundary of the Ashton Coal Project tenements totals 1,510 ha. (Note: some of the tenements overlap one another). This represents an area of approximately 4 km from east to west, by 5 km from north to south.</li> </ul>	<ul style="list-style-type: none"> <li>Underground Resources extend from the base of weathering (nominally 14 m below surface) to a maximum depth of less than 350 m.</li> </ul>
Estimation and modelling techniques	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such</li> </ul>	<ul style="list-style-type: none"> <li>The estimate of Resources is based on geological models built with the existing geological databases.</li> <li>The Ashton geological model was constructed by MBGS based on drillhole data to produce grids at a 50 m mesh size. The MBGS model used ECS Growth Technique algorithm for interpolation of data.</li> <li>Open Cut Resources for the SEOC area were generated from a Minescape Geological model developed by RPM based on an updated version of the MBGS drillhole database.</li> <li>The topography grid was produced from the same topographic DTM surface derived from an aerial survey flown in January 2013.</li> </ul>	<ul style="list-style-type: none"> <li>The estimate of Resources is based on geological models built with the existing geological databases.</li> <li>The Ashton geological model was constructed by MBGS based on drillhole data to produce grids at a 50 m mesh size. The MBGS model used ECS Growth Technique algorithm for interpolation of data.</li> <li>Open Cut Resources for the SEOC area were generated from a Minescape Geological model developed by RPM based on an updated version of the MBGS drillhole database.</li> <li>The topography grid was produced from the same topographic DTM surface derived from an aerial survey flown in January 2013.</li> </ul>

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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
	<p>data.</p> <ul style="list-style-type: none"> <li>The assumptions made regarding recovery of by-products.</li> <li>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>Any assumptions behind modelling of selective mining units.</li> <li>Any assumptions about correlation between variables.</li> <li>Description of how the geological interpretation was used to control the resource estimates.</li> <li>Discussion of basis for using or not using grade capping or capping.</li> <li>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>There are no by-products from the processing and beneficiation of the coal to produce a thermal coal product.</li> <li>Only TS has been modelled as part of this statement. No estimation of other deleterious elements was undertaken as part of this statement.</li> <li>Selective mining 'working sections' were modelled. The seams were all modelled individually to minimise the risk of including stone partings in the thickness of the coal and overestimating the Coal Resources.</li> <li>No assumptions have been made about correlations between variables for this estimate.</li> <li>Where available, laboratory density measurements were used to derive Preston &amp; Sanders in situ densities corrected to a nominal in situ moisture of 6.5%.</li> <li>The geological seam structure model is acceptable, although the faults have not been modelled.</li> <li>Resource category polygons for each seam ply and working section were defined.</li> <li>Resources were estimated using seam thickness, ash, in situ density, TS and CV from the geological models and limited by the seam subcrop, Resource and tenement limits and Resource category boundary polygons.</li> <li>A total of 301 drillholes were used in the modelling, of which 90 had coal quality data.</li> <li>Resources were limited to a maximum of 50% raw ash (ad).</li> <li>A comparison with previous estimates year shows only small differences and that any variations could be justified based on changes in criteria of the categories or where additional geological information has updated.</li> </ul>	<ul style="list-style-type: none"> <li>Tonnes are estimated on an in situ moisture basis.</li> <li>Moisture holding capacity data from four 2013 boreholes (YAC-010, YAC-011, WMLC336 and WMLC337) has been used to estimate in situ moisture, using the equation devised by ACARP 10041C (2003) which confirmed the 6.5% in situ moisture as appropriate.</li> <li>The estimated 6.5% in situ moisture to adjust the in situ coal density using the Preston &amp; Sanders formulae to undertake the Resource estimation. Air dried moisture averages on a seam group basis range from 2.7% to 3.8% for Open Cut Resources and 2.3% to 3.1% for Underground Resources.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>Ply Resources, no minimum coal thickness was used. It is noted that in particular the Lemington plies are numerous and thin and although theoretically able to be mined, the ability to recover the Lemington plies will</li> <li>For Underground Resources, the Ashton mine site supplied drillhole by drillhole working section seam picks in order to identify the combination of plies which could be considered as recoverable. There</li> </ul>	
Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>		



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		Open Cut	Underground
		<p>need to be considered in more detail in order to determine Reserves. The amount of Resources and Strip Ratio is not overly sensitive to thin (&lt;300 mm) plies.</p> <ul style="list-style-type: none"> <li>A maximum 50% raw ash content (ad) for coal plies and potential open cut working sections was generally applied.</li> </ul>	<p>are some issues identified with the working sections nominated, which may result in the modelled working sections being thin and underquoting Resources. Nominating working sections can be an iterative process. A minimum thickness of 1.8 m for remaining underground Resources in the Pikes Gully Seam and minimum 1.5 m for underground Resources in all other seams was used.</p>
<p><i>Mining factors or assumptions</i></p> <ul style="list-style-type: none"> <li><i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>Open Cut Resources are estimated to a nominal depth of 200 m. The strip ratio for the Open Cut Resources is well within the range of currently mined strip ratio's (&lt;10:1) in the Hunter Valley. Open cut Resources have been excluded from within the Hunter River and Glennies Creek and associated alluvials, as it is considered very unlikely that open cut mining in the alluvials associated with either river will ever be allowed due to environmental regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Underground Resources are estimated to a nominal depth of 350 m. Portions of the coal will require washing to meet the target product market specification and considerable finesse will be required to mine the deposit and reduce the amount of stone that reports to the wash plant. Some significant areas identified as underground Resources are residual coal areas outside of historical or future mine plans. These areas may be recoverable by implementing different underground mining methods such as bord and pillar or may also have potential for open cut extraction.</li> </ul>	
<p><i>Metallurgical factors or assumptions</i></p> <ul style="list-style-type: none"> <li><i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>Raw coal is beneficiated in the CHPP, which comprises three circuits. The coarse fraction, (50 mm to +2 mm) is processed by a single HC dense medium cyclone (“DMC”) circuit, the fine fraction, (-2 mm to +120 µm) is processed by spirals and an ultrafine fraction (-120 µm) is mechanically agitated flotation circuit was recently added to improve coking recovery. The plant has no bypass capability.</li> <li>The main seams in the LOM plan which are planned to, or are being extracted by either open cut or underground methods include PG, ULD, ULLD and LB. All have coking potential, which commands higher prices than thermal coal and justifies the recent upgrade of the CHPP to improve recovery of the ultrafine coking fraction.</li> <li>It is assumed that remaining seams with mining potential but which possess little or no coking properties, could potentially be blended or beneficiated with seams which possess coking properties, in order to render them a more commercial proposition for extraction. As a result, no maximum raw ash content (adb) has been applied to stone bands situated above or below recognised coal plies.</li> </ul>		

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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
<p><i>Environmental factors or assumptions</i></p> <ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>For the purposes of estimating Resources, it has been assumed that the Conservation Area located in the south of ML1533 (which will be an impediment to the proposed West Pit mining of the Lemington seams above the underground workings in ML1533) will be offset by another area to allow future open cut mining.</li> </ul>	<ul style="list-style-type: none"> <li>Coarse and fine rejects are currently trucked to Northeast Open Cut void, while ultrafine material is pumped to a tailings dam. There are no known environmental issues with mine site CHPP co-disposal.</li> </ul>	<ul style="list-style-type: none"> <li>Open Cut Resources are excluded from the currently mapped alluvials associated with the Hunter River and Glennies Creek. Underground Resources are not excluded, however it should be noted that any underground plans to mine beneath the alluvials would likely be impacted by conditions to prevent any impacts to the waterways.</li> </ul>
<p><i>Bulk density</i></p> <ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>Relative density which measures the coal density without the void space and ash measurements have been conducted systematically on many coal and stone core samples. The moisture holding capacity has also been tested on selected samples across the Ashton deposit which has enabled an assessment by Geos Mining using ACARP 10041C to determine the in situ moisture. An estimate of 6.5% for the coal was determined. In situ densities were adjusted using the Preston &amp; Sanders formulae.</li> <li>In situ density grids were generated from adjusted density values derived using in situ moisture of 6.5%.</li> </ul>		
<p><i>Classification</i></p> <ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Coal Resources have been classified into Measured, Indicated and Inferred Resources categories based on spacing of data and confidence in seam continuity and consistency, grade and predictability. Where drillhole data (both surface and IS series interseam holes) is closely spaced and supported by proximal underground workings and surrounding coal mine information adjacent to Ashton and confidence in coal seam continuity, grade and predictability is sufficient to allow these Resources to be classified as Measured and Indicated Resources. Where data spacing has increased, confidence in coal seam continuity and predictability decreases and Coal Resources in these areas are classified as Inferred Resources. Inferred Resources have been estimated to 350 m depth of cover.</li> <li>This method of Resource assessment is appropriate to represent the geological seam complexity and variation within the Ashton deposit.</li> <li>No external audits or reviews have been completed.</li> </ul>		
<p><i>Audits or reviews</i></p> <ul style="list-style-type: none"> <li>The results of any audits or reviews of Mineral Resource estimates.</li> </ul>			
<p><i>Discussion of relative</i></p> <ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate</li> </ul>			<ul style="list-style-type: none"> <li>The confidence in the Resources is reflected in the classifications. Based on the geological setting and type and amount of geological data, the Resources are reasonably defined.</li> </ul>



Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
accuracy/ confidence	<p>using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</p> <ul style="list-style-type: none"> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<p>However the factors that affect the accuracy of the Resource estimate include the modelled limit of the subcrop, the coal thickness and the density.</p> <ul style="list-style-type: none"> <li>▪ Coal Resources for Ashton were estimated within polygons containing multiple drillholes, as such all estimates are considered global estimates.</li> </ul>	

### Section 4 Estimation and Reporting of Ore Reserves

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Persons, Mr Doug Sillar (OC) and Mr Graeme Rigg (UG) on behalf of RPM.

(Criteria listed in section 1, and where relevant in Sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
Mineral Resource estimate for conversion to Ore Reserves	<ul style="list-style-type: none"> <li>▪ Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>▪ Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Brendan Stats. The Competent Person, Mr. Stats, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy.</li> <li>▪ The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>▪ The Coal Resources reported are inclusive of the Coal Reserves.</li> <li>▪ The same geological model has been used for the estimation of Resources and Reserves.</li> </ul>	
Site visits	<ul style="list-style-type: none"> <li>▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A site visit to the Ashton underground was undertaken by the UG Reserves Competent Person in April 2018.</li> </ul>	



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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
		<ul style="list-style-type: none"> <li>▪ Pit limits were based on physical limits including seam crops, creeks, leases and roads. Application of these limits resulted in the proposed South East Open Cut (SEOC) pit.</li> <li>▪ Inferred coal has been included in the LOM Plan.</li> </ul>	<ul style="list-style-type: none"> <li>- sections during development or longwall extraction;</li> <li>- It is assumed that a combined minimum of 100 mm of higher ash material will be mined with the roof and the floor of the coal seam during development and longwall operations, thereby diluting the in situ coal quality;</li> <li>- The quality defaults assigned to the waste rock were assumed to be relative density of 2.34 t/m<sup>3</sup>, ash of 85%, and specific energy of 0 kcal/kg;</li> <li>- Relative density data in the geological model is based on assumed in-situ moisture of 6.5%, while all qualities are based on air-dried moisture gridded values;</li> <li>- Preston &amp; Sanders has been used in the estimation of in situ RD; and</li> <li>- RPM has assumed that ROM moisture will be 8.65%, and product moisture will be 8.5%.                             <ul style="list-style-type: none"> <li>▪ Inferred coal does not exist within the LOM Plan footprint.</li> <li>▪ All necessary infrastructure is in place and operational.</li> </ul> </li> </ul>
<p><i>Metallurgical factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></li> <li>▪ <i>Whether the metallurgical process is well-tested technology or novel in nature.</i></li> <li>▪ <i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical dominating applied and the corresponding metallurgical recovery factors applied.</i></li> <li>▪ <i>Any assumptions or allowances made for deleterious elements.</i></li> <li>▪ <i>The existence of any bulk sample or pilot scale test work</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The metallurgical process for washing the target seams is already in place and being used. The configuration of the CHPP includes dense media cyclone (“DMC”), Spirals, and Flotation processes. The current CHPP module was designed to process 600 tph of underground ROM coal but can operate at up to 800 tph if stone and moisture levels within the ROM coal are not excessive.</li> <li>▪ The process generates a SSCC product from a low cut point that will produce a 9.5% ash product. The metallurgical process is appropriate for the Ashton mine.</li> <li>▪ Yancoal commissioned a coal quality expert to review production data and determine an estimate of current yield at Ashton.</li> <li>▪ No bypass products assumed in the LOM plan.</li> </ul>	



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		Open Cut	Underground
	<p>and the degree to which such samples are considered representative of the ore body as a whole.</p> <ul style="list-style-type: none"> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>No allowance has been made for deleterious elements.</li> </ul>	
Environmental	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>An Environmental Impact Statement has been prepared and the necessary environmental approvals obtained.</li> <li>Coarse rejects are placed within the open cut void. Washery fines material is pumped to an adjacent property owned by AGL, under an existing agreement.</li> <li>The SEOC pit is awaiting consent based on reaching a land access agreement or purchase of a property at the site. Once an agreement is reached, the conditions of the approval will be met.</li> <li>Waste material will be placed both in pit and ex-pit.</li> </ul>	<ul style="list-style-type: none"> <li>Current impacts to alluvial groundwater Resources are within the approved predictions and impacts. The previous extraction of LW6b in the Pikes Gully Seam resulted in higher peak inflows than what was estimated in the groundwater modelling. The groundwater model was revised in 2016 and the new model indicated that there are potential compliance risks with extracting the lower seam longwall panels around the Bowmans Creek alluvials. Assessment is ongoing and, in the interim, the longwall panel extraction sequence has been modified such that the first 5 longwall panels in the Upper Lower Liddell Seam will be extracted prior to the final 3 longwall panels in the Upper Liddell Seam being extracted. This permits further time to assess the potential groundwater issue but there remains the risk that some or all of the lower seam longwall panels around the Bowmans Creek alluvials will not be extracted. At worst, this could reduce Reserves by 10 Mt, and Marketable Reserves by 5 Mt.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>All necessary infrastructure for underground operations is in place and operational for the current operations at the Asset.</li> <li>Additional infrastructure will be required with the commencement with the SEOC such as haul roads and potentially bridges across Glennies Creek.</li> </ul>	

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		Open Cut	Underground
Costs	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>NSW state government royalties are included in the estimate.</li> <li>RPM reviewed all costs and they are considered reasonable.</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>
Revenue factors	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>		
Market assessment	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>A Marketing Study has not been reviewed however markets are well established for the mine’s coal products. The Project typically produces one product:                             <ul style="list-style-type: none"> <li>SSCC at approx. 9.5% ash (ad).</li> </ul> </li> <li>Based upon this product, RPM anticipates no foreseeable issues in demand for this product.</li> </ul>	
Economic	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> <li>The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> </ul>	

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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
<p><i>Social</i></p> <ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>All key stakeholder agreements are in place, providing social license to operate underground operations.</li> <li>The SEOC pit is awaiting consent based on reaching a land access agreement or purchase of a property at the site. Once an agreement is reached, the conditions of the approval will be met.</li> <li>Native Title has not been extinguished for some areas (including crown land and water ways) and Native Title may still exist within the footprint of the South East Open Cut.</li> </ul>	<ul style="list-style-type: none"> <li>Extraction of the SEOC is contingent on reaching an agreement with a landowner.</li> <li>As mining proceeds it is reasonably expected any modifications to existing agreements or additional agreements that may be required can be obtained as required.</li> </ul>	<ul style="list-style-type: none"> <li>All key stakeholder agreements are in place, providing social license to operate underground operations.</li> <li>The SEOC pit is awaiting consent based on reaching a land access agreement or purchase of a property at the site. Once an agreement is reached, the conditions of the approval will be met.</li> <li>Native Title has not been extinguished for some areas (including crown land and water ways) and Native Title may still exist within the footprint of the South East Open Cut.</li> </ul>
<p><i>Other</i></p> <ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: <ul style="list-style-type: none"> <li>Any identified material naturally occurring risks.</li> <li>The status of material legal agreements and marketing arrangements.</li> <li>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>There are no Measured Resources at SEOC, hence all Reserves are classified as Probable.</li> <li>The Inferred Coal Resources have been excluded from the Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>Coal Reserves that are supported by Measured Resources are generally classified as Proved Reserves and Coal Reserves supported by Indicated Reserves are classified as Probable Reserves</li> <li>Approximately 10 Mt of Probable Reserves have been derived from Measured Resources.</li> <li>The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>The result reflects the Competent Persons view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Coal Reserves that are supported by Measured Resources are generally classified as Proved Reserves and Coal Reserves supported by Indicated Reserves are classified as Probable Reserves</li> <li>Approximately 10 Mt of Probable Reserves have been derived from Measured Resources.</li> <li>The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>The result reflects the Competent Persons view of the deposit.</li> </ul>
<p><i>Classification</i></p> <ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>Internal peer review of the Reserves Report has been completed.</li> </ul>		
<p><i>Audits or reviews</i></p> <ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>			

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Criteria	JORC Code explanation	Commentary	
		Open Cut	Underground
<p>Discussion of relative accuracy/confidence</p>	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>Geotechnical studies have been completed for existing underground operations. Expansion open cut pits will need more detailed geotechnical study prior to development.</li> <li>Additional studies are currently being undertaken to increase confidence levels in operating in the Lower Barrett Seam.</li> </ul>	<ul style="list-style-type: none"> <li>The mine footprint is supported by approximately 60% of Measured Coal Resources.</li> <li>The major risk in not achieving the estimated Reserve extraction comes from the potential compliance risks with extracting the lower seam longwall panels around the Bowmans Creek alluvials, specifically how much water is drained from the alluvials, how well the workforce is able to maintain economic productivity levels with higher groundwater make into the underground workings, and any potential discharge issues associated with the higher water make.</li> </ul>

**RPM**GLOBAL

JORC Code Disclosure Requirements

**Yarrabee**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Michael Johnson on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p> <ul style="list-style-type: none"> <li>▪ <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>▪ <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>▪ <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>▪ <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee Mine has been in operation since 1982, initially producing a raw coal product until the coal handling and preparation plant (CHPP) was commissioned in June 2009.</li> <li>▪ The Yarrabee Mine area contains some 10,388 boreholes which forms the knowledge basis of the coal deposit.</li> <li>▪ Open hole drilling was used for structure control.</li> <li>▪ Core drilling was used for coal quality and gas desorption sampling.</li> <li>▪ Core drilling is typically by 100 mm diameter tungsten carbide drill bits and triple tube barrels which are standard industry practice.</li> <li>▪ Core hole locations are selected based on the ability to fully represent the coal Resource at the particular location in the deposit taking the structural complexity into consideration.</li> <li>▪ Core was sampled based on the Yarrabee Coal Company core logging procedure, which is based on industry standards.</li> <li>▪ Open holes are sampled at 1 m intervals.</li> <li>▪ Cored holes are typically sampled at 0.2 m intervals so that the quality of the seam can be characterised for raw coal ash and phosphorus.</li> <li>▪ Samples were selected based on the coal brightness, lithology and geophysics from pilot holes, and provided with a unique sample number before being placed into double plastic bags and sealed.</li> <li>▪ It is important that core samples are taken according to the lithology and brightness profiles of the core as the overarching control, which is followed by the 20 cm increment requirement.</li> <li>▪ Raw coal ash and phosphorus characterisation is important because these parameters are used to determine the coal mining sections for bypass and washed coal products.</li> <li>▪ The entire seam was sampled in each occasion.</li> <li>▪ Roof and floor strata were also sampled and tested.</li> <li>▪ Since 2008, all field geological data logging was entered directly into Geobank.</li> </ul>	



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Criteria	JORC Code explanation	Commentary
<p>Drilling techniques</p> <ul style="list-style-type: none"> <li>▪ <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All geological data is loaded to Geobank.</li> <li>▪ Industry standard drilling techniques are used, with conventional rotary table drill rigs using air and water circulation.</li> <li>▪ All drilling has been completed using vertical drill orientation. No core orientation has been performed.</li> <li>▪ Blade/Hammer/PCD bits were used to drill open (chip) holes.</li> <li>▪ Partially cored 4C (100 mm) core holes were drilled to obtain coal quality information. It is estimated by Yarrabee that 90% of core holes are 4C.</li> <li>▪ Due to the extreme geological complexity at Yarrabee, 4C (100 mm) core barrels were used to maximise core recovery. Minimum core recovery for core holes used in the model was 90%. It is observed that the brightest, lowest ash, friable/brittle coal is more susceptible to core loss, especially in faulted areas. Core loss usually occurs between core runs, and thus the maximum 4C core barrel length of 4.5 m was used to minimise the number of core runs.</li> <li>▪ Contractually, a redrill is required if less than 95% core recovery is obtained. Recovery less than 95% is occasionally accepted if the drilling environment is difficult, or the loss is deemed acceptable via comparing against geophysics density, and the position of the loss in the seam.</li> <li>▪ The Pollux seam coring procedure is to stop the first core run in the middle of the Bypass Upper ply, 1 m into the Pollux seam. The second core run obtains the remainder of the seam. If any loss occurs between core runs, it is entirely confined within the Bypass Upper ply. The Bypass Upper ply has the most consistent quality and is almost always &lt;9% ash, &lt;0.60% sulphur, and &lt;0.06% phosphorous.</li> <li>▪ However, due to steep seam dips and the regional horizontal stress magnitude and direction boreholes deviate significantly at greater than 60 m depth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee Coal Company coring instruction procedure, which is based on Industry standard methods of obtaining core samples is used by the rig geologists.</li> <li>▪ Core recovery is recorded by the rig geologist at the time logging the bore hole, based on measurements taken of the cored interval and the core recovered and visual inspection of the core. Actual recovered core lengths are measured with a tape measure and any core loss is recorded in geological logs, coal quality sample intervals and in the run by run drilling record field sheets.</li> <li>▪ Core loss is confirmed by the rig geologist after comparing the recovered core to the geophysical logs to determine which parts if any of the seam are missing due to core loss.</li> <li>▪ Core loss is recorded and excluded from samples in accordance with the Yarrabee Core Logging procedure. It is estimated that 90% of the core holes in the database are compliant with the procedure.</li> </ul>
<p>Drill sample recovery</p> <ul style="list-style-type: none"> <li>▪ <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>▪ <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>▪ <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee Coal Company coring instruction procedure, which is based on Industry standard methods of obtaining core samples is used by the rig geologists.</li> <li>▪ Core recovery is recorded by the rig geologist at the time logging the bore hole, based on measurements taken of the cored interval and the core recovered and visual inspection of the core. Actual recovered core lengths are measured with a tape measure and any core loss is recorded in geological logs, coal quality sample intervals and in the run by run drilling record field sheets.</li> <li>▪ Core loss is confirmed by the rig geologist after comparing the recovered core to the geophysical logs to determine which parts if any of the seam are missing due to core loss.</li> <li>▪ Core loss is recorded and excluded from samples in accordance with the Yarrabee Core Logging procedure. It is estimated that 90% of the core holes in the database are compliant with the procedure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee Coal Company coring instruction procedure, which is based on Industry standard methods of obtaining core samples is used by the rig geologists.</li> <li>▪ Core recovery is recorded by the rig geologist at the time logging the bore hole, based on measurements taken of the cored interval and the core recovered and visual inspection of the core. Actual recovered core lengths are measured with a tape measure and any core loss is recorded in geological logs, coal quality sample intervals and in the run by run drilling record field sheets.</li> <li>▪ Core loss is confirmed by the rig geologist after comparing the recovered core to the geophysical logs to determine which parts if any of the seam are missing due to core loss.</li> <li>▪ Core loss is recorded and excluded from samples in accordance with the Yarrabee Core Logging procedure. It is estimated that 90% of the core holes in the database are compliant with the procedure.</li> </ul>

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Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> <li>▪ <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>▪ <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>▪ <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Historic boreholes do not comply with the Yarrabee core logging procedure.</li> <li>▪ The database contains 1,316 parent seams with sample data. 92 seams (7%) have &lt;90% recovery and have been excluded from the model. 73 seams (5%) have between 90% and 95% core recovery and have been used in the model. 1,151 seams (87%) have &gt;95% recovery.</li> <li>▪ If core recovery for a coal ply is less than 95%, then that section of the hole is redrilled to ensure a representative sample is taken, provided that the cored hole is not located in an area of high structural complexity, in which case lower core recovery is accepted.</li> <li>▪ Open hole chip recovery is assessed qualitatively by the rig geologist.</li> <li>▪ Standardised Yancoal logging systems and protocols are utilised for all drilling logging and sampling.</li> <li>▪ Core is geologically logged and open hole chip samples are taken every 1 m and logged for lithology changes.</li> <li>▪ All holes have been lithologically logged, with cored coal sections brightness logged. The logging of the chip and core samples is detailed and includes a record of the recovery of the total length and the cored length, rock type, stratigraphic unit and numerous adjectives to describe the sample in terms of colour, grainsize, bedding etc. all of which is sufficient to describe the various lithologies and coal samples to support the Coal Resource estimation from a geological and coal quality consideration.</li> <li>▪ In general, geotechnical assessment is not performed based on bore core data because the structural deformation at Yarrabee can be classified between complex and severe for some of the mining areas.</li> <li>▪ Geotechnical boreholes have been drilled vertically, and as a result do not intersect a significant number of defect structures, because joints and the like typically have subvertical orientation.</li> <li>▪ Geotechnical drilling has been completed in the Yarrabee East South (YES) and Willepeena areas.</li> <li>▪ All bore core is photographed on both the core table (0.5 m increment).</li> <li>▪ Chip samples are photographed as they are sampled and laid out in 1 m intervals.</li> <li>▪ An estimated 90% of the Resource uses holes with digital geophysical logs. Some older holes only have paper copy geophysics. The holes without geophysics appear to have been corrected to geophysics, and reliability has been verified from newer drilling, and mining. Holes confirmed to be unreliable have been flagged in the Geobank database to avoid accidental use during modelling. In some areas these holes have been redrilled.</li> </ul>

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Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>▪ If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>▪ Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The geophysical tools used were: short and long spaced density, natural gamma, calliper, and verticality. A sonic sonde is run on cored holes.</li> <li>▪ Drillhole vertically data was used (when available) to orientate and locate the boreholes and the coal seams for inclusion in the structural model. An estimated 90% of the Resource was modelled using verticality data.</li> <li>▪ Core sampling is completed at the drill site and is based on a set of standard criteria (determined by lithology and structure) that follows the Yarrabee sampling procedure.</li> <li>▪ All samples were photographed, double bagged, and provided with a unique sample identifier prior to sending to the laboratory.</li> <li>▪ Whole samples were used for quality analysis.</li> <li>▪ All samples within the seam extents were analysed.</li> <li>▪ Carbonaceous material, and all stone bands were sampled to ensure that full coverage of each seam was obtained.</li> <li>▪ Seam extents were corrected to geophysics prior to coal quality analysis, and then corrected to quality after the analysis was completed (if necessary).</li> <li>▪ Samples were weighed as received, dried and reweighed. Raw analysis samples were crushed to -4 mm and split into portions using a rotary splitter prior to coal quality analysis.</li> <li>▪ Washability analysis was conducted in Resource areas containing no wash plant production data. The analysis was conducted in accordance with the Yarrabee Coal Company washability procedure.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Only core samples are used to obtain coal quality information.</li> <li>▪ Only third party NATA certified labs were used for sample analysis. Labs conduct round robin validation checks to ensure a high standard of reporting is maintained.</li> <li>▪ All samples were analysed for raw coal quality.</li> <li>▪ Sample instructions were issued by Yarrabee Coal Company personnel.</li> <li>▪ Yarrabee currently uses the SGS laboratory at Gladstone.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures,</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sample results were validated in-house by Yancoal employees.</li> <li>▪ No twinned core holes have been drilled.</li> <li>▪ All coal quality data is stored in the Geobank Yarrabee database.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>data verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>The coal quality laboratories provide the results of coal quality testing to Yarrabee in a template which is directly uploaded into Geobank which eliminates transcription and key in errors arising from data transfer.</li> <li>Yarrabee has used a wide range of laboratory service providers over the years, and report no bias in the results of coal testing, with the exception of phosphorus in the DOM 2 South area. Yancoal believes that the pre-2007 phosphorus values reported for wet chemistry analytical methods for the DOM 2 South area were lower than the later values reported by XRF determinations.</li> <li>It is noted that the DOM 2 South area is mined out, and therefore will not impact future coal quality predictions.</li> <li>Validation is conducted before and after the data is loaded into the Geobank Yarrabee database.</li> <li>Geobank is used to check the data being loaded to the database according to a set of coal quality data load limits. Any data outside of these limits is flagged and is evaluated by the Yarrabee geologists to determine if the flagged data has been caused by error or due to geological variation.</li> <li>In the case of a geological variation the data is loaded to Geobank.</li> <li>In the case of error, the samples are reanalysed by the laboratory.</li> <li>Validation also occurs on each seam graphically by comparison with the geophysical log data. Ash for example is compared against the geophysical signature.</li> <li>Relative density is adjusted for Preston &amp; Sanders, using the assumed bed (in situ) moisture of 5.5%, which is consistent for the rank of the coal present at Yarrabee.</li> </ul>	<ul style="list-style-type: none"> <li>The initial borehole coordinates are obtained using handheld Garmin GPS by the site geologist using Aus Geoid 84 Zone 55.</li> <li>Final borehole collar survey is completed by the Yarrabee Coal Company personnel trained in surveying, using the Yarrabee Mine base station calibrated to AMG84_55.</li> <li>Geological models are developed from topographic data from AAM Hatch airborne LiDAR, using control points to correct to the local grid. LiDAR data is acquired annually and is therefore up to date.</li> <li>The topographic surface at Yarrabee is essentially flat lying. The topographic surface for the YES area has been developed from the borehole collars.</li> <li>Geobank validates the final borehole collar survey by flagging the hole if the final and estimated coordinates are more than 20 m different. This event has only occurred once at Yarrabee since 2007, and is therefore not material.</li> </ul>
<p>Location of data points</p> <ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The coal quality laboratories provide the results of coal quality testing to Yarrabee in a template which is directly uploaded into Geobank which eliminates transcription and key in errors arising from data transfer.</li> <li>Yarrabee has used a wide range of laboratory service providers over the years, and report no bias in the results of coal testing, with the exception of phosphorus in the DOM 2 South area. Yancoal believes that the pre-2007 phosphorus values reported for wet chemistry analytical methods for the DOM 2 South area were lower than the later values reported by XRF determinations.</li> <li>It is noted that the DOM 2 South area is mined out, and therefore will not impact future coal quality predictions.</li> <li>Validation is conducted before and after the data is loaded into the Geobank Yarrabee database.</li> <li>Geobank is used to check the data being loaded to the database according to a set of coal quality data load limits. Any data outside of these limits is flagged and is evaluated by the Yarrabee geologists to determine if the flagged data has been caused by error or due to geological variation.</li> <li>In the case of a geological variation the data is loaded to Geobank.</li> <li>In the case of error, the samples are reanalysed by the laboratory.</li> <li>Validation also occurs on each seam graphically by comparison with the geophysical log data. Ash for example is compared against the geophysical signature.</li> <li>Relative density is adjusted for Preston &amp; Sanders, using the assumed bed (in situ) moisture of 5.5%, which is consistent for the rank of the coal present at Yarrabee.</li> </ul>	<ul style="list-style-type: none"> <li>The initial borehole coordinates are obtained using handheld Garmin GPS by the site geologist using Aus Geoid 84 Zone 55.</li> <li>Final borehole collar survey is completed by the Yarrabee Coal Company personnel trained in surveying, using the Yarrabee Mine base station calibrated to AMG84_55.</li> <li>Geological models are developed from topographic data from AAM Hatch airborne LiDAR, using control points to correct to the local grid. LiDAR data is acquired annually and is therefore up to date.</li> <li>The topographic surface at Yarrabee is essentially flat lying. The topographic surface for the YES area has been developed from the borehole collars.</li> <li>Geobank validates the final borehole collar survey by flagging the hole if the final and estimated coordinates are more than 20 m different. This event has only occurred once at Yarrabee since 2007, and is therefore not material.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Older boreholes have been removed from the model if the collar does not match the topography, or the seams don't match the seam model.</li> <li>▪ In general this is the data acquired by Thiess Brothers and CSR Limited. It appears that both entities controlled separate tenements, and used the same borehole numbers as each other. When the tenements were combined some boreholes were not unique which caused collar location issues that were resolved by Yancoal.</li> </ul>
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> <li>▪ The geological levels of structural complexity at Yarrabee range between moderate and severe. Relatively close-spaced hole spacing was required to correlate the Resource to an acceptable level of confidence in complex and severe areas.</li> <li>▪ Exploration drilling is initially performed on parallel drill lines that are located at the following distances:                             <ul style="list-style-type: none"> <li>- 1,000 m;</li> <li>- 500 m; and</li> <li>- 250 m.</li> </ul> </li> <li>▪ The spacing of exploration drill lines is reduced as certainty of inclusion of Resources into the LOM increases.</li> <li>▪ In general the spacing of open holes for pre-production drilling reduces to 125 m.</li> <li>▪ Borehole spacing is not the overarching criteria for determining the spacing of exploration. Geological certainty is the prime requirement at the completion of exploration. In other words the greater the geological complexity, the closer the final borehole spacing.</li> <li>▪ As a general rule of thumb, if bypass coal is required to be produced the borehole spacing is generally less than 150 m.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drillholes were oriented and drilled vertically.</li> <li>▪ In areas of steep bedding dip, drillholes often have a high percentage of deviation.</li> <li>▪ Verticality data was acquired during geophysical logging and has been used for unambiguous location of the coal seams for 90% of boreholes used for development of geological models.</li> <li>▪ Core orientation has not been measured. Core holes have been oriented and drilled vertically.</li> <li>▪ The use of downhole deviation for deviated boreholes is sufficient for unambiguous location of the coal seams and follows standard industry practices.</li> </ul>
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> <li>▪ The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Core samples are bagged by the geologist and dispatched through the Yarrabee Mine Stores for dispatch. Samples are transported to the laboratory by dedicated courier service.</li> <li>▪ Sample instructions are provided to the laboratory.</li> </ul>



Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No samples have gone missing to date.</li> <li>In light of the bulk commodity nature of coal, no higher level security measures are deemed necessary since it is very unlikely to be subject to material impact from sample tampering theft or loss.</li> <li>No external audits have been performed.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary																																																																																																
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>All Resources lie within mining leases held by YCC. There are no joint ventures, partnerships, overriding royalties, native title interests, historical sites or wilderness or national park and environmental settings over these mining leases.</li> <li>The mining lease status is listed in Table C1, and shown in the table below:</li> </ul> <table border="1"> <thead> <tr> <th>Type</th> <th>Number</th> <th>Grant Date</th> <th>Expiry Date</th> <th>Hectare/sub-block</th> <th>% Yarrabee Owned</th> </tr> </thead> <tbody> <tr> <td>ML</td> <td>1770</td> <td>9/03/1978</td> <td>31/03/2022</td> <td>1,292 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80049</td> <td>24/06/1999</td> <td>30/06/2019</td> <td>133 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80050</td> <td>1/10/1998</td> <td>31/10/2018</td> <td>1,223 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80096</td> <td>20/06/2002</td> <td>30/06/2020</td> <td>100 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80104</td> <td>4/09/2003</td> <td>30/09/2023</td> <td>648 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80172</td> <td>4/10/2012</td> <td>31/10/2042</td> <td>1,987 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80195</td> <td>1/04/2014</td> <td>30/04/2044</td> <td>2,356 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80196</td> <td>1/04/2014</td> <td>30/04/2044</td> <td>80 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80197</td> <td>7/05/2014</td> <td>31/05/2044</td> <td>413 ha</td> <td>100%</td> </tr> <tr> <td>ML</td> <td>80198</td> <td>1/04/2014</td> <td>30/04/2044</td> <td>50 ha</td> <td>100%</td> </tr> <tr> <td>MDL</td> <td>160</td> <td>1/04/1996</td> <td>31/03/2022</td> <td>742 ha</td> <td>100%</td> </tr> <tr> <td>EPC</td> <td>621</td> <td>29/10/1996</td> <td>28/10/2019</td> <td>28 ha</td> <td>64%</td> </tr> <tr> <td>EPC</td> <td>717</td> <td>28/08/2000</td> <td>27/08/2022</td> <td>4 ha</td> <td>100%</td> </tr> <tr> <td>EPC</td> <td>1429</td> <td>15/06/2010</td> <td>14/06/2020</td> <td>22 ha</td> <td>64%</td> </tr> <tr> <td>EPC</td> <td>1684</td> <td>12/03/2010</td> <td>11/03/2022</td> <td>8 ha</td> <td>100%</td> </tr> </tbody> </table>	Type	Number	Grant Date	Expiry Date	Hectare/sub-block	% Yarrabee Owned	ML	1770	9/03/1978	31/03/2022	1,292 ha	100%	ML	80049	24/06/1999	30/06/2019	133 ha	100%	ML	80050	1/10/1998	31/10/2018	1,223 ha	100%	ML	80096	20/06/2002	30/06/2020	100 ha	100%	ML	80104	4/09/2003	30/09/2023	648 ha	100%	ML	80172	4/10/2012	31/10/2042	1,987 ha	100%	ML	80195	1/04/2014	30/04/2044	2,356 ha	100%	ML	80196	1/04/2014	30/04/2044	80 ha	100%	ML	80197	7/05/2014	31/05/2044	413 ha	100%	ML	80198	1/04/2014	30/04/2044	50 ha	100%	MDL	160	1/04/1996	31/03/2022	742 ha	100%	EPC	621	29/10/1996	28/10/2019	28 ha	64%	EPC	717	28/08/2000	27/08/2022	4 ha	100%	EPC	1429	15/06/2010	14/06/2020	22 ha	64%	EPC	1684	12/03/2010	11/03/2022	8 ha	100%
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Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Approximately 40% of the exploration was completed by antecedents to Felix Resources who became the owner of Yarrabee in 2007.</li> <li>Approximately 60% of the holes have been drilled since 2007 when Felix Resources acquired Yarrabee.</li> </ul>																																																																																																



APPENDIX III

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>▪ The previous Competent Person (Mr. Stuart Whyte) who has been employed at Yarrabee since 2007 has full knowledge of this post 2007 exploration, and has provided the current Competent Person with his personal insights.</li> <li>▪ All known historical drilling has been incorporated into the Yarrabee geological database. The term ‘historical drilling’ used by Yarrabee, refers to all boreholes completed prior to 2007.</li> <li>▪ No drilling is conducted on YCC mining leases by other parties.</li> </ul>
<p>Geology</p> <ul style="list-style-type: none"> <li>▪ <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee deposit is located within the Rangal Coal Measures of the Blackwater Group, and is located on the eastern edge of the Bowen Basin, adjacent to the Dawson tectonic Zone.</li> <li>▪ The Yarrabee deposit is located between the Yarrabee fault on the east and the Jellinbah fault on the west, both faults being thrusts and up-thrown to the east.</li> <li>▪ The Yarrabee Resource is located on an asymmetric syncline that plunges to the SSE. The western limb of the syncline is characterised by steep dips and significant crustal shortening due to over thrusting of strata.</li> <li>▪ Secondary anticline and syncline structures are superimposed on the overarching syncline structure, with anticlines being subject to crustal shortening which is observed by thrust structures being located in close proximity to the axial structures of the anticlines.</li> <li>▪ The Resource area is currently evaluated for open cut extraction only, because its structural complexity is currently perceived to preclude underground extraction.</li> <li>▪ The deposit dimensions are approximately 15 km in length north-south, by 10 km in width west-east.</li> <li>▪ Yarrabee product coal is a well-established, low volatile PCI coal brand.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee deposit is located within the Rangal Coal Measures of the Blackwater Group, and is located on the eastern edge of the Bowen Basin, adjacent to the Dawson tectonic Zone.</li> <li>▪ The Yarrabee deposit is located between the Yarrabee fault on the east and the Jellinbah fault on the west, both faults being thrusts and up-thrown to the east.</li> <li>▪ The Yarrabee Resource is located on an asymmetric syncline that plunges to the SSE. The western limb of the syncline is characterised by steep dips and significant crustal shortening due to over thrusting of strata.</li> <li>▪ Secondary anticline and syncline structures are superimposed on the overarching syncline structure, with anticlines being subject to crustal shortening which is observed by thrust structures being located in close proximity to the axial structures of the anticlines.</li> <li>▪ The Resource area is currently evaluated for open cut extraction only, because its structural complexity is currently perceived to preclude underground extraction.</li> <li>▪ The deposit dimensions are approximately 15 km in length north-south, by 10 km in width west-east.</li> <li>▪ Yarrabee product coal is a well-established, low volatile PCI coal brand.</li> </ul>
<p>Drillhole Information</p> <ul style="list-style-type: none"> <li>▪ <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i> <ul style="list-style-type: none"> <li>- <i>easting and northing of the drillhole collar</i></li> <li>- <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</i></li> <li>- <i>dip and azimuth of the hole</i></li> <li>- <i>down hole length and interception depth</i></li> <li>- <i>hole length.</i></li> </ul> </li> <li>▪ <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All borehole data is stored within the Yarrabee Geobank database.</li> <li>▪ The database contains greater than 10,388 boreholes, of which 1,118 are cored holes of various diameters.</li> <li>▪ A total of 4,575 boreholes are located in the mined out areas at Yarrabee.</li> <li>▪ Mr. Stuart Whyte opines that approximately 90% of the cored holes in the database meet the requirements of the Yancoal core logging procedures.</li> <li>▪ The majority of boreholes in the Resource area at Yarrabee is modern data that was acquired post-2007.</li> <li>▪ DOM 6 and DOM 2S contain a high percentage of historic data, but it appears to match the post 2007 data closely and has been retained.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All borehole data is stored within the Yarrabee Geobank database.</li> <li>▪ The database contains greater than 10,388 boreholes, of which 1,118 are cored holes of various diameters.</li> <li>▪ A total of 4,575 boreholes are located in the mined out areas at Yarrabee.</li> <li>▪ Mr. Stuart Whyte opines that approximately 90% of the cored holes in the database meet the requirements of the Yancoal core logging procedures.</li> <li>▪ The majority of boreholes in the Resource area at Yarrabee is modern data that was acquired post-2007.</li> <li>▪ DOM 6 and DOM 2S contain a high percentage of historic data, but it appears to match the post 2007 data closely and has been retained.</li> </ul>

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<p>report, the Competent Person should clearly explain why this is the case.</p> <p><b>Data aggregation methods</b></p> <ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>The YES area contains approximately 200 historic boreholes that also match the post-2007 data closely.</li> <li>Ply samples are combined after raw coal analysis to create composites (for washability and product coal analyses) that represent the mineable seam working sections.</li> <li>Individual samples have been weighted by thickness and density (mass weighting). Laboratory determined air dried ARD has been used for the density weighting. Where no ARD data is available and ash data is available then an air dried ash to ARD regression has been used to assign individual sample ARDs prior to weighting.</li> <li>There are no metal equivalents used to report the Coal Resources. This is not a standard reporting practice for Coal Resources.</li> </ul>	
<p><b>Relationship between mineralisation widths and intercept lengths</b></p> <ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<ul style="list-style-type: none"> <li>All boreholes at Yarrabee are planned as vertical. However due to the bed dips the holes tend to deviate ‘up-dip’ so that with sufficient depth the hole is perpendicular to the seam.</li> <li>Down-hole deviation data is used to model the bore holes which provides a higher degree of certainty to the location of the coal seams in the boreholes.</li> </ul>	
<p><b>Diagrams</b></p> <ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant figures depicting information considered material to the Coal Resources reported are contained within the JORC report associated with this Table 1.</li> </ul>	
<p><b>Balanced reporting</b></p> <ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Yancoal Australia has not specifically released exploration results for the Yarrabee coal Resource.</li> </ul>	
<p><b>Other substantive exploration data</b></p> <ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to):                             <ul style="list-style-type: none"> <li>geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Blast holes are used for short term exploration within the pits. The blast holes are used for the Resource model if they are geophysically logged and collars are surveyed.</li> <li>A magnetic survey was performed by Yarrabee in the third quarter of 2014, primarily in the Wilpeena area, and not the Yarrabee mine area.</li> <li>The intent of the magnetic survey was to locate faults, (in particular faults where coal seams were likely to be up-thrown) from the signatures generated by magnetic fluids on the fault planes. The results of the work were inconclusive, and did not achieve a positive outcome.</li> </ul>	
<p><b>Further work</b></p> <ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests)</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient work has been completed to establish seam continuity in the planned LOM area.</li> </ul>	



Criteria	JORC Code explanation	Commentary
	<p>for lateral extensions or depth extensions or large-scale step-out drilling).</p> <ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Pre-production drilling is completed to maintain a three years gap in advance of mine production.</li> <li>Pre-production work has not been performed since 2014 when this work had been completed to cater for doubling of production to 6 Mtpa during the last boom period. Production was never increased, and as a consequence pre-production drilling is well in advance of mining requirements, and is currently being consumed.</li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Since 2008, data has been stored in Geobank software. Geobank is the master database, all required modifications are made in Geobank prior to being uploaded via ODBC to Minex for modelling.</li> <li>The Geobank database contains the following data types:                         <ul style="list-style-type: none"> <li>collar survey;</li> <li>lithology;</li> <li>geophysics; and</li> <li>coal quality data.</li> </ul> </li> <li>Core and chip sample photographs are stored separately on a server.</li> <li>Exploration data is entered into Geobank in the field using tablet computers. Geobank contains validation and other business rules to ensure only acceptable codes are entered.</li> <li>Coal quality data is loaded directly into Geobank from laboratory excel spreadsheets based on the template containing the requests for analysis.</li> <li>Some of the business rules contained in Geobank for validation of data include:                         <ul style="list-style-type: none"> <li>planned borehole coordinates are within 20m of the actual as drilled collar coordinates;</li> <li>the borehole total depth matches the lithology depth and the drilled depth;</li> <li>the lithology data uses the correct codes;</li> <li>there are no negative thicknesses; and</li> <li>plies are constrained by the parent seam roof and floor constraints.</li> </ul> </li> <li>Coal quality data is validated within Geobank, according to a set of upper and lower data limits for each parameter. Other rules include:                         <ul style="list-style-type: none"> <li>proximate data must add to 100%;</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- acceptable ranges; and</li> <li>- the sum of density fractions must sum to the raw mass.</li> <li>▪ There is a three step process for data validation.</li> <li>▪ The original data recorded by the geologist and the original files supplied by the laboratory are retained as a raw file and backed up. Subsequent upgrades to geological data in Geobank are made in the copies of the original data.</li> <li>▪ The lithology data is corrected to geophysics and flagged as corrected in Geobank.</li> <li>▪ The data is reviewed by a Senior geologist and flagged as finalised.</li> <li>▪ The data uploaded into the database proper upon sign off by the Senior geologist.</li> <li>▪ The boreholes are checked by the Resource geologist during the modelling process.</li> </ul>
<p><i>Site visits</i></p> <ul style="list-style-type: none"> <li>▪ <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li>▪ <i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Mr. Michael Johnson (Competent Person) visited the Yarrabee Mine in May 2018 to investigate the geology of the area, and to assess the mining methodology, coal preparation characteristics and infrastructure of the operation.</li> <li>▪ Mr. Johnson completed an initial written report and with site photographs.</li> <li>▪ Having visited the site, the Competent Person is familiar with the Yarrabee Resource and the in the Rangal Coal Measures after working at Newlands Southern Underground and, Newlands Northern, and Greater “NCA” Project (Newlands, Collinsville and Abbot Point) at an operational basis and various stages of Order of Magnitude, Preliminary Feasibility and Feasibility Study.</li> <li>▪ The Competent person has spent time in discussion with Mr. Stuart Whyte who is the Yancoal Competent Person for the Yarrabee Resource for additional understanding of the Resource, and with several employees at the mine in the Geology Department.</li> </ul>	
<p><i>Geological interpretation</i></p> <ul style="list-style-type: none"> <li>▪ <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li>▪ <i>Nature of the data used and of any assumptions made.</i></li> <li>▪ <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li>▪ <i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li>▪ <i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Detailed coal ply logging is completed by geological logging of open and fully cored holes supported by geophysical log data.</li> <li>▪ Coal seam and ply correlation are relatively simple where drill spacing is adequate and are sufficient to establish the structural thickening of seams, and structural dislocation due to faulting.</li> <li>▪ The adequate borehole spacing at Yarrabee ranges from 20 m to 125 m depending on the structural complexity of any given Resource area.</li> <li>▪ The coal seams of the Rangal Coal Measures at Yarrabee, namely in descending stratigraphic order:                         <ul style="list-style-type: none"> <li>- Cancer;</li> <li>- Aries;</li> <li>- Castor Upper;</li> </ul> </li> </ul>	



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- Castor Lower;</li> <li>- Pollux;</li> <li>- Orion; and</li> <li>- Pisces.</li> <li>▪ All coal seams have unique geophysical signatures that enables seam correlations to be made consistently and confidently.</li> <li>▪ The Pisces seam is underlain by the Yarrabee Tuff which is a Basin wide marker interval and can be used to provide stratigraphic assurance to the seam picks.</li> <li>▪ Other markers used to assist with seam identification at Yarrabee include;                             <ul style="list-style-type: none"> <li>- the carbonaceous rider band that is present above the Aries seam;</li> <li>- typical seam thickness and geophysical signatures of the seams;</li> <li>- interburden thickness characteristics;</li> <li>- gamma response of the seam intervals;</li> <li>- the medial stone band that is present in the Pollux seam, (which is the same as the medial stone band in the Elphinstone seam / Leichardt seam in the northern parts of the Bowen Basin);</li> <li>- the high ash Pollux floor plies; and</li> <li>- the high phosphorus Pollux floor plies.</li> </ul> </li> </ul>
<p><i>Dimensions</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Several large thrust faults exceeding 100 m vertical displacement cause discontinuity to the extent of the Yarrabee deposit. As a result, five disconnected domains are modelled separately. The combined Resource area is approximately 13 km long and 8 km wide and approximately 200 m maximum depth. Although depth of Resources is generally derived by economics.</li> </ul>
<p><i>Estimation and modelling techniques</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li>▪ <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li>▪ <i>The assumptions made regarding recovery of by-products.</i></li> <li>▪ <i>Estimation of deleterious elements or other non-grade</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Modelling was undertaken using Geovia’s Minex software (version 6.3).</li> <li>▪ Four models were created for each of the disconnected Resource domains.</li> <li>▪ The four model areas each have different structural complexities, although the structural complexity is greatest on the western limb of the syncline and in the northern nodal part of the syncline.</li> <li>▪ Structure models were created at 10 m mesh size, and coal quality modelling created with a 50 m mesh size. The mesh sizes were selected to achieve the most representative models.</li> <li>▪ Faults are modelled as vertical faults. This process is considered acceptable due to the fact that high coal losses occur during mining process in the vicinity of faults, and any repeat seams have relatively low coal recovery. Seam overlap on large faults has been modelled where the repeated seam is correlatable between multiple holes.</li> </ul>





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<p><i>variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></p> <ul style="list-style-type: none"> <li><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li><i>Any assumptions behind modelling of selective mining units.</i></li> <li><i>Any assumptions about correlation between variables.</i></li> <li><i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li><i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li><i>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</i></li> </ul>	<ul style="list-style-type: none"> <li>Trend strings were used to control the model in complex areas of tight folding, vertical seam dip, and fault displacement.</li> <li>Limits to data have been applied to coal quality and seam thickness grids. This limits the model thickness and coal quality attribute ranges to the maximum and minimum values within the data set.</li> <li>Fault thickened cored hole seam thicknesses have not been trimmed to the average seam thickness to ensure that the entire seam quality result can be composited and used in the model. Fault thickened cored hole seam are excluded from generating structure and thickness grids. Stuart Whyte estimates that less than 5% of cored hole seam intersections are fault affected.</li> <li>The pilot open hole at the site of the excluded cored hole is used to control seam thickness for the repeated seam section and the non-repeated seam section in the structural model.</li> <li>The names and details of the four models are shown in below.</li> </ul> <table border="1" data-bbox="699 272 836 1144"> <thead> <tr> <th>Mine Area</th> <th>JORC Structural Resource Model Name</th> <th>Date of Release</th> <th>JORC Quality Model Name</th> </tr> </thead> <tbody> <tr> <td>Yarrabee East (YEN Pit)</td> <td>EAST_PLY_CUT_DEC15</td> <td>23/12/2015</td> <td>EAST_PLY_QUAL_FEB17.grd</td> </tr> <tr> <td>Yarrabee East (YES Pit)</td> <td>EAST_CUT_DEC15</td> <td>18/12/2015</td> <td>QUALITY_FEB17.grd</td> </tr> <tr> <td>Domain 2 (Nth)</td> <td>EAST_CUT_DEC15</td> <td>18/12/2015</td> <td>QUALITY_FEB17.grd</td> </tr> <tr> <td>Domain 2 (Sth)</td> <td>Dom2sth_Cut_2017</td> <td>23/03/2017</td> <td>QUALITY_FEB17.grd</td> </tr> </tbody> </table>	Mine Area	JORC Structural Resource Model Name	Date of Release	JORC Quality Model Name	Yarrabee East (YEN Pit)	EAST_PLY_CUT_DEC15	23/12/2015	EAST_PLY_QUAL_FEB17.grd	Yarrabee East (YES Pit)	EAST_CUT_DEC15	18/12/2015	QUALITY_FEB17.grd	Domain 2 (Nth)	EAST_CUT_DEC15	18/12/2015	QUALITY_FEB17.grd	Domain 2 (Sth)	Dom2sth_Cut_2017	23/03/2017	QUALITY_FEB17.grd
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Domain 2 (Sth)	Dom2sth_Cut_2017	23/03/2017	QUALITY_FEB17.grd																		
<p><i>Moisture</i></p> <ul style="list-style-type: none"> <li><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>There are no total moisture determinations for Yarrabee in situ coal. Air dried density has been adjusted to an in situ basis using the Preston &amp; Sanders equation using an assumed in situ moisture of 5.5%, which is commensurate with the coal rank. The selection of a total moisture estimate of 4% to 6% will not make a material difference to the Resource tonnage estimate. Therefore the Competent Person considers that further discussion about changes of the total moisture assumption of 5.5% is not relevant. The biggest levers for Resource variability are structural.</li> </ul>																				
<p><i>Cut-off parameters</i></p> <ul style="list-style-type: none"> <li><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Minimum seam thicknesses are determined by the structural complexity of each Resource domain, and in conjunction with practical mining limitations, as well as consultation with mine planning engineers. In areas of low structural complexity, seam thickness limit are as thin as 30 cm for the Castor Upper seam in the Yarrabee east area, but nominally a 0.5 m minimum thickness is used for the other seams. No seam thickness limit is applied where seams adjoin (coalesce) with other seams.</li> <li>45% raw ash is used as an upper limit for raw coal quality, but it is extremely rare for raw ash to reach this limit.</li> <li>Resource cut off limits also include the 20:1 vertical in situ stripping ratio to the lowest mineable coal seam.</li> </ul>																				

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Criteria	JORC Code explanation	Commentary
<p><i>Mining factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The lowest mineable coal seam in all areas is the Pollux seam, except for the YES area which mines to the Pisces seam.</li> <li>▪ Open cut mining methods using truck and shovel / excavator are considered to be the suitable method of operation.</li> <li>▪ Underground extraction methods have not been considered at this stage of evaluation due to the structural complexity of the Resource area, and the large open cut Resource that is currently available.</li> </ul>
<p><i>Metallurgical factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yarrabee has a 10 year history of wash plant performance data available with which to calibrate product yield and ash based on bore core predictions.</li> <li>▪ The Yarrabee CHPP consists of industry standard separation equipment such as:                             <ul style="list-style-type: none"> <li>- dense media cyclones;</li> <li>- spirals; and</li> <li>- froth flotation.</li> </ul> </li> <li>▪ Washability testing is performed on 100 mm diameter core to simulate the feed to the separating equipment of the CHPP. Washability testing of bore core at Yarrabee has only been a feature of exploration since 2011, and after the CHPP was constructed. Testing follows the Washability Borecore Procedure ‘1’ Dated 1 July 2012 which includes:                             <ul style="list-style-type: none"> <li>▪ Coal samples are sized to three fractions:                                     <ul style="list-style-type: none"> <li>- -50 mm + 1 mm;</li> <li>- -1 mm + 0.125 mm; and</li> <li>- -0.125 mm.</li> </ul> </li> <li>▪ Float sink testing is performed on the plus 1 mm and minus 1 mm by 0.125 mm size fractions at the following separation densities:                                     <ul style="list-style-type: none"> <li>- F1.30;</li> <li>- F1.35;</li> <li>- F1.40;</li> <li>- F1.45;</li> <li>- F1.50;</li> <li>- F1.55;</li> <li>- F1.60;</li> </ul> </li> </ul> </li> </ul>



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- F1.65;</li> <li>- F1.70;</li> <li>- F1.80; and</li> <li>- F1.90.</li> <li>▪ Sequential tree froth flotation is performed on the minus 0.125 mm fraction.</li> <li>▪ Clean coal composites are prepared and tested for the F1.55 and S1.55 fractions which are tested for the following:                             <ul style="list-style-type: none"> <li>- proximate analysis;</li> <li>- relative density;</li> <li>- total sulphur;</li> <li>- specific energy;</li> <li>- phosphorus; and</li> <li>- Hardgrove Grindability Index.</li> </ul> </li> <li>▪ The following trace elements are also determined:                             <ul style="list-style-type: none"> <li>- arsenic;</li> <li>- boron;</li> <li>- antimony;</li> <li>- selenium;</li> <li>- cadmium;</li> <li>- lead;</li> <li>- cobalt;</li> <li>- chromium;</li> <li>- copper;</li> <li>- molybdenum;</li> <li>- nickel;</li> <li>- tin;</li> <li>- zinc;</li> <li>- fluorine;</li> <li>- mercury; and</li> <li>- manganese.</li> </ul> </li> <li>▪ Washability and product coal testing follows accepted industry practice for metallurgical coal.</li> <li>▪ Yarrabee Mine currently produces both thermal and PCI coal products.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>Environmental factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Thermal coal can be sold as a bypass product.</li> <li>▪ PCI coal requires to be beneficiated in the CHPP.</li> <li>▪ Comparison of predicted and actual yield on an annualised basis at Yarrabee can be misleading because the mine is operated to maximise revenue.</li> <li>▪ The choice of producing thermal or PCI products is a trade-off between revenue and decreased yield. PCI coal requires to be beneficiated which decreases the overall yield of the mine, but PCI coal generally achieves a higher price than thermal coal.</li> <li>▪ The choice to produce PCI coal in preference to thermal coal is made when the price differential between PCI and thermal products exceeds the loss in product tonnage of thermal coal by beneficiating the bypass thermal coal to PCI product.</li> <li>▪ Current operations are conducted under an approved Environmental Authority (“EA”). All Resources are within mining leases. No issues are expected that would impact the Resource estimate.</li> </ul>
<p><i>Bulk density</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li>▪ <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li>▪ <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Yarrabee Mine has been in operation since 1982. The density of the coal and its distribution within the seams is well known.</li> <li>▪ The in situ density is estimated using laboratory air dried relative density and adjusted to in situ density using the Preston &amp; Sanders method using the assumed in situ moisture of 5.5%.</li> <li>▪ The Reserving process uses reconciled production numbers to assign coal recovery parameters.</li> </ul>
<p><i>Classification</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li>▪ <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The classification of the Coal Resources into varying confidence categories is based on a standardised process of utilising points of observation (PoO) according to their reliability. The PoOs are used to categorise quantity and quality continuity (or both) or support continuity.</li> </ul>

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Criteria	JORC Code explanation	Commentary
	<p><i>and distribution of the data).</i></p> <ul style="list-style-type: none"> <li>▪ <i>Whether the result appropriately reflects the Competent Person’s view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Resource classification is based on the Competent Person’s confidence of the seam continuity and coal quality variability within drillholes.</li> <li>▪ Seam continuity is the key parameter in structurally complex deposits, which drives the drillhole spacing as well as the Resource classification made by the Competent Person.</li> <li>▪ The overarching requirement for the Competent Person is that seam continuity can be demonstrated.</li> <li>▪ A Quality PoO has the following attributes:             <ul style="list-style-type: none"> <li>- open or cored hole;</li> <li>- seam interval geophysically logged, or Where geophysical data is missing for a seam(s), it is up to the Competent Person’s discretion to determine if the seam level and thickness is consistent with nearest neighbour boreholes;</li> <li>- downhole survey data; and</li> <li>- reliable collar survey.</li> </ul> </li> <li>▪ A Quality PoO has the following attributes:             <ul style="list-style-type: none"> <li>- cored hole;</li> <li>- linear core recovery greater than 95%;</li> <li>- reliable collar survey;</li> <li>- cored hole in which 100% of the seam interval has been cored;</li> <li>- seam interval geophysically logged;</li> <li>- if no geophysics log data is available it is up to the Competent Person’s discretion to determine if the seam level and thickness is consistent with nearest neighbour boreholes;</li> <li>- raw coal ash (can be used as a proxy for relative density and yield); and</li> <li>- phosphorus and fluorine are no longer required in the PoO definition because these restrictions have been relaxed in the markets that Yarrabee coal is sold in.</li> </ul> </li> <li>▪ Support Data for PoOs can include:             <ul style="list-style-type: none"> <li>- in pit mapping data for faults and dykes; and</li> <li>- seam floor or roof survey data.</li> </ul> </li> <li>▪ The radii of influence for PoOs were determined by consideration of the following for each coal ply:             <ul style="list-style-type: none"> <li>- seam continuity;</li> <li>- variability of seam thickness;</li> <li>- variability of interburden thickness;</li> <li>- structural variability;</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary																													
		<ul style="list-style-type: none"> <li>- variability of coal quality; and</li> <li>- review of the variability of the geology between boreholes and the reliability of borehole data.</li> </ul> <ul style="list-style-type: none"> <li>▪ The nominal PoO spacing and radii of influence are shown in table below:</li> </ul> <table border="1" data-bbox="432 272 660 1146"> <tr> <td>Measured Resource</td> <td>Structure drill hole grid spacing</td> <td>200m</td> <td>Distance Radius</td> <td>150m</td> </tr> <tr> <td rowspan="2">Indicated Resource</td> <td>Coal quality drill hole grid spacing</td> <td>400m</td> <td>Distance Radius</td> <td>250m</td> </tr> <tr> <td>Structure drill hole grid spacing</td> <td>400m</td> <td>Distance Radius</td> <td>250m</td> </tr> <tr> <td rowspan="2">Inferred Resource</td> <td>Coal quality drill hole grid spacing</td> <td>800m</td> <td>Distance Radius</td> <td>500m</td> </tr> <tr> <td>Structure drill hole grid spacing</td> <td>800m</td> <td>Distance Radius</td> <td>500m</td> </tr> <tr> <td></td> <td></td> <td>Coal quality drill hole grid spacing</td> <td>1,000m</td> <td>Distance Radius</td> <td>1,000m</td> </tr> </table> <ul style="list-style-type: none"> <li>▪ The Competent Person is satisfied that the stated Coal Resource classification reflects the geological controls interpreted and the estimation constraints of the deposits.</li> </ul>	Measured Resource	Structure drill hole grid spacing	200m	Distance Radius	150m	Indicated Resource	Coal quality drill hole grid spacing	400m	Distance Radius	250m	Structure drill hole grid spacing	400m	Distance Radius	250m	Inferred Resource	Coal quality drill hole grid spacing	800m	Distance Radius	500m	Structure drill hole grid spacing	800m	Distance Radius	500m			Coal quality drill hole grid spacing	1,000m	Distance Radius	1,000m
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<p>Audits or reviews</p>	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Mineral Resource estimates.</li> </ul> <p>Discussion of relative accuracy/confidence</p> <ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No external audits have been conducted.</li> </ul> <ul style="list-style-type: none"> <li>▪ The Yancoal Competent Person has been conducting the Resource modelling at Yarrabee Coal Mine since 2007.</li> <li>▪ Due to the highly variable nature of the deposit due to faulting, this Competent Person considers that geostatistics is not an appropriate tool to assess deposit variability.</li> <li>▪ The Yarrabee area has been modelled as a series of domains based on the Competent Person’s opinion of the structural complexity within the Yarrabee mine area.</li> <li>▪ The complexity of the Yarrabee Resource can change significantly over short distances the concept of borehole spacing for PoOs is used as a guide only.</li> <li>▪ Annual reconciliations show <math>\pm</math> 3% variance between planned mine recovery and model tonnage for the past 5 years. The target accuracy of Measured Resources is considered as <math>\pm</math>10 % over annual periods.</li> <li>▪ To maintain consistency when converting Resources to reserves, the same modelling methodology has been used since 2007.</li> </ul>																													

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**Section 4 Estimation and Reporting of Ore Reserves**

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person, Mr Doug Sillar on behalf of RPM.

