



**Bounty Mining Limited**                      **ACN: 107 411 067**  
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31 October 2014  
Company Announcements Office  
Australian Stock Exchange Limited  
4<sup>th</sup> Floor, 20 Bridge Street,  
SYDNEY NSW 2000

#### **Appendix 4C – Quarterly Cashflow Statement – September 14 quarter**

##### **Operating activities**

During the September 14 quarter, Bounty Mining Limited (“Bounty”) generated an operating cash outflow of \$0.35m (previous quarter cash outflow of \$0.16m).

##### **Investing activities**

\$0.05m was invested in the commencement of the Phase 2 Works of the Wongai Coal Project.

The Wongai Project is located in Cape York, approximately 430 km north of Cairns in the Laura Basin. The Laura Basin is an extensive thin seam high quality coking coal resource potentially well suited for underground place change mining, a technique which is a core skill of Bounty. Once completed, the Wongai project will provide Bounty with a “life of mine” operating contract to give predictable long term positive cashflows.

As the Company is in a development phase for the Wongai project, continued negative cash flows are expected.

##### **Financing activities**

During the quarter Bounty issued 16,153,851 shares at 2.6c per share to raised \$0.42m. On 15 August, Bounty issued unquoted Convertible Notes at a conversion price of 2.6c and a maturity date of 14 November 2015 to raise \$0.10m. The funds were used to contribute to working capital, the commencement of the Phase 2 Works of the Wongai Project and the costs of the prospectus capital raising of \$0.14m.

On 18 August 2014 Bounty Mining Limited (“Bounty” or “the Company”) lodged a Prospectus with ASIC for an offer of up to 150,000,000 Shares at an issue price of \$0.03 (3 cents) per share in order to raise up to \$4,500,000. On 10 October 2014 the Company advised that the Offer has been closed and that the minimum subscription amount under the prospectus was not reached. Developments since the preparation of the prospectus had included a general fall in market sentiment and specific depression in the values of the peer coal industry stocks used for comparison pricing. The failure of the capital raising

under the prospectus is expected to cause a delay to the Company's plans for a resumption of quotation of its securities on the ASX.

The Company remains in discussions with interested parties regarding other financing options, and funding commitments have been received from some of those parties. This funding will be obtained at a price below that in the prospectus.

The directors advise that this funding will be sufficient for the Company's immediate activities.

#### **VETL Pty Ltd ("VETL") loan (non-cash transaction)**

On 11 August 2014 the Company reached agreement with its main lender VETL to vary the terms of the debt. The loan repayment date was extended by 12 months to 31 December 2016 (unless the loan is extinguished before that date by other means).

#### **General**

Based on the ongoing discussions regarding financing options and commitments already received the directors are confident that Bounty will continue to operate in the near future; longer term financing is still required to progress the Wongai Project.

Bounty has kept the market informed of developments as they have occurred and / or reached disclosable certainty. Bounty will continue to meet its obligations under Listing Rule 3.1.

#### **For further information, please contact:**

Eryl Baron

Company Secretary, Bounty Mining Limited, 02 8965 0200

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Name of Entity

Bounty Mining Limited

ABN 19 107 411 067

Quarter Ended

30-Sep-14

### Consolidated Statement of cash flows

	Current Quarter (September 14) \$A'000	Year to Date (September 14) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from customers	-	0
1.2 Payments for:		
(a) staff costs	(90)	(90)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	(82)	(82)
(e) other working capital	(174)	(174)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	0	0
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
<b>Net operating cash flows</b>	<b>(347)</b>	<b>(347)</b>
Net operating cash flows carried forward	(347)	(347)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses	-	-
(b) equity investments	(54)	(54)
(c) intellectual property	-	-
(d) physical non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	1	1
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Consolidation of loan on acquisition		
<b>Net investing cash flows</b>	<b>(53)</b>	<b>(53)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(400)</b>	<b>(400)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options etc	420	420
1.17 Proceeds from borrowings (net of borrowing cost)	100	100
1.18 Repayment of borrowings	-	-
1.20 Cost of Raising Capital	(138)	(138)
<b>Net financing cash flows</b>	<b>382</b>	<b>382</b>
<b>Net decrease in cash held</b>	<b>(18)</b>	<b>(17)</b>
1.21 Cash at beginning of quarter / year to date	88	88
<b>1.23 Cash at end of quarter</b>	<b>70</b>	<b>70</b>

## Appendix 4C

### Quarterly report for entities admitted on the basis of commitments

Name of Entity	Bounty Mining Limited		
ABN	19 107 411 067	Quarter Ended	30-Sep-14

#### Payments to directors of the entity and associates of the directors

#### Payments to related entities of the entity and associates of the related entities

		30-Sep-14 A\$'000
1.24	Aggregate amount of payments to the parties included in item 1.2	52
1.25	Aggregate amount of loans to the parties included in item 1.18	-
1.26	Explanation necessary for an understanding of the transactions	
	1.24 - Directors' fees and salaries	52

#### Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
	N/A
2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest
	N/A

#### Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	2,962
3.2	Credit standby arrangements	-

#### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:

	Current Quarter \$A'000	Previous Quarter \$A'000
4.1	Cash at hand and at bank	70
4.2	Deposits at call	88
4.3	Term deposit	-
	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>70</b>	<b>88</b>

#### Acquisitions and disposals of business entities

N/A

#### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX)
- 2 This statement gives a true and fair view of the matters disclosed.