BOWEN COKING COAL

Level 4, 167 Eagle Street
Brisbane Queensland 4000
GPO Box 1465 Brisbane Qld 4000
Australia
ACN: 064 874 620

T: +61 (0) 7 3191 8413
info@bowencokingcoal.com
ASX: BCB

bowencokingcoal.com

14 July 2025

ASX ANNOUNCEMENT

Market update

- **Owner-operator mining has commenced at the Burton Mine Complex with a reduced fleet size, primarily focussing on low-cost, low strip-ratio production.**

- **Bowen has reduced coal production rates at the Burton Mine Complex due to the current depressed state of global steel markets, persistently low coal prices, a higher industry cost base and high State royalty rates.**

- **Bowen continues to explore a range of strategic and commercial outcomes to provide the business with funding in the current depressed coal price environment. The Company is in active commercial negotiations with key creditors and has appointed advisors, seeking to recapitalise the business.**

Bowen Coking Coal Ltd (ASX : BCB) ('Bowen' or 'the Company') announces that it has commenced owner-operator mining at the Burton Mine Complex at reduced production rates due to the impacts of persistent low coal prices coupled with a higher industry cost base and high State royalty rates. Bowen is continuing to explore a range of strategic and financial sources of funding to assist in navigating the currently soft steel and metallurgical coal markets and is actively engaging with key counterparties for support.

Lower Cost Production Plan

Bowen has initiated plans to reduce production at the Burton Mine Complex due to depressed coal prices and the resulting lack of operating margin. Operations will focus on low cost, low strip ratio tonnages utilising up to two excavator fleets rather than four, with no further significant waste removal occurring in Plumtree North in the near-term. This decision has not been taken lightly, but is essential for Bowen to conserve cash reserves, allowing time to navigate the current depression in the coal price cycle.

Plumtree North is an opencut deposit within the greater Burton Mine Complex, located to the south of the Burton Coal Handling and Preparation Plant (CHPP). The Plumtree North mine is adjacent to the Ellensfield South mine separated by the Teviot Creek. Box-cut excavation works at Plumtree North commenced in August 2024, with the first development coal successfully mined in November 2024. Bowen has invested $55 million in capital works to date in the Plumtree North mine development, which is now approximately 90% complete.

In the September 2025 quarter, Bowen will focus solely on low-cost mining operations at both Ellensfield South and Plumtree North, targeting ~0.5Mt of ROM coal at a very low strip ratio of less than 3:1 (BCM/t). Bowen's focus is to extract these tonnages at the lowest cost possible for export to seaborne customers, in order to generate maximum margins and cash with the reasonable expectation that coal markets will improve later in the year. If coal prices do not improve during this

September 2025 quarter, or if sufficient financing initiatives being actively pursued are not achieved, operations at the Burton Mine Complex may be paused.

Figure 1: Commencement of owner-operator mining at the Burton Mine Complex

Impact to Owner-Operator Transition

On 10 June 2025, Bowen announced that the Burton Mine Complex would transition to an owner-operator model upon the expiry of the mining services agreement with BUMA Australia Pty Ltd on 30 June 2025. There are no further contractual obligations with BUMA Australia Pty Ltd post 30 June 2025. The transition to owner-operator is part of Bowen's ongoing strategy to optimise operations, increase flexibility, reduce costs and provide consistent high-quality metallurgical coal products to its customers.

The decision to transition reflects Bowen's commitment to building internal capability, increasing operational control and flexibility, reducing costs and enhancing productivity across all mining activities.

Importantly, the rationale behind transitioning to an owner-operator model has not changed, despite the Company's decision to reduce production and operating fleets at Burton. Transitioning to an owner-operator model is fundamentally the right decision for the business.

Bowen confirms that owner-operator mining officially commenced at Burton in July 2025 with the assistance of our mining partners Emeco International and Mining Pro. The Company is fulfilling its existing customer contracts.

Coal Markets

Since the Company's Quarterly Activities Report release on 28 April 2025, the Platts Australia PLV FOB coking coal price (PLV HCC) continued to increase to a spot price of US$195.80/t on 28 May 2025, the highest price since early January 2025. This reflected a steady increase in the PLV HCC price of US$27/t since 31 March 2025, which was primarily attributed to supply impacts from heavy rains across the Bowen Basin and the temporary cessation of mining activities at two key PLV HCC underground mines, accounting for ~7Mt of annual production.

However, since the end of May 2025, any optimism for further increases in prices was curtailed with continued uncertainty in global trade flows remaining from U.S. tariff policies and geopolitical matters that continued to amplify tough conditions for steel producers and accordingly metallurgical coal demand in the market. China's persistent steel oversupply, driven by decreasing domestic demand, has led to a flood of low-cost exports on the global market. This surge in Chinese steel exports is exerting significant downward pressure on global steel prices and on metallurgical coal prices consequently. As of the date of Bowen's 20 June 2025 ASX announcement, PLV HCC prices had fallen US$20/t to a price of US$175.40/t. As of today, pricing has stabilised at these lower levels at US$177/t.

Discounts for 2nd tier HCC material to benchmark PLV HCC products remained unusually wide at ~30% against a historical average of ~10%, despite seaborne trade volumes of metallurgical coal seeing a drop of ~14% year-on-year. Supply has been subdued as low metallurgical coal prices impact mines across Australia, and other regions. Demand for metallurgical coal remained muted in the interim amid a wider economic slow-down, an oversupply of steel, low steel prices and uncertainty in global trade-flows.

While it is difficult to forecast prices, Bowen is optimistic of metallurgical coal price increases in the medium-term when the Indian monsoon season draws to a close and the seasonal restocking process for steel mills commences.