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Mineral Resource estimate for conversion to Ore Reserves</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i></li> <li>▪ <i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Michael Johnson. The Competent Person, Mr. Johnson, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy and a member of the Australian Institute for Geoscientists.</li> <li>▪ The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>▪ The Coal Resources reported are inclusive of the Coal Reserves.</li> <li>▪ The same geological model has been used for the estimation of Resources and Reserves.</li> </ul>
<p><i>Site visits</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li>▪ <i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ A site visit to the Yarrabee Mine was undertaken by representatives of RPM in April 2018. The Reserves Competent Person was unable to attend but interviewed the representative following the visit. The outcome of this visit was observation of the Project area to better understand location, environmental, social, geological setting, groundwater and existing infrastructure consideration.</li> </ul>
<p><i>Study status</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i></li> <li>▪ <i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Yarrabee is an operating mine consisting of operating pits including DOM 2 north and YEN and planned pits YES, DOM2 South and DOM 6.</li> <li>▪ Yancoal completed a Life of Mine Plan in 2017. Yancoal have undertaken ROM coal reconciliation studies and the results of this have been reflected in the LOM plan Modifying Factors.</li> <li>▪ The level of detail in the LOM plan is sufficient to meet requirements of JORC. The costs and modifying factors are based on site performance and reconciliations.</li> </ul>
<p><i>Cut-off parameters</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The basis of the cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ A minimum mining thickness of 0.5 m is applied to all seams at Yarrabee with the exception of the Castor Upper which is recovered to 0.3 m in flat lying areas of the deposit.</li> <li>▪ A raw ash cut-off of 45% is applied to Resources. No further ash cut-off is applied to Reserves.</li> </ul>
<p><i>Mining factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ A combination of Pit Optimisation, pit design and LOM planning have been used as the basis of converting Coal Resources to Coal Reserves. RPM estimated a break even strip ratio and compared against each of the Company pit shells to confirm pit limits.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>▪ The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>▪ The assumptions made regarding geotechnical parameters (eg pit slopes, slope sizes, etc), grade control and pre-production drilling.</li> <li>▪ The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>▪ The mining dilution factors used.</li> <li>▪ The mining recovery factors used.</li> <li>▪ Any minimum mining widths used.</li> <li>▪ The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>▪ The infrastructure requirements of the selected mining methods.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The mining method at Yarrabee open cut is conventional truck and excavator mining. The operating method is well proven and suitable for the complex nature of the deposit.</li> <li>▪ Pit slope designs are based on an overall slope angle of 40 degrees. This is as per current practice in operations at the site.</li> <li>▪ The following mining factors are based on reconciliations of production at the Yarrabee mine:                             <ul style="list-style-type: none"> <li>– Minimum coal mining thickness of 0.5 m and 0.3 for Castor Upper seam.</li> <li>– ROM recovery is based on reconciliation data which indicates a recovery of 100% applies to all seams except the Aries seam whose coal recovery is set at 87% as this seam is through seam blasted and suffers higher losses as a result.</li> <li>– Preston &amp; Sanders formula applied to adjust the coal RD to an in situ moisture basis of 5.5%.</li> <li>– Dilution for seams that are washed is based on seam dip and ranges from 3% to 9%. Structurally complex areas of the pit have a dilution multiplier which increases the assumed dilution. The dilution is assumed to have a density of 2.0 t/m<sup>3</sup> and ash of 85%.</li> <li>– Dilution for bypass coal is also based on seam dip and ranges from 3% to 9%. Dilution multipliers are included in structurally complex areas. The dilution is assumed to be made up of higher ash “wash coal” and therefore has a density of 1.6 t/m<sup>3</sup> and ash of 30%.</li> <li>– In situ, ROM and Product moisture assumed to be 5.5%.</li> </ul> </li> <li>▪ Inferred Resources are not included in the estimate of Coal Reserves. Inferred Resources are included in the Life of Mine.</li> <li>▪ All necessary infrastructure is in place and operational. Existing haul roads will need to be extended as the mine advances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Product coal at Yarrabee is produced from run of mine bypass product coal and washed product coal.</li> <li>▪ Yarrabee operates a coal handling and preparation plant based on industry standard dense media cyclones, spirals and froth floatation. This plant is operated on a campaign basis with feed stockpiles built to a target ash from usually one or two consistent seams. Washing is then batched for each ROM wash coal stockpile.</li> <li>▪ Where ROM coal meets marketable product specifications it is crushed and sent to the train loadout. This is referred to as bypass coal.</li> <li>▪ Blending of coal from these two processes produce’s PCI and thermal coal products.</li> <li>▪ Because of the campaign washing, wash plant yield is correlated with ROM ash on a seam basis. This correlation allows prediction of actual CHPP yields for each seam and ply from each pit. This method has been used for the estimation of Marketable Reserves.</li> </ul>
<p>Metallurgical factors or assumptions</p> <ul style="list-style-type: none"> <li>▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domains applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domains applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Product coal at Yarrabee is produced from run of mine bypass product coal and washed product coal.</li> <li>▪ Yarrabee operates a coal handling and preparation plant based on industry standard dense media cyclones, spirals and froth floatation. This plant is operated on a campaign basis with feed stockpiles built to a target ash from usually one or two consistent seams. Washing is then batched for each ROM wash coal stockpile.</li> <li>▪ Where ROM coal meets marketable product specifications it is crushed and sent to the train loadout. This is referred to as bypass coal.</li> <li>▪ Blending of coal from these two processes produce’s PCI and thermal coal products.</li> <li>▪ Because of the campaign washing, wash plant yield is correlated with ROM ash on a seam basis. This correlation allows prediction of actual CHPP yields for each seam and ply from each pit. This method has been used for the estimation of Marketable Reserves.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>For all new seams not currently mined at Yarrabee, laboratory washability data is used to determine product yield and specifications.</li> <li>Washed product moisture is based on shipping data collected at the port.</li> <li>The operational plant data supersedes bulk scale test work.</li> <li>The Yarrabee deposit contains areas / seams with high fluorine and phosphorous content. This coal is currently sold as a thermal coal product.</li> </ul>
<p>Environmental</p> <ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>All necessary approvals are in place for all mining areas at Yarrabee.</li> <li>Rejects will be managed on site as per current approvals.</li> <li>Water management will be managed on site as per current approvals.</li> <li>Waste residues will be stored in appropriate facilities and disposed of, or treated, in accordance with environmental approvals.</li> <li>Waste water will be stored in appropriate facilities and disposed of, or treated for recycling, in accordance with environmental approvals.</li> </ul>
<p>Infrastructure</p> <ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>All the necessary infrastructure is in place and operational for the current operation and is suitable for the current and future production projections.</li> <li>Some existing haul roads will be extended as the mine advances</li> <li>Water supply through rainwater, potable water delivery and pit dewatering is planned.</li> </ul>
<p>Costs</p> <ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>QLD state government royalties are included in the estimate.</li> <li>RPM reviewed all costs and they are considered reasonable.</li> </ul>
<p>Revenue factors</p> <ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and</li> </ul>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Market assessment</p>	<p>co-products.</p> <ul style="list-style-type: none"> <li>▪ The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>▪ A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>▪ Price and volume forecasts and the basis for these forecasts.</li> <li>▪ For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A Marketing Study has not been reviewed however markets are well established for the mine’s coal products. The projects typically produce up to three main products:                             <ul style="list-style-type: none"> <li>– Low Volatile PCI Coal with; Ash 9.5%, Sulphur 0.65%, Phosphorus 0.1%, referred in this report as “YP1”.</li> <li>– Low Volatile PCI Coal with; Ash 12.0%, Sulphur 0.85%, Phosphorus 0.08% - &gt;0.1%, referred in this report as “YP4”.</li> <li>– Low Volatile Anthracite Coal with; Ash &gt;20.0%, Sulphur 0.85%, Phosphorus &gt;0.08%, known as “YP5”.</li> </ul> </li> <li>▪ Based upon these products and specifications, RPM anticipates no foreseeable issues in demand for these products.</li> </ul>
<p>Economic</p>	<ul style="list-style-type: none"> <li>▪ The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>▪ NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> <li>▪ The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>▪ Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> </ul>
<p>Social</p>	<ul style="list-style-type: none"> <li>▪ The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The relationship with adjacent landowners is sound and the Project has the necessary key stakeholder agreements in place.</li> <li>▪ There are no known issues in relation to cultural heritage or native title that would be considered material risks to the project based on the information available at the time of the assessment.</li> <li>▪ Yarrabee owns all land in the current proposed mining areas.</li> </ul>
<p>Other</p>	<ul style="list-style-type: none"> <li>▪ To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:                             <ul style="list-style-type: none"> <li>▪ Any identified material naturally occurring risks.</li> <li>▪ The status of material legal agreements and marketing arrangements.</li> <li>▪ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ The topographical area of Yarrabee is flat lying and subject to flooding in cyclonic conditions. Appropriate flood mitigation is in place or planned to cover a 1 in 1000 year event. Levees and drains are existing to protect active pit areas.</li> <li>▪ All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation’s viability.</li> </ul>



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Criteria	JORC Code explanation	Commentary
	<p>that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</p>	
<p><b>Classification</b></p> <ul style="list-style-type: none"> <li>▪ The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>▪ Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>▪ The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>		<ul style="list-style-type: none"> <li>▪ Classification of Coal Reserves has been derived by considering the Measured and Indicated Resources and the level of mine planning.                             <ul style="list-style-type: none"> <li>– For all pits with Reserves at Yarrabee, Measured Coal Resources are classified as Proved Coal Reserves and Indicated Resources classified as Probable Coal Reserves, as the pits are currently operating and the level of mine planning is considered adequate to support this level of certainty in the Reserves estimate.</li> </ul> </li> <li>▪ The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>▪ The result reflects the Competent Person’s view of the deposit.</li> <li>▪ Internal peer review of the Reserves Report has been completed.</li> </ul>
<p><b>Audits or reviews</b></p> <ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Ore Reserve estimates.</li> </ul>		<ul style="list-style-type: none"> <li>▪ The basis of the estimate are actual operating costs and LOM planning.</li> <li>▪ CHPP and infrastructure are in place and operating.</li> </ul>
<p><b>Discussion of relative accuracy/ confidence</b></p> <ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>▪ It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy. Coal products from both MTW and HVO is produced from blended washed coal products.</li> <li>▪ The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>▪ Geotechnical studies have been completed by a consultant and reviewed biannually for all active pits.</li> <li>▪ Yarrabee has an ongoing reconciliation process aimed at testing the appropriateness of the assumed Modifying Factors for the mine.</li> <li>▪ The Reserves have been adjusted through application of the Modifying Factors to reflect the slope and faulting inherent in the deposit. The deposit is drilled in detail and additional short term drilling is done ahead of mining as the pits advance.</li> <li>▪ Minor additional faulting can be expected during mining. This may locally increase the dilution however it will not adversely affect the Reserves as the faulted material is typically recovered with the additional dilution to maximize product coal recovery.</li> <li>▪ There is some minor risk of flooding though site infrastructure is in place or is being constructed to protect against this.</li> </ul>



**RPM**GLOBAL

JORC Code Disclosure Requirements

**Stratford Duralie**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Brendan Stats on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><b>Sampling techniques</b></p> <ul style="list-style-type: none"> <li>▪ <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>▪ <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>▪ <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>▪ <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ As a standard procedure all holes were geophysically logged with downhole geophysical tools. Holes not successfully logged with downhole geophysics generally had poor hole wall stability. Poor ground conditions can occur in this highly structured syncline/basin with steeply dipping coal seams. Holes without geophysical logs could not be used in the model as the data could not be validated.</li> <li>▪ Holes have at least density/gamma/caliper logs run, a number of holes have sonic, verticality and/or acoustic scanner. The quality of some logs was poor, often related to the age or the company used. Weatherford, Ground Search and Coal Seam Wireline Services provided logging services. Presentation of the data varied between these logging companies and was at times poor. This made it difficult to consistently pick thin plies. During recent drilling at Duralie in 2015 - 2016, Weatherford undertook geophysical logging of approximately 20 drillholes (logging suite included density/gamma/caliper, vertically, sonic, neutron, dipmeter, acoustic scanner).</li> <li>▪ Duralie             <ul style="list-style-type: none"> <li>- Coal core of seams at Duralie are generally sampled on a ply basis but some core was sampled on a sub ply or rarely combined ply basis. Sampling was undertaken on a correlatable ply basis to ensure that equivalent parts of seams were sampled across the deposit. For the Weismantel seam coal plies (W1-W4) were generally sampled on a ply basis (rare holes on a sub-ply basis) and stone partings (P1-P3) sampled separately or with the adjacent coal ply when very thin. The W2 ply was often sampled on a sub-ply basis due to the thickness of the ply. On the eastern limb, the Clareval seam was split and sampling was undertaken on a ply basis (2007 holes 1-5 m samples) or sub-ply basis using lithological boundaries (2009 - 2010 holes, 0.1 m - &lt;2 m thick samples). On the western limb correlating plies in the thick coalesced Clareval seam was difficult, even with geophysical logs due to the uniform nature of the seam, so sampling was done on a sub-seam basis (2 m - 5 m thick samples). Stone partings or interbedded stone/coal sections were sampled separately where deemed thick (approximately &gt;0.5 m). Finalisation of plies was undertaken at a later stage using geophysical logs and sometimes quality results (sulphur).</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey</li> </ul>	

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- Coal core of seams at Stratford and Grant &amp; Chainey are generally sampled on a ply basis but some core was sampled on a sub-ply or combined basis. Sampling was undertaken on a correlatable ply basis to ensure that equivalent parts of seams were sampled across the deposit. For older holes core was often sampled on a combined ply basis; not all of this data is now useful. If plies were sampled on a combined ply basis, the stone parting in between would be included in the sample. The Clareval Main seam at Stratford West was sampled on a sub-ply basis due to the thickness of this ply.</li> <li>▪ Co-disposal             <ul style="list-style-type: none"> <li>- In the Co-disposal area bulk samples, in pit samples and slimes only samples have been taken. This is not 'in situ' material, but emplaced rejects. The co-disposal material is variable (consisting of varying quantities 'slimes' and 'coarse' material throughout the area, although now, largely slimes material remains).</li> </ul> </li> </ul>
<p>Drilling techniques</p> <ul style="list-style-type: none"> <li>▪ Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Duraille             <ul style="list-style-type: none"> <li>- Non-core structural and core drilling initially targeted the Weismantel seam with subsequent exploration targeting the more recently identified Cheerup and Clareval seams. Partially cored HMLC holes for Weismantel seam were drilled during a 1995 drilling program. Large diameter drillholes (8" core) were drilled in 2002 to obtain a bulk sample from the Weismantel seam. Approximately 20 LOX holes were drilled to define the seam sub-crop prior to mining. From 2005 onwards HQ and PQ partially cored holes were drilled to Weismantel, Cheerup and Clareval seams.</li> <li>- Exploration holes were drilled vertically. In the early-mid 2010's several holes were drilled inclined to provide pit/geotechnical wall information ahead of mining. In 2017, 12 blast holes were geophysically logged to assist with structural interpretation in the Clareval Bowl pit.</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey             <ul style="list-style-type: none"> <li>- Non-core structural drillholes have been drilled to depths generally ranging from 50 m - 250 m. Shallow limit of oxidation drilling (LOX) was completed to define pit low walls on now completed pit areas. Core hole drilling encompassed a number of diameter sizes: pre 2001 were 100 mm and 150 mm partially cored HMLC holes, post 2001 were HQ and PQ core size. Larger core sizes achieved better core recovery. In recent years (post 2009) core drilling has focused on PQ core size.</li> <li>- Holes were largely drilled vertically. The exception to this is drilling in 2014 - 2015 in the northeast of Stratford where exploration drilling in steeply dipping areas was inclined, targeting multiple intersections of seams.</li> </ul> </li> <li>▪ Co-disposal             <ul style="list-style-type: none"> <li>- No drillholes relate to the Co-disposal area – waste emplacement area.</li> </ul> </li> </ul>	

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<p><i>Drill sample recovery</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>▪ <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>▪ <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- Core recovery was recorded by the field geologist at the drill rig (drilled length and core recovered), and drill depths were subsequently corrected using down-hole geophysical logs to accurately determine core loss. Varying core diameters have been used (largely HQ, PQ, and 100 mm). Pre 2001 holes appear to have better core recoveries due to &gt;100 mm core diameters used. Post 2001 - HQ holes often suffered poor recovery. PQ holes were used post 2009 and generally achieved 90-95% core recoveries.</li> <li>- Coal seams in the Gloucester Basin have been subject to considerable tectonic compression which can result in poor ground conditions when drilling. Some holes with high core loss were sampled. Only those holes with coal core recovery of greater than 80% were used in reporting and gridding qualities. 80% recovery was used to maximise the data due to the large number of piles in the deposit. Core loss intervals were inserted into the quality database to ensure correct selection of data in Minex software for reporting, gridding and tonnage estimation/reporting.</li> <li>- The effect of core loss at Stratford Duralie is that analyses may underestimate the better qualities of the coal due to loss of the brighter parts of the sample (e.g. core losses could result in higher ash, higher density, lower CSN).</li> </ul> </li> <li>▪ Co-disposal                             <ul style="list-style-type: none"> <li>- No drillholes relate to the Co-disposal area – waste emplacement area.</li> </ul> </li> </ul>
<p><i>Logging</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>▪ <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>▪ <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- Core holes were lithologically logged, coal core brightness logged and some post 2001 holes were also logged geotechnically. Generally logging was undertaken in sufficient detail (measurement and description); however there were a number of holes drilled during approximately 2009 - 2010, of which some were very basically/poorly logged. These holes heavily relied on geophysical logs to confirm thickness and depths.</li> <li>- Core and non-core holes were depth corrected and correlated using downhole geophysical logs and are considered reliable points of observation.</li> <li>- Generally logging is qualitative (core logging to centimetric accuracy and non-core logging chip samples to metre accuracy). All core sections of drillholes were lithological logged. Most if not all non-core sections were also lithologically logged. Core photography is generally available for cored sections (largely for new holes not always available for pre 2001 holes). There are a number of holes drilled during approximately 2009 - 2010 some of which were very basically/poorly logged where coal core sections appear to have been logged on a broad lithological basis rather than detailed coal core logging.</li> </ul> </li> <li>▪ Co-disposal                             <ul style="list-style-type: none"> <li>- No drillholes relate to the Co-disposal area – waste emplacement area.</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <li>▪ If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>▪ Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Durallie, Stratford and Grant &amp; Chainey</li> <li>- No splitting or sawing of coal core took place (quarter or half sampling core is not standard in sampling of coal).</li> <li>- Non-core coal samples were analysed from a small number of early chip holes intersecting the Clareval seam to gain an initial understanding of basic coal quality parameters before a core rig was available to obtain standard core samples. No non-core samples were used in the database/model/Resource estimate.</li> <li>- For holes prior to 2001, specific sampling techniques are unknown but were sampled generally to plies, however some were on a sub-ply or combined ply basis. For post 2001 holes core of coal seams were generally sampled on a correlatable ply basis but with some combined ply samples taken on thin plies and sub-plies on very thick plies (e.g. W2, CLM). A small number of core holes were correlated at the time of sampling and some holes were re-correlated post sampling. The entire cored section of each sample was placed in the sample bag with identification tags for subsequent quality analysis. Some samples include stone partings and this would affect raw quality results. Parting plies of the Weismantel seam (P1, P2 and P3) were sampled and analysed.</li> <li>- No sample preparation took place outside the laboratory. Coal quality testing was undertaken at laboratories which comply with Australian Standards for sample preparation (including ACIRL laboratory at Maitland).</li> <li>- HQ, PQ and 100 mm core sizes are appropriate for raw coal quality testing and float/sink testing. Large diameter holes drilled prior to mining commencing at Durallie were suitable for the drop shatter/float/sink testing undertaken. The ply thickness of samples at Durallie provided adequate sample mass for testing. At Stratford and Grant &amp; Chainey there can be thin coal intersections, and there is a potential that detailed float/sink analyses was undertaken in 2009 - 2010 holes on samples that were too thin.</li> <li>▪ Co-disposal</li> <li>- Unsure how sampling was undertaken in the Co-disposal area. Bulk samples would provide an appropriate sample size for the material being sampled.</li> </ul>
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie</li> </ul>	<ul style="list-style-type: none"> <li>▪ Varying analyses were undertaken for the drillhole series at Stratford Durallie. The tests undertaken are suitable for coking and thermal coals.</li> <li>▪ Analyses were undertaken at accredited laboratories (including ACIRL Maitland and SGS laboratories). NATA accredited labs use standards, blanks, duplicates, external round robin checks and other routine checking procedures to ensure they meet the required accuracy for each test.</li> <li>▪ Durallie</li> <li>- For the Weismantel seam drillholes prior to 2002, raw coal and float/sink data was compiled and validated by Quality Coal Consulting (QCC) for 15 of the 18 core holes.</li> </ul>



Criteria	JORC Code explanation <i>lack of bias and precision have been established.</i>	Commentary
		<p>Raw coal quality data for this seam comprised raw ash, density, moisture and total sulphur (ad moisture basis). Washed data was also available from these HMLC cored holes, including float/sink data and clean coal composite analyses. Large diameter drillholes, WC202-WC205 (drilled in 2002) provided a bulk sample of the Weismantel seam for detailed laboratory analysis (raw and washed). In 2005 to 2007 HQ and PQ core holes were drilled (approximately 20 drillholes from WC206C to WC225C), providing raw coal quality (including proximate, relative density and total sulphur) and float/sink data.</p> <ul style="list-style-type: none"> <li>- For the Clareval seam, preliminary exploration of non-core holes (chip samples) were analysed for relative density, proximate analyses, total sulphur and float/sink testing (at 1.35 and 1.60 density fractions). Once core data was available for this seam this data was no longer referenced.</li> <li>- Cheerup/Clareval seam holes pre 2009 were analysed for raw coal quality including relative density, proximate analyses and total sulphur (stone parting samples were analysed for relative density, raw ash and total sulphur only). Float/sink testing was undertaken on the samples for several density fractions between 1.30-1.60 for ash, sulphur and CSN. Further testing on composited samples was done and included proximate analyses, CSN, Giesler plastometer, sulphur, specific energy, Hardgrove index and phosphorus. Vitrinite reflectance and maceral analysis were undertaken on a few holes. PQ core holes drilled post 2009 were analysed for raw coal quality (ARD, relative density, proximate, total sulphur, CSN, specific energy, chlorine, forms of sulphur and ash analyses). Float/sink testing was undertaken on each of the samples at several density fractions (1.30-2.00) for moisture, ash, total sulphur and CSN.</li> </ul> <ul style="list-style-type: none"> <li>▪ <b>Stratford</b> <ul style="list-style-type: none"> <li>- There are some old core holes (including 100 mm SC core holes) with data on ARD, proximate, total sulphur, specific energy and clean coal analyses. 2007 to 2009 HQ core holes have raw analyses for relative density, proximate analyses and total sulphur. There is also float/sink data at two fraction sizes (1.35 and 1.60) for CSN, proximate analyses, HGI, total sulphur, specific energy, initial softening, fluidity, solidification, phosphorus, vitrinite reflectance and maceral analysis. 2009 to 2010 HQ and PQ core holes have raw analyses for relative density, proximate analyses and total sulphur. There is also float/sink data on several density fractions for moisture, ash and total sulphur (CSN also for F1.35 fraction).</li> <li>- Bulk ROM samples from seams mined in BRN and Roseville pits are available (testing includes proximate, total sulphur and float/sink for ash and sulphur).</li> </ul> </li> <li>▪ <b>Grant &amp; Chainey</b> <ul style="list-style-type: none"> <li>- 1980s core holes provided data on relative density, proximate analyses, total sulphur, CSN and specific energy. Also float/sink data at several density fractions providing information on moisture, ash and volatile matter. Ash analyses, HGI, ash fusion temperatures, maceral analyses and reflectance data were also available.</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>- Post 2005 HQ and PQ core holes (SS series holes and GC series holes up to GC029C) provided data on relative density, proximate analyses and total sulphur. Float/sink data was reported on up to several density fractions providing information on CSN, ash, sulphur, some proximate and some energy. Composite samples provided data on yield, proximate analysis, CSN, Giesler plastometer and phosphorus. Some maceral and reflectance data was also available.</li> <li>- Post 2010 (GC121C onwards) apparent relative density was analysed in addition to relative density, proximate analyses and total sulphur. Drop shatter wet tumble was undertaken on these PQ holes followed by washability at five density fractions, providing CSN, ash and sulphur information</li> </ul>	<ul style="list-style-type: none"> <li>- Co-disposal area</li> <li>- Analysis includes proximate analysis, total sulphur, specific energy, ultimates, chlorine, phosphorous, CSN, forms of sulphur, Geister plastometer and ash analyses. Maceral and vitrinite reflectance data were also available. These analyses are appropriate for material to be included into coking and thermal blends.</li> </ul>
<p>Verification of sampling and assaying</p> <ul style="list-style-type: none"> <li>▪ <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>▪ <i>The use of twinned holes.</i></li> <li>▪ <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>▪ <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey</li> <li>- Significant intersections and/or anomalous geological or coal quality values are checked as part of the data compilation process (e.g. thick or thin intersections checked to geophysical logs/logged core sections, high or low quality values checked to original reports).</li> <li>- Twinned holes are not standard in the coal industry. Where there are two closely spaced core holes it is likely the latter hole was drilled for core recovery purposes not for verification of results.</li> <li>- Raw coal quality data were compiled from original laboratory reports into a single spread sheet. Relevant data was standardised to a constant moisture basis of 2.5% (Stratford West, Avon North, Grant &amp; Chainey) or 1.5% (Duralie and Stratford East). An ash versus density regression was developed (using RD at an estimated 6% in situ moisture) to enable generation of in situ density from raw ash data. An ash versus energy regression was also developed to generate energy data from all samples with raw ash data.</li> <li>- For Stratford and Grant &amp; Chainey it was difficult to obtain original reports for pre-2001 holes and only a few are used in the data set. Sampling strategies pre-2001 often combined plies and inclusion of this data was difficult. For Weismantel seam core holes prior to 2001, raw coal and float/sink data was compiled and validated by Quality Coal Consulting (QCC).</li> <li>▪ Co-disposal area</li> <li>- There is coal quality data for the co-disposal material available in laboratory reports. No adjustments have been made to the quality results of the co-disposal material.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The original data was in the ISG coordinate system (Zone 56/1) and was converted to GDA94 (Zone 56) in early 2004. Since then models were created in GDA94.</li> <li>▪ Duralie                         <ul style="list-style-type: none"> <li>- Good topographic control from digital terrain models (DTM), obtained pre 2000 and 2006. Drillhole collars were surveyed and are generally within 1 m of the DTMs (of approximately 900 holes approximately 100 holes are 1 m - 2 m from the DTM, 20 are 2 m - 5 m from the DTM and drillholes 1017R and 1165R are 23 m and 35 m respectively from the DTM). These two holes are located towards the centre of the syncline where Inferred Resources are estimated; the collar has not been altered as resurvey should be undertaken. Approximately 20 holes were drilled in 2015 - 2016 and 12 blast holes in 2017 in the mined Clareval Bowl area. These holes will show a discrepancy to the original topography and are acceptable.</li> <li>- Mine seam pick up data (up to April 2014) and pit survey (up to September 2017) is supplied by site surveyors and is of a good standard.</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey                         <ul style="list-style-type: none"> <li>- Although mining has occurred at Stratford, the 'original' topographic surface supplied by Stratford Duralie was used as the topographic surface for the models at Stratford and Grant &amp; Chainey. This surface provides good original topographic control (in a small area is not quite the original surface). For Resource and Reserve studies the current mined surface would be required. In Stratford West the mined surface for all pits (Roseville and Roseville Extension/West pits, BOWENS ROAD WEST, Stratford Main pit and BRN pit) to the end of June 2014 was provided by mine site surveyors and is considered good quality data. This pit data was blended with the base of weathering grid and the resultant surface was used to limit seam Resources at Stratford. No mining has occurred at Avon North, Stratford East or Grant &amp; Chainey. For Stratford East the original topographic surface was merged with the 2014 DTM where the original topographic surface did not extend far enough east (a 2014 DTM was available for the whole area, but was largely not used at this stage due to some data discrepancies). Original topographic surface was a combination of DTMs produced from aerial photography flown pre-2001, 2004, 2006 and 2014 (the majority of the area is covered by the 2006 DTM).</li> <li>- Drillhole collars were surveyed and generally agree with the DTM. Drillhole survey data are generally within &lt;1 m - 2 m of the original DTM. In some cases collar RL's differed by 2 m - 5 m and in rare cases 20 m from the DTM (two holes were adjusted to comply with the DTM as this better fitted the surrounding structure). There are discrepancies between old drillhole collars and the original surface in the Co-disposal area where reject material was emplaced and in the north of Grant &amp; Chainey due to mine rehabilitation. There are also discrepancies where holes were drilled in partly mined out areas (including some 8000 series drillholes drilled in BRN pit). These differences are acceptable.</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- Original topographic DTM is of good quality.</li> <li>- End of June 2012 surface was created from end June 2012 aerial photography with historical pits and voids to end September 2012 cut in (the end September survey of pits did not cover Cells 1-3). I.e. the upper surface for the Co-disposal area is dated end June 2012.</li> </ul> </li> </ul>
<p>Data spacing and distribution</p> <ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- No JORC exploration results presented in this report.</li> <li>- Due to the orientation of the structure (north-south trending syncline), drillholes are located on generally east-west drill lines (often 200 m - 400 m apart). Drillhole spacing at Stratford Duralie is probably closer than most coal deposits elsewhere in Australia due to the complex geology. Due to the steep dip of strata, apparent seam thickness, faulting, folding, seam splitting and ply variability in places, holes along each drill line can be spaced quite closely (often in the range of 20 m - 300 m). The distance between data points are further apart for Inferred Resources but not excessively. Resource polygon shapes tend to be narrow and elongate (north-south) reflecting these issues. Coal quality data for a particular seam is usually available on a linear spacing (generally along strike where the seam is reasonably shallow).</li> <li>- The drillhole spacing provided adequate confidence for the Resource category in ply correlation, structural interpretation between holes and sufficient quality (sometimes supported by mined data or geophysical log trends).</li> <li>- Core holes may not provide data on all plies in an intersected/sampled seam, due to poor core recovery or lateral and/or vertical variability in a seam. Drillhole spacing for core data on particular plies can be sparse, but the overall seam information provides confidence in coal quality continuity (more relevant for Stratford and Grant &amp; Chainey).</li> <li>- Any sample compositing was only undertaken on depth corrected and correlated data, in Minex software on a length by density weighting.</li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- No drillhole data relates to this material – waste emplacement area. Sampling has been undertaken on an as needs basis.</li> </ul> </li> </ul>
<p>Orientation of data in relation to geological structure</p> <ul style="list-style-type: none"> <li>▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- Most holes are drilled vertically (except several inclined holes in the Clareval Bowl pit drilled for pit wall information and holes drilled in Stratford North in 2014 - 2015 in areas where the seams potentially dip very steeply and little was known of the structure/geology).</li> <li>- Although the large majority of holes were drilled vertically they tend to 'walk' up dip in moderately to steeply dipping strata, especially with increased depth. Where digital borehole deviation geophysical logs have been available (generally for more recent</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
		<p>holes), drillhole vertically data has been loaded and incorporated into the model to better control seam floor. The combination of vertically drilled deviated and non-deviated holes has caused some ‘kinking’ in the structural model, however it has been observed to be more accurate to incorporate as much deviation data as possible.</p> <ul style="list-style-type: none"> <li>- The closely spaced holes over much of the area are adequate to interpret the main (and at times minor) structural features of east-west trending normal faults and north-south trending reverse faults and folds (although even with closely spaced holes the Clareval Bowl pit structural interpretation is difficult due to the complexity of the structure). Fault angles are moderate to steep (although may become shallower through the seam in the Clareval Bowl pit).</li> <li>- The orientation of drilling has not introduced a structural bias due to the closely spaced drillholes and understanding of the regional geology.</li> </ul> <ul style="list-style-type: none"> <li>▪ Co-disposal area             <ul style="list-style-type: none"> <li>- N/A – waste emplacement area.</li> </ul> </li> </ul>
<p>Sample security</p> <ul style="list-style-type: none"> <li>▪ The measures taken to ensure sample security.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey             <ul style="list-style-type: none"> <li>- Security measures of samples prior to 1999 are unknown, however are expected to reasonably follow standard industry practices.</li> <li>- Core trays are generally taken to the core shed as soon as possible (usually at the end of the day) after measurement and lithological logging of the core at the drill rig. The core shed is a secure location at the mine site. Core is sampled (after geophysical logging/correction/ correlation/core photography), bagged and tagged. Usually a site geologist transports the samples to the laboratory.</li> <li>- There have been occasions when the time frame between coring and sampling was over a few months and the core was not refrigerated. The coal seams at Duralie, Grant &amp; Chainey and Stratford appear to hold fluidity very well and may not be adversely affected by a lag in time between coring and sampling of a few months.</li> </ul> </li> <li>▪ Co-disposal area             <ul style="list-style-type: none"> <li>- Security measures for the Co-disposal area samples are not known.</li> </ul> </li> </ul>
<p>Audits or reviews</p> <ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of sampling techniques and data.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Duralie             <ul style="list-style-type: none"> <li>- Validation of seam data for the Weismantel seam was undertaken in 1996/97. A comprehensive review of seam correlation, ply nomenclature and compiled raw coal quality data was carried in early 2012 for the Weismantel-Clareval seams. Structural reviews and updates were undertaken in 2001, 2003, 2014 and 2016 by the previous Competent Person (MBGS).</li> </ul> </li> <li>▪ Stratford             <ul style="list-style-type: none"> <li>- Detailed reviews of seam correlation, seam depths and checks made of coal quality sample depth information: Bowen Road North - 2002, Avon North - 2003, Roseville West – 2004, 2008, 2011, Stratford East - 2012, Wentham Cox Road – 2011, Stratford</li> </ul> </li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>North/Avon North – 2015 - 2016 (seam correlation and seam depths only) by the previous Competent Person (MBGS).</p> <ul style="list-style-type: none"> <li>▪ Grant &amp; Chainey</li> <li>- A detailed review of the data and seam re-correlation was undertaken by MBGS in 2012. Only validated data was included in the database/model. This work resulted in a more consistent and structurally robust model later in 2012.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p>Mineral tenement and land tenure status</p>	<ul style="list-style-type: none"> <li>▪ <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>▪ <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All leases are controlled/owned by Yancoal (100%).</li> <li>▪ A311, A315 and EL6904 – lease renewal has been lodged or in the process of being lodged.</li> <li>▪ Duralie Mine <ul style="list-style-type: none"> <li>- ML1427 – granted 6-Apr-1998 expiry date 5-Apr-2019 (CIM Duralie Pty Ltd, 762.5Ha)</li> <li>- ML1646 – granted 4-Jan-2011 expiry date 4-Jan-2032 (CIM Duralie Pty Ltd, renewed 4-Jan-2011, 180.3Ha)</li> <li>- AUTH315 – granted 27-Dec-1982 expiry date 28-Nov-2017 (Gloucester Coal Ltd, renewed 28-Nov-2012, 7430Ha)</li> </ul> </li> <li>▪ Stratford Mine <ul style="list-style-type: none"> <li>- ML1360 - granted 21-Dec-1994 expires 21 Dec 2036 (CIM Stratford Pty Ltd, renewed 16-Sep-2015, 754.7 Ha)</li> <li>- ML1409 - granted 07-Jan-1997 expires 06-Jan-2018 (CIM Stratford Pty Ltd, renewed 07-Jan-1997, 87.32 Ha)</li> <li>- ML1447 - granted 01-Apr-1999 expires 31-Mar-2020 (CIM Stratford Pty Ltd, renewed 01-Apr-1999, 52.21 Ha)</li> <li>- ML1521 - granted 24-Sep-2002 expires 23-Sep-2023 (Gloucester Coal Ltd, renewed 24-Sep-2002, 4.5 Ha).</li> <li>- ML1528 - granted 20-Jan-2003 expires 19-Jan-2024 (CIM Stratford Pty Ltd, renewed 20-Jan-2003, 205.9 Ha)</li> <li>- ML1538 - granted 25-Jun-2003 expires 24-Jun-2024 (CIM Stratford Pty Ltd, renewed 25-Jun-2003, 1.031 Ha)</li> <li>- ML1577 - granted 01-Mar-2006 expires 28-Feb-2027 (Gloucester Coal Ltd, renewed 01-Mar-2006, 2.244 Ha)</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Exploration done by other parties</p> <ul style="list-style-type: none"> <li>▪ Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>- ML1733 - granted 08-Apr-2016 expires 08-Apr-2037 (CIM Stratford Pty Ltd, 84.5 Ha)</li> <li>- A311 - granted 17-Sep-1982 expires 28 Nov 2017 (Gloucester Coal Ltd, renewed 14-Oct-2013, 5120 Ha)</li> <li>- A315 - granted 27-Dec-1982 expires 28- Nov-2017 (Gloucester Coal Ltd, renewed 28-Nov-2012, 7430 Ha)</li> <li>- A315 – proposed MLA1 and proposed MLA2 areas – proposed MLA’s part of the Stratford Extension Project, application currently not submitted, however MLA2 is expected to be submitted mid-November 2017.</li> <li>▪ Grant &amp; Chainey                         <ul style="list-style-type: none"> <li>- ML1360 granted 21-Dec-1994 expires 21-Dec-2036 (CIM Stratford Pty Ltd, renewed 16-Sep-2015, 754.7 Ha)</li> <li>- Auth311 granted 17-Sep-1982 expires 28 Nov 2017 (Gloucester Coal Ltd, renewed 14-Oct-2013, 5120 Ha)</li> <li>- Auth315 granted 27-Dec-1982 expires 28- Nov-2017 (Gloucester Coal Ltd, renewed 28-Nov-2012, 7430 Ha)</li> <li>- EL6904 - granted 09-Oct-2007 expires 09-Oct-2017 (Gloucester Coal Ltd, renewed 16-Sep-2015, 880.2 Ha) is part of Grant &amp; Chainey, but currently has minimal exploration and no Resources.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Stratford Duralie (Duralie, Stratford and Grant &amp; Chainey) has been owned by several parties:                         <ul style="list-style-type: none"> <li>- Noranda (1970s): Initial exploration drilling in the Gloucester Basin was completed by Noranda.</li> <li>- BMI Mining/Noranda (1977-1981): Undertook extensive exploration drilling programs in the Gloucester Basin concentrating on drilling Stratford (Stratford Main Pit area) and Duralie.</li> <li>- BMI Mining/ESSO 1981-1993): Commenced exploration drilling in Stratford North (including BRN). Completed a number of east-west and north-south 2-D seismic lines in 1982/83.</li> <li>- During the 1980s extensive surface mapping was undertaken by Malcom Lenox.</li> <li>- Excon: Unsure if any exploration was undertaken.</li> <li>- AGIP: Undertook no exploration.</li> <li>- Excel Mining (1993-1995): Drilled coal quality holes. Float/sink data in the Stratford Main Deposit was later considered unreliable.</li> <li>- CIM Resources (1995-2003): Mining commenced and the wash plant was upgraded. Exploration drilling was completed on target areas (such as BRN proposed pit area), but was minimal due to tight economic conditions.</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- Pacific Power (1990s): Drilled nine deep stratigraphic holes to obtain data for their gas leases.</li> <li>- Gloucester Coal Ltd (2003-2015): Exploration drilling increased during the time of Gloucester Coal Ltd, targeting future areas in Stratford (Roseville West, Wenham Cox Road, Stratford South, Avon North/Stratford North, Clareval seam) Duralie (Weismantel seam coal quality and Clareval seam) and Grant &amp; Chainey. 2D seismic data from the 1980s was reprocessed over Duralie - further defining the structure of the area and leading to the discovery of the Clareval seam. During 2009-2010, intense exploration drilling was undertaken with the quality of data sometimes compromised for quantity of drilling. 2D seismic undertaken in EL6904 in 2011.</li> <li>- AGL: completed 2D and 3D seismic surveys and airborne surveys (magnetic and radiometric) thought the Gloucester Basin. 2D survey undertaken in 2009 and 2012 and 3D survey over Stratford in 2010. Several deep stratigraphic drillholes were also undertaken by AGL throughout the basin.</li> <li>- Gloucester Coal Ltd/CIM Stratford Pty Ltd/CIM Duralie Pty Ltd is currently owned by Yancoal Australia.</li> </ul>
<p>Geology</p> <ul style="list-style-type: none"> <li>- Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>- The Resource areas are located in the Permian aged, Gloucester Basin in NSW.</li> <li>- Duralie <ul style="list-style-type: none"> <li>- The deposit is contained within southern extent of the basin, where that portion of the syncline plunges to the north. There are two main seams at Duralie: Weismantel and Clareval and two minor seams: Duralie and Cheerup. The interburden between the Weismantel and Clareval seams is approximately 200 m, with the Clareval seam located near the base of the basin stratigraphy.</li> <li>- The plies of the Weismantel seam are reasonably consistent throughout the Duralie area. The Clareval seam is split on the eastern limb of the syncline (with splitting and thinning increasing northwards) whereas on the western limb of the syncline the Clareval seam is largely coalesced.</li> <li>- The deposit is characterised by steeply dipping seams on the limbs of the syncline (dips generally 40° - 70°). At the mined out nose of the syncline dips were shallower, generally 10° - 20°. For the deeper parts of the syncline in the Weismantel seam dips are shallower towards the axis of the syncline (&lt;10° - 30°), however there is mid zone between the very steep limbs and the shallower axis area where the seam dips &lt;30° - 40°.</li> <li>- Thrust faulting has been interpreted through the Duralie area. Thrust faults occur in the Weismantel seam in a north-south direction on each of the limbs of the syncline (towards seam sub-crop). In the Clareval seam, in an area at 6,428,500 N (the Clareval Bowl area) the seam is folded and faulted producing the Holmes Syncline and Cheerup Anticline. This area is intersected by several north south trending reverse faults which</li> </ul> </li> </ul>	

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>▪ Stratford</li> <li>- This deposit is located on the eastern limb of the Gloucester Basin. The Stratford deposit contains approximately 20 coal seams which are divided into numerous plies (defined by stone partings and seam splitting). The coal seams in the Stratford Resource estimate are the Marker 7-Bowens Road seams (Stratford West), Glen View-Avon-Triple (Avon North), Cheerup-Clareval (Stratford East). Seams in the Resource estimate dip to the west between 15° - 70° with steep dips generally towards the eastern limits of the area. Seam splitting and changes in seam thickness and interburden are common.</li> <li>- Steeply dipping north-south trending reverse faults are found throughout the area, including several in Avon North, and a reverse faulted area under the Co-disposal area. East-west normal faults are present, including a growth fault located at the northern boundary of BRN pit (in the pit area the Bowens Road seam was approximately 10 m, north of this fault the seam is only 2 m - 3 m thick) and large normal fault with an offset in the order of 60 m at the northern limit of the completed Stratford Main pit). The mined out Stratford Main pit is located within a synclinal structure.</li> <li>▪ Grant &amp; Chainey</li> <li>- This deposit is largely located on the eastern limb of the basin/regional syncline. A small part of the area is located at the closure area of the seams at the centre of the syncline. There are approximately 15 coal seams in the area, of which Resources have been estimated for the Marker 3 to Parkers Road seams. Seam splitting and coalescing occurs through Grant &amp; Chainey, especially in the Bowens Road seam.</li> <li>- Several east-west normal faults have been identified, ranging in offset from approximately 40 m - 150 m and are expected to be steeply dipping to vertical. In the north of Grant &amp; Chainey reverse faults have been identified. Throughout the area several further thrust faults were identified but could not be laterally traced. Reverse faults are interpreted have vertical offsets in the order of 10 m - 50 m. Further reverse faulting is expected in Grant &amp; Chainey.</li> <li>▪ Co-disposal area</li> <li>- Reject material was emplaced into a topographic low area with bounding walls progressively built up as plant reject was emplaced. Capping waste material was originally emplaced over the reject material; none of the capping remains over the co-disposal material due to mining of the area.</li> <li>▪ Igneous intrusions are rare in the Gloucester Basin.</li> <li>▪ Duralite area is covered by approximately 900 drillholes. Approximately 20 holes and 12 blast holes were drilled in late 2015 - 2017 to obtain further information on Resource</li> </ul>	<p>have repeated the seam thickness by up to four times. Potential east-west and strike parallel faults have been indicated by seismic reinterpretation (late 2004).</p>
<p>Drillhole Information</p>	<ul style="list-style-type: none"> <li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material</li> </ul>	

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<p><i>drillholes:</i></p> <ul style="list-style-type: none"> <li>- easting and northing of the drillhole collar</li> <li>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth</li> <li>- hole length.</li> </ul> <ul style="list-style-type: none"> <li>▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>definition and geotechnical data in the Clareval Bowl pit. There are approximately 1,800 drillholes at Stratford and approximately 500 drillholes at Grant &amp; Chainey.</p> <ul style="list-style-type: none"> <li>▪ Drillholes intersecting each reported seam provide coal quality data (on at least one ply of the seam). Almost all holes in the Resources areas were drilled vertically.</li> <li>▪ Detailed drillhole information has not been provided tabulated as exclusion of this data does not detract from the understanding of the Resource. Several hundred drillholes are located in now mined out areas. The mined areas support the geological understanding of the area and the interpretation/model of the deposit.</li> <li>▪ The following item have been reported:                     <ul style="list-style-type: none"> <li>- typical seam thickness</li> <li>- in situ density and other qualities (partly based on default values)</li> <li>- depth range</li> </ul> </li> <li>▪ Co-disposal area                     <ul style="list-style-type: none"> <li>- N/A – no drillholes relate to this material – waste emplacement area.</li> </ul> </li> </ul>	<p>definition and geotechnical data in the Clareval Bowl pit. There are approximately 1,800 drillholes at Stratford and approximately 500 drillholes at Grant &amp; Chainey.</p> <ul style="list-style-type: none"> <li>▪ Drillholes intersecting each reported seam provide coal quality data (on at least one ply of the seam). Almost all holes in the Resources areas were drilled vertically.</li> <li>▪ Detailed drillhole information has not been provided tabulated as exclusion of this data does not detract from the understanding of the Resource. Several hundred drillholes are located in now mined out areas. The mined areas support the geological understanding of the area and the interpretation/model of the deposit.</li> <li>▪ The following item have been reported:                     <ul style="list-style-type: none"> <li>- typical seam thickness</li> <li>- in situ density and other qualities (partly based on default values)</li> <li>- depth range</li> </ul> </li> <li>▪ Co-disposal area                     <ul style="list-style-type: none"> <li>- N/A – no drillholes relate to this material – waste emplacement area.</li> </ul> </li> </ul>
<p>Data aggregation methods</p> <ul style="list-style-type: none"> <li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>▪ Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>Duralie, Stratford and Grant &amp; Chainey</p> <ul style="list-style-type: none"> <li>- No exploration results are presented in this report.</li> <li>- Coal seams have been generally sampled on a correlative ply by ply basis (using downhole geophysical logs to determine ply boundaries). Available laboratory data is loaded into the Minex database and no data is excluded (except for sampling/recovery problems or verification issues). No quality limits were applied to the modelling or Resource estimation process. Sample compositing (when compositing sub-ply data into ply data) was done on a weighted length/density basis using Minex software. Compositing of Resource estimate qualities was done on a weighted area/thickness/density basis, default coal quality data were incorporated where gridded laboratory data was not available.</li> <li>- No metal equivalents are reported.</li> <li>- Co-disposal area                     <ul style="list-style-type: none"> <li>- N/A – a default density value was applied to the co-disposal material.</li> </ul> </li> </ul>	<p>Duralie, Stratford and Grant &amp; Chainey</p> <ul style="list-style-type: none"> <li>- No exploration results are presented in this report.</li> <li>- Coal seams have been generally sampled on a correlative ply by ply basis (using downhole geophysical logs to determine ply boundaries). Available laboratory data is loaded into the Minex database and no data is excluded (except for sampling/recovery problems or verification issues). No quality limits were applied to the modelling or Resource estimation process. Sample compositing (when compositing sub-ply data into ply data) was done on a weighted length/density basis using Minex software. Compositing of Resource estimate qualities was done on a weighted area/thickness/density basis, default coal quality data were incorporated where gridded laboratory data was not available.</li> <li>- No metal equivalents are reported.</li> <li>- Co-disposal area                     <ul style="list-style-type: none"> <li>- N/A – a default density value was applied to the co-disposal material.</li> </ul> </li> </ul>
<p>Relationship between mineralisation widths and intercept lengths</p> <ul style="list-style-type: none"> <li>▪ These relationships are particularly important in the reporting of Exploration Results.</li> <li>▪ If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>▪ If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<p>No JORC exploration results are presented in this report.</p> <ul style="list-style-type: none"> <li>▪ Holes used in the model/estimate were largely drilled vertically.</li> <li>▪ Coal seams at Duralie are located within the north plunging, southern extent of the Gloucester Syncline. Seams dip steeply on the limbs of the syncline (generally 40° - 70°) and less steeply towards the axis of the syncline (&lt;10° - 30°). Coal seams at Stratford and Grant &amp; Chainey are on the eastern limb of the Gloucester Syncline, except in the south at the synclinal closure for the seams at Grant &amp; Chainey. Seams dip moderately-steeply (15° </li></ul>	<p>No JORC exploration results are presented in this report.</p> <ul style="list-style-type: none"> <li>▪ Holes used in the model/estimate were largely drilled vertically.</li> <li>▪ Coal seams at Duralie are located within the north plunging, southern extent of the Gloucester Syncline. Seams dip steeply on the limbs of the syncline (generally 40° - 70°) and less steeply towards the axis of the syncline (&lt;10° - 30°). Coal seams at Stratford and Grant &amp; Chainey are on the eastern limb of the Gloucester Syncline, except in the south at the synclinal closure for the seams at Grant &amp; Chainey. Seams dip moderately-steeply (15° </li></ul>

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		<ul style="list-style-type: none"> <li>- 70°) to the west. The deposit geometry of the Resource area is reasonably well understood.</li> <li>▪ Coal thicknesses intersected will not be true thickness but an apparent vertical thickness. Thickness of the seams is most affected towards the limbs of the syncline where seam dip is steepest. Also due to reverse faulted structure, intersected seam thickness can be significantly greater than true thickness, largely where reverse faulting has not been modelled (this is expected to be in localised areas).</li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- N/A – no drillholes relate to this material – waste emplacement area. Thickness of the ‘deposit’ is controlled by the survey upper and lower surfaces.</li> </ul> </li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>▪ <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All relevant figures depicting information considered material to the Coal Resources reported are contained within the report associated with this Table 1.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>▪ <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All validated data are loaded into the dataset and modelled.</li> <li>▪ Typical thickness and quality parameters are reported. Whilst outlying values may exist, the averages are considered representative of the Coal Resources reported.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>▪ <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Regionally                             <ul style="list-style-type: none"> <li>- 2D seismic data acquired throughout the area in the 1980s is available. This data would have been used to assist defining initial targets. Several seismic lines crossing Duralie were reprocessed and reinterpreted by International Geophysical Consultants in the early 2000s. Reprocessed and reinterpreted seismic data was used to provide information on deposit geometry in the centre of the syncline where drillhole data is rare/absent. The results of this work at Duralie led to the discovery of the Clareval seam. Reprocessing data further to the north in Grant &amp; Chainey was not successful and not pursued further at that time.</li> <li>- AGL have completed 2D seismic surveys and airborne geophysical (aeromagnetic and radiometric) surveys over the Gloucester Coal area and a 3D seismic survey over the Stratford area. Late 2015 this data was obtained by Stratford Duralie and recent works have commenced to review this data. Several deep regional holes drilled by AGL have not been included in the geological model at this stage as the data was not made available at the time of the most recent model update.</li> <li>- Regional aeromagnetic data sourced from Geoscience Australia is available (1,600 m line spacing). Geological interpretation map largely developed from field mapping and air photo interpretation produced in 1980s by Malcolm Lenox is available.</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- Seam pick-up data, provided by mine site surveyors, was available from Duralie open cut pit for the Weismantel seam. In the highly structured Clareval Bowl area an interpretation provided by then site geologist incorporated seam pick up data, drillhole data and in pit observations to provide a contour/structural interpretation of the pit area. This interpretation updated in 2016 due to further drilling with a more detailed structural interpretation controlling the faulting and seam thickness in the pit. This drilling also obtained geotechnical information for mine planning. In 2017, the structural interpretation was updated with the addition of 12 geophysically logged blast holes.</li> <li>- Geochemical data is available for the PAF/NAF material above/below the seams.</li> </ul> </li> <li>▪ Stratford                             <ul style="list-style-type: none"> <li>- Mining operations have been completed in Stratford Main, Roseville, Roseville Extension and BRN pits and are currently on hold in Roseville West. These pits have mined the Bindaboo, Deards, Cloverdale, Roseville, Marker 3, Marker 8, Marker 1, BOWENS Road, Avon and Triple seams. Survey pick-up data has been available in the past and at times included in the model. Recent models have not included the pick-up data due to issues with identifying correct plies in the Roseville pit.</li> <li>- Data from nine deep Pacific Power stratigraphic holes – PP series (up to several hundred metres deep) were available and incorporated in to the geological model.</li> </ul> </li> <li>▪ Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- Drillholes intersecting the Weismantel and Clareval seams have been drilled in Grant &amp; Chainey in the eastern limits of the area. This data is not currently sufficient to allow Resource estimation for these seams in this area.</li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- Mining of Cells 1-3 has successfully been incorporated in the blending process of the wash plant feed for several years.</li> <li>- Aerial photography was flown the Stratford area, including the Co-disposal area, end June 2012, June 2014 and June 2015. Since March 2016 a flyover of just the Co-disposal area (by CalCo Surveyors), has been undertaken on a semi-regular basis. This has been utilised to provide more accurate mined tonnages.</li> </ul> </li> <li>- Inpit mapping of coarse and slimes material by site superintendent/senior site geologist – Todd Hutchings was undertaken (October 2012)</li> </ul>
<p>Further work</p> <ul style="list-style-type: none"> <li>▪ The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not</li> </ul>		<ul style="list-style-type: none"> <li>▪ Regional                             <ul style="list-style-type: none"> <li>- Geophysical interpretation of the recently acquired basin wide data from AGL.</li> </ul> </li> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- Continued PAF/NAF, geotechnical monitoring and mine definition drilling as required.</li> </ul> </li> </ul>



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	commercially sensitive.	<ul style="list-style-type: none"> <li>- For potential underground Resources drilling is required to evaluate the Weismantel seam in the deeper central portion of the Gloucester Syncline. Much of these Resources are currently classified as Inferred.</li> <li>▪ Stratford</li> <li>- Potential works include update of the coal quality database/model over Stratford. Also further exploration to improve definition of Resource/Reserve (Avon North and Stratford East), including additional coal quality data, further definition of structure.</li> <li>▪ Grant &amp; Chainey</li> <li>- Further work planned includes reviewing the geophysical data recently obtained. Other works could include defining the Weismantel and Clareval seams through the Grant &amp; Chainey area, on the eastern limb of the syncline</li> <li>▪ Co-disposal area</li> <li>- Ongoing survey. Wash plant coal quality analysis as required.</li> </ul>

**Section 3 Estimation and Reporting of Mineral Resources**

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p>Database integrity</p> <ul style="list-style-type: none"> <li>▪ Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>▪ Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey</li> <li>- Drillhole data is corrected and correlated using downhole geophysical logs. Before a model is run the new data is checked or an entire seam correlation/data review is undertaken. Some unreviewed ply correlation data was loaded into the Minex borehole database in to Stratford in areas which are not within Resource areas.</li> <li>- Data validation processes in Minex software were used to validate the data, including: checking load errors, stratigraphic order errors, reporting for negative thickness and interburdens. Ply data statistics were reported and reviewed. Cross sections were reviewed.</li> <li>▪ Co-disposal area</li> <li>- The information for the Co-disposal area is based on survey data, mapping and plant trial results. The survey data was loaded into a Minex database and compared against other DTM data in the database.</li> </ul>	
<p>Site visits</p> <ul style="list-style-type: none"> <li>▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>▪ If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A site visit was undertaken by a representative of RPM in April 2018. The Resources Competent Person was unable to attend but interviewed the RPM representative who completed the site visit. The outcome of the site visit was to better understand of the location, geological data, environment and site procedures.</li> </ul>	



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Criteria	JORC Code explanation	Commentary
<p>Geological interpretation</p> <ul style="list-style-type: none"> <li>▪ Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>▪ Nature of the data used and of any assumptions made.</li> <li>▪ The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>▪ The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>▪ The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Due to closely spaced drillholes on east-west trending drill lines which are generally 100 m - 300 m apart there is reasonable confidence in the geological interpretation in the Resource areas, including seam correlation, seam dip and main faulted structures.</li> <li>▪ Duralie                         <ul style="list-style-type: none"> <li>- Uncertainties in the geological model are associated with the north-south trending reverse faults. Drillhole density is not adequate to trace reverse faults in the model further north of approximately 6,426,750N for the Weismantel seam. There are numerous reverse faults and folds in the Clareval Bowl area, of which five faults have been modelled as steeply inclined faults, but further faults exist. The thickness of the Clareval and Weismantel seam is reasonably consistent – large variations to seam thickness over short distances would be due to reverse faulting.</li> <li>- In the deeper central portion of the syncline there is limited drillhole data. Reprocessed seismic data was used to control the shape of the syncline in the model. This data is reasonable for the purpose/classification but could be in the order of 25 m (or more) out towards the deeper parts of the syncline and could affect interpreted seam dip. East-west faulting indicated by seismic data is not well understood.</li> <li>- There is limited coal quality data for some of the minor plies; however the tonnages associated with these are not likely to be significant.</li> <li>- Alterations to the geological interpretation are unlikely to alter the Resource estimate.</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey                         <ul style="list-style-type: none"> <li>- For some seams the coal plies can vary in thickness over short distances. The interpretation between drillholes could vary from the in situ.</li> <li>- Uncertainties in the geological models are associated with the north-south trending reverse faults in the highly structured area in Stratford West (near the Co-disposal area) and in the north of Grant &amp; Chainey. Normal and reverse faults have been intersected in all areas and those identified are reasonably understood. Other faults may exist but they are unlikely to be major features. Avon North Resources are now based on the Stratford 2015 model and due to the new data and updated structural interpretation, confidence in the structural interpretation in this area has increased.</li> <li>- The sill in the Avon seam in Grant &amp; Chainey is intersected by a number of holes and is thought to be reasonably understood, however there could be irregularities between holes.</li> <li>- There is limited coal quality data for a number of plies and some areas. Default values were sometimes heavily relied upon for the Resource estimate.</li> <li>- The Coal Resource is variable at Stratford and Grant &amp; Chainey due to changes in seam thickness, seam splitting, faults (reverse, normal and growth) and changes in seam dip. With the amount of drillhole data in the area and the information from mined areas it is not likely there is an alternative structural interpretation in the Resource</li> </ul> </li> </ul>	

