

Quarterly Report

For the quarter ended 30 September 2023

Highlights

- September quarter run-of-mine (ROM) production of 640Kt was up 7.4% on the June quarter, including achieving first production coal from Ellensfield South Mine on target in September.
- Total saleable coal production of 545Kt was up 17.1% on the previous quarter.
- Sales of produced coal were 52.5% higher at 555Kt compared to the June quarter, including first coking coal shipments from Broadmeadow East.
- Module 1 of the Burton CHPP operating above 98% availability and just above name plate capacity (400t/hr).
- The Board approved the transition of the Bluff Mine into care and maintenance by the end of 2023, and to focus on the lower cost and much larger Burton Complex.

Safety

The total recordable injury frequency rate (TRIFR) at the end of September was 5.8 on a 12-month rolling basis for employees and contractors. This result was a 22% improvement on the previous quarter.

CEO Statement

“During the September 2023 quarter, the stronger operational performance set in the June quarter was maintained, despite ongoing labour shortage challenges.

Average realised coal prices benefited from a late rally during the quarter in coking coal price that has been sustained, partly offset by a substantial drop in PCI prices.

An uplift in saleable coal production underlined the performance of the Burton CHPP which enabled Bowen to again lift the shipping tempo to ten vessels from seven in the June quarter.

With a predicted subdued PCI market for some time yet, and high mining costs at Bluff, Bowen made the decision during the quarter to transition the mine into care and maintenance, to potentially be reopened if coal pricing strengthen sufficiently.

We continue to adopt a disciplined approach to capital allocation and identify initiatives to further reduce the operating costs and deliver value for our shareholders.”

Executive Summary

Improved mining performance from the previous quarter was sustained for both operating mines, and Ellensfield South production coal was delivered as per guidance (refer Operational Review).

ROM coal produced in the quarter increased over last quarter, whilst sales volumes were significantly higher (refer Coal Sales and Realised Pricing) with Bowen's infrastructure delivering reliable performance at name-plate capacity, and the logistics chain enabling a shipping tempo close to four vessels per month on average. Saleable coal stocks at the end of the quarter were 18.3% lower than the previous quarter but remain healthy at 189.3Kt.

During the quarter, Bowen announced that the high-cost Bluff Mine would be placed into care and maintenance due to high operating costs and royalties, with mining operations planned to conclude in November 2023. Bowen has worked closely with HSE, the mining services provider, to ensure remaining mining works are cost effective and demobilisation costs are minimised. In addition, Bowen continues to work with BUMA, the mining services provider at Burton, to optimise mine plans, lift production performance and lower unit costs. BUMA have confirmed the mobilisation of a high-capacity 600t excavator in November 2023 to replace a 350t dig unit at Ellensfield South which will increase annual dig capacity by some ~3 million BCM per annum at a lower unit cost (refer Market Update section below).

Product mix at BME shifted substantially in the September quarter with metallurgical coal sales comprising 55% of Group sales, with the majority of coal mined in BME being full seam. Bowen does not envisage a need to revert to split seam mining in BME, which along with the better quality Ellensfield South becoming the majority of feed into the CHPP, will see coking coal yields improve further at Burton Complex.

Cash costs were slightly higher than guidance for the Burton Complex as Ellensfield South begins its ramp up, but were significantly higher at Bluff driven by low saleable volumes and high operating costs (refer Corporate section below).

Bowen's strong focus on operational efficiency and cost control is demonstrated by a range of cost saving initiatives including the following current or near-term opportunities to deliver combined savings of up to \$1 million per month at the Burton Complex:

- switching to lower cost service providers;
- significant efficiencies through the commissioning of the skyline conveyor at the TLO;
- direct haulage of coal to the ROM stockpile from Ellensfield South; and
- installing fixed infrastructure to pump tailings as opposed to load and haul.

Additional cost reduction will be achieved by the replacement of a higher unit cost excavator with a 600t dig unit in Ellensfield South.

With a fluctuating coal price environment, increasing royalties and continuing inflationary cost pressures, Bowen continues to take active steps to tightly manage cashflow, preserve capital and enhance liquidity including via debt deferral, potential asset sales and strategic or other equity investment. During the quarter, Bowen successfully executed amendments to the existing debt facility arrangements (refer to Corporate Funding Facility section below) and entered into a royalty payment plan with the Queensland Royalty Office in order to enhance the Company's liquidity position as it continues the development of the Ellensfield South mine. The Company continues to pursue additional liquidity options as it invests in the ramp up at the Burton complex with the aim to create a long-life, low-cost mining complex.

Operational Review

Bowen Coking Coal Production, Sales and Stock Volumes

Managed Production (unaudited)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
ROM Coal Produced	Kt	640.3	596.3	7.4%	640.3	203.1
ROM Strip Ratio	Prime	12.7	12.4	(2.8%)	12.7	24.7
Saleable Coal Produced	Kt	545.1	465.3	17.1%	545.1	57.4
Sales of Produced Coal	Kt	554.8	363.7	52.5%	554.8	40.3
Sales of Third Party Purchased Coal	Kt	7.6	3.0	152.9%	7.6	0.0
Total Coal Sales	Kt	562.4	366.7	53.4%	562.4	40.3
Saleable Coal Stocks at period end	Kt	189.3	231.5	(18.3%)	189.3	28.8

September quarter ROM production was up 7.4% on the previous quarter as the improvement in mining operations was sustained and aided by initial production coal coming online from the Ellensfield South Mine in September, as planned. While BME ROM production was slightly down (9.1%) from the previous quarter, the mine operated with only two fleets for the majority of the period. Bluff maintained approximately the same ROM production (153Kt) as the previous quarter as mining operations moved south into the advancing terraces.