For Australian Thermal 5500 NAR coals, pricing dropped ~7% in the June 2025 quarter with June pricing transacting at ~US$67/t. This was primarily driven by a reduction in demand from China which has been struggling with a sluggish economy which was exacerbated by an everchanging approach from the U.S. to global tariff increases during the quarter. In the same period, Vietnam import pricing for low volatile 5500 NAR product was attracting a higher value, but it too fell over the period. The current outlook is for a hot summer for Asia which is expected to have a positive influence on all segments of the thermal coal market. Several major thermal coal producers in both Colombia and Indonesia have already reduced production as a result of weak market dynamics, which may assist in balancing the market fundamentals.

Financing Initiatives

On 20 June 2025, Bowen announced that it has been engaged in discussions with multiple parties to secure funding to support ongoing business operations during the current period of depressed coal prices and ongoing royalty pressures.

The Company confirms that it has appointed advisors as part of a process to refinance its balance sheet. The proposed refinancing aims to provide the Company with operational and growth capital funding, extended debt tenor and balance sheet strength. These discussions and plans are being actively pursued and are continuing. While there is no guarantee of securing refinancing arrangements at current coal prices, Bowen continues to explore potential debt, equity, and hybrid solutions, to maintain adequate liquidity for the business.

During the September 2025 quarter, Bowen will continue these refinancing efforts with a close watch for any improvement in coal markets, with an objective of being ready to fully re-commence steady-state mining operations at the Burton Mine Complex, should market fundamentals and working capital availability allow.

As at 11 July 2025, Bowen maintained an unaudited closing cash and cash equivalents balance of $45 million, inclusive of $19 million in restricted cash.

Discussions with Key Counterparties

In recent months, several discussions have been held with key stakeholders to seek relief as a result of the current depressed coal markets, impacts of severe wet weather, and coal royalties. Specifically, commercial discussions with senior secured lenders, a large unsecured creditor and the Queensland Revenue Office remain ongoing. These discussions remain commercial in confidence. While there is no guarantee of securing successful commercial outcomes, Bowen continues to actively engage for outcomes that are in the best interest of the Company.

Bowen will inform the market of the outcomes of these commercial discussions once they are concluded.

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

For further information please contact:

Daryl Edwards	Gareth Quinn
Chief Executive Officer	Investor Relations
+61 (07) 3191 8413	gareth@republicpr.com.au

Forward-Looking Statements

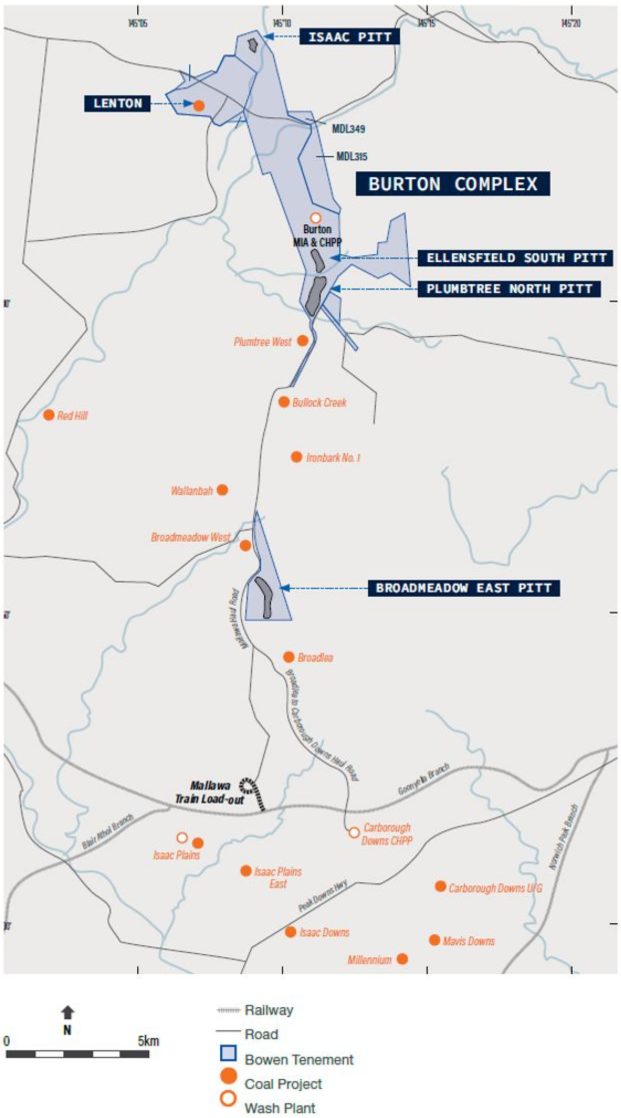
Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding the Company's Mineral Resources, exploration operations and other economic performance and financial conditions as well as general market outlook. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in coal prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of the Company, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.

About Bowen Coking Coal

Bowen Coking Coal has established a significant hard coking coal position in Queensland's world class Bowen Basin as the company serves the increasing demand for high, quality steelmaking coal around the world.

The Company's flagship Burton Mine Complex near Moranbah encompasses multiple operations with the Ellensfield South Mine and the Plumtree North development serving a centralised Coal Handling and Preparation Plant (CHPP) and train load out facility connected by a haul road. The co-located Lenton and Issac pits are undeveloped open-cut projects which will provide production continuity at Burton.

Bowen's other assets include the Broadmeadow East Mine near Moranbah and the Bluff Mine near Blackwater, which are both currently under care and maintenance. The company also holds the Isaac River (100%), Hillalong (80%) Cooroorah (100%), Carborough (100%) and Comet Ridge (100%) coking coal development projects and is a joint venture partner in Lilyvale (15% interest) and Mackenzie (5% interest) with Stanmore Resources Limited.



CHPP

Ellensfield South Mine

Plumtree North Mine