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		<p>areas; the exception to this is in Grant &amp; Chainey if new coal quality data showed very poor results.</p> <ul style="list-style-type: none"> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- There is confidence in the interpretation of the volume/area. This material was emplaced onto a known surface (original topography) and accurate survey of the upper mined surface is undertaken at intervals. Mapping of the Resource was undertaken by the site superintendent/senior site geologist in 2012. The uncertainty of the interpretation lies in the consistency of the quality and amounts of coarse versus slimes material. The model makes no distinction between coarse co-disposal and slime material. Both these materials can be used in the plant feed, but in different ways.</li> </ul> </li> </ul>
<p><i>Dimensions</i></p> <ul style="list-style-type: none"> <li>▪ <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- The area is approximately 6 km long by 3 km at its widest and 750 m wide at the southern end of the syncline where the nose of the fold is present. Resources were estimated below base of weathering or to the mined surface/tonnes (end September 2017). The Weismantel seam Resources were estimated to depths of 500 m below the surface. Resources for the Cheerup and Clareval seams are generally &lt; 200 m except for the Clareval Bowl area, where Resources are &lt;300 m.</li> </ul> </li> <li>▪ Stratford                             <ul style="list-style-type: none"> <li>- The area is approximately 4 km wide by 6 km long. A thin south-eastern strip (Clareval seam) extends a further 2 km into the Grant &amp; Chainey area but is historically part of Stratford. Resources are limited to below the base of weathering or the mined surface as at 30 June 2014 (from June 2014 to December 2017 mining at Stratford largely occurred in the Co-disposal area, where Resources were updated by depletion of mined tonnes). Resources at depth are limited to 150 m or 200 m below the original topography surface (largely controlled by drillhole data).</li> </ul> </li> <li>▪ Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- The area covers a north-south strike length of approximately 11 km with an east-west width of approximately 1 km, from the southern limit of Stratford to the Avon seam crop at the nose of the syncline. The upper limit of Resources is the base of weathering surface (no mining has occurred at Grant &amp; Chainey) and the lower limit is a maximum depth of 200 m depth below topography (largely controlled by drillhole data).</li> <li>- There is much variability across the Resources due to changes in seam thickness, seam splitting, faults and changes in seam dip.</li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- Covers an area of approximately 500 m wide 800 m long. The Resource is limited at depth by the original topographic surface (approximately &lt;20 m below the current surface).</li> </ul> </li> </ul>	

Criteria	JORC Code explanation	Commentary
<p>Estimation and modelling techniques</p> <ul style="list-style-type: none"> <li>▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>▪ The assumptions made regarding recovery of by-products.</li> <li>▪ Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>▪ Any assumptions behind modelling of selective mining units.</li> <li>▪ Any assumptions about correlation between variables.</li> <li>▪ Description of how the geological interpretation was used to control the Resource estimates.</li> <li>▪ Discussion of basis for using or not using grade cutting or capping.</li> <li>▪ The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- The geological model for Duralie (DUR_0614) was produced in 2014, using Minex software (Version 6.3). The computer model was created using drillhole intersections, seismic information reprocessed in 2004 and pit pick up data for the Weismantel seam (to April 2014). Largely reverse faults were not specifically modelled but reasonably closely spaced drillhole data allowed control of gridding. This model was used for most of the Duralie Resource area. In 2016 an updated model was produced over the LOM area to incorporate new drilling and update the structural interpretation. This model (DURmicro16) was used for this Resource and Reserve estimation.</li> <li>- Resources were estimated in Minex software using thickness grids and in situ density grids (or default density values where gridded data was not available) from the uncut model (DUR_0614 or DURmicro16). Coal seams were limited to below base of weathering grid combined with the end of September 2017 mined surface within vertical sided polygons. To update Resources to December 2017, forecast tonnes from October 2017 to December 2017 were subtracted from the Resource estimate.</li> <li>- Clareval seam Resources were limited to a maximum depth of 300 m (&lt;300 m west limb and &lt;200 m east limb, largely controlled by drillhole data). Weismantel seam Resources were limited to 500 m depth of cover. Resources are not extrapolated beyond drillhole data.</li> <li>- Seam thickness grids were gridded on a 5 m (DURmicro16) or 10 m mesh (DUR_0614) using Minex growth techniques. Raw quality grids were gridded on a 50 m mesh using inverse distance squared gridding methods.</li> <li>- No minimum seam thickness was applied to the Weismantel seam as this seam is generally a 10 m - 12 m thick seam across the deposit. A minimum seam thickness was applied to the Cheerup and Clareval seam of 0.1 m (this would only exclude minimal tonnes). No quality limits were applied to the Resource as current mine practices wash all coal from Duralie and blend if required at the Stratford CHPP.</li> </ul> </li> <li>▪ Stratford                             <ul style="list-style-type: none"> <li>- The computer models for Stratford West (WCR0811), Avon North (STRAT0315) and Stratford East (SE0512) were generated using Minex software. The computer models were created using drillhole intersections, fault interpretations (although a number of faults were not modelled due to minor offset or limited interpreted extent) and trend lines to control the synclinal structure. Not all faults in Resource areas were specifically modelled but the drillhole data allowed to control the seam elevations (there could be some discrepancies between drillholes and grids but the overall tonnage is reasonable). Faults in WCR0811 model were modelled as vertical faults. STRAT0315 (Avon North) reverse fault were modelled using 3D faulting software and modelled as steeply inclined reverse faults or vertical normal faults. For Stratford East, no faulting was incorporated into the model, however faults are expected (probably minor in extent and offset and/or insufficient data to interpret laterally).</li> </ul> </li> </ul>	



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- Resources were estimated in Minex software using thickness grids and in situ density grids (or default density values where gridded data was not available) from the current models (WCR0811, STRAT0315 and SE0512). Coal seams were limited to below base of weathering grid combined with the end of June 2014 mined surface, within vertical sided polygons. Essentially no mining has occurred in Roseville West and Bowns Road North pits since July 2014.</li> <li>- Resources were limited to a maximum depth of 150 m (Stratford West) or 200 m (Avon North, Stratford East) (largely controlled by drillhole data). Resources were not extrapolated beyond drillhole data.</li> <li>- Seam thickness grids were gridded on mesh sizes of 10 (WCR0811) or 15 m (STRAT0315 and SE0512), depending on average drillhole spacing or structure, using Minex growth techniques. Raw coal quality grids were modelled on 50 (SE0512) or 100 m (WCR0811) mesh sizes, extrapolated 250 m from drillhole data. No raw coal quality grids have been developed for the STRAT0315 model at this time (default values are used for the Avon North Resource estimate).</li> <li>- No minimum seam thickness was applied to the estimate to allow maximisation of the Reserve estimate (due to the numerous plies in the deposit/splitting and coalescing, applying a minimum ply thickness in previous works limited Reserve studies from accessing all potential coal). No quality limits were applied to the Resource as current mining practices mine coal thick enough for the equipment being used and the coal is washed and potentially blended.                         <ul style="list-style-type: none"> <li>▪ Grant &amp; Chainey                                 <ul style="list-style-type: none"> <li>- The Minex computer model generated in August 2012 (GC_0812), incorporating all current drillhole data in the Resource areas, was used for Resource estimation. No mining has occurred in the area (in the northern limit of the area there is a portion covered by mine rehabilitation) and the original topography surface was used. The base of weathering was developed from visual base of weathering in drillholes.</li> <li>- The model was produced using drillhole seam intersections, the current fault interpretation and trends lines to assist modelling the syncline structure. Not all faults were specifically modelled but the drillhole data allowed to control the seam elevations. Any faults modelled were modelled as vertical faults. Confidence is highest in the Bowns Road and Avon seams due to the number of drillhole intersections. Structural grids were gridded on a 20 m mesh and quality on a 100 m mesh.</li> <li>- Resources were estimated in Minex software using thickness grids from the uncut model (GC_0812) limited to below base of weathering and in situ density grids or default density values where gridded data was not available. Resources were estimated within vertical sided polygons, to a maximum depth of 200 m below topography. Resources are not extrapolated beyond drillhole data.</li> <li>- No minimum seam thickness was applied to the estimate to allow for maximisation of the Reserve estimate. No quality limits were applied to the Resource as current mining</li> </ul> </li> </ul> </li> </ul>

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		<p>practices mine coal thick enough for the equipment being used and all coal is wash and, if required, blended.</p> <ul style="list-style-type: none"> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- The computer model for the Co-disposal area is not a traditional geological model, due to the nature of the material. The model was generated in Minex software (version 6.1) in late 2012. The model consists of upper and lower triangulated surfaces of the reject emplacement area. The basal triangulation surface covering Cells 1-3 was produced from the original topography surface (onto which the material was deposited). The upper triangulation surface was produced from a DTM based on the end of June 2012 aerial photography.</li> <li>- The Resource estimate was undertaken by estimating the volume between the triangulated end of June 2012 surface and original topography surface within vertical sided polygons defining the boundaries of Cells 1-3. A deduction of 10% was applied to the northern area of</li> <li>- Cell 2 to account for waste material included in this area. A default density value of 1.10 g/cc was applied to the volume estimate to produce a tonnage. Originally the cells were capped with waste material and previous estimates accounted for waste capping in surveyed surfaces. No capping material remains covering the cells.</li> <li>- The 2012 and 2009 Resource estimates were reconciled to mined tonnes and other changes and provided confidence in the estimate and parameters used (largely the default density value). See below AUDITS AND REVIEWS. For 2014 - 2017, the Resource estimate was updated by depletion of mined tonnes.</li> </ul> </li> </ul>
<p>Moisture</p> <ul style="list-style-type: none"> <li>▪ <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- Coal tonnages were estimated at an in situ moisture basis (estimated to be at 6% moisture). Reported qualities are at a constant moisture basis (standardised estimate of air dried moisture) of:                                     <ul style="list-style-type: none"> <li>o 1.5% for Duralie and Stratford East (Weismantel-Ciareval seams).</li> <li>o 2.5% for Stratford West, Avon North, and Grant &amp; Chainey (Marker 7-Parkers Road seams).</li> </ul> </li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- The co-disposal material was emplaced. The Resources were estimated using a default density for wash plant reject material. The moisture basis would be equivalent to in situ.</li> </ul> </li> </ul>	
<p>Cut-off parameters</p> <ul style="list-style-type: none"> <li>▪ <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All areas                             <ul style="list-style-type: none"> <li>- No coal quality limitations were applied to any of the Resource areas. Current mining practices take most coal sections thick enough for the equipment being used and the coal is washed and, if required, blended mined coals to produce a variety of products (including coking/thermal, low/moderate/high sulphur products).</li> </ul> </li> </ul>	

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- No minimum seam thickness was applied to the model. For Resource estimation a minimum seam thickness is not relevant for the Weismantel seam, as at Duralie this seam has a thickness in the order of 10 m - 12 m. For the Cheerup and Clareval seams a minimum seam thickness of 0.1 m was applied to the Resource estimate. This would only exclude a small tonnage of coal. This limit may be removed in future Resource statements to bring in line with other Stratford Duralie sites (Stratford and Grant &amp; Chainey).</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- No minimum seam thickness was applied to the model or Resource estimate. Previous Resource estimates used a minimum seam thickness of 0.1 m (the thin limitation was based on thin seam mining which had been used in Roseville West Pit). No minimum seam thickness was used in this current Resource estimate. This was to allow Reserve studies to maximise the Resource, which can have closely spaced, thin bands of coal or thin bands of coal near thick intersections of coal. The removal of this minimum thickness limitation was requested by the 2017 Reserves Competent Person. Removing this limitation increased the Resource estimate by &lt;2%, which is not considered material.</li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- No cut off-parameters were applied to the Resource estimate; however a deduction was applied to Cell 2 to account for waste material in this area.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- No minimum seam thickness was applied to the model. For Resource estimation a minimum seam thickness is not relevant for the Weismantel seam, as at Duralie this seam has a thickness in the order of 10 m - 12 m. For the Cheerup and Clareval seams a minimum seam thickness of 0.1 m was applied to the Resource estimate. This would only exclude a small tonnage of coal. This limit may be removed in future Resource statements to bring in line with other Stratford Duralie sites (Stratford and Grant &amp; Chainey).</li> </ul> </li> <li>▪ Stratford and Grant &amp; Chainey                             <ul style="list-style-type: none"> <li>- No minimum seam thickness was applied to the model or Resource estimate. Previous Resource estimates used a minimum seam thickness of 0.1 m (the thin limitation was based on thin seam mining which had been used in Roseville West Pit). No minimum seam thickness was used in this current Resource estimate. This was to allow Reserve studies to maximise the Resource, which can have closely spaced, thin bands of coal or thin bands of coal near thick intersections of coal. The removal of this minimum thickness limitation was requested by the 2017 Reserves Competent Person. Removing this limitation increased the Resource estimate by &lt;2%, which is not considered material.</li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- No cut off-parameters were applied to the Resource estimate; however a deduction was applied to Cell 2 to account for waste material in this area.</li> </ul> </li> </ul>
<p><i>Mining factors or assumptions</i></p> <ul style="list-style-type: none"> <li>▪ <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- Currently open cut mining methods are used at Duralie in the Weismantel, Cheerup and Clareval seams. Current mining depths are 15 m below original topography in the Weismantel seam pit and 150 m in the Clareval Bowl area. It is expected this method will continue for 'shallow' Coal Resources. The actual limit of open cut mining is a Reserve issue, depending on coal price and geotechnical issues. For Resources in the deeper parts of Weismantel seam, it is assumed mining will be by underground mining methods, including bord and pillar, hydraulic mining, etc. taking into account the relative steep dip of the seam.</li> <li>- Clareval seam Resources at Duralie are limited to depths of 200 m - 300 m below original topographic surface (largely controlled by drillhole data). With strip ratios in the order of 8:1, to depths of 200 m, it is possible that in the future (&lt;50 years) these Resources will be viable.</li> <li>- The Weismantel seam is mined in two passes (approximately top 3 m - high sulphur pass, lower part of the seam (several metres) - low sulphur pass). Stone parting plies are included in the Resource estimate of this seam as the generally thin parting plies are mined as part of the ROM coal. The Clareval seam is also mined in two passes (top 3 m - 4 m - high sulphur pass (difficult to determine for in the Clareval Bowl pit).</li> </ul> </li> </ul>	



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		<p>lower part of the seam - low sulphur pass). Dilution in mining the Clareval seam in the Bowl area is expected due to the highly structured nature of the seam.</p> <ul style="list-style-type: none"> <li>▪ Stratford             <ul style="list-style-type: none"> <li>- Mining at Stratford has been by open cut mining methods. It is assumed remaining coal Resources at Stratford will be extracted by open cut methods. Resources at Stratford are limited to depths of 150 m (Stratford West) or 200 m (Avon North and Stratford East) below original topographic surface (largely controlled by drillhole data). Mining depths reached in the Stratford Main pit and BOWENS ROAD pit were 125 m and 120 m from topography respectively. Approximate strip ratios in the order of 6:1-10:1 indicate it may be possible that Resources to depths of 200 m may be economic in the future (&lt;50 years).</li> <li>- In Roseville Extension and Roseville West pits, thin seam mining was used to extract the coal plies (coal bands down to 0.15 m thick were mined). Small mining equipment was used to achieve this. In BRN Pit the Marker plies were mined at thicknesses down to 0.2-0.3 m. Due to the nature and coking quality of the coal a lot of care was taken in recovering the coal.</li> <li>- Resources are estimated for in situ coal seams that occur beneath the co-disposal material. It is assumed the co-disposal material will be completely extracted before mining the underlying seams. The geological model for Stratford West used the base of weathering below the original topographic surface in this area for Resource estimation.</li> <li>- Coal Resources have been limited by the mined surface as at the end of June 2014. In areas around some of the completed pits (e.g. Roseville Pit, BOWENS ROAD WEST PIT) Resources have been estimated below/adjacent to the pits. No buffer zone was applied to allow mining studies to determine Reserve limitations and future mining opportunities.</li> <li>- Mine infrastructure, such as the Stratford East Dam over some of Stratford East, was not used to limit Resources to allow mining studies to determine viability. The exception to this was coal under the main Stratford mine infrastructure (the wash plant, stock piles, ROM pad, and coal handling facilities). This exclusion zone has removed approximately 1.5 Mt of potential Indicated and 0.8 Mt of potential Inferred Resources from the Marker 3 - BOWENS ROAD SEAMS.</li> </ul> </li> <li>▪ Grant &amp; Chainey             <ul style="list-style-type: none"> <li>- The same coal seams and similar geology occur at Grant &amp; Chainey as Stratford Mine and it is assumed Coal Resources at Grant &amp; Chainey will be extracted by open cut mining methods, as at Stratford Mine. Resources at Grant &amp; Chainey are limited to depths of 200 m below original topographic surface (largely controlled by drillhole data). Approximate strip ratios in the order of 10:1 indicate it that Resources to depths of 200 m may be viable in the future (&lt;50 years).</li> </ul> </li> </ul>

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<p><i>Metallurgical factors or assumptions</i></p>	<p><i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></p>	<ul style="list-style-type: none"> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- The material in the Co-disposal area has been mined by open cut methods and incorporated into the plant feed at Stratford CHPP for more than 15 years. Due to the depths of the material (&lt;20 m from surface) it is expected this mining method will continue with the remaining Resource.</li> </ul> </li> <li>▪ Duralie                             <ul style="list-style-type: none"> <li>- Coal at Duralie is currently mined in separate passes so that washing can produce a combination of washed moderate and high sulphur thermal and coking products. The Weismantel and Clareval seams have similar quality properties – high sulphur section at top of seam (approximately a third to a quarter of the seam) with generally moderate sulphur in the lower section of the seam. This coal can be blended with low sulphur co-disposal material from Stratford mine site.</li> <li>▪ Stratford and Grant &amp; Chainey                                     <ul style="list-style-type: none"> <li>- A combination of washed low/moderate sulphur coking and thermal products have been produced from Stratford Mine coal seams, and they can be blended with Duralie coal seams to reduce sulphur on Duralie coal. Many of the seams occurring at Grant &amp; Chainey have been mined at Stratford (including Marker 3 - Bowens Road seams and Avon - Triple seams).</li> <li>- Raw and float/sink coal quality results from drillhole data indicate both coking and thermal coal products can be derived from the Coal Resources. It is assumed that all coal mined at Stratford and Grant &amp; Chainey will be washed at the Stratford CHPP and if required blended to produce a variety of products.</li> <li>- The Marker 7 - Marker 1 and Avon - Parkers Road seams are expected to (and those mined in the past have) produce low/moderate sulphur coking products with a secondary low/moderate sulphur thermal product. The Bowens Road seam is largely a thermal coal but the lower plies have produced a coking product in the past. Data for the Cheerup and Clareval seams at Stratford indicate they will yield coking and thermal coals with moderate sulphur (some rare high sulphur).</li> </ul> </li> </ul> </li> <li>▪ Co-disposal area                             <ul style="list-style-type: none"> <li>- In the computer model no distinction was made between Coarse CODAM and slime material. These products are incorporated differently to the plant feed – slimes can be drip fed into all blends and coarse material blended with thermal coal.</li> </ul> </li> <li>▪ Mammy Johnsons River is a significant waterway. A 60 m buffer zone from this river was used to limit Resources to depths of 100 m (2.2 Mt of potential Indicated Resources were excluded from the Resource estimate). At depths greater than 100 m no buffer zone was used to allow mining studies to determine limitations and possible underground mining methods, including bord and pillar extraction.</li> </ul>
<p><i>Environmental factors or assumptions</i></p>	<p><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts,</i></p>	



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<p>particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</p>	<ul style="list-style-type: none"> <li>▪ In general, environmental and infrastructure features such as waterways, roads, power lines, etc., have not been used to limit Resources at Gloucester Coal to allow mining studies at the time to determine the limits for Reserves and potential mining opportunities. At Duralie, a creek diversion was completed to extract the Weismantel seam and in the future this same process may be undertaken at Stratford or Grant &amp; Chainey. Wenham Cox Road was diverted around BRN pit and in the Weismantel Pit at Duralie, the 132 kV power lines were raised to allow continuation of mining underneath.</li> <li>▪ The Main Northern Railway line runs through the centre of the Duralie area. Through most of the area the railway would cross potential underground Resources of the Weismantel seam. In the southern most area of Duralie, the railway line crosses potential open cut Resources in the Weismantel seam (for a distance of approximately 400 m). While it is not likely that this line would be diverted, the railway line was not used as a limit to Resources, to allow mining studies to determine buffer zones. At Grant &amp; Chainey, a small Resource area in the south occurs under the Main Northern Railway Line (approximately 600 m along the railway). If a 50 m buffer zone around the railway was used to limit Resources it would reduce Resources by approximately 0.6 Mt of Indicated and 0.1 Mt of Inferred (not considered material for this Resource estimate).</li> <li>▪ Roads such as the Buckets Way, Duralie, Johnsons Creek, Terreel, Bowns and Wenham Cox roads were not used to limit Resources. While it may not be likely that the Buckets Way would be diverted, a limit was not used to allow mining studies to determine limiting parameters. The only Resources estimated under the Buckets Way are a small area of Inferred Weismantel Resources (approximately 400 m along the Buckets Way) in the north of the Duralie area and a small area containing 0.5 Mt of Inferred Marker 1 and Bowns Road Resources at Grant &amp; Chainey.</li> <li>▪ Creeks including Avondale Creek and Dog Trap Creek (Stratford) and Wards River (Grant &amp; Chainey) were not used as limits to Resources. Nor the mine dams at Duralie or Stratford.</li> <li>▪ At Duralie, a 132 kV transmission line trends north-south in the eastern edge of the Resource and then cuts across the area to the west and a 35 kV transmission line cuts a small area of Inferred Weismantel Resources at the north of Duralie. At Stratford, a 132 kV transmission line runs north-south partly through Stratford East Resources.</li> <li>▪ Stratford Resources for the upper seams, (i.e. along the western limit), are located over 1 km from the centre of Stratford hamlet. A small area of Resources occurs under the Craven township. This is now a very small hamlet, where Gloucester Coal owns most of the properties.</li> <li>▪ Biodiversity areas occur in the south and in a small area in the west of Duralie. The Biodiversity area in the south covers part of the potential sub-crop of the Clareval seam. There is no drillhole data in this southern area and so Resources have not been estimated. Proposed biodiversity areas have been determined as part of the Stratford Extension</li> </ul>	

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<p><b>Bulk density</b></p> <ul style="list-style-type: none"> <li>▪ <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li>▪ <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li>▪ <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<p>Project (SEP). These areas extend over Resources in the northern part of Grant &amp; Chainey and a small area of Stratford East.</p> <ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey</li> <li>- A mixture of Relative density and Apparent Relative density data was available from laboratory analyses. Only Relative density data was used in the database/gridding/Resource estimate. Relative density data was converted to an in situ moisture basis (estimated at 6% moisture) to account for loss of void spaces during testing. An ash versus density regression was determined to enable estimation of in situ density for all plies with raw ash data.</li> <li>- Where sufficient data was available in situ density grids were generated. Default in situ density values were determined for each ply from the available data to use where gridded data was not available. Default density values range from 1.35-1.60 g/cc. For stone parting plies of the Weismantel seam default density values used (when gridded data was not available) ranged from 1.80-2.1 g/cc.</li> <li>▪ Co-disposal area             <ul style="list-style-type: none"> <li>- A default density of 1.10 g/cc was used as a reasonable density estimate for emplaced wash plan reject material.</li> </ul> </li> </ul>	
<p><b>Classification</b></p> <ul style="list-style-type: none"> <li>▪ <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li>▪ <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li>▪ <i>Whether the result appropriately reflects the Competent Person’s view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Core and non-core drillholes with downhole geophysical logs were considered points of observation for confidence in the deposit in conjunction with information from mined areas and supporting information from seismic data.</li> <li>▪ The classification of Coal Resources in this report used the classification of Measured, Indicated and Inferred used in the previous Resource Estimate. The Resources classification from the previous Resource estimate was reviewed by reviewing the drillhole data, geological models, reconciliation data and detailed discussions with relevant site personnel and the previous 2017 Resources Competent Person. The conclusion of the review is that the previous Resource classification was appropriate.</li> <li>▪ The classification in the previous Resource Estimate was based on the previous Competent Persons confidence in the estimate. The previous Competent Person has been heavily involved in the data checking and ply correlation process, structural interpretation, and construction of the geological models and compilation of the coal quality data for over 15 years at Stratford Duralie. Also involved in exploration data collection/supervision and in-pit work. The estimate classification is based on the confidence to identify coal plies between holes, understanding the changes/variability of the coal seams, the interpreted structure and how the computer model manages to ‘model’ the structure. In some structurally complex areas the model has not defined the faulted structure specifically (such as the Clareval Bowl or structurally complex area in Stratford West or Rombo/Parkers Road seams in the north of Grant &amp; Chainey, where drillhole seam intersections were allowed to control seam elevation/thickness); however the drillhole spacing was sufficient to show coal seam continuity and reasonable confidence in tonnages to support the classification category. An</li> </ul>	

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		<p>example of this is the Clarelave Bowl area at Duralie. This is an extremely complex small synclinal structured area with numerous reverse faults and folds. In the early years of mining none of the faults had been modelled specifically; allowing the closely spaced drillholes to control the geology. Mining found on a day to day basis there were differences between the model and the actual structure encountered, but overall mined tonnes reconciled with modelled tonnes. From discussions with the Duralie site geologist at the time, the model underestimated the tonnage slightly as a result of repetition of coal seams because of thrust faulting. This area is covered by approximately 100 m spaced drill lines with holes averaging 50 m along these lines (supported by coal quality data). The confidence in this estimate is Measured.</p> <ul style="list-style-type: none"> <li>▪ Often the availability of coal quality data on a ply basis is variable per seam due to core recovery or the ply not existing in the hole (minor upper and lower plies have rare quality data due to fewer drillhole intersections due to variability of these plies). In the absence of drillhole coal quality data, a history of nearby mining or geophysical log trends were used to support the classification. Sometimes the estimate of particular plies depended on default quality values. This was more common for Inferred Resources, but also used for Measured and Indicated Resources. Core holes often do not provide data on all plies in an intersected/sampled seam, due to either core recovery or variability in a seam.</li> <li>▪ Duralie             <ul style="list-style-type: none"> <li>- <b>Measured Resources</b> – typical drilling density involved 100 m spaced east-west drill lines (range from 50 m - 150 m) with drillholes along these drill lines averaging 50 m spacing. Some fault delineation drilling down to 15 m spacing may be present. Cored holes are spaced approximately 200 m - 500 m apart.</li> <li>- <b>Indicated Resources</b> – 200 m - 500 m spaced east-west drill lines, with drillholes along the drill lines up to 300 m. Core holes are located generally 400 m - 1,000 m apart.</li> <li>- <b>Inferred Resources</b> – for Weismantel seam drillhole data is generally located at the edges of Inferred areas, rare data within these areas (up to 1,500 m apart). Core holes are rare in Inferred Resource areas however are generally adjacent/nearby to areas with core data.</li> </ul> </li> <li>▪ Stratford             <ul style="list-style-type: none"> <li>- <b>Measured Resources:</b> there is a small Measured Resource at Stratford in the BOWENS Road seam (this is a consistent seam, which was mined extensively immediately north of the measured area). Holes are located on approximately 100 m spaced drill lines with holes along these lines 75 m - 100 m apart and with coal quality data available from holes or previous mining within 500 m.</li> <li>- <b>Indicated Resources:</b> holes were located on 200-300 m spaced east-west drill lines with holes along the lines 20 m - 200 m apart. For Avon North the holes were spaced on 100 m drill lines but were classified Indicated due to seam complexity and quality</li> </ul> </li> </ul>



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		<p>data limitations. Core holes were 150 m to approximately 1,000 m apart or near mined areas of those seams.</p> <ul style="list-style-type: none"> <li>- <b>Inferred Resources:</b> drillholes up to 800 m apart with rare coal quality data. Some areas had far more closely spaced holes but quality data rare/absent.</li> <li>▪ Grant &amp; Chainey</li> <li>- <b>Measured Resources:</b> Drillholes are located on 100 m - 150 m spaced east west drill lines. Holes along drill lines are spaced 20-150 m. Core holes are located up to 400 m apart along strike due to the steeply dipping nature of seams.</li> <li>- <b>Indicated Resources:</b> Drillholes are located generally on 200 m spaced east west drill lines. Holes along these drill lines are 40 m - 150 m apart. Core holes are located generally 400 m - 800 m apart, but can be up to 1.5 km apart (often along strike due to the steeply dipping seams). At the nose of the seam sub-crops in the south, there is no coal quality data, however the spacing and grid of drillholes, coal quality data available in nearby areas on certain seams (including Bowens Road and Avon seams) and consistency of coal seam character determined from downhole geophysical logs, has enabled these Resources to be classified as Indicated Resources.</li> <li>- <b>Inferred Resources:</b> For some minor seams, drillholes are located as close as 200 m spaced east-west drill lines, however there may be little up-dip/down-dip data on the seam or inconsistency of the plies. For major seams, holes are spaced on drill lines up to 2 km apart. Core data is 500 m apart to rare on some minor seams, and sparse to rare for major seams (including Bowens Road and Avon seams).</li> <li>▪ Co-disposal area</li> <li>- These Resources were classified as Indicated Resources due to the good quality of survey and mapping data, continuous emplacement of wash plant reject material into these cells from 1995 - 1999, a history and continued use of this material as feed to the Stratford Mine wash plant and coal quality results indicating usable products.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No external review or audit of this Resource estimate.</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global</li> </ul>	<ul style="list-style-type: none"> <li>▪ Duralie, Stratford and Grant &amp; Chainey</li> <li>- Due to the steep dip of strata, apparent seam thickness, faulting, folding, seam splitting and ply variability in places, holes are usually quite closely (often 50 m - 300 m apart). Quality data for a particular seam is usually available on a linear spacing (often along strike, where the seam is shallower). Drillhole spacing at Stratford Duralie is probably closer than most coal deposits elsewhere in Australia, due to the complex geology.</li> <li>- Although the structure can be variable the closely spaced drillholes and the confidence in the seam correlation and interpreted geology provide confidence in the tonnage estimates. Due to the structural complexity of this deposit, the experience of the previous Competent Person in relation to understanding the data, geology, exploration and mining at Gloucester Coal is a critical factor in the assessment of Resource</li> </ul>





Criteria	JORC Code explanation	Commentary
<p>or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p> <ul style="list-style-type: none"> <li>▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<p>confidence categorisation. The previous 2017 Competent Person was able to communicate that understanding the Competent Person for this Report and that understanding was consistent with the review completed.</p> <ul style="list-style-type: none"> <li>- The estimates are considered to be a global estimate. Coal Resources were estimated for areas populated with numerous drillholes, all data were used and a single data point would have little or no effect on the total Resource estimate.</li> <li>- All tonnages would be relevant to a technical and economic evaluation, however there could be coal with thin ply thickness which, in places, is relatively isolated in the stratigraphy pile with no economic value but included in the Resource estimate to allow for maximisation of the Reserve estimate (i.e. allow thin plies near other plies in the stratigraphic pile to be included). Working sections were not developed due to the number of plies/complex spitting/number of possible working section combinations and Reserve determination should be allowed to use coal price and the equipment selected to determine minimum ply thickness and interburden limits. In total coal &lt;0.1 m at Stratford and Grant &amp; Chainey is approximately 2% of the Resource estimate.</li> <li>- For the Duralie 2016 estimate, Resources reconciled reasonably well to 2015 Resource estimate, where the main difference in the estimate were mined tonnes, updates in the computer model and taking into account mining losses and dilution. For 2017 Resources where updated by depletion of mined tonnes, taking into account mining losses and dilution.</li> <li>- For Stratford, Coal Resources in 2014 were reconciled to previous Resource estimates, taking into account coal mined during that period. 2015 - 2017 no mining occurred at Stratford West, Avon North or Stratford East to compare production tonnes to the estimate. There has been no mining at Grant &amp; Chainey.</li> <li>▪ Co-disposal area</li> <li>- The Competent Person has reasonable confidence in the estimate of the Indicated Resource. The surveyed surfaced on which the tonnage is based is accurate and the material has a proven record of being incorporated into the plant feed. For 2014 - 2017 Resources were updated by depletion of mined tonnes, however for previous estimates the mined surface was reconciled with mined tonnes and compared well.</li> <li>- The estimate is considered a global estimate as the surfaces used in the estimate cover the entire area.</li> </ul>	

**Section 4 Estimation and Reporting of Ore Reserves**

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person, Mr Doug Sillar on behalf of RPM.

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section.)

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Criteria	JORC Code explanation	Commentary	
		Stratford	Duralie
<p><b>Mineral Resource estimate for conversion to Ore Reserves</b></p> <ul style="list-style-type: none"> <li>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Brendan Statts. The Competent Person, Mr. Statts, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy.</li> <li>The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>The Coal Resources reported are inclusive of the Coal Reserves.</li> <li>The same geological model has been used for the estimation of Resources and Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>A site visit was undertaken by representatives of RPM in April 2018. The Reserves Competent Person was unable to attend but interviewed the representative following the visit. The outcome of this visit was observation of the Asset area to better understand location, environmental, social, groundwater and existing infrastructure consideration.</li> <li>The site visit included a tour of both the Stratford and Duralie existing pits and proposed areas for development.</li> <li>The site visit also included discussion with Stratford Duralie personnel and handover and discussion of key mine planning information used for this report.</li> </ul>	<ul style="list-style-type: none"> <li>Coal is currently produced from the Duralie Mine with operations in the Stratford Mine about to recommence. Information such as loss and dilution, operating costs, revenue, coal yield and coal product qualities and offsite costs are all based on actual information. The mining data from site is at a level of detail equal to or greater than that required of a PFS.</li> <li>A report titled ‘Gloucester Coal Basin Mine Planning Study’ completed by RPM in 2014 is to a PFS level of details and generally represents planned operations.</li> <li>For areas where proposed pits are included in the Reserves, a life of mine plan has been completed using site actual data as a guide. The mine plan is considered by the Competent Person to be technically achievable and economically viable using the actual site inputs.</li> </ul>
<p><b>Site visits</b></p> <ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>Gemcom Minex Pit Optimiser software was used to estimate the open cut economic pit limits in 2017 by the previous Competent Person. Cost inputs were based on existing Duralie operations. Yancoal provided input into cost, revenue and exchange rate assumptions. RPM have confirmed these pits shells are representative of the economic coal based on a break-even strip ratio analysis. The break-even strip ratio is variable by pit and typically ranges from 9-10 bcm:t.</li> <li>The selected mining method is a conventional truck and excavator mining method based on the targeted mine production and strip ratio of the deposit, with pit and in-pit dumping of waste. This method is considered appropriate based upon geology and strip ratio and is the mining method currently used at the operational Stratford Duralie pits.</li> </ul>	
<p><b>Study status</b></p> <ul style="list-style-type: none"> <li>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>		
<p><b>Cut-off parameters</b></p> <ul style="list-style-type: none"> <li>The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or</li> </ul>		
<p><b>Mining factors or assumptions</b></p> <ul style="list-style-type: none"> <li>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or</li> </ul>			

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Criteria	JORC Code explanation	Commentary		
		Stratford	Grant and Chainey	Duralie
<ul style="list-style-type: none"> <li><i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i></li> <li><i>The assumptions made regarding geotechnical parameters (eg pit slopes, slope sizes, etc), grade control and pre-production drilling.</i></li> <li><i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i></li> <li><i>The mining dilution factors used.</i></li> <li><i>The mining recovery factors used.</i></li> <li><i>Any minimum mining widths used.</i></li> <li><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i></li> <li><i>The infrastructure requirements of the selected mining methods.</i></li> </ul>	<ul style="list-style-type: none"> <li>The mine plans have been based on seven geological models prepared in Gemcom Minex format: WCR_0811, CODAM_0912, SE_0512, StratfordStrat_0315model, GC_0812, DuralieMicromodel0716 and DU_0714.</li> <li>The mining factors used were:                             <ul style="list-style-type: none"> <li>Minimum parting mining thickness of 0.3 m; and</li> <li>Global loss of 5%.</li> </ul> </li> <li>RWW coal plies are deemed non-viable when two of the following conditions are met:                             <ul style="list-style-type: none"> <li>The incremental stripping ratio is greater than 10:1;</li> <li>The coal thickness is less than 0.5 m; and</li> <li>The underburden thickness is greater than 5 m.</li> </ul> </li> <li>RPM consider these reasonable for the style of deposit and mining methods and equipment proposed.</li> <li>The dilutant material had a relative density of 2.1 t/cum and an ash of 80%.</li> <li>Pit Optimisation, pit design and LOM planning have been completed as the basis for converting Coal Resources to Coal Reserves. Geovia Minex Pit Optimiser software was used to estimate economic pit limits, and modified through practical pit design for all pits except RWW which was based on the optimiser result directly.</li> <li>Inferred Coal Resources are included in the pit optimisation and LOM production schedule, but are not converted to Coal Reserves.</li> <li>Pit slopes for existing pits were based on surveyed actual slopes and previous geotechnical advice supplied by Yancoal. For proposed pits, slopes between 40° and 45° were used for unweathered waste.</li> <li>Relative density data in the geological model is based on in situ moisture of 6%. Washed product coal has a moisture of 8%.</li> </ul>	<ul style="list-style-type: none"> <li>200 m offset on SE northern endwall from Stratford East Dam.</li> <li>Minimal additional infrastructure required. New waste and coal haul roads.</li> </ul>	<ul style="list-style-type: none"> <li>100 m offset from Wards River and Bucketts Way.</li> <li>Access through excavation face and dump face</li> <li>New coal haul road from pit to Stratford ROM stockpile required.</li> </ul>	<ul style="list-style-type: none"> <li>300 m offset from Bucketts Way.</li> <li>Access through excavation face and dump face</li> <li>ROM coal will be crushed at the Duralie crusher and then transported to the coal processing plant.</li> </ul>

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		Stratford	Grant and Chainey	Duralie
<p><i>Metallurgical factors or assumptions</i></p> <ul style="list-style-type: none"> <li><i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></li> <li><i>Whether the metallurgical process is well-tested technology or novel in nature.</i></li> <li><i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domains applied and the corresponding metallurgical recovery factors applied.</i></li> <li><i>Any assumptions or allowances made for deleterious elements.</i></li> <li><i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</i></li> <li><i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i></li> </ul>	<ul style="list-style-type: none"> <li>The coal will be transported to the Port of Newcastle using the existing train load-out facility and rail network.</li> <li>All coal is washed through the Stratford CHPP which is a dense medium type coal preparation plant producing a number of coal products. The metallurgical process to generate marketable coal has been operated successfully on the site for a range of seam types over a period of 17 years. The dense medium coal processing techniques and equipment employed at the Stratford CHPP (SCPP) are widely and successfully used across the coal industry. ROM coal will be crushed at the Stratford ROM crusher and then transported to the coal processing plant.</li> <li>A new Powerscreen is proposed to be used for specific seams such as Deards and Cloverdale to remove thin partings allowing bulk mining of the seams. Expected yield and mining cost improvements have not been modelled at this stage until actual data can be produced from processing trials.</li> <li>The site is currently operated with saleable products being produced after processing at the Stratford CHPP.</li> <li>For all mining areas Measured Coal Resources were downgraded to Probable Reserves due to the limited availability of laboratory washability test results from drillhole data. Significant historical washability data has been recorded for the range of seams processed at the SCPP and was the basis for metallurgical assumptions used in the mine planning process. As additional washability data is made available from the exploration drilling process and the coal quality variation across modelled areas is better understood, there will be increasing confidence associated with the application of the metallurgical factors.</li> </ul>			
<p><i>Environmental</i></p> <ul style="list-style-type: none"> <li><i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></li> </ul>	<ul style="list-style-type: none"> <li>Yancoal developed non-acid forming/potential acid forming (NAF/PAF) geological models for the Duralie and Stratford areas allowing selective waste placement within dumps where acid generating wastes are fully encapsulated by inert materials. Scheduling activities onsite are now focused on locating these waste materials as part of day to day planning operations.</li> <li>Duralie Operations are approved through till the end of 2021 (Application Number 08_0203).</li> <li>Additional approvals will be required for the full development of the Stratford South Avon pit and the expansion of the Avon North and Roseville West pits as they are larger than current SEP approvals. Approvals should be achieved within the scheduled development timeframe.</li> <li>Duralie East pit requires approval.</li> <li>Rejects will be managed on site as per current approvals.</li> <li>Water management will be managed on site as per current approvals.</li> <li>Waste water will be stored in appropriate facilities and disposed of or treated for recycling in accordance with current environmental approvals.</li> </ul>			

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		Stratford	Grant and Chainey	Duralie
<p><i>Infrastructure</i></p> <ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>RPM have not undertaken an infrastructure assessment as part of the 2017 Coal Reserves Estimate however it is recognised that minimal additional infrastructure will be required for development of the various open cut mining sites.</li> <li>An operational CHPP is already available within the Stratford Mining Complex and would process coal from all proposed operations.</li> <li>Small scale surface facilities would be required for mining activities in the Duralie East area.</li> <li>Additional mining and coal haulage roads will need to be established for proposed pits that would enable transport of coal to the Stratford CHPP.</li> <li>Some power lines need to be elevated for the development of Stratford East. Gloucester has completed preliminary discussion with power line owner Transgrid and this process has successfully been applied historically at Duralie.</li> <li>Stratford Duralie own the majority of the land for the proposed mining and infrastructure areas to be developed in the currently stated Reserves. Some small additional land purchases are required however, Yancoal believe these purchases are achievable and are not a constraint on the proposed mine plans.</li> <li>Water supply through rainwater harvesting and pit dewatering is planned. The primary water requirement at the site is for dust suppression.</li> <li>The forecast work force are primarily Yancoal employees and the cost modelling reflects an owner/operating mining operation.</li> </ul>			
<p><i>Costs</i></p> <ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>NSW state government royalties are included in the estimate.</li> <li>RPM reviewed all costs and they are considered reasonable.</li> </ul>			
<p><i>Revenue factors</i></p> <ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>			



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	commodity price(s), for the principal metals, minerals and co-products.			
Market assessment	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>A Marketing Study has not been reviewed however markets are well established for the mine’s coal products. The projects typically produce up to two main products:                             <ul style="list-style-type: none"> <li>Thermal at approx. 22 - 24% ash (ad); and</li> <li>SHCC at approx. 9.9 – 10.5% ash (ad).</li> </ul> </li> <li>Based upon these products and specifications, RPM anticipates no foreseeable issues in demand for these products.</li> </ul>		
Economic	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> <li>The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> </ul>		
Social	<ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>The SEP was approved on the 29<sup>th</sup> May 2015 by the NSW Planning Assessment Commission with operating consent until 31<sup>st</sup> December 2025.</li> <li>The Coal Reserves quoted in this document differ from the extent and sequencing in the SEP and a revision of Stratford consent conditions will be required. This is not considered as a critical issue by the Competent Person based on historical precedent of approvals.</li> </ul>		
Other	<ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:                             <ul style="list-style-type: none"> <li>Any identified material naturally occurring risks.</li> <li>The status of material legal agreements and marketing arrangements.</li> <li>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation’s viability.</li> <li>The coal that is currently approved is mined first in the LOM schedule (Duralie West pits and SEP).</li> <li>Updating of approvals is a continual process and it is reasonably expected that any modifications to existing agreements or additional agreements that may be required can be obtained in a time periods modelled.</li> </ul>		



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		Stratford	Grant and Chainey	Duralie
<p><i>within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p> <p><b>Classification</b></p> <ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul> <p><b>Audits or reviews</b></p> <ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<p><i>Within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p> <p><b>Classification</b></p> <ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul> <p><b>Audits or reviews</b></p> <ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>Coal Reserves are primarily supported by Indicated Resources with only minimal Measured Resources estimated in the deposit. These have been classified as Probable Reserves due to the Measure Resources lying outside currently approved operations and an absence of modelled yield data. The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>Internal peer review of the Reserves Report has been completed.</li> </ul>		
<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></p> <p><i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></p> <p><i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<ul style="list-style-type: none"> <li>The pit shell is based only on Probable Coal Reserves.</li> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>Geotechnical studies have been completed for existing pits.</li> <li>Modifying factors that could potentially impact the Coal Reserve estimate include:                         <ul style="list-style-type: none"> <li>- Forecast pricing and exchange rate;</li> <li>- Geotechnical uncertainty with the deeper Stratford pits;</li> <li>- Limited raw quality data for Avon North; and</li> <li>- Yield assumptions.</li> </ul> </li> </ul>		



**ORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Brendan Stats on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p> <ul style="list-style-type: none"> <li>▪ Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>▪ Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>▪ In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal samples were taken from cored drillhole intersections. Core sample size is generally HQT (61 mm). HQT coring is a coal industry standard technique to maximise core recovery and ensure sample representivity.</li> <li>▪ Almost all exploration holes that intersected the Greta seam were geophysically logged and have hard copy down hole geophysics available in drill log folders on site at Austar. The typical geophysical logging suite comprises density, caliper, gamma, neutron, sonic, verticality. Very old (1970’s) core holes in the north of EL6598 do not have down hole geophysics.</li> <li>▪ The Greta seam has been sampled on a ply by ply basis using density geophysical log responses to determine sample intervals. Due to differing eras of drilling plus gradational changes within the Greta seam from west to east, the correlation of individual plies may not be consistent across the leases.</li> <li>▪ Since LTCC extraction recovers the full Greta seam, Austar has merged all previous borehole ply correlations into one standard system comprising three basal plies each 1 m thick each, and up to eight consecutive 0.5 m thick plies to the seam roof, which gives them the capability to assess standard longwall operations and longwall top coal caving (LTCC) options. The current longwall operations do not use LTCC due to the high total sulphur content of the upper plies of the Greta seam, but LTCC is proposed for the Stage 3 area..</li> </ul>	<ul style="list-style-type: none"> <li>▪ The depth to the Greta seam, ranges between 500 and 760 metres in the Stage 3 area. Almost all holes were cored (HQT core) to recover core samples from the Greta seam plus roof and floor strata. Some non-core holes were drilled for structural investigation of faults that were interpreted from 2D seismic data. Some holes were fully cored (HQT) from surface to acquire geological and geotechnical information for the full stratigraphic sequence.</li> <li>▪ Core recovery for the Greta seam in most holes has been greater than 95%. Core recovery is measured at the drill rig by comparison of drill run length to the core recovered length. This calculation is audited and confirmed by down-hole geophysics (density log) by the geologist. In boreholes where core recovery has been less than 90%, the hole has been</li> </ul>
<p><i>Drilling techniques</i></p> <ul style="list-style-type: none"> <li>▪ Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>		
<p><i>Drill sample recovery</i></p> <ul style="list-style-type: none"> <li>▪ Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>▪ Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>		

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>▪ Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>▪ The total length and percentage of the relevant intersections logged.</li> </ul>	<p>redrilled. HQT is the standard method of core drilling which follows standard industry practices and maximises coal seam recovery with minimal disturbance.</p> <ul style="list-style-type: none"> <li>▪ No bias in coal quality due to recovery has been identified and due to the high core recovery, any bias is considered unlikely or immaterial.</li> <li>▪ Lithological logs are available for almost all drillholes. Some early NER non-core structure holes did not have logs but down hole geophysical logs are available. Logging of Maitland Group overburden strata may be of lesser detail as it is mostly non-core drilled. Core logging of roof/floor strata as well as the Greta seam has been detailed. Geotechnical logs are available from 1999. Core photography from pre 1999 holes are not available however since that time core photography has been standard procedure.</li> </ul>
<p>Sub-sampling techniques and sample preparation</p> <ul style="list-style-type: none"> <li>▪ If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>▪ Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal core of the Greta seam is divided into plies using down hole geophysics and then sampled. The entire cored section of each ply is placed in sample bags. No splitting or sawing of coal core takes place. No sample preparation takes places outside the laboratory. Coal quality analytical laboratories used to analyse Greta seam coal comply with Australian Standards for sample preparation.</li> <li>▪ Sample sizes are considered appropriate for the material being sampled.</li> </ul>	
<p>Quality of assay data and laboratory tests</p> <ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Laboratories used to analyse Greta seam cores have complied with Australian Standards for coal quality testing and are certified by the National Association of Testing Authorities Australia (“NATA”).</li> <li>▪ Wireline logging companies that ran down-hole geophysical tools for past and present exploration have, as standard operating procedures a calibration process which takes place on a regular (monthly) basis.</li> <li>▪ Surface seismic survey data acquired in the past at Austar is of high quality and has proved reliable in identifying faults in advance of mining and defining seam continuity between drillholes. The extensive network of seismic coverage has significantly improved confidence in the overall structural interpretation and continuity of the Greta seam. Seismic survey data was all reprocessed by geophysicist J Saunders, who specialises in seismic interpretation. The favourable nature of overburden strata above the Greta seam allows for capture of very</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p>Verification of sampling and assaying</p> <ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>▪ Discuss any adjustment to assay data.</li> </ul>	<p>high quality seismic data. More recently, geophysicist G Fallon has also reprocessed seismic data.</p> <ul style="list-style-type: none"> <li>▪ Laboratories used to analyse the Greta seam cores have complied with Australian Standards for coal quality testing and are NATA certified. Repeat sampling on a regular basis to validate results is standard procedure for proximate analysis testing.</li> </ul>	
<p>Location of data points</p> <ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drillhole collars over the last 17 years were surveyed by registered surveyors using GPS total station equipment. Previously drill hole surveys were carried out by registered surveyors using theodolite survey instruments. Topographic data is from the Department of Lands (supplied 2007). Drill hole collar and topographic data is considered to be suitable for underground evaluation purposes.</li> </ul>	
<p>Data spacing and distribution</p> <ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In the northern portion of CML2, core hole spacing ranges from approximately 250 m - 600 m while in the southern portion of CML2 core hole spacing ranges from 600 m to 1,200 m. In CCL728 core hole spacing is approximately 1,000 m. In EL6598 core hole spacing ranges from 1.0 km - 3.6 km. In addition to drillhole data, an extensive array of seismic survey lines (&gt;100 km) over CML2 and CCL728 provides support for seam continuity.</li> <li>▪ The amount, type and spatial distribution of data is sufficient to establish the degree of geological and grade continuity appropriate for the Coal Resource classification applied in this estimate.</li> <li>▪ Coal quality results for individual samples have been composited against the seam or working sections intervals, so that the quality values represent the corresponding seam/working section.</li> </ul>	
<p>Orientation of data in relation to geological structure</p> <ul style="list-style-type: none"> <li>▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Orientation of core samples is not relevant to this style of coal deposit. All drillholes were vertical and the coal seam has almost horizontal (4° dip to the southeast. All core samples are from vertical drillholes which are oriented almost orthogonally (85°) to the target Greta seam. No sampling bias has taken place.</li> <li>▪ Borehole verticality surveys have been incorporated into the modelled boreholes where available.</li> </ul>	
<p>Sample security</p> <ul style="list-style-type: none"> <li>▪ The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal core sample bags are sent to the coal testing laboratory via courier. In the past they have also been delivered to the laboratory by the field geologist or picked up from site by laboratory personnel. This is considered appropriate for coal core samples.</li> </ul>	



Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>The drillhole information was reviewed as part of the process of developing the geological and coal quality models used for this Resources estimate. No external audits or reviews are known to have been completed.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Austar holds title to CCL728, CML2, ML1661, ML1666 and EL6598. The first four titles allow Austar to mine the Greta seam at depth whilst EL6598, which overlies portions of CCL728, CML2 and all of ML1661 and ML1666 provides access to the surface to conduct exploration.                             <ul style="list-style-type: none"> <li>CCL752 was granted 23/05/90 and expires 30/12/23</li> <li>CCL728 was granted 10/10/89 and expires 30/12/23</li> <li>CML2 was granted 24/03/93 and expires 06/07/25</li> <li>ML1661 was granted 22/11/11 and expires 22/11/32</li> <li>ML1666 was granted 25/01/12 and expires 25/01/33</li> <li>EL6598 was granted and expires on 13/07/21</li> </ul> </li> <li>At the time of reporting, there are no identified issues pertaining to the security of tenure.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Numerous phases of exploration drilling and seismic surveys have taken place since the late 1970's within CCL728 and CML2. Since Yancoal's acquisition of the Southland leases in 2005, exploration drilling has focussed on the central and eastern portions of CML2 in advance of current and proposed mining. The granting of EL6598 has also allowed Austar to explore the Greta seam further to the east.</li> <li>In the western and southern part of CCL728, boreholes named NED1 to NED32 were drilled in the late 1970's and early 1980's to define Coal Resources for Ellalong Colliery, which is now mined out.</li> <li>During 1986 - 1991 Southland completed the following exploration:                             <ul style="list-style-type: none"> <li>core holes SKD1 to SKD19, in the Stage 3 area;</li> <li>44 km of reflection seismic survey - 1986 (Mini-SOSIE);</li> <li>30.5 km and 3.6 km of reflection and refraction seismic surveys;</li> <li>1991 (mini-SOSIE); and</li> <li>Ground magnetic survey (30.5 km) along 11 the 991 seismic survey lines.</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary
<p>Geology</p> <ul style="list-style-type: none"> <li>▪ <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ During 1994 - 1996, 22 line km of high resolution 2D seismic was carried out over the central portion of CML2. In addition a series of non-core holes named NER1001 to NER1010 were drilled to validate structures identified from the interpretation of the seismic data.</li> <li>▪ In 1999 a series of shallow non-core holes named SBR1013 to SBR1048 were drilled on tailings/reject areas at Pelton wash plant to assess potential Coal Resources for power station stock feed.</li> <li>▪ During 2000 - 2003, high resolution 2D seismic (2.9 km) was completed over the SL2-3 longwall panels. All seismic data was gathered and reprocessed by IGEC (seismic consultant J Saunders) using current software to maximise resolution of this data, particularly with respect to fault delineation in the Greta seam. Core holes named SBD1052 to SBD1065 were completed in the central area of CML2.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Lochinvar Anticline is a major north to north-easterly striking regional feature which has a significant impact on the Greta seam dip and strike.</li> <li>▪ The Austar leases are located on the eastern flank of the south plunging Lochinvar Anticline with gentle seam dip of approximately 4° and strike rotating between east to northeast.</li> <li>▪ The orientation of fault structures is northerly in the western part of the Austar tenure, rotating progressively to a north-westerly strike in the eastern part of the leases.</li> <li>▪ Subsidiary fold axes are oriented in a northerly direction in the west and rotate to a north north-westerly direction in the east.</li> <li>▪ It is common for fault pairs to form graben structures throughout the area of tenure.</li> <li>▪ Three north north-westerly striking dykes have been identified which are from west to east referred to as:             <ul style="list-style-type: none"> <li>• Ellalong Dyke, which is located in the central part of the Ellalong longwall panels,</li> <li>• The central Dyke which separates the Belbird and the Stage 3 area, and</li> <li>• The Kitchener Dyke which is located in the eastern part of the Stage 3 area.</li> </ul> </li> <li>▪ The Greta seam is located within the Greta Coal Measures in the South Maitland Coalfield, on the western side of the Newcastle Coalfield.</li> <li>▪ In the area of the current Life of Mine (LOM) plan, the Greta seam thickness ranges from 5.5 m - 6.5 m. for the majority of the Belbird and Stage 3 areas. The Greta Seam splits into an upper and lower ply in the southeast of the Stage 3 area.</li> <li>▪ On the eastern side of the Greta seam split line, thickness is approximately 4 m. Raw ash for the full seam is generally less than 11% although east of the split line, ash increases to 18%. Sulphur content is high and ranges from 1.5% to in excess of 3%.</li> <li>▪ The depth of cover for the current mine plan ranges from 500 m - 760 m.</li> </ul>



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Criteria	JORC Code explanation	Commentary
Drillhole Information	<ul style="list-style-type: none"> <li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:                             <ul style="list-style-type: none"> <li>- easting and northing of the drillhole collar</li> <li>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth</li> <li>- hole length.</li> </ul> </li> <li>▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Seam gas content is very low for a seam of this depth.</li> <li>▪ From 2006 to 2011, Austar completed ongoing annual exploration programs in the central and eastern portions of CML2 and in EL6598 where mining is planned in the Stage 3 area... The exploration drilling includes:                             <ul style="list-style-type: none"> <li>a) core holes named AQD1072 to AQD1111,</li> <li>b) two regional core holes (AQD1108-1109A) have been drilled in the central part of EL6598 to gain knowledge on the Greta seam in a regional context.</li> <li>c) Austar completed six partially cored holes named AQD1112 to AQD1117 in the northern portion of CML2 to gain geological information for mine planning, between July 2011 to June 2012, and</li> <li>d) one partially cored hole (AQD1119) on the northern boundary of EL6598, near old underground mine workings at Ellington.</li> <li>e) Boreholes named AQD1120 to AQD1125 have been drilled in recent years in the Stage 3 area for coal quality and structural purposes.</li> <li>f) Boreholes named AQD1126 to AQD1132 were drilled in 2017 however this drillhole data has not been used in the current geological model. This drillhole data will be loaded into the late 2017 geological model used for mine planning purposes in early 2018.</li> </ul> </li> <li>▪ Individual drillhole results are not tabulated and presented in this report however all drillhole data that pertains to the Greta seam has been used in the geological and coal quality models to estimate Greta seam Coal Resources. The Coal Resources table presented in this report includes summary information on the Greta seam such as:                             <ul style="list-style-type: none"> <li>• average thickness;</li> <li>• in situ density;</li> <li>• raw ash;</li> <li>• total sulphur; and</li> <li>• average depth.</li> </ul> </li> <li>▪ All surface drillholes were spudded and oriented to be drilled vertically. Down-hole deviation data showing the borehole trajectory to total depth for those holes has been incorporated in the geological computer model.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and out-off grades are usually Material and should be stated.</li> <li>▪ Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade</li> </ul>	<ul style="list-style-type: none"> <li>▪ Past Greta seam drill cores have been sampled on a ply by ply basis using down hole geophysics to determine ply boundaries. Because of the longwall top coal caving method used, Austar has subsequently composited raw coal ply results into three one metre intervals up from the base of the seam. Above the third one metre interval raw coal results have been composited into half metre intervals to the top of the seam. Compositing of samples was weighted by length and density, from the base of the seam.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>In recent time, Greta seam cores have been analysed in this sampling pattern (i.e. basal 3 x 1 m samples, followed by 0.5 m sampling interval to top of coal).</p>	
<p>Relationship between mineralisation widths and intercept lengths</p> <p>These relationships are particularly important in the reporting of Exploration Results.</p> <ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p>Drillholes are vertical and the Greta seam is almost horizontal (4° dip) so drillhole intersections of Greta seam have been assumed to be true thickness.</p>	
<p>Diagrams</p> <p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</p>	<p>All relevant figures depicting information considered material to the Coal Resources reported are contained within the JORC report associated with this Table 1.</p>	
<p>Balanced reporting</p> <p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	<p>All drillhole data is checked and validated prior to loading into the computer model. Outputs from the geological model (eg seam roof, seam floor, overburden thickness, ash and sulphur) are then checked to ensure trends are real. Laboratory coal quality results have been used as reported.</p>	
<p>Other substantive exploration data</p> <p>Other exploration data, if meaningful and material, should be reported including (but not limited to):                      geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<ul style="list-style-type: none"> <li>In 1994 - 1996, 22 line km of high resolution 2D seismic was carried out over the central portion of CML2. In addition a series of non-core holes (numbered NER1001 to NER1010) were drilled to validate structures identified from the interpretation of the seismic data.</li> <li>During 2000 - 2003 high resolution 2D seismic (2.9 km) was completed over SL2-3 longwall panels.</li> <li>All seismic data was gathered and reprocessed by IGEC (seismic consultant J Saunders) using current software to improve the resolution of this data, particularly with respect to fault delineation of the Greta seam.</li> <li>There has been a long history of exploration and mining in the Austar area, and in particular to the north of the Austar area. Data has been acquired from surface drillhole intersections, previous underground workings (Eilalong, Kalingo, Aberdare Central and Kitchener) and from numerous seismic reflection/refraction surveys.</li> <li>The geology and disposition of the Greta seam is well understood from the numerous underground operations that have operated in the vicinity of the Austar area. Seam continuity, thickness and quality is well established.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Surface seismic survey data acquired has proved to be reliable for identifying faults in advance of mining and defining seam continuity between drillholes. The extensive network of seismic coverage has significantly improved confidence in the overall structural interpretation and continuity of the Greta seam in the Austar area.</li> <li>A ground magnetometer survey was completed over the Central Dyke to define its location at the surface. Two additional ground magnetometer surveys were completed further to the east in the Stage 3 mine expansion area has interpreted another south-east trending dyke at surface, similar to the Central Dyke. This dyke has been called the Kitchener Dyke and appears to bifurcate into two separate dykes. This geological feature has been projected down to the Greta seam.</li> <li>Future exploration is required to better understand the structure, intrusions, and geotechnical characteristics of the Austar area.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	

**Section 3 Estimation and Reporting of Mineral Resources**

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Digital geological data for Austar resides in a Minex borehole database. This includes drillhole survey data, seam picks, raw coal quality data, and verticality data for more recent holes. Data in the database includes drillholes up to borehole AQD1123 Recent holes drilled in 2017 will be loaded into the next geological model.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>RPM personnel and representatives performed a site visit in April 2018. Graeme Rigg visited Austar and went underground.</li> <li>RPM is familiar with the Austar operation having provided technical services for the mining operation when the mine was called Southland. Thiess was the Contractor at the mine, and RPM provided the technical advice to the owners.</li> </ul>
Geological interpretation	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The Greta seam outcrops on the eastern flank of the south plunging Lochinvar Anticline resulting in gentle seam dip to the south or southeast. Zones of normal faulting have been interpreted based on mapping from old workings to the north, and interpretation from seismic</li> </ul>

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>▪ The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>▪ The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>▪ The factors affecting continuity both of grade and geology.</li> </ul>	<p>surveys. In most cases faults have been interpreted where mining has intersected the fault and has stopped.</p> <ul style="list-style-type: none"> <li>▪ The Central Dyke was interpreted from a ground magnetic survey and subsequently intersected in the Southland mine workings. The Kitchener intrusive extends south from old workings at Kitchener into the Stage 3 area. Drillhole data and two recent ground magnetic surveys indicate a south southeast trending dyke/or dykes extending through the Stage 3 mine expansion area. This dyke has been called the Kitchener Dyke.</li> <li>▪ The broad deposit geometry for the Greta seam is well understood. Coal quality such as raw ash and total sulphur are also well understood. The combination of old workings, drillhole data and the extensive array of seismic data have enabled most Resources to be classified as either Measured or Indicated.</li> </ul>	<p>surveys. In most cases faults have been interpreted where mining has intersected the fault and has stopped.</p> <ul style="list-style-type: none"> <li>▪ The Central Dyke was interpreted from a ground magnetic survey and subsequently intersected in the Southland mine workings. The Kitchener intrusive extends south from old workings at Kitchener into the Stage 3 area. Drillhole data and two recent ground magnetic surveys indicate a south southeast trending dyke/or dykes extending through the Stage 3 mine expansion area. This dyke has been called the Kitchener Dyke.</li> <li>▪ The broad deposit geometry for the Greta seam is well understood. Coal quality such as raw ash and total sulphur are also well understood. The combination of old workings, drillhole data and the extensive array of seismic data have enabled most Resources to be classified as either Measured or Indicated.</li> </ul>
<p><i>Dimensions</i></p> <ul style="list-style-type: none"> <li>▪ The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<p>Historical mining proves the Greta seam has a strike length of over 22 km (east-west) and extends down dip (north-south) from subcrop to depths in excess of 700 m, for a distance of over 9 km. The Greta seam has been mined within leases to the north of Austar for over 100 years. The variability is well defined and understood from the extensive production and exploration data.</p>	<p>Historical mining proves the Greta seam has a strike length of over 22 km (east-west) and extends down dip (north-south) from subcrop to depths in excess of 700 m, for a distance of over 9 km. The Greta seam has been mined within leases to the north of Austar for over 100 years. The variability is well defined and understood from the extensive production and exploration data.</p>
<p><i>Estimation and modelling techniques</i></p> <ul style="list-style-type: none"> <li>▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>▪ The assumptions made regarding recovery of by-products.</li> <li>▪ Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>▪ Any assumptions behind modelling of selective mining units.</li> <li>▪ Any assumptions about correlation between variables.</li> <li>▪ Description of how the geological interpretation was</li> </ul>	<p>The resource estimation was completed using in situ density and ply thickness grids in Minex software (version 6.1), using vertical sided polygon areas. No raw ash or total sulphur laboratory data was excluded. No coal quality limits were applied as Austar wash the ROM coal to produce a low ash, high sulphur product. Coal Resources estimated for 2017 are reconciled against the 2016 Resource estimate.</p> <ul style="list-style-type: none"> <li>▪ The latest geological model for Austar was updated in September 2015 (Austar_1015). Exploration data from four new boreholes was loaded at that time. In addition, the fault model was updated based on the current interpretation received from site. The geological model contains the Greta seam and was produced using drillhole intersections, some underground data and structural interpretation from seismic information. The Greta seam is usually a coalesced package for most of the Austar resource area, however the seam splits into the Upper Greta (UG) and Lower Greta (LG) in the eastern part of the Stage 3 area.</li> <li>▪ The Greta seam was split into an upper and lower section for the entire Austar resource area using the Minex seam splitting interpolation. A working Greta seam section grid developed (WGR) for Resource estimation was created from the upper and lower seam splits according to the logic shown below. (Which states when the separation between the upper and lower ply is less than 0.2m thick the working section is a combined upper and lower ply, and when the separation between the upper and lower ply is greater than 0.2m the working section is the upper ply):             <ul style="list-style-type: none"> <li>- WGR = UG and LG where LG interburden is &lt;0.2 m, or;</li> <li>- WGR = UG only where LG interburden is &gt;0.2 m</li> </ul> </li> </ul>	<p>The resource estimation was completed using in situ density and ply thickness grids in Minex software (version 6.1), using vertical sided polygon areas. No raw ash or total sulphur laboratory data was excluded. No coal quality limits were applied as Austar wash the ROM coal to produce a low ash, high sulphur product. Coal Resources estimated for 2017 are reconciled against the 2016 Resource estimate.</p> <ul style="list-style-type: none"> <li>▪ The latest geological model for Austar was updated in September 2015 (Austar_1015). Exploration data from four new boreholes was loaded at that time. In addition, the fault model was updated based on the current interpretation received from site. The geological model contains the Greta seam and was produced using drillhole intersections, some underground data and structural interpretation from seismic information. The Greta seam is usually a coalesced package for most of the Austar resource area, however the seam splits into the Upper Greta (UG) and Lower Greta (LG) in the eastern part of the Stage 3 area.</li> <li>▪ The Greta seam was split into an upper and lower section for the entire Austar resource area using the Minex seam splitting interpolation. A working Greta seam section grid developed (WGR) for Resource estimation was created from the upper and lower seam splits according to the logic shown below. (Which states when the separation between the upper and lower ply is less than 0.2m thick the working section is a combined upper and lower ply, and when the separation between the upper and lower ply is greater than 0.2m the working section is the upper ply):             <ul style="list-style-type: none"> <li>- WGR = UG and LG where LG interburden is &lt;0.2 m, or;</li> <li>- WGR = UG only where LG interburden is &gt;0.2 m</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>used to control the resource estimates.</p> <ul style="list-style-type: none"> <li>▪ Discussion of basis for using or not using grade capping or capping.</li> <li>▪ The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal quality grids were produced for this working section at an in situ moisture basis, which is estimated to be 5%.</li> <li>▪ Drillhole vertically data was loaded where available. Structural and coal quality grids were created using growth techniques (inverse distance squared was tested for quality grids however growth techniques appeared to grid the data better). Seam thickness and quality grids were gridded on a 50 m mesh.</li> <li>▪ This 2017 Coal Resource estimate compares favourably with the 2016 Resource estimate. Tonnages from Resource polygons that remained unchanged (same area) were checked to compare the accuracy of this model against the previous model.</li> </ul>	
<p><i>Moisture</i></p> <ul style="list-style-type: none"> <li>▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In situ moisture of the Greta seam is considered similar to in situ moisture content of other coal seams within the Permian Wittingham Coal Measures. Average inherent moisture (ad) of sampled data from slim core samples was 1.6%. Total moisture (ar) from six belt samples collected in 2011 averaged 6%. In situ moisture of Greta seam coal was assumed to be slightly lower than belt sample results and for this Resource estimation process was estimated at 5%.</li> </ul>	
<p><i>Cut-off parameters</i></p> <ul style="list-style-type: none"> <li>▪ The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No cut off parameters were used for ash, total sulphur or seam thickness. Austar utilise the Pelton Prep Plant to wash ROM coal for product coal at market specifications. Typical product specifications are: ash 6.5% and sulphur is 1.5%</li> <li>▪ The thickness and quality of the Resource is understood to be consistent and applying typical cut off parameters for thickness or quality would not materially impact on the Resource.</li> </ul>	
<p><i>Mining factors or assumptions</i></p> <ul style="list-style-type: none"> <li>▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Austar is currently an underground coal mine using longwall with top coal caving method. The Resource estimate is based upon underground mining methods including longwall, top coal caving but also potentially bord and pillar of areas not suitable for longwall mining.</li> <li>▪ The following list details limits and assumptions used to define Resource areas.                         <ul style="list-style-type: none"> <li>- limit of mining as at 30 September 2017;</li> <li>- ROM tonnes forecast from October to December 2017 were 556,109 t; and</li> <li>- Resources were divided into three separate areas:                                 <ul style="list-style-type: none"> <li>▪ Northwest of the Central Dyke – Kalingo area;</li> <li>▪ East of the Central Dyke - Stage 3 mine expansion area; and</li> <li>▪ Southeast of Ellalong Main Headings – Bellbird South area.</li> </ul> </li> </ul> </li> <li>▪ Resource exclusion zones comprised:                         <ul style="list-style-type: none"> <li>- 50 m distance from old workings;</li> <li>- 5 m either side of the Central (dyke is assumed to be 10 m wide);</li> </ul> </li> </ul>	



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Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>5 m either side of Kitchener Dyke which has been interpreted as two separate dykes trending southeast through Stage 3 mine expansion area. Dykes are each assumed to be 10 m wide;</li> <li>tonnage and quality variables are reported to an in situ moisture content of 5%; and</li> <li>Resources have been estimated to depths up to 800 m.</li> </ul>
Environmental factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>No raw ash or total sulphur cut-offs were applied to the computer model as Austar wash ROM coal to produce a low ash, high sulphur coal product. Current market specifications are 6.5% product ash and 1.5% product sulphur (adb). Product coal extracted from the Greta seam has been successfully marketed as a blending metallurgical coal as well as thermal coal for the past 33 years.</li> <li>Based on the coal quality data, the product is not expected to be materially different to the historic product.</li> </ul>
Bulk density	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>Austar is an operating mine that complies with all environmental conditions that relate to extraction of the Greta seam.</li> </ul>
Classification	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> </ul>	<ul style="list-style-type: none"> <li>Relative density (RD) and apparent relative density (ARD) values have been reported on coal core samples in past and present drilling programs. Differing eras of exploration reported either RD or ARD on each ply sample.</li> <li>For this Resource estimate, coal quality data was separated into those reporting RD or ARD as per information from original coal quality reports. RD and raw ash data were then converted to an in situ moisture basis of 5% (using the Preston and Sanders change of base equation) and a regression was developed to allow estimation of in situ density (ID) for all data, from raw ash values. This included coal quality data which reported ARD only.</li> </ul>
		<ul style="list-style-type: none"> <li>Coal Resources were estimated within lease areas, CCL728, CML2, ML1666, ML1661 and that part of EL6598 not covered by the previous two leases. The Greta seam Resource</li> </ul>



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>▪ Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>▪ Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> </ul>	<p>estimate is for the full seam, and east of the split line the upper part of the Greta seam (Upper Greta). Resources have not been estimated for the Lower Greta seam that splits from the base of the full Greta seam and deteriorates towards the east. Once Resource polygons were defined, the status of Coal Resources within each polygon was classified either as a:</p> <ul style="list-style-type: none"> <li>- <b>Measured Resources</b> - where geological data points based on detailed and reliable exploration, sampling and testing information support a reasonable level of confidence in Greta seam thickness, continuity, coal quality and structure of the Greta seam. Supporting geological information in the form of reprocessed seismic data was also used to interpret continuity of Greta seam along seismic lines.</li> <li>- <b>Indicated Resources</b> - where geological data points contributed to a reasonable level of confidence in seam thickness and continuity and some coal quality. Supporting geological information in the form of reprocessed seismic data was also used to interpret continuity of Greta seam along seismic lines.</li> <li>- <b>Inferred Resources</b> - where there was a paucity of coal quality data within the area and drillhole spacing was only</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No external peer reviews have been completed.</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal Resources have been classified into Measured, Indicated or Inferred Resources depending on the density of points of observation (drillhole and seismic survey data) which provide varying levels of confidence in the Resource estimate. Extensive past underground mining to the west, north and east of current leases provides additional supporting information further up-dip. A geostatistical study on Greta seam parameters such as raw ash, thickness and density has not been completed and is not considered warranted. ROM ash and sulphur have been close to predicted values from the geological model.</li> </ul>



**Section 4 Estimation and Reporting of Ore Reserves**

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person, Mr Graeme Rigg on behalf of RPM.

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><b>Mineral Resource estimate for conversion to Ore Reserves</b></p>	<ul style="list-style-type: none"> <li>▪ Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>▪ Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Brendan Stats. The Competent Person, Mr. Stats, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy .</li> <li>▪ The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>▪ The Coal Resources reported are inclusive of the Coal Reserves.</li> <li>▪ The same geological model has been used for the estimation of Resources and Reserves.</li> </ul>
<p><b>Site visits</b></p>	<ul style="list-style-type: none"> <li>▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>▪ If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A site visit to the Austar underground was undertaken by the Reserves Competent Person in April 2018. The outcome of these site visits was observation of site and mining conditions and discussion with site operating personnel regarding the operation and the determination of project parameters used in the Austar underground planning process.</li> </ul>
<p><b>Study status</b></p>	<ul style="list-style-type: none"> <li>▪ The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>▪ The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Austar is an operating mine. LOM studies undertaken during the project planning and design stages have been complemented by actual operating experience and ongoing exploration and assessment.</li> </ul>
<p><b>Cut-off parameters</b></p>	<ul style="list-style-type: none"> <li>▪ The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are no coal quality cut-off parameters used to eliminate the conversion of Coal Resources to Coal Reserves.</li> </ul>
<p><b>Mining factors or assumptions</b></p>	<ul style="list-style-type: none"> <li>▪ The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</li> <li>▪ The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>▪ The assumptions made regarding geotechnical</li> </ul>	<ul style="list-style-type: none"> <li>▪ LOM planning has been used as the basis of converting Coal Resources to Coal Reserves.</li> <li>▪ The selected mining method is that in use in the operating mine, i.e. longwall top coal caving (“LTCC”) extraction with continuous miner development.</li> <li>▪ From a geotechnical perspective, the most significant issues relate to coal bursts, rib control and periodic weighting. Of these, the coal burst issue is easily the most significant and ongoing studies are being carried out in order to increase confidence and levels of safety regarding operating in an environment prone to coal bursts.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p>parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.</p> <ul style="list-style-type: none"> <li>▪ The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>▪ The mining dilution factors used.</li> <li>▪ The mining recovery factors used.</li> <li>▪ Any minimum mining widths used.</li> <li>▪ The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>▪ The infrastructure requirements of the selected mining methods.</li> </ul>	<p>The depth of cover for the future workings ranges from 450 m - 700 m. These depths are high by Australian standards.</p> <ul style="list-style-type: none"> <li>▪ The mining factors used were:                             <ul style="list-style-type: none"> <li>- development roadways 5.0 m wide by 3.2 m high;</li> <li>- longwall cutting height 3.2 m;</li> <li>- longwall caving height ≤ 3.9 m;</li> <li>- longwall panel width 226 m;</li> <li>- no coal is lost from the roof or floor of the mineable coal sections during development;</li> <li>- an average of 25% of the coal from the caving section coal will be lost during longwall extraction;</li> <li>- the development roadways incorporate coal tops and bottoms and therefore no out-of-seam dilution has been included for development operations;</li> <li>- 30 mm of higher ash material will be mined with the floor of the coal seam during longwall operations, and that any longwall caving tonnes will be supplemented with an additional 8% (by mass of the caving tonnes) of roof dilution;</li> <li>- the waste rock quality defaults were a relative density of 2.38 t/m<sup>3</sup> for floor dilution and 2.40 t/m<sup>3</sup> for roof dilution and ash an of 90%;</li> <li>- relative density data in the geological model is based on assumed in situ moisture of 5.0%, while all qualities are based on air dried moisture gridded values;</li> <li>- Preston Sanders has been used in the estimation of in situ moisture; and</li> <li>- ROM moisture will be 6.0%, and product moisture will be 6.0%.</li> </ul> </li> <li>▪ Inferred coal has been excluded from the LOM Plan.</li> <li>▪ All necessary infrastructure is in place and operational.</li> </ul>	<p>The metallurgical process for washing the target seams is already in place and being used. The configuration of the CHPP includes Dense Media Cyclone (“DMC”) and Spirals. The current CHPP module operates at a nominal capacity of 750 tph.</p> <ul style="list-style-type: none"> <li>▪ CHPP yield estimates are based on gridded values for the cut section as well as the various piles in the caved section. A composite yield is calculated and then a practical yield adjustment factor is applied to reflect the differences between laboratory yields and the CHPP yield.</li> <li>▪ Actual yield in 2017 was 91%, against a budget forecast of 90%. Yields are expected to reduce once LTCC operations recommence in the Stage 3 area.</li> <li>▪ The process generates a semi hard coking coal product from a cut point that will generally produce a less than 9% ash product. Minor areas will produce a higher ash product, which is</li> </ul>
<p><i>Metallurgical factors or assumptions</i></p> <ul style="list-style-type: none"> <li>▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domains applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered</li> </ul>	<p>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</p> <ul style="list-style-type: none"> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domains applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered</li> </ul>	<p>The metallurgical process for washing the target seams is already in place and being used. The configuration of the CHPP includes Dense Media Cyclone (“DMC”) and Spirals. The current CHPP module operates at a nominal capacity of 750 tph.</p> <ul style="list-style-type: none"> <li>▪ CHPP yield estimates are based on gridded values for the cut section as well as the various piles in the caved section. A composite yield is calculated and then a practical yield adjustment factor is applied to reflect the differences between laboratory yields and the CHPP yield.</li> <li>▪ Actual yield in 2017 was 91%, against a budget forecast of 90%. Yields are expected to reduce once LTCC operations recommence in the Stage 3 area.</li> <li>▪ The process generates a semi hard coking coal product from a cut point that will generally produce a less than 9% ash product. Minor areas will produce a higher ash product, which is</li> </ul>

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Criteria	JORC Code explanation	Commentary
	<p>representative of the ore body as a whole.</p> <ul style="list-style-type: none"> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<p>expected to be sold as a thermal product. The metallurgical process is appropriate for Austar Mine.</p> <ul style="list-style-type: none"> <li>No bypass products assumed in the LOM plan.</li> <li>No allowance has been made for deleterious elements.</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>An Environmental Impact Statement has been prepared and the necessary environmental approvals obtained.</li> <li>Coarse rejects are placed within the Pelton open cut void. Washery fines material is pumped to an adjacent property owned by AGL, under an existing agreement.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>All necessary infrastructure is in place and operational for the current operations at the Asset.</li> </ul>
Costs	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>NSW state government royalties are included in the estimate.</li> <li>RPM reviewed all costs and they are considered reasonable.</li> </ul>
Revenue factors	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>
Market assessment	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the</li> </ul>	<ul style="list-style-type: none"> <li>A Marketing Study has not been reviewed however markets are well established for the mine's coal product. The Project typically produces one main product:                             <ul style="list-style-type: none"> <li>SHCC at approx. 6.7% ash (ad).</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>Identification of likely market windows for the product.</i></p> <ul style="list-style-type: none"> <li>▪ Price and volume forecasts and the basis for these forecasts.</li> <li>▪ For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Based upon these products and specifications, RPM anticipates no foreseeable issues in demand for these products.</li> </ul>	
<p><i>Economic</i></p> <ul style="list-style-type: none"> <li>▪ The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>▪ NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> <li>▪ The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>▪ Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> </ul>	
<p><i>Social</i></p> <ul style="list-style-type: none"> <li>▪ The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are no native title claims over the area.</li> </ul>	
<p><i>Other</i></p> <ul style="list-style-type: none"> <li>▪ To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: <ul style="list-style-type: none"> <li>▪ Any identified material naturally occurring risks.</li> <li>▪ The status of material legal agreements and marketing arrangements.</li> <li>▪ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation’s viability.</li> </ul>	
<p><i>Classification</i></p> <ul style="list-style-type: none"> <li>▪ The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>▪ Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> <li>▪ The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Classification of Coal Reserves has been derived by considering the Measured and Indicated Resources and the level of mine planning. <ul style="list-style-type: none"> <li>– Measured Resources have been classified as Proved or Probable Reserves, Indicated Resources have been classified as Probable Reserves.</li> <li>– Approximately 10 Mt of Probable Reserves have been derived from Measured Resources.</li> </ul> </li> </ul>	



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Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>The result reflects the Competent Person’s view of the deposit.</li> <li>Internal peer review of the Reserves Report has been completed.</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>The mine footprint is supported by approximately 30% of Measured Coal Resources.</li> <li>The basis of the estimate are actual operating costs and LOM planning.</li> <li>CHPP and infrastructure are in place and operating.</li> <li>Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy. Coal products from both MTW and HVO is produced from blended washed coal products.</li> <li>The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>Geotechnical studies have been completed for the mine.</li> <li>The major risk in not achieving the estimated Reserve extraction comes from the coal burst issue, specifically how much the issue intensifies with increasing depth of cover, how well the workforce is able to undertake the necessary testing and still maintain economic productivity levels, and willingness of government regulators to continue to allow the operations to continue if coal burst incidents continue to occur.</li> </ul>



**RPM**GLOBAL

JORC Code Disclosure Requirements

**Donaldson**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Brendan Stats on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p>	<ul style="list-style-type: none"> <li>▪ Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>▪ Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>▪ In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sampling techniques utilised at Donaldson includes sampling of drill cores for coal quality and gas composition analysis, channel samples for coal quality analysis and geophysical sampling using downhole wireline tools.</li> <li>▪ Where downhole wireline geophysical data has been obtained it generally includes natural gamma, caliper and dual density. On occasions other tools have been acquired, including resistivity and sonic.</li> <li>▪ Coal quality sampling is extremely detailed in many drillholes, which has generally allowed ply composites to be derived within the geological model. This process provides coal quality results that are representative of the horizons estimated for Resources. Samples are rejected by the modelling software when the sample is not representative of the ply because there is significant difference in thickness.</li> <li>▪ Wireline logging tools are calibrated by the geophysical logging contractors in accordance with their company standards.</li> <li>▪ Laboratories currently being used to provide coal quality analysis are NATA accredited and work to Australian and International Standards.</li> </ul>
<p><i>Drilling techniques</i></p>	<ul style="list-style-type: none"> <li>▪ Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>▪ 17 different phases of exploration have occurred at the Donaldson Asset since the early 1950s. Hence, a variety of drilling techniques have been utilised. All drillholes are vertical and are fully cored, partially cored or non-cored open holes. The majority of the holes are either non-core or partially cored HQ3 diameter holes.</li> </ul>
<p><i>Drill sample recovery</i></p>	<ul style="list-style-type: none"> <li>▪ Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>▪ Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>▪ Whether a relationship exists between sample recovery</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contractual arrangements requiring greater than 95% recovery on a seam basis have been in place for drillholes that have recently been drilled. The recovery is recorded in the geological database for a large portion of holes and it is generally at an acceptable level (&gt;80%). Where the recovery is recorded and it is less than 80% then the sample is rejected from the geological modelling process. Where sample recovery has not been recorded it</li> </ul>

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Criteria	JORC Code explanation	Commentary
Logging	<p>and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p> <ul style="list-style-type: none"> <li>▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>▪ The total length and percentage of the relevant intersections logged.</li> </ul>	<p>has been accepted as adequate. No relationship between sample recovery and a quality bias has been identified.</p> <ul style="list-style-type: none"> <li>▪ Lithological and geotechnical logging has been undertaken on core and chip samples for the majority of drillholes. For a small collection of older drillholes these data have been lost and these holes are not used in the geological model. In most cases the logging is of a detailed enough nature to provide an accurate reflection of the geology. In most cases lithological logging encompasses the full length of the drillhole.</li> </ul>
Sub-sampling and sample preparation	<ul style="list-style-type: none"> <li>▪ If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>▪ Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Samples taken at Donaldson are generally only sub-sampled by the laboratory as a part of their coal quality analysis procedures. Sub-sampling by the lab involves either riffle or rotary splitting in order to receive a representative sub-sample to undertake each step of the analysis procedure.</li> <li>▪ Historically coal quality samples taken from drillholes have not undergone any pre-treatment, rather they have been crushed to pass 11.2 mm and then analysis performed. It is understood that coal quality samples received through channel sampling are subject to a pre-treatment process that involves drop shatter, sizing, wet tumbling and hand knapping.</li> <li>▪ The more modern coal quality analysis has involved analysing ply samples on an individual basis and then re-combining into working/seam sections on an RD x length basis.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A portion of historical coal quality results exists; however, they were undertaken at reputable laboratories including R.W. Miller Laboratories, CSIRO Coal Section or ACIRL. These results have been checked and are considered valid.</li> <li>▪ More recently laboratories including ACTEST and ALS have been utilised to undertake coal quality analysis. These laboratories are NATA accredited and report results to Australian and International Standards.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>▪ Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Generally a significant number of coal quality data points exists for each seam allowing anomalous values to be spotted easily.</li> <li>▪ Values for each variable were checked prior to loading into the geological database and any anomalous values were verified.</li> </ul>
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drillholes recently completed have been surveyed by a registered surveyor using an RTK GPS system with a base station control. These collars have been captured and stored in the Map Grid of Australia (MGA) 1994 Zone 56 system.</li> <li>▪ Locations of historical holes are recorded in either the old Integrated Survey Grid (ISG) or in Chains from referenced cadastral locations.</li> <li>▪ Historical drillhole surveys have been converted to the MGA 94 Zone 56 system; however, the accuracy of the conversion is not known by the Competent Person.</li> <li>▪ A topographic surface was created in the geological model built in July 2015 using LIDAR data acquired by Donaldson Coal in 2014/2015. The quality and adequacy of the topographic surface is considered good.</li> </ul>
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drillhole spacing varies across the Donaldson deposit with closely spaced (&lt;200 m) holes distributed across the mined open cut area and down into the current Abel Underground Mine area. South of the Abel Underground Mine area, the spacing between drillholes increases to approximately 1,200 m. A significant database of mapped geological features exists. These features have been mapped in the workings of the now closed Stockrington No.2 and Tasman Mines as well as Abel Underground Mine.</li> </ul>
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> <li>▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All drillholes at the Donaldson Project have been drilled vertical and are generally perpendicular to the coal seams. More recent drillholes have had downhole verticality recorded and show little deviation of the drillholes through the strata.</li> <li>▪ Faults and dykes tend to trend in two strike directions at Donaldson, southeast to northwest and a perpendicular set striking southwest to northeast. Drilling at Donaldson is somewhat sporadic and doesn't conform to a regular grid pattern. However, there is good drillhole coverage of the deposit, which allows for the delineation of major geological structures.</li> </ul>
<p>Sample security</p>	<ul style="list-style-type: none"> <li>▪ The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Any sample security measures applied to historical samples is unknown by the Competent Person. Holes recently drilled (those holes completed in 2014) were double bagged with sample tickets included between the bags. A copy of the sample ticket was retained on site at Donaldson Coal.</li> </ul>
<p>Audits or reviews</p>	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Competent Person does not know of any audits or reviews of the sampling techniques.</li> </ul>



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>In 2015 MBGS undertook a large review of the seam and ply correlation as well as a comparison of the coal quality data against the original lab results. This extensive exercise resulted in a completely new geological model, which removed numerous small and several large errors.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Donaldson Coal and its subsidiary Newcastle Coal hold title to four exploration licences (EL) and four mining leases (ML). Donaldson Coal also have one mining lease application (MLA) lodged. The tenure held by Donaldson Coal is as follows:                             <ul style="list-style-type: none"> <li>EL5637;</li> <li>EL5497;</li> <li>EL5498;</li> <li>EL6964;</li> <li>MLA416;</li> <li>ML1461;</li> <li>ML1555;</li> <li>ML1618;</li> <li>ML1653; and</li> <li>ML1703.</li> </ul> </li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>In total 17 phases of exploration have been undertaken on the Donaldson deposit. A number of the early exploration phases overlap each other in their timing but were undertaken by different parties in small areas that are now incorporated in Donaldson Coal.</li> <li>Companies that have undertaken exploration of the Donaldson deposit include Bureau of Mineral Resources, Joint Coal Board, R.W. Miller, Electricity Commission of NSW, J&amp;A Brown, Seaham Collieries, Gollin Wallsend Coal Company, Donaldson Projects Pty Ltd, Callaghans Collieries, Bloomfield Collieries, Excel Coal and Yancoal.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Strata from the Late Permian Newcastle Coal Measures and Tomago Coal Measures are present within the Donaldson Coal deposit. These coal bearing formations are overlain by Triassic strata that are devoid of any significant coal occurrences. In total, seven coal seams have been identified in the Newcastle Coal Measures and ten have been identified within the underlying Tomago Coal Measures. Of the 17 coal seams, 13 have been included in the geological model and six have been included in this Resource estimate.</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Numerous faults and intrusions have been identified at Donaldson using mapping from workings, drillhole intersections and geophysical data. Faults that have been identified are generally minor with only a single significant (approx. 8 m) reverse fault noted. Intrusions at Donaldson tend to be in the form of dykes that intrude the coal seams to varying degrees. Intrusion of coal seams tends to occur in the south of the deposit.</li> <li>Seam splitting and coalescing is common at Donaldson and is considered extreme in many cases. Coal seams of the Tomago Coal Measures tend to be coalesced through the area covered by the Abel Mine and split rapidly to the west and east of this area. As the seams split, the individual plies thin to a point where their correlation is difficult. Coal seams within the Newcastle Coal Measures are affected by a moderate complexity of splitting and coalescing. One significant feature exists in the West Borehole seam, which has been previously named the 'Want Zone'. This is a zone where the interburden between the plies thickens and the coal plies thin. This feature appears to be caused by an overbank splay affecting the depositional environment.</li> </ul>
<p><i>Drillhole Information</i></p> <ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:                             <ul style="list-style-type: none"> <li>easting and northing of the drillhole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>A total of 833 drillholes were supplied and used to estimate the Resources reported here. Of these, 40 drillholes had either incomplete or missing collar data which meant they could not be used in the model. The remaining drillholes were loaded into a Vulcan Isis database along with lithology, seam/ply picks and coal quality information. Drillholes used in the evaluation and estimation of the Coal Resources reported in the document are shown on the accompanying figures. Provision of further information would not change the materiality of the Coal Resource reported.</li> </ul>	
<p><i>Data aggregation methods</i></p> <ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Where numerous samples fall within a ply horizon they are composited in Vulcan using relative density and sample length in order to generate coal quality values on a ply basis.</li> </ul>	



Criteria	JORC Code explanation	Commentary
<p><b>Relationship between mineralisation widths and intercept lengths</b></p>	<ul style="list-style-type: none"> <li>▪ These relationships are particularly important in the reporting of Exploration Results.</li> <li>▪ If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>▪ If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<ul style="list-style-type: none"> <li>▪ All drillholes at Donaldson Coal are drilled vertically. Some minor deviation of the drillholes has occurred and the seams dip at approximately 5° to the southeast; however, bias is not expected to be introduced by these minor variations.</li> </ul>
<p><b>Diagrams</b></p>	<ul style="list-style-type: none"> <li>▪ Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All relevant figures depicting information considered material to the Coal Resources reported are contained within the JORC report associated with this Table 1.</li> </ul>
<p><b>Balanced reporting</b></p>	<ul style="list-style-type: none"> <li>▪ Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Where values appeared anomalous and their accuracy could not be validated they were not included in the data used to generate the geological model. This only occurred on a small set of data. All other values have been included in the construction of the database, development of the model and estimation of the Coal Resources. Weighted average coal quality values have been reported in the Resource tables to summarise a complex set of data and these values are considered representative of the Donaldson deposit.</li> </ul>
<p><b>Other substantive exploration data</b></p>	<ul style="list-style-type: none"> <li>▪ Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Stockrington No.2 Colliery extensively mined the West Borehole seam within the Donaldson Coal tenure. Mapping of geological features, such as faults and dykes, provides a widespread dataset that covers large portions of the Donaldson deposit.</li> </ul>
<p><b>Further work</b></p>	<ul style="list-style-type: none"> <li>▪ The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No further exploration is planned at this time.</li> </ul>

**Section 3 Estimation and Reporting of Mineral Resources**

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

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Criteria	JORC Code explanation	Commentary
<p>Database integrity</p> <ul style="list-style-type: none"> <li>▪ Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>▪ Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In 2015 MBGS undertook an extensive re-correlation exercise, which resulted in an entirely new geological model being developed. This exercise included:                             <ul style="list-style-type: none"> <li>- checking the correction of every hole with geophysics;</li> <li>- picking ply and seam boundaries for hole with geophysics or graphic logs; and</li> <li>- validating coal quality against original lab reports.</li> </ul> </li> <li>▪ This exercise removed many errors from the Donaldson Coal dataset.</li> <li>▪ Validation of the data was undertaken after loading into the Vulcan Isis database using Vulcan’s validation tools. Grids were also visually inspected for anomalies using isopach contouring. Statistics were also run on all grids to identify any significant anomalous values.</li> <li>▪ RPM reviewed the geological model database using logic, statistical and regression analysis. RPM reviewed the geological model to assess if the modelling method was appropriate and that the resultant model honoured the drillhole data.</li> <li>▪ RPM considers the geological data suitable for the estimate of Coal Resources.</li> </ul>	
<p>Site visits</p> <ul style="list-style-type: none"> <li>▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>▪ If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Donaldson site is currently on care and maintenance.</li> <li>▪ The Resources Competent Person was unable to visit the site but interviewed the previous Competent Person who has visited the site on numerous occasions and who was responsible for developing the geological model. From a Resources perspective, the geological understanding is based on the drillhole data and the geological model which was reviewed.</li> </ul>	
<p>Geological interpretation</p> <ul style="list-style-type: none"> <li>▪ Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>▪ Nature of the data used and of any assumptions made.</li> <li>▪ The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>▪ The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>▪ The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A reasonably extensive dataset exists for Donaldson in the form of both drillholes and operational mapping. These data provide a reasonable level of confidence for most of the Donaldson deposit. Seam splitting is a prominent feature of the Donaldson geology and it has a significant impact on the continuity and quality of potential mining sections. This has been taken into consideration during the classification and estimation of the Coal Resources for Donaldson Coal.</li> </ul>	
<p>Dimensions</p> <ul style="list-style-type: none"> <li>▪ The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Donaldson coal deposit is approximately 12 km wide by 15 km long. Within those dimensions, target coal seams can change character considerably and may not be a Resource over the entire area due to splitting and seam deterioration. Coal seams subcrop in the northern portion of Donaldson leases and extend to depths in excess of 300 m towards the south.</li> </ul>	
<p>Estimation and modelling techniques</p> <ul style="list-style-type: none"> <li>▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining,</li> </ul>	<ul style="list-style-type: none"> <li>▪ Early in 2015 MBGS undertook a complete review of the Donaldson deposit correlation. This process resulted in the development of an entirely new database. Using this database, which houses lithology and coal quality data, MBGS developed an updated geological model. The</li> </ul>	

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Criteria	JORC Code explanation	Commentary
	<p>interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</p> <ul style="list-style-type: none"> <li>▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>▪ The assumptions made regarding recovery of by-products.</li> <li>▪ Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>▪ Any assumptions behind modelling of selective mining units.</li> <li>▪ Any assumptions about correlation between variables.</li> <li>▪ Description of how the geological interpretation was used to control the resource estimates.</li> <li>▪ Discussion of basis for using or not using grade cutting or capping.</li> <li>▪ The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</li> </ul>	<p>geological model was generated in July 2015 using standard grid modelling practices in Maptek’s Vulcan software (version 9). Design data consisting of points and lines were applied to control the up-dip and down-dip geometry of the coal seams away from the drillhole extents. These controls are outside of the Donaldson Coal tenure and are used to prevent the software from flattening seams back to horizontal where no actual data exists.</p> <ul style="list-style-type: none"> <li>▪ Structure map files were generated using FixDHD for each of the 107 plies included in the geological model. Grid surfaces for structure roof, structure floor, thickness and interburden were created at a 25 m mesh size.</li> <li>▪ Raw coal quality grids for seven variables were generated from a FixDHD database. Using a FixDHD database allowed the samples for parent plies to be used by splitting the parent ply into its children. Raw coal quality grids at a mesh size of 25 m were generated for ash, moisture, fixed carbon, volatile matter, total sulphur, specific energy and in situ density. All coal quality variables, with the exception of in situ density, were modelled at a standardised air dried moisture of 2.5%. In situ density was modelled at an in situ moisture of 4%. In situ density was derived by applying regression equations to raw ash values. Coal Technologist, Bob Leach developed two regression equations for the Donaldson data, one for samples with raw ash values less than 50% (air dried basis) and another for samples with raw ash values greater than 50% (air dried basis).</li> <li>▪ RPM reviewed the geological model to confirm estimations output by the software are valid.</li> <li>▪ Resources were estimated within vertical sided polygons, which provided a ‘cookie cutter’ limit to each area classified. In situ density grids were used to convert volume into tonnes within the Vulcan software.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal quality has been standardised to a 2.5% moisture basis in prior to loading into the Vulcan database and all quality variables were modelled at this basis with the exception of in situ density. In situ density was calculated at 4% in situ moisture basis. These moisture values are typical for these coals in this region.</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>▪ The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum seam thickness was 1.2 m and maximum parting thickness was 0.3 m. Raw ash cut-off was 50% for most seams except the Lower Donaldson seam. In this instance a 55% ash cut-off was used.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the</li> </ul>	<ul style="list-style-type: none"> <li>▪ Resources were estimated within the confines of the seam’s subcrop and within the tenements holdings. No surface constraints were applied to the Resource estimate, and no minimum interburden thicknesses were considered for vertically overlapping underground Resources, on the premise that geotechnical and financial (Reserves) considerations would define the most economic option.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></p>	<p><i>assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></p>	<ul style="list-style-type: none"> <li>▪ Cinder zones around dykes are thin (&lt;0.5 m) and have not been excluded from Resources. Fault throws within existing mine workings do not have a material impact on Resources. Faults with throws greater than seam height exist in the northeast (8 m thrust fault) and in the northwest, where seam limits are bound by a north-south normal fault.</li> <li>▪ Two seams, the Sandgate and Ashtonfield were included in the previous Resource estimate. These seams were excluded from this Resources estimate due to the conclusion by this Competent Person that they did not meet the ‘Reasonable Prospects’ test as they are unlikely to be developed, principally due to the thickness of each seam.</li> </ul>
<p><i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ High ash cut-off of 50% (is) raw ash was applied to the Coal Resource. Abel Mine previously produced thermal and semi-soft coking coals. Coals that are quoted in the Resource estimate have been mined and processed in previous mine operations in the area.</li> </ul>
<p><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Donaldson Coal maintains title over two mining leases and five exploration licences, which have environmental conditions that Donaldson Coal uphold.</li> </ul>
<p><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></p> <p><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></p> <p><i>Discuss assumptions for bulk density estimates used in</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li>▪ <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li>▪ <i>Discuss assumptions for bulk density estimates used in</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ In situ density was calculated for all samples using two regression equations developed by coal quality specialist Bob Leach. Bob Leach provided one regression equation for samples under 50% ash (adb) and another for samples over 50% ash (adb). In situ density was calculated at an in situ moisture of 4%.</li> </ul>



Criteria	JORC Code explanation	Commentary
<p><i>Classification</i></p> <ul style="list-style-type: none"> <li>▪ The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>▪ Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>▪ Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> </ul>	<p>the evaluation process of the different materials.</p> <ul style="list-style-type: none"> <li>▪ Status of Coal Resources were classified either as:                             <ul style="list-style-type: none"> <li>- <b>Measured Resources</b> - where geological data points based on detailed and reliable drillhole data, sampling and testing information support a reasonable level of confidence in seam thickness, continuity and coal quality of the seam. Adjacent past workings (if present) provide additional supporting information confirming seam presence and continuity. Distance between drillholes can be up to 700 m depending on the consistency of seam character.</li> <li>- <b>Indicated Resources</b> - where geological data points contribute to a reasonable level of confidence in seam thickness and continuity and coal quality. Distance between drillholes can be up to 1,300 m depending on the consistency of seam character.</li> <li>- <b>Inferred Resources</b> - where there is a paucity of coal quality data and drillhole spacing is only sufficient to delineate seam thickness to a low level of confidence. Distance between drillholes is generally greater than 1,500 m.</li> </ul> </li> </ul>	
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No external audits or reviews have been undertaken with regards to the Coal Resource estimate.</li> </ul>
<p><i>Discussion of relative accuracy/ confidence</i></p> <ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal Resources for Donaldson Coal have been classified into confidence categories (Measured, Indicated &amp; Inferred) based on the Competent Person’s assessment of the data and understanding of the geology. These confidence categories, and the appropriate rounding that has been applied, reflect the accuracy and confidence of the Resource estimate.</li> <li>▪ Coal Resources have been reported within polygons that contain multiple drillhole intersections. The estimate is therefore considered a global estimate.</li> </ul>	

**Section 4 Estimation and Reporting of Ore Reserves**

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person, Mr Graeme Rigg on behalf of RPM.



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(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	<ul style="list-style-type: none"> <li>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Brendan Statts. The Competent Person, Mr. Statts, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy.</li> <li>The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>The Coal Resources reported are inclusive of the Coal Reserves.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Multiple site visits to the Abel underground have been undertaken by the Reserves Competent Person. The outcome of these site visits was observation of site and mining conditions and discussion with site operating personnel regarding the operation and the determination of project parameters used in the Donaldson underground planning process.</li> </ul>
Study status	<ul style="list-style-type: none"> <li>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>Abel Mine is currently on care and maintenance, following cessation of the bord and pillar operations over a number of years of low coal prices. LOM studies have been complemented by ongoing exploration and assessment.</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>There are no coal quality cut-off parameters used to eliminate the conversion of Coal Resources to Coal Reserves. LOM planning has been used to determine whether Coal Resources will convert to Coal Reserves.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</li> <li>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>The assumptions made regarding geotechnical parameters (eg pit slopes, slope sizes, etc), grade control and pre-production drilling.</li> <li>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>The mining dilution factors used.</li> </ul>	<ul style="list-style-type: none"> <li>LOM planning has been used as the basis of converting Coal Resources to Coal Reserves.</li> <li>The selected mining method is conventional longwall extraction with continuous miner development.</li> <li>Geotechnical studies have been carried out to determine roadway and longwall behaviour.</li> <li>Groundwater studies have been carried out to estimate groundwater impacts and inflows.</li> <li>Gas studies have been carried out to determine seam gas content and composition, and likely gas management requirements.</li> <li>The mining factors used were:                         <ul style="list-style-type: none"> <li>Development roadways 5.4 m wide by 2.7 m high</li> <li>Longwall operating height 2.4 m - 3.2 m</li> <li>Longwall panel width 250 m - 300 m</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>▪ The mining recovery factors used.</li> <li>▪ Any minimum mining widths used.</li> <li>▪ The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>▪ The infrastructure requirements of the selected mining methods.</li> </ul>	<ul style="list-style-type: none"> <li>- It is assumed that no coal is lost from the roof or floor of the mineable coal sections during development or longwall extraction;</li> <li>- Seam splitting and seam thickness variation across the target area results in stone forming part of the working section (mid-seam or at the seam roof) during development and longwall operations, thereby diluting the in situ coal quality.</li> <li>- The quality defaults assigned to the waste rock were assumed to be relative density of 2.2 t/m<sup>3</sup>, ash of 80%, and specific energy of 0 kcal/kg;</li> <li>- Relative density data in the geological model is based on assumed in-situ moisture of 2.5%, while all qualities are based on air-dried moisture gridded values.</li> <li>- Preston &amp; Sanders has been used in the estimation of in situ moisture.</li> <li>- RPM has assumed that ROM moisture will be 6%, and product moisture will be 11%.</li> </ul> <p>Inferred Coal Resources do exist within the LOM Plan footprint but have been excluded from Reserve estimates.</p> <ul style="list-style-type: none"> <li>▪ The majority of necessary infrastructure is in place.</li> </ul>
<p><i>Metallurgical factors or assumptions</i></p>	<ul style="list-style-type: none"> <li>▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical dominating applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</li> <li>▪ For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>▪ The metallurgical process for washing the target seams is already in place, having been used for washing the coal from the Abel bord and pillar operations. The configuration of the CHPP includes Dense Media Cyclone (“DMC”), Spirals/Reflux separator, and Flotation processes. The current CHPP capacity is approximately 5.1 Mtpa, but this could be increased to approximately 6.8 Mtpa by implementing a 24/7 operation.</li> <li>▪ The process generates a medium ash thermal product. The metallurgical process is appropriate for the Donaldson/Abel mine.</li> <li>▪ Yancoal commissioned a coal quality expert to review production data and determine an estimate of current yield at Donaldson/Abel.</li> <li>▪ No bypass products assumed in the LOM plan.</li> <li>▪ No allowance has been made for deleterious elements.</li> <li>▪ Last dot point is not applicable for coal.</li> </ul>
<p><i>Environmental</i></p>	<ul style="list-style-type: none"> <li>▪ The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An Environmental Impact Statement has been prepared and environmental approvals obtained for longwall mining. It is anticipated that some modifications to the approval will be required following additional exploration licence areas being added to the existing areas, further assessment and further modification of the proposed mine layout.</li> <li>▪ Coarse rejects and washery fines are placed within the Bloomfield open cut void.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><b>Infrastructure</b></p> <ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>The majority of necessary infrastructure is in place for the current operations at the Asset.</li> </ul>
<p><b>Costs</b></p>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>Abel mine is currently on care and maintenance. Subsequent capital expenditure will be limited primarily to items associated with the change from bord and pillar operations to longwall operations.</li> <li>All operating costs are based on LOM planning estimates from Yancoal and have been reviewed by RPM.</li> <li>Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>NSW state government royalties are included in the estimate.</li> <li>RPM reviewed all costs and adjusted them where necessary.</li> </ul>
<p><b>Revenue factors</b></p>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>
<p><b>Market assessment</b></p>	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>A Marketing Study has not been reviewed however markets are well established for the mine's coal products. The projects typically produce up to four main products:                             <ul style="list-style-type: none"> <li>Thermal at approx. 14.5 - 33% ash (ad); and</li> <li>SSCC at approx. 9.5% ash (ad).</li> </ul> </li> <li>Product Coal specifications were based on assessment by A&amp;B Mylec.</li> <li>Based upon the product and specifications, RPM anticipates no foreseeable issues in demand for the product.</li> </ul>
<p><b>Economic</b></p>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>▪ The NPV results for the Project produced from economic modelling generated positive and acceptable NPV's for all discount rates and the Project is considered economic from an NPV stand-point.</li> <li>▪ Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</li> <li>▪ GCL currently pays significant rail and port Take or Pay penalties for Abel Mine. Once the mine becomes operational again (assuming favourable economic conditions) it will be necessary for the rail and port contracts to mesh better with the actual mine output, otherwise Take or Pay penalties could impact significantly on project value.</li> </ul>
Social	<ul style="list-style-type: none"> <li>▪ The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Further exploration is planned for areas outside the existing tenements. The additional exploration and subsequent assessment may require modification of existing approvals, or the establishment of additional agreements.</li> </ul>
Other	<ul style="list-style-type: none"> <li>▪ To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:                             <ul style="list-style-type: none"> <li>▪ Any identified material naturally occurring risks.</li> <li>▪ The status of material legal agreements and marketing arrangements.</li> <li>▪ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation's viability.</li> <li>▪ As mining proceeds it is reasonably expected any modifications to existing agreements or additional agreements that may be required can be obtained as required.</li> </ul>
Classification	<ul style="list-style-type: none"> <li>▪ The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>▪ Whether the result appropriately reflects the Competent Person's view of the deposit.</li> <li>▪ The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Classification of Coal Reserves has been derived by considering the Measured and Indicated Resources and the level of mine planning.                             <ul style="list-style-type: none"> <li>– Both Measured and Indicated Resources have been classified as Probable Reserves.</li> <li>– Approximately 1 Mt of Probable Reserves have been derived from Measured Resources.</li> </ul> </li> <li>▪ The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>▪ The result reflects the Competent Persons view of the deposit.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Internal peer review of the Reserves Report has been completed.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Discussion of relative accuracy/ confidence</p>	<ul style="list-style-type: none"> <li>▪ Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>▪ It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The mine footprint is supported by approximately 2% of Measured Coal Resources, with the bulk of the rest of the footprint supported by Indicated Coal Resources.</li> <li>▪ The basis of the estimate are estimated operating costs and comparison with typical industry mining costs.</li> <li>▪ CHPP and surface infrastructure is in place.</li> <li>▪ Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy.</li> <li>▪ The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>▪ Geotechnical studies have been completed for the mine.</li> <li>▪ Additional exploration is proposed in areas outside of the current tenements, as well as within the proposed mine footprint.</li> <li>▪ The major risk in not achieving the estimated Reserve extraction comes from the low project NPV and the exposure of the project’s economic viability to future variations in coal prices.</li> </ul>

**RPM**GLOBAL

JORC Code Disclosure Requirements

**Middlemount**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Michael Johnson on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><b>Sampling techniques</b></p> <ul style="list-style-type: none"> <li>▪ <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>▪ <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>▪ <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>▪ <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Middlemount Mine has been in operation since November 2011.</li> <li>▪ The Middlemount Mine area contains some 1,073 boreholes which forms the knowledge basis of the coal deposit; 732 of which were used in the 2018 geological model.</li> <li>▪ Open hole drilling was used for structure control.</li> <li>▪ Open holes are sampled at 1 m intervals.</li> <li>▪ Core drilling was used for the collection of coal quality information.</li> <li>▪ Core drilling is typically by both HQ (nominal 60 mm diameter) and 100 mm diameter tungsten carbide drill bits and triple tube barrels which are standard industry practice.</li> <li>▪ Core hole locations are selected based on the ability to fully represent the Coal Resource at the particular location in the deposit taking the structural complexity into consideration.</li> <li>▪ Cored holes are typically sampled at 10 cm and a maximum of 1 m intervals so that the quality of the seam can be characterised for raw coal ash.</li> <li>▪ All non-coal bands greater than 5 cm thick are sampled and tested separately.</li> <li>▪ Samples were selected based on the coal brightness in an attempt to maximise coking potential (typically associated with brighter coals) and provided with a unique sample number before being placed into double plastic bags and sealed.</li> <li>▪ Raw coal ash and CSN are used to determine the coal mining sections for washed coal products.</li> <li>▪ The entire seam was sampled in each occasion.</li> <li>▪ Roof and floor strata were also sampled and tested. Dilution samples are 20 cm to 30 cm in length.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Industry standard drilling techniques are used, with conventional rotary table drill rigs using air and water circulation.</li> <li>▪ All drilling has been completed using vertical drill orientation. No core orientation has been performed.</li> </ul>
<p><b>Drilling techniques</b></p> <ul style="list-style-type: none"> <li>▪ <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>		



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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>▪ Blade/Hammer/PCD bits were used to drill open (chip) holes.</li> <li>▪ Partially cored 4-inch (100 mm) core holes were drilled to obtain coal quality information. It is estimated that 40% of core holes are 4-inch; the remainder are HQ (nominally 60 mm diameter).</li> <li>▪ Where geological complexity increased, 4-inch core barrels were used to maximise core recovery. Minimum core recovery for core holes used in the model was 90%. It is observed that the brightest, lowest ash, friable/brittle coal is more susceptible to core loss, especially in faulted areas. Core loss usually occurs between core runs, and thus the maximum 4C core barrel length of 4.5 m was used to minimise the number of core runs.</li> <li>▪ Contractually, a redrill is required if less than 95% core recovery is obtained. Recovery less than 95% is occasionally accepted if the drilling environment is difficult, or the loss is deemed acceptable via comparing against geophysics density, and the position of the loss in the seam.</li> </ul>
<p><i>Drill sample recovery</i></p> <ul style="list-style-type: none"> <li>▪ <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>▪ <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>▪ <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Coring instructions followed by field geologists at Middlemount are based on the industry-standard CoalLog Manual for Geology &amp; Geotechnical Data Collection.</li> <li>▪ Core recovery is recorded by the rig geologist at the time logging the bore hole, based on measurements taken of the cored interval and the core recovered and visual inspection of the core. Actual recovered core lengths are measured with a tape measure and any core loss is recorded in geological logs, coal quality sample intervals and in the run by run drilling record field sheets.</li> <li>▪ Core loss is confirmed by the rig geologist after comparing the recovered core to the geophysical logs to determine which parts if any of the seam are missing due to core loss.</li> <li>▪ Core loss is recorded and excluded from samples in accordance with the CoalLog Manual for Geology &amp; Geotechnical Data Collection.</li> <li>▪ Historic boreholes do not comply with CoalLog Manual for Geology &amp; Geotechnical Data Collection.</li> <li>▪ The database contains 3,312 coal quality samples, of which 2,266 are of coal. 95% of these samples have valid proximate analysis.</li> <li>▪ If core recovery for a coal ply is less than 95%, then that section of the hole is redrilled to ensure a representative sample is taken, provided that the cored hole is not located in an area of high structural complexity, in which case lower core recovery is accepted, but may not be used in the Resource model.</li> <li>▪ Open hole chip recovery is assessed qualitatively by the rig geologist.</li> </ul>	
<p><i>Logging</i></p> <ul style="list-style-type: none"> <li>▪ <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Standardised Peabody logging systems and protocols are utilised for all drilling, logging and sampling.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p>and metallurgical studies.</p> <ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Core is geologically logged and open hole chip samples are taken every 1 m and logged for lithology changes.</li> <li>All holes have been lithologically logged, with cored coal sections brightness logged. The logging of the chip and core samples is detailed and includes a record of the recovery of the total length and the cored length, rock type, stratigraphic unit and numerous adjectives to describe the sample in terms of colour, grainsize, bedding etc. all of which is sufficient to describe the various lithologies and coal samples to support the Coal Resource estimation from a geological and coal quality consideration.</li> <li>Geotechnical drilling is completed by Middlemount, particularly around faulted areas, and where the Girrah seams are up thrown and appear at the top of the open cut highwall.</li> <li>Geotechnical boreholes have been drilled vertically.</li> <li>Bore core is photographed on both the core table (0.5 m increment).</li> <li>An estimated 75% of the Resource uses holes with digital geophysical logs. Some older holes only have paper copy geophysics. The holes without geophysics appear to have been corrected to geophysics, and reliability has been verified from newer drilling, and mining. Holes confirmed to be unreliable have been flagged in the Isis database to avoid accidental use during modelling. In some areas these holes have been redrilled.</li> <li>The standard geophysical tools used were: density, gamma and caliper. Selected historic holes have verticality, sonic, resistivity, temperature and spontaneous potential sondes run in the holes.</li> <li>Drill hole vertically data was used (when available) to orientate and locate the boreholes and the coal seams for inclusion in the structural model. An estimated 10% of the Resource was modelled using verticality data.</li> </ul>	<ul style="list-style-type: none"> <li>Core sampling is completed at the drill site and is based on a set of standard criteria (determined by lithology and structure) that follows the Middlemount sampling procedure.</li> <li>All samples were photographed, double bagged, and provided with a unique sample identifier prior to sending to the laboratory.</li> <li>Whole samples were used for quality analysis.</li> <li>All samples within the seam extents were analysed.</li> <li>Carbonaceous material, and all stone bands were sampled to ensure that full coverage of each seam was obtained.</li> <li>Sample depths have been reported as the geophysically corrected depths.</li> <li>Samples were air dried and weighed prior to analysis. Raw analysis samples were crushed to -12.5 mm and split into portions using a rotary splitter prior to coal quality analysis.</li> </ul>
<p>Sub-sampling techniques and sample preparation</p> <ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Core sampling is completed at the drill site and is based on a set of standard criteria (determined by lithology and structure) that follows the Middlemount sampling procedure.</li> <li>All samples were photographed, double bagged, and provided with a unique sample identifier prior to sending to the laboratory.</li> <li>Whole samples were used for quality analysis.</li> <li>All samples within the seam extents were analysed.</li> <li>Carbonaceous material, and all stone bands were sampled to ensure that full coverage of each seam was obtained.</li> <li>Sample depths have been reported as the geophysically corrected depths.</li> <li>Samples were air dried and weighed prior to analysis. Raw analysis samples were crushed to -12.5 mm and split into portions using a rotary splitter prior to coal quality analysis.</li> </ul>	<ul style="list-style-type: none"> <li>Core sampling is completed at the drill site and is based on a set of standard criteria (determined by lithology and structure) that follows the Middlemount sampling procedure.</li> <li>All samples were photographed, double bagged, and provided with a unique sample identifier prior to sending to the laboratory.</li> <li>Whole samples were used for quality analysis.</li> <li>All samples within the seam extents were analysed.</li> <li>Carbonaceous material, and all stone bands were sampled to ensure that full coverage of each seam was obtained.</li> <li>Sample depths have been reported as the geophysically corrected depths.</li> <li>Samples were air dried and weighed prior to analysis. Raw analysis samples were crushed to -12.5 mm and split into portions using a rotary splitter prior to coal quality analysis.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Quality of assay data and laboratory tests</p> <ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Washability analysis was conducted across the Resource area. The analysis was conducted in accordance with the Middlemount washability procedure.</li> <li>▪ Only core samples are used to obtain coal quality information.</li> <li>▪ Only third party NATA certified labs were used for sample analysis. Labs conduct round robin validation checks to ensure a high standard of reporting is maintained.</li> <li>▪ All samples were analysed for raw coal quality.</li> <li>▪ Sample instructions were issued by Middlemount Coal personnel.</li> <li>▪ Middlemount Coal currently uses the ALS Global Coal Quality laboratory at Richlands, QLD, following appropriate Australian Standards for coal testing.</li> </ul>	
<p>Verification of sampling and assaying</p> <ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>▪ Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At the laboratory, all samples are registered into both CoalB &amp; LabSys – ALS’s own sample tracking software systems (approved by NATA). This registration is confirmed by Asset Manager against the original client instructions, and each sample and its subsequent children are affixed with a designated sticker containing all the sample details and a scannable barcode.</li> <li>▪ Samples are analysed according to client procedures. As samples are analysed the barcode is used to log each result to that sample.</li> <li>▪ Results are quarantined and repeated if they do not meet the requirements of the appropriate Australian or ISO Standards. Controls are run with each batch of samples to ensure the testing apparatus is operating properly. Asset Managers and Laboratory Managers/Supervisors approve these results.</li> <li>▪ Laboratory Asset Managers collate and validate the data, looking for abnormalities in the results. The primary means of validation include looking for known trends in the data, by creating cross plots of the results on a seam by seam basis. Typical industry practices include the comparison of the following (for example): <ul style="list-style-type: none"> <li>– Ash vs. Relative Density,</li> <li>– Volatile Matter vs. Ash,</li> <li>– Specific Energy vs. Volatile Matter, and</li> <li>– Ash vs. Total Sulphur</li> </ul> </li> <li>▪ Sample results are also validated in-house by Middlemount Coal employees.</li> <li>▪ Twinned core holes have only been drilled where initial sample recovery was not acceptable for analysis.</li> <li>▪ All coal quality data is stored in Peabody’s internal data managements system.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>▪ The coal quality laboratories provide the results of coal quality testing to Middlemount in a template which is directly uploaded into Peabody’s internal data management system. CSV files are exported from this system for modelling, which eliminates transcription and key in errors arising from data transfer.</li> <li>▪ Validation is conducted before and after the data is loaded into Peabody’s internal data management system.</li> <li>▪ Relative density is adjusted for Preston Sanders, using the assumed bed (in situ) moisture of 5%, which is consistent for the rank of the coal present at Middlemount.</li> </ul>
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The initial borehole coordinates are obtained using handheld GPS by the site geologist using Aus Geoid heights and GDA94 Zone 55 datum and projection system.</li> <li>▪ Final borehole collar survey is completed by the Middlemount Coal personnel trained in surveying, using the Middlemount Mine base station calibrated to GDA94_55.</li> <li>▪ Geological models are developed from topographic data from Middlemount Coal supplied Digital Terrain Model (DTM) data for the Middlemount area, as at the end of June 2018.</li> <li>▪ The topographic surface at Middlemount is essentially flat lying.</li> <li>▪ In the case that older boreholes were not surveyed in line with CoalLog Manual for Geology &amp; Geotechnical Data Collection, the holes have been reviewed and where elevations were questions, adjusted to DTM levels. Else, these locations have been redrilled.</li> </ul>
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is a low to moderate level of geological structural complexity at Middlemount, therefore, relatively wide-spaced hole distribution has been employed to correlate the Resource to an acceptable level of confidence (i.e. approximately 200 m).</li> <li>▪ Where the seam is cropping, line of oxidation (LOX) drilling has been completed, with 100m-long parallel lines drilled with approximately 50 m between lines and 25 m between holes. The LOX line drilling extends for approximately 4 km of strike length within the mining area.</li> <li>▪ The spacing of exploration drill holes is reduced as certainty of inclusion of Resources into the LOM increases.</li> <li>▪ Borehole spacing is not the overarching criteria for determining the spacing of exploration. Geological certainty is the prime requirement at the completion of exploration. In other words the greater the geological complexity, the closer the final borehole spacing.</li> </ul>
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> <li>▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drill holes were oriented and drilled vertically.</li> <li>▪ In areas of steep bedding dip, drill holes often have a high percentage of deviation.</li> <li>▪ LOX holes have been drilled perpendicular to the strike of the coal seam being investigated.</li> <li>▪ Verticality data was acquired during geophysical logging for holes drilled in 2017 only (10% of modelled holes).</li> </ul>



Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Core orientation has not been measured.</li> <li>Core samples are bagged by the geologist and dispatched to the laboratory by dedicated courier service.</li> <li>Sample instructions are provided to the laboratory.</li> <li>In light of the bulk commodity nature of coal, no higher level security measures are deemed necessary since it is very unlikely to be subject to material impact from sample tampering theft or loss.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>The coal quality laboratory is audited by external auditors as a requirement under the NATA accreditation.</li> <li>All updates to the geological data or model have been documented following internal checklists and reporting documentation.</li> <li>Peer review of the 2018 JB Mining model has been completed by Carol Rolley, confirming consistency between JORC Table 1 and the model report.</li> <li>Resource estimation checks have been completed by Spencer Summers of Peabody Energy.</li> <li>Resource estimation checks have also been completed internally by RPM Geologists.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>All Resources lie within Mining Leases held by Middlemount Coal Pty Ltd, which is a joint venture between Peabody Energy Australia Pty Ltd (50.003%) and Yancoal Australia Ltd (49.997%). There are no overriding royalties, native title interests, historical sites or wilderness or national park and environmental settings over these Mining Leases.</li> <li>Middlemount Coal has title to ML70379, ML70417, MDL282 and infrastructure mining leases ML700014 and MLA700027.</li> <li>The Resources have been reported for ML70379, ML70417 and MDL282 only.</li> <li>The tenure licence for ML70379 will expire on 30 September 2031. The primary activity undertaken on this lease is mining.</li> <li>The tenure licence for ML70417 will expire on 30 September 2031. The primary activity undertaken on this lease is mining.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>Exploration done by other parties</p>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<ul style="list-style-type: none"> <li>▪ The tenure licence for MDL282 will expire on 30 April 2020. The primary activity undertaken on this lease is exploration.</li> <li>▪ The tenure licence for ML700014 will expire on 30 September 2031. The primary use for lease is infrastructure location.</li> </ul>
<p>Exploration done by other parties</p>	<ul style="list-style-type: none"> <li>▪ 40/732 model holes (0.05%) were drilled in the 1970-80’s by Anglo American.</li> <li>▪ 93/732 model holes (12.7%) were drilled in the 1980’s by Capricorn Coal (CapCoal) Pty Ltd.</li> <li>▪ 39/732 model holes (0.05%) were drilled in 2006-07 by Custom Mining.</li> <li>▪ 550/732 model holes (75.1%) were drilled from by 2008-2017 were drilled by Middlemount Coal, including three water bores.</li> <li>▪ 10/732 model holes (0.01%) were drilled by other companies during the exploration history of the tenure.</li> <li>▪ All known historical drilling has been incorporated into the Middlemount Isis database. The term ‘historical drilling’ used by Middlemount Coal, refers to all boreholes completed prior to 2008.</li> <li>▪ No drilling is conducted on Middlemount Coal’s mining leases by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 40/732 model holes (0.05%) were drilled in the 1970-80’s by Anglo American.</li> <li>▪ 93/732 model holes (12.7%) were drilled in the 1980’s by Capricorn Coal (CapCoal) Pty Ltd.</li> <li>▪ 39/732 model holes (0.05%) were drilled in 2006-07 by Custom Mining.</li> <li>▪ 550/732 model holes (75.1%) were drilled from by 2008-2017 were drilled by Middlemount Coal, including three water bores.</li> <li>▪ 10/732 model holes (0.01%) were drilled by other companies during the exploration history of the tenure.</li> <li>▪ All known historical drilling has been incorporated into the Middlemount Isis database. The term ‘historical drilling’ used by Middlemount Coal, refers to all boreholes completed prior to 2008.</li> <li>▪ No drilling is conducted on Middlemount Coal’s mining leases by other parties.</li> </ul>
<p>Geology</p>	<ul style="list-style-type: none"> <li>▪ Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Middlemount deposit is located in the central region of the Bowen Basin and targets the Permian Rangal Coal Measures of the Blackwater Group.</li> <li>▪ The major regional structure is the north-northwest oriented Jellinbah fault, a thrust fault with over 300 m throw. The Jellinbah faults bisects Middlemount’s ML70379.</li> <li>▪ To the west of the Jellinbah fault, small-scale (&lt;10 m) faults have been detected in mining and exploration.</li> <li>▪ The cropping coal of the Middlemount deposit is located to the west of the Jellinbah fault, which also bounds the eastern extent of the Resource area.</li> <li>▪ The coal seams strike north-northwest also, and dip at an average of 5-8° to the east.</li> <li>▪ The deposit dimensions are approximately 7 km in length north-northwest, by 2 km in width west-east.</li> <li>▪ The seam structure is complicated by seam splitting and localised thickening of seams around faulted zones.</li> </ul>
<p>Drill hole Information</p>	<ul style="list-style-type: none"> <li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>- easting and northing of the drill hole collar</li> <li>- elevation or RL (Reduced Level – elevation above sea level)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ All borehole data is stored within the Middlemount Isis database.</li> <li>▪ The Isis database associated with the 2018 Vulcan model contains 1,076 boreholes, of which 481 are cored holes of various diameters.</li> </ul>



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Criteria	JORC Code explanation	Commentary
<p><i>in metres) of the drill hole collar</i></p> <ul style="list-style-type: none"> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth</li> <li>- hole length.</li> </ul> <ul style="list-style-type: none"> <li>▪ <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ A total of 344 boreholes are not used in the geological model, as they are either located outside the current model area; they occur to the east of the Jellinbah fault; they did not intersect coal measure strata; the hole was redrilled; or the data was considered unreliable.</li> <li>▪ The majority of boreholes in the Resource area at Middlemount are modern data that was acquired post-2008.</li> </ul>	
<p>Data aggregation methods</p> <ul style="list-style-type: none"> <li>▪ <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>▪ <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>▪ <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Samples collected by the field geologist may be combined prior to raw coal analysis, based on the seam naming from review of the geophysical logs.</li> <li>▪ Samples may be combined after raw coal analysis to create composites (for washability and product coal analyses) that represent the mineable seam working sections.</li> <li>▪ Individual sample parameters have been weighted by thickness and density (mass weighting), except for relative density (RD), which is composited based on thickness only.</li> <li>▪ There are no metal equivalents used to report the Coal Resources. This is not a standard reporting practice for Coal Resources.</li> </ul>	
<p>Relationship between mineralisation widths and intercept lengths</p> <ul style="list-style-type: none"> <li>▪ <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>▪ <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>▪ <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All boreholes at Middlemount are planned as vertical. However due to the bed dips the holes tend to deviate 'up-dip' so that with sufficient depth the hole is perpendicular to the seam.</li> <li>▪ Downhole deviation data has been collected on holes drilled in 2017 to provide a higher degree of certainty to the location of the coal seams in the boreholes.</li> </ul>	
<p>Diagrams</p> <ul style="list-style-type: none"> <li>▪ <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All relevant figures depicting information considered material to the Coal Resources reported are contained within the JORC report associated with this Table 1.</li> </ul>	
<p>Balanced reporting</p> <ul style="list-style-type: none"> <li>▪ <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All valid exploration data for the Middlemount project has been collated and reported accordingly.</li> <li>▪ Some exploration holes have not been included in the geological model, as they are either located outside the current model area; they occur to the east of the Jellinbah fault; they did not intersect coal measure strata; the hole was redrilled; or the data was considered unreliable, or misrepresentative (of coal quality results). However, sufficient coverage of</li> </ul>	



Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<p>boreholes has allowed JORC Resources to be reported for the Middlemount deposit, owing to the collection of valid borehole data.</p> <ul style="list-style-type: none"> <li>Three 2D seismic lines totalling 7.5 km in coverage were completed in 2008 to assist in identifying the location of the Jellimbah fault.</li> <li>An additional six 2D seismic lines totalling 2.93 km in coverage were completed in 2017.</li> <li>In-pit survey data of coal roof and floor of the Middlemount Lower and Pisces Upper seams have been incorporated into the geological model for Middlemount</li> <li>Toe &amp; crest locations for faults have been incorporated into the geological model for Middlemount.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient work has been completed to establish seam continuity in the planned LOM area.</li> <li>Pre-production drilling is completed to maintain a two year gap in advance of mine production.</li> <li>Additional drilling will be required to test the weathering affects for proposed open cut Resource to the north of the current open cut mine. This may assist increase Resources for future reporting.</li> <li>Additional exploration require to more accurately define the position and geometry of the Jellimbah fault. This will also assist with defining the pinch-out of the Middlemount seam which is currently occurring against the fault.</li> <li>Additional core drilling to reduce the spacing between core holes will assist increase confidence in the Resource</li> <li>Further fault delineation drilling or 2D seismic surveys for structural interpretation.</li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Geological data for Middlemount is stored in Peabody’s internal data managements system “Task Manager”.</li> <li>Task Manager stores the following data types:                             <ul style="list-style-type: none"> <li>Collar survey;</li> <li>Lithology;</li> <li>Geophysics; and</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- Coal quality data.</li> <li>▪ Core and chip sample photographs are stored separately on a server.</li> <li>▪ Exploration data is data entered into Task Manager which contains validation and other business rules to ensure only acceptable codes are entered.</li> <li>▪ Coal quality data is loaded directly into Task Manager from laboratory excel spreadsheets based on the template containing the requests for analysis.</li> <li>▪ Coal quality data is validated accordant to rules which include:                             <ul style="list-style-type: none"> <li>- proximate data must add to 100%;</li> <li>- acceptable ranges; and</li> <li>- the sum of density fractions must sum to the raw mass.</li> </ul> </li> <li>▪ The original data recorded by the geologist and supplied by the laboratory is retained as a raw file and backed up. Subsequent upgrades to geological data in Vulcan/Isis are made in the copies of the original data.</li> <li>▪ The lithology data is corrected to geophysics.</li> <li>▪ The data is reviewed by a Senior Geologist.</li> <li>▪ The data uploaded into the Isis database prior to geological modelling.</li> <li>▪ The boreholes are checked by the Resource Geologist during the modelling process.</li> </ul>
<p><i>Site visits</i></p> <ul style="list-style-type: none"> <li>▪ <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li>▪ <i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ A site visit was undertaken by the Competent Person in April 2018. The outcome of the site visit was to better understand of the location, geological data, environment and site procedures.</li> <li>▪ The Competent Person is familiar with the style of the Middlemount Resource.</li> <li>▪ RPM has spent time in discussion with Mr. Stuart Whyte who is the Yancoal Competent Person; and Mr. Greg Jones who is the Competent Person for Peabody for additional understanding of the Resource.</li> </ul>	
<p><i>Geological interpretation</i></p> <ul style="list-style-type: none"> <li>▪ <i>Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.</i></li> <li>▪ <i>Nature of the data used and of any assumptions made.</i></li> <li>▪ <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li>▪ <i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li>▪ <i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Detailed coal ply logging is completed by geological logging of open and fully cored holes supported by geophysical log data.</li> <li>▪ Coal seam and ply correlation are relatively simple where drill spacing is adequate and are sufficient to establish the structural thickening of seams, and structural dislocation due to faulting.</li> <li>▪ The coal seams of the Rangal Coal Measures at Middlemount, namely in descending stratigraphic order:                             <ul style="list-style-type: none"> <li>- Middlemount seam;</li> <li>- Tralee seam; and</li> </ul> </li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p><i>Dimensions</i></p> <ul style="list-style-type: none"> <li>▪ <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>- Pisces seam.</li> <li>▪ All coal seams have unique geophysical signatures that enables seam correlations to be made consistently and confidently.</li> <li>▪ The Pisces seam is underlain by the Yarrabee Tuff which is a basin wide marker interval and can be used to provide stratigraphic assurance to the seam picks.</li> <li>▪ Other markers used to assist with seam identification at Middlemount include:                             <ul style="list-style-type: none"> <li>- typical seam thickness and geophysical signatures of the seams;</li> <li>- interburden thickness characteristics; and</li> <li>- gamma response of the seam intervals.</li> </ul> </li> <li>▪ The Middlemount deposit is approximately 7 km in strike length (north-northwest), and 2 km wide (east-west).</li> <li>▪ Coal Resources commences at the subcrop line in the west of the deposit, and extends towards the Jellinbah fault, which bounds the east of the deposit. Resource estimations are limited to 50 m west of the Jellinbah fault.</li> <li>▪ Resource estimates are exclusive of mined coal at Middlemount.</li> <li>▪ Only coal less than 37% (ad) raw ash has been considered for Resource estimations, based on the limits used by Middlemount CHPP operators.</li> <li>▪ Open cut Coal Resources commence below the base of weathering, which averages 40-45 m across the deposit.</li> <li>▪ The minimum mining thickness for fresh coal is 0.30 m.</li> <li>▪ Potential open cut Coal Resources have been estimated to a depth of 280 m, and all coal down to the floor of the Pisces Upper seam to within a 50 m buffer from the underground mining area.</li> <li>▪ To the east of the open cut, highwall mining is planned in the Pisces Upper seam until the 50 m buffer from the Jellinbah fault. This zone is 50-150 m wide, and is controlled by the location of the Jellinbah fault. This section of coal has not been included in the Resource estimate.</li> <li>▪ South of the current Middlemount Coal open cut mine, a proposed underground area is limited to the Middlemount seam (coalesced plies of MLT and MLB) and the Pisces Upper seam (coalesced plies of PUT, PUM and PUB).</li> <li>▪ There are no thickness or depth restrictions on the underground Resource estimates (a minimum thickness of 0.5 m was applied to the individual plies for the purpose of generating coal resource model to report resources); tenure is the only limiting factor from which a 50 m offset has been applied to the mining lease boundary on the southern extents of the</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p><i>Estimation and modelling techniques</i></p> <ul style="list-style-type: none"> <li>▪ <i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li>▪ <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li>▪ <i>The assumptions made regarding recovery of by-products.</i></li> <li>▪ <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li>▪ <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li>▪ <i>Any assumptions behind modelling of selective mining units.</i></li> <li>▪ <i>Any assumptions about correlation between variables.</i></li> <li>▪ <i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li>▪ <i>Discussion of basis for using or not using grade capping or capping.</i></li> <li>▪ <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul>	<p>Underground Area, and a 50 m barrier pillar between the Open Cut area and Underground Area.</p> <ul style="list-style-type: none"> <li>▪ It is estimated that the coal thickness increases to over 5 m in the underground area.</li> <li>▪ No fault-repeated coal has been included in the Resource estimation.</li> <li>▪ Modelling was undertaken using Maptek Ptd Ltd geological modelling software, Vulcan, version 10.1.4.</li> <li>▪ One all-encompassing model (mar18) was created for the Middlemount Coal Resource.</li> <li>▪ Structure models were created at 20x20 m mesh size, and coal quality modelling created with a 100x100 m mesh size. The mesh sizes were selected to achieve the most representative models.</li> <li>▪ Faults are modelled with dip (25-30°). The location where the fault plane intersects the roof and floor of each seam has been estimated. In the case of the Jellinbah Fault, a 50 m buffer to the west of this point has been applied as the fault line.</li> <li>▪ Stratigraphic mapfiles were used to interpolate horizons in every hole to control the development of the structure and thickness grids.</li> <li>▪ Seams were split into their plies and modelled as contiguous elements.</li> <li>▪ Where holes were not drilled deep enough to intersect seams lower in the sequence (e.g. in LOX holes), the interpolation of the seams into these holes was ignored and only true intersections were recognised so that the structural integrity of the model was kept intact.</li> <li>▪ Spot heights from interpretation of 2D seismic lines supplied by Middlemount Coal were used for the floor of the Middlemount Lower seam and Pisces Upper seam to control the structural model.</li> <li>▪ Selected data points were used from in-pit floor survey of the Middlemount Lower seam and Pisces Upper seam to control the structural model also.</li> <li>▪ Toe and crest survey for faults encountered in mining were applied to the structural model.</li> <li>▪ A base of weathering grid was developed from drillhole intersections, and all final structure grids used for Resource estimations were clipped to the base of weathering to ensure oxidised coal was excluded from the calculations.</li> <li>▪ Structural and coal quality grids were developed using inverse distance modelling interpolation, to the power of two with no trending. This has been selected to honour the data while providing a degree of smoothing over the Resource.</li> </ul>	
<p><i>Moisture</i></p> <ul style="list-style-type: none"> <li>▪ <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ There are no total moisture determinations for Middlemount in situ coal. Air dried density has been adjusted to an in situ basis using the Preston Sanders equation using an assumed in situ moisture of 5%, which is commensurate with the coal rank. The selection of a total moisture estimate of 4% to 6% will not make a material difference to the Resource tonnage</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<p><i>Cut-off parameters</i></p> <ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<p>estimate. Therefore the Competent Person considers that further discussion about changes of the total moisture assumption of 5% is not relevant.</p> <ul style="list-style-type: none"> <li>The minimum seam thickness for Resource estimation is 0.30 m; a limit that has been applied due to practical mining limitations, as well as consultation with mine planning engineers. However, no seam thickness limit is applied where seams adjoin (coalesce) with other seams.</li> <li>37% raw ash is used as an upper limit for raw coal quality, based on discussions with CHPP personnel.</li> <li>No weathered coal is included in the Resource estimation.</li> <li>No fault-repeated coal is included in the Resource estimation.</li> <li>All coal within a 50 m buffer of the Jellinbah fault has been excluded from the Resource estimates.</li> <li>Highwall Mining Areas have been excluded from the Resource Estimate.</li> <li>A 50 m Offset from the lease boundary on the southern extent of the Underground Area has been applied.</li> <li>All coal to the east of the Jellinbah fault has been excluded from Resource estimates.</li> </ul>	<p>estimate. Therefore the Competent Person considers that further discussion about changes of the total moisture assumption of 5% is not relevant.</p> <ul style="list-style-type: none"> <li>The minimum seam thickness for Resource estimation is 0.30 m; a limit that has been applied due to practical mining limitations, as well as consultation with mine planning engineers. However, no seam thickness limit is applied where seams adjoin (coalesce) with other seams.</li> <li>37% raw ash is used as an upper limit for raw coal quality, based on discussions with CHPP personnel.</li> <li>No weathered coal is included in the Resource estimation.</li> <li>No fault-repeated coal is included in the Resource estimation.</li> <li>All coal within a 50 m buffer of the Jellinbah fault has been excluded from the Resource estimates.</li> <li>Highwall Mining Areas have been excluded from the Resource Estimate.</li> <li>A 50 m Offset from the lease boundary on the southern extent of the Underground Area has been applied.</li> <li>All coal to the east of the Jellinbah fault has been excluded from Resource estimates.</li> </ul>
<p><i>Mining factors or assumptions</i></p> <ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Open cut mining methods using a combination of conventional excavator and truck operation and blast cast and dozer mining for approximately 80% of the Resource.</li> <li>Underground extraction methods have been considered for the remaining 20% of the Resource.</li> <li>Highwall mining methods are excluded from the Resource.</li> </ul>	<ul style="list-style-type: none"> <li>Open cut mining methods using a combination of conventional excavator and truck operation and blast cast and dozer mining for approximately 80% of the Resource.</li> <li>Underground extraction methods have been considered for the remaining 20% of the Resource.</li> <li>Highwall mining methods are excluded from the Resource.</li> </ul>
<p><i>Metallurgical factors or assumptions</i></p> <ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Middlemount Coal has a six year history of washplant performance data available.</li> <li>The Middlemount CHPP consists of industry standard separation equipment such as:                             <ul style="list-style-type: none"> <li>De-sliming screen;</li> <li>Dense media cyclones;</li> <li>Spirals; and</li> <li>Froth flotation.</li> </ul> </li> <li>The Middlemount CHPP is a 700 tph single stage plant with two product coal handling systems.</li> </ul>	<ul style="list-style-type: none"> <li>Middlemount Coal has a six year history of washplant performance data available.</li> <li>The Middlemount CHPP consists of industry standard separation equipment such as:                             <ul style="list-style-type: none"> <li>De-sliming screen;</li> <li>Dense media cyclones;</li> <li>Spirals; and</li> <li>Froth flotation.</li> </ul> </li> <li>The Middlemount CHPP is a 700 tph single stage plant with two product coal handling systems.</li> </ul>



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		<ul style="list-style-type: none"> <li>▪ Washability testing is performed on 100 mm diameter core to estimate the coals performance in the CHPP.</li> <li>▪ Coal samples are crushed to 12.5 mm, and float sink testing is performed on the following separation densities:                             <ul style="list-style-type: none"> <li>- F1.30;</li> <li>- F1.40;</li> <li>- F1.50;</li> <li>- F1.60;</li> <li>- F1.70;</li> <li>- F1.80; and</li> <li>- F2.00.</li> </ul> </li> <li>▪ Clean coal composites are prepared and tested for coking and PCI parameters, following accepted industry practice for metallurgical coal.</li> <li>▪ Middlemount Coal currently produces both coking and PCI coal products, which requires beneficiation in the CHPP.</li> <li>▪ Products are determined based on their coal quality. The MLT seams and the +16 mm fraction of the TL2 and PU seams are washed to a PCI product. The MLB seam and the -16 mm fraction from TL2 and PU seams is washed to a semi hard coking coal.</li> </ul>
<p><i>Environmental factors or assumptions</i></p>	<p><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p>	<ul style="list-style-type: none"> <li>▪ Current operations are conducted under an approved environmental authority (EA).</li> <li>▪ All Resources are within mining leases. No issues are expected that would impact the Resource estimate.</li> <li>▪ Re-alignment of Roper Creek is required to complete the full extraction of Coal Resources at the southern end of the pit.</li> </ul>
<p><i>Bulk density</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li>▪ <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The Middlemount Mine has been in operation since 2011. The density of the coal and its distribution within the seams has been established.</li> <li>▪ Most borehole samples have true relative density analysis.</li> <li>▪ The in situ density is estimated using laboratory air dried relative density and adjusted to in situ density using the Preston Sanders method using the assumed in situ moisture of 5%.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p><i>between rock and alteration zones within the deposit.</i></p> <ul style="list-style-type: none"> <li>▪ Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul> <p><i>Classification</i></p> <ul style="list-style-type: none"> <li>▪ The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>▪ Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>▪ Whether the result appropriately reflects the Competent Person’s view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The classification of the Coal Resources into varying confidence categories is based on a standardised process of utilising points of observation (PoO) according to their reliability. The PoOs are used to categorise quantity and quality continuity (or both) or support continuity.</li> <li>▪ Resource classification is based on the Competent Person’s confidence of the seam continuity and coal quality variability within drillholes.</li> <li>▪ Seam continuity is the key parameter in structurally complex deposits, which drives the drillhole spacing as well as the Resource classification made by the Competent Person.</li> <li>▪ The overarching requirement for the Competent Person is that seam continuity can be demonstrated.</li> <li>▪ A Quantity PoO has the following attributes:                             <ul style="list-style-type: none"> <li>- open or cored hole;</li> <li>- seam interval geophysically logged, or where geophysical data is missing for a seam(s), it is up to the Competent Person’s discretion to determine if the seam level and thickness is consistent with nearest neighbour boreholes; and</li> <li>- reliable collar survey.</li> </ul> </li> <li>▪ A Quality PoO has the following attributes:                             <ul style="list-style-type: none"> <li>- cored hole;</li> <li>- linear core recovery greater than 90%;</li> <li>- reliable collar survey;</li> <li>- cored hole in which 100% of the seam interval has been cored;</li> <li>- seam interval geophysically logged;</li> <li>- if no geophysics log data is available it is up to the Competent Person’s discretion to determine if the seam level and thickness is consistent with nearest neighbour boreholes; and</li> <li>- raw coal ash (can be used as a proxy for relative density and yield).</li> </ul> </li> <li>▪ Support Data for PoOs can include:                             <ul style="list-style-type: none"> <li>- In-pit mapping data for faults and dykes;</li> <li>- Seam floor or roof survey data; and</li> <li>- Elevations from interpreted 2D seismic surveys.</li> </ul> </li> <li>▪ The radii of influence for PoOs were determined by consideration of the following for each coal ply:</li> </ul>	

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>- seam continuity;</li> <li>- variability of seam thickness;</li> <li>- variability of interburden thickness;</li> <li>- structural variability;</li> <li>- variability of coal quality (particularly raw ash); and</li> <li>- review of the variability of the geology between boreholes and the reliability of borehole data.</li> </ul> <ul style="list-style-type: none"> <li>▪ The nominal PoO spacing and radii of influence are:                             <ul style="list-style-type: none"> <li>- <b>Measured:</b> 500 m apart with 250 m radii</li> <li>- <b>Indicated:</b> 1,000 m apart with 500 m radii</li> <li>- <b>Indicated:</b> 2,000 m apart with 1,000 m radii</li> </ul> </li> <li>▪ The Competent Person is satisfied that the stated Coal Resource classification reflects the geological controls interpreted and the estimation constraints of the deposits.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>▪ <i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Data review, modelling and Resource estimation procedures have been critically reviewed.</li> <li>▪ The Coal Resource estimate has been compared with previous Resource estimations for Middlemount, and are found to be acceptable given the updates and changes that have occurred between the 2018 model and its predecessor.</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>▪ <i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li>▪ <i>The statement should specify whether, it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li>▪ <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The geological modelling for Middlemount has been conducted by JB Mining since 2007.</li> <li>▪ Geostatistical analysis was completed on modelled seam thickness and raw ash across the Middlemount deposit. This analysis assisted with justification of confidence categories for Resource estimation.</li> <li>▪ Middlemount budgeted coal recovery and quality specifications are achieved annually, therefore, it is inferred that the geological model honours exploration data and is reflective of the mined product.</li> <li>▪ To maintain consistency when converting Resources to Reserves, the same modelling methodology has been used since 2007.</li> </ul>

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**Section 4 Estimation and Reporting of Ore Reserves**

The completed Table 1, Sections 4 is in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person’s, Mr Doug Sillar on behalf of RPM.

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Mineral Resource estimate for conversion to Ore Reserves</i></p> <ul style="list-style-type: none"> <li>▪ Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>▪ Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>		<ul style="list-style-type: none"> <li>▪ The Coal Resource estimate used as the basis for this Coal Reserves Statement is described as part of this statement. The Resource estimate has been prepared by Mr. Michael Johnson. The Competent Person, Mr. Johnson, has sufficient expertise that is relevant to the style of mineralisation and type of deposit and activity to qualify as a Competent Person as specified under the JORC Code and is a member of the Australian Institute of Mining and Metallurgy and a member of the Australian Institute for Geoscientists.</li> <li>▪ The Resources Statement was compiled in accordance with The JORC Code 2012 Edition.</li> <li>▪ The Coal Resources reported are inclusive of the Coal Reserves.</li> <li>▪ The same geological model has been used for the estimation of Resources and Reserves.</li> </ul>
<p><i>Site visits</i></p> <ul style="list-style-type: none"> <li>▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>▪ If no site visits have been undertaken indicate why this is the case.</li> </ul>		<ul style="list-style-type: none"> <li>▪ A site visit to the Middlemount Mine was undertaken by representatives of RPM in April 2018. The Reserves Competent Person was unable to attend but interviewed the representative following the visit. The outcome of this visit was observation of the Asset area to better understand location, environmental, social, groundwater and existing infrastructure consideration.</li> </ul>
<p><i>Study status</i></p> <ul style="list-style-type: none"> <li>▪ The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>▪ The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>		<ul style="list-style-type: none"> <li>▪ Middlemount Coal Pty Ltd is a joint venture between Peabody Energy and Yancoal.</li> <li>▪ Middlemount is an operating mine consisting of a single operating pit.</li> <li>▪ Middlemount completed a Life of Mine (LOM) Plan in 2017. Only open cut Resources have been considered for Reserves.</li> <li>▪ The level of detail in the LOM plan is sufficient to meet requirements of JORC. The costs and modifying factors are based on site performance and reconciliations.</li> </ul>
<p><i>Cut-off parameters</i></p> <ul style="list-style-type: none"> <li>▪ The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>		<ul style="list-style-type: none"> <li>▪ A minimum mining thickness of 0.3 m is applied to all seams at Middlemount.</li> <li>▪ A raw ash cut-off of 37% is applied to Resources. No further ash cut-off is applied to Reserves.</li> <li>▪ Tralee seam is wasted if the seam is thin &lt;0.8 m and high ash &gt;15% ash.</li> </ul>
<p><i>Mining factors or assumptions</i></p> <ul style="list-style-type: none"> <li>▪ The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</li> </ul>		<ul style="list-style-type: none"> <li>▪ RPM estimated a break even strip ratio and compared against the Company pit shell to confirm pit limits.</li> <li>▪ The mining method at Middlemount open cut is conventional truck and shovel mining. The operating method is well proven and suitable for the deposit.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>▪ The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>▪ The assumptions made regarding geotechnical parameters (eg pit slopes, slope sizes, etc), grade control and pre-production drilling.</li> <li>▪ The major assumptions made and Mineral Resource model used for pit and slope optimisation (if appropriate).</li> <li>▪ The mining dilution factors used.</li> <li>▪ The mining recovery factors used.</li> <li>▪ Any minimum mining widths used.</li> <li>▪ The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>▪ The infrastructure requirements of the selected mining methods.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pit slope designs are based on the following criteria:                             <ul style="list-style-type: none"> <li>– 35° lowwall;</li> <li>– 50° highwall and endwall in weathered zone, 10 m berms every 12 m vertically to give overall slope of approximately 35°;</li> <li>– 25 m berm at top of fresh Permian; and</li> <li>– 70° slopes is fresh material, 25 m berm every 50 m vertically.</li> </ul> </li> <li>▪ The following mining factors are based on reconciliations of production at the Middlemount mine:                             <ul style="list-style-type: none"> <li>– minimum coal mining thickness of 0.3 m;</li> <li>– coal loss of 0.10 m at the working section roof and 0.05 m at the working section floor;</li> <li>– edge loss of 0.20 m applied to the Pisces Upper seam;</li> <li>– Tralee loss criteria:                                     <ul style="list-style-type: none"> <li>▪ wasted if product ash &gt;20%;</li> <li>▪ wasted if thin (&lt;0.8m) and high ash (&gt;15% ash); and</li> <li>▪ Additional loss of 15% applied when recovered;</li> </ul> </li> <li>– roof and floor dilution of 0.05 m and 0.10 m respectively;</li> <li>– additional fault loss of 1% and fault dilution of 1%;</li> <li>– in situ moisture assumed to be 5%. ROM moisture is assumed to be 6%. Washed moisture is assumed to be 10.5%; and</li> <li>– dilution assumed to have an RD of 2.1 and ash of 80%.</li> </ul> </li> <li>▪ Inferred Resources are not included in the estimate of Coal Reserves. Minor quantities of Inferred Resources are included in the LOM Plan however RPM anticipate that exclusion of this coal would not impact on the outcomes of the study.</li> <li>▪ All necessary infrastructure is in place and operational. Existing haul roads will need to be extended as the mine advances.</li> </ul>	
<p><i>Metallurgical factors or assumptions</i></p> <ul style="list-style-type: none"> <li>▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>▪ Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</li> <li>▪ Any assumptions or allowances made for deleterious elements.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All ROM coal is washed at Middlemount to produce two product types.</li> <li>▪ The Middlemount CHPP is a 700 tph single stage plant with two product coal handling systems. The CHPP uses industry standard technology and is operating at high availability.</li> <li>▪ Product yields are based on wash plant simulations and supported by operating knowledge since 2010.</li> <li>▪ Products are determined based on their coal quality. The MLT seams and the +16 mm fraction of the TL2 and PU seams are washed to a PCI product. The MLB seam and the -16 mm fraction from TL2 and PU seams is washed to a semi hard coking coal.</li> <li>▪ The operational plant data supersedes bulk scale test work.</li> </ul>	

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</li> <li>▪ For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>▪ The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No allowance has been made for deleterious elements.</li> </ul>
<p><i>Environmental</i></p> <ul style="list-style-type: none"> <li>▪ The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All necessary approvals are in place for the current mining areas at Middlemount.</li> <li>▪ Coarse rejects is placed into open cut waste rock dumps in-pit.</li> <li>▪ Re-alignment of Roper Creek is required to complete the full extraction of Coal Reserves at the southern end of the pit.</li> </ul>
<p><i>Infrastructure</i></p> <ul style="list-style-type: none"> <li>▪ The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>▪ The methodology used to estimate operating costs.</li> <li>▪ Allowances made for the content of deleterious elements.</li> <li>▪ The source of exchange rates used in the study.</li> <li>▪ Derivation of transportation charges.</li> <li>▪ The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>▪ The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All the necessary infrastructure is in place and operational for the current operation and is suitable for the current and future production projections.</li> <li>▪ Existing haul roads will need to be extended as the mine advances.</li> </ul>
<p><i>Costs</i></p> <ul style="list-style-type: none"> <li>▪ The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>▪ The methodology used to estimate operating costs.</li> <li>▪ Allowances made for the content of deleterious elements.</li> <li>▪ The source of exchange rates used in the study.</li> <li>▪ Derivation of transportation charges.</li> <li>▪ The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>▪ The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The derivation of, or assumptions made, regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>▪ The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All major infrastructure is in place. Capital forecasts have been included which represent the growth and sustaining requirements for the completion of the LOM plan.</li> <li>▪ All operating costs are based on LOM planning estimates provided by Yancoal and have been reviewed by RPM.</li> <li>▪ Current long-term exchange rate assumptions were provided by Yancoal.</li> <li>▪ Transport charges based on actual contracted prices taking into account existing Take or Pay arrangements.</li> <li>▪ QLD state government royalties are included in the estimate.</li> <li>▪ RPM reviewed all costs and they are considered reasonable.</li> </ul>
<p><i>Revenue factors</i></p> <ul style="list-style-type: none"> <li>▪ The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>▪ The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>▪ A customer and competitor analysis along with the</li> </ul>	<ul style="list-style-type: none"> <li>▪ Long term product coal pricing assumptions have been provided by Yancoal Marketing and is based on independent third party research and reporting.</li> <li>▪ The revenue factors are considered reasonable for the purposes of estimating Reserves.</li> </ul>
<p><i>Market assessment</i></p> <ul style="list-style-type: none"> <li>▪ The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>▪ A customer and competitor analysis along with the</li> </ul>	<ul style="list-style-type: none"> <li>▪ The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>▪ A customer and competitor analysis along with the</li> </ul>	<ul style="list-style-type: none"> <li>▪ A Marketing Study has not been reviewed however markets are well established for the mine's coal products. The projects typically produce up to four main products:                             <ul style="list-style-type: none"> <li>– Low Volatile PCI Coal at 10.5% ash.</li> </ul> </li> </ul>



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Criteria	JORC Code explanation	Commentary
<p><i>Identification of likely market windows for the product.</i></p> <ul style="list-style-type: none"> <li>▪ <i>Price and volume forecasts and the basis for these forecasts.</i></li> <li>▪ <i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i></li> </ul>	<ul style="list-style-type: none"> <li>– <i>Semi Hard Coking Coal at 10.0% ash and CSN of 6.</i></li> </ul> <p>Based upon these products and specifications, RPM anticipates no foreseeable issues in demand for these products.</p>	
<p><i>Economic</i></p> <ul style="list-style-type: none"> <li>▪ <i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i></li> <li>▪ <i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>The inputs to the economic analysis are derived capital and operating cost estimates outlined in the “Costs” section of Table 1. The source of the inputs is real and the confidence satisfactory. The economic modelling is in real terms and a range of discount rates have been used in assessing NPV.</i></li> <li>▪ <i>The NPV results for the Project produced from economic modelling generated positive and acceptable NPV’s for all discount rates and the Project is considered economic from an NPV stand-point.</i></li> <li>▪ <i>Sensitivity analysis has been completed on the Project over a range of variable. The Project is most sensitive to changes in exchange rate, revenue and operating costs.</i></li> </ul>	
<p><i>Social</i></p> <ul style="list-style-type: none"> <li>▪ <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>The relationship with adjacent landowners is sound and the project has the necessary key stakeholder agreements in place.</i></li> </ul>	
<p><i>Other</i></p> <ul style="list-style-type: none"> <li>▪ <i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i></li> <li>▪ <i>Any identified material naturally occurring risks.</i></li> <li>▪ <i>The status of material legal agreements and marketing arrangements.</i></li> <li>▪ <i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>The topographical area of Middlemount is flat lying and subject to flooding in cyclonic conditions. Appropriate flood mitigation is in place or planned to cover a 1 in 1000 year event. Levees and drains are existing to protect active pit areas.</i></li> <li>▪ <i>The eastern pit limit will be mining up to and adjacent to the Jellinbah Fault which presents a risk to a portion of Reserves.</i></li> <li>▪ <i>All mining projects operate in an environment of geological uncertainty. RPM is not aware of any other potential factors, legal, marketing or otherwise, that could affect the operation’s viability.</i></li> </ul>	
<p><i>Classification</i></p> <ul style="list-style-type: none"> <li>▪ <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i></li> <li>▪ <i>Whether the result appropriately reflects the Competent Person’s view of the deposit.</i></li> <li>▪ <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Classification of Coal Reserves has been derived by considering the Measured and Indicated Resources and the level of mine planning.</i></li> <li>– <i>Measured Coal Resources are classified as Proved Coal Reserves and Indicated Resources classified as Probable Coal Reserves, as the pit is currently operating and the level of mine planning is considered adequate to support this level of certainty in the Reserves estimate.</i></li> </ul>	

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Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Inferred Coal Resources have been excluded from the Reserve estimates.</li> <li>▪ The result reflects the Competent Person’s view of the deposit.</li> <li>▪ Internal peer review of the Reserves Report has been completed.</li> </ul>
Discussion of relative accuracy/confidence	<p>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</p> <ul style="list-style-type: none"> <li>▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>▪ Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>▪ It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The pit shells are supported by a high proportion of Measured Coal Resources.</li> <li>▪ The basis of the estimate are actual operating costs and LOM planning.</li> <li>▪ CHPP and infrastructure are in place and operating.</li> <li>▪ Analysis of the coal quality has been undertaken by independent laboratories working under international standards of method and accuracy.</li> <li>▪ The level of accuracy will continue to be dependent on the ongoing update of the geological model and monitoring of the Modifying Factors affecting the coal estimate.</li> <li>▪ The Reserves have been adjusted through application of the modifying factors to reflect the ongoing site performance. The deposit is drilled in detail and additional short term drilling is done ahead of mining as required.</li> <li>▪ There is some minor risk of flooding though site infrastructure is in place or is being constructed to protect against this.</li> <li>▪ Ongoing geotechnical review will be required as the mine advances towards the Yarrabee fault on the eastern margin of the pit.</li> <li>▪ A decrease in future coal prices represents the largest risk to the realisation of Reserves at Middlemount.</li> </ul>

**RPM**GLOBAL

JORC Code Disclosure Requirements

**Monash**



**JORC Code, 2012 Edition – Table 1 report template**

The completed Table 1, Sections 1, 2 & 3 are in response to the current ADV-BR-11019\_Hunting Eagle\_CPR Report completed in part by Competent Person Mr Brendan Stats on behalf of RPM.

**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>▪ Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>▪ Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>▪ In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Exploration in and around EL6123 commenced in 2004 with completion of EM series core holes (EM01, EM02, EM05, EM06). EL7579 was granted to Monash Coal Pty Ltd in July 2010 and two campaigns of exploration were carried out in 2011 and 2012 (MN series core holes).</li> <li>▪ All EM and MN series holes within both EL’s have been geophysically logged for long and short spaced density, natural gamma and caliper. In addition, most recent MN series holes have full wave sonic logs, and acoustic televiewer data for holes MN001, MN01A and MN002. Geophysical data exists in hard copy and electronic formats in the MBGS Sydney office and within the secure onsite database.</li> <li>▪ During non core drilling, drill samples were placed at 1m intervals and lithologically logged and HQ drill core was logged and sampled at the drill rig. As coal plies had not been identified prior to sampling, sampling was detailed and extensive in distinguishing coal from stone units. Coal seams intersected in both MN and EM series holes were sampled and sent to the laboratory for preparation and testing. Raw coal analysis was conducted on all ply samples from MN series holes. Ply intervals were then composited to form a thicker potential mining section and then underwent washability and clean coal analysis. □</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>▪ Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>▪ All MN and EM series holes were HQ sized (100mm hole diameter, 63mm core) and core was recovered using the triple tube method. EM and MN series holes drilled on top of the Triassic escarpment were non core drilled to base of Triassic with 100mm bit. In this circumstance, coring drilling would commence between 300m and 420m depending on Triassic sediment package thickness.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>▪ Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>▪ Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>▪ Whether a relationship exists between sample recovery</li> </ul>	<ul style="list-style-type: none"> <li>▪ HQ drill core was logged either at the drill rig or in a core shed post drilling. Where core was interpreted to be lost, a core loss unit was assigned. Core losses were then verified when correcting lithology against downhole geophysical logs.</li> <li>▪ Core recovery data from field logging was not available and so laboratory volumetric recoveries for sampled intervals have been reviewed. Laboratory calculated volumetric</li> </ul>

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Criteria	JORC Code explanation	Commentary
<p>and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<p>recoveries are generally greater than 95% and range between 70% and 120%. The high degree of variability in laboratory recovery is thought to be related to applying laboratory density to small sample intervals where the degree of error can be high. Where a seam did not have sufficient recovery for representative sampling it was redrilled. For modelling purposes the quality data from the redrilled seam was used.</p>	
<p>Logging</p>	<ul style="list-style-type: none"> <li>▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>▪ The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>▪ For all EM and MN series holes, non core intervals were logged on a meter by meter basis and all drill core was logged to centimetre accuracy. Evidence of geotechnical logging has not been provided, however field geotechnical testing (point load testing) was conducted and geotechnical samples from MN002 and MN003 underwent laboratory analysis at STS.</li> </ul>
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <li>▪ If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>▪ Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coal and stone samples for laboratory analysis were sampled at the drill rig following lithological logging of drill core. As coal plies had not been developed, sampling was highly detailed in distinguishing coal from stone units. For each sample, the full length of core was placed into bags with sample details. No splitting or sawing of any samples takes place and there is no sample preparation outside of the laboratory. Coal quality testing was undertaken at laboratories complying with Australian Standards for sample preparation.</li> <li>▪ Upon arrival at the lab, samples were crushed and subdivided into two subsamples. One subsample is analysed for proximate analysis, relative density and sulphur. The second subsample was combined with other subsamples and float sink tested for ash and sulphur at each density fraction.</li> <li>▪ No non-core material was sampled</li> </ul>
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li>▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>▪ Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At a minimum, raw coal analysis results have been attained from each drill location within EL6123 and EL7579.</li> <li>▪ Geophysical logging was conducted on all drill holes by Ellembay Consulting except for MN006 which was logged by Weatherford Pty Ltd. It is industry standard that all down hole geophysical logging tools are calibrated on a monthly basis before usage.</li> <li>▪ Coal and stone sampling was conducted at the drill rig before geophysical logging of holes. Upon completion of a drill hole, lithology logs were corrected to downhole geophysics. Coal quality data was not always corrected to geophysics, however there was a very close correlation between sample thicknesses and logged lithology thicknesses which allowed confident correlation of quality samples. Bureau Veritas Pty Ltd Newcastle laboratory was</li> </ul>



Criteria	JORC Code explanation	Commentary
<p><i>Verification of sampling and assaying</i></p> <ul style="list-style-type: none"> <li>▪ <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>▪ <i>The use of twinned holes.</i></li> <li>▪ <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>▪ <i>Discuss any adjustment to assay data.</i></li> </ul>	<p>used for all sample preparation and testing and is certified by the National Association of Testing Authorities (NATA).</p> <ul style="list-style-type: none"> <li>▪ All quality data is checked for any anomalous results and are investigated upon identification. Laboratories as part of standards always keep a reserve sample if re-analysis is required. Raw coal and washability data is provided by the laboratory in digital format, which is compiled into a coal quality database (Excel). The database is loaded into the geological model (Vulcan) and anomalies are investigated and validated against final laboratory reports, geological logs and geophysical logs prior to modelling. Any anomalies are investigated prior to further use.</li> <li>▪ Raw specific energy data was only available for composite samples. This data was compiled and used to generate a regression with ash in Microsoft Excel. This equation, <math>CV = -91505 \times \text{Ash} + 7948.4</math> has an <math>R^2 = 0.9909</math> and was used to estimate energy for all samples with less than 65% ash value.</li> </ul>	
<p><i>Location of data points</i></p> <ul style="list-style-type: none"> <li>▪ <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>▪ <i>Specification of the grid system used.</i></li> <li>▪ <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All drill hole collars have been surveyed by registered surveyors using GPS equipment. A digital terrain model (DTM) exists over EL6123 and EL7579 accurate to 1m which is used for topographic control between data points and to validated collar RLs. The grid system used is MGA94, Zone 56.</li> </ul>	
<p><i>Data spacing and distribution</i></p> <ul style="list-style-type: none"> <li>▪ <i>Data spacing for reporting of Exploration Results.</i></li> <li>▪ <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>▪ <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Drilling within EL6123 and EL7579 would have been constrained by local topography as drill holes do not appear to follow a grid or pattern. All data points across EL6123 and EL7579 are in excess of 500m from each other. In the EL7579 all MN series holes are within 1km and in the southwest of EL6123, MN drill holes are spaced between 1km and 2km. In the east of EL6123, holes EM01 and EM02 are approximately 1.5km apart, but are in excess of 2km from the nearest MN drill hole.</li> <li>▪ Within EL6123 and EL7579 coal seams and plies can confidently be correlated between data points although there is some variation in coal quality results.</li> </ul>	
<p><i>Orientation of data in relation to geological structure</i></p> <ul style="list-style-type: none"> <li>▪ <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>▪ <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ No oriented drilling was conducted in EL6123 and EL7579. Coal seams are near horizontal (dip approximately 50 southwest) and coal sampling was performed on almost orthogonal (&gt;850) seam intersections. Seam thicknesses are assumed to be true thicknesses and there is no sample bias.</li> </ul>	
<p><i>Sample security</i></p> <ul style="list-style-type: none"> <li>▪ <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All samples were placed in plastic bags at the drill rig with sample details written on tags included in the sample. Sample numbers were recorded on lithology field logs at time of sampling and copies of sample details were sent to the laboratory once drill data was entered.</li> </ul>	





Criteria	JORC Code explanation	Commentary
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> <li>▪ <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ All drillhole data is corrected to geophysical logs and final coal quality data is verified by the laboratory before importing into computer model. Section outputs and contour plots from the computer model are used to identify any anomalous data. If any anomalies exist, original field logs, geophysical logs and final lab reports are used to verify the existence of, or correct the data. RPM has reviewed the drill hole data using logic and statistical checks.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Mineral tenement and land tenure status</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>▪ <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Yancoal Australia Pty Ltd, through its subsidiary Monash Coal Pty Ltd holds title to EL6123 and EL7579.</li> <li>▪ EL6123 was granted on 8th September 2003 and was last renewed on 23 October 2017. EL6123 expires on the 3rd September 2019.</li> <li>▪ EL 7579 was granted on the 22nd July 2010 and a renewal was granted on 23rd October 2017. Expiry for EL7579 is 22 July 2019.</li> <li>▪ EL6123 lies wholly within Pokolbin State Forest, which will have environmental conditions attached to any exploration. There are currently no known sites with native title or historical significance.</li> </ul>
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Ellemby Consulting supervised exploration for all holes within EL6123 and EL7579. EM series holes were drilled in 2004 and MN series holes were drilled throughout 2011 and 2012.</li> </ul>
<p><i>Geology</i></p>	<ul style="list-style-type: none"> <li>▪ <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ EL6123 and EL7579 are located in the South Maitland Coalfield of the Lower Hunter Valley close to the eastern margin of the Sydney Basin. Surrounding the Monash Project, Early Triassic Narrabeen Group sediments unconformably overlie Late Permian Newcastle Coal Measures, which overlie Late Permian Wittingham Coal Measures. Regional topography is dominated by steep Narrabeen Group escarpments with sediment pile thickness ranging from 30m to 400m in areas of low and high relief.</li> <li>▪ Target seams for drilling within the Newcastle Coal Measures were:                         <ul style="list-style-type: none"> <li>- Fassifern Seam (youngest)</li> <li>- Borehole Seam</li> </ul> </li> <li>▪ Target seams for drilling within the Wittingham Coal Measures were:                         <ul style="list-style-type: none"> <li>- Whybrow Seam</li> <li>- Redbank Creek Seam</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>- Wambo Seam</li> <li>- Whynot Seam</li> <li>- Blakefield Seam</li> <li>- Glen Munro Seam</li> <li>- Woodlands Hill Seam</li> <li>- Arrowfield Seam</li> <li>- Bowfield Seam (oldest)</li> </ul> <p>Seams intersected below Bowfield Seam include Warkworth, Mount Arthur, Piercefield, Vaux, Broonies and Bayswater. Only two holes (MN07A, MN004) intersected these lowermost seams and only MN004 had down hole geophysics. Other coal seams were identified within the Newcastle and Wittingham Coal Measures, however they were considered too thin or of too poor quality to be considered a target. Measured gas content from all seams is typically &lt;10m<sup>3</sup>/t. Regional strike is eastwest and strata dip is approximately 50 to the southwest. This regional dip is influenced by the northsouth trending Loder anticline and Belford Dome located to the north of the ELs. No other structures or igneous activity have been identified within or around Monash Project.</p>	
<p><i>Drill hole Information</i></p> <ul style="list-style-type: none"> <li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>- easting and northing of the drill hole collar</li> <li>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth</li> <li>- hole length.</li> </ul> </li> <li>▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within EL6123 and EL7579 all holes were drilled to target seams from the Newcastle and Wittingham Coal Measures. All coal quality holes and holes dedicated to gas testing were partially cored with open hole intervals from surface to top of Fassifern Seam, and on occasion, through poorly developed Newcastle Coal Measures to top of Borehole Seam. Cored intervals were drilled with HQTT and hole diameters were 100mm. Most holes terminated once Bowfield Seam had been intersected, however, MN004 and MN07A intersected Bayswater Seam (five seams below Bowfield) and terminated in the Archerfield Sandstone at the base of Jerrys Plains Subgroup. Redrills of MN series drill holes were due to unacceptable core loss, if the original hole was dedicated to gas testing or if holes were abandoned due to downhole conditions. In the east of EL6123, EM01 and EM02 holes were terminated shortly after a deteriorated Fassifern Seam was intersected at 330 and 365m respectively.</li> <li>▪ Individual drill hole results are not tabulated and presented in this report, however all drill hole data that pertains to coal seams has been loaded and modelled in the Vulcan geological model used to estimate resources. The coal resource table presented in this report does present summary information (average thickness, raw ash, density) relating to each seam.</li> <li>▪ For the purposes of modelling, drill holes have been assumed as vertical. However, deviation data is not available for holes drilled within EL6123 and EL7579.</li> <li>▪ Drill cores were sampled at the rig prior to geophysical logging and without the determination of ply boundaries. Samples were therefore highly detailed in distinguishing stone from coal. Upon loading the coal quality database into the computer model, lab samples were composited into plies nominated by MBGS during re-correlation prior to modelling. Plies</li> </ul>	
<p><i>Data aggregation methods</i></p> <ul style="list-style-type: none"> <li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> </ul>		

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Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<p>would then be composited to provide average thickness and average coal quality information for a coal seam or desired potential mining section. Samples composited to make plies or seam/working sections were weighted by length and density. No limits or cut offs have been applied to any coal quality data.</p>
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Deviation data is not available for any drill holes within EL6123 and EL7579. However, all drill holes in the exploration area are vertical and regional dip is south-southwest at 50(near horizontal). Drill hole intersections with coal seams is very close to orthogonal and seam thicknesses are assumed to be true thickness.</li> </ul>
<p>Diagrams</p>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Site overview and Leases are presented in the report to which this Table 1 is attached.</li> </ul>
<p>Balanced reporting</p>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>All available drill hole data, geophysical data and coal quality data has been loaded into the Vulcan computer model to estimate resources. No representative reporting has taken place and model outputs honour all data.</li> </ul>
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Geotechnical point load and immersion testing was conducted in the field for most MN series holes. Geotechnical samples taken from drill core in holes MN002 and MN003 were sent to Strata Testing Services (NATA approved) for strength testing.</li> <li>Seam gas (Q1) testing was performed in the field for holes MN006 and MN007 and gas samples were sent to the laboratory for further desorption testing.</li> </ul>
<p>Further work</p>	<ul style="list-style-type: none"> <li>No further exploration drilling has been planned.</li> </ul>	<ul style="list-style-type: none"> <li>No further exploration drilling has been planned.</li> </ul>



**Section 3 Estimation and Reporting of Mineral Resources**

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Database integrity</i></p> <ul style="list-style-type: none"> <li>▪ <i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></li> <li>▪ <i>Data validation procedures used.</i></li> </ul>		<ul style="list-style-type: none"> <li>▪ All lithologies and thicknesses entered directly into the drill hole data base were corrected against downhole geophysics. Seam graphics displaying lithology against geophysical profile were produced following corrections where keying errors made with lithologies or thicknesses could be identified and fixed.</li> <li>▪ Final laboratory data as standard was checked by Bureau Veritas before release. Final lab reports are compiled (in Excel) to produce the coal quality database for import into the computer model.</li> <li>▪ MBGS performed a re-correlation of all seams in EL6123 and EL7579 where seam thicknesses and quality statistics were reviewed against 1:200 and 1:20 geophysics. A degree of tolerance was adopted when reviewing Ellembay target coal seam depth picks, however spurious seam picks were reviewed against coal quality data and lithological logs and were either verified or corrected.</li> <li>▪ Upon loading drill hole and coal quality data into the computer model, contour plots and section outputs for target seams were produced and visually checked for anomalous data.</li> <li>▪ RPM reviewed the geological data and geological model produced by MBGS.</li> </ul>
<p><i>Site visits</i></p> <ul style="list-style-type: none"> <li>▪ <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li>▪ <i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>		<ul style="list-style-type: none"> <li>▪ No site visit has been completed by the Competent Person. As the Project is an underground exploration site, there is little value in attending site as the Competent Person is familiar with regional geology and local conditions in the Monash area.</li> </ul>
<p><i>Geological interpretation</i></p> <ul style="list-style-type: none"> <li>▪ <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li>▪ <i>Nature of the data used and of any assumptions made.</i></li> <li>▪ <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li>▪ <i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li>▪ <i>The factors affecting continuity both of grade and geology.</i></li> </ul>		<ul style="list-style-type: none"> <li>▪ There is a moderate level of confidence in the current geological interpretation of the Monash Project. Coal seams have been correlated between drill holes and coal plies have been determined within all seams. Seam correlations were conducted using 1:200 scale geophysical logs. Existing coal seam picks were verified and coal plies and stone partings were defined using 1:20 scale geophysical logs. Down hole deviation data was not available, however all holes were drilled vertical and it is assumed seam thicknesses represent true thickness.</li> <li>▪ Drill hole spacing within EL7579 is in excess of 500m and up to 2km in the western half of EL6123. Variability in seam thickness, coal quality data and uncertainty in coal ply and stone parting correlations resulted in moderate to low confidence in the geology and resources within this deposit.</li> <li>▪ There is a high degree of uncertainty in the east of EL6123. Only two holes (EM01 and EM02) have been drilled in this part of the lease, both of which terminated within 15m below Fassifern Seam (uppermost target).</li> </ul>

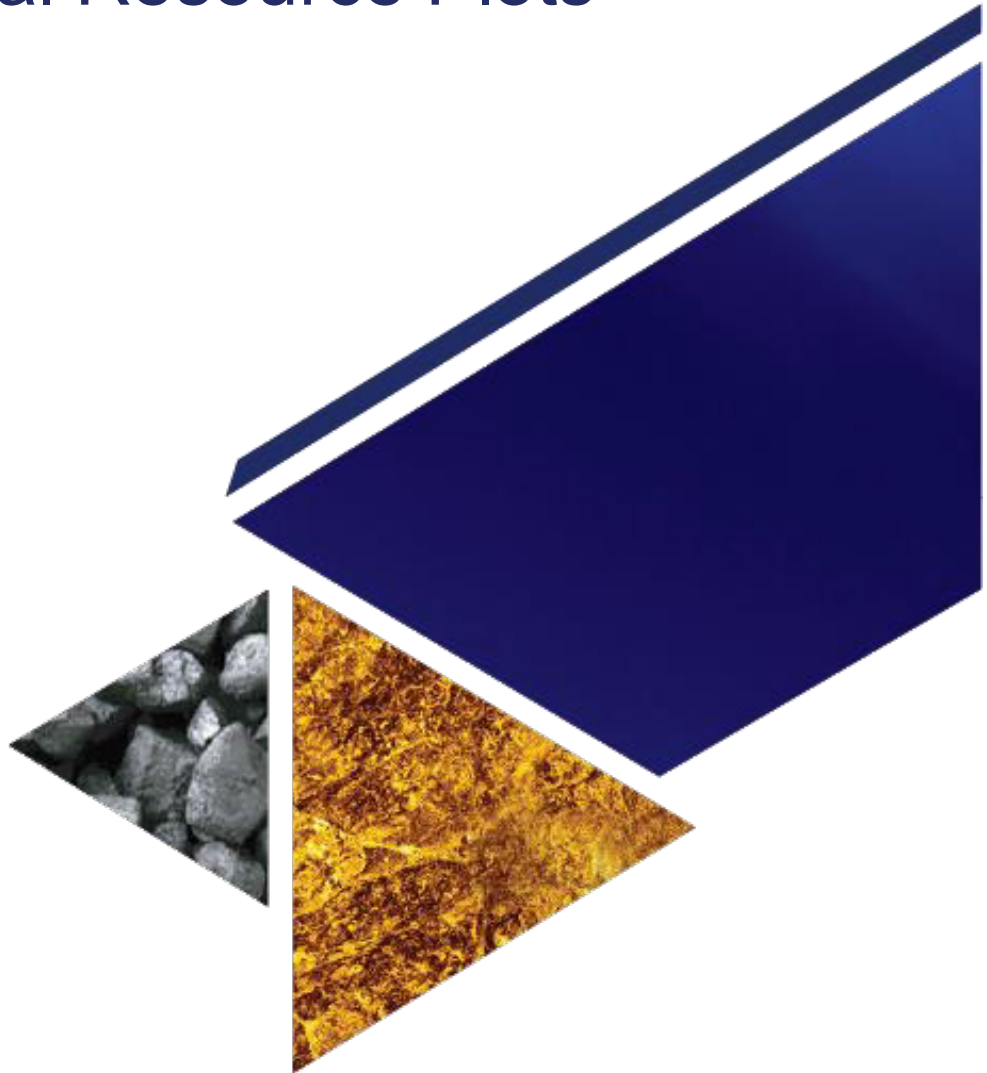
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Criteria	JORC Code explanation	Commentary
<p><i>Dimensions</i></p>	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>EL7579 is almost surrounded by EL6123 and together form a block approximately 9km wide (east west) and 3km long (north south). Exploration drilling shows considerable variability in seam thickness and quality due to the splitting nature of seams. Resources have been estimated to a maximum depth of 700m.</li> </ul>
<p><i>Estimation and modelling techniques</i></p>	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>The assumptions made regarding recovery of by-products.</li> <li>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>Any assumptions behind modelling of selective mining units.</li> <li>Any assumptions about correlation between variables.</li> <li>Description of how the geological interpretation was used to control the resource estimates.</li> <li>Discussion of basis for using or not using grade cutting or capping.</li> <li>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>The estimation was completed using a block model generated from in situ density and ply thickness grids in Vulcan, using vertical sided polygons and limited to 700m below surface. All seams have been modelled, however resources have been estimated for seven seams only. Target seam continuity, thickness and quality is variable throughout the lease and resources have been estimated on the most likely workable section.                         <ul style="list-style-type: none"> <li>Seam thickness and quality grids were gridded on a 50m mesh basis.</li> <li>Coal resources were estimated using in situ density adjusted to 6% moisture.</li> </ul> </li> <li>Coal quality data loaded into the Vulcan computer model has not been limited or capped. Drill hole data is validated in Vulcan prior to modelling and anomalous values are reviewed against field logs, core photos and geophysical logs. The model is validated by visual checks of geological sections through the deposit and contour plots of seam thickness, depth and coal quality data. Spurious results are investigated and if necessary, corrected.</li> </ul>
<p><i>Moisture</i></p>	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>Coal resources were estimated using an in situ moisture estimated at 6%. Coal quality parameters were adjusted to 6% in situ moisture using the Preston and Sanders change of base formula.</li> </ul>

# Appendix E. Coal Resource Plots





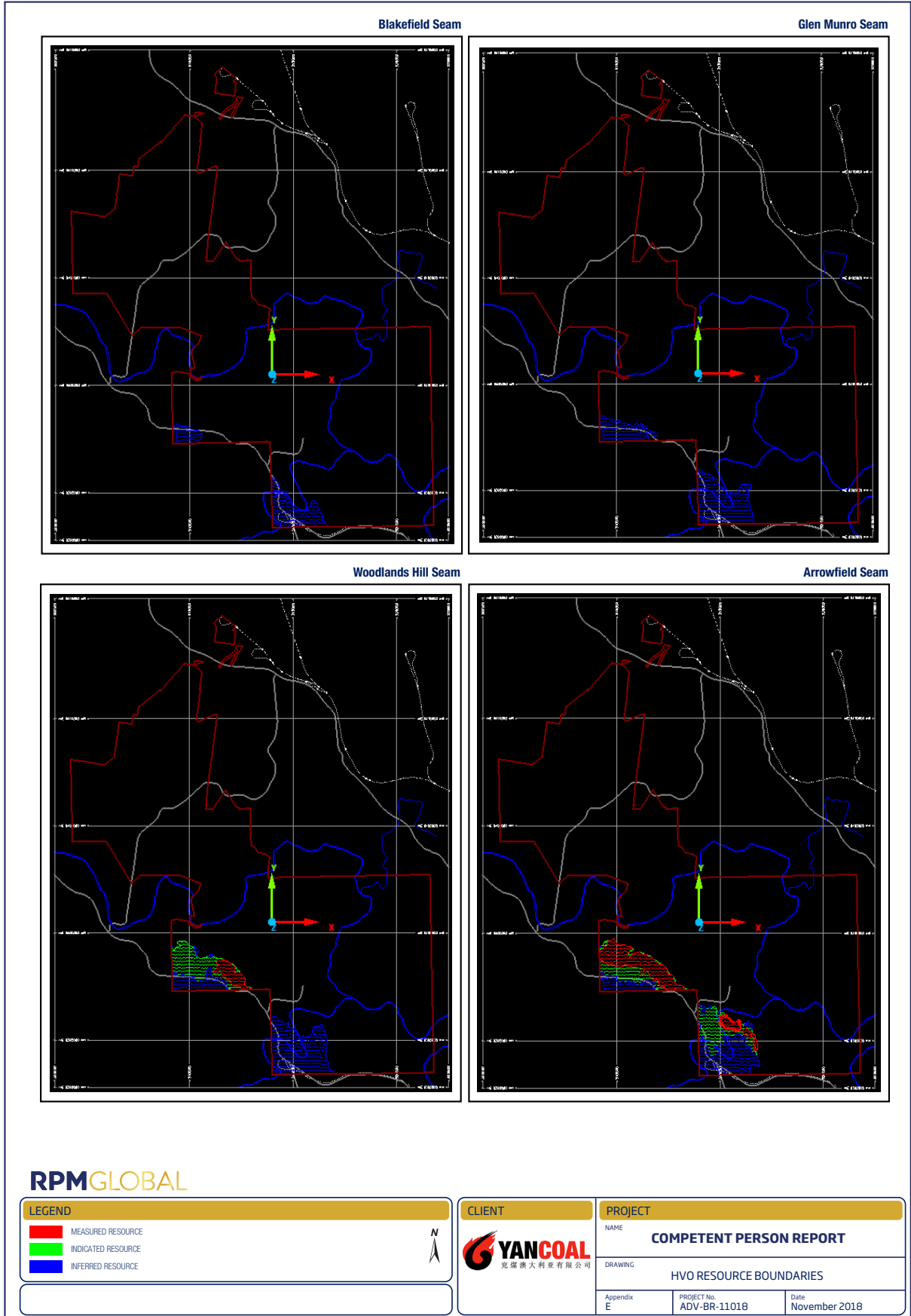


Resource Polygons

HVO

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COMPETENT PERSON'S REPORT



RPMGLOBAL

LEGEND

- █ MEASURED RESOURCE
- █ INDICATED RESOURCE
- █ INFERRER RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

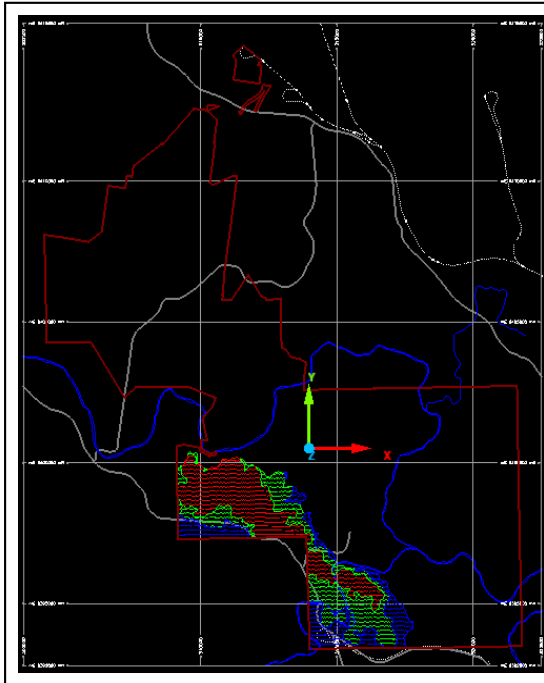
DRAWING **HVO RESOURCE BOUNDARIES**

Appendix E	PROJECT No. ADV-BR-11018	Date November 2018
------------	--------------------------	--------------------

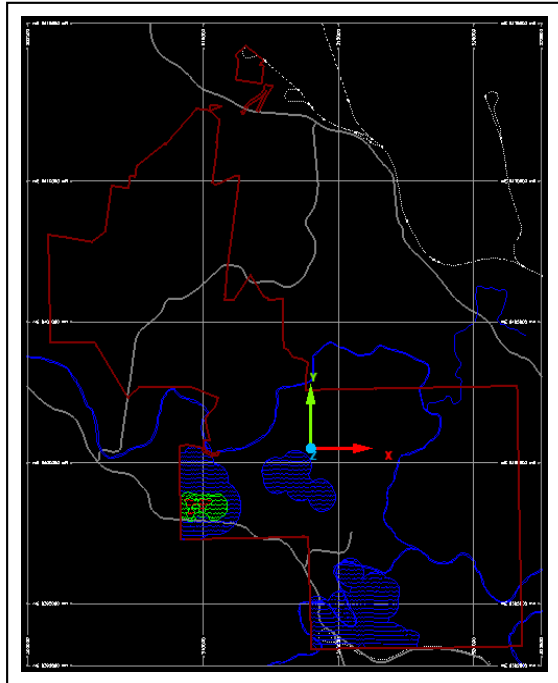
APPENDIX III

COMPETENT PERSON'S REPORT

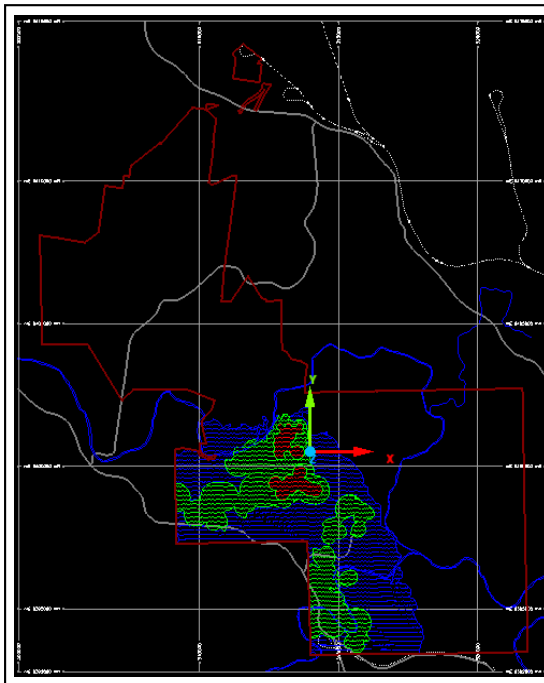
Arrowfield Seam



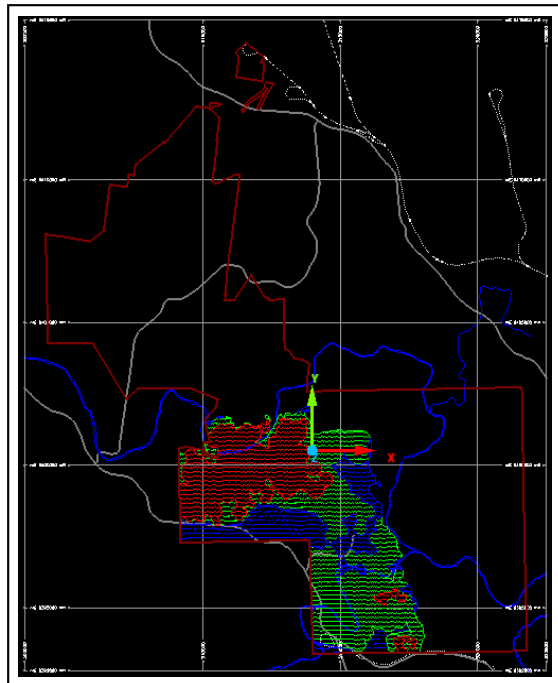
Warkworth 1 Seam



Warkworth 7 & 8 Seams



Warkworth 2,3,4,5,6,9,10 Seams



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **HVO RESOURCE BOUNDARIES**

Appendix E

PROJECT No. ADV-BR-11018

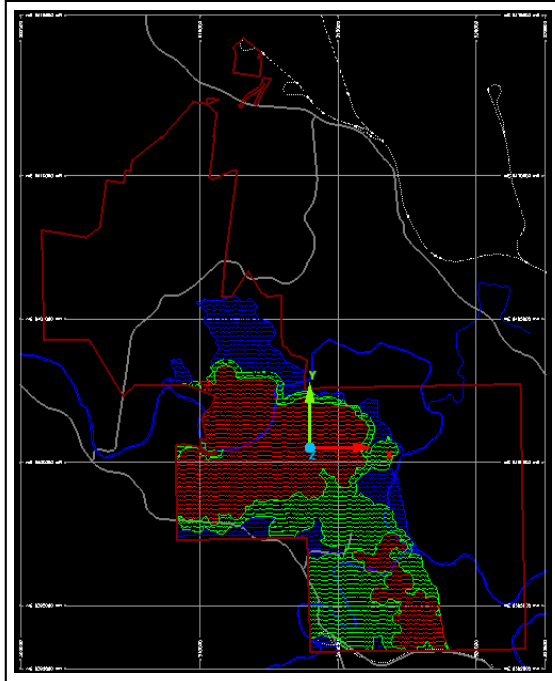
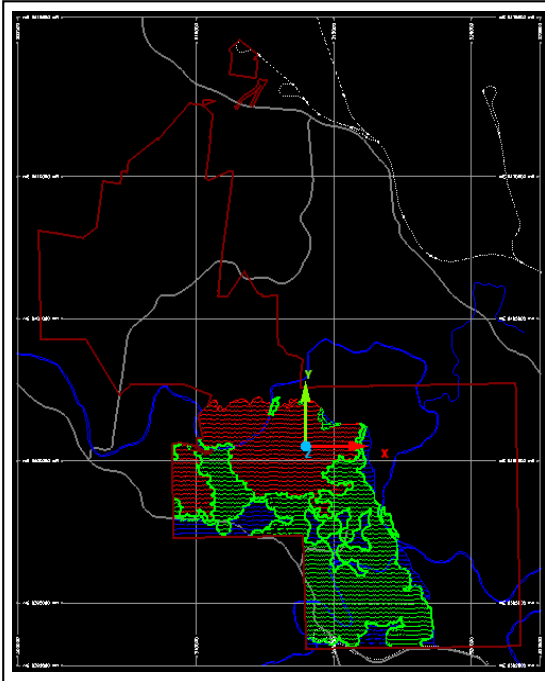
Date November 2018

APPENDIX III

COMPETENT PERSON'S REPORT

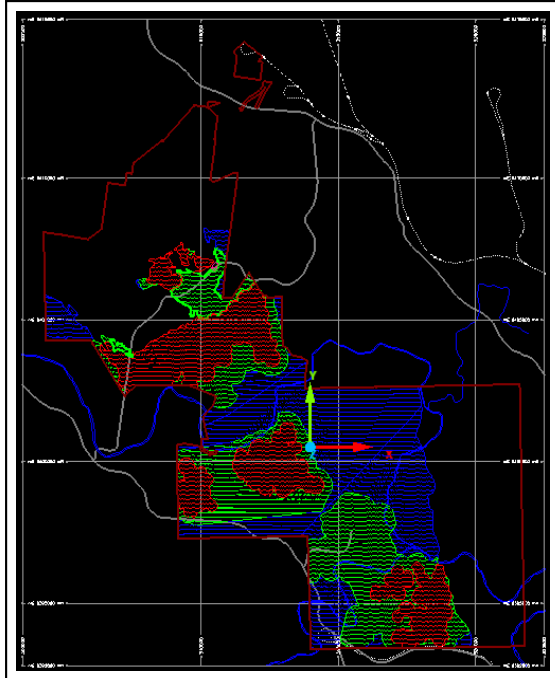
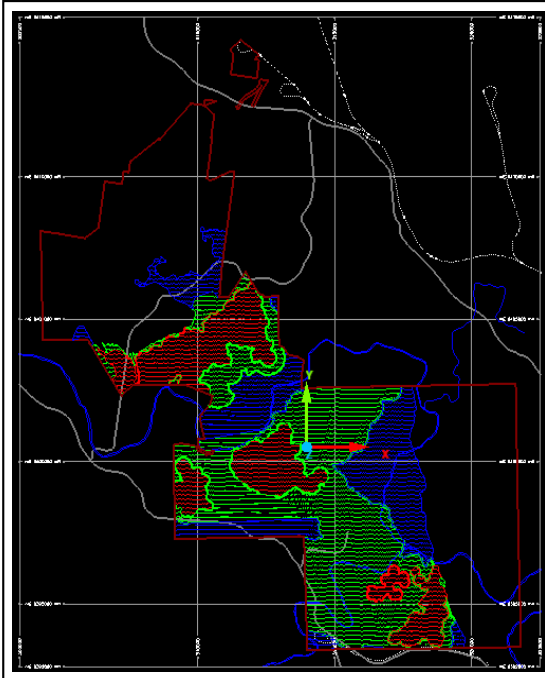
Mt Arthur Seam

Vaux Seam



Broonie Seam

Bayswater Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

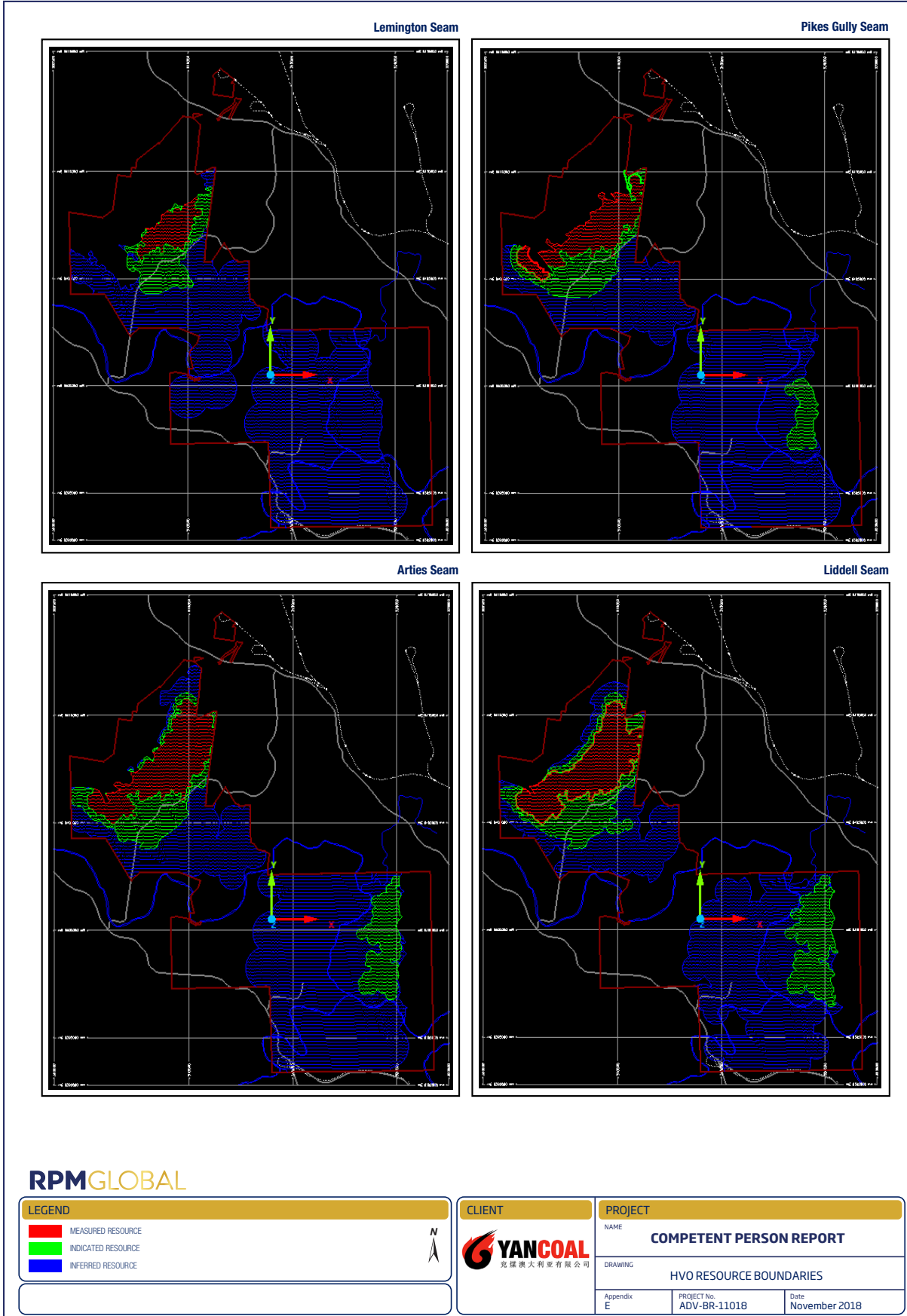
NAME **COMPETENT PERSON REPORT**

DRAWING **HVO RESOURCE BOUNDARIES**

Appendix E	PROJECT No. ADV-BR-11018	Date November 2018
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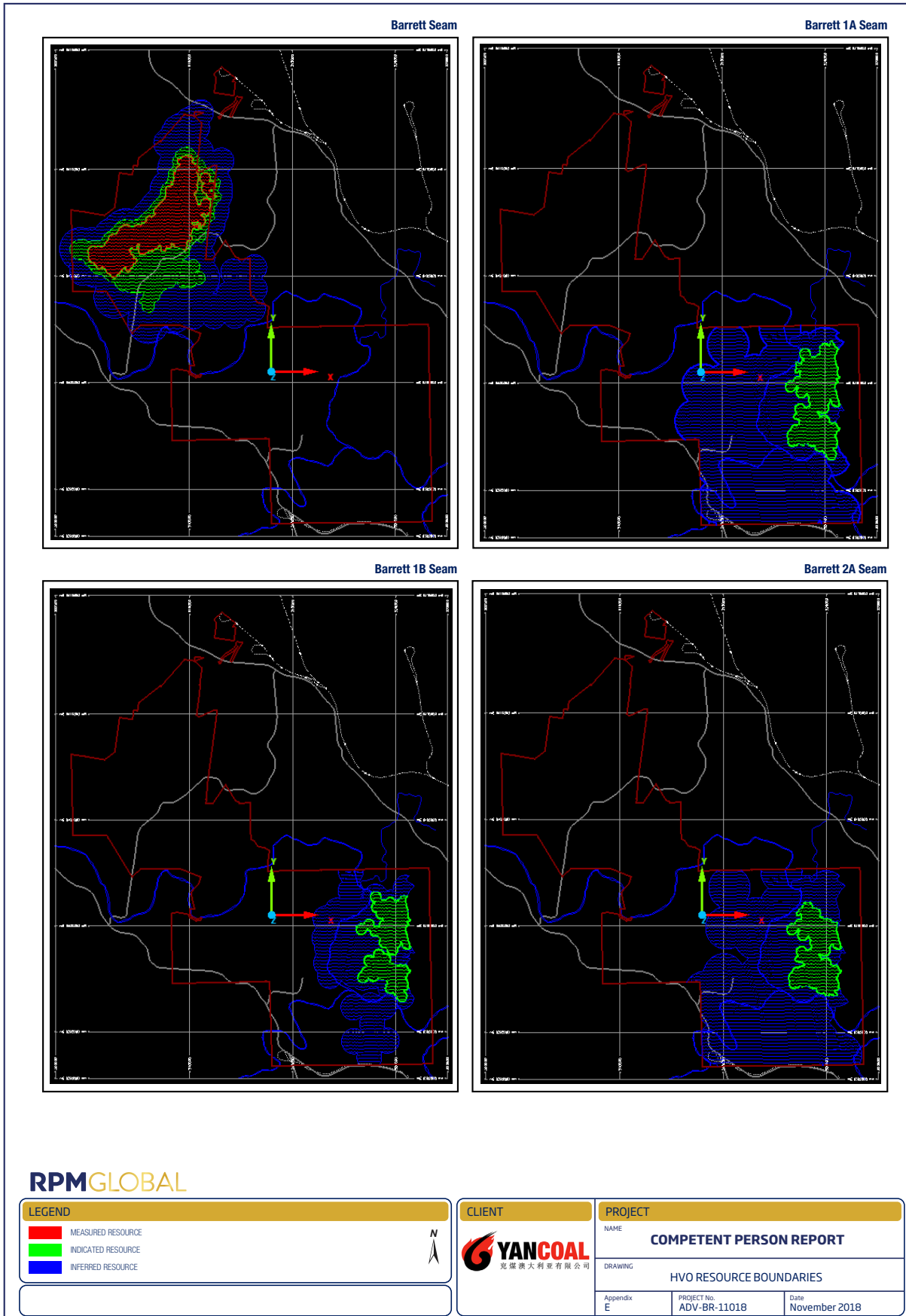
APPENDIX III

COMPETENT PERSON'S REPORT



APPENDIX III

COMPETENT PERSON'S REPORT

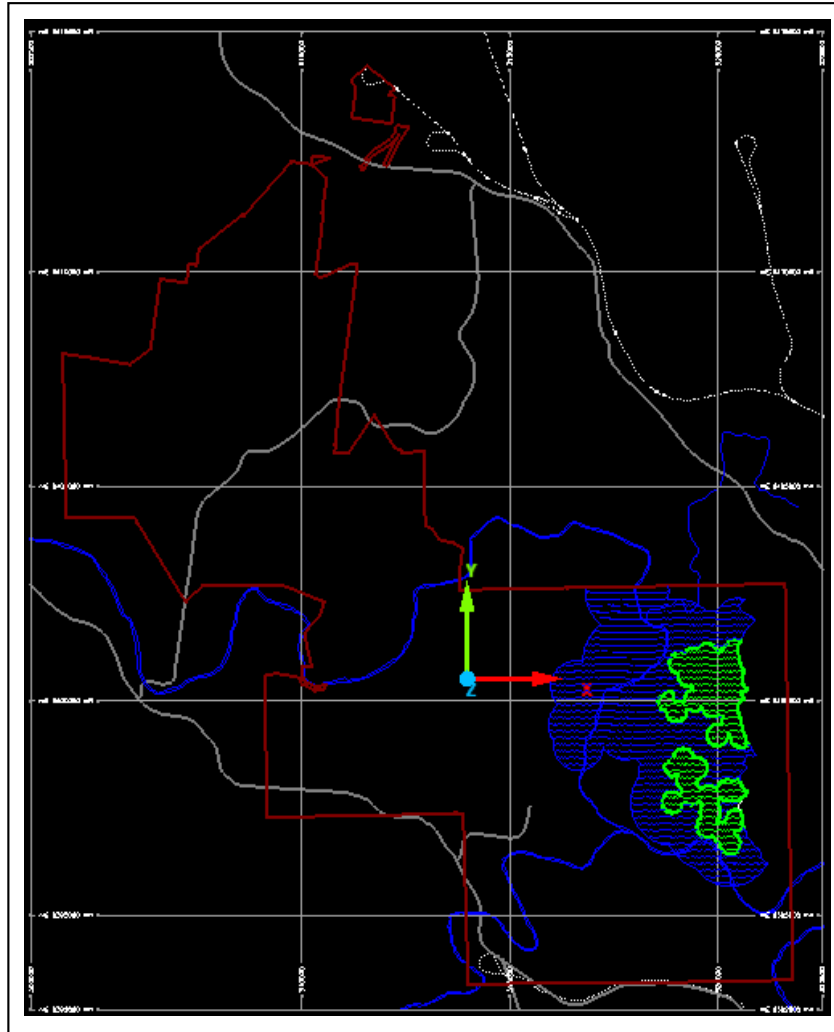




APPENDIX III

COMPETENT PERSON'S REPORT

Barrett 2B Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **HVO RESOURCE BOUNDARIES**

Appendix E

PROJECT No. ADV-BR-11018

Date November 2018



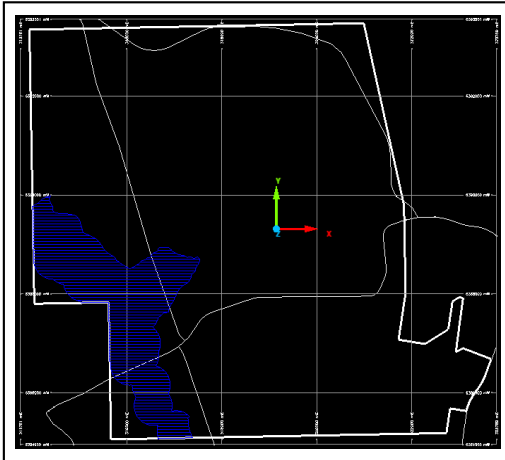
Resource Polygons

MTW

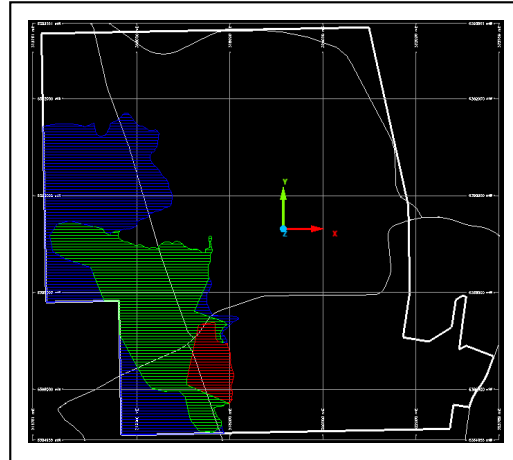
APPENDIX III

COMPETENT PERSON'S REPORT

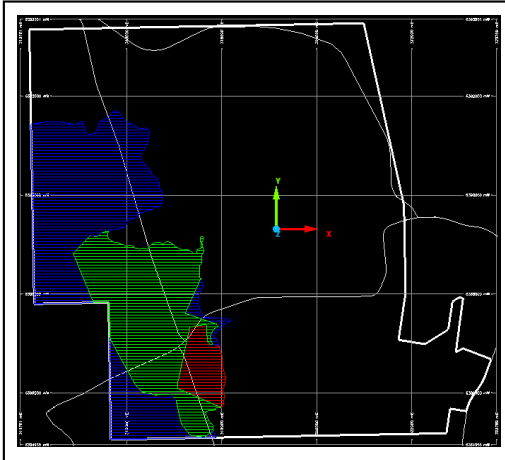
Whybrow A and B Seams



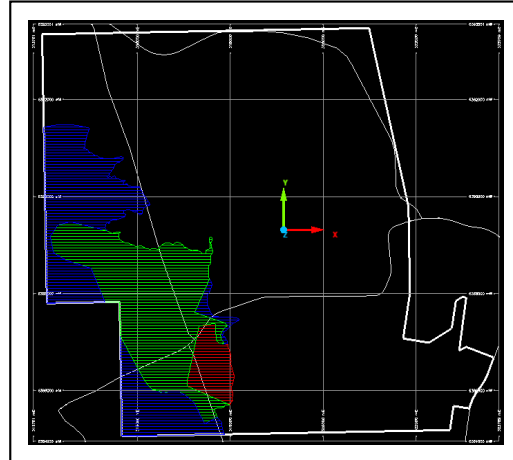
Whybrow D Seam



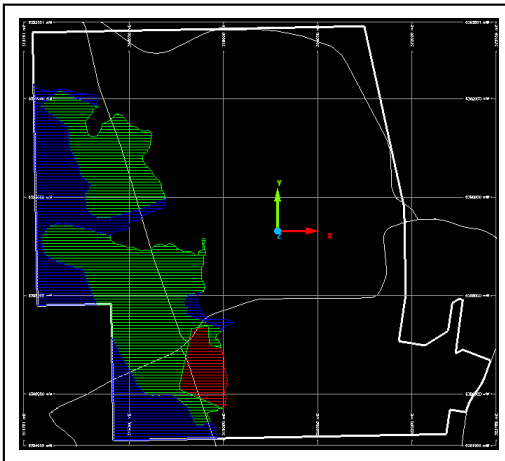
Whybrow C Seam



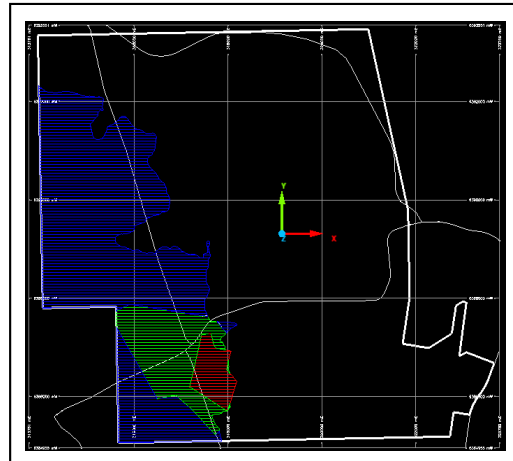
Whybrow E Seam



Whybrow F Seam



Whybrow G Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **MTW RESOURCE BOUNDARIES**

Appendix E

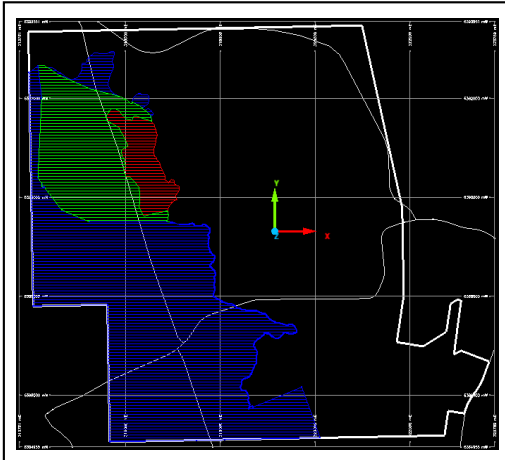
PROJECT No. ADV-BR-11018

Date November 2018

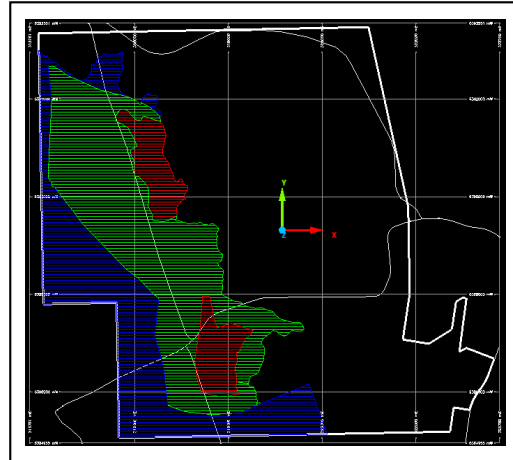
APPENDIX III

COMPETENT PERSON'S REPORT

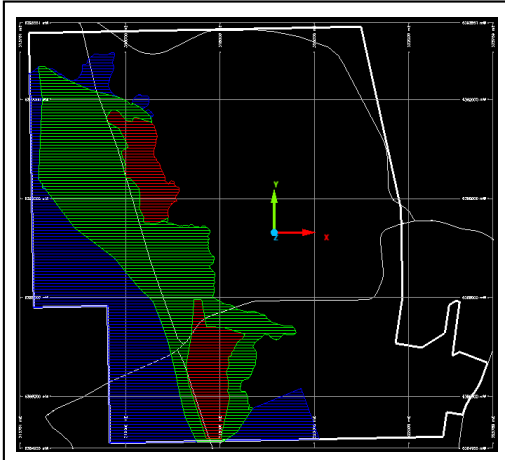
Redbank Creek A Seam



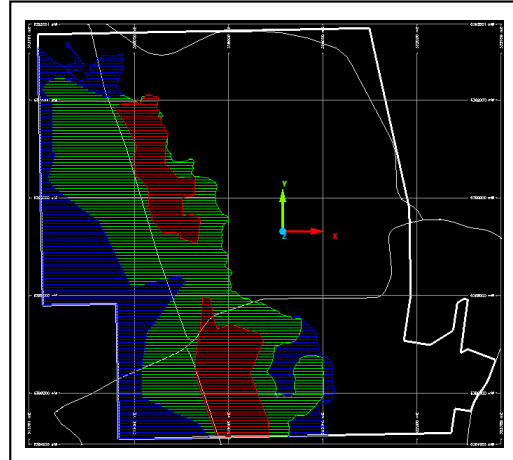
Redbank Creek C Seam



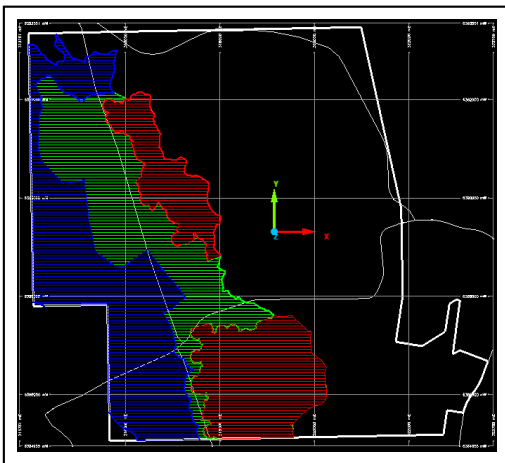
Redbank Creek B Seam



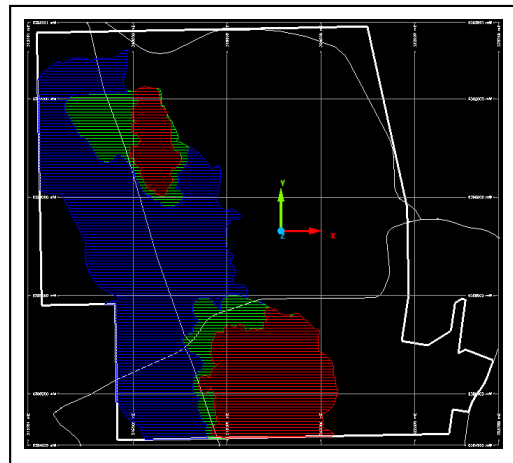
Redbank Creek DEF Seams



Wambo ABC Seams



Wambo D Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **MTW RESOURCE BOUNDARIES**

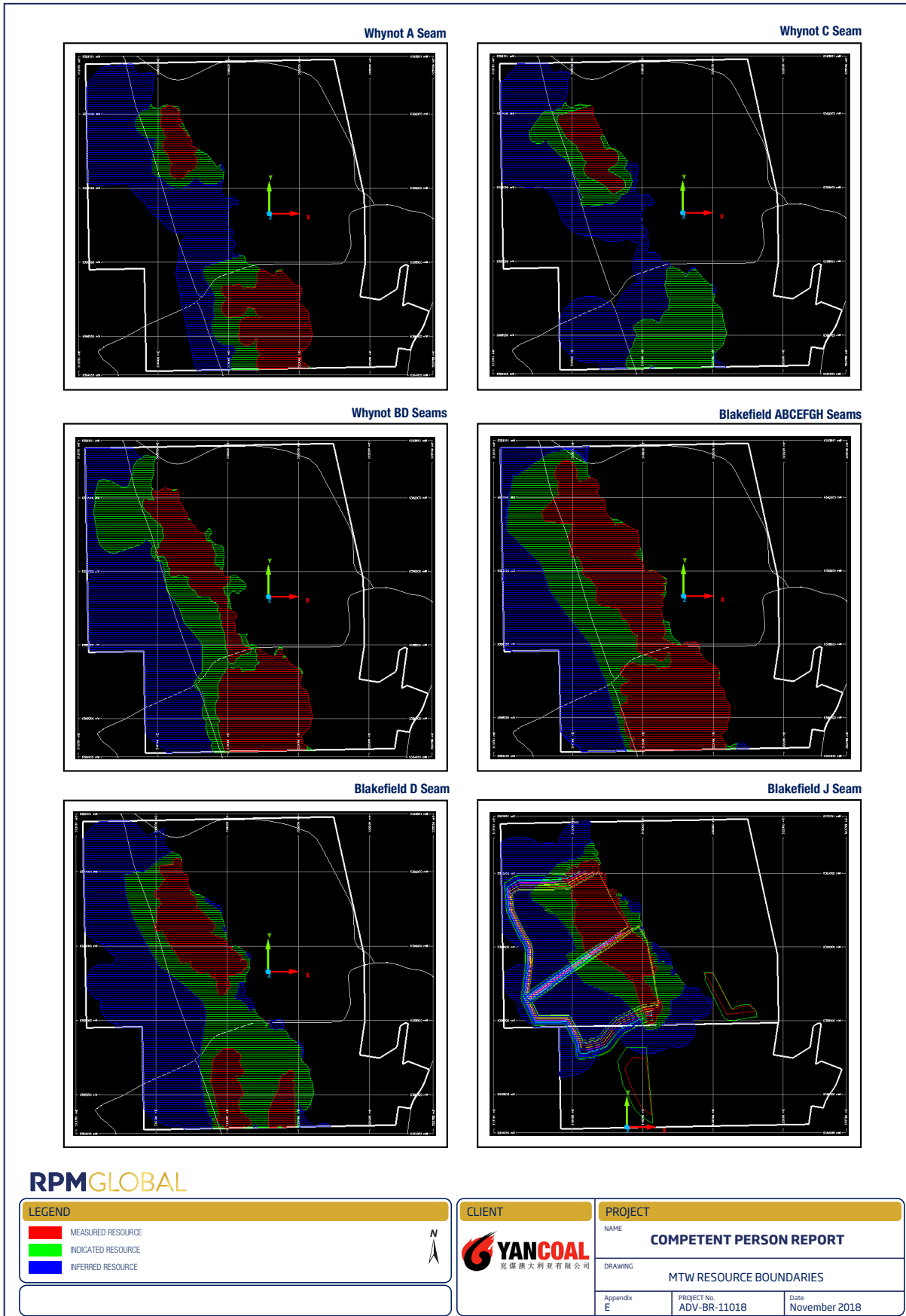
Appendix E

PROJECT No. ADV-BR-11018

Date November 2018

APPENDIX III

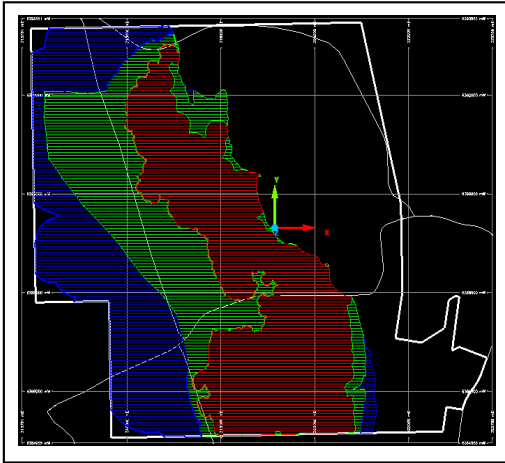
COMPETENT PERSON'S REPORT



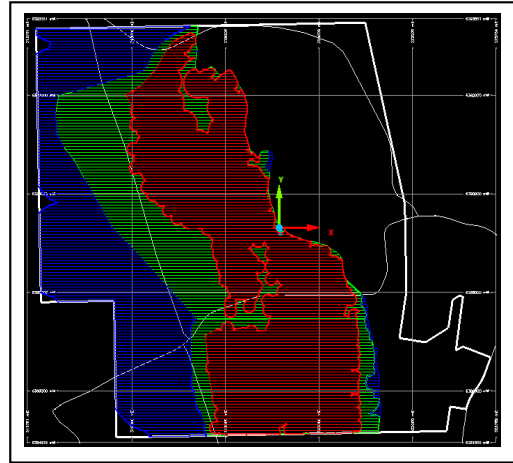
APPENDIX III

COMPETENT PERSON'S REPORT

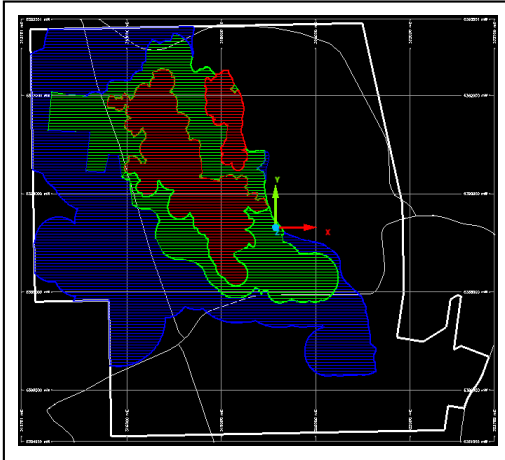
Glen Munro Seam



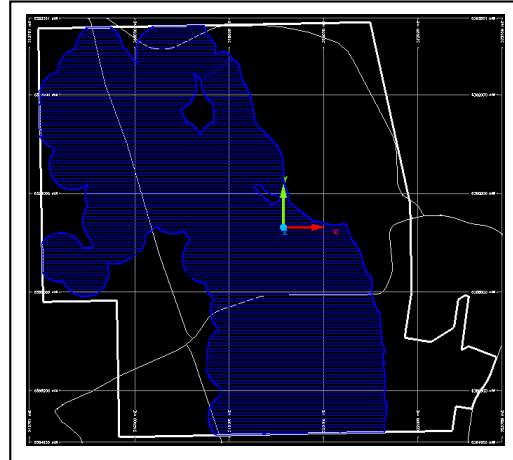
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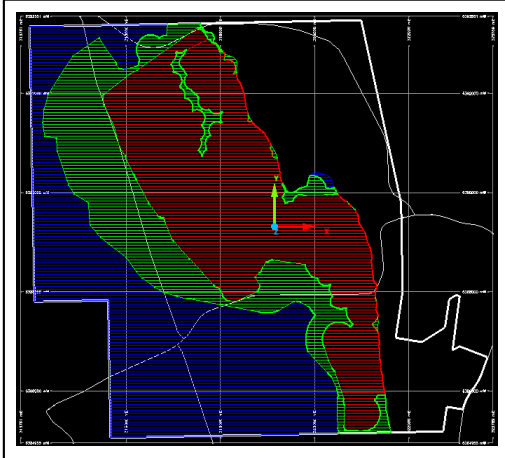
Arrowfield A Seam



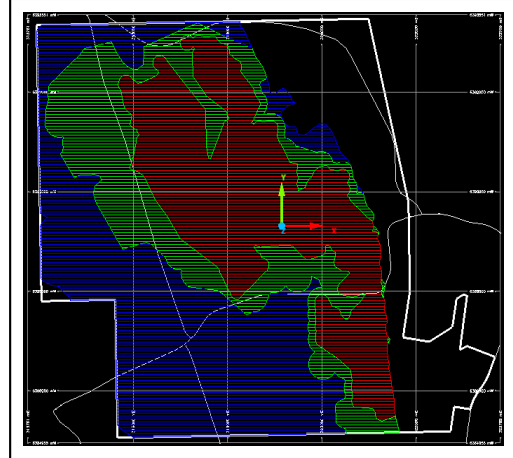
Arrowfield B Seam



Bowfield Seam



Warkworth Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRERD RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **MTW RESOURCE BOUNDARIES**

Appendix E

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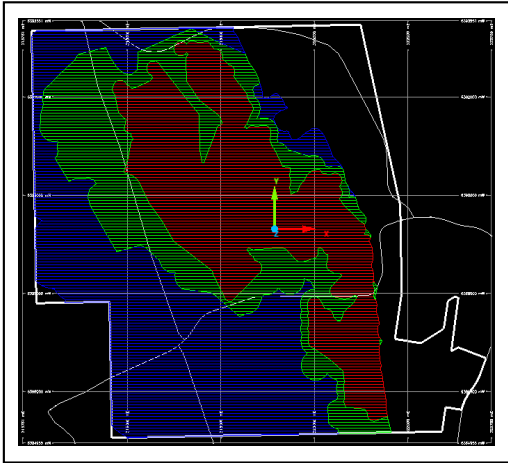
Date November 2018



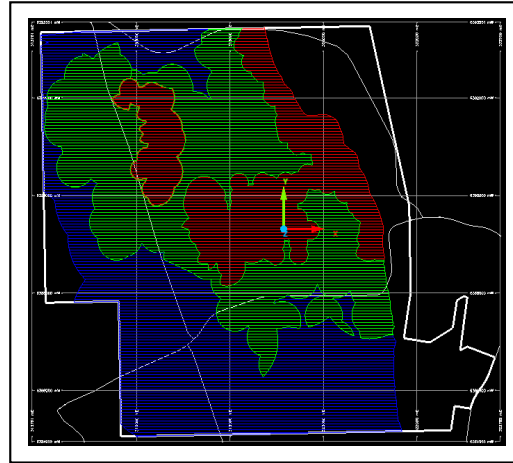
APPENDIX III

COMPETENT PERSON'S REPORT

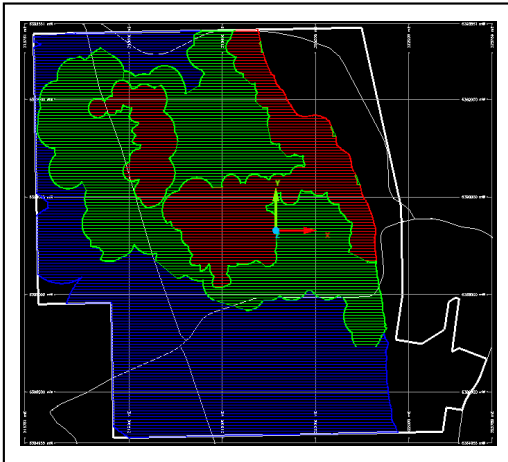
Warkworth Seam



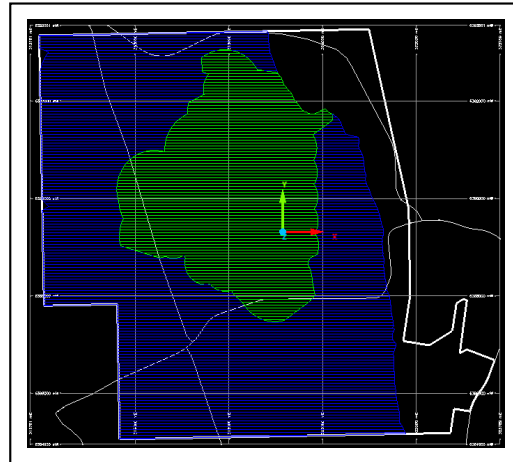
Piercefield AB Seams



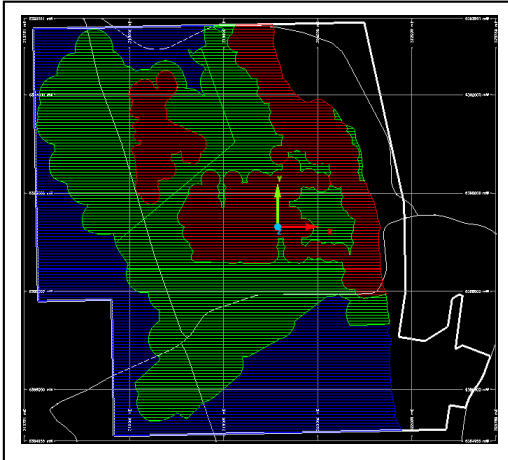
Piercefield CDE Seams



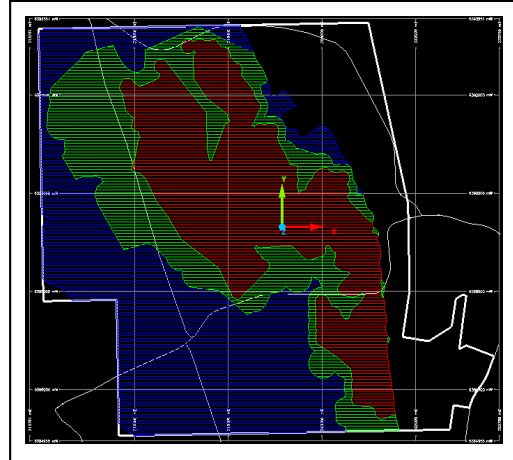
Vaux AB Seams



Vaux CDEFGH Seams



Vaux J Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRER RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **MTW RESOURCE BOUNDARIES**

Appendix E

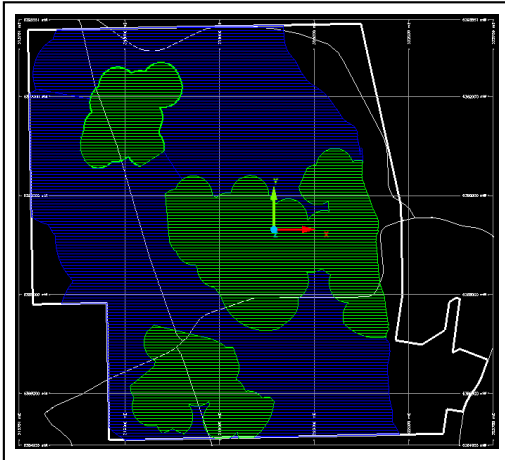
PROJECT No. ADV-BR-11018

Date November 2018

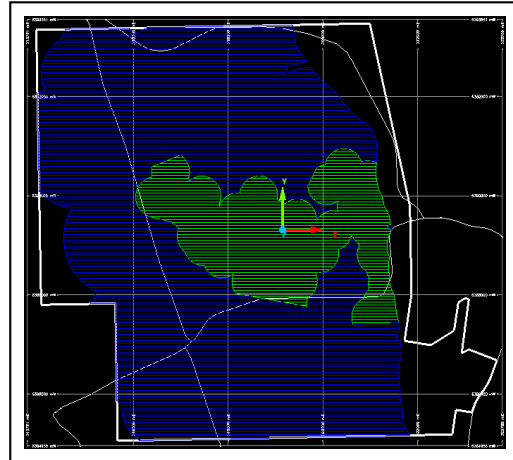
APPENDIX III

COMPETENT PERSON'S REPORT

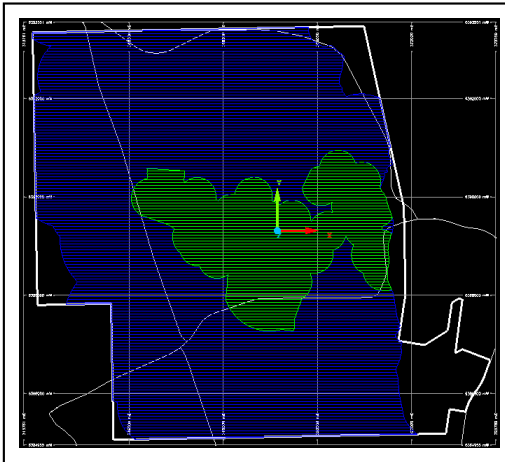
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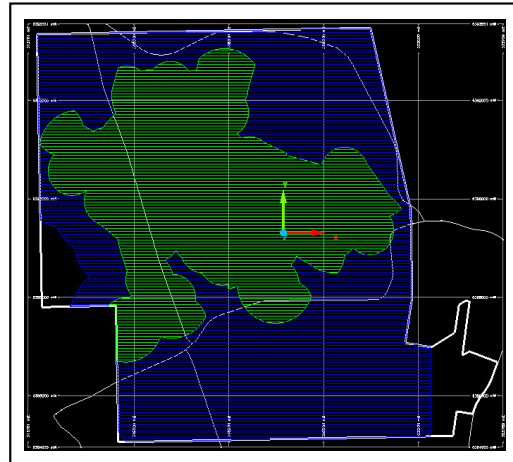
Broonie GH Seams