Saleable coal production for the Group was up 17.1% assisted by improving utilisation of the CHPP at Burton, for August at 73% and September at 78%. The CHPP also achieved greater than 98% availability for the quarter from a maintenance perspective.

Total quarterly coal sales were 53.4% higher than the June quarter as the logistics chain normalised and shipping established a consistent run rate (three to four shipments per month). Metallurgical coal made up 55% of overall coal sales in the September quarter (up from 37% in the June quarter), reflecting a continuation of normal coal mining operations for the majority of Broadmeadow East's mining, where the full seam was mined and processed, producing a coke product from the CHPP primary circuit and thermal product from the secondary circuit.

Broadmeadow East Mine (BME)

Managed Production (unaudited)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
ROM Coal Produced	Kt	397.5	437.0	(9.1%)	397.5	160.5
ROM Strip Ratio	Prime	9.3	10.0	6.4%	9.3	13.5
Saleable Coal Produced	Kt	400.4	342.4	17.0%	400.4	24.6
Sales of Produced Coal	Kt	436.4	229.9	89.8%	436.4	0.0
Sales of Third Party Purchased Coal	Kt	0.0	0.0	0.0%	0.0	0.0
Total Coal Sales	Kt	436.4	229.9	89.8%	436.4	0.0
Saleable Coal Stocks at period end	Kt	114.4	170.9	(33.1%)	114.4	24.6

BME ROM coal production of 398Kt for the September quarter was down 9.1% on the June 2023 quarter, however this was a strong result given that operating mining fleets (excavator and truck fleets) at BME

reduced from three to two on the 11th of August, with the 3rd mining fleet relocating to Ellensfield South to support its ramp up phase.

Saleable coal production of 400Kt for the quarter was up 17% as Module 1 at the Burton CHPP performed not only at nameplate capacity for throughput, but also with a high level of reliability, with mining ROM coal feed from the pit supported by ROM stockpile capacity from the previous quarter.

September 2023 quarter sales volumes of 436Kt were 90% higher than the June quarter, with logistics constraints easing and Bowen able to make consistent railings to port.

BME Coal product stocks at the end of the September quarter were 114Kt, a reduction of 33% on the June quarter.

Ellensfield South Mine

Managed Production (unaudited)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
ROM Coal Produced	Kt	90.3	0.0	0.0%	90.3	0.0
ROM Strip Ratio	Prime	40.7	0.0	0.0%	40.7	0.0
Saleable Coal Produced	Kt	19.7	0.0	0.0%	19.7	0.0
Sales of Produced Coal	Kt	0.0	0.0	0.0%	0.0	0.0
Sales of Third Party Purchased Coal	Kt	0.0	0.0	0.0%	0.0	0.0
Total Coal Sales	Kt	0.0	0.0	0.0%	0.0	0.0
Saleable Coal Stocks at period end	Kt	5.8	0.0	0.0%	5.8	0.0

Ellensfield South ROM coal production of 90Kt for the September quarter was the first coal to be mined from the new operating pit. Bowen had advised that first production coal would be mined in September, and this was achieved. Three mining fleets were operating in Ellensfield South from the 12th of August after a 350t excavator was relocated from BME to join the 400t and 300t machines already in operation. Availability of skilled operator labour continues to limit production upside, with Bowen working with the contractor to identify new initiatives to improve attraction and retention rates.

Saleable coal production of 20Kt for the quarter was limited as priority was given to BME coal that could be washed and shipped. First sale of Ellensfield South coal is expected in November after sufficient coal stocks are built and mandatory shipping testing is completed.

Ellensfield South coal product stocks at the end of the September 2023 quarter were 6Kt, with some coal also used to create a base on the extended ROM which will be reclaimed at the end of mining operations.

Burton Complex Infrastructure

The Burton CHPP washed 621Kt tonnes of coal for the September quarter, a strong result given that the wash plant was only commissioned in the June quarter. This was aided by 1,541 run hours and an average throughput rate of 403t per operating hour (just above name-plate).

Capital expenditure on the recommissioning work on Module 2 of the CHPP has ceased apart from minor trailing electrical work which will be completed by November 2023. Refurbishment of the skyline automatic loading facility at the TLO was completed on 15 September 2023. The facility is operating extremely well and already reducing coal handling, dozer costs and generation of coal fines in the product.

Bluff Mine

Managed Production (unaudited)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
ROM Coal Produced	Kt	152.5	159.3	(4.2%)	152.5	42.5
ROM Strip Ratio	Prime	21.5	18.9	(13.5%)	21.5	66.9
Saleable Coal Produced	Kt	125.0	123.0	1.6%	125.0	32.9
Sales of Produced Coal	Kt	118.4	133.7	(11.5%)	118.4	40.3
Sales of Third Party Purchased Coal	Kt	7.6	3.0	152.9%	7.6	0.0
Total Coal Sales	Kt	126.0	136.8	(7.9%)	126.0	40.3
Saleable Coal Stocks at period end	Kt	69.0	60.7	13.8%	69.0	4.2

Bluff ROM coal production of 153Kt for the September quarter was down 4.2% on the June quarter with mining now advancing in Stages 2 / 3 and 4 without the benefit of the lower strip ratio coal completing Stage 1. Geological variance against the geological model also had a negative impact on total ROM coal mined for the quarter.

