

Date: 11 July 2025

Subject: Response to ASX Letter Dated 26 June 2025

Dear ASX Compliance Officer,

We acknowledge receipt of your letter dated 26 June 2025, regarding your request for information in accordance with Listing Rule 18.7 to be provided, by extension, on 11 July 2025.

Questions received from the ASX are listed with BCB responses itemised below.

1. Does BCB consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

1.1. BCB Liquidity Challenges.

1.2. Burton Owner Operator Working Capital Requirements.

1.3. Deteriorating Operating Margins.

Please answer separately for each of the above.

BCB Response:

1.1 No. Where an entity's liquidity is adversely affected by circumstances already known to the market, the relevant information in the hands of the entity is not information that a reasonable person would expect to have a material effect on the price or value of its securities, because the market is already aware of it.

At all material times, the market was aware of BCB's historical cash flow position via disclosures in Quarterly Activities Reports and Appendix 5B Cash Flow Reports. Within such reporting BCB has disclosed its cash flows from operating, investing and financing activities, actual market price for coal achieved (which has steadily declined over the past five quarters as reported), cost profiles, production and sales data and capital expenditure. BCB has also provided its view of items that may impact the business outside of its control, such as the status of coal markets, geopolitical impacts and weather impacts. Additionally, the market is aware, as a result of material media coverage, of the material impact of the Queensland Coal Royalty regime on coal miners, also evidenced by historical cash flow reports and BCB's financial statements.

Specifically, coal prices that are publicly available have further deteriorated with metallurgical coal prices falling ~US\$20 per tonne since 27 May 2025 despite the implementation and achievement of cost reduction initiatives that have negatively impacted margins.

As a result, in the circumstances of BCB's announcement of 20 June 2025, the "*BCB Liquidity Challenge*" is not information that a reasonable person would expect to have a material effect on the price or value of BCB's securities, as the market was already aware of that information and its significance.

1.2 Yes. Refer to response in Question 8.



- 1.3 No. *"Deteriorating Operating Margins"* is a relative concept, implying a decline in operating margins which is a consequence of broader market developments such as lower coal prices, geopolitical impacts, royalties and weather impacts, among others, rather than being Company specific. The reason for BCB's answer is the same as item 1.1.

- 2. If the answer to any part of question 1 is "no", please advise the basis for that view. Please answer separately for each of the items in question 1 above.**

BCB Response:

As above

- 3. When did BCB first become aware of the information referred to in question 1 above? Please answer separately for each of the items in question 1 above.**

BCB Response:

Re item 1.1 *"BCB Liquidity Challenges"* - As stated above, this information was not material on 20 June 2025 because it was publicly available. The statement referred to by ASX in this question was a general statement about liquidity challenges based on publicly available information. BCB referenced this issue in its 20 June 2025 ASX announcement in contextualising other material in the announcement. A specific date for awareness by BCB cannot therefore be identified.

Re item 1.2 *"Burton Owner Operator Working Capital Requirements"* – refer to response in Question 8.

Re item 1.3 *"Deteriorating Operating Margins"* - BCB became aware at the same time as the market became aware of the declining coal price environment. A specific date for awareness by BCB cannot be identified.

- 4. If BCB first became aware of the information referred to in question 1 before the date of the Announcement, did BCB make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe BCB was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps BCB took to ensure that the information was released promptly and without delay. Please answer separately for each of the items in question 1 above and provide details of the prior announcement if applicable.**

BCB Response:

Re 1.1 *"BCB Liquidity Challenges"* and 1.3 *"Deteriorating Operating Margins"* above - per the responses above in relation to items 1.1 and 1.3, BCB was not required to announce the relevant information.

In relation to item 1.2 *"Burton Owner Operator Working Capital Requirements"*, refer to response in Question 8.

- 5. Is BCB currently in compliance with its obligations under the mining services agreement in place with BUMA Australia Pty Ltd (including any payments owing to BUMA for services provided?)**

BCB Response:

No.



6. If the answer to question 5 is “no”, please provide details.

BCB Response:

At 26 June 2025, BCB was in compliance with its obligations under the mining services agreement with BUMA Australia Pty Ltd.

Since that date, BCB has not paid amounts claimed by BUMA while BCB is in active commercial confidential negotiations with BUMA.

7. What date did BCB resolve to let the mining services agreement with BUMA lapse?

BCB Response:

The contract with BUMA had an expiry date of 30 June 2025. On 10 June 2025, the final decision was made after a period of preparation and analysis, to transition to an owner-operator model from 1 July 2025 and a contemporaneous ASX announcement was made.

8. What date did BCB first become aware of ‘the working capital impacts associated with the owner-operator transition and Burton’ which necessitates BCB ‘bolstering its financial position’?