Broonie JQ Seam



Bayswater Seam



RPMGLOBAL

LEGEND

- MEASURED RESOURCE
- INDICATED RESOURCE
- INFERRED RESOURCE



CLIENT



PROJECT

NAME **COMPETENT PERSON REPORT**

DRAWING **MTW RESOURCE BOUNDARIES**

Appendix E

PROJECT No. ADV-BR-11018

Date November 2018



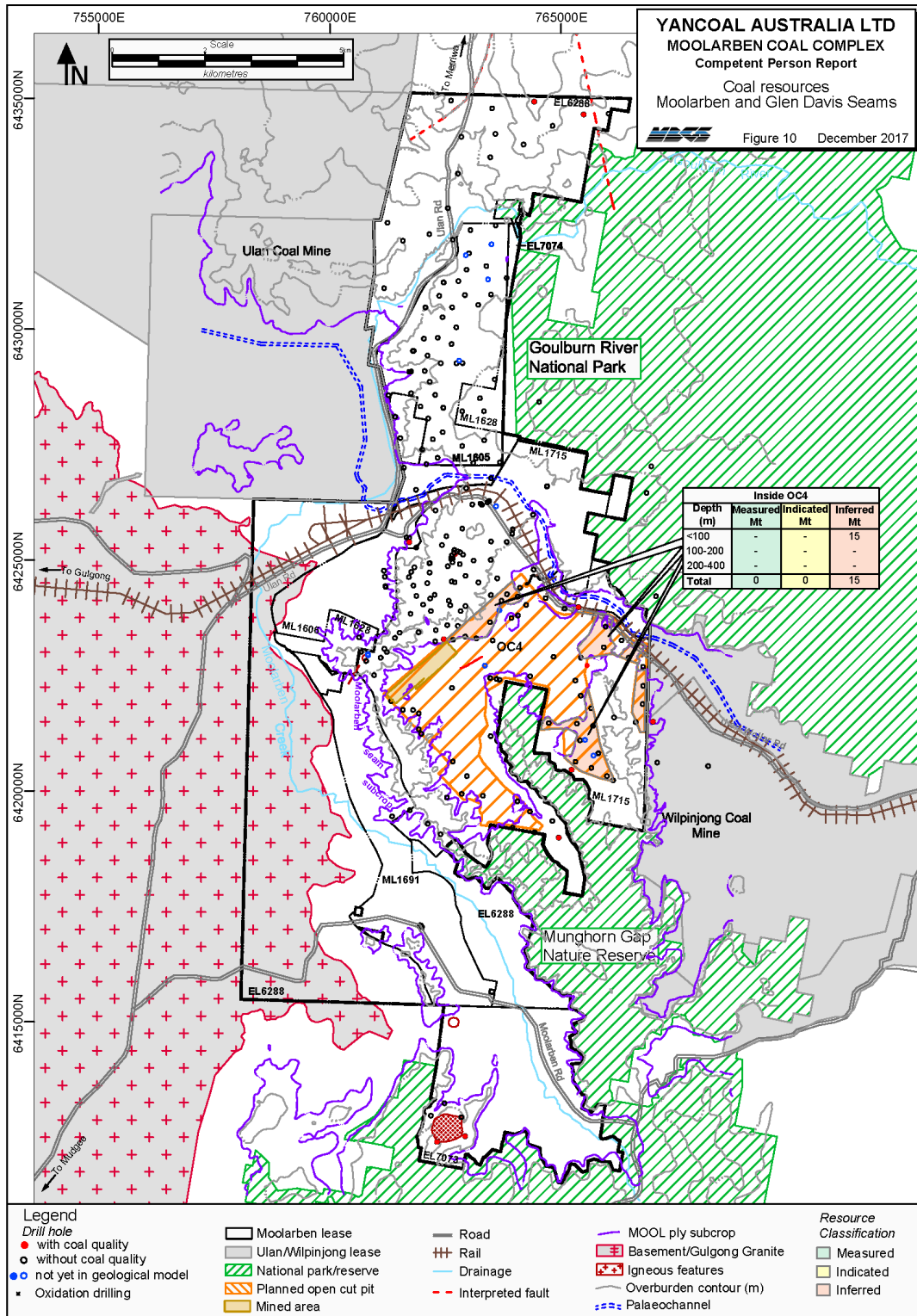
Resource Polygons

Moolarben

APPENDIX III

COMPETENT PERSON'S REPORT

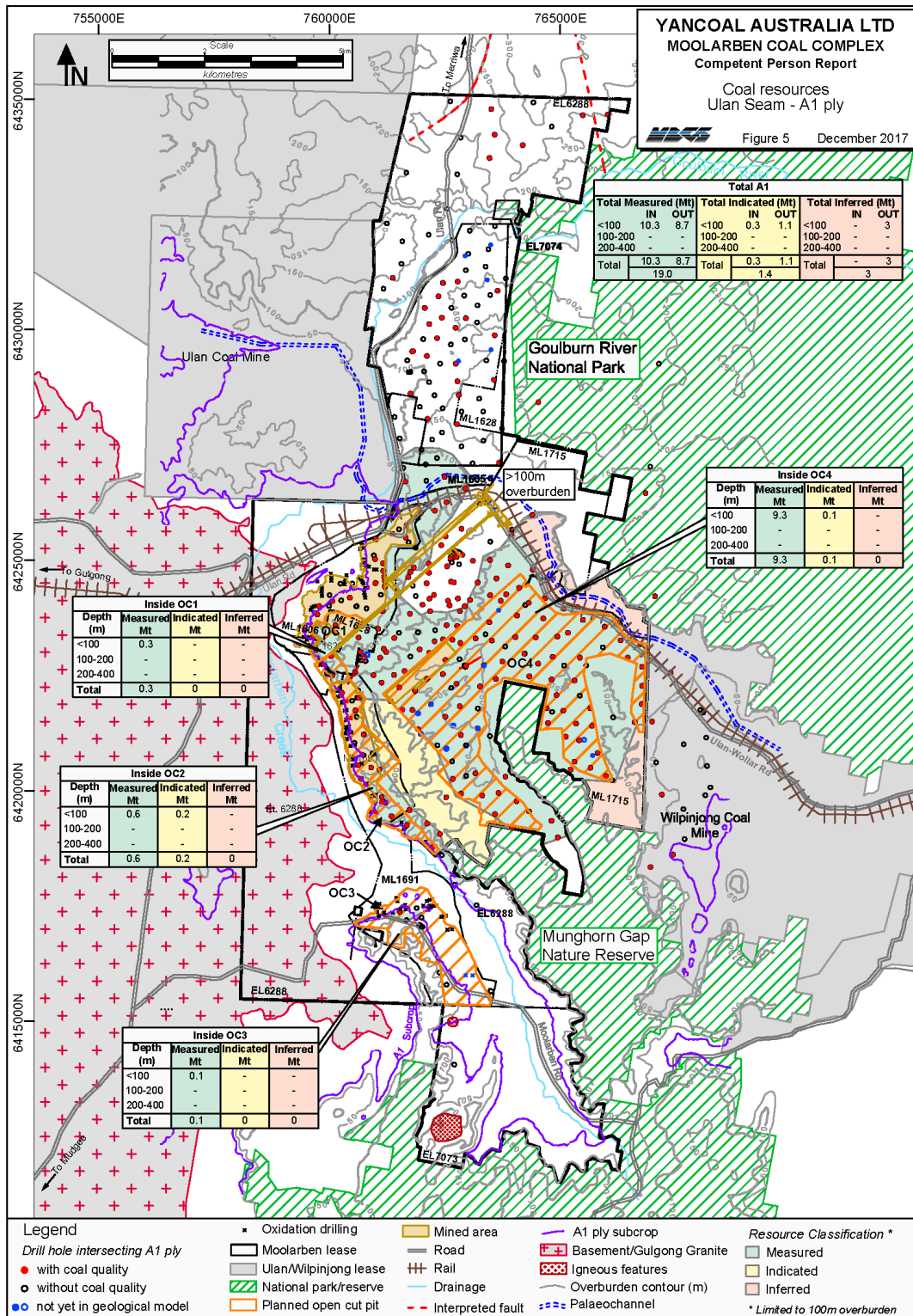
COMPETENT PERSON RESOURCE REPORT - MOOLARBEN COAL COMPLEX



APPENDIX III

COMPETENT PERSON'S REPORT

COMPETENT PERSON RESOURCE REPORT - MOOLARBEN COAL COMPLEX

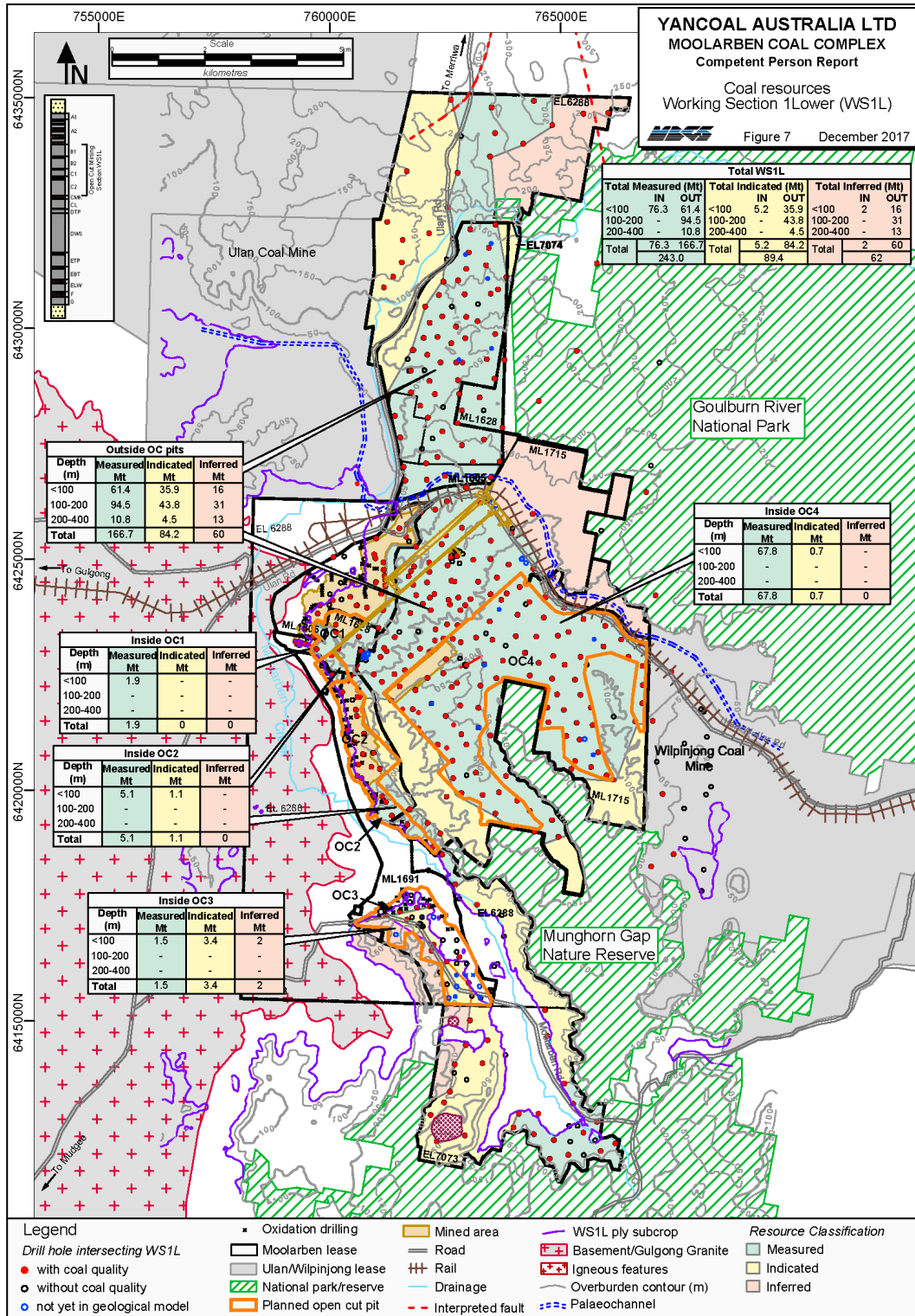




APPENDIX III

COMPETENT PERSON'S REPORT

COMPETENT PERSON RESOURCE REPORT - MOOLARBEN COAL COMPLEX

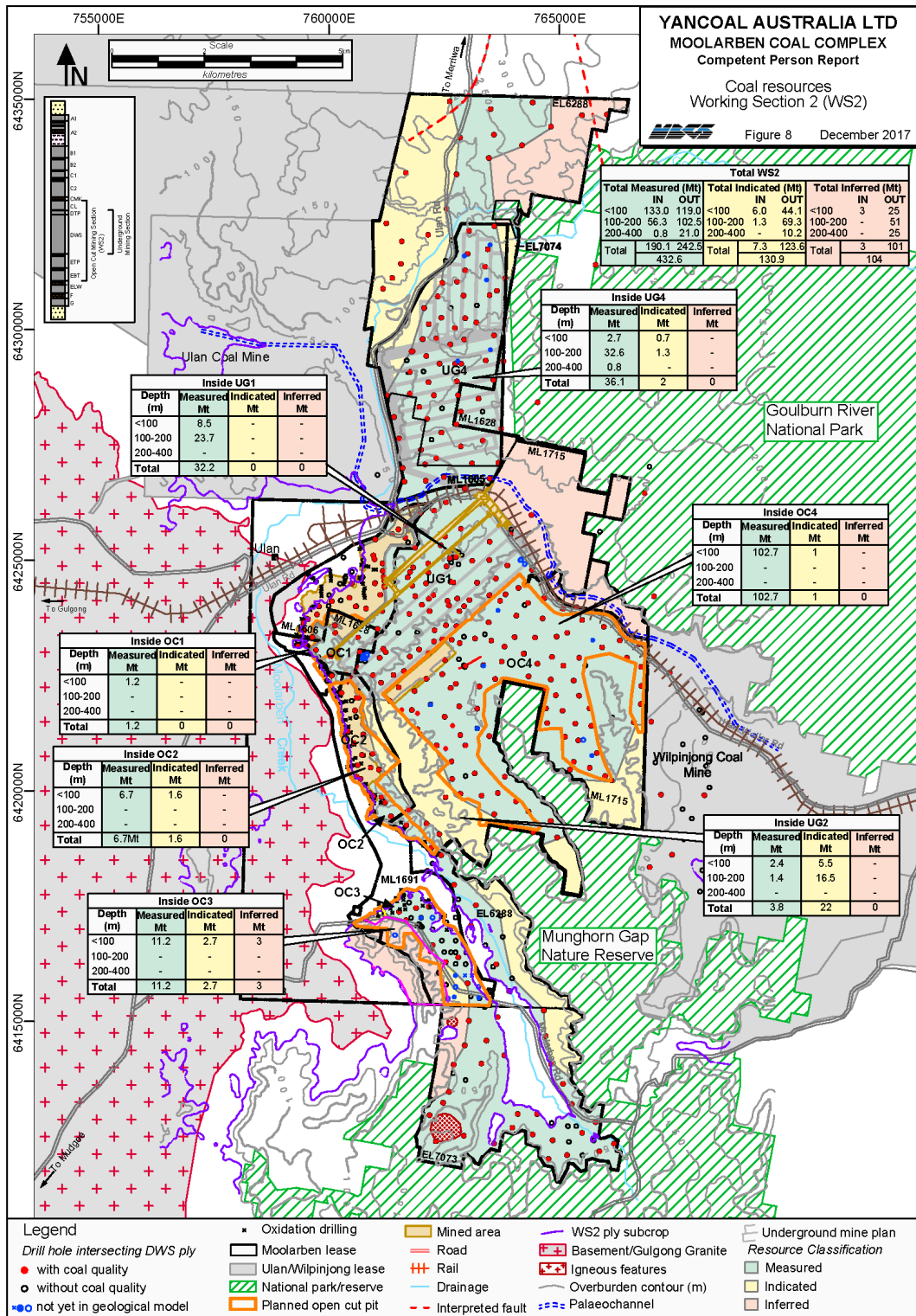




APPENDIX III

COMPETENT PERSON'S REPORT

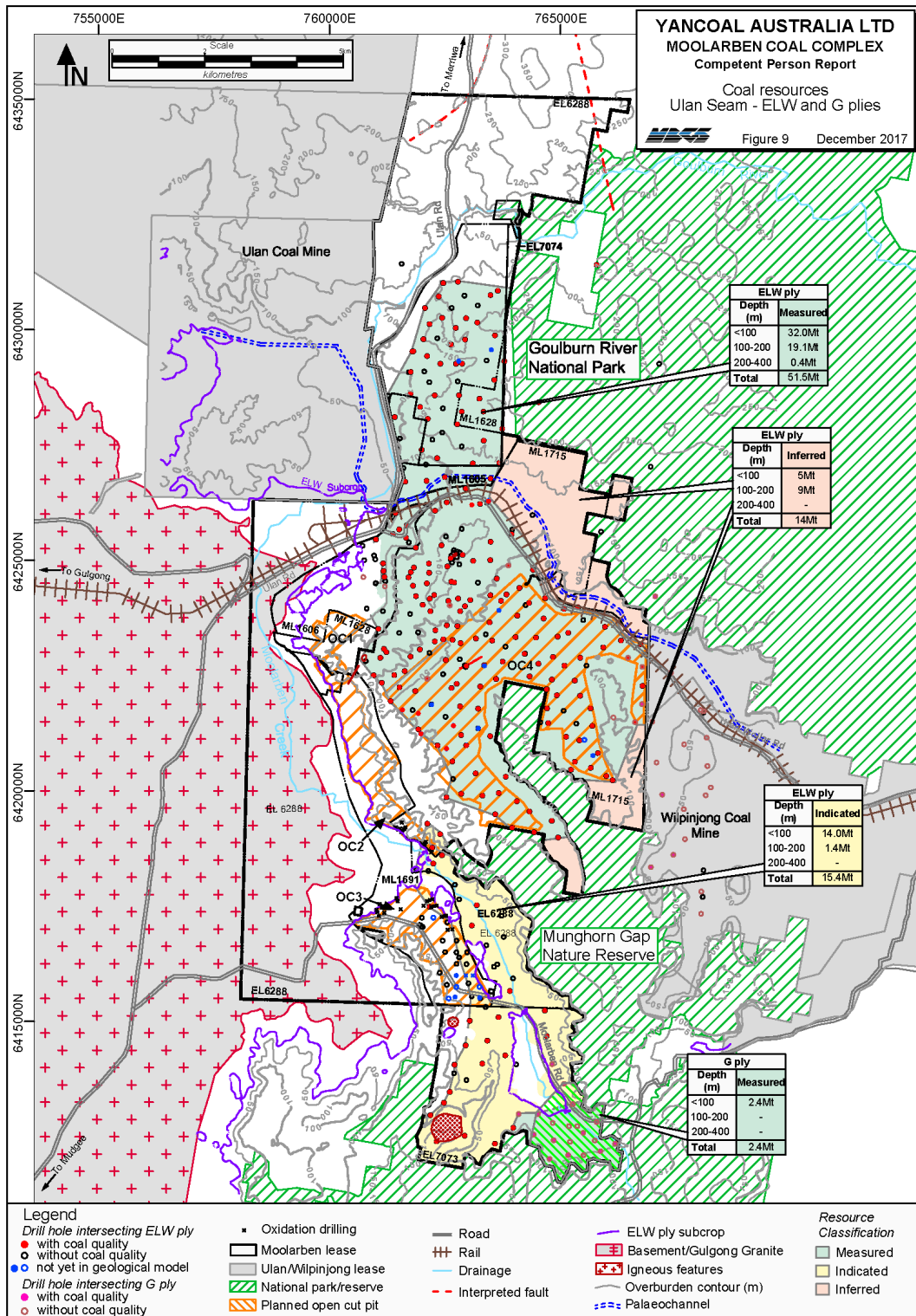
COMPETENT PERSON RESOURCE REPORT - MOOLARBEN COAL COMPLEX



APPENDIX III

COMPETENT PERSON'S REPORT

COMPETENT PERSON RESOURCE REPORT - MOOLARBEN COAL COMPLEX



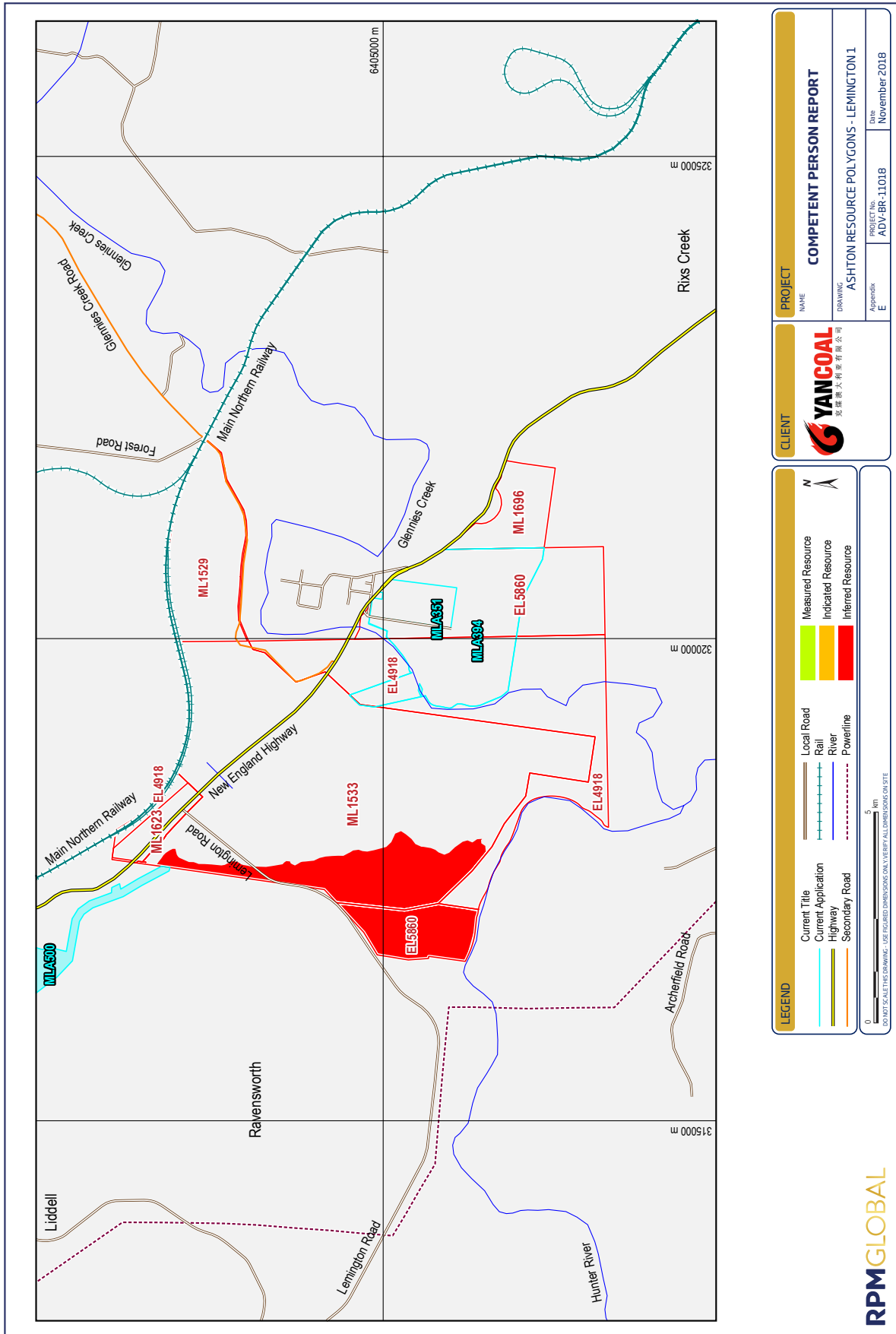


Resource Polygons

Ashton

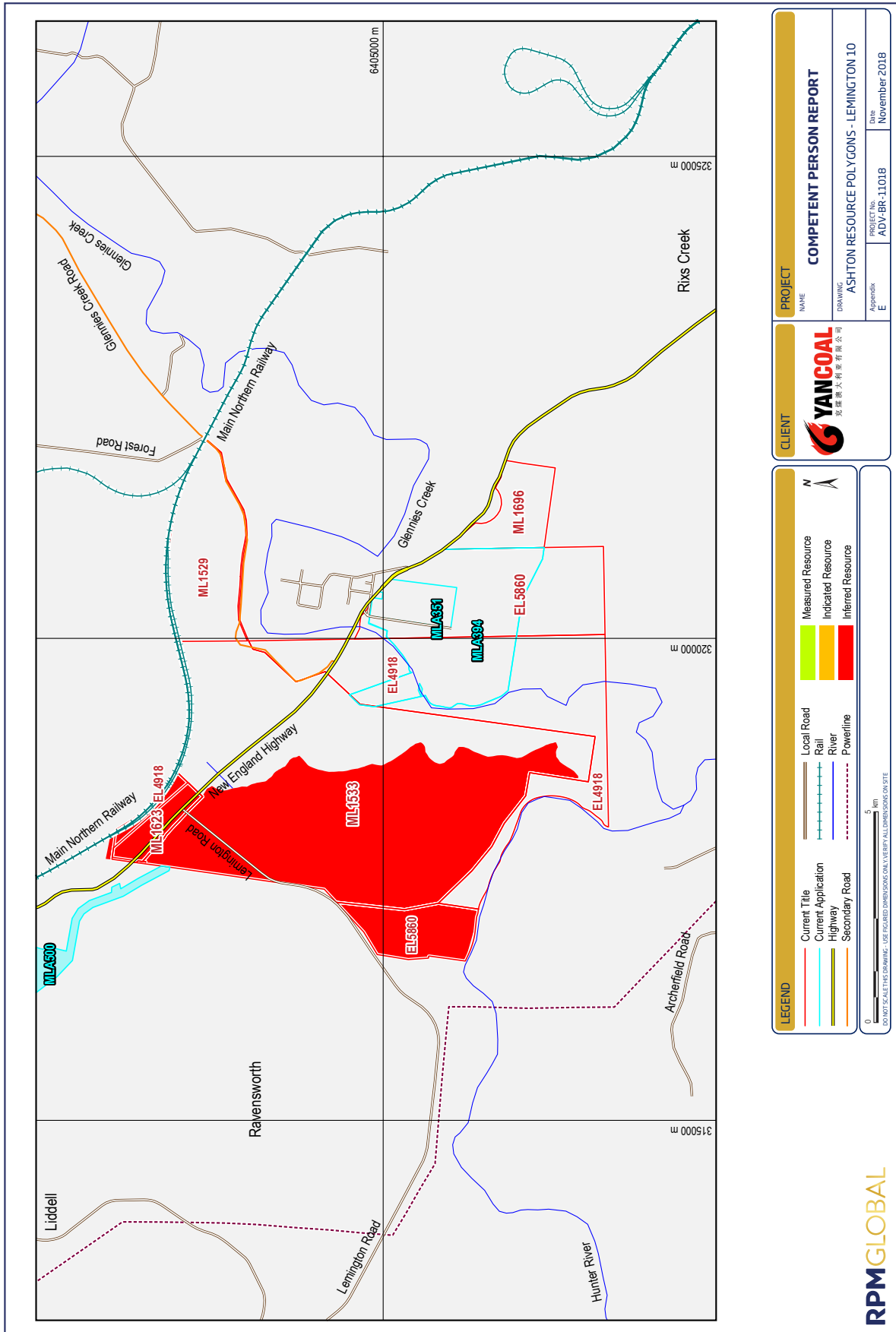
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COMPETENT PERSON'S REPORT



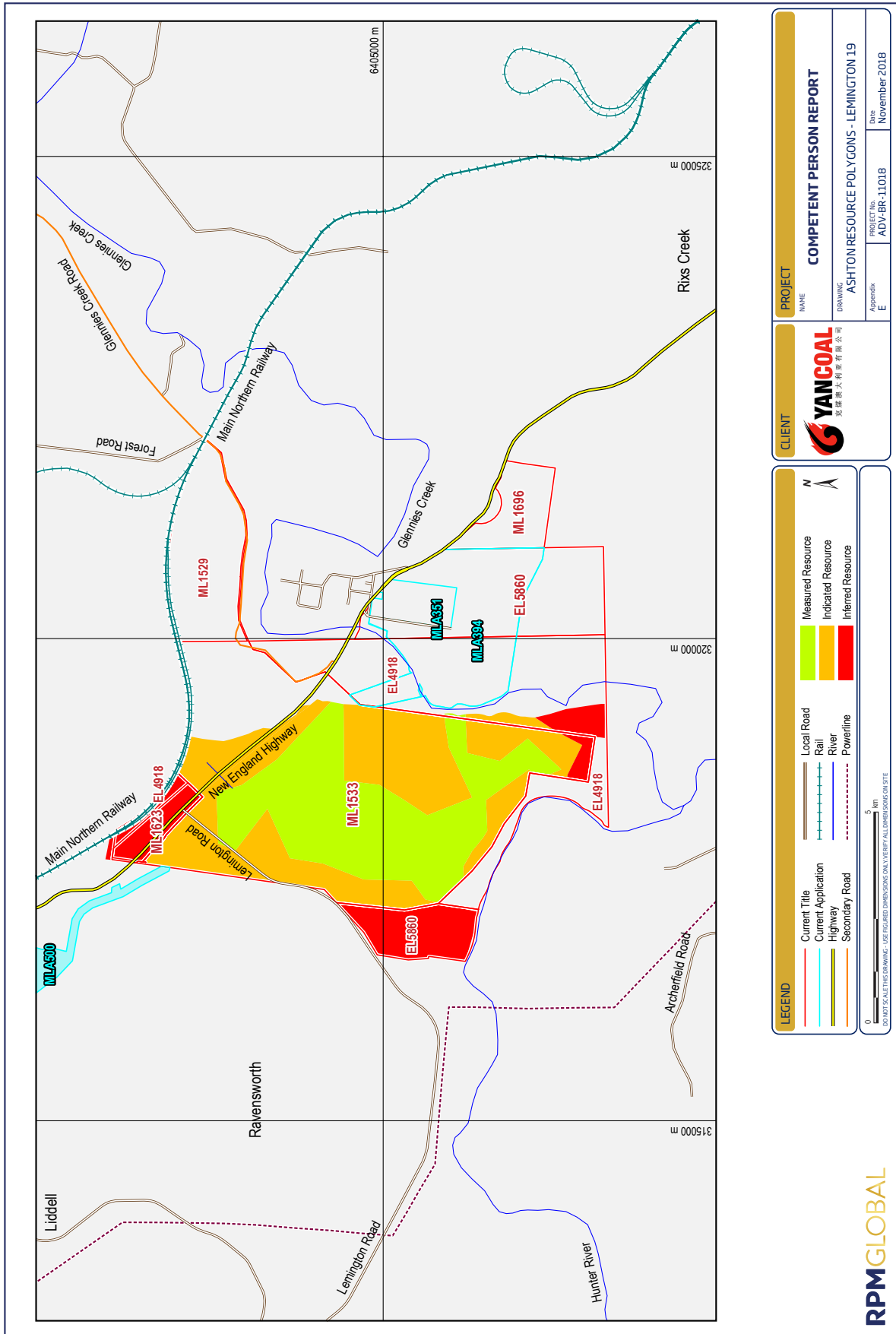
APPENDIX III

COMPETENT PERSON'S REPORT



APPENDIX III

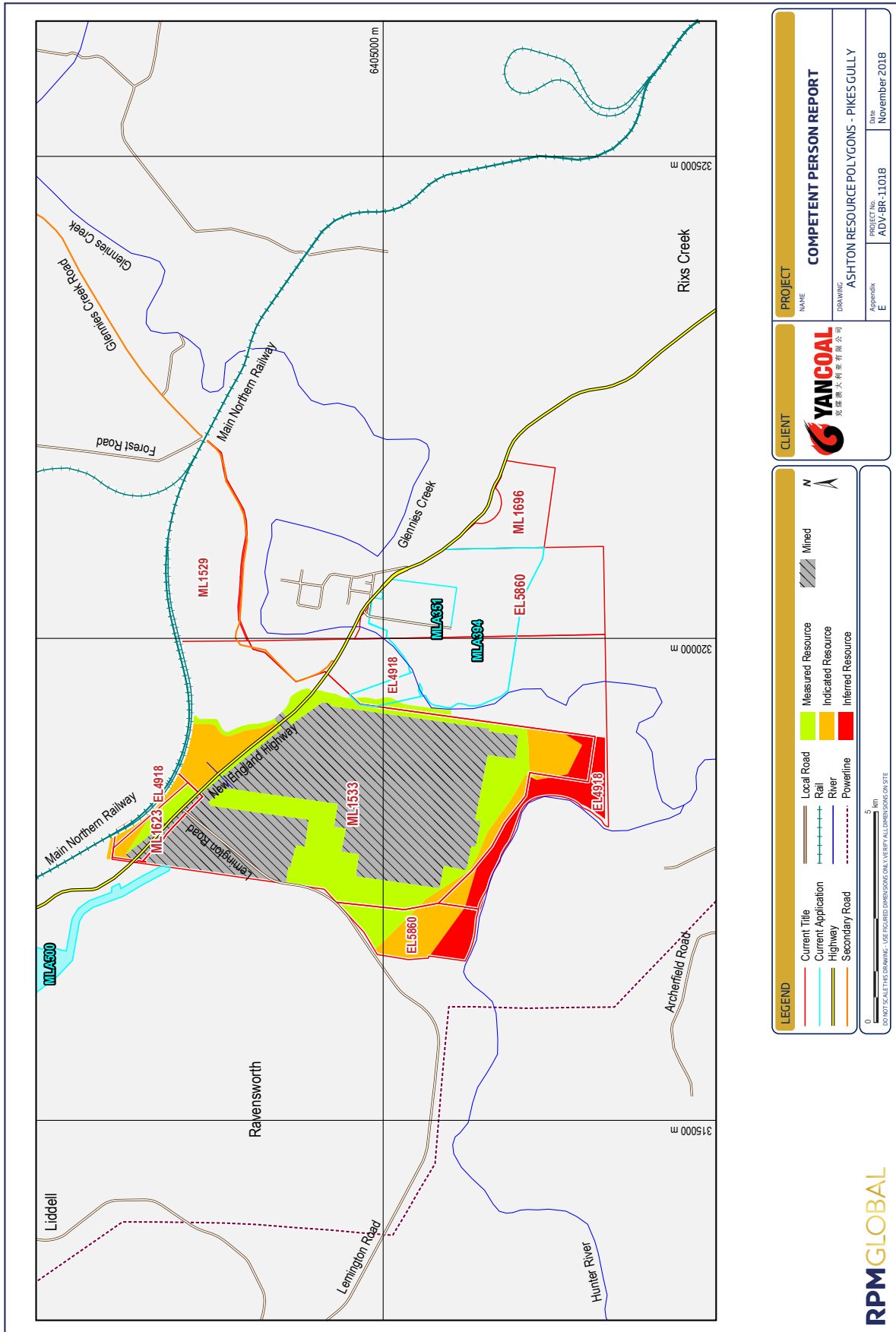
COMPETENT PERSON'S REPORT





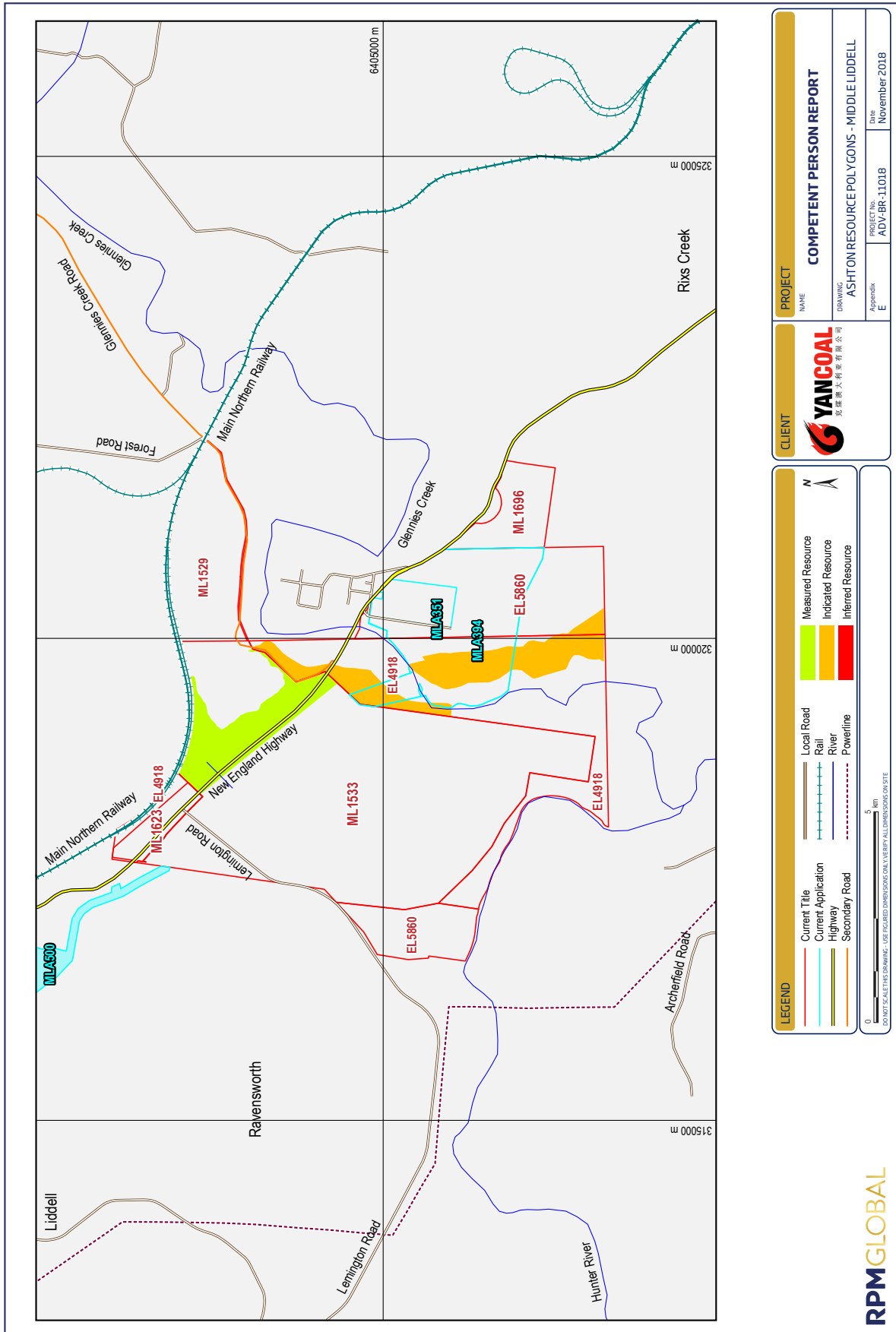
APPENDIX III

COMPETENT PERSON'S REPORT



APPENDIX III

COMPETENT PERSON'S REPORT



**CLIENT**  
**YAN COAL**  
 藍碳澳大利亞有限公司

**PROJECT NAME**  
**COMPETENT PERSON REPORT**

**DRAWING**  
 ASHTON RESOURCE POLYGONS - MIDDLE LIDDELL

**Appendix**  
 E

**PROJECT No.**  
 ADV-BR-1101B

**Date**  
 November 2018

**LEGEND**

Current Title  
 Current Application  
 Highway  
 Secondary Road  
 Local Road  
 Rail  
 River  
 Powerline

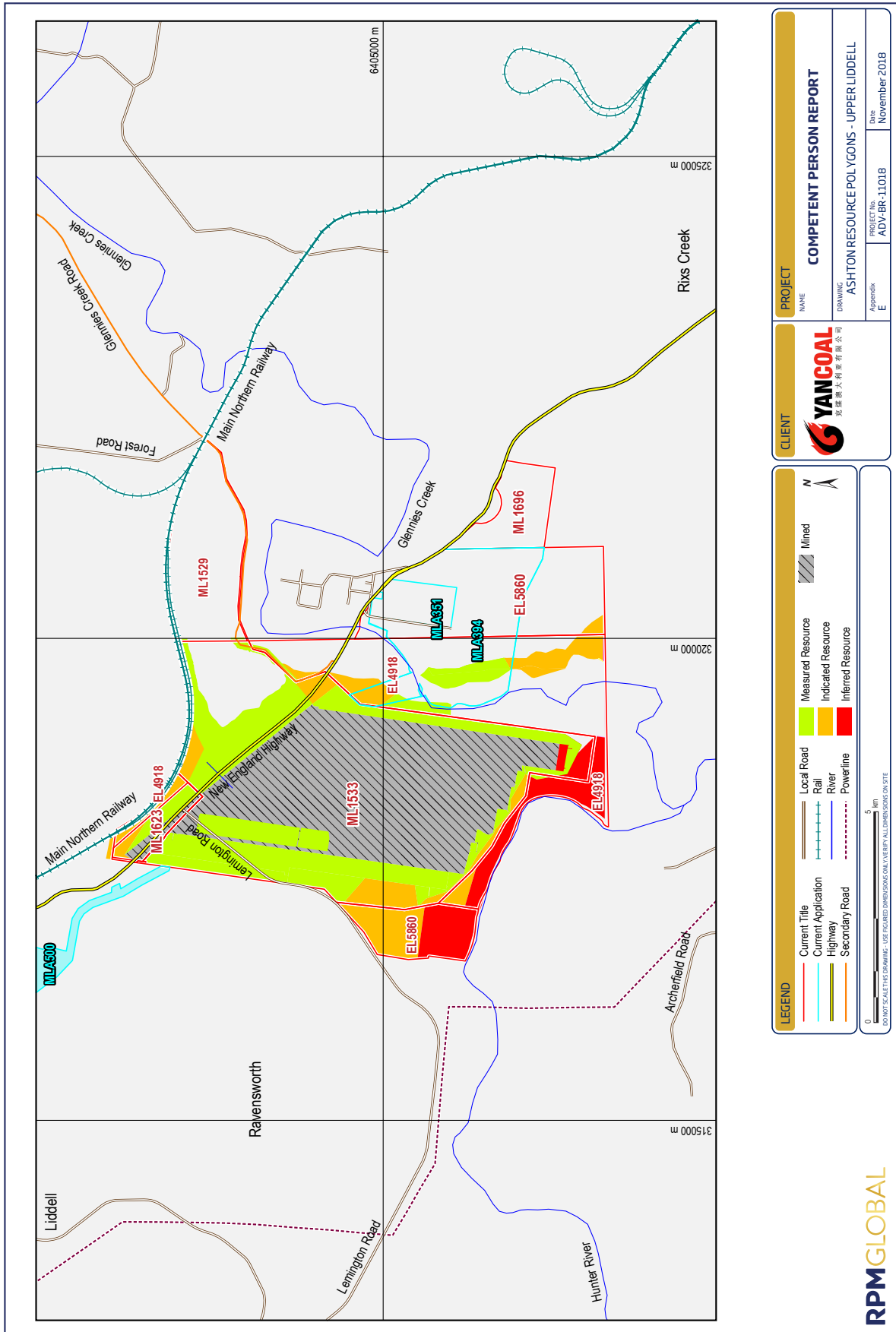
Measured Resource  
 Indicated Resource  
 Inferred Resource

0 5 km  
 DO NOT SCALE THIS DRAWING. USE FIGURED DIMENSIONS ONLY. VERIFY ALL DIMENSIONS ON SITE.

**RPM GLOBAL**

APPENDIX III

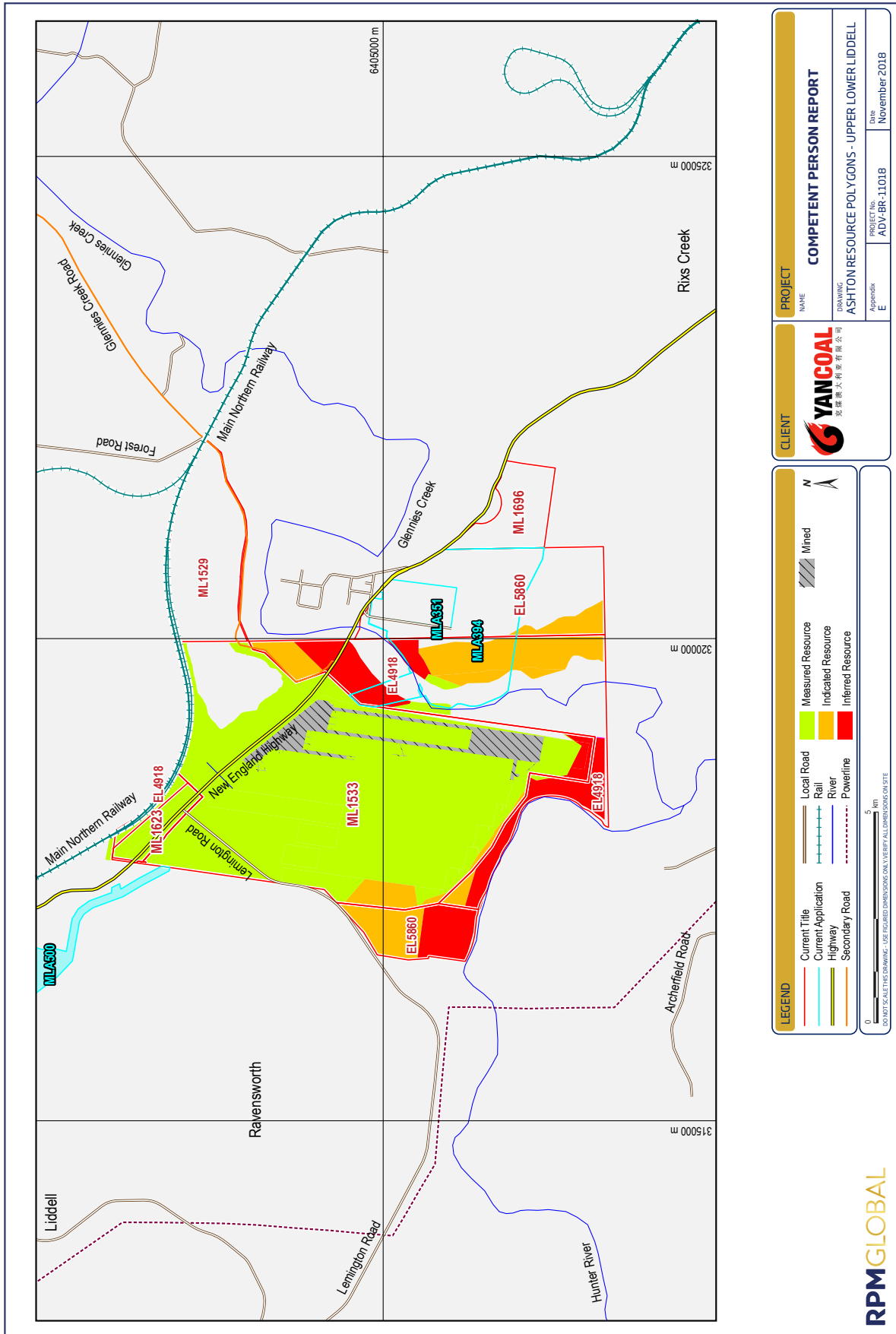
COMPETENT PERSON'S REPORT



RPMGLOBAL

APPENDIX III

COMPETENT PERSON'S REPORT



**CLIENT**  
**YAN COAL**  
 亞細亞煤業有限公司

**PROJECT NAME**  
**COMPETENT PERSON REPORT**

**DRAWING**  
 ASHTON RESOURCE POLYGONS - UPPER LOWER LIDDELL

**Appendix**  
 E

**PROJECT No.**  
 ADV-BR-1101B

**Date**  
 November 2018

**LEGEND**

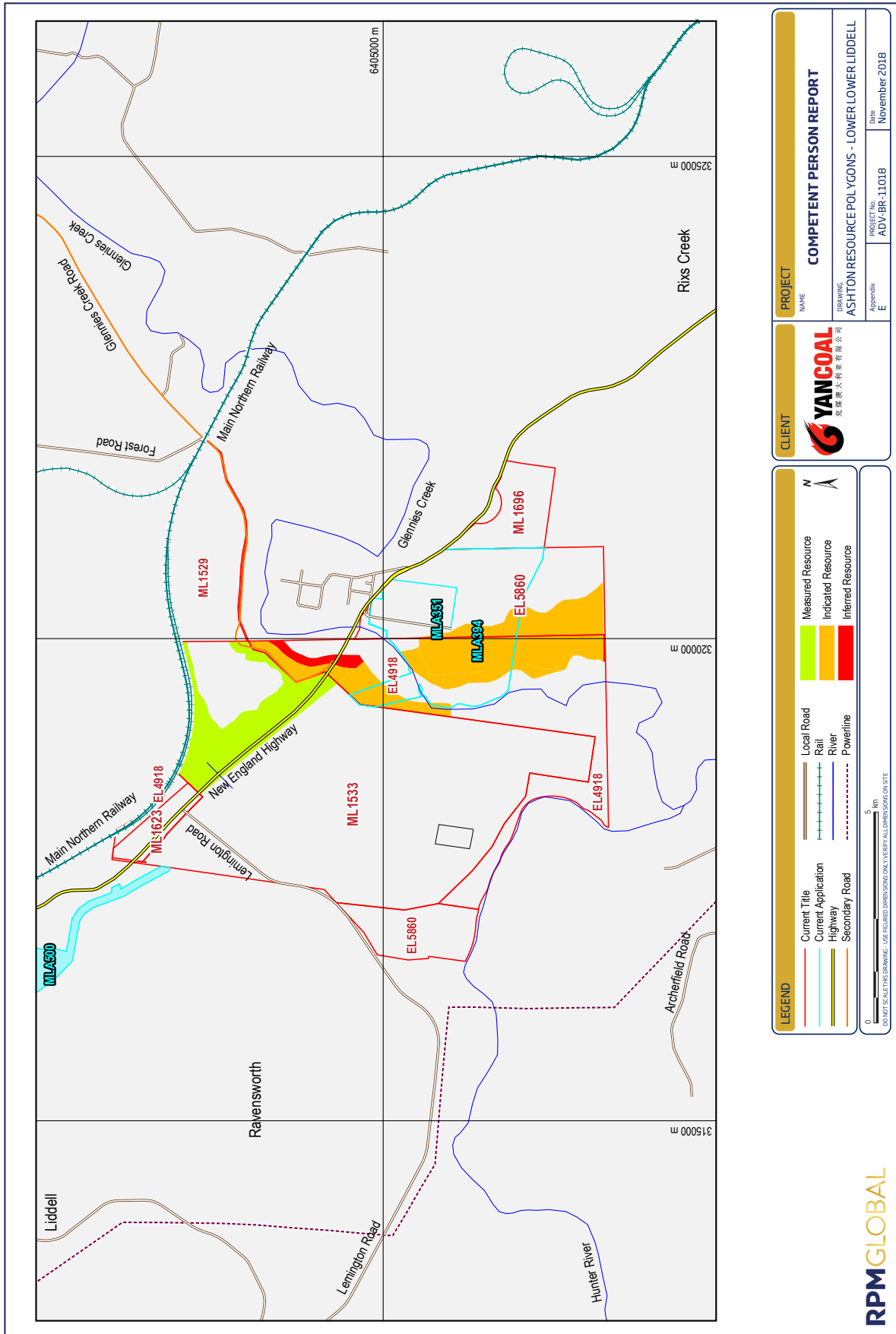
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- Current Application: Dashed black line
- Highway: Solid blue line
- Secondary Road: Dashed blue line
- Local Road: Solid red line
- Rail: Solid green line
- River: Solid blue line
- Powerline: Dashed red line
- Mined: Hatched area
- Measured Resource: Green fill
- Indicated Resource: Yellow fill
- Inferred Resource: Red fill

Scale: 0 to 5 km. DO NOT SCALE THIS DRAWING. USE FIGURED DIMENSIONS ONLY. VERIFY ALL DIMENSIONS ON SITE.

**RPMGLOBAL**

APPENDIX III

COMPETENT PERSON'S REPORT



**CLIENT**  
**YAN COAL**  
 亞細亞煤業有限公司

**PROJECT NAME**  
**COMPETENT PERSON REPORT**

**DRAWING**  
 ASHTON RESOURCE POLYGONS - LOWER LOWER LIDDELL

**Appendix**  
 E

**PROJECT No.**  
 ADV-BR-1101B

**Date**  
 November 2018

**LEGEND**

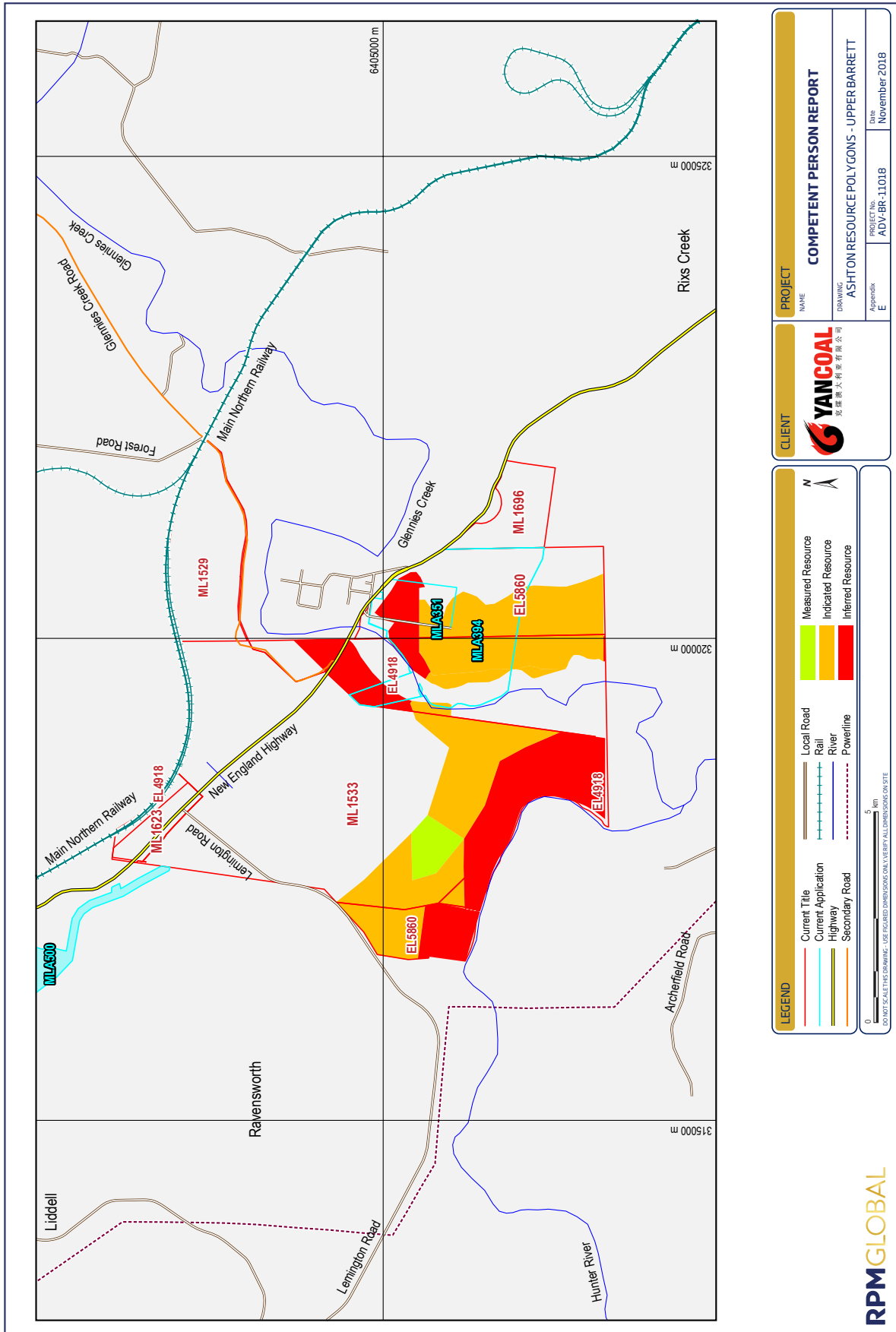
- Current Title
- Current Application
- Highway
- Secondary Road
- Local Road
- Rail
- River
- Powerline
- Measured Resource
- Indicated Resource
- Inferred Resource

0 5 10 m  
 DO NOT SCALE THIS DRAWING. USE FIGURED DIMENSIONS ONLY. VERIFY ALL DIMENSIONS ON SITE.

**RPM GLOBAL**

APPENDIX III

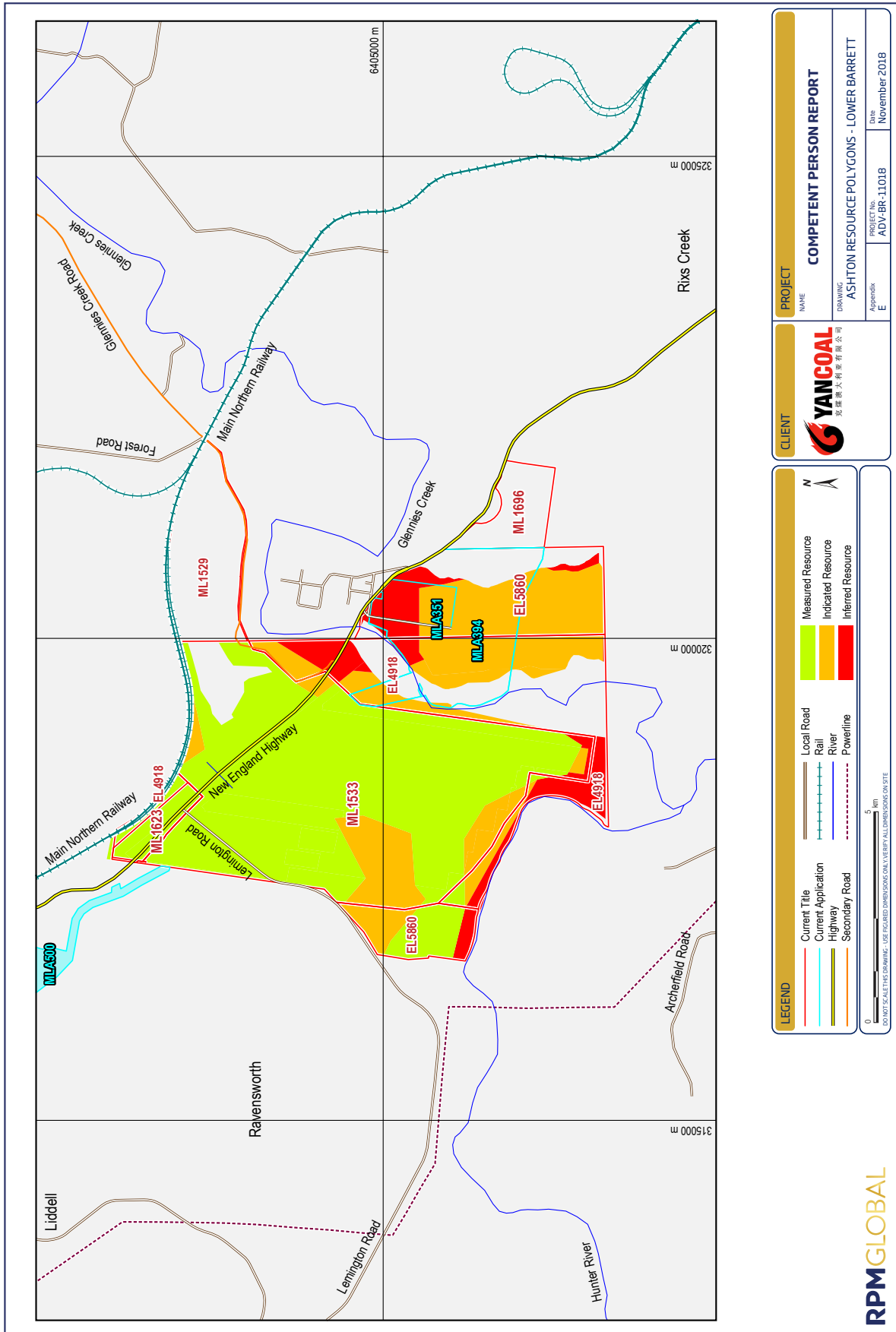
COMPETENT PERSON'S REPORT





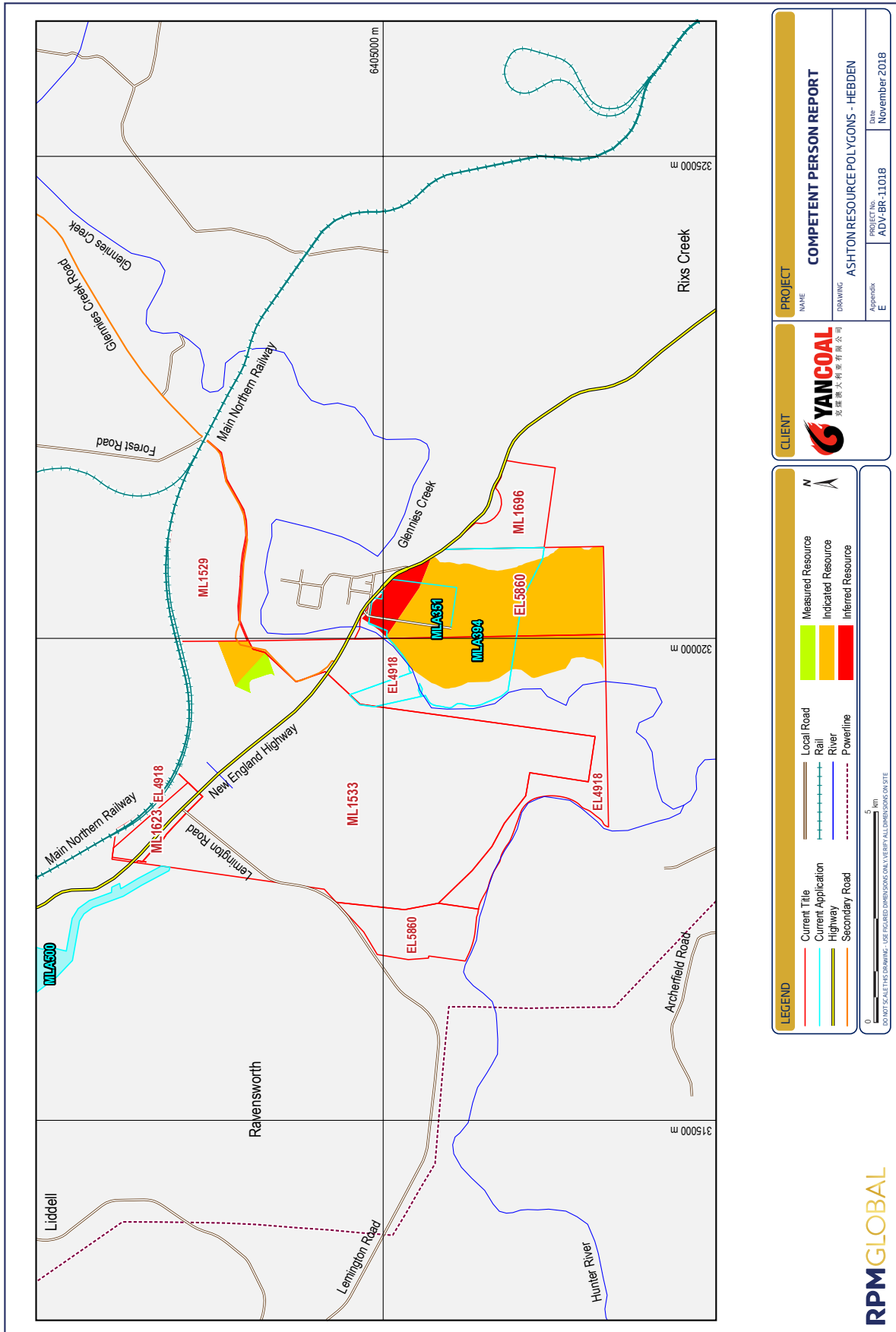
APPENDIX III

COMPETENT PERSON'S REPORT



APPENDIX III

COMPETENT PERSON'S REPORT





Resource Polygons

Yarrabee

APPENDIX III

COMPETENT PERSON'S REPORT

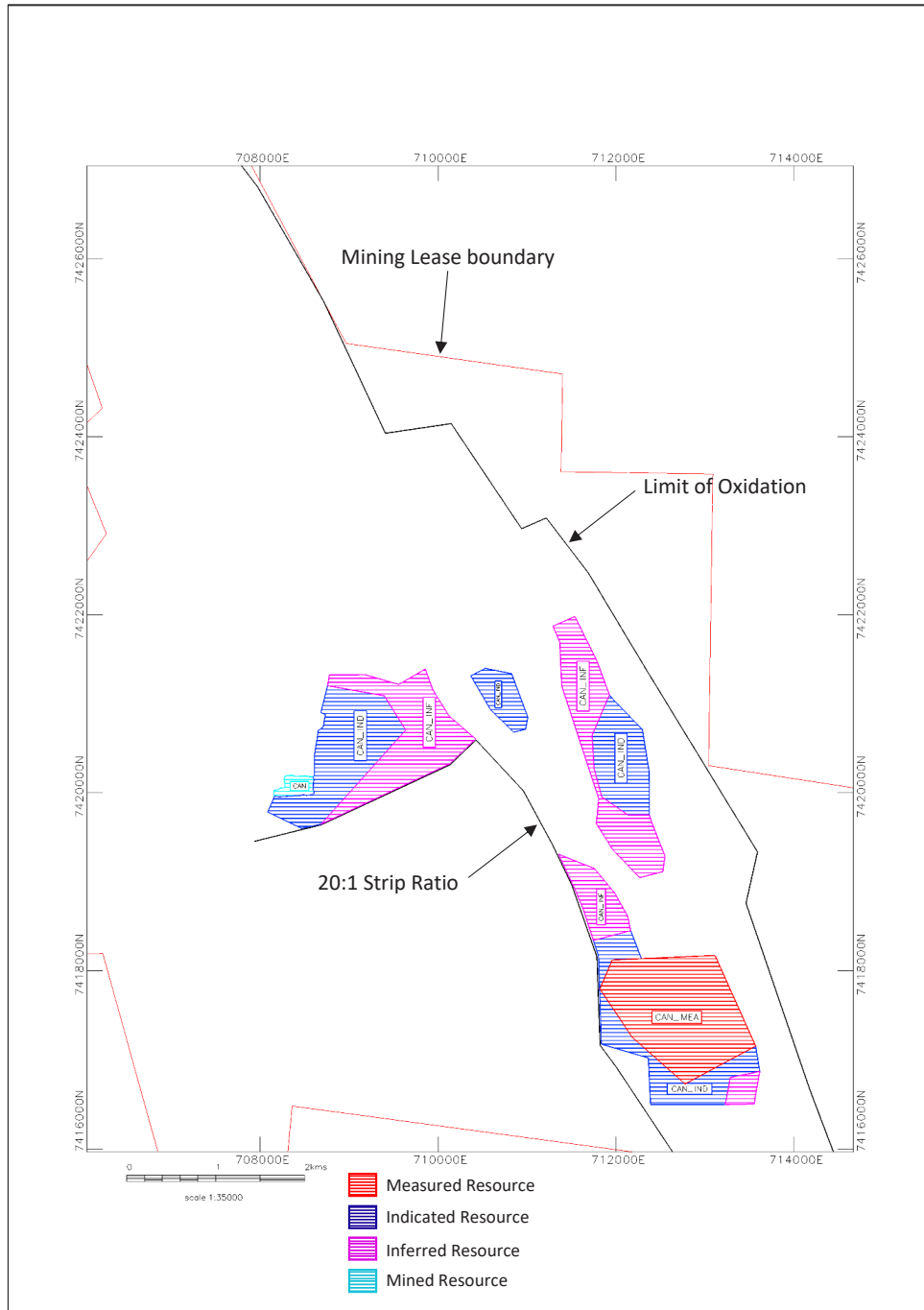


Figure 1 Yarrabee East Cancer Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

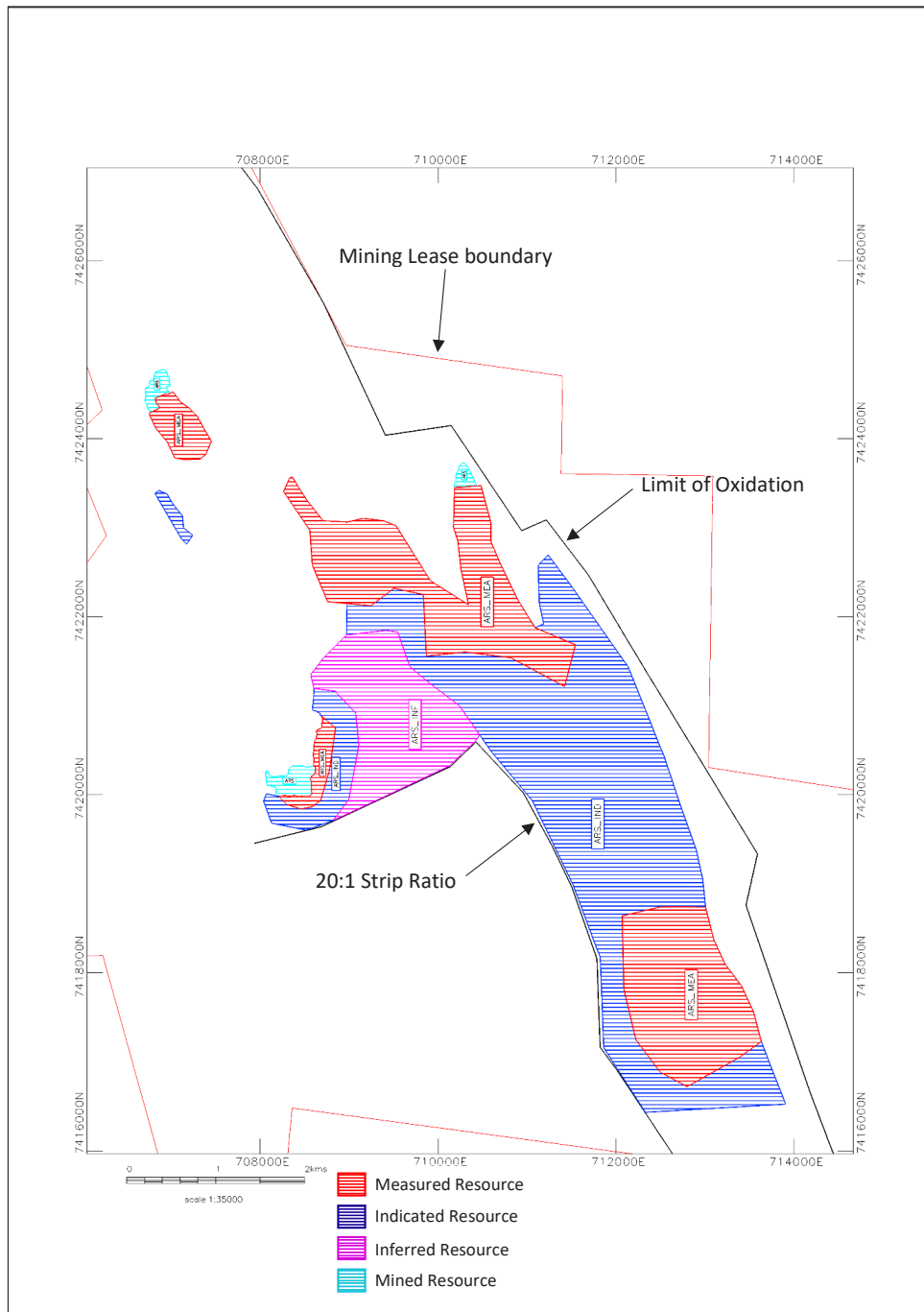


Figure 3 Yarrabee East Aries Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

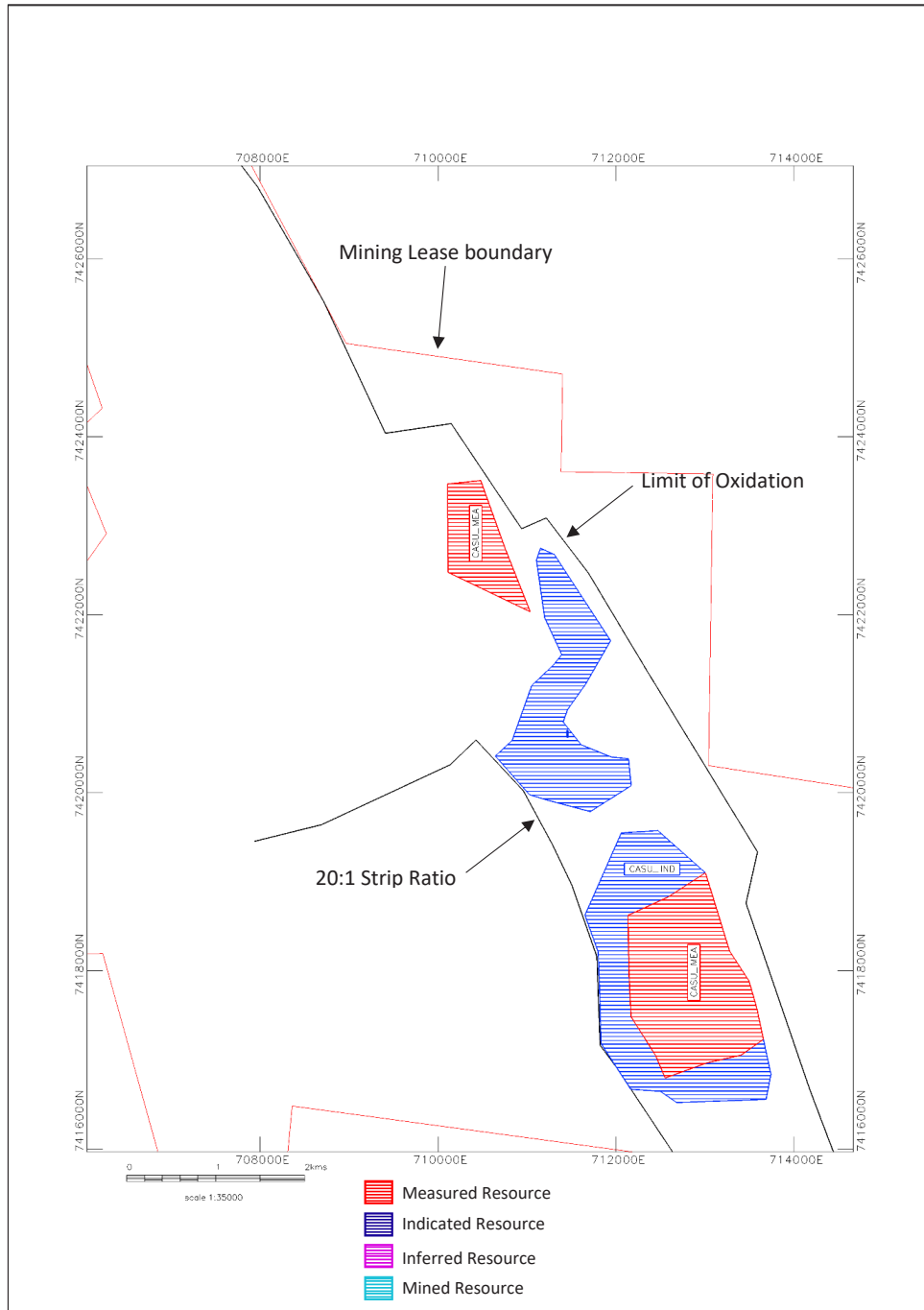


Figure 5 Yarrabee East Castor Upper Resource Polygons



APPENDIX III

COMPETENT PERSON'S REPORT

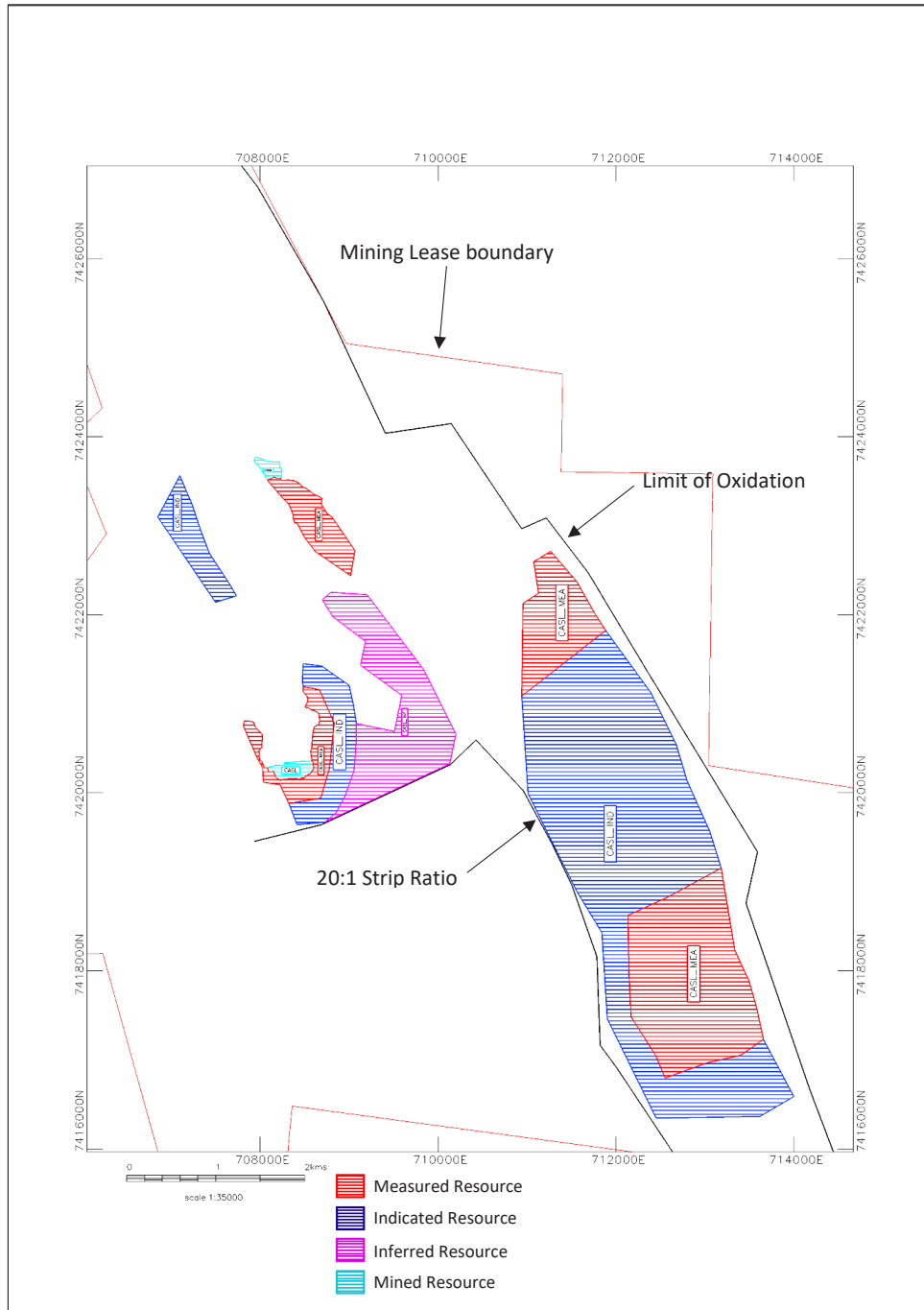


Figure 7 Yarrabee East Castor Upper Resource Polygons

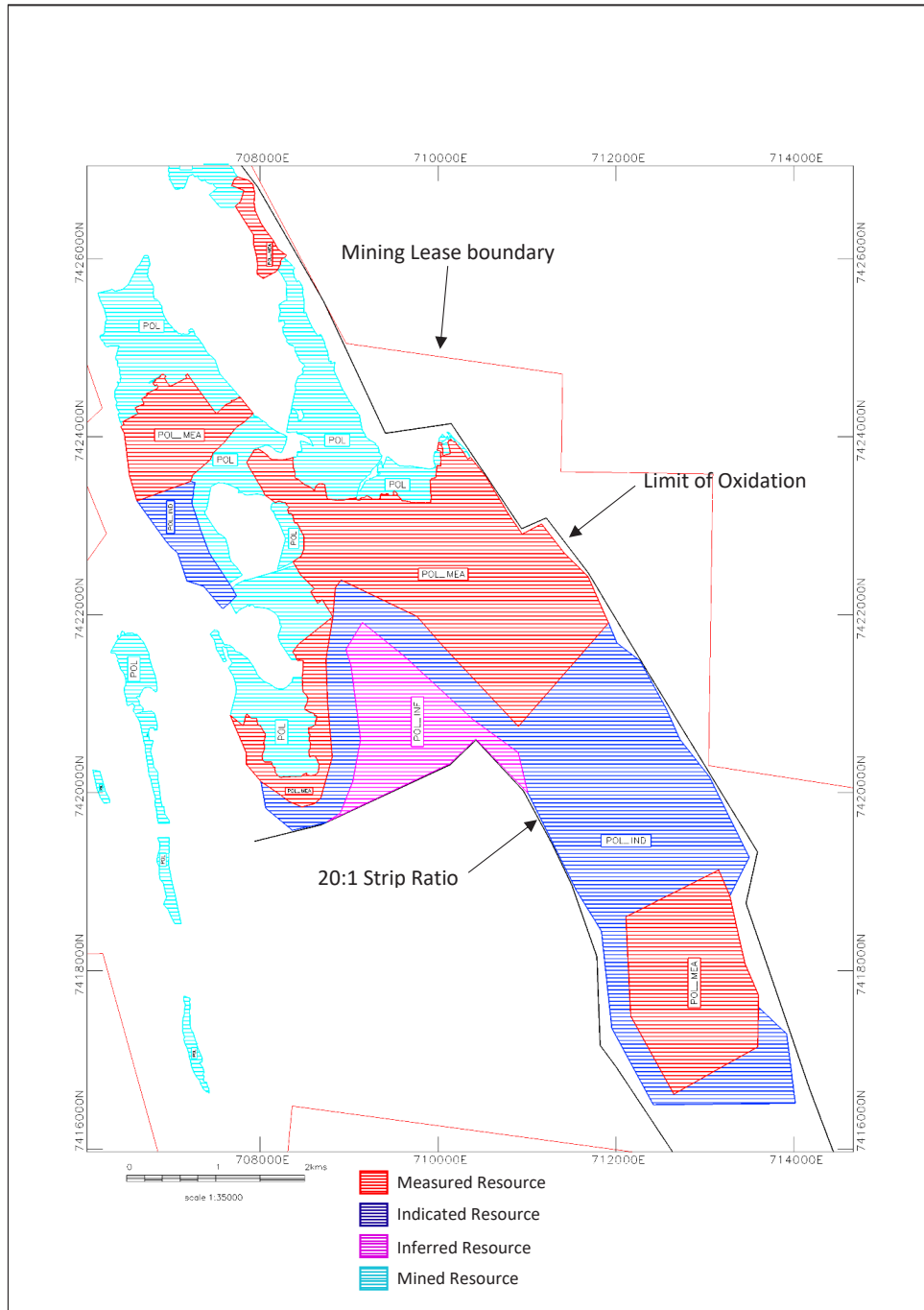


Figure 9 Yarrabee East Pollux Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