Saleable coal production of 125Kt for the quarter was slightly up 1.6% on the June quarter with coal being washed to match sales profile. Bowen cargoes saw reduced logistical delays for the quarter including from co-shippers.

September 2023 quarter sales volumes of 126Kt were 7.9% lower than the June quarter, reflecting customers in some cases not taking up their 10% shipping tolerance. This lower shipping tonnage was offset by a similar increase in saleable coal stocks at the end of the period.

Coal Sales and Realised Pricing

For the September quarter, Bowen achieved an average realised coal sales price of US\$132.2/t across all its operations, down from US\$156.2/t achieved in the June quarter. This reduction was driven by a 21.4% decrease in thermal coal prices achieved in the quarter as well as 28.2% lower quarter on quarter pricing for metallurgical sales. Offsetting the lower prices was the impact of a more favourable sales mix with coking coal volumes sold for the first time from the Broadmeadow East Mine. Coupled with Bluff's PCI sales, Bowen sold a total of 301Kt of metallurgical product, comprising more than half of September quarter's total sales.

Quarterly sales performance is reflected below:

Managed Sales of Produced Coal (unaudited)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
Metallurgical Coal Sales	Kt	300.7	133.7	124.9%	300.7	40.3
Thermal Coal Sales	Kt	254.1	229.9	10.5%	254.1	-
Total Managed Produced Coal Sales	Kt	554.8	363.7	52.5%	554.8	40.3
Volume Mix of Metallurgical Coal Sales	%	54.2%	36.8%	47.4%	54.2%	100.0%
Volume Mix of Thermal Coal Sales	%	45.8%	63.2%	(27.6%)	45.8%	0.0%
<u>*Average Realised Sales Price</u>						
Metallurgical Coal Sales	US\$/T	\$172.69	\$240.64	(28.2%)	\$172.69	\$239.27
Thermal Coal Sales	US\$/T	\$84.22	\$107.12	(21.4%)	\$84.22	\$0.00
Total Managed Produced Coal Sales	US\$/T	\$132.18	\$156.22	(15.4%)	\$132.18	\$239.27
Number of vessels		10	7	3	10	1

**Average Realised Sales price in the table above refers to sales of produced coal for which revenue has been recognised in the period by Bowen Coking Coal Ltd and excludes all revenue from third party coal sales.*

The metallurgical coal market has seen recent positive moves in pricing for Queensland suppliers, including Bowen Coking Coal. Ongoing maintenance programs as well as production issues at large Queensland mines constrained supply in the latter half of Q3 2023, with end user demand strengthening for Australian coking coals, particularly Indian demand after the passing of monsoon season. This saw prices for prime hard coking coal rise strongly from US\$233 per tonne up to US\$333, and hard coking coal from \$200 to \$260 over the course of the quarter. Due to achieved pricing lags, the benefits of recent price increases will continue to flow through post quarter end.

Export infrastructure availability continued to be impacted by maintenance periods in the Goonyella rail system and Dalrymple Bay Coal Terminal, though Bowen was able to achieve sales of all volumes planned and available.

Demand for Bowen's high-quality Burton Hard Coking Coal is proving strong, and the company is currently providing samples and has confirmed trial cargoes with tier 1 steel makers in Q4 2023 and entered into discussions for term offtake.

Average price realisations for Bowen's coal are expected to improve in the near term with a higher proportion of coking sales within the group's sales mix, as well higher pricing relativities targeted by entering into long term contracts with Tier 1 customers which will take precedence over the short-term trade deals required as Bowen re-established Burton coal in the market.

Logistics Update

Bowen Coking Coal rails coal from the Bluff Mine to the RG Tanna Coal Terminal (RGTCT) at Gladstone while BME and Burton coal is railed to the Dalrymple Bay Coal Terminal (DBCT) in Mackay via both Pacific National and Aurizon rail providers.

In both rail corridors performance has improved compared to prior quarter, weekly rail capacity is more readily available, and reliability of rail has increased through a reduction in the frequency of train cancellations. The September quarter closed with the vessel queue increasing at both DBCT (32 vs 25) and at RGTCT (21 vs 17) compared to end of June quarter.

Corporate

June 2023 Capital Raise

During the September quarter, Bowen completed the \$4.3 million remainder (net of capital raising fees) of its June 2023 capital raise, as reflected in item 3.1 ("Proceeds of the issue of shares") of the Appendix 5B.

Included in the \$4.3 million was \$2.2 million of director participation subject to shareholders approval, which was received at a general meeting of the Company on 18 July 2023.

Corporate funding facility

As announced on the ASX on the 29 September 2023, Bowen successfully reached agreements with its senior and subordinated lenders, Taurus Mining Finance Fund No. 2, L.P. and New Hope Corporation respectively, amending the loan facilities.

The material amendments include extension of tenor, deferment of principal amortisation for the next 12 months and a modest increase in interest margins and royalties payable. Bowen's senior and subordinated debt providers remain supportive of the Company and its operational strategy.

The extended maturities provide headroom for business debt repayment while steady-state production is achieved at the Ellensfield South Pit, part of the Company's Burton Complex north of Moranbah.

\$0.2 million in transaction costs associated with the June 2023 capital raise and share purchase plan were paid in the September quarter (as disclosed in item 3.4 of the Appendix 5B). In relation to the amendment of the senior and subordinated debt facilities, approximately \$1.2 million in advisory and legal fees were incurred, which will be cash settled in the coming quarter.

Taurus debt facility

Changes to the Taurus senior debt facility (unchanged at total of US\$51.0 million) include an extension to loan termination date (now 31 December 2025, previously 31 March 2024) with its principal repayment profile summarised in the table below.

Repayment Date	Repayment Instalment
30 September 2024	US\$6,000,000
31 December 2024	US\$9,000,000
31 March 2025	US\$9,000,000
30 June 2025	US\$9,000,000
30 September 2025	US\$9,000,000
31 December 2025	US\$9,000,000

The facility interest rate (paid quarterly) has increased to 10% (previously 8%) on the facility drawn balance at 30 March 2023 of US\$44.0 million. The remaining US\$7.0 million drawn balance interest rate of 10% remains unchanged.

In addition, higher royalties are payable in respect of the Broadmeadow East and Burton tenements (now 0.75%, previously 0.35%). Bluff royalties are unchanged at 1.00%.

The debt facility with Taurus at the end of the quarter was A\$79.0 million (US\$51.0 million), converted at an USD:AUD exchange rate on 30 September 2023 of 0.6458:1.

New Hope performance bonding facility

Changes to the New Hope performance bonding subordinated debt facility include a reduction to the facility limit to \$47.9 million (original facility limit of \$70.0 million), extension to loan termination date to 31 March 2026 (previously 30 June 2024) and a Share Purchase Agreement (summarised below). Interest rate of 3-month BBSY Bid plus 10% per annum remains unchanged.

Key terms of Bowen and New Hope's share purchase agreement are:

- \$10.0 million issuance of shares (76,923,076 shares at \$0.13 per share, as announced to the ASX on 2 October 2023) used to immediately repay \$9.1 million of historical capitalised interest and accrued interest owing on the New Hope facility up to 29 September 2023 as well as the principal loan repayment of \$0.9 million.
- Future interest repayments up to 30 September 2024 are planned to be settled in quarterly warrants (options) tranches of 25,000,000 each, subject to shareholders approval at the Company's Annual General Meeting on 22 November 2023 (refer ASX announcement 29 September 2023)

The facility principal balance at September quarter end was A\$47.0 million.

Convertible notes

40,000,000 Convertible Notes remained on issue during the Quarter.

Operational cash flow analysis

A breakdown of the operating cashflows from the Appendix 5B has been split out between “Mining and Sale of coal” and “Corporate” segments for the September 2023 quarter as reflected below.

“Mining and Sale of coal” includes Bluff and Broadmeadow East mines along with Bowen’s share of Lenton Joint Venture’s operational costs associated with running the Burton Complex (which supports Broadmeadow East and Ellensfield South mining activities).

Through restructuring and deferment of debt and royalties, preservation of capital, strong coal receipts and other cost reduction initiatives outlined above in the Operational Review section, Bowen completed the quarter with net positive cash flow generated from mining operations of \$11.5 million.

Excluding Bluff, the mining operations generated \$15.3 million net positive operating cash flow. Total net operating cashflow (including Bluff) after corporate overheads totalled \$6.4 million.

Cash flows related to operating activities (unaudited)	Mining and Sale of coal	Corporate	Total
1.1 Receipts from customers	120,456,616	-	120,456,616
1.2 Payments for:			
(a) exploration and evaluation	-	-	-
(b) development	-	-	-
(c) production	(120,160,929)	(988,447)	(121,149,376)
(d) staff costs	(988,510)	(1,709,955)	(2,678,465)
(e) administration and corporate costs	(15,435)	(1,574,518)	(1,589,953)
1.3 Dividends received	-	-	-
1.4 Interest received	-	6,868	6,868
1.5 Interest and other costs of finance paid	(16,773)	-	(16,773)
1.8 Other GST/withholding tax received/(paid)	12,178,742	(820,420)	11,358,322
1.9 Net operating cash inflows/(outflows)	11,473,711	(5,086,472)	6,387,239

Operating Cashflows above exclude royalties. Cash costs in table above reflect Bowen’s 90% ownership in the Lenton Joint Venture.

A breakdown of September 2023 quarterly item 1.2 (c) ("Payments for production") of \$120.2 million from the Mining and Sale of coal segment is provided in the tables below, after allocation of GST.

Total Cash Cost / tonne produced	Burton Complex	Bluff Mine	Total
Mining costs	\$ 75.79	\$ 215.13	\$ 107.74
Haulage costs	\$ 20.27	\$ 14.84	\$ 19.03
CHPP related costs	\$ 20.09	\$ 62.86	\$ 29.89
Rail, port and demurrage	\$ 21.27	\$ 36.10	\$ 24.67
Marketing fees	\$ 2.90	\$ 2.12	\$ 2.72
Acquisition Royalties	\$ -	\$ 11.80	\$ 2.71
QLD State Royalties	\$ -	\$ -	\$ -
Other costs	\$ 17.92	\$ 9.57	\$ 16.01
Total Cash Cost / tonne produced	\$ 158.24	\$ 352.42	\$ 202.76
Saleable Tonnes Produced (Kt)	420.1	125.0	545.1

Total Cash Cost / tonne sold	Burton Complex	Bluff Mine	Total
Mining costs	\$ 72.95	\$ 227.21	\$ 105.86
Haulage costs	\$ 19.51	\$ 15.68	\$ 18.70
CHPP related costs	\$ 19.33	\$ 66.39	\$ 29.37
Rail, port and demurrage	\$ 20.47	\$ 38.12	\$ 24.24
Marketing fees	\$ 2.79	\$ 2.24	\$ 2.67
Acquisition Royalties	\$ -	\$ 12.46	\$ 2.66
QLD State Royalties	\$ -	\$ -	\$ -
Other costs	\$ 17.25	\$ 10.11	\$ 15.73
Total Cash Cost / tonne sold	\$ 152.31	\$ 372.21	\$ 199.22
Sales Tonnes (Kt) (produced coal sales)	436.4	118.4	554.8

	Burton Complex	Bluff Mine	Total
Free on Rail (FOR) cost / tonne produced	\$ 134.07	\$ 302.40	\$ 172.67
Free on Board (FOB) cost / tonne sold ^	\$ 152.31	\$ 372.21	\$ 199.22

^ Excluding State royalties.

All amounts above exclude GST, as appropriate, and are on a cash basis to align with the Appendix 5B report (not on accounting accruals basis).

Mining costs comprise payments to mining services contractors, exclusive of the Ellensfield South box cut development at Burton which has been reported under capital in 2.1 (c) ("Payments for plant and equipment"). Compared to the June quarter, Burton's mining cost per tonne have reduced reflecting a lower strip ratio at Broadmeadow East. Haulage costs at Burton include additional trucking capacity as well as additional road maintenance works undertaken for wet season preparedness.

CHPP costs include contracted dozer and train loading services as well as Sedgmans contractor costs, as the awarded operator and maintenance service provider for the CHPP from 1 July 2023. Costs include generator hire and diesel used to power the plant and associated infrastructure, while the Company reviews options for power supply reconnection at the Burton Complex to lower future running costs. CHPP costs are also impacted by elevated coal rejects haulage costs for which an alternate lower cost solution in the form of fixed pumping infrastructure is being sourced, as outlined in the Executive Summary section.

Demurrage costs were significantly higher across Bluff and Burton, largely due to co-shipper as well as rail and port queue delays experienced in the prior quarter. Port costs for the September quarter had been prepaid earlier in the year, with the higher expenditure relating to additional port capacity secured for the Burton complex to meet the planned shipping requirements.

In order to preserve cash and maintain liquidity in the quarter, Bowen sought deferral of QLD state royalty payments relating to Broadmeadow East's June 2023 annual royalty obligation as well as for Bluff's June 2023 quarterly royalty obligation, which collectively total \$21.5 million. These liabilities will be paid in equal instalments to the Queensland Revenue Office (QRO) over the next 12 months, commencing in November 2023.

Other costs are largely annual prepayment of insurance premiums, as well as site infrastructure operational and maintenance costs and annual government rates, taxes and tenement compliance and environmental costs.

GST refunds of \$12.2 million in item 1.8 ("Other GST/withholding tax received/(paid)") in the Mining and Sale of Coal Segment have been applied pro rata to Burton Complex and Bluff cash costs tables where GST is applicable. A portion of the GST refund also relates to GST on spend item 2.1 (c) ("Payments for plant and equipment").

ASX Listing Rule Disclosure

Of the Cash receipts of \$120.5 million reported in item 1.1 of the Appendix 5B ("Receipts from customers"), \$80.2 million is attributable to coking and thermal coal sales from Broadmeadow East and \$40.3 million is for PCI sales from Bluff.

Item 1.2 (c) ("Production costs") of \$121.1 million relates to operational and selling-related cash costs for the Bluff mine and the Burton Complex, inclusive of the Broadmeadow East operation. These costs are analysed in detail above in the Operating Cash Flow Analysis section.

Item 1.2 (e) (Administration and corporate costs") of \$1.6 million includes legal, insurance, corporate consulting costs, recruitment fees, subscriptions and memberships, accounting and tax, and software licencing and maintenance costs. September quarter's costs include prepayments for annual insurance policy premium renewals. Quarter on quarter costs excluding annual insurance premium renewal payments are in line with the prior quarter at \$0.9 million.

Item 2.1 (c) ("Property Plant and Equipment") of \$32.1 million is predominately expenditure on development of Burton's Ellensfield South box cut (\$15.0 million) along with tailing capital spend for Burton CHPP Module 1 and 2 refurbishment and skyline conveyor.

Item 2.5 ("Proceeds from Farmee/JV partner") includes \$20.0 million received as prepayment for future joint venture contributions from Lenton Joint Venture partner MPC Lenton (a wholly owned subsidiary of the Formosa Plastics Group) and \$2.0 million from Sumitomo for funding towards the Phase 2b work program for Hillalong. As cash flows in the Appendix 5B are presented where relevant for Bowen's 90% share of interest in Lenton Joint Venture for operating and investing cash flows, the remaining balance of \$5.0 million net outflow in item 2.5 represents the share of operating and investing net cash outflows attributable to JV partner MPC Lenton for their 10% interest in Lenton JV.