BCB Response:

After market close on 19 June 2025 it became apparent that the preferred funding options for BCB, which up to that point were viable and were actively being pursued in relation to a smooth transition to owner-operator mining model, were no longer immediately available. However, additional sources of funding were and are still being pursued.

9. Is BCB currently in compliance with its obligations under the Taurus senior secured debt facility?

BCB Response:

Yes

10. If the answer to question 9 (referred to as question 10 in the ASX Aware Letter in error) is “no”, please provide details.

BCB Response:

Not applicable.

11. Has BCB paid, or does BCB expect to be in a position to make the June quarter Taurus amortisation payment by the relevant due date?

BCB Response:

Yes.



12. If the answer to question 11 is “no”, please provide details, including the date BCB first became aware it may not be in a position to make the June quarter Taurus facility amortisation payment by the relevant due date.

BCB Response:

Not applicable.

13. Does BCB consider that its financial condition is sufficient to warrant the continued quotation of its securities on ASX as required under Listing Rule 12.2? In answering this question, please explain the basis for BCB’s conclusion, commenting specifically on the liquidity challenges being faced by BCB.

BCB Response:

Yes.

BCB continues to operate a coal mining business. BCB currently holds cash and cash equivalents of A\$47.2 million (inclusive of A\$19.4 million of restricted cash) as at 10 July 2025. BCB is taking active steps to address its liquidity, which include undertaking a review of the scale of its operations in light of the present low commodity price environment and remains engaged with multiple parties to secure financing during this period of depressed coal prices and ongoing royalty pressures.

However, this position may change subject to:

- The success or failure of BCB’s active pursuit of financing arrangements.
- The revised operational plans do not yield sufficient free cash flow.
- If coal prices remain at the current depressed levels.
- If BCB cannot achieve royalty deferral from the Queensland Revenue Office.
- If negotiations with BCB’s secured lenders and BUMA fail.

14. Do BCB’s directors consider there are reasonable ground to believe that BCB will be able to pay its debts as and when they become due and payable? In answering this question, please explain the basis for the directors’ conclusion.

BCB Response:

BCB presently maintains A\$47.2 million of cash and cash equivalents and is actively pursuing actions as outlined in this letter and previous announcements.

However, BCB’s position may change subject to:

- The success or failure of BCB’s active pursuit of financing arrangements.
- The revised operational plans do not yield sufficient free cash flow.
- If coal prices remain at the current depressed levels.
- If BCB cannot achieve royalty deferral from the Queensland Revenue Office.
- If negotiations with BCB’s secured lenders and BUMA fail.

15. Please confirm that BCB is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

BCB Response:

BCB is in compliance with the Listing Rules, including Listing Rule 3.1.



16. Please confirm that BCB's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BCB with delegated authority from the board to respond to ASX on disclosure matters.

BCB Response:

The Board of BCB has authorised and approved the responses detailed herewith.



26 June 2025

Reference: 110453

Mr Duncan Cornish
Company Secretary
Bowen Coking Coal Limited

By email: dcornish@corpservices.com.au

Dear Mr Cornish

Bowen Coking Coal Limited ('BCB'): ASX Aware Letter

ASX refers to the following:

- A. BCB's announcement titled "BCB delivers significantly improved half-year results" ('HY Commentary Announcement') released on the ASX Market Announcements Platform ('MAP') on 14 March 2025 disclosing the following:

Comments attributed to BCB's Chief Executive Officer, Mr Daryl Edwards, including the following:

"At a corporate level, we also successfully completed several transactions to strengthen the balance sheet and improve liquidity, including a \$70m equity raise, 10% sale of our Broadmeadow East Mine, and successful restructuring of existing debt arrangements and extension of repayment terms."
(Emphasis added)

- B. BCB's announcement titled "Half Year Report and Accounts" ('HY Accounts') released on MAP on 14 March 2025 disclosing the following on page 8 in relation to BCB's Taurus Debt Facility:

"The Taurus senior secured debt facility has been reduced from US\$44.0 million to US\$33.9 million (AUD \$54.3 million converted at closing FX spot rate of 0.6241) and revised termination date of 30 September 2026 (previously 31 December 2025), with quarterly amortisation payments to commence in March 2025." (Emphasis added)

- C. BCB's announcement titled "Quarterly Activities/Appendix 5B Cash Flow Report" ('March Quarterly Report') released on MAP at 07:04 AM WST on 28 April 2025 disclosing the following:

Operating cashflow commentary and FY 25 Guidance Commentary:

"Record Company operating cashflows of \$15.4 million earned in the March quarter"

"Bowen remains on track to achieve FY 2025 market guidance with ROM coal mined and Coal sales expected at the high-end, and Unit costs (FOB) expected at the low-end of previously announced ranges."