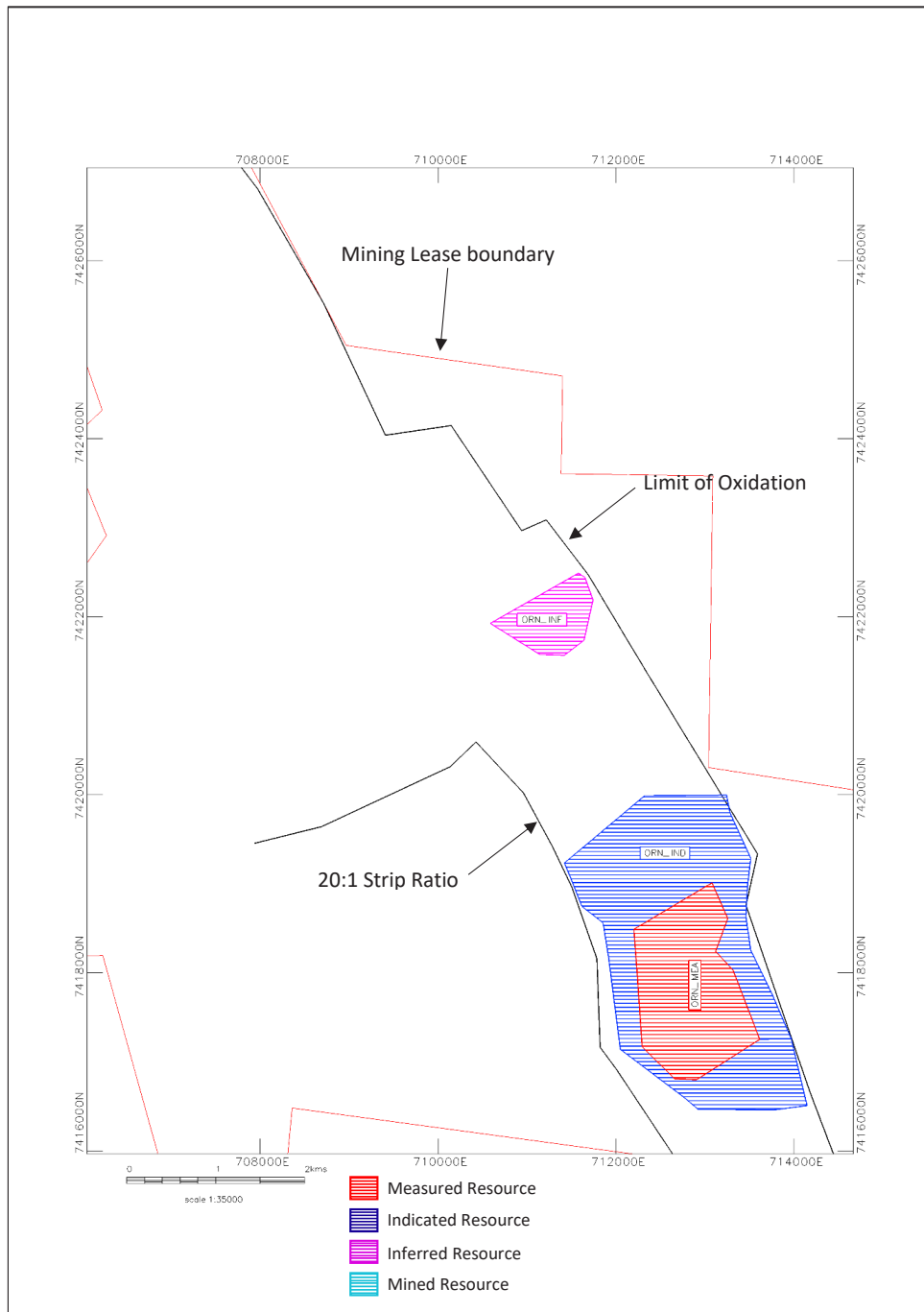


Figure 11 Yarrabee East Orion Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

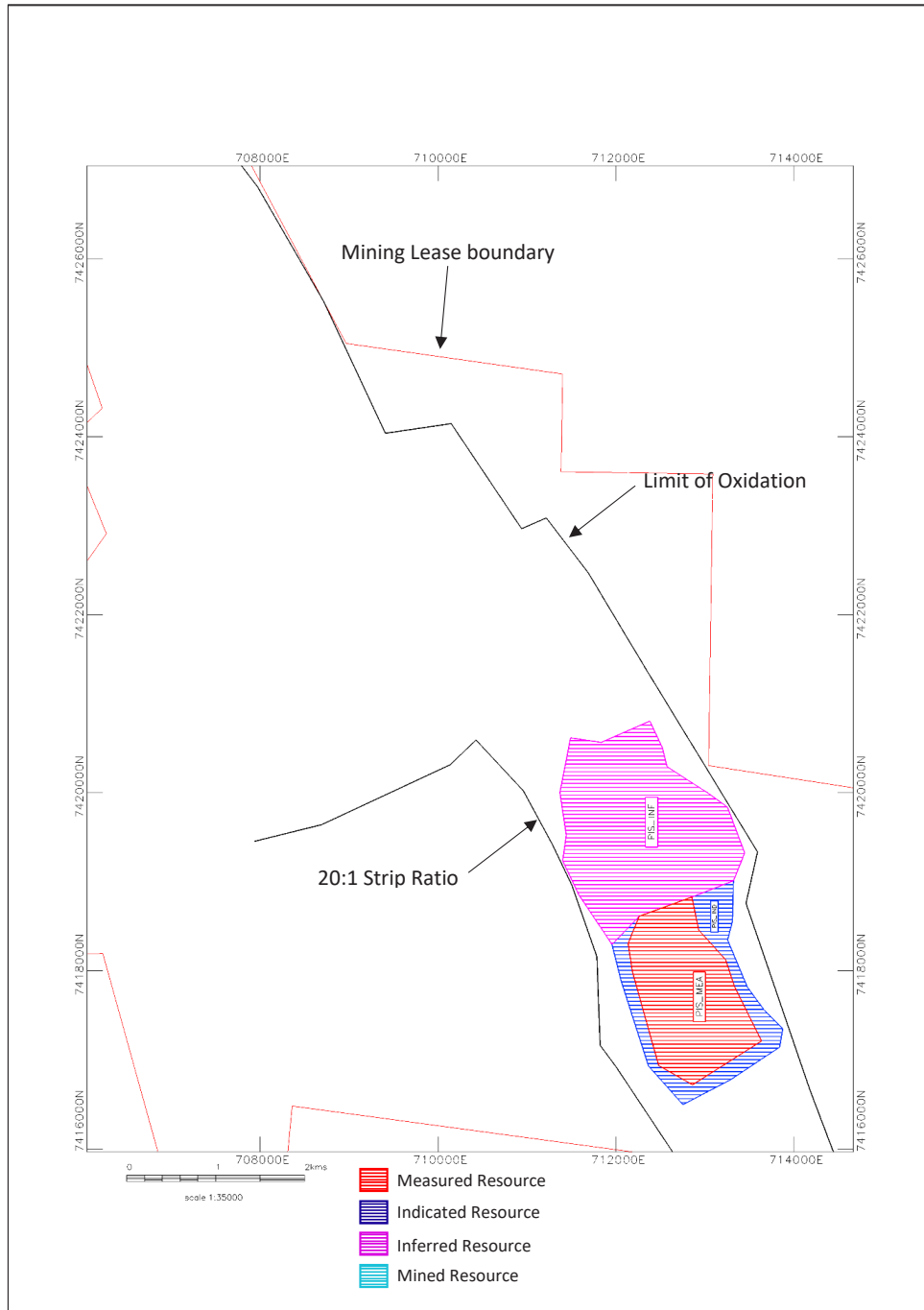


Figure 13 Yarrabee East Pisces Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

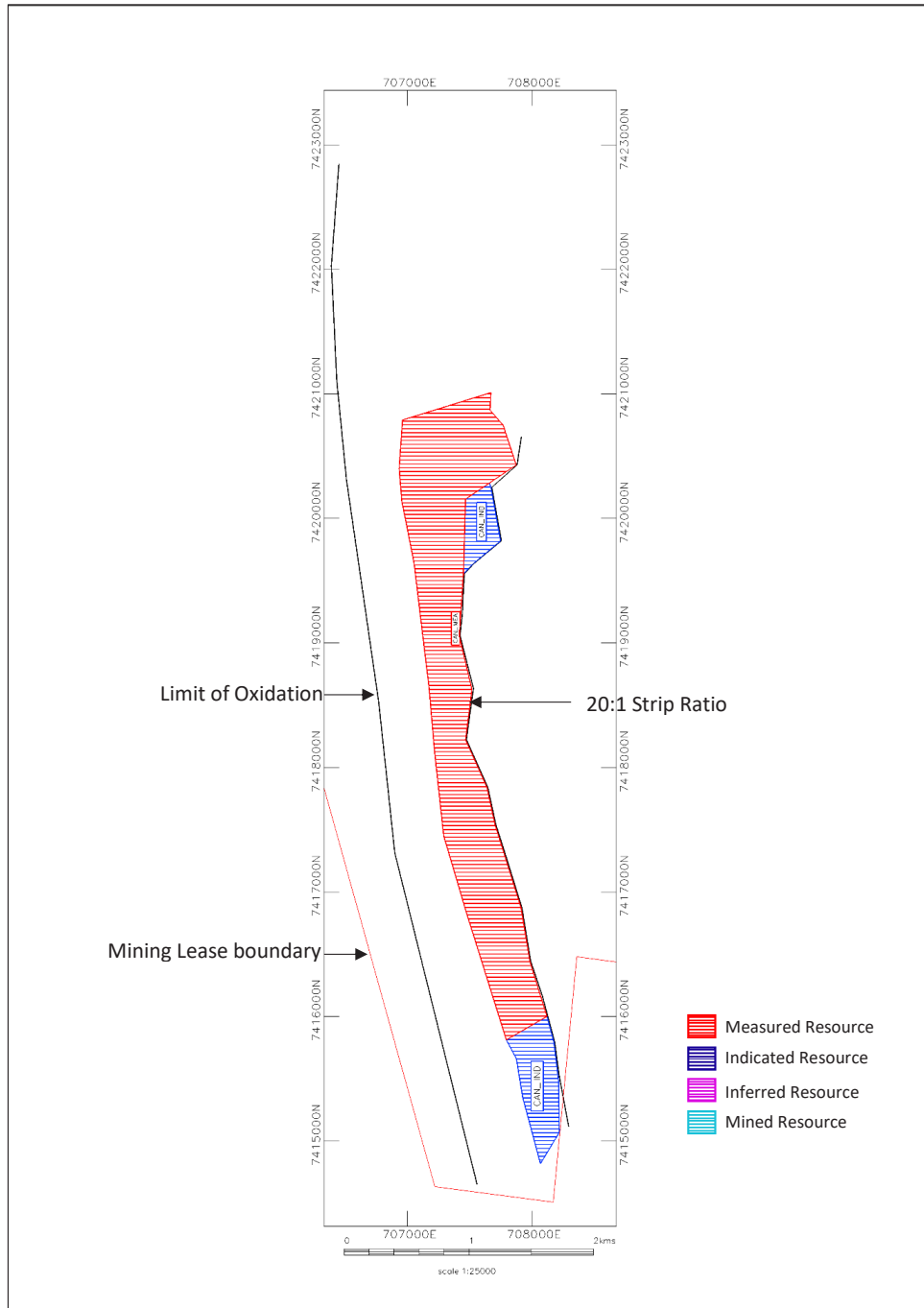


Figure 21 Domain 2 Cancer Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT



Figure 23 Domain 2 Aries Resource Polygons



APPENDIX III

COMPETENT PERSON'S REPORT

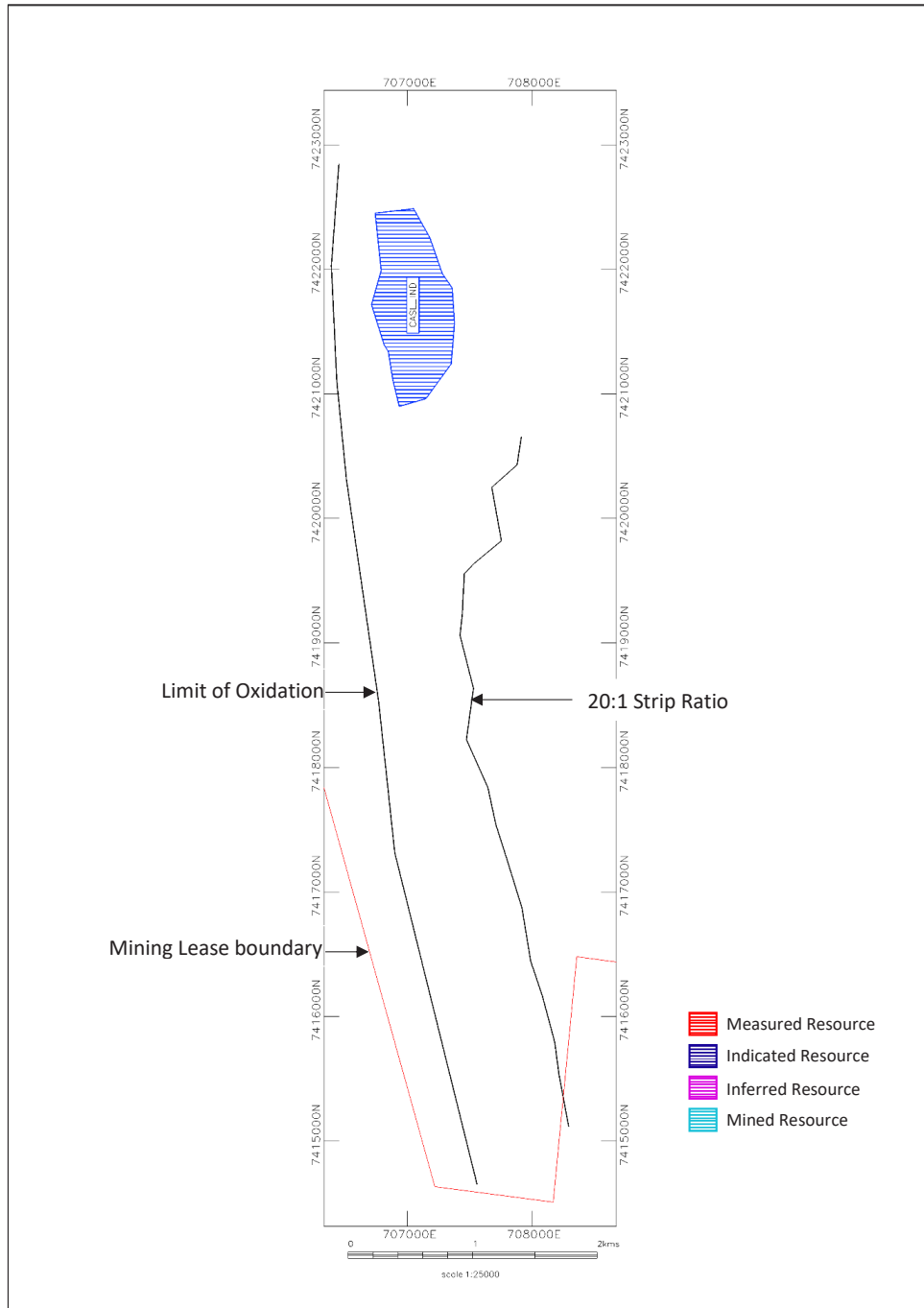


Figure 25 Domain 2 Castor Lower Resource Polygons

APPENDIX III

COMPETENT PERSON'S REPORT

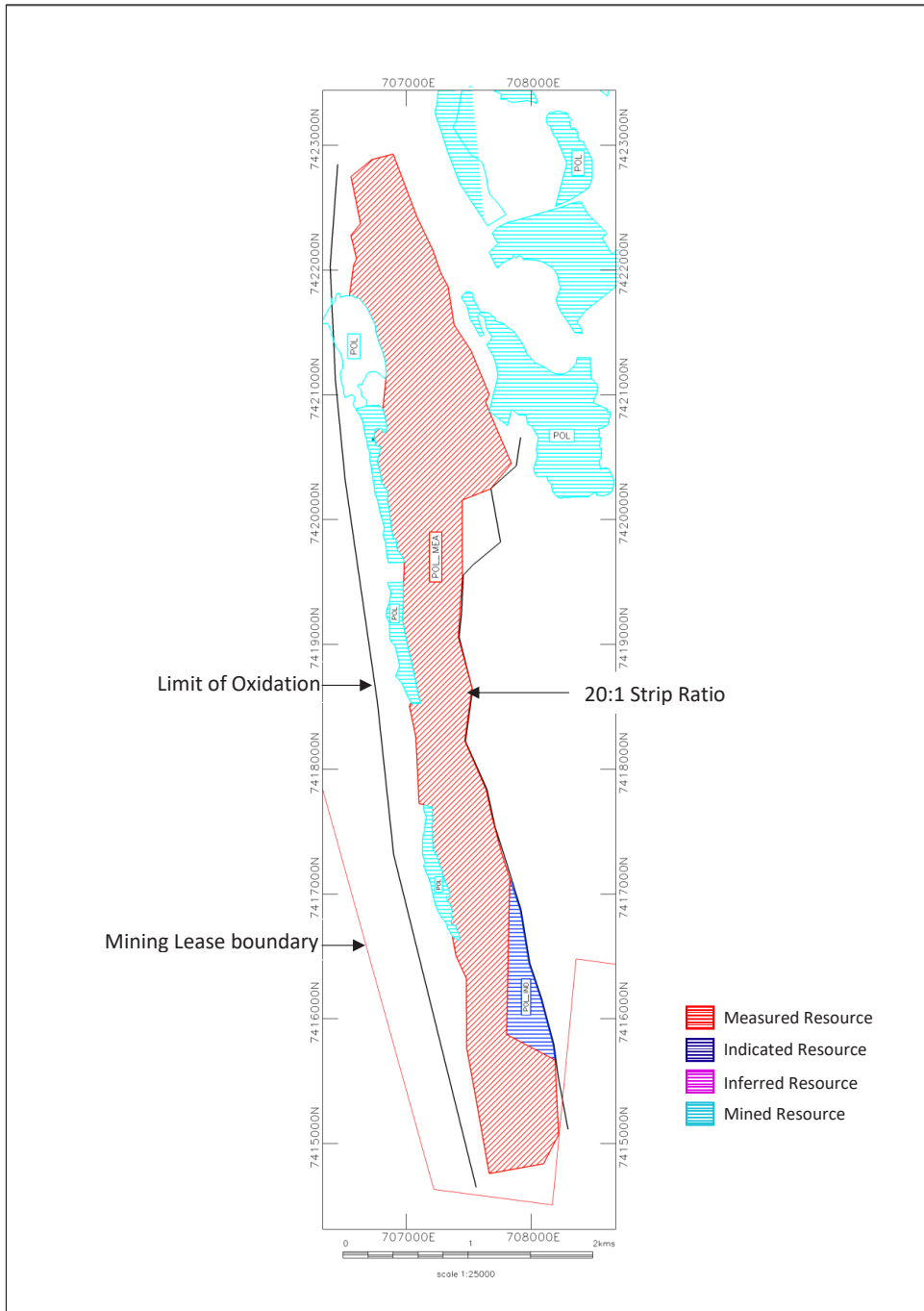


Figure 27 Domain 2 Pollux Resource Polygons

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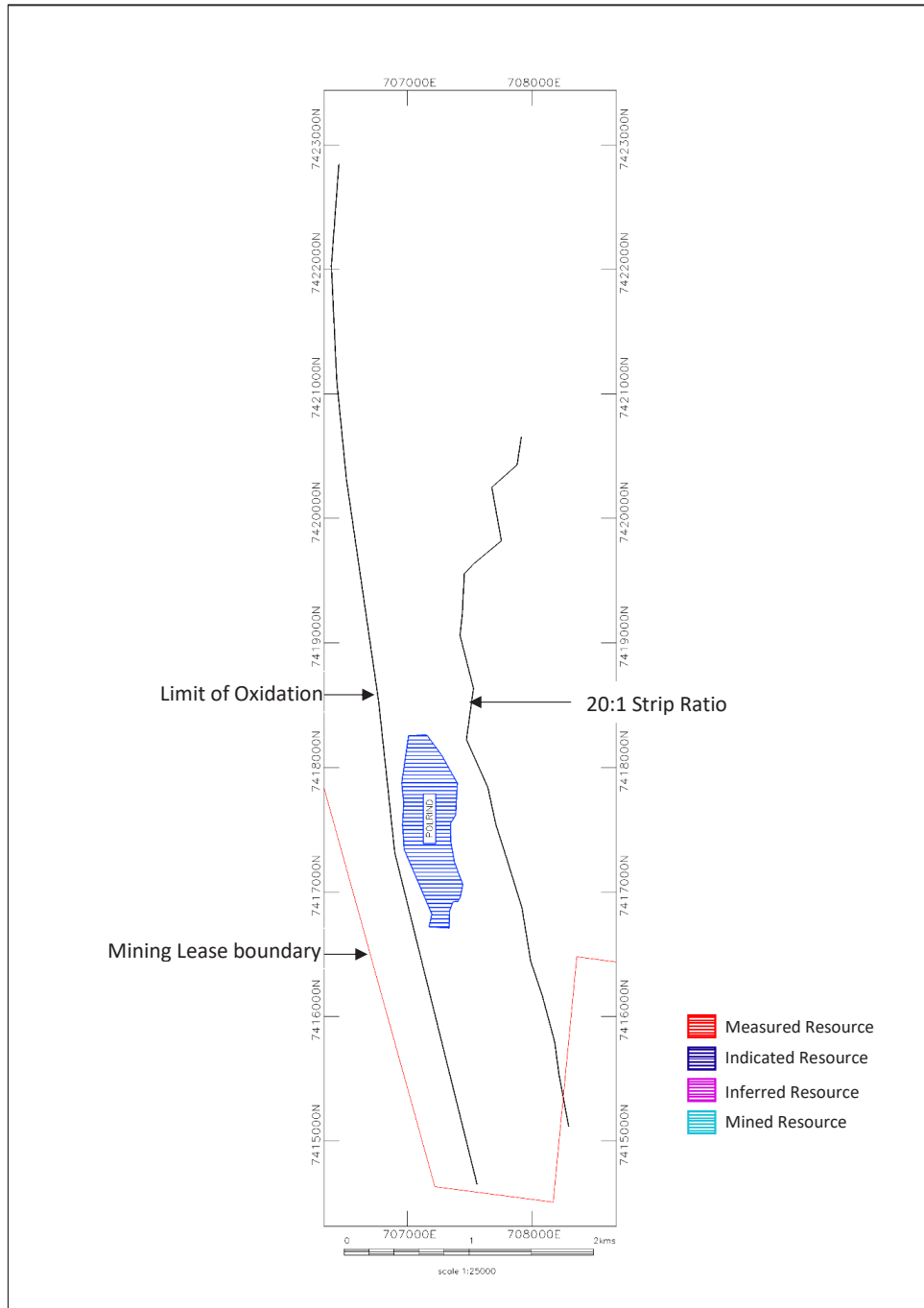


Figure 29 Domain 2 Pisces Upper Resource Polygons

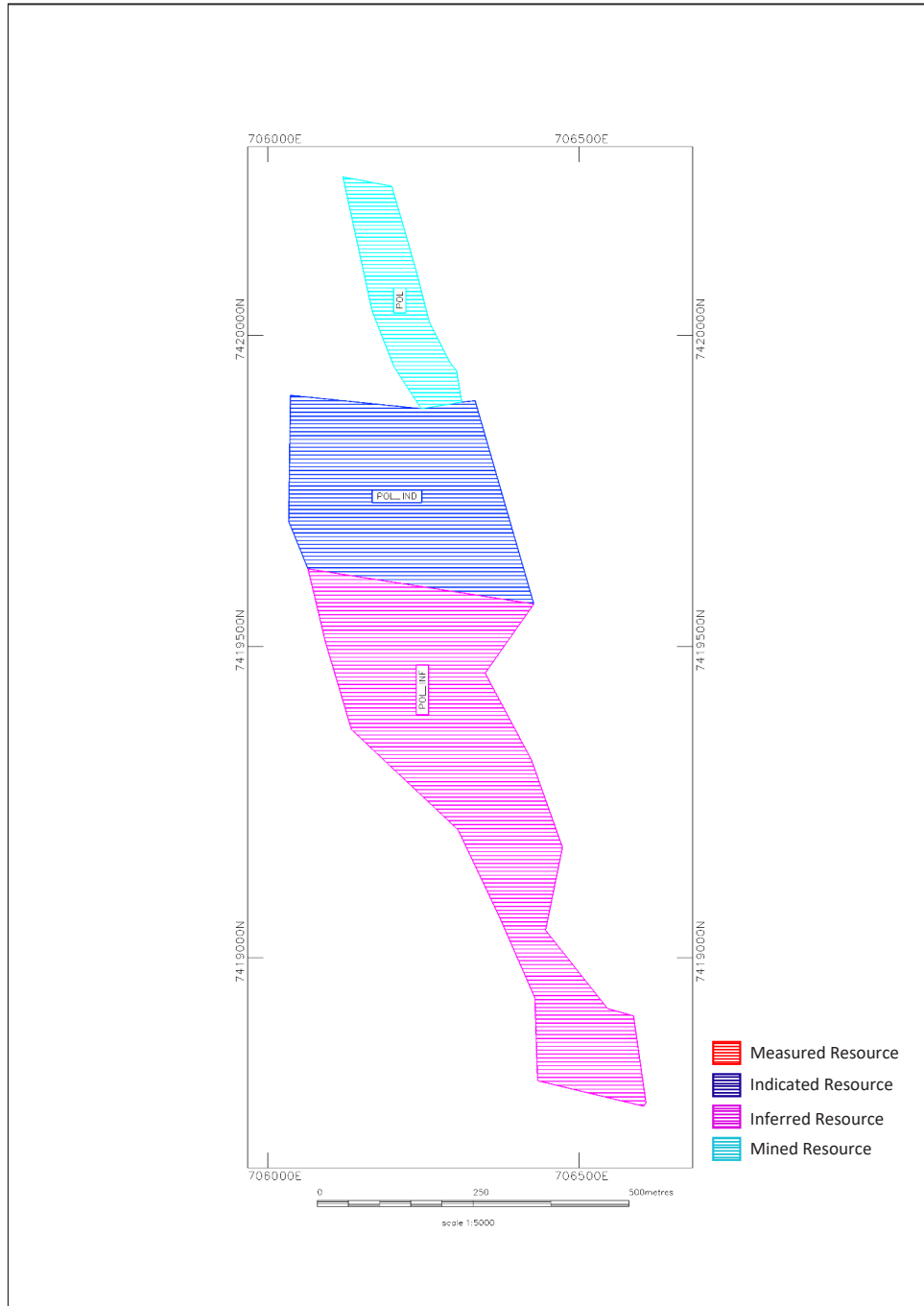


Figure 37 Domain 3 Pollux Resource Polygons

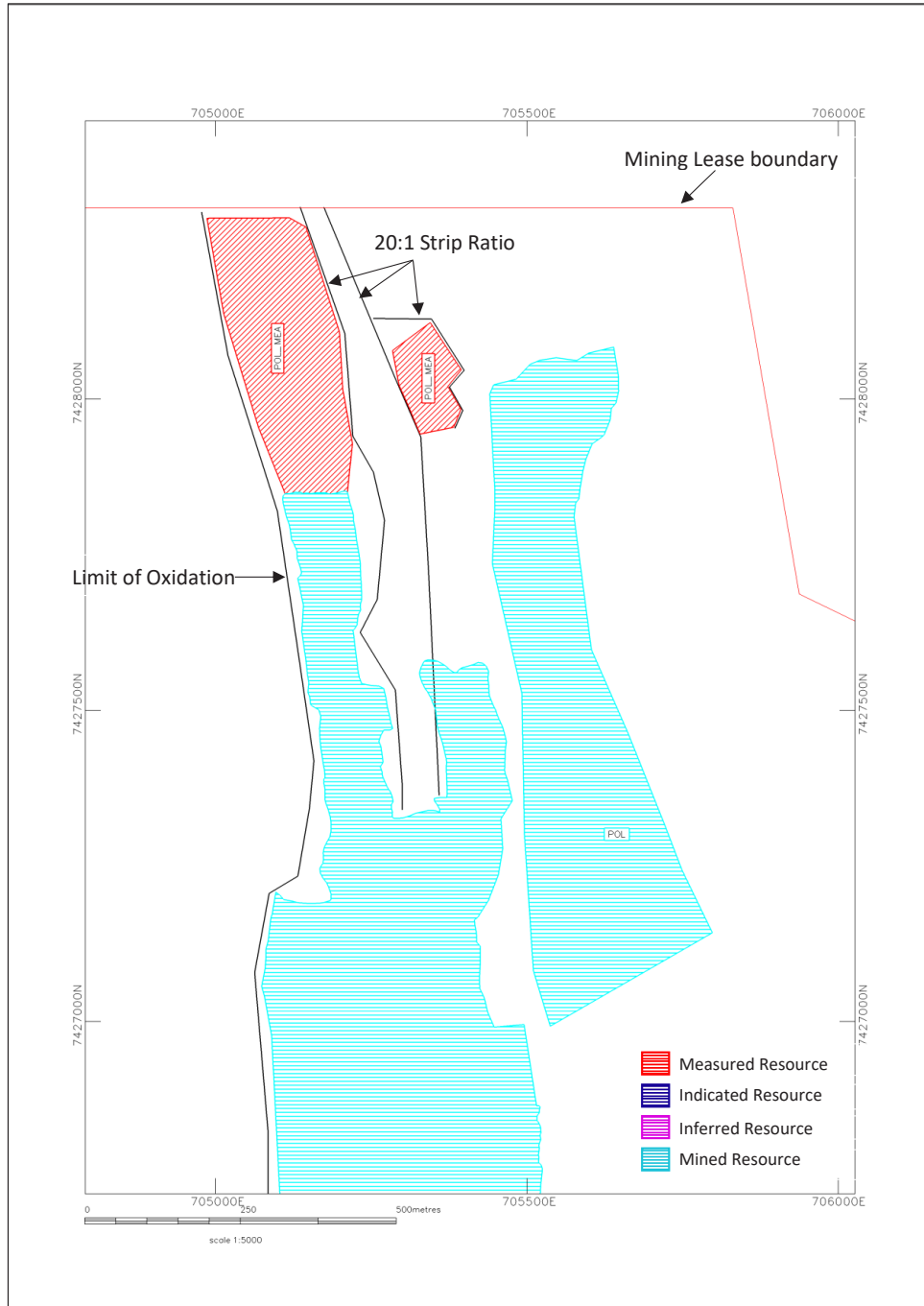


Figure 42 Domain 5 Pollux Resource Polygons

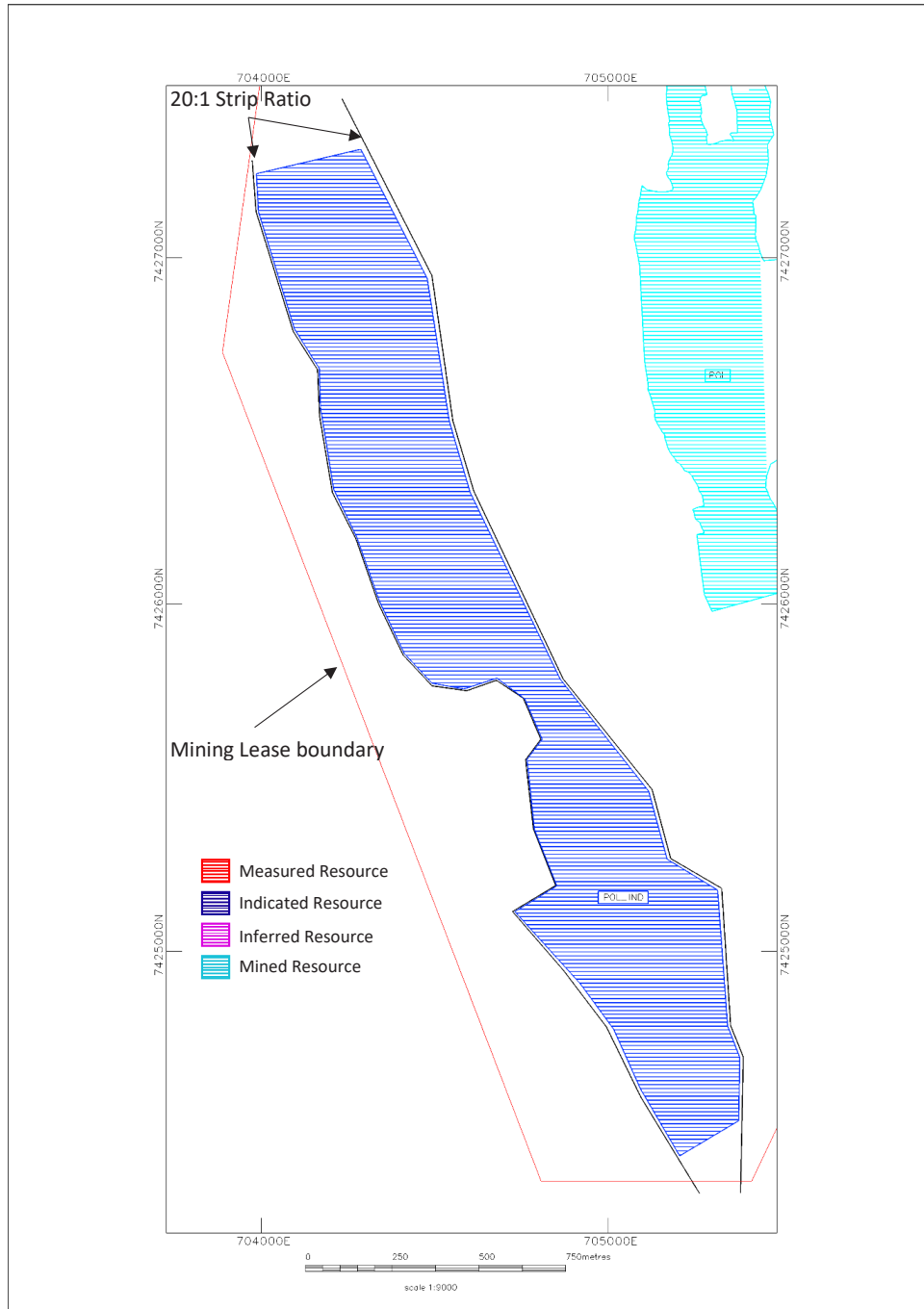


Figure 47 Domain 6 Pollux Resource Polygons



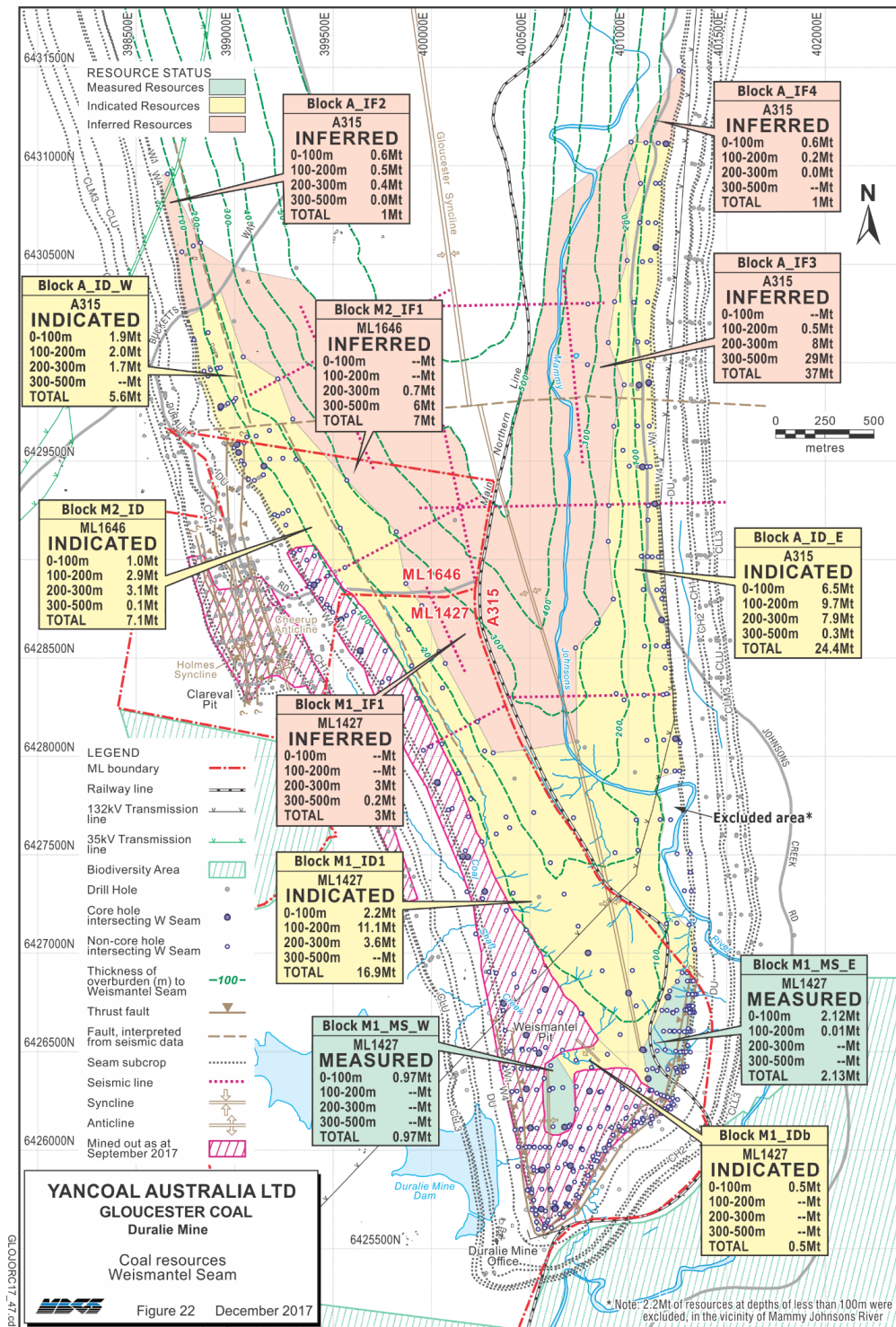


Resource Polygons  
**Stratford Duralie**

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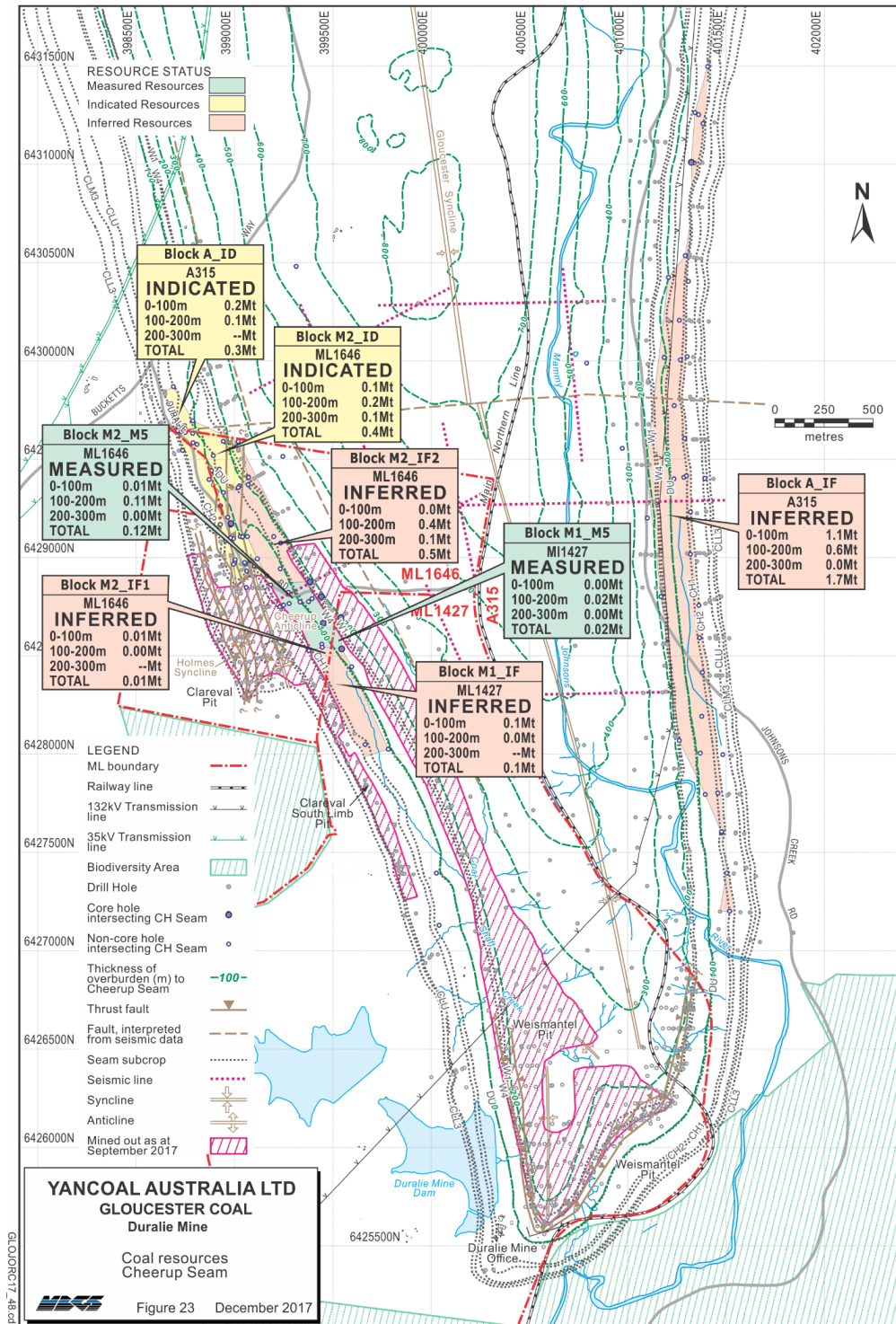
COMPETENT PERSON RESOURCE REPORT – GLOUCESTER COAL LTD (STRATFORD MINE, DURALIE MINE AND GRANT & CHAINEY PROJECT), GLOUCESTER BASIN, 2017



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COMPETENT PERSON RESOURCE REPORT – GLOUCESTER COAL LTD (STRATFORD MINE, DURALIE MINE AND GRANT & CHAINEY PROJECT), GLOUCESTER BASIN, 2017

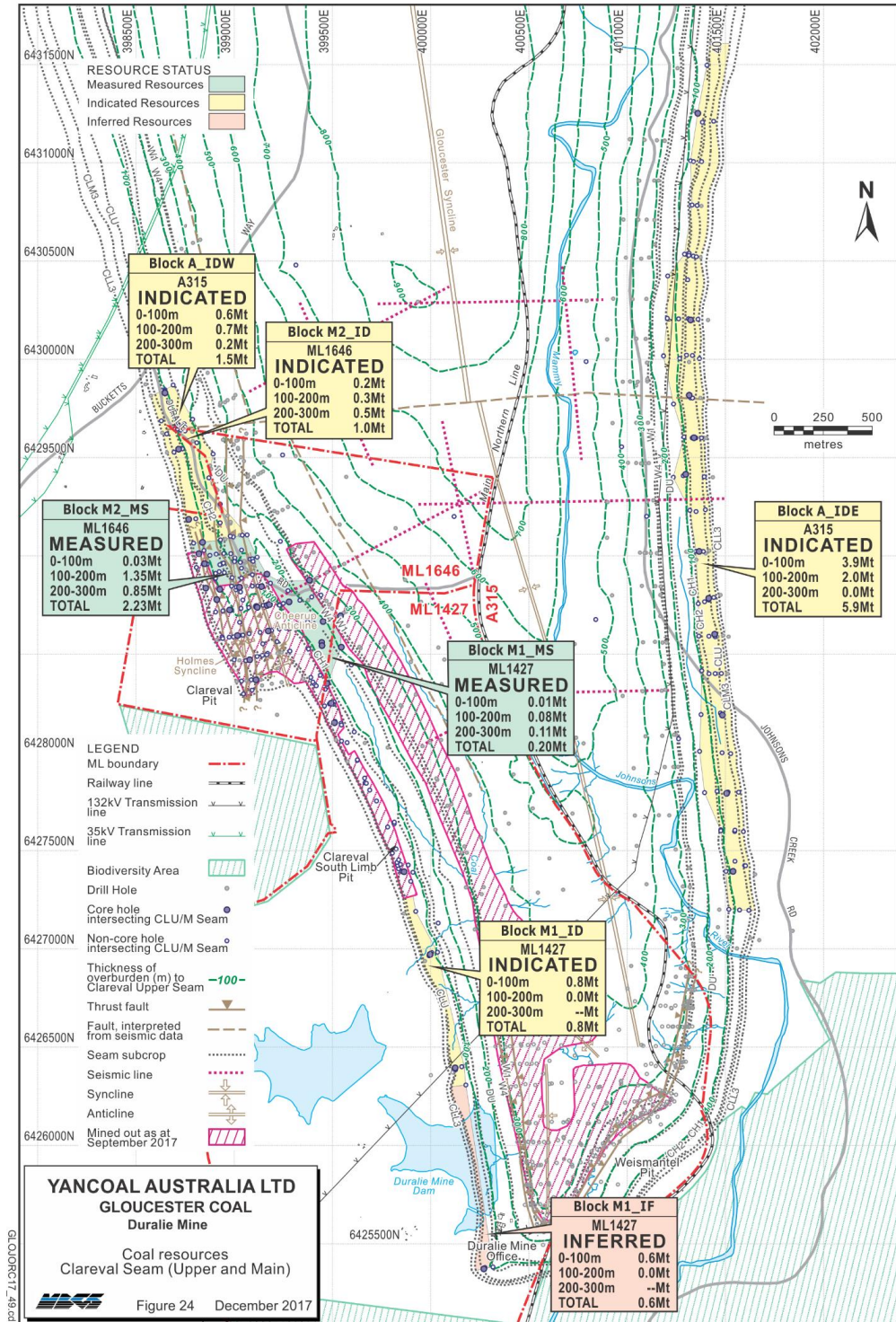




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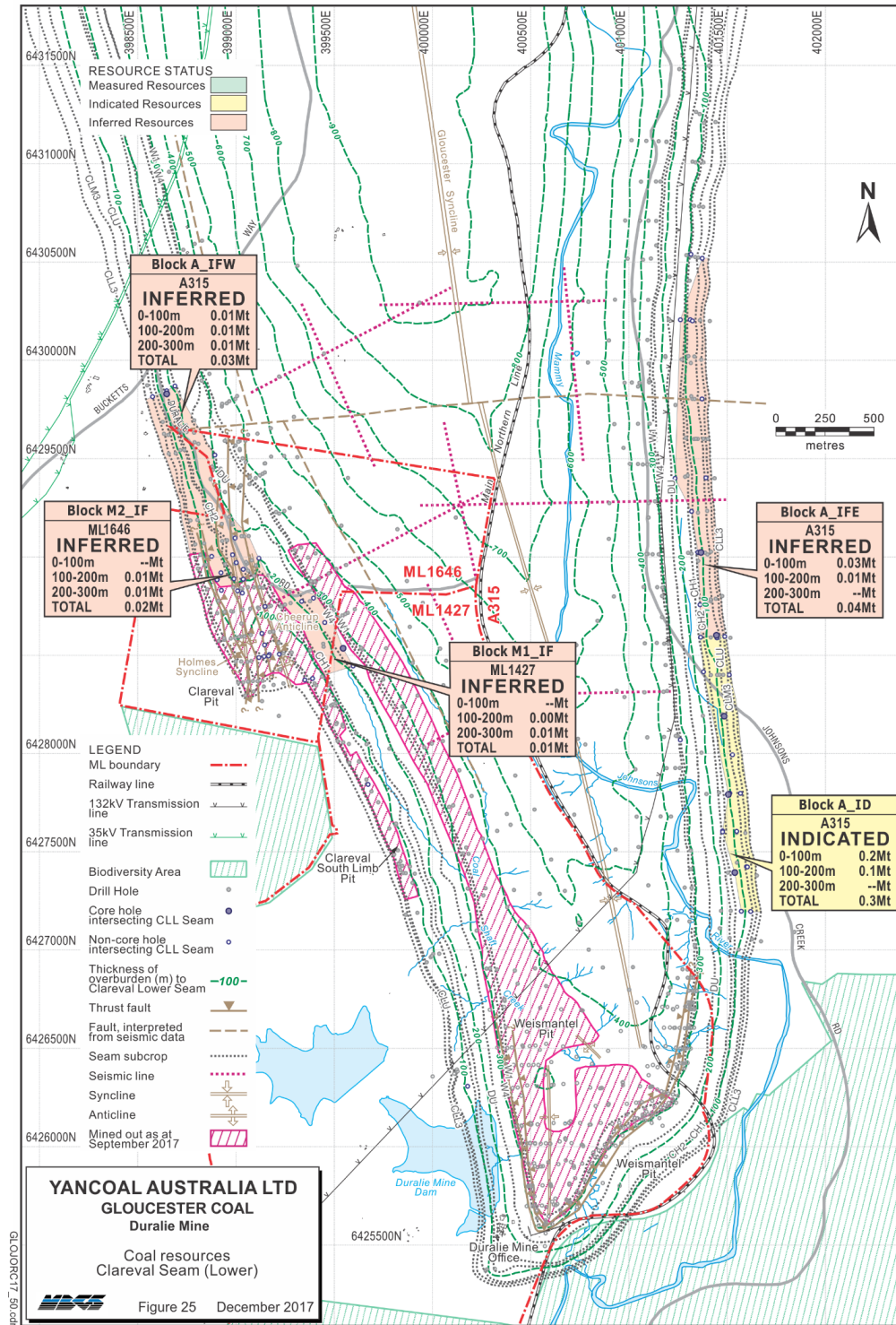
COMPETENT PERSON RESOURCE REPORT – GLOUCESTER COAL LTD (STRATFORD MINE, DURALIE MINE AND GRANT & CHAINEY PROJECT), GLOUCESTER BASIN, 2017



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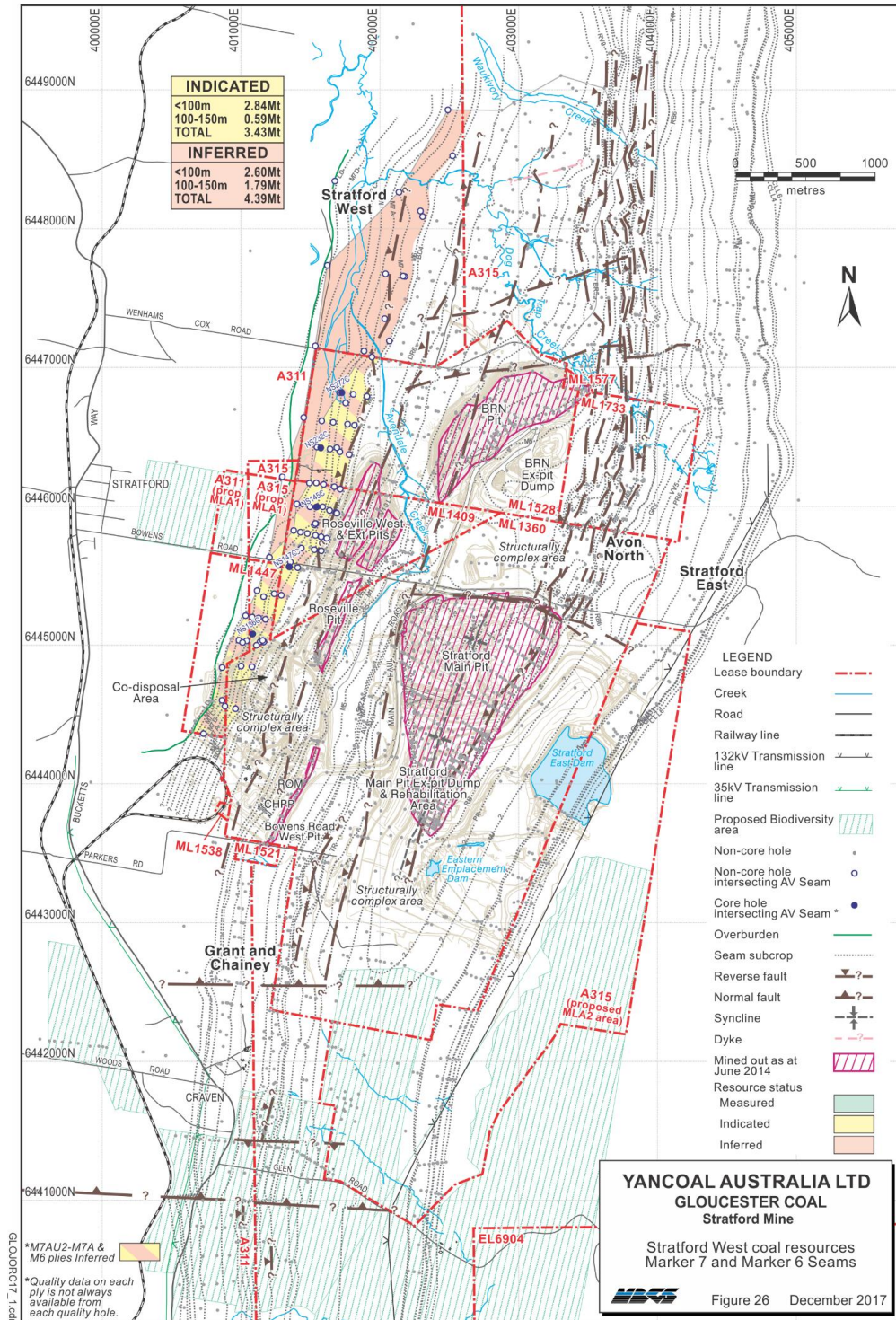




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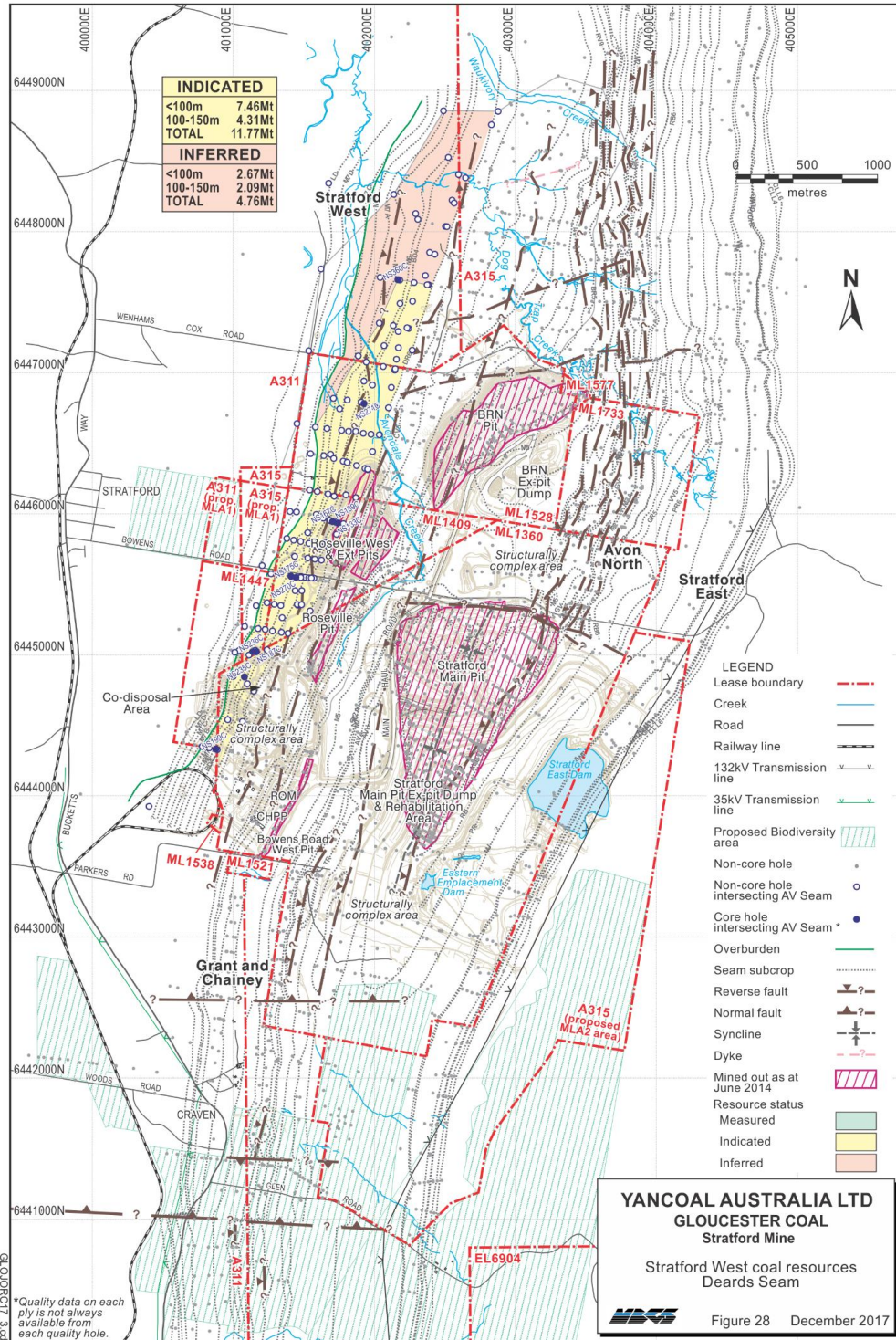




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