Cash flows related to financing activities

Details of item 3.1 (“Proceeds from issue of shares”) is covered above in the June 2023 Capital Raise section. Item 6.1 (“Payments to related parties of the entity and their associates”) of \$2,092,503 comprises \$1,617,208 in marketing fees for coal sales paid to a company associated with a director and \$475,295 for directors’ fees and associated superannuation.

Liquidity Update

Bowen has successfully undertaken a number of measures to preserve capital and enhance liquidity, including mine plan optimisation and reducing capital and overhead spend, as well as debt facility amendments with lenders and royalty deferral, as it continues its development of Ellensfield South. The Company continues to pursue other available liquidity options as it completes ramp up of the Burton complex, including additional debt refinancing, equity / strategic investment, and the potential sale of Isaac River.

Development Projects

Isaac River

Following completion of a mining lease compensation agreement with the landowners of Isaac River, Bowen has applied for a Mining Lease with the Queensland Government. This is expected to take two to three months to be granted. Prior to mining commencing, Bowen plans to install ground water monitoring bores to establish baseline data and work with the Isaac Regional Council on an intersection upgrade to safely access the Mining Lease.

Subject to the grant of the Mining Lease, construction, if and when commenced would create approximately 200 jobs when in steady state mining. The Isaac River Project, once operational, will produce high quality, high yielding metallurgical coal of up to 500,000 tonnes per year for approximately five years¹. The company has recently announced it is investigating the potential sale of Isaac River as it focusses on its low cost, longer life Burton complex assets.

Hillalong

The Hillalong Coal Project (EPC1824 and EPC2141) ownership structure is 85% Bowen and 15% Sumitomo, with Sumitomo’s holding in the project increasing a further 5% once fully funding the Phase 2b Work Program.

The upcoming work program will focus on the Hillalong South area to further define the 64 Mt resource announced 9 August 2023² (35Mt indicated and 28Mt inferred category) through a series of infill drill holes

¹ Refer ASX release dated 28 July 2021: “Production Targets for Broadmeadow East and Isaac River”. In accordance with ASX Listing Rule 5.19, the Company confirms that all the material assumptions underpinning the production target in the cited ASX release continue to apply and have not materially changed.

² Refer ASX release dated 9 August 2023. In accordance with ASX Listing Rule 5.23, the Company confirms that it is not aware of any new information or data that materially affects information included in the cited ASX release and that in respect of the Mineral Resources referenced in that release, all material assumptions and technical parameters continue to apply and have not materially changed.

and extensions to the north and west. Feasibility and long-term environmental studies will be undertaken as part of the program with exploration drilling to commence in November 2023.

A table summarising the Hillalong Resource is set out below.

Table 1. Summary of the resource estimate for Hillalong South

South	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)
ELP	-	20.0	15.5	35.5
HYDU	-	8.8	7.3	16.1
HYDM	-	6.7	5.2	11.9
TOTAL	-	35	28	64

Note – Some rounding to the nearest significant figure has occurred and this may reflect in minor differences in the overall reported resource.

Hillalong is planned to operate as a satellite pit within the Burton complex with coal processed through the recently refurbished Burton CHPP.

Market Update

The initiatives identified in the previous quarterly Market Update started to be implemented during the September quarter to reset Bowen's future cost base, with management continuing to explore further opportunities for operational efficiency and cost reduction.

Broadmeadow East

The Broadmeadow East Mine started to transition back to an annual steady state production rate of 0.8-1.2Mtpa with the relocation of its three 350t excavator fleets to the Ellensfield South Mine in August 2023. A higher ROM tonnage was sustained through the period on the back of the optimised mine plan, with short to medium term ROM production expected to be at the upper end of the 0.8-1.2Mtpa production guidance, even with only two operating fleets.

Bowen continues to explore options for mining the southern end of the resource, including but not limited to mining through the high voltage powerline easement (with a further window for powerline relocation available in June 2024) or establishing a box cut south of the powerline easement, leaving the powerline in place or again deferring the cost of relocation.

Ellensfield South pit

Monthly ROM production is planned to increase as the box cut is completed in the December 2023 quarter and terraces are started to be established for the multiple mining fleets. A 600t excavator will be commissioned in November 2023, replacing a 350t unit which has been forecast into the ramp up plan. While a steady state of 2-2.4Mtpa has previously been communicated, Bowen is exploring options with BUMA to lift this up to 2.8Mtpa during FY2024 to give site optionality on maintaining feed to Module 1 of the CHPP.

The continued strong performance of Module 1 of the Burton CHPP in relation to availability and throughput means refurbishment work on Module 2 will be delayed to late 2024, deferring the associated capital spend.

Shipping is forecast to be over 425Kt in the next quarter across the Burton Complex (BME and Ellensfield South Mine), with 185Kt already secured with customers in the initial period.

Bluff

Bowen announced on 28 September that the Bluff Mine would transition into care and maintenance with mining to cease by the end of November 2023. With the help of major service providers (HSE Mining and Qube) ROM production will be optimised during this period. Bowen will assume statutory control of the Mine once in care and maintenance and will continue to meet its environmental monitoring obligations.

Sales contracts have been secured with customers for at least 100Kt in the next quarter with Bowen looking for opportunities to secure an additional spot sale in December 2023 / January 2024 dependent on coal tonnage mined in the last month.

Care and maintenance costs at Bluff mine are not expected to be significant with opportunities being reviewed to keep the holding costs at a minimum.

Tenement Information

As at 30 September 2023, the company had interests in the following tenements (as required by Listing Rule 5.3.3). There were no changes in the Company's interests in tenements during the quarter.

	Project	Tenement	Location	Country	Current Interest	Change in holding
1	Cooroorah	MDL 453	Queensland	Australia	100%	-
2	Broadmeadow East	ML 70257	Queensland	Australia	100%	-
3	Hillalong	EPC 1824	Queensland	Australia	85%	-
4	Hillalong	EPC 2141	Queensland	Australia	85%	-
5	Carborough	EPC 1860	Queensland	Australia	100%	-
6	Lilyvale	EPC 1687	Queensland	Australia	15%	-
7	Lilyvale	EPC 2157	Queensland	Australia	15%	-
8	MacKenzie	EPC 2081	Queensland	Australia	5%	-
9	Comet Ridge	EPC 1230	Queensland	Australia	100%	-
10	Isaac River	MDL 444	Queensland	Australia	100%	-
11	Isaac River	MDL 830	Queensland	Australia	100%	-
12	Isaac River	MLA 700062	Queensland	Australia	100%	-
13	Isaac River	MLA 700063	Queensland	Australia	100%	-
14	Bluff	EPC 1175	Queensland	Australia	100%	-
15	Bluff	EPC 1999	Queensland	Australia	100%	-
16	Bluff	ML 80194	Queensland	Australia	100%	-
17	Lenton	EPC 766	Queensland	Australia	90%	-
18	Lenton North	EPC 865	Queensland	Australia	90%	-
19	Lenton West	EPC 1675	Queensland	Australia	90%	-
20	New Lenton	ML 70337	Queensland	Australia	90%	-
21	New Lenton	ML 700053	Queensland	Australia	90%	-
22	New Lenton	ML 700054	Queensland	Australia	90%	-
23	Burton	EPC 857	Queensland	Australia	90%	-
24	Burton	MDL 315	Queensland	Australia	90%	-
25	Burton	MDL 349	Queensland	Australia	90%	-
26	Burton	ML 70109	Queensland	Australia	90%	-
27	Burton	ML 70260	Queensland	Australia	90%	-

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

For further information please contact:

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Directors:

Executive Chairman – Nick Jorss
Non-Executive Director – Neville Sneddon
Non-Executive Director – David Conry

Company Secretary

Duncan Cornish

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Listing Rule 5.23 Statement

All exploration results and Mineral Resources referred to in this quarterly report have previously been announced to the market by the Company in accordance with the requirements of Chapter 5 of the ASX Listing Rules and the JORC Code 2012, including as to the requirements for a statement from a Competent Person; and the relevant announcements have been referred to in the body of the quarterly report. The Company confirms that it is not aware of any new information or data that materially affects that information. In respect of the Mineral Resources, all material assumptions and technical parameters continue to apply and have not materially changed.

About Bowen Coking Coal

BCB is a Queensland based coking coal company which operates the Burton and Bluff metallurgical coal mines, with the Isaac River Project primed for development and a number of advanced exploration assets. BCB fully owns the Bluff PCI and Broadmeadow East mines as well as the Isaac River, Cooroora, Hillalong (85%) and Comet Ridge coking coal projects in the world renowned Bowen Basin in Queensland, Australia. BCB also holds a 90% interest in the Lenton Joint Venture which owns the Burton Mine and Lenton Project in the northern Bowen Basin, which has been recommissioned and is currently under mine development. BCB has agreed with the JV partner to incorporate the Broadmeadow East mine into the Joint Venture. BCB is also a joint venture partner in the Lilyvale (15% interest) and Mackenzie (5% interest) coking coal projects with Stanmore Resources Limited.

The highly experienced Board and management team aim to grow the value of the company's coking coal projects to benefit shareholders. An aggressive exploration, development and growth focused approach underpins the business strategy.

Appendix A: Managed Coal Production

Summary Information (<i>unaudited</i>)		Quarter Sep-23	Quarter Jun-23	Change %	Year to Date Sep-23	Year to Date Sep-22
ROM Coal Production						
Bluff	Kt	152.5	159.3	(4.2%)	152.5	42.5
Broadmeadow East	Kt	397.5	437.0	(9.1%)	397.5	160.5
Burton	Kt	90.3	0.0	0.0%	90.3	0.0
Total	Kt	640.3	596.3	7.4%	640.3	203.1
Strip Ratio						
Bluff	Prime	21.5	18.9	(13.5%)	21.5	66.9
Broadmeadow East	Prime	9.3	10.0	6.4%	9.3	13.5
Burton	Prime	40.7	0.0	0.0%	40.7	0.0
Total excl Burton ES box cut development	Prime	12.7	12.4	(2.8%)	12.7	24.7
Saleable Coal production						
Bluff	Kt	125.0	123.0	1.6%	125.0	32.9
Broadmeadow East	Kt	400.4	342.4	17.0%	400.4	24.6
Burton	Kt	19.7	0.0	0.0%	19.7	0.0
Total	Kt	545.1	465.3	17.1%	545.1	57.4
Sales of Produced Coal						
Bluff	Kt	118.4	133.7	(11.5%)	118.4	40.3
Broadmeadow East	Kt	436.4	229.9	89.8%	436.4	0.0
Burton	Kt	0.0	0.0	0.0%	0.0	0.0
Total	Kt	554.8	363.7	52.5%	554.8	40.3
Sales of Third Party Purchased Coal						
Bluff	Kt	7.6	3.0	152.9%	7.6	0.0
Broadmeadow East	Kt	0.0	0.0	0.0%	0.0	0.0
Burton	Kt	0.0	0.0	0.0%	0.0	0.0
Total	Kt	7.6	3.0	152.9%	7.6	0.0
Total Coal Sales						
Bluff	Kt	126.0	136.8	(7.9%)	126.0	40.3
Broadmeadow East	Kt	436.4	229.9	89.8%	436.4	0.0
Burton	Kt	0.0	0.0	0.0%	0.0	0.0
Total	Kt	562.4	366.7	53.4%	562.4	40.3
Product Coal Stockpile						
Bluff	Kt	69.0	60.7	13.8%	69.0	4.2
Broadmeadow East	Kt	114.4	170.9	(33.1%)	114.4	24.6
Burton	Kt	5.8	0.0	0.0%	5.8	0.0
Total	Kt	189.3	231.5	(18.3%)	189.3	28.8

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BOWEN COKING COAL LIMITED

ABN

72 064 874 620

Quarter ended ("current quarter")

30 Sept 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	120,457	120,457
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(121,149)	(121,149)
	(d) staff costs	(2,678)	(2,678)
	(e) administration and corporate costs	(1,503)	(1,503)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	(17)	(17)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other GST/withholding tax received/(paid)	11,358	11,358
1.9	Net cash from / (used in) operating activities	6,475	6,475

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(32,111)	(32,111)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	(a) Exploration & evaluation on farmin project	-	-
	(b) Cash received from JV partner	17,031	17,031
2.6	Net cash from / (used in) investing activities	(15,080)	(15,080)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,333	4,333
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(210)	(210)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(19)	(19)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	4,104	4,104

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	48,945	48,945
4.2	Net cash from / (used in) operating activities (item 1.9 above)	6,475	6,475
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(15,080)	(15,080)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,104	4,104
4.5	Effect of movement in exchange rates on cash held	(73)	(73)
4.6	Cash and cash equivalents at end of period	44,371	44,371

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	44,371	48,945
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Bank Guarantee	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	44,371	48,945

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	2,093
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: * comprises directors' fees & associated superannuation totalling \$475k – these costs are elevated for the quarter due to the resignation of an executive director. A further \$1.618m was paid for marketing fees to a company associated with a director.*

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	126,008	126,008
7.2	Credit standby arrangements	-	-
7.3	Other (Convertible Notes)	40,000	40,000
7.4	Total financing facilities	166,008	166,008
7.5	Unused financing facilities available at quarter end		NIL
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Financing facilities were amended, please refer to information also disclosed in Quarterly Activity Report as well as ASX announcement on 29 September 2023.</p> <p>Taurus Senior Secured Debt Facility</p> <p>The Taurus senior debt facility had a drawn balance of US\$51 million at September quarter end and revised termination date of 31 December 2025. The principal repayment profile is US\$6 million commencing on 30 September 2024 and five equal quarterly repayments of US\$9 million at each quarter end thereafter, completing on 31 December 2025.</p> <p>The facility interest rate (paid quarterly) is 10% per annum on the facility drawn balance and royalties are payable in respect of the Broadmeadow East and Burton tenements (0.75%) and the Bluff tenements (1.00%).</p> <p>New Hope performance bonding facility</p> <p>The New Hope performance bonding subordinated debt facility has been reduced to \$47.9 million, with an extension of the loan termination date to 31 March 2026.</p> <p>A Share Purchase Agreement (summarised below) was negotiated to enable the quarterly payment of interest. Interest rate of 3-month BBSY Bid plus 10% per annum remains unchanged.</p> <p>Key terms of Bowen and New Hope's share purchase agreement are:</p> <ul style="list-style-type: none"> \$10.0 million issuance of shares (being 76,923,076 shares at \$0.13 per share, as announced to the ASX on 2 October 2023) used to immediately repay \$9.1 million of historical capitalised interest and accrued interest owing on the New Hope facility up to 29 September 2023 as well as the principal loan repayment of \$0.9 million. Future interest repayments up to 30 September 2024 are planned to be settled in warrants (options) tranches of 25,000,000 each, subject to shareholders approval at the company's Annual General Meeting on 22 November 2023 (refer to ASX announcement issued 29 September 2023). <p>The facility principal balance at September quarter end was \$47.0 million.</p> <p>Convertible loan note issuance</p> <p>No conversion of the Convertible Loan Notes occurred during the Quarter.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	6,475
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	6,475
8.4	Cash and cash equivalents at quarter end (item 4.6)	44,371
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	44,371
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not applicable	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

By the Board
Duncan Cornish
Company Secretary

23 October 2023

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. "Payments for development" (1.2 (b)) relate to pre-production costs in relation to mine development costs incurred up to and including the point of steady-state or mine design levels of production. Once steady-state or mine design levels of production are attained, costs incurred in the production of saleable coal will be reported under "Payments for production" (1.2 (c)).