In relation to BCB's Taurus Debt Facility:

"As of the March quarter end, the Taurus senior secured debt facility was reduced from US\$33.9 million to US\$29.0 million (equivalent to AUD\$46.2 million at the closing FX spot rate of 0.628), following a scheduled repayment of US\$4.9 million made on 28 March 2025. The facility termination date is 30 September 2026."

- D. BCB's announcement titled "Burton Mining Complex transitioning to Owner-Operator model" ('Burton Operating Announcement') released on MAP at 07:14 AM WST on 10 June 2025 disclosing the following:

"From 1 July 2025, the Burton Mine Complex will transition to an owner-operator model under the full direction and management of Bowen Coking Coal employees."

- E. BCB's announcement titled "Bowen Coking Coal Operations, Market and Liquidity update" (the 'Announcement') released on MAP at 07:06 AM on 20 June 2025 disclosing the following:
- 1.1 'Given the status of depressed coal markets, combined with the unsustainable Queensland State coal royalty regime, earnings for producers in the industry, including Bowen, remain under extreme pressure. In addition, some producers are also facing liquidity challenges, of which Bowen is one'. ('BCB Liquidity Challenges')
 - 1.2 '...Bowen recognises the need to bolster its financial position to navigate... operational working capital impacts associated with the owner-operator transition and Burton'. ('Burton Owner Operator Working Capital Requirements')
 - 1.3 '...combined price reductions have effectively removed approximately \$68/t of operating margin from our business since June 2024'. ('Deteriorating Operating Margins')
- F. The change in the price of BCB's securities from \$0.35 at the close of trading on 19 June 2025 immediately prior to the release of the Announcement to closing price of \$0.096 on 23 June 2025 and the significant increase in volume of securities traded over that period following the release of the Announcement.
- G. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- H. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."*
- I. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"
- J. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.
- "3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1 *One or more of the following 5 situations applies:*
 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
 - *The information is generated for the internal management purposes of the entity; or*
 - *The information is a trade secret; and*
 - 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
 - 3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- K. The concept of “confidentiality” detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.”

- L. Listing Rule 12.2 which states:

12.2 *“An entity’s financial condition (including operating results) must, in ASX’s opinion, be adequate to warrant the continued quotation of its securities and its continued listing.”*

Request for information

Having regard to the above, ASX asks BCB to respond separately to each of the following questions:

1. Does BCB consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
 - 1.1 BCB Liquidity Challenges.
 - 1.2 Burton Owner Operator Working Capital Requirements.
 - 1.3 Deteriorating Operating Margins.

Please answer separately for each of the above.

2. If the answer to any part of question 1 is “no”, please advise the basis for that view.

Please answer separately for each of the items in question 1 above.

3. When did BCB first become aware of the information referred to in question 1 above?

Please answer separately for each of the items in question 1 above.

4. If BCB first became aware of the information referred to in question 1 before the date of the Announcement, did BCB make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe BCB was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps BCB took to ensure that the information was released promptly and without delay.

Please answer separately for each of the items in question 1 above and provide details of the prior announcement if applicable.

5. Is BCB currently in compliance with its obligations under the mining services agreement in place with BUMA Australia Pty Ltd (including any payments owing to BUMA for services provided?)
6. If the answer to question 5 is “no”, please provide details.
7. What date did BCB resolve to let the mining services agreement with BUMA lapse?
8. What date did BCB first become aware of ‘the working capital impacts associated with the owner-operator transition and Burton’ which necessitates BCB ‘bolstering its financial position’?
9. Is BCB currently in compliance with its obligations under the Taurus senior secured debt facility?
10. If the answer to question 10 is “no”, please provide details.

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11. Has BCB paid, or does BCB expect to be in a position to make the June quarter Taurus amortisation payment by the relevant due date?
 12. If the answer to question 11 is “no”, please provide details, including the date BCB first became aware it may not be in a position to make the June quarter Taurus facility amortisation payment by the relevant due date.
 13. Does BCB consider that its financial condition is sufficient to warrant the continued quotation of its securities on ASX as required under Listing Rule 12.2? In answering this question, please explain the basis for BCB’s conclusion, commenting specifically on the liquidity challenges being faced by BCB.
 14. Do BCB’s directors consider there are reasonable ground to believe that BCB will be able to pay its debts as and when they become due and payable? In answering this question, please explain the basis for the directors’ conclusion.
 15. Please confirm that BCB is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 16. Please confirm that BCB’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BCB with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **06:30 AM AWST Monday, 30 June 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, BCB’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out above and may require BCB to request a trading halt immediately if trading in BCB’s securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in BCB’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to BCB’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that BCB